

24 January 2019

MR MIKE EMMETT TO JOIN AUB GROUP LIMITED AS CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

HIGHLIGHTS:

- Mr Mike Emmett appointed AUB Group's new Chief Executive Officer and Managing Director
 - Effective 11 March 2019
 - Outgoing Chief Executive Officer and Managing Director, Mr Mark Searles to move to an advisory position to the Group
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The Board of AUB Group Limited (ASX: AUB) is pleased to announce the appointment of Mr Mike Emmett as the Group's new Chief Executive Officer and Managing Director, effective 11 March 2019.

Mike has held executive positions across a range of sectors, and was most recently CEO of Cover-More, a previously listed company. He formerly held roles with QBE, EY, Accenture and IBM.

Discussing the appointment, AUB Group Chair David Clarke said, "We are delighted to have secured someone of Mike's calibre, with his strong experience in diversified growth and distributed business models. Mike's understanding of the full suite of insurance services aligns well with the Group's successful 'total risk solutions' strategy, as well as our intention to be the leading provider of risk management, advice and solutions to clients. The Board is confident his skills will enable the Group to maintain strategic momentum, and will help orient the Group to the future needs of clients while continuing to deliver shareholder outcomes.

"We thank outgoing CEO Mark Searles not only for his enormous contribution to AUB Group but also for his continued support in this succession process, which has enabled us to conduct a thorough search and plan for a smooth leadership transition."

Outgoing CEO and Managing Director Mark Searles, who announced in August 2018 his intention to step down with a view to developing a non-executive director career, will move to an advisory position until October 2019.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'D Franks'.

David Franks
Joint Company Secretary

For further information, contact David Franks Tel: (02) 8098 1169
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Schedule 1

Summary of Key Terms and Conditions of Executive Employment Agreement

This summary below sets out the key terms and conditions of the executive employment agreement (**Agreement**) between Mr. Emmett and AUB Group Services Pty Ltd (**Company**), a wholly-owned subsidiary of AUB Group Limited (**AUB**).

Commencement of employment and appointment

Mr. Emmett's employment with the Company will be effective from 11 March 2019.

Position

Mr. Emmett is appointed to be the Managing Director and CEO of AUB.

Term

The Agreement is ongoing until a termination clause is enacted.

Remuneration

Salary

Mr. Emmett's Fixed Annual Remuneration (FAR) is A\$850,000 per annum, inclusive of superannuation contributions. The FAR is reviewable annually.

Leave Entitlements

Mr. Emmett will be entitled to 4 weeks Annual Leave per year and Paid Personal/Carer's leave of 10 days per year, and other statutory and company leave entitlements.

Incentive Schemes

Mr. Emmett will participate in incentive arrangements as detailed below.

- A variable annual Short Term Incentive (STI) payment of \$600,000 (if on Target) capped at a maximum of 150% of Target.
- An annual grant of Long Term Incentive (LTI) options to the equivalent of the Base Remuneration under AUB's standard option plan, subject to annual shareholder approval.
- An LTI grant of 200,000 options from 1 July 2019, which may vest after 5 years of ongoing employment. This grant will be subject to the achievement of earnings per share growth criteria and relative total

shareholder returns criteria. This incentive will be subject to shareholder approval at the 2019 Annual General Meeting (“AGM”) of AUB.

Termination

Mr. Emmett or the Company may terminate the employment by giving 12 months' written notice.

The Company may terminate Mr. Emmett’s employment without notice or payment in lieu of notice for serious misconduct or by reason of illness, injury and incapacity.

In the event a Change in Control occurs, Mr. Emmett may elect to bring the employment to an end with 90 days’ notice.

Restraint Clauses

Mr. Emmett is restrained from disclosing any confidential information including engaging in competitive business with AUB, or soliciting clients, employees or contractors from AUB, in each case during his employment and for a period of 12 months after his employment ends.

Other Clauses

The employment contract has additional clauses which the Company considers standard in relation to:

- (i) Restriction on Payments relating to restrictions by law or the Australian Stock Exchange Listing Rules, such as requiring shareholder approval;
- (ii) Directorships of Group companies and committee membership;
- (iii) Employee Warranties;
- (iv) Privacy; and
- (v) Standard Change of Control clauses, including for STI and LTI incentives.