Rules 4.7.3 and 4.10.3[1]

Appendix 4G

Key to Disclosures
Corporate Governance Council Principles and Recommendations

Name of entity

Goodman Group (Goodman Limited, Goodman Funds Management Limited as responsible entity for the Goodman Industrial Trust, and Goodman Logistics (HK) Limited (ASX: GMG)

ABN/ARBN	Financial year ended
Goodman Limited: ABN 69 000 123 071 Goodman Funds Management Limited: ABN 48 067 796 641 Goodman Logistics (HK) Limited : ARBN 155 911 149	30 June 2014

Our corporate governance statement[2] for the above period above can be found at:[3]

☐ These pages of our annual report

☒ this URL on our website: http://www.goodman.com

The Corporate Governance Statement is accurate and up to date as at 12 September 2014 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date here: 29/9 2014

Sign here: Company secretary

Print name: Carl Bicego

[1] Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

[2] "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

[3] Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at this location: _____ *Insert location here* … and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): ☒ at this location: Board Charter www.goodman.com/about-us/corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	… the fact that we have a diversity policy that complies with paragraph (a): ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Inset location here* … and a copy of our diversity policy or a summary of it: ☒ at this location: http://www.goodman.com/about-us/corporate-governance/policies-charters-and-other-governance-documents … the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here* … and the information referred to in paragraphs (c)(1) or (2): ☒ in our Corporate Governance Statement **OR** ☐ at this location:	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
		_____ *Insert location here*	
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	… the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here* … and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	… the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here* … and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose:	[If the entity complies with paragraph (a):] … the fact that we have a nomination committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement **OR** ☐ at this location:	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
	(3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; **OR** (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	_____ *Insert location here* … and a copy of the charter of the committee: ☒ at this location: http://www.goodman.com/about-us/corporate-governance/policies-charters-and-other-governance-documents … and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement **OR** ☐ at this location: [If the entity complies with paragraph (b):] … the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively: ☐ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	… our board skills matrix: ☐ in our Corporate Governance Statement **OR** ☐ at this location:	☒ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors;	… the names of the directors considered by the board to be independent directors: ☒ in our Corporate Governance Statement **OR**	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
	(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	☐ at this location: _____ *Insert location here* … where applicable, the information referred to in paragraph (b): ☐ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here* … the length of service of each director: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	
2.4	A majority of the board of a listed entity should be independent directors.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR**	☐ an explanation why that is so in our Corporate Governance Statement **OR**

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
	perform their role as directors effectively.	☐ at this location: _____ *Insert location here*	☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	… our code of conduct or a summary of it: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; **OR** (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement	[If the entity complies with paragraph (a):] … the fact that we have an audit committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here* … and a copy of the charter of the committee: ☒ at this location: http://www.goodman.com/about-us/corporate-governance/policies-charters-and-other-governance-documents … and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement **OR**	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
	partner.	☐ at this location: _____ *Insert location here* [If the entity complies with paragraph (b):] … the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner: ☐ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement ☐ we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	… our continuous disclosure compliance policy or a summary of it: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	… information about us and our governance on our website: ☒ at this location: http://www.goodman.com/about-us/corporate-governance/policies-charters-and-other-governance-documents	☐ an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	… our policies and processes for facilitating and encouraging participation at meetings of security holders: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement ☐ we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR**	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
	registry electronically.	☐ at this location: _____ *Insert location here*	
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; **OR** (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	[If the entity complies with paragraph (a):] … the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here* … and a copy of the charter of the committee: ☒ at this location: http://www.goodman.com/about-us/corporate-governance/policies-charters-and-other-governance-documents … and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement **OR** ☐ at this location: [If the entity complies with paragraph (b):] … the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework: ☐ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; **OR** (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	[If the entity complies with paragraph (a):] … how our internal audit function is structured and what role it performs: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here* [If the entity complies with paragraph (b):] … the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: ☐ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	… whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; **OR** (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	[If the entity complies with paragraph (a):] … the fact that we have a remuneration committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here* … and a copy of the charter of the committee: ☒ at this location: http://www.goodman.com/about-us/corporate-governance/policies-charters-and-other-governance-documents … and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement **OR** ☐ at this location: [If the entity complies with paragraph (b):] … the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive: ☐ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-	… separately our remuneration policies and practices regarding the remuneration of non-executive directors and	☐ an explanation why that is so in our Corporate Governance Statement **OR**

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
	executive directors and the remuneration of executive directors and other senior executives.	the remuneration of executive directors and other senior executives: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	… our policy on this issue or a summary of it: ☒ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	*Alternative to Recommendation 1.1 for externally managed listed entities:* The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	… the information referred to in paragraphs (a) and (b): ☐ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement
-	*Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:* An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	… the terms governing our remuneration as manager of the entity: ☐ in our Corporate Governance Statement **OR** ☐ at this location: _____ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement

Goodman Group Corporate Governance Statement

Goodman is committed to the highest standards of corporate governance and recognises that an effective corporate governance culture is critical to the long term performance of the business.

Goodman 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). Goodman is governed by its constituent documents, applicable laws (including the Australian Corporations Act 2001 and the Hong Kong Companies Ordinance, the ASX Listing Rules and, in respect of GIT, the compliance plan lodged with the Australian Securities & Investments Commission (ASIC).

As an ASX listed entity, Goodman is required to meet the ASX Corporate Governance Council's (ASX CGC) Corporate Governance Principles and Recommendations (2nd Edition) or disclose any differences. This Corporate Governance Statement (Statement) outlines the ways in which Goodman has met the ASX 2nd Edition Recommendations for the 2013 financial year.

In addition, on 27 March 2014 the ASX CGC released the 3rd Edition of the Corporate Governance Principles and Recommendations which apply from 1 July 2014. Goodman has decided to commence early reporting against the 3rd Edition and this Statement also reports against the 3rd Edition for the period from 1 July 2014 to 12 September 2014. The effective date of this Statement is 12 September 2014 and it has been approved by the Boards.

Any departures from the 2nd Edition or 3rd Edition in respect of the relevant periods are described below.

The Statement has been organised into the following sections:

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Governance	Recommendation

The Boards

3rd Ed.
1.1, 2.3, 2.4, 2.5, 3.3
2nd Ed.
2.1, 2.2, 2.3, 2.6

The Boards of Goodman Group consist of the boards of GL and Goodman Funds Management Limited (GFM), as the responsible entity for GIT which meet jointly and comprise the same Directors, and the Board of GLHK.

GLHK is a separate legal entity and is managed by a separate board of directors, which partially overlaps with the GL Board. GLHK is a Hong Kong tax resident and the GLHK Board must be comprised of at least 50% Hong Kong residents.

The term "Boards" refers to the boards of GL and GFM as responsible entity of GIT and the Board of GLHK. Of the eleven directors that act on the Boards, seven are independent. The Boards are chaired by Mr Ian Ferrier, AM.

The composition of the respective Boards as well as the status and tenure of Directors and attendance at Board Meetings is set out below.

Director	Status	GL Tenure*	GL/GFM Meetings^	GLHK Tenure*	GLHK Meetings^
Mr Ian Ferrier, AM Chairman	Independent	11y	8/8	2y 6m	4/4
Mr Gregory Goodman Group CEO	Executive	16y 1m	8/8	2y 7m	4/4
Mr Philip Fan	Independent	2y 9m	7/8	2y 6m	4/4
Mr John Harkness	Independent	9y 6m	8/8		
Ms Anne Keating	Independent	9y 6m	8/8		
Ms Rebecca McGrath	Independent	2y 5m	8/8		
Mr Phillip Pryke	Independent	3y 10m	8/8		
Mr James Sloman, OAM	Independent	8y 7m	8/8		
Mr Philip Pearce	Executive	1y 9m	8/8	2y 7m	4/4
Mr Danny Peeters	Executive	1y 9m	8/8		
Mr Anthony Rozic	Executive	1y 9m	7/8		

* As at the Effective Date
^ Attended / Held during the 2014 financial year.

The Boards Powers and Responsibilities

3rd Ed.
1.1
2nd Ed.
1.1

The GL, GFM and GLHK Boards must exercise their respective functions diligently and, to the extent permitted by law, in the best interests of Securityholders as a whole. The GLHK Board is governed by Hong Kong law (including the Companies Ordinance) and GLHK is also subject to the ASX Listing Rules and the Australian Corporations Act requirements for registered foreign companies.

The Boards and their committees will continue to have oversight of the Group's business, operations and compliance. The GLHK Board is responsible for the preparation of GLHK stand-alone accounts, the determination of dividends out of

Governance	Recommendation
GLHK and any other non-delegable acts. The roles, responsibilities and operation of the Boards of Goodman and their delegation of authority to management are set out in the Board Charter which was updated in August 2013 and adopted by GL, GFM and GLHK. The charter clearly establishes the role of the Boards in setting Goodman's objectives and their responsibilities in the implementation of such objectives. A copy of the charter is published on Goodman's website at www.goodman.com/about-us/corporate-governance. The Boards have the power to do all things necessary to perform their duties and fulfil their purpose including to: (i) set strategic direction for the Goodman business; (ii) approve strategic alliances; (iii) review progress against strategy; (iv) approve principles, policies, strategies, processes and control frameworks for the management of Goodman's business; and (v) sub-delegate their powers and discretions to Committees of the Boards, executives of Goodman, or management committees with or without the power to delegate further. Effective oversight and risk management are a fundamental part of Goodman's business strategy and central to protecting the interests of Securityholders. The Boards have the ultimate responsibility for risk management and compliance. Goodman operates within overall guidelines and specific parameters set by the Boards. The Boards have established a number of committees to assist in the exercise of its functions and the discharge of their duties, such as ensuring that financial reports are true and fair and comply with applicable accounting standards. Each committee can sub-delegate its powers and discretions, including to executives of Goodman, with or without the power to delegate further. The Board of GLHK has reserved the right to make decisions in respect of any matters delegated to and considered by the committees (including the Audit Committee, the Remuneration and Nomination Committee and the Risk and Compliance Committee) and the committee's will only make recommendations to the Board of GLHK. The Boards have also developed a statement of delegated authority to management. This delegated authority stipulates those matters to be dealt with by the Boards and those matters which are delegated to management. The general statement of delegated authority governs areas such as finance, corporate matters and property transactions.	
Independent decision-making The Boards recognise the importance of independent decision making by Directors and have established policies which require the independence of Directors to be assessed annually and that the Directors inform the Chairman prior to accepting any other board appointments offered to them. Each Director provides confirmations on their ability to adequately perform their role on an annual basis. The Directors bring independent thinking, high standards of corporate governance and good judgement to the Boards. Independence is assessed annually and the Boards last assessed individual Directors for independence using the definition of independence provided in the ASX CGC Recommendations 3rd Edition in June 2014. When assessing independence the Boards considered tenure.	3rd Ed. 2.3, 2.4 2nd Ed. 2.1, 2.6

Governance	Recommendation
In relation to the definition of independence in the 3rd Edition, the Boards considered that a material professional adviser or material consultant is one that derives more than 5% of their revenue from Goodman. When considering whether a person was or is associated with a Substantial Securityholder, the Boards applied the definition of a person holding or having a relevant interest in 5% of Goodman's securities but also had regard to other relationships that the Securityholder may have with Goodman. The Directors consider Mr Ian Ferrier, Mr Philip Fan, Mr John Harkness, Ms Anne Keating, Ms Rebecca McGrath, Mr Phillip Pryke and Mr Jim Sloman to be independent. Mr Gregory Goodman, Mr Danny Peeters, Mr Anthony Rozic and Mr Philip Pearce are Executive Directors of Goodman. The table on page 2 sets out the Directors and their status. 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.	
Chairman Mr Ian Ferrier was appointed as Acting Chairman of the GL Board on 28 November 2008 and Chairman on 2 July 2009. He was appointed Chairman of the GLHK Board on its establishment in 2012. Ian is an Independent Director with in excess of 40 years of experience in corporate recovery and turnaround practice. In his role as Chairman, Ian is responsible for ensuring that the Boards function as an effective and cohesive group, working with the Group CEO to determine the strategic direction for Goodman, establishing high standards of corporate governance and oversight of strategic development and leadership. The role also includes formulation of Board meeting agendas and papers and management of Board meetings to ensure the best performance of each participant. The Chairman acts as a representative of, and spokesperson for, the Boards.	3rd Ed. 1.1, 2.5 2nd Ed. 1.1, 2.2, 2.3
Group Chief Executive Officer The Group CEO is Mr Gregory Goodman. The terms, conditions and responsibilities of his role are established in an agreement with Goodman. His role as Group CEO is to support and encourage his management team to deliver the strategy developed by the Boards and management. His role involves an intimate knowledge of all aspects of the business and communication of the strategy and operational results to the Boards, management team and other stakeholders.	3rd Ed. 1.1, 2.5 2nd Ed. 1.1, 2.2, 2.3
Directors' resources Goodman has a formal policy allowing Directors to take independent professional advice at Goodman's expense should they believe it necessary for the performance of their duties. The Company Secretary and senior executives are always available to the Directors to provide them with information or clarification as required. These senior executives also present information at Board meetings in order to provide the Directors with unfettered access to all relevant information and the ability to candidly question senior management in relation to any matter they deem necessary. Directors are provided with tours of Goodman's properties, both within Australia and overseas. Directors and senior executives are also encouraged to participate in further education relevant to their roles. Goodman reimburses the costs of further education relevant to a Director's or executive's role.	3rd Ed. 2.6 2nd Ed. 2.5

Governance	Recommendation
Company Secretary The Company Secretary is Mr Carl Bicego. The Company Secretary is accountable to the Boards. The Company Secretary is also responsible for responsible for advising Directors on corporate governance matters, liaising with regulators, supervising market disclosures and investor interactions, maintaining Goodman's register and apprising the Boards on legal and governance issues. His biographical details appear on page 40 in the Directors' Report included in the 2014 Annual Report which is published on Goodman's website.	3rd Ed. 1.4 2nd Ed. 2.5

Board review and composition	Recommendation
Board composition/diversity/induction/nomination 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 it 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 ultimate responsibility for its corporate governance practices. The Boards, through their delegation to the Remuneration and Nomination Committee, actively consider the appropriate size, composition and experience of the Boards to respond to changing circumstances in its membership, the business and its strategy, and the markets in which it operates. The Boards seeks to ensure that they have the broad base of skills and experience necessary to set the strategic direction of Goodman, oversee management's implementation of strategy and enhance corporate performance. Following the release of the ASX CGC's 3rd Edition Recommendations and the introduction of a new Recommendation 2.2, the Board reviewed and developed a Board Skills Matrix in the light of its current composition and succession strategy for various competencies and attributes over the short to medium term. The Board approved the Board Skills Matrix in mid-August 2014 but does not consider it appropriate to publish it in detail. In summary, it includes such skills as strategic planning, international business, real estate, funds and investment capital, and financial skills as well as other characteristics and attributes. Please refer to pages 39 to 40 in the Directors' Report included in the 2014 Annual Report which is published on Goodman's website for the skills and experience of each Director.	3rd Ed. 2.2 2nd Ed. 2.6
Remuneration and Nomination Committee The Boards have established a Remuneration and Nomination Committee to consider remuneration and nomination issues more effectively and fully and to provide recommendations to the Boards for approval. The Committee is comprised solely of Independent Directors and is chaired by Mr Phillip Pryke. The table below sets out the composition and the Committee members' attendance at meetings.	3rd Ed. 2.1 2nd Ed. 2.4, 2.6

Director	Status	Meeting^
Mr Phillip Pryke - Chairman	Independent	3/3

Board review and composition			Recommendation
Mr Ian Ferrier	Independent	3/3	
Ms Anne Keating	Independent	3/3	
Ms Rebecca McGrath	Independent	3/3	
Mr Phillip Pryke	Independent	3/3	
Mr Jim Sloman	Independent	3/3	

^ Attended / Held during the 2014 financial year.

The Remuneration and Nomination Committee operates under a formal charter, a copy of which is published on Goodman's website at

www.goodman.com/about-us/corporate-governance.

The purpose of the Committee is to:

+ identify and recommend individuals to the Boards for nomination as members of the Boards and its committees;
+ ensure performance of members of the Boards is reviewed;
+ develop and recommend to the Boards relevant corporate governance principles;
+ ensure appropriate Board and committee structures are in place so that the Boards can perform a proper review function;
+ review and monitor the implementation of Goodman's Diversity Policy and goals;
+ review and make recommendations to the Boards in respect of the administration of Goodman's remuneration programmes (including the engagement of any remuneration advisers);
+ review and make recommendations to the Boards in respect of the approval and remuneration of senior executives and Non-Executive Directors;
+ prepare for approval by the Boards the remuneration report; and
+ report regularly to the Boards on each of the above matters.

The Committee is responsible for engaging remuneration consultants for the provision of remuneration recommendations for key management personnel.

Appointment of New Directors and Re-election

As discussed above, the Board regularly assesses its composition, desired skills and competencies and successions issues. When appointment of a new director is considered desirable, the Remuneration & Nomination Committee engages consultants to assist in the process of identifying candidates. Appropriate checks are carried out by Goodman and consultants before appointment and oversight of this process is a responsibility of the Remuneration & Nomination Committee.

Goodman uses formal letters of appointment for Directors in order to ensure that the Directors clearly understand the expectations of them. Each letter outlines the terms of the Director's appointment and includes matters such as their powers and duties, attendance at meetings, remuneration, appointment on committees, induction and continuing education, and disclosure of interests.

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 Induction Program which is tailored for new appointments having regard to their backgrounds, skills and

3rd Ed.
1.2, 1.3, 2.6
2nd Ed.
1.1

Board review and composition	Recommendation
experience, is disclosed at www.goodman.com/about-us/corporate-governance. New Directors appointed to the Boards are required to seek election at the first Annual General Meeting (AGM) of Securityholders following their appointment. All Directors of the GL Board and the GLHK Board other than the Group CEO are also subject to re-election by rotation at least every three years. The Notice of Meeting includes information relevant to shareholders to vote on a Director's election or re-election as well as a recommendation from the remainder of the Board having regard to its assessment of its desired composition (as discussed above) and performance reviews (see below).	
Performance review The Boards review their performance and that of their committees approximately every two years. The Boards consider this is an appropriate timeframe having regard to the time taken in the review process, the frequency of Board meetings and the level of change in the Boards over time. An assessment of the performance of the Boards, Committees and individual Directors was conducted at the end of the 2012 and most recently in the period July-September 2014. The process for conducting this review consists of each Director completing a self-assessment questionnaire on matters such as: + Board contribution to developing strategy and policy; + interaction between the Boards and management; + Board processes to monitor business performance and compliance, control risk and evaluate management; + Boards composition and structure; and + operation of the Boards including the conduct of Board and committee meetings. The Chairman meets with each Director individually to discuss Board participation and performance. In the most recent review this was also completed in the context of the Board Skills Matrix and a consideration of the Boards' composition and succession planning. The performance of senior executives is reviewed annually by the Group CEO through a structured process of self-assessment and review against previously established goals and objectives. This process is co-ordinated by Goodman's Human Resources department and applied globally throughout Goodman. The performance of the Group CEO and senior executives (including the other executive directors, nominated key management personnel and Country heads) is reviewed and overseen by the Remuneration and Nomination Committee.	3rd Ed. 1.6, 1.7 2nd Ed. 1.2, 1.3, 2.5, 2.6

Integrity of financial reporting	Recommendation
Audit Committee The Boards have established an Audit Committee, which meets at least four times a year, to assist in fulfilling the Board's legal and regulatory requirements in relation to Goodman's financial statements. The Audit Committee is comprised solely of Independent Directors and is chaired by Mr John Harkness (Chairman). The table below sets out the composition and the Committee members' attendance at meetings.	3rd Ed. 4.1 2nd Ed. 4.1, 4.2, 4.3, 4.4

Integrity of financial reporting	Recommendation

Director	Status	Meeting^
Mr John Harkness - Chairman	Independent	4/4
Mr Ian Ferrier	Independent	4/4
Mr Phillip Pryke	Independent	4/4
Mr Phillip Fan	Independent	4/4

^ Attended / Held during the 2014 financial year.

The Audit Committee operates under a formal charter a copy of which is published on Goodman's website at www.goodman.com/about-us/corporate-governance and the Committee's responsibilities include:

+ overseeing financial reporting principles and policies, controls and procedures;
+ ensuring the integrity of Goodman's financial statements, independent external audit and the Group's compliance with legal and regulatory requirements relating to financial statements; and
+ establishing procedures for selecting, appointing, and if necessary, removing Goodman's external auditor.

The Committee has the power delegated by the Boards to undertake all things necessary to perform its duties and fulfil its purpose including:

+ approving principles, policies, strategies, processes and control frameworks for the management of audit matters; and
+ sub-delegating its powers and discretions to senior executives with or without the power to delegate further.

The Committee has access to the senior executives, internal audit and the external auditor. In particular:

+ senior members of management are invited to attend Committee meetings and to present to the Committee on key issues;
+ Committee members regularly meet with management, independently of Committee meetings, to further discuss issues relevant to the work of the Committee; and
+ the Committee meets with the external auditor, without management being present.

The Committee reports to the Boards on the outcome of its reviews, discussions with the external auditor and its findings on matters which have or are likely to have a material impact on the operating results or financial position of Goodman.

John is a Chartered Accountant and was a former partner of KPMG before retiring in June 2000. He was a partner of KPMG while it was engaged to conduct the audit of Goodman's entities, however, he was not involved in those audits. Ian is also a Chartered Accountant with significant financial expertise and was previously the Chairman of the Audit Committee. The other members bring extensive business experience to the Committee. Further information about the Committee members' qualifications and experience is set out on pages pages 39 to 40 in the Directors' Report included in the 2014 Annual Report which is published on Goodman's website.

Integrity of financial reporting	Recommendation
Executive confirmations In addition to the work of the Audit Committee, the Group 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 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 provided written confirmation that, to the best of their knowledge and belief: + the statement given to the Boards on the integrity of Goodman's financial statements is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Boards; and + Goodman's risk management and internal compliance and control systems are operating efficiently and effectively in all material aspects. These statements are based on a Group-wide and broad ranging series of half 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.	3rd Ed. 4.2 2nd Ed. 7.3
Auditors Goodman has engaged KPMG to act as its external auditor. As part of the terms of engagement, KPMG is required to review or audit as relevant, the half yearly and annual financial report prior to approval by the Boards, discuss its findings with the Committee including the adequacy of financial and accounting controls, and attend the AGMs and 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, the external auditor provides an independence declaration in relation to the review or audit. The Audit Committee is also responsible 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 imposed by the Corporations Act 2001.	3rd Ed. 4.3 2nd Ed. 4.4

Managing risk and compliance	Recommendation
Risk and Compliance Committee The Boards have established a Risk and Compliance Committee to provide oversight and direction to Goodman's system of risk oversight, management and internal controls. The Committee is comprised solely of Independent Directors and is chaired by Mr John Harkness. The table below sets out the composition and the Committee members' attendance at meetings.	3rd Ed. 7.1 2nd Ed. 7.1, 7.2

Director	Status	Meeting^
Mr John Harkness - Chairman	Independent	4/4
Ms Anne Keating	Independent	4/4
Mr Rebecca McGrath	Independent	4/4

Managing risk and compliance			Recommendation
Mr Phillip Fan	Independent	4/4	
Mr Jim Sloman	Independent	4/4	

^ Attended / Held during the 2014 financial year.

The Committee operates under a formal charter available on Goodman's website at www.goodman.com/about-us/corporate-governance. The Committee reports to the Boards regarding the effectiveness of its risk management framework in relation to:

+ internal risk management systems;
+ internal audit framework;
+ internal compliance systems and external compliance audit functions;
+ sustainability programme;
+ Work, Health and Safety (WH&S); and
+ insurance requirements.

The Committee also oversees the work of several internal management committees which have risk responsibilities. These committees facilitate the sharing of information and seek to ensure that a consistent approach to risk management is applied across Goodman.

Consistent with Goodman's approach of transparent reporting to the Boards, members of the Committee have unfettered access to management to discuss risk and compliance matters. Senior members of management are invited to attend Committee meetings and present on key issues. External experts and third party service providers are also invited to attend Committee meetings to provide the Committee with further information and understanding of the way in which Goodman manages its risk and compliance obligations.

Risk Management Framework

The Boards have required that management design and implement a risk management and internal control system to manage Goodman's material business risks under the oversight of the Risk and Compliance Committee

Goodman's risk management system has been developed in accordance with international and Australian/New Zealand standards on risk management and has been underpinned by a Risk Management Policy that sets out the oversight and management of risk for Goodman.

The Group Head of Risk is responsible for the implementation of the Risk Management Policy globally. He reviews critical business units and profiles their key risks on an annual basis. Action plans for mitigating key risks are reported to the Risk & Compliance Committee at each meeting.

Management has reported to the Boards, through the Risk and Compliance Committee that Goodman manages its risks effectively. The Committee regularly reviews and assesses the soundness of the risk management framework.

The Committee will again review the framework during the 2015 financial year and continue to do so an annual basis in accordance with its Charter.

3rd Ed.
7.2
2nd Ed.
7.1,7.2

Compliance

The Committee is also responsible for the oversight of internal compliance systems and external regulatory compliance. In addition, the Committee acts as the Compliance Committee for each registered managed investment scheme of which GFM is the responsible entity.

Internal compliance systems and policies include those relating to the conduct of

Managing risk and compliance	Recommendation
Goodman employees (see "People and Conduct" below). The Compliance Manager is responsible for reviewing and monitoring the efficiency of the compliance systems on an ongoing basis and for reporting on the results of these activities to the Risk & Compliance Committee.	
Internal Audit The internal audit programme is closely aligned to the risk management framework and involves a rolling programme of reviews and control testing of Goodman's business processes. The internal audit function is wholly independent of the external audit function. The findings of internal audit are reported to the Risk and Compliance Committee and where relevant, the Audit Committee. The findings and any recommendations arising from the internal audits are acted on management under the supervision of the Committee.	3rd Ed. 7.3 2nd Ed. 7.2
Sustainability The Board believes that the Goodman business strategy and integrated "own+develop+manage" customer service model is both relevant for the contemporary operating environment and sustainable into the future. The Board, through the Risk and Compliance Committee and other Committees as appropriate, seeks to manage and respond to its operating environment including economic, environmental and social sustainability risks. Goodman has implemented a Sustainability Policy targeted at the Group's primary operating activities and aims to continually improve the Group's economic, environmental and social sustainability performance. Information concerning the Group's economic strategy, performance risks and outlook is included at pages 4 to 9 in its 'Operating and Financial Review' included in the Directors' Report. Information concerning the Group's 'Corporate responsibility and sustainability framework can be found at http://gmgcrs.com/2013/	3rd Ed. 7.4

Remuneration	Recommendation
Remuneration & Nomination Committee The Boards established the Remuneration and Nomination Committee, and in addition to its other responsibilities, it has developed policies dealing with fixed remuneration, Short Term Incentives (STI) and Long Term Incentives (LTI). The Committee meets as required to consider and recommend to the Board, the remuneration policy and the specific remuneration arrangements for Non-Executive Directors, the Group Chief Executive Officer, other key management personnel and senior executives. In addition, the Committee considers and is responsible for the oversight of remuneration aspects which have a bearing upon all employees across the Consolidated Entity, including STI, LTI, superannuation/pension entitlements and termination payments. The Committee is also responsible for certain other related human resources policies and oversees a succession planning exercise for key operational roles. The Committee has adequate resources and the appropriate authority to discharge I ts duties and responsibilities and directly engages with external consultants, proxy advisers and major investors. During the current financial year, the Chairman of the	3rd Ed. 8.1 2nd Ed. 8.1, 8.2

Remuneration	Recommendation
Board and the Chairman of the Committee engaged directly with proxy advisers and major investors to understand their viewpoint on issues relating to remuneration and Board composition. The Committee considers that this is an important aspect of its work and the Committee has evaluated the issues raised in a systematic manner. During the prior financial year, the Committee engaged Ernst & Young to provide market data in respect of remuneration for Non-Executive Directors and certain senior executive roles. Further information about the Committee including its composition and Members' attendance at meetings is set out on page 5 of this Statement.	
Directors' remuneration Goodman follows the principles of remuneration for Non-Executive Directors that are set out in the ASX CGC's 3rd Edition. Non-Executive Directors received fixed fees from within the fee pool approved by securityholders at the 2006 Annual General Meeitng. Non-Executive Directors do not receive incentive or at risk cash or equity based remuneration while retirement benefits are limited to superannuation. The Board has adopted a policy that requires Non–Executive Directors to accumulate and hold Goodman securities with a value equivalent to twice their annual base fees and applies 25% of Directors' net base fees to the acquisition of Goodman securities until that value of securities is held. 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. The fees of each Non-Executive Director are disclosed on page 31 in the Directors' Report included in the 2014 Annual Report which is published on Goodman's website.	3rd Ed. 8.2 2nd Ed. 8.3
Executive Remuneration Goodman follows the principles of remuneration that are set out in the ASX CGC's 3rd Edition. These include a policy of rewarding employees with a mixture of fixed, performance-linked and equity based remuneration. In relation to equity based remuneration, under the Securities Trading Policy, Directors, senior executives and other employees are not allowed to enter into derivative contracts that hedge their exposure to movements in the price of Goodman securities that have not vested. Executives appointed to Goodman enter into contracts of employment setting out the terms of their employment including the obligation to comply with the Group's policies. Further information in relation to the remuneration policies and executive employment terms is set out in the remuneration report on pages 24 to 37 in the Directors' Report. The salary and/or fees of each Executive Director and other key management personnel are disclosed on pages 31 and 33 in the Directors' Report included in the 2014 Annual Report which is published on Goodman's website.	3rd Ed. 1.3, 8.2, 8.3 2nd Ed. 1.1, 8.3

Engagement with stakeholders	Recommendation
Timely and balanced disclosure Goodman is committed to providing timely, balanced and readily available disclosure of material information to Securityholders, the investment community generally, other stakeholders and regulators. It believes that ethical and responsible decision-making is critical to the success of its business. Goodman also believes that the transparency	3rd Ed. 5.1 2nd Ed. 5.1, 5.2

Engagement with stakeholders	Recommendation
of these processes promotes market and Securityholder confidence in its integrity and sustainability. Goodman's Continuous Disclosure Policy outlines the procedures followed internally to ensure timely and full disclosure of material through the ASX. Under this Policy, Investor Relations is responsible for the co-ordination of all ASX announcements; however, it relies on the input and sign-off of key staff in each division to which the ASX announcement relates. The Group CEO and the Company Secretary (Communications Officer) review all filings prior to lodgement with ASIC or the ASX and are responsible for ensuring timely lodgement of all documentation. The Boards' policy is to review and approve announcements on key transactions as well as periodic or other mandatory disclosures of announcements concerning: + half yearly and full year financial statements and results; + annual reports; + Investor or market updates (especially when including new price sensitive information); + Extraordinary or Annual General Meetings; + disclosure documents concerning the issue of securities; + transactions that will require Securityholder approval (such as related party transactions, and matters requiring Board recommendations); and + corporate transactions such as takeovers or schemes. All announcements are reported to the Boards and a record is made of where the announcement has been reviewed by the Boards. The Communications Officer has responsibility for all communications with the ASX. The Communications Officer authorises all market communications and is kept informed of issues discussed during meetings with investors/analysts. The Communications Officer reviews other market communications such as press releases and other corporate publications to ensure a consistent approach is adopted in relation to disclosure. Following receipt of confirmation of lodgement and the release of announcements, relevant information is then published on Goodman's website at www.goodman.com. Goodman's senior executives, including the Communications Officer, regularly meet to consider operational matters and regulatory compliance including the consideration of identified potential transactions that may require disclosure. In particular, this includes significant corporate, property or financing transactions by the Group or its managed funds. The Continuous Disclosure Policy also sets out when trading halts are to be used, how to respond to market speculation and guidelines regarding how communications are to be made through differing forms of media. Information on continuous disclosure is made available to all employees on commencement of employment. Goodman's Continuous Disclosure Policy is available on its website at www.goodman.com.	
Communication with Securityholders Goodman has implemented a number of processes in order to facilitate the effective and efficient exercise by Securityholders of their rights. Goodman communicates information to Securityholders through a range of media, including annual reports, half year results, quarterly updates, email alerts, investor newsletters, general communications and ASX announcements. Goodman's policy and procedures in relation to investor communications are incorporated into its	3rd Ed. 6.1, 6.2, 6.3, 6.4 2nd Ed. 6.1, 6.2

Engagement with stakeholders	Recommendation
Continuous Disclosure Policy. Goodman's website includes extensive information at its "Investor Centre" including ASX announcements and media releases, reports and newsletters, financial information and presentations, security price information, and upcoming events. Results presentations are also webcast. Goodman's website at www.goodman.com/about-us/corporate-governance similarly includes extensive information about Goodman's corporate governance including information about the Board and executives, constituent documents, policies and charters. To broaden the visibility of Goodman's communications and to increase the range of content available to Securityholders, Goodman has adopted the use of social media through Twitter at www.twitter.com/Goodman_Group and LinkedIn www.linkedin.com/company/goodman. Securityholders can raise questions by contacting Goodman by telephone, facsimile, email or post. Contact details are provided on the website, Annual Report and other communications. Securityholders are also able to receive communications from, and communcations to Goodman and its registry electronically. Annually, Goodman holds an Investor Strategy day where Securityholders have the opportunity to hear market update presentations on all regional Goodman operations and ask questions of Goodman senior executives. The presentations are webcast live for Securityholders who are unable to attend. Securityholders are invited to attend the AGMs either in person or by proxy. The Boards regard the meetings as an excellent forum in which to discuss issues relevant to Goodman. The Boards encourages full participation of Securityholders at these meetings to ensure a high level of accountability and identification with Goodman's strategy and objectives. Securityholders are invited to submit questions to the external auditor for discussion at the AGM. The meeting is webcast to further inform Securityholders who are unable to attend and the address of the Chairman is immediately announced to the 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. Investor Relations responds to Securityholder enquiries and complaints and provides a thorough and transparent communications service to Securityholders. GFM is also a member of the Financial Ombudsman Service, an external industry complaints handling service	3rd Ed. 6.2

People and conduct	Recommendation
Overview Goodman stipulates the standards of ethical behaviour expected of Directors, key executives and employees in its Code of Conduct and requires the observance of those standards. The Code of Conduct and accompanying core policies on conflicts of interest, continuous disclosure, dealing with public officials, gifts, employee reporting and protection, related party dealings, securities trading and sustainability are available on Goodman's website at www.goodman.com.	3rd Ed. 3.1 2nd Ed. 3.1

People and conduct	Recommendation
Responsible and ethical decision-making In addition to the laws and responsibilities which apply specifically to Directors, the Boards have endorsed an updated Code of Conduct which applies to Directors and employees of Goodman. The Code of Conduct requires Directors and employees to, among other things: + keep abreast of Goodman's policies and procedures, and where necessary sign acknowledgements that they have read these policies; + maintain appropriate standards of workplace behaviour; + comply with the Group Diversity & Inclusion Policy; + co-operate fully with any investigations relating to Goodman's policies; + comply with the Group's Security Trading Policy; + notify the Group General Counsel in writing if they are required by any regulatory body to provide information, answer charges or face proceedings in respect of any matter arising during their tenure with Goodman; + keep any and all Goodman information confidential except as necessary for marketing Goodman products and services; + notify the Group Head of Risk, Group General Counsel, Group General Manager, Human Resources and/or local country head, if they have reason to suspect fraud, corrupt, criminal or unethical conduct by any Director or employee of Goodman; and + not make or accept payment or any other benefit in money or kind as an inducement or reward for any act or in connection with any matter or business transaction undertaken by or on behalf of Goodman. The aim of the Code of Conduct is to establish a high standard of conduct and to communicate this to the Directors and employees. Expectations regarding fairness, honesty and the treatment of confidential information are made explicit. The Code of Conduct also charges all employees with responsibility for reporting unethical or corrupt conduct. The Code of Conduct is provided to Directors upon appointment and all employees upon commencement. The Code of Conduct is supported by a framework of policies that set out Goodman's approach to meeting its legal obligations and the expectations of stakeholders for responsible and ethical decision-making. Key policies forming part of the framework are set out below.	3rd Ed. 3.1 2nd Ed. 3.1
Securities trading The Securities Trading Policy, which is made available to Directors on their appointment and employees on their commencement, prohibits Directors and employees from trading in Goodman securities when in possession of inside information. It also prohibits the communication of that inside information to any other person who is likely to purchase or sell Goodman securities or who is likely to procure a third party to purchase or sell those securities. Under the Securities Trading Policy, the only appropriate time for a Director or employee to acquire or sell Goodman securities is when he or she is not in possession of price sensitive information that is not generally available to the market. To avoid any adverse inference being drawn of unfair dealing, Directors and employees are not to deal in Goodman securities during the two week period before the end of a financial period through to the release of Goodman's half yearly or yearly results. A trading blackout is notified to Directors and employees during those times and may also be notified by the Company Secretary or Group CEO at other times	3rd Ed. 3.1 2nd Ed. 3.1

People and conduct	Recommendation
when considered appropriate. Approval is not given during a trading blackout unless the Group CEO or Chairman is satisfied of circumstances amounting to hardship and that the person is not in possession of price sensitive information which is not generally available to the market. Directors and employees are not allowed to engage in short term trading of Goodman securities under the Securities Trading Policy nor are Directors or senior executives allowed to enter into derivative contracts that hedge their exposure to movements in the price of Goodman securities that have not vested. The Securities Trading Policy applies to decisions to sell Goodman securities by a mortgagee, chargee or margin lender under a margin loan or other financing arrangements. Directors or employees may apply, on the basis of hardship, for consent to trade from the Chairman or Group CEO notwithstanding that a trading blackout might otherwise apply. 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 Goodman has a Conflicts of Interest Policy in accordance with its commitment to conducting its business ethically and with integrity. Directors, employees and consultants 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 or potential conflicts, and decide upon and implement an appropriate response to those matters; and + maintain written records that demonstrate how Goodman manages conflicts.	3rd Ed. 3.1 2nd Ed. 3.1
Related parties Goodman has implemented a Related Parties Policy for the disclosure and resolution of any matter that may give rise to actual, potential or perceived conflicts of interest between the interests of a Director and Goodman. The Policy ensures that all transactions involving related parties of Goodman conform to the requirements of the Corporations Act 2001 and ASX Listing Rules.	3rd Ed. 3.1 2nd Ed. 3.1
Gifts Goodman has a Gifts Policy setting out its commitment to reasonable and proportionate gift giving and receiving by Directors and employees. Management recognises that the giving and receiving of business related gifts and corporate entertainment are an important part of building business relationships with potential and existing customers. However, Directors and employees must exercise caution to ensure only bona fide gifts are given and received which will not influence, or appear to influence, Goodman's or third party judgements. The Gifts Policy outlines the general prohibitions and guiding principles that Directors and employees should consider when giving and receiving gifts, and also details the mechanisms for approving, recording and reporting of gifts.	3rd Ed. 3.1 2nd Ed. 3.1

People and conduct	Recommendation
Dealing with public officials Goodman's Dealing with Public Officials Policy sets out its commitment to conducting its 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 and avoids any conduct which may be considered to be corrupt or contrary to good corporate ethics. Goodman strictly prohibits any activity that seeks to bribe, corrupt or otherwise improperly influence a public official or third party 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. The Dealing with Public Officials Policy outlines the general prohibitions against bribery and corruption of public officials (both in Australia and overseas), the procedures around dealing with public officials, and the detection and reporting of bribery and corruption.	3rd Ed. 3.1 2nd Ed. 3.1
Political donations policy Goodman has a Political Donations Policy to demonstrate its commitment to conducting its business with integrity. Under the policy, Goodman prohibits the making of donations to political parties, elected members, candidates or groups of candidates, third party campaigners or Government employees and Goodman will not contribute funds for membership or affiliation to political parties or individuals. However, Goodman may pay for Directors, Officers or employees to attend a political fundraising function on behalf of Goodman where it is lawful to do so, and there is a corporate benefit to Goodman, and the prior approval from the relevant officer has been obtained.	3rd Ed. 3.1 2nd Ed. 3.1
Employee reporting and protection Goodman is committed to conducting business in a culture of integrity, compliance and ethical behaviour. Goodman also considers that it has a responsibility to its employees, Securityholders and customers to safeguard against any attempts of fraud, bribery and corruption. In light of this, and its belief in the importance of having a mechanism for the reporting of wrongdoing and protecting those who report wrongdoing, Goodman has an Employee Reporting and Protection Policy. This Policy encourages employees, management and contractors to report instances of improper behaviour by outlining the way Goodman will protect those who raise concerns about unacceptable behaviour.	3rd Ed. 3.1 2nd Ed. 3.1
Work Health and Safety (WH&S) Goodman recognises its obligations under the WH&S legislation and is committed to the implementation and proper management of appropriate risk management procedures to protect the safety of its employees, contractors, customers and visitors. Goodman's commitment to WH&S extends to all facets of its business with the overall responsibility for WH&S resting at the highest level of management and the Board. However, every employee is also required to comply with the WH&S and to perform all duties in a safe and responsible manner. Goodman has implemented a WH&S management programme and an online Contractor Induction system.	

Diversity	Recommendation
Diversity Goodman's Diversity Policy aims to provide a work environment that values diversity and inclusion in all locations around the world. This is consistent with two of Goodman's corporate values (Goodman Values) which are Open+Fair and Team+Respect. The Policy provides that Goodman will: + ensure all workplaces are free of harassment and unlawful discrimination; + recruit, appoint and promote on the basis of merit; + provide equal access for all employees for personal development, management skills development and career path opportunities; + recognise cultural differences that exist around the world; + be aware of and accommodate the needs of individuals with family and carer responsibilities, through flexible and contemporary work practices; + be aware of customers' diversity and their expectations; + create an inclusive work environment, where ideas and opinions are shared for the overall benefit of the Group; + contribute to the community through a range of philanthropic channels; + create and implement programmes that aim to increase career advancement opportunities for female employees across the business globally; and + support and achieve the above objectives by inclusion of these within key performance indicators for senior management and ensure Board review of progress.	3rd Ed. 1.5 2nd Ed. 3.2, 3.5
Policy Implementation and Initiatives A consistent philosophy is that the Group ensures that career advancement occurs for high potential female employees and the barriers to this are eliminated where possible. The Group has also implemented several initiatives to advance the Group towards its objective. These initiatives are: • Traning based – through general and specific career coaching for groups and individuals to assist individuals to drive their own career development activities; • Mentoring based – providing specialised career advice and wokplace mentoring for those employees identified as being high potential • Policy enhancements – review of specific policy items that could assist female employees to return to work after a period of maternity leave and to better balance the requirements of work and family Further information on the range of activities that have been undertaken to support the Group in meeting its diversity objectives are described in the 2014 Goodman Group Annual Report under the section "Corporate social responsibility – Diversity initiatives" on page 12.	3rd Ed. 1.5 2nd Ed. 3.2, 3.5
Gender Diversity Strategy Objectives The Group's strategy is to enable all employees to reach their potential and many of its initiatives are targeted at employees below the executive levels. In particular, it is the objective of the Group's gender diversity strategy to increase the representation of female employees at senior levels. The Group measures this representation having regard to the organisational structure, proximity to the CEO in reporting, scope and content of roles.	3rd Ed. 1.5 2nd Ed. 3.2, 3.3, 3.5

Diversity	Recommendation
In reporting on the representation of female employees at the Senior Executive level the Group also considers it appropriate to consider those female employees at the Executive level. This group is a pool from which Goodman's Senior Executives would be selected in the absence of external appointments and is also indicative of the progrees that is being made to increase gender diversity at the Senior Executive level. For the purposes of the Group's Diversity Strategy the following definitions are applied:	

Level	Role Characteristics	Target
Senior Executive	Roles with highest complexity, leading a function, business unit or region across multiple geographies. High discretion and autonomy. Will manage a team of individuals with specific and distinct objectives. High commercial impact.	25 – 35%
Executive	Sub-regional business role or functional specialist with high complexity, risk profile and/or commercial outcomes. May have team management responsibility.	35 – 45%

These Targets are considered to be consistent with the proximity based measures that were previously used.

The Group's policy is to seek to meet these Targets by 30 June 2015 though progress will depend on the general level of change at the Senior Executives and Executive levels, the Group's growth and opportunities, and the skills and suitability of individuals to fill those opportunities amongst other factors.

The Diversity Policy available to Securityholders on Goodman's website at www.goodman.com.

Progress and Reporting on Diversity On an overall basis, the gender representation of Goodman employees as at 30 June 2014 remained relatively unchanged from 2013 at 55% male and 45% female. In respect of 17 Senior Executives within the Group, 17% are female. This has remained constant over the last 12 months as there have not been any changes in the Senior Executive team which as in prior years has remained relatively stable. Progress has been made at the Executive level where in respect of 89 Executives within the Group, 28% are female. This is an increase of 6% on the prior year. Generally speaking there are also higher levels of female employees in the pool from which Executives are likely to be drawn. With regards to gender diversity of the Boards, two of the eleven directors (18%) are women.	3rd Ed. 1.5 2nd Ed. 3.4