



1 Purpose

- 1.1 The Remuneration and Nomination Committee (the **Committee**) has been established by the Board of Directors of Goodman Limited (**GL**), Goodman Funds Management Limited (**GFML**) as responsible entity for Goodman Industrial Trust (**GIT**), and Goodman Logistics (HK) Limited (**GLHK**) (together, the **Boards of Goodman Group**). The Committee has been established to assist the Boards to fulfil their responsibilities to Securityholders in relation to:
- (i) the remuneration of Directors, executives and employees;
 - (ii) the nomination of Directors including the Boards composition and structure; and
 - (iii) key human resources policies and strategies including in relation to Diversity and Succession Planning.

2 Remuneration

- 2.1 The key objectives of the Committee are to ensure that Goodman's remuneration policies and practices:
- (i) are reasonable and fair;
 - (ii) reward for performance;
 - (iii) attract and retain high calibre staff;
 - (iv) are in line with the current governance and legal requirements;
 - (v) are managed to mitigate against operational, financial, regulatory (including disclosure) and reputational risk; and
 - (vi) are applied fairly and consistently with other Goodman policies including diversity.
- 2.2 The Committee's responsibilities include the following.
- 2.2.1 **Remuneration Policies** - Review and recommend to the Boards for approval, policies and programs for remuneration, recruitment, retention and termination which are appropriate for Goodman and support its commercial objectives.
- 2.2.2 **Non-executive Director Remuneration** - Review and recommend to the Boards for approval, reasonable remuneration for Non-executive Directors (including the Chairman). Recommendations should ensure that there is a clear distinction between Non-executive Director and executive remuneration.
- 2.2.3 **Executive Remuneration**
- (i) Review and recommend to the Boards for approval (subject to any required Securityholder approval) reasonable remuneration for the Chief Executive Officer (**CEO**) and any Executive Director; and
 - (ii) In respect of other Key Management Personnel (KMP) and any other direct

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reports to the CEO, approve the design, structure, components and amount of remuneration including any fixed or base pay, bonus or long term incentives.

- 2.2.4 **Employee Incentive Plans** – Review and recommend to the Boards for approval the design and structure of employee and executive bonus pools and equity incentives plans (**Plans**) including appropriate performance measures, key terms, and cash or equity pool sizes such that they support the Group’s remuneration policies. The Committee is also delegated authority to exercise any discretion under such Plans.
- 2.2.5 **CEO and Executive Assessment** – Review and assess the performance of the CEO and key executives, including in relation to individual and Group targets contained in incentive arrangements.
- 2.2.6 **Executive Oversight** – Oversee and:
- (i) recommend to the Boards for approval in respect of the CEO and Executive Director; or
 - (ii) approve in respect of any other KMP or other direct report,
- the exercise of any contractual rights including appointment, termination or significant variations in respect of responsibilities.
- 2.2.7 **Remuneration Disclosure** – Review and recommend to the Boards for approval any disclosure by the Group in respect of remuneration concerning Non-executive Directors, the CEO and Executive Directors, and other key management personnel (**KMP**). The Committee may liaise with the Audit Committee in relation to disclosure provided in accordance with accounting standards.
- 2.2.8 **Customise Arrangements** – Noting the diversity of employee skills, responsibilities, countries and applicable laws, approve significant customised remuneration arrangements relating to individuals or groups of individuals.

3 **Nomination**

The Committee shall:

- 3.1 **Board Composition** - Assess desired Board competencies and Director appointment criteria from time to time so as to maintain an appropriate mix of skills, experience, expertise and diversity on the Boards.
- 3.2 **Nomination** - Identify individuals believed to be qualified to become Board members and undertake checks in relation to their character, experience, education, criminal record and bankruptcy history, prior to recommending such candidates to the Boards.
- 3.3 **Performance** – Assist the Boards in the assessment of the effectiveness and performance of the Boards, Committees, and individual Directors.

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- 3.4 Succession and Renomination** - Develop a policy with regard to the consideration of the succession of Board members including the recommendation of Directors nominated by the Boards and, where necessary, by Securityholders.
- 3.5 Director Induction and Education** - Review and recommend to the Boards for approval a process for the induction, orientation and education of Directors.

4 Key Human Resources Policies

The Committee shall:

- 4.1 Diversity** - review and recommend to the Boards for approval a policy on diversity including measurable objectives for achieving gender diversity. The Committee shall annually review the objectives and progress in achieving them.
- 4.2 Succession** – review and recommend to the Boards for approval the CEO succession strategy and otherwise approve the Group’s strategy for the succession of KMPs and other director reports of the CEO.

5 Authority

- 5.1** The Committee may consider any matter which falls within the roles and responsibilities delegated to it by the Boards, notwithstanding that the particular matter(s) may be been previously referred to and considered by another Board committee.
- 5.2** Subject to any resolution of the Boards, the Committee has the power delegated by the Boards to do all things necessary to perform its duties and fulfil its purpose. The Board of GLHK has reserved the right to make decisions in respect of any matters delegated to and considered by the Committee and the Committee will only make recommendations to the Board of GLHK.
- 5.3** The Committee shall have unlimited access to the Group’s executives, employees and information it considers relevant to its responsibilities under this charter.
- 5.4** The Committee may, within the scope of its responsibilities:
- (i) require the attendance of company officers at meetings as appropriate.
 - (ii) make recommendations to the Boards in respect of all remuneration policies, practices and decisions.
- 5.5** The Committee may access the external auditor in respect of remuneration disclosure required by the accounting standards.
- 5.6** The Committee is responsible for engaging remuneration consultants for the provision of remuneration recommendations for key management personnel.
- 5.7** The Committee has the ability to direct any special investigations deemed necessary

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and to consult independent experts where considered necessary to carry out its duties. The costs of any such consultations are borne by Goodman.

6 Meetings

6.1 Conduct of Committee meetings

The provisions of the Board Charter relating to meetings, their conduct and reports apply to the Committee.

6.2 Attendees

No individual executive will be permitted to be present when his/her individual remuneration is being discussed or considered.

This Charter was approved by a Board resolution of Goodman Limited and Goodman Funds Management Limited dated 11 June 2014 and of Goodman Logistics (HK) Limited dated 20 June 2014.

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