



1 Purpose

1.1 The Audit Committee (**Committee**) has been established by the Directors of Goodman Limited (**GL**), Goodman Funds Management Limited (**GFML**) as responsible entity for Goodman Industrial Trust (**GIT**) and Goodman Logistics (HK) Limited (**GLHK**) (the **Boards of Goodman Group**) to assist the Boards to fulfil their responsibilities in relation to:

- (i) financial reporting principles and policies, controls and procedures;
- (ii) the integrity of financial statements;
- (iii) compliance with legal and regulatory requirements in relation to financial statements; and
- (iv) the independent external audit of financial statements.

1.2 In addition, the Committee's responsibilities include oversight of:

- (i) financial risk management policy;
- (ii) the Group's capital structure strategy including financing arrangements across the stapled entities; and
- (iii) tax compliance and tax risk management policy.

1.3 The Committee's responsibilities apply to:

- (i) GL and its consolidated group;
- (ii) GIT and its consolidated group;
- (iii) GLHK and its consolidated group;
- (iv) GFML; and
- (v) Goodman PLUS Trust and other trusts (including their consolidated entities) in respect of which GFML is the responsible entity or trustee, together 'Goodman Entities'.

2 Authority

2.1 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 previously referred to and considered by another Board committee.

2.2 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 including:

- (i) to approve principles, policies, strategies, processes and control frameworks for financial reporting and the management of audit matters;
- (ii) to approve policies and strategies in relation to financial risk management,

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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



financing, and tax compliance and tax risk management and

- (iii) to sub-delegate its powers and discretions to executives of Goodman, with or without the power to delegate further.

2.3 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.

2.4 The Committee shall have unlimited access to the:

- (i) Executives of Goodman;
- (ii) external auditors; and
- (iii) internal auditors.

2.5 The Committee will have access to all of a relevant company's or trust's financial records.

2.6 The Committee shall have the authority and resources to consult or obtain advice from independent experts or advisers where it considers such consultation or advice necessary to carry out its duties.

2.7 The Committee shall have access to internal and external awareness and education programs in relation to audit. Such programs will be on request or as organised and made available to them by management.

3 Duties and responsibilities

The duties and responsibilities of the Committee are described below.

3.1 External auditors

- 3.1.1 Select, evaluate and, where necessary, recommend to the Boards the replacement of an external auditor.
- 3.1.2 Review and agree any annual audit engagement letters.
- 3.1.3 Review annual audit plans and approve the fees charged for audit and review services.
- 3.1.4 Determine the categories of non-audit services that may be provided by an external auditor.
- 3.1.5 Review and approve policies in respect of the engagement of the external auditor for non-audit services, supervise the application of the policy and, where required, provide pre-approval of non-audit services that are to be undertaken by an external auditor.
- 3.1.6 Where required, ensure disclosure to securityholders of the Committee's approval of all non-audit services provided by an external auditor.

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- 3.1.7 Review and provide oversight of audit reports prepared and issued by an external auditor on financial statements and activities.
- 3.1.8 Consider and review reports prepared by an external auditor on critical accounting policies, all alternative treatments of financial information permitted under Australian Accounting Standards and, where relevant, the International Financial Reporting Standards or other accounting standards, and all other written communication between an external auditor and management.
- 3.1.9 Resolve disagreements between an external auditor and management regarding Goodman's financial reporting or otherwise report to the relevant Board.
- 3.1.10 Discuss with an external auditor any relationship that may impact their objectivity and independence, and report any significant issues to the relevant Board.
- 3.1.11 Ensure that an external auditor prepares and delivers an annual statement as to their independence which includes details of all relationships with Goodman.
- 3.1.12 Annually review the effectiveness of an auditor, and report any significant findings to the relevant Board.

3.2 Financial reporting

- 3.2.1 Consider and determine the accounting policies to be applied by Goodman Entities.
- 3.2.2 Receive from management and the external auditors a timely analysis of significant financial reporting issues and practices and review such analyses.
- 3.2.3 Discuss the audited/reviewed financial statements, earnings press releases, other financial information being made public, any significant matters arising from the audit, management judgments and accounting estimates, and significant changes to the Goodman Entities' auditing and accounting principles, policies, controls, procedures and practices with management and external audit.
- 3.2.4 Discuss the critical accounting policies with external audit and management.
- 3.2.5 Review the certification provided by the Goodman Chief Executive Officer and the Goodman Chief Financial Officer on annual and half-yearly financial reports and review the processes that were used to reach the opinion provided in the certification.
- 3.2.6 Ensure the financial statements include disclosure covering governance issues in accordance with the requirements of regulators.
- 3.2.7 Review the form of opinion that the external auditors propose to render.
- 3.2.8 Report any significant matters to the relevant Board.

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3.3 Financial Risk Management, Financing and Tax Compliance and Risk Management

- 3.3.1 Approve and provide oversight of the financial risk management policy and review ongoing compliance.
- 3.3.2 Approve material financing transactions as contemplated by the Stapling Deed.
- 3.3.3 Approval of the Strategic Tax Policy and oversight of the Operational Tax Policy.
- 3.3.4 Oversight of tax matters such as tax audits and reviews and the tax structuring for major transactions that may have a significant impact.

3.4 Corporate Governance and other matters

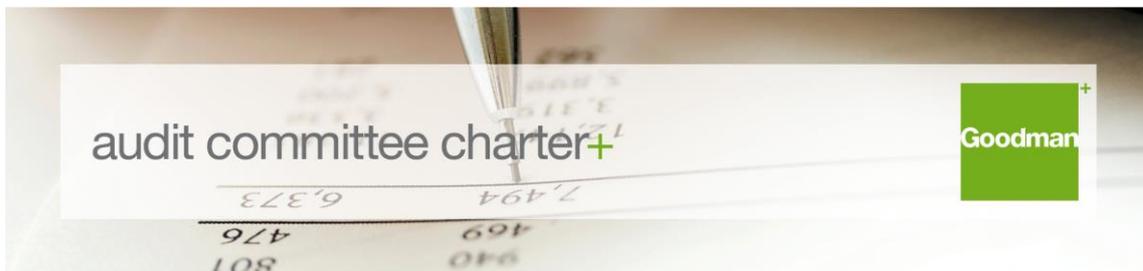
- 3.4.1 Refer to the Risk Management and Compliance Committee, in writing, any matters that have come to the attention of the Audit Committee that are relevant to the Risk Management and Compliance Committee.
- 3.4.2 Refer to the Remuneration and Nomination Committee, in writing, any matters that have come to the attention of the Audit Committee that are relevant to the Remuneration and Nomination Committee.
- 3.4.3 Ensure appropriate procedures exist for the receipt, retention and treatment of complaints received on accounting, internal accounting controls or auditing matters, and the confidential anonymous submission by employees of concerns regarding questionable accounting or auditing matters or any other matters raised by such employees.
- 3.4.4 Discuss with management and any relevant external auditor any correspondence with regulators or government agencies and any published reports which raise material issues or could impact on matters regarding the Goodman's financial statements or accounting policies.
- 3.4.5 Discuss with Goodman's General Counsel and/or Company Secretary legal matters that may have a material impact on the financial statements or the Goodman's compliance with regulatory policies.
- 3.4.6 Monitor and ensure appropriate standards in relation to the employment by Goodman of members of an external audit firm.

4 General Committee proceedings

- 4.1 The provisions of the Board Charter relating to Committees including their composition, meetings, conduct and reporting apply to the Committee.

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- 4.2 In addition, all members of the Committee shall be financially literate. At least two (2) members of the Committee must have accounting or related financial management expertise or equivalent experience and qualifications.

This Charter was approved by a GL and GFML Board resolution dated 11 December 2015 and a GLHK Board resolution dated 21 December 2015.

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