

AUB GROUP LIMITED ENVIRONMENTAL AND SOCIAL GOVERNANCE POLICY

Effective 1st July 2020



1. POLICY STATEMENT

AUB Group Limited (**Company**) is committed to being a responsible and sustainable business. The Company believes it is good business sense to have corporate social responsibility programs where doing the right thing by our people, our partners, our environment and the communities we operate in is part of the Company ethos.

The Company is committed to connecting, communicating and partnering with the community when and where appropriate.

The Company subsidiary businesses will also develop and participate in corporate social responsibility initiatives within their business, employee and client “communities”.

1.1 PURPOSE

The Company monitors whether it has any Material Exposure to Environmental Risks and Social Risks through its Risk Management Policy.

The purpose of this Environmental and Social Governance Policy is to outline how the Company intends to manage any of these risks.

Details of the Company’s Environmental, Social and Governance assessment to any Material Exposure, its programs and annual results are outlined in the Company’s Annual Report.

2. DEFINITIONS

Environmental Risks means the potential negative consequences (including systemic risks and the risk of consequential regulatory responses) to the Company if its activities adversely affect the natural environment or if its activities are adversely affected by changes in the natural environment. This includes the risks associated with the Company polluting or degrading the environment, adding to the carbon levels in the atmosphere, or threatening a region’s biodiversity or cultural heritage. It also includes the risks for the Company associated with climate change, reduced air quality and water scarcity.

Material Exposure means a real possibility that the risk in question could materially impact the Company’s ability to create or preserve value for security holders over the short, medium or longer term.

Social Risks means the potential negative consequences (including systemic risks and the risk of consequential regulatory responses) to the Company if its activities adversely affect human society or if its activities are adversely affected by changes in human society. This includes the risks associated with the Company or its suppliers engaging in modern slavery, aiding human conflict, facilitating crime or



corruption, mistreating employees, customers or suppliers, or harming the local community. It also includes the risks for the Company associated with large scale mass migration, pandemics or shortages of food, water or shelter.

3. RESPONSIBILITY AREAS

The Company encourages high standards of business ethics and integrity in all of our activities and commercial arrangements. We will demonstrate these through the following key responsibility areas:

Social

The Company is committed to ensuring it meets its social compliance responsibilities and has an ongoing program to support ethical practices that protects individuals and their families. The Company will seek to identify and practice approaches that help individuals and their families to be effective social contributors.

The Company makes a commitment to provide and maintain a safe workplace and balances innovation and advanced thinking for retention of people across all career stages.

Environmental

The Company is committed to reducing its environmental footprint.

The Company will develop and follow a robust environmental management approach which is designed to:

- minimise waste, and encourage the reuse and recycling of waste items;
- reduce water and energy consumption;
- promote sustainable transport to employees, clients and suppliers; and
- support sustainable procurement and other sustainable work practices.

Community

The Company seeks to build and value connections and relationships with the communities in which the Company's employees and clients live and work.

The Company's external activities aim to enhance the social and economic wellbeing of these communities.

The Company subsidiary businesses will also participate in initiatives within their local communities to build and maintain connections with the people in those communities.

Stakeholder

The Company views all its stakeholders as integral to the value chain. We seek to establish high quality partnerships with suppliers and service providers and strictly comply with relevant legislation and regulations and corporate governance guidelines. We seek these same expectations from all stakeholders.



The Company will aim to ensure all dealings with clients are of the highest quality and satisfaction levels and will ensure corporate behaviour follows the Code of Conduct in all areas of the business.

Employee Management

The Company commits to providing a responsible working environment for all its employees. To achieve this, the Company creates a corporate culture and environment which attracts and retains reliable, respectful and ethical employees.

The Company encourages teamwork, provides fair remuneration, professional development and is an equal opportunity employer respecting human rights and supporting mutual respect between employees and management.

The health and safety of employees is a top priority for the Company. Key initiatives include:

- open and consultative safety, health and environment program; and
- access to an Employee Assistance Program.

Responsibilities

Employees and contractors are responsible for:

- adhering to the guidelines of this policy;
- strictly following compliance requirements established by the Company; and
- alerting their manager of issues that contravene the tenor of this policy.

Partners and managers are responsible for:

- aiming to ensure employees and stakeholders seek to comply with this policy in all their personal and business dealings associated with their engagement at the Company; and
- supporting the operation of this policy by dealing with issues raised by employees and other parties which may be in contravention with this policy and its intentions.

4. ROLE

The Board, in consultation with the Board Audit & Risk Committee will:

- (a) carefully consider the basis for any determination that the Company does not have any Material Exposure to Environmental Risks or Social Risks, and benchmark its disclosures in this regard against those made by its peers;
- (b) disclose whether it has any Material Exposure to Environmental Risks or Social Risks and, if it does, how it manages or intends to manage those risks; and



- (c) where disclosure is required, determine whether to publish an integrated report or sustainability report including any cross-references to relevant international frameworks or standards, if necessary.

The Board has delegated the stewardship of this Policy to the Chief Financial Officer.

The Board has formally adopted this policy, reflecting a commitment by the Board for accountability across the Company to monitor environmental and social risks.

The Board has responsibility for this policy including its regular review and the monitoring of its effectiveness.

5. MATERIAL REVISIONS

| Version | Approval Date | Effective Date | Details |
|---------|---------------|----------------|---|
| 1.0 | 30 June 2020 | 1 July 2020 | Policy approved by AUB Group Limited Board. |