

# ClearView Wealth Limited

ABN 83 106 248 248

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Board Risk and Compliance  
Committee (BRCC) Charter

# CWL Board Risk and Compliance Committee (BRCC) Charter

## Document Control & Version History

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## Record of Amendments, Authorisations & Issues

Version	Revision Date	Drafted by	Nature of Amendment	Approval Required
1.0	20 July 2017	Legal and Company Secretariat	Minor Amendments	BRCC
2.0	27 June 2018	Legal and Company Secretariat	Minor Amendments	BRCC Chair
3.0	19 November 2018	Legal and Company Secretariat	Minor Amendments to incorporate LaVista	BRCC
4.0	1 July 2019	Legal and Company Secretariat	Minor Amendments to incorporate responsibilities relating to Information Security	BRCC
5.0	1 July 2020	Legal and Company Secretariat	Removal of delegation from CLN, CFA, MPS and LaVista and minor amendments	CRO & General Counsel & Company Secretary
6.0	19 April 2021	Legal and Company Secretariat	Amendment to update to ASX Corporate Governance Principles & Recommendation 4 <sup>th</sup> Edition	BRCC
7.0	28 June 2022	Legal and Company Secretariat	Incorporate Responsibilities as a Non-Operating Head Office under APRA Prudential Requirements	BRCC, CWL Board
8.0	June 2023	Legal and Company Secretariat	New Format but No Amendment	CWL Board Noted
9.0	April 2024	Legal and Company Secretariat	Update to reflect the exit from the wealth management businesses.	GE, General Counsel & Corporate under Delegation

Version	Revision Date	Drafted by	Nature of Amendment	Approval Required
10.0	October 2024	Legal and Company Secretariat	Update for introduction of FAR and CPS 230	BRCC and CWL Board

## 1. Purpose

- 1.1 To assist the Board and the boards of the ClearView Companies by providing objective non-executive oversight of the implementation, maintenance and operation of the Group's Risk Management Framework (RMF) and compliance framework ensuring that the frameworks deal adequately with contemporary and emerging risks.
- 1.2 To assist the Board in formulating and maintaining a Risk Appetite Statement [RAS], to advise on the Board-approved RMF and otherwise fulfil the risk management and compliance responsibilities of the Committee under APRA Prudential and Corporations Act requirements.

## 2. Authority

- 2.1 Subject to section 2.3 below, the Committee can exercise the powers of the Board under the Relevant Law and ClearView's Constitution, that it reasonably considers are necessary to enable it to perform its roles and responsibilities under section 3 of this charter and has authority to conduct or authorise investigations into any matters within its scope of responsibility.
- 2.2 The powers of the Committee under section 2.1 include the power to:
  - 2.2.1 Meet with and request any information it requires from employees, officers and directors of the ClearView Companies, all of whom are directed to cooperate with requests from the Committee or the chair of the Committee, and also the internal and external Auditors; and
  - 2.2.2 Retain independent counsel, accountants, actuaries or others to advise the Committee or assist in the conduct of an investigation.
- 2.3 ClearView delegates its powers under section 2.1 above to the Committee subject to:
  - 2.3.1 The Committee complying with the duties imposed on Directors by:
    - a) The *Corporations Act 2001* (Cth);
    - b) The *Life Insurance Act 1995* (Cth);
    - c) The *Insurance Contracts Act 1984* (Cth);
    - d) The *Financial Accountability Regime Act 2023* (Cth); and
    - e) ClearView's and Group Companies' Constitutions.
  - 2.3.2 The Committee not causing ClearView or a ClearView Company to be in breach of the Relevant Law;
  - 2.3.3 Conditions of ClearView's registration as a non-operating holding company (NOHC); and
  - 2.3.4 Any policy, guideline, values, code of conduct, governance framework or specific direction of ClearView which relates to the exercise of the powers delegated to the Committee.

## 3. Responsibilities

### Prime responsibility

- 3.1 To provide objective, transparent, focused and independent oversight of the implementation, maintenance and operation of ClearView's RMF;

### Risk appetite and risk management strategy

- 3.2 Assist the Board in formulating and maintaining a RAS with appropriately set risk tolerances in respect of each material risk and advising the Board on the overall current and future risk appetite and overall risk management strategy.;
- 3.3 Adhering to the Board Risk and Compliance Committee requirements set out in relevant Prudential Standards;

### Group risk management & compliance framework

- 3.4 Recommend for Board approval a RMF which are consistent with the Group RAS, statutory and regulatory requirements, including *Prudential Standard CPS 220 Risk Management (CPS220)* and *CPS 230 Operational Risk Management (CPS230)*;
- 3.5 Oversee the Group compliance framework, including review and assessment of its effectiveness in identifying, monitoring and managing compliance with laws, regulations and internal company policies;
- 3.6 Monitor management's performance against the entity's risk management and compliance frameworks, including whether it is operating within the risk appetite set by the Board;
- 3.7 Ensuring that an appropriate risk-aware and compliance culture is embedded throughout the Group;
- 3.8 Oversight of executive management's implementation and maintenance of the RMF and constructive challenge of executive management's proposals and decisions on all aspects of risk management arising from the Group's activities;
- 3.9 Oversight of an enterprise-wide view of the Group's current and future risk position relative to its risk appetite and capital strength and liquidity requirements;

### Reporting

- 3.10 Satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board and this Committee of any material incidents or breaches of the Group's:
- a) Group's Code of Conduct;
  - b) FAR Policy
  - c) Whistleblower Policy;
  - d) Anti Bribery and Corruption Policy;

- e) Occupational Health and Safety Policy & Protocols;
  - f) Anti-Money Laundering and CTF Policies;
  - g) Information security or data compromises;
  - h) Risk Management Framework, including an operational risk incident that it determines to be likely to have a material financial impact or a material impact on the ability of the Group to maintain its critical operations;
  - i) Business Continuity Plan/s (**BCP**); and
  - j) Service Provider Management Policy.
- 3.11 Receive reports from management on new and emerging sources of risk and the risk controls and mitigation measures management has implemented to deal with these risks; including conduct risk, operational risk, digital disruption, cyber-security, privacy and data breaches, sustainability and climate change. Also how it will disclose whether it has any material exposure to environmental or social risks and how it intends to manage those risks;
- 3.12 Provide input to the Board and Board Audit Committee in relation to risk disclosures in financial statements and other public statements;
- 3.13 Review and recommend to the Board for approval the annual Risk Management Declaration required under *Prudential Standard CPS 220 Risk Management (CPS220)*.

#### **Delegations & authorities**

- 3.14 Set delegations which support the risk management strategy and risk appetite, and monitor compliance with those delegations;
- 3.15 Monitor adherence to risk and compliance policies and procedures including review of any material incident involving fraud or breakdown of the Group's risk controls and any emanating "lessons learnt";
- 3.16 Approve or recommend for Board approval policies, procedures, charters and other governance instrument(s), in respect of material risks and compliance.

#### **Internal audit**

- 3.17 In consultation with the Board Audit Committee, understand how the internal audit plan is aligned with the risks that have been identified and with risk and compliance governance, including:
- a) receiving reports from internal audit on its review of the adequacy of the Group's processes for managing risk;
  - b) periodically review the Group's BCP and provide assurance to the Board and BAC that the BCP sets out a credible plan for how the Group would maintain its critical operations within tolerance levels through severe disruptions and that testing procedures are adequate and have been conducted satisfactorily; and
  - c) review any proposed material arrangement involving the outsourcing of a critical operation and the compliance of such arrangements with the Group's Service Provider Management Policy.

## **Remuneration practices**

- 3.18 Assist the Nomination and Remuneration Committee in developing and monitoring remuneration arrangements and practices of the ClearView Companies, with a view to ensuring effective alignment of remuneration with prudent risk-taking, within the RCF and RMF of the Group and Financial Accountability Regime (FAR) obligations;
- 3.19 Review and assess any FAR related incidents or breaches escalated to the Committee to determine reportability to the Regulators; and determine any “lessons learnt” and appropriate remediation including any recommendations to the Nominations and Remuneration Committee (NRC) for further sanctioning of Accountable Persons.

## **Chief Risk Officer and risk team capacity**

- 3.20 Oversight of the appointment and removal of the Chief Risk Officer (CRO), including that the Committee must provide prior endorsement for the appointment or removal of the CRO (Note: If the CRO is removed from their position, the reasons for removal must be discussed with APRA as soon as practicable, and no more than 10 business days, after the Committee’s endorsement is agreed upon);
- 3.21 Review the performance of and setting the objectives and key performance indicators of the CRO;
- 3.22 Ensuring the Committee has free and unfettered access to the CRO, other executive management, risk, actuarial and financial control personnel, and other parties (internal and external) in carrying out its duties and vice versa. The Committee must invite the CRO to attend all relevant sections of meetings of the Committee;

## **Insurance program**

- 3.23 Assist the Board as required in relation to the Group’s insurance program, having regard to the Group’s business and the insurable risks associated with it operations and operations of each entity;

## **Information & cyber security**

- 3.24 Assist the Board by providing oversight of information and cyber security related issues, incidents or breaches which have a material impact to ClearView and consider escalation to the Board and/or regulators;
- 3.25 Review progress with respect to execution of the information and cyber security strategy;
- 3.26 Seek assurance and challenge management on the effectiveness of the information and cyber security control environment and the overall health of ClearView’s information assets, including the testing plans and sufficiency of testing coverage across the control environment;
- 3.27 Form a view as to the effectiveness of the information and cyber security controls based on the results of the testing conducted;
- 3.28 Provide oversight of the ongoing development and effectiveness of ClearView’s information and cyber security capabilities; and
- 3.29 Provide regular reports to the Board.



## **Operational risk management**

- 3.30 Assist the Board with oversight of, and assign clear roles and responsibilities for senior managers for the Group's operational risk management, including business continuity and the management of service provider arrangements;
- 3.31 Oversight of operational risk management and the effectiveness of key internal controls in maintaining the Group's operational risk profile within risk appetite, including ensuring risks outside of its appetite or any material weaknesses are remediated promptly;
- 3.32 Endorsing, for Board approval the BCP and tolerance levels for disruptions to critical operations, reviewing the results of testing and overseeing the execution of any findings;
- 3.33 Monitor compliance of the Group's tolerance levels for disruptions and any failure to meet tolerance levels;
- 3.34 Endorsing for Board approval the Service Provider Management Policy, and review risk and performance reporting on material service providers;
- 3.35 Maintain a comprehensive assessment of the Group's operational risk profile by ensuring that appropriate and effective information systems to monitor operational risk, compile and analyse operational risk data are in place; and
- 3.36 Seek assurance that scenario analysis is undertaken to identify and assess the potential impact of severe operational risk events, test the Group's operational resilience and identify the need for new or amended controls and other mitigation strategies.

## **4. Composition**

### **Membership**

- 4.1.1 Each member of the Committee is appointed by the Board.
- 4.1.2 The Committee must comprise at least 3 members, all of whom must be Non-executive Directors.
- 4.1.3 A majority of the members of the Committee must be Independent Directors of ClearView.
- 4.1.4 The chair of the Board of ClearView may be a member of the Committee but may not be chair of the Committee.
- 4.1.5 At least one member of the Committee must have recent and relevant risk experience.



## **Cessation**

- 4.2 The Board may at any time remove any individual from the Committee and need not give a reason for doing so. If a member of the Committee ceases for any reason to be a Director, that individual automatically ceases to be a member of the Committee.

## **Fees**

- 4.3 The services of a member of the Committee are beyond the ordinary duties of a Director. Accordingly, under cl. 6.3(f) of the Constitution of ClearView, Committee members are entitled to receive remuneration as determined from time to time by the Board (on the recommendation of the Nomination and Remuneration Committee of ClearView).

## **5. Chair**

### **Appointment**

- 5.1 The chair of the Committee:

5.1.1 Is appointed by the Board.

5.1.2 Must be an Independent Director of ClearView and may not be chair of the Board.

### **Acting Chair**

- 5.2 If the chair of the Committee is absent from a meeting of the Committee and no acting chair has been appointed, the members of the Committee present at the meeting must choose one of the members of the Committee present, whether independent or not, to chair that particular meeting.

## **6. Secretary**

### **Appointment**

- 6.1 The Committee must appoint a Secretary of the Committee.

### **Minutes**

- 6.2 The Secretary of the Committee must ensure that minutes are taken of meetings of the Committee. If the Secretary is asked to withdraw for all or any part of any meeting the chair must ensure that minutes are taken in respect of that part of the meeting.

## 7. Meetings

### Meetings

- 7.1 When meeting, the Committee must have regard to each ClearView Company whose financial situation and risk management framework is under consideration and the interests' particular to that ClearView Company.

### Meetings other than in person

- 7.2 The Committee may meet for the dispatch of business, adjourn and otherwise regulate their meetings as they see fit.

### Frequency

- 7.3 The Committee must meet often enough to undertake its role effectively. The Committee must meet at least three (3) times per calendar year.

### Quorum

- 7.4 A quorum for a meeting of the Committee is two (2) members provided a majority of members present are Independent Directors of ClearView.

### Voting

- 7.5.1 Voting at a Committee meeting is by simple majority and shall require a minimum of two (2) votes in favour of the proposal.
- 7.5.2 The chair has a casting vote (if required).

### Other attendees

- 7.6.1 Other members of management of ClearView or of any of the ClearView Companies, or parties external to ClearView, may be invited to attend any meeting of the Committee; and
- 7.6.2 The CRO must be invited to attend any meeting, and/or relevant section of the meeting of the Committee.

### Delegation by the Board and on delegation to sub-committees

- 7.7.1 The Committee's responsibilities including having authority to review and approve, on behalf of the Board, ClearView policies, charters and codes of conduct, and the Committee has the power to delegate this authority, on certain matters, in full or in part, to the chair of the Committee as it sees fit from time to time.
- 7.7.2 The Committee may at any time form and delegate authority to sub-committees, comprised of one or more members of the Committee as it considers necessary or appropriate. Each sub-committee has the full power and authority of the Committee, subject to the terms of its delegated authority.

## 8. Reporting by the Committee

### Circulation of minutes

- 8.1 Minutes of each meeting of the Committee must be approved and signed by either the chair of the Committee or the chair of that meeting and then provided to the Board.

### Reports to the Board

- 8.2 The Committee must:
- 8.2.1 Through its chair, report regularly to the Board and to the board of each of the ClearView Companies at the earliest possible board meeting after each meeting of the Committee, about Committee activities, issues and related recommendations. Such reporting should include any matters that, in the opinion of the Committee, should be brought to the attention of the relevant board, and any recommendations requiring the approval of the relevant board;
  - 8.2.2 Ensure that a report to shareholders of ClearView is prepared annually describing the Committee's composition, responsibilities and how they were discharged, and any other information required by regulation; including the number of times the committee met throughout the year and the individual attendances of the members at those meetings; and
  - 8.2.3 Review any other reports that any of the ClearView Companies issue that relate to the Committee's responsibilities.

## 9. Other responsibilities of the Committee

### Review

- 9.1 The Committee must, each year, review and assess the adequacy of this Charter and recommend to the Board any changes that the Committee considers are desirable.

### Annual performance appraisal

- 9.2 An evaluation of the performance of the Committee and each individual Committee member's performance and the extent to which the Committee has met the requirements of this Charter will be conducted through the Board's annual performance appraisal process.

### Publication of charter

- 9.3 This Charter will be made available on ClearView's intranet and website.

## 10. Definitions and Interpretation

10.1 In this Charter, unless the contrary intention appears:

“**APRA**” means the Australian Prudential Regulation Authority;

“**ASIC**” means the Australian Securities and Investments Commission;

“**ASX**” means the Australian Securities Exchange;

“**at any time**” means at any time and from time to time;

“**Auditor**” means an external firm registered as an auditor, who is appointed as auditor of ClearView or of a ClearView Company under the Corporations Act and, in particular, the Audit, Risk and Compliance engagement partner within that firm;

“**Board**” means the board of directors of ClearView;

“**Chief Risk Officer**” (or **CRO**) means the role and the person appointed to that role in accordance with the requirements of CPS220, and otherwise means the head of risk function within ClearView’s management team;

“**ClearView**” means ClearView Wealth Limited (ACN 106 248 248);

“**ClearView Companies**” means ClearView and its subsidiary companies:

- ClearView Group Holdings Pty Limited, and
- ClearView Administration Services Pty Limited;

“**Committee**” means the Board Risk and Compliance Committee established by resolution of the Board, and whose Charter this is;

“**Corporations Act**” means the *Corporations Act 2001* (Cth);

“**Director**” means a member of the Board or of the board of directors of one of the ClearView Companies;

“**FAR Act**” means the *Financial Accountability Regime Act 2023* (Cth)

“**Group**” means the ClearView Companies collectively, as defined above;

“**Independent Director**” has the same meaning as in the Prudential Standard CPS 510 ‘Governance’;

“**Non-executive Director**” has the same meaning as in the Prudential Standards CPS 510 ‘Governance’;

“**Prudential Standard**” means a Prudential Standard issued by APRA;

**“Relevant Law”** means:

- the *Life Insurance Act 1995* (Cth),
- the *Insurance Contracts Act 1984* (Cth),
- the *Corporations Act 2001* (Cth),
- the *Financial Sector (Collection of Data) Act 2001* (Cth),
- the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth.),
- the *Privacy Act 1998* (Cth.),
- the *Financial Accountability Regime Act 2023* (Cth)
- any other present or future law of Australia or a State or Territory of Australia with which ClearView or a ClearView Company must comply,
- any direction, instruction, ruling or guideline given by a person duly authorised by a competent Parliament for this purpose which ClearView determines is legally required to be followed,
- any direction, instruction, ruling, guideline, licence or registration condition issued by the applicable person who exercises a statutory function in relation to that matter, and
- any present or future law of Australia or a State or Territory of Australia which ClearView determines to be a Relevant Law for the purpose of this Charter.

10.2 In this Charter:

- 10.2.1 References to any statute or other law includes all laws changing, consolidating or replacing them, and includes all laws, regulations, modification orders and other instruments issued under the statute or law;
- 10.2.2 References to regulatory standards or guidelines of APRA or ASIC are construed as references to those for the time being in place;
- 10.2.3 All matters which are stated as being included in (or examples within) the scope of an expression do not limit the scope and generality of that expression; and
- 10.2.4 References to ASX Listing Rules, clauses of the Constitution of ClearView, or the Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council are construed as references to those for the time being in force.