

AUB Group Limited Board Charter

Effective 5 December 2024



1. Purpose

This Board Charter (**Charter**) sets out the composition and key processes of the Board of AUB Group Limited (**AUB Group**), its role, responsibilities and functions, as well as its relationship with management, and the authority delegated to the Board committees.

2. Authority

The powers of the Board and individual directors are set out in AUB Group's constitution and at law. In exercising these powers and discharging the responsibilities set out in this Charter, the Board and individual directors will at all times act in accordance with the law, and will observe the highest standards of ethical behavior, including as set out in AUB Group's Code of Conduct.

3. Role and Responsibilities

The primary role of the Board is to provide leadership, strategic guidance and effective oversight of management in implementing AUB Group's objectives.

The specific responsibilities reserved to the Board are set out in **Attachment A**.

4. Relationship between Board and Management

The Board delegates responsibility for the day-to-day management of AUB Group to the Chief Executive Officer & Managing Director (**CEO**) and through the CEO to other members of executive management. The Board may impose specific limitations on the delegation of authority from time to time. The CEO is accountable to the Board for the exercise of this delegation, with the support of executive management.

The Board:

- expects management reporting to be accurate, timely and candid, and expects to receive clear, reasoned and concise decision papers;
- has unrestricted access to management, usually via the CEO or the Company Secretary;
- is accountable to avail itself of any and all information necessary for it to effectively discharge its responsibilities and should put procedures in place to ensure this occurs; and
- adopts appropriate structures and procedures to ensure that it functions independently of management, including the separation of the roles and responsibilities of the Chair and the CEO, and the non-executive directors meeting in the absence of management on a periodic basis.



5. Appointment and role of the Chair

The Chair, who is appointed by the Board, must be an independent non-executive director of AUB Group. The Chair is responsible for:

- leadership and effective performance of the Board;
- facilitating the relationship between the Board and the CEO;
- facilitating, encouraging and providing constructive and respectful discussion and debate during Board meetings;
- facilitating the proper briefing of all directors on all matters relevant to their role and responsibilities;
- committing the time necessary to discharge effectively his/her role as Chair;
- managing the Board's relationship with management; and
- monitoring the contribution of individual non-executive directors and counselling them on any areas that might improve Board performance and effectiveness.

In leading the Board, the Chair will focus on ensuring strategic issues and shareholder views are regularly reviewed. The Chair is the major point of contact between the Board and the CEO.

6. Membership

Composition

The Board is accountable to shareholders for the performance of AUB Group. The Board is to comprise a majority of independent non-executive directors.

The Board is to be structured so that its membership provides the mix of skills, knowledge, experience and diversity to enable it to discharge its responsibilities and add value, and so that its size facilitates effective discussion and efficient decision-making.

The Board determines its size and composition, subject to the terms of the constitution and the law.

Independence

The Board assesses annually the independence of each non-executive director. Each director is required to provide the Board with all relevant information to enable it to make this assessment.

The Board defines an independent director as a non-executive director (that is, not a member of management) who is free of any interest, position or other relationship that might influence, or might reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement



to bear on issues before the Board and to act in the best interests of AUB Group as a whole rather than in the interests of an individual shareholder or other party.

When assessing the independent status of a non-executive director, the Board will consider a range of factors, including:

- factors relevant to assessing the independence of a director as described in the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations*;
- any information, facts or circumstances that the Board considers relevant; and
- any materiality thresholds, standards or guidelines that the Board may adopt from time to time.

Any change to the nature of the independent status of a non-executive director must be notified to the Chair and Company Secretary at the earliest opportunity by that director.

Board succession and renewal

The Board regularly evaluates and reviews its succession planning process to ensure the progressive and orderly renewal of Board membership. Where there is a need for a new appointment, the Board (with assistance where necessary from external consultants) will identify candidates with the appropriate skills, experience and expertise to maintain the necessary Board skills mix. Any decision on the appointment of a new director will be made by the Board.

When considering the appointment of a person as a director, the Board will undertake appropriate checks before appointing that person. These checks will include the candidate's character, experience, education, criminal record and bankruptcy history.

Prior to each Annual General Meeting (**AGM**), the Board will determine whether it recommends to shareholders that they vote in favour of the election or re-election (as the case may be) of each director standing for election or re-election, having regard to any matters the Board considers relevant, including the director's annual performance assessment and length of service.

Induction and on-going training

Each non-executive director is expected to participate in an induction program on appointment, and to undertake ongoing education and training to maintain the skills and knowledge required to perform their role effectively. The Board will periodically review whether there is a need for directors to undertake professional development, and whether the Board collectively has the skills, knowledge and experience to deal with new and emerging business and governance issues.

Where necessary, the Board will be briefed on material developments in the relevant legislative, regulatory and industry frameworks and/or macro or geopolitical issues relevant to AUB Group's business.



7. Conduct

Each Director will ensure that no decision or action is taken that has the effect of placing his or her interests in priority to the interests of AUB Group.

Directors will debate issues openly and constructively and be free to question or challenge the opinions presented at meetings where their own judgement differs from that of other Directors or management.

All Directors are expected to utilise their range of relevant skills, knowledge and experience for, and apply their judgement to, all matters discussed at Board meetings.

8. Board committees

The Board may from time to time establish committees of directors to assist it in the discharge of its responsibilities and to allow detailed consideration of complex issues.

Each committee operates under a charter, approved by the Board, which sets out the authority, size and composition and roles and responsibilities of the committee, together with any relevant administrative arrangements and any other matters considered appropriate by the Board.

The Board has sole responsibility for the appointment of directors to committees.

The Board periodically reviews the appropriateness of the existing committee structure, as well as the membership and the charter of each committee.

The Board may also delegate specific functions to ad hoc committees on an “as needs” basis. The authority delegated to these committees is set out in Board resolutions. Where some responsibilities are delegated to a committee, the Board retains the ultimate oversight in respect of those delegated matters.

9. Administrative matters

Meetings and proceedings

The Board meets as frequently as required to effectively discharge its responsibilities and will allocate sufficient time to perform its duties effectively. A meeting schedule is determined annually in advance by the Chair and Company Secretary. Additional Board meetings may be convened if matters requiring immediate consideration arise between scheduled meetings. Directors are required to attend all Board meetings unless leave from the Chair is first sought and granted.

Board meetings and proceedings, including the procedure for passing circular resolutions outside of meetings, are governed by the relevant provisions in the constitution.



Company Secretary

The Board will appoint the Company Secretary. All directors have access to the Company Secretary, who is directly accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board and corporate governance matters.

Agenda and documentation

The agenda for each meeting is determined by the Chair, the CEO and the Company Secretary. Any director may approach the Chair and request that a particular item be added to the agenda.

The agenda and supporting documentation are to be distributed to directors within a reasonable time prior to each meeting.

Minutes of each Board meeting will be prepared by the Company Secretary, approved by the Chair in draft and circulated by the Company Secretary to all directors as soon as practicable.

Access to independent professional advice

The Board has authority to conduct or direct any investigation required to fulfill its responsibilities and has the ability to retain, at AUB Group's expense, such independent professional advice as it considers necessary from time to time in the performance of its duties.

Each director has the right to seek independent legal or other professional advice at AUB Group's expense, subject to prior consultation with the Chair. If appropriate, a copy of the advice and all accompanying material must be made available to the Board.

Evaluating performance

The Board will undertake an annual assessment of its performance (as a collective), including its performance against the requirements of this Charter, the performance of individual committees and the performance of individual non-executive directors. The assessment may be facilitated by an external consultant.

10. Review of Charter

The Board 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 .

Attachment A – Reserved Board Responsibilities

Leadership, Strategy and Oversight

- 1) Define AUB Group’s purpose and set its strategic direction.
- 2) Approve, review and oversee implementation of AUB Group’s strategy, business plans, annual budgets, and significant corporate strategic initiatives, with due regard to AUB Group’s risk management framework, to build sustainable value for shareholders.
- 3) Make decisions in relation to significant matters of a sensitive or extraordinary nature, including significant acquisitions and disposals, transactions above the CEO’s approved level of delegated authority, capital management issues, investment or capital expenditure initiatives, and significant internal restructures and monitor the progress of those strategic initiatives.
- 4) Approve AUB Group’s remuneration framework and satisfy itself that remuneration policies are aligned with AUB Group’s purpose, values, strategic objectives and risk appetite.
- 5) Develop and approve succession plans for the CEO and review and approve succession plans for senior executives.

Governance

- 6) Monitor the effectiveness of AUB Group’s corporate governance practices to ensure that AUB Group operates an appropriate corporate governance structure, including having regard to AUB Group’s key stakeholders.
- 7) Assess the performance of each individual non-executive director and of the Board collectively.
- 8) Determine Board size and composition, approve the appointment of non-executive

directors and consider Board succession planning.

- 9) Oversee the work of Board committees and give due consideration to committee recommendations received.
- 10) Approve delegations of authority to the CEO and oversee the CEO’s delegations of authority to management.
- 11) Determine the remuneration of the Chair of the Board and other non-executive directors within the limits approved by shareholders.
- 12) Monitor compliance with AUB Group’s continuous disclosure obligations including approving policies regarding disclosure and communications with the market and shareholders.
- 13) Review and approve AUB Group’s environmental, social and governance (ESG) related strategy (including any climate targets) and oversee the adequacy and effectiveness of AUB Group’s ESG framework and program having regard to current and emerging issues that are material to AUB Group’s business.
- 14) Review and approve public disclosures regarding ESG issues.

Appointment, remuneration and performance of the CEO and the Group Executive

- 15) Appoint, and should it be necessary, terminate the employment of the CEO.
- 16) Evaluate the performance and approve the remuneration arrangements for the CEO and the Group Executive (including quantum, structure and equity-based remuneration).
- 17) Approve performance targets and key accountabilities for the CEO and the Group Executive, and the assessment of individual performance against performance targets and key accountabilities.
- 18) Approve termination payments to the CEO and the Group Executive for consistency with

contractual entitlements and the rules of any incentive plan or policy.

- 19) Approve any equity-based awards to new or existing employees.

Financial

- 20) Oversee AUB Group's financial position, including the quantum, nature and term of its debt facilities and its ability to meet its debts as and when they fall due.
- 21) Approve the statutory financial reports, the accounting policies on which the reports are based, the directors' reports (including the remuneration report) and key elements of other related regulatory lodgements and market releases.
- 22) Oversee the integrity of AUB Group's financial and corporate reporting systems through overseeing systems of internal control, and the establishment and review of financial performance objectives.
- 23) Approve the remuneration of the external auditor.
- 24) Determine AUB Group's dividend policy and approve the payment of dividends.
- 25) Approve decisions concerning the capital of AUB Group, including the issue of any shares or other securities in AUB Group.

Risk management

- 26) Review and approve the risk appetite within which the Board expects AUB Group to operate.
- 27) Assist management in the identification of principal non-financial risks (including strategic, operational, external, environmental and social risks) of AUB Group's business.
- 28) Oversee and monitor the management of non-financial risks, including any concentrations of risk and interrelationships between risks, and satisfying itself that

identified material non-financial risks are managed at levels determined to be acceptable by the Board.

- 29) Satisfy itself that AUB Group has in place an appropriate risk management framework (for both financial and non-financial risks) and internal control systems which are in compliance with AUB Group's risk management policy and monitor its effectiveness and adequacy.

People and Culture

- 30) Approve AUB Group's Diversity & Inclusion Policy, and the measurable objectives for achieving diversity and inclusion.
- 31) Approve AUB Group's values and Code of Conduct, having regard to the desired culture within AUB Group that supports the creation of long-term sustainable value.
- 32) Monitor the culture within AUB Group, including its alignment with AUB Group's purpose, values, strategic objectives and risk appetite.

Legal and compliance

- 33) Require appropriate compliance frameworks and controls to be in place and operating effectively for compliance with relevant laws and regulations.
- 34) Monitor significant litigation in which AUB Group is involved.
- 35) Perform such other functions as are prescribed by law or nominated by the Board from time to time.