

ClearView Modern Slavery Statement

25 March 2021

Forward

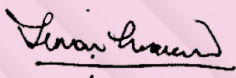
This inaugural modern slavery statement is made pursuant to section 14 of the Modern Slavery Act 2018 (Cth) (the Act) for the reporting period from 1 July 2019 to 30 June 2020.

This is a joint statement for the following entities:

- **ClearView Wealth Limited** (ABN 83 106 248 248)(**CWL**) is a publicly listed company deriving income from the provision of life insurance, wealth management and financial advice. CWL is the ultimate parent of the below companies:
 - ClearView Financial Management Limited (ABN 99 067 544 549)(**CFML**);
 - ClearView Life Nominees Pty Limited (ABN 37 003 682 175)(**CLN**);
 - ClearView Financial Advice Pty Limited (ABN 89 133 593 012)(**CFA**);
 - Matrix Planning Solutions Limited (ABN 45 087 470 200)(**MPS**);
 - LaVista Licensee Solutions Pty Limited (ABN 20 630 086 716)(**LaVista**); and
 - ClearView Administration Services Pty Limited (ABN 90 135 601 875)(**CAS**).
- **ClearView Life Assurance Limited** (ABN 12 000 021 581)(**CLAL**) offers life insurance products. This entity is also a subsidiary of CWL and meets the reporting requirements of the Act.

The registered address of each of the above entities is Level 15, 20 Bond Street Sydney New South Wales 2000. For the purpose of this statement, ClearView refers to both reporting entities and subsidiaries listed above.

This statement was approved by the boards of each of the two reporting entities covered by this statement. The board of ClearView Wealth Limited and the board of ClearView Life Assurance Limited approved this statement on 25 March 2021.



Simon Swanson
Managing Director
ClearView Wealth Limited and ClearView Life Assurance Limited
25 March 2021



Geoff Black
Chair
ClearView Wealth Limited and ClearView Life Assurance Limited
25 March 2021

Contents

Forward	2
Introduction	3
Who is ClearView	4
Our supplier relationships	6
How we manage risk	7
The path ahead	9
Appendix 1 – Mandatory criteria reference table	9

Introduction

‘Modern slavery’ is used as an umbrella term to describe serious exploitations including forced labour, debt bondage and bonded labour, forced marriage, slavery and slavery-like practices, human trafficking and the worst forms of child labour. It disproportionately affects vulnerable communities and people, including children.

Current estimates place over 40 million people globally in conditions of modern slavery.

ClearView has no tolerance for modern slavery linked to its operations and/or supply chain and welcomes the Act as guidance to understanding this human rights issue, and the opportunity to take steps to support victims and survivors of modern slavery.

Who is ClearView

ClearView refers to a corporate group of subsidiaries that provide life insurance, investment and superannuation products, financial advice and support services to financial advisers under the parent company ClearView Wealth Limited (**CWL**).

CWL is a publicly listed non-operating holding company (**NOHC**) regulated by the Australian Prudential Regulation Authority under the Life Insurance Act 1995.



Further details about ClearView and its business can be found on the ClearView website at clearview.com.au/about-clearview.

ClearView's purpose is to assist Australians to grow and protect their wealth so as to achieve their financial and wellbeing goals.

Life Insurance

The products offered by ClearView Life Assurance Limited are intended to manage the risks that can undermine one's financial position, security and wealth due to a loss of income, unexpected costs or outliving financial/family resources. ClearView Life Assurance Limited manufactures its products under a retail life insurance Australian Financial Services Licence (**AFSL**), licence No. 227682. ClearView Life Assurance Limited's LifeSolutions product is its single, contemporary product series for retail customers that is only available through financial advisers.

Wealth Management

ClearView Wealth Management products are designed to assist in the accumulation and preservation of wealth to achieve personal financial goals and objectives such as a comfortable retirement. ClearView Financial Management Limited and ClearView Life Nominees manufacture these investments and retirement solutions (managed investments and superannuation) under AFSLs and a Registerable Superannuation Entity (**RSE**) licence. The products are distributed through financial advisers.

ClearView Financial Management Limited is the responsible entity for the ClearView Managed Investment Schemes (AFSL No. 227677). ClearView Life Nominees is the trustee of the ClearView Retirement Plan (RSE Registration No. R1001624, USI CVW0001AU and AFSL No. 227683). The Plan includes ClearView WealthFoundations superannuation and pension products and the ClearView WealthSolutions superannuation and pension products. These investment and retirement solutions are distributed through financial advisers.

ClearView Financial Management Limited and ClearView Life Nominees outsource the selection and ongoing investment management to third party fund managers. In the case of ClearView Life Nominees, it may invest in life insurance policies issued by ClearView Life Assurance Limited, who then outsources the management of the funds. ClearView Financial Management Limited and ClearView Life Nominees do not invest directly into assets. Individual investors may use ClearView administration platforms to create self-directed portfolios that do include directly held shares.

Financial Advice

Financial advice is critical to most Australians to manage their financial affairs soundly. ClearView's financial advice subsidiaries are market leading providers of licensing solutions to financial advisers. These feature two AFS Licensed dealer groups – Matrix Planning Solutions (AFSL No. 238256) and ClearView Financial Advice (AFSL No. 331367).

Both dealer groups provide personal advice to customers principally through self-employed adviser businesses on a broad range of issues including superannuation and investments, life insurance, wealth protection, retirement planning and aged care. Adviser businesses are situated throughout Australia.

As at the end of 30 June 2020, there were approximately 219 self-employed financial advisers operating under the Matrix Planning Solutions and ClearView Financial Advice AFS licences.

LaVista Licensee Solutions provides outsourced business licensee services to other AFS Licensees.

ClearView Administration Services

Outsourcing and the procurement of many of ClearView's third party service agreements is conducted through ClearView Administration Services Pty Limited. These arrangements include custodial and administration services, software services, internal audit, and other management and administration services. ClearView Administration Services Pty Limited is also ClearView's employing entity.

Modern slavery risk within ClearView operations

ClearView operates within Australia and employs around 325 people, who are mostly based in Sydney and with offices in Melbourne, Brisbane and Perth. ClearView operates three lines of business which are life insurance, wealth management and financial advice.

Based on external advice, ClearView considers its workforce to have a low risk of exposure to modern slavery practices because:

- our operations are entirely located within Australia – we do not have any offshore arrangements;
- ClearView has set employment standards to meet or exceed the Australian Fair Work Act 2009; and
- our employees are encouraged to directly report concerns through managers or under ClearView's *Whistleblower Policy*.



Our supplier relationships

ClearView is committed to working with its suppliers to address modern slavery risks within its supply chain. ClearView engages a variety of vendors for short term procurement contracts and long term outsourcing agreements.

Supply chain overview

ClearView's supply chain is wide ranging but remains typical to other financial services providers with exposures to modern slavery risks resulting from its relationships with suppliers both locally and overseas.

Outsourcing and the procurement of many of ClearView's third party service agreements are conducted through ClearView Administration Services Pty Limited and includes the procurement of products and services across the following categories:

- Claims scanning and software
- Human resources relating to background checks, recruitment, and reference checking
- Logistics, scanning, correspondence
- Office supplies
- Print and marketing including corporate items
- Professional services including audit, consulting, legal and paraplanning services
- Property services including cleaning, facilities management and utilities
- Travel

Based on the Global Slavery Index (**GSI**) and trends in the financial sector, ClearView believes the following supplier categories to be comparatively higher risk:

- Information and communication hardware – the purchase of devices, such as phones and computers, are considered higher risk due the complex manufacturing process for the products and components. Hardware components are also considered higher risk due to the raw materials and metals used in their production.
- Cleaning and facilities services – an essential workforce that over time has seen an increase in subcontracting and casual contracts. These trends, in addition to limited oversight and the reliance on a migrant workforce, can increase the chances of wage theft and the denial of workers' entitlements.

Outsourcing arrangements

ClearView has outsourcing arrangements with third party providers who perform business activities on its behalf. Some of these arrangements are considered material in nature including custodial and administration services, software services, internal audit, and other related management services.

ClearView expects its suppliers and outsourcing partners to understand and address modern slavery risks. Overtime, we believe companies' response to the Act, including ours, will generate greater awareness and create a positive change across our supply chain.

ClearView outsources the selection and ongoing investment management to third party fund managers. ClearView Financial Management Limited and ClearView Life Nominees select fund managers based on merit and consider how each will add to the overall performance and diversification of each fund.

Fund manager arrangements have the potential to expose ClearView to higher risks of modern slavery given their geographical spread around the world.

Whilst the majority of ClearView's fund manager relationships are domiciled in Australia, and many of WealthFoundations managers have published their Environmental, Social and Governance (**ESG**) Policies, ClearView believes the risk of modern slavery, in the operations and supply chain of its locally domiciled asset managers, to be low given the Australian regulatory oversight and the nature of the operations.

How we manage risk

A key priority for the board during 2020 was to ensure we had the right policies, processes and governance frameworks in place.

Risk governance

- At the start of the 2020 reporting period, ClearView looked to embed a risk management framework and culture and appointed a new Chief Risk Officer to lead the risk management transformation initiatives. You can read more about this within our [2020 Annual Report](#).
- These initiatives were not intended to directly address modern slavery however they did strengthen the overarching risk and compliance functions that oversee ClearView's financial and non-financial risk management.

Modern slavery risk management

- ClearView's review of its outsourcing relationships is an important step in its modern slavery response.
- Throughout the year ClearView commenced enhancing its contract review processes and in particular introduced new modern slavery provisions into its material or key contractual agreement entered into from July 2020 onwards.
- ClearView has also updated the enterprise wide *Outsourcing Policy* and introduced modern slavery compliance to supplier due diligence and contract clauses.

Vulnerable Customer Policy

- The Act currently excludes customers from consideration however through ClearView's financial services offering, there is a high likelihood that ClearView will be engaged by vulnerable individuals.
- Whilst not in direct response to modern slavery, ClearView published its *Vulnerable Customer Policy* in April 2020 which also provides guidance in identifying and recognising customers that may be vulnerable to financial difficulties and susceptible to exploitation.
 - We extended our definition of 'customers' to include all individuals who are beneficiaries, the life insured, policy owners, employees and officers that are impacted by the circumstances outlined by or associated with this policy.
 - We defined 'vulnerability' as a circumstance which makes an individual more susceptible to harm, loss or disadvantage, either personal or financial, than a person not in those circumstances.
- At our next policy review, we will consider how groups identified within the policy may also be vulnerable to forms of modern slavery in Australia.

Reporting mechanisms

- ClearView's *Whistleblower Policy* underwent enhancements during 2020 to include a primary and secondary Whistleblower Officer.
- ClearView extends its policy of eligible whistleblowers to include officers and employees (past and present), contractors, suppliers of goods and services and their employees, and a relative, dependent or spouse of any of these parties.
- These matters provide the foundations for ClearView's modern slavery response. ClearView considers it important to review and evolve the approach to modern slavery legislative requirements over time.

ClearView promotes a **FairCall Service** to report matters anonymously and confidentially.

The free external hotline and reporting service is independently monitored by KPMG.

FairCall

1800 500 965

faircall@kpmg.com.au



Impact of COVID-19

- ClearView's actions to assess and address the risks of modern slavery in its supply chain, including due diligence and remediation, were delayed due to the COVID-19 pandemic.
- The COVID-19 health, economic and social crisis fundamentally changed ClearView work conduct.
 - Since March 2020, the majority of ClearView staff worked from home and continued to serve customers effectively.
 - When official Government guidance recommended returning to offices, ClearView ensured the workplace was appropriately maintained and it continuously met the COVID-19 health guidelines.
- ClearView made the decision to delay an assessment of its policies and procedures, for alignment with the United Nations Guiding Principles on Business and Human Rights, until the next reporting period.
- To mitigate potential negative impacts from COVID-19 on its customers, ClearView enacted the following:
 - Allowing LifeSolutions policyholders to waive monthly premiums for up to three months, due to financial hardship caused by involuntary unemployment.
 - Enabling policyholders to put all or part of their cover on hold for up to 12 months, without having to go through the underwriting process again to reinstate cover.
 - Ensuring healthcare workers are not prevented from accessing life insurance (in accordance with the Financial Services Council's Frontline Healthcare Worker initiative).
 - Paying out \$8.8 million to over 900 superannuation members through the COVID-19 economic response early release of superannuation program to date since the program started in April 2020.
 - Diligently adhering to our policy of not applying specific exclusions for claims arising from a pandemic event.

The path ahead

This is ClearView’s inaugural modern slavery statement and we are committed to addressing human right violations. To do this we believe the right foundations and people must be in place to identify, assess and monitor our actions in relation to modern slavery laws.

In preparing this statement, ClearView approached representatives from across its three lines of business to understand the modern slavery risks in its supply chain, business operations and its business relationships.

ClearView publicly makes available its first statement on its website at clearview.com.au/about-clearview/corporate-governance, and it has shared it with its employees via the ClearView intranet. In addition, the statement has been lodged on the Australian Government’s Online Register for Modern Slavery Statements.

ClearView acknowledges that whilst some enhancements were made to its supplier due diligence process, including the introduction of modern slavery compliance into its vendor selection and onboarding process, it recognises that this is the beginning of its modern slavery journey. ClearView strives to improve its response over time and make further progress during 2021.

Looking ahead, ClearView’s immediate intention and plan of action includes:

1. Deliver training for all ClearView staff in relation to modern slavery legislation.
2. Assess and develop its supplier taxonomy to conduct a high-level risk assessment and supplier prioritisation.
3. Include modern slavery reporting clauses in all ClearView outsourcing contracts.

Aspirations for 2021-22

Policy and Governance

- Review existing policies and procedures to determine if modern slavery risk should be reflected; and where necessary develop procedures that adequately and effectively manage modern slavery risks.
- Leverage work undertaken pursuant to the risk culture framework to highlight the importance of dealing with modern slavery risk.
- Establish a modern slavery working group, project governance, and board reporting frequency.

Human Rights Commitment

- Develop additional guidance in relation to whistleblowing and external hotlines on how to respond to modern slavery reports.
- Explore how ClearView’s senior leaders can address modern slavery and human rights impacts within its sphere of influence, industry groups and local communities.

Supplier Due Diligence and Management

- Conduct a modern slavery risk assessment across Tier 1 Material Outsourced suppliers.
- Conduct further supplier due diligence during on-boarding and contract reviews.

Appendix 1 – Mandatory criteria reference table

Australian Commonwealth Modern Slavery Act 2018 (Cth) mandatory criteria for modern slavery statements		2020 modern slavery page reference
Criterion 1	Identify the reporting entity.	Page 2
Criterion 2	Describe the structure, operations and supply chains of the reporting entity.	Pages 4 and 6
Criterion 3	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.	Pages 5 and 6
Criterion 4	Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	Pages 7 and 9
Criterion 5	Describe how the reporting entity assesses the effectiveness of such actions.	Page 9
Criterion 6	Describe the process of consultation with any entities that the reporting entity owns or controls. In the case of a reporting entity covered by a statement under section 14 - the entity giving the statement.	Page 9
Criterion 7	Any other relevant information.	Page 9



ClearView

GPO Box 4232
Sydney NSW 2001

132 979

clearview.com.au