

Ansvar Remuneration Disclosure Statement 2024

At Ansvar, it is not only our mission to be the most trusted and ethical specialist insurer within our core sectors but, importantly, to also make a significant contribution to help build safer communities that promote well-being and peace of mind. In doing so, we pride ourselves on achieving high professional standards in everything we do and in the way we treat and interact with others, including our stakeholders, partners, suppliers and clients.

As part of the Benefact Group, we take conduct risk very seriously. We are committed to remuneration transparency, a system that supports the prevention and mitigation of conduct risk and most importantly, protection of our customers from the impact of misconduct.

Who we are

STRUCTURE AND OPERATIONS

Ansvar holds an Australian Financial Services Licence (AFSL) to deal in general insurance products to retail and wholesale clients. We do not manufacture goods, deal in funds management or outsource core functions such as customer service, claims management or financial accounting.

Ansvar only operates in Australia and does not have any Authorised Representatives or subsidiary companies currently trading.

Our business model centres on selling general insurance products through customers' appointed insurance brokers and supporting our core customer markets with tailored risk management solutions. We also distribute a small number of domestic insurance products for other insurers.

Our workforce is comprised of less than 200 people, all employed in Australia. Occasionally we engage people to work with us on a short-term contract basis, but do not use customer call centres or labour hire services.

BENEFACT GROUP

Benefact Group is an international group built of businesses individually recognised as specialists across financial services. Owned by a charity, we are driven by something far greater than the need to satisfy shareholders; we are united by a belief that everyone benefits from better business – doing right by our customers earns their continued support enabling us to give all available profits back to charities and good causes.

About this statement

REPORTING ENTITY

Ansvar Insurance Limited (**Ansvar**) is incorporated in Australia (ACN 007 216 506) and specialises in providing general insurance and risk management services across the Care, Community, Faith, Education and small business sectors.

This statement is made in accordance with the obligations of public remuneration disclosures, required under APRA's Prudential Standard CPS511 Remuneration (**CPS511**). The purpose of this disclosure is to provide transparency regarding Ansvar's remuneration arrangements, governance, and performance-based remuneration outcomes for the financial year 1 January 2024 – 31 December 2024.

Under CPS511, Ansvar is considered a non-Significant Financial Institution and is required to provide a qualitative disclosure against the standard. The key requirements of CPS511 are:

- the Board of an APRA-regulated entity is responsible for the remuneration framework and its effective application, consistent with the size, business mix and complexity of the entity;
- an entity must maintain a remuneration framework that promotes effective management of financial and non-financial risks;
- remuneration outcomes must be commensurate with performance and risk outcomes;
- higher standards must be met for key roles and certain large, complex entities; and
- an APRA-regulated entity must make clear, comprehensive, meaningful, consistent and comparable public disclosures on remuneration.

Ansvar is committed to embedding ethics and accountability in all aspects of our business operations. This includes having strong governance of remuneration and a structure that promotes ethical conduct in our dealings with customers, insurance brokers and third party suppliers.

Remuneration Framework

The Ansvar Remuneration Framework is brought to life through a range of core and supporting policies, procedures and training.

DESIGN AND STRUCTURE OF THE ANSVAR REMUNERATION FRAMEWORK

The Ansvar Remuneration Framework applies to all Ansvar personnel, including those retained under contract or employed by a related party. Ansvar has taken reasonable steps to ensure all employees understand how their performance will influence their variable remuneration, including the role of downward adjustments for adverse risk and conduct outcomes through the use of induction and periodic training, guidance on performance assessments, and easily accessible and understandable policies.

Core policies	Summary
Remuneration Framework	This framework provides a high level summary of the oversight of remuneration, policy design, performance management, consequence management and how reporting and transparent disclosures regarding remuneration are made. It includes guidance on how different degrees of misconduct or sub-optimal performance translate into consequences.
Remuneration Policy	This policy provides more detail on remuneration for directors and employees of Ansvar (including all persons identified as Accountable Persons under the Financial Accountability Regime (FAR) and Specified Roles under CPS511 (see below for more details)), encompassing the elements of total remuneration including base salary, short and long-term incentives, pension and benefits, together with the remuneration arrangements applicable on hiring and termination. This policy also covers persons employed by, or a contractor of a body corporate, retained under contract, and third-party service providers of Ansvar.
Colleague Incentive Plan Policy	This policy outlines the Performance Management Process, the Performance Management Rating Scale and how staff performance contributes to the calculations of variable remuneration (Short term incentives).
Supporting policies	Summary
Code of Conduct Policy	Outlines the expectations of employees with respect to Conduct.
Induction and ongoing refresher training programs	Ansvar provides a range of induction and refresher training programs relating to performance, conduct and incident management. This includes how to raise concerns about conduct and the whistleblowing policy and training.

KEY DEFINITIONS IN THE REMUNERATION FRAMEWORK

Feature	Summary
Specified Roles	Include senior managers, executive directors, material risk takers, and all risk and financial control personnel as identified in the Remuneration Framework. See below for section on "Positions included in Specified Roles".
Remuneration Components	Fixed remuneration (base salary and superannuation) and short-term incentives (STIs) apply to all permanent employees, including Specified Roles. Long-term incentives (LTIs) are in place for eligible senior executives.
Variable Remuneration Design	STI and LTI programs are designed with clear performance hurdles linked to Ansvar's strategy, business plan and effective risk management.
Performance Measures	Include both financial (e.g. profitability, capital adequacy) and non-financial metrics (e.g. customer outcomes, compliance, risk management). Material weight is placed on non-financial measures, consistent with regulatory expectations.

Feature	Summary
Deferral and Vesting	For Accountable Persons under the FAR, variable remuneration may be subject to deferral, if FAR deferral criteria are met. LTIs are provided in line with both Australian and United Kingdom regulatory requirements. Roles receiving LTIs are also considered Accountable Persons under the FAR.
Malus and Clawback	If misconduct is discovered or a breach of the FAR, Malus provisions may result in unvested deferred variable remuneration being revoked. Clawback applies to paid remuneration in cases of misconduct or failure to meet accountability obligations.
Hedging Prohibition	Individuals in specified roles are prohibited from hedging unvested or deferred variable remuneration, noting that no shareholding components are paid at Ansvar.
Risk Alignment	Variable remuneration is subject to adjustment based on risk outcomes, as advised by the Chief Risk Officer. All downward adjustments are governed by the Consequence Management Framework set out in Section 3 of the Remuneration Framework.

Remuneration Governance

The Ansvar Board delegates oversight over remuneration decisions for 1 Jan 2024 – 31 Dec 2024 to the Nominations and Remuneration Committee (NRC).

The NRC membership includes:

- Helen Thornton (Chair) – Board Chair and Independent NED
- Jacinta Whyte – Non-Executive Director
- David Lambert – Independent NED
- Richard Harding – Independent NED
- Michael Grantham – Independent NED

Independent Directors of the Ansvar Board including members of the NRC are remunerated on a salary basis with no variable remuneration. Board performance is reviewed periodically to ensure that its risk management outcomes and consequence management are being applied, in the event that a material breach or misconduct incident occurs. (See also “Consequence Management” below).

The NRC makes annual recommendations to the Board on the remuneration of the CEO (including variable remuneration), the direct reports of the CEO and any other personnel who are in Accountable Persons roles under the FAR or “Specified Roles” under APRA Prudential Standards. The requirements of CPS511 apply to Specified Roles which include:

- Senior managers and executive directors have their remuneration outcomes assessed individually, based on their performance and the recommendations the CEO makes to NRC. This may include a reduction in variable remuneration if required. The NRC endorse these decisions on an individual basis, for Board approval (in accordance with 87a of CPS511); and
- Highly paid material risk takers, risk and compliance and financial control personnel remuneration outcomes are assessed based on their performance and on a cohort basis, annual pay rises are endorsed by the NRC and approved by the Board. (in accordance with 87b of CPS511).

POSITIONS INCLUDED IN SPECIFIED ROLES

The Remuneration statement for 1 Jan 2024 – 31 Dec 2024 Financial Year applies to:

- Chief Executive Officer
- Chief Underwriting Officer
- Chief Financial Officer
- Chief Risk Officer
- Chief Operating Officer*
- Chief Commercial Officer*
- General Manager People and Culture
- General Manager Strategy and Change

- General Manager Risk Solutions
- Other financial control roles and risk and compliance roles.

*Note: While valid for the 2024 calendar year, these roles are no longer in the current Ansvar Insurance Australia management model.

KEY REMUNERATION BODIES, ROLES AND POLICIES

Remuneration Governance Component	Summary
Board Oversight	<p>The Ansvar Board is responsible for overseeing and approving the Remuneration Framework and ensuring it aligns with the risk profile and strategy of the organisation. The Board is ultimately responsible for monitoring the performance of the CEO, reviewing and approving recommendations by NRC and considering the financial performance of the organisation and the performance of individuals in determining suitable remuneration outcomes.</p> <p>The Board has the ability to apply variable remuneration adjustment tools, including using its overriding discretion to make downward adjustments (including to nil) and taking reasonable steps to reduce remuneration where certain failures occur (as detailed in the Remuneration Policy) such as misconduct leading to significant adverse outcomes or failure to comply with accountability obligations in accordance with the FAR.</p> <p>The Board's consideration of the above factors in its exercise of its discretion for variable remuneration adjustments supports the prevention and mitigation of conduct risk under the Ansvar Remuneration Framework.</p>
Nominations and Remuneration Committee (NRC)	<p>The NRC oversees the design, operation, and effectiveness of the Remuneration Framework and provides recommendations to the Board. It reviews remuneration outcomes for personnel in Specified Roles under CPS511 (including senior executives, risk and financial control staff), and Accountable Persons under the FAR.</p> <p>The NRC, as a Board Committee, exercises its discretion in cases where it is recommended that any of the people in Specified Roles have their variable remuneration reduced (including down to zero). This considers the severity and impact of decisions or actions that personnel in Specified Roles may take, that resulted in harm, as outlined in the consequence matrix in the Ansvar Remuneration Framework.</p> <p>During the FY 1 January 2024 – 31 December 2024, the NRC met 4 times.</p>
Chief Executive Officer (CEO)	The CEO conducts executive performance reviews and makes remuneration recommendations to the NRC.
General Manager People and Culture	Owns the Remuneration Policy and Remuneration Framework, monitors compliance, and conducts periodic reviews.
Remuneration Framework and Remuneration Policy Review	<p>The Remuneration Policy was reviewed in February 2025 and is subject to annual review or upon significant regulatory or strategic change.</p> <p>Input from the Board The Board is responsible for reviewing, approving and setting the criteria for the Remuneration Policy to ensure it meets APRA standards as well as market practice. As outlined above, the NRC provides oversight and recommendations to the Board with regard to Remuneration Policies and how they align with Ansvar's business plan, strategic objectives and risk management framework.</p> <p>Input from the Risk & Compliance Committee and other Board Committees Risks arising that may be flagged at the Risk & Compliance Committee, or other Board Committees, are considered.</p> <p>Input from Chief Risk Officer (CRO) and/or Corporate Risk function</p>

Remuneration Governance Component	Summary
	<p>The Corporate Risk team, as lead by the CRO, provide input and review of policies and procedures from a regulatory compliance perspective for all Board policies.</p> <p>Internal audit – periodic review Ansvar's internal auditors (EY) have completed a review of Ansvar's Remuneration Policy and Framework in early 2025.</p>

FORMS OF VARIABLE REMUNERATION AT ANSVAR INSURANCE AUSTRALIA

Feature	Summary and roles eligible for Feature	Rationale
Sign-on bonus	There may be exceptional circumstances applicable to Senior Management roles.	Matched to market practice for relevant Senior Management roles to attract and retain high quality talent and reflect the role scope and accountabilities required.
Guaranteed bonuses	Generally, not applicable to any roles (subject to exceptional circumstances).	Ansvar discourages the use of guaranteed bonuses and will only offer them in truly exceptional circumstances.
Short term incentives	Annual performance based incentive for all eligible Ansvar permanent employees.	Performance based short-term incentives with material weighting on personal and company performance.
Long term incentives	<p>Long term incentives participation covers the group of senior executives whose efforts can directly influence long-term performance. Unless otherwise required by statute/regulation, employees within Control Functions will also be eligible to participate.</p> <p>Multi-year incentive for eligible senior executives</p>	Performance based long-term incentives align with longer term company strategic objectives and support sustainable long-term company and shareholder value.

CALCULATION OF VARIABLE REMUNERATION (Short term incentives)

The Colleague Incentive Plan outcomes are derived from individual performance against annual objectives and collective business performance against Benefact Group and Ansvar business performance targets.

Individual Incentive outcomes are calculated using the following multipliers:

- i) Target Incentive % (1.00)
- ii) Personal Performance Multiplier
- iii) Group/Business Performance Multiplier

Employees are not eligible for a short term incentive if they are under disciplinary action or performance improvement plans, have a rating of "Improving" in their annual performance review, have resigned or terminated their employment prior to the incentive payment date or any colleague who is under notice of resignation or dismissal during the time the incentive payment is being made.

DEFERRAL OF REMUNERATION

Deferral of remuneration is currently limited to executive roles that;

- i) have a Long Term Incentive, or
- ii) that qualify for a deferral in line with the FAR

ASSESSING PERFORMANCE AND MANAGING CONSEQUENCES

Ansvar is a purpose-led commercial business owned by Benefact Trust Limited, a charitable trust. This distinctive ownership and mission set Ansvar apart within the financial services sector. Ansvar's purpose is to deliver growing financial returns to the Benefact Group's shareholder and owner the Benefact Trust, which are then distributed to charitable causes and communities, contributing to society's greater good. To drive the achievement of these strategic objectives, Ansvar needs to attract, motivate and retain highly capable, productive and engaged colleagues who are aligned to our values and culture. Our working environment and remuneration policies facilitate the attraction and retention of high calibre colleagues and the delivery of Ansvar's strategic objectives.

Achievement of Ansvar's Business Plan, its strategic objectives and management of relevant risks in line with its risk framework are key elements used to assess executive and senior manager performance. Each year, every senior manager has clearly defined performance standards and objectives. These objectives outline the performance standards, timeframes, actions, behaviours and results to be achieved by senior managers (and their teams) in order to deliver satisfactorily to their role.

The individual executive contribution to these elements are considered when determining variable remuneration. This approach ensures that effective risk management of both financial and non-financial risks and achievement of performance are in line with long term company goals and objectives. Deferral of remuneration and/or long term incentives promote a longer term view of executive performance and prevents unethical conduct for short-term advantage.

Breaches of Ansvar's Code of Conduct are managed using the consequence matrix in the Remuneration Framework (as extracted below as at February 2025). This matrix assists the Board and/or NRC to assess the degree of alleged misconduct and determine fair and proportionate consequences by considering the impact of the breach to the organisation and the level of accountability of the person for that matter. The consequence matrix provides the Board and/or the NRC with the discretion to claw back or adjust the amount of any short-term incentive and the extent to which any long-term incentive vests including a downward adjustment of up to 100% of the incentive.

When making decisions on misconduct, the NRC considers the broader legislative and regulatory compliance implications of misconduct and guidance to the workplace on the fair and reasonable management of conduct related matters.

CONSEQUENCE MANAGEMENT AND DOWNWARDS ADJUSTMENT OF REMUNERATION

Relevant matter matrix – example indications		
Rating	Impact	Accountability / Responsibility
High	<ul style="list-style-type: none"> Misconduct leading to significant adverse outcomes Significant adverse outcomes for customers, beneficiaries or counterparties Substantial reputational impact Significant failure or breach of accountability, fitness and propriety or compliance obligations (including failure to comply with one or more of their accountability obligations under the FAR for Accountable Persons) Significant failure or breach of financial or non-financial risk management 	<ul style="list-style-type: none"> Employee had direct responsibility Employee was engaged in reckless or gross negligence Employee concealed conduct Accountable person did not take reasonable steps to operate with due care, diligence or skill as could be reasonably expected from their role
Medium	<ul style="list-style-type: none"> A significant error or a significant misstatement of criteria on which the variable remuneration determination was based. Recurring or multiple non-compliance with obligations and events (and limited action taken) 	Employee was accountable (but not responsible) and failed to take reasonable steps.
Low	<ul style="list-style-type: none"> Breaches with no adverse impact 	Employee involved in the matter

Relevant matter matrix – example indications		
Rating	Impact	Accountability / Responsibility
	<ul style="list-style-type: none"> One-off low level non-compliance disclosable to the regulator 	

Below outlines the extent of downwards adjustment applied to a Specified Role, if consequence management is required. This guidance is used by the NRC and Board to direct discretionary decision making.

		Accountability / Responsibility		
		LOW	MEDIUM	HIGH
Impact	HIGH	25 – 50%	75 – 100% Clawback/Malus considered	No incentive paid Clawback/Malus considered
	MEDIUM	0 – 10%	50% – 70%	No incentive paid Clawback/Malus considered
	LOW	No adjustment	10% – 25%	75% – 100% Clawback/Malus considered



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