2024 ANNUAL REPORT

AUB GROUP

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CHAIR'S MESSAGE

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present AUB Group's Annual Report and the performance highlights for the 2024 Financial Year (FY24).

FY24 has been marked by ongoing challenges, including persistent inflation, geopolitical tensions, and environmental disruptions, contributing to economic uncertainties. Over the past year, the insurance industry's focus has increasingly shifted toward enhancing regulatory compliance, driven by new regulations aimed at boosting transparency and consumer protection. At the same time, insurers have been managing underwriting performance as a result of an expensive claims environment. The broking sector is contending with heightened competition and evolving client expectations and AUB Group's partner businesses have been instrumental in guiding clients through this complex landscape. By leveraging our deep industry expertise and innovative solutions, we have provided essential risk management, compliance support, and stability, ensuring our clients are well-equipped to face future challenges.

FINANCIAL PERFORMANCE AND CAPITAL STRENGTH

Financial Year 2024 has been another successful year for AUB Group, highlighted by strong financial performance and significant strategic achievements. Our Underlying Net Profit After Tax (UNPAT) grew by 32.5% compared to FY23, reaching $171.0mn, demonstrating our commitment to delivering strong returns while maintaining financial strength.

We sustained a robust balance sheet, with the corporate entity being cash generative and access to $471.3mn in cash and available debt funding at 30 June 2024. Additionally, we raised $225mn in equity via a $200mn placement to institutional shareholders announced in May 2024 and a $25mn share purchase plan in June 2024, to enable our acquisition pipeline, and fund future growth initiatives.

PROGRESS ON STRATEGIC AGENDA

The execution of our strategic priorities has been a key driver of our financial success. During FY24, we completed several strategically important and accretive acquisitions, further strengthening our market position.

The integration of Tysers has provided us with valuable access to Lloyd's, and offered a window into new markets through its broad client base and distribution network. This strategic acquisition has created a robust pipeline for expansion into both existing and potential new markets, aligning with our goal of leveraging the Tysers platform to capitalise on the value chain and unlock the next stage of growth.

Our agencies portfolio continues to be a major growth driver, exceeding our target of $1 billion in premiums for FY24, marking a 19.6% increase from FY23. The strategically important acquisition of Pacific Indemnity completed, with effect from 1 July 2024.

Looking ahead, FY25 will see an increased focus on building out our UK Retail capability. We also remain committed to enhancing our strategic investments, optimising Tysers' wholesale broking operations, and driving further growth across our key markets. Our strategic priorities will continue to centre on leveraging these acquisitions to maximise value and capitalise on emerging opportunities.

CHAIR'S MESSAGE (CONTINUED)

DIVIDENDS

In FY24, AUB Group is pleased to determine a dividend reflecting our strong financial performance and commitment to delivering value to our shareholders. We are declaring a fully franked final dividend of 59.0 cents per share, which, combined with the interim dividend of 20.0 cents per share, brings the total full-year dividend to 79.0 cents per share. This represents an increase of 23.4% compared to the previous year, reflecting our robust earnings and healthy cash flow. Notably, this dividend corresponds to a payout ratio of 52.8% of our Underlying Net Profit After Tax (UNPAT), underscoring our commitment to pay dividends to our investors while maintaining a prudent balance sheet to support future growth and strategic investments. Additionally, our Earnings Per Share (EPS) for FY24 stands at 156.78 cents, reflecting growth of 21.2% from the prior year and further highlighting our successful execution of strategic priorities and our commitment to enhancing shareholder value.

ENVIRONMENT, SOCIAL, AND GOVERNANCE (ESG)

Our commitment to improving AUB Group's ESG practices has remained steadfast in FY24. We have implemented several key initiatives and have further plans in place to enhance our ESG footprint. Highlights include:

- AUB Group's recertification as a 'Great Place to Work.'
- Continued roll-out of AUB Giving and Community Day programs, reinforcing our commitment to social responsibility.
- Ongoing support through donations and sponsorships for community and sporting clubs across Australia.
- Commenced assessment of our approach against Australian Sustainability Reporting Standard (ASRS 1)
- Implemented measures to address gender pay equity - women represented 52% of our workforce, ~52% of promotions and ~56% of new hires
- High levels of client trust, evidenced by a premium retention rate of 93%

Melanie Laing has joined the Board as a Non-Executive Director and Chair of the People and Remuneration Committee, following Paul Lahiff's retirement. Melanie brings outstanding value with her extensive background, including roles as a Non-Executive Director for Keypath Education International and Ridley Corporation, and her experience as Group Executive of Human Resources at Commonwealth Bank of Australia. We warmly welcome Melanie to the Board and look forward to benefiting from her significant expertise and insights.

I would also like to take this opportunity to foreshadow my retirement at the Annual General Meeting from the AUB Group Board after 10 years, including eight as Chair, with compound annual growth of 17.0% in UNPAT and 10.1% in EPS over the period. I am deeply grateful for the support and collaboration of my fellow Board members, our shareholders, the Management team, and all of AUB's partners and teams. It has been an honour to be part of this Company, and I leave with confidence that AUB is in excellent hands, well-positioned for continued success. In this regard, I am pleased to announce that I will be succeeded as Chair by current Director Peter Harmer. Peter's extensive experience, expertise, and deep knowledge of the insurance and broking industry position him well to guide AUB Group towards its future aspirations. My retirement will formally occur at the conclusion of this years' Annual General Meeting.

CONCLUSION

FY24 has been an exceptional year for AUB Group, distinguished by significant achievements and commitment to our strategic objectives, which highlight both our strong market position and future potential.

I wish to extend my thanks to our dedicated employees and partners for their unwavering dedication and hard work throughout the year, whose commitment has been instrumental in driving the impressive results we achieved in FY24. I also want to express our sincere gratitude to our clients and shareholders for their continued trust and support. As we move forward, we are well-positioned to build on our successes and tackle the opportunities and challenges ahead. We look forward to sharing our progress with you at our Annual General Meeting in October.

David Clarke
Chair

CEO'S MESSAGE

Dear Shareholders,

I am pleased to share AUB Group's outstanding results for FY24, with strong performance across all divisions. This year marked significant milestones in revenue growth, margin expansion, and profit growth, underscoring our collective strength and strategic execution.

Financial Year 2024 represented a pivotal moment as we completed five full years under our ambitious strategic mandate. With a revitalised leadership team, bold ambitions, and clearly defined priorities, we have achieved substantial growth, boasting a compound annual Underlying NPAT growth of 30% and EPS growth of 19% since FY19.

Today, AUB Group manages over $10 billion in premiums on behalf of our clients, having expanded beyond traditional broking to include a diverse portfolio of Underwriting Agencies, Insurtech businesses, and a strong presence in Wholesale Broking, particularly within the Lloyd's market. Our global reach now spans 16 countries, with approximately 5,500 dedicated professionals serving ~one million clients, expertly placing and managing risks with the world's leading insurers. Over the past five years, AUB Group has been one of the fastest-growing broking groups globally and is currently ranked as the 18th largest Insurance Broking Group in the world.

Despite our growth, our unwavering commitment to clients and partners remains at the core of our operations. Our owner-driver model, integral to our success, allows key partners to maintain substantial equity stakes in their businesses, preserving the entrepreneurial spirit and fostering a sense of family within the AUB Group. With a portfolio of approximately 100 unique brands, each with its own history and culture, united under the AUB Group umbrella, our proven go-to-market strategy continues to deliver exceptional results across multiple jurisdictions, year after year.

OVERALL FINANCIAL PERFORMANCE

In FY24, underlying revenue grew by 20% to $1.33 billion, while underlying net profit after tax increased by 32.5% to $171 million, benefiting from further EBIT margin expansion to 34%. All divisions contributed to this growth, with revenue increases ranging from 8.5% to 26.5%, margin expansion between 170bps and 740bps, and profit before tax attributable to AUB shareholders rising between 14.7% and 59.2%. As a result, EPS grew by 21.2% compared to the prior year, and our three-year average Return on Invested Capital (ROIC) ending on 30 June 2024 was 12.7%.

The business continues to generate strong cash flows, with underlying NPAT fully converted to cash for FY24. The Group's net debt position decreased from $654 million on 31 December 2023 to $478 million on 30 June 2024, with our leverage ratio reducing to 1.28x on 30 June 2024. Cash and undrawn debt on 30 June 2024 amounted to $471.3 million, providing substantial headroom for future acquisition activity.

DIVISIONAL PERFORMANCE

Australian Broking remains the engine room of the Group. We optimised our portfolio by making eight bolt-on acquisitions and one disposal, restructuring a broking portfolio, and investing in five equity step-ups, while continuing to support succession planning by reducing our equity in four brokerages. The division continues to deliver strong revenue growth, while widening margin jaws through effective cost management, progressing towards our medium-term margin target of 40%. Our analysis over the past five years reveals that organic profit growth in Australian Broking, excluding acquisitions, has outpaced premium rate growth, at times by more than double, reinforcing our confidence in the sustainability of future revenues.

CEO'S MESSAGE (CONTINUED)

BizCover delivered another fantastic year, achieving revenue growth of 15% and significant margin expansion to 42%. The business continues to make strategic investments to enhance its platform, ensuring sustained growth and customer satisfaction. Notably, the insurer panel was strengthened with the addition of Chubb and HDI, expanding the range of insurance options available to customers, while the relaunch of BizCover's cyber insurance offering has shown encouraging growth.

The Agencies division made an impressive contribution, crossing the $1 billion premium placement milestone while making significant progress towards our medium-term EBIT margin target of 45%. All components of the division performed strongly, and the addition of Pacific Indemnity from 1 July will enable us to extend this growth into FY25.

New Zealand's operations continue to deliver remarkable results, with another year of strong revenue growth at 25.6%, compounded by a 740bps margin expansion, resulting in EBIT growth of 57.4%. FY24 organic profit growth of 26.3% was bolstered by 10.5% profit growth from acquisitions, an underlying profit growth of 59.2%. Our ongoing focus on growth in New Zealand is underpinned by nine acquisitions during the year, alongside portfolio actions including one equity step-up and two equity step-downs.

Financial Year 2024 also marked our first full year of Tysers' performance, contributing positively to our overall results. On a normalised basis, Tysers EBIT grew by 14.1% to $99.4m in FY24. We successfully achieved run-rate revenue and cost synergy targets during FY24 while also making good progress to restructure the Tysers operations. The ability to leverage Tysers to access the Lloyd's Insurance market to the benefit of our broking and agency networks is a significant competitive advantage which will increase the growth potential of AUB Group.

OUTLOOK

In FY25, we forecast underlying net profit after tax to be in the range of $190 million to $200 million, representing growth of 11.1% to 16.9% on FY24. The contribution from acquisitions reflects only those M&A activities that are highly certain and excludes businesses divested in FY24.

ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG)

AUB Group's business model, with distributed ownership and partnership with hundreds of operating shareholders, actively supports ESG goals tailored to their respective communities. Key highlights for FY24 include:

- Inclusion in Group 1 of the Australian Sustainability Reporting Standard (ASRS) 1, with an independent consultant engaged to develop an action plan to enhance the quality, transparency, and actionability of insights.
- Adoption of corporate platforms such as the Do Good Be Better donation matching and volunteering program.
- A proactive focus on gender diversity targets, including implementation of specific measures to address gender pay equity.
- Accreditation once again as a Great Place to Work.
- Maintenance of our AA rating for ESG from MSCI.
- Introduction of a minimum shareholding policy for NEDs and Group Executives to ensure ongoing alignment with shareholders.
- Significant enhancements to the Group's Risk Management Framework.

CONCLUSION

Financial Year 2024 was a year of numerous priorities and initiatives, and our strong progress is a testament to the AUB team's remarkable ability to navigate complexity and consistently deliver on our strategic objectives. I extend my deepest gratitude to our clients for their continued trust in us to manage their most critical business risks, to our teams for their unwavering dedication, and to our business partners for their commitment to our success. As we look forward, I am confident that AUB is well-positioned for sustained outperformance in the years ahead, and I look forward to keeping you updated on our future achievements.

Michael Emmett
Chief Executive Officer
and Managing Director

DIRECTORS' REPORT

DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2024

BOARD OF DIRECTORS

Your Directors submit their report for the year ended 30 June 2024. The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

David C. Clarke
LLB, MAICD

Independent Non-Executive Chair

Appointed: Non-Executive Director from 3 February 2014; Chair from 26 November 2015
Board Committees: Board Audit & Risk, Nomination (Chair), People & Remuneration (Interim Chair 23 August – 2 November 2023)

Background and experience:
David Clarke was Chief Executive Officer of Investec Bank (Australia) Limited from 2009 to 2013. Prior to joining Investec Bank, he was the CEO of Allco Finance Group and a Director of AMP Limited, following five years at Westpac Banking Corporation where he held a number of senior roles, including Chief Executive of BT Financial Group. David has 40 years' experience in investment banking, funds management, property and retail banking. He was previously employed at Lend Lease Corporation Limited where he was an Executive Director and Chief Executive of MLC Limited. David is the Chair of Charter Hall Group Limited, Fisher Funds Management Limited and Resolution Life Australasia Limited.

Directorships of other listed entities (last 3 years):
– Charter Hall Group Limited (April 2014 to present)

Michael P.C. Emmett
B Com, H.Dip. Acc CA (SA)

CEO and Managing Director

Appointed: 11 March 2019
Board Committees: Nil

Background and experience:
Mike Emmett is a Director of various companies within the Group, including Tysers Insurance Brokers Limited. Prior to joining AUB Group, he was Group CEO for Cover-More, previously an ASX-listed global travel insurer and now part of the Zurich Group. Earlier, Mike was QBE Group Executive of Operations and EY Managing Partner for Financial Services Advisory. Prior to moving to Australia, Mike held senior roles in Finance and Consulting in the UK and South Africa.

Directorships of other listed entities (last 3 years):
– Nil

BOARD OF DIRECTORS (CONTINUED)

Richard D. Deutsch

B Econ, FCA

Independent Non-Executive Director

Appointed: 3 November 2022
Board Committees: Board Audit & Risk (Chair from 2 November 2023), Nomination, People & Remuneration

Background and experience:
Richard Deutsch was the Chief Executive Officer of Deloitte Australia from 2018 to 2021. Prior to the CEO role, Richard was the Managing Partner of the Audit & Advisory Practice and a member of the Global Audit & Advisory Leadership Team. Richard's career also includes more than 25 years working with PwC, including nine years on PwC's Australian executive team. Richard is a Non-Executive Director of Bendigo & Adelaide Bank Limited and Hollard Holdings Australia Pty Limited. He is the Chair of the Movember Foundation and a Champions of Change Coalition Convenor and Advisor to CEOs and Boards.

Directorships of other listed entities (last 3 years):
- Bendigo and Adelaide Bank Limited (September 2021 to present)

Peter G. Harmer

Harvard Advanced Management Program

Independent Non-Executive Director (from 22 July 2021)

Appointed: 22 July 2021
Board Committees: Board Audit & Risk, Nomination, People & Remuneration

Background and experience:
Peter Harmer was previously Managing Director and Chief Executive Officer of Insurance Australia Group (IAG) Limited and is currently a Non-Executive Director of Commonwealth Bank of Australia Limited and nib holdings limited, and is the Chair of Lawcover Insurance Pty Ltd. Peter is also a member of the Advisory Council for Bain & Company, an Executive Mentor with Merryck & Co ANZ, and a member of the Advisory Council of EXL Services Asia Pacific. Prior to IAG he was Chief Executive Officer of Aon Limited UK and a member of Aon's Global Executive Board, and spent seven years as Chief Executive Officer of Aon's Australian, New Zealand and Pacific operation. Peter has over 40 years' experience in the industry spanning insurance, reinsurance broking, and insurance broking. He is a Non-Executive Director of Tysers Insurance Brokers Limited.

Directorships of other listed entities (last 3 years):
- Commonwealth Bank of Australia Limited (March 2021 to present)
- nib holdings limited (July 2021 to present)

BOARD OF DIRECTORS (CONTINUED)

Andrew J. Kendrick

Independent Non-Executive Director

Appointed: 27 January 2023
Board Committees: Board Audit & Risk, Nomination, People & Remuneration

Background and experience:
Andrew Kendrick is a former Non-Executive Director of Lloyd's of London and the Lloyd's Market Association. He has more than 40 years' experience in the insurance industry in the UK, Europe and Bermuda. Andrew's executive career includes leadership positions with Chubb and Ace, culminating in the role of President & Chairman, Chubb European Group. He began his career at Sturge Syndicate 210, and held a number of senior underwriting positions with Ockham Underwriting. Andrew is the Chair of Everest Insurance (Ireland) DAC and the Chair of Tysers Insurance Brokers Limited.

Directorships of other listed entities (last 3 years):
– Nil

Melanie S. Laing

BA (Hons), FAICD, FAHRI, CEW

Independent Non-Executive Director

Appointed: 2 November 2023
Board Committees: Board Audit & Risk, Nomination, People & Remuneration (Chair) (from 2 November 2023)

Background and experience:
Melanie Laing is a Non-Executive Director of global, ASX-listed (US domiciled) digital education provider, Keypath Education International, and of ASX-listed Ridley Corporation, one of Australia's leading agricultural companies.

Melanie was group executive of HR at Commonwealth Bank of Australia, where she was responsible for the strategic planning, transformation and implementation of the bank's global people agenda and HR operations. Previously, she was global head of people and culture at Origin Energy, and has held senior HR leadership roles with Unisys, Vodafone, General Re and Times Mirror, in Australia and overseas.

Directorships of other listed entities (last 3 years):
– Keypath Education International Inc. (May 2021 to present)
– Ridley Corporation Limited (September 2023 to present)

BOARD OF DIRECTORS (CONTINUED)

Cath L. Rogers

CFA, B Com, MBA, GAICD

Independent Non-Executive Director

Appointed: 3 May 2018
Board Committees: Board Audit & Risk, Nomination, People & Remuneration

Background and experience:
Cath was previously a Non-Executive Director of fintech Digital Wallet Pty Limited which trades as Beem It (2018-2021), McGrath Limited (2016-2018) and the Heart Research Institute (2014-2019).

Cath has a background in financial services, private equity and venture capital investment, most recently with global venture capital firm Antler, as well as AirTree Ventures, Anchorage Capital Partners, and a middle eastern sovereign wealth fund. Cath also held roles in Sydney and New York with Credit Suisse, involved in M&A and equity capital markets advisory.

Directorships of other listed entities (last 3 years):
– Nil

Former Directors:

Paul A. Lahiff retired as a Non-Executive Director on 23 August 2023.

Robin J. Low retired as a Non-Executive Director on 2 November 2023.

INTERESTS IN THE SHARES AND RIGHTS OF THE COMPANY

As at the date of this report, the interests of the Directors in the shares and rights of AUB Group Limited were:

Director	Shares	Performance Share Rights	Share Appreciation Rights
David Clarke	31,927	–	–
Michael Emmett	170,573	396,123	508,388
Richard Deutsch	4,340	–	–
Peter Harmer	4,505	–	–
Andrew Kendrick	–	–	–
Melanie Laing	2,296	–	–
Cath Rogers	9,313	–	–

DIRECTORS' MEETINGS

The number of Directors' meetings held (including meetings of Committees of Directors) and attendance of Directors during the year ended 30 June 2024 is as follows:

	Board Scheduled		Board Unscheduled		Board Audit & Risk Committee		People & Remuneration Committee		Nomination Committee	
Director	Held[1]	Attended	Held[1]	Attended	Held[1]	Attended	Held[1,2]	Attended	Held[1]	Attended
David Clarke	6	6	13	13	8	8	8	8	5	5
Michael Emmett[3]	6	6	13	13	–	–	–	–	–	–
Richard Deutsch	6	6	13	13	8	8	8	8	5	5
Peter Harmer	6	6	13	11	8	8	8	6	5	5
Andrew Kendrick	6	6	13	10	8	8	8	8	5	5
Paul Lahiff[4]	1	1	4	2	2	2	4	4	1	1
Melanie Laing[5]	4	4	6	6	5	5	3	3	3	3
Robin Low[6]	2	2	7	7	3	3	5	5	2	2
Cath Rogers	6	6	13	12	8	8	8	8	5	5

1 The number of meetings held during the time the Director was a member of the Board or of the relevant Committee.
2 Includes a concurrent meeting of the People & Remuneration and Board Audit & Risk Committees to support the determination of remuneration outcomes.
3 Michael Emmett was not a member of any Committee and attended Committee meetings as an invitee.
4 Paul Lahiff retired as a Director on 23 August 2023.
5 Melanie Laing was appointed as a Director on 2 November 2023.
6 Robin Low retired as a Director on 2 November 2023.

COMPANY SECRETARIES

Richard H. Bell

BBus, LLB, B.Comm (Law)

Chief Legal & Risk Officer and Company Secretary

Richard Bell joined AUB Group on 15 June 2021 as Group General Counsel and was appointed Company Secretary on 29 June 2021 and Chief Legal & Risk Officer on 22 November 2022. Before joining AUB Group, he was General Counsel (Corporate) & Group Company Secretary at Aristocrat Leisure Limited and previously in private practice specialising in Mergers & Acquisitions at Allens Linklaters.

Elizabeth M. McGregor

BA, MBA, FGIA, FCG, GAICD

Group Head of Company Secretarial and Joint Company Secretary

Elizabeth McGregor joined AUB Group on 1 October 2021 and was appointed Joint Company Secretary on 29 October 2021 and Group Head of Company Secretarial on 14 September 2023. She was previously company secretary of a number of ASX listed entities, through her work with the professional services companies Automic Group and Mertons Corporate Services.

OUR PURPOSE AND VALUES

We place clients at the heart of everything we do – providing products, services and solutions that help protect them from harm, damage and financial burden. Our partners and advisers provide trusted support and guidance to clients on the optimal combination of physical, people and financial risk solutions. Our approach is backed by the same commitment to high-quality service that we have had from the start. Our services are designed to help our partners operate safely, manage the business more profitably and achieve better outcomes for clients. Together we are providing a safer and stronger future for all.

At AUB Group we are guided by a universal set of values that describe the focus of our efforts.

Our goal is for all of our decisions and actions to reflect these core values. We believe that putting our values into practice creates the greatest benefits for our shareholders, partners, employees, suppliers and communities in which we serve.

For further information on our stakeholders and measurements of success please refer to our ESG Report on page 55.

DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2024

PRINCIPAL ACTIVITIES

AUB Group Limited (ASX: AUB) is an ASX200 listed group comprising insurance brokers and underwriting agencies operating in ~595 locations. Over ~5,500 team members work with our ~1,000,000 clients to place more than $10bn in insurance premiums with local and foreign insurers.

AUB Group operates through five key business segments. The Group's core revenue is derived from arranging insurance policies and from related products and services. The amount of revenue earned is determined by premiums placed, sums insured and the general level of economic activity.

Australian Broking businesses provide insurance broking and advisory services primarily to SME clients. The division encompasses broking businesses, complemented by established capabilities in member services, life insurance broking, premium funding, and claims management.

In **New Zealand Broking** our businesses provide insurance broking and advisory services primarily to SME clients. AUB Group holds equity stakes in 5 major insurance broker partners, as well as ownership of NZbrokers (the largest broking management group in New Zealand).

Agencies distribute and manage insurance products on behalf of licensed insurance companies through General Commercial, Strata and Specialty sub-divisions through underwriting agencies with access to delegated underwriting capacity. These products and services are available to customers of insurance brokers, in and outside AUB Group's broking networks.

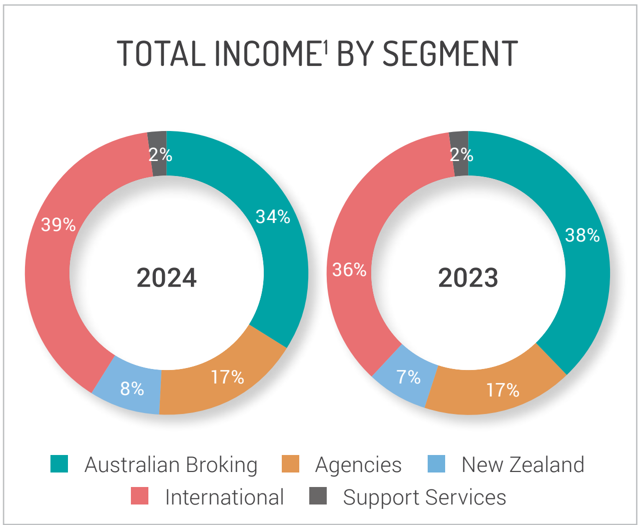
Tysers/International includes Wholesale and Retail broking and Managing General Agents ('MGA'). Tysers is headquartered in London. This is a separately reportable segment, given Tysers and other International businesses operate mainly in markets outside Australia.

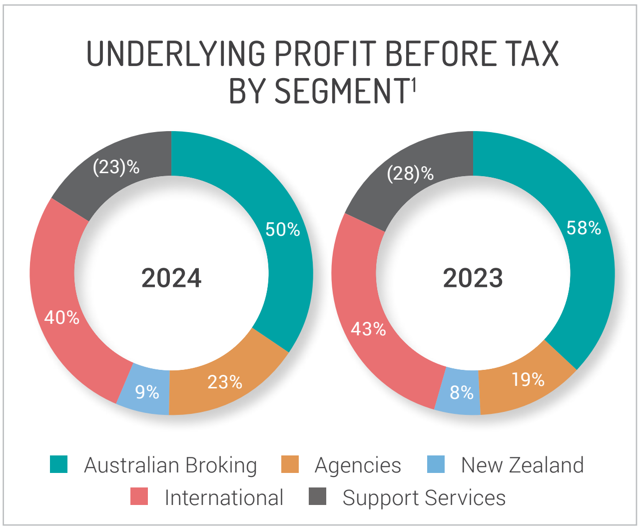
Support service businesses provide a diverse range of services to support the Australian Broking, Agencies, New Zealand Broking and Tysers segments, and external clients. Services include:

a) Platforms division: automated quoting & binding, white-labelling, and technological support. This division includes BizCover, Australia's leading digital SME insurance platform with multi-channel presence and a comprehensive insurance offering. The business also provides the Austbrokers network with ExpressCover, Australia's newest SME insurance platform utilising the BizCover quote and bind engine; and

b) Corporate: AUB Group Head office.

These sub segments are not individually reportable.





1 Total Income is presented on a statutory basis, whilst Underlying Net Profit Before Tax is a non IFRS measure. Refer to Note 3 to the Financial Statements for further information.

The Group owns equity stakes in its partner businesses, which in turn provide trusted support and guidance to clients relating to physical, people and financial risks. This is backed by services the Group provides that help our partners operate with less risk, manage their businesses more profitably and ultimately achieve better client outcomes. These services include broker member services, claims and loss adjusting businesses, technology support, a centralised data-center and related infrastructure support, common broking and back-office platforms, finance, tax, M&A, human resources, risk, compliance and other operational support services.

OPERATING AND FINANCIAL REVIEW

Reconciliation of Reported Net Profit After Tax ('Reported NPAT') to Underlying Net Profit After Tax ('UNPAT')

The following reconciliation from Reported NPAT to UNPAT is presented on the basis attributable to equity holders of the parent:

	Notes	2024 $'000	2023 $'000
Net Profit after tax attributable to equity holders of the parent	**SOCI**	**137,072**	**65,253**
Add back / (less) (net of NCI and income tax):			
– Amortisation of broking registers		**39,604**	30,352
– Adjustments to value of entities (to fair value) on the day they became controlled entities		**(17,794)**	(29,796)
– Remeasurement of put option liability (net of interest unwind)		**(1,463)**	3,620
– Impairment charge		**–**	5,473
– Movements in contingent consideration (net of interest unwind)		**(18,734)**	39,912
– (Profit) / loss on deconsolidation of controlled entity, sale / dilution of associates and portfolios		**(2,503)**	(25,315)
– Impairment of the right-of-use asset and onerous lease expense		**153**	251
– Costs in relation to Syndicated Debt Facility restructuring		**9,748**	–
– Expenses incurred for acquisitions in the current and prior period		**24,932**	39,355
Underlying Net Profit After Tax		**171,015**	**129,105**

Operating results for the year

In the year ended 30 June 2024 ('FY24') Reported Net Profit After Tax attributable to equity holders of the parent was $137.07m (FY23: $65.25m). Reported NPAT included the cost of amortisation of broking registers, debt restructuring costs and the effects of M&A activity.

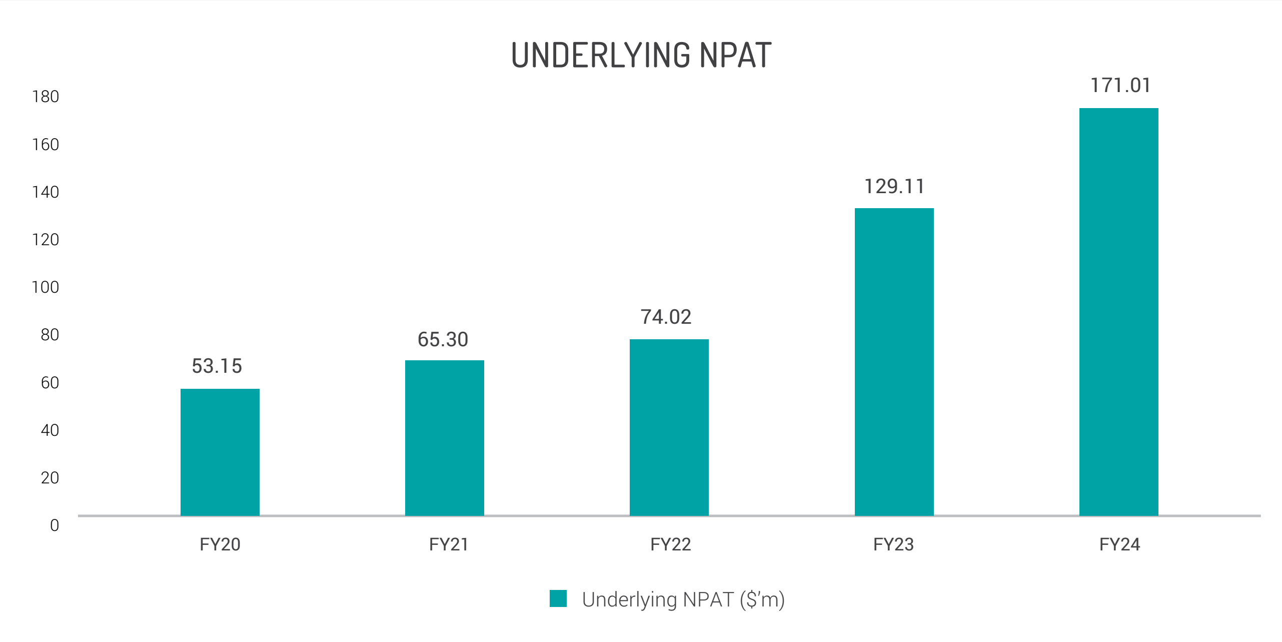
On a Reported NPAT basis, earnings per share was 125.65 cents for the full year (FY23: 65.35).

Underlying Net Profit After Tax is the key measure used by management and the board to assess and review business performance. Underlying NPAT is after non-controlling interests and excludes the cost of amortisation of intangibles, fair value adjustments on of entities on consolidation or deconsolidation, movements in contingent consideration, impacts of reduction in interest in associates and disposals of controlled entities, and debt restructuring and acquisition related costs.

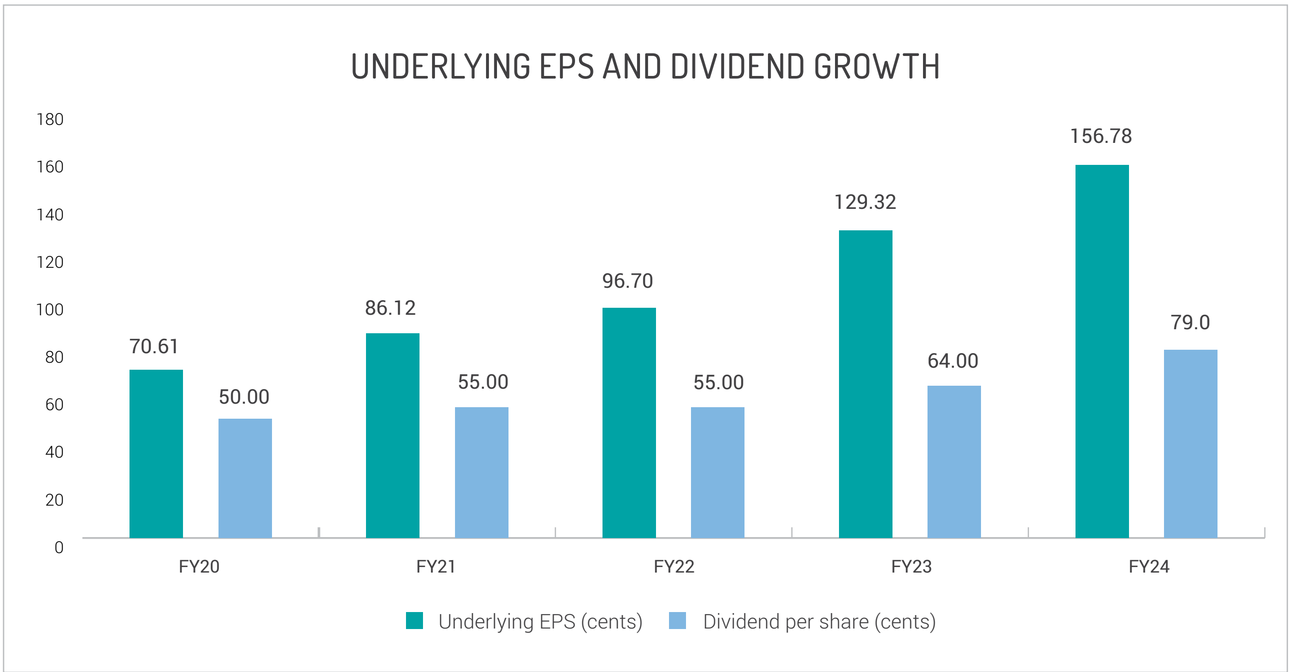
Underlying NPAT increased 32.56% to $171.02m in FY24 (FY23: $129.11m) due to a mixture of strong organic and acquisition growth.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Operating results for the year (continued)



On an Underlying NPAT basis, earnings per share ('EPS') increased by 21.24% over the prior year to 156.78 cents. Dividend per share paid for FY24 totaled 0.79 cents.



OPERATING AND FINANCIAL REVIEW (CONTINUED)

Results by operating division

Australian Broking

- Underlying pre-tax profit for the period increased by 14.7% to AUD 120.2mn (FY23: AUD 104.8mn).
- EBIT Margin of 36.8% up 170bps from FY23.
- Driven by:
  - organic growth from increased premiums and growth in client and policy count.
  - disciplined bolt-on acquisitions.

BizCover

- Underlying pre-tax profit for the period increased by 20.9% to AUD 15.1mn (FY23: AUD 12.5mn).
- This increase was due to revenue growth and margin expansion, with initiatives underway to further enhance products, the insurer panel and sources of new business.
- EBIT Margin of 42.0% up 190bps from FY23.

Agencies

- Underlying pre-tax profit for the period increased by 57.9% to AUD 55.4mn (FY23: AUD 35.1mn).
- Strong organic growth in gross written premium (GWP) across most agencies complemented by the establishment of new agencies as well as acquisitions such as Strata Unit Underwriters.
- EBIT margin of 42.6% up 420bps from FY23 (up 220bps excluding profit commissions in both periods).

New Zealand Broking

- Underlying pre-tax profit for the period increased by 59.2% to AUD 22.7mn (FY23: AUD 14.3mn).
- Revenue and profit growth for all businesses, supported by increased commercial lines premiums, and reduced technology spend.
- EBIT Margin of 36.5% up 740bps from FY23 (up 200bps excluding Lola technology platform spend in both periods).

Tysers / International

- Underlying pre-tax profit contributed by Tysers / International for the 12 months to 30 June 2024 was AUD 96.8mn vs AUD 76.9mn for 9 months of FY23.
- Revenue and profit on track with changes to operating model and portfolio mix underway to position Tysers for future growth and margin expansion.
- Tysers constant currency revenue for the 12 months to 30 June 2024 was up 1.0% vs pcp.

FINANCIAL CONDITION

Total equity increased to $1,749.21m from $1,513.37m at 30 June 2024, due to the impact of the current year financial performance, as well as issue of shares during the period.

The Group generated positive cash flow from operating activities before customer trust account movements of $129.21m (2023: $113.37m). Cash outflow of $82.81m from investing activities in FY24 was due a number of acquisitions in current year and the payment of contingent consideration related to prior year acquisitions. Net cash flows from financing activities were $89.21m primarily from a capital raising and increased borrowings, offset by dividends and distributions paid to shareholders and non-controlling interests. Cash held at the end of the period totaled $377.37m (2023: $260.35m), excluding monies held in trust.

Interest-bearing loans and borrowings increased by $61.77m to $646.00m. This is driven by acquisition activity. Please see details of the debt facility outlined in Note 17 of the Financial Statements.

Subsidiaries had debt of $96.00m and the look through share of borrowings by associates (including contingent obligations) of $41.68m (2023: $25.52m) are not included in the Group balance sheet as these entities are not consolidated.

The borrowings by subsidiaries and associates relate largely due to funding of acquisitions and other financing activities.

BUSINESS STRATEGY

AUB Group's strategy remains consistent – exploit the latent potential in our existing business supplemented with strategically aligned and disciplined inorganic growth:

– Deliver a market leading proposition for our brokers, and in turn our clients, by investing in processes and technologies that drive efficient outcomes;
– Continued focus on optimising our portfolio through consolidation and targeted involvement to improve underlying business performance; and
– Manage our active pipeline of external M&A opportunities through a disciplined and strategic approach to investment.

In FY25, the business will continue to evolve its focus from FY24 priorities with specific accountability for the following:

Optimise our network

– Continue to optimise our portfolio of businesses to outperform by consolidating into more efficient operating entities or to expand specialisation.

Execute on strategically aligned acquisitions

– Disciplined and targeted approach to acquisitions, either bolt-ons that deliver synergy benefits or to expand capabilities and footprint; and
– Increased investments in current network businesses to aid consolidation and optimisation.

Tysers Optimisation

– Continue to evolve the operating model to allow successful delivery of strategic objectives and to further optimise costs.

UK Retail

– Leverage the newly expanded UK Retail platform for growth replicating the successful Australian model with an enhanced broker proposition.
– Building a portfolio of complementary MGAs.

Agencies

– Leverage increased and enhanced binder capacity, achieved with Tysers.
– Leverage the acquisition of Pacific Indemnity in Specialty while continuing to grow Strata and General Commercial organically and by acquisition.

PROSPECTS FOR FUTURE FINANCIAL YEARS

AUB Group has benefited from investment in our core capabilities, cost management and pricing tailwinds. The Group continues to hold a modest outlook on the underwriting cycle with a premise that we are in the midst of a positive phase with potential for extension considering recent ongoing losses in key global underwriting markets.

CORPORATE GOVERNANCE

The 2024 Corporate Governance Statement can be found at the AUB Group website: aubgroup.com.au/corporate-governance.

RISK MANAGEMENT

Risk is an inherent part of AUB Group's business model and effective management of that risk is therefore an important foundation of our success, business growth and delivering sustainable value to shareholders.

Effective risk management is a strategic priority at AUB Group and risk is embedded in Board discussions regarding strategy and execution, and risk appetite is considered as part of major strategic decisions. AUB Group's risk management strategy adopts a philosophy of not seeking to eliminate all risks, but to identify, understand, assess and effectively manage the risks and opportunities arising from our businesses. We proactively identify opportunities to create and protect shareholder value but ensure that our decisions are risk aware, informed and consider both financial and reputational impact.

Overseen by the Board and the Board Audit and Risk Committee ('BARC'), the Risk Management Framework underpins identification and management of enterprise-wide and emerging risks and allows for effective decision-making that is within the Board approved risk appetite and specific limits.

The content and status of risk profiles and mitigation plans is considered and updated, in line with changes to the environment and operations, through regular reviews by management.

The Board reviews the Group's key risks and assesses the effectiveness of the risk management framework bi-annually in accordance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

Enterprise Risk Framework

AUB Group has its own risk framework and policies that reflect the strategic, financial, operational, regulatory, legal and people risks specifically associated with its operations and investments. A key part of this framework is clear identification of risk roles and responsibilities represented by '*three lines of accountability*'.

Management. The primary responsibility for risk management lies with management which form the *first line of accountability*. They are responsible for identifying, managing and reporting risks within the business. They also need to ensure that risks are managed appropriately with reference to regulatory environment, the risk appetite statement and other limits as agreed. Promoting and implementing a culture of risk ownership and awareness is also a key responsibility.

Legal, Risk and Compliance. AUB's Risk, Legal and Compliance teams are the *second line of accountability*. They are responsible for the design and maintenance of the Enterprise Risk and Compliance Frameworks, and provide tools/advice to assist the business manage risks. The AUB Chief Legal and Compliance Officer is a member of the Group Executive, attends Board meetings and is responsible for Senior Management and Board risk reporting.

Independent Review. The *third line of accountability* is independent review. This encompasses internal and external audit and other independent assessments conducted on AUB Group risk management processes, controls and systems. AUB Group has a co-sourced internal audit function that reports to the Board Audit and Risk Committee at least quarterly.

Risk Oversight

Risk is the responsibility of everyone at AUB Group. Below are key actions for each level of AUB:

Board Oversight

The AUB Board is responsible for the overall risk oversight of AUB Group, including:

- Assist Management to identify principal financial and non-financial risks (including strategic, operational and macro risks and opportunities, and including both current and emerging risks) and to oversee and monitor these risks.
- Review and approve the risk appetite within which the Board expects AUB Group to operate, as well as AUB Group's risk management policy.
- Ensuring that AUB Group has an appropriate ERM framework and internal control systems which are in compliance with AUB Group's risk management policy.
- Monitor the effectiveness and adequacy of AUB Group's risk management systems, including reviewing of processes for identifying areas of significant business risk and oversight of internal controls.
- Ensuring that risk management practices enable the Board to maintain current knowledge and understanding of AUB Group's risks and any changes to these risk (including emerging risks).
- Evaluating the overall effectiveness of the implementation of the ERM Framework.

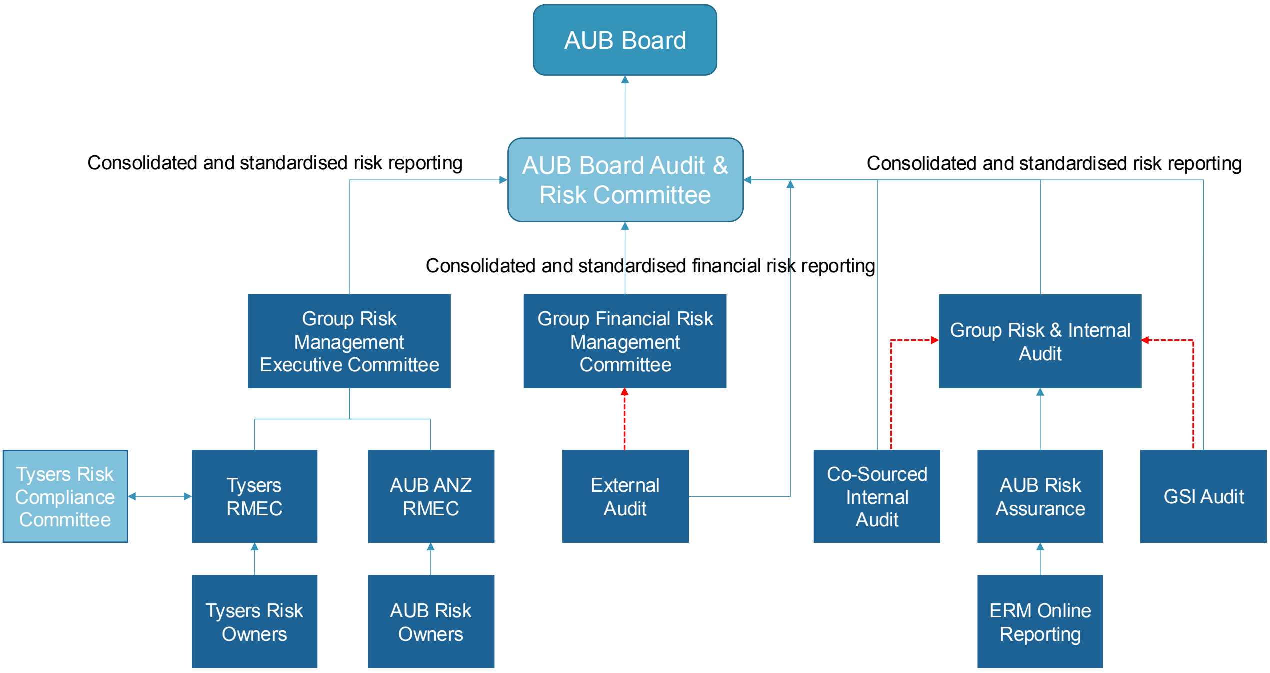
The BARC assists the Board in fulfilling its responsibilities by overseeing the design and implementation of the risk framework, and the monitoring of compliance with the risk framework.

Senior Management Oversight

AUB Senior Management, comprising the AUB Group Executive, Group Technology Officer and Tysers CEO are responsible for:

– Establish and implement a sound system of risk management for the Group including ensuring adequate resources are in place.
– Driving AUB Group's risk management strategy and activities.
– Identifying the key risks to the business and ensuring that AUB Group has implemented appropriate and effective risk management controls to manage these risks and escalate to the AUB Board in a timely manner.
– Reporting to the Risk Management Executive Committees (RMECs) and AUB Board, including results of risk self-assessment workshops, risk trends, control performance, operational issues and operational losses.
– Conducting diligence for appointment and monitoring of outsourced arrangements; and
– External risk reporting protocols and disclosures where required by regulation and governance.

The Risk Management Executive Committee (RMEC) of AUB and Tysers assist Senior Management in discharging their risk responsibilities.



KEY BUSINESS RISKS

The Group is exposed to various risks during its operations and achievement of its strategic objectives. Broad risk categories, which may impact the Group's business strategy and prospects for the future financial year, include:

Strategic

Clearly defining and successfully executing the AUB strategy.

Risk Description

Strategy is unclear, misaligned or fails to take into account the changing competitive, regulatory and technological landscape. Failure to successfully execute the strategy, including M&A, and deliver strategic objectives and outcomes.

2024 Commentary	Management and Mitigation
Business model of acquiring and holding equity in operating business An important part of AUB's business model and its growth strategy is to acquire and hold equity in insurance broking and underwriting agency businesses. Key considerations include the acquisition multiple, the likely future performance of the business being acquired and the extent to which the business will fit strategically within the AUB Group. A priority is the integration of Tysers which represents a significant acquisition for the Group. When due diligence related to acquisitions, mergers or when AUB makes a strategic or financial investment in an entity, fails to detect substantial issues, the transactional documents may not contain corresponding safeguards, including representations, warranties or indemnities, to protect AUB against existing and potential liabilities of the target businesses. AUB can be made financially liable and subjected to legal proceedings for past non-compliances with laws and regulations. These may affect AUB's business operations and hinder its corporate growth. A failed merger and acquisition transaction may also damage AUB's reputation. While AUB ordinarily has veto rights on most decisions concerning AUB group members, it may not have the capacity to implement its decisions in all cases. There can be no assurance that the anticipated benefits and synergies expected to result from all or some of the integrations of these acquisitions will be realised.	As part of the annual assessment of strategic risks, the Board and Management team assess potential risks from both external and internal factors. Actions to mitigate these risks are designed as appropriate. Changes to these key risks and status of actions are reviewed quarterly at the Risk Management Executive Committee and Board Audit and Risk Committee meetings. Specific mitigation actions include: – Annual strategy and priorities approved by the Board with bi-annual updates and review; – Board approved appetite for strategic risks; – Assessment criteria (operational, financial, reputation) for all M&A activity which is reviewed by senior management and Board (if required); – Risk assessment completed for all material transactions, expected returns, outlining key risks, mitigants, action plans. It also includes the impact the transaction will have on risk appetite; – Investment and acquisition approach involving skilled resource, due diligence and negotiated representations and warranties; – Post acquisition review, including capital and returns analysis; – Engagement with relevant government stakeholders, regulators, insurers and industry bodies; and – Experienced senior leadership team with global sector knowledge, industry connections and reputation.

KEY BUSINESS RISKS (CONTINUED)

2024 Commentary	Management and Mitigation
Increased competition or market change An increase in competition or deterioration in the competitive positioning of AUB may have an adverse impact on AUB network members and could potentially result in a reduction in gross written premium placed through AUB network members due to a loss of market share; a reduction in fees and commissions; and/or a reduction in margins which may adversely impact the revenue and earnings of AUB network members. Increased competition from new entrants and existing market participants, including increased commoditisation of business insurance products, may have an adverse impact on partner network and AUB earnings. If there are changes in the remuneration model for, or the use of, insurance brokers, underwriting agencies, or risk services businesses, this may adversely impact AUB's earnings and/or financial position and performance. AUB in some cases acts as agent of the insurers. Insurers may choose to reduce their reliance on insurance brokers and underwriting agencies, including through an increase in their direct web-based distribution models. Continued consolidation in the general insurance industry may result in a more limited product set and/or greater pricing power for insurers which may result in downwards pressure on commissions and fees.	The Board and Senior Management are constantly assessing market dynamics and conduct formal strategic planning sessions twice a year. Specific additional mitigants include: – Annual strategy and priorities approved by the Board with bi-annual updates and review; – Specialist advisors (eg Sector, banks, legal) provide market insights, competitor analysis (threats, opportunities) and regulatory updates; – Engagement with relevant government stakeholders, regulators, insurers and industry bodies; and – Experienced senior leadership team with global sector knowledge, industry connections and reputation.
Environmental, social and governance ('ESG') risks and expectations Evolving community attitudes towards, and increasing regulation and disclosure in relation to ESG issues may impact the operation of AUB's business. Increased expectations, and in particular the failure to meet those expectations, with respect to ESG may impact on the profitability or value of AUB's business, restrict AUB's ability to attract financing or investment, result in heightened compliance costs associated with meeting prevailing regulatory and disclosure standards, or adversely impact on the reputation of AUB, which may have an adverse effect on AUB's business, financial position and prospects.	The manner in which ESG risks and opportunities are embedded in the day-to-day business activities continues to evolve and improve. The following key mitigants have been implemented over the last 18 months: – Independent specialists conducted an ESG materiality assessment, engagement and reporting program; – ESG considerations are included as part of stakeholder engagement plans; – ESG risks are included as part of each M&A business assessment; – ESG reporting is provided to senior management and the Board; and – Conducting a detailed assessment on Climate Related Risk and Opportunities (CRROs) in FY25 to ensure compliance with the disclosure requirements of ASRS 1 and 2.

KEY BUSINESS RISKS (CONTINUED)

Financial

Risks relating to funding and liquidity management, expected return on investments and mitigation of fraud, client disputes and professional indemnity claims.

Risk Description

Multiple factors could lead to the Group having insufficient capital or cash flow to meet its obligations including unfavourable outcomes from inappropriate management of interest rate, foreign exchange, counterparty credit, liquidity and self-insurance risks, adverse effects from capital structure and funding or losses associated with fraud, claims or disputes.

2024 Commentary	Management and Mitigation
Market risk The operating and financial performance of AUB is influenced by a variety of general economic and business conditions, including levels of consumer spending, inflation, interest rates, exchange rates and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors, including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions could be expected to have an adverse impact on AUB's operating and financial performance and financial prospects. The ability of AUB to secure debt financing, or financing on acceptable terms, may be affected by volatility in the financial markets, globally or within a particular geographic region, industry or economic sector. An inability to obtain, or increase in the costs of obtaining, financing on acceptable terms could adversely impact AUB's financial position and performance. AUB is exposed to movements in interest rates through its debt facility. **Fraudulent or inappropriate conduct** AUB has in place policies and procedures implemented in relation to the risk of fraud. However, particularly in relation to businesses where AUB does not control the day-to-day operations, there is a risk that funds of the business or of those held on behalf of clients may be the subject of fraudulent behaviour. Any such fraudulent behaviour would likely have an adverse impact on AUB's financial position, performance and reputation.	AUB Group proactively manages these risks and opportunities through its established corporate governance structures, the Compliance Framework, Risk Management Framework, and Assurance program supported by company policies, standards and procedures. We employ specialised and experienced resources and teams to oversee and educate stakeholders of relevant regulatory requirements and monitor potential changes. Where required, we also engage specialist advisors to support internal resources. Other specific mitigation plans include: – Finance specialists undertake forecasting and financial scenario testing activities; – The organisation operates with the segregation of duties and Board approved delegation of authority; – Actions to improve fraud reporting and dashboards to facilitate more effective oversight; and – Implementation of external advisory channels for improved accessibility, accuracy and consistency. The AUB Group Financial Risk Management Committee ('FRMC') is accountable for assessing key existing and emerging financial risks, including whether there are appropriate and effective risk management controls in place to manage these risks. The Committee meets at least quarterly and reports significant findings to the BARC.

KEY BUSINESS RISKS (CONTINUED)

Compliance and regulatory risk

Risk of non-compliance with obligations (legal, regulatory, contractual) or failure to identify or appropriately respond to changes in the regulatory environment.

Risk Description

AUB operates in a highly regulated environment which has been and continues to be subject to regulatory review and change.

2024 Commentary	Management and Mitigation
Failure to act in accordance with regulation, licences, industry standards and codes, internal policies and procedures and principles of good governance could result in regulatory or legal action, licences being suspended or withdrawn, significant fines, penalties, other costs, reputation damage and/or reduced investor confidence. This, in turn, may adversely impact AUB's reputational, financial performance and position. AUB may be exposed to violations of financial crime laws, including fraud, anti-bribery and corruption, sanctions and anti-money laundering and terrorism financing. The M&A strategy (eg Tysers, MexBrit) has further exposed AUB to some jurisdictions which can be higher risk for breach of such financial crime laws. A breach of financial crime laws or other applicable laws or regulatory requirements could lead to enforcement action by regulators, and/or significant fines and/or other penalties, litigation, as well as the risk of reputational damage. Regulatory changes may also impact AUB and/or its operating entities through costly and burdensome regulation and may have consequences which cannot be foreseen. Additionally, compliance with these regulatory obligations may require considerable investment into the establishment of compliance systems and the monitoring and maintenance of such systems to minimise the risk of non-compliance in the future.	AUB Group proactively manages these risks and opportunities through its established corporate governance structures, the Compliance Framework, Risk Management Framework, and Assurance program supported by company policies, standards and procedures. We employ specialised and experienced resources and teams (Legal, Compliance, Finance). Risk to oversee and educate stakeholders of relevant regulatory requirements and monitor potential changes. Where required, we also engage specialist advisors to support internal resources. Other specific mitigation plans include: – Board and sub-committee oversight of current and emerging regulatory risks Senior Management oversight via risk management executive committee and financial crime committee (Tysers); – Policies, Frameworks and Procedures; and – Assurance activities (Compliance Monitoring and Internal Audit) to assess implementation of core regulatory requirements.
AUB also faces the risk of failing to identify or appropriately respond to changes in the regulatory environment or of damaging AUB's standing with its regulators as a result of AUB not meeting regulatory expectations.	– Legal advisors identify any potential changes in legislation, including the impact on AUB business; – Structured approach for Regulatory change implementation, including training and education of relevant AUB and broker stakeholders; and – Quarterly Board reporting which includes "Horizon Scanning" of potential regulatory changes and their impact on the business.

KEY BUSINESS RISKS (CONTINUED)

Operational

A disruption that impacts the ability of AUB to operate effectively.

Risk Description

AUB may be unable to continue to operate effectively due to inadequate or failed internal systems and processes, disruption including inability to access premises, inability to use technology or systems (may be information security or cyber related), an infrastructure failure, impact to people and third-party disruption (including loss of Binder arrangements).

2024 Commentary	Management and Mitigation
Loss of capacity for underwriting agencies Unexpected loss of underwriter capacity, whereby an underwriter fails to renew a binder or withdraws capacity for strategic reasons (such as exiting lines of business or a specific country exit) is likely to result in a significant loss of income. Further risk may be as a result of an underwriter withdrawing capacity due to uneconomic underwriting results. This would severely constrain the ability of underwriting agencies to write new business and may restrict them from renewing existing business. Any such scenario would have an adverse impact on the financial performance of AUB's underwriting business.	There are a number of key mitigation strategies to managing this risk including: – Binder agreements are subject to layered review by key and external legal advisors; – Key binder obligations are identified, communicated to relevant stakeholders and monitored on a regular basis; – Peer to peer review reviews in accordance with underwriting guidelines; – Insurer claims and underwriting audits conducted to identify any control weaknesses or non-performance of binder agreements; and – Internal assurance activities are conducted to identify control weaknesses, the results of which are tabled at key management and Board meetings. Specific mitigation actions to manage binder compliance include: – Binder management approach; – Business Continuity Framework and Plans; – Disaster recovery plans and annual disaster recovery tests; – Information security strategy, framework, roadmap; and – Tactical controls such as malware, multi-factor authentication, network segmentation among others.
Technology and cyber security risk AUB's information technology systems (including those provided by third party technology vendors) are vulnerable to damage or interruption from a number of sources. Information security breaches or Cyber incidents could significantly curtail AUB's ability to conduct its business and generate revenue and lead to losses associated with investigation, rectification and remediation activities. Loss of sensitive (personal or organisational) information can lead to reputational damage, client distrust and regulatory inquiries or actions.	Group has designed and implemented a suite of core capabilities to manage cyber security and cyber risk. From the establishment of a set of strategic objectives, to an industry aligned cyber security framework, to a roadmap focused on embedding solid foundations, we have developed an ecosystem whereby our cyber posture is continually assessed and enhanced. Taking a risk-based approach to prioritising the cyber roadmap initiatives, we are focused on meeting our strategic information security objectives and managing risk within the enterprises risk appetite and tolerance levels. Mitigation plans include: – A security operations center with technologies such as managed detection and response ('MDR') and security information and event management ('SIEM'); – Cyber awareness training; – Phishing simulation exercises; – Vulnerability and patch management; – Risk and threat assessments; – Third party audits; – Penetration testing; and – Incident and disaster recovery exercises.

KEY BUSINESS RISKS (CONTINUED)

2024 Commentary	Management and Mitigation
Personal and Confidential Information AUBs operations rely on the secure processing, transmission and storage of confidential, proprietary and other information. In addition to information loss from technology and cyber security breaches, personal and confidential information may be lost due to theft, misplacement of data, human error or other similar events. Any loss, unauthorised disclosure or use of confidential information, including financial data, commercially sensitive information or other proprietary data whether by AUB or a third party could have a material adverse effect on AUB. The loss of confidential information could result in interruptions to operations, reputational damage and regulatory action.	Specific mitigation actions include: – Data protection framework including policies, standards and procedures; – Third party contracts include privacy and data loss provisions; – Use of incident management and responses plans; – Physical and system controls to ensure information is secure and available only to approved personnel; – Staff training on data and privacy requirements; and – Privacy due diligence checklist for M&A transactions.

Partnering and Outsourcing

AUB failing to identify, develop and manage Broker partnerships and third party relationships to best deliver the long-term strategy.

Risk Description

Inability to identify, onboard and effectively manage insurers and third parties by AUB may result in missed opportunities, financial losses, inability to deliver the strategy, reputation damage and increased concentration risk.

2024 Commentary	Management and Mitigation
An important part of AUB's business model and its growth strategy is to acquire and hold equity in insurance broking, underwriting agency or risk services businesses. These relationships are a significant contributor to AUB Group success. Failure to manage these relationships effectively could lead to reduced revenues, increased costs and inability for AUB Group to deliver its strategy. **Third Party Risk** AUB utilises third party suppliers to bring external expertise and support to the business. Insufficient or uncommercial contractual arrangements may impact the Group's ability to maintain efficiency and ensure third parties meet their obligations. The risks associated with engaging third parties include reputational damage, operational disruption, and risks to AUB's compliance with laws and regulations.	Specific mitigation actions include: – Contract development and review approach; – Third party Service Level Agreements ('SLAs')/Key Performance Indicators ('KPIs') embedded in contracts and monitored; – Partner Development Manager Roles; and – Delegations of authority are in place, outlining who can bind AUB into agreements.

KEY BUSINESS RISKS (CONTINUED)

People

AUB relies on the recruitment, retention and engagement of skilled personnel.

Risk Description

Ineffective recruitment, retention and engagement of skilled/key personnel, or failure to appropriately manage work health and safety, may result in AUB being unable to operate efficiently and effectively, leading to potential financial and reputational impacts and inability to successfully execute its strategy.

2024 Commentary	Management and Mitigation
A loss of key personnel by AUB may lead to material business interruption and loss of key customer or partner relationships. AUB also relies on the need to be able to attract staff with the right experience and expertise to assist AUB with successful execution of its strategic priorities and growth plans. Particularly given the presently competitive labour market, there can be no certainty that AUB will be able to attract the people it desires. Skilled/key personnel may include key persons noted on Binder Authorities, Responsible Managers as noted on Australian Financial Services Licences ('AFSLs'), incumbents in key roles or individuals who hold business critical knowledge.	Specific mitigation plans include: – Succession plans and review approach; – KPI setting and performance reviews; – Regular monitoring of staff hours and skills gaps to identify recruitment needs; – Workforce planning including recruitment and employee development plans to assist achieve the organisation's future goals and keep talent engaged; and – Use of employee engagement surveys and anonymous feedback to be pro-active in employee satisfaction, work-life balance, and mental health.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the consolidated entity during the financial year, other than acquisitions and disposals disclosed above.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 1 July 2024, the Group completed the acquisition of Pacific Indemnity for $105.0m, with a potential further deferred consideration of $35m subject to FY25 performance.

On 16 August 2024, the Group executed an agreement to acquire a significant equity stake in UK based Movo group, which is subject to regulatory approval.

On 21 August 2024, the Directors of AUB Group Limited determined a final fully franked dividend on ordinary shares of 59.0 cents per share in respect of the 2024 financial year. Based on the current number of ordinary shares on issue, the total amount of the dividend is estimated to be $68.8m.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Directors are satisfied that adequate systems are in place for management of the Company's environmental responsibility and compliance with various requirements and regulations. The Directors are not aware of any material breaches to these requirements, and to the best knowledge, all activities have been undertaken in compliance with environmental requirements. Refer to the Environmental, Social and Governance Report for more details.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During or since the end of the financial year, the Company has paid premiums in respect of a contract insuring all the Directors and Officers of AUB Group Limited against liabilities, past, present and future.

In accordance with normal commercial practice, the disclosure of the total amount of premiums under and the nature of the liabilities covered by the insurance contract is prohibited by a confidentiality clause in the contract.

INDEMNIFICATION OF AUDITOR

To the extent permitted by law, the Company has agreed to indemnify its auditor, Ernst & Young Australia, as part of the terms of its audit engagement agreement, against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

PEOPLE & REMUNERATION COMMITTEE CHAIR'S LETTER.

Dear Shareholders

On behalf of the Board of AUB Group Limited (AUB Group), I am pleased to present our Remuneration Report for the financial year ended 30 June 2024.

The purpose of this report is to describe AUB Group's remuneration strategy and framework for its Key Management Personnel (KMP), in particular the links between AUB Group's executive remuneration framework and business strategy, performance and reward.

Key financial highlights for FY24

Key FY24 financial highlights include:

- Underlying revenue of $1,331.7m, representing growth of 19.8% from FY23.
- Underlying NPAT of $171.015m, representing growth of 32.5% from FY23.
- Underlying earnings per share of 156.78 cents, an uplift of 21.2% in comparison to FY23.
- FY24 final dividend of 59 cents per share, representing an increase of 25.5% compared to FY23.

Changes to remuneration and key governance measures

The Board continually monitors AUB Group's incentive framework to ensure it appropriately reflects the Group's profile, is effective in driving business strategy and financial performance to create sustainable shareholder value, and continues to reflect our 'pay for performance' philosophy. The Board's proactive management of the incentive framework has been instrumental in a disciplined approach to M&A and focusing management on seeking out and executing value accretive and inorganic growth strategies, including the BizCover, 360 Underwriting Solutions, Tysers and Pacific Indemnity acquisitions, while maintaining steady levels of dividend growth.

The Board considers current remuneration and incentive opportunity levels appropriate for AUB Group's strategy, so there will be no increase to fixed remuneration or variable pay opportunities for Executive KMP in FY25. Non-executive Director fees were increased on 1 July 2023, and will also remain unchanged in FY25.

Following external stakeholder feedback, this year's Remuneration Report provides more transparency regarding the CEO's STI scorecard objectives and the Board-assessed level of achievement against each objective. The Board's policy of continuously improving and providing clear and transparent disclosure highlights that the CEO's STI performance is heavily weighted to the achievement of financial and quantitative metrics.

The Board aligns our risk, remuneration and consequence management frameworks, with the People & Remuneration Committee and Board Audit & Risk Committee meeting concurrently to consider if there were risk-based or other adjustments that may warrant consideration in the Board's determination of remuneration outcomes. The Board is pleased to confirm that no risk-based or other adjustments to remuneration were recommended by the Committees as a result of their review of systemic or ad hoc risks and employee behaviours.

Long-term Incentive (LTI) performance measures

I am taking this opportunity to provide shareholders and other stakeholders with an overview of the Board's considered approach to the setting of LTI performance measures.

The LTI measures need to be set for performance through time, in both good and challenging markets, and with regard to acquisitions and disposals. The Board sets the LTI measures on a consistent basis to achieve sustainable growth over the longer term, in order to provide a degree of flexibility to allow for opportunistic inorganic growth that may occur during any one performance period, while maintaining a disciplined approach to M&A and not encouraging excessive risk-taking.

This approach has worked extraordinarily well in the past and for the benefit of shareholders. Our TSR is a testament to AUB Group's effectiveness at utilising and adapting our LTI plans to deliver on strategy. Our LTI grants have typically received overwhelming support from shareholders. The lower level of support at the 2023 AGM has been attributed to what was perceived as a low EPS performance threshold for initial vesting. However, the EPS measure was appropriate as it ensured that management is encouraged to consider growth opportunities which might otherwise impact shorter term EPS towards the end of an LTI cycle.

The Board's recent increase of the EPS hurdle (from an AAGR of 5-10% to a Compound Annual Growth Rate (CAGR) of 7-12%), together with the addition last year of a new Return on Invested Capital (ROIC) performance hurdle, is aligned over the long-term with group strategy, shareholder expectations, focusing management to seek out, consider, and act on inorganic growth opportunities during any point in a LTI performance period cycle, while negating excessive risk-taking.

An issue previously raised was that the significant EPS increase from the Tysers' acquisition would result in management meeting threshold vesting for the FY24 grant with only 2-3% CAGR in FY25 and FY26. However, this issue considered the FY24 grant in isolation and did not have regard for the fact that the EPS outperformance effectively set a high base for future LTI grants.

If the Board were to act on this issue, it would change the EPS and Return on Invested Capital (ROIC) hurdles every year. To do so would represent poor governance and not reflect the Board's requirements for consistent and sustainable growth over the longer term. This is achieved by continued performance improvements to meet EPS growth within a realistic range.

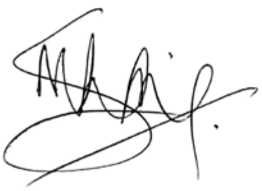
Alignment between performance and remuneration outcomes

AUB Group's remuneration strategy and framework is based on a philosophy of 'pay that varies with performance' to support sustainable value for our shareholders.

Group Executives received on average 91.7% of their maximum STI opportunity, based on Underlying NPAT increasing by 32.5% to $171.015m in FY24, along with above target achievements of other scorecard measures. This sound Underlying NPAT growth exceeded consensus forecasts and was driven by underlying organic growth across all operating businesses, and acquisition driven growth.

Finally, this Remuneration Report discloses the outcome of the FY22 LTI grant, and the CEO's sign-on grant for the performance period ending 30 June 2024. Based on sustained long-term performance over this period 100% of the CEO's Performance Share Rights (PSRs) will vest after testing of the TSR and EPS performance measures. This is a result of the outstanding sustained performance over the entire 5-year period as shown in the graphs in section 1 and section 3 - strong EPS growth, combined with high TSR performance resulting in AUB Group ranking in the top quartile of its Comparator Group.

We invite you to read the Remuneration Report and welcome your feedback.



Melanie Laing
People & Remuneration Committee Chair

REMUNERATION REPORT OVERVIEW

This Remuneration Report for the financial year ended 30 June 2024 has been prepared in accordance with section 300A of the Corporations Act and has been audited as required by section 308(3C) of the *Corporations Act*.

Terms used in this Remuneration Report are defined in the Glossary within Section 7 of this report.

List of KMPs – Reporting Period

Table 1 below outlines the KMP during the Reporting Period.

Name	Position	Term as KMP
Non-Executive Directors		
David Clarke	Chair; Non-Executive Director	Full financial year
Richard Deutsch	Non-Executive Director	Full financial year
Peter Harmer	Non-Executive Director	Full financial year
Andrew Kendrick	Non-Executive Director	Full financial year
Melanie Laing	Non-Executive Director	From 2 November 2023
Paul Lahiff	Non-Executive Director	To 23 August 2023
Robin Low	Non-Executive Director	To 2 November 2023
Cath Rogers	Non-Executive Director	Full financial year
Executive KMP		
Michael Emmett	Chief Executive Officer and Managing Director	Full financial year
Mark Shanahan	Chief Financial Officer	Full financial year

Contents

This Remuneration Report is set out in the following sections:

SECTION 1 GROUP EXECUTIVE REMUNERATION FRAMEWORK

OUR REMUNERATION PRINCIPLES

The following principles guide AUB Group's remuneration strategy and 'pay for performance' philosophy, which are designed to attract, retain and motivate highly skilled individuals.

Reflect the markets we recruit from and need to be competitive in.

- Alignment to shareholder interests & sustainable shareholder returns
- Performance based – link rewards to business results and strategy
- Encourage behaviours consistent with values & deliver good partner outcomes
- Robust governance with focus on risk management

GROUP EXECUTIVE REMUNERATION STRUCTURE

FIXED	STI	LTI
FIXED REMUNERATION Base salary, superannuation & other benefits	**SHORT-TERM INCENTIVE (STI)** Reward for strong individual and group performance during the performance period	**LONG-TERM INCENTIVE (LTI)** Reward for sustainable longer-term AUB Group performance
VALUE DETERMINED BY		
– Experience, position and responsibilities – Competitive fixed remuneration in the market	Achievement of annual financial and non-financial performance hurdles at a: – Group level – Business unit level – Individual level	– Relative TSR – 40% weighting – EPS – 40% weighting – ROIC – 20% weighting
HOW DOES IT LINK WITH STRATEGY & PERFORMANCE		
– Provides competitive ongoing remuneration in recognition of day-to-day responsibilities and accountabilities	– Supports annual delivery of key strategic and operational targets and to recognise and reward individual performance – Deferred STI supports retention and more closely aligns the interest of executives and shareholders	– Focuses on multi-year metrics that support sustained shareholder value creation – Delivered in equity to align the interests of executives and shareholders – Supports retention

AT RISK

SECTION 1 GROUP EXECUTIVE REMUNERATION FRAMEWORK (CONTINUED)

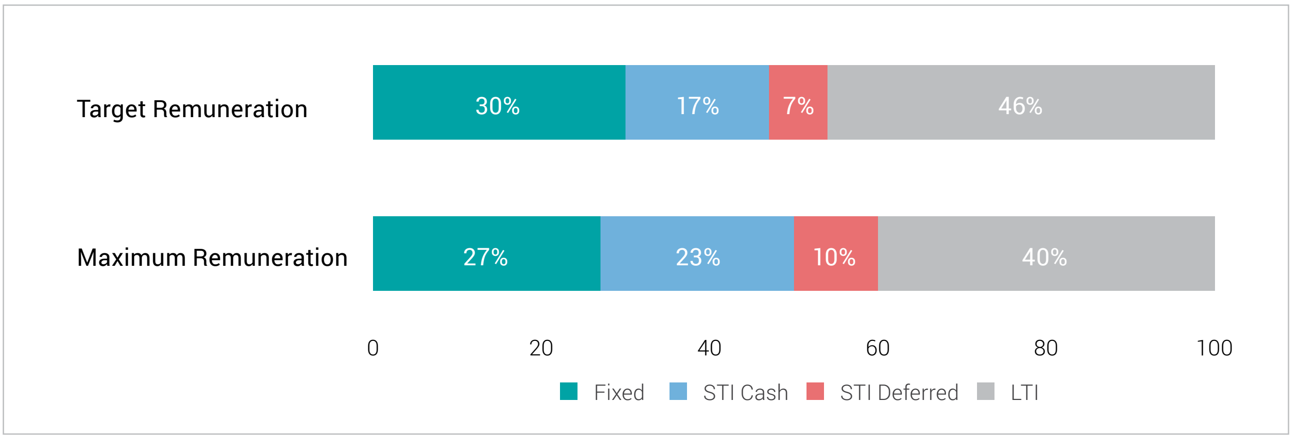
Group Executive Remuneration Mix

Total remuneration includes both a fixed component and an at-risk or performance-related component, comprising both short-term and long-term incentives. The Board views the at-risk component as an essential driver of a high-performance culture and one that contributes to achievement of sustainable shareholder returns.

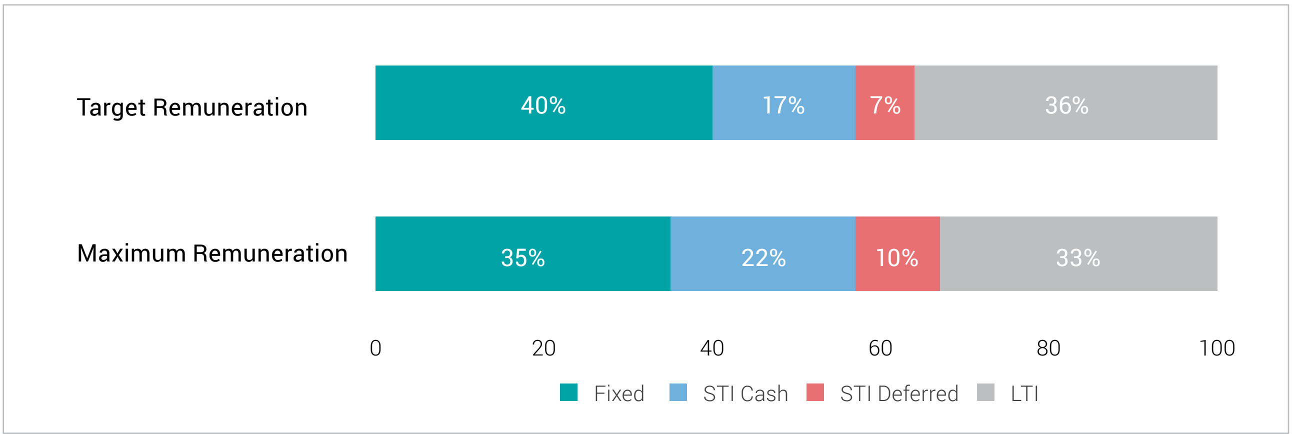
The following illustration shows the remuneration mix for the Group Executives in FY24. It has been modelled on the average of the Group Executive's target opportunity (but excluding the one-off grant of Share Appreciation Rights (**SARs**) under the Outperformance Plan).[1]

The Board aims to achieve a balance between fixed and performance-related components of remuneration. The actual remuneration mix for the Group Executives will vary depending on the level of performance achieved by the AUB Group as well as the realised value of PSRs that vest and convert into shares.

CEO Target Remuneration Mix (%)



Group Executive (ex-CEO) Target Remuneration Mix (%)



* 30% of STI is deferred as an equity award of PSRs, of which half vests after 12 months and half vests after 24 months.

Minimum Shareholding Policy

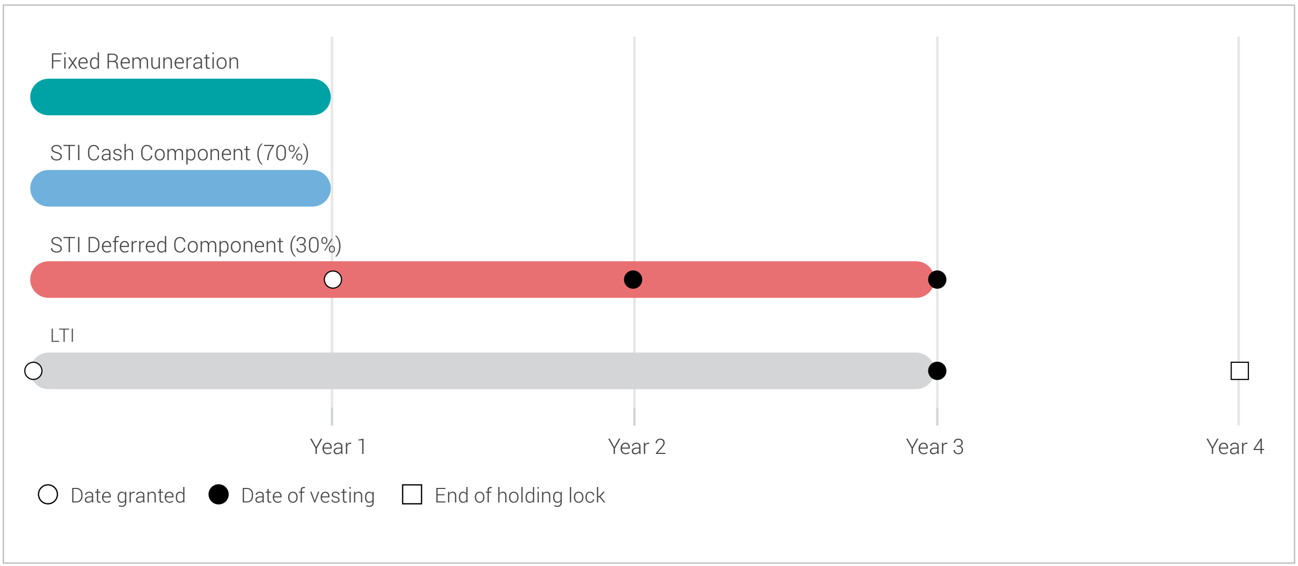
A minimum shareholding policy is in place for Group Executives to provide strong ongoing alignment of executive interests with the long-term interests of shareholders and support long-term sustained value creation for AUB Group. The CEO is required to hold AUB Group shares equivalent to 150% of base salary, and other Group Executives are required to acquire AUB Group shares equivalent to 100% of base salary. Group Executives have a five-year period commencing on the later of 1 July 2023 or the date of their appointment (hire or promotion) to meet the minimum shareholding expectation. Further details of Executive KMP shareholdings are provided in Table 9.

1 See section 7 of this report for a definition of SARs.

SECTION 1 GROUP EXECUTIVE REMUNERATION FRAMEWORK (CONTINUED)

Group Executive remuneration time horizon

The following diagram provides an illustrative indication of how remuneration is delivered to Group Executives.



CEO remuneration

A summary of CEO & Managing Director remuneration arrangements for the Reporting Period is as follows:

Item	$
Fixed remuneration	1,250,000
STI (at target)*	1,000,000
LTI opportunity**	1,875,000
Total target remuneration	**4,125,000**

* Maximum Short-Term Incentive opportunity is capped at 150% of target STI award.
** Face value of LTI award. The FY25 LTI grant is subject to being approved by shareholders at the Annual General Meeting in October 2024.

The Board considers current remuneration and incentive opportunity levels appropriate, so there will be no increase to fixed remuneration or variable pay opportunity for the CEO in FY25.

SECTION 1 GROUP EXECUTIVE REMUNERATION FRAMEWORK (CONTINUED)

REALISABLE REMUNERATION

The following table sets out the remuneration for which the CEO qualified during the period 1 July 2023 to 30 June 2024, but was not necessarily paid in that period. Further details are shown in the Basis of Preparation table below.

Fixed Remuneration			Variable Remuneration			Realisable Remuneration		
KMP	Base Salary	Super	STI Cash	STI Deferred	LTI	Notional dividends on vested DSTI Grants	Non-monetary Benefits	Total
M Emmett (CEO) FY24	$1,221,762	$27,500	$974,750	$423,866	$1,596,712	$19,827	$88,071	$4,352,488
M Emmett (CEO) FY23	$971,762	$27,500	$767,375	$214,427	$2,110,918	$6,289	$2,922	$4,101,193

Outcome of 5-year testing of FY20 CEO sign-on grant

As previously disclosed, a one-off sign-on award of 200,000 PSRs was granted to Mr Emmett in 2019, after he joined AUB. At the time of grant, the Board set defined TSR and EPS performance hurdles over a period of three and five years. In addition, the vesting is subject to a five-year continued employment period. The sign on grant related to compensation when joining AUB Group and was not part of the CEO's ongoing employment remuneration.

The sign-on grant was tested for vesting as at 30 June 2022 and 30 June 2024 and, based on the TSR and EPS outcomes over the performance periods, 100% of the PSRs will vest on or around 31 August 2024, subject to the CEO's employment conditions.

- At the time of grant, the value of the sign-on PRSs was $2,080,000[1].
- As at 30 June 2024, the value of the sign-on PRSs is $5,994,000[2].

Basis of preparation

Remuneration Component	Explanation
Fixed Remuneration	The sum of base salary, superannuation, and non-monetary benefits paid during the year.
Base Salary	Fixed cash salary paid during the year
Superannuation	Mandatory super contributions paid during the year
Non-monetary Benefits	Cost of additional non-monetary benefits (including applicable fringe benefits tax) resulting from extended overseas posting to manage the transition and integration of the Tysers operations into AUB Group.
Variable Remuneration	The sum of short-term incentive (STI) and long-term incentive (LTI) grants that were vested in respect of the financial year, although the vesting may have occurred after year end.
STI Cash	Represents the proportion of the STI outcome for FY24 that is receivable in cash and will be paid following release of FY24 results in August 2024.
STI Deferred	Represents the portion of prior year STI outcomes that will vest on 31 August 2024. The value shown is the number of PSRs that will vest multiplied by the VWAP for the 60 trading days up to and including 30 June 2024.
LTI	Represents the amount of prior year LTI grants that were tested for vesting as at 30 June 2024 and will vest on 31 August 2024 following release of FY24 results. The value is the VWAP for the 60 trading days up to and including 30 June 2024 multiplied by the number of PSRs that will vest on 31 August 2024.
Total Realisable Remuneration	The sum of fixed and variable remuneration.

1 Based on the VWAP of the Company's shares during the 60 trading days prior to 1 July 2019, adjusted for the expected value of dividends forgone during the performance period.

2 Based on the VWAP of the Company's shares during the 60 trading days prior to 1 July 2024.

SECTION 1 GROUP EXECUTIVE REMUNERATION FRAMEWORK (CONTINUED)

Figures 1 and 2 below show the increase to VWAP, underlying NPAT and EPS over the past five years.

Figure 1: Financial Year VWAP and Underlying NPAT Growth for the Period FY2020 to FY2024

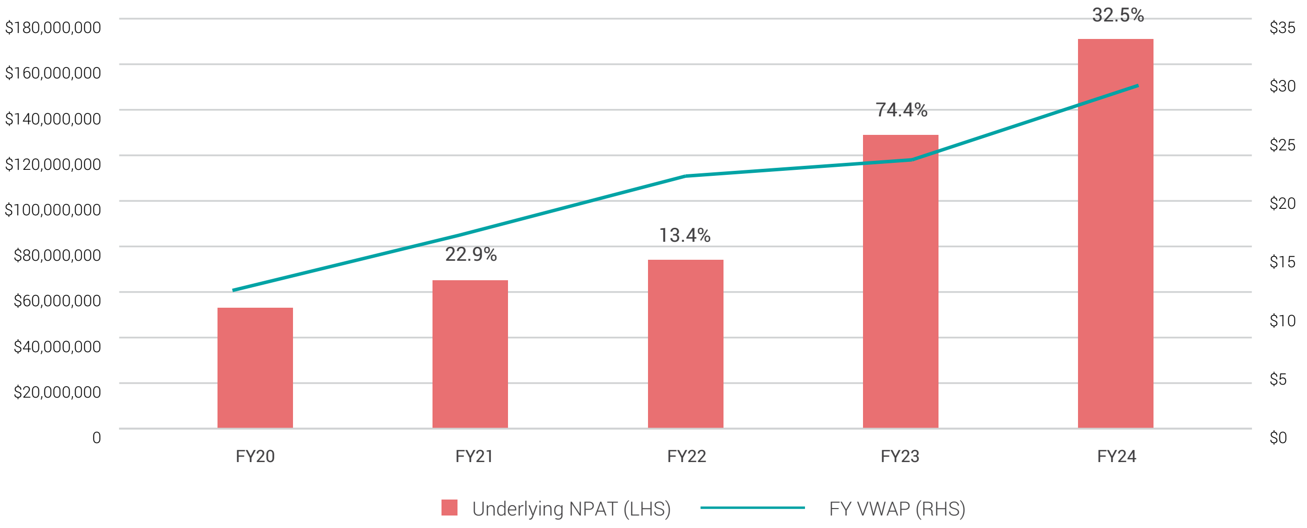
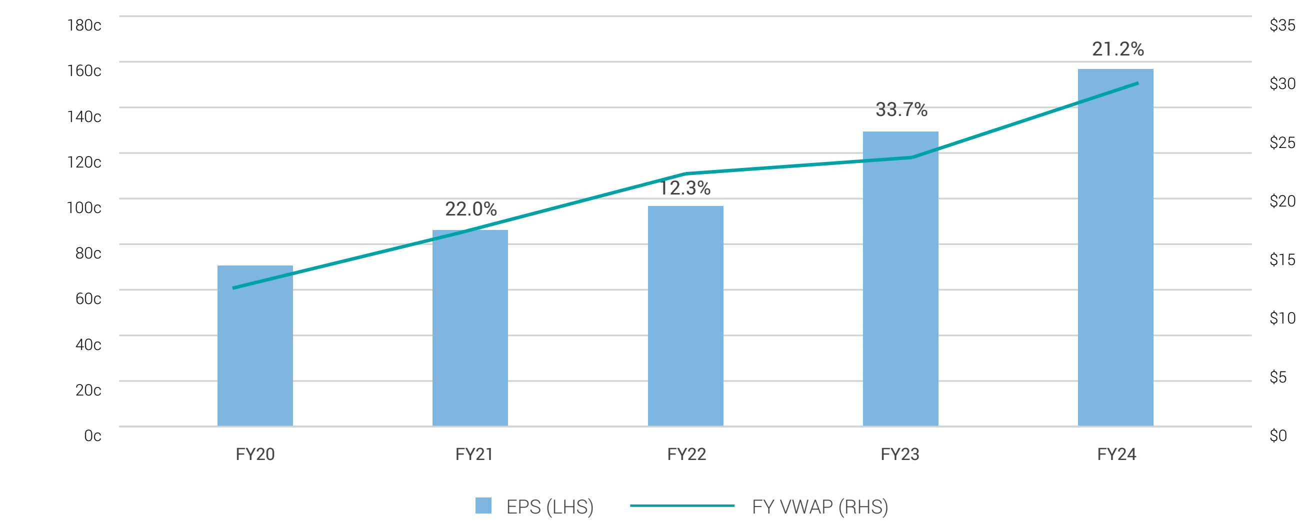


Figure 2: Financial Year VWAP and EPS Growth for the Period FY2020 to FY2024



SECTION 2 HOW VARIABLE REMUNERATION IS STRUCTURED

SHORT TERM INCENTIVE (STI) – HOW DOES IT WORK?	
DESCRIPTION	Group Executives can earn an annual incentive award which is delivered in cash. The STI Plan recognises and rewards short-term performance. The STI Plan is at-risk remuneration and is not a guaranteed part of Group Executive remuneration.
STI OPPORTUNITY	A target opportunity is set for each Group Executive, which is earned if individual performance is on target and the participant performs against a scorecard of financial and non-financial KPIs. The KPIs have weighted allocations and are aligned to AUB Group's strategic priorities (the Balanced Scorecard). Group Executives (including the CEO) have (on average) a target STI opportunity of 70% of fixed remuneration. The maximum STI payout is capped at a maximum of 150% of a participant's target STI opportunity.
PERFORMANCE CONDITIONS	Group Executive performance is assessed against a Balanced Scorecard (for further details of the CEO's Balanced Scorecard, refer to Table 4). Individual targets for each KPI include consideration of the role-related accountabilities and responsibilities in the context of business strategy and objectives. A behavioural gateway is incorporated into the performance review process and operates to reduce an incentive payment should there be conduct that is inconsistent with AUB Group's values, irrespective of performance. The Group CEO's behaviour is assessed by the Board. Group Executives' behaviours are assessed by the CEO, who recommends eligibility for Group Executive STI outcomes to the Board. Underlying NPAT is the key financial performance measure in the Balanced Scorecard, is used by management and the Board to assess operational performance as it is a strong indication of the underlying health of the business.
WHY WERE THESE PERFORMANCE CONDITIONS CHOSEN?	The Board considers that a Balanced Scorecard which contains weighted allocations to both financial and non-financial performance conditions is appropriate as they are aligned with AUB Group's objectives of delivering sustainable growth and returns to shareholders. Group Executives have a clear line of sight to KPIs and can directly affect outcomes through their own actions. Group Executives are also assessed on behavior metrics (the 'how') which contribute to that individual's overall performance rating. This operates to reduce an incentive payment should there be conduct that is inconsistent with AUB Group's values, irrespective of performance. For all individuals, the Board may apply discretion in determining the STI outcomes to ensure they appropriately reflect performance.
HOW STI OUTCOME IS THEN DETERMINED	On an annual basis, a rating is determined for each Group Executive based on an evaluation of their performance against the Balanced Scorecard. This individual performance rating metric is then applied to the individual's STI target award. *Individual STI Payment = STI Target Incentive Award x Scorecard Performance Rating* STI outcomes are scaled up or down to reflect performance against the agreed KPIs in their Balanced Scorecard. The KPIs and respective target and stretch performance requirements are set and reviewed annually. Prior to an award, the scorecard outcome is assessed holistically against individual and Group performance to determine if any negative or positive discretion to vary from scorecard results should apply. The level of incentive outcome reflects the performance of AUB Group and the individual, thereby ensuring it is aligned with shareholders' interests.

SECTION 2 HOW VARIABLE REMUNERATION IS STRUCTURED (CONTINUED)

SHORT TERM INCENTIVE (STI) – HOW DOES IT WORK?	

DEFERRAL TERMS	The following STI deferral arrangements have been introduced for Group Executives:
	– 70% of STI outcome is paid in cash after the end of the performance period and
	– the remaining 30% is deferred as an equity award of PSRs, with vesting as follows:
	  – half of the deferred component vests after 12 months; and
	  – half of the deferred component vests after 24 months.
	The vesting of the PSRs is contingent on the continued employment of the relevant Group Executive and no application of forfeiture or clawback.
	The number of PSRs is calculated using the VWAP over the 60-trading days immediately prior to and including the last day of the performance period.

ELIGIBILITY FOR DIVIDENDS	Unvested PSRs are not eligible for dividends. PSRs have no voting rights. PSR grants that subsequently vest are eligible for a cash payment equal in value to the value of dividends paid during the performance period.
MALUS AND CLAWBACK	The Board has broad malus powers to lapse unvested PSRs in a range of circumstances including fraud, dishonesty, gross misconduct, breach of duties or obligations, a material misstatement, error or omission in the financial report, to prevent a participant being entitled to an inappropriate benefit, or if there is a change of control event. The clawback policy also permits clawback of any shares allocated on exercise of the PSRs, as well as cash payments received on vesting and exercise of PSRs.
WHO ASSESSES PERFORMANCE?	The Board assesses performance of the CEO and Managing Director against the Balanced Scorecard (as described in Table 4) with the benefit of recommendations from the People & Remuneration Committee. The CEO and Managing Director assesses the other Group Executives' performance based on the Group Balanced Scorecard outcomes and achievement against individual goals. The CEO and Managing Director then recommends an STI award for consideration by the People & Remuneration Committee, which then recommends an STI award for approval by the Board. In addition, the aggregate of annual STI payments available for all employees is subject to review by the People & Remuneration Committee and approval of the Board.
CESSATION OF EMPLOYMENT	A Group Executive will only remain eligible to receive an STI outcome if that person ceases employment prior to the STI entitlement date and is a 'good leaver' (for example, ceases employment by reason of retirement or bona fide redundancy or by mutual agreement), unless the Board determines otherwise. If a Group Executive has ceased employment and is a 'good leaver', then unvested PSRs (deferred STI) will remain on foot and be tested in the ordinary course, unless the Board determines otherwise. If a Group Executive has ceased employment and is not a 'good leaver', unvested PSRs will automatically lapse on or around the date of cessation of employment.
RESTRICTIONS ON TRANSFER OR HEDGING	PSRs granted under the plan are not transferable and participants are prohibited from entering hedging arrangements over unvested PSRs.

SECTION 2 HOW VARIABLE REMUNERATION IS STRUCTURED (CONTINUED)

FY24 LONG TERM INCENTIVE – HOW DOES IT WORK?

DESCRIPTION

Under the FY24 LTI Plan, annual grants of PSRs are made to eligible participants to align remuneration outcomes with the creation of sustainable shareholder value over the long term.

Group Executives are eligible to participate, as these employees can impact AUB Group's longer term financial performance.

Non-Executive Directors are not eligible to participate in the LTI Plan.

LTI OPPORTUNITY

The number of PSRs granted to a Group Executive is calculated by dividing the Group Executive's LTI Opportunity by the VWAP over the 60 trading days prior to the start of the relevant performance period.

In determining the 'LTI Opportunity', the Board will have regard for the responsibilities and accountabilities of the position, market positioning, the purpose of the LTI and other relevant information.

VESTING CONDITIONS

PSRs will only vest if the vesting and employment conditions (set out below later in this table) are satisfied over the three-year performance period.

PSRs are tested against three vesting conditions over a three-year performance period:

- 40% of PSRs are tested against an EPS growth hurdle;
- 40% of PSRs are tested against a Relative TSR hurdle; and
- 20% of PSRs are tested against a Return on Invested Capital (ROIC) hurdle.

EPS – 40% WEIGHTING

The EPS vesting condition is measured by comparing the Compound Annual Growth Rate (CAGR) of the Underlying EPS from the financial year immediately preceding the start of the performance period to the Underlying EPS (after tax) for the final year of the performance period. CAGR is therefore measured using the most recent financial year-end prior to the grant as the base year and the final financial year in the three-year performance period as the end year.

The percentage of EPS PSRs granted in FY24 that may vest is based on the following vesting schedule:

Underlying EPS CAGR	% of PSRs vests	Base and required EPS for FY24 Grant to vest (cents per share – cps)
Base for EPS CAGR	30 June 2023 Underlying EPS	129.32 cps Base
Less than 7%	0%	Less than 158.42 cps in FY26
7%	50%	At 158.42 cps in FY26
Greater than 7% to less than 12%	Linear vesting from 50% to 100%	Between 158.42 cps and 181.68 cps in FY26
12% or more	100%	181.68 cps or greater in FY26

SECTION 2 HOW VARIABLE REMUNERATION IS STRUCTURED (CONTINUED)

FY24 LONG TERM INCENTIVE – HOW DOES IT WORK?

RELATIVE TSR – 40% WEIGHTING

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.

For purposes of calculating the growth in AUB Group's share price over the performance period, the 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.

Relative TSR performance is assessed over a three-year period which commences at the start of the financial year during which the PSRs are granted.

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

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

AUB Group's TSR ranking	% of PSRs that vests
Below the 50th percentile	0%
50th percentile	50%
Between the 50th and 75th percentile	Linear vesting from 50% to 100%
At or above the 75th percentile	100%

SECTION 2 HOW VARIABLE REMUNERATION IS STRUCTURED (CONTINUED)

FY24 LONG TERM INCENTIVE – HOW DOES IT WORK?

ROIC – 20% WEIGHTING

The ROIC vesting condition is based on the average annual return on invested capital (ROIC), which is assessed over a 3 year performance period.

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

3-year average ROIC	% of PSRs that vests
Less than 11%	0%
11%	50%
Greater than 11% to less than 12%	Linear vesting from 50% to 100%
12% or more	100%

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 related to external borrowings (net of interest received from operating bank accounts) as per consolidated financial statements after tax.

Invested Capital – The sum of equity attributable to equity holders of the parent plus interest-bearing loans and borrowings (excluding lease liabilities), 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

Calculation of invested capital and average invested capital at the end of Reporting Period ($,000)

	FY24	FY23	FY22	FY21
Equity attributable to Shareholders of AUB Group as at 30 June	1,512,320	1,279,853	854,494	478,754
Plus External interest-bearing Loans and Borrowings (excluding lease liabilities)	646,001	584,230	47,802	212,283
Less cash and cash equivalents (excluding cash held in trust)	(377,366)	(260,352)	(259,329)	(76,588)
Invested Capital	1,780,955	1,603,731	642,967	614,449
Average invested capital	1,692,343	1,123,349	628,708	595,561
3-year average ROIC	12.7%	12.6%	11.7%	11.8%

SECTION 2 HOW VARIABLE REMUNERATION IS STRUCTURED (CONTINUED)

FY24 LONG TERM INCENTIVE – HOW DOES IT WORK?

WHY WERE THESE PERFORMANCE CONDITIONS CHOSEN?	The Board determined these measures will support a sustainable long term growth strategy for reasons including: ***EPS*** – is well-defined and understood by stakeholders – Is a sound indicator of performance and increases in shareholder value over the medium to longer term – Is at a level to achieve sustainable EPS growth over the long term with annual grants – Is based on well-accepted and disclosed earnings measures – Can be benchmarked against analysts' forecasts for validity and robustness ***Relative TSR*** – Ensures there is alignment between shareholder returns and executives' reward – Tests AUB Group's TSR performance against a group of comparable companies – Is widely understood and accepted by key stakeholders – Is an independent and objective measure of AUB Group's TSR performance ***ROIC*** – Shows alignment between underlying profit and cost of new acquisitions – Indicates the company's ability to generate a return on its invested capital – Enables an assessment of how well management is creating value from the Group's investments – Performance can be measured against acquisition strategy and actual outcomes – Can be readily compared to the ROIC performance of comparable companies – Is well understood by stakeholders
WHO ASSESSES PERFORMANCE AND WHEN?	EPS and ROIC results are calculated by AUB Group and an external remuneration advisor tests the TSR results as soon as practicable after the end of the relevant three year performance period. The vesting conditions are tested at the end of the performance period and the Board determines the relevant number (if any) of PSRs that will vest and become exercisable. Determination of achievement against the vesting conditions is by the Board in its absolute discretion, having regard for any matters that it considers relevant (including any adjustments for unusual or non-recurring items that the Board considers appropriate). Any PSRs that do not vest following testing at the completion of the performance period, lapse.
VESTING	PSRs vest following testing by the Board at the end of the relevant three-year 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. If PSRs vest, the Board has discretion to issue new shares, acquire shares on-market or to cash settle to satisfy the vested PSRs. Participants receive one share for each PSR that vests or, if the Board determines, an equivalent cash payment. Shares allocated on vesting of the PSRs are subject to the terms of AUB Group's Securities Trading Policy and carry full dividend and voting rights upon allocation.
HOLDING LOCK	There will be a holding lock for a period of one year from the date that the PSRs vest and convert into shares. During this period executives will be restricted from dealing with any of the shares allocated on vesting. The holding lock shares are subject to malus and clawback as set out below.

SECTION 2 HOW VARIABLE REMUNERATION IS STRUCTURED (CONTINUED)

FY24 LONG TERM INCENTIVE – HOW DOES IT WORK?	
MALUS AND CLAWBACK	The Board has broad malus powers to lapse unvested PSRs in a number of circumstances including fraud, dishonesty, gross misconduct, breach of duties or obligations, a material misstatement, error or omission in the financial report, to prevent a participant being entitled to an inappropriate benefit. The clawback policy also permits the Board to seek repayment of the value of any shares allocated on exercise of the PSRs, as well as cash payments received on vesting and exercise of PSRs.
ARE PSRS ELIGIBLE FOR DIVIDENDS?	No. Unvested PSRs are not eligible for dividends. PSRs have no voting rights. PSR grants issued after 1 July 2022 that subsequently vest are eligible for a cash payment equal in value to the value of dividends paid during the performance period.
CESSATION OF EMPLOYMENT – CEO AND MANAGING DIRECTOR	If the CEO and Managing Director ceases employment before his PSRs vest, the following treatment applies: – 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 – 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.
CESSATION OF EMPLOYMENT – GROUP EXECUTIVES OTHER THAN THE CEO	If a participant ceases employment before his/her PSRs vest, the following treatment applies, unless the Board determines otherwise: – if employment is terminated for cause, as a result of the participant being unable to perform duties due to ill health, injury or incapacity or if the participant resigns, then all unvested PSRs automatically lapse; – if employment ceases in any other circumstances, a pro rata portion of the participant's PSRs (based on the portion of the performance period that has elapsed up to the date of cessation) remain on foot and are tested in the ordinary course in accordance with the vesting conditions. If a participant ceases employment and holds vested PSRs which have not been exercised, then the following treatment applies, unless the Board determines otherwise: ` – if employment is terminated for cause, all vested PSRs automatically lapse; or – if employment ceases in any other circumstances, all vested PSRs must be exercised within three months of cessation of employment. After this time, all vested PSRs are automatically exercised at a time determined by the Board.
WHAT HAPPENS IN THE EVENT OF A CHANGE OF CONTROL?	There is no automatic vesting of PSRs on a change of control. The Board has discretion to determine the appropriate treatment of unvested PSRs in the event of a change of control having regard for the circumstances of the change of control. 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.
RESTRICTIONS ON TRANSFER OR HEDGING	PSRs granted under the LTI Plan are not transferable and participants are prohibited from entering hedging arrangements in respect of PSRs.

SECTION 3 REMUNERATION OUTCOMES AND ALIGNMENT TO PERFORMANCE

Alignment between remuneration and group performance

AUB Group's remuneration strategy and framework are directly linked to group performance.

Executives are rewarded on a pay-for-performance basis.

Table 2 shows the movements in shareholder wealth for the five financial years 2020 to 2024. The table highlights the significant growth in shareholder outcomes (TSR, share price, and dividends) and the alignment with Executive incentive outcomes.

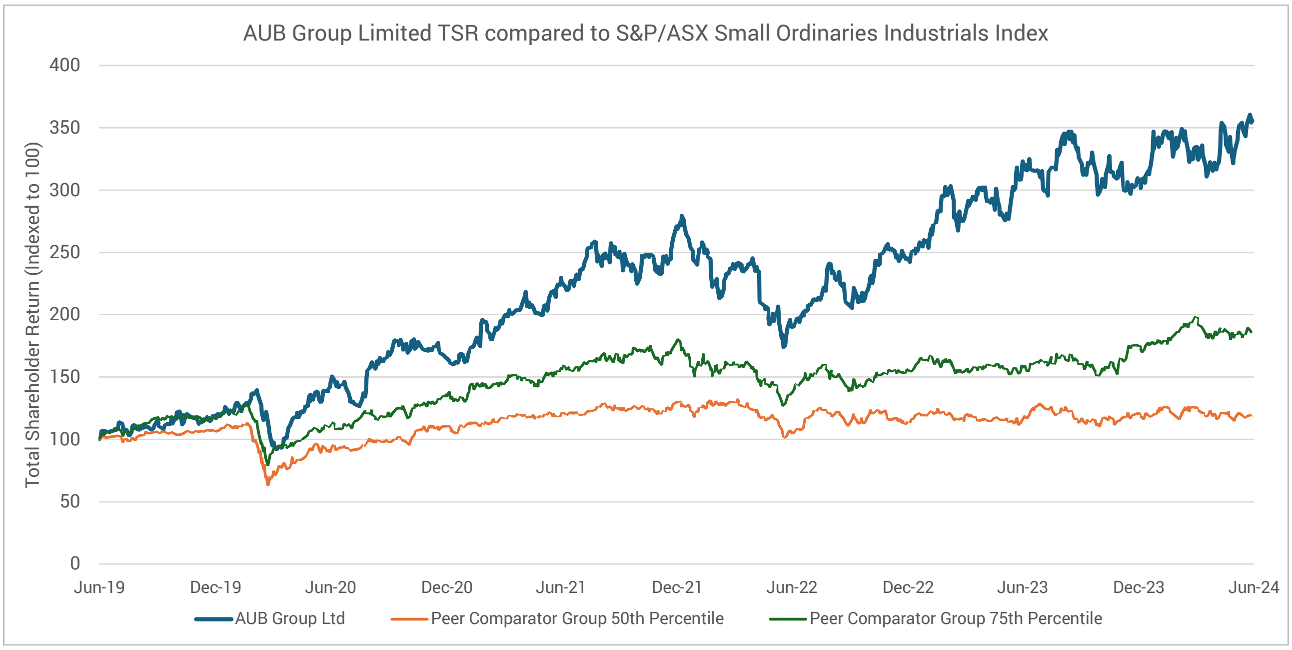
Further details about AUB Group's performance over this period can be found in the Operating and Financial Review section contained in this Directors' Report.

Table 2: Summary of movement in shareholder wealth

	2024	2023	2022	2021	2020
Underlying NPAT ($m)	171.02	129.11	74.02	65.30	53.15
Underlying EPS (cents)	156.78	129.32	96.70	86.12	70.61
TSR (%)	10.07	69.40	(18.58)	60.99	5.20
Share price ($)	31.69	29.40	17.68	22.39	14.70
Change in share price ($)	2.29	11.72	(4.71)	7.69	4.26
Dividends paid and proposed (cents)	79.0	64.0	55.0	55.0	50.0

Executive remuneration is directly aligned with group performance through STI measures of profitability, and LTI measures of EPS growth, capital efficiency, and TSR performance relative to constituents of the S&P/ASX Small Ordinaries Industrials Index.

Figure 3: AUB Group Limited (AUB) v S&P/ASX Small Ordinaries Industrials Index (AXSID)



SECTION 3 REMUNERATION OUTCOMES AND ALIGNMENT TO PERFORMANCE (CONTINUED)

Remuneration outcomes

This section of the Remuneration Report discloses the outcome of awards made under:

- the FY24 STI award (performance period 1 July 2023 – 30 June 2024);
- the FY22 LTI grant (performance period 1 July 2021 – 30 June 2024); and
- the FY20 LTI CEO sign-on grant (performance period 1 July 2019 – 30 June 2024).

FY24 STI Outcomes

The Group's strong financial performance in FY24 follows management's execution of strategy and focus on Board approved performance requirements. The Board assessed FY24 performance against the targets set for management and has provided an accrual of $4.97m for Group STI participants (including accrued non-equity settled deferred components of STI granted in prior periods).

Table 3: Group STI accrual outcome

($'m)	2024	2023	2022	2021	2020
Cash STI outcomes	4.97	5.96	4.74	4.01	3.57

Table 4: FY24 CEO Balanced Scorecard

Performance Measures and Weighting	Outcome (% of max)
Financial (77%)	**97%**
% Growth in Group UNPAT	Threshold / Target / Maximum
Network growth, including value of M&A transactions	Threshold / Target / Maximum
% NZ Profit Growth	Threshold / Target / Maximum
% Tysers Profit Growth	Threshold / Target / Maximum
% Tysers financial synergy realisation	Threshold / Target / Maximum
Network optimisation and strategy (11%)	**95%**
Number of business optimisations (consolidations, simplifications and equity restructuring)	Threshold / Target / Maximum
Tysers strategy implementation and structure optimisation	Threshold / Target / Maximum
Other (12%)	**67%**
Board assessment of Network, Customer and Team progress	Threshold / Target / Maximum
Partner relationships and staff engagement	Threshold / Target / Maximum
Continued uplift in effectiveness of risk management and compliance processes and reporting	Threshold / Target / Maximum

This resulted in an STI award of $1,392,500 of which 70% will be paid in cash with the balance deferred in PSRs which will vest over 12 and 24 months. See section 2 of this report for further details.

SECTION 3 REMUNERATION OUTCOMES AND ALIGNMENT TO PERFORMANCE (CONTINUED)

LTI Outcomes

FY22 LTI grant outcomes

100% of the total FY22 LTI grant will vest because of the Group's outstanding performance across the two hurdles:

- AUB Group's Total shareholder Return (TSR) was 60.97%. This resulted in AUB's percentile rank at 85.19th of the comparator group and, as such, 100% of the tranche vested.
- AUB Group's actual EPS Average Annual Growth Rate (AAGR) across the performance period was 22.42%. This average annual growth in EPS was an excellent result for the Group resulting in 100% of the tranche vested.
- 144,879 PSRs will vest on 31 August 2024 (82,579 attributable to KMPs).

Table 5 : Outcomes of the FY22 LTI grant.*

Performance period for FY22 grant - 1 July 2021 to 30 June 2024

1. TSR outcomes – 40% of total PSR grant* (57,952 PSRs)

	Actual outcome
TSR of AUB Group Limited	60.97%
Percentile Rank	85.19th
Total percentage of TSR PSRs vesting	**100%**
100% vesting where AUB Group's TSR ranking exceeds 75th percentile.	

2. AAGR EPS outcomes – 60% of total PSR grant* (86,927 PSRs)

	Threshold AAGR	Linear vesting AAGR	Maximum AAGR	Actual AAGR achieved (%)	Actual vesting outcome
	5%	5%-10%	10% AAGR		
Vesting	50%	50%-100%	100%	22.42%	100%
Total percentage of EPS PSRs vesting					**100%**

* The vesting conditions in Table 5 apply to the FY22 LTI Plan only. See section 2 for current year vesting performance hurdles.

CEO's 200,000 PSRs sign-on grant (Performance period 1 July 2019 to 30 June 2024)

As previously disclosed, a one-off sign-on award of 200,000 PSRs was granted to the CEO in 2019. At the time of grant, the Board set defined TSR and EPS performance hurdles over a period of three and five years. One third of the PSRs were tested and met the performance hurdles as at 30 June 2022, for which details are shown in the 2023 Annual Report.

Over the five-year testing period, the Company achieved an Annual Average Growth Rate (AAGR) of 19.03% and a TSR percentile rating of 94.97%. Based on these outcomes, all 200,000 sign-on PSRs will vest on 31 August 2024.

SECTION 4 REMUNERATION GOVERNANCE

Overview

The following diagram illustrates the Company's remuneration governance framework.

BOARD

The Board reviews, amends and approves the recommendations from the Board's Committees around governance, strategy, performance, and the remuneration arrangements for all Group Executives and Non-Executive Directors.

BOARD AUDIT & RISK COMMITTEE

The People & Remuneration Committee and Board Audit & Risk Committee meet concurrently to consider if there are risk-based or other adjustments that may warrant consideration in the Board's determination of remuneration outcomes.

PEOPLE & REMUNERATION COMMITTEE

Oversees our remuneration philosophy and framework.

The Committee is responsible for reviewing compensation arrangements for the Directors, CEO and Group Executives, including the Company's KMP and making recommendations in that regard for determination by the Board. The Committee comprises all Non-Executive Directors of the Board.

EXTERNAL ADVISORS

The Board and the Committee seek advice from independent experts and advisors from time to time on various matters, including remuneration. The Committee appoints remuneration consultants and external advisors and ensures independence.

CEO & MANAGING DIRECTOR (CEO) AND MANAGEMENT

The CEO makes recommendations to the Committee regarding Executives' remuneration. These recommendations take into account performance, culture and values. Together with management, the CEO also provides information and recommendations for deliberation and implements arrangements once they have been approved.

Use of remuneration advisors

In making recommendations to the Board, the People & Remuneration Committee seeks advice from external advisors from time to time to assist in its deliberations. Remuneration advisors are engaged by the Chair of the People & Remuneration Committee with an agreed set of protocols that determine the way in which remuneration recommendations would be developed and provided to the Board. This process is intended to ensure there can be no undue influence by Executive KMP to whom any recommendations may relate. No remuneration recommendations, as defined by the Corporations Act, were made by the remuneration advisors during the Reporting Period.

SECTION 4 REMUNERATION GOVERNANCE (CONTINUED)

Executive Service Agreements

The remuneration and other terms of employment for the Executive KMP are formalised in Executive Service Agreements, which have no specified term. Each of these agreements provides for performance-related pay under the STI Plan, and participation, where eligible, in the LTI Plan. Other major provisions of the service agreements of the Executive KMP are as follows:

Table 6: Executive Service Agreement terms

Name	Notice to be given by executive	Notice to be given by AUB Group*	Termination payment	Post-employment restraint
CEO and Managing Director				
Michael Emmett	12 months	12 months	12 months fixed remuneration	12 months
Other Executive KMP				
Mark Shanahan	6 months	6 months	6 months fixed remuneration	12 months

* Payments may be made in lieu of notice period.

Disclosures under Listing Rule 4.10.22

During the Reporting Period, a total of 550,164 shares were acquired on-market by the Austbrokers Employee Share Acquisition Schemes Trust (at an average price of $30.13 per share) to satisfy AUB Group's obligations under various equity plans.

Share Trading Policy

AUB Group's securities trading policy prohibits Group Executives from entering into margin lending or similar arrangements in relation to AUB Group's securities, including transferring securities into an existing margin loan account and/or selling securities to satisfy a call pursuant to a margin loan.

Breaches of AUB Group's securities trading policy are regarded seriously and may lead to disciplinary action being taken (including termination of employment).

AUB Group's securities trading policy can be found at www.aubgroup.com.au/corporate-governance.

SECTION 5 NON-EXECUTIVE DIRECTOR REMUNERATION

Details of the Non-Executive Directors of AUB Group during the Reporting Period are provided in the Directors' Report.

Components and details of Non-Executive Director remuneration

Non-Executive Directors (NED) receive a fixed fee (inclusive of superannuation) for services to the Board and each Board Committee on which the Director serves.

A further fee is payable to the Chairs of the Board Audit & Risk Committee and the People & Remuneration Committee, and to Non-Executive Directors who are directors of Tysers Insurance Brokers Limited, which is a wholly owned subsidiary of AUB Group.

There was an increase to Non-Executive Director remuneration from 1 July 2023. The fees for the Reporting Period are shown in Table 7.

NED remuneration is reviewed from time to time by the Committee to ensure that fee levels:

- reflect workloads, expectations and responsibility in connection with the regulated landscape in which AUB operates; and
- are competitive, providing the Board with the ability to attract and retain high caliber directors, which is important in the context of the Board's ongoing orderly renewal and succession planning process.

NED do not receive retirement benefits other than amounts paid by way of the superannuation guarantee, nor do they participate in any incentive programs. NEDs may be reimbursed for expenses reasonably incurred in the course of carrying out their duties.

AUB Group does not make sign-on payments to new NEDs and does not provide for retirement allowances for NEDs.

Aggregate fee pool approved by shareholders

NED fees are set by the Board within the maximum aggregate amount of $1,500,000 per annum approved by shareholders at the Annual General Meeting in November 2022.

A resolution to increase this maximum amount by $300,000 to $1,800,000 in order to, among other things, support orderly Board succession, will be presented for shareholder approval at the Annual General Meeting in October 2024.

Table 7: NED fees payable during the Reporting Period

1 July 2023 to 30 June 2024

Board fees per annum	$ Amount (incl of statutory superannuation)
Board Chair	300,000
Non-Executive Director	155,000
Committee Chair (Board Audit & Risk)	30,000
Committee Chair (People & Remuneration)	25,000
Committee Chair (Nomination)	N/A
Committee member	N/A
Tysers Insurance Brokers Limited: Chair	GBP 100,000
Tysers Insurance Brokers Limited: NED	GBP 50,000

Non-Executive Directors Minimum Shareholding Policy

NEDs are encouraged to hold AUB shares and the Board has endorsed a minimum shareholding policy for NEDs to hold 100% of the annual director (or Board Chair) base fee within five years, commencing on the later of 1 July 2023 or the date of their appointment. The value of shares for determining compliance is the higher of cost or market value.

Our NED minimum shareholding policy is intended to align the interests of NEDs with our shareholders. The NEDs do not participate in any of our performance-based incentive schemes and have to acquire shares out of their own funds.

SECTION 6 STATUTORY REMUNERATION TABLES AND DATA

Table 8: PSR/SARs movements for the period

The LTI grants for FY24 and movements in all unvested PSRs previously granted to Group Executives are summarised below:

Total PSR/SARs issued (including KMPs)									
LTIP Financial Year (tranche)	Balance at 30-Jun-23	Granted	Lapsed	Exercised	Balance at 30-Jun-24	Earliest vesting date	Lapse date	Fair value per PSR at grant date ($)	Fair value to be expensed in the future ($)
2020 (15th 5 year PSRs)	200,000	–	–	–	200,000	31-Aug-24	31-Aug-28	8.91	–
2021 (16th)	164,436	–	–	(164,436)	–	31-Aug-23	31-Aug-27	11.27	–
2022 (17th)	144,879	–	–	–	144,879	31-Aug-24	31-Aug-28	18.02	–
2022 (DSTI)	39,169	–	–	(19,584)	19,585	31-Aug-23	31-Aug-24	19.02	–
2023 (18th)	150,146	–	–	–	150,146	31-Aug-25	31-Aug-29	20.04	895,021
2023 (DSTI)	–	29,353	–	–	29,353	31-Aug-24	31-Aug-26	26.79	131,057
2024 (19th)	–	181,295	–	–	181,295	31-Aug-26	31-Aug-30	24.37	2,546,912
Total	**698,630**	**210,648**	**–**	**(184,020)**	**725,258**				**3,572,990**
Total Share Appreciation Rights (SARs)	1,016,776	–	–	–	1,016,776	31-Aug-26	31-Aug-26	3.79	1,464,361
Tysers Performance Share Rights	–	1,812,000	(51,500)	–	1,760,500	31-Aug-26	31-Aug-26	30.50	14,159,257

M Emmett – CEO and Managing Director									
LTIP Financial Year (tranche)	Balance at 30-Jun-23	Granted	Lapsed	Exercised	Balance at 30-Jun-24	Earliest vesting date	Lapse date	Fair value per PSR at grant date ($)	Fair value to be expensed in the future ($)
2020 (sign-on PSRs)	200,000	–	–	–	200,000	31-Aug-24	31-Aug-28	8.91	–
2021 (16th)	78,795	–	–	(78,795)	–	31-Aug-23	31-Aug-27	11.27	–
2022 (17th)	53,277	–	–	–	53,277	31-Aug-24	31-Aug-28	18.02	–
2022 (DSTI)	16,009	–	–	(8,004)	8,005	31-Aug-23	31-Aug-24	19.02	–
2023 (18th)	52,576	–	–	–	52,576	31-Aug-25	31-Aug-29	20.04	313,406
2023 (DSTI)	–	12,276	–	–	12,276	31-Aug-24	31-Aug-26	26.79	54,810
2024 (19th)	–	69,989	–	–	69,989	31-Aug-26	31-Aug-30	24.37	983,236
Total	**400,657**	**82,265**	**–**	**(86,799)**	**396,123**				**1,351,452**
Total SARs	**508,388**	**–**	**–**	**–**	**508,388**	**31-Aug-26**	**31-Aug-26**	**3.79**	**732,180**

SECTION 6 STATUTORY REMUNERATION TABLES AND DATA (CONTINUED)

Table 8: PSR/SARs movements for the period (continued)

M Shanahan – Chief Financial Officer

LTIP Financial Year (tranche)	Balance at 30-Jun-23	Granted	Lapsed	Exercised	Balance at 30-Jun-24	Earliest vesting date	Lapse date	Fair value per PSR at grant date ($)	Fair value to be expensed in the future ($)
2021 (16th)	14,344	–	–	(14,344)	–	31-Aug-23	31-Aug-27	11.27	–
2022 (17th)	29,302	–	–	–	29,302	31-Aug-24	31-Aug-28	18.02	–
2022 (DSTI)	8,218	–	–	(4,109)	4,109	31-Aug-23	31-Aug-24	19.02	–
2023 (18th)	28,917	–	–	–	28,917	31-Aug-25	31-Aug-29	20.04	172,374
2023 (DSTI)	–	6,047	–	–	6,047	31-Aug-24	31-Aug-26	26.79	26,999
2024 (19th)	–	24,263	–	–	24,263	31-Aug-26	31-Aug-30	24.37	340,857
Total PSRs	**80,781**	**30,310**	**-**	**(18,453)**	**92,638**				**540,230**
Total SARs	**254,194**	**–**	**–**	**–**	**254,194**	**31-Aug-26**	**31-Aug-26**	**3.79**	**366,090**

There are no vested or exercisable PSRs, SARS and Tysers Performance Share Rights at 30 June 2024.

PSRs and Tysers Performance Share Rights have an exercise price of $NIL.

SARs have an exercise price of $20.33. See note 21 of the financial statements for further details on the conversion of SARS to shares upon vesting.

Shares issued on exercise of PSRs

During FY24, 164,436 PSRs were exercised and converted to shares in AUB Group Limited under the 2021 LTIP.

The hurdles, vesting conditions and outcomes for the 2021 LTIP were detailed in the FY23 financial statements.

A further 19,584 PSRs vested under the 2022 Deferred STI (DSTI) plan.

During FY24, 164,436 PSRs were exercised and converted to shares in AUB Group Limited under the 2021 LTIP.

The hurdles, vesting conditions and outcomes for the 2021 LTIP were detailed in the FY23 financial statements.

A further 19,584 PSRs vested under the 2022 Deferred STI (DSTI) plan.

All PSRs are granted over shares in the ultimate controlling entity AUB Group Limited.

All shares required to satisfy vested/exercised PSRs were acquired on market during the year.

Unissued shares

As at 30 June 2024, there were 725,258 and 1,778,000 unissued ordinary shares under PSRs as part of the AUB Group LTIP and Tysers LTIP respectively, that have not vested.

Refer to Note 21 of the Financial Report for further details of the PSRs/SARS outstanding.

Holders of PSRs do not have any right, by virtue of the option to participate in any share issue of the Company or any related body corporate.

SECTION 6 STATUTORY REMUNERATION TABLES AND DATA (CONTINUED)

Table 9: Shares held in AUB Group Limited at 30 June 2024

	Balance at 30-Jun-23	Shares received – Exercise of PSRs	Shares acquired during the year	Shares held at date of retirement	Balance at 30-Jun-24
Directors					
D. C. Clarke (Chair)	30,837		–	–	30,837
M. P. C. Emmett (CEO)	82,684	86,799	–	–	169,483
R. D. Deutsch	1,000		2,250	–	3,250
P. G. Harmer	3,415		–	–	3,415
A. J. Kendrick	–		–	–	–
M. S. Laing[1]	–		1,714	–	1,714
P. A. Lahiff[2]	12,738		–	(12,738)	–
R. J. Low[3]	24,446		–	(24,446)	–
C. L. Rogers	8,404		–	–	8,404
Executives					
M. J. Shanahan	28,620	18,453	–	–	47,073
Total	**192,144**	**105,252**	**3,964**	**(37,184)**	**264,176**

1. M. S. Laing was appointed as a director on 2 November 2023.
2. P. A. Lahiff retired as a director on 23 August 2023.
3. R. J. Low retired as a director on 2 November 2023.

SECTION 6 STATUTORY REMUNERATION TABLES AND DATA (CONTINUED)

Compensation of Directors and other Key Management Personnel

Table 10: Statutory Reporting Basis – period ending 30 June 2024

The table below outlines KMP remuneration calculated in accordance with accounting standards and the *Corporations Act 2001* requirements.

The amounts shown are equal to the amount expensed in the Company's Financial Report for the particular year.

	Year	Salary & fees	Cash short term incentive*	Equity settled short term incentive	Non monetary benefits	Post employment Super-annuation	Share-based payment Equity PSRs/ SARS**	Total remuneration	Total per-formance related
30 June 2024		$	$	$	$	$	$	$	%
Non Executive Directors									
D. C. Clarke (Chair)	2024	272,500	–	–	–	27,500	–	300,000	0%
	2023	217,195	–	–	–	22,805	–	240,000	0%
R.D. Deutsch	2024	174,886	–	–	–	–	–	174,886	0%
	2023	79,091	–	–	–	–	–	79,091	0%
P. G. Harmer[1]	2024	226,140	–	–	–	24,875	–	251,015	0%
	2023	167,653	–	–	–	17,604	–	185,257	0%
A.J. Kendrick[2]	2024	347,031	–	–	–	–	–	347,031	0%
	2023	153,916	–	–	–	–	–	153,916	0%
M. S. Laing[3]	2024	111,953	–	–	–	7,365	–	119,318	0%
	2023	–	–	–	–	–	–	–	–
P. A. Lahiff[4]	2024	27,027	–	–	–	2,973	–	30,000	0%
	2023	122,172	–	–	–	12,828	–	135,000	0%
R. J. Low[4]	2024	63,068	–	–	–	–	–	63,068	0%
	2023	145,000	–	–	–	–	–	145,000	0%
C. L. Rogers	2024	139,640	–	–	–	15,360	–	155,000	0%
	2023	108,598	–	–	–	11,402	–	120,000	0%
Executive Directors									
M. P. C. Emmett (CEO)	2024	1,228,050	974,750	361,845	88,071	27,500	1,787,219	4,467,435	69.92%
	2023	971,762	767,376	263,901	2,922	27,500	1,530,697	3,564,158	71.88%
Executives									
M. J. Shanahan (CFO)	2024	613,569	443,511	172,747	14,343	27,500	662,966	1,934,636	66.12%
	2023	478,098	378,000	132,625	46,585	27,500	527,840	1,590,648	65.29%
Total Remuneration	**2024**	**3,203,864**	**1,418,261**	**534,592**	**102,414**	**133,073**	**2,450,185**	**7,842,389**	
Total Remuneration	**2023**	**2,443,485**	**1,145,376**	**396,526**	**49,507**	**119,639**	**2,058,537**	**6,213,070**	

** Share based payments for PSRs are calculated on the accrued cost to the Company recognising that PSRs issued to KMP will vest over 3 years (5 years for CEO sign-on PSRs, after taking into account a 75% -100% probability that the Group will achieve the performance hurdles required for those PSRs to vest

* STI amounts included above (including equity settled) relate to the accrued provision in respect of the current year's performance that will be paid/settled during the following financial years. The 2024 amounts have been approved by the Board.

SECTION 6 STATUTORY REMUNERATION TABLES AND DATA (CONTINUED)

Compensation of Directors and other Key Management Personnel (continued)

Table 10: Statutory Reporting Basis – period ending 30 June 2024 (continued)

1. P.G. Harmer is also a director of Tysers Insurance Brokers Limited (TIBL). TIBL remuneration is based on GBP 50,000 per annum (AUD 96,015). Fees were converted based on an AUD/GBP exchange rate of 0.52075.
2. A.J. Kendrick also received remuneration as chair of TIBL. TIBL remuneration is based on GBP 100,000 per annum. (AUD 192,031). Fees were converted based on an AUD/GBP exchange rate of 0.52075.
3. M. S. Laing was appointed as a director on 2 November 2023.
4. P. A Lahiff retired as a director on 23 August 2023.
5. R. J. Low retired as a director on 2 November 2023.

Statutory remuneration represents the accounting expense of remuneration in the financial year.

It includes salary remuneration, annual and long service leave payments, the amortisation expense of deferred performance share rights previously granted and an accrual for STIs. 30% of the FY24 STI will be settled by the grant of further performance share rights of which 50% will vest on 31 August 2025 and the balance will vest on 31 August 2026. There are no performance hurdles required for vesting of the deferred short term incentives settled as performance share rights other than continuing employment.

Table 11: Number of PSRs granted as part of remuneration

30 June 2024 (Grant year FY24)	Granted no.	Grant date	Fair value per PSR at grant date	Exercise price per PSR	Expiry date	First exercise date	Last exercise date
Directors							
M. P. C. Emmett							
PSRs	69,989	3-Nov-23	24.37	0.00	31-Aug-30	31-Aug-26	31-Aug-30
PSRs (DSTI)	12,276	1-Sep-23	26.79	0.00	31-Aug-25	31-Aug-24	31-Aug-25
Executives							
M. J. Shanahan							
PSRs	24,263	3-Nov-23	24.37	0.00	31-Aug-30	31-Aug-26	31-Aug-30
PSRs (DSTI)	6,047	1-Sep-23	26.79	0.00	31-Aug-25	31-Aug-24	31-Aug-25
Total	**112,575**						

The fair value above is the weighted average fair value price of the EPS and TSR PSRs at the date the PSRs were granted. All PSRs were issued with an exercise price of $NIL and the expiry date of the PSRs is four years after the vesting date.

Mr Emmett's grant of 69,989 PSRs under the Long Term Incentive Plan was approved by shareholders at the AGM on 2 November 2023, and this approval was for all purposes, including Listing Rule 10.14.

SECTION 6 STATUTORY REMUNERATION TABLES AND DATA (CONTINUED)

Deferred Short term Incentive (DSTI)

30% of the FY23 STI was deferred in the form of an equity award based on the 60 day VWAP for 30 June 2023. Half of the PSRs will vest on 31 August 2024 with the remaining PSRs vesting on 31 August 2025. No additional performance conditions apply to the vesting of these PSRs other than continued employment to the date the PSRs vest.

Table 12: Value of PSRs granted as part of remuneration (including PSRs vested or lapsed during the year)

				Shares issued on exercise of PSRs			
	Value of PSRs granted during the year*	Value of PSRs exercised during the year**	Percentage of remuneration consisting of value share based payments incurred during the year***	Number of shares issued on exercise of PSRs	Paid per share on shares issued on exercise of PSRs	Number of PSRs vested during the year	Number of PSRs lapsed during the year
30 June 2024	$	$	%	No.	$	No.	No.
Directors							
M. P. C. Emmett							
PSRs	1,705,310	2,403,248	–	78,795	0.00	78,795	–
DSTI***	328,874	244,122	–	8,004	0.00	8,004	–
Total	**2,034,184**	**2,647,370**	**45.53%**	**86,799**	**–**	**86,799**	**–**
Executives							
M. J. Shanahan							
PSRs	591,178	437,492	–	14,344	0.00	14,344	–
DSTI***	161,999	125,325	–	4,109	0.00	4,109	–
Total	753,177	562,817	38.93%	18,453	0.00	18,453	–
Total	**2,787,361**	**3,210,187**		**105,252**	**0.00**	**105,252**	**–**

* Total gross value of PSRs granted during the year which will vest over three years if all performance hurdles required for PSRs and SARs to vest, are met.
** Total value of PSRs exercised during the year is calculated based on the fair value of the PSRs at exercise date multiplied by the number of PSRs exercised.
*** Share based payments as a percentage of remuneration is calculated on the accrued cost to the Company recognising that PSRs issued to KMP will vest over 3 years after taking into account a 75 - 100% probability that the Group will achieve the performance hurdles required for those PSRs to vest.

Loans or other transactions with KMP

No KMP or their related parties held any loans from the AUB Group during or at the end of the year ended 30 June 2024 or prior year. Apart from the details disclosed in this Report, there were no transactions between KMP (or their related parties) and AUB Group or any of its subsidiaries during the Reporting Period.

SECTION 7 GLOSSARY

AAGR	Average annual growth rate (expressed as a %).
Balanced Scorecard	a balanced scorecard set of KPIs, which includes both financial and non-financial measures that have weighted allocations and are aligned to AUB Group's strategic priorities.
CAGR	Compound annual growth rate (expressed as a %).
Corporations Act	*Corporations Act 2001 (Cth).*
EPS	Underlying earnings per share.
Executive KMP	Michael Emmett (CEO and Managing Director) and Mark Shanahan (Chief Financial Officer).
Group Executives	The CEO, CFO, Chief Broking Officer, Chief Underwriting Officer, Chief Legal & Risk Officer and Chief Information Officer.
KMP	Persons who, directly or indirectly, have authority and responsibility for planning, directing and controlling the activities of AUB Group during the Reporting Period.
LTI Plan	AUB Group's Long-Term Incentive Plan.
Peer Comparator Group	Constituents of the S&P/ASX Small Ordinaries Industrials Index (AXSID), defined at the commencement of the performance period.
PSR	Performance Share Right, with each right entitling the holder to receive one fully-paid ordinary share in AUB Group on vesting (or, if the Board determines, an equivalent cash payment). Vesting of PSRs may be subject to vesting conditions and performance hurdles.
Relative TSR	AUB Group's compounded TSR measured against the ranking of constituents of the Peer Comparator Group.
Reporting Period	12 months period ended 30 June 2024.
ROIC	Return on Invested Capital – is a profitability or performance ratio that aims to measure the percentage return that AUB Group earns on invested capital. The ratio shows how efficiently the Group is using the investors' funds to generate income. Invested capital also includes interest bearing debt (net of cash and cash equivalents) but excludes lease liabilities.
SAR	Share Appreciation Right, with each right entitling the holder to receive fully-paid ordinary shares in AUB Group on vesting (or, if the Board determines, an equivalent cash payment). See remuneration report included in the 2022 Annual Report for further details.
STI Plan	AUB Group's Short-Term Incentive Plan.
TSR	Total shareholder return 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.
Underlying EPS	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	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 and amortisation of intangibles. Other adjustments to the Underlying NPAT calculation may be made in limited circumstances where the Board considers it to be appropriate.
VWAP	Volume weighted average price of shares in AUB Group traded on the ASX.

DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2024

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest $1,000 (where rounding is applicable) under the option available to the Company under ASIC instrument "Rounding in Financial/ Directors' Reports" 2016/191. The Company is an entity to which this legislative instrument applies.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

The Directors received an independence declaration from the auditors of AUB Group Limited. Refer to page 77 of the Annual Report.

Non-audit services provided to the AUB Group by the entity's auditor, Ernst & Young, in the financial year ended 30 June 2024 were predominantly in relation to tax matters. Other assurance services included those that are not required by regulation. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act (2001) Cth*. The nature and scope of each of the non-audit services provided means that auditor independence was not compromised. The amounts received or due to be received are detailed in Note 21 of the Financial Report.

Signed in accordance with a resolution of the Directors.

D.C. Clarke
Chair

M. P. C. Emmett
Chief Executive Officer and Managing Director

Sydney, 21 August 2024

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

CONTENTS

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

YEAR ENDED 30 JUNE 2024

1. SCOPE AND METHODOLOGY

1.1 INTRODUCTION

Doing the right thing by our people, our partners, our customers, our environment, and the communities in which we operate is part of our ethos. At AUB Group we recognise our responsibility in society towards creating a more sustainable future. We continue to embed ESG into our business strategy and operations. This is increasingly important as our business continues to grow year on year. With changing customer expectations and increasing demand for ESG engagement, sustainability is increasingly becoming a driver for success. The visible impacts of climate change increase the urgency for action and the need to continue to develop our ESG strategy, as well as support our customers who may be facing risks.

We are a services organisation operating in more than 540 locations globally. AUB Group's network of insurance intermediaries conduct business with clients and other stakeholders both face-to-face and remotely. We maintain office space in the locations in which we operate. We do not consume raw materials or manufacture any physical products so our environmental footprint and exposure to supply chain risks is limited.

During FY24, we continued to build on our ESG strategy and are working towards achieving our ESG commitments. Our ESG priorities are the result of extensive stakeholder engagement, including materiality assessments. ESG goals help us create long term sustainable value for our stakeholders.

1.2 CLIMATE RELATED RISKS AND OPPORTUNITIES

We have not conducted a detailed assessment on Climate Related Risk and Opportunities ('CRROs'), however a summary of management's views are as follows:

- AUB is highly diversified in physical location, and industry sector, with no client representing more than 1% of our total revenue. The Group's resilience was exemplified during the COVID pandemic when industries such as Hospitality, Film, and Entertainment produced little to no revenue for an extended period of time, but was offset by organic growth in other industries, leading to AUB Group's profit (excluding mergers and acquisitions) resilience during the period.
- AUB has strong opportunities in a changing climate environment created through (1) access to new and emerging markets, and (2) as risks become harder to place (insurers exit the market as part of their Net Zero strategy or due to climate related disasters making the line of insurance unprofitable) our access to wholesale markets via our investment in Tysers will generate new business.

A detailed analysis of our CRROs will be conducted in FY25 and the CRROs will be monitored from that point.

Opportunities may be presented to the Group by climate change and individual Group asset valuations may be impacted. Our investments in subsidiaries and associates (comprising Goodwill, broking registers, and investments in associates) may see certain portfolios of business more exposed to climate change than others. We consider the impact of climate risk on impairment and assessment of useful life. Currently there are no indicators of impairment due to climate change.

AUB considers climate exposure and ESG metrics when considering investments in new businesses and divestments may occur (where AUB's strategy is not aligned to the portfolio or investment).

Refer to section 4.1 in this report for further information.

1.3 STATEMENT OF COMPLIANCE

This report is not externally verified. AUB is within Group 1 of Australian Sustainability Reporting Standard 1 (ASRS) and this report will be audited per the requirements of ASRS for the year ending 30 June 2026.

This report covers AUB Group's ESG management approach and associated activities for the year ending 30 June 2024. Unless otherwise indicated, ESG data is presented for the period from 1 May 2023 to 30 April 2024 (the 'reporting period'). In future periods AUB will transition to providing data for the 12 months to 30 June, the change is not expected to have a material impact on any metrics.

This report covers AUB Group Limited and the entities it controlled as at 30 April 2024. To ensure comparability, we present figures on continuing operations only (i.e. divestments by year end are removed for the entire period), and restate comparative numbers to have the same constituents as the current period (irrespective of whether AUB had control of the entity in the prior period). Our share of associates metrics are not presented.

We recognise the need to provide our stakeholders with clear and transparent ESG reporting. This report has been prepared considering the guidance provided by the Global Reporting Initiative (GRI) Standards 2016. We have also considered the United Nations Sustainable Development Goals and disclosed in this report the areas where we believe we can have the greatest impact. We will comply with the Task Force on Climate Related Disclosures ('TCFD') by FY25 and ASRS 1 when it comes into force.

1. SCOPE AND METHODOLOGY (CONTINUED)

1.4 GOVERNANCE AND PRINCIPLES

Governance is a key aspect on delivering on our ESG strategy and in ensuring we have the right policies and processes in place to support our ESG commitments.

AUB's approach to sustainability is aligned to our Enterprise Risk Management Framework which is designed to identify and manage material risks to the Group including (1) impacts to customer retention (as industries transition to a net zero environment) (2) regulatory risks as AUB and its subsidiaries come within scope of a number of legislative instruments globally and (3) reputational risks as AUB is a public company and being a laggard may result in significant brand damage.

As further detailed within this report (section 3), the Board, in consultation with the Board Audit and Risk Committee ('BARC'), oversees and approves AUB Group's ESG activities, including our strategy, policies and procedures.

During the reporting period, AUB Group engaged an independent external consultant to perform a current state assessment of its reporting approach against the requirements set out in the forthcoming ASRS and an action plan of recommendations. In addition to this, they provided benchmarking analysis against peers.

1.5 METHODOLOGY

Social responsibility and caring for our environment are aligned with our stakeholders' interests. Listening to our stakeholders diverse needs helps us adapt and shape our approach to ESG and identify the key themes that matter to them. AUB's approach is as follows:

1. Conduct a materiality exercise every three years to understand areas of concern of our stakeholders;
2. Assess the outcome of the materiality exercise, along with legislation, and peer benchmarking annually to set minimum requirements, aspirational targets, and revise previous targets;
3. The Board in consultation with the BARC endorses strategy and targets;
4. Targets are assigned to management personnel, monitored, and reported back to the Board at least semi-annually;
5. Progress on outcomes are presented within the Annual report annually.

The materiality exercise due to be conducted in FY24 has been deferred to align with the CRRO assessment which is being undertaken in FY25.

The three areas of employees, customers and social and environment are the themes under which our material impacts are organised. Our strong relationship with our partner businesses is an essential component of our framework, and our ethics and integrity underpin everything that we do; they guide us in our approach to all of our stakeholders and business activities.

1.6 THEMES THAT MATTER – STAKEHOLDER ENGAGEMENT AND MATERIALITY

Ethics and Integrity:

- Responsible business and governance
- Integrity and ethical behaviour
- Responsible investment
- Financial resilience and profitability
- Trust, transparency and disclosure
- Fair insurance broker commissions
- Compliance
- Data security and privacy

Employee:

- Partner relationship advocacy
- Employee training, development, and retention
- Health, Safety and wellbeing

Customers:

- Technological transformation
- Product innovation

Social and Environment:

- Climate change, environmental sustainability, and stewardship
- Social responsible engagement and reconciliation
- Responsible supply chain

1. SCOPE AND METHODOLOGY (CONTINUED)

1.6 THEMES THAT MATTER- STAKEHOLDER ENGAGEMENT AND MATERIALITY (CONTINUED)

A materiality assessment was performed in 2021 which confirmed that the topics identified remained our most important focus areas. Additionally, we considered stakeholder feedback obtained throughout the year for any impact on our ESG strategy, ensuring we are agile and continuing to focus on themes that matter most. We plan to undertake a materiality assessment every 3 years. Our next assessment was due to be completed in FY24, however this was deferred to align to us performing a CRRO assessment.

Our key stakeholders and methods of engagement are:

STAKEHOLDER	DESCRIPTION	INTEREST
CUSTOMERS	Our network partners are in regular direct contact with their customers. They collect and analyse customer feedback through a range of interactions such as one on one meetings, online surveys, social media and focus groups. This helps to ensure that we are aware of, and able to respond to, the evolving needs of customers. A hardening commercial insurance market over the past 5 years has impacted the price and availability of insurance cover for our customers.	Acting fairly and in their best interest. Providing access to insurance. Reducing cost pressures. Deliver a reliable and secure service.
SHAREHOLDERS	We have regular discussions, briefings and meetings with investors, analysts and proxy advisors to keep them informed of our performance and any emerging risks and opportunities.	Responsible investing. Good governance practices. Oversight of decentralised group.
EMPLOYEES	We conduct regular employee engagement surveys, industry benchmark research, company-wide town halls and regular team meetings to keep our employees up-to-date on the latest company and industry developments. Using feedback and research we set targets to appropriately respond to employee issues.	Development opportunities. Market tested salaries. Technology to eliminate repetition. Flexible arrangements. Diversity targets and plans.
GOVERNMENT AND REGULATORS	We engage with Federal and state-level governments, regulators and industry bodies through meetings and formal policy consultation submissions to advocate for issues important to our stakeholders. We ensure we comply with regulation and proactively adopt key principles of upcoming changes and best practice.	Good governance practices and risk mitigation. Strong asset management and protection.
SUPPLIERS	We hold formal and informal meetings with our top suppliers including IT, product suppliers, insurance underwriters and finance providers.	Prompt payments to small businesses. Supply chain integrity.
COMMUNITY	We engage with the communities in which we operate through volunteering, fundraising initiatives and events, workshops and funded programs.	Being a good corporate citizen. Giving back through volunteering and charity.

1. SCOPE AND METHODOLOGY (CONTINUED)

1.7 OUR SDG CONTRIBUTION

Our approach to ESG supports the United Nations Sustainable Development Goals (SDGs). As our business continues to grow internationally, supporting these global goals is increasingly important for the Group. AUB Group have identified priority SDGs where we believe we can have the greatest impact and have incorporated the goals into our broader ESG framework.

SDG	WHAT AUB GROUP IS DOING AND WHERE IS OUR FOCUS
3 GOOD HEALTH AND WELL-BEING	We ensure our employees have a safe working environment and offer them health and wellbeing programs and initiatives. With greater numbers of employees working remotely, we are mindful of the need to monitor and address the impact on their mental wellbeing as well as look to broader health and wellbeing challenges in our customers and communities. We use Officevibe, a platform which prompts employees to complete fortnightly surveys anonymously and provides resulting insights to management. The tool enables us to collect continuous feedback from employees on a range of topics including well-being.
5 GENDER EQUALITY	We have assessed our recruitment, selection and retention processes and implemented measures to improve gender equality at all levels across the organisation. Our longer-term gender balance goal is to achieve 40:40:20 (40% men, 40% women and 20% open) – at all levels of our organisation.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 8 DECENT WORK AND ECONOMIC GROWTH	We stay at the forefront of market developments so that we can offer our customers the best technology and product solutions for their needs. Developments and better use of customer data have led to greater choice, and a more efficient & customised experience. We negotiate terms with underwriters to enable our customers to obtain affordable and appropriate protection for themselves, their workers and their families. We provide our employees opportunities to develop their careers with us through internal and external training and study assistance. We have strengthened our training program, with the objective of organisation-wide engagement and alignment with key policies and commitments. We are committed to continuous assessment of potential modern slavery issues in our supply chain and focusing on developing our approach to quantifying and managing impacts.
11 SUSTAINABLE CITIES AND COMMUNITIES 10 REDUCED INEQUALITIES	We contribute to our communities through volunteering and fundraising. Our decentralised business model means that our partner businesses are free to contribute to causes and local communities at their own discretion. We support this activity by developing partnerships with community stakeholders and our partner businesses to address inequalities. The roll-out of our 'Do Good, Be Better' program during the year saw increased volunteering hours across the group. Our AUB Community Day grants employees a day of paid volunteer leave to participate in community activities such as volunteering, mentoring, and working with charities and other not-for-profit organisations. The AUB Community Day includes partnerships with community groups who benefit from our involvement and support to deliver their mission. During 2024, the Group donated $1.1m (FY23: $1.2m) to a range of organisations.

1. SCOPE AND METHODOLOGY (CONTINUED)

1.7 OUR SDG CONTRIBUTION (CONTINUED)

SDG	WHAT AUB GROUP IS DOING AND WHERE IS OUR FOCUS
11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	We make efforts to manage our environmental footprint. This includes measures such as carbon offsetting, switching to renewable energies and measuring our scope 1, 2 and 3 emissions. We carbon offset our business travel emissions. We are committed to net zero emissions by 2050 for wholly owned group entities. We are working to improve how we measure and report on our environmental impacts and our long-term approach to mitigate climate change, including by developing our ESG reporting to comply with a globally accepted ESG reporting standard by FY25.

2. ESG BALANCED SCORECARD

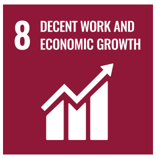
AUB Group have committed to a range of short and longer term ESG targets, as reviewed and approved by our Board of Directors, to support our wider ESG strategy, and our contribution to the UN SDGs. AUB Group is composed of a number of controlled entities, either fully owned or majority owned. Our ESG targets may be group wide or with initial focus on wholly owned entities and commitment to expand the target to all controlled entities in the subsequent year.

Our balanced scorecard represents our commitments for FY24 and our progress against these. We first began to report on ESG in FY21, our base year for measurement.

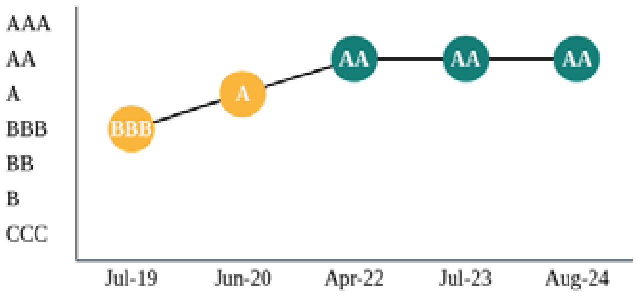
The FY24 Executive Performance Objectives include a Non-Financial KPI which includes ESG.

FOCUS AREA	MEASURE	PROGRESS
ENVIRONMENTAL GOVERNANCE (ENVIRONMENT) 11 SUSTAINABLE CITIES AND COMMUNITIES 7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	Extend renewable energy and carbon offset model to others in the Group	In FY24, 22% (FY23: 30%) of the Group's energy usage was from renewable resources. This was largely due to the Group's continued expansion with new Group members not yet having transitioned to renewable energy. We are committed to continuing to rollout the renewable energy model to additional entities in the Group and increasing our renewable energy usage. AUB head office entities and Tysers offset 100% of scope 3 emissions from business flights.
EMPLOYEE DEVELOPMENT (SOCIAL) 8 DECENT WORK AND ECONOMIC GROWTH 3 GOOD HEALTH AND WELL-BEING	Minimum of 20 hours training in addition to ethics training for all AUB Group head office staff	During FY24, all head office employees completed on average 24.5 hours of training (FY23: 20.7). Additional training courses were offered to head office employees on topics including leadership, communication and effective time management.

2. ESG BALANCE SCORECARD (CONTINUED)

FOCUS AREA	MEASURE	PROGRESS
SOCIAL GOVERNANCE (SOCIAL)   	Assess strategic measures to be implemented to achieve long term gender balance objective of 40/40/20 Benchmark and assess strategic measures to assess and eliminate any gender wage gap	The Group has a target to achieve 40:40:20 (40% men, 40% women and 20% open). During the year, a gender wage assessment was completed across the Group.
CORPORATE GOVERNANCE OVER M&A (GOVERNANCE)  	ESG metrics formally codified within M&A checklist	We have taken initial steps to formally build ESG metrics into our M&A checklist.

ESG RATING HISTORY



We are proud of our MSCI rating. We are pleased to have maintained our rating during FY24. For our stakeholders on average the most material areas of focus relate to the Governance Pillar. In this regard we proactively work to uplift the Group's governance through hiring skilled employees in the right positions, and a drive to achieve best practice outcomes. The improvement in our score is a reflection of this journey.

3. ESG GOVERNANCE

AUB Group is committed to high standards of corporate governance. Embedding ESG into our existing business is key to optimising our impact and therefore it is treated as a key part of our system of governance.

AUB Group's Board comprises three Board Committees that guide our governance activities in respective areas according to their Committee Charters and Group policies.

Board structure and responsibilities

AUB GROUP LTD BOARD

BOARD AUDIT & RISK COMMITTEE | PEOPLE & REMUNERATION COMMITTEE | NOMINATION COMMITTEE

The Board of Directors is responsible for the corporate governance of AUB Group and ensuring high standards of governance are maintained across all the aspects of Group's business and operations. The Board guides and monitors the business and affairs of AUB Group on behalf of stakeholders. Our corporate structure ensures that the Board maintains an appropriate level of oversight over our operations.

The Board, in consultation with the Board Audit and Risk Committee (BARC), oversees and approves AUB Group's ESG activities, including our strategy and policies and procedures. The Board delegates responsibility for ESG to management, with our Chief Executive Officer having ultimate responsibility of our ESG activities.

The BARC endorses all ESG targets, progress is formally reported in BARC meetings held every 2 months, and reviews all ESG materials, and outcomes of ESG rating agencies assessments. The BARC also approve our ESG report prior to publication, ensuring that all material topics are appropriately reported on.

Our ESG Policy sets out how we work towards being a socially and environmentally responsible corporate citizen. It outlines policies and procedures we adopt across all our businesses to support socially and commercially ethical practices, reduce our environmental footprint and manage our environmental risks. We have a number of more specific policies that cover other ESG areas, such as diversity and inclusion, workplace health and safety, and modern slavery.

Our Corporate Governance Statement is founded on the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition). We review and revise our Corporate Governance Statement to reflect the changing standards and expectations of our industry annually. It is available on our website: www.aubgroup.com.au/corporate-governance.

Escalation

Breaches of regulation, or our policies including ESG related matters are recorded within our compliance system. Where the breach is material or systemic, the matter including an action plan to resolve and prevent in future is presented to the BARC.

Upcoming material issues are discussed in cluster groups, regional boards (with broker representation), risk management committees, and these matters, through officers of the Group or our professional director representatives, are escalated to the Board where appropriate to set AUB strategy.

4. ENVIRONMENT

Environmental sustainability is integral to a strong, secure future. AUB Group is committed to being a responsible and sustainable organisation.

4.1 RISKS AND OPPORTUNITIES

Climate change presents a number of risks and opportunities for all sectors, including the insurance industry. These include direct damage to assets or property from climate related events, pricing and demand changes flowing from the transition to a low-carbon economy, and business disruption from a changing regulatory environment. Increasing frequency and severity of climate-related events pose increased risk to some customers and as these events become more regular, the cost of insurance may become prohibitive and certain risks may become uninsurable. This has direct impact on AUB Group Limited.

AUB Group believes that we must take climate risks seriously to ensure the viability of our business as well as identify opportunities to change and grow in a changing world. We acknowledge the science and are supportive of global efforts to decarbonize the economy. We are committed to net zero emissions by 2050 for wholly owned Group entities.

We are working to align practices with the goals set in the Paris Agreement, including to limit global warming to well below 1.5 degrees.

We are also committed to further developing our climate risk reporting, with a view to aligning our reporting practices to the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD). We have made an initial assessment of our risks and opportunities against the TCFD and will comply by FY25.

We are committed to reducing the environmental impact of our direct operations, including reduced emissions and carbon offsetting, reducing energy and water/waste consumption. Our specific climate goals are set out in our ESG scorecard.

AUB Group's environmental objectives and how we are achieving them are summarised below.

OUR OBJECTIVE	HOW WE ACHIEVE IT

REDUCE WATER AND ENERGY CONSUMPTION	– Reducing and consolidating office space.
	– 4/1 work from home program for Sydney-based agency and head office staff, where employees work from home 4 days a week.
	– Measuring Scope 1 2 and 3 emissions across the AUB Group.
	– Monitoring and reducing water consumption year-on-year.
	– Monitoring and encouraging carbon offsets purchase and renewable energy consumption.
	– Our North Sydney head office boasts a 5.0 Star NABERS energy rating (FY23: 5.5) and a 4.5 Star NABERS water rating (FY23: 4.0).
	– Use of energy efficient lighting in our office buildings.
	  – 9 buildings in the target emissions group have an average energy rating of 5.1 (FY23: 5 buildings average of 5.5).
	  – 6 buildings in the target emissions group have an average water rating of 4.1 (FY23: 4 buildings average 4.5).

MINIMISE WASTE, AND ENCOURAGE THE REUSE AND RECYCLING OF WASTE ITEMS	– Actively encouraging recycling of paper, glass and aluminium. We also provide printer toner cartridge recycling stations in each office. – Encouraging our employees to use reusable water bottles, cups, and mugs while in the office to reduce waste. – 2 buildings in the target emissions group have an average waste rating of 3 (FY23: 2 buildings average of 2.8).
PROMOTE SUSTAINABLE TRANSPORT TO EMPLOYEES, CLIENTS, AND SUPPLIERS	– Providing office space in central locations near public transport hubs. Most employees travel to and from work via public transport (train, bus, ferry) or active transport (walking and cycling). – Encouraging video and audio communication to reduce air and road travel. – Carbon offset purchase for corporate travel.
SUPPORT SUSTAINABLE PROCUREMENT AND OTHER SUSTAINABLE WORK PRACTICES	– Procuring environmentally friendly office supplies. – Adopting digital solutions to reduce our use of paper and our need for business travel. – Equipping our employees with knowledge and training to minimise their own environmental footprint. – Actively engaging with our network partners on good ESG practices.

4. ENVIRONMENT (CONTINUED)

4.2 CLIMATE STRATEGY

Carbon emissions reduction

AUB Group's emissions reporting covers ours and our partners' tenanted offices and car fleets. Our primary measures of these activities are scope 1, 2 and 3 emissions.

- Scope 1 emissions relate to emissions from our car fleets.
- Scope 2 emissions relate to energy we purchase from the electricity grid.
- Scope 3 emissions are the result of activities from activities not directly controlled by the Group and consists of activities in our supply chain. This includes customers exposed to industry considered heavy polluters such as mining, business travel, and servers for software as a service.

We have reported on scope 1 and 2 for a number of years, with scope 3 related to business travel since FY23. In FY25 we will conduct a quantitative assessment of all scope 3 exposures and work towards more comprehensive reporting in the future.

AUB's net zero commitment by 2050 for head office relates to carbon dioxide and includes scope 3 emissions. We will review other greenhouse gasses in future periods and encourage all business in the Group to match our commitment. AUB's decarbonisation target was not derived using a sectoral decarbonisation approach.

AUB's decarbonisation strategy is as follows:

1. Reduce use across all scopes.
2. Use alternative providers offering renewable resources and vendors with good ESG scores.
3. Purchase offsets to the extent that no other alternative is possible for scope 1, scope 2 and particularly scope 3, such as business travel to survey a site or specialist machinery.

AUB does not employ an internal carbon pricing strategy as our emission intensity is not significant, and employing such a strategy would not have a material impact on decision making.

Scope 1 and 2 emissions

Our scope 1 and 2 emissions are presented below:

Carbon measurement

AUB's assumptions and methodologies for deriving carbon emissions are as follows.

Fuel usage - scope 1

Activity logs detailing distance travelled, fuel cards and vehicle model data are used in combination with NGER (or equivalent) data on emissions factors to determine total emissions.

Electricity (scope 2)

Typically electricity suppliers will provide data on emissions as well as breakdown of renewable versus non renewable data sources. Where direct supplier data is not available, electricity consumption, National Greenhouse and Energy Reporting Scheme (NGER) data (or an equivalent outside of Australia) on the state electricity mix and emission factor are used to calculate total emissions. Where consumption data is not available such as common spaces we employ an equivalent floor space model.

Natural gas (scope 2)

Measured natural gas consumption and invoice data are used to calculate carbon emissions where available. As a limited number of sites use natural gas, no additional estimations are undertaken.

Land travel - scope 3

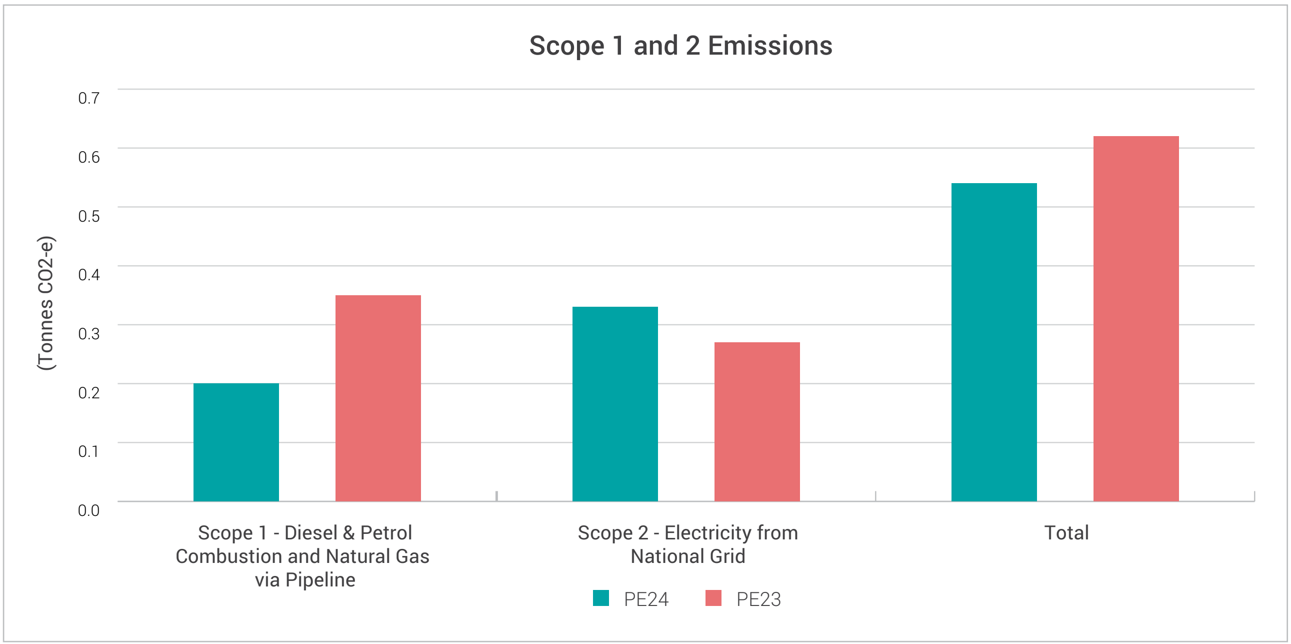
Activity logs detailing distance travelled, average fuel consumption per kilometer travelled is used to determine fuel consumption, in combination with NGER (or equivalent) data on emissions factors to determine total emissions. In instances where no activity data is available, claim reimbursement data is utilised to estimate average fuel consumption.

Air travel (scope 3)

Where available, emissions data supplied by the airline provider is utilised. Where such data is unavailable, emissions on a comparable flight and class is used to determine the emissions.

4. ENVIRONMENT (CONTINUED)

4.2 CLIMATE STRATEGY (CONTINUED)



The Graphs include impacts of newly acquired entities as if they had been in the Group for the full period. The decrease has been due to the an increase in use of renewable energy. Pleasingly carbon emissions per employee continue to fall compared to FY23 and compared to our base year.

	2024	2023	Movement, %
Scope 1 and 2 Emissions, tCO2-e/employee	0.54	0.62	(8.3%)

AUB operates a 4/1 work from home program for our North Sydney head office, where employees of AUB Group, our agencies and two brokerages work from home four days a week. This has allowed our staff greater flexibility and control over their working hours and reduced our office space needs. We have sub-let or surrendered a number of offices. We continue to monitor our emissions across the AUB Group and explore initiatives to reduce them.

Scope 3 emissions and carbon offsets

AUB head office entities and Tysers use carbon offsetting programs, offsetting 100% of scope 3 emissions from business flights. Tysers began carbon offsetting in July 2022 and AUB head office entities from October 2022.

	2024 Scope 3 emissions	2024 Total emissions offset
tCO2 from business flights – AUB Group	8,657	4,070
tCO2 from business flights – head office and Tysers	4,174	4,070

4. ENVIRONMENT (CONTINUED)

4.3 ENVIRONMENTAL MANAGEMENT

AUB partners with Tasman Environmental Markets to invest in Australian based offset projects. Blue Halo climate action technology is utilised to accurately calculate the emissions and offsetting value for AUB's business travel to allow offsets to be purchased. Carbon offsets were sourced from these projects:

- Coronga Peak regeneration;
- Tambua regeneration;
- Darling River conservation;
- Quimby Forest regeneration; and
- Paroo River regeneration.

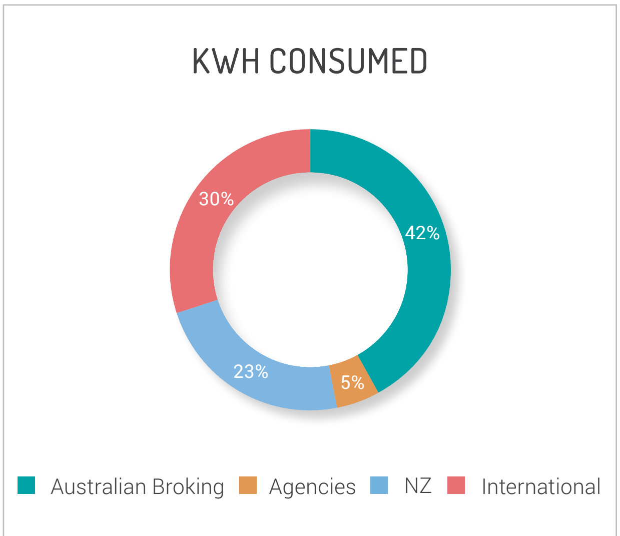
Tysers partner with Trees4Travel, a hybrid nature/technology offset program. Trees are planted to support developing communities, biodiversity and repairing damage to our plan. Technology-based carbon credits are purchased through investments into United Nations Certified Reduction (CER) programs.

Energy consumption

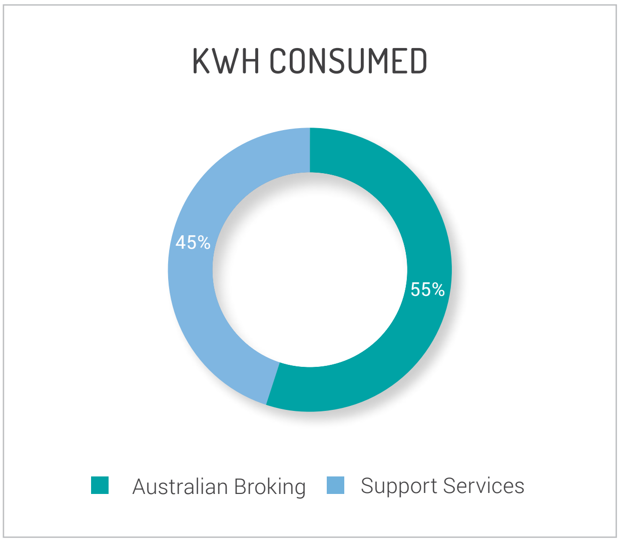
As a services organisation, our energy consumption relates to energy used to power our offices. In April 2022, AUB head office entities switched to renewable energy. During FY24, 12% of our total electricity usage was derived from renewable sources. This is expected to increase in FY25 as the renewable energy model is extended to others in the Group.

	2024	2023
Total energy consumption (kWh) 000's	1,941	2,005
Renewable (%)	12%	11%

Energy consumption by segment from non-renewable sources



Energy consumption by segment from renewable sources



Water consumption

We strive to monitor and reduce our water consumption across our businesses. Consolidating our office space, as well as promoting flexible working arrangements have been the key factors in reduction of water consumption in the reporting period, compared to the prior year.

5. SOCIAL

The pillars of our social approach are **community**, our **customers** and our **people**.

5.1 OUR COMMUNITY INVESTMENT

AUB Group is committed to supporting the communities in which we operate, and to managing our wider social responsibilities. We recognise the importance of focusing on economic and social wellbeing by supporting our local communities.

Do Good, Be Better

AUB Community Day

During the year we granted a day of paid volunteer leave to all AUB Head Office employees to participate in community activities such as volunteering, mentoring, and working with charities and other not-for-profit organisations. This includes partnerships with community groups who benefit from our involvement and support to deliver their mission – whether by assisting the homeless, supporting children in need, working at schools or volunteering at animal shelters.

AUB Giving

The AUB Giving program allows our team members the freedom to support causes they are passionate about via pre-tax donations, deducted directly from their pay. During FY24 AUB Group matched each donation up to a maximum of $1,000 per head office employee per annum. Since the launch of the program, there has been $34.3k of donations. The program will also become part of AUB Group's performance recognition process with the option to receive 'charity gift cards' instead of other financial awards.

Tysers

Tysers run a program which donates £500 (GBP) every two weeks to an employee's choice of charity. Since launching in 2019, over 60 charities have benefited from this scheme. During 2024, Tysers also selected a charity via employee vote to support via donations and an employee volunteer program. The chosen charity is XLP which focuses on keeping young people in education and out of gangs in London.

Our network partnerships and initiatives

AUB Group and our partners support community organisations, such as charities and sporting clubs, through fundraising, sponsorship, and volunteering. Because our partners are located in a wide range of locations, we adopt a decentralised approach to community support, allowing our partners to determine how they can have the greatest impact in their local communities. During FY24, our employees volunteered over 567 hours to charitable causes.

Our agency and Austbrokers divisions contributed monetary donations to, and participated in, a range of fundraising and community initiatives during the year, including as:

- Sponsor of the annual Insurances Ashes, which is a cricket event run by charity the Primary Club of Australia (PCA). The event raises funds for the PCA, which gives people with disabilities the opportunity to experience the joy and exhilaration that comes from playing cricket. We also actively support other PCA events that take place throughout the year.
- Major sponsor of the Lloyd's Australia Golf Day. In 2023, the event supported SpinalCure Australia in their work to find a cure for spinal cord injury.
- Charity partner with AllKids, which is a not-for-profit organisation providing education to disadvantaged children in the coastal commune of Ream in Sihanouk Province, Cambodia. Our sponsorship enables the AllKids staff to work with local public schools, teachers and principals, local government, commune officials and families to give all children in their community access to quality education. Throughout the year we sponsored the education of 10 children in Cambodia through the AllKids Kids to School program.
- Sponsorship for 4 students studying English in Cambodia to attend the Central Coast Grammar School and develop educational skills to assist the teachers at Sunrise Cambodia, an organisation that provides care for at risk children. This includes the provision of a home, food, clothing and education including English and computer lessons.
- The Insurance Advisernet Foundation supports local Australian charities that work to help change the lives of individuals, families and communities for the better. Over the past 10 years, IA and its Foundation has contributed over $3m to more than 50 different charities. Each year over $400k is donated to a variety of community fundraising initiatives, including charities such as Men's Shed Association, Tour De Cure, South Australian Health and Medical Research Institute, St Vincent de Paul Society NSW, Pancare, and Sacred Heart.
- Adroit Insurance and Risk, based in regional Victoria and Albury holds strong community values at the heart of their organisation. The team has raised over $2m for local community organisations and foundations since it was established in 1978. In the reporting period, Adroit made donations to a variety of local community groups, organised and hosted many fundraising events and volunteer over 400 hours annually of staff time. Adroit has proudly supported foundations and their projects including, Geelong's The Power In You Project who help those affected by substance, mental health or justice related challenges, Ballarat Health Services by supporting the Ballarat Base hospital to raise funds to purchase two ultrasound guided cannulation devices for use in the Children's Maternity wards, the Border Trust Foundation with various projects within the Albury Wodonga region including, financially assisting families to get their children back to school and the Beyond Blue Big Blue Table event at Adroit Gippsland. Recently the entire Adroit team proudly participated in March for March, raising much needed funds for cancer research.
- We also provided donations to, and sponsorship of, community and sporting clubs around Australia, including AllKids, the St George Australia Football Club, Primary Club of Australia and Drummoyne Water Polo Club.

5. SOCIAL (CONTINUED)

5.1 OUR COMMUNITY INVESTMENT (CONTINUED)

Commitment to fair tax contributions

AUB recognises that without taxes, communal investment including development of future talent through formal education opportunities would suffer. We benefit from this communal investment and as such believe we have an obligation to pay a fair share of taxes. AUB's Board has a strict policy to operate within the law and not to take aggressive tax positions, or operate within tax havens.

Our aim is to avoid any tax controversies and to pay a fair share of our profits as taxes in the countries in which we operate. In FY24 the Group paid $63.62m (FY23: $32.34m) in income tax, and $38.61m (FY23: $21.9m) in payroll tax. In addition, our associates (companies we don't control) pay taxes at similar rates.

The Effective Tax Rate for the year ended 30 June 2024 was 23% (2023: 28%). The Group's tax rate is below the main effective tax in Australia of 30% largely as a result of the $11m tax impact of entities that are accounted for on an equity basis and $14m for amounts recognised in Profit and Loss for amounts to carrying value of associates. Entities accounted for on an equity basis are fully tax paying in Australia, however for accounting purposes the related tax expense is reflected in the net return on the investment rather than the tax expense of the Group. This is offset by a $9m increase in the tax charge resulting from expenses that are not deductible for tax purposes which principally relate to fees incurred when acquiring new businesses in the year.

The decrease in the effective tax rate of 5% is largely the result of a net gain of $14m on the adjustment to carrying value of investments in 2024 (see Note 4 (f)), that did not have an associated tax expense; in 2023 this was a loss of $2m. The main impact on the tax rate in future years is expected to be the continued profitability of the business accounted for under the equity accounting rules as discussed above, the change in geographic profile of the earnings of the Group and any changes in tax legislation.

5.2 SUPPORTING OUR CUSTOMERS

Our customers are at the heart of everything we do. Our approach is based on our commitment to high-quality service and seeks to support our customers in safeguarding their future. Every day we provide valuable support through market-leading technology and products backed by strong customer service.

Customer Engagement

Our partners and their employees actively engage with our customers and earn their long-term trust by providing high standards of customer service. We strive to provide all our customers with products that are appropriate to their financial objectives and circumstances. We do this as part of our customer service standards and to ensure we are compliant with the relevant financial services laws.

As part of our commitment to high quality customer service, our partner businesses must also ensure robust dispute resolution processes are in place to handle complaints in a timely and fair manner. AUB Group provides all partner firms with access to up-to-date resources on these requirements and provides support, as and when required, to meet regulatory notification and ongoing reporting obligations. Customer complaints are monitored by Group Risk and Compliance, and are reported to the Group Board Audit and Risk Committee on a regular basis.

Technological Transformation

To deliver a stable, reliable and secure service to our partner members, we provide centrally managed network and infrastructure services. This centralised technology service leverages our scale and helps partners better serve their clients confidently. All data is backed up and secured in our dedicated Sydney data centre with a second back up datacenter site in Melbourne. AUB Group has made several strategic acquisitions which uniquely position us to transform our broker platform experience. We now have the building blocks to create a cohesive modern suite of digital broker solutions. In addition, our Underwriting Agencies have transitioned to a new digital platform which will better enable them to serve brokers and clients.

Product Access and Innovation

We keep abreast of product innovation to ensure our partners are constantly meeting our customers' needs. We provide our partners with insurance services that enhance their ability to support their customers including claims services, specialist estimating, forensic and investigation support. Further to enable our partners to concentrate more on their customers we provide a range of opt-in administrative support services in accounting, payroll, tax and analytics. We also assist our partners to optimise their businesses by facilitating financial advice, legal advice, management support, succession advice and support, funding, mergers and acquisitions support, and strategy formulation and execution.

The acquisition of Tysers in FY23 represents a significant acquisition during the period to increase capacity and support hard to place insurance risks. Tysers is a leading Lloyds and London based broker with access to specialist underwriting expertise and global distribution capabilities. Tysers operates primarily out of the UK but has operations in more than a dozen countries including the United States.

The acquisition will enable the Group to enhance client service, by increasing capacity for harder to place risks for our clients direction of wholesale placement from our Agencies to Tysers. The acquisition will also provide Brokers and Agencies across the Group to access capabilities and facilities in the Lloyd's and International markets.

5. SOCIAL (CONTINUED)

5.2 SUPPORTING OUR CUSTOMERS (CONTINUED)

Digital Confidence

Ensuring that we have robust data privacy and security measures helps us to improve customer experience and develop trust with our customers.

Data Privacy – AUB Group is committed to protecting the privacy of personal and sensitive information collected as part of its business operations in line with the Australian Privacy Act (1988). Our Privacy Policy sets out our privacy principles and provides guidance to member firms on the collecting, using, holding, disclosing, and otherwise managing personal information.

Cyber Security – AUB Group has designed and implemented a suite of core capabilities to manage cyber security and cyber risk including the establishment of a set of strategic objectives to an industry aligned cyber security framework and a roadmap focused on embedding solid foundations. We have developed a capability whereby our cyber posture is continually assessed and enhanced. Taking a risk-based approach to prioritising the cyber roadmap initiatives, we are focused on meeting our strategic information security objectives and managing risk consistent with enterprise risk appetite and tolerance levels. The minority of partner firms within the group who manage their own IT services and security, are subject to AUB's Security Policy and IT Service Standards. During FY24, there were 11 cyber security breaches, none of which were deemed to be material.

5.3 OUR PEOPLE

Our employees are a critically important asset and a key pillar of our ESG framework. We aim to equip our employees with the skills they need to deliver for our customers and to provide them with opportunities so that they can reach their full potential. We know that a diverse and inclusive workforce is the foundation for innovative thinking and new ideas.

For the second year in row, an independent review conducted by Great Place to Work benchmarked the employees of AUB's Sydney office against peers globally and certified AUB as a Great Place to Work. Our overall response rate was 65% with 98% of those surveyed believe it is a safe place to work – 94% believed they are treated fairly regardless of their sexual orientation – 91% believe they are treated fairly regardless of their race 91% believed you are made to feel welcome when you join the company – 90% believed they are treated fairly irrespective of their age.

Employee Development

We are committed to ensuring that our employees get a sense of fulfilment from their work. We do this by providing opportunities for career growth and development through on the job development, delivering specific programs via AUB/Tysers Group Learning pathways, including soft and technical skills development, Manager Fundamentals and Leadership development programs and Work Health & Safety (WHS)/mental health first aid training. We also provide access to study assistance.

5. SOCIAL (CONTINUED)

5.3 OUR PEOPLE (CONTINUED)

Our Broking Division has an Education Committee comprising senior broking management from across the country. The Committee ensures that insurance broker employees receive the necessary training and education through the National Insurance Brokers Association, Australia (NIBA), the Australian and New Zealand Institute of Insurance and Finance (ANZIIF), LMI College and other specialist providers. A similar structure exists in the UK.

Our Agency Division and Head Office employees complete their ongoing training requirements online through the LITMOS learning management system. Our agencies' training managers are responsible for running LITMOS, ensuring that the available learning material meets the relevant training requirements and ensures that agency staff complete their training in a timely manner. A similar approach is applicable in the UK.

During the year, we saw increased training hours for our employees across the group due to an increased focus on compliance training across the group and an increase in training being made available to head office employees on specific topics including leadership and communication. In FY24, employees undertook an average of 16.3 hours of training each, including our broker and agency employees.

	2024	2023	Movement, %
Employee training hours (includes compliance related)	49,331	45,139	6%

Employee Engagement

We use our Employee Net Promoter Score (eNPS) to monitor employee engagement. It measures our employees' willingness to recommend the organisation as a great place to work to others. It reflects a strong level of overall satisfaction, especially with respect to how our employees feel about their relationships with peers and their managers. Areas of focus have included supporting employees to better manage their health and wellbeing, through facilitating Wellbeing events, and leveraging expert speakers to educate and create awareness of wellbeing@work. Our UK based employees have access to the Lloyd's Wellbeing Centre and various resources they offer focused on improving health and wellbeing. We will continue to evolve our wellbeing strategy and are committed to ensuring our employees have the support and resources to maintain a healthy work-life balance.

We utilise Officevibe, an online employee engagement platform that helps managers build better relationships with their people and create conditions for collaborative and high performing team environments. The platform prompts employees to complete fortnightly surveys anonymously and provides resulting insights to management. The tool enables us to collect continuous feedback on employee sentiment and dive deeper into emerging trends and developments amongst our workforce. Officevibe has been rolled out to our head office teams as well as to all Sydney, Melbourne and Brisbane teams in our agencies, Tysers in the UK and a number of brokers in the Group.

Diversity and Inclusion

We are building a Global Diversity Equity and Inclusion (DEI) strategy focused on attracting and retaining a talented workforce that reflects the diversity of our clients and communities. This includes initiatives for gender equality, fostering inclusion and ensuring an equitable environment where everyone feels valued and empowered to thrive. Focusing on key areas such as Talent Acquisition, Development and Education, Remuneration, Family friendly benefits and policies, and data collection analysis will enable us to benchmark and broaden our focus beyond gender diversity.

The continued focus on improving gender equity across the AUB Group reflects our ongoing commitment to enhancing our Talent Acquisition and Remuneration practices. The addition of Tysers to the Group provides opportunity for shared best practice and a global approach to progressing our diversity targets set at a group level.

Current initiatives across the Group include:

- Regular remuneration reviews to ensure remuneration is relevant to the market and commensurate to the role regardless of gender.
- Charity initiatives such as sponsorships and fundraising for charities focused on DEI.
- Activities in support of International Women's Day as well as a calendar of culture events and activities that celebrate, educate and raise awareness.
- Specialist employee committees focused on charitable activities and DEI.
- The Group reports diversity statistics annually in compliance with statutory requirements in both Australia and the UK. These reports provide valuable insights into our workforce composition and flag areas where we can improve our employee value proposition, retention and recruitment practices.
- Our Group gender equity targets are to achieve a gender split of **40:40:20** (40% men, 40% women and 20% open) – across all levels of our organisation. We recognise this is a long-term commitment and that the insurance industry as a whole will require substantial commitment to bridge the gap, particularly in the UK.

5. SOCIAL (CONTINUED)

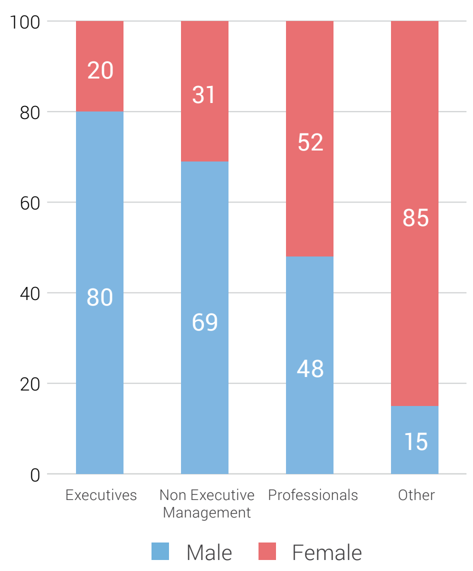
5.3 OUR PEOPLE (CONTINUED)

We're pleased to report that our current gender split statistics across the group are **52%** of our workforce are female. Within this headline statistic, a key focus area for the Group is the representation of women within leadership roles, which stands at **37%** in the AUB Group, and at **12%** within Tysers.

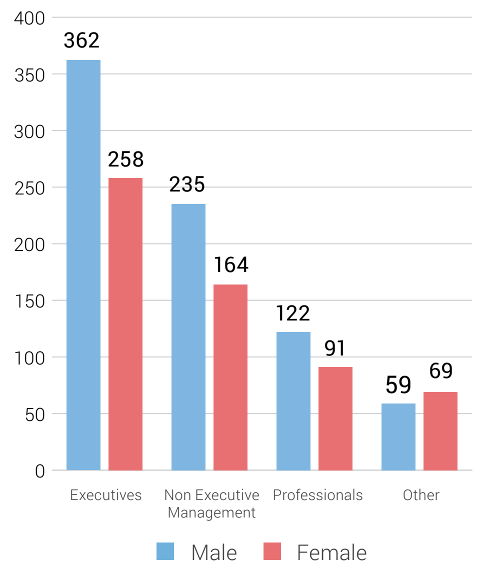
We report annually to the Workplace Gender Equality Agency (WGEA), in line with the Workplace Gender Equality Act. These reports provide valuable insights into our workforce composition and flag areas where we can improve our employee value proposition and retention and recruitment practices. Our 2024 filing is available on our website.

As at 30 June 2024 AUB Group and its controlled entities had a total of **2,582** (FY23: 2,433) employees with women representing **52%** (FY23: 58%) across the Group. We're pleased to report that throughout the year approximately **52%** (FY23: 58%) of our internal promotions were female. During the year, **56%** (FY23: 65%) of our new hires were female, a significant step towards building a more gender-balanced workforce.

EMPLOYEE GENDER COMPOSITION* (%)

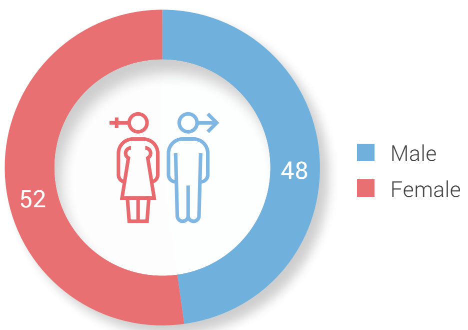


AVERAGE GENDER PAY BY RANK ($'000)

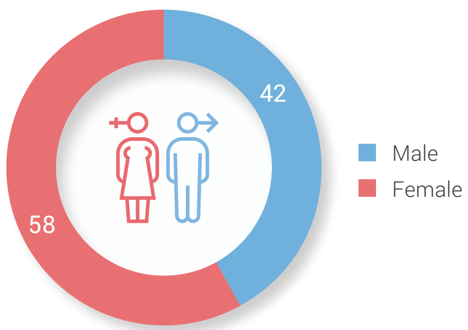


* In 2024, we have aligned to WGEA framework for disclosing average gender pay by rank, therefore prior year data is unavailable.

PROMOTIONS 2024



PROMOTIONS 2023

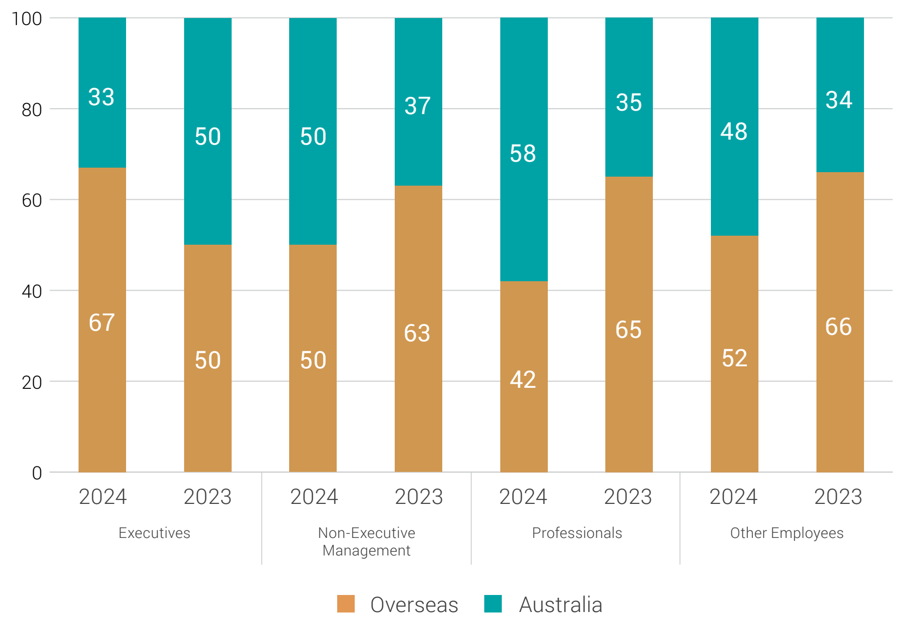


5. SOCIAL (CONTINUED)

5.3 OUR PEOPLE (CONTINUED)

We also recognise the diversity of our workforce and that of Australia as a whole is built on migration. 30% of Australians were born overseas, and our head office workforce reflects this at all levels.

BIRTHPLACE OF WORKFORCE (%)



Building on our progress in gender equality, we are expanding our focus on broader diversity initiatives. As part of this we will develop additional reporting measures to understand our workforce composition and demographics, assess and report on our cultural diversity across our workforce.

Talent Attraction and Retention

We see increasing demand for talent across several skill sets. We monitor employee turnover to understand trends in demand for skills and to assist us adjusting our retention strategies to ensure our high performers are fulfilled and engaged with their roles. We conduct exit interviews to help management ensure that organizational issues are identified and dealt with. Employee turnover across the Group was 14% in 2024 compared to 17% in 2023. This has been impacted by several factors including evolving salary expectations, industry-wide talent shortages, exacerbated by the cost of living crisis.

Absenteeism can be a lead indicator for poor wellbeing. We recognise equally a very low absentee rate indicates employees being over worked. We aim to keep absentee rates below 5% (excluding annual leave). We encourage all our employees to utilise their full entitlement to paid leave each year.

Fair Remuneration

Many of our employees are highly skilled and their remuneration reflects their value to AUB and the market. We recognise our responsibility to ensure all our employees are able to achieve a livable wage of 60% of the median wage. The median wage is $67,600 in Australia, NZ 61,640 in New Zealand and GBP 34,963 in the UK. We have benchmarked the lowest paid employees to an FTE equivalent to ensure their pay meets the higher of this benchmark and the related industry award.

Based on the benchmark there were 5 employees within Australia marginally below the threshold ($40,560), all of whom were school leaver/interns. Such opportunities represent an alternative pathway to higher education with an expectation to complete industry qualifications after gaining sufficient relevant practical experience. There were no employees below the threshold in NZ or in the UK or within any other country in which we have employees.

A number of non-cash benefits such as work from home allowances, complimentary or discounted insurance coverage available to staff, are not considered in the analysis above. The average salary across the Group was $139k (FY23: $132k),

To ensure remuneration is compliant and equitable, we actively review relevant industry benchmarks and survey data to check we are paying the right levels for our roles across our full-time, part-time and casual workforce. We have established internal controls enabling us to monitor and maintain compliance.

5. SOCIAL (CONTINUED)

5.3 OUR PEOPLE (CONTINUED)

Workplace health and safety

We aim to provide a physically and psychologically safe workplace for our people. All health and safety incidents are reported to AUB Group Board's People & Remuneration Committee and Board Audit & Risk Committee.

We have a dedicated free and confidential Employment Assistance Program (EAP) to support our employees and their families 24/7. During the current year, we have not witnessed any increase in reported incidents related to mental health, however, we acknowledge that with most of our workforce carrying out desk work remotely, workplace health and safety incidents may not be as visible to us. We encourage our employees to provide feedback to us about their physical and psychological health through our regular online employee surveys, their direct managers and HR.

Advocacy

We engage in industry research, public relations initiatives and policy advocacy on behalf of our partners. Our activities include engaging with governments, regulators and industry bodies through official consultations and meetings in order to provide information and perspectives on our industry and our members.

The main industry associations and advocacy organisations which are Group employees are members of include The Insurance Association of Australia, The Australian and New Zealand Institute of Insurance and Finance and The Insurance Brokers Association of New Zealand.

6. GOVERNANCE

Our Policies and Processes

AUB Group have implemented policies and processes across the Group to support our high standards of governance, ensuring that those in the business are guided by our core principles and appropriate support is in place for communicating any grievances to appropriate levels of governance.

Commitment to Responsible Investing

As outlined in the Directors report, a key element of the Group's strategy is to execute on strategically aligned acquisitions. Our commitment to responsible investing includes:

- Acquisitions of ethical businesses with ethical leadership;
- A long term view of ownership and sustainable operating models; and
- Consideration of all stakeholders.

Code of Conduct

AUB Group's Code of Conduct (Code) sets out the ethical standards expected of all directors, officers, and employees of AUB Group and its controlled entities. AUB Group encourages any businesses in which AUB Group has a direct or indirect equity investment to adopt the code.

The Code is designed to ensure AUB Group delivers on its commitment to corporate responsibility and sustainable business practice. It establishes a foundation to our business decisions and provides clear, consistent guidelines on ethical behaviour.

The Code requires our people to:

- Act with honesty and integrity in dealing with all stakeholders, including shareholders and the community
- Manage conflicts of interest
- Comply with the law
- Adhere to company policies and procedures
- Respect confidentiality and privacy.

All employees are required to complete ethics training annually. Breaches of our code of conduct will impact an employee's annual performance rating and in turn the at-risk portion of their remuneration. Except for fixed term contractors and other labour hire staff, all employees have a portion of their remuneration at risk based on performance measures.

In additional to standard HR policies, and our code of conduct, our businesses have policies governing (1) complaints, (2) Financial Hardship, and (3) Domestic Violence and (4) flexible working.

6. GOVERNANCE (CONTINUED)

Employee and Customer Grievance

There are risks which may arise from our decentralised operation such as pockets of poor culture or leadership. In addition to grievance and escalation policies that exist within each of our businesses we provide an anonymous access point for any employee of any company in the Group or any customer to contact the head office. Submissions are-jointly reviewed by the Group legal counsel & Head of People and Culture on any grievance they may have.

This process is designed to pro-actively manage a range of issues including mismanagement across the decentralised Group. Although these issues may not constitute whistleblower events, we believe it is best practice to enable them to surface and be dealt with.

Whistleblower events are dealt with through our Whistleblower portal – Whisplii.

Supply Chain Management

AUB Group acknowledges that modern slavery can occur in every industry, sector, and country, including those where we operate. AUB Group has a zero tolerance policy for modern slavery in our supply chain and is committed to continual improvement in combating all forms of modern slavery such as forced labour, debt bondage, deceptive recruiting, human trafficking and child labour. AUB Group's ESG policy promotes ethical and sustainable practices, in particular respecting human rights through developing high quality and ethical partnerships with suppliers and service providers. AUB Group encourages all employees and business partners to escalate any concerns internally or through our anonymous reporting service. We comply with all relevant laws and expect the same from all our stakeholders.

We recognise that as an organisation our suppliers are key to positively contributing to the social, economic, and environmental wellbeing of the communities that we are part of. Therefore, an assessment of modern slavery risks forms part of our review of all potential supplier engagements.

We include standard ethical sourcing contractual clauses in all contracts where new vendors are directly engaged to provide services to AUB Group. We expect our first-tier suppliers to comply with these standards and encourage that they expect the same level of compliance from their suppliers. We believe mutual commitments between AUB Group and our suppliers, to operate in accordance with community expectations of businesses, creates sustainable value for all our stakeholders. We work collaboratively with our suppliers to foster relationships that align with the standards in our governance framework and the interests of our stakeholders.

AUB Group takes a systematic approach to assessing modern slavery risks to ensure we remain compliant with modern slavery requirements and educate, encourage and provide resources (including self-certification) to support compliance by controlled entities with modern slavery requirements. AUB Group conducted a preliminary review of its controlled entities' supply chain partners and assessed it against government and international organisations' data and resources as part of our enterprise-wide Risk & Compliance Management Framework.

As our approach to addressing modern slavery risk matures, we will continue to develop systems, controls and processes to assess and further develop the effectiveness of our risk management framework, including in respect of controlled entities. AUB Group has implemented compliance measures to assess and review potential risks.

To further complement our framework and demonstrate compliance with modern slavery requirements and obligations, the Group has developed a range of controls to reduce modern slavery risks. These include policies, training and awareness, reporting tools, due diligence and monitoring. These policies and procedures promote and instill good practices and behaviours and protect the human rights of our employees and suppliers.

Over subsequent reporting periods, we will continue to review and develop our processes to ensure effectiveness of our actions. The AUB Group Board Audit and Risk Committee has responsibility for overseeing the Group's response to modern slavery risks. Modern slavery risk management is discussed by the Group Board and the Group Board Audit and Risk Committee. Our Modern Slavery Statement is available on our website.

FINANCIAL REPORT

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Auditor's Independence Declaration to the Directors of AUB Group Limited

As lead auditor for the audit of the financial report of AUB Group Limited for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of AUB Group Limited and the entities it controlled during the financial year.

Ernst & Young

Michael Wright
Partner
21 August 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2024

	Notes	2024 $'000	2023 $'000
Revenue from contracts with customers	4 (a)	964,787	763,659
Other income	4 (b)	49,347	28,084
Share of profit of associates	4 (c)	36,154	35,690
Cost to provide services and administrative expenses	4 (d)	(790,198)	(660,625)
Finance costs	4 (e)	(101,919)	(72,102)
		158,171	94,706
Adjustments to carrying value	4 (f)	51,301	(6,649)
Profit from sale or dilution of interests in associates, controlled entities, and broking portfolios	4 (g)	6,597	39,046
Profit before income tax		216,069	127,103
Income tax expense	5 (a)	(48,392)	(35,480)
Profit for the year		**167,677**	**91,623**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(5,119)	62,688
Gains/(Losses) on cash flow hedges		(7,704)	17,601
Tax on other comprehensive income to be reclassified to profit or loss in subsequent periods		1,804	(3,911)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurements of post-employment benefit obligations		(1,992)	(7,124)
Tax on other comprehensive income not to be reclassified to profit or loss in subsequent periods		492	17
Other comprehensive income after income tax for the period		(12,519)	69,271
Total comprehensive income after tax for the year		**155,158**	**160,894**
Profit for the year attributable to:			
Equity holders of the parent		137,072	65,253
Non-controlling interests		30,605	26,370
		167,677	**91,623**
Total comprehensive income after tax for the year attributable to:			
Equity holders of the parent		123,852	134,462
Non-controlling interests		31,306	26,432
		155,158	**160,894**
Basic earnings per share (cents per share)	6 (a)	125.65	65.35
Diluted earnings per share (cents per share)	6 (a)	124.79	65.08

The above Consolidated Statement of Comprehensive Income (SOCI) should be read in conjunction with the notes to the Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Notes	2024 $'000	2023 $'000
ASSETS			
Current Assets			
Cash and cash equivalents	10	377,366	260,352
Cash and cash equivalents - Trust	10	908,950	936,369
Trade and other receivables	11	286,940	313,079
Lease net investment		1,147	1,804
Financial and other assets	12	18,798	11,718
Deferred acquisition costs		14,184	13,822
Total Current Assets		1,607,385	1,537,144
Non-current Assets			
Trade and other receivables	11	14,560	17,286
Right-of-use asset and lease net investment		72,751	70,360
Financial and other assets	12	24,395	29,891
Property, plant and equipment		11,598	12,885
Investment in associates	8	250,911	238,526
Intangible assets and goodwill	13	2,042,894	1,956,841
Deferred tax asset	5 (b)	24,756	21,385
Total Non-current Assets		**2,441,865**	**2,347,174**
Total Assets		**4,049,250**	**3,884,318**
LIABILITIES			
Current Liabilities			
Trade and other payables	15	1,044,118	1,050,117
Deferred revenue from contracts with customers		31,017	30,827
Income tax payable		25,378	26,482
Provisions	16	86,086	204,547
Lease liabilities		14,155	14,743
Interest-bearing loans and borrowings	17	6,119	19,769
Financial liabilities	18	162,043	36,138
Total Current Liabilities		**1,368,916**	**1,382,623**
Non-current Liabilities			
Provisions	16	19,919	5,475
Lease liabilities		64,536	62,134
Interest-bearing loans and borrowings	17	639,882	564,461
Financial liabilities	18	87,505	237,940
Deferred tax liabilities	5 (b)	119,281	118,317
Total Non-current Liabilities		931,123	988,327
Total Liabilities		**2,300,039**	**2,370,950**
Net Assets		**1,749,211**	**1,513,368**
EQUITY			
Issued capital	20	1,141,428	945,687
Retained earnings		312,847	258,399
Foreign currency translation reserve		51,521	57,340
Hedge reserve		6,662	12,562
Defined benefits plan and other reserves		(8,117)	(6,617)
Put option reserve	18	(10,318)	(11,781)
Share based payments reserve		18,297	24,263
Equity attributable to equity holders of the parent		**1,512,320**	**1,279,853**
Non-controlling interests		236,891	233,515
Total Equity		**1,749,211**	**1,513,368**

The above Consolidated Statement of Financial Position (SOFP) should be read in conjunction with the notes to the Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2024

	Attributable to equity holders of the parent									
	Issued capital $'000	Retained earnings $'000	Foreign currency translation reserve $'000	Put option reserve $'000	Hedge reserves $'000	Defined benefit plan and other reserves $'000	Share-based payments reserve $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
At 1 July 2023	**945,687**	**258,399**	**57,340**	**(11,781)**	**12,562**	**(6,617)**	**24,263**	**1,279,853**	**233,515**	**1,513,368**
Profit after tax for the year	–	137,072	–	–	–	–	–	**137,072**	30,605	**167,677**
Other comprehensive income for the year	–	–	(5,819)	–	(7,704)	(1,992)	–	**(15,515)**	701	**(14,814)**
Tax on other comprehensive income	–	–	–	–	1,804	492	–	**2,296**	–	**2,296**
Comprehensive income after tax for the year	**–**	**137,072**	**(5,819)**	**–**	**(5,900)**	**(1,500)**	**–**	**123,853**	**31,306**	**155,159**
Transactions with owners in their capacity as owners:										
Ownership changes without gaining/losing control (Note 9)	–	(8,508)	–	–	–	–	–	**(8,508)**	(28,386)	**(36,894)**
Non-controlling interests relating to new acquisitions (Note 7(a))	–	–	–	–	–	–	–	**–**	33,125	**33,125**
Non-controlling interests relating to disposals (Note 7(b))	–	–	–	–	–	–	–	**–**	(4,582)	**(4,582)**
Transfer to/(from) put option reserve	–	(1,463)	–	1,463	–	–	–	**–**	–	**–**
Net cost of share-based payment	–	–	–	–	–	–	(5,966)	**(5,966)**	–	**(5,966)**
Issue of shares, net of issue costs	195,741	–	–	–	–	–	–	**195,741**	–	**195,741**
Equity dividends (Note 6(d))	–	(72,653)	–	–	–	–	–	**(72,653)**	(28,087)	**(100,740)**
At 30 June 2024	**1,141,428**	**312,847**	**51,521**	**(10,318)**	**6,662**	**(8,117)**	**18,297**	**1,512,320**	**236,891**	**1,749,211**

The above Consolidated Statement of Changes in Equity (SOCIE) should be read in conjunction with the notes to the Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2023

	Attributable to equity holders of the parent									
	Issued capital $'000	Retained earnings $'000	Foreign currency translation reserve $'000	Put option reserve $'000	Hedge reserves $'000	Defined benefit plan and other reserves $'000	Share-based payments reserve $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
At 1 July 2022	**608,520**	**247,278**	**(5,057)**	**(8,161)**	**(1,128)**	**261**	**12,781**	**854,494**	**143,183**	**997,677**
Profit after tax for the year	–	65,253	–	–	–	–	–	**65,253**	26,370	**91,623**
Other comprehensive income for the year	–	–	62,397	–	17,601	(6,895)	–	**73,103**	62	**73,165**
Tax on other comprehensive income	–	–	–	–	(3,911)	17	–	**(3,894)**	–	**(3,894)**
Comprehensive income after tax for the year	**–**	**65,253**	**62,397**	**–**	**13,690**	**(6,878)**	**–**	**134,462**	**26,432**	**160,894**
Transactions with owners in their capacity as owners:										
Ownership changes without gaining/losing control (Note 9)	–	(5,337)	–	–	–	–	–	**(5,337)**	4,012	**(1,325)**
Non-controlling interests relating to new acquisitions (Note 7(a))	–	–	–	–	–	–	–	**–**	84,046	**84,046**
Non-controlling interests relating to disposals (Note 7(b))	–	–	–	–	–	–	–	**–**	(2,020)	**(2,020)**
Transfer to put option reserve	–	3,620	–	(3,620)	–	–	–	**–**	–	**–**
Net cost of share-based payment	–	–	–	–	–	–	11,482	**11,482**	–	**11,482**
Issue of shares, net of issue costs	337,167	–	–	–	–	–	–	**337,167**	–	**337,167**
Equity dividends (Note 6(d))	–	(52,415)	–	–	–	–	–	**(52,415)**	(22,138)	**(74,553)**
At 30 June 2023	**945,687**	**258,399**	**57,340**	**(11,781)**	**12,562**	**(6,617)**	**24,263**	**1,279,853**	**233,515**	**1,513,368**

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2024

	Notes	2024 $'000	2023 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,165,144	816,668
Dividends/trust distributions received from associates		37,973	38,203
Management fees received from associates/related entities, and interest received		56,001	34,665
Payments to suppliers and employees		(974,692)	(677,007)
Income tax paid		(63,616)	(32,339)
Interest paid		(47,547)	(62,813)
Net Settlement with Department of Justice*		(38,497)	–
Interest paid - lease liabilities	4	(5,556)	(4,001)
Net cash from operating activities before customer trust account movements		129,210	113,376
Net increase/(decrease) in cash held in customer trust accounts		(47,210)	88,862
NET CASH FLOWS FROM OPERATING ACTIVITIES		**82,000**	**202,238**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of consolidated entities, net of cash acquired	7 (a)	(43,931)	(160,199)
Cash inflow from sale of controlled entities (leading to loss of control)		15,037	9,710
Payment for new associates and increases in holdings in associates	8	(15,520)	(7,207)
Proceeds from reduction in interests in associates		1,750	42,135
Payment for contingent and deferred consideration on prior year acquisitions	18	(26,512)	(16,078)
Net payment for new broking portfolios purchased/broking portfolios sold		(8,582)	(4,307)
Net payments from purchases/sales of plant and equipment, capitalised projects, and other assets		(6,399)	(749)
Net repayments/(advances) of loans to associates/related entities		1,344	(159)
NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES		**(82,813)**	**(136,854)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital raising	20	195,741	161,297
Dividends paid to shareholders of the Group		(72,653)	(52,415)
Distributions paid to shareholders of non-controlling interests		(28,087)	(22,138)
Distributions paid to unitholders of controlled trusts		(15,430)	(11,803)
Increase in borrowings	10 (b)	97,313	709,315
Repayment of borrowings	10 (b)	(36,452)	(178,825)
Payments of principal for lease liabilities	10 (b)	(14,325)	(10,255)
Payment of financial liabilities resulting from acquisition of controlled entity		–	(92,978)
Payment for increase in interests in controlled entities		(49,401)	(21,934)
Proceeds from reduction in interests in controlled entities		12,507	18,394
NET CASH FLOWS FROM FINANCING ACTIVITIES		**89,213**	**498,658**
NET INCREASE IN CASH AND CASH EQUIVALENTS		88,400	564,042
Cash and cash equivalents at beginning of the period		1,196,721	592,460
Impact as a result of foreign exchange		1,195	40,219
Cash and cash equivalents at the end of the period	10	**1,286,316**	**1,196,721**

The above Consolidated Statement of Cash Flows (SOCF) should be read in conjunction with the notes to the Financial Statements.

* Please refer to Note 16 for further detail in relation to the settlement with the Department of Justice. Further contractual protections will be settled at the same time as the earn out of the Tysers acquisition.

1 CORPORATE INFORMATION

The consolidated financial statements are those of AUB Group Limited (the parent 'Company') and all entities that AUB Group Limited controlled (together the 'Group') during the year and at the reporting date.

The financial report of AUB Group Limited for the year ended 30 June 2024 was authorised for issue in accordance with a resolution of the directors on 21 August 2024. The Directors have the power to amend and reissue the financial report.

AUB Group Limited is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The principal activities of entities within the consolidated Group for the year were the provision of services globally across insurance broking, agencies, and distribution of ancillary products within the support services businesses.

The registered office and principal place of business of the Company is Level 14, 141 Walker Street, North Sydney NSW 2060, Australia.

2.1 MATERIAL ACCOUNTING POLICY INFORMATION

a. Basis of preparation of the financial report

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared under the historical cost convention, as modified by applying fair value accounting to certain financial assets and financial liabilities (including derivative instruments) measured at Fair Value through Profit or Loss ('FVTPL') or in other comprehensive income ('OCI').

The financial report is presented in Australian dollars ($) and all values are rounded to the nearest $1,000 (where rounding is applicable), unless otherwise stated, under the option available to the Company under ASIC instrument "Rounding in Financial/Directors' Reports" 2016/191. The Company is an entity to which this legislative instrument applies.

The functional currency of the Group and all segments other than New Zealand Broking and International is Australian Dollars. The New Zealand Broking segment's functional currency is New Zealand dollars. The International segment's functional currency is British Pounds. The presentational currency of the Group is Australian Dollars.

The financial statements have been prepared on a going concern basis.

Certain comparative information has been revised in this financial report to conform with the current period's presentation.

b. Statement of compliance

The financial statements comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

c. Basis of consolidation

Information from the financial statements of controlled entities is included from the date the parent entity obtains control until such time as control ceases. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, the Group also considers all relevant facts and circumstances in assessing whether it has control over an entity, including rights arising from contractual arrangements with the entity and/or other vote holders of the entity.

Where there is a loss of control of a controlled entity, the consolidated financial statements include the results for the part of the reporting period during which the parent entity had control.

The financial information in respect of controlled entities is prepared for the same reporting period as the parent Company using consistent accounting policies. Adjustments are made to ensure conformity with the Group's accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in the consolidated accounts.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries which are not 100% owned by the Group. These are presented separately in the Consolidated Statement of Comprehensive Income and within equity in the Consolidated Statement of Financial Position.

Transactions with owners in their capacity as owners

A change in ownership interest without loss of control is accounted for as an equity transaction. The difference between the consideration transferred and the book value of the share of the non-controlling interest acquired or disposed is recognised directly in equity attributable to the parent entity.

Where the parent entity loses control over a controlled entity, it derecognises the assets including goodwill, liabilities and non-controlling interests in the controlled entity together with any accumulated translation differences previously recognised in equity. The Group recognises the fair value of the consideration received and the fair value of the investment retained together with any gain or loss in the Consolidated Statement of Comprehensive Income.

d. Critical accounting assumptions and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

2.1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

d. Critical accounting assumptions and estimates (continued)

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions are found in the relevant notes to the financial statements.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Impairment of goodwill/intangibles and investments in associates

The Group determines whether goodwill is impaired at least on an annual basis and for any identifiable intangibles and investments in associates that have an indicator of impairment. This requires an estimation of the recoverable amount of the cash-generating units to which the goodwill is allocated. The resulting recoverable amounts derived from the appropriate measures described in Note 14 are compared to the carrying value for each CGU and in the event that the carrying value exceeds the recoverable amount, an impairment loss is recognised. The assumptions used in this estimation of recoverable amount and the carrying amount of goodwill are discussed in Note 14.

Measurement of contingent consideration

The Group recognises contingent consideration at fair value through profit or loss. Contingent consideration terms vary between transactions but generally involves either (1) an EBIT or Revenue (fixed) performance hurdle (generally 2-3 years) post the acquisition date (i.e. high water mark) or (2) future dated (generally 2-3 years) EBIT or Revenue times a fixed multiple less historic payments made.

See Note 7(a) and Note 8 for further details on current year transactions and Note 18 for movements in contingent and deferred consideration.

Re-estimation of financial liability at amortised cost

A financial liability at amortised cost has been recognised representing an estimate of the value the Group could be required to pay on the future exercise by holders of put options over non-controlling interests and the value of units held by others for consolidated trusts. The Group re-estimates the financial liability at the reporting date, taking into account the estimated future outcomes for income or profit. For put options, generally this involves projecting the EBIT of the entity to the first exercise date multiplied by the expected EBIT multiple and projected net debt (based on known information and the Company's gearing targets). Historical trends and any relevant external factors are taken into account in determining the likely outcome. See Note 18 for further details.

Deferred tax assets

Deferred tax assets ('DTA') are recognised for deductible temporary differences when management considers that it is probable that future taxable profits will be available to utilise those temporary differences. Judgement is required in relation to DTA's recognised in connection to carry forward losses. The future profitability of each entity or tax consolidation group (if a part of a tax consolidation group) needs to be assessed including where a capital loss is made, the probability of a future capital gain to offset the carry forward capital loss. See Note 5 for further details.

Pensions

Tysers operates two defined benefit pension schemes, which require contributions to be made to separately administered funds. The cost of the defined benefit pension schemes and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in a valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Remeasurements, comprising actuarial gains and losses, the effect of any asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the Statement of Financial Position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Capital risk management

AUB Group's risk management policy is to identify, assess, and manage risks, which are likely to adversely impact on its financial performance, continued growth and its survival. In terms of financial risk management, the Group takes a risk-averse approach, and seeks to minimise risk whilst bearing in mind cost effectiveness.

AUB does not engage in speculative activity, nor will it explicitly seek opportunities to profit from expected movements in the financial markets. The Group hedges cash flows where there is a mis-match in receipts compared to the functional currency of an entity.

As at 30 June 2024, AUB Group's hedge program includes foreign currency hedges, to mitigate the risk of variability of operating cash flows caused by foreign currency fluctuations. The current hedges are designed to ensure that USD revenue exposures are hedged to GBP, the Tysers functional currency.

Where possible, the Group takes advantage of natural hedges offsetting foreign currency assets and liabilities.

Hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts to hedge its exposure to foreign currency risk in forecast transactions.

At the inception of a hedge relationship, AUB Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

2.1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

d. Critical accounting assumptions and estimates (continued)

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve. If there is an ineffective portion of the hedge, that portion is recognised immediately in profit or loss.

Climate change

Climate change is a material risk to the global economy including the insurance sector. As a result of an increased frequency and severity of climate related events, the availability and cost of insurance coverage for some of our customers may be materially impacted. Our decentralised operating approach and diversified investment strategy helps to manage concentration risk to locations, industries, and products. As a result, we are not materially exposed to industries expected to be significantly impacted by climate change.

There are opportunities for the Group to facilitate alternative insurance cover for customers impacted by climate change. There are also opportunities for the Group within new and emerging markets such as renewable energy.

3 OPERATING SEGMENTS

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by members of the senior executive management team who are the entity's Chief Operating Decision Makers ('CODM') to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the aggregation criteria is still reported separately where information about the segment would be useful for the users of the financial statements. Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category.

The Group's corporate structure is organised into five business units which have been identified as separate reportable segments as follows:

1. **Australian Broking:** assesses the insurable risks and risk appetite of customers and sources relevant insurance products from insurers and underwriters to meet the needs of the customer. Post policy-binding services primarily include claims handling on behalf of the customer (claims preparation). Customers generally comprise Small and Medium Enterprise ('SME') businesses, however services are also provided to larger institutions and individuals.
2. **Agencies:** assesses, on behalf of the insurer, the risk profile of the end customer and pricing of policies requested by brokers. Post policy-binding services primarily include claims handling on behalf of the insurer (claims processing). Business is largely generated by brokers operating within the SME insurance sector in Australia and New Zealand. Agencies do not assume any underwriting risk and accordingly do not incur or hold policy liabilities.
3. **New Zealand Broking:** provides broking services within the New Zealand market. Operations are centrally monitored and managed by AUB Group NZ head office. As a distinct overseas operation and investment, performance of the segment is separately monitored.
4. **International (previously Tysers):** includes Wholesale and Retail broking and Managing General Agents ('MGA') and is headquartered in London. This is a separately reportable segment given Tysers is largely UK based and operating mainly in markets outside Australia. Tysers operates across:
   - Wholesale broking: wholesale broker to the Lloyd's marketplace with global distribution largely through retail brokers;
   - Retail broking: provides retail broking services within the UK market; and
   - Managing General Agents: operates insurer delegated authorities, both in-house and through third parties.
5. **Support Services:** provides a diversified range of services to support the Australian Broking, Agencies, New Zealand Broking and International segments, and external clients. Services include post claim rehabilitation, investigation, loss adjusting, legal, white labelling, Group captive insurance and AUB Group head office support. These sub segments are not individually reportable.

Discrete financial information about each of these segments is reported to management on a regular basis and the operating results are monitored separately for the purposes of resource allocation and performance assessment.

Each segment, except Support Services, contains entities with similar characteristics in relation to customer profile and operational risks.

Underlying Net Profit Before Tax

Performance of segments is reviewed by CODM on an Underlying Net Profit Before Tax ('UNPBT') basis. UNPBT excludes the effects of non-recurring events or other items not representative of the underlying operations of the Group. Items of income and expenditure which do not represent the underlying performance of the Group and segments include restructuring costs, acquisition related costs, fair value gains/losses, profits/losses on sale, amortisation of broking registers and impairments.

Such items are considered to be a result of non-recurring events or non-representative of the underlying operations of the Group and segments of the Group. UNPBT also excludes non-controlling interests ('NCI') to reflect the performance attributable to the shareholders of the Company.

3 OPERATING SEGMENTS (CONTINUED)

UNPAT reconciles to the Profit after income tax attributable to equity holders of the parent ('Reported NPAT') within the Statement of Comprehensive Income ('SOCI') as follows:

	Notes	2024 $'000	2023 $'000
Net Profit after tax attributable to equity holders of the parent	**SOCI**	**137,072**	**65,253**
Add back/(less) (net of NCI and income tax):			
– Amortisation of broking registers		39,604	30,352
– Adjustments to value of entities (to fair value) on the day they became controlled entities		(17,794)	(29,796)
– Remeasurement of put option liability (net of interest unwind)		(1,463)	3,620
– Impairment charge		–	5,473
– Movements in contingent consideration (net of interest unwind)		(18,734)	39,912
– (Profit)/loss on deconsolidation of controlled entity, sale/dilution of associates and portfolios		(2,503)	(25,315)
– Impairment of the right-of-use asset and onerous lease expense		153	251
– Costs in relation to Syndicated Debt Facility restructuring		9,748	–
– Expenses incurred for acquisitions in the current and prior period		24,932	39,355
Underlying Net Profit After Tax		**171,015**	**129,105**
Represented by:			
Underlying profit pre-tax		240,026	180,643
Tax expense		(69,011)	(51,538)
Underlying Net Profit After Tax		**171,015**	**129,105**

	30 June 2024					
Segment Financial Performance	Australian Broking $'000	Agencies $'000	New Zealand Broking $'000	International $'000	Support Services $'000	Total $'000
Inter-segment revenue	6,729	–	–	–	–	**6,729**
Revenue from external customers	322,934	179,358	80,755	422,050	9,049	**1,014,146**
Total revenue and other income	**329,663**	**179,358**	**80,755**	**422,050**	**9,049**	**1,020,875**
Share of Net Underlying Profits of Associates accounted for using the equity method before amortisation on broking registers and income tax expense	39,771	1,718	1,051	(84)	15,088	**57,544**
Total income	**369,434**	**181,076**	**81,806**	**421,966**	**24,137**	**1,078,419**
Less: Expenses						
Total underlying cost to provide services and administrative expenses*	(202,752)	(101,874)	(51,354)	(318,514)	(17,411)	**(691,905)**
Inter-segment expenses	–	(6,729)	–	–	–	**(6,729)**
Interest paid and other borrowing costs	(5,233)	(590)	(2,810)	(3,291)	(61,689)	**(73,613)**
Non-controlling interest	(41,288)	(16,533)	(4,926)	(3,399)	–	**(66,146)**
Underlying Net Profit Before Tax	**120,161**	**55,350**	**22,716**	**96,762**	**(54,963)**	**240,026**

* Excludes non-operating expenses, refer to preceding table for reconciliation between statutory profit and underlying profit before tax.

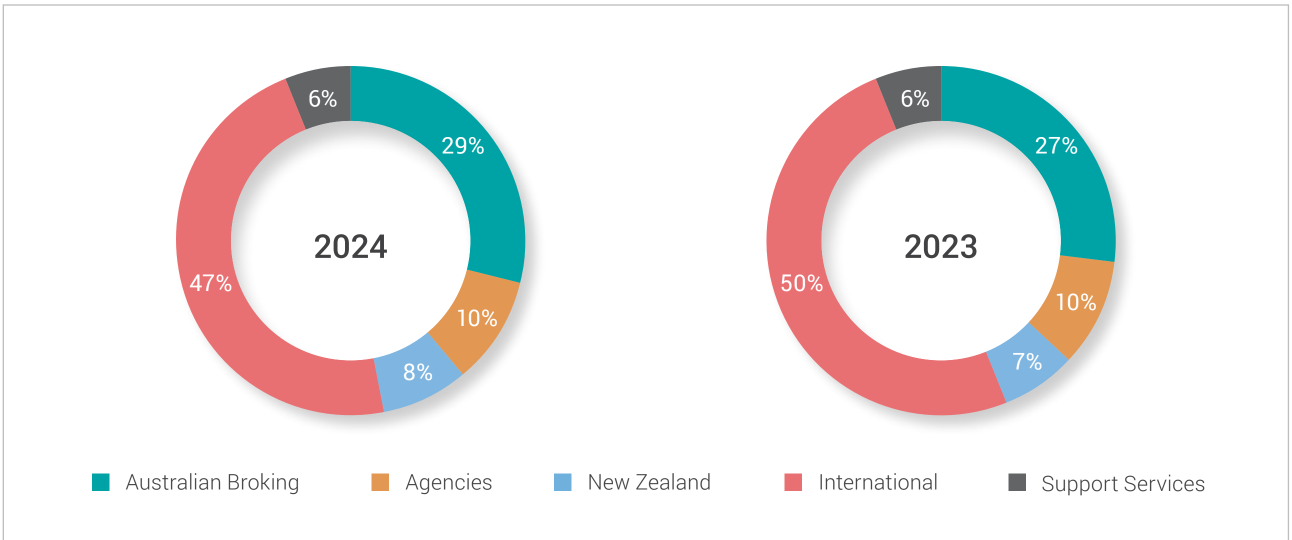
3 OPERATING SEGMENTS (CONTINUED)

	30 June 2023					
Segment Financial Performance	Australian Broking $'000	Agencies $'000	New Zealand Broking $'000	International $'000	Support Services $'000	Total $'000
Inter-segment revenue	5,618	–	–	–	–	5,618
Revenue from external customers	273,899	143,202	60,690	311,069	2,883	791,743
Total revenue and other income	**279,517**	**143,202**	**60,690**	**311,069**	**2,883**	**797,361**
Share of Net Underlying Profits of Associates accounted for using the equity method before amortisation on broking registers and income tax expense	41,069	2,855	1,287	(325)	12,480	57,366
Total income	**320,586**	**146,057**	**61,977**	**310,744**	**15,363**	**854,727**
Less: Expenses						
Total underlying cost to provide services and administrative expenses*	(190,929)	(88,696)	(43,874)	(231,245)	(24,032)	(578,775)
Inter-segment expenses	–	(5,618)	–	–	–	(5,618)
Interest paid and other borrowing costs	(741)	(58)	(1,196)	(992)	(41,685)	(44,673)
Non-controlling interest	(24,165)	(16,635)	(2,640)	(1,578)	–	(45,018)
Underlying Net Profit Before Tax	**104,751**	**35,050**	**14,267**	**76,929**	**(50,354)**	**180,643**

* Excludes non-operating expenses, refer to preceding table for reconciliation between statutory profit and underlying profit before tax.

Segment Non-Current Assets

The total of non-current assets other than financial instruments and deferred tax assets are provided in the following graphs. The measurement of segment non-current assets follows the accounting policies of the Group.



Intangible assets such as goodwill, and investment in associates have been presented within the segment the respective underlying operations is contained.

Disaggregated information by segment of the carrying value of associates is disclosed in Note 8.

3 OPERATING SEGMENTS (CONTINUED)

Other Segment Information

Revenue from external customers is attributed to geographic location based on the country where services were provided.

Revenue based on geographic location	2024 $'000	2023 $'000
Australia	548,972	415,218
New Zealand	81,753	80,759
UK	118,972	113,656
USA	105,741	69,515
Rest of Europe	48,419	24,987
Other	110,289	87,609
Total revenue	**1,014,146**	**791,744**

4 REVENUE AND EXPENSES

Revenue Recognition

Revenue from contracts with customers

The Group will recognise as revenue the amount of the transaction price that is allocated to the performance obligation, excluding any amounts that are highly probable of significant reversal, when the performance obligation has been satisfied.

Australian Broking, Australian Agencies, and New Zealand Broking Segments

Commission, brokerage and fees

In most instances the Group receives short-term advances from its customers, being the receipt of the premium and fees on bound policies prior to the due date to the insurer. Using the practical expedient in AASB 15, the Group does not adjust the consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised service to the customer and when the customer pays for that service will be one year or less.

Non-Variable Component

Policy issuance

Commission, brokerage and fee income is generated by brokers primarily through assessment of insurable risks and risk appetite of customers and sourcing relevant insurance products from insurers and underwriters which meets the needs of the customer. For agencies, services are provided to brokers (the customer), through assessment of risk profile and pricing of policies requested by brokers.

The Group recognised commissions, brokerage and fee revenue at invoice date on the basis that: (a) the Group acts primarily as an agent of the customer when acting in the capacity as a broker, and as an agent of the insurer while acting in the capacity as an agent; (b) the Group's performance obligations are distinct from those of the insurer; and (c) the Group's performance obligations are predominantly completed prior to the inception of the insurance policy, the invoice date is the relevant date to recognise the fixed components of revenue.

Claims handling

Claims handling refers to claims processing on behalf of insurers. In certain arrangements (separate contract or distinct clause within binding agreements with insurers) the cost per claim processed is separately identifiable. For such claims the revenue is recognised over time based on the number of claims processed and the percentage of completion of claims assessment in progress at the balance sheet date.

Variable components

The Group recognises the variable amount of revenue only to the extent that it is highly probable that a significant reversal of revenue will not occur when the uncertainty associated with the variability is resolved.

4 REVENUE AND EXPENSES (CONTINUED)

Claims handling and premium settlement activities

In most arrangements for agencies, claims handling services forms part of the binding arrangement with insurers. Claims handling for brokers refers to claims preparation services on behalf of the insured. Premium settlement refers to post policy issuance activities such as payment processing and bordereaux/settlement reporting.

Revenue associated with claims handling services and premium settlement activities is recognised over time as the services are provided to the customer and variable consideration is constrained to reflect potential cancellations.

Premium Funding Commissions

Premium funding companies provide services to a similar customer base as the brokers within the Group. The services provided by these companies involve short-term lending of the upfront Gross Written Premium ('GWP') in return for the principal loan repaid over the term of the insurance cover plus interest and fees.

The Premium Funding Commission is recognised monthly by the Group on receipt of cash or notification by the Premium Funding Company on the commission due to the Group. No component of the commission is deferred as no ongoing obligation exists for the Group.

Profit Commissions

Profit Commissions refer to the share of profits provided to the broker or agencies by the insurer in relation to the book of policies (the 'book') bound by the broker or agency in any given underwriting year. Insurers calculate the profit based on the GWP less any cost incurred to maintain the book, and satisfy its obligations under the policies within the book such as claim acquisition, and maintenance costs. The variable consideration is contingent on the performance of the book and in particular the quantum of claims.

The Group recognises profit commission at the earlier of:

- receipt of payment;
- receipt of the insurers' advice of the amount earned; or
- where the recipient is an agency who administers the related claims handling services, the point at which the profit commission no longer contains a highly probable risk of significant reversal of revenue.

Support Services Segment

Fees

Fee revenue earned is recognised upon issue of an invoice for services rendered, plus an accrual for a percentage of completion of any work in progress (including a profit margin), which has yet to be invoiced, but for which the Group has an enforceable right of payment. No ongoing performance obligation exists after the issuance of the invoice.

Other Revenue

Other income is recognised when the service has been performed and the right to receive the payment is established.

Management fees from related entities

Management fees and other revenue are recognised over time as the performance obligation is satisfied.

Interest income

Interest income is recognised as interest accrues using the effective interest method.

Dividends and distributions from trusts

Dividends and distributions from trusts are recognised when the shareholder's right to receive the payment is established.

Share of profits of associates

The Group recognises its share of profits of associates using the equity accounted method, being the recognition of a post-tax share of profits at the Group's economic interest of each associate. The share of profits excludes any fair value changes or impairments incurred within the associate as a result of a downstream transaction such as bolt on acquisitions or changes in control. Additionally, differences between the Group and entity accounting policies are adjusted at the Group level, primarily in relation to intangibles recognised by the acquirer (i.e. the Group) which were not recognised at the associate level. The amortisation of such intangibles over its useful life (generally 10 years) is separately disclosed.

4 REVENUE AND EXPENSES (CONTINUED)

	2024 $'000	2023 $'000
a. Revenue from contracts with customers		
Commission, brokerage and fee income	931,554	734,033
Management fees from related entities	5,882	5,982
Other revenue	27,351	23,644
Total revenue from contracts with customers	**964,787**	**763,659**
Recognised at a point in time	*881,429*	*684,281*
Recognised over time	*83,358*	*79,378*
b. Other income		
Interest income from related parties	1,509	248
Interest from other persons/corporations	47,838	27,836
Total other income	**49,347**	**28,084**
c. Share of profit of associates		
Share of profit of associates after tax but before amortisation	42,970	41,920
Amortisation of intangibles – associates	(6,816)	(6,230)
Total share of profit of associates	**36,154**	**35,690**

Expenses

Expenses, including salaries and wages, business technology and software costs, insurance, advertising and marketing, and interest, are recognised as incurred or as services are provided to the Group.

Salary related statutory obligations such as long service leave are accrued on a probability weighted basis to the vesting date. Assumptions are applied in relation to annual and long service leave with respect to expected wage growth and risk free discount rates over the next 10 years.

Amortisation of broker registers are conducted on a straight line basis over the useful life of the asset, generally 10-12 years.

The right-of-use asset incorporates fixed rental increases, with changes based on indexes and rental market reviews incorporated when such changes are known. The Group applies practical expedients in relation to short-term (less than 12 months) and low value (less than $7,000 AUD) leases. Such leases are recognised on a straight line basis of the expected gross expense over the term of the lease.

Depreciation/amortisation of all other assets is recognised on a straight line basis over the useful life of the asset, refer to Note 27 for more details.

Commission expenses are sub agent and referral fees paid to another party in return for introductory services on insurances brokered by the Group. The expense is recognised in full when the related insurance policy is invoiced. For broking entities, typically they are the principal in the arrangement and as such the commission income and expense are not offset. For agencies, and in some arrangements for broking entities, the commission is recognised on a net basis as the entity was determined to be an agent in the arrangement.

Legal fees/acquisition costs are recognised as they are incurred except in relation to acquisition of a non-financial asset, borrowing facility, or associates. The costs that are directly attributable to bringing an asset to its intended use are capitalised and depreciated over the useful life of the asset. The costs directly attributable to obtaining funding are capitalised and amortised over the term of the facility to a maximum of 5 years. The cost directly attributable to acquisition of an associate is capitalised as part of the carrying value of the associate.

Further disclosures in relation to non-operating gains and losses such as fair value adjustments to carrying value or gains/losses from sale are made in Notes 7-9.

4 REVENUE AND EXPENSES (CONTINUED)

Expenses (continued)

	2024 $'000	2023 $'000
d. Costs to provide services and administrative expenses		
Salaries and wages	488,637	403,164
Business technology and software costs	54,099	43,571
Commission expense	33,447	26,045
Amortisation/impairment of right-of-use asset and rent expense	22,543	17,097
Amortisation of broking registers and other assets	51,104	37,024
Amortisation/depreciation of software and fixed assets	7,469	6,241
Insurance	19,015	22,776
Advertising, marketing, and travel costs	37,843	29,826
Consulting, accounting, and audit fees	31,901	21,150
Legal fees/acquisition costs	12,502	19,349
Share-based payments	8,678	10,591
Other expenses	22,960	23,791
Total cost to provide services and administrative expenses	**790,198**	**660,625**
e. Finance costs		
Interest paid and other borrowing costs*	68,074	44,673
Interest unwind on lease liability	5,538	4,001
Interest unwind on contingent consideration and put option liability	15,552	12,429
Finance charge on profits of trust minority interests	12,755	10,999
Total finance costs	**101,919**	**72,102**
f. Adjustments to carrying value		
Fair value adjustment relating to the carrying value of associates and goodwill	15,551	29,930
Adjustment to contingent consideration on acquisitions	34,139	(26,920)
Remeasurement of put option liability	1,611	(3,317)
Impairment charge relating to the carrying value of goodwill and intangible assets (see Note 13)	–	(6,342)
Total adjustments to carrying value	**51,301**	**(6,649)**
g. Profit from sale or dilution of interests in associates, controlled entities, and broking portfolios		
Profit on sale of controlled entities leading to deconsolidation (Note 7(b))	4,154	4,447
Profit from sale or dilution of interests in associates and broking register	2,443	34,599
Total profit from sale or dilution of interests in associates, controlled entities, and broking portfolios	**6,597**	**39,046**

* Includes $13.2m of costs in relation to the Syndicated Debt Facility restructuring.

5 INCOME TAX

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the year end date as presented in the Consolidated Statement of Financial Position.

Deferred income tax is provided on all temporary differences at the date of the Consolidated Statement of Financial Position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill, or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary differences associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. No deferred tax liability has been recognised in respect of any potential profit on the disposal of an associate or controlled entity by the Group as there is no intention of disposing of these assets in the foreseeable future. Any tax liability will be recognised before the date of asset's disposal, when it is considered probable that the temporary difference will reverse in the foreseeable future.

5 INCOME TAX (CONTINUED)

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary differences associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each year end date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each year end date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the year-end date as presented in the Consolidated Statement of Financial Position.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation

For the purposes of income taxation, AUB Group Limited ('AUB') entered into a Consolidated Tax Group with its 100% owned Australian subsidiaries. Tax consolidation results in the controlled entity members being treated as part of the Head Company for tax purposes rather than as a separate taxpayers. The Income Tax Assessment Act (1997) provides that the Consolidated Tax Group is to be treated as a single entity for Australian tax purposes with the Head Company responsible for the tax payable. AUB formally notified the Australian Taxation Office of its adoption of the tax consolidation regime.

The Consolidated Tax Group was formalised by entering into tax sharing and tax funding agreements in order to allocate income tax payable to group members. Each member of the group calculates tax expense on an entity basis. The agreement also provides that AUB carries forward tax funding assets or tax funding liabilities for which an intercompany loan is recognised between the parties.

Tax effect accounting by members of the tax consolidated group

Members of the tax consolidated group have entered into a tax funding agreement. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group in accordance with their accounting profit for the period, while deferred taxes are allocated to members of the tax consolidated group in accordance with the principles of AASB 112 Income Taxes. Allocations under the tax funding agreement are made at the end of each quarter.

Effective Tax Rate

The Effective Tax Rate for the year ended 30 June 2024 was 23% (2023: 28%). The Group's tax rate is below the main effective tax in Australia of 30% largely as a result of the $11m tax impact of entities that are accounted for on an equity basis and $14m for amounts recognised in Profit and Loss for adjustments to carrying value of associates. Entities accounted for on an equity basis are fully tax paying in Australia, however for accounting purposes the related tax expense is reflected in the net return on the investment rather than the tax expense of the Group. This is offset by a $9m increase in the tax charge resulting from expenses that are not deductible for tax purposes which principally relate to fees incurred when acquiring new businesses in the year.

The decrease in the effective tax rate of 5% is largely the result of a net gain of $14m on the adjustment to carrying value of investments in 2024 (see Note 4 (f)), that did not have an associated tax expense; in 2023 this was a loss of $2m. The main impact on the tax rate in future years is expected to be the continued profitability of the business accounted for under the equity accounting rules as discussed above, the change in geographic profile of the earnings of the Group and any changes in tax legislation. The Group is expected to become a Significant Global Entity during the Year Ending 30 June 2025 as a result of the global growth of the business. However, this is not expected to impact the effective tax rate of the Group.

5 INCOME TAX (CONTINUED)

Effective Tax Rate (continued)

The AUB Group consists of AUB Group Limited, the parent entity and ASX listed entity, and over 300 entities in which the parent has a direct or indirect economic interest. The information reported by the Australian Taxation Office ('ATO') (as prescribed by statute) in respect of corporate tax entities will not necessarily provide the complete picture, particularly for organisations such as the AUB Group that receive a significant amount of its income through franked dividends.

The AUB Tax Consolidation Group ('AUB TCG'), comprises only AUB Group Limited (the parent entity) and its 100% wholly owned entities. The primary income of the AUB TCG is the receipt of franked dividend income received from the partly owned entities. Given tax has already been paid in respect of the franked dividends, the AUB TCG is entitled to a credit equal to that tax. That is, the franking credits attaching to the dividends reflect tax that has already been paid by the individual entity paying the dividends. While the franking credits represent tax paid, they are reflected in the income tax return of the AUB TCG as an offset against AUB's gross tax, thereby reducing the amount disclosed as 'tax payable'. The amount disclosed by the ATO in their report is after the franking credits have been taken into account, which does not reflect the tax paid by the Group.

a. Income tax expense

i. Major components of income tax expense are as follows:

	2024 $'000	2023 $'000
Current income tax		
Current income tax charge	56,075	49,638
Adjustment for prior years	(3,087)	(1,077)
Deferred tax credit		
Origination and reversal of temporary differences	(4,596)	(13,081)
Total income tax expense in Consolidated Statement of Comprehensive Income	**48,392**	**35,480**

ii. A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the company's applicable income tax rate is as follows:

	2024 $'000	2023 $'000
Profit before income tax	216,069	127,103
At the company's statutory income tax rate of 30% (2023: 30%)	64,821	38,131
Impact of:		
Equity accounted income/distributions from entities operating as trusts	(10,955)	(8,975)
Gain/(Loss) on sale	2,098	775
Adjustments to carrying value (see Note 4(f))	(13,683)	1,995
Tax losses not recognised	536	1,095
Benefit of tax losses not previously recognised	–	(1,099)
Income taxed at different tax rates on overseas operations	(621)	981
(Over)/under provision prior year	(3,084)	(1,077)
Acquisition costs and other non-deductible expenses	9,280	3,654
Income tax expense reported in the Consolidated Statement of Comprehensive Income	**48,392**	**35,480**

5 INCOME TAX (CONTINUED)

b. Deferred income tax

Deferred Tax Assets and Deferred Tax Liabilities are offset when they relate to the same tax authority, there is a legally enforceable right of offset and tax amounts in that jurisdiction are intended to be settled on a net basis.

i. Movement in deferred income tax during the year relates to the following:

	Assets		Liabilities	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Unamortised broking registers (and other intangibles)	–	–	(123,077)	(132,791)
Accrued income not yet assessable	–	–	(6,874)	(5,912)
Foreign currency hedge	–	–	(2,548)	(4,332)
Defined benefit pensions	–	–	(1,449)	(1,611)
Accrued expenses and provisions	31,391	30,092	–	–
PPE & ROU tax timing differences	3,057	5,578	–	–
Borrowing costs	1,920	4,068	–	–
Carry forward capital losses	–	–	–	–
Carry forward operating losses	7,723	9,737	–	–
Other	2,674	–	(7,342)	(1,761)
Netting of deferred taxes (arising within same tax consolidated group or entity)	(22,009)	(28,090)	22,009	28,090
Deferred tax assets/(liabilities)	**24,756**	**21,385**	**(119,281)**	**(118,317)**

The Other Deferred Tax Asset and Liability balances principally relate to timing differences resulting from differing accounting standards used in preparation of financial statements for some subsidiary companies.

ii. Unrecognised deferred tax assets

Deferred tax assets for tax losses incurred are recognised to the extent that the Group expects the carry forward losses to be utilised in the future. Deferred tax assets arising from unused tax losses not recognised at 30 June 2024 was $3.0m (2023: $2.0m). Deferred tax assets arising from unused capital losses not recognised at 30 June 2024 was nil (2023: $1.1m).

6 EARNINGS PER SHARE ('EPS')/DIVIDENDS PAID AND PROPOSED

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses;
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; and
- divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

a. Earnings Per Share ('EPS')

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	2024 $'000	2023 $'000
Net profit attributable to ordinary equity holders of the parent	137,072	65,253

	2024 Thousands Shares	2023 Thousands Shares
Weighted average number of ordinary shares for basic earnings per share	109,081	99,837
Effect of dilution:		
Share options	758	430
Weighted average number of ordinary shares adjusted for the effect of dilution	**109,839**	**100,267**
Basic earnings per share (cents per share)	**125.65**	**65.35**
Diluted earnings per share (cents per share)	**124.79**	**65.08**

b. Changes in weighted average number of shares

On the 5 July 2024, a further 909,086 shares were issued as part of a Share Placement Plan and therefore have no impact on the diluted EPS as at 30 June 2024. The weighted average number of shares for the period between the date of issue and the date of completion of these financial statements is 119,551.

There have been no significant transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

c. Information on the classification of securities

Options granted to employees as described in Note 21 are considered to be potential ordinary shares and have been included in the determination of the diluted earnings per share to the extent they are dilutive. These options have not been included in the determination of the basic earnings per share. The amount of the dilution of these options is the average market price of ordinary shares during the year minus the exercise price.

6 EARNINGS PER SHARE ('EPS')/DIVIDENDS PAID AND PROPOSED (CONTINUED)

d. Equity dividends on ordinary shares

	2024 $'000	2023 $'000
Dividends paid or recognised as a liability during the year		
Final franked dividend for financial year ended 30 June 2022: 38.0 cents	–	35,155
Interim franked dividend for financial year ended 30 June 2023: 17.0 cents	–	17,260
Final franked dividend for financial year ended 30 June 2023: 47.0 cents	50,951	–
Interim franked dividend for financial year ended 30 June 2024: 20.0 cents	21,702	–
Total dividends paid/provided in current year	**72,653**	**52,415**

In addition to the above, dividends paid to non-controlling interests totalled $28.09m (FY23: $22.14m).

	2024 $'000	2023 $'000
Dividends proposed and not recognised as a liability		
Final franked dividend for financial year ended 30 June 2023: 47.0 cents	–	50,951
Final franked dividend for financial year ended 30 June 2024: 59.0 cents	68,787	–
	68,787	**50,951**
Dividends paid and accrued per share (cents per share)	67.00	55.00
Dividends proposed per share (cents per share) not recognised at balance date	59.00	47.00

e. Franking credit balance

The amount of franking credits available for the subsequent financial year are:

	2024 $'000	2023 $'000
– franking account balance as at the end of the financial year at 30% (2023: 30%)	78,274	61,938
– franking credits that will arise from the payment of income tax payable as at the end of the financial year	115	15,359
The amount of franking credits available for future reporting periods	**78,389**	**77,297**
– impact on the franking account of dividends proposed or determined before the financial report was authorised for issue but not recognised as a distribution to equity holders during the year	(29,480)	(21,836)
The amount of franking credits available for future reporting periods after payment of dividend	**48,909**	**55,461**

The tax rate at which paid dividends have been franked is 30% (2023: 30%).

Dividends proposed will be franked at the rate of 30% (2023: 30%).

7 BUSINESS COMBINATIONS AND TRANSACTIONS INVOLVING GAIN OR LOSS OF CONTROL

a. Business combinations

A major strategy of the Group is to acquire part ownership in insurance broking, agency and other complementary services businesses or portfolios. The terms of these acquisitions vary in line with negotiations with individual vendors but are structured to achieve the Group's benchmarks for return on investment.

The business combinations in the current period relate to insurance broking, agency and wholesale insurance businesses in Australia, New Zealand, Belgium and the United Stated of America.

The acquisition method of accounting is used to account for all business combinations. Consideration transferred is measured as the fair value of the assets given, shares issued or liabilities assumed at the date of exchange. All acquisition costs including legal fees are charged against profits to acquisition and legal fees (see Note 4(d)) as incurred.

An estimate is made of the fair value of the future contingent consideration. Any variation to this amount in future periods (either up or down) is recognised through the Consolidated Statement of Comprehensive Income. Over accruals are recognised as income in the year the amount is reversed and any under accruals are charged as an expense against profits. Contingent considerations are recognised in the Consolidated Statement of Financial Position at fair value. Refer to Refer to Note 2.1 (d) and Note 18 for further information on measurement and critical assumptions.

When a business combination occurs, the acquiree's identifiable assets and liabilities are measured at their fair value at the date of acquisition to determine the amount of any goodwill associated with the transaction. Any previously held interests of the acquiree are remeasured to fair value, with the movement reflected in the Consolidated Statement of Comprehensive Income as either a profit or loss. If new information becomes available within one year of acquisition about the facts and circumstances that existed at the date of acquisition, then any revisions to the fair value previously recognised, will be retrospectively adjusted.

Non-Controlling Interest is initially measured at fair value.

When the Group increases their interest in a company leading to the Group obtaining control in the company the Group derecognises the investment in associate and recognises the acquiree's identifiable assets and liabilities measured at their fair value in line with other business combinations. The shares held immediately preceding the Group obtaining control is remeasured based on the fair value of the shares acquired, resulting in a fair value gain or loss. The cumulative amount recognised through Other Comprehensive Income is reclassified to profit or loss when control is obtained or lost.

Where there is a change in ownership and the Group loses control, the gain or loss will be recognised in the Consolidated Statement of Comprehensive Income and the net assets of the entity including the carrying value of non-controlling interests is derecognised.

Change in the ownership interest in a controlled entity (without loss of control) is accounted for as a transaction with owners in their capacity as owners and these transactions will not give rise to a gain or loss in the Consolidated Statement of Comprehensive Income.

Refer to Note 9 for transactions between owners.

7 BUSINESS COMBINATIONS AND TRANSACTIONS INVOLVING GAIN OR LOSS OF CONTROL (CONTINUED)

a. Business combinations (continued)

a. i. During the current period, the following transactions occurred:

During the period the business combination transactions of the Group included JC & JD Holdings LLC, JUA Holdings Pty Ltd, Austbrokers CE McDonald Pty Ltd and SURA Professional Risks Pty Ltd, none of which were individually significant.

The total Revenue and Net Profit After Tax recognised during the year in relation to the current period acquisitions was $25.9m, and $7.3m respectively. Group Revenue and Net Profit After Tax in relation to the current period acquisitions would have been $38.6m and $10.6m respectively, had all of the above transactions closed on 1 July 2023.

Business Acquired	Transaction date(s)	2024 $ '000	2023 $ '000
All other transactions	Various	Various	Various
Total consideration paid for all additional interest acquired		**110,343**	**1,101,779**
Less contingent/deferred consideration		(22,382)	(154,912)
Less shares issued by Parent (AUB Group Limited)		–	(175,870)
Less shares issued by a subsidiary		(13,273)	(39,146)
Less cash acquired		(6,721)	(95,131)
Less trust cash acquired		(24,036)	(476,521)
Payments for acquisition of consolidated entities, net of cash acquired		**43,931**	**160,199**
Goodwill arising on acquisition related to the Group		82,758	801,739
Goodwill arising on acquisition related to non-controlling interests		34,532	48,968
Total goodwill arising on acquisition		117,290	850,707
Other intangibles net of deferred taxes		25,902	340,484
Net increase in non-controlling interest		33,125	84,046

ii) During the prior period, the following transactions occurred:

- Effective 1 July 2022, Austbrokers Corporate Pty Ltd ('AUC'), a controlled entity of the Group, acquired 100% of SRS Broking Pty Ltd. AUC partially funded the acquisition by issuing shares, resulting in AUB diluting its ownership in AUC by 20% to 80%.
- Effective 30 September 2022, AUB Group acquired 100% of Integro Insurance Brokers Holdings Limited and its controlled entities, Galileo Insurance Services LLC, and Integro Insurance Brokerage Services LLC (collectively "Tysers") for GBP 520m comprising GBP 320m in cash, GBP 100m in AUB shares, and GBP 100m in contingent consideration. The contingent consideration is subject to Tysers meeting revenue growth hurdles within 24 months of completion. The fair value of the contingent consideration at acquisition date is based on the probability weighted outcome discounted over 24 months at 9.88%. Contingent consideration is recognised at fair value through profit or loss, refer to Note 4 (f).
- Effective 1 January 2023, AUB Group acquired a further 25% of AEI Insurance Group Pty Ltd ("AEI"). On this date AEI became a controlled entity of the Group, and the transaction resulted in a fair value gain on step up of $27.4m.

b. Loss of Control

When a 100% disposal occurs the Group derecognises all assets and liabilities previously recognised in relation to the disposed entity including associated goodwill. A gain or loss is recognised in relation to the disposal based on the difference between the carrying value of net assets (including goodwill) associated with the entity and the sale price.

When a partial disposal occurs leading to the Group losing control of the entity, the Group derecognises all assets, liabilities and NCI previously recognised in relation to the disposed entity including associated goodwill with an investment in associate recognised in relation to the remaining interest continued to be held by the Group. A gain or loss is recognised in relation to the disposal based on the difference between the share (portion of interest being disposed) of net assets (including goodwill) associated with the entity and the sale price.

i. During the current period, the following transactions occurred:

- During the period the Group lost control of HQ Insurance Pty Ltd.

ii. During the prior period, the following transactions occurred:

- Effective 31 January 2023, the Group disposed all of its interest in Austbrokers Coast to Coast Pty Ltd ('Coast to Coast'). On that date Coast to Coast ceased to be a controlled entity.

8 INVESTMENT IN ASSOCIATES

The Group's investments in its associates are accounted for under the equity method of accounting in the Consolidated Financial Statements. These are entities in which the Group has significant influence and which are not controlled entities. The Group deems they have significant influence if they have more than 20% of the voting rights.

The financial statements of the associates are used by the Group to apply the equity method. The reporting dates of the associates and the AUB Group are identical and adjustments are made to bring into line dissimilar accounting policies used by associates.

The investment in associates is carried in the Consolidated Statement of Financial Position at cost plus post-acquisition changes in the Group's share of associates profit/(loss) for the period, less dividends and any impairment in value. The Consolidated Statement of Comprehensive Income reflects the Group's share of the results of operations of the associates.

Refer to Note 14 *Impairment Assessment* for accounting policies in relation to the impairment testing of investments in associates.

On partial acquisition whilst maintaining significant influence the purchase price is added to the investment in associate carrying value, and on partial disposal whilst maintaining significant influence the portion of interest in the entity being sold is proportionately derecognised from the investment in associate carrying value. As part of impairment testing we consider the recent purchase/disposal prices when determining if there are indicators of impairment.

i. During the current period, the following transactions occurred:

There were no significant transactions in respect of associates during the period.

Entity	Transaction date(s)	30 Jun 2024 %/$'000	30 Jun 2023 %/$'000
Increase in voting shares			
Various	Various	Various	Various
Total cash consideration paid for all interest acquired		**15,520**	**7,207**
Decrease in voting shares			
Various	Various	Various	Various
Total consideration received for all interest disposed		**1,750**	**43,435**
Less carrying value of shares being sold		(178)	(6,104)
Less Capital Gains Tax on shares being sold		(525)	(10,948)
Net gain on disposal of interest		**1,047**	**26,383**

ii. During the previous period, the following transactions occurred:

- Effective 1 August 2022, the Group disposed its interest in SRG Group Pty Limited.
- Effective 1 May 2023, the Group's disposed its interest in Western United Financial Services Pty Limited.

iii. The Group's investment in associates ownership at balance date is as follows:

	2024 %	2023 %
Australian Broking		
Adroit Specialty Risks Pty Limited	34.0	34.0
Austbrokers ABS Aviation Pty Ltd	50.0	50.0
Austbrokers Dalby Insurance Brokers Pty Ltd	50.0	50.0
Austbrokers Kelly Partners Pty Ltd	50.0	50.0
Austbrokers SPT Pty Ltd	50.0	50.0
Bluestone Insurance Pty Ltd	50.0	50.0
Brett Grant and Associates Pty Ltd	50.0	50.0
Broker Claims Pty Ltd	47.5	47.5
Claim Central Consolidated Pty Ltd	38.3	–
Countrywide Insurance Holdings Pty Ltd**	52.5	52.5
Cruden & Read Pty Ltd	50.0	50.0

8 INVESTMENT IN ASSOCIATES (CONTINUED)

	2024 %	2023 %
Australian Broking (continued)		
Finzane Group Pty Ltd*	70.0	50.0
F360 IB Pty Ltd	29.1	–
Global Assured Finance Pty Ltd	50.0	50.0
JMD Ross Insurance Brokers Pty Ltd	50.0	50.0
KJ Risk Group Pty Ltd	49.0	49.0
Lea Insurance Brokers Pty Ltd/ Lea Group Trust**	67.7	57.0
Markey Group Pty Ltd	50.0	50.0
MGA Management Services Pty Ltd	49.9	49.9
National Rural Insurance Group Pty Ltd	25.0	25.0
Nexus Advisernet (Aust) Pty Ltd	26.5	26.5
Oxley Insurance Brokers Pty Ltd/Port Macquarie Insurance Brokers Unit Trust	42.7	42.7
Pace Insurance Pty Ltd/Pace Insurance Group Unit Trust	10.4	10.4
Peter L Brown & Associates Pty Ltd	50.0	50.0
Rework Pty Ltd	50.0	50.0
Rivers Insurance Brokers Pty Ltd	50.0	50.0
Supabrook Pty Ltd	50.0	50.0
The Procare Group Pty Ltd	48.8	48.8
YDR Pty Ltd	50.0	50.0
Agencies		
Anchorage Marine Underwriting Agency Pty Ltd	26.2	26.2
Hiller Marine Pty Ltd	–	50.0
Sura Professional Risks Pty Ltd*	80.0	50.0
Sura Technology Risks Pty Ltd	50.0	50.0
Tasman Underwriting Pty Ltd	50.0	50.0
New Zealand Broking		
ICIB Brokerweb North Shore Limited*	43.3	36.1
Commercial and Rural Insurance Limited	36.1	36.1
McDonald Everest Insurance Brokers Limited	50.0	50.0
Support Services		
BizCover Pty Ltd	40.7	40.7
International		
Factory and Industrial Risk Managers (Pty) Ltd	40.0	40.0

* The Group obtained control of the entity during the period as a result of further shares obtained.

** Whilst the Group holds more than 50% interest in the entity, the Group's voting rights are capped at 50%, hence it was determined that the Group maintains significant influence and does not have control of the entity.

8 INVESTMENT IN ASSOCIATES (CONTINUED)

Other information in respect of associated entities which carry on business directly or through its controlled entities:

a. The principal activity of each associate is insurance broking, agency, or insurance related ancillary services such as loss adjusting, platforms, etc. except Whittles Group Pty Ltd (a subsidiary of MGA Management Services Pty Ltd) which provides strata management services.

b. There have been nil impairments relating to the investment in associates during the current or previous year.

c. All associates, including unit trusts, were incorporated, or established in Australia, except for associates owned by AUB Group NZ Limited, which are enties incorporated in New Zealand, and associates owned by Ludgate Limited which are entities incorporated in the UK.

d. The following associates are considered material to the Group as at 30 June 2024:
   - BizCover is a commercial online insurance platform that allows SME clients to compare quotes from insurance providers and purchase a variety of insurance products, including public liability, professional indemnity and business insurance. The carrying value at 30 June 2024 is $127.56m (2023: $129.49m); and
   - MGA Management Services Pty Limited provides insurance agent and broker services for a range of insurance types including commercial insurance, personal insurance and specialised insurance. The carrying value at 30 June 2024 is $29.67m (2023: $26.80m).

iv. The Group's reconciliation of share of associates' net profits is presented below:

	2024 $'000	2023 $'000
Revenue	**186,536**	**176,639**
Operating profits before income tax	60,115	56,588
Amortisation of intangibles	(6,816)	(6,230)
Net profit before income tax	53,299	50,358
Income tax expense	(17,145)	(14,668)
Share of associates' net profits	**36,154**	**35,690**

v. The Group's reconciliation of its carrying value in its investment in associates is presented below:

	2024 $'000	2023 $'000
Balance at the beginning of the period	238,526	250,100
Acquisition of or increase in investment in associates	15,540	10,522
Disposal or dilution of interest in associates	(178)	(6,104)
Reclassification of investment in associates becoming controlled entity	(1,374)	(13,057)
Reclassification of controlled entity to investment in associate on losing control	–	569
Reclassification of investment in associate to other investments where significant influence was lost	–	(1,786)
Share of associates' profit after income tax	36,154	35,690
Dividends/trust distributions received	(37,973)	(37,889)
Net foreign exchange and other movements	216	481
Balance at the end of the period	**250,911**	**238,526**

vi. The Group's share of the assets and liabilities of associates:

	2024 $'000	2023 $'000
Current assets	206,093	205,892
Non-current assets	80,653	66,485
Current liabilities	(181,605)	(176,769)
Non-current liabilities	(33,530)	(24,927)
Net assets	**71,611**	**70,681**

9 SHARES IN CONTROLLED ENTITIES

New acquisitions of controlled entities or transactions which lead to the Group obtaining or losing control in an entity during the current and previous periods are disclosed in Note 7. The following transactions involve transactions between owners where there is no change in the control assessment.

i. During the current period, the following transactions occurred:

- Effective 1 July 2023, the Group acquired a further 16.9% of AUB Three Sixty Pty Ltd for $46.8m.

Entity	Transaction date(s)	June 2024 %	June 2023 %
Increase in voting shares			
AUB Three Sixty Pty Limited	01-Jul-23	66.55	49.65
All other transactions	Various	Various	Various
Decrease in voting shares			
All other transactions	Various	Various	Various

ii. During the previous period, the following transactions occurred:

- Effective 1 July 2022, the Group acquired a further 10.7% of AUB Group NZ Limited for NZD 16.2m cash. On this date, the entity became wholly owned by the Group.
- Effective 1 January 2023, the Group's interest in AUB Three Sixty Pty limited was decreased to 49.65%.

Other information

a) All controlled entities are incorporated in Australia except for the following:

- AUB Group NZ Limited ('AUB NZ'), AUB Three Sixty NZ Limited and Insurance Advisernet New Zealand Unit Trust and their controlled entities which are incorporated in New Zealand;
- Ludgate Limited which is incorporated in the UK;
- Ludgate US Corp which is incorporated in the US; and
- Colonnade Pte Ltd ('Colonnade') which is incorporated in Singapore.

b) Colonnade is the Group's insurance captive. Given the size and scale of the Group including associates, certain insurable risks are internally manageable. Furthermore, the entity provides the Group opportunities to insure certain non-insurable or hard to place risks at more equitable terms for all participants in the scheme. During the current period, insurance placed through Colonnade covers AUB Group, some of its controlled entities and some of its associates. No external parties to the Group are part of schemes provided by Colonnade.

c) Material non-controlling interests ('NCI') of the Group's controlled entities include the following:

No other NCI are material to the Group.

		As at 30 June 2024		
Name of controlled entity	Principal place of business	Non-controlling Interest %	Profit or loss attributed to minority $'000	Total NCI balance at year end $'000
AUB Three Sixty Pty Limited and its controlled entities	Australia and New Zealand	33.4	9,423	67,043
AUB Group NZ Limited and its controlled entities	New Zealand	–	2,714	48,031
AEI Insurance Group Pty Limited and its controlled entities	Australia	38.7	2,100	40,817

		As at 30 June 2023		
Name of controlled entity	Principal place of business	Non-controlling Interest %	Profit or loss attributed to minority $'000	Total NCI balance at year end $'000
AUB Three Sixty Pty Limited and its controlled entities	Australia and New Zealand	50.3	9,086	92,494
AUB Group NZ Limited and its controlled entities	New Zealand	–	1,487	36,246
AEI Insurance Group Pty Limited and its controlled entities	Australia	35.0	1,380	37,221

9 SHARES IN CONTROLLED ENTITIES (CONTINUED)

iii. The Group's shares in controlled entities ownership at balance date is as follows:

	2024 %	2023 %
Name and Interests in controlled entities:		
Australian Broking		
AB Phillips Group Pty Ltd and its controlled entities	57.8	58.2
Austbrokers Life Pty Ltd and its controlled entities	95.1	95.1
Adroit Holdings Pty Ltd and its controlled entities	100.0	100.0
AEI Insurance Group Pty Ltd and its controlled entities	61.3	65.0
Astute Insurance Services Pty Ltd	53.2	53.2
AUBCC Pty Ltd	90.0	–
AUB Hospitality Pty Ltd	100.0	100.0
Austbrokers Canberra Pty Ltd	100.0	100.0
Austbrokers City State Pty Ltd	55.0	60.0
Austbrokers Corporate Pty Ltd and its controlled entities	80.0	80.0
Austbrokers InterRisk Pty Ltd	51.0	51.0
Austbrokers Member Services Pty Ltd	100.0	100.0
Austbrokers RIS Pty Ltd and its controlled entities	95.0	95.0
Austbrokers RWA Pty Ltd	51.0	51.0
Austbrokers Southern Pty Ltd	51.0	51.0
Austbrokers Sydney Pty Ltd and its controlled entities	100.0	100.0
Austbrokers Trade Credit Pty Ltd	75.0	75.0
CityCover (Aust) Pty Ltd and its controlled entities (Austbrokers Comsure)	76.1	83.5
Experien Insurance Services Pty Ltd and its controlled entities	73.2	73.2
Finsura Holdings Pty Ltd and its controlled entities	70.0	70.0
Insurance Advisernet Unit Trust and its controlled entities	53.0	52.0
Insurance Advisernet New Zealand Unit Trust and its controlled entities	53.0	52.0
JUA Holdings Pty Ltd and its controlled entity	78.9	–
McNaughton Gardiner Insurance Brokers Pty Ltd	75.0	75.0
Northlake Holdings Pty Ltd (Country Wide Insurance Brokers WA) and its controlled entities	89.1	89.1
Terrace Insurance Brokers Pty Ltd and controlled entity	50.5	50.5
The Insurance Alliance Pty Ltd and its controlled entity	100.0	100.0
Agencies		
Austagencies Pty Ltd and its controlled entities	100.0	100.0
AUB Three Sixty Pty Ltd and its controlled entities	66.6	49.7
New Zealand Broking		
AUB Group NZ Limited and its controlled entities	100.0	100.0
Brokerweb Risk Services Limited and its controlled entities	72.1	72.1
Runacres Limited and its controlled entities	67.0	67.0
Support Services		
AUB Group Services Pty Ltd	100.0	100.0
Austbrokers Investments Pty Ltd	100.0	100.0
Colonnade Pte Ltd	100.0	100.0
International		
Ludgate Limited and its controlled entities	100.0	100.0
Ludgate US Corp and its controlled entity	100.0	100.0

10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents, and cash and cash equivalents - trusts ('Trust Cash'), in the Consolidated Statement of Financial Position comprise cash at bank, in hand and short-term deposits with an original maturity of three months or less.

Although there is a concentration of cash and cash equivalents held with major banks, the lifetime expected credit losses on cash and cash equivalents are insignificant.

Trust cash relates to cash held for insurance premiums received from policyholders which will ultimately be paid to insurers, claims floats and amounts held in escrow for specified purposes. Trust cash cannot be used to meet business obligations/ operating expenses other than payments to underwriters and /or refunds to policyholders.

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents as defined above are shown net of outstanding bank overdrafts.

Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of the entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currencies at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

The assets and liabilities of foreign operations are translated to Australian dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates on the dates of the transactions. Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve, in equity. If the foreign operation is not a wholly owned controlled entity, then the relevant proportion of the translation difference is allocated to non-controlling interests.

	2024 $'000	2023 $'000
Cash and cash equivalents	377,366	260,352
Cash and cash equivalents - Trust	908,950	936,369
Total cash and cash equivalents	**1,286,316**	**1,196,721**

10 CASH AND CASH EQUIVALENTS (CONTINUED)

a. Cashflow from operating activities

	2024 $'000	2023 $'000
Profit after tax for the period	167,677	91,623
Equity accounted (profits) after income tax	(36,154)	(35,690)
Dividends/trust distributions received from associates	37,973	38,203
Amortisation of intangibles	49,999	35,920
Amortisation of capitalised project costs	3,901	3,469
Amortisation and impairment of right-of-use asset	14,302	12,024
Depreciation of fixed assets	4,672	3,876
Share options expensed	8,678	10,590
Adjustment to contingent consideration on acquisitions	(34,139)	26,920
Remeasurement of put option and interest unwind	(1,463)	3,620
Finance charge on movement in trust minority interests	12,755	10,999
(Profit) from sale of associates, controlled entities and broking portfolios	(2,443)	(34,599)
(Profit) on deconsolidation	(4,154)	(4,447)
Interest unwind on contingent consideration	15,404	12,126
Adjustments to fair value of associates and goodwill	(15,551)	(29,930)
Impairment of intangibles	–	6,342
Changes in assets and liabilities		
(Increase) in trade and other receivables	46,966	(46,724)
(Decrease)/increase in trade and other payables	(49,065)	(19,239)
Increase in deferred revenue from customers	101	10,149
Increase/(decrease) in trust payables	(10,717)	109,919
(Decrease)/increase in provisions	(108,964)	(6,054)
Change in deferred tax	(7,910)	(13,081)
Increase/(decrease) in provision for tax	(9,868)	16,222
Net cash flows from operating activities	**82,000**	**202,238**

10 CASH AND CASH EQUIVALENTS (CONTINUED)

b. Changes in liabilities arising from financing activities

Listed below are the disclosure requirements in respect of the changes in the liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

Year ended 30 June 2024	1 July 2023 $'000	Cash flows $'000	Foreign exchange movement $'000	New Acquisitions/ interest unwind $'000	Transfers $'000	New consolidated entity/ deconsolidation $'000	30 June 2024 $'000
Current interest-bearing loans and borrowings (excluding items listed below)	19,202	(15,103)	(51)	–	–	657	4,705
Current lease liability	14,743	(14,325)	18	1,100	12,190	429	14,155
Current unsecured loan - other	567	37	–	702	–	108	1,414
Non-current interest-bearing loans and borrowings	564,312	75,999	(506)	–	–	–	639,805
Non-current lease liability	62,134	–	(74)	14,503	(12,190)	163	64,536
Non-current unsecured loan - other	149	(72)	–	–	–	–	77
Total liabilities from financing activities	**661,107**	**46,536**	**(613)**	**16,305**	**–**	**1,357**	**724,692**

Year ended 30 June 2023	1 July 2022 $'000	Cash flows $'000	Foreign exchange movement $'000	New Acquisitions/ interest unwind $'000	Transfers $'000	New consolidated entity/ deconsolidation $'000	30 June 2023 $'000
Current interest-bearing loans and borrowings (excluding items listed below)	8,388	10,624	–	195	–	(5)	19,202
Current lease liability	8,187	(10,255)	72	1,473	13,243	2,023	14,743
Current unsecured loan - other	553	14	–	–	–	–	567
Non-current interest-bearing loans and borrowings	38,630	519,934	416	5,355	–	(23)	564,312
Non-current lease liability	18,752	–	510	20,915	(13,243)	35,200	62,134
Non-current unsecured loan - other	231	(82)	–	–	–	–	149
Total liabilities from financing activities	**74,741**	**520,235**	**998**	**27,938**	**–**	**37,195**	**661,107**

11 TRADE AND OTHER RECEIVABLES

Trade and other receivables which generally have 30-day credit terms, are initially recognised at fair value and subsequently measured at amortised cost.

The Group acts as an agent in the collection of amounts due from customers for premiums and amounts payable to insurers on broking/agency operations, as the Group is not liable for the underlying insurance contract. As such these balances do not meet the definition of a financial liability or financial asset respectively. The Group recognises amounts due from customers in relation to uncollected fees and commissions due to the Group for services rendered, adjusted for the expected credit loss. The Group only recognises amounts due to insurers for premiums when collected but yet to be transferred to the insurer.

Amounts due from premium funding operations include amounts due from policyholders in respect of insurances arranged by a controlled entity. These arrangements with policyholders have repayment terms up to 12 months from policy inception. The individual funding arrangements are used to pay insurers. Should policyholders default under the premium funding arrangement, the insurance policy is cancelled by the insurer and a refund issued which is credited against the amount due. The Group's credit risk exposure in relation to these receivables is limited to commissions and fees charged plus any additional interest charged under the premium funding arrangement.

Other receivables are loan receivables and short-term intercompany funding to related entities.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

a. the rights to receive cash flows from the asset have expired;
b. the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
c. the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset and has neither transferred or retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Group could be required to repay.

	As at 30 June 2024				
	Due not later than 6 months $'000	6 months to no later than 1 year $'000	Later than 1 year and not later than 5 years $'000	Later than 5 years/ No maturity $'000	Total $'000
Trade receivables	32,970	–	462	–	33,432
Amount due from customers on broking / agency operations	199,584	374	–	–	199,958
Amount due from clients in respect of premium funding	3,097	–	–	–	3,097
Related party receivables (Note 25)	5,462	15	3,238	6,470	15,185
Prepayment and other receivables	39,570	5,868	4,390	–	49,828
Total trade and other receivables	**280,683**	**6,257**	**8,090**	**6,470**	**301,500**

11 TRADE AND OTHER RECEIVABLES (CONTINUED)

	As at 30 June 2023				
	Due not later than 6 months $'000	6 months to no later than 1 year $'000	Later than 1 year and not later than 5 years $'000	Later than 5 years/ No maturity $'000	Total $'000
Trade receivables	59,422	–	476	–	59,898
Amount due from customers on broking/ agency operations	186,265	–	–	–	186,265
Amount due from clients in respect of premium funding	2,038	–	–	–	2,038
Related party receivables (Note 25)	7,069	–	3,195	6,662	16,926
Prepayment and other receivables	53,506	4,779	6,953	–	65,238
Total trade and other receivables	**308,300**	**4,779**	**10,624**	**6,662**	**330,365**

Expected Credit Losses ('ECL')

For trade receivables and other receivables, an allowance is made for anticipated losses based upon historical information, adjusted for forward-looking information, and specific credit information of counterparties where available.

Amounts overdue by more than (a) Brokers - 30 days, (b) Support services entities and Underwriters - 90 days and (c) Wholesale brokers - 180 days are considered to have a significance increase in credit risk.

Expected credit losses are recorded on receivables, including trade and other receivables, interest-bearing loan assets, investments and other financial assets. The Group applies the simplified approach to its trade receivables, and measures the loss allowance at an amount equal to lifetime expected credit losses.

For amounts due from customers of broking/agency operations and amounts due from clients in respect of premium funding operations, an allowance is made for anticipated lapses and cancellations based upon historical information, adjusted for forward-looking information.

ECL allowance included in trade and other receivables (current) above using the 12-month simplified approach as follows:

- Australian and New Zealand Brokers: the provision for lapses 5.0% (2023: 5.0%) provides an amount for expected cancellations and loss of commissions and fees (amounts due from broking operations, debtors) based on Group wide historic data. For debtors over 90 days, due to the risk of cancelation by the insurer, provisioning is made at 100%.
- Agencies: provision at 50% for debtors over 90 days, and 100% for debtors over 120 days in line with their binding arrangements to generally cancel policies past due by 90 days.
- International: the provision for lapses 3.6% (2023: 5.6%) provides an amount for expected cancellations and loss of commissions and fees (amounts due from broking operations, debtors) based on Group wide historic data. For debtors over 180 days, due to the risk of cancelation by the syndicate, provisioning is made at 100%.

Commercial loans to minority shareholders and associates are secured over the shares of the non AUB Group shareholders of the borrower. Other related party loans are generally provided to a related party for purchase of shares in a controlled entity or associate, where the shares acquired form collateral in the loan deed. All other loans and receivables, including intercompany and short-term loans to controlled entities and associates are unsecured. The valuation of shares held as security exceed the total loans receivable for the years ended 30 June 2024 and 30 June 2023.

The Group recognises under AASB 15 a component of revenue representing the significant risk of reversal on issued policies. This is within the Group's deferred revenue balance within the Consolidated Statement of Financial Position. In addition to requirements under AASB 15, forward looking elements under ECL provisioning is required. This is presented in the table below, along with ECL provisioning on assets not impacted by AASB 15. As such changes in forward looking elements of ECL provisioning have an impact on the table below.

	2024 $'000	2023 $'000
Opening balance 1 July	5,196	316
ECL from acquisition of a controlled entity	–	3,780
Movements during the year	(2,068)	1,100
Total expected credit loss	**3,128**	**5,196**

12 FINANCIAL AND OTHER ASSETS

Foreign Exchange Forward Contract Asset

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions. Such derivative financial instruments are initially recognised at fair value of the date of which a derivative contract is entered into and are subsequently remeasured at fair value. If there is any ineffective portion, it is recognised immediately in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purposes of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset of liability or a highly probable forecast transaction.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument;
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quality of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The Group designates only the spot element of forward contracts as a hedging instrument. The forward element is recognised in OCI and accumulated in a separate component of equity under cost of hedging reserve.

The amounts accumulated in OCI are accounted for depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period.

Other Assets

Other assets are contract assets, secured loans, minor investments in listed equities and defined benefit scheme asset. For AUB's policy on defined benefit schemes refer to Note 16.

Contract assets represent assets recognised at fair value acquired on acquisition of a subsidiary in relation to expected revenues generated by existing contracts over the next 10 years. The asset has finite life and is amortised over the term of the contract (10 years).

	As at 30 June 2024				
	Due not later than 6 months $'000	6 months to no later than 1 year $'000	Later than 1 year and not later than 5 years $'000	Later than 5 years / No maturity $'000	Total $'000
Foreign Exchange Forward Contract asset	5,322	12,346	1,979	–	19,647
Other assets	568	562	19,922	2,494	23,546
Total financial and other assets	**5,890**	**12,908**	**21,901**	**2,494**	**43,193**

	As at 30 June 2023				
	Due not later than 6 months $'000	6 months to no later than 1 year $'000	Later than 1 year and not later than 5 years $'000	Later than 5 years / No maturity $'000	Total $'000
Foreign Exchange Forward Contract asset	5,628	4,603	13,303	–	23,534
Other assets	744	743	16,588	–	18,075
Total financial and other assets	**6,372**	**5,346**	**29,891**	**–**	**41,609**

13 INTANGIBLE ASSETS AND GOODWILL

Capitalised project costs

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

i. it is technically feasible to complete the software so that it will be available for use;
ii. management intends to complete the software and use or sell it;
iii. there is an ability to use or sell the software;
iv. it can be demonstrated how the software will generate probable future economic benefits; and
v. adequate technical, financial and other resources to complete the development and to use or sell the software are available, and the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software including eligible employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Assessments are made on a project by project basis on the expected life of the intangible with a maximum useful life of 5 years adopted by the Group. Costs associated with maintaining software programs and Software-as-a-Service ('SaaS') are recognised as an expense as incurred.

Software-as-a-Service ('SaaS') arrangements

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. As such the Group does not receive a software intangible asset at the contract commencement date. A right to receive future access to the supplier's software does not, at the contract commencement date, give the customer the power to obtain the future economic benefits flowing from the software itself and to restrict others' access to those benefits.

The following outlines the accounting treatment of costs incurred in relation to SaaS arrangements:

- Recognise as an operating expense over the term of the service contract:
  - Fee for use of application software;
  - Support and maintenance services;
  - Program/Project management;
  - Integration; and
  - Customisation costs.
- Recognise as an operating expense as the service is received (as considered distinct services):
  - Configuration costs;
  - Data conversion and migration costs;
  - Testing costs; and
  - Training costs.

Costs incurred for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets.

Goodwill

Goodwill on acquisition is initially measured at cost, being the excess of the cost of the business combination over the acquirer's interest in the fair value of the identifiable net assets acquired at the date of acquisition. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses and is not amortised.

As at the acquisition date, any goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination's synergies. Goodwill is reviewed for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised.

Where goodwill forms part of a cash-generating unit and part of the operation of that unit is disposed, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Impairment losses recognised for goodwill are not subsequently reversed.

13 INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

Intangible assets - Insurance Broking Register and Brand Name

Identifiable intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment. Internally generated intangible assets are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

The useful lives of these intangible assets are assessed to be finite for insurance broking registers and indefinite for brand name. Intangible assets with finite lives are amortised over the useful life, currently estimated to be 10 and 12 years (2023: 10 and 12 years) for broking portfolios/client relationships and financial services businesses (life risk), and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an identifiable intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on identifiable intangible assets with finite lives is recognised in the expense category of the Consolidated Statement of Comprehensive Income consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an identifiable intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Comprehensive Income when the asset is derecognised.

	Year ended 30 June 2024				
	Capitalised project costs $'000	Goodwill $'000	Insurance broking registers $'000	Brand name $'000	Total $'000
Cost					
Balance at the beginning of the year	11,719	1,443,434	547,028	58,863	2,061,044
Net additions/(disposals) not related to consolidation/(deconsolidation)	4,405	–	2,606	–	7,011
Acquisition of controlled entities	–	117,290	40,442	–	157,732
Deconsolidation of controlled entities	(13)	(16,731)	(6,354)	–	(23,098)
Impairments/write-off during the year	–	–	–	–	–
Translation of foreign exchange rate movements	231	(2,227)	(2,607)	(330)	(4,933)
Total intangibles at cost	16,342	1,541,766	581,115	58,533	2,197,756
Amortisation					
Balance at the beginning of the year	4,963	–	99,240	–	104,203
Deconsolidation of controlled entities	(13)	–	(1,650)	–	(1,663)
Amortisation during the year	4,063	–	49,999	–	54,062
Translation of foreign exchange rate movements	212	–	(1,952)	–	(1,740)
Total accumulated amortisation	9,225	–	145,637	–	154,862
Summary					
Net carrying amount at beginning of year	6,756	1,443,434	447,788	58,863	1,956,841
Net carrying amount at end of year	**7,117**	**1,541,766**	**435,478**	**58,533**	**2,042,894**

13 INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

	Year ended 30 June 2023				
	Capitalised project costs $'000	Goodwill $'000	Insurance broking registers $'000	Brand name $'000	Total $'000
Cost					
Balance at the beginning of the year	5,538	559,847	123,081	–	688,466
Net additions/(disposals) not related to consolidation/(deconsolidation)	4,714	–	4,307	–	9,021
Acquisition of controlled entities	1,026	850,707	402,010	54,886	1,308,629
Deconsolidation of controlled entities	(11)	(9,014)	(1,604)	–	(10,629)
Impairments/write-off during the year	(201)	(1,219)	(4,922)	–	(6,342)
Translation of foreign exchange rate movements	653	43,113	24,156	3,977	71,899
Total intangibles at cost	11,719	1,443,434	547,028	58,863	2,061,044
Amortisation					
Balance at the beginning of the year	2,299	–	63,657	–	65,956
Deconsolidation of controlled entities	–	–	(1,604)	–	(1,604)
Amortisation during the year	2,365	–	35,920	–	38,285
Translation of foreign exchange rate movements	299	–	1,267	–	1,566
Total accumulated amortisation	4,963	–	99,240	–	104,203
Summary	–	–	–	–	–
Net carrying amount at beginning of year	3,239	559,847	59,424	–	622,510
Net carrying amount at end of year	**6,756**	**1,443,434**	**447,788**	**58,863**	**1,956,841**

Intangible assets are attributable to the following controlled entities:

	2024 $'000	2023 $'000
i) Goodwill		
Ludgate Limited, Ludgate US Corp and their controlled entities	715,817	689,708
AUB Group NZ Limited and its controlled entities	132,933	109,325
Insurance Advisernet Unit Trust and Insurance Advisernet New Zealand Unit Trust	116,565	117,109
AUB Three Sixty Pty Ltd and its controlled entities	122,230	115,319
Austagencies Pty Ltd and its controlled entities	100,569	79,232
AEI Insurance Group Pty Ltd and its controlled entities	83,025	75,143
Austbrokers Corporate Pty Ltd and its controlled entities	68,371	58,867
Adroit Holdings Pty Ltd and its controlled entities	39,120	41,954
Experien Insurance Brokers Pty Ltd	18,596	18,538
Other controlled entities	144,540	138,239
Total goodwill	**1,541,766**	**1,443,434**

	Remaining amortisation period (years)		2024 $'000	2023 $'000
ii) Insurance Broking Registers	2024	2023		
Ludgate Limited and its controlled entities	10.3	11.3	303,545	329,021
AUB Group NZ Limited and its controlled entities	6.2	5.5	44,600	36,270
AEI Insurance Group Pty Ltd and its controlled entities	8.5	9.5	26,799	29,952
Austbrokers Corporate Pty Ltd and its controlled entities	8.3	5.5	18,559	14,382
Other controlled entities			41,975	38,163
Total insurance broking register			**435,478**	**447,788**

14 IMPAIRMENT ASSESSMENT

Impairment of non-financial assets other than Investment in Associates, Intangibles and Goodwill

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

If indication of impairment exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at its revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

No such indicators were noted in the current or prior year and subsequently no impairments recorded.

Investments in Associates, Intangibles and Goodwill

The Group assesses the impairment of investments in associates, intangibles and goodwill as a significant judgement and material to the financial statements.

The recoverable amount of the intangible assets and goodwill is determined based on the higher of the estimate of fair value of the cash generating unit ('CGU') to which they relate less costs to sell or its value in use. In determining fair value, each controlled entity or associate is considered a separate CGU or grouped into a single CGU for impairment testing where cash inflows are interdependent and have similar characteristics.

The CGU represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Australian Broking entities, New Zealand entities and Support Services entities are viewed as separate CGU's at the entity level for impairment purposes, whilst Agency businesses have been disaggregated into two CGU's and International businesses have been aggregated into one CGU.

To conduct impairment testing, the Group compares the carrying value with the recoverable amount of each CGU.

The recoverable amount is based on the higher of:

- Fair value - based on maintainable earnings; or
- Value in use - based on a discounted cash flow model.

The Group conducts testing over multiple phases, throughout the year and with several layers of review:

1. **Half year impairment review:** Review of all CGUs at 31 December for indicators of impairment including qualitative questionnaires to each Group representative which has oversight of the respective CGU.
2. **Annual Impairment testing:**
   - **Phase I - Targeting:** Fair value measurement of all CGUs and comparison to carrying value as at 31 March to determine if any entities show a potential impairment or low headroom. Testing is conducted irrespective of any indicators of impairment (or lack thereof). Earnings before interest and tax ('EBIT') is averaged over 3 years to consider the impact of timing differences, however stress testing is conducted using (1) a 5% decline in EBIT, (2) stressed multiples, and (3) a single year EBIT.
   - **Phase II – Screening:** Update of prior year Discounted Cash Flow ('DCF') models where an entity continues to rely on a value in use model to support its carrying value and current year results meet or exceed prior year projections.
   - **Phase III – Detailed Review:** Review of entities identified in Phase I and II as having potential impairment issues including creation of new DCFs, supporting normalisations or plans to rectify profitability concerns.
   - **Phase IV – Year End Refresh:** Review of following year budgets, and current year actuals to ensure no significant changes to the reporting date at 30 June compared to the interim testing date 31 March. Low head room entities are revisited to mitigate the risk of an undetected impairments.

14 IMPAIRMENT ASSESSMENT (CONTINUED)

Investments in Associates, Intangibles and Goodwill (continued)

2. **Watchlist Monitoring:** Entities with low headroom are monitored at Board Audit and Risk Committee ('BARC') level and specifically considered during half year and year end testing given sensitivity to impairment.
3. **Governance:** Impairment testing is conducted by the Group Financial Control team and reviewed at 3 levels, as follows: (1) Group Head of Financial Control/Deputy CFO (2) Chief Financial Officer, and (3) BARC.

   The Group maintains a policy to seek independent advice on multiples every 3 years from an appropriate valuations firm. The Group sought independent advice in 2022 to determine the appropriate EBIT multiple used to determine fair value.

   The extensive impairment testing and monitoring exceed requirements under accounting standards and reflect the materiality of the balances to the Group and the low risk appetite of management and the BARC.

Key assumptions for the fair value methodology are as follows:

	2024	2023
Fair value is based on estimates of maintainable earnings. The appropriate pre-tax maintainable earnings for each CGU is multiplied by a multiple from within the range, depending on the type of business carried out by the CGU.	8-15 times	8-15 times
The risk free rate (before risk margin).	4.28%	3.65%
Multiples have been determined after factoring in the following assumed sustainable long-term profit growth.	up to 3%	up to 3%

Value in use

Where the Value In Use methodology produces a higher valuation than Fair Value Less Costs of Disposal ('FVLCD'), this valuation is used for the Recoverable Amount. This measurement takes into account the expected Discounted Cash Flows ('DCF') for the next 5 years based on the forecast profitability. The valuation takes into account the weighted average cost of capital ('WACC') for those CGUs and also looks at the expected long-term growth rate with a terminal value calculation at the end of the intermediary cash flows. This methodology will result in a better estimated valuation for entities where historic performance may not factor in the medium and long-term expected growth from this business.

During the current year, one CGU (2023: no CGUs) were valued using the value in use methodology. The fair value measurements were categorised as level 3 fair value based on the lack of observable inputs in the valuation technique used (see Note 19).

Key assumptions for the value in use methodology are as follows:

	2024	2023
Post-tax discount rates (WACC).	9.21%-13.58%	N/A
Short-term revenue growth rate – used in discount cash flow assumptions (1-5 years).	5.0%-8.0%	N/A
Long-term revenue growth rate.	2.0%-3.0%	N/A

Low headroom

Entities are considered to have low headroom if headroom is less than $500k and 5% of total carrying value (whichever is lower) or show impairment using any of the following: (1) stressed multiple (2) 5% reduction in EBIT or (3) single current year profit (to ensure 3-year average does not hide a decline in profitability).

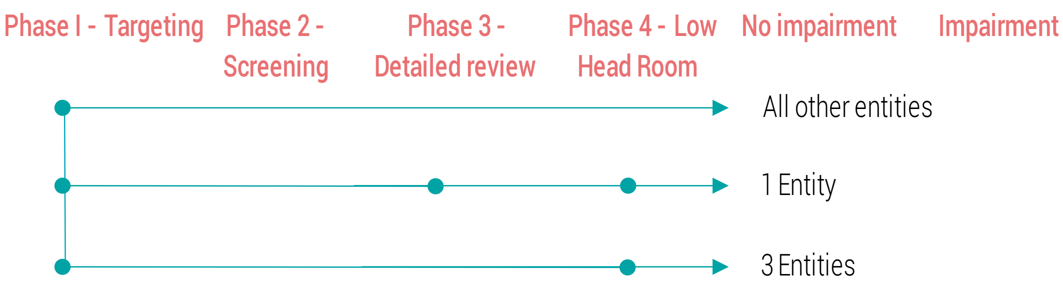
No reasonably possible change in key assumptions would result in the recoverable amount of a CGU that is material to the Group's total intangible assets, goodwill and investment in associates, being significantly less than the carrying value included in the accounts.

When making an acquisition, the Group may pay a deposit and defer a component of the purchase price to be determined based on future financial results. Estimates of the final acquisition cost are made and recognised in the financial statements. An estimate of the contingent consideration is made at the time of acquisition and is reviewed and varied at balance date if estimates change or actual payments are made. This adjustment can be a loss (if increased) or a profit (if reduced). Where an estimate is reduced an offsetting adjustment (impairment) is generally made to the carrying value.

During the current year, due to current market conditions, further adjustments to contingent considerations in respect of current and prior year acquisitions resulted in a net reduction (previous year reduction) to the estimates previously recognised by the Consolidated Group of $40.2m (2023: $26.9m increase). Where the revised contingent consideration estimates are below the original estimated contingent consideration payments, a corresponding and offsetting impairment charge may be recognised. The reduction in contingent consideration lead to an impairment of $nil (2023: $nil).

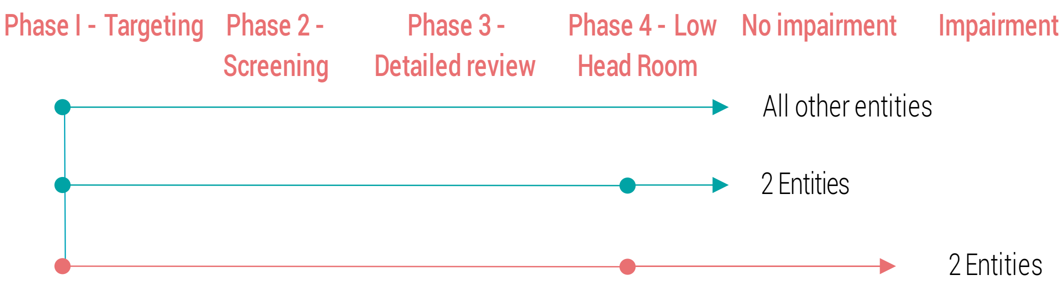
14 IMPAIRMENT ASSESSMENT (CONTINUED)

Impairment - current year



No cash generating unit were assessed to be impaired during the current year. Two CGU remain on the watchlist due to low headroom. One CGU was added to the watchlist.

Impairment - previous year



Two cash generating unit were assessed to be impaired during the current year by $6.34m. One CGU remains on the watchlist due to low headroom. One CGU was removed from the watchlist. No CGUs were added to the watchlist.

15 TRADE AND OTHER PAYABLES

Liabilities for trade creditors and other amounts are carried at amortised cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the entity. Payables to related parties are carried at the principal amount. Interest, when charged, is recognised as an expense on an accrual basis. Payables are normally settled on 90 day terms.

The Group recognises amounts due to insurers for premiums collected but yet to be transferred to the insurer.

	As at 30 June 2024				
	Due not later than 6 months $'000	6 months to no later than 1 year $'000	Later than 1 year and not later than 5 years $'000	Later than 5 years/No maturity $'000	Total $'000
Trade payables and accruals	82,194	–	–	–	82,194
Amount payable on broking/agency operations	944,582	–	–	–	944,582
Related party payables	2,079	–	–	–	2,079
Other payables	15,263	–	–	–	15,263
Total trade and other payables	**1,044,118**	**–**	**–**	**–**	**1,044,118**

15 TRADE AND OTHER PAYABLES (CONTINUED)

	As at 30 June 2023				
	Due not later than 6 months $'000	6 months to no later than 1 year $'000	Later than 1 year and not later than 5 years $'000	Later than 5 years/No maturity $'000	Total $'000
Trade payables and accruals	53,782	–	–	–	53,782
Amount payable on broking/agency operations	932,983	–	–	–	932,983
Related party payables	3,387	–	–	–	3,387
Other payables	59,965	–	–	–	59,965
Total trade and other payables	**1,050,117**	**–**	**–**	**–**	**1,050,117**

16 PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Make good provision on leased premises

In accordance with the various lease agreements, the Group must restore the leased premises to a similar condition that existed prior to leasing the premises by removing all fixed and removable partitions. A provision has been included for expected amounts payable. Because of the long-term nature of the liability, the greatest uncertainty in estimating the provision is the cost that will ultimately be incurred. During the year further amounts were provided for premises leased during the year. Current lease durations range from less than 1 year to 10 years. Make good payments will only be made at the end of the lease.

Employee entitlements

Liabilities for employee entitlements to annual leave and other current entitlements are accrued at amounts calculated on the basis of current wage and salary rates, including package costs and on-costs. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rate paid or payable. Liabilities for employee entitlements to long service leave, which are not expected to be settled within twelve months after balance date, are accrued at the present value of the future amounts to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary level, experience of employee departures and periods of service. The discount factor applied to all such future payments is determined using high quality corporate bond rates attaching as at the reporting date, with terms to maturity that match, as closely as possible, estimated future cash outflows. Any contributions made to the accumulated superannuation funds by entities within the Group are charged against profits when due.

Defined benefit plan liability

The Group operates two defined benefit pension plans in the UK. All of the plans are final salary pension plans, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. Defined benefit schemes are funded, with assets of the scheme held separately from those of the Group, in separate trustee administered funds. Defined benefit scheme assets are measured at fair value and liabilities are measured by independent actuaries using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. If the present value of defined benefit obligations at the reporting date is less/more than the fair value of plan assets at that date, the plan has a surplus/deficit respectively which is presented in the Consolidated Statement of Financial position. The Group recognises a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

16 PROVISIONS (CONTINUED)

Defined benefit plan liability (continued)

As previously announced, on 2 November 2023, the Group entered into a resolution with the U.S. Department of Justice (DOJ) in terms of which Tysers Insurance Brokers Limited (Tysers) agreed to pay the DOJ a total of USD 46.59m in connection with the DOJ's investigation into Tysers and/or its employees, agents and associated persons in relation to the conduct of business in Ecuador between 2013-2017. This agreement was subsequently entered into record by the U.S. District Court for the Southern District of Florida, and the agreed payment settled by the Group with the DOJ.

The conduct occurred prior to AUB's ownership of Tysers and, as a result of the previously reported contractual protections and amounts provided for upon acquisition of Tysers in AUB's Financial Report for the year ended 30 June 2023, the settlement payment had no material impact to the current period Net Profit After Tax.

	Year ended 30 June 2024			
	Employee entitlements $'000	Make good provision $'000	Other general provisions $'000	Total $'000
Balance at the beginning of the year	126,955	3,951	79,116	210,022
Payments made during the year	(62,512)	(617)	(68,502)	(131,631)
Movements during the year	21,542	207	2,004	23,753
Foreign exchange rate movements	7,147	199	(3,485)	3,861
Balance at the end of the year	**93,132**	**3,740**	**9,133**	**106,005**
Current provisions	85,298	185	603	86,086
Non-current provisions	7,834	3,555	8,530	19,919
Balance at the end of the year	**93,132**	**3,740**	**9,133**	**106,005**

	Year ended 30 June 2023			
	Employee entitlements $'000	Make good provision $'000	Other general provisions $'000	Total $'000
Balance at the beginning of the year	31,414	2,195	–	33,609
Payments made during the year	(18,690)	–	(729)	(19,419)
Movements during the year	108,766	1,664	77,152	187,582
Foreign exchange rate movements	5,465	92	2,693	8,250
Balance at the end of the year	**126,955**	**3,951**	**79,116**	**210,022**
Current provisions	123,476	1,955	79,116	204,547
Non-current provisions	3,479	1,996	–	5,475
Balance at the end of the year	**126,955**	**3,951**	**79,116**	**210,022**

17 INTEREST-BEARING LOANS AND BORROWINGS

Interest-bearing liabilities are initially recognised at fair value of the consideration received, net of any directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised. Borrowing costs are amortised over the term of the loans.

Group Borrowing facilities as at 30 June 2024

On 24 January 2024, the Group refinanced its existing $675.0m syndicated debt facility. The new facility consists of:

- Tranche A: AUD term facility of $550.0m; and
- Tranche B: multi-currency revolving credit facility of $300.0m.

At 30 June 2024 the total outstanding facility balance is $550.0m (30 June 2023: $520.5m).

AUB Group Limited's borrowing facilities are subject to financial undertakings and warranties typical of facilities of this nature and have sub-limits for various purposes, including acquisitions.

A small number of controlled entities within the Group in Australia and New Zealand have negotiated facilities with other banks.

During the current and prior period, there were no defaults or breaches of terms and conditions of any of these facilities.

	2024 $'000	2023 $'000
Current		
Secured bank loan	4,705	19,202
Other	1,414	567
Total interest-bearing loans and borrowings (current)	**6,119**	**19,769**
Non-current		
Secured bank loan	639,805	564,312
Other	77	149
Total interest-bearing loans and borrowings (non-current)	**639,882**	**564,461**
AUB Group Limited syndicated finance facility (see below)	550,000	520,500
Commonwealth Bank	21,243	19,251
St George Bank	–	7,278
Australia and New Zealand Banking Group	19,246	8,316
Westpac Banking Corporation	39,375	–
Macquarie Bank	11,866	5,471
Other	4,271	23,414
Total secured bank loans	**646,001**	**584,230**

17 INTEREST-BEARING LOANS AND BORROWINGS (CONTINUED)

Group Borrowing facilities as at 30 June 2024

Facility provider	Type of Borrowing	Total Facility $'000	Undrawn Amount $'000	Amount Utilised $'000	Borrowing Amount $'000	Current $'000	Non-Current $'000	Expiry Date(s)	Interest Rate %	Variable/ Fixed (Var/Fix)
AUB Group Limited										
Syndicated Finance Facility	Loan Facility	850,000	300,000	550,000	550,000	**–**	**550,000**	30/06/29	6.2 - 6.5	Var
Australia and New Zealand Banking Group	Bank Guarantees	6,045	707	5,338	–	**–**	**–**	N/A	N/A	N/A
Facilities arranged by other controlled entities										
Common-wealth Bank	Loan facility	24,408	3,165	21,243	21,243	**–**	**21,243**	Between 28/07/2025 - 31/08/2026	7 - 8.94	Var
Hunter Premium Funding	Loan facility	1,190	–	1,190	1,190	**997**	**193**	Between 01/02/2025 - 14/07/2033	9.6	Var
Australia and New Zealand Banking Group	Loan Facility	19,246	–	19,246	19,246	**2,560**	**16,686**	10/12/2026	7.0	Var
Westpac Banking Corporation	Loan Facility	41,567	2,192	39,375	39,375	**–**	**39,375**	12/12/2025	7.0	Var
Macquarie Bank	Loan facility	11,866	–	11,866	11,866	**433**	**11,433**	Between 01/04/2025 - 01/01/2029	7.3 - 7.9	Var
Other	Loan facility	1,863	273	1,590	1,590	**715**	**875**	Between 30/11/2024 - 31/08/2026	7 - 9.0	Var
Total Borrowing Facilities		**956,185**	**306,337**	**649,848**	**644,510**	**4,705**	**639,805**			

17 INTEREST-BEARING LOANS AND BORROWINGS (CONTINUED)

Group Borrowing facilities as at 30 June 2023

Facility provider	Type of Borrowing	Total Facility $'000	Undrawn Amount $'000	Amount Utilised $'000	Borrowing Amount $'000	Current $'000	Non-Current $'000	Expiry Date(s)	Interest Rate %	Variable/ Fixed (Var/Fix)
AUB Group Limited										
Syndicated Finance Facility	Loan Facility	670,500	150,000	520,500	520,500	**6,000**	**514,500**	30/09/2027	8	Var
Australia and New Zealand Banking Group	Bank Guarantees	13,458	–	13,458	–	**–**	**–**	N/A	N/A	N/A
Facilities arranged by other controlled entities										
Commonwealth Bank	Loan facility	20,257	1,006	19,251	19,251	**1,994**	**17,257**	31/07/2023 & 01/07/2026	6 - 10	Var
Hunter Premium Funding	Loan facility	20,268	3,077	17,191	17,191	**2,833**	**14,358**	Between 30/11/2024 & 31/05/2028	1 - 2.75	Fixed
Australia and New Zealand Banking Group	Loan Facility	8,316	–	8,316	8,316	**1,552**	**6,764**	30/06/2032	7	Var
St George Bank	Loan Facility	8,000	722	7,278	7,278	**1,100**	**6,178**	05/12/2024	7	Var
Macquarie Bank	Loan facility	8,471	3,000	5,471	5,471	**377**	**5,094**	Between 01/05/2024 & 30/04/2027	3.75 - 5.2	Var and Fixed
Other	Loan facility	7,201	1,694	5,507	5,507	**5,346**	**161**	Between 30/11/2023 & 30/06/2032 & 31/10/2025	8 - 9.1	Var
Total Borrowing Facilities		**756,471**	**159,499**	**596,972**	**583,514**	**19,202**	**564,312**			

18 FINANCIAL LIABILITIES

Contingent and deferred consideration payable

The Group initially recognises estimated contingent and deferred consideration at fair value as part of purchase consideration and is remeasured at fair value through profit or loss at each reporting date.

Contingent considerations terms vary between transactions but generally involves either (1) an EBIT or Revenue (fixed) performance hurdle (generally 2-3 years) post the acquisition date (i.e. high water mark) or (2) future dated (generally 2-3 years) EBIT or Revenue times a fixed multiples less historic payments made.

Financial liability at amortised cost

AUB recognises a financial liability in relation to units held by non-AUB parties for unit trusts controlled by the Group as the Group does not control the distribution of profits these entities make to its beneficiaries. These liabilities are initially measured at fair value and subsequently measured at each reporting date at amortised cost as an expense through finance costs.

18 FINANCIAL LIABILITIES (CONTINUED)

Put options

AUB Group Limited entered into agreements with various shareholders of controlled entities and associates, granting options to put shares held by those shareholders to AUB Group Limited at fair value at the date of exercise of that option. The earliest the put option can be exercised is 5 years from the date of AUB acquiring its initial shareholding in those entities.

The Group recognises put options financial liability initially at estimated fair value of the value the Group could be required to pay on the future exercise by holders of the put options. Refer to Note 2.1(d) for further information on measurement and critical assumptions and for put option liability movement during the current period, refer to the Consolidated Statement of Comprehensive Income.

After initial recognition, put options financial liability is subsequently measured at amortised cost using the effective interest method. The Group re-estimates put options financial liability at the reporting date using the same model applied during the initial measurement, however the discount rate is not reset as the liability is held at amortised cost. The adjustment is recognised through the Consolidated Statement of Comprehensive Income as income or expense. Movements in the put option liability are ultimately transferred from retained earnings to the put option reserve.

Whilst this obligation will only be payable in the event that other shareholders of controlled and associated entities put their remaining shares to the Group, a liability has been recognised in relation to the put option. The financial liability will be derecognised when the put option expires unexercised or an entity is disposed with the corresponding movement being reflected in the put option reserve. At balance date there has been no indication from the non-controlling shareholders that they wish to exit their respective businesses and put their shares to the Group.

Included in financial liabilities are the following:

	As at 30 June 2024				
	Contingent and Deferred Considerations $'000	Financial Liability at Amortised Cost $'000	Other Liability $'000	Put Options $'000	Total $'000
Balance at the beginning of the period	193,060	58,697	10,540	11,781	274,078
Additions during the year	25,731	4,616	1,000	–	31,347
Interest unwind/Finance charge on profits of trust minority	15,552	12,755	–	–	28,307
Remeasurement of obligations (including foreign currency movements)	(40,344)	–	(130)	(1,463)	(41,937)
Payments made in respect of previously recognised balances	(26,512)	(15,430)	(305)	–	(42,247)
Balance at the end of the period	**167,487**	**60,638**	**11,105**	**10,318**	**249,548**

	As at 30 June 2023				
	Contingent and Deferred Considerations $'000	Financial Liability at Amortised Cost $'000	Other Liability $'000	Put Options $'000	Total $'000
Balance at the beginning of the period	17,576	51,861	5,252	8,161	82,850
Additions during the year	152,516	–	6,235	–	158,751
Interest unwind/Finance charge on profits of trust minority	12,126	10,999	–	397	23,522
Remeasurement of obligations (including foreign currency movements)	26,920	7,642	(757)	3,223	37,028
Payments made in respect of previously recognised balances	(16,078)	(11,805)	(190)	–	(28,073)
Balance at the end of the period	**193,060**	**58,697**	**10,540**	**11,781**	**274,078**

Contingent consideration sensitivity: A 10% increase or decrease in profit or revenue of acquired entities which are subject to an earn out would have a $4.03m charge (30 June 2023: $2.69m charge) or $16.75m release (30 June 2023: $19.36m release) to the profit or loss respectively.

18 FINANCIAL LIABILITIES (CONTINUED)

Ageing is presented below:

	As at 30 June 2024				
	Due not later than 6 months $'000	6 months to no later than 1 year $'000	Later than 1 year and not later than 5 years	Later than 5 years $'000	Total $'000
Contingent and deferred consideration payables	8,687	142,503	16,297	–	167,487
Financial liability at amortised cost	5,853	–	–	54,785	60,638
Other liability	888	889	9,328		11,105
Put options	3,223	–	7,095	–	10,318
Total financial liabilities	**18,651**	**143,392**	**32,720**	**54,785**	**249,548**

	As at 30 June 2023				
	Due not later than 6 months $'000	6 months to no later than 1 year $'000	Later than 1 year and not later than 5 years	Later than 5 years $'000	Total $'000
Contingent and deferred consideration payables	26,790	–	166,270	–	193,060
Financial liability at amortised cost	–	4,639	–	54,058	58,697
Other liability	743	743	9,054	–	10,540
Put options	3,223	–	8,558	–	11,781
Total financial liabilities	**30,756**	**5,382**	**183,882**	**54,058**	**274,078**

19 FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Group's principal financial instruments comprise receivables, loans, cash and short-term deposits, payables, lease liabilities, overdrafts, interest bearing loans and borrowings, bank overdrafts and derivatives.

The Group manages its exposure to key financial risks, including interest rate and foreign currency risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

AUB has entered into forward contracts to manage the foreign currency risk associated with multi-currency cash flows generated by Tysers. AUB has designated these instruments in hedge relationships.

The Board reviews and agrees policies for managing each of these risks as summarised below. Primary responsibility for identification and control of financial risks rests with the Board Audit and Risk Management Committee, supported by a Management Committee, under the authority of the Board. The Board reviews and agrees policies for managing each of the risks identified below.

Risk exposures and Responses

a. Credit Risk

Refer to Note 10 Cash and Cash Equivalents and Note 11 Trade and Other Receivables.

b. Liquidity Risk

The Company's objective is to maintain adequate cash to ensure continuity of funding and flexibility in its day-to-day operations. The Company reviews its cash flows weekly and models expected cash flows for the following 12 to 24 months (updated monthly) to ensure that any stress on liquidity is detected, monitored and managed, before risks arise.

To monitor existing financial assets and liabilities as well as enable an effective control of future risks, the Group has established comprehensive risk reporting that reflects expectations of management of expected settlement of financial assets and liabilities. The Group's main borrowing facilities are provided by a syndicated facility as outlined in Note 17, although some controlled entities have arranged borrowing facilities with other banks.

The Company considers the maturity of its financial assets and projected cash flows from operations to monitor liquidity risk. Liquidity risk arises in the event that the financial assets/liabilities are not able to be realised/settled for the amounts disclosed in the accounts on a timely basis.

19 FINANCIAL INSTRUMENTS (CONTINUED)

Risk exposures and Responses (continued)

b. Liquidity Risk (continued)

The table below reflects all contractually fixed payouts and receivables for settlement, repayments and interest resulting from recognised financial assets and liabilities. Cash flows for financial assets and liabilities without a fixed amount or timing are based on the conditions existing at 30 June 2024 with comparatives based on conditions existing at 30 June 2023.

	2024 $'000	2023 $'000
Financial Assets		
Due not later than 6 months	1,580,555	1,433,664
6 months to not later than one year	26,831	93,480
Later than one year and not later than five years	29,991	40,516
Later than five years	20,450	6,661
Total financial assets	**1,657,827**	**1,584,321**
Financial Liabilities		
Due not later than 6 months	(1,101,104)	(1,126,784)
6 months to not later than one year	(181,727)	(51,293)
Later than one year and not later than five years	(737,138)	(810,477)
Later than five years	(54,785)	(54,057)
Total financial liabilities	**(2,074,754)**	**(2,042,611)**

Whilst the Group's financial liabilities exceed its financial assets for periods past 12 months, AUB generates significant cash flows from its long-term equity interest in its subsidiaries and associates which are excluded from the table above. This cash flow is expected to enable AUB to meet its debts when they become due and payable. Furthermore, AUB has the ability to raise substantial debt and capital from the market should it need.

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. Lease liabilities, trade payables and other financial liabilities mainly originate from the financing of assets used in the Group's ongoing operations such as plant and equipment and investments in working capital, e.g. trade receivables and deferred payments on broker acquisitions.

The table summarises the maturity profile of the Group's financial assets and financial liabilities based on contractual undiscounted payments.

c. Fair Values of recognised assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes places either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or lability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that the market participants act in their economic best interests.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs and minimising the unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities, including cash;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company's deferred acquisition costs, contingent considerations, put option liabilities, financial liability at fair value and contingent considerations made in relation to acquisitions of controlled entities and associated are categorised as level 3. These are valued based on the inputs in the valuation used on new acquisitions during the reporting period, refer to Note 2.1(d), Note 7(a) and Note 18 for measurement techniques & critical assumptions, new transactions, and movements during the year respectively.

19 FINANCIAL INSTRUMENTS (CONTINUED)

Risk exposures and Responses (continued)

c. Fair Values of recognised assets and liabilities (continued)

All other assets and liabilities measured at fair value are categorised as level 2 under the three-level hierarchy reflecting the availability of observable market inputs when estimating the fair value.

Management has assessed that the fair value of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The fair value of loans and other financial assets has been calculated using market interest rates;
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates and individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. Market values have been used to determine the fair value of securities;
- The fair value of the non-current deferred and contingent consideration payments may change as a result of changes in the projected future financial performance of the acquired assets and liabilities. Refer to Note 18 for further information; and
- The fair value of forward contracts is determined based on standard market valuation methodologies which use reliable observable inputs including yield curves and market rates.

The carrying value of most of the Group's financial assets and financial liabilities approximate their fair value due to their short-term nature. Presented below are the book and fair value of the Group's financial assets and liabilities:

	2024				
	Level 1 $'000	Level 2 $'000	Level 3 $'000	Carrying Value $'000	Fair Value $'000
Financial assets measured at fair value					
Financial assets:					
Foreign Exchange Forward Contract asset	–	19,647	–	19,647	19,647
Total financial assets measured at fair value	**–**	**19,647**	**–**	**19,647**	**19,647**
Financial assets not measured at fair value					
Cash and cash equivalents	377,366	–	–	377,366	377,366
Cash and cash equivalents - Trust	908,950	–	–	908,950	908,950
Deferred acquisition costs	–	–	14,184	14,184	14,184
Financial assets:					
Other financial assets	–	23,546	–	23,546	23,886
Total financial assets not measured at fair value	**1,286,316**	**23,546**	**14,184**	**1,324,046**	**1,324,386**
Financial liabilities not measured at fair value					
Contingent and deferred consideration payables	–	–	167,487	167,487	168,533
Other liability	–	–	11,105	11,105	11,105
Put options	–	–	10,318	10,318	9,117
Financial liability at amortised cost	–	–	60,638	60,638	105,205
Interest-bearing loans and borrowings	–	646,001	–	646,001	646,001
Total financial liabilities not measured at fair value	**–**	**646,001**	**249,548**	**895,549**	**939,961**

19 FINANCIAL INSTRUMENTS (CONTINUED)

Risk exposures and Responses (continued)

c. Fair Values of recognised assets and liabilities (continued)

	2023				
	Level 1 $'000	Level 2 $'000	Level 3 $'000	Carrying Value $'000	Fair Value $'000
Financial assets measured at fair value					
Financial assets:					
Foreign Exchange Forward Contract asset	–	23,534	–	23,534	23,534
Total financial assets measured at fair value	**–**	**23,534**	**–**	**23,534**	**23,534**
Financial assets not measured at fair value					
Cash and cash equivalents	260,352	–	–	260,352	260,352
Cash and cash equivalents - Trust	936,369	–	–	936,369	936,369
Deferred acquisition costs	–	–	13,822	13,822	13,822
Financial assets:	–	–	–	–	–
Other financial assets	–	18,075	–	18,075	18,075
Total financial assets not measured at fair value	**1,196,721**	**18,075**	**13,822**	**1,228,618**	**1,228,618**
Financial liabilities not measured at fair value					
Contingent and deferred consideration payables	–	–	193,060	193,060	193,617
Other liability	–	–	10,540	10,540	10,540
Put options	–	–	11,781	11,781	10,228
Financial liability at amortised cost	–	–	58,697	58,697	71,139
Interest-bearing loans and borrowings	–	584,230	–	584,230	584,230
Total financial liabilities not measured at fair value	**–**	**584,230**	**274,078**	**858,308**	**869,754**

There were no transfers between Level 1 and Level 2 of the fair value hierarchy for the current or prior period.

No level 3 financial instrument is measured at fair value on a recurring basis.

Put Options

AUB Group Limited has entered into agreements with various financiers and shareholders of related entities and associates, granting options to put shares held in related companies or associates to AUB Group Limited, refer to Note 18.

Other than shown on Note 18, at balance date no liability has arisen in relation to these arrangements.

d) Market Risk

Interest rate risk

The Group's exposure to interest rate movements relates to cash and cash equivalents held by the Group and the Group's long-term debt obligations. To manage interest rate risk, interest rates on borrowings are fixed for a period depending on market conditions. This risk is minimal as the Group holds cash (including trust cash) in excess of the amount of borrowings and therefore the Group has a hedge against interest rate rises. Loans generally have interest rate resets every three months. In the event of interest rate rises, a net increase in interest revenue will occur due to cash and cash equivalents exceeding borrowings.

The main risk to the Group is in relation to interest rate reductions which will decrease the net income earned on cash and cash equivalents held. The cash held to pay insurers must be held in prescribed investments (investment grade bank accounts or deposits) and as such will be subject to market interest rate fluctuations. The Group has at balance date, the following mix of financial assets and liabilities exposed to variable interest rate risk.

19 FINANCIAL INSTRUMENTS (CONTINUED)

Risk exposures and Responses (continued)

d) Market Risk (continued)

	2024 $'000	2023 $'000
Financial Assets		
Cash and cash equivalents (including trust account balance)	1,286,316	1,196,721
Loans and advances - related entities	11,947	16,925
Other financial assets	–	–
Total financial assets	**1,298,263**	**1,213,646**
Financial Liabilities		
Loans and other borrowings	(661,730)	(564,461)
Net exposure to interest rate movements	**636,533**	**649,185**

Due to AUB's current positive net exposure to interest rates, fixing interest rates on borrowings has been assessed by the Group to be unnecessary. Materially all borrowings are based on variable interest rates. See Note 17 for full details of terms and conditions.

The Group constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing and the term for fixing interest rates.

The following sensitivity analysis is based on the interest rate exposures in existence at year end. The sensitivity for the prior year has been prepared on an equivalent basis. At year end, had interest rates moved as illustrated in the table below, with all other variables held constant, post-tax profits and equity would have been affected as follows:

	Post-tax profits Higher/ (lower)		Impacts directly to equity Higher/ (lower)	
Judgements of reasonably possible movements	2024 $'000	2023 $'000	2024 $'000	2023 $'000
+1.00% (100 basis points) (2023: 1.00% (100 basis points))	6,365	6,492	–	–
-1.00% (100 basis points) (2023: -1.00% (100 basis points))	(6,365)	(6,492)	–	–

Equity securities price risk

Equity securities price risk arises from investments in equity securities. The Group does not invest in listed equity securities or derivatives.

At year end, the Group had no material exposure to equities other than to shares in associates and controlled entities and therefore has no exposure to price risk that has not already been reflected in the financial statements. The Group tests for impairment annually and reviews all investments at least half yearly. The methodology for testing for impairment and results is shown in Note 14.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expenses is denominated in a foreign currency) and the Group's investment in overseas controlled entities.

19 FINANCIAL INSTRUMENTS (CONTINUED)

Risk exposures and Responses (continued)

d. Market Risk (continued)

The Group maintains a hedge program to manage its foreign currency risks in relation to cash flows. Refer to Note 12 for further information on the Group's hedge instruments.

The majority of the foreign exchange rate exposure relates to the investment in New Zealand and Tysers operations, although some controlled entities raise client invoices in foreign currency denominations.

The Group does not hedge its net investment in foreign operations through derivatives.

At year end, had foreign exchange rates moved as illustrated in the table below, with all other variables held constant, post-tax profits and equity would have been affected as follows:

	Post-tax profits Higher/ (lower)		Impacts directly to equity Higher/ (lower)	
Judgements of reasonably possible movements	2024 $'000	2023 $'000	2024 $'000	2023 $'000
-10% NZD:AUD	(2,034)	(250)	(13,674)	(15,533)
+10% NZD:AUD	2,034	250	13,674	15,533
-10% GBP:AUD	10,047	9,165	(32,471)	(40,599)
+10% GBP:AUD	(10,047)	(9,165)	32,471	40,599
-10% USD:AUD	(4,396)	(2,680)	(20,822)	(18,266)
+10% USD:AUD	4,396	2,680	20,822	18,266

e. Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimum capital structure.

In order to maintain or adjust the capital structure or in response to changes in economic conditions and the requirements of the financial covenants, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt if required.

The Group monitors capital using the leverage ratio. Leverage is calculated as Net Debt divided by Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA'), as defined below:
- Net Debt contains the Group's interest-bearing loans and borrowings, plus other debt (including guarantees), the Group's contingent consideration*, the Group's share of borrowings and contingent consideration in relation to associates less uncommitted cash and cash equivalents**;
- EBITDA includes the Group's share of associate EBITDA plus an annualised EBITDA of controlled entities acquired during the period, less contribution of EBITDA for any controlled entities disposed during the period.

The leverage ratios at 30 June were as follows:

	2024 $'000	2023 $'000
Leverage ratio		
Interest-bearing loans and borrowings	646,001	584,230
Debt like items	10,516	16,552
Contingent consideration	167,487	193,060
Interest-bearing loans, borrowings and contingent consideration payable - associates (AUB Group share)	41,681	25,522
Contingent consideration payable for obligors*	(158,436)	(192,859)
Uncommitted cash and cash equivalents**	(228,975)	(152,870)
Total net debt	478,274	473,635
EBITDA - controlled entities	276,971	164,500
Normalisation due to M&A	33,413	50,469
EBITDA - associates (AUB Group share)	62,326	61,571
Total normalised EBITDA	372,710	276,540
Leverage ratio - Net Debt/EBITDA	**1.28**	**1.71**

* Contingent consideration excludes contingent consideration recognised by wholly owned Group entities.
** Uncommitted cash and cash equivalents excludes trust cash accounts, and restricted cash such as to meet regulatory obligations.

20 ISSUED CAPITAL

	2024 $'000	2023 $'000
Issued capital opening balance	945,687	608,520
Issue of shares, net of issue costs	195,741	337,167
Issued capital closing balance	**1,141,428**	**945,687**

	Shares No.	Shares No.
Number of shares on Issue (ordinary shares fully paid)	115,678,348	108,405,620
Movements in number of shares on issue		
Beginning of the financial year	108,405,620	92,409,126
Issue of shares	7,272,728	6,875,102
Issue of shares - acquisition	–	9,018,974
Number of shares issued during period - options exercised	–	102,418
Total shares on issue	**115,678,348**	**108,405,620**
Weighted average number of shares on issue at end of the year	109,081,229	99,836,672

On 23 May 2024, AUB completed the placement of 7.3m shares at $27.50 to raise $200m.

On 5 July 2024, as part of Share Placement Plan AUB issued 909,086 shares at $27.50. Total amount raised was $25m.

Ordinary shares have the right to receive dividends and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary share capital is recognised at the fair value of the consideration received by the company, net of issue costs.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company.

21 SHARE-BASED PAYMENT PLANS

The Group provides benefits to employees (including executive directors) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

An Employee Performance Share Rights Plan is in place which provides benefits to executive directors and senior executives through the issue of both Performance Share Rights ('PSRs') and Share Appreciation Rights ('SARs'). The performance hurdles relating to PSRs issued in previous periods remain unchanged.

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. Details of the methodology to value of PSRs is included below.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of AUB Group Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and /or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

Deferred STI entitlements (30% of total STI entitlement) which have been granted as PSRs, are expensed in the year they are granted as all performance hurdles to achieve the STI have been satisfied. The granting of PSRs is used as a retention strategy and there are no further performance hurdles required for the PSRs to be exercised with the exception of the continued employment by the relevant Group Executive of the AUB Group up to the time the PSRs can be converted to shares. 50% of the PSRs can be exercised 12 months after the grant date and the balance can be exercised 24 months after the grant date.

For all other PSRs, the cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- the extent to which the vesting period has expired; and
- the Group's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The Consolidated Statement of Comprehensive Income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is included in Note 4(d) Expenses.

21 SHARE-BASED PAYMENT PLANS (CONTINUED)

The share-based payment reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration.

For PSRs vesting based on earnings per share hurdles, no expense is recognised for awards that do not ultimately vest, except for awards that are cancelled or where vesting is only conditional upon a market condition.

For PSRs issued based on Total Shareholder Return ('TSR') hurdles, an expense is recognised irrespective of the Group meeting market expectations.

In the event PSRs are cancelled, or cancelled and reissued, the remaining cost for these is brought forward and recognised immediately in addition to the expense for any reissued/new PSRs.

If the terms of an equity-settled award are modified, as a minimum, an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured, at the date of modification.

The dilutive effect, if any, of outstanding PSRs is reflected as additional share dilution in the computation of earnings per share (see Note 6).

Shares allocated on vesting and conversion are subject to the terms of AUB Group's Share Trading Policy and carry full dividend and voting rights upon allocation.

Financial year Grants issued	As at 30 June 2022	Granted during FY23	lapsed during FY23	exercised during FY23	As at 30 June 2023	Granted during FY24	lapsed during FY24	exercised during FY24	As at 30 June 2024	Grant date	Earliest exercise date	Valuation $
2019	4,873	–	(3,674)	(1,199)	–	–	–	–	–	31-Oct-18	31-Oct-21	10.72
2020	101,219	–	–	(101,219)	–	–	–	–	–	19-Dec-19	31-Aug-22	9.37
2020	200,000	–	–	–	200,000	–	–	–	200,000	19-Dec-19	31-Aug-24	8.91
2021	164,436	–	–	–	164,436	–	–	(164,436)	–	18-Dec-20	31-Aug-23	11.27
2022	144,879	–	–	–	144,879	–	–	–	144,879	13-Nov-21	31-Aug-24	18.02
2023*	–	39,169	–	–	39,169	–	–	(19,584)	19,585	02-Sep-22	31-Aug-23	19.02
2023	–	150,146	–	–	150,146	–	–	–	150,146	29-Mar-23	31-Aug-25	20.92
2024*	–	–	–	–	–	29,353	–	–	29,353	01-Sep-23	31-Aug-24	26.79
2024	–	–	–	–	–	181,295	–	–	181,295	03-Nov-23	31-Aug-26	24.08
	615,407	189,315	(3,674)	(102,418)	698,630	210,648	–	(184,020)	725,258			
Share Appreciation Rights (SARS's)												
2022	1,016,776	–	–	–	1,016,776	–	–	–	1,016,776	11-Nov-21	31-Aug-26	3.79

* 29,353 (2023: 39,169) Equity award resulting from 30% of Deferred Short term incentive ('DSTI') granted as PSRs. No additional performance conditions apply to the vesting of the PSRs with the exception of the continued employment by the relevant Group Executive. 50% of the PSRs granted in respect of the DSTI will be exercisable one year after grant date and the balance will be exercisable 2 years after grant date.

The weighted average exercise price for all PSRs exercised in FY24 and FY23 was $NIL.

The fair value per SAR at grant date is calculated at $3.79 using the Black-Scholes formula.

All PSRs lapsed during FY23 were due to vesting conditions not being met.

The weighted average remaining contractual life for the PSRs/SARs outstanding at 30 June 2024 was 2.96 years (30 June 2023: 3.80 years).

21 SHARE-BASED PAYMENT PLANS (CONTINUED)

Vesting conditions for PSRs

The following option exercise conditions apply to all PSRs issued.

For PSRs issued in FY20, FY21 and FY22, 60% are subject to an average annual growth rate (AAGR) hurdle set out in Part (a) below (EPS PSRs) and 40% of PSRs issued will be subject to the total shareholder return hurdle set out in Part (b) below (TSR PSRs).

For PSRs issued in FY23 and FY24, 40% are subject to a compound annual growth rate (CAGR) hurdle set out in Part (a) below (EPS PSRs), 40% of PSRs issued will be subject to the total shareholder return hurdle set out in Part (b) below (TSR PSRs) and 20% subject to an average of 3 years return on invested capital hurdle (ROIC PSRs) set out in part (c) below.

For the purposes of calculating the compound annual growth rate (CAGR) or Annual average growth rate (AAGR), an underlying form of earnings per share will be utilised (Underlying EPS) being, in respect of any financial year, the consolidated net profit after tax of the Company for that year excluding the effects of non-recurring events or other items not representative of the underlying operating items of income and expenditure which do not represent the underlying performance of the Group and segments of the Group, such as restructuring costs, acquisition costs, fair value gain/losses, profits on sale, amortisation of broking registers and impairments (Underlying NPAT) divided by the weighted average number of shares on issue during the financial year. Other adjustments to the Underlying NPAT calculation may be made in limited circumstances where the Board considers it to be appropriate.

Subject to satisfaction of the performance based conditions referred to in paragraphs (a), (b)and (c) below, the PSRs will vest 3 years (5 years for sign-on grant – see part (d)) after the start of the performance period.

There is no holding lock on shares acquired on vesting of PSRs granted before 30 June 22. There is a post exercise holding lock of one year for PSRs granted in FY23 and FY24 which is designed to act as a mechanism for executives to achieve additional AUB Group equity ownership. Shares allocated on vesting and conversion are subject to the terms of AUB Group's Share Trading Policy and carry full dividend and voting rights upon allocation.

a. Earnings Per Share Growth hurdles are as follows:

issued in FY20		issued in FY21 and FY22		issued in FY23 and FY24	
AAGR EPS	EPS vesting	AAGR EPS	EPS vesting	CAGR EPS	EPS vesting
less than 5%	NIL	less than 7%	NIL	less than 7%	NIL
5%	50%	7%	50%	7%	50%
5-7%	50% - 100%	7-10%	50%- 100%	7-12%	50%- 100%
7% or more	100%	10% or more	100%	12% or more	100%

b. TSR hurdles for all grant years are as follows:

Relative TSR performance is assessed over a three-year period which commences at the start of the financial year during which the PSRs are granted.

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.

TSR PSRs will be measured by comparing the TSR of the Company with the TSRs of the constituents of the S&P/ASX Small Ordinaries Industrials Index ('AXSID') (Comparator Group).

Hurdles for TSR PSRs granted after 1 July 2020 (including 5 year CEO sign-on PSRs)		
Less than 50th percentile of the Comparator Group	–	0% of the PSRs will vest.
50th percentile of the Comparator Group	–	50% of the PSRs will vest.
Between 50th percentile and 75th percentile of the comparator Group	–	between 50% and 100% of the PSRs will vest.
75th percentile of the Comparator Group or higher	–	100% of the PSRs will vest.

21 SHARE-BASED PAYMENT PLANS (CONTINUED)

c. Return on Invested Capital ('ROIC')

The ROIC vesting condition for PSRs granted during FY23 and FY24 is measured based on the average of ROIC achieved in each of the 3 years of the performance period.

ROIC PSRs granted in	FY23	FY24
Start of Performance period	1 July 2022	1 July 2023
Final year of the performance period	30 June 2025	30 June 2026

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 (net of interest received from operating bank account) as per consolidated accounts after tax
Invested Capital	The sum of equity attributable to equity holders of the parent and interest-bearing borrowings and loans, less cash and cash equivalents (excluding cash 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 ROIC PSRs that may vest is determined based on the following vesting schedule.

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

d. CEO 5 year sign-on PSRs - Performance Period

In FY20, a sign-on bonus of 200,000 PSRs was granted to the CEO that vest over 5 years. The TSR and EPS hurdles for the sign-on PSR grant are as shown in part (a) and (b) above.

In FY22, one third of the PSRs were tested over the three year performance period from 1 July 2019 to 30 June 2022.

Based on the TSR and EPS outcomes (see previous year remuneration report), all 66,667 PSRs (both TSR PSRs and EPS PSRs) satisfied the performance hurdles and will therefore remain on foot and vest at the end of the 5 year period ended 30 June 2024, subject to the CEO's employment conditions.

Based on the outcomes achieved at that time, all 66,667 PSRs (both TSR and EPS PSRs) satisfied the performance hurdles and therefore remained on foot and vest at the end of the 5 year period ended 30 June 2024, subject to the CEO's employment conditions.

The remaining balance of 133,333 PSRs (TSR and EPS) were tested after the completion of the 5 year period ended 30 June 2024. The outcomes of the performance hurdles and vesting outcomes are shown in the FY24 Remuneration Report. Based on the 5 year performance outcomes, all 200,000 sign on PSRS will vest on 31 August 2024 (both 133,333 tested after 30 June 2024 performance period and the 66,667, on foot after FY22 testing) and can be exercised on that date. There is no holding lock on vested PSRs which are exercised and converted to shares.

21 SHARE-BASED PAYMENT PLANS (CONTINUED)

Share Appreciation Rights ('SARs')

Key terms of the SARs are as follows:

The SARs granted in FY22 have five-year performance period which is intentionally longer than the 3 year performance period for other PSRs granted under the LTI Plan. Additionally there is a further post exercise holding lock of two years which is designed to align the Group's medium term objectives with executives having additional AUB Group equity ownership.

SARs will be tested against a CAGR of the EPS of the Company during the five-year performance period covering 1 July 21 to 30 June 2026.

Vested SARs

Vesting will require stretch performance exceeding regular LTI plan maximum, as well as peer LTI maximum, together with 5 years of ongoing employment from 1 July 2021. Shares allocated on vesting and conversion of SARs are subject to the terms of AUB Group's Share Trading Policy and carry full dividend and voting rights upon allocation.

SARs will automatically vest and convert into Shares if the vesting conditions have been satisfied, expected to be on or around 31 August 2026. Vested SARs will be converted to shares in AUB Group Limited based on the formula below.

There is no conversion price or exercise price payable for the conversion of any vested SARs.

Vesting is conditional on meeting performance targets in line with table below.

Achieving a CAGR of Underlying EPS of	Vesting outcomes of SARs
Less than 12%	0%
12%	25%
Greater than 12% but less than 14%	Pro rata straight line vesting between 25% and 100%
14% or more	100%

If the vesting conditions are satisfied, the SARs will convert into that number of shares based on the following formula:

$$\text{Number of vested SARs} \times \frac{\text{Conversion Price - Initial VWAP}}{\text{Conversion Price}}$$

Where:

- Number of vested SARs means the number of SARs that vested after the EPS calculation has been undertaken at the end of the 5 year performance period;
- Conversion Price means the VWAP of the shares traded on the ASX over the 60 trading days prior to 30 June 2026;
- Initial VWAP means $20.33, being the VWAP of the Shares traded on the ASX over the 60 trading days prior to 1 July 2021 (the first day of the Performance Period);
- The base underlying EPS at 30 June 2021 was 87.93 cents per share (86.12 cents per share TERP adjusted).

Tysers Incentive Scheme

On 1 September 2023, the Group granted 1,812,000 PSRs to employees of Tysers as part of a retention programme for Tysers key producers. The performance hurdles for the PSRs will be tested over the 3-year period 1 July 2023 to 30 June 2026.

Vesting of PSRs will be tested against Tysers Underlying Net Profit After Tax ('TUNPAT') growth targets for the Performance Period. TUNPAT follow the same principles as AUB's UNPAT, however the base year (FY23) is normalised to represent 12 months of AUB Group ownership.

During FY24, no PSRs lapsed due to employees who resigned before the end of the performance period.

TUNPAT Compound Annual Profit Growth (CAGR)

hurdles over the performance period	Vesting outcomes of PSRs
Less than 7.5%	0%
7.5%	25%
Greater than 7.5% but less than 12.5%	Pro rata straight line vesting between 25% and 100%
12.5% or more	100%

22 PARENT ENTITY INFORMATION

The parent company's summary financials are presented below:

	2024 $'000	2023 $'000
ASSETS		
Cash and cash equivalents	170,663	111,311
Current assets	488,972	414,986
Non-current assets	1,270,529	1,202,789
Total assets	1,930,164	1,729,086
LIABILITIES		
Current liabilities	50,799	92,728
Non-current liabilities - Interest-bearing loans and borrowings	550,000	514,500
Total liabilities	600,799	607,228
NET ASSETS	**1,329,365**	**1,121,858**
EQUITY		
Issued capital	1,141,428	945,687
Reserves	7,597	17,684
Retained earnings	180,340	158,487
TOTAL SHAREHOLDERS EQUITY	**1,329,365**	**1,121,858**
Profit for the year before income tax	78,545	91,659
Income tax (expense)/credit	15,939	4,192
Net profit after tax for the year	94,484	95,851
Other comprehensive (expense)/income after income tax for the year	(42)	9
Total comprehensive income after tax for the year	**94,442**	**95,860**
Other information		
Guarantees entered into by the parent entity in relation to the debts of its controlled entities or associates:	–	–
AUB Group Limited has guaranteed loan facilities provided to controlled entities and associates in proportion to its shareholding	15,985	18,542
Total Guarantees	**15,985**	**18,542**

23 COMMITMENTS AND CONTINGENCIES

The Group's commitments and contingencies are presented below:

	2024 $'000	2023 $'000
Commitments - Group		
- Not later than one year	113	88
- Later than one year and not later than five years	22	–
- Later than five years	–	–
	135	**88**
Contingent liabilities and Commitments		
Estimates of the maximum amounts of contingent liabilities that may become payable:		
AUB Group Limited has guaranteed loan facilities provided to associates in proportion to its shareholding	2,118	2,118
AUB Group Limited has guaranteed loan facilities provided to others	6,946	–
Committed transactions*	158,450	–
	167,514	**2,118**

* AUB has entered into a binding agreement to purchase 70% of Pacific Indemnity for $105.0m, with a contingent consideration estimated to be for $35.0m subject to FY25 performance. The acquisition completed on the 1st of July 2024.

On 10 June 2024, AUB has entered into a binding agreement to purchase a 40% equity stake in Momentum Broker Solution, a leading Authorised Representative network based in the UK, for GBP 9.7m. The acquisition completed on the 31st of July 2024.

AUB will fund the acquisitions through the recent capital raise of $200m, refer to Note 20.

Contingent liabilities

AUB Group Limited has provided indemnities to other shareholders of related entities and associates in relation to guarantees given by those shareholders, to financiers of or lessors to entities in which AUB Group Limited has an equity interest.

AUB Group Limited has entered into agreements with various financiers and shareholders of related entities and associates, granting options to put shares held in related companies to AUB Group Limited.

From time to time AUB Group Limited is exposed to contingent risk and liabilities arising from the conduct of its business including actual and potential disputes, claims and legal proceedings, including litigation arising from the provision of insurance policies to its clients. Such matters ore often highly complex and uncertain. Where appropriate, provisions have been made (refer to Note 16 for further details on provisions).

24 AUDITORS' REMUNERATION

The Group's payments to audit firms are presented below:

	Consolidated	
	2024 $	2023 $
Amounts received or due to Ernst & Young (Australia and overseas EY firms) for:		
Audit of the financial statements of Group and its controlled entities in Australia	1,805,000	1,646,000
Audit of the financial statements of controlled entities overseas	3,106,000	3,017,000
Other statutory assurance services in Australia	230,000	214,000
Other assurance related services in Australia	145,000	–
Total audit services	5,286,000	4,877,000
Non-audit services due to Ernst & Young Australia		
Taxation advice	–	–
Taxation compliance services	80,000	57,000
Consulting services	–	–
Total non-audit services due to Ernst & Young Australia	80,000	57,000
Total services provided by Ernst & Young	5,366,000	4,934,000
Amounts received or due to non Ernst & Young audit firms for:		
Audit and review of financial statements	766,816	661,721
Other statutory assurance services	12,500	164,707
Other assurance related services	–	85,000
Total audit services	779,316	911,428
Non-audit services		
Taxation advice	40,525	–
Taxation compliance services	19,710	26,640
Other consulting services	73,482	59,329
Total non-audit services	133,717	85,969
Total services provided by other auditors	913,033	997,397
Total Auditors' remuneration	**6,279,033**	**5,931,397**

25 RELATED PARTY DISCLOSURES

a. Details of Key Management Personnel (KMP)

The directors of the company in office throughout the year and until the date of signing this report are:

D. C. Clarke	Chair (non-executive)
P. A. Lahiff	Director (non-executive) (retired 23 August 2023)
M. S. Laing	Director (non-executive) (appointed 2 November 2023)
R. J. Low	Director (non-executive) (retired 2 November 2023)
C. L. Rogers	Director (non-executive)
P. G. Harmer	Director (non-executive)
R. D. Deutsch	Director (non-executive)
A. J. Kendrick	Director (non-executive)

The following persons were the executives with the greatest authority for the planning, directing and controlling the activities of the consolidated entity during the financial year:

M.P.C. Emmett	Managing Director and Chief Executive Officer
M. J. Shanahan	Chief Financial Officer

25 RELATED PARTY DISCLOSURES (CONTINUED)

b. There are no loans outstanding owing by KMP at 30 June 2024 (2023: NIL).

c. Compensation of KMP's by Category

	2024 $	2023 $
Salary, fees and short-term incentives	5,259,131	4,034,894
Post employment benefits	133,073	119,639
Other long-term benefits	–	–
Termination benefits	–	–
Share-based payments	2,450,185	2,058,537
Total	**7,842,389**	**6,213,070**

d. STI amounts included above relate to the accrued provision in respect of the current year's performance that will be paid during the following financial year. The 2024 amounts have been approved by the Remuneration Committee.

e. The following related party transactions occurred during the year:

i. Transactions with related parties in parent, controlled entities and associates

1. Entities within the Consolidated Group charge associates management fees for expenses incurred and services rendered. Refer to Note 4.
2. Entities within the Consolidated Group provide funds to other related entities within the Group. These funds are interest-bearing, excluding small working capital advances, and are repayable on demand. See Note 11 for amounts receivable from related parties and Note 15 for payables to related parties.

These transactions are at normal commercial terms and conditions.

	2024 $	2023 $
Entities within the Consolidated Group have advanced funds to other related parties		
Associates	383,935	5,912,764
Related persons/Companies – Shareholder Loan	11,563,183	9,147,665
Loans to association members	3,237,305	1,864,908

ii. Transactions with other related parties

	2024 $	2023 $
Other payables - related parties		
Associates	1,636,343	2,527,183
Related persons/Companies – Trust distribution	3,422,377	1,461,629
Related persons/Companies – Shareholder Loan	1,637,130	859,652

Entities within the Consolidated Group provide Shareholder loans to enable key employees to buy into the business (as part of the Group's strategy to retain key employees). These loans (except one loan payable in 10 years) are payable within 5 years, are fully securitised on the shares of the company, and mechanisms for repayments include garnishing rights over associated dividends.

These transactions are at normal commercial terms and conditions.

iii. Transactions with directors and director-related entities

Entities within the Consolidated Group receive fees for arranging insurance cover for directors and /or director related entities. These transactions are at normal commercial terms and conditions.

Other than disclosed above and in Notes 25(b) and 25(c), there were no other transactions with director or director related entities.

26 SUBSEQUENT EVENTS

On 1 July 2024, the Group completed the acquisition of Pacific Indemnity for $105.0m, plus a deferred consideration estimated to be $35m.

On 16 August 2024, the Group executed an agreement to acquire a significant equity stake in UK based Movo group, which is subject to regulatory approval.

On 21 August 2024, the Directors of AUB Group Limited determined a final dividend on ordinary shares in respect of the 2024 financial year. The total amount of the dividend is $68.79m which represents a fully franked dividend of 59.0 cents per share. The dividend has not been provided for in the 30 June 2024 financial statements.

27 OTHER POLICIES

Other Policies

For the basis of preparation, significant accounting policies, and changes to accounting refer to Note 2.

For accounting policies on material balances refer to notes above.

Current versus non-current classification

The Group presents assets and liabilities in the Consolidated Statement of Financial Position based on current and non-current classification.

An asset is current when it is:

- expected to be realised, or intended to be sold, or consumed in the normal operating cycle;
- expected to be realised within twelve months after the reporting period;
- held primarily for the purpose of trading; or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other assets and liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Deferred acquisition costs

Deferred customer acquisition costs represent costs associated with acquiring a new customer contract where a relationship is bound by contractual agreement. The costs are capitalised only when they are determined to be recoverable per the customer contract. Deferred acquisition costs are amortised over the term of the customer contract.

Deferred revenue from contracts with customers

Revenue from broking and agency activities are partially (1%, 2023: 1%) deferred for premium settlement and claims handling services (1.5%, 2023: 1.5%) and cancellations (5%, 2023: 5%). The amount of deferral is based on historic data (on time and cost such activities) adjusted for any forward looking anticipated changes, and margin on service of a standalone service (based on available external data). The revenue is recognised over time, generally 90 days for premium settlement, and within 12 months for claims handling.

Dividends received

The Group recognises dividends received within the Consolidated Statement of Cash Flows as cash from operating activities. The Group's strategy involves investing into other businesses (see Note 7). Cash flows from the Group's investment in associates is derived in the form of dividends received. As the Group intends to hold such businesses for the long term, dividends from associates represents operating cash flows from the Group's equity investments. The parent actively monitors dividend payout ratios compared to net profits generated by each business in which the parent has a direct investment.

Leases

The Group has entered into leases for premises, car parking and fixed assets for varying periods of up to seven years. The lease contracts are recognised on the balance sheet at commencement of the lease, with the exception of short-term leases not exceeding 12 months and leases of low-value assets. The Group applied practical expedients and the exemptions to short-term leases and low-value underlying assets available in the accounting standard.

27 OTHER POLICIES (CONTINUED)

Pursuant to some of its lease agreements, the Group has the option to renew the lease for a period of up to ten years. The Group has no restrictions placed upon the lessee by entering into these leases. The Group applies judgement and considers all relevant factors in assessing whether it is reasonably certain to exercise an option. This assessment is performed periodically, and when the Group is reasonably certain to exercise an option to extend the duration of a lease, that option is then taken into account in calculating or recalculating the right-of-use asset and lease liability.

Where the Group sub leases a premises, it derecognises the right-of-use asset and immediately recognising a Lease Net Investment asset representing the net present value of all future net cash flows expected from the sub lease. Any gain or loss is charged against profit and loss.

Non-controlling Interests

This is measured at their proportionate share of the identifiable net assets and proportion of goodwill.

Other taxes

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax ('GST')/Value Added TAX ('VAT') except

- when the GST/VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST/VAT included.

The net amount of GST/VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST/VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST/VAT recoverable from, or payable to, the taxation authority.

Property, plant and equipment

Property, plant and equipment, is stated at cost less depreciation and any impairment in value.

Depreciation is calculated on a straight-line over the estimated useful life of the asset as follows:

- Motor vehicles: 5 to 8 years;
- Plant and equipment: 5 to 10 years.

Impairment

The carrying value of property, plant and equipment is reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate the carrying value may be impaired.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the asset or cash generating unit is written down to their recoverable amount.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

28.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies and methods of computation are the same as those adopted in prior years except for new and amended accounting standards which came into effect on 1 July 2023.

The 30 June 2024 financial statements, and respective notes to the financial statements have been prepared in accordance with the new and amended accounting standards. The accounting policies in the notes below have also been updated to reflect the new and amended accounting standards in effect during the year.

The Group has applied the following standards and amendments for the first time for the annual reporting period commencing 1 July 2023:

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates;
- AASB 2021-5: Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- AASB 2022-1 Amendments to AASs –Initial Application of AASB 17 and AASB 9 – Comparative Information;
- AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants;
- AASB 2022-7 Editorial Corrections to AASs and Repeal of Superseded and Redundant Standards; and
- AASB 2022-8 Amendments to AASs – Insurance Contracts – Consequential Amendments.

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

28.2 STANDARDS ISSUED BUT NOT YET EFFECTIVE

There are a number of new accounting standards and amendments issued, but not yet effective, none of which have been early adopted by the Group in this Financial Report. The new standards and amendments (noted below), when applied in future periods, are not expected to have a material impact on the financial position of the Group.

- AASB 2014-10 Amendments to AASs – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;
- AASB 2020-1 Amendments to AASs – Classification of Liabilities as Current or Non-current;
- AASB 2022-5 Amendments to AASs – Lease Liability in a Sale and Leaseback;
- AASB 2023-1 Amendments to AASs – Amendments to AASB 107 and AASB 7 – Disclosures of Supplier Finance Arrangements; and
- AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability.

AASB 18 *Presentation and Disclosure in Financial Statements*, issued on 14 June 2024, will first apply to the Group in financial year ending 30 June 2028. The Group are yet to assess the impact of this new standard on the Group's financial statements.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

YEAR ENDED 30 JUNE 2024

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

The following entities were part of the Group at the end of the financial year:

Entity name	Entity type	Country of incorporation	Ownership	Country of tax residency
360 Accident & Health Pty Ltd	Body Corporate	Australia	33.3%	Australia
360 Aviation Pty Ltd	Body Corporate	Australia	33.3%	Australia
360 Casualty Pty Ltd	Body Corporate	Australia	66.6%	Australia
360 Commercial Limited	Body Corporate	New Zealand	59.9%	New Zealand
360 Commercial Motor Pty Ltd	Body Corporate	Australia	36.6%	Australia
360 Commercial Pty Ltd	Body Corporate	Australia	59.9%	Australia
360 Complex Risks Pty Ltd	Body Corporate	Australia	33.9%	Australia
360 Consolidated Investments Pty Ltd	Body Corporate	Australia	66.6%	Australia
360 Construction and Engineering Pty Ltd	Body Corporate	Australia	33.3%	Australia
360 Farm & Regional Pty Ltd	Body Corporate	Australia	66.6%	Australia
360 Financial Lines Pty Ltd	Body Corporate	Australia	33.3%	Australia
360 Group Services NZ Limited	Body Corporate	New Zealand	66.6%	New Zealand
360 Group Services Pty Ltd	Body Corporate	Australia	66.6%	Australia
360 Hospitality Pty Ltd	Body Corporate	Australia	39.9%	Australia
360 Landlords Pty Ltd	Body Corporate	Australia	33.3%	Australia
360 Marine Cargo and Transit Pty Ltd	Body Corporate	Australia	59.9%	Australia
360 Mid Market Property Pty Ltd	Body Corporate	Australia	39.9%	Australia
360 Mid Market Pty Ltd	Body Corporate	Australia	39.9%	Australia
360 Mobile Plant & Equipment Pty Ltd	Body Corporate	Australia	66.6%	Australia
360 Plant and Equipment Pty Ltd	Body Corporate	Australia	83.3%	Australia
360 Prestige Motor Pty Ltd	Body Corporate	Australia	33.3%	Australia
360 Professional and Financial Risks Pty Ltd	Body Corporate	Australia	44.9%	Australia
360 Quick Construct Pty Ltd	Body Corporate	Australia	33.3%	Australia
360 Underwriting Solutions Pty Ltd	Body Corporate	Australia	66.6%	Australia
AB Phillips Group Pty Ltd	Body Corporate	Australia	57.8%	Australia
AB Phillips Professional Lines Pty Ltd	Body Corporate	Australia	57.8%	Australia
AB Phillips Pty Ltd	Body Corporate	Australia	57.8%	Australia
ABAFF Pty Ltd	Body Corporate	Australia	95.0%	Australia
ABFS (ACT) Pty Ltd	Body Corporate	Australia	95.1%	Australia
ABFS (NSW - S) Pty Ltd	Body Corporate	Australia	95.1%	Australia
ABFS (QLD) Pty Ltd	Body Corporate	Australia	95.1%	Australia
ABFS (VIC) Pty Ltd	Body Corporate	Australia	95.1%	Australia
ABFS (WA) Pty Ltd	Body Corporate	Australia	95.1%	Australia
Able Insurance Pty Ltd	Body Corporate	Australia	100.0%	Australia
ABP & AG Pty Ltd	Body Corporate	Australia	57.8%	Australia
Adroit Bellarine Pty Ltd	Body Corporate	Australia	82.9%	Australia
Adroit Eureka Pty Ltd	Body Corporate	Australia	72.8%	Australia
Adroit FS Pty Ltd	Body Corporate	Australia	100.0%	Australia
Adroit Holdings Pty Ltd	Body Corporate	Australia	100.0%	Australia
Adroit Hume Pty Ltd	Body Corporate	Australia	90.0%	Australia
Adroit Insurance & Risk Pty Ltd	Body Corporate	Australia	100.0%	Australia
Adroit Latrobe Pty Ltd	Body Corporate	Australia	97.7%	Australia

CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

Entity name	Entity type	Country of incorporation	Ownership	Country of tax residency
Adroit Management Services Pty Ltd	Body Corporate	Australia	100.0%	Australia
Adroit MHL Insurance & Risk Pty Ltd	Body Corporate (Trustee)	Australia	89.8%	Australia
Adroit MHL Unit Trust	Trust	Australia	N/A	Australia
Adroit Professional Risk Pty Ltd	Body Corporate	Australia	100.0%	Australia
Adroit Sandhurst Pty Ltd	Body Corporate	Australia	50.5%	Australia
Adroit Workcom Investments Pty Ltd	Body Corporate	Australia	100.0%	Australia
AEI Canberra Pty Ltd	Body Corporate	Australia	61.3%	Australia
AEI Insurance Group Pty Ltd	Body Corporate	Australia	61.3%	Australia
Allegiant IRS Pty Ltd	Body Corporate	Australia	56.5%	Australia
Aquila Group Investments Limited	Body Corporate	UK	100.0%	UK
Aquila Underwriting LLP	Body Corporate	UK	100.0%	UK
Ascend Insurance Network Pty Ltd	Body Corporate	Australia	70.0%	Australia
Astute Insurance Services Pty Ltd	Body Corporate	Australia	53.6%	Australia
Attento Underwriting Agency Limited	Body Corporate	UK	51.0%	UK
AUB Group NZ Broking Limited	Body Corporate	New Zealand	100.0%	New Zealand
AUB Group NZ Limited	Body Corporate	New Zealand	100.0%	New Zealand
AUB Group Services Pty Ltd	Body Corporate	Australia	100.0%	Australia
AUB Hospitality Pty Ltd	Body Corporate	Australia	100.0%	Australia
AUB Three Sixty NZ Limited	Body Corporate	New Zealand	66.6%	New Zealand
AUB Three Sixty Pty Ltd	Body Corporate	Australia	66.6%	Australia
AUBCC Pty Ltd	Body Corporate	Australia	90.0%	Australia
Aust Re Brokers Pty Ltd	Body Corporate	Australia	100.0%	Australia
Austagencies Pty Ltd	Body Corporate	Australia	100.0%	Australia
Austbrokers ABS Pty Ltd	Body Corporate (Trustee)	Australia	80.0%	Australia
Austbrokers ABS Strata Pty Ltd	Body Corporate (Trustee)	Australia	100.0%	Australia
Austbrokers ABS Strata Unit Trust	Trust	Australia	N/A	Australia
Austbrokers ABS Unit Trust	Trust	Australia	N/A	Australia
Austbrokers AEI Pty Ltd	Body Corporate	Australia	61.3%	Australia
Austbrokers Canberra Pty Ltd	Body Corporate	Australia	100.0%	Australia
Austbrokers CE McDonald Pty Ltd	Body Corporate	Australia	76.1%	Australia
Austbrokers City State Pty Ltd	Body Corporate	Australia	55.0%	Australia
Austbrokers Compensation Services Pty Ltd	Body Corporate (Trustee)	Australia	57.8%	Australia
Austbrokers Corporate Pty Ltd	Body Corporate	Australia	80.0%	Australia
Austbrokers Cyber Pro Pty Ltd	Body Corporate	Australia	50.0%	Australia
Austbrokers InterRisk Pty Ltd	Body Corporate	Australia	75.5%	Australia
Austbrokers Investments Pty Ltd	Body Corporate	Australia	100.0%	Australia
Austbrokers Life Pty Ltd	Body Corporate	Australia	95.1%	Australia
Austbrokers Life SA Pty Ltd	Body Corporate	Australia	72.8%	Australia
Austbrokers Member Services Pty Ltd	Body Corporate	Australia	100.0%	Australia
Austbrokers Professional Services Pty Ltd	Body Corporate	Australia	80.0%	Australia
Austbrokers Pty Ltd	Body Corporate	Australia	100.0%	Australia
Austbrokers RIS Pty Ltd	Body Corporate	Australia	95.0%	Australia
Austbrokers RWA Pty Ltd	Body Corporate	Australia	75.5%	Australia
Austbrokers Southern Pty Ltd	Body Corporate	Australia	75.5%	Australia

CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

Entity name	Entity type	Country of incorporation	Ownership	Country of tax residency
Austbrokers Sydney Pty Ltd	Body Corporate	Australia	100.0%	Australia
Austbrokers Trade Credit Pty Ltd	Body Corporate	Australia	75.0%	Australia
Austplacements Pty Ltd	Body Corporate	Australia	100.0%	Australia
Australian Bus and Coach Underwriting Agency Pty Ltd	Body Corporate	Australia	93.3%	Australia
Austrbrokers Info Tech Pty Ltd	Body Corporate	Australia	50.0%	Australia
Bestmark Insurance Brokers Pty Ltd	Body Corporate	Australia	76.1%	Australia
Blumberg Pty Ltd	Body Corporate	Australia	57.8%	Australia
BrokerWeb Risk Services Limited	Body Corporate	New Zealand	72.1%	New Zealand
Bruce Park Pty Ltd	Body Corporate	Australia	57.8%	Australia
Busguard Underwriting Australia Pty Ltd	Body Corporate	Australia	95.0%	Australia
BWRS Life and Health Limited	Body Corporate	New Zealand	64.4%	New Zealand
Capricorn02 Pty Ltd	Body Corporate	Australia	100.0%	Australia
Carriers Insurance Brokers Pty Ltd	Body Corporate	Australia	55.1%	Australia
CCP Bidco Ltd	Body Corporate	UK	100.0%	UK
CCP Midco Ltd	Body Corporate	UK	100.0%	UK
Chegwyn Insurance Brokers Pty Ltd	Body Corporate	Australia	61.3%	Australia
Cinesure Global Pty Ltd	Body Corporate	Australia	54.0%	Australia
Cinesure Global Unit Trust	Trust	Australia	N/A	Australia
Citycover (Aust) Pty Ltd	Body Corporate	Australia	76.1%	Australia
Colonnade Pte Ltd	Body Corporate	Singapore	100.0%	Singapore
Comsure Insurance Brokers Pty Ltd	Body Corporate	Australia	76.1%	Australia
Construction Underwriting Trust	Trust	Australia	N/A	Australia
Country Wide Insurance Brokers Pty Ltd	Body Corporate	Australia	89.1%	Australia
Dawson Insurance Brokers Limited	Body Corporate	New Zealand	64.1%	New Zealand
Direct Underwriting Agency Pty Ltd	Body Corporate	Australia	53.0%	Australia
eSentry Technology Pty Ltd	Body Corporate	Australia	33.3%	Australia
eSentry Underwriting Pty Ltd	Body Corporate	Australia	33.3%	Australia
Experien Financial Services Pty Ltd	Body Corporate	Australia	73.1%	Australia
Experien General Insurance Services Pty Ltd	Body Corporate	Australia	73.1%	Australia
Experien Insurance Services Pty Ltd	Body Corporate	Australia	73.1%	Australia
Film Insurance Underwriting Agencies Pty Ltd	Body Corporate	Australia	100.0%	Australia
Finsura Financial Planning & Risk Pty Ltd	Body Corporate	Australia	70.0%	Australia
Finsura Financial Services Pty Ltd	Body Corporate	Australia	70.0%	Australia
Finsura Holdings Pty Ltd	Body Corporate	Australia	70.0%	Australia
Finsura Insurance Broking (Australia) Pty Ltd	Body Corporate	Australia	70.0%	Australia
Finsura Insurance Broking Unit Trust	Trust	Australia	N/A	Australia
Finsura Insurance Management Services Pty Ltd	Body Corporate (Trustee)	Australia	70.0%	Australia
Finsura Regional Pty Ltd	Body Corporate	Australia	70.0%	Australia
Finsura Wealth Management Pty Ltd	Body Corporate	Australia	49.0%	Australia
Finzane Group Pty Ltd	Body Corporate	Australia	70.0%	Australia
Fleetsure Pty Ltd	Body Corporate	Australia	49.9%	Australia
Forte Underwriters LLC	Body Corporate	US	70.0%	US
Forte Underwriters Suscritores de Riscos Ltda.	Body Corporate	Brazil	70.0%	Brazil
Galileo Underwriting LLP	Body Corporate	UK	100.0%	UK

CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

Entity name	Entity type	Country of incorporation	Ownership	Country of tax residency
George Yard International Investments Ltd	Body Corporate	Guernsey	100.0%	Guernsey/UK
George Yard Investments Ltd	Body Corporate	UK	100.0%	UK
George Yard Services Ltd	Body Corporate	UK	100.0%	UK
H2 Integro Pty Ltd	Body Corporate	Australia	100.0%	Australia
H2 Tysers NZ Limited	Body Corporate	New Zealand	100.0%	New Zealand
Hawkes Bay Holdings Limited	Body Corporate	UK	100.0%	UK
Hawkes Bay Specialty Limited	Body Corporate	Hong Kong	100.0%	Hong Kong/UK
Hawkes Bay Underwriting Limited	Body Corporate	Hong Kong	36.0%	Hong Kong
Horizon Underwriting Pty Ltd	Body Corporate	Australia	57.8%	Australia
IA (NZ) Equity Partners Limited	Body Corporate	New Zealand	35.8%	New Zealand
IA Equity Partners Pty Ltd	Body Corporate	Australia	53.0%	Australia
IAAF Pty Ltd	Body Corporate	Australia	53.0%	Australia
IAAF Trust	Trust	Australia	N/A	Australia
iaAnyware Pty Ltd	Body Corporate (Trustee)	Australia	100.0%	Australia
iaAnyware Unit Trust	Trust	Australia	N/A	Australia
ICIB (Wellington) Limited	Body Corporate	New Zealand	43.3%	New Zealand
ICIB Brokerweb North Shore Limited	Body Corporate	New Zealand	43.3%	New Zealand
ICIB Financial Independence Limited	Body Corporate	New Zealand	42.6%	New Zealand
ICIB Hawkes Bay Limited	Body Corporate	New Zealand	36.8%	New Zealand
ICIB Life (Hawkes Bay) Limited	Body Corporate	New Zealand	36.8%	New Zealand
ICIB Life Limited	Body Corporate	New Zealand	72.1%	New Zealand
ICIB Limited	Body Corporate	New Zealand	72.1%	New Zealand
Independent Risk Insurance Advisory Services BV	Body Corporate	Belgium	90.0%	Belgium
Insurance Advisernet Australia Pty Ltd	Body Corporate (Trustee)	Australia	55.5%	Australia
Insurance Advisernet Holdings Pty Ltd	Body Corporate (Trustee)	Australia	55.5%	Australia
Insurance Advisernet Holdings Unit Trust	Trust	Australia	53.0%	Australia
Insurance Advisernet Life Pty Ltd	Body Corporate	Australia	53.0%	Australia
Insurance Advisernet New Zealand Limited	Body Corporate (Trustee)	New Zealand	53.0%	New Zealand
Insurance Advisernet New Zealand Unit Trust	Trust	New Zealand	N/A	New Zealand
Insurance Advisernet Unit Trust	Trust	Australia	53.0%	Australia
Insurance Brokers Alliance Limited	Body Corporate	New Zealand	67.4%	New Zealand
Integro Australia Holding Pty Ltd	Body Corporate	Australia	100.0%	Australia
Integro Australia Pty Ltd	Body Corporate	Australia	100.0%	Australia
Integro Insurance Brokerage Services LLC	Body Corporate	US	100.0%	US/UK
Integro Insurance Brokers Holdings Limited	Body Corporate	UK	100.0%	UK
InterRISK Life Pty Ltd	Body Corporate	Australia	80.0%	Australia
JC & JD Holding LLC	Body Corporate	US	70.0%	US
JUA Holdings Pty Ltd	Body Corporate	Australia	78.9%	Australia
JUA Underwriting Agency Pty Ltd	Body Corporate	Australia	78.9%	Australia
Lebrina Pty Ltd	Body Corporate	Australia	76.1%	Australia
Limehouse Agencies Ltd	Body Corporate	UK	100.0%	UK
Longitude Insurance Pty Ltd	Body Corporate	Australia	100.0%	Australia
Ludgate Limited	Body Corporate	UK	100.0%	UK
Ludgate US Corp	Body Corporate	US	100.0%	US

CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

Entity name	Entity type	Country of incorporation	Ownership	Country of tax residency
McNaughton Gardiner Insurance Brokers Pty Ltd	Body Corporate	Australia	75.0%	Australia
Mexbrit Brasil Corretora de Resseguros Ltda.	Body Corporate	Brazil	70.0%	Brazil
Mexbrit LLC	Body Corporate	US	70.0%	US
Mexbrit Mexico Intermediario de Reaseguro, S.A. de C.V.	Body Corporate	Mexico	68.3%	Mexico
North Coast Insurance Brokers Pty Ltd	Body Corporate	Australia	39.8%	Australia
Northern Tablelands Insurance Brokers Pty Ltd	Body Corporate	Australia	78.0%	Australia
Northlake Holdings Pty Ltd	Body Corporate	Australia	89.1%	Australia
NZ Brokers Limited	Body Corporate	New Zealand	100.0%	New Zealand
NZbrokers Management Limited	Body Corporate	New Zealand	100.0%	New Zealand
NZbrokers Technology Limited	Body Corporate	New Zealand	100.0%	New Zealand
Prime Leasing & Finance Pty Ltd	Body Corporate	Australia	76.1%	Australia
Primesure Brokers Limited	Body Corporate	New Zealand	66.9%	New Zealand
Primesure Financial Services Limited	Body Corporate	New Zealand	66.9%	New Zealand
Prism Group Limited	Body Corporate	New Zealand	72.1%	New Zealand
QRM Claims Management Pty Ltd	Body Corporate	Australia	60.0%	Australia
RFIB Group Ltd	Body Corporate	UK	100.0%	UK
RFIB Holdings Ltd	Body Corporate	UK	100.0%	UK
RI Hornsby Pty Ltd	Body Corporate	Australia	70.0%	Australia
RIS Financial Solutions Pty Ltd	Body Corporate	Australia	95.0%	Australia
Risk Transfer Group Ltd	Body Corporate	Jersey	100.0%	Jersey/UK
Royal West Asset Pty Ltd	Body Corporate	Australia	89.1%	Australia
Rubix Underwriting Pty Ltd	Body Corporate	Australia	100.0%	Australia
Rubix Underwriting Unit Trust	Trust	Australia	N/A	Australia
Run Off Solutions LLC	Body Corporate	US	70.0%	US
Runacres Insurance Limited	Body Corporate	New Zealand	81.4%	New Zealand
Servicios Administrativos Internacionales, S.A. de C.V.	Body Corporate	Mexico	70.0%	Mexico
SRS Broking Pty Ltd	Body Corporate	Australia	80.0%	Australia
Stand Underwriting Pty Ltd	Body Corporate	Australia	33.7%	Australia
Staple Hall Risk Solutions (SA) (Proprietary) Limited	Body Corporate	South Africa	100.0%	South Africa/UK
Strata Unit Underwriting Agency Pty Ltd	Body Corporate	Australia	100.0%	Australia
SURA Construction Pty Ltd	Body Corporate (Trustee)	Australia	60.0%	Australia
SURA Engineering Pty Ltd	Body Corporate (Trustee)	Australia	60.0%	Australia
Sura Film & Entertainment Pty Ltd	Body Corporate	Australia	100.0%	Australia
Sura Hospitality Pty Ltd	Body Corporate	Australia	66.6%	Australia
SURA Labour Hire Pty Ltd	Body Corporate	Australia	100.0%	Australia
SURA Liability Pty Ltd	Body Corporate	Australia	100.0%	Australia
SURA NZ Limited	Body Corporate	New Zealand	100.0%	New Zealand
SURA Professional Risks Pty Ltd	Body Corporate	Australia	80.0%	Australia
Sura Pty Ltd	Body Corporate	Australia	100.0%	Australia
Svalinn 1319 Limited	Body Corporate	UK	100.0%	UK
Terrace Insurance Brokers Pty Ltd	Body Corporate	Australia	50.5%	Australia
The Breakdown Underwriting Trust	Trust	Australia	N/A	Australia
The Insurance Alliance Pty Ltd	Body Corporate	Australia	100.0%	Australia

CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

Entity name	Entity type	Country of incorporation	Ownership	Country of tax residency
TLC Insurance Limited	Body Corporate	New Zealand	49.9%	New Zealand
Tyser & Co. Ltd	Body Corporate	UK	100.0%	UK
Tyser Group Services Limited	Body Corporate	UK	100.0%	UK
Tyser Risk Management Bangladesh Limited	Body Corporate	Bangladesh	100.0%	Bangladesh
Tysers (Bermuda) Ltd.	Body Corporate	Bermuda	100.0%	Bermuda/UK
Tysers Belgium NV	Body Corporate	Belgium	90.0%	Belgium
Tysers for Reinsurance Brokerage LLC	Body Corporate	Saudi Arabia	60.0%	Saudi Arabia
Tysers Holdings Limited	Body Corporate	Hong Kong	60.0%	Hong Kong/UK
Tysers Insurance Brokers Limited	Body Corporate	UK	100.0%	UK
Tysers Ireland Limited	Body Corporate	Ireland	100.0%	Ireland
Tysers Live Holdings LLC	Body Corporate	US	50.0%	US
Tysers Live Insurance Brokerage Services LLC	Body Corporate	US	50.0%	US
Tysers Live North America Services Inc.	Body Corporate	US	50.0%	US
Tysers Retail Limited	Body Corporate	UK	100.0%	UK
Tysers Singapore Pte. Ltd	Body Corporate	Singapore	100.0%	Singapore
Umbrella Insurance Brokers Pty Ltd	Body Corporate	Australia	57.8%	Australia
WRI Insurance Brokers Pty Ltd	Body Corporate	Australia	76.1%	Australia

DIRECTORS' DECLARATION
YEAR ENDED 30 JUNE 2024

In accordance with a resolution of the directors of AUB Group Limited, we state that:

In the opinion of the directors:

a. the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001* (Cth), including:
   i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the year ended on that date;
   ii. complying with Australian Accounting Standard (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*;

b. the financial statements and notes also comply with *International Financial Reporting Standards* as disclosed in Note 2.1; and

c. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

d. this declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* (Cth) for the financial year 30 June 2024.

e. the consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act 2001* (Cth) is true and correct.

On behalf of the Board

D.C. Clarke
Chair

Sydney, 21 August 2024

M. P. C. Emmett
Chief Executive Officer and Managing Director

Sydney, 21 August 2024

Building a better working world

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Independent Auditor's Report to the Members of AUB Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of AUB Group Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Impairment assessment of goodwill and broking registers

Financial report reference: Notes 2, 14

Why significant	How our audit addressed the key audit matter
As at 30 June 2024, the Group's statement of financial position includes goodwill and insurance broking registers totalling $2 billion, representing 50% of total assets. These assets are the result of acquisitions in the current and previous periods.	Our audit procedures included the following: ▶ Assessed the CGUs and their use in the impairment model, based on our understanding of the nature of the Group's business and management's internal reporting. ▶ Assessed the determination of the initial recognition of goodwill and intangible assets arising from business combinations during the year.

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Why significant	How our audit addressed the key audit matter
In assessing the recoverability of goodwill and insurance broking registers, the Group performs an annual impairment assessment, or more frequently, if impairment indicators are present. The Group has disclosed in Note 2.1(d) and Note 14 to the financial report the methodology and significant assumptions used in the impairment assessment of goodwill and the results of the impairment assessment. The Group's impairment assessment involves significant judgments and estimates including: ▸ Determination of Cash Generating Units ('CGUs'); ▸ Applicable Revenue and Earnings Before Interest and Tax (EBIT) multiples; and ▸ Discount rates, terminal growth rates and forecast cash flows including assumptions within Discounted Cashflow (DCF) models, where required. These assumptions are subject to estimation uncertainty, with potential changes in assumptions leading to changes in the recoverable value of the assets. Accordingly, we considered this to be a key audit matter.	▸ Evaluated the Group's process regarding impairment assessments of goodwill and insurance broking registers and the determination of any asset impairment outcomes. ▸ Assessed the competence, capabilities and objectivity of management's valuation specialist who advised management on EBIT multiples across the Group's CGUs as well as our EY valuation specialist. ▸ Involved EY valuation specialists to assist in assessing the appropriateness of the methodology and assumptions used by management In their DCF and EBIT multiples calculations. ▸ Tested the mathematical accuracy of the impairment models and agreed relevant data back to management's cash flow forecasts and business plans, audited year end results and other supporting documentation to support the carrying value of the CGUs. ▸ Assessed the reasonableness of the estimated useful life attributed to identifiable insurance broking register intangible assets. ▸ Assessed the Group's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to an impairment. ▸ Assessed the adequacy and appropriateness of the disclosures associated with the impairment assessment included in Note 2.1(d) and 14 to the financial report.

Mergers and acquisitions

Financial report reference: Note 2, 7

Why significant	How our audit addressed the key audit matter
The Group undertook a number of mergers and acquisitions throughout the year, as disclosed in the accounting policy relating to business combinations in Note 2(c). The summary of the impact of the mergers and acquisitions, including new investments in associates, changes in holdings or disposals, are disclosed in Note 7 – 9 to the financial report. The accounting for acquisitions have a material impact on the Group's results, as well as changes in ownership can be complex and requires significant judgment in determining: ▸ The value of identifiable intangible assets; ▸ Fair value of other net assets acquired; ▸ Goodwill acquired; ▸ Total consideration payable, including estimating components of deferred consideration; and ▸ Fair value re-measurement gains resulting from a change in the Group's ownership from an associate to a controlled entity. Accordingly, we considered this to be a key audit matter.	Our audit procedures included the following: ▸ Assessed the purchase price accounting with reference to the signed sale and purchase agreements relating to the business acquisitions or new investments in associates. ▸ Reviewed management's assessment of when the Group obtains control of the business combination. ▸ Tested the accuracy of management's calculations for the significant mergers and acquisitions.. ▸ Tested the calculation of the total consideration payable as at acquisition date and any changes to the consideration payable within the earnout period. ▸ Tested the fair value remeasurement gains resulting from a change in the Group's ownership moving from an associate to a controlled entity. ▸ Assessed the adequacy and appropriateness of the disclosures associated with mergers and acquisitions included in Note 7 through 9 to the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's 2024 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
- The consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001; and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 26 to 53 of the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of AUB Group Limited for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

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Ernst & Young | Ernst & Young

Michael Wright
Partner
Sydney
21 August 2024

Stacey Hooper
Partner
Sydney
21 August 2024

ASX ADDITIONAL INFORMATION

YEAR ENDED 30 JUNE 2024

Additional information required by the ASX and not shown elsewhere in this report is as follows. The information is current as at 26 July 2024.

A. DISTRIBUTION OF EQUITY SECURITIES

Ordinary share capital

– 116,587,434 fully paid ordinary shares are held by 5,576 individual shareholders. All issued shares carry one vote per share and carry the rights to dividends.
– 9,018,974 fully paid ordinary shares are subject to voluntary escrow until 30 September 2024.

Performance Share Rights (PSRs)

– 2,485,758 PSRs are held by 141 individual holders. PSRs do not carry a right to vote.

Share Appreciation Rights (SARs)

– 1,016,776 SARs are held by 3 individual holders. SARs do not carry a right to vote.

There is no current on-market buy-back.

The number of shareholders, by size of holding, in each class are:

Range of shareholding	Number of shareholders	Fully paid ordinary shares	Fully paid ordinary shares (%)
100,001 and over	30	107,052,434	91.82%
10,001 – 100,000	166	4,041,648	3.47%
5,001 – 10,000	223	1,520,432	1.30%
1,001 – 5,000	1,245	2,783,653	2.39%
1 – 1,000	3,912	1,189,267	1.02%
	5,576	**116,587,434**	**100.00%**
Holding less than a marketable parcel of $500[1]	**114**		

1 Based on a closing price of $31.70 on 26 July 2024.

The number of PSRs and SARs holders, by size of holding, in each class are:

Range of shareholding	Holders of PSRs	Number of PSRs	% of PSRs	Holders of SARs	Number of SARs	% of SARs
100,001 and over	2	499,825	20.11%	3	1,016,776	100.00%
10,001 – 100,000	56	1,451,501	58.39%	–	–	–
5,001 – 10,000	36	341,932	13.76%	–	–	–
1,001 – 5,000	47	192,500	7.74%	–	–	–
1 – 1,000	–	–	–	–	–	–
	141	**2,485,758**	**100.00%**	**3**	**1,016,775**	**100.00%**

ASX ADDITIONAL INFORMATION

YEAR ENDED 30 JUNE 2024

B. SUBSTANTIAL SHAREHOLDERS

The following organisations have disclosed a substantial shareholding notice to ASX.

	Date of Notice	Number	Fully Paid Percentage
Integro Parent Inc.	29 May 2024	9,018,974	7.80%
The Capital Group Companies, Inc	27 April 2022	3,726,876	5.01%

C. TWENTY LARGEST HOLDERS OF ORDINARY SHARES

	Ordinary shareholders	Number	Fully paid Percentage
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	39,044,162	33.49%
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	24,232,525	20.78%
3	CITICORP NOMINEES PTY LIMITED	18,297,284	15.69%
4	INTEGRO PARENT INC	9,018,974	7.74%
5	NATIONAL NOMINEES LIMITED	2,370,043	2.03%
6	BNP PARIBAS NOMS PTY LTD	2,201,815	1.89%
7	WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED	2,018,501	1.73%
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,439,441	1.23%
9	AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	1,342,152	1.15%
10	BNP PARIBAS NOMINEES PTY LTD	974,421	0.84%
11	CITICORP NOMINEES PTY LIMITED	760,538	0.65%
12	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	566,758	0.49%
13	MASFEN SECURITIES LIMITED	537,737	0.46%
14	BNP PARIBAS NOMINEES PTY LTD	529,685	0.45%
15	PACIFIC CUSTODIANS PTY LIMITED	506,532	0.43%
16	NETWEALTH INVESTMENTS LIMITED	421,995	0.36%
17	MIRRABOOKA INVESTMENTS LIMITED	332,695	0.29%
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	303,888	0.26%
19	BNP PARIBAS NOMS (NZ) LTD	287,774	0.25%
20	MRS GAELEEN ENID ROUVRAY	236,723	0.20%
		105,423,643	**90.42%**

DIVIDEND DETAILS

YEAR ENDED 30 JUNE 2024

DIVIDEND DETAILS

Dividend	Amount	Franking	Ex Date	Record Date	Payment Date
Interim	20.0c	Fully Franked	29/02/2024	01/03/2024	05/04/2024
Final	59.0c	Fully Franked	06/09/2024	09/09/2024	27/09/2024

CORPORATE INFORMATION

This annual report covers the consolidated entity comprising AUB Group Limited and its subsidiaries. The Group's functional and presentation currency is AUD ($).

A description of the Group's operations and of its principal activities is included in the operating and financial review in the Directors' report on pages 12-15.

DIRECTORS

D. C. Clarke (Chair)
M. P. C. Emmett (Chief Executive Officer and Managing Director)
R. D. Deutsch
P. G. Harmer
A. J. Kendrick
M. S. Laing
C. L. Rogers

COMPANY SECRETARIES

R. H. Bell
E. M. McGregor

ANNUAL GENERAL MEETING

The Annual General Meeting of AUB Group Limited will be held on Thursday 31 October 2024 at 10.00am.

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

AUB Group Limited

Level 14, 141 Walker Street
North Sydney NSW 2060

P: + 61 2 9935 2222
W: www.aubgroup.com.au

ACN: 000 000 715

SHARE REGISTRY

Link Market Services Limited

Level 12, 680 George Street
Sydney NSW 2000

P: 1800 194 270
W: www.linkmarketservices.com.au

AUB Group Limited shares are listed on the Australian Securities Exchange (ASX: AUB)

AUDITOR

Ernst & Young

200 George Street
Sydney NSW 2000

AUB GROUP

www.aubgroup.com.au