



### Why do we have this policy?

Goodman has a conflicts of interest policy to demonstrate its commitment to conducting its business ethically and with integrity. Goodman strives to effectively manage conflicts of interest as decisions made by an Employee who has a conflict of interest can adversely impact Goodman's interests or reputation. The purpose of this policy is to outline the procedures in place to control and avoid conflicts of interest. This policy is also designed to provide an avenue for disclosure of any potential conflicts of interest.

### Who does the policy apply to?

The policy applies to all directors, officers, employees, contractors, secondees and suppliers (where under relevant contractual obligation) of Goodman and its related entities (collectively called "Employees").

### What is a conflict of interest?

A conflict of interest for the purposes of this policy arises when the interests of Goodman diverge from or conflict with the personal interests of its Employees. These conflicts may be actual, apparent or perceived. Further examples of conflicts of interest will be provided in this policy under the identification section.

### What does this policy cover?

This policy sets out the common principles and minimum standards for the management of conflicts of interest and covers the following areas:

- + **Identification:** how to identify a conflict of interest;
- + **Obligations:** the general obligations of Employees which will prevent a conflict of interest arising;
- + **Reporting:** how to disclose a conflict and how these will be reported within Goodman;
- + **Assessment & Evaluation:** the process undertaken to assess and evaluate potential conflicts once they have been reported; and
- + **Protections:** the mechanisms in place to protect people from reprisal or disadvantage when they report conflicts.

### How do we apply this policy?

The following procedures have been developed for managing conflicts of interest:

#### Conflicts of Interest Policy

Content Owner: Group Legal and Risk

Effective Date: 5 June 2017

Key Contact: Group Head of Legal & Company Secretary and Group Corporate Executive

## Identification

A conflict of interest exists in any situation where an Employee has a personal interest in a matter, which is the subject of a decision or where that person's business or personal associations conflict with the discharge of their duties and responsibilities to Goodman. This conflict may arise from outside business activities, close personal relationships, relationships with suppliers, personal investments or family activities.

Some examples of conflicts of interests include:

- + You are directly involved in the selection of an external service provider and a family member is the service provider.
- + You negotiate a leasing deal with customer of which you are a substantial shareholder and the terms are not favorable to Goodman.
- + You are in a close personal relationship with a direct or indirect report or an employee that you hold a position of influence or seniority over which may give rise to a potential or actual conflict of interest.

To identify if a conflict has arisen, Employees may ask the following questions:

- + Is the decision made the best one for Goodman or its securityholders or does the decision benefit an individual personally or someone else close to that individual?
- + Would a third party consider the decision think that it was made ethically and in the best interests of Goodman and its securityholders?

## Obligations

In order to avoid and manage conflicts of interest, Employees should consider these guiding principles and prohibitions:

**Directors** any Goodman Directors are required to declare any potential conflicts in accordance with the Corporations Act.

**Employees** must:

- + perform their duties impartially;
- + avoid situations in which their private interest, whether financial or otherwise, may be prejudicial to the business of Goodman;
- + disclose to their direct manager any personal matter (whether it arises from outside business activities, close personal relationships with a direct or indirect report or an employee that the Employee holds a position of influence or seniority over, relationships with suppliers, personal investments or family activities) that may lead to actual or potential conflicts of interest;
- + ensure that dealings with customers, suppliers and other parties are at arm's length to avoid the possibility of actual or perceived conflicts of interest;
- + not solicit, accept or offer commissions, fees, gifts or entertainment which might influence, or appear to influence, their business judgment;
- + avoid engaging in any practice that could be seen as bribery, fraud or otherwise unethical; and
- + not participate in business activities outside their employment (whether as principal, partner, director, agent, investor or employee) that could adversely affect their ability to carry out their duties and responsibilities to Goodman.

## Reporting

**Directors** any Goodman Directors are required to declare any potential conflicts in accordance with the Corporations Act so other Directors of the relevant entity have notice of the potential conflict.

**Employees** are required to report any actual or potential conflict of interest to their direct manager as soon as practicable. Where this is not possible, for example their direct manager is involved, employees may raise concerns directly with the regional CEO or regional Legal, Risk or HR Executive. Employees can also report any conflicts to the Group Legal, Risk or HR Executive. After reporting has taken place the Legal, Risk or HR Executive will assess and evaluate the conflict. At this stage, they may put in measures to control the conflict and prepare a conflicts of interest disclosure.

The Manager and Employee will both be notified after a decision had been made as to whether a conflict arises. The employee should not take any further action or seek to advance the matter until confirmation is received that no conflict of interest exists or, if present, authorisation is provided.

The Legal, Risk or HR Executive will refer any conflicts to the relevant authorising person or relevant Committee which will vary with the value or nature of the matter under consideration:

- + For matters of a nominal value (less than A\$200) the employee's manager may authorise the conduct.
- + Matters involving real property or material assets of the Group must be reported to the Board for approval.
- + Matters which are of a greater than nominal value, but do not involve real property or material assets of the Group must be referred to the Group CEO for approval. However, the Group CEO will refer matters to the Board for approval where there may be a material impact on the Group's business objectives or reputation. Any matters approved by the Group CEO will be reported at the next meeting of the Board.

### **Assessment & Evaluation**

In assessing and evaluating matters involving an actual or potential conflict of interest, the authorising person or relevant Committee, should consider the following factors:

- + For matters involving real property or material assets of the Group, transactions must occur on commercial terms. Any proposed sale of an asset must be supported by an independent valuation that provides a reasonable basis for the Board or its delegates to consider that the transaction is on arm's length terms from the perspective of the Goodman Group.
- + For matters which are of greater than a nominal value, the transaction must occur on terms which constitute an arm's length arrangement. It should be possible for Goodman to demonstrate that the consideration for the proposed transaction replicates the fee or cost for an equivalent arm's length transaction.
- + In all circumstances the authorising person or relevant Committee must consider the impact of the conduct on the Group's business objectives and reputation.

### **Protections**

Goodman is committed to protecting persons who disclose conflicts of interest in good faith in accordance with Goodman's Ethical Concern's Policy. Goodman will take all reasonable steps to prohibit reprisal or disadvantage such as dismissal, demotion, victimisation, discrimination, harassment or current or future bias.

### **Governance**

Goodman is committed to complying with the laws and practices in relation to conflicts of interest and is guided by the Corporations Act and any other applicable legislation. This Policy should also be read in conjunction with Goodman's other core policies including the Code of Conduct. This policy has been approved by the Risk and Compliance Committee and is effective from 5 June 2017. Goodman undertakes to review this Policy including its effectiveness every two years.