

Diversity policy

**nib holdings limited ABN 51 125 633 856 and all related entities
within the nib Group (“nib”) or (“nib Group”)**

Dated 26 May 2011

Diversity policy

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Diversity policy

1 Purpose and application

1.1 Why we have this policy

This policy sets out nib's approach to diversity in the workplace and provides a framework to achieve nib's diversity goals.

The board of directors of nib ("**Board**") and management believe that nib's commitment to this policy contributes to achieving nib's corporate objectives and embeds the importance and value of diversity within the culture of nib.

nib believes that the promotion of diversity on the Board, in senior management and within all levels of the nib Group:

- broadens the pool for recruitment of high quality directors and employees;
- is likely to support employee retention;
- through the inclusion of a variety of skill-sets, is likely to encourage greater innovation and improve the quality of decision-making, productivity and teamwork;
- enhances customer service and market reputation through a workforce that respects and reflect the diversity of our customers; and
- is in line with best practice corporate governance responsibilities.

1.2 To whom this policy applies

This policy applies to all directors of the Board, as well as all officers, senior executives, employees, contractors, consultants and associates of nib.

It is essential that everyone is familiar with this policy, which is available on the nib website.

2 What diversity means to us

2.1 What is diversity?

nib is committed to creating and ensuring a diverse work environment in which everyone is treated fairly and with respect and where everyone feels responsible for the reputation and performance of nib.

Diversity at nib refers to all characteristics that make individuals different from each other. It includes characteristics or factors such as religion, race, ethnicity, language, gender, sexual orientation, disability, age or any other area of potential difference. A diverse workplace is about the commitment to equality and the treating of all individuals with respect.

2.2 Gender diversity

nib has a strong commitment to gender diversity and believes it is critical that gender is not a barrier to participation in all levels of our workforce nor is it a reason for promotion. This is evidenced in our commitment to diversity on the

Board and at senior management levels. Our business leaders are committed to providing opportunities that allow both genders to reach their full potential.

The Nomination & Remuneration Committee is responsible for assessing on an annual basis the achievement against gender diversity objectives, including the representation of women at all levels of the organisation.

2.3 Board diversity

At nib, we are committed to maintaining diversity on the Board by developing an appointment process that takes diversity of background into account to fit and enhance the Board's skills. The Nomination & Remuneration Committee Charter charges the Nomination & Remuneration Committee with advising the Board on Board appointments, and issues for consideration include the mix of skills, experience, expertise and diversity that any potential appointment would bring to the Board.

3 How we promote diversity

3.1 Steps we are taking

nib is committed to an inclusive workplace that embraces and promotes diversity. This involves providing supportive and inclusive diversity-related workplace policies and practices within our business which ensure we are recruiting from sources that will provide access to a diverse pool of candidates, we are recruiting in such a manner that allow selection regardless of any gender bias and once recruited assists employees to maintain a healthy balance between work, family and other commitments, activities and interests.

Our existing diversity-related policies include: recruitment policy, paid parental leave, flexible work arrangements, an employee assistance program, carer's leave; the ability to purchase additional annual leave, and mentoring programs. These are just some of the policies and programs that nib has in place to assist women and men in nib to develop and fulfil their career aspirations regardless of gender while balancing the demands and expectations of life outside of nib.

3.2 Measurable Objectives

Objective	Details	Timeframe
Recruitment and selection	Ensure that employees and directors are selected from diverse candidate pools. A shortlist will be compiled for all management, executive and Board positions with at least one serious female candidate to be present on every shortlist. If this is not possible, there must be objective reasons to support this. Candidates will be interviewed by a diverse group of people through the process.	June 2011

Flexible work practices	Develop a flexible work practices policy and engender a culture of support for flexible work practices where possible and required.	June 2011
Representation	<p>Set goals, timeframes and succession plans to improve the number of women in management roles in the business. At a minimum:</p> <ul style="list-style-type: none"> • 40% of manager and team leaders; • 30% of Business Unit Managers; • 30% of Executives; • 2 non executive directors; and • 1 member of the Nomination & Remuneration Committee 	June 2014
Development and Succession	Introduce mentoring, coaching and succession programs that support and encourage women to expand their skills as part of their professional development and to prepare them to take on management or executive roles.	January 2012

3.3 The Nomination & Remuneration Committee

The Nomination and Remuneration will have responsibility to (and where appropriate make recommendations to the Board on how to):

- (a) promote diversity as an important strategic and cultural asset to achieve business objectives across the organisation;
- (b) set measurable diversity objectives;
- (c) identify ways to achieve and remove barriers to diversity goals and commitments;
- (d) identify programs designed to broaden the director candidate pool and initiative that will assist employees to develop the skills and experience that will prepare them for senior management and board positions;
- (e) commit to transparency of board processes, including review and appointment of directors;

- (f) address the extent to which the achievement of measurable diversity objectives will be linked to the KPIs for the Board, CEO and senior executives; and
- (g) report to the Board on diversity issues within nib and make recommendations as appropriate.

3.4 The Board

The Board will, with the assistance of the Nomination & Remuneration Committee:

- review and approve measurable objectives for achieving diversity, including gender diversity at all levels of the workplace;
- annually assess these objectives and report on the progress in achieving them; and
- review, note and monitor the effectiveness of this Diversity policy, including to the extent it relates to Board diversity.

4 Review and publication of this policy

The Board will review this policy at least annually. This policy may be amended by resolution of the Board.

A copy of this policy will be made available to all directors and employees and a copy will be available on nib's website. Key features will be published in nib's annual report.

Adopted by the Board on: 26 May 2011