

Corporate Governance Statement

The Board of Directors (Board) of Insignia Financial Ltd (Insignia Financial) is responsible for the governance of Insignia Financial and its subsidiaries and related bodies corporate (the Group).

Key aspects of the Group's corporate governance framework, policies and practices are set out in this Corporate Governance Statement (Statement).

Introduction

Our approach to corporate governance is based on a set of values and behaviours that underpin day-to-day activities, provide transparency and fair dealing, and seek to protect stakeholder interests. The Board and management of Insignia Financial recognise the importance of good corporate governance and are committed to maintaining high standards of corporate governance within the Group. We maintain a focus on governance uplift as part of our Group Strategy.

This Statement:

- reports against the ASX Corporate Governance Principles and Recommendations, 4th Edition (ASX Governance Principles) and the practices detailed in this Statement are current as at 11 October 2024; and
- has been approved by the Board.

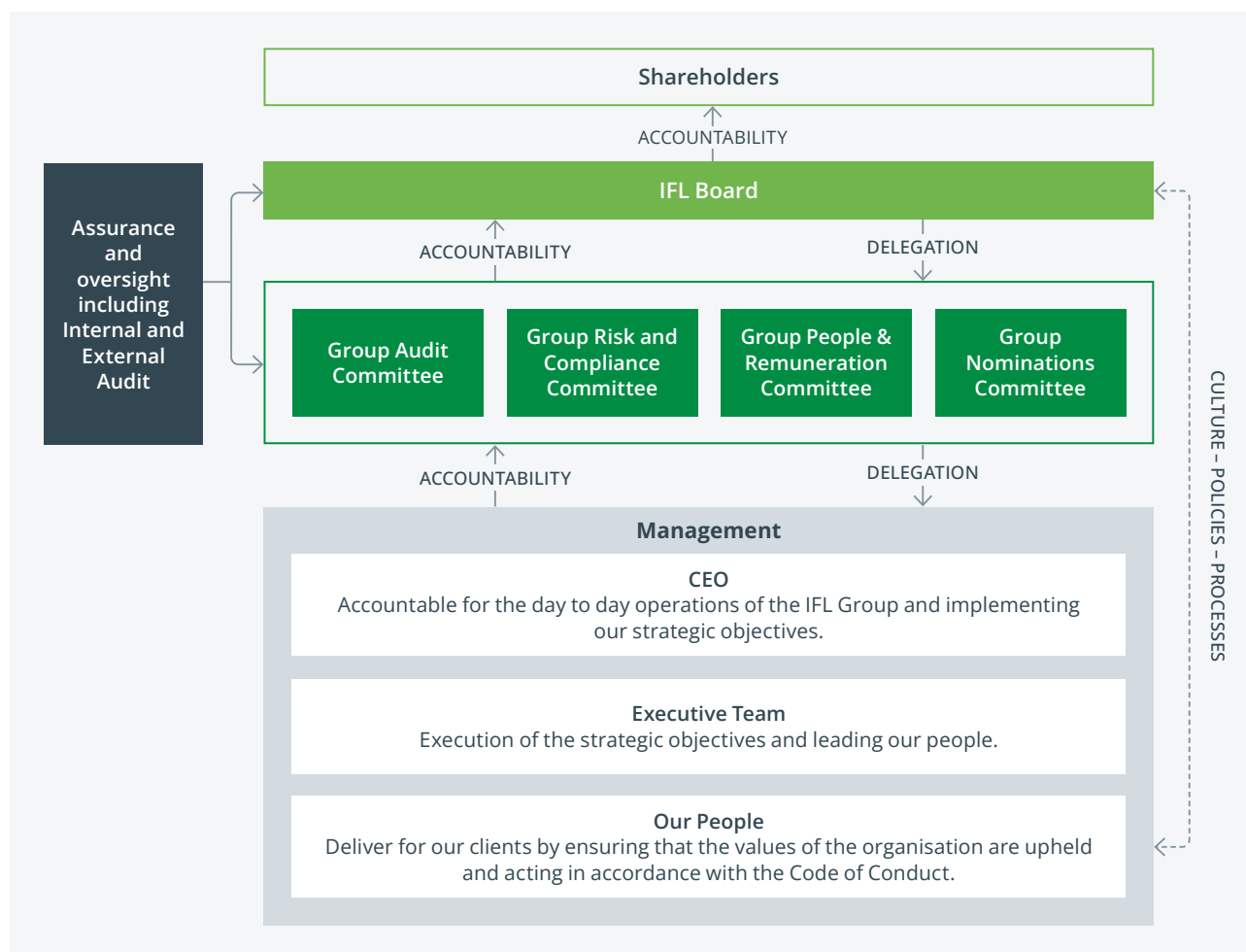
Further information regarding Insignia Financial's compliance with the ASX Governance Principles is set out in Insignia Financial's Appendix 4G, which is a checklist cross-referencing the ASX Governance Principles to the relevant disclosures in this Statement or other relevant documents.

This Statement, along with our ASX Appendix 4G, was lodged with the ASX on 17 October 2024. Details about the ASX Governance Principles can be found on the ASX Limited (ASX) website www.asx.com.au.

Insignia Financial's Board Charter, Code of Conduct and the Terms of Reference for the Board Committees identified in this Statement can be located here: www.insigniafinancial.com.au/corporate-governance.

Governance Framework

The following diagram shows the key elements of Insignia Financial's Corporate Governance Framework:



The Board

Roles and responsibilities of the Board

The key responsibilities of the Board are oversight of the strategic direction of the Group and the effective oversight of management. This includes the following, as well as specific matters reserved to the Board set out in the Charter:

- oversight of management in embedding the Group culture reflecting the Group's Principles¹, Code of Conduct and a sound risk management culture
- developing the strategic initiatives with management and monitoring the implementation of the strategic initiatives and achievement of financial objectives
- monitoring compliance with regulatory requirements
- oversight of risk management
- monitoring the effectiveness of corporate governance practices

- challenging management whenever required and holding management to account
- considering environmental, social and ethical impacts of the Group's activities.

The Board Charter outlines the roles and responsibilities of the Board and management. Some of the key responsibilities of the Chief Executive Officer (CEO) are as follows:

- embed the Group culture, reflecting the Group's Principles² and Code of Conduct
- ensure that decisions are made and resources are used only to further the Purpose³ and Strategy⁴
- implement the Group's Strategy and business plan, operating within the budget and risk appetite set by the Board

1,2,3,4 As that term is defined in the Board Charter

- exercise the powers delegated by the Board in conformity with the duties imposed on Directors under the Corporations Act and Insignia Financial's Constitution
- maintain systems of risk management, compliance and internal controls for financial and non-financial risk
- ensure that all material matters and any material correspondence from regulators are brought to the attention of the Board in a timely manner to enable the Board to discharge its responsibilities.

Chair

The Board elects an independent Non-Executive Director as Chair. The current Chair is Mr Allan Griffiths.

The principal role of the Chair is to lead the Board and ensure that high governance standards are maintained, with responsibilities including the following:

Internal responsibilities

- establishing and maintaining a working relationship with management
- establishing and maintaining a working relationship with the CEO and CEO succession planning
- setting the tone for the Board, leading through living the Principles⁵
- making sure relevant, accurate, timely and sufficient information is provided to Board meetings
- chairing Board meetings efficiently and ensuring that adequate time is available for discussion of all matters, including encouraging contributions and fostering open, inclusive and constructive debate
- taking the lead in relation to performance and succession planning, induction and continuing director education and development.

External responsibilities

- representing the Board and Insignia Financial to external stakeholders
- chairing shareholder meetings.

Board and Board Committee Composition

During FY24, two new independent Non-Executive directors, Ms Gai McGrath and Ms Jodie Hampshire, were appointed to the Board. Both Ms McGrath and Ms Hampshire will stand for election at the 2024 Annual General Meeting (AGM). The Insignia Financial Board currently comprises eight Directors, seven of which are independent Non-Executive Directors. On the retirement of Elizabeth Flynn at the 2024 AGM, Gai McGrath will succeed as Chair of the Group Risk and Compliance Committee.

The Board has four principal Committees which assist the Board in carrying out its responsibilities and discharging its duties. These are the:

- Group Audit Committee;
- Group Risk and Compliance Committee;
- Group People and Remuneration Committee; and
- Group Nominations Committee.

Each of these Board Committees is comprised solely of independent Non-Executive Directors and the Chair of each Committee is different to the Chair of the Board. The responsibilities of each of these Board Committees are set out in a Terms of Reference for that Committee, which are available on our website at www.insigniafinancial.com.au/corporate-governance.

The table overleaf sets out the names, positions and appointment dates of each Director, as well as their membership of each principal Board Committee.

The qualifications, skills and experience of the Directors, the number of times the Board and Board Committees met and individual attendances of the Directors at those meetings can be found in the Directors' Report within the 2024 Annual Report.

⁵ As that term is defined in the Board Charter

Director	Director since	Status	Group Audit Committee	Group Risk & Compliance Committee	Group People & Remuneration Committee	Group Nominations Committee
Mr Allan Griffiths	July 2014	Non-Executive Director and Chair, independent	Member	Member	Member	Member
Mr Scott Hartley	March 2024	CEO & Executive Director	–	–	–	–
Ms Elizabeth Flynn	September 2015	Non-Executive Director, independent	Member	Chair	Member	Member
Mr John Selak	October 2016	Non-Executive Director, independent	Member	Member	Chair	Member
Mr Andrew Bloore	September 2019	Non-Executive Director, independent	Member	Member	Member	Chair
Ms Michelle Somerville	October 2019	Non-Executive Director, independent	Chair	Member	Member	Member
Ms Gai McGrath	March 2024	Non-Executive Director, independent	Member	Member	Member	Member
Ms Jodie Hampshire	May 2024	Non-Executive Director, independent	Member	Member	Member	Member

Appointment of Directors

The Board is responsible for the review of the Board's composition and performance.

To assist with these responsibilities, the Board has established the Group Nominations Committee.

The Committee:

- assesses candidates for recommendation to the Board for appointment, election and re-election
- reviews the process for Board, Board Committee and individual director performance
- reviews the induction program for new directors
- provides recommendations on succession planning.

In the case of appointment, a candidate's attributes are assessed paying particular attention to the mix of skills, experience, expertise, diversity (see below) and other qualities of existing directors. It is considered how the candidate's attributes will balance and complement those qualities.

The process includes consideration of the following:

- selection criteria, having regard to the Board skills matrix
- an assessment of a candidate's independence
- appropriate checks, including as to the person's character, experience and education and background checks

- the current and past associations of candidates
- the appropriateness of other directorships
- the ability of the candidate to meet the time commitment required (as advised to the candidate) and receipt of an acknowledgement from the candidate that they will have sufficient time to fulfill their responsibilities as a director.

A person may be appointed by the Board to fill a casual vacancy or as an addition to the Board. Should such an appointment fall between AGMs, the newly appointed director holds office until the next AGM and is eligible for election at that meeting.

In the case of a director who has been appointed by the Board and seeks election for the first time, or the re-election of a director, the assessment process takes annual performance reviews into account.

The AGM notice includes all material information known by Insignia Financial about each candidate and a recommendation of the Board as to whether shareholders should vote in favour of the election or re-election of a director.

A new director receives an appointment letter setting out the terms of appointment and a deed of indemnity.

Directors' induction and continuing professional development

On appointment, each new director undertakes an induction program to familiarise the director with the Group's business and strategy. The program is structured to make sure that the new director is introduced to senior management and acquainted with relevant business operations. This includes access to a directors' induction pack containing information about corporate governance policies and the business of the Group, along with one-on-one sessions with senior executives.

Each director is required to accrue Continued Professional Development (CPD) hours. Directors are supported through in-house education and access to any external training required to maintain the skills and knowledge needed to perform their roles as directors effectively.

Independence of Directors

The Board must consist of a majority of independent directors. It makes an independence assessment upon a director's appointment and then annually, as well as if any new information or change in circumstance requires a reassessment.

The Board has adopted the approach to independence outlined in the ASX Governance Principles and considers that a director is independent if the Board assesses the director as being free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect, their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of Insignia Financial as a whole rather than the interests of an individual security holder or other party. The Board takes into account the following in making that assessment:

- **Executive relationship** – the person is, or has been, employed in an executive capacity by Insignia Financial or any of its subsidiaries or its related bodies corporate and there has not been a period of at least three years between ceasing such employment and serving on the Board
- **Performance-based remuneration** – the person receives performance-based remuneration (including options or performance rights) from, or participates in, an employee incentive scheme of Insignia Financial
- **Material business relationship** – the person is, or has been within the last three years, in a material business relationship (e.g., as a supplier, professional adviser, consultant or customer) with Insignia Financial or any of its subsidiaries or its related bodies corporate, or is an officer of, or otherwise associated with, someone with such a relationship
- **Substantial holder** – the person is, represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial holder
- **Close personal ties** – the person has close personal ties with any person who falls within any of the categories described above
- **Long tenured director** – the person has been a director of Insignia Financial for such a period that their independence from management and substantial holders may have been compromised.

The Board has assessed the independence of each Non-Executive Director and has concluded that all are independent. Accordingly, at the date of this report, seven of the eight Directors (being all the Non-Executive Directors) are considered independent.

Board skills matrix

The Board utilises a skills matrix which sets out the mix of skills, experience and expertise that the Board is looking to achieve in its membership over the short to medium term.

In 2024, the skills matrix was reviewed and updated to ensure that it continues to cater to the needs of our business, customers and stakeholders. The matrix highlights the need for directors to have both technical and industry understanding, as well as experience in catering to the needs of clients and stakeholders. The Board believes that the matrix aligns with the strategic objectives of the organisation.

The skills matrix presented on the following page details the Board's current assessment of their skills coverage. The Board considers that all skills are well represented on the Board, and will continue to use the matrix to inform the Board's composition, succession planning and ongoing director training.

Skill	Description	Number of directors possessing these skills
Strategy and commercial acumen	Strong commercial acumen and judgement. Experience in corporate strategic planning, development and execution.	● ● ● ● ● ● ● ●
Leadership	Successful career as a CEO or senior executive in a large and/or complex organisation.	● ● ● ● ● ● ● ●
Financial acumen	Understanding of corporate accounting and financial management; financial governance, controls and reporting.	● ● ● ● ● ● ● ●
Client engagement	Ability to understand the needs of clients. Experience in implementing changes to enhance client outcomes	● ● ● ● ● ● ● ●
People and culture	Experience in human resource management, cultural development, remuneration frameworks and talent management and development.	● ● ● ● ● ● ● ●
Financial services sector experience	Experience in the financial services sector including: superannuation; funds management; and financial advice.	● ● ● ● ● ● ● ●
Risk management	Experience in: identifying, assessing and monitoring systemic, existing and emerging risks; risk and compliance frameworks and controls.	● ● ● ● ● ● ● ●
Corporate governance	Experience as a director of a listed entity, experience maintaining high governance standards through the establishment and oversight of governance frameworks, policies and processes.	● ● ● ● ● ● ● ●
Technology and digital	Experience in the use and governance of information technology, digital innovation and development, cyber risk and information security, transformation programs and data analytics.	● ● ● ● ● ● ● ●
Stakeholder management	Complex stakeholder engagement and management including investors, governments and regulators, as well as an understanding of ESG practices and trends.	● ● ● ● ● ● ● ●

● Well developed ● Developed ● Limited experience

Performance

Board, Board Committees and Directors

The Board recognises the importance of continually monitoring and improving its performance, as well as the performance of its Board Committees and Directors. Performance reviews are conducted annually, either through an internal process or an independent third party.

In 2023, an internal review process was conducted which focused on several topics including Board meeting processes, Board behavioural dynamics and the effectiveness of Board Committees. The results were that the Board and its Board Committees and individual Directors were considered to be performing in accordance with expectations.

The Board will conduct an external and independent assessment of its performance in the 2024 calendar year.

Company Secretary

The Board has appointed two company Secretaries – Ms Adrianna Bisogni (Group Company Secretary) and Mr Joseph Volpe. Details of these secretaries can be found on page 34 of the Annual Report. The Group Company Secretary has a dual reporting line to the CEO and the Chair and is responsible for the operation and management of the Group Company Secretariat function. The Group Company Secretary, through the Chair, is accountable to the Board on all matters

to do with the proper functioning of the Board. Each member of the Board has access to the Group Company Secretary for company secretarial advice or support.

The appointment and removal of a Company Secretary is determined by the Board.

Management

All Executive candidates undergo appropriate background checks before appointment. The CEO and the Executives have written employment agreements which set out the terms and conditions of their employment.

The Board, in conjunction with the Group People & Remuneration Committee, is responsible for approving the performance goals and measures for the CEO and other senior executives and providing input into the evaluation of performance against these objectives. The Group Audit Committee and the Group Risk & Compliance Committee also refer to the Group People & Remuneration Committee any matters that they may consider appropriate with respect to the performance of individuals or categories of individuals.

Annual management performance evaluations for the financial year ended 30 June 2024 were conducted following the end of the financial year.

There is further discussion on performance objectives and performance achieved in the Remuneration Report in the 2024 Annual Report.

Ethical and responsible decision making

The Insignia Financial Group is committed to the highest standards of conduct and ethical behaviour in all our business activities, and to promoting and supporting a culture of honest and ethical behaviours, corporate compliance and good corporate governance.

Code of Conduct

The Board has adopted a Code of Conduct (the Code) which applies to all directors, officers, employees, contractors and consultants within the Group and is designed to ensure a high standard of honest and ethical corporate and individual behaviour. Each employee is required to read and accept the Code as part of their onboarding and then review its terms annually.

The Insignia Financial Principles that underpin the Code include:

- **Be Human** – we treat those around us the way we'd like to be treated – openly, honestly and respectfully
- **Deliver what matters** – we make sure we understand what matters to every client and we make it happen
- **Stronger together** – only by working together can we truly serve our clients.
- **Keep it simple** – we remove complexity
- **Do what's right, not what's easy** – we back ourselves to make the right call. We speak up.

Our Code is an undertaking from all our people outlining the standards and principles we have agreed to adopt. As we work in our day-to-day roles and deliver on our advice-led strategy, we all play a vital role in upholding the standards of the Code for our clients, the community and each other.

The Code interacts with various Group policies and associated practices including but not limited to the following: Anti-Bribery and Anti-Corruption Policy, Anti-Money Laundering and Counter Terrorism Financing Program – Parts A and B, Incidents and Breaches Policy, Confidentiality Undertaking, Conflicts of Interest Policy, Drug and Alcohol Policy, Fraud Policy, IT Code of Conduct, Acceptable Use of Technology Policy, IT Security Policy, Managing Performance and Conduct Policy, Workplace Health & Safety Policy and Whistleblower Policy.

Breaches of the Code are reported to the Board and relevant risk and compliance committees. The Insignia Financial Code of Conduct is available on our website at www.insigniafinancial.com.au/corporate-governance.

Securities trading

Under the Board approved Personal Trading in Securities Policy (Group Trading Policy), directors, employees (including contractors and Consultants) and certain associates of those persons are restricted from dealing in securities (including Insignia Financial securities) if they are in possession of inside information.

The Group Trading Policy prohibits directors, employees and certain restricted persons from:

- trading in securities on the basis of confidential or inside information
- trading in Insignia Financial securities during 'blackout periods' as defined in the Policy
- trading in Insignia Financial shares where the trading is likely to be considered short-term, speculative or excessive.

The Group Trading Policy provides for some exceptional circumstances where trading may be permitted during a prohibited period with prior written approval. The Policy also prohibits employees from hedging interests that have been granted under any Insignia Financial employee share plan that are either unvested or subject to a holding lock. Any staff margin lending arrangements over Insignia Financial shares are required to be notified to the Company Secretary.

A copy of the Group Trading Policy is available on our website at www.insigniafinancial.com.au/corporate-governance.

Additional restrictions apply to employees working in specific areas of the business, including staff in the Asset Management division, the Advice Research team and Bridges Financial Services.

Whistleblower protection

The Insignia Financial Whistleblower Policy recognises the critical role whistleblowing can play in the early detection and rectification of misconduct and reflects Insignia Financial's commitment to providing support and protection to whistleblowers, so they feel free to report without fear of reprisal.

Under the Whistleblower Policy our people and others (including officers, suppliers, consultants and contractors) can report concerns through a number of channels including our confidential External Whistleblower Hotline. Whistleblowers may report anonymously if they wish and will still be protected under our Whistleblower Policy.

A Whistleblower Protection Officer has been appointed to safeguard the interests of whistleblowers. Matters raised under the Whistleblower Policy, including any material incidents, are reported through to either the Group Audit Committee or Group Risk & Compliance Committee.

The Insignia Financial Whistleblower Policy is available on our website at: www.insigniafinancial.com.au/corporate-governance.

Anti-bribery and anti-corruption

The Insignia Financial Anti-Bribery and Anti-Corruption Policy prohibits employees from engaging in any activity that constitutes bribery or corruption, and provides a framework to ensure that related risks within Insignia Financial's businesses are properly identified, mitigated and managed.

Breaches of the Policy will be dealt with in accordance with the Insignia Financial Incidents and Breaches Policy and are reported to the Board.

The Insignia Financial Anti-Bribery and Anti-Corruption Policy is available on our website at: www.insigniafinancial.com.au/corporate-governance.

Diversity, Equity and Belonging

Insignia Financial is committed to creating and reinforcing a culture of diversity, equity, and belonging, where employees feel respected and safe to be their authentic selves. In order to help achieve this, Insignia Financial has a Diversity, Equity and Belonging (DEB) Policy which sets out our diversity and inclusion principles, priorities and resolution protocols. In addition, we also have a DEB Strategy for 2024 to 2027, which aims to amplify diversity awareness, celebrate uniqueness, build connections, and tackle systemic inequalities. The Strategy focuses on six key areas: pride, accessibility, reconciliation, life and family, women and multicultural. Each focus area is supported by a committee, made up of employee representatives from across the organisation and led by a business leader and an executive sponsor.

Key Diversity, Equity and Belonging Achievements in FY24

On the 31 July 2023 Insignia Financial achieved the Australian Workplace Equality Index (AWEI) Bronze Tier Status with our foundation submission to our partner Pride in Diversity for our commitment to LGBTQIA+ inclusion and belonging. We were delighted by this achievement and join a growing list of Australian companies creating more inclusive workplaces for the LGBTQIA+ community.

Insignia Financial was granted Family Inclusive Workplace certification from Family Friendly Workplace Australia on the 31 August 2023. As part of this process, we were benchmarked against other Australian companies and formalised a two-year action plan. Our aim is to continue building a workplace where families thrive alongside careers. A key example of this is the \$4000 childcare allowance available to employees transitioning back to work after parental leave to help address the affordability of childcare.

Through our work in the diversity and inclusion space we aim to build a balanced business which represents the broader community we serve. The DEB Policy and the Diversity, Equity and Belonging Strategy 2024-2027 can be found on our website at: www.insigniafinancial.com.au/corporate-governance.

Our measurable objective for achieving gender diversity in the composition of the Board is to have no less than 40% representation of males and females, and with female representation at 57.14% (not including the CEO), Insignia Financial currently meets this objective.

Gender diversity and pay gap

Insignia Financial is committed to creating an equitable workplace where all our people are compensated fairly, including with regard to gender. As communicated to the Workplace Gender Equality Agency (WGEA) as part of the 2022-23 WGEA submission, our median total remuneration gender pay gap is currently 18.7%.

In the past four years, we have made progress in reducing our gender pay gap, having decreased 8% from 26.7% in 2020-21 and remain committed to closing the gap over time. Insignia Financial also conducts its own gender pay gap assessment twice a year and are working towards a target of less than 3% gender pay gap range across like-for-like roles.

We have a gender diversity target of 40% men, 40% women and 20% any gender, and aspire to reflect this balance in our enterprise-wide demographics, at a divisional level and particularly in executive, senior leadership and board roles. The table overleaf displays the number of women within various positions, and across the whole workforce:

	Target Female Representation [#]	2024 Female Representation	2023 Female Representation
Total Population	–	48.58%	49.16%
IFL Board (not including CEO)	40%	57.14%	40%
CEO	–	0%	0%
Key Management Personnel (KMP)*	–	0%	0%
General Manager/ Other Executive*	40%	44.83%	42.37%
Senior Manager*	40%	38.12%	39.70%
Other Manager*	40%	39.92%	37.86%
Asset Management	40%	38.76%	37.17%
Technology	40%	30.12%	30.31%

[#] As outlined in the Diversity, Equity and Belonging Strategy 2024-2027

^{*} Terms based on the WGEA manager category definitions:

1. KMP – Key Management Personnel in line with Australian Accounting Standards Board AASB124
2. GM/Other Executive – All other executives and General Managers. Responsible for a department or business unit
3. Senior Manager – Responsible for one or more functions, departments or outcomes
4. Other Manager – All other managers in the organisation. Responsible for operational functions

We are continuing to take action to address representation opportunities. Sponsored by our Chief People Officer, the 'Women at Insignia Financial' group is a place for people of all genders to connect and advocate on issues impacting women in our workplace. The group coordinates networking and professional development activities and drives progress against our strategy. The 'Our Leading Women' program is delivered annually, and is a sponsorship and mentorship program, focusing on improving the visibility, connectedness, and growth of high potential women across the organisation

The Insignia Community Foundation

At Insignia Financial we are dedicated to making an ongoing positive contribution to the communities in which we live. In FY24, the Insignia Community Foundation contributed more than \$700,000 to community organisations, bringing the total funds distributed since its inception to more than \$18 million. Our grants program supports charitable organisations in areas that are important to Insignia Financial, such as:

- **Basic needs** – as the cost of living rises in Australia, providing support to people to access essential needs
- **Financial wellbeing** – improving the skills and confidence of people so they can achieve greater financial wellbeing now and into the future
- **Reconciliation** – aligning with Insignia Financial's Reconciliation Action Plan, we aim to further the endeavours of First Nations people through employment, business ownership, education and financial training

- **Inclusion & Diversity** – supporting social inclusion, diversity and wellbeing through programs in the community that enable participation for all
- **Mental Health** – addressing mental health challenges for people of all ages with access to quality care, support and resources.

Further detail can be found in our FY24 Sustainability Report, located under the 'Corporate Responsibility' section of the Insignia Financial website:

www.insigniafinancial.com.au/corporate-responsibility/sustainability/our-priorities.

Our people

At Insignia Financial our purpose – understand me, look after me, secure my future – guides our approach to our people. We strive to create an environment where our people feel understood, looked after and secure.

We continue to focus on our employees' safety, health and wellbeing, providing diverse initiatives, support and educational opportunities to ensure they thrive. This includes career and development planning, learning opportunities, and commitment to financial study support. In addition, we offer a range of programs and services to support the wellbeing of all employees, including investing in and promoting initiatives to support employee mental and physical health.

Further information can be found in our Sustainability Report www.insigniafinancial.com.au/corporate-responsibility/sustainability/our-priorities.

Financial reporting

The Board has a strong commitment to the integrity and quality of its financial reporting and its systems for risk management, compliance and internal control. The Board of Insignia Financial receives regular reports about the financial condition and operational performance of Insignia Financial and its subsidiaries and related bodies corporate.

The CEO and CFO:

- attest annually to the Board that the financial records have been properly maintained in accordance with the Corporations Act requirements
- report in writing to the Board that the consolidated financial statements of Insignia Financial and each of the subsidiaries and related bodies corporate for each half year and full year present a true and fair view, in all material respects, of the Group's financial condition and are in accordance with accounting standards
- report that the Group's Consolidated Entity Disclosure Statement is true and correct
- report on the Group's risk management system (financial, strategic and operational) and its effectiveness.

Unaudited financial information is provided to the market in the form of the Directors' Report, quarterly Funds Under Management and Administration (FUMA) updates, the Investor and Analyst Book, and other ad hoc market updates such as earnings outlook or guidance. The content of these reports and updates is verified through monthly management reports, checked for consistency against our financial statements and prior disclosures, and key strategies are reviewed by relevant executive team members and their teams to ensure they are relevant and current before release to the market.

Group Audit Committee

The Board has established a Group Audit Committee to provide assistance to the Board in relation to financial reporting, audit and taxation.

The primary objectives of the Committee are oversight of the following:

- the system of risk management, compliance and internal control framework relating to financial information, reporting and disclosure
- financial reporting (including professional accounting requirements, including regulatory reporting)
- the internal audit function (including appointment of the internal auditor)
- the external audit function (including appointment of the external auditor)
- taxation
- treasury.

All Group Audit Committee members have appropriate financial experience, an understanding of the financial services industry and satisfy the independence requirements under the ASX Governance Principles.

External auditor

The role of the external auditor is to provide an independent opinion that the financial reports are true and fair, and comply with applicable regulations.

Our external auditor, KPMG, was appointed in November 2008, effective for the audit for the financial year ended 30 June 2009. The external auditor receives all Group Audit Committee and Group Risk & Compliance Committee papers, attends all meetings of these Committees and is available to Committee members at any time. The external auditor has the opportunity to present to the Group Audit Committee at least annually, without management being present. The external auditor attends the AGM to answer questions from shareholders regarding the conduct of its audit, the audit report, financial statements and its independence.

KPMG is required to confirm its independence and compliance with independence standards. In order to ensure this independence, the roles of lead audit partner and review audit partner must be rotated every five years and cannot be resumed by the same person for a minimum of five years.

The Group Audit Committee assesses the performance of the external auditors annually. As a result of the significant acquisitions of MLC and former ANZ Pensions & Investments businesses and the need for Lead KPMG partner rotation, the Group Audit Committee in conjunction with management, undertook a closed external audit tender process in March 2023. The purpose of the closed tender process was to appropriately challenge the KPMG team and their audit process and to reset the relationship.

The Board has adopted a formal policy on the provision of non-audit services by the external auditor.

Internal audit

Insignia Financial's internal audit activities are undertaken by the Group Internal Audit function, which is governed by a Charter approved by the Group Audit Committee. The role of Group Internal Audit is to provide the Board and management with independent and objective assurance on the effectiveness of the Group's governance, risk management and internal control processes. To maintain its necessary independence, Group Internal Audit has no direct operational responsibility or authority over any of Insignia Financial's business or risk management activities.

Functional responsibility for Group Internal Audit resides with the General Manager, Group Internal Audit, whose appointment is approved by the Board. The General Manager, Group Internal Audit reports directly to the Group Audit Committee and to relevant subsidiary Boards or Board Audit Committees. Group Internal Audit has full and unrestricted access to all of Insignia Financial's information systems, records, physical properties and employees in order to carry out its activities. The work of Group Internal Audit is guided by The International Professional Practices Framework provided by the Institute of Internal Auditors. The Group Audit Committee monitors Group Internal Audit's activities and performance, including its independence.

Market and shareholder communication

Market disclosure

The Board is committed to keeping its shareholders and the market fully informed of material developments that may have an impact on the Group. In line with this commitment, Insignia Financial maintains a Market Disclosure and Communications Policy which governs how we communicate with shareholders and the investment community and which is available on the Insignia Financial website at: www.insigniafinancial.com.au/corporate-governance.

The Market Disclosure and Communications Policy is designed to ensure compliance with Insignia Financial's obligations under the ASX Listing Rules and the Corporations Act. It includes processes to identify matters that are likely to have a material effect on the price of the Insignia Financial's securities and to ensure notifications to the ASX are factual and made in a timely manner in accordance with the ASX Listing Rule requirements. Processes for engagement with analysts and investors are also detailed in this Policy, including a requirement that any new and substantive investor or analyst presentation is released to the ASX ahead of the presentation. Once relevant information is disclosed to the market, it is also published on the Insignia Financial website. Board members are provided with copies of all material market announcements once they have been made.

The Board is supported by a Market Disclosure Committee which is responsible for considering potentially market sensitive information, and monitoring Insignia Financial's disclosure processes and reporting framework.

Shareholders

Insignia Financial recognises the right of shareholders to receive effective communication which ensures shareholders are informed of all necessary information to fully assess the performance of the Group. Insignia Financial communicates shareholder information about the Group through its Annual Report, disclosures to the ASX, at the AGM and via the Insignia Financial website. In addition, shareholders have the opportunity to receive relevant documentation electronically via Insignia Financial's Registry and can communicate with Insignia Financial via email.

The Board encourages active participation by shareholders at any Insignia Financial shareholders meeting. The Board encourages shareholders to attend the AGM and take the opportunity to ask questions of the Board either at the meeting or ahead of the meeting. The external auditor attends the AGM and is available to answer any questions relevant to the audit report.

The Board ensures that the Notice of Meeting and Explanatory Notes are clear and concise and provides shareholders with all necessary information on the business to be considered in order for them to make an informed decision when voting. Resolutions are decided by poll. These materials, together with any presentations made at the AGM and the voting results, are released on the ASX.

Shareholders may appoint proxies and lodge proxy instructions for items of business to be considered at general meetings.

Investor relations program

Insignia Financial undertakes a scheduled program of regular Quarterly Business Update disclosures to the ASX on its business performance, in addition to the half year and full year result disclosures. Insignia Financial also hosts strategy briefings, meetings, telephone calls and webcasts for institutional and retail investors, analysts and financial media to give further information on the business.

Advance notice of new and substantive investor and analyst briefings is provided via the ASX and copies of any presentations are also made available on the ASX and Insignia Financial websites. In all communications with investors, analysts and media, only publicly available information or information which is not price sensitive is discussed.

Risk management

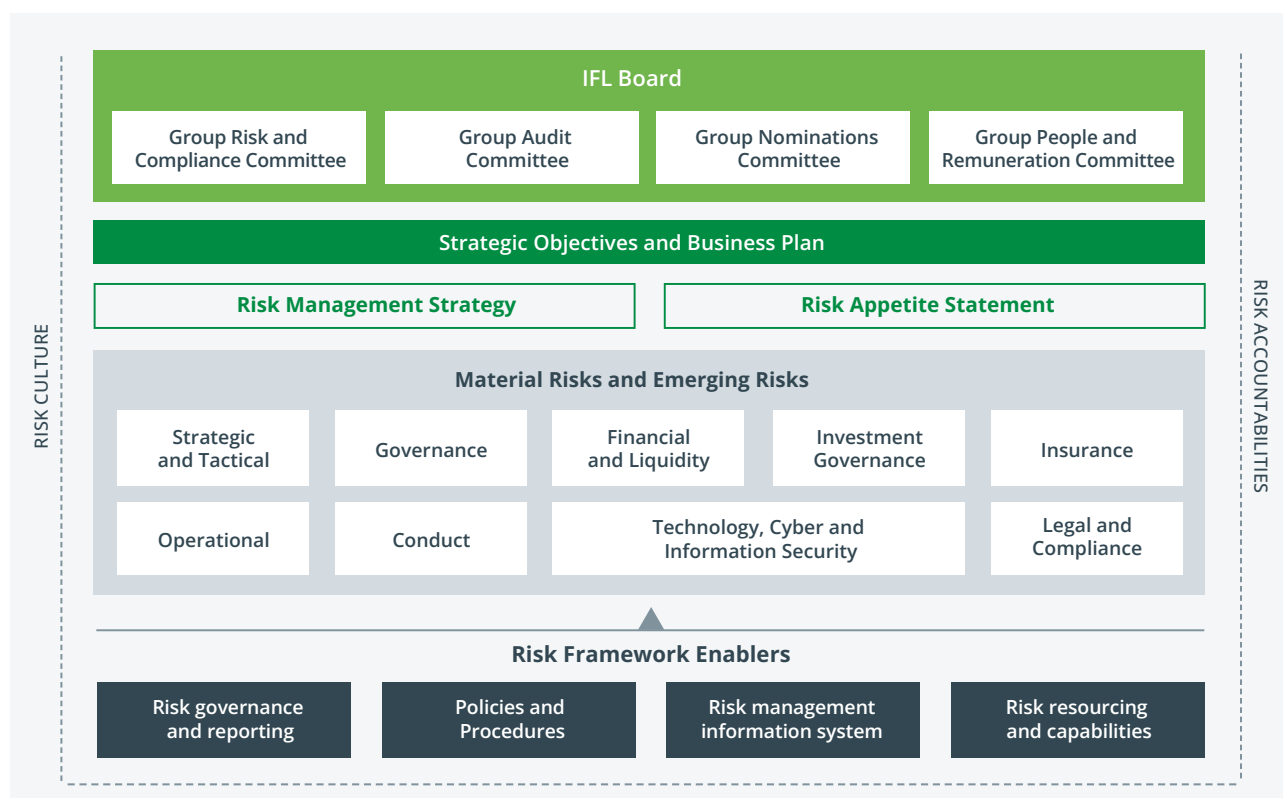
Roles and responsibilities

The Board is ultimately responsible for:

- reviewing internal governance frameworks
- oversight of the Risk Management Framework
- review and approval of the Risk Management Strategies
- setting the risk appetite for each risk category
- oversight of the Group risk profile
- promoting a sound risk culture.

The Board recognises that effective management of risk is an integral part of sound governance and is vital to the continued growth and success of Insignia Financial. The Board has implemented a framework designed to ensure that the Group's risks are identified, analysed, evaluated, monitored and communicated, both within the organisation or to any relevant external party and that adequate controls and mitigation processes are in place and function effectively.

Risk Management Framework



The Board has established a Group Risk & Compliance Committee whose primary objective is to monitor and receive assurances that:

- an appropriate and effective Risk Management Framework is in place for identifying, assessing, mitigating and monitoring material risks
- appropriate and effective compliance policies, procedures and frameworks are in place for identifying, monitoring and managing relevant obligations
- operations are conducted within the scope of the abovenamed policies, procedures and frameworks
- management devotes relevant, appropriate and proper attention to compliance and risk management issues.

In accordance with the annual work plan, the Group Risk & Compliance Committee reviewed the Risk Management Framework during the reporting period to satisfy itself that it continues to be sound.

The Group Risk & Compliance Committee is regularly attended by representatives from the Risk Management division, Internal and External Audit as well as representatives from each operating business within the Group at the request of the Chair. The Chief Risk Officer and the Risk Management team report to the Committee on the monitoring of risk through the enterprise-wide Risk Management Framework including, where appropriate, positive assurance.

The Committee meets regularly and reports to the Board.

Material risk categories are reviewed by the Board annually or as emerging risks arise. Key risks identified, including emerging risks, and Insignia Financial's response to managing those risks have been disclosed at pages 28 through 32 of the 2024 Annual Report.

The CEO and the Chief Financial Officer report to the Board that to the best of their knowledge, the financial reporting assurances given under section 295A Corporations Act are founded on a sound system of risk management and internal compliance and control which is operating efficiently and effectively in all material respects in so far as they relate to financial, strategic and operational risks. This report confirms that the system which implements the policies adopted

by the Board either directly or through delegation to management, and the Group's risk management and internal compliance are operating effectively in all material respects as at the date of the report, based on the risk management model adopted by the Board. The statement provides a reasonable, but not absolute, level of assurance and does not imply a guarantee against adverse events or more volatile outcomes arising in the future. In addition, the report sets out that the risk management and internal compliance and internal control systems are subject to periodic declaration by process owners and review through the Group's internal audit process and by regulators.

'Three lines of accountability' model

Insignia Financial adopts the 'three lines of accountability' model to govern risk management activities across the organisation. The model is represented as follows.

 First line – Business management	Business management are risk owners and are accountable for identifying, understanding and managing the risks inherent in the products, services, activities, processes and systems that they are responsible for.
 Second line – Risk management function	<p>The Risk Management function, led by the Chief Risk Officer, is accountable for the development, maintenance and enhancement of the Risk Management Framework.</p> <p>Risk Management also supports the first line in its risk management responsibilities by providing independent review and challenge of activities and decisions.</p>
 Third line – Independent assurance	Group Internal Audit are accountable for providing independent and objective assurance on the design and operating effectiveness of Insignia Financial's governance, risk management and internal control processes. This may include other independent reviews commissioned by the Board.

Environment, social and governance risks

The Insignia Financial Group acknowledges that sustainability of its business is intrinsically linked to the sustainability of the environment and the communities in which it operates. Maintaining strong corporate sustainability practices forms part of the Insignia Financial Group's business strategy enabling the Group to manage risks and realise long-term value for all stakeholders.

Exposure to environmental and social sustainability risk is contemplated by the Group's Risk Management Framework and quarterly assessment of Insignia Financial's risk appetite. These risks, their materiality and how they are managed are described in the sustainability disclosures within the Sustainability Report www.insigniafinancial.com.au/corporate-responsibility/sustainability/our-priorities.

Climate

Insignia Financial has continued to build its sustainability capability throughout FY24. The Group believes in the science of climate change, and is committed to supporting the global vision to move to net zero 2050. In June 2022, Insignia Financial achieved carbon neutrality across its business operations through the offsetting of scope one, two, and three emissions. In September 2022, the Group achieved Climate Active certification in recognition of its carbon neutral status, which it still maintains.

Insignia Financial has commenced its journey in becoming a signatory to the global Principles of Responsible Investment (PRI). The Group is considering how to extend this commitment as widely as possible across its full range of investment management businesses.

To further guide our responsible investment practices, Insignia Financial's subsidiary, MLC Asset Management, is a member of the Investor Group on Climate Change and the Responsible Investment Association of Australasia.

Insignia Financial's annual Sustainability Report will provide an update on our current sustainability material matters, as informed by our stakeholders. The report will also provide an update on climate risk assessment using the Task Force on Climate-related Financial Disclosures (TCFD) reporting framework.

Community

Insignia Financial is building stronger community connections through its Insignia Community Foundation and its employee engagement initiatives, including workplace giving, volunteering and fundraising. In strengthening its commitment towards Aboriginal & Torres Strait communities to progress reconciliation, the Group launched its new Innovate Reconciliation Action Plan 2023.

Modern slavery

Insignia Financial is committed to combating modern slavery issues. Insignia Financial's Modern Slavery Policy, updated in FY24, outlines our approach to reducing the risk of modern slavery practices within our operations. Insignia Financial's third Modern Slavery Statement was submitted to the Australian Border Force via the public online register in December 2023.

Insignia Financial has established a Modern Slavery Working Group to understand and identify modern slavery risks within our operations and key supply chains. Furthermore, a compulsory Modern Slavery awareness online training module has been developed and rolled out to all employees.

Remuneration

The Group Remuneration policy for the Board and remuneration of each Director and Senior Executive⁶ is set out in the Remuneration Report. Information in relation to Insignia Financial's remuneration framework can be found in the Remuneration Report in the 2024 Annual Report.

The Board has also established the Group People & Remuneration Committee. The Committee's responsibilities are set out in its Terms of Reference which are available on the Insignia Financial website at: www.insigniafinancial.com.au/corporate-governance.

The Group includes Australian financial services licensees, responsible entities (REs) and registerable superannuation entity licensees (RSEs) subsidiaries. The responsibilities of the Committee in relation to remuneration matters include developing, reviewing and making recommendations to the Board, the RSEL and the RE Boards in discharging their responsibilities in relation to:

- the remuneration framework for Non-Executive Directors, the CEO and other senior executives or other categories of persons covered by the Committee's Terms of Reference
- the Group Remuneration Policy, any changes to the Policy and the implementation of the Policy (including any shareholder approvals required) as well as assessing the Policy's effectiveness and compliance with APRA Prudential Standards
- the remuneration of categories of persons covered by the Group Remuneration Policy and the Committee's Terms of Reference
- the total remuneration packages for the CEO and senior executives, any changes to remuneration packages and as part of the annual review process proposed rewards after performance evaluation procedures.

The Board may engage an external independent consultant to provide market data and to provide advice in relation to levels of remuneration and suitable remuneration plans.

Approved by the Board of Insignia Financial and is current as at 11 October 2024.

⁶ As that term is defined in the ASX Governance Principles, being an executive who is a member of the Key Management Personnel, including an executive director but not including a non-executive director