



Related Party Policy

Effective date: 28 March 2024

Related Party Policy

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Part A — Introduction

1. Basic principles

Goodman Property Services (NZ) Limited (“**Goodman**”) as manager of the Goodman Property Trust (“**Trust**”) is committed to complying with all the legal and statutory requirements regarding the entry into transactions with related parties of the Trust.

The Listing Rules, the Trust Deed, the FMCA and the Banking Facility set out restrictions on dealings between the Trust and any Related Party. These restrictions are summarised in this Policy and aim to ensure that any transaction between the Trust and a Related Party is carried out on arm’s length terms, and in certain instances is approved by the Supervisor or Unitholders, as applicable.

In short:

Any person who has a relationship with the Trust that could influence (or could be perceived as influencing) the Trust to enter into a transaction on terms which are not arm’s length or commercial, is considered to be a Related Party (defined below).

Any Material Transaction (defined below) between the Trust and a Related Party requires the approval of Unitholders by Ordinary Resolution.

Any other transaction between the Trust and a Related Party, while not requiring Unitholder approval, requires various other approvals as set out in this Policy.

The reasoning underlying these principles is that a party with influence over the Trust (or who could be perceived as having influence over the Trust) should not be given the opportunity to convince the Trust to enter into a transaction which unfairly transfers value away from the Trust.

Goodman believes it is important to have in place a policy to set out the relevant Related Party dealing restrictions and to record the processes which it has in place to manage Related Party issues so that:

- + Management and the Board are properly briefed and educated on issues relevant to Related Party matters; and
- + Unitholders and the investment market generally recognise that Goodman deals with Related Party issues in an appropriate, transparent and robust manner.

This Policy is regularly revised to remain current.

2. Application of Policy

This Policy applies to all dealings between the Trust and Related Parties. However, due to the close relationship between the Trust and the ASX-listed Goodman Group, the interactions between these two entities are most likely to give rise to Related Party issues and hence are the focus of this Policy.

Note that references in this Policy to the Trust entering into a transaction or agreement or any restrictions on any activity of the Trust applies to Goodman or the Supervisor so doing in its capacity as manager or supervisor of the Trust. They do not apply to Goodman or the Supervisor (as the case may be) acting in its personal (or any other) capacity.

3. Responsibility for compliance

The Chief Executive Officer of Goodman has primary responsibility for ensuring Goodman complies with all obligations relevant to Related Party dealings. This includes compliance with the relevant parts of the Listing Rules, the Trust Deed, the Banking Facility, Compliance Plan, and any other relevant contractual arrangement and the terms of this Policy.

The functional responsibility of compliance, however, is shared between the Chief Financial Officer and the General Counsel of Goodman. Any enquiries in relation to Related Party dealings should be directed to either or both of these people.

4. Interested Directors

In addition to restrictions on dealings between the Trust and any Related Party, there are certain restrictions on the involvement of "interested" directors in the consideration of related party transactions.

For these purposes, the term "interested" has the meaning given to it in section 139 of the Companies Act, and directors of Goodman will be subject certain obligations under the Companies Act where they are "interested" in a transaction.

In addition to the obligations described above, the Board has specifically identified that two of the directors on the Board of Goodman are employees of Goodman Group, a substantial product holder in the Trust (as more particularly described below). Accordingly, the Board has put in place protocols to ensure that those directors are not inappropriately involved in any decisions of Goodman where there is a conflict or perceived conflict of interest between the Trust and Goodman Group. These protocols include the Board of Goodman maintaining a majority of Independent Directors and a Deputy Chair who is an Independent Director. The assessment of any conflict of interest in such circumstances shall be determined by the Independent Directors.

5. Relationship between Goodman Group and the Trust

As stated above, the Trust and Goodman Group have a close working relationship. Goodman Group holds a cornerstone stake in the Trust and provides various services to the Trust. From time to time it has also sold property to the Trust.

Goodman Group is the Trust's largest Unitholder, owning approximately 31.8% of the issued units in the Trust as at 28 March 2024.

Goodman and Goodman Group are also parties to the following long-term agreements:

- + a co-operation and services agreement for the provision of certain investment management, information technology, insurance, human resources, marketing, treasury and risk services by Goodman Group to Goodman and the Trust; and
- + a brand licence agreement, granting Goodman a non-exclusive, non-transferable licence to use the "Goodman" brand.

These agreements include restrictions on the disclosure and use of the other party's confidential information.

From time to time, the Trust has acquired interests in property from Goodman Group. The nature of the approvals required for any acquisition depends upon the size of the transaction in question.

If the transaction (and any related transactions) has a value exceeding the 10% threshold under Listing Rule 5.2.1, Unitholder approval is required. Goodman will also be required to procure an Appraisal Report by an independent expert addressed to Unitholders confirming that the terms of the acquisition are fair to Unitholders, including a statement to the effect that the purchase price is market value.

If the 10% threshold is not exceeded, then approval from the Supervisor and the Independent Directors is required. Goodman will also need to procure an independent valuation to be prepared and addressed to the Supervisor, the Independent Directors and the Trust's banks, confirming that the purchase price is fair to Unitholders.

Approval from the Trust's banks under the Bank Facility might also be required if the transaction is not considered to be in the ordinary course of business. However, for transactions which fall below the 10% threshold, Goodman has taken the view that acquisitions of property of this value are in the Trust's ordinary course of business.

Part B — Legal Framework

The Listing Rules, the Trust Deed, the FMCA and the Banking Facility set out restrictions on dealings between the Trust and any Related Party.

1. Listing Rules

As stated above, any Material Transaction between the Trust and a Related Party requires the approval of Unitholders. Listing Rule 5.2.1 provides (paraphrased):

The Trust shall not enter into a Material Transaction if a Related Party is, or is likely to become:

- a) a direct party to the Material Transaction; or
- b) a beneficiary of a guarantee or other transaction which is a Material Transaction,

unless that Material Transaction is approved by an Ordinary Resolution (such resolution being subject to the voting restrictions in Listing Rule 6.3) or is conditional on such approval.

The key concepts of “Related Party” and “Material Transaction” are discussed below.

Related Party

The Listing Rules define “Related Party”, which for Goodman includes:

- + each member of the Board and Management and individuals occupying such positions of its subsidiaries;
- + the holder of a Relevant Interest in 10% or more of the units in the Trust. This includes (at the Effective Date) Goodman Group (Note that the FMCA definition of “Relevant Interest” used in the Listing Rules is very broad and includes beneficial ownership of a unit, any right to acquire or dispose of a unit and any right to exercise the voting rights attached to a unit); and
- + any Associated Person of Goodman and any Associated Person of any of the other Related Parties noted above.

To paraphrase the Listing Rules, a person is “Associated” with Goodman or a Related Party where an arrangement or relationship exists between that person and Goodman or the Related Party which could influence the decisions of Goodman or the Related Party. The Listing Rules go on to deem certain persons to be “Associated Persons”, and these include:

- + a person and a company of which that person is a director;
- + two related companies;
- + a company and a person who is a director of any related company; and
- + two people who are related (by family) or are acting jointly or in concert.

Accordingly, the Associated Persons of Goodman and the Associated Persons of any of the Related Parties of Goodman noted above include the following categories:

- + Any family member or close contact (personal or business) of the directors or senior management team of Goodman.
- + Goodman when acting in its personal capacity (ie not as manager of the Trust).
- + Any director or influential senior executive of Goodman Group.

This list of Related Parties is for guidance only and is far from exhaustive. Any queries regarding the scope of the Related Parties of Goodman should be referred to Goodman’s General Counsel.

Material Transaction

Under the Listing Rules, the definition of a Material Transaction includes the following:

Transactions over 10%

- + A transaction where the Trust purchases or otherwise acquires, gains, leases or sells or otherwise disposes of assets having a value in excess of 10% of the Trust’s Average Market Capitalisation or the Trust

borrow, lends, pays, or receives money or incurs an obligation for an amount in excess of 10% of the Trust’s Average Market Capitalisation.

Securities over 10%

- + A transaction whereby the Trust issues its own securities or acquires its own equity securities having a value in excess of 10% of the Trust’s Average Market Capitalisation.

Service agreements over 1%

- + The provision of services to the Trust where the actual gross cost to the Trust of the services in any financial year *is likely to* exceed 1% of the Trust’s Average Market Capitalisation.

On or about the Effective Date, the Trust’s Average Market Capitalisation was approximately \$3.1 billion (assuming a unit price of \$2.26). This means that as at this date, the following transactions would constitute Material Transactions, requiring Unitholder approval:

- a) A **transaction** of the type mentioned above with a value exceeding **\$310m**.
- b) The **issuing or acquiring of GMT units** with a value exceeding **\$310m**.
- c) An **agreement to provide services** of the type mentioned above where the annual cost *is likely to* exceed **\$31m**.

When considering these monetary limits, the value of the transaction to which the Trust is a party needs to be aggregated with the value of any other transaction which forms a related series of transactions.

Other related party transactions

Listing Rule 3.4 also requires disclosure of certain transactions with Related Parties which do not meet the Material Transaction thresholds above. Goodman must disclose to the market details of the following transactions with related parties:

Transactions over 5%

- + A transaction where the Trust purchases or otherwise acquires, gains, leases or sells or otherwise disposes of assets having a value in excess of 5% of the Trust's Average Market Capitalisation or the Trust borrows, lends, pays, or receives money or incurs an obligation for an amount in excess of 5% of the Trust's Average Market Capitalisation.

Securities over 5%

- + A transaction whereby the Trust issues its own securities or acquires its own equity securities having a value in excess of 5% of the Trust's Average Market Capitalisation.

Disclosure to the market is not required where the transaction is a Material Transaction which is approved by Ordinary Resolution, or is conditional on such approval.

2. Trust Deed

In addition to the Listing Rules, the following restrictions on Related Party dealings are set out in the Trust Deed:

a) Acquisitions and disposal of Trust assets

Even where a proposed acquisition or disposal of Trust assets does not require the approval of Unitholders in accordance with the Listing Rules, the Supervisor's approval is still required.

Clause 12.5 of the Trust Deed provides that no acquisition or disposal of Trust assets to or from Goodman or any "Related Person" of Goodman can occur unless the Supervisor is satisfied that the transaction is:

- + on normal commercial terms or on terms as favourable to the Trust as normal commercial terms; and

- + in accordance with the Trust's investment policies.

The scope of "Related Person" for the purposes of the Trust Deed is more limited than the Listing Rule definition of "Related Party". The Trust Deed definition of a Related Person does not include Associated Persons or major (10% or more) Unitholders.

The investment policy of the Trust is the policy most recently announced to the market from time to time. As at the Effective Date, the investment policy of the Trust is set out in the most recent "Statement of Investment Policies and Objectives" document uploaded on the Disclose Register (scheme number SCH11225).

b) Service agreements

Where a proposed service agreement between the Trust and a Related Party does not require the approval of Unitholders pursuant to the Listing Rules, the Supervisor's approval is still required.

Clause 18.3 of the Trust Deed allows Goodman to employ itself or to employ other related companies to provide services to the Trust which are not ordinarily expected to be performed by Goodman itself, with the prior approval of the Supervisor. Any such service must be provided on normal commercial terms (or terms as favourable to the Trust as normal commercial terms), including the payment of a reasonable fee.

c) Permitted reimbursements

Clause 18.5 of the Trust Deed sets out a list of expenditures for which the Goodman is entitled to have reimbursed from Trust's funds.

A list of these permitted reimbursements is contained in the Schedule to this Policy.

3. FMCA

There is a general prohibition on transactions giving 'related party benefits' under the FMCA (broadly defined as a benefit that is given out of, or creates exposure to loss for, scheme property and is given to, or received by, a related party of the Trust). However, related party benefits do not include fees or expenses paid or reimbursed to Goodman in accordance with the FMCA or the Trust Deed.

Goodman (and any agents to which Goodman has contracted some or all of its functions as manager) is prohibited from entering into a transaction or series of transactions that result in a related party benefit unless:

- a) the Supervisor has previously been notified of that transaction and its particulars; and
- b) the Supervisor has consented to Goodman's entry into that transaction; or
- c) Goodman certifies that the transaction is one of the following:
 - + conducted on arm's length terms;
 - + the acquisition or disposal of a managed investment product in another registered scheme;
 - + involves a listed manager whereby the managed investment products in the scheme are quoted and the listing rules of the licensed market on which those products are quoted contain related party provisions; or
 - + a prescribed benefit or transaction, including the acquisition or disposal of any public security in the ordinary course of business.

The certification contemplated in (c) above is required to:

- + state the specific grounds that are being relied upon as well as the basis for relying on those grounds;

- + state the nature and monetary value of that benefit (or those benefits) where the benefit can be quantified or the nature and extent of that benefit (or those benefits) where the benefit cannot be quantified; and
- + include, or attach, reasonable evidence supporting the preceding points.

In addition, within 10 working days after the expiry of each quarter of Goodman's financial year, Goodman must provide the Supervisor with a report stating whether any related party certificates have been given under the FMCA in the previous quarter and, if so, include a copy of those certificates.

4. Funding Documentation

Clause 12.1 of the Banking Facility prohibits the following activities by the Trust and each guarantor under the Banking Facility (currently Goodman Property Aggregated Limited, Goodman Nominee (NZ) Limited, Goodman Highbrook Limited, GMT Bond Issuer Limited, Highbrook Business Park Limited and Highbrook Development Limited) (each a "Guarantor") without the bank's prior consent:

- + Providing any financial accommodation to any related person or permitting any indebtedness of a related person to subsist, in each case subject to some specified exceptions.
- + Entering into any agreement for the sale and purchase of assets with, or for the benefit of, a related person except on arm's length commercial terms in the ordinary course of the relevant company's ordinary business.
- + Entering into any agreement for the provision of services or any other transaction with, or for the benefit of, a related person except on arm's length commercial terms in the ordinary course of the relevant company's ordinary business.

- + Entering into any guarantee in respect of an obligation of a related person (subject to some specified exceptions).

The Banking Facility does not prohibit the Trust and each Guarantor from entering into these activities with each other.

The Banking Facility defines “related person” to cover:

- a) **any** related company (as defined in section 2 of the Companies Act 1993, but as if the word “subsidiary” in that section had the same meaning as in the Bank Facility) of the Trust or any Guarantor;
- b) **any** person which is treated as an associated company of the Trust or any Guarantor in terms of NZ GAAP;
- c) **any** person which beneficially owns (or together with its related persons, determined on the same basis as set out in paragraphs (a) and (b) above, beneficially owns) whether directly or indirectly 20% or more of the equity share capital of the Trust or any Guarantor; or
- d) **any** related person (determined on the same basis as set out in paragraphs (a) or (b) above) of any person referred to in paragraph (c) above.

Where consent under the Banking Facility is required, it will be required in addition to any necessary consent of Unitholders or the Supervisor.

Part C — Disclosure and Ongoing Compliance Obligations

1. Quarterly Board reporting

A report on Related Party fees paid is provided to the Board at each quarterly meeting in relation to the previous quarter.

Together with this Related Party fee report, the Chief Financial Officer provides a sign off to the Board that all necessary procedures were followed for all Related Party transactions between Goodman and Goodman Group for the applicable period. The Chief Financial Officer relies on executive reports, enquiries of relevant employees and personal observation in providing this certification.

2. Disclosure in Annual and Half Year Report

The FMC Regulations and accounting standards require that certain disclosures be made in the Trust's Annual Report regarding Related Party transactions.

Schedule 5 of the FMC Regulations requires the Trust's Annual Report to include:

- + a description of the material changes to the nature of the Trust, the Trust property or management of the Trust over the accounting period, including any material changes to the nature or scale of related party transactions; and
- + a statement as to whether any Related Party transactions entered into during the accounting period were not on arm's length terms and if so, a description of those transactions.

The Trust prepares a voluntary Half Year Report, including financial statements and result highlights for the interim period. Subject to the fair dealing provisions in Part 2 of the FMCA, there are no disclosure requirements for this report.

Part D — Glossary

Capitalised terms used in this Policy but not defined below have meanings given to them under the Listing Rules.

In the Policy, the following terms or phrases have the meaning ascribed to them unless the context dictates otherwise:

Banking Facility means the Multi Option Facility Agreement dated 21 December 2006 with ANZ Bank New Zealand Limited, Bank of New Zealand, Commonwealth Bank of Australia, Industrial and Commercial Bank of China Limited, The Hongkong and Shanghai Banking Corporation Limited, and Westpac New Zealand Limited, as amended and novated from time to time.

Board means the board of directors of Goodman.

Companies Act means the Companies Act 1993.

Compliance Plan means the Goodman Compliance Plan dated 17 May 2023.

Effective Date means the effective date of this Policy, being 28 March 2024.

FMCA means the Financial Markets Conduct Act 2013.

FMC Regulations means the Financial Markets Conduct Regulations 2014.

Goodman means Goodman Property Services (NZ) Limited as the manager of the Goodman Property Trust.

Listing Rules means the listing rules of NZX, from time to time and LR is a reference to any of those rules.

Management means the senior executive team of Goodman.

NZX means NZX Limited or any stock market or exchange operated by it, as the case may be.

Policy means this Related Party Policy including its schedules.

Supervisor means the supervisor of the Trust from time to time which, at the Effective Date, was Covenant Trustee Services Limited.

Trust or *GMT* means the NZX listed Goodman Property Trust, or, where the term is used in the context of the Banking Facility, the Supervisor as supervisor for the Goodman Property Trust.

Trust Deed means the trust deed of the Trust dated 23 April 1999, as amended from time to time.

Unitholders mean the holders of units in the Trust from time to time.

Schedule — Goodman's permitted reimbursements

Clause 18.5 of the Trust Deed provides that Goodman is entitled to be reimbursed out of the Trust for the following items of expenditure incurred in relation to the Trust:

- a) all costs, charges and disbursements incurred in connection with the acquisition, development, registration, custody, ownership, leasing of tenancies, disposal of or other dealing with an asset of the Trust including legal costs, stamp duties, valuation fees, search and enquiry fees, brokerage, commission, registration fees and other outgoings of and in connection with the investigation of or negotiation for the acquisition, sale, transfer, exchange, replacement, refurbishment, redevelopment or other dealing with or disposition of an asset of the Trust;
- b) the costs of convening and holding any meetings of Unitholders;
- c) duty on cheques issued to Unitholders and stamp duty (if any) in respect of the repurchase, redemption and sale of Units;
- d) the reasonable remuneration and expenses of the Auditor in relation to the Trust;
- e) the reasonable remuneration and expenses of the Valuer and any real estate agent;
- f) reasonable property development fees and expenses;
- g) reasonable acquisition, sales and leasing commissions;
- h) any liability of Goodman or its directors under the FMCA (or the FMC Regulations), or repayment of subscription amounts pursuant to the FMCA (or the FMC Regulations);
- i) reasonable building design fees;
- j) all Taxes or any amount in bona fide reimbursement of any such Taxes properly charged to the Supervisor or Goodman (whether by any taxing authority or any other person) in connection with the operation of the Trust on account of Goodman, the Supervisor, any Unitholder or otherwise (excluding any Taxes levied on Goodman or the Supervisor in its personal capacity);
- k) all mailing and postage costs in respect of all certificates, cheques, financial statements, distribution statements, notices and other documents posted to all or any Unit Holders or other persons in relation to the Trust in accordance with the provisions of the Trust Deed;
- l) the costs of preparation of the Trust Deed or any amendments, including the fees of solicitors and other advisors in relation thereto;
- m) costs for the services identified in clause 18.3 of the Trust Deed where those services are provided by persons other than Goodman;
- n) the reasonable costs of investigating proposals for the Trust;
- o) the following costs, charges and expenses incurred by Goodman (or by the Supervisor after consultation with Goodman);
 - + fees and expenses of any solicitor, barrister, chartered accountant, computer expert or other professional adviser or other expert from time to time employed in relation to the Trust;
 - + all costs, charges and expenses incurred in relation to the preparation, registration and distribution of any prospectus or investment statement issued by Goodman and any offer and issue of Units (including, without limitation,

- expenses and brokerage) in relation to the Trust and the preparation, registration (if requisite) and distribution of any periodical or other report or document required by law or the Trust Deed to be prepared in respect of the Trust;
 - + expenses in connection with the keeping of accounting records and the register of the Trust; and
 - + all other costs, charges and expenses incurred in connection with the ordinary administration of the Trust excluding any internal administration expenses of Goodman or the Supervisor;
- p) all amounts payable in relation to listing the Trust or quotation of the Units on the NZX or any other stock exchange upon which the Trust is listed;
- q) any other expenditure properly and reasonably incurred by Goodman in connection with carrying on its duties under the Trust Deed in relation to the Trust; and
- r) such other amounts for which, pursuant to any other provision of the Trust Deed, Goodman is properly entitled to be reimbursed.



Goodman Property Services (NZ) Limited
as manager of Goodman Property Trust
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Effective date: [28 March] 2024
www.goodman.com/nz