

Goodman Property Services (NZ) Ltd

Non-executive directors' fees Summary report

30 July 2024



Remuneration Service provider Independence declaration



PwC's Reward Services team has been engaged by the Goodman Property Services (NZ) Limited Board of Directors (the Board) to provide independent remuneration benchmarking services in relation to Directors' fees (the Services).

As lead engagement Partner for the provision of the Services to the Board, I declare that no influence has been brought to bear upon me or, to the best of my knowledge and belief, any member of the PwC Reward Services team, by any Board member, employee or executive of Goodman Property Services (NZ) Limited or any other party regarding the Services or outcomes of the Services.

Dated: 30 July 2024

A handwritten signature in black ink, appearing to read 'Chris Place', with a small flourish at the end.

Chris Place
Partner
PricewaterhouseCoopers

Summary of data

Goodman Property Services (NZ) Limited (Goodman), as the manager of Goodman Property Trust (GMT), engaged PwC to provide non-executive director fee market data to Goodman to assist the Goodman Board benchmark its non-executive director fees to the market.

The table below summarises market remuneration data for non-executive directors' fees from a comparator group of 13 New Zealand listed companies determined by the Goodman Board for this purpose. Details of the comparator companies are provided on page 5. The primary basis for the comparator group composition was comparable market capitalisation to GMT, together with inclusion of relevant industry comparators.

Typically an evenly weighted sample of larger and smaller companies than the subject company would be adopted under this approach, to minimise the potential for data distortion. Given GMT's market capitalisation relative to other potential comparators and the relative lack of relevant larger companies within a reasonable range of GMT's market capitalisation specifically, the comparator group is however weighted towards companies smaller than GMT by market capitalisation. At the time of determining the peer group in June 2024, from the peer group of 13 companies, there were five larger and eight smaller companies than GMT by market capitalisation, and the median market capitalisation of the comparator companies was **\$3,245 million** as compared to GMT's market capitalisation at that time of **\$3,347 million**.

The peer group is 'cross industry' given the scarcity of listed companies with direct industry relevance. Industry comparators in the peer group include *Kiwi Property Group*, *Precinct Properties*, *Ryman Healthcare* and *Summerset Group* (the latter two due to their significant property development / management activity).

Executive summary table:

Position	Sample size	Market 25 th percentile	Market median	Goodman policy fee	Comparison to the market median
Board Chair ¹	13	214,000	223,700	165,000	74%
Deputy Chair ²	1	-	-	150,000	-
Non-Executive Director (NED) ³	13	100,000	110,000	100,000	91%
Chair of Audit committee ⁴	12	20,000	26,500	25,000	94%
Chair of Audit committee - aggregated ⁴	12	119,700	132,000	125,000	95%
Chair of Remuneration committee ⁵	12	20,000*	20,000	-	-
Chair of Remuneration committee aggregated ⁵	12	119,600	128,500	-	-
Member of Audit committee ⁶	12	11,800	15,300	-	-
Member of Audit committee - aggregated ⁶	12	110,700	121,000	-	-
Member of Remuneration committee ⁷	12	10,000	11,600	-	-
Member of Remuneration committee aggregated ⁷	12	110,000	118,500	-	-
Total pool fee ⁸	12	1,057,200	1,147,000	-	-
Actual fees paid ⁹	13	820,000	995,800	788,436	79%

*20,000 is being returned at both the 25th percentile and median observations, as six companies in the sample paid this role \$20,000.

Table notes are provided overleaf.

30 July 2024

Summary of data

Table notes:

1. Analysis of the 13 companies in the sample which had a non-executive Board Chair. The majority of Chair roles receive no committee fees, with the base fee recompensing all Board contribution/roles held. Three Board Chair roles received committee fees on top of their Board Chair fees and committee fee values were included in the market data in these instances, to ensure a like for like (whole role) comparison. We note that the current Goodman Board Chair has not to date been paid any fees.
2. There was insufficient incidence of Deputy Chair roles in the comparator group to publish aggregated market data for this role.
3. Analysis of base NED fees for all 13 companies in the comparator group.
4. Analysis of each of the 12 companies' committee fees that had this role/paid additional remuneration to this role. Aggregated remuneration analysis - which reflects payment of the NED fee + Chair fee - has also been itemised for completeness.
5. Analysis of each of the 12 companies that had this role/paid additional remuneration to this role. Some companies combined this committee portfolio e.g. *People & Remuneration Committee*, *People & Culture Committee* etc. Both committee fee only and aggregated fee data (NED fee + Chair fee) has been provided.
6. Analysis of each of the 12 companies that had this role/paid additional remuneration to this role. Aggregated remuneration analysis – which reflects payment of the NED fee + committee fee - has also been provided.
7. Analysis of each of the 12 companies that had this role/paid additional remuneration to this role. Aggregated remuneration analysis (NED fee + committee fee) has also been detailed.
8. Analysis of each of the 12 companies where a pool fee is set/disclosed.
9. Analysis for all 13 companies of actual fees paid.

PwC makes no recommendations regarding the positioning of Goodman's non executive director fees. Where the Board chooses to position its fees against the market data will depend on the Board's view of the overall relevance of the comparator group and specifically Goodman's perceived relative complexity of operations, relative scale, ranking (by scale), director workload and risk profile as compared to the comparator companies.

Comparator group

Company name	Market capitalisation \$m	Total revenue \$m	Total assets \$m
Contact Energy	7,252	2,118	5,808
Mainfreight	6,978	4,718	3,781
EBOS Group	6,516	13,228	6,958
The a2 Milk Company	5,530	1,591	1,612
Vector	3,770	1,192	7,528
Port of Tauranga	3,333	421	2,824
Chorus	3,245	980	6,165
Ryman Healthcare	2,551	690	13,084
Fletcher Building	2,380	8,469	9,081
Summerset Group Holdings	2,255	272	6,942
Genesis Energy	2,252	2,374	5,090
Precinct Properties New Zealand	1,864	219	3,643
Kiwi Property Group	1,337	245	3,235
GMT	3,347	244	4,717
Median	3,245	1,192	5,808
CR to median	103%	20%	81%

Source: Market capitalisation data: www.nzx.com June 2024, revenue and total assets data extracted from the latest annual reports

Thank you

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