



12th August 2016

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

FOR RELEASE TO THE MARKET

Dear Sir / Madam,

Re: Remuneration & People Committee Charter

Please find attached the Company's Remuneration & People Committee Charter which is to replace the Remuneration & Succession Planning Committee Terms of Reference with effect from today.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'J2 Coss'.

Justin Coss
Company Secretary

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REMUNERATION AND PEOPLE COMMITTEE



1. 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 the Company.
- **CEO** means the Chief Executive Officer and Managing Director of AUB Group Limited.
- **Company** means AUB Group Limited.
- **Company Secretary** means the Company Secretary of AUB Group Limited.
- **ELG** means the Executive management Team of AUB Group Limited.
- **The Group** means the Company and its related and associated bodies corporate.

2. PURPOSE

The Committee has been established to assist the Board in discharging its duties, particularly those regarding:

- Remuneration
- Succession
- Performance

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

3. MEMBERSHIP

Committee members will be appointed by the Board and may be removed by the Board at any time. The Committee will comprise at least three members, which must be non-executive directors, with a majority of independent directors. The Chairperson will be an independent director.

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 Company Secretary and any additional person required, within a reasonable period prior to the meeting.
- The Committee may invite other persons as necessary.
- The 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 Chairperson, in addition to his/her vote, has the casting vote.
- No member of management, including the executive Directors, may participate in deliberations in respect to their own remuneration.
- The Chairperson will report on the actions of the Committee to the Board on a regular basis.

5. RESPONSIBILITIES

5.1 Executive Remuneration

The Committee will:

- Make recommendations to the Board with regard to the Company's remuneration and incentives framework;
- Review and recommend to the Board the CEO's total individual remuneration package including, where appropriate, short and long-term incentive plans;
- Review and recommend to the Board, the remuneration for the ELG members, including, where appropriate, long term and short term incentive plans;
- Review and recommend to the Board the Company's:
 - annual overall remuneration budget; and
 - budgeted annual remuneration review increases (if any);

including all cash, equity and other benefits to be received by the Company's employees as remuneration.

- Review and recommend to the Board:
 - any short and long term incentive plans introduced by the Company;



- the terms of any such plans, including performance hurdles applicable to the CEO and the ELG;
 - eligibility criteria for the plans; and
 - proposed offers under any of the Company's plans.
- Review the CEO and ELG members' performance assessment processes (including objectives or KPIs for the year) and the annual results of those assessments, including development plans;
- When required, review superannuation arrangements for the Company's employees; and
- Review and recommend to the Board the Remuneration Report prepared in accordance with Corporations Act 2001 (Cth) for inclusion in the Company's annual Directors' Report.

5.2 Talent Management and Succession Planning

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

5.3 Diversity and Inclusion

- Review and report to the Board, at least annually, on gender diversity at all levels of the Group;
- Review and make recommendations to the Board on the Group's measurable objectives for achieving gender diversity, including strategies or changes to these objectives;
- Review and report to the Board on the Group's progress in achieving its Diversity and Inclusion objectives; and
- Regularly review and recommend to the Board the Diversity and Inclusion Policy for the Group.

5.4 People Strategies and Policies

- Review the Company's recruitment, retention and termination strategies;
- Review the Company's employee engagement survey and results, and monitor management's action plan in response to this survey;



- Review the Company's people management strategy and principles including learning and development, benefits programs, performance management processes and career development initiatives; and
- 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.

5.5 Non-executive Directors' Remuneration

Review and make recommendations to the Board on remuneration and other benefits to be paid to non-executive directors of the Company.

5.6 Engaging External Remuneration Consultants

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

5.7 Annual General Meeting and Other Mechanisms for Stakeholder Engagement

- The Committee Chairperson will attend the Company's Annual General Meeting and be prepared to respond to any securityholder questions on the Committee's activities; and
- 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 the Company's risk and financial personnel and other parties (internal and external), and may seek the advice of the Group's 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. DOCUMENT OWNERSHIP, REVIEW AND VERSION CONTROL

The Committee will regularly review this Charter to ensure it remains appropriate to the Company's and functions of the Committee, and recommend any changes to the Board for approval.

The Group Legal Counsel & Company Secretary is responsible for the up-keeping of this document, its distribution and publication.