

AUB GROUP LIMITED
MODERN SLAVERY
STATEMENT
DECEMBER 2023



AUB GROUP LIMITED MODERN SLAVERY STATEMENT

1. Introduction

This Modern Slavery Statement (“Statement”) is made on behalf of AUB Group Limited and **its controlled entities (“AUB Group”, “Group”, “We”)** pursuant to the Modern Slavery Act 2018 (Cth) (the **Act**) for the period 1 July 2022 to 30 June 2023.

AUB Group conducts its businesses to high levels of ethical and professional standards in accordance with relevant laws in the countries where we operate. We have no tolerance for any form of modern slavery within our business and supply chain and are committed to continual improvement in combating all forms of modern slavery such as forced labour, debt bondage, deceptive recruiting, human trafficking and child labour.

This Statement sets out the actions taken by AUB Group to identify, assess and address modern slavery risks across our operations and supply chains. It also includes an update on initiatives undertaken during FY23 and our planned objectives for the next 12 months.

For non-controlled entities, AUB Group cannot direct or control the actions of those entities but will, as far as possible, educate, encourage and provide resources to assist those entities to manage their modern slavery risks.

This Statement was approved by the Board of AUB Group Limited on 07 December 2023

2. Our Business

2.1 Background

AUB Group Limited (ASX: AUB) is an ASX200 listed group of retail & wholesale insurance brokers and underwriting agencies operating in ~570 locations globally. Over 5,000 team members work with ~950,000 clients to place ~AUD 9.5bn in insurance premiums with local and foreign insurers. The registered office at: Level 14, 141 Walker Street, North Sydney NSW 2060.

AUB Group acquired Tysers on 30 September 2022. Tysers is a leading specialist international insurance broker based in the UK. It is the 6th largest wholesale broker in the Lloyd’s marketplace, writing annual gross premiums of AUD3.6 billion. The scope of this Statement includes Tysers.

2.2 Values

We are committed to implementing the highest professional and ethical standards in our business practices. Our values represent who we are, what we stand for, and how we work and interact with each other, our customers, and the community we serve. To uphold and support these standards our employees are accountable for demonstrating these values in everything they do:



Aspirational

We are progressive, explore opportunities for growth and continually raise the bar



Partnership and Relationship Driven

We are respectful, collaborative and seek to amplify potential



Genuine

We are honest and fair



Resourceful

We are creative and agile in our delivery of the best outcome

3. Structure and Operations

3.1 Operating Divisions

1

Australia Broking

The Australian broking business provides insurance broking and advisory services primarily to SME clients. The division encompasses 45 broking businesses, complemented by established capabilities in Life Insurance Broking, Premium Funding, Claims Management, Legal Services, Loss Adjustment, and Investigations

2

New Zealand

The New Zealand operations provide insurance broking and advisory services, primarily to SME clients in the New Zealand market. AUB operates the NZbrokers network, recently acquiring ICIB and merging with BWRS to create the 5th largest insurance broking business in New Zealand. In addition, AUB has equity investments in 3 major broker partners, 2 underwriting agencies, and Insurance Advisernet NZ, an AR insurance broker network.

3

Agencies

The Agency business provides specialist risk assessment and policy pricing for brokers. This business involves the design, distribution and management of insurance products and portfolios via 31 agencies on behalf of locally licensed insurers and Lloyd's syndicates. Austagencies includes the 360 Underwriting and SURA Specialty portfolios.

4

Tysers

Tysers is a leading independent international Lloyd's broker headquartered in London. The business operates across three segments: Wholesale: Independent wholesale broker to the Lloyd's marketplace with global distribution largely through retail brokers. Retail: Broker servicing niche product areas, including entertainment, sport, specialty. Managing General Agents: operating insurer-delegated authorities both in-house and through third parties. agencies.

5

BizCover

BizCover is a digital SME insurance platform across Australia and New Zealand, covering the full lifecycle of an insurance policy with multi-channel presence. ExpressCover is Australia's newest and most advanced SME insurance platform utilising the BizCover quote and bind engine.

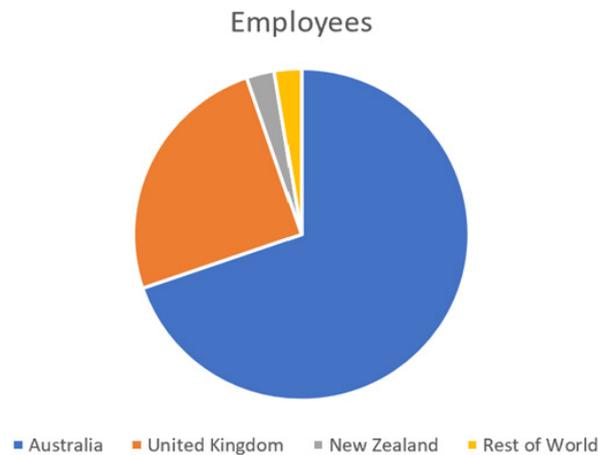
3.2 Corporate Governance

The Board of Directors of AUB has overall responsibility for modern slavery risk management, and guides and monitors the business and affairs of AUB on behalf of stakeholders. AUB's activities are governed by its Constitution and the Company fully complies with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Fourth Edition). The Board delegates operational responsibility to Senior Management for designing and implementing measures to prevent and detect modern slavery within the business and supply chain. The CEO and direct reports have day-to-day responsibility for implementing these measures.

3.3 Our People

AUB recognises the importance of fostering a strong team of committed enthusiastic and talented people who work hard together to deliver outstanding service to our clients and dynamic business results. Our culture supports and rewards those who excel in their field, take responsibility for their own actions, communicate openly, act with integrity and celebrate the success of the team as a whole.

There are more than 5,000 employees across AUB Group. A summary of where employees are located is shown below:



3.4 Our Supply Chain

Our supply chain includes underwriting agencies, insurers, IT service providers, consultancy and professional services firms, human resources and building services firms. These suppliers are primarily large or listed organisations whose workforce composition is largely office-based.

During the reporting period, the global supply chain of AUB Group comprised of more than 2,000 direct suppliers from a total of 25 countries, including Australia, New Zealand, United Kingdom, United States of America, Singapore, Netherlands, Ireland, Canada, Slovakia, Czech Republic, Sweden, United Arab Emirates, South Africa, Hong Kong, France, Malta, Japan and South Korea. The total spend for the reporting period is approximately AUD175m.

We reviewed suppliers engaged directly by AUB Group to provide products and services to AUB Group (“Primary Suppliers”) against modern slavery data and resources published by government, non-government and international organisations, such as:

- Walk Free Foundation.
- NSW Treasury – Economic Data Briefing: Global Supply Chains.
- World Trade Organisation (WTO) – Global Supply Chains Forum; and
- Cambridge University Press – Sustainable Development Report 2022

We recognise that as an organisation our suppliers are key to positively contributing to the social, economic, and environmental wellbeing of the communities to which we belong. As such, 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 primary suppliers to comply with these standards and encourage them to expect the same level of compliance from their suppliers. We believe mutual commitments between AUB Group and our suppliers ensure that we operate in accordance with community expectations of businesses and create 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.

3.5 Our Key Policies

We have a comprehensive set of policies and procedures that articulate our values, ways of working and expectations of our team and suppliers, these are reviewed regularly. This policy framework ensures that our team and suppliers clearly understand our expectations and can recognise when they are being treated in a way that is inconsistent with these expectations and understand how to raise a grievance or complaint.

The following policies are the most relevant to addressing the risks of modern slavery across our supply chain.

POLICY/PROCEDURE	PURPOSE	OWNER	LAST REVIEWED
Code of Conduct	AUB's Code of Conduct outlines how we seek to conduct our business and how we expect our people to conduct themselves. It sets out the types of behaviours and conduct which are required to support the Group's legal, and ethical standards. It also establishes procedures for addressing unacceptable behavior or conduct.	CEO	December 2023
Supplier Code of Conduct	AUB's Supplier Code of Conduct outlines our commitment to high ethical standards and the fair, transparent and equitable treatment of its suppliers to support the creation of lasting relationships with suppliers that share similar values. It also highlights AUB's expectations and requirements for all suppliers providing goods and/or services to the Group	Head of Procurement	December 2023
Whistleblower Policy	AUB's Whistleblowing Policy encourages, protects and supports the responsible reporting of any suspected wrongdoing; unethical, illegal, fraudulent or undesirable conduct involving AUB's businesses. It applies to suppliers and third parties providing services to AUB. Under the Whistleblower Policy, AUB will ensure that persons who make a report shall do so without fear, intimidation, disadvantage or reprisal.	Chief Legal and Risk Officer	November 2023
Modern Slavery Policy	AUB's Modern Slavery Policy outlines the scope, roles and responsibilities in respect of managing potential modern slavery risk within the Group and operates alongside other Group policies such as the Code of Conduct. The policy also sets out the minimum requirements in relation to the appointment and ongoing oversight of suppliers.	Chief Legal and Risk Officer	December 2023
Employment Policies	AUB's employment practices are governed by a number of policies and procedures that in aggregate, set out the business standards for fair pay, contract management, working conditions, anti-bullying and promotion of non-discrimination.	Group Head of Human Resources	December 2023

4. Supply Chain Risks

In conducting a review of our suppliers, we have considered the four key modern slavery risk indicators (geographic, industry & sector, product & services and supply chain model risks) and analysed those categories with more than AUD1 million spend in the reporting period.

Geographic risk

Some countries may have higher risks of modern slavery due to poor governance, weak rule of law, conflict migration flows and socio-economic factors like poverty. In analysing geographic risk, we have referred to estimated prevalence of modern slavery and the government responses as outlined in the 2018 Global Slavery Index (GSI) and its published country risk matrices.

AUB Group has focused on mapping our Primary Suppliers. 95% of Primary Suppliers are located in Australia, New Zealand or the United Kingdom. These jurisdictions are rated 'low risk' according to the internationally recognised Walk Free 2018 Global Slavery Index.

We note that whilst almost all of our primary suppliers operate directly from these low risk jurisdictions, their supply chain may extend to overseas countries considered to be at a higher risk of modern slavery by the GSI and other human rights indices.

Sector and Industry risks

Certain sectors and industries may have high modern slavery risks because of their characteristics, products and processes. This could include the use of unskilled, temporary, seasonal labour or foreign workers. This also includes the recruitment strategies by suppliers, their agents or labour hire agencies.

AUB Group operates primarily in Australia, New Zealand and the United Kingdom within the highly regulated financial services sector, which feature labour and award safeguards for employees, as well as safe working environment protections.

We consider the risk of modern slavery occurrences within our direct employee workforce to be low, due to both the industry and jurisdictions in which we operate presenting a low inherent risk of forced labour, child labour and other forms of modern slavery.

The key factors that support a low risk rating in the professional services industry include the office-based nature of work, low proportion of characteristically vulnerable workers typically found within the workforce and the higher level of skill required to perform the work within the financial services sector.

We work with a selected panel of recruiters for recruiting individuals. Both AUB Group Limited (our listed parent entity) and Tysers conducts reference and other relevant checks before formally extending offers to its employees which helps us to understand any areas of potential vulnerability. All non-workforce contractors of AUB Group Limited undergo relevant screening through their respective service provider, and relevant certifications are obtained prior to them commencing any work.

Product and services risk

The financial services sector intersects with a range of modern slavery risk areas through its investments, assets, insurance and procurement supply chains. AUB Group conducted a self-assessment to determine whether AUB and its controlled entities source goods from high risk or restricted jurisdictions. AUB does not have a material direct relationship with suppliers in the growing, mining or manufacturing industries which are considered high risk industries in Australia, New Zealand and the United Kingdom.

Supply chain model risk

The review of our modern slavery practices considers the risk to people rather than just the risk to our business.

For AUB's Primary Suppliers, AUB has contractual provisions to ensure that modern slavery rules are not violated and that the wages meet applicable host country legal requirements.

We recognise the potential for indirect exposure to modern slavery risks in our supply chains through suppliers with whom AUB Group does not maintain a direct relationship (i.e., supplier sub-contractors and others further down the supply chain where AUB Group entities do not have as clear visibility or control). However, taking a prioritised risk-based approach, AUB Group has focused in this Statement predominantly on its Primary Suppliers.

Group does not maintain a direct relationship (i.e., indirect procurement such as supplier sub-contractors and others further down the supply chain where AUB Group entities do not have as clear visibility or control). Taking a prioritised risk-based approach, AUB Group has focused in this Statement predominantly on its Primary Suppliers.

A summary of the results is as follows:

	Potential high risk	Potential medium risk	Potential low risk	Total
% of spend	1%	9%	90%	100%
Supplier (number)	122	294	1,643	2,059
Spend categories	Building Services Professional services	IT Services Professional services	Insurance, Professional services	

Based on our analysis, there is potential risk of modern slavery in our supply chain.

- There are 122 potential high risk suppliers due either to their geographic location or type of services they supply.
- Following a desktop review, it was determined that these suppliers are mainly large organisations and have all been screened for reputation risks. Additional information will be obtained from the building services suppliers in FY24 to get further assurance on their operations and supply chain risks.
- The medium risk category is mainly driven by the IT services spend category. The majority of these suppliers are based in Australia, United Kingdom and United States and are considered low risk jurisdictions. These suppliers have been screened and are subject to ongoing oversight from AUB Group.
- The professional services identified as “medium risk” are due to the geographic location of where these services were provided. These are well known consulting or professional services organisations and deemed low risk.

For the reportable period, 1 July 2022 to 30 June 2023, there were no identified instances of exploitative practices or human rights abuses in our supply chain.

5. Actions taken to assess and address risks

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 our supply chain partners and those of our controlled entities and assessed them 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, AUB 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 instil good practices and behaviours and protect the human rights of our employees and suppliers.

If AUB identifies that it has caused or contributed to an instance of modern slavery, AUB will adopt measures to try to ‘make good’ all adverse impacts. In addition, where AUB hasn't caused or contributed to modern slavery but is indirectly linked to the it by virtue of a business relationship, we will endeavour to use any leverage to work with the entity that caused the impact, to prevent or mitigate the harm and its recurrence. If this is unsuccessful, we will always consider ending the business relationship.

During the reporting period, AUB Group took action to uplift its processes across three broad categories: (1) Governance, (2) Supplier Assessment and (3) Internal Awareness, Education & Training. The key uplifts across these categories included: There are 122 potential high risk suppliers due either to their geographic location or type of services they supply.

- A review of embedment of modern slavery practices across our broker network.
- Review and update of key policies most relevant to addressing the risks of modern slavery across our supply chain (refer section 3.5).
- Engagement with some high and medium risk suppliers to develop a deeper understanding of their business and their supply chains which amongst other steps, has included completion of questionnaires and/or certain written assurances on management of modern slavery risk.
- Enhancing our reporting line and internal accountability through the introduction of a grievance form available on our public website.

- Focusing on training related to mental health and modern slavery, and continuing training and awareness through delivery of training programs for directors and employees; and
- Reporting on training completion rates to our Board Audit and Risk Committee.

We have identified priority activities for FY24 across AUB Group, whilst applying a materiality lens and considering the priorities of our stakeholders. We understand the evolving landscape and the greater responsibility that businesses owe to all stakeholders.

Focus area	Actions	Measuring our effectiveness
Review of modern slavery policy	Review of Modern Slavery Policy to align with future business acquisitions and Walk Free's Modern Slavery Response & Remedy Framework	<ul style="list-style-type: none"> • Policies, procedures and practices reviewed in line with plans and communications with employees and suppliers.
Vendor Management Framework	<p>Develop and roll out a global vendor management framework, including revised procedures.</p> <p>Implementing more sophisticated tools and technology, allowing for more accurate classification of risk by supplier and efficiency.</p>	<ul style="list-style-type: none"> • Global policy and procedure roll out to all key operating locals. • Quarterly Management and Board reporting on vendor risk management. • % existing suppliers added to new vendor management tools/system.
Supplier contracts	Engaging an external party to review AUB's key supplier agreements to align contractual standards with AUB's minimum compliance requirements in all key jurisdictions.	<ul style="list-style-type: none"> • Number of jurisdictions covered. • % primary suppliers with amended contracts
Supplier chain risk assessment	Continue to engage high and medium risk suppliers to develop a deeper understanding of their business and their supply chains which amongst other steps, will include completion of questionnaires and/ or certain written assurances on management of modern slavery risk.	<ul style="list-style-type: none"> • Number of initial risk assessments conducted on primary suppliers. • Number of breaches identified to the Board & Audit Risk Committee.
Education & awareness	More focused training will be provided to key supplier-facing AUB staff to ensure they understand how to identify modern slavery risks in our supply chain and the actions they should take if they discover any issues.	<ul style="list-style-type: none"> • Training completion rates

6. Assessing the effectiveness of our actions

By improving transparency about modern slavery there will be increased business awareness of modern slavery risks providing us with the ability to improve overall workplace practices. We will also implement a reporting framework comprised of ongoing oversight and development of KPIs for both senior management and the Board.

We will use key performance indicators (KPIs) to measure how effective our actions are to identify and address modern slavery practices in any part of our operations. Over our last reporting period, we assessed the effectiveness of our actions across four focus areas:

- Governance & due diligence.
- Procurement & supply chain.
- HR practices, training & education; and
- Grievances and reporting.

Against each of these focus areas we have developed KPIs that we will use to assess the effectiveness of our actions. These include the:

- New vendor assessment completion rates.
- Percentage of precedent contracts with modern slavery clauses included.
- Completion rates for modern slavery awareness training.
- Number of supplier or staff grievances raised and remediated; and
- Number of claims of bullying, harassment other material breaches of AUB Group's Code of Conduct.

Over subsequent reporting periods, we will continue to review and enhance these KPIs and develop further metrics to assess the effectiveness of our actions, in line with continuous improvement.

7. Our consultation process

AUB Group has consulted with its key controlled entities and wholly owned subsidiaries to develop its Modern Slavery Statement, including by briefing relevant company directors, compliance and operations personnel. This consultation was via quarterly attestations, with a group-wide view considered bi-annually. The majority of discussions centred around sub-contractor roles/responsibilities and potential for AUB to conduct assurance on supplier activities.

Various business lines and functions within the Group provide input into this statement on an annual basis, including Legal, Risk, Compliance, Procurement, Human Resources, Technology and Finance. Accordingly, these internal stakeholders provided input in relation to improved internal processes for supplier management, onboarding processes, recruitment processes and gathering of information from our controlled entities on supplier risk assessments. Any concerns or proposed changes to key processes were discussed at the quarterly Risk Management Executive Committee. The key action arising from this consultation process is the development of a global vendor management framework, including system support,

AUB Group also obtained insights from reviews undertaken by external parties (e.g., KPMG, ACSI) to assist with benchmarking against its industry peers. These insights have supported AUB in developing further effective solutions in relation to this Statement.

AUB Group aims to continuously improve and enhance its practices within business operations and supply chains, and continue its consultation and engagement process through:

- **Collaboration with Network Partners** – AUB Group is continuing to build more leverage into its business relationships by collaborating with other stakeholders to build a shared understanding of the harm and identify opportunities for a collective response.
- **Building meaningful relationships with suppliers** – ongoing engagement with key suppliers.
- **Regularly communicating expectations and standards of ethical workplace practices** – through training programs and other internal forums.
- **Industry engagement** – collective action to strengthen standards by participating in specific industry forums.
- **Uplifting modern slavery risk management** by reviewing direct suppliers and third parties to ensure that established procedures are being followed.
- **Continuing to raise awareness** and deliver modern slavery training across the business.

8. Board approval

This Modern Slavery Statement was approved by the Board of AUB Group Limited on xxx

Signed for and on behalf of the Board of AUB Group Limited.

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

David Clarke

Chair of AUB Group Limited Board

07 December 2023