

# Corporate Governance Statement

for the period 1 July 2020 to 30 June 2021

# Corporate Governance Statement

ClearView Wealth Limited ABN 83 106 248 248

The Board of Directors and management of ClearView Wealth Limited (ClearView, the Company) recognise the importance of, and are committed to, achieving high corporate governance standards where Corporate Governance is the framework of rules, relationships, systems and processes within which authority is exercised and controlled within ClearView. These are the mechanisms by which the Board and Senior management are held to account. We know that achieving and maintaining high corporate governance standards promotes regulator and investor confidence and adds value for our shareholders and other stakeholders alike.

We are a registered Non-Operating Holding Company (NOHC) that offers life insurance, superannuation and financial advice via our wholly owned subsidiaries. Our Australian Prudential Regulation Authority (APRA) regulated subsidiaries, ClearView Life Assurance Limited and ClearView Life Nominees Pty Ltd are also subject to regulatory requirements prescribed under the Life Insurance Act 1995 and the Superannuation Industry (Supervision) Act 1993, respectively.

At ClearView, our corporate governance framework is built to empower our people to work consistently within our values and our code of conduct. In this respect, the corporate governance framework ensures:

- We have a ready guide for our people, setting the boundaries for our decisions and our actions; Our products are easy to understand, fair and accessible;
- We put people first, and that includes our customers, advisers, partners, employees and our community; and
- We equip our staff with adequate resources to ensure that they can deliver quality work that challenges mediocrity.

In consultation with management, our Board has determined the appropriate corporate governance frameworks and practices, taking into consideration ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition), Australian Standards, and regulatory requirements of the Australian Securities and Investments Commission (ASIC) and Prudential Standards and Practice Guides of APRA.

We understand that corporate governance practices and frameworks are continuously evolving hence the Board has implemented a schedule of regular reviews of ClearView's policies, charters and practices to ensure our corporate governance standards are best practice and addressing the interests of all our stakeholders. We aim for transparency in everything we do and we keep our key charters and policies available on our website at **[About ClearView, Corporate Governance](#)**, these include:

- Board Charter
- Board Audit Committee Charter
- Board Risk and Compliance Committee Charter
- Nomination and Remuneration Committee Charter
- Corporate Governance Statement
- Constitution of ClearView Wealth Limited
- Board Renewal Policy
- Code of Conduct
- Statement of Values – Our Way
- Anti-Bribery and Corruption Policy
- Whistleblower Policy
- Continuous Disclosure and Market Communications Policy
- Securities Trading Policy
- Diversity and Inclusion Policy
- Dividend Reinvestment Plan Rules
- Modern Slavery Statement

This corporate governance statement reports against the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. It has been approved by the Board and is current as at 24 August 2021.

# Principle 1 – Lay solid foundations for management and oversight

## 1.1 Board and management roles and responsibilities

The Board is accountable to shareholders and responsible for the leadership, performance, risk management and overall governance of ClearView.

The Board's key responsibilities are outlined in the Board Charter which is available on our [website](#). The primary functions of our Board include:

- Providing leadership by defining ClearView's purpose and setting its strategic objectives
- Approving ClearView's statement of values and code of conduct to underpin the desired culture within ClearView and ensuring that this culture is instilled throughout ClearView;
- Appointing and assessing the performance of the Managing Director;
- Overseeing management in its implementation of ClearView's strategic objective and progress against agreed performance measures;
- Continuous disclosure oversight and approving material external communications by ClearView;
- Succession planning, Board composition, Board performance and Board Committee evaluation and renewal, and ensuring the appropriate executive management team are in place to pursue ClearView's strategy;
- Satisfying itself that an appropriate risk management framework for both financial and non- financial risk is in place, and is maintained and setting the risk appetite within which the Board expects management to operate;
- Ensuring effective corporate governance systems and practices are in place;
- Ensuring effective and appropriate human resources and remuneration systems are in place which reflect the organisation's values and attract and retain quality staff; and
- Approving appropriate delegations of authority to ensure that the Board's strategic plans are carried out.

In practice, the Board's intentions are achieved through formal delegation to the Managing Director for day-to-day management of ClearView, and to its Board Committees for detailed consideration of matters and making recommendations, in accordance with ClearView's Delegations of Authority Policy. This ensures that ClearView remains flexible, adaptable and responsive to strategic opportunities as they arise. The Managing Director is specifically responsible for building and fostering a culture that aligns with ClearView's values, ensuring the implementation, effectiveness and adherence to internal risk, governance and other internal control frameworks and ensuring that the Board receives accurate information in a timely manner including all material matters that may affect ClearView. A team of senior management support the Managing Director, as do a number of management committees which are in place to assist the senior management team to carry out their delegated responsibilities.

The Board has also established Committees to assist in the execution of its duties and responsibilities, and to allow matters to be considered in greater detail. Current Committees of the Board are the Nomination and Remuneration Committee, the Board Audit Committee and the Board Risk and Compliance Committee. Management regularly attends Committee meetings at the invitation of the relevant Committee and provides stewardship reports for their area of activity. Each Committee has its own charter and agreed schedule of activities, which must be approved by the Board.

Further detailed information on these Committees is discussed under Recommendations 2.1, 4.1, 7.1 and 8.1 of this Corporate Governance Statement.

Directors are given access to all records and information relating to ClearView and are also entitled to seek independent advice or information concerning any aspect of ClearView at the Company's expense. However, prior approval from the Chair is required, which is not to be withheld unreasonably.

## 1.2 Director appointment

The Nomination and Remuneration Committee (NRC) is responsible for making recommendations to the Board in relation to new appointments to the Board and/or its Committees taking into account the Board's succession plans set out in the Board Renewal Policy and insights gained from the Board's skills matrix and Board and Committee performance reviews. The NRC or its nominated delegates, undertake the selection and interview process for potential candidates and in forming its recommendation to the Board, the NRC will assess the fitness and propriety of the proposed new Director candidate and conduct appropriate background checks including character assessment, experience, education, criminal record and bankruptcy history.

In accordance with the Company's Constitution, a Director appointed by the Board must stand for re-election by shareholders at the next Annual General Meeting (AGM). The following information is provided about a candidate standing for election, or re-election, as a Director in the AGM's Notice of Meeting to assist shareholders to make an informed decision on the vote for that candidate:

- Date of appointment and tenure;
- Biographical details, including their relevant qualifications and experience and skills they bring to the board and employment history;
- Details of any other material directorships held;
- A statement as to whether or not the Board considers that the candidate will qualify as an independent Director; and
- The Board's recommendation as to whether or not to re-elect the candidate.

## 1.3 Appointment terms

On appointment, new Directors are provided with a formal letter of appointment setting out their duties, terms and conditions of appointment, and remuneration. All new directors undertake an induction program which includes:

- provision of key corporate policies and documents including the Constitution, Board and Committee Charters, Code of Conduct, Anti-bribery and Corruption Policy, Securities Trading, and Diversity and Inclusion Policies;
- confirmation of Conflict Management and Independence processes and practices and obligations for confidentiality; and
- formal and informal sessions with the Chair, Managing Director, senior management team and key personnel and/or advisers as required.

A Deed of Indemnity is also entered into with each Director, and with the Company Secretary. Written employment contracts (Non-ClearView Enterprise Agreements) are in place with each member of the senior management team.

## 1.4 Company Secretary

As provided in the Board Charter, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. Details about our Company Secretary, Ms Judilyn Beaumont including her biography, qualifications and experience can be found within the Directors' Report of our 2021 Annual Report and on ClearView's [website](#).

## 1.5 Diversity and Inclusion

ClearView aspires to develop and foster a strong culture of diversity and inclusion to enable a workplace that is fair, respectful and truly encourages different perspectives and experiences. By making this commitment we believe we will attract the best employees fostering the best opportunities and benefits for all our stakeholders. The Diversity and Inclusion Policy addresses the ASX Corporate Governance Principles and Recommendations in relation to diversity and inclusion and outlines measurable diversity targets.

The Policy has been promoted internally to our employees to instil awareness and encourage proactive management practices regarding workplace diversity and inclusion. The Diversity and Inclusion Policy ensures that we attract and retain a talent pool that not only meets the needs of ClearView but is reflective of our customer base, our shareholders and community in which we operate. ClearView embraces diversity, including differences in ethnic background, gender, age, sexual orientation, religion and disability.

ClearView has adopted some practical approaches to position itself as an equitable and fair employer to attract and maintain a diverse workforce which includes, but is not limited to:



- Providing flexible work arrangements;
- Negotiating individual remuneration targeted to each role, and the person's level of experience;
- Engaging in recruitment practices that widen the range of shortlisted applicants; and
- Generous non-gender specific parental and carers leave and flexible return-to-work arrangements.

The Board committed to measurable diversity targets and the status of these as at 30 June 2021 is shown below:

Measurable Objective	Achievement
At least one female Director should be on the Board at all times	ClearView believes that gender diversity improves its decision making ability and financial performance and it set a measurable objective to have at least one female on our Board at all times. ClearView had two (2), female members on the Board for the whole of the reporting period.  The Board of our Superannuation Trustee subsidiary, ClearView Life Nominees Pty Limited, currently has a majority of female directors (three (3) out of five (5) directors) 60%, including a female Chairperson.
The proportion of women in leadership roles should be at least 40%	ClearView exceeds this measure currently with 46% of its workforce being women in leadership roles and a pipeline of talented females being coached and mentored for future leadership roles. Leadership roles are defined in line with the standards set by the Workplace Gender Equality Agency (WGEA).
Female representation in the total workforce should meet or exceed industry benchmarks (to be obtained from the WGEA (financial services sector) on an annual basis	ClearView's workforce female participation is 57% which is greater than the financial services and insurance industry average for female participation of 54.3% as reported by the Workplace Gender Equality Agency in 2021.

## 1.6 Performance evaluation – Directors

In accordance with the Board Charter, the Board annually undertakes a performance assessment of itself, its Committees and its individual Directors. The performance assessment is undertaken with the advice and assistance of the Chairperson and the NRC.

The performance assessment process is considered and approved annually by the NRC and the Board and may comprise an externally facilitated assessment or a consolidation of feedback received by each of the Directors in relation to the Board as a whole, each individual Committee and fellow Directors across areas of governance, effectiveness, leadership, diversity, and performance. Individual meetings between the Chair and each Director may also be held to discuss individualised feedback and performance against key performance indicators as agreed at the previous assessment. Following each evaluation, the Board considers how to improve its performance, agrees and sets the goals and objectives for the forthcoming year and, if necessary, amends relevant charters and policies.

The Company completed a performance evaluation of the Board, its Committees and Directors during the period which was facilitated by an external party.

## 1.7 Performance evaluation – senior management

Each year, the Board, assisted by the NRC, monitors and evaluates the performance of the senior management team and the implementation of their objectives against measurable and qualitative targets. The Board also reviews and approves the objectives and targets of the senior management team which are set annually.

During the period, a performance evaluation of the senior management team was undertaken in accordance with the process described above.

The NRC and the Board of ClearView request six (6) monthly performance reviews which are to be completed and submitted to the NRC before any Short Term Variable Remuneration (STVR) or Long Term Variable Remuneration (LTVR) may be awarded to a member of the senior management team.

## Principle 2 – Structure the board to be effective and add value

### 2.1 and 8.1 Nomination and Remuneration Committee

ClearView has implemented policies and comprehensive measures to ensure that individuals, who are appointed to senior positions, including Board positions, have the appropriate fitness (educational and technical qualifications, skills knowledge, expertise, diligence and soundness of judgement) and propriety (not disqualified or conflicted from managing a corporation) to effectively discharge their responsibilities and duties.

During the period, ClearView maintained a Nomination and Remuneration Committee (NRC) that advised the Board on matters related to the appointment, succession planning and remuneration of Directors and senior management team, the Remuneration Policy, including STVR and LTVR, remuneration and employment terms of employees, as well as the succession and board renewal and annual performance review of the Board. The Committee's key responsibilities are outlined in the NRC Charter which is available on our [website](#).

The NRC currently has six (6) members, all of whom are non-executive Directors and the majority of whom are independent Non-executive Directors. Mr Alscher and Mr Thomson are not independent as they are associated with the major shareholder, CCP Bidco Pty Limited (Crescent Capital) and its Associates. The Chairperson, Ms Young, is an independent Director and is not the Chairperson of the Board. The current composition\* of the NRC, the number of times the committee met throughout the most recent reporting period and individual attendances of members at those meetings is shown below:

Name	Title	Independent	Meeting Attendance	Eligibility
Susan Young	Non-executive Chairperson	Yes	9	9
Geoff Black	Non-executive Director	Yes	9	9
Gary Burg	Non-executive Director	Yes	9	9
Jenny Lyon	Non-executive Director	Yes	9	9
Michael Alscher	Non-executive Director	No	7	9
Nathaniel Thomson	Non-executive Director	No	9	9

Information concerning each Director's experience, skills and qualifications is provided in the Directors' Report in ClearView's 2021 Annual Report.

Given that the Financial Accountability Regime (FAR) is expected to apply to financial services entities, including life insurance and superannuation funds, and in light of APRA's draft Prudential Standard CPS 511 Remuneration, the Board determined it was appropriate to form a whole of Board NRC (excluding executive directors) in FY20 and beyond to ensure the entire board has full visibility of remuneration matters including changes to the remuneration framework and Remuneration Policy.

#### 2.2 Board Skills Matrix

The Board comprises of seven (7) Directors. Six (6) are Non-executive Directors, being Mr Geoff Black, Mr Michael Alscher, Mr Gary Burg, Ms Jenny Lyon, Mr Nathaniel Thomson and Ms Susan Young. ClearView Managing Director Mr Simon Swanson is the sole (1) executive director.

ClearView believes that a diverse board encourages good decision making and seeks to maintain a Board with a broad range of financial and non-financial skills, expertise and experience relevant to the Company, its subsidiaries and the industry segments it operates in.

During the year, ClearView Board refreshed its Skills Matrix to ensure the skills and competencies it seeks in its Board membership continue to align with ClearView's strategic direction, customer focus, and changing operating environment. The resulting fourteen (14) skills and competencies are outlined on the next page.

Following this refresh, ClearView considers that its Board possesses an appropriate level of skill and experience to drive the strategic direction and effective governance and risk management oversight of ClearView. Where appropriate, the Board will incorporate further training and development opportunities including a schedule of internal Director training, and where appropriate sessions provided by external subject matter expertise. ClearView will continue to review the Board Skills Matrix to address any gaps or development opportunities, particularly in relation to the changing operating environment in financial services.



### Leadership, People and Workplace Culture

Extensive experience performing at a senior executive level, driving engagement and motivation to achieve company goals. People leadership including oversight of people matters including setting remuneration frameworks, workplace culture including instilling corporate values, health & safety, diversity and inclusion.



### Strategic and Commercial Acumen

Proven ability to develop, implement and deliver strategic business objectives to drive growth, using critical thinking and commercial judgement. Able to identify and critically assess strategic opportunities and threats.



### Regulatory

Experience working at or with a Regulator including ASIC or APRA; and/or a good working knowledge and understanding of regulatory requirements; a sound understanding of ASX listing rules including continuous disclosure obligations.



### Risk Management

Experience in identifying, understanding and managing strategic, enterprise and operational, financial and non-financial risks. Understanding of Risk Management Frameworks, effectiveness of controls and risk culture; and/or Compliance experience.



### Financial / Capital

Proficient in financial accounting, reporting and financial analysis. Experience in capital management and sound understanding of investment management.



### Life Insurance Actuarial

Experience as a qualified actuary/provision of actuarial services in the life insurance industry.



### Customer Outcomes

Experience in dealing with customers including direct responsibility for customer relations, customer service, customer research, customer dispute resolution and delivering the right customer outcomes.



### Business Management

Demonstrated experience in business management. This could include successfully running a business and/or business operations, or running transformational and change management projects.



### Governance

Experience and knowledge of corporate governance including familiarity with governance frameworks, policies and processes as well as consideration of environmental and social issues.



### Legal

Experience in the provision of legal advice and a sound understanding of legal principles including law and prudential standards applicable to life insurance and financial services.



### Stakeholder Engagement

Demonstrated ability to build and maintain key relationships both internally and externally with industry bodies, government, regulators and/or dispute resolution bodies.



### Social Awareness

Consideration of social and environmental risk factors. Recognise the changing wellbeing needs of customers to deliver the best accessibility and inclusive experience.



### Digital / Technology

Sound knowledge and experience in information technology including architecture, technology environment, data management, security including cyber, privacy, digital transformation and innovation.



### Financial Services Experience

Strong financial services experience across industries related to the Life Insurance, Superannuation/Wealth and Fund Management and Financial Advice sectors. For example, life insurance experience in relation to operational matters, claims, underwriting, product development, distribution and reinsurance.

## 2.2 and 2.4 Board independence

An independent Director is a Non-executive Director who is independent of management and free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity's shareholders generally.

The Board regularly assesses whether a Non-executive Director is "independent" in accordance with the appropriate criteria (including the ASX Corporate Governance Principles and Recommendations and APRA Prudential Standards) and the Board Charter.

Directors must, where possible, avoid conflicts of interest, except in those circumstances permitted by the Corporations Act 2001 (Cth). Directors are required to immediately disclose any material personal interest in matters considered by the Board and, unless the Board resolves otherwise, must not participate in Board discussion or vote on the matter. ClearView considers that four (4), and therefore a majority, of its current Directors are independent:

Director	Independent	Length of Tenure
Mr Geoff Black	Yes	1 year, 9 months
Mr Gary Burg	Yes	8 years, 10 months
Ms Jenny Lyon	Yes	1 year, 2 months
Ms Susan Young	Yes	4 years, 8 months
Mr Nathaniel Thomson	No, as he is associated with the major shareholder, CCP Bidco Pty Limited and its Associates	8 years, 10 months
Mr Michael Alscher	No, as he is associated with the major shareholder, CCP Bidco Pty Limited and its Associates	8 years, 10 months <sup>1</sup>
Mr Simon Swanson	No, as he is an Executive and the Managing Director of ClearView	11 years, 5 months

<sup>1</sup> Mr Alscher has served as Non-executive Director and as an Alternate Director at varying times since 1 July 2013.

## 2.5 Independent Chair

Mr Black, the Chair of the Board is an independent Non-executive Director appointed by the Directors, and is not the Managing Director. Responsibilities of the Chairperson are set out in the Board Charter.

## 2.6 Non-executive Director continuous development

As outlined above, ClearView has implemented and maintains an induction program for new Directors. Ongoing education and training for Directors forms an important part of the Board calendar and includes externally facilitated sessions and workshops, subject matter expert (internal and external) deep dives, regular correspondence, training materials and management presentations on industry and regulatory developments, and ClearView's stewardship reports for each major business function. Directors are also offered access to external training on an ad hoc basis at ClearView's expense where appropriate.



## Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

### 3.1 Statement of Values

ClearView Board and Management has confirmed its commitment to the ClearView values - “Our Way” retaining the core values of Persistence, Collaboration, Integrity and Authenticity that have shaped our identity, guide our decisions and reflect how we conduct business. “Our Way” the ClearView’s Statement of Values is available on ClearView’s website.

These values continue to be front of mind for all ClearView staff supported by their inclusion in mandatory employee training and education sessions for employee, standing items on staff meetings agendas, linkages to recognition programs, reinforced in staff performance reviews and pre-requisites for promotion.

The Board and the senior management team receive information of our values champions and role models. The Board Risk & Compliance Committee receive information on compliance with our values and culture, reviews any material breaches and their resolution and escalates these where appropriate to the Board.

### ClearView Statement of Values

At ClearView we respond quicker, we care more and we try harder.

Why? Because we focus only on supporting Australians to achieve their financial and well-being goals, which means we won’t be distracted from this mission. So every time our exceptional people decide on something, it gets done really, really well.



We’re never satisfied when it comes to doing better and we never give up on our people, our customers, our partners and the moments that matter. Nothing really good has ever come about because someone gave up. So if there’s a better way to do it, we’ll find it.

“Ambition is the path to success, PERSISTENCE is the vehicle you arrive in.”



We believe that working together benefits the customer and that two heads are better than one, and a lot more fun. Three are better still. We want more perspectives not less. We are a group of like-minded passionate people who turn up every day to share, help and be better than yesterday... together.

“As you navigate through the rest of your life, be open to COLLABORATION. Find a group of people who challenge and inspire you, spend a lot of time with them, and it will change your life.”



Giving your word... committing... promising... and then actually delivering! If these things come in shades of grey to you we’re not going to get along very well. Only 3 colours matter here – right, wrong and the vibrant pink on our logo.

“If you have INTEGRITY, nothing else matters. If you don’t have INTEGRITY, nothing else matters.”



We’re also proud to never compromise when selecting our people and there’s nothing we hate more than fake. Only positive, genuine people need apply. Honest people. Open. Able to say sorry and admit they were wrong. Tell it like it is. Argue their case but accept a decision. What you see is what you get.

“The AUTHENTIC self is the soul made visible.”

## 3.2 Code of Conduct

ClearView's Code of Conduct articulates how we should act and how we make decisions at ClearView. They shape and guide how we deliver outcomes to our customers, how we work with our partners and stakeholders and how we impact the community we live in.

Our Code outlines that in our dealings ClearView and its partners are committed to be:

### Straightforward

*It is easy to work, partner, commit with ClearView*

- I understand what is required of my role and always meet these obligations
- I care about our customers, my colleagues and our community
- I follow through, I know what is expected of me and I am accountable

### Transparent

*We are open and ensure we understand each other's expectations*

- I hold myself to high standards and expect the same of others
- I raise issues, accept constructive criticism and seek to deliver optimum solutions
- I deliver and ensure that others do the same

### Honest

*Without trust and honesty there is no foundation for a way forward*

- I act with integrity and challenge actions that are inconsistent with Our Values
- I ask 'should we' not just 'can we' to deliver outcomes to our customers and shareholders
- I am rewarded for great work and understand the consequences for doing the wrong thing

### Fair

*We ensure everyone gets a fair go*

- I understand our customers, their needs and do my best to help them
- I resolve customer complaints fairly and quickly
- I fix problems quickly, learn from mistakes and ensure better solutions for the future

### The Critical Questions

I always ask:

- Should we do this, not just can we do this?
- Might this be a breach – is this legal?
- Does it meet ClearView policies and expectations?
- Does this feel right?
- Am I harming anyone?
- Would my colleagues, our customers, our stakeholders say I am acting fairly and ethically?
- Will this be a positive outcome for ClearView, its customers and the community in the longer term?

I ask these questions - before I proceed and before I commit.

ClearView has in place processes to ensure the Board Risk & Compliance Committee is informed of any breaches of the Code and escalates these where appropriate to the Board.

The Code of Conduct is reviewed annually by the Board and is available on ClearView's [website](#).

### 3.3 Whistleblowing

ClearView is committed to a culture of collaboration, persistence, integrity and authenticity. We believe in promoting a culture of honest and ethical behaviour which complies with all laws and regulations. Part of this commitment is to have a robust process to effectively detect and thoroughly investigate illegal, non-compliant or other undesirable conduct within ClearView that could endanger any of its employees and/or ClearView's reputation or assets.

The Whistleblowing Policy is a material Policy that demonstrates the importance ClearView places on ensuring a safe and supportive environment where our staff feel confident to raise and report wrongdoing, whether that be breaches of internal rules and policies, breaches of laws and regulations or where the behaviour could be damaging to ClearView's reputation. It assists to continue to promote an ethical culture within ClearView that encourages staff to speak up and raise their concerns to help deter wrongdoing, and is enforced through mandatory yearly training for all Directors and employees. The Whistleblower Policy provides mechanisms allowing potential whistleblowers to disclose their report internally, or externally to nominated whistleblower officers with due protection. ClearView regularly reviews its Whistleblower Policy to ensure that it is up-to-date and will continue to monitor this area and make improvements to its practices where appropriate. The Whistleblower Policy is available on ClearView's [website](#).

### 3.4 Anti-Bribery and Corruption Policy

ClearView has established an Anti-Bribery and Corruption Policy which sets out ClearView's Anti-Bribery and Corruption regulatory and legal obligations. The Policy outlines the roles and responsibilities of employees, directors and third parties engaged by ClearView and is reviewed annually by the Board. ClearView's Anti-Bribery and Corruption Policy is available on the ClearView [website](#).

### 3.5 Board Reporting

ClearView has in place processes to ensure the Board Risk and Compliance Committee and the Board are informed of any material breaches of the Code of Conduct, Whistleblower Policy or Anti-bribery and Corruption Policy.

## Principle 4 – Safeguard the integrity of corporate reports

### 4.1 Board Audit Committee

During the period, ClearView maintained a Board Audit Committee (BAC) which assisted the Board by providing an objective non-executive review of the effectiveness of the company's external financial reporting, and the internal control environment in relation to financial management and reporting. This includes obtaining an understanding of the financial, tax and accounting risks ClearView faces. The BAC is also responsible for oversight of accounting policies, professional accounting requirements, internal and external audit scope of work, APRA statutory reporting requirements and the appointment and removal of the internal and external auditors. The Committee's key responsibilities are outlined in the BAC Charter which is available on our [website](#).

Pursuant to APRA Prudential Standard CPS 510 Governance (CPS 510), ClearView's APRA-regulated Life Insurance company (ClearView Life Assurance Limited) and its ASX listed Board have a separate committee for audit, and risk and compliance.

The BAC currently has four (4) members, all of whom are independent Non-executive Directors. The Chairperson, Ms Young, is an independent Director and is not the Chairperson of the Board.

The current composition\* of the BAC is shown below:

Name	Title	Independent	Meeting Attendance	Eligibility
Ms Susan Young	Non-executive Chairperson	Yes	5	6
Mr Geoff Black	Non-executive Director	Yes	6	6
Mr Gary Burg	Non-executive Director	Yes	6	6
Ms Jenny Lyon	Non-executive Director	Yes	6	6

\*Information concerning each Director's experience, skills and qualifications is also provided in the Directors' Report in ClearView's 2021 Annual Report.

### 4.2 Managing Director and Chief Financial Officer declarations

The Managing Director and the Chief Financial Officer, taking into account internal and external audit opinions and confirmation from key employees, have declared to the Board that in their opinion, in FY2021 the financial records have been properly maintained, the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of ClearView, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

### 4.3 External auditor at Annual General Meeting (AGM)

Deloitte Touche Tohmatsu (Deloitte) are ClearView's appointed external audit firm and audits the ClearView Annual Report/ Financial Statements. The Company Secretary ensures that Deloitte, attends the Company's AGM of shareholders each year and that its shareholders are given a reasonable opportunity to ask questions relevant to the conduct of the audit.

The BAC also invites the external auditor to attend all committee meetings. The external auditor can also meet privately with the whole Committee, any individual Director or any employee at their request. Deloitte were appointed as external firm auditors in 2012 and are subject to auditor rotation requirements outlined in APRA CPS 510, ClearView's External Audit Independence Policy and Deloitte's Rotation Policy. The BAC monitors the independence of the external auditor, who also confirms their independence to the BAC and the Board.

## Principle 5 – Make timely and balanced disclosure

### 5.1 Continuous disclosure

ClearView is committed to providing timely and relevant information about its business operations to all shareholders and potential investors to enable them to make informed decisions about their investments. ClearView strives to ensure that all disclosures are not only made in a timely manner but are factual, do not omit material information, and are expressed in a clear and objective manner to allow an investor to assess the impact of the information when making investment decisions.

ClearView's approach to communicating with shareholders and the market is set out in the Continuous Disclosure and Market Communications Policy which is available on our website. The Policy reflects the obligations under the ASX Listing Rules and the Corporations Act. The General Counsel and Company Secretary has been nominated as the person responsible for communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and disclosing material information to the ASX.

ClearView has also established a Continuous Disclosure Committee (CDC) with responsibility for managing ClearView's compliance with its continuous disclosure obligations. Its responsibilities are outlined within the Continuous Disclosure and Market Communications Policy.

The CDC consists of the Managing Director, the Chief Financial Officer, the Chief Risk Officer, the General Counsel and Company Secretary and the Head of Company Secretariat, and is responsible for:

- receiving information that may be disclosable, evaluating whether it is disclosable and approving disclosures to the market;
- evaluating if the announcement is to be marked as 'Market Sensitive' and if material reference is made in the announcement to another ASX listed entity;
- engaging the Board in reviewing, and facilitating the Board approving, all announcements to be released to the market where the information relates to something of major significance to ClearView;
- considering whether ClearView ought to request a trading halt if the market will be trading at any time after ClearView first becomes obliged to give market sensitive information to ASX under Listing Rule 3.1 and before the Board and CDC can approve the announcement;
- reviewing information to be disclosed or provided at meetings/briefings with analysts and investors where such information has not previously been disclosed; and
- monitoring and ensuring compliance with the Policy, and updating it in response to legislative, regulatory and "best practice" developments

### 5.2 Continuous disclosure to the Board and Market

Once information, including new and substantive investor or analyst presentations are disclosed to the ASX, copies are sent to the Board and published on ClearView's [website](#).



## Principle 6 – Respect the rights of security holders

### 6.1 Information and governance

Given the level of technological advancement, ClearView's website is one significant platform via which it communicates with its shareholders, potential investors and wider stakeholders. The website can be accessed at [clearview.com.au](http://clearview.com.au) where information is provided such as: key contact details, outline of the ClearView Purpose and strategy, financial reports, investor presentations and webcasts, ASX and media releases, annual general meeting details, payment of dividends, biographical information of the Board and senior executives, relevant governance documents and the share price history.

### 6.2 Investor relations program

Part of ClearView's commitment to high governance standards and transparency is the way it engages with and communicates with its shareholders, which are spread across Australia and internationally. The Company uses a range of formal and informal communication channels to facilitate open and engaged communication.

These channels include:

- Annual Report and Half Year Report;
- The AGM and any other convened general meeting/s;
- Performance, business and trading updates released to the ASX;
- Market and media releases;
- Investor roadshows in Australia to discuss business performance based on publicly released information;
- Recorded teleconferences that are available via, and archived, on our website;
- Attendances at investor conferences; and
- Individual meetings with the Chairperson and/or Directors.

Shareholders can contact the Investor Relations team at any time by telephone on +61 2 8095 1300, by email at [ir@clearview.com.au](mailto:ir@clearview.com.au), or by direct mail addressed to the Company Secretary at Level 15, 20 Bond Street, Sydney NSW 2000.

### 6.3 Shareholder participation

ClearView encourages all shareholders to attend, participate and vote at the AGM, whether it be in person or via virtual means as is expected again in 2021 given COVID-19 and physical distancing requirements, which is generally held in November each year. A notice of meeting is provided to shareholders at least 28 days before the meeting and provides explanatory notes on the items of business to assist shareholders in understanding the business that will be considered and voted on at the meeting.

Shareholders are given the opportunity to ask questions on the annual financial statements and prior to voting on every resolution at the AGM and all resolutions are determined by poll rather than a show of hands.

Shareholders can appoint proxies or corporate representatives in writing via the form provided along with the notice of meeting, online or via mobile application through Computershare Investor Services Pty Limited (Computershare) our share registry. Voting can be conducted manually, online or through mobile application (via proxy) prior to the AGM, or a vote can be made in person during the meeting.

### 6.4 Electronic communications

Computershare provides ClearView shareholders with the option to receive copies of annual reports and notices of meetings electronically. ClearView also encourages shareholders to contact the Company electronically by email at [ir@clearview.com.au](mailto:ir@clearview.com.au).

## Principle 7 – Recognise and manage risk

### 7.1 Board Risk and Compliance Committee

During the period, ClearView maintained a Board Risk and Compliance Committee (BRCC) which assisted the Board by providing objective non-executive oversight of the implementation and operation of ClearView's risk management framework and compliance framework. The BRCC assisted the Board in formulating ClearView's risk appetite statement, advised on the Board approved Risk Management Strategy and otherwise assisted the Board in managing its risk management and compliance management responsibilities under APRA Prudential requirements. The Committee's key responsibilities are outlined in the BRCC Charter which is available on the ClearView [website](#).

As noted earlier, pursuant to APRA Prudential Standard CPS 510 Governance (CPS 510), ClearView's APRA-regulated Life Insurance company (ClearView Life Assurance Limited) and its ASX listed Board have a separate committee for audit, and risk and compliance.

The BRCC currently has four (4) members, all of whom are independent Non-executive Directors. The Chairperson, Ms Lyon, is an independent Director and is not the Chairperson of the Board.

The current composition\* of the BRCC is shown below:

Name	Title	Independent	Meeting Attendance	Eligibility
Ms Jenny Lyon	Non-executive Chairperson	Yes	7	7
Mr Geoff Black	Non-executive Director	Yes	7	7
Ms Susan Young	Non-executive Director	Yes	6	7
Mr Gary Burg	Non-executive Director	Yes	7	7

Information concerning each Director's experience, skills and qualifications is provided in the Directors' Report in ClearView's 2021 Annual Report.

### 7.2 Risk Management Framework

ClearView has a Risk Management Framework (RMF) that enables the Group to develop and implement strategies, policies and procedures to manage both financial and non-financial risks. The RMF incorporates the requirements of APRA's Prudential Standard CPS 220 Risk Management and is supported by three key Board approved documents:

- The Risk Appetite Statement (RAS) articulates the material risks to which the Group is exposed and specifies the type and level of risk ClearView is willing to accept in pursuit of strategic, business and financial objectives giving consideration to the interests of members and policyholders;
- The Risk Management Strategy (RMS) describes the Group's strategy in managing current and emerging material risks, including an outline of the policies and processes for managing risk and the risk governance structure; and
- A Group Business Plan that identifies and considers the material risks associated with ClearView's strategic objectives and considers a rolling three year horizon.

An Internal Capital Adequacy Assessment Process (ICAAP) is a key element of the RMF. An integrated approach to capital adequacy and risk management is adopted to ensure ClearView holds adequate levels of capital appropriate to the Group's risk profile and risk appetite. This involves risk management practices such as stress testing to understand, manage and quantify the Group's risks, the outcomes of which are used to inform risk decisions, set capital buffers, and assist in strategic planning.

The RMF enables ClearView to:

- accurately reflect its risk profile and balance risk and reward within the risk appetite;
- optimise financial growth opportunities and mitigate potential loss or damage;
- protect customers, members, policyholders and investors;
- embed adequate controls to guard against excessive risk or undue risk concentration in the material risks; and
- meet all regulatory and compliance obligations.

The Board receives information on significant risk matters and regular updates from the Chairs of the BAC and BRCC. The Chief Risk Officer and Risk function provide regular reports to the BRCC on the operation of the RMS, the status of material risks, risk and compliance incidents, and changes to the RMF. The BRCC considers the Group's risk profile, risk appetite and core risk documents to satisfy itself that the RMF continues to be sound, and runs an indepth review of these documents annually. In addition, members of the senior management team report to the BRCC on the operation of the risk management frameworks embedded in their respective business divisions.

ClearView adopts a Three Lines of Defence approach to risk management, in which all employees are responsible for identifying and managing risk, and operating within the Group's risk appetite and risk profile. The first line of defence comprises the business units who have ownership of risks and are responsible for day-to-day risk management decision-making involving risk identification, assessment, mitigation, monitoring and management. The second line of defence is the Group's Risk and Compliance function which assists the Board, BRCC and the senior management team in the development and maintenance of the RMF to ensure that it is appropriate to the Group's size, business mix and complexity. The third line of defence is the internal audit function that provides independent assurance to the Board, regulators, and other stakeholders on the effectiveness of risk management, internal controls and governance.

## 7.2 Internal audit

ClearView's Internal Audit (IA) function is carried out by KPMG Australia and is as a material outsource arrangement under prudential standard CPS 231 Outsourcing. In the financial year, ClearView has also appointed an Internal Head of Audit. The Internal Audit function is a key component of the Group's three line of defence and is independent of the external auditor. Internal Audit evaluates the Group's internal controls, governance processes and overall RMF, and provides independent assurance to the Board Audit Committee and the Board Risk and Compliance Committee on the effectiveness of the Group's RMF and internal controls.

## 7.3 Review of Risk Management Framework

In response to the increasing regulatory focus and scrutiny on Governance, Culture, Remuneration and Accountability and non-financial risks, findings from the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry and the CBA Prudential Inquiry, the Board has also instigated a significant Governance Risk and Culture (GRC) Risk Transformation process which is now largely complete. This has been centered on enhancing the framework for the assessment, monitoring and reporting of risk including the uplift of existing policies and procedures, controls and additional reporting and metrics to management and the Boards.

The initial GRC Transformation activity has substantially enhanced the policy and procedure within the RMF. The systems support has been substantially uplifted, enabling among other areas interactive risk registers to be accessed and updated throughout the business functions and a more interactive approach to incident management, linked to the management of the underlying risks. ClearView aspires to always have a culture where governance, risk management and compliance are integral to decision-making and day to day frameworks. As part of the GRC Transformation the framework for the measuring and maintaining of an effective risk culture has been reviewed and enhanced. Training programs have been run across the organisation to reinforce that culture. Most importantly, the improvements in accessibility to risk systems for first line managers and the higher expectations of risk awareness in business lines has helped embed this culture in the business activities. The culture of risk awareness, transparency and accountability will remain a focus for continuous improvement.

## Regulatory environment and regulatory change

ClearView is committed to maintaining its operations in line with regulatory requirements, obligations and community expectations. ClearView aims to meet these expectations by continuing to improve the design and distribution of products, processes and systems and building capability within all employees. ClearView is supportive of regulatory change which will benefit customers and the industry including the encouragement of open Approved Product Lists and development of sustainable life insurance products across the industry. ClearView maintains oversight of regulatory requirements and change through Board governance structures, management and committees and a regulatory change forum. Ongoing compliance is overseen through compliance monitoring and breach and incident reporting.

## Operational, cyber, fraud and business continuity risks

ClearView has policies, processes and systems in place to ensure operational controls are designed to manage risks and achieve the Group's objective of operating in an efficient, effective and ethical manner, as well as assisting management improve business performance.

ClearView is reliant on information technology platforms and systems to support business activities. ClearView manages information technology and cyber risk by implementing policies and frameworks that fulfil regulatory obligations in relation to the management of information security risks and control and mitigate risks which could impact the integrity, confidentiality and availability of its information and technology assets.

ClearView protects itself and its customers from fraud and criminal activity by adopting an approach to controlling fraud and criminal activity at a strategic, tactical and operational level. ClearView has adopted a seven-phased fraud and crime risk management process for the identification, prevention, detection, reporting, response, oversight and review of fraud risks in accordance with ClearView's Fraud and Crime Prevention Policy.

ClearView manages risks to business continuity to ensure the Group continues to meet all financial and service obligations to policyholders, members, clients, shareholders and other key stakeholders in the event of a material disruption to the business as well as fulfilling regulatory obligations in relation to Business Continuity Management.

## Financial, economic and insurance risks

ClearView manages its financial and economic risks, specifically investment market risk, including credit, liquidity, investment management and insurance risk, via its Risk Appetite Statement (RAS) and RAS metrics reporting, governance structures, policy framework and data analysis and reporting. ClearView manages insurance risk through claims and underwriting processes, reinsurance treaties and oversight from the ClearView Life Claims Committee.

## Conduct and culture

ClearView's ethical principles are set out in the Group's Code of Conduct and applies to all Directors and employees including contractors. The Code provides the principles and frameworks for all employees to make informed business decisions and to act on them with integrity. This ensures all employees act in a responsible, ethical, transparent, and honest manner. ClearView recognises the significant role culture plays in the way the Group conducts its business and remain committed to creating a culture that supports ethical and responsible decision-making and build trust within the organisation by being authentic and accountable and to do the right thing.

## Environmental, Social and Governance

ClearView has no material exposure to environmental factors at a Group level but is exposed to climate related risks through its assets (investment market risk), liabilities (insurance risk) and operations (resilience risk and regulatory risk). ClearView considers this risk through its RMF and RAS, Investment Committee Charter, Business Continuity Plan and is developing climate change scenarios to continuously improve the Group's social and environmental responsibilities and the safety of the wider community.

The Group supports responsible growth and prosperity for customers and investors, shareholders, and communities. ClearView is committed to making balanced informed and transparent decisions, through training, screening, monitoring, escalation, external engagement and reporting. This commitment is embodied in the Group's purpose, which is to be a trusted partner in providing financial solutions that protect and improve the lifestyles of Australians throughout their lifetime.

During the financial year ClearView also published its inaugural Modern Slavery Statement which is available on the ClearView [website](#).

A detailed discussion on the key risks and how they are monitored is set out in the Notes to the Financial Statements in ClearView's 2021 Annual Report.

## Principle 8 – Remunerate fairly and responsibly

### 8.1 Director and senior management remuneration

To assist in protecting and preserving independence of thought on the Board, there is no direct link between Non-executive Directors' remuneration and the performance of ClearView. Remuneration for Non-executive Directors is based on the role that the individual director has on the Board, and whether they are a member of one or more of the Board committees and/or subsidiaries Boards. Remuneration is paid by way of one base fee (inclusive of the "Superannuation Guarantee Contribution" (SGC) payment or plus GST) that is based on market rates for comparable companies for the time and commitment and responsibilities undertaken by Non-executive Directors.

The level of remuneration for each Non-executive Director is set by the NRC, within the total annual remuneration limits approved by our shareholders at a general meeting. Any increase to individual Non-executive Director's remuneration must be approved by the Board on the recommendation of the NRC after engaging and taking advice, where appropriate. During the period, the NRC considered the aggregate Non-executive Director fee pool as approved by shareholders at the 2013 AGM and engaged Godfrey Remuneration Group (GRG) to benchmark executive remuneration and remuneration for non-executive directors. At the time the GRG report concluded that executive remuneration at ClearView was consistent with the mid-range of comparable companies but concluded that on average ClearView pays a lower Board fee per Director. Given current economic conditions at that time no change to Directors fees was recommended but it was noted the fees per Board member would be reconsidered later in the year. That review took place late 2020 resulting in an increase in fees effective 1 January 2021 reflecting:

- Increased responsibility in terms of appointment to various committees based on challenges faced by the business, complexity of the business and increased focus on risk and governance;
- Substantial increase in time commitment to Board duties due to the increased number of meetings and matters for Board review, consideration and decision making;
- The remuneration of the Chair was adjusted to reflect the more demanding workload of the role given the regulatory, industry and economic environment;
- Length of time since the last increase (7 years); and
- It is in the best interest of shareholders to remunerate NEDs appropriately and keep NED remuneration competitive with the market in order to attract the best calibre person to serve on the Board.

ClearView will reimburse Directors for reasonable out-of-pocket expenses incurred in connection with the performance of their duties as a member of the Board. Non-executive Directors are not entitled to:

- Participate in equity schemes of the Company;
- Receive performance-based bonuses; or
- Retirement benefits other than in respect of any superannuation entitlements.

Employee remuneration is based on an individual's experience, capability and responsibility, as well as performance targets, at both a Company and individual level

NRC engaged Godfrey Remuneration Group (GRG) in 2020 to benchmark executive remuneration and concluded that remuneration was fair and fixed remuneration would remain unchanged in FY21. However, changes were made to senior management team remuneration structures for FY21 to include deferral arrangements for STVR payments and longer vesting arrangements and deferral for new issues under a revised LTVR plan. In August 2020, the Board approved the granting of awards under this arrangement, details of which are set out in the Remuneration Report in the 2020 Annual Report. These awards are subject to a four-year assessment period and malus/ clawback/good behaviour bond features apply at all times, including following cessation of employment. The remuneration structures established for FY21 will apply for FY22 details of which are outlined in the 2021 Annual Report.

The remuneration framework is reviewed annually. ClearView continues to review its remuneration framework with the intention of aligning it with the FAR regime (as it applies to ClearView) and APRA's Draft Prudential Standard CPS 511 – Remuneration.



### Legacy Incentive Plans

Both senior management and select employees participate in the closed to new issues Executive Share Plan (ESP), an ownership-based compensation scheme. The objective of the ESP was to encourage participants to focus on the long term results of the Company and align interests with those of shareholders.

The ESP was superseded by an LTI structure for senior management delivered via a grant of Performance Rights approved by the Board, on recommendation of the Remuneration Committee, on 21 June 2017. The first awards under the new LTI were made in FY18 with further awards granted in FY19 and FY20. Vesting of these awards is outlined in the Remuneration Report in the 2020 Annual Report. This plan is now closed.

## 8.2 Equity based remuneration

The Securities Trading Policy prohibits all ESP participant employees from entering into any transaction to hedge their exposure to ESP Securities.

The Securities Trading Policy has been established to govern trading in securities by its Directors, officers and employees. This policy is designed to raise awareness and to prevent potential insider trading offences, either in substance or appearance. All Directors, officers and employees are required to conduct their personal investment activity in a manner that is lawful and avoids conflicts of interest between the individual's personal interests and those of ClearView, its shareholders and its clients.

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