



**Goodman (NZ) Limited**  
as manager of Goodman Property Trust

**Board Charter**

Effective date: 27 May 2020

Owner: Legal	General Counsel
Last Reviewed by Management	5 May 2020
Last Reviewed by External Counsel	Russell McVeagh 25 April 2019



## Goodman (NZ) Limited Board Charter

This Board Charter sets out the roles, responsibilities and operation of the Board of Goodman (NZ) Limited ("**Goodman**"), as manager for Goodman Property Trust ("**Trust**") and its delegation of authority to management.

A copy of this Board Charter is available at <http://nz.goodman.com/about-us/corporate-governance/core-policies-and-charters>.

### 1. Purpose

The purpose of the Board is to provide strategic direction to the Trust, to ensure that the operations of the Trust are being effectively managed, and to review and approve all aspects of the Trust's business for the benefit of unitholders and customers.

Goodman as manager for the Trust, under the terms of the GMT Trust Deed and the licence issued to Goodman as the manager of a managed investment scheme, by the Financial Markets Authority, is obliged to act in the best interests of the Trust's unitholders. To the extent that conflicts of interests arise, Goodman will establish appropriate protocols to manage such conflicts.

### 2. Board Structure and Appointment

The Board is required to consist of between three (3) and seven (7) directors.

The Board will, when it considers appropriate, constitute a Nomination and Appointments Committee from time to time (as required).

The purpose of the Nomination and Appointments Committee is to assist the Board by reviewing Board composition and performance, ensuring that directors are suitably qualified and experienced to support the Board's effectiveness in discharging its duties and responsibilities and add value through good governance.

The conduct of the Nomination and Appointments Committee is governed by the Goodman Group Nomination and Appointments Policy, a copy of which is available at [www.goodman.com](http://www.goodman.com).

The membership of the Board shall be reviewed by the Board (with assistance from the Nomination and Appointments Committee) from time to time having regard to the ongoing needs of the Trust 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 Trust; and
- + the Board can effectively review and challenge the performance of management.

Candidates identified as potential directors are encouraged to familiarise themselves

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with Goodman, and the Trust's business before accepting an appointment to the Board.

Each newly appointed director will enter into a written agreement with Goodman which establishes their terms of appointment.

### 3. Independent Directors

Of the total number of directors, a majority shall be directors who are assessed by the relevant Board to be "independent" (as that term is defined in the NZX Listing Rules from time to time) ("**Independent Director**").

To be considered an Independent Director, a director must, in the opinion of the Board, be independent of management and free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of his or her unfettered and independent judgement.

The Board will conduct a regular review of the independence of each of the directors, based on information provided by directors. Directors are expected to volunteer information as and when it becomes available to them. The Board will identify which directors it has determined to be Independent Directors and advise the NZX as required by the Listing Rules.

In relation to any business of the Board relating to the Trust, a quorum shall require at least two Independent Directors.

### 4. Rotation of Directors

Goodman's Independent Directors are required to comply with the director rotation requirements in the NZX Listing Rules. An Independent Director must not hold office (without re-election) past the third annual meeting following that Independent Director's appointment, or three years, whichever is longer. Goodman's non-Independent Directors are exempt from the obligation to retire in accordance with the NZX Listing Rules.

Directors shall be proposed for re-election subject to satisfying the Board's performance requirements.

The Board shall make recommendations to the Trust's unitholders regarding the appointment or removal of directors. This will include the provision of key information about the candidate to assist their decision as to whether or not to elect, or re-elect, the candidate.

### 5. Duties and Responsibilities of the Board

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

- + manage the corporate governance of Goodman and the Trust's business;
- + set performance objectives, and oversee management's strategic direction,

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for the Trust's business;

- + promote ethical and responsible behaviour and decision-making;
- + ensure the effective monitoring and management of health and safety;
- + promote a corporate culture which embraces diversity and inclusion;
- + approve strategic alliances;
- + review progress against strategies and performance objectives;
- + adopt the remuneration policy which aims to remunerate directors and employees fairly and responsibly;
- + approve principles, policies, strategies, processes and control frameworks (including accounting and reporting systems) for the management of the Trust'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 is responsible for the appointment of the Chair and, in consultation with Goodman Group, the Chief Executive Officer of Goodman.

The Board shall without limiting its obligations under the Trust Deed:

- + approve the Trust's business budget annually;
- + monitor financial performance against the budget;
- + determine the 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 annual financial statements.

The Board may consider any matter which falls within its scope of roles and responsibilities, notwithstanding that the particular matter(s) may have been previously referred to and considered by any other Board or management committee.

## 6. Delegation of Authority

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

The Board have delegated the day to day management of the Trust to the

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management team as approved by the Trust's Supervisor.

Generally, management's responsibilities include:

- + making operational decisions;
- + implementing operational policies;
- + keeping the Board well educated and informed; and
- + bringing well-documented recommendations and information to the Board.

## 7. Board Performance and Ethical Obligations

In giving effect to this Board Charter, the Board will at all times act honestly, fairly, diligently and in accordance with the relevant Constitution of Goodman, the Trust Deed, the NZX Listing Rules and all relevant law.

Directors must discharge their duties in good faith and in the best interest of the unitholders of the Trust 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 policies and procedures in relation to all matters including but not limited to disclosing and managing conflicts of interest and dealing in the Trust and Goodman Group's securities.

Non-executive directors are required to consult with the Chair 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 respective Board and their committees.

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 their independence.

The Board shall monitor dealings in securities by the directors.

## 8. Powers and Resources of Directors

To facilitate the exercise of independent judgment on Board decisions, all directors

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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 Chair or Company Secretary before obtaining external advice.

## 9. Other Board Appointments

While holding office, a director may accept other directorships, so long as the appointment is not in conflict with the Trust's business, and is not likely to detrimentally affect the director's performance as a director. Directors must first discuss with the Chair before accepting any appointment that may have the potential to impact the director's ability to perform their duties.

From time to time, directors may face a conflict of interest as a result of their involvement with other organisations. If such conflicts arise, directors shall put in place appropriate processes, including excluding themselves from discussions in respect of such businesses, in order to manage and mitigate the effect of any conflict of interest.

## 10. Meetings

The Board will determine the frequency, duration and agendas of the Board's meetings. The Board's policy is to meet at least four (4) 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 Board, for example, by phone, Internet relay chat, video or voice conference.

Reports to be discussed should be distributed at least five (5) business days prior to

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a Board meeting.

The Company Secretary must ensure that minutes of the Board and committee meetings and records of their reports and recommendations are kept. 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 available 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.

## 11. Board Committees

The Board have established the following standing Board Committees:

- + Audit Committee; and
- + Nomination and Appointments Committee (which shall meet when required).

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

The Board will adopt a charter or policy for each committee, setting out the authorities, duties and responsibilities delegated by the Board to the committee and the committee's structure and operation, including its relationship with the Board.

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

The Board shall determine the Chair and composition of the committees. The Chair and the majority of each standing committee will be Independent Directors.

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.

The Board will review the committees' performance objectives and responsibilities in accordance with their respective written charters or policies.

## 12. Chair

The directors will appoint an Independent Director as Chair of the Board.

The principal role of the Chair is to provide leadership to the respective Board and ensure that the Board works effectively and discharges its responsibilities.

## 13. Company Secretary

The appointment and, where appropriate, removal of the Company Secretary is a

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matter for the full Board.

The Company Secretary is accountable to the Board, through the Chair, 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.

#### **14. Approval**

This Board Charter was approved by a Goodman Board resolution dated 27 May 2020.

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