

## **ASX Announcement**

**22 February 2023**

The Manager  
Market Announcements Office  
Australian Securities Exchange Ltd  
Level 6, Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

### **Notice of Extraordinary General Meeting**

Please find attached for immediate release in relation to AUB Group Limited (**AUB**) the following documents:

- Notice of Extraordinary General Meeting; and
- Proxy Form.

**The release of this announcement was authorised by the AUB Board.**

For further information, contact Richard Bell, Chief Legal and Risk Officer, on +61 2 9935 2222 or [richardb@aubgroup.com.au](mailto:richardb@aubgroup.com.au).

### **About AUB Group**

AUB Group Limited (ASX: AUB) is an ASX200 listed group of retail & wholesale insurance brokers and underwriting agencies operating in ~540 locations globally. Over 4,000 team members work with ~950,000 clients to place more than AUD 8bn in insurance premiums with local and foreign insurers.

**AUB Group Limited**

Level 14, 141 Walker Street,  
North Sydney NSW 2060  
ACN: 000 000 715

<https://www.aubgroup.com.au/>



# AUB Group Limited

## **Notice of Extraordinary General Meeting**

### Explanatory Statement

Tuesday, 28 March 2023

**10:00AM (AEDT)**

**Address**

Allens  
Level 28, Deutsche Bank Place  
126 Phillip Street  
(Corner Hunter & Phillip Streets)  
Sydney NSW 2000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisors prior to voting.

# Chair's Message

Dear Shareholders,

## EXTRAORDINARY GENERAL MEETING

On behalf of the Board, I am pleased to invite you to attend the Extraordinary General Meeting (EGM) of AUB Group Limited (**Company** or **AUB Group**), which has been scheduled as follows:

**Tuesday, 28 March 2023 at 10:00am (AEDT)**

**Allens  
Level 28, Deutsche Bank Place  
126 Phillip Street  
(Corner Hunter & Phillip Streets)  
Sydney NSW 2000**

The EGM will be held as a physical meeting, and the Directors are pleased to be able to meet shareholders face to face once again.

The Notice of Meeting in the following pages details the business of the Meeting and, together with the Explanatory Statement, contains important information in relation to the matters to go before shareholders.

Even if you plan to attend the EGM, we encourage you to submit a directed proxy vote as early as possible so that your vote will be counted if for any reason you cannot attend on the day.

Shareholders can lodge their proxy online at <https://investorcentre.linkgroup.com> or complete and return a hard copy proxy form by 10.00am (AEDT) on Sunday, 26 March 2023. Hard copy proxy forms can be obtained by contacting the Company's share registry at [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au) or 1800 194 270.

Shareholders are encouraged to submit questions ahead of the Meeting on any shareholder matters that may be relevant to the Meeting at <https://investorcentre.linkgroup.com>. Questions must be submitted by no later than 10.00am (AEDT) on Tuesday, 21 March 2023.

In the event that it is necessary for the Company to give further updates, information will be provided on the Company's website and lodged with the Australian Securities Exchange (**ASX**).

## LONG TERM INCENTIVE PLAN

Before the 2022 Annual General Meeting, the Board withdrew the resolution for the issue of Performance Share Rights (**PSRs**) to CEO & Managing Director Michael Emmett under AUB's Long Term Incentive (**LTI**) Plan. We have since reviewed the LTI structure in conjunction with external stakeholder feedback, in order to ensure that it is competitive, effective in driving business strategy and appropriately reflects the group's profile, business opportunities and increased capital deployment.

The key changes to the LTI award include:

- Addition of a new Return on Invested Capital performance measure;
- Higher EPS hurdles, making them harder to achieve;
- One year holding lock from the date the PSRs vest and convert into Shares; and

- PSRs awarded at share price face value with vested PSRs receiving a cash equivalent of dividends awarded during the performance period.

Full details are provided at Resolution 1 and in the Explanatory Statement.

I look forward to your participation at the Meeting.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'D Clarke', written in a cursive style.

**David Clarke**  
Chair

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## Venue and Voting Information

The Extraordinary General Meeting of AUB Group Limited will be held at 10:00am (AEDT) on Tuesday, 28 March 2023 at Allens, Level 28, Deutsche Bank Place, 126 Phillip Street (Corner Hunter & Phillip Streets), Sydney NSW 2000.

### Your vote is important

The business of the Extraordinary General Meeting affects your shareholding and your vote is important.

### Voting in person

To vote in person, attend the Extraordinary General Meeting on the date and at the place set out above.

### Voting by proxy

To vote by proxy, please use one of the following methods:

|                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Online</b>        | <a href="https://investorcentre.linkgroup.com">https://investorcentre.linkgroup.com</a><br>Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form). Please note that the online proxy facility is not suitable for shareholders wishing to appoint two proxies. |
| <b>Mobile Device</b> | Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <a href="https://investorcentre.linkgroup.com">https://investorcentre.linkgroup.com</a> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.<br><br>To scan the code, you will need a QR code reader application which can be down loaded for free on your mobile device.                                                                                       |
| <b>By post</b>       | AUB Group Limited, C/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235, Australia                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>By fax</b>        | +61 2 9287 0309                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>By hand</b>       | Link Market Services Limited,*<br>Parramatta Square, Level 22, Tower 6, 10 Darcy Street, Parramatta NSW 2150<br>* During business hours (Monday to Friday, 9:00am – 5:00pm)                                                                                                                                                                                                                                                                                                                                                                                      |

Your Proxy instruction must be received by 10.00am (AEDT) on Sunday 26 March 2023 (which is not later than 48 hours before the commencement of the Meeting). **Proxy Forms received later than this time will be invalid.**

All shareholders who are entitled to participate in and vote at the EGM have the right to appoint a proxy to participate in the EGM and vote in their place. A proxy need not be a shareholder.

If you are entitled to cast two or more votes, you may appoint two proxies and you may specify the proportion or number of votes that each proxy is appointed to exercise. If your appointment does not specify the proportion or number of your voting rights, each proxy may exercise half your votes.

You can direct your proxy how to vote (i.e. to vote 'for' or 'against', or to 'abstain' from voting on, each resolution) by following the instructions on the Proxy Form.

## Appointing the Chair as your Proxy

You may appoint the Chair of the EGM as your proxy. In addition, if:

- you have appointed a proxy (other than the Chair) and the proxy appointment specifies the way the proxy is to vote on the resolution; and
- your proxy is either not recorded as attending the Meeting or does not vote on the resolution;

the Chair will, before voting on the resolution closes, be taken to have been appointed as your proxy for the purposes of voting on that resolution and must vote in accordance with your written direction.

If you direct the Chair how to vote on the resolution, the Chair must vote in accordance with the direction. For proxies without voting instructions that are exercisable by the Chair, the Chair intends to vote all available proxies in favour of the resolution.

If you appoint the Chair as your proxy but do not direct the Chair on how to vote, then by completing and submitting your voting instructions you are expressly authorising the Chair to vote in favour of the resolution, even though the resolution is directly or indirectly connected to the remuneration of a member of the key management personnel of the Company.

## Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

## Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should provide the Share Registry with adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

# Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of Shareholders of AUB Group Limited ACN 000 000 715 will be held at 10:00am (AEDT) on Tuesday 28 March 2023 at Allens, Level 28, Deutsche Bank Place, 126 Phillip Street (Corner Hunter & Phillip Streets), Sydney NSW 2000.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Extraordinary General Meeting. The Explanatory Statement and the Proxy Form form part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Extraordinary General Meeting are those who are registered Shareholders at 7:00pm (AEDT) on Sunday 26 March 2023.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

## Agenda

## Resolution

### **Issue of Performance Share Rights under Long Term Incentive Plan**

#### **1. Resolution 1 – Approval of Issue of Performance Share Rights to Michael Emmett, Director of the Company under the Company's Long Term Incentive Plan**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the Shareholders of the Company approve the grant of 52,576 Performance Share Rights to Michael Emmett, CEO and Managing Director of the Company under the Company's Long Term Incentive Plan, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 1:

- in favour of the resolution by or on behalf of Mr Emmett or any of his associates, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the meeting or their Closely Related Parties,

unless the vote is cast on Resolution 1:

- as proxy or attorney for a person entitled to vote on the resolution in accordance with a direction given to the proxy or attorney to vote on the resolution in that way; or
- as proxy for a person entitled to vote on the resolution by the Chair of the meeting pursuant to an express authorisation to exercise the proxy as the Chair decides; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**BY ORDER OF THE BOARD**

A handwritten signature in black ink that reads "EMcGregor". The signature is written in a cursive, flowing style.

**Elizabeth McGregor**

Joint Company Secretary  
22 February 2023



# Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Extraordinary General Meeting to be held at 10:00am (AEDT) on Tuesday 28 March 2023 at Allens, Level 28, Deutsche Bank Place, 126 Phillip Street (Corner Hunter & Phillip Streets), Sydney NSW 2000.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolution contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Extraordinary General Meeting are set out below.

## Agenda

## Resolution

### **Issue of Performance Share Rights under Long Term Incentive Plan**

#### **Resolution 1 – Approval of Issue of Performance Share Rights to Michael Emmett, Director of the Company under the Company's Long Term Incentive Plan**

##### **CEO remuneration**

Mr Emmett's remuneration arrangements for FY23 as CEO and Managing Director (**CEO**) are unchanged from FY22 and are set out as follows:

|                                          |             |
|------------------------------------------|-------------|
| <b>Fixed remuneration</b>                | \$1,000,000 |
| <b>Short Term Incentive (at target)*</b> | \$750,000   |
| <b>Long Term Incentive Opportunity**</b> | \$1,000,000 |
| <b>Total Target Remuneration</b>         | \$2,750,000 |

\* Maximum Short-Term Incentive Opportunity for FY23 is capped at 150% of target STI award.

\*\* Face value of LTI award. The FY23 LTI grant is subject to being approved by shareholders at this EGM.

##### **Overview of the Long-Term Incentive Plan (LTIP)**

AUB Group's remuneration strategy and framework is based on a 'pay for performance' philosophy which supports sustainable value for shareholders, partners and our people.

The LTIP is used to attract, retain and motivate appropriately qualified and experienced executives who, on an individual basis, have the ability to impact AUB Group's longer term financial

performance.

Consistent with this policy, the Board believes that it is in shareholders' interests to provide the CEO with an equity-based long-term incentive to ensure there is alignment between returns to shareholders and the rewards for the CEO.

### Approval sought

Shareholder approval is being sought for the grant of 52,576 Performance Share Rights (**PSRs**) to Mr Emmett under the Company's LTIP. Approval is being sought for all purposes, including for ASX Listing Rule 10.14, which requires that shareholder approval be obtained for the acquisition of securities by a director under an employee incentive scheme.

### Specific terms of the CEO's LTIP grant

The Board proposes that the CEO be granted 52,576 PSRs under the LTIP for his 2023 award.

The Board has determined Mr Emmett's long term incentive opportunity for the FY23 award is \$1,000,000 (**LTI Opportunity**), representing 100% of his fixed remuneration of \$1,000,000.

The actual number of PSRs to be granted to Mr Emmett was calculated by dividing the dollar value of his maximum LTI Opportunity (being \$1,000,000) by the VWAP of the Company's shares traded on ASX over the 60 trading days prior to 1 July 2022 (being \$19.02), rounded down to the nearest whole number of PSRs.

### Key terms of the LTIP and PSRs

The key terms of the PSRs to be granted to the CEO under the LTIP are outlined below.

| <b>Vesting Conditions and Performance Period</b> | <p>PSRs will only vest to the extent that the vesting conditions are satisfied over the three year performance period, commencing on 1 July 2022.</p> <ul style="list-style-type: none"><li>• 40% of PSRs are tested against an EPS hurdle</li><li>• 40% of PSRs are tested against a Relative TSR hurdle</li><li>• 20% of PSRs are tested against a Return on Invested Capital (<b>ROIC</b>) hurdle</li></ul>                                                                                                                                                                                                                                                                                                                                                                                     |                        |                                                      |              |    |    |     |                                  |                                            |             |      |
|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------------------------------------|--------------|----|----|-----|----------------------------------|--------------------------------------------|-------------|------|
| <b>EPS – 40% weighting</b>                       | <p>The EPS vesting condition is measured by comparing the compound annual growth rate (<b>CAGR</b>) of the Underlying EPS from 1 July 2022 (the start of the performance period) to the Underlying EPS for the year ending 30 June 2025 (being the final year of the performance period).</p> <p>The percentage of PSRs that may vest is determined based on the following vesting schedule:</p> <table><tr><th>CAGR of Underlying EPS</th><th>PSRs subject to EPS vesting condition that vests (%)</th></tr><tr><td>Less than 7%</td><td>0%</td></tr><tr><td>7%</td><td>50%</td></tr><tr><td>Greater than 7% to less than 12%</td><td>Straight line vesting between 50% and 100%</td></tr><tr><td>12% or more</td><td>100%</td></tr></table>                                                      | CAGR of Underlying EPS | PSRs subject to EPS vesting condition that vests (%) | Less than 7% | 0% | 7% | 50% | Greater than 7% to less than 12% | Straight line vesting between 50% and 100% | 12% or more | 100% |
| CAGR of Underlying EPS                           | PSRs subject to EPS vesting condition that vests (%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                        |                                                      |              |    |    |     |                                  |                                            |             |      |
| Less than 7%                                     | 0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                        |                                                      |              |    |    |     |                                  |                                            |             |      |
| 7%                                               | 50%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                        |                                                      |              |    |    |     |                                  |                                            |             |      |
| Greater than 7% to less than 12%                 | Straight line vesting between 50% and 100%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                        |                                                      |              |    |    |     |                                  |                                            |             |      |
| 12% or more                                      | 100%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                        |                                                      |              |    |    |     |                                  |                                            |             |      |
| <b>Relative TSR – 40% weighting</b>              | <p>Total shareholder return (<b>TSR</b>) measures the percentage growth in the share price together with the value of dividends paid during the relevant three year performance period, assuming all dividends are reinvested into new securities.</p> <p>The Board approves a Peer Comparator Group and has the discretion to periodically review and adjust the composition of the Peer Comparator Group, including to take into account acquisitions, mergers, or other relevant corporate actions.</p> <p>The Peer Comparator Group comprises constituents of the S&amp;P/ASX Small Ordinaries Industrials Index (AXSID), defined at the commencement of the performance period.</p> <p>For purposes of calculating the growth in AUB Group's share price over the performance period, the</p> |                        |                                                      |              |    |    |     |                                  |                                            |             |      |

following opening and closing share prices will be used:

- for the opening share price, the VWAP during the 60 trading days ending on the first day of the performance period, and
- for the closing share price, the VWAP during the 60 trading days ending on the last day of the performance period.

For any PSRs to vest pursuant to the Relative TSR vesting condition, AUB Group's compound TSR must be equal to or greater than the median ranking of constituents of the Peer Comparator Group.

The percentage of PSRs that may vest is determined based on the following vesting schedule:

| AUB Group's TSR ranking relative to Peer Comparator Group    | PSRs subject to Relative TSR vesting condition that vests (%) |
|--------------------------------------------------------------|---------------------------------------------------------------|
| Below the 50 <sup>th</sup> percentile                        | 0%                                                            |
| 50 <sup>th</sup> percentile                                  | 50%                                                           |
| Between the 50 <sup>th</sup> and 75 <sup>th</sup> percentile | Straight line vesting between 50% and 100%                    |
| At or above the 75 <sup>th</sup> percentile                  | 100%                                                          |

#### ROIC – 20% weighting

The ROIC vesting condition is measured based on the average annual return on invested capital (**ROIC**) achieved from 1 July 2022 (the start of the performance period) to 30 June 2025 (being the final year of the performance period).

ROIC in each year is calculated as EBITA Less Tax divided by Average Invested Capital, defined as follows:

|                          |                                                                                                                                                            |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| EBITA Less Tax           | Underlying NPAT plus interest expense as per consolidated accounts after tax                                                                               |
| Invested Capital         | The sum of equity attributable to equity holders of the parent and interest-bearing loans and borrowings, less cash and cash equivalents not held in trust |
| Average Invested Capital | (Invested Capital at financial year end + Invested Capital at previous financial year end)/2                                                               |
| 3 year average ROIC      | Simple average of ROIC in each of the 3 years of the performance period                                                                                    |

The percentage of PSRs that may vest is determined based on the following vesting schedule:

| 3 year average ROIC               | PSRs subject to ROIC vesting condition that vests (%) |
|-----------------------------------|-------------------------------------------------------|
| Less than 11%                     | 0%                                                    |
| 11%                               | 50%                                                   |
| Greater than 11% to less than 12% | Straight line vesting between 50% and 100%            |
| 12% or more                       | 100%                                                  |

#### Vesting

PSRs vest following testing by the Board at the end of the performance period. Prior to vesting, the outcome is assessed holistically against individual and Group performance to determine if any discretion to vary from formulaic results should apply.

The Board will have the discretion to exclude the impact of significant acquisitions or capital raisings that are considered in the best long-term interest of AUB if these occur within the final 12 months of the performance period. Any discretion applied will be disclosed.

|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                              | <p>If PSRs vest, the Board has discretion to issue new shares, acquire shares on-market or to cash settle to satisfy the PSRs that will vest.</p> <p>The CEO receives one share for each PSR that vests or, if the Board determines, an equivalent cash payment.</p> <p>There is no conversion price or exercise price payable for the conversion of the vested PSRs.</p>                                                                                                                                                                                 |
| <b>Holding Lock</b>                          | There will be a holding lock for a period of one year from the date the PSRs vest and convert into Shares, during which period Mr Emmett will be restricted from dealing with any of the Shares allocated on vesting.                                                                                                                                                                                                                                                                                                                                     |
| <b>Eligibility for dividends</b>             | No dividend entitlements will accrue or be made on PSRs that do not vest. An amount (based upon dividends paid by AUB during the performance period) accrues on the PSRs and is paid in cash at the end of the performance period if the PSRs vest. Dividend entitlements will not result in any dividend payments on PSRs during the vesting period.                                                                                                                                                                                                     |
| <b>Voting rights</b>                         | PSRs do not carry any voting rights. Shares allocated on vesting and conversion of PSRs carry the same dividend and voting rights as other Shares.                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Cessation of employment</b>               | <p>If the CEO ceases employment before his PSRs vest, then the following treatment applies:</p> <ul style="list-style-type: none"> <li>• if employment is terminated in accordance with Mr Emmett's employment agreement, without notice, for serious misconduct or by reason of illness, injury or incapacity of Mr Emmett, all unvested PSRs will automatically lapse; and</li> <li>• if employment is terminated with notice given by the Company or Mr Emmett, all unvested PSRs remain on foot and will be tested in the ordinary course.</li> </ul> |
| <b>Forfeiture and clawback</b>               | <p>The Board has broad 'clawback' powers to lapse PSRs in a number of circumstances, including in the event of fraud, dishonesty, gross misconduct, breach of duties or obligations, a material misstatement, error or omission in the financial report, or to prevent a participant being entitled to an inappropriate benefit.</p> <p>The clawback policy also permits clawback of any shares allocated on conversion of the PSRs as well as cash payments received on vesting and conversion of PSRs.</p>                                              |
| <b>Change of control event</b>               | <p>There is no automatic vesting of PSRs on a change of control. The Board will (in its discretion) determine the appropriate treatment regarding PSRs in the event of a change of control.</p> <p>Where the Board does not exercise this discretion, there will be a pro-rata vesting of PSRs based on the proportion of the performance period that has passed at the time of the change of control event.</p>                                                                                                                                          |
| <b>Reorganisation</b>                        | If any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company is effected, PSRs will be adjusted in the manner required by the Listing Rules.                                                                                                                                                                                                                                                                                                                                                    |
| <b>Restrictions on dealing/hedging</b>       | PSRs are not transferable and participants are prohibited from entering into hedging arrangements in respect of PSRs.                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Participation in new and bonus issues</b> | PSRs carry no entitlement to participate in new issues of Shares by the Company prior to the vesting and exercise of the PSRs. In the event of a bonus issue, PSRs will be adjusted in the manner required by the Listing Rules.                                                                                                                                                                                                                                                                                                                          |

## Other Information Required by ASX

The following information in relation to the issue of PSRs to Mr Emmett is provided to Shareholders:

- (a) Michael Emmett is the only Director of the Company eligible to participate in the Company's equity incentive schemes. Mr Emmett falls within the requirements of Listing Rule 10.14.1 as he is a director of the Company. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the scheme after the

resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under that Listing Rule.

- (b) The Company uses PSRs because they create shareholder value and alignment between executives and ordinary shareholders but do not provide the executives with the full benefits of share ownership (such as dividend and voting rights) unless and until the PSRs vest.
- (c) The PSRs are being issued for nil consideration as they form part of Mr Emmett's incentive arrangements.

The following securities have previously been issued to Mr Emmett for nil consideration under the LTIP:

| Date of Issue    | Type of Securities                        | Number of Securities |
|------------------|-------------------------------------------|----------------------|
| 19 December 2019 | 5 year PSRs                               | 200,000              |
| 19 December 2019 | 3 year PSRs                               | 76,029               |
| 18 December 2020 | 3 year PSRs                               | 78,795               |
| 11 November 2021 | 3 year PSRs                               | 53,277               |
| 2 September 2022 | STI PSRs                                  | 16,009               |
|                  | <b>Total PSRs</b>                         | <b>424,110</b>       |
| 11 November 2021 | Share Appreciation Rights ( <b>SARs</b> ) | 508,388              |

Note: "Performance Options" previously issued under the Long Term Incentive Plan have been renamed "PSRs". This is a name change only and does not affect the terms of the Securities. For further details, please refer to the Remuneration Report in the 2022 Annual Report.

- (d) There are no loans applicable for the PSRs.
- (e) The PSRs will be issued within 12 months from the date of this Meeting, if approved by Shareholders of the Company.
- (f) If shareholder approval is not obtained, the Board will consider alternative arrangements to appropriately remunerate and incentivise Mr Emmett.
- (g) Details of any securities issued under the scheme will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

#### Directors' recommendation

The Directors (with Michael Emmett abstaining) recommend that Shareholders vote for this Resolution.

# Glossary

**AEDT** means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

**Annual Report** means the 2022 Annual Report to Shareholders for the period ended 30 June 2022 as lodged by the Company with ASX on 24 August 2022.

**Associate** has the meaning given to it by the ASX Listing Rules.

**ASX** means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

**ASX Listing Rules** or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

**Average Invested Capital** means (Invested Capital at financial year end + Invested Capital at previous financial year end)/2.

**Board** means the current board of Directors of the Company.

**CAGR** means compound annual growth rate (expressed as a %).

**Chair** means the person chairing the Meeting.

**Closely Related Party** of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

**Company** or **AUB Group** means AUB Group Limited ACN 000 000 715.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

**Director** means a current director of the Company.

**Directors' Report** means the report of Directors as included in the Annual Report.

**Dollar** or **"\$"** or **AUD** means Australian dollars.

**EBITA Less Tax** means Underlying NPAT plus interest expense as per consolidated accounts after tax.

**EPS** means underlying earnings per share.

**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

**Extraordinary General Meeting** or **EGM** or **Meeting** means an Extraordinary General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

**Invested Capital** means the sum of equity attributable to equity holders of the parent and interest-bearing loans and borrowings, less cash and cash equivalents not held in trust.

**KMP** means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

**Notice of Meeting or Notice of Extraordinary General Meeting** means this notice of extraordinary general meeting dated 22 February 2023 including the Explanatory Statement.

**Ordinary Resolution** means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Peer Comparator Group** means Constituents of the S&P/ASX Small Ordinaries Industrials Index (AXSID), defined at the commencement of the performance period.

**Performance Share Right (PSR)** means a security which, subject to vesting, is a right to receive one fully-paid ordinary share in AUB Group (or at the Board's discretion, an equivalent cash payment).

**Proxy Form** means the proxy form attached to this Notice of Meeting.

**Relative TSR** means AUB Group's compounded TSR measured against the ranking of constituents of the Peer Comparator Group.

**Remuneration Report** means the remuneration report as set out in the Directors' Report.

**Resolution** means the resolution set out in this Notice of Meeting.

**Restricted Voter** means a member of the Company's KMP and any Closely Related Parties of those members.

**ROIC** means return on invested capital, being, in respect of any financial year, EBITA Less Tax divided by Average Invested Capital.

**Securities** mean Shares and/or PSRs and/or SARs (as the context requires).

**Share** means a fully paid ordinary share in the capital of the Company.

**Share Appreciation Right (SAR)** means a security which, subject to vesting, is a right to receive one fully-paid ordinary share in AUB Group (or at the Board's discretion, an equivalent cash payment).

**Share Registry** means Link Market Services Limited.

**Shareholder** means a holder of a Share.

**Trading Day** has the meaning given to that term in ASX Listing Rule 19.12.

**TSR** means the percentage growth in the share price together with the value of dividends paid during the relevant three-year performance period, assuming all dividends are reinvested into new securities.

**Underlying EPS** means underlying earnings per share, being, in respect of any financial year, the Underlying NPAT divided by the weighted average number of shares on issue during the financial year.

**Underlying NPAT** means underlying net profit after tax, being, in respect of any financial year, the consolidated net profit after tax of AUB Group for that year excluding fair value adjustments to the carrying values of associates, profit on sale of entities and assets or deconsolidation of controlled entities, contingent consideration adjustments, impairment charges, amortisation of intangibles and acquisition costs. Other adjustments to the Underlying NPAT calculation may be made in limited circumstances where the Board considers it to be appropriate.

**VWAP** means the volume weighted average price of Shares traded on ASX.

## LODGE YOUR VOTE



### ONLINE

<https://investorcentre.linkgroup.com>



### BY MAIL

AUB Group Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



### BY FAX

+61 2 9287 0309



### BY HAND

Link Market Services Limited  
Parramatta Square, Level 22, Tower 6,  
10 Darcy Street, Parramatta NSW 2150



### ALL ENQUIRIES TO

Telephone: +61 1800 194 270 (free call within Australia)



X99999999999

## PROXY FORM

I/We being a member(s) of AUB Group Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **10:00am on Tuesday, 28 March 2023 at Allens, Level 28, Deutsche Bank Place, 126 Phillip Street (Corner Hunter & Phillip Streets), Sydney NSW 2000 (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolution 1:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

#### Resolutions

For Against Abstain\*

- 1 Approval of Issue of Performance Share Rights to Michael Emmett, Director of the Company under the Company's Long Term Incentive Plan

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)




Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. If your named proxy attends the Meeting but does not vote on a poll on a resolution in accordance with your directions, the Chairman of the Meeting will become your proxy in respect of that resolution. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP. On a poll, the Chairman of the Meeting will vote directed proxies as directed and may vote undirected proxies as the Chairman of the Meeting sees fit. If the Chairman of the Meeting is your proxy or becomes your proxy by default, and you do not provide voting directions, then by submitting the Proxy Form you are expressly authorising the Chairman of the Meeting to exercise your proxy on resolutions that are connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid. If you wish to appoint a Director (other than the Chairman) or other member of the KMP or their closely related parties as your proxy, you must specify how they should vote on Resolution 1 by marking the appropriate box (either For/Against/Abstain). If you do not specify how your proxy should vote, your proxy will not be able to exercise your vote for Resolution 1.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Sunday, 26 March 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

AUB Group Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Parramatta Square  
Level 22, Tower 6  
10 Darcy Street  
Parramatta NSW 2150

\* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**