

Market Release

9 November 2023

ClearView Wealth Limited 2023 Annual General Meeting addresses to shareholders

ClearView Wealth Limited (ASX: CVW, ClearView) will address shareholders today at its hybrid Annual General Meeting (Meeting) to be held at 10.00am.

In accordance with Listing Rule 3.13.3, attached is a copy of the Chairman's address and Managing Director's address that will be delivered at the Meeting.

ENDS

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Approval of Announcement

The Continuous Disclosure Committee of ClearView have authorised the release of this announcements to the market.

About ClearView

ClearView is an ASX-listed diversified financial services company which partners with financial advisers to help Australians protect and build their wealth, achieve their goals and secure a comfortable financial future. The Group's two business segments: Life Insurance and Wealth Management are focused on delivering quality products and services.

For more information visit clearview.com.au

ClearView Wealth Limited
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ClearView Wealth Limited Annual General Meeting 2023

Addresses to shareholders | 9 November 2023

Chairman's address

Mr Geoff Black, Chairman

On behalf of the Board, welcome to ClearView's 2023 Annual General meeting. It's great to see a few familiar faces as well as a number of new shareholders.

A lot has happened at ClearView since the AGM last year and I am delighted to report that it has generally been very positive, despite the uncertainty created by the geopolitical environment and tensions relating to Ukraine, the Middle East and the US.

Thankfully, to date Australia has managed to avoid direct impacts and, despite higher inflation and increasing interest rates, employment continues to be resilient. However, it is increasingly likely that inflation and interest rates will be higher for longer and we need to manage the business accordingly, notwithstanding that long term factors including population growth, household wealth, and high debt levels are expected to help us and sustain premium growth.

Pleasingly, ClearView has seen a material increase in new business over the year, our lapse experience continues to be within expectation, and we have experienced no noticeable increase in claims. This has continued to be the case in the first 3 months of FY24.

For ClearView, an increased awareness of heightened risk in an environment of continued strong employment encourages consumers to seek and retain life insurance cover. Importantly for customers, benefits are indexed for inflation.

ClearView continues to monitor and work closely with customers and their advisers to ensure that they can maintain cover even in difficult times. Over the past 3 years, the business has undertaken a major transformation across every aspect of the organisation, including technology, organisation structure, people capability, customer service, product, risk management, financial reporting, and culture. Our focus on service has continued and we have a clear strategy to enhance support to customers and advisers as we deliver further benefits from our transformation program.

Importantly, we have been laser focussed on executing on strategy and creating a culture of accountability to ensure we achieve the benefits we expect to be derived from the program. While we have more to deliver on our transformation program, I am delighted to say we are now seeing the benefits of our effort,

and the Board and I are really excited about the future of ClearView.

During FY23, ClearView saw a continuation of the momentum coming out of FY22 as we shifted our focus to growth. New business life premium was up 25% on FY22 at \$25.2m. Gross premium was up 9% at \$325m. Underlying NPAT for the Life business was up 38% at \$40.4m at an underlying margin of 12.4%.

The Life new business premium volumes continue to demonstrate the strong support from advisers for ClearView ClearChoice as a sustainable product; this is further evidenced by our market share of new business which increased to 9% during the year. The inforce growth was driven by a well-structured premium rate review and an unerring focus on customer retention.

Our investment in claims management capability is continuing to reap rewards as we again produced experience profits and we are beginning to see operational efficiencies from our investment in technology.

The first 3 months of FY24 has seen a continuation of the momentum, with new business sales up 67% on the same period last year at \$9.2m. This momentum has the business on the right trajectory to achieve the 2026 objectives we disclosed to the market.

To continue this strong growth outlook, we need a strong disciplined approach to risk management and product management capability and we have invested heavily in these areas over the past 2 years. We have also strengthened our cyber security capability through a combination of IT infrastructure investment and staff education and training.

Looking ahead, FY24 will bring the introduction of the new accounting standard IFRS17. The standard does not change the underlying economics of life insurance, but the increased granularity of reporting and changed profit recognition features mean it is likely we will see more volatility in financial reporting.

During the year we announced our intention to exit the direct management of wealth and to sell the managed investment business to investment management and technology company Human Financial for consideration of \$1.3m and the acquisition of a 40% interest in Human Financial. ClearView and Human

Financial have now entered into an agreement to vary the sale agreement, whereby ClearView will receive consideration of \$5 million and will no longer be acquiring a 40% interest in Human Financial as part of the transaction.

The decision was taken after considerable analysis and research, and we ultimately believe ClearView's future is best served focussing on life insurance. The exit is progressing and we expect to finalise the process in FY24. It should be noted the complexity of regulation, legal structures and complex products has seen this process take a little longer than planned but on completion ClearView will be a much simpler and focussed organisation.

Over the course of the past year and notwithstanding the fact that we announced the completion of our strategic review last November, we receive expressions of interest for the business from time to time. No offers have been received at indicative price ranges that reflect value as perceived by the independent directors or our largest shareholder. The Board's view is that the current share price does not reflect full value of ClearView particularly given the strong sales momentum, material profit growth over the past 12 months and our financial 2026 targets recently disclosed. ClearView publishes its embedded value under a range of discount rates to assist shareholders in thinking about underlying value.

The excellent financial result and strong capital position enabled the board to increase the dividend from 2c to 3 cents per share this year. This was slightly above the midpoint of the target payout range of 40-60% of underlying NPAT. This approach is consistent with the Board position in seeking to pay dividends at sustainable levels with consideration to be given to an interim dividend.

One of the most important actions the Board undertook in FY23 was to appoint a new CEO following Simon Swanson's notice of retirement. This is one of the most critical decisions a board will make. I am delighted with how Nadine's first 100 days has gone as she has transitioned seamlessly into the role bringing her own style and approach to the business. Nadine's focus on operational excellence, her vision for ClearView and the speed at which she

has communicated and commenced implementing her strategy has positioned the company to succeed.

I would like to thank Simon for the foundation he created over 12 years of leadership through a very challenging period. Building ClearView to being a material player in the life insurance industry is a great achievement of which Simon should be very proud. His supportive and dignified approach to the CEO transition is acknowledged and appreciated.

During the year, we were saddened by the sudden death of Susie Young shortly after retiring from the Board. Susie served on the main board, a number of subsidiary boards and chaired the Nomination and Remuneration Committee and Audit Committee. Her significant contribution across the business from both a strategic and governance perspective was valued by both fellow directors and executives. I would like to acknowledge that contribution and thank her for her services.

The Board continually reviews its capability and skills requirements and I am delighted that Eddy Fabrizio joined the Board in June 2023. Eddy's deep life insurance knowledge and actuarial skills and experience have already had a positive impact as chair of the Audit Committee, particularly as we implement the IFRS17 accounting standard.

I would also like to acknowledge the contribution of directors of the subsidiary companies and in particular the directors of ClearView Life Nominees, the Trustee of the ClearView superannuation fund. ClearView's decision to exit wealth has significantly increased their workload and I would like to thank them for efforts.

I would like to thank my fellow directors for their contribution during the year and for the significant additional work undertaken outside regular meetings.

Also, to Nadine, the executive leadership team and all the ClearView staff who have stepped up, your contribution is acknowledged and appreciated.

As a final word before handing over to Nadine, the business is in great shape and going from strength to strength. We have a sound strategy and a strong team ready to execute their plan.

Managing Director's address

Ms Nadine Gooderick , Managing Director

Thank you, Geoff.

It is my pleasure to be here today at ClearView's AGM, my first as the Group's Managing Director.

Since stepping into the role on July 1, I have experienced many firsts. In July, I hosted my first leadership offsite, where I detailed ClearView's refreshed business plan and strategic priorities to around 50 key leaders and, in August, I had the privilege of announcing ClearView's strong FY23 result: a testament to the many talented and hardworking people inside this great organisation.

On that note, I'd like to acknowledge and welcome members of ClearView's Executive Leadership Team and the Board to today's AGM. I'd also like to thank you for your support, particularly over the last six months. It has made my transition to Managing Director seamless.

ClearView is now a business dedicated to protecting the wealth and lifestyles of Australians and their families by providing high quality, fit-for-purpose life insurance solutions.

ClearView is a unique company for many reasons including its collaborative, customer-centric culture. We understand that we have a critical role to play in helping Australians when they are at their most vulnerable, and we embrace this ethos in serving our customers every day.

The Group's transformation journey has led to a simplified business that is focused on becoming one of Australia's key life insurance companies and driving improvements across the core life insurance functions, as we strive towards our goal of providing life insurance to as many Australians as possible.

Our commitment to this mission is reinforced in ClearView's refreshed three-year plan, which is built on the four pillars of protect, optimise, diversify and explore.

We are focused on protecting and optimising our existing position as a dynamic challenger in the life insurance market while looking for opportunities to grow, extend our relationships and diversify our revenue and risk.

Longer term, we recognise that to achieve our FY26 targets, we must remain curious about our customers and business partners and explore opportunities

beyond our existing channels to help more Australians get the protection and peace of mind they deserve.

Despite the industry's broad sustainability challenges, ClearView has remained profitable year after year, most recently reporting a 41% increase in Group Underlying NPAT for the year to June 30, 2023.

We punch above our weight in terms of new business market share and, since inception, the business has only ever had two Managing Directors. I am the second, behind the Group's founder Simon Swanson.

It is now my job to lead this business into its next exciting phase of growth.

With the backing of a supportive Board, and buoyed by improving market conditions, ClearView is strongly positioned to execute its refreshed strategy and capture opportunities arising from regulatory and structural change.

We have made significant progress through the multi-year transformation program, which commenced in 2019 and proceeded through the COVID-19 years, and we continue to invest for the long-term including through the rollout of our new Policy Administration System.

As part of that program, ClearView successfully launched its flagship product series, ClearView ClearChoice, and new Underwriting Rules Engine. Over the past three years, we have strengthened our risk, compliance, and governance framework, and undertaken a number of Corporate Social Responsibility initiatives. Our Environmental, Social and Governance (**ESG**) highlights for the year include offering our customers holistic rehabilitation support to empower them to return to life and work, the launch of ClearView's Lifeline Australia Scholarship Program which provides a number of employees with paid community service leave of up to 92 hours a year to volunteer with Lifeline, and continued support of our employees in caring for their mental wellbeing.

Already the benefits of our investment in people, processes and technology are starting to flow through, as we increase scalability of our operations to future-proof our business. We continue to closely monitor this progress as we balance the pace of our growth with our ability to maintain service, to drive sustainable profitable performance.

Looking ahead, we will leverage our data insights to ensure that we stay at the forefront of product development, underwriting and claims management to maintain a stable sustainable portfolio.

As an industry and nation, we must do more to address the unmet advice and life insurance needs of Australians. We are hopeful that recommendations contained in the Quality of Advice Report will be implemented by the government and create opportunities for life insurers to better support financial advisers and our customers.

Making it easier for product providers to answer common questions would enable advisers to focus on helping those with more complex needs, while fostering greater trust, transparency and engagement between insurers and customers.

To that end, ClearView is a proud member of the Council of Australian Life Insurers (**CALI**), which was recently established to advocate for national policy settings that expand access to life insurance protection.

ClearView played an important role in the formation of CALI and members of our leadership team participate in various CALI committees and working groups.

As Geoff mentioned, we are also progressing with the divestment of our Wealth Management business.

The Wealth Management business consists of two main parts – superannuation and managed investments – and significant progress has been made in working through both divestments. In accordance with our continuous disclosure obligations, we will provide an update on the Wealth exit as soon as we are able.

Before handing back to Geoff to complete the formalities and close this meeting, I'd like to touch on current performance. As previously mentioned, we have had a step change in new business flows for the last 5 months, our lapse experience continues to be within expectation, and we continue to have stable claims. I announced to the market 2 weeks ago that our new business for the first quarter is \$9.2 million which is a 67% increase over the prior corresponding period. The team is focussed on maintaining our service to customers and working together to ensure that our new clients have a great customer experience with ClearView.

It has been a busy first quarter in the Managing Director role, and I am very excited about where the business is heading. The team at ClearView is committed to working together to achieve our goals and continue to ensure our customers are at the heart of all that we do every day.

Thank you for your support.