

GOODMAN GROUP CORPORATE GOVERNANCE STATEMENT

Goodman Group (Goodman or Group) is a triple stapled entity comprised of the Australian company Goodman Limited (GL), the Australian trust, Goodman Industrial Trust (GIT) and the Hong Kong company, Goodman Logistics (HK) Limited (GLHK).

This Corporate Governance Statement (Statement) provides an overview of Goodman's corporate governance, and reports on the ways in which Goodman has met the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, 4th Edition (CGC Principles) for the 2022 financial year.

This statement is approved by the Goodman Boards and is current as of 24 September 2022.



Goodman governance framework

The Goodman Boards and Management team are committed to the highest standards of corporate governance and recognise that an effective corporate governance culture is critical to the long-term performance of the business. Goodman's corporate governance model influences how we set and achieve our business objectives, assess and monitor risk and optimise performance.

Goodman's corporate governance framework underpins our commitment to maximise long term sustainable value for Securityholders through:

- + Strategic planning and alignment of the interests of our team members, with that of Securityholders and other stakeholders
- + Effective controls, risk management and corporate responsibility
- + Meeting stakeholder expectations of an ASX listed entity with global operations and prudently managing both financial and non-financial risk
- + Seeking to ensure we are an organisation that acts ethically and in accordance with its corporate values.



As set out further in this document, the Board will establish a Sustainability and Innovation Committee from 1 October 2022.

PRINCIPLE 1

Lay solid foundations for management and oversight

Primary governance documents

- + Board Charter
- + Delegations of Authority
- + Diversity and Inclusion Policy.

The Board

The Boards of Goodman Group consist of the Board of Goodman Limited (GL), the Board of Goodman Funds Management Limited (GFML) as the responsible entity for Goodman Industrial Trust (GIT), and the Board of Goodman Logistics (HK) Limited (GLHK).

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 each stapled entity are chaired by Stephen Johns and have a majority of Independent Directors.

The Boards, together with the Nomination Committee, determine the size and composition of the Boards, subject to the terms of the constitutions. The composition of the respective Boards and Board Committees, and the status and tenure of Directors as at 30 June 2022 are as set out on this page. Details of the Board and Committee Meetings held during the year and individual Director's attendance at these meetings can be found in our 2022 Directors' Report available on our website at <https://www.goodman.com/investor-centre/annual-reports>

GFML/GL Board

Director	Status	Tenure
Stephen Johns (Chair)	Independent	5 years 6 months
Greg Goodman (CEO)	Executive	23 years 11 months
Chris Green	Independent	3 years 2 months
Mark Johnson	Independent	2 years 1 month
Vanessa Liu	Independent	1 month
Rebecca McGrath	Independent	10 years 3 months
Danny Peeters	Executive	9 years 6 months
Phillip Pryke	Independent	11 years 9 months
Anthony Rozic	Executive	9 years 6 months
Hilary Spann	Independent	3 months

GLHK Board

Director	Status	Tenure
Stephen Johns (Chair)	Independent	1 year 7 months
David Collins	Independent	4 years 5 months
Danny Peeters	Executive	4 years 5 months

Responsibilities of Boards and Management

The Boards are responsible for overseeing the management of Goodman and providing strategic direction through monitoring and assessing the Group's operational and financial performance. The Boards have oversight of Goodman's management of both financial and non-financial risk, its compliance framework, culture and corporate governance policies.

The Boards have a formal charter which clearly establishes their role. The Boards have the power to do all things necessary to perform their duties and fulfil their purpose including to:

- + Approve the strategic direction for the Goodman business, oversee implementation and review progress against strategy
- + Approve financial statements and distributions/dividends to Securityholders
- + Approve the annual budget and monitor performance against budget
- + Approve strategic alliances and new Partnerships
- + Approve major investments, acquisitions and divestments
- + Approve principles, policies, strategies, processes and control frameworks for the management of Goodman's business including those that concern social, economic and environmental matters and monitor their effectiveness
- + Delegate their powers and discretions to Committees of the Board and to the Group Chief Executive Officer (CEO) with the power to delegate further.

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

The Boards have delegated responsibility for implementing strategic objectives, plans and budgets approved by the Boards and day to day management of the business to the Group CEO. Goodman's Management Committees assist in the exercise of the Group CEO's delegated authority.

The Group CEO and Management are accountable to the Boards through regular reporting, presentations and performance evaluations.

The Group CEO and other senior executives present information at Board meetings so that the Directors have the relevant information to perform their role. Directors have the ability to ask questions of senior executives in relation to any matter they deem necessary. Senior executives are also available to the Directors to provide them with information or clarification as required. The governance framework promotes open and transparent communication between the Boards and Management.

The Chairman of the Boards provides leadership so that the Boards work effectively and discharge their responsibilities. The Chairman meets regularly with the Group CEO to discuss matters relating to the business and works with the Company Secretary to set and guide the Board agenda.

The Company Secretary is accountable to the Boards on all matters to do with the proper functioning of the Boards. The Company Secretary is also responsible for advising Directors on legal and corporate governance matters, liaising with regulators, supervising market disclosures, and maintaining Goodman's corporate registers.

Board Committees

The Boards have established Committees to assist in guiding Goodman on specific issues as well as the exercise of the Board functions and the discharge of their duties.

The four principal Committees of the Boards and their members are set out below.

Audit Committee	Nomination Committee	Remuneration Committee	Risk and Compliance Committee
Mark Johnson (Chair)	Stephen Johns (Chair)	Phillip Pryke (Chair)	Rebecca McGrath (Chair)
Stephen Johns	Chris Green	Stephen Johns	Mark Johnson
Rebecca McGrath	Rebecca McGrath	Chris Green	Phillip Pryke
Phillip Pryke			

Each Committee has a formal charter setting out the matters relevant to composition, responsibilities, and administration. The Committee can sub-delegate its powers and discretions, including to executives of Goodman, with or without the power to delegate further.

Recognising the growing importance of Sustainability to the Group, the Boards have recently determined to establish a Sustainability and Innovation Committee to oversee the growing focus on sustainability matters as well as emerging technologies and to enhance the Board's visibility and efficacy on our ESG initiatives. This Committee will be Chaired by Chris Green with Hilary Spann, Phillip Pryke and Vanessa Liu as members. The Committee will commence from 1 October 2022 and will have responsibility in relation to overseeing the Group's:

- + Sustainability strategy – including reviewing and monitoring performance, assessing material drivers and risks, making recommendations, and reporting on performance.
- + Innovation strategy – including reviewing innovation and developments that may impact the Group's strategy including risks and opportunities.

The Charters of each Committee require that the Committees be comprised of at least three independent Non-Executive Directors and that they be chaired by an independent Director. The Audit Committee Charter also requires that the members between them have accounting and financial expertise and a sufficient understanding of the sector in which the Group operates to discharge the Committee's mandate effectively.

The Board of GLHK has reserved the right to make decisions in respect of any matters delegated to, and considered by, the Committees and the Committees will not make decisions for the Board of GLHK.

Director appointment

Goodman uses formal letters of appointment with each Director so that each Director clearly understands the expectations of them. Each letter outlines the terms of the Director's appointment and includes matters such as their powers and duties, compliance with Goodman policies, attendance at meetings, remuneration, appointment on

Committees, induction and continuing education, and disclosure of interests. The letters of appointment also require that Directors obtain approval from the Chairman before accepting any new role that could impact on their time commitment or cause a conflict of interest. Before a person is appointed as a Director, Goodman undertakes appropriate background checks including in relation to, criminal records, bankruptcy, experience, education and character.

Director election

Through the notice of meetings for Annual General Meetings, Goodman provides its Securityholders with relevant information to assist their decision whether to elect or re-elect a Director. The rotation or re-election of Directors takes into account the Board's ongoing assessment of its skills requirements and the individual contribution of Directors. Under the Constitutions and ASX Listing Rules, Directors that are appointed by the Boards to fill a casual vacancy must stand for election at the next Annual General Meeting and each Director must stand for re-election every three years.

Board performance

The Boards review their performance and the performance of each Director standing for re-election on an annual basis. The process for conducting the review typically involves a questionnaire completed by each Director. As part of the Board's performance evaluation, the functioning of the Board Committees is also reviewed. This review is typically conducted in September each year and was conducted in FY22.

Board changes

Rebecca McGrath has notified the Board of her intention to bring forward her retirement from the Board from the 2024 AGM to 28 February 2023 in order to accommodate her expanding commitments with other companies. The Board confirmed in its announcement of Rebecca's retirement that it continues to seek to maintain a diverse board with an appropriate mix of skills, gender and geographic representation to build on the recent appointments of Hilary Spann and Vanessa Liu.

In light of these recent changes, the Board has asked long standing director, Phil Pryke, the Chair of the Remuneration Committee, to stand again for re-election at this year's AGM to help preserve knowledge and experience on the Board. It is intended that Phil would retire from the Board during his next term after facilitating a smooth transition for a new Remuneration Committee Chair.

Rebecca McGrath will continue to chair the Risk and Compliance Committee until her retirement but will step down as a member of the Nomination Committee on 1 October 2022, to be replaced by Mark Johnson.

Appointment and review of senior executives

When Goodman senior executives are appointed, they enter into a personal contract of employment. The contracts outline the terms of the senior executive's appointment, including matters such as their powers and duties, compliance with Goodman policies and remuneration. Appropriate checks are undertaken before appointment. Annual performance evaluations of senior executives are undertaken by the CEO. The Chairman in conjunction with the Remuneration Committee annually undertakes a review of the CEO's performance and remuneration. Performance evaluations were undertaken during the year in accordance with this process.

Diversity and inclusion

Goodman is committed to providing a work environment that values diversity and inclusion in all its locations around the world. We encourage all forms of diversity and understand that people with differing backgrounds can provide unique experiences and contributions. Our commitment to diversity is set out in the Goodman Diversity and Inclusion Policy. During FY22 several regions made considerable progress on various workforce diversity and inclusion initiatives which are disclosed in the Group's Sustainability Report. A copy of the Group's Diversity and Inclusion Policy and Sustainability Report are available on the Goodman website.

A major objective of Goodman's Diversity strategy remains to increase the representation of female team members at senior levels and the Board has set measurable targets for achieving gender diversity across the Group.

Goodman values diversity on its Boards and has adopted a target of at least 40% of the Non-executive Directors and 30% of all Directors being women and is actively working towards meeting these targets.

Gender representation on the Goodman Boards is as follows:

- + 42% of Non-Executive directors on the GL/GFML's Boards are women (three out of seven)
- + The GLHK Board doesn't currently have any women on it, however the Board aims to increase gender diversity in the short term
- + Overall, 37% of Non-Executive directors on the Goodman Boards are women (three out of eight)
- + When both Non-Executive and Executive Directors are considered, 27% are women (three out of eleven).

As part of the Group's Sustainability Strategy, the Group targets 40% female representation in the senior executive category by 2030. When evaluating if a team member should be categorised as a senior executive, we consider:

- + Proximity of the team member on the Group's organisational chart to the Group CEO or regional CEOs
- + Scope of the role
- + Potential commercial impact
- + Accountability for risk factors
- + Total remuneration level.

As of 30 June 2022, the female representation within the senior roles category maintained at 30% (being 23 women from a total of 77 executives). The Group is committed to its long-term target and recognises the considerable lead times required to develop future talent and to position team members for more senior roles along with targeted recruitment. The Group's management structure has remained stable for several years, with minimal voluntary turnover at senior levels which restricts the opportunities for advancement in the short term. The Group's relatively flat management structure provides senior team members with greater exposure to projects, customers and investors.

On an overall basis, the gender representation of Goodman team members as of 30 June 2022 was 56% male and 44% female (which is in line with the level of FY21), against the Group's target of 50/50.

PRINCIPLE 2

Structure the Board to be effective and add value

Primary governance documents

- + Nomination Committee Charter
- + Board Skills Matrix.

The Boards and Nomination Committee

The Boards actively consider the appropriate size, composition and skills of the Boards as well as succession issues. This enables them to respond to changing circumstances in their membership, the business and its strategy, and the markets where Goodman operates. To assist the Boards with this task, Goodman has a Nomination Committee which consists of three Independent Directors and is chaired by Stephen Johns. The Nomination Committee undertakes reviews and advises the Board in relation to:

- + Nomination of Directors including the composition and structure of the Boards
- + The Board Skills Matrix
- + The performance of the Board, Committees and Directors
- + Board and Management succession strategies
- + Director inductions and education
- + Director securityholding requirements.

Board skills

The Directors bring a wide range of skills and experience to their respective roles and are committed to achieving a high standard of corporate governance. The diversity of each Director's background strengthens the Boards and enables them to bring critical judgement and independent assessment to the oversight of Goodman's business. The Boards are responsible for all aspects of the management of Goodman and have the ultimate responsibility for its corporate governance practices.

The Boards and the Nomination Committee have developed a Board Skills Matrix reflecting the skills and experiences required by the Boards for the governance of Goodman. The Directors consider that collectively they have the necessary skills and experience and that this is also able to be complemented by management expertise and external advisers where appropriate.

Skills	Characteristics and attributes
Strategic Planning	Highly developed business strategy skills, including oversight, development and execution; business sustainability; capital allocation and planning
International Business Experience	Operational experience in different types of markets and economies; Diverse experience across different societal, cultural and political environments; Experience in multi-jurisdictional compliance and regulatory environments
Real Estate Experience	Experience within the real estate asset class and value extraction throughout the property lifecycle including acquisition, and disposal, and sustainable construction, development, and management
Funds and Investment Management	Managing investment capital, funds management, investor relations
Human Capital and Culture	Demonstrated experience in organisational disciplines such as talent management, learning and development strategies, succession planning, creation of a positive business culture, marketing and communications
Financial and Accounting	Interpretation of financial reports and key measures of the performance of the Group, multi-currency debt and financial risk management instruments for multi-national business, capital management and liquidity, and multi-jurisdictional systems and processes
Technology and Social Change	Experience in technology and its utilisation across the real estate sector and in the evolution and disruption of supply chain ecosystems driven by ecommerce, digitalisation, data centres, drones and robotics. A background in understanding and considering the impacts of technological development and adoption on society, consumers, business and lifestyles
Sustainability	Developing and operating a sustainable real estate portfolio for our customers and investors. Including knowledge of sustainability best practices, climate change risks, regulatory frameworks and measurement / reporting

Director independence

Goodman recognises the importance of the independence of its Directors in being able to act in the best interests of Securityholders and the Group. The Boards of GL, GFML and GLHK comprise a majority of independent Non-Executive Directors and the Boards of each stapled entity are chaired by Stephen Johns who is an Independent Director.

The Boards consider a Director to be independent where they are not an executive, and they are free of any interest, position, association or relationship that would materially interfere, or may reasonably be seen to interfere, with the Director's capacity to bring unfettered independent judgement to issues before the Boards and their ability to act in the best interest of Goodman.

The independence of each member of the Boards is assessed every year as well as on disclosure by a Director of any new interests or relationships, taking into account the matters set out in the CGC Principles. As part of the assessment, Directors are also required to provide confirmations on their available time to adequately perform their role.

When assessing Independence, the Boards considered the effect of length of tenure noting that Phillip Pryke and Rebecca McGrath have served on the Boards of GL and GFML for over ten years. The Boards consider that this does not impact their independence as during Board deliberations they continue to demonstrate an objective assessment of all matters before the Boards. The Boards are of the opinion that having Directors with a range of tenures also provides diversity of experience, corporate knowledge and relationships within the Group.

In assessing the independence of Chris Green, the Board considered the impact of the Group's small financial investments in two funds managed by GreenPoint Partners, in which Chris has an interest. The investment is not material to the Group or to GreenPoint Partners and the

Board considers that this does not impact Chris' independence.

The Independent Directors may elect to consider matters without the presence of executives where they believe this is appropriate or would be beneficial in reviewing the conduct of Goodman's affairs. Directors are also entitled to access independent professional advice at Goodman's expense to assist them in fulfilling their responsibilities.

Director induction, education and professional development

All new Directors undertake an induction process which includes a review of the Strategy and Budget, meeting key executives and the provision of information regarding the operations and governance of Goodman. The Director Induction Program is tailored for new appointments having regard to their backgrounds, skills and experience.

Directors and senior executives may also participate in further education relevant to their roles. Goodman reimburses the costs of any further education relevant to a Director's or executive's role.

Directors are provided with tours of Goodman's properties, both within Australia and overseas. In FY22, due to travel restrictions, Directors visited offices and assets in their region. In FY23 it is expected that there will be a resumption of the annual visit to one of the Group's overseas offices to receive briefings on local market conditions. Directors will also receive briefings on material developments in laws, regulations and accounting standards relevant to Goodman during their tenure.

PRINCIPLE 3

Instil a culture of acting lawfully and responsibly

Primary governance documents

- + Goodman values
- + Code of Conduct
- + Anti-Bribery and Corruption Policy
- + Conflicts of Interest Policy
- + Ethical Concerns Policy (Whistleblower Policy)
- + Gifts and Entertainment Policy
- + Modern Slavery Statement
- + Personal Relationships Policy
- + Political Donations Policy
- + Related Party Policy
- + Securities Trading Policy
- + Workplace Bullying and Harassment Policy.

Our values

Goodman has developed and implemented over many years a set of core values which have been approved by the Boards. Goodman's values help guide culture and behaviour and are set out below:

- + **Innovation** – New ideas push our business forward. We focus on the future, proactively looking for new opportunities and improved solutions for our stakeholders that will make the world a better place for all of us
- + **Determination** – Determination gets things done. We are motivated by excellence and work hard to achieve it, actively pursuing the very best outcomes for our stakeholders
- + **Integrity** – We have integrity, always. We work inclusively and transparently, balancing the needs of our business and our people, with the needs of the community and those we do business with
- + **Sustainability** – We're building our business for the long term. That's why we consider the planet and the people on it in everything we do. Our initiatives demonstrate our ongoing commitment to having a positive economic, environmental and social impact on the world.

Code of Conduct

Goodman is committed to maintaining a high standard of ethical behaviour at all levels of the business at all times. Goodman stipulates the standards of ethical behaviour expected of Directors and team members in its Code of Conduct which has been approved by the Boards. The Code of Conduct is provided to Directors upon appointment and all team members upon commencement.

The Code of Conduct was updated during the year and is supported by a framework of corporate governance policies that set out Goodman's approach to meeting its legal obligations and the expectations of stakeholders for responsible and ethical decision-making. Senior Management across the Group are responsible for reinforcing and modeling the key behaviours set out in the Code of Conduct.

The Code of Conduct contains a set of guiding principles that requires Directors and team members to, among other things:

- + Act in a professional manner
- + Work as a team and respect others
- + Treat stakeholders fairly
- + Value honesty and integrity
- + Follow the law and Goodman's policies
- + Respect confidentiality and not misuse information
- + Support our sustainability strategy and targets
- + Manage conflicts of interest
- + Strive to be a great team member.

The Code of Conduct also charges all team members with responsibility for reporting any breaches of the Code of Conduct including any unethical or corrupt conduct in accordance with the Ethical Concerns Policy.

The standards required under the Group Code of Conduct have been reinforced through an active training campaign to all team members with a focus on non-discriminatory and professional behaviour. Expectations regarding fairness, honesty and the treatment of confidential information are made explicit and team members are reviewed against these expectations through the Group's performance management system.

Securities trading

Goodman's Securities Trading Policy sets out the restrictions that apply to Directors and team members regarding dealing in Goodman Securities. The Securities Trading Policy is made available to Directors on their appointment and team members on their commencement. Key principles of Goodman's Trading Policy include:

- + **Trading Blackouts** – Directors and team members are not to deal in Goodman securities during the period commencing from the end of a financial period through to the day after the release of Goodman's half year or full year results and the period commencing one week before the release of a quarterly update through to the day after that release. A trading blackout is notified to Directors and team members during those times and may also be notified by the Company Secretary or Group CEO at other times when considered appropriate
- + **Trading with consent** – During periods where there is not a Staff Trading Blackout, Directors and team members can trade in Goodman Securities with consent
- + **Prohibition on insider trading** – Prohibits Directors and team members from trading in Goodman securities, or procuring a third party to trade on their behalf, when in possession of 'inside information' (being non-public price sensitive information)
- + **Prohibited Dealings** – Directors and team members are not allowed to engage in short selling of Goodman securities or enter into derivative contracts that hedge their exposure to movements in the price of Goodman securities that have not vested.

Any trade in breach of the Securities Trading Policy must be immediately disclosed to the Company Secretary for reporting to, and consideration by, the Boards.

Conflicts of interest

Directors and team members are required to comply with the Conflicts of Interest Policy. The purpose of this policy is to outline the procedures in place to control and avoid conflicts of interest by identifying, assessing, managing and reporting on the types of conflicts of interest which Goodman anticipates will affect or arise from its business. The policy covers the mechanisms to:

- + Identify conflicts of interest
- + Manage conflicts of interest by assessing and evaluating actual, perceived or potential conflicts, and decide upon and implement an appropriate response to those matters.

Our policy also requires the disclosure of any close personal relationships with a direct or indirect report that our team members hold a position of influence or seniority over which may give rise to an actual, perceived or potential conflict of interest, including the perception of favourable treatment.

Related parties

Goodman maintains strict corporate governance practices within its managed partnerships. Goodman representatives do not vote on matters where Goodman has an interest (such as the purchase of assets from Goodman). Goodman has implemented a Related Party Policy which sets out the basic principles for dealing with transactions between Goodman and its managed partnerships. It also includes identification and management of conflicts of interests and appropriate resourcing with dedicated team member and information barriers in place to separate interests where appropriate.

These principles are in addition to any legal requirements including under the Australian Corporations Act, Hong Kong Companies Ordinance and ASX Listing Rules.

Gifts and entertainment

Goodman's Gifts and Entertainment Policy provides guidance to team members about the acceptable use of gifts and entertainment in building and maintaining good business relationships with Goodman's customers, capital partners, suppliers, contractors, agents and any other external parties. The giving and receiving of business related gifts and entertainment needs to be both lawful and not unduly influence business decision making. The policy sets out what is considered reasonable in relation to gifts and entertainment and processes are in place to monitor and approve gifts and entertainment. The giving of gifts to Public Officials is subject to the Anti-Bribery and Corruption Policy.

Anti-bribery and corruption

Goodman has an Anti-Bribery and Corruption Policy which sets out its commitment to conducting business in accordance with applicable laws and regulations and in a way which will maintain and enhance its reputation in the market.

One aspect of this commitment is that Goodman behaves in a professional, honest and responsible manner. Goodman prohibits any activity that seeks to bribe, corrupt or otherwise improperly influence a public official in any country or to act (or omit to act) in a way that differs from that official's proper duties, obligations and standards of conduct. Goodman also encourages open and transparent dealings with agents and other external parties and prohibits the giving of bribes, kickbacks or secret commissions.

The Anti-Bribery and Corruption Policy outlines the general prohibitions against bribery and corruption of public officials and third parties (both in Australia and overseas) and the procedures around dealing with public officials and third parties. It also outlines the importance of team members being alert to any potential instances of bribery or corrupt practices and disclosing any concerns in accordance with the Ethical Concerns Policy.

Any breaches of the Anti-Bribery and Corruption Policy, or unresolved issues raised under the policy, are reported to the Risk and Compliance Committee and, if necessary, referred to the Boards.

Political donations policy

Goodman has a Political Donations Policy that prohibits the making of donations for the benefit of political parties, an elected member, a candidate or groups of candidates, or a person or entity who may use the donation to make a political donation. Goodman will also not contribute funds for membership or affiliation to political parties. This policy supports business integrity and reduces the risk of corruption.

To enable engagement, Goodman may pay for team members to attend a political meeting, event or fundraising function organised by political parties or political candidates on behalf of Goodman where it is lawful to do so and where considered appropriate. Team members must seek approval from the Regional CEO or Group CEO as appropriate.

Ethical concerns

Goodman is dedicated to conducting business ethically and in accordance with our values. Goodman has a responsibility to its team members, Securityholders and customers to safeguard against any attempts of fraud, bribery and corruption or other unethical conduct. The Ethical Concerns Policy (or Whistleblower Policy) encourages disclosers to report instances of improper conduct. Goodman is committed to protecting persons who disclose improper conduct under this policy, including the identity of the person (confidentiality). Matters raised under the Ethical Concerns Policy are reported to the Risk and Compliance Committee with any significant concerns referred to the Boards.

PRINCIPLE 4

Safeguard the integrity of corporate reports

Primary governance documents

- + Audit Committee Charter
- + Risk Management Framework.

Audit Committee

The Audit Committee assists the Boards in matters relating to:

- + Goodman's financial reporting principles, policies, controls and procedures
- + The integrity of Goodman's financial statements and the Group's compliance with legal and regulatory requirements relating to financial statements
- + The activities and effectiveness of the external audit functions
- + Procedures for appointing Goodman's external auditor
- + The Group's financial risk management policy, the Group's capital strategy, tax compliance and tax risk management policy.

Auditors

Goodman has engaged KPMG to act as its external auditor. As part of the terms of engagement, KPMG is required to review the half year financial report and audit the annual financial report and remuneration report. KPMG attend each Audit Committee meeting and Risk and Compliance Committee meeting. Prior to the approval of the financial statements by the Boards, KPMG discuss their findings with the Audit Committee including the adequacy of financial and accounting controls. KPMG also attend the AGMs of each entity to be available to answer questions from Securityholders about the conduct of the audit and the preparation and content of the independent audit report.

Each reporting period, KPMG provides an independence declaration in relation to the review or audit. The Audit Committee reviews adherence by the Auditor to the Corporations Act requirement that the Lead Auditor must be rotated every 5 years unless relief is granted by ASIC for an extension. In addition, Hong Kong law requires that members approve the appointment of the auditor of GLHK each year by a resolution

passed at the Annual General Meeting. The Audit Committee is also responsible for overseeing the Group's policy in respect of the engagement of KPMG for non-audit services and for assessing whether non-audit services provided by the external auditor are consistent with the external auditor's independence and compatible with the general standard of independence of auditors required by the Corporations Act.

Non-audit services

Apart from financial statement audit services, KPMG may be asked to perform other services that include corporate due diligence/transaction services, tax advice and compliance work, accounting advice, and other assurance type work. Goodman has reviewed the process for approval of non-audit services provided by its external auditor (KPMG) to prevent any breaches or apparent breaches of auditor independence. A Non-Audit Services Policy is in place which sets out the non-audit services that may be undertaken by KPMG and includes delegation thresholds for certain types of non-audit services as well as engagements which must be approved by the Audit Committee or its Chairman.

Executive confirmations

In addition to the work of the Audit Committee, the Group Chief Executive Officer (CEO) and the Group Chief Financial Officer (CFO) provide confirmation to the Boards in writing that GL, GIT and GLHK's financial statements for a relevant financial period comply with the relevant accounting standards and give a true and fair view of the financial position and performance of each entity.

The Group CEO and the Group CFO also provide written confirmation that their opinion has been formed on the basis of a sound system of risk management and internal compliance which is operating effectively.

These statements are based on a Group-wide and broad ranging series of half year and full year confirmations from senior executives and department heads in relation to the financial integrity, risk management and internal compliance and control system within each department.

PRINCIPLE 5

Make timely and balanced disclosure

Primary governance documents

- + Market Disclosure Policy
- + ASX announcements
- + Annual Reports.

Timely, balanced and accurate disclosure

Goodman is committed to providing accurate, timely, balanced and readily available disclosure of material information to Securityholders, the investment community generally, and other stakeholders and regulators.

All investor releases and presentations for the full year and half year results, as well as quarterly updates, updates to guidance and other significant or material announcements are also reviewed by the Group CEO, the Chairman and, where appropriate or practicable, other Directors prior to their release. Announcements are subject to a verification process and reviewed by relevant senior executives, Group Head of Legal and Company Secretary and Group Head of Stakeholder Relations. Directors are provided a copy of all announcements on release.

Goodman announces presentation materials on ASX for any new and substantive investor or analyst presentations ahead of the event.

Goodman's Market Disclosure Policy outlines the procedures followed internally to facilitate compliance with continuous disclosure laws, periodic reporting obligations and timely and full disclosure of material through ASX.

Communication with Securityholders

Goodman has several processes in place in order to facilitate the effective and efficient communication with Securityholders to enable them to be well informed and able to exercise their rights.

Goodman communicates information to Securityholders through a range of media, including ASX announcements, periodic reports, quarterly updates, media interviews,

market briefings and roadshows, meetings with research analysts and institutional fund managers, industry forums, web-based communications including social media, and general communications. Goodman's policy and procedures in relation to investor communications are set out in its Market Disclosure Policy. Securityholders are also invited to attend the Annual General Meetings of the Group entities either online, in person or by proxy and are invited to submit questions to the external auditor for discussion at the AGM.

Goodman has a dedicated Corporate Governance section on its website as well as an Investor Centre which provides Securityholders with extensive information about Goodman's corporate governance including information about the Boards, executives, constituent documents, policies and charters.

PRINCIPLE 6

Respect the rights of securityholders

Primary governance documents

- + Goodman Investor Centre
- + Market Disclosure Policy
- + Annual Reports.

Availability of corporate information

A detailed range of company information is published on our corporate website. This includes an overview of the Group, structure and history as well as investor information and ASX announcements.

Goodman maintains an investor relations program to facilitate effective two-way communication with institutional investors and brokers. During FY22 engagement with investors and market analysts was principally done virtually due to Government restrictions and public health advice regarding COVID-19 and physical distancing.

Securityholders can raise questions by contacting Goodman by telephone, email, post or facsimile. Contact details are provided on the website, Annual Report and other communications. Securityholders are also able to receive communications from, and send communications to, Goodman and its registry electronically.

Annual General Meeting

The Boards regard the AGMs as an important forum in which to discuss issues relevant to Goodman. The Boards encourage participation of Securityholders at these meetings so there is a high level of accountability and understanding of Goodman's strategy and objectives. Attendance can be in person or virtual. Securityholders are invited to submit questions to the external auditor for discussion at the AGM. All resolutions at the AGM are decided by a poll rather than a show of hands to reflect the primacy of the one vote per share whether cast in person or by proxy.

The address and presentations of the Chairman and Group CEO made at the AGMs are immediately announced to ASX. Voting results (including a summary of proxy voting) on matters considered at the meeting are released to the ASX as soon as they are determined.

Complaints handling

Goodman has both internal and external complaints handling procedures. Complaints in relation to ethical concerns can be raised anonymously via Goodman's website. Investor Relations responds to Securityholder enquiries and complaints and provides a thorough and transparent communications service to Securityholders. GFML is also a member of the Australia Financial Complaints Authority (AFCA), an external industry complaints handling service.

PRINCIPLE 7

Recognise and manage risk

Primary governance documents

- + Risk and Compliance Committee Charter
- + Risk Management Policy
- + Compliance Framework
- + Modern Slavery Statement
- + Statement of Business Ethics (Supplier Code of Conduct)
- + Safety Statement
- + Sustainability Policy
- + Taskforce on Climate Related Financial Disclosures (TCFD).

Risk and Compliance Committee

The Risk and Compliance Committee assists the Boards on matters relating to:

- + Operational risk management including internal risk management systems, internal audit and insurance requirements
- + Development and asset risk management including development sustainability, ESG matters and safety
- + Risk management including the preparation of an annual risk profile, reviewing risk management systems and monitoring and addressing non-financial risks (including but not limited to social and environmental risk)
- + Compliance including reviewing and monitoring the Group's compliance framework, internal compliance systems and external compliance audit functions (including the obligations of GFML as the responsible entity of GIT).

Risk Management Framework

Under the oversight of the Risk and Compliance Committee, Management continue to implement and update Goodman's risk management and internal control systems to manage Goodman's existing, new and emerging material business risks including financial and non-financial risks.

The risk management system has been developed in accordance with international and Australian/New Zealand standards. The Risk Management Policy and Risk Appetite Statement sets out the oversight and management of risk for Goodman.

The Boards maintain oversight over country by country capital exposures. This includes sharing the capital commitments with joint venture partners. Financial exposures (including those relating to hedging and derivatives trading) are also managed within the Board approved Financial Risk Management Policy.

The Chief Risk Officer is responsible for the implementation of the Risk Management Policy globally. The Risk and Compliance Committee principally deals with non-financial risk. The Audit Committee principally deals with financial risk. The Risk function reviews critical business units and profiles their key risks on an annual basis. Action plans for mitigating key risks are reported to the Risk and Compliance Committee.

During FY22, the Risk and Compliance Committee completed its annual review and assessment of the Risk Management Framework in accordance with its Charter. The framework was updated so that it continues to be appropriate and so that Goodman continues to operate with due regard to the risk appetite set by the Boards.

Internal audit

The internal audit program is closely aligned to the Risk Management Framework and involves a rolling program of reviews and control testing of Goodman's business processes to assess whether material risks have been properly identified and key controls are effective and have been correctly implemented. The Internal Audit function is responsible for reporting on the adequacy and effectiveness of Management's processes for identifying, managing, reporting on and responding to risks and is wholly independent of the external audit function and of line management.

The findings of internal audit are reported to the Risk and Compliance Committee and, where relevant, the Audit Committee. The findings and recommendations arising from the internal audits are acted on by Management under the supervision of the Risk and Compliance Committee.

Compliance Framework

Goodman is committed to complying with its legal and regulatory obligations. The Risk and Compliance Committee has oversight of Goodman's Compliance Framework which clearly details how Goodman manages its regulatory obligations.

The Compliance Framework provides a consistent approach to integrating business objectives and strategy to compliance obligations and reporting. The Compliance Framework has been developed in accordance with relevant industry standards and is underpinned by a Compliance Program which details responsibilities, monitoring and reporting.

The Risk and Compliance Committee is responsible for the oversight of internal compliance systems and policies including in relation to the conduct of Goodman team members under the Code of Conduct. It is also responsible for oversight of external regulatory compliance including GFML's compliance with the Compliance Plan for Goodman Industrial Trust. The Group Head of Legal and Company Secretary and the Compliance Manager completed the annual review of the Compliance Management Framework and internal compliance systems and policies. The Risk and Compliance Committee considered the review and the annual updates to the Compliance Management Framework and policies so that they remain current having regard to Goodman's business and regulatory changes.

Sustainability, environmental and social risk

The Boards believe that the Goodman business strategy and integrated 'own+develop+manage' customer service model is appropriate for the operating environment and support the Group's vision of sustainability for the future. We believe that a sustainable approach makes good business sense and we work cooperatively with our customers and partners to achieve this.

The Boards seek to manage and respond to Goodman's operating environment taking into account not only economic risks and

opportunities, but also environmental, social and governance (ESG) risk and opportunities.

In 2019 Goodman adopted its 2030 Sustainability Strategy to address the risk that climate change poses for all companies and to meet our corporate social responsibility. The Strategy is based on several of Goodman's ESG priorities including climate risk management, responsible investment, water consumption, supply chain ethics and workplace diversity which we believe to be material to our business and our customers operations. Goodman has set measurable targets to monitor our progress to confirm we are meeting our commitments and has incorporated them into remuneration plans. As part of this strategy, Goodman has also committed to implementing prudent steps to attempt to mitigate impacts of climate risks, and align with disclosure recommendations of the Task Force on Climate Related Financial Disclosures (TOFD).

Goodman continues to increase our commitments and accelerate our progress on our 2030 Sustainability Strategy by investing more into renewable energy and carbon neutrality, while also improving the resilience of our workforce, business, properties and communities.

More information on the Group's sustainability strategy can be found in the Goodman Sustainability Report, which is available on our website.

Insurance

Insurance forms part of the Group's Risk Management Framework by way of transferring the financial impact of specified losses and or potential liability to insurers.

The Risk and Compliance Committee is responsible for approving the Group's overall insurance program and annually reviews the Group's key policies including Directors and Officers, professional indemnity, investment management and other specific industry and business related insurances.

Safety

Goodman recognises its obligations under safety legislation and is committed to the implementation and proper management of appropriate risk management procedures to protect the safety of its team members, contractors, customers and visitors. Goodman's commitment to safety extends to all facets of its business with the overall responsibility for safety resting at the highest level of management and the Boards. Every team member is also required to comply with safety policies and perform all duties in a safe and responsible manner. Goodman maintains a Safety Management System to enable us to plan, implement, monitor and review safety policies and procedures. Goodman aims to be an innovative leader of safety within our industry, particularly with independent construction contractors building developments on our sites. More information about Goodman's safety initiatives can be found in the Group's Sustainability Report.

Modern slavery

Goodman is a supporter of human rights. It acknowledges that modern slavery is a global risk to human rights. It is a serious form of exploitation present in global supply chains through a number of labour rights abuses including forced labour, debt bondage and child labour. Like many organisations, Goodman is not immune to the risk of modern slavery in our operations and supply chains where coercion, threats or deception may be used to exploit victims and undermine or deprive them of their freedom.

We are committed to good business ethics and acting with integrity across our operations and global supply chains. We also identify human rights as one of our environmental, social and governance (ESG) risks. The protection of human rights of our people and every worker in our supply chain is aligned with our values and our commitment to safety and sustainability.

Globally, working with our people, our suppliers and other stakeholders, we want to be vigilant and contribute to the fight against modern slavery.

Goodman prepares an annual Anti-Slavery Statement under Australian law that sets out the actions taken to identify and manage modern slavery risks in our operations and supply chains and the effectiveness of such actions. This Statement has been approved by the Boards and is available on the Goodman's website.

Managed Partnerships

Goodman maintains a high level of risk oversight and best practice corporate governance within its Managed Partnerships. Key elements include:

- + Significant levels of Goodman co-investment in Partnerships
- + Confirming that local Partnership board and investment committee positions are held by long term senior Goodman executives
- + Appropriately resourcing local management companies with dedicated team members experienced in Goodman's business and the market
- + Extending Goodman's corporate governance policies and risk management to the Partnerships
- + Investor representation and independent involvement on Partnership investment committees or boards
- + Requiring related party transactions be approved by non-related investors.

PRINCIPLE 8

Remunerate fairly and responsibly

Primary governance documents

- + Remuneration Committee Charter
- + Diversity and Inclusion Policy
- + Long Term Incentive Plan.

Remuneration Committee

The Remuneration Committee assists the Boards on matters relating to:

- + Remuneration Policies and Remuneration of Directors, KMPs and senior executives
- + Development of policies dealing with fixed remuneration, Short Term Incentives (STI) and Long Term Incentives (LTI)
- + Key human resources policies and strategies including in relation to performance management, conduct and workforce diversity
- + The implementation of Goodman's Diversity and Inclusion Policy and goals.

Engagement

During FY22, the Chairman, the Chairman of the Remuneration Committee and the Group Head of Stakeholder Relations engaged directly with proxy advisers and major investors to understand their viewpoint on issues relating to remuneration (as well as other issues such as Board composition). The Board and Remuneration Committee consider that this is an important process and have evaluated the issues raised in a systematic manner.

Non-Executive Directors' remuneration

Goodman follows the principles of remuneration for Non-Executive Directors that are set out in the CGC Principles. Non-Executive Directors receive fixed fees from within the fee pool approved by Securityholders. Non-Executive Directors do not receive incentive or at risk cash or equity based remuneration while retirement benefits are limited to superannuation contributions from their Director's fees.

To align the interests of the Boards with Securityholders, the Securityholding Policy requires Non-Executive Directors to accumulate and hold Goodman securities with a value equivalent to their pre-tax annual

base fee within three years of appointment, or in the case of the Chairman the pre-tax Chairman's fee within three years of appointment as Chairman. For the purpose of this policy, the value of each parcel acquired is the higher of the purchase price or market value at the end of the financial year.

Executive remuneration

Goodman follows the principles of remuneration that are set out in the CGC Principles. These include a policy of rewarding Executive Directors, senior executives and team members with a mixture of fixed remuneration and short-term and long-term, performance-linked remuneration. The long-term performance-linked remuneration is equity based and tested against an operating earnings per security target and relative Total Securityholder Returns test. In addition, commencing from the September 2021 offer, up to 20% of performance rights that satisfy the operating earnings per security test may be lapsed in the event of material under-performance against sustainability targets. For senior executives, performance hurdles are tested after four years and vesting occurs over years 4 to 10. For all other team members, testing is after 3 years and vesting over years 3 to 5. The vesting of long-term performance-linked remuneration is contingent on continued employment with Goodman and can be withheld by Goodman in certain circumstances.

Key management personnel are also required to hold Goodman securities with a value equivalent to their annual pre-tax fixed remuneration.

In relation to equity based remuneration, under the Securities Trading Policy, Directors and team members are not allowed to enter into derivative contracts that hedge their exposure to movements in the price of Goodman securities that have not vested. This is in addition to similar restrictions that apply under the Corporations Act to Key Management Personnel.