

AUB Group Limited Remuneration and People Committee Charter

Effective 19 February 2021



1. Purpose

AUB Group Limited (**AUB Group**) is committed to ensuring that its governance framework complies with this Charter.

The Remuneration and People Committee (**Committee**) has been established to assist the Board in discharging its duties, particularly those regarding:

- Remuneration
- Culture
- Succession
- Performance
- Diversity and inclusion

The purpose of this Charter is to set out the duties and responsibilities of the Committee.

In carrying out its duties, the Committee will have regard to all applicable legislation, guidance provided in the ASX Corporate Governance Principles and Recommendations (ASX Principles), other applicable guidelines and any independent advice obtained.

AUB Group understands remuneration is a key driver of culture and a key focus for investors.

When setting the level and composition of remuneration, AUB Group will balance:

- its desire to attract and retain high quality directors and to attract, retain and motivate senior executives;
- the need to ensure that the incentives for executive directors and other senior executives encourage them to pursue the growth and success of the entity without rewarding conduct that is contrary to the entity's values or risk appetite;
- the need to ensure that the incentives for non-executive directors do not conflict with their obligation to bring an independent judgement to matters before the Board;
- the implications for its reputation and standing in the community if it is seen to pay excessive remuneration to directors and senior executives; and
- its commercial interest in controlling expenses.

AUB Group is committed to establishing a formal, rigorous and transparent process for developing its remuneration policy and for fixing the remuneration packages of directors and senior executives.



The Committee is committed to being an efficient and effective mechanism to bring the focus and independent judgement needed on remuneration decisions.

2. Scope

This Charter applies to the Committee and should be read in the context of AUB Group's other policies and procedures as varied from time to time (as made available on AUB Group's website).

3. Membership

Committee members will be appointed by the Board and may be removed by the Board at any time. The Committee will comprise of at least three members, which must be non-executive directors, with a majority of independent directors. The Committee Chair will be an independent director. In determining independence, the Committee will consider and disclose Recommendation 2.3 of the ASX Principles.

The Committee will be of sufficient size and independence to discharge its mandate effectively.

4. Meetings

The Committee will meet at least twice a year or more frequently if required.

The required quorum is two Committee members.

Notice of each meeting will be given to the Committee, the Group Company Secretary and any additional person required, within a reasonable period prior to the meeting.

The Committee may invite other persons as necessary.

The Group Company Secretary or their nominee will act as the Secretary for the meeting and will minute the meeting and resolutions, which will be circulated to all Committee members.

Resolutions will be adopted by simple majority. In the case of a tie in votes, the Chair, in addition to his/her vote, has the casting vote.

The Committee will ensure no member of management, including the executive Directors, may participate in deliberations in respect to their own remuneration.

The Committee Chair will report on the actions of the Committee to the Board on a regular basis.



5. Responsibilities

5.1 Board

The Board has the responsibility to disclose:

- the Remuneration and People Committee Charter and members of the Committee on AUB Group website; and
- 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 meeting.

5.2 Executive Remuneration

The Committee will:

- (a) make recommendations to the Board with regard to AUB Group's remuneration and incentives framework;
- (b) review and recommend to the Board the CEO's total individual remuneration package including, where appropriate, short and long-term incentive plans;
- (c) review and recommend to the Board, the remuneration for the EMT members, including, where appropriate, long term and short term incentive plans; and
- (d) review and recommend to the Board of AUB Group:
 - annual overall remuneration budget;
 - budgeted annual remuneration review increases (if any); and
 - including all cash, equity and other benefits to be received by AUB Group's employees as remuneration.
- (e) review and recommend to the Board:
 - any short and long term incentive plans introduced by AUB Group;
 - the terms of any such plans, including performance hurdles applicable to the CEO and the EMT;
 - eligibility criteria for the plans; and
 - proposed offers under any of AUB Group's plans.
- (f) review the CEO and EMT members' performance assessment processes (including objectives or KPIs for the year) and the annual results of those assessments, including development plans;
- (g) when required, review superannuation arrangements for AUB Group's EMT and other employees; and



- (h) review and recommend to the Board the Remuneration Report prepared in accordance with Corporations Act 2001 (Cth) for inclusion in AUB Group's annual Directors' Report.

5.3 Talent Management and Succession Planning

- (a) Review and recommend to the Board succession plans for the CEO and EMT members;
- (b) Review processes relating to the identification of high potential employees; and
- (c) Review and consider proposed training and development priorities, with a particular focus on the strategic priorities for AUB Group and the capability and needs of emerging and key talent.

5.4 Diversity and Inclusion

- (a) Review and report to the Board, at least annually, on gender diversity at all levels of the Group Companies including whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees;
- (b) Review and make recommendations to the Board on the Group Companies' measurable objectives for achieving gender diversity, including strategies or changes to these objectives;
- (c) Review and report to the Board on the Group's progress in achieving its Diversity and Inclusion objectives; and
- (d) Regularly review and recommend to the Board the Diversity and Inclusion Policy for the Group Companies.

5.5 People Strategies and Policies

- (a) Review AUB Group's recruitment, retention and termination strategies;
- (b) Review AUB Group's employee engagement survey and results, and monitor management's action plan in response to this survey;
- (c) Review AUB Group's people management strategy and principles including learning and development, benefits programs, performance management processes and career development initiatives; and
- (d) Review and consider management's strategies and policies to address grievances, bullying, harassment and discrimination in the workplace, including periodically reviewing the Code of Conduct.

5.6 Non-executive Directors' Remuneration

Review and make recommendations to the Board on remuneration and other benefits to be paid to non-executive directors of AUB Group including the process by which any pool of directors' fees approved by security holders is allocated to directors and reviewing superannuation arrangements for Directors



5.7 Engaging External Remuneration Consultants

When required or deemed appropriate, the Committee will engage remuneration consultants in line with its formal protocols at AUB Group's expense.

5.8 Annual General Meeting and Other Mechanisms for Stakeholder Engagement

- (a) The Committee Chair will attend AUB Group's Annual General Meeting and be prepared to respond to any security holder questions on the Committee's activities; and
- (b) The Committee will engage (or instruct management to engage) with key stakeholders so they are consulted and briefed on remuneration strategies, structure and policies as required or deemed appropriate.

6. Access to Resources and Independent Advisers

The Committee is to have access to AUB Group's risk and financial personnel and other parties (internal and external), and may seek the advice of the Group Companies' auditors, solicitors and other independent advisers so it can adequately monitor and review the operation of the remuneration policy and otherwise discharge its responsibilities under this Charter.

7. Definitions

In this Charter, unless the context otherwise indicates, references to:

- Committee means the Remuneration and People Committee.
- Board means the Board of Directors of AUB Group.
- CEO means the Chief Executive Officer and Managing Director of AUB Group Limited.
- AUB Group means AUB Group Limited.
- Group Company Secretary means Group Company Secretary of AUB Group Limited.
- EMT means the Executive Management team of AUB Group Limited.
- The Group Companies means AUB Group and its related and associated bodies corporate.

8. Review

The Committee will regularly review this Charter to ensure it remains appropriate to AUB Group and its ongoing effectiveness and consistency with AUB Group's objectives and responsibilities.

Any amendments to the Charter and membership are to be approved by the Board.



The Group Company Secretary is responsible for the up-keep, distribution and publication of this document.

9. Material Revisions

Version	Approval Date	Effective Date	Details
1.0	26 June 2016	26 June 2016	Policy approved by AUB Group Limited Board.
2.0	30 June 2020	1 July 2020	Policy approved by AUB Group Limited Board.
3.0	19 Feb 2021	19 Feb 2021	Policy approved by AUB Group Limited Board.