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David Gordon: Good morning. My name is David Gordon. I am the Chairman of the nib Group and I welcome you to Sydney for our 16th Annual General Meeting. I also welcome those who have joined us online. Today's meeting is taking place on Gadigal land where First Nations peoples have met for thousands of years. Everyone who was born or lives in this country does so on the land of traditional owners.

It's our responsibility to honour those who came before us and to honour their legacy by conducting our current business with respect and understanding. In keeping with this, I would like to acknowledge the traditional owners of the land on which we meet today and pay respect to Elders past and present. I would now like to welcome Wiradjuri Elder Yvonne Weldon for the Welcome to Country. Yvonne is a representative of the Metropolitan Local Aboriginal Land Council. She is a City of Sydney Councillor and the first Aboriginal Councillor in 180 years. Please welcome Yvonne.

Yvonne Weldon: Good morning, ladies and gentlemen, sisters, and brothers. As was said, my name is Yvonne Weldon. I am Wiradjuri woman from Cowra here in New South Wales. From the waters of the Kalare, which later became known as the Lachlan and of the Murrumbidgee rivers. I am a representative of the Metropolitan Local Aboriginal Land Council who are the cultural authority under the Aboriginal Lands Right Act for the land we're on.

I would like to pay my respects to all Elders past and present, to all First Nations, to you and the ancestor's lands that you have travelled from and those that are represented virtually here today. Our boundaries are written into the earth's natural landscapes. The boundaries of the Eora are the Hawkesbury River in the north, the Nepean in the west and the Georges River in the south.

On behalf of the Metropolitan Local Aboriginal Land Council, the Elders and the members, I welcome everyone to the lands of the Gadigal. I acknowledge Gadigal people whose spirits and ancestors will always remain with these lands and Mother Earth. Across this beautiful continent my people have existed here for over 65,000 years representing hundreds of nations, tribes and clans.

It is proven that my people are the oldest continuously living culture of the world and as we are joined here today let us all reflect upon the many people of this ancient earth, the ones from the First Nations and also from the nations that have joined us, creating our fusion together into all that we do to be shared and to be honoured with kindness. This year we had the themes of reconciliation and NAIDOC week which was be a voice for generations and for our Elders.

Unfortunately, these themes, these words, were not put into action for that change on 14 October for what could have been for multiple generations, but what we are doing is that we need to create a connection of my people, your people and all our people together. We need to move forward, and we are doing so here today. We can, we will and we must make an all-inclusive future. Let us all draw upon my people's spirits as we continue on our journey. May my people's spirits walk with you and guide you as we strive forward for us all.

Again, on behalf of the Metropolitan Local Aboriginal Land Council, [spoken in Indigenous language]. Welcome to Gadigal. No matter what is believed, or what was voted, this always was and always will be Aboriginal land. Thank you and have a wonderful day.

David Gordon: Thank you, Yvonne, for welcoming us today. It has now gone past 11:00am here in Sydney. The Company Secretary has advised me that a quorum is present and as such I formally declare the meeting open. Before we start our proceedings today, I would like to ask that all mobile phones be turned to silent. If you would like to use your mobile phone, please leave the room so as not to disrupt the proceedings.

I would now like to introduce the nib representatives who are joining me here today. Firstly, my fellow Independent Non-Executive Directors, Jacqueline Chow, Anne Loveridge, Peter Harmer, Donal O'Dwyer and our two newly appointed Non-Executive Directors joining their first nib AGM, Jill Watts and Brad Welsh. Chief Executive Officer and Managing Director, Mark Fitzgibbon, Chief Executive Legal and Chief Risk Officer General Counsel and Company Secretary, Roslyn Toms and Group Chief Financial Officer, Nick Freeman.

Also attending today are representatives from nib's external lawyers, Ashurst, who are also our very kind guests, or I should say hosts, for the facilities today, so thank you to Ashurst. Our share registry, Computershare and our auditors, PricewaterhouseCoopers [are also here today]. Shortly I will present my report on nib's operations for the 2023 financial year, before handing over to Managing Director and CEO Mark Fitzgibbon, who will give an update for the four months to 31 October and provide an outlook of our key priorities and strategy in the year ahead.

Following Mark's presentation, I will address the items of business. I would now like to present my report on nib's performance for the 2023 financial year. FY23 was very much about our continued pursuit of good health and wellbeing. For over 70 years nib has delivered high quality private health insurance to its members, starting with a small group of steel workers in Newcastle and now more than 1.6 million Australians and Kiwis and in addition, to over 200,000 international workers and students who rely on nib for their health insurance cover.

Today, we also provide travel insurance with annual sales in the order of $224 million and we support almost 40,000 participants in Australia's National Disability Insurance Scheme. Since its inception, nib has provided innovative products and services to meet consumers growing expectations for their health. For over seventy years we have embraced new trends, especially those enabled through technology, and we continue to innovate.

Our aspiration is to improve the health and wellbeing of all Australians and Kiwis. And our fundamental strategy is to become as much a health management Company as we have been for over 70 years a private health insurance Company. We call this payer to partner or our P2P strategy. I will make mention of our P2P strategy and its various elements through my presentation today.

Much of it relies on technology and an increasing capacity to predict, better comprehend risk factors to our health and wellbeing and respond with targeted interventions. And by using technology across all of our businesses, to enhance the user experience and simultaneously offer new products and services.

In FY23 nib extended its reach to helping participants in Australia's NDIS scheme, as I mentioned. We launched nib Thrive and purchased four plan managers to help link nib participants with the support they need. We acquired a further two plan management businesses in the current financial year and now support almost 40,000 NDIS participants hoping to bring to that sector our vision for more seamless and integrated plan design, plan management and procurement of support services.

For nib this is an extension of what we have been doing in healthcare for more than 70 years. We propose to bring the skills and experience that we already employ in private health insurance to make a significant contribution to an even better and more sustainable NDIS, but it doesn't end there.

We are equipping our members, travellers and NDIS participants with integrated online and digital tools for seamless integration, seamless engagement with us and our healthcare and disability support systems.

Also, nib can help you with a virtual consultation with a general practitioner, find a surgeon, have a prescription delivered to your door, get a medical certificate and access a wide range of men's, women's and non-binary healthcare products all on the nib app. Some of that functionality originals from Midnight Health which I will shortly speak about further.

In FY23 more than 87,000 people engaged with nib's health and wellbeing services, up from 49,000 last year. This included more than 19,000 members enrolled in health management programs, around 26,000 completed health check assessments and about 42,000 people enrolled in general wellbeing support programs. Our efforts as a health management company go to help members get well quicker and stay healthy.

These programs help inform us about links between interventions and improved outcomes. What we learn about members and keeping members healthy, we are applying to discrete communities, especially those who encounter gaps in access to healthcare and outcomes. This involves us working with community leaders and other stakeholders to better understand risk and putting in place programs to mitigate risk.

I am proud of the work we are doing. For over 70 years nib has been a leading health insurer and we will continue to build that business as a cornerstone of the Group. Yet as I have described, nib is also becoming a healthcare management company. It's a quest that involves a combination of building products and services, acquisitions and partnerships. I will say more later about Honeysuckle Health and Midnight Health which are key components in it all.

I will now come to our financial highlights for the year. In FY23 our business performed well. Some did exceptionally well as the environment for their operations improved reflecting renewed demand for travel and healthcare. Claims rose, a signal that members regained confidence in their ability to seek and access healthcare services after the COVID-19 pandemic eased.

Across the Group, we paid $2.2 billion in claims, up from $2.1 billion last year. Our Group revenue rose to $3.1 billion, up 10.9% from $2.8 billion last year and our underlying operating profit was up 11.1% to $263.2 million.

The large drop off in medical and Allied treatment during the pandemic appears to be behind us, however it didn't stop us delaying the approved 1 April premium increase to 1 October this year for Australian resident members. The 1 October increase was 2.72%. It was our second lowest increase in 20 years. We do however expect premium increases next year and in future years will likely be higher reflecting high claims inflation borne out of a return to a new post pandemic normal.

Our investment income rose substantially in FY23. Net income was $54.7 million, up 282% after a $30 million loss in FY22. Earnings per share were $0.414 and nib paid a full year dividend of $0.28 per share fully franked, representing a payout ratio of 68.7%. I note also that nib entered the ASX 100 during the year which is a remarkable achievement for our Company.

Turning to our business highlights across FY23. Under Australian Residents Health Insurance Chief Executive Ed Close, nib's health insurance premium revenue rose 6.1% to $2.4 billion. Our policyholder numbers grew at a rate of 4.7%, which was more than double the entire health insurance industry. This meant that nib has reported above system growth every year for the last two decades.

During the year, Ed and his team worked further on our strategy to attract and retain new members who might not otherwise consider buying private health insurance. Our entry level green pass offers an online health check and skin assessment, access to travel insurance, tips and wellbeing advice and competitive pricing on telehealth consultations.

During FY23 nib also launched five new health programs. Let me mention just three of these. Our weight management program, Healthy Weight for Life Essentials, a program called Perx, to help people manage their diabetes and Osara, which provides a coach to help members who are undertaking cancer treatment. That coach can provide dietary advice, support during the tougher days of treatment and access to a digital platform and the benefits of an online community for guidance.

Our International Student and Worker's business returned to profit in FY23. Under Chief Executive International Visitors, James Barr, premium revenue grew 22.4% in FY23 which continued strong performance from our Worker's business and improvement in the International Student business. Policyholders grew 15.7% and just recently exceeded 200,000. Congratulations to James and his team.

Further enhancements to our nib app allowed the students and workers to access telehealth consultations, everyday healthcare products and mental health support programs. In our businesses in New Zealand, our underlying profit was very strong. Premium revenue was up 13.2% due to policyholder growth and inflation, partly offset by changes in our policy mix. Our new Life and Living business made its first full year contribution to the Group and another business, Orbit Protect, which provides insurance for international workers, travellers and students to New Zealand also made a valuable contribution. Orbit Protect was a business we acquired in November 2022.

nib's Global Travel Insurance business, which includes the World Nomads and Travel Insurance Direct brands, recorded operating income of $113.2 million, up 142.9%, as the business recovered from the COVID-19 pandemic. It seems FY23 was the year everyone wanted to resume their roaming and explore the world. Total sales were up 85.9% on the previous year and gross written premium at $224.1 million and the underlying operating profit of $14 million were our strongest annual results on record.

Our New Zealand and Travel businesses are run by Chief Executive Officer nib New Zealand and nib Travel, Rob Hennin. Our newest business, nib Thrive, made very significant headway in FY23. Led by nib Thrive Chief Executive, Martin Adlington, the business acquired four plan managers in FY23 and a further two in the first few months of FY24. The nib Thrive team now manages almost 40,000 of the approximately 600,000 current NDIS participants, and we are well on the way to reaching 50,000 participants by FY25.

nib has been linking people who need healthcare services with the people who provide those services for more than seven decades. It is what we do in private health insurance. In private health insurance we tailor insurance cover to meet individual and family needs, we connect people with trusted medical networks, and we manage financial and other transactions.

We see tremendous opportunity to bring a level of experience, sophistication and technology to the NDIS. We also see the potential to help the 3 million Australians who identify as having a disability but do not have access to the NDIS. I mentioned P2P relies upon a combination of nib itself manufacturing products and services, such as private health insurance, acquiring these, or partnering with others. Midnight Health and our joint venture with Cigna Corporation, Honeysuckle Health stand out as examples.

Both ventures speak to the future state of health. During FY23 nib significantly increased its commitment to Midnight Health. We provided $15 million investment capital during the year, with a further $9 million to come in FY24. Once completed, that will take our total investment in Midnight Health to $40 million. It’s a company that uses technology to provide healthcare to all Australians, and it’s a prime example of the way nib recognises and involves itself in emerging trends and innovation.

It brings equitable access to care for many Australians. If you live outside of our major cities, it may be difficult to make an appointment to see a GP, get a referral, or reorder a script for medication. Midnight

Health brings 24/7 healthcare access to Australians throughout the country, and our investment in Midnight Health also signals a broadening of our approach to health and wellbeing of people who may not be private health insurance members.

This is particularly applicable to younger people who are digital natives. In Midnight Health, we are investing in a growing arm of the business that is specifically focused on opening up direct and new access to healthcare, or what we call Healthcare 2.0. It's a key part to our approach of improving the health and wellbeing of a broader population base, not just those in private health insurance, and it is delivery to the door. Mark will speak more to this shortly.

nib also continued its support for Honeysuckle Health in FY23. Its Chief Executive, Rhod McKensey, presides over a team that understands that data is the lifeblood of better health outcomes. Rhod and his team at Honeysuckle Health work with general insurers to get workers back to work as quick as possible. Honeysuckle has generated savings of $5,600 per participant on average since the launch of this injury support program.

We see this as just the beginning of better outcomes for workers, their families, insurers, and the broader health system. But this is just one of Honeysuckle's programs. Honeysuckle Health also plays an integral role in nib's weight management, diabetes, and at home care programs, and it is also key to helping nib contain hospital costs, as Honeysuckle Health negotiates on behalf of nib when contracts are renewed.

All of this achievement comes from the energy, effort and talent of our people and a strong and cohesive Executive Management team. I have mentioned our senior Executives Ed Close, Marty Adlington, James Barr and Rob Hennin, but in addition to them and our CEO, the other members of the senior Executive team are Brendan Mills, our Group Chief Information Officer, who is responsible for all of the technology that drives our business.

Lauren Daniels, our Group Chief People Officer, Nick Freeman, our Group Chief Financial Officer, I introduced earlier, and Ros Toms, also introduced earlier, our Group Executive Legal and Chief Risk Officer. Ros is also General Counsel and Company Secretary for the nib Group. In total, our senior Executive team has over 100 years' experience at nib.

Our culture is one of heuristic exploration and entrepreneurship, delivering growth and profits supported by a strong risk culture. And risk is something that we take very seriously, from the risk of cyber events to reputational and regulatory risk. It is a management maxim that nib makes small bets, testing market adjacencies, and carefully manages the downside.

I will turn now to sustainability and our nib foundation overseen by Ros Toms. At nib we take our social, environmental and governance obligations very seriously. Our purpose of your better health and wellbeing underpins our longevity as a business and importantly contributes to a more sustainable society.

This includes our aim to reduce our impact on the environment, deepening our understanding of and support for First Nations peoples, our population health program, which now includes a program in Bourke, western New South Wales, and the important work of our nib foundation. Where we strive to have great impact in sustainability is in nib's population health programs in Australia and in New Zealand.

In New Zealand, our Toi Ora health partnership has continued to grow. With two more Māori groups joining nib after the close of FY23. We now partner with four Māori groups in New Zealand to help improve the health and wellbeing outcomes for their communities, and in New Zealand we also launched a healthcare product with a focus on preventative healthcare and traditional Māori treatments.

In 2024, we will launch a program to highlight healthcare workers who provide a culturally positive experience for Māori groups alongside good clinical outcomes, and we are working on population health programs in Australia as well. We are not building bricks and mortar health services, and we are not flying doctors or nurses around the country. Our approach is to find ways to elevate access to services that exist, using a platform or purpose-built platform with guidance from local community leaders.

We have started that work in Bourke. We have a strong commitment to equity and health, and this holds particularly true for our work with First Nations peoples who experience some of the poorest healthcare outcomes. We believe that closing the healthcare gap is fundamentally equitable and a critically important societal objective, and it will remain an nib objective.

In FY23, nib also continued to support the communities in which we work. Our employees volunteered 1,500 hours to 14 charities over the course of the year. The nib foundation provided funding to prevention partnerships that helped over 254,000 people reduce their risk of chronic disease. We saw a short video at the start of this meeting about the work we do in those partnerships.

We supported three family rooms at Ronald McDonald House Charities, at the John Hunter Children's Hospital in Newcastle, and Gosford Hospital, offering the families of seriously ill children a quiet space to be together away from a ward. We also supported the establishment of research programs with the Hunter Medical Research Institute and the Royal Australian College of General Practitioners Foundation.

Recently, Ros Toms announced a three-year $300,000 foundation grant to a community garden in Bourke that will fund jobs, community cohesion and harvests that we know will provide fresh food for local families.

We know that uncertainties prevail for many people in our local community and further afield. Higher interest rates, rising energy prices and general cost of living increases have placed sustained stress on families and these are issues that we know are pressing for many of our members. We twice delayed our last annual premium rise, and our last two annual increases were the lowest and second lowest premium increases in 20 years.

We know in future, we will not be able to maintain such low premium increases as costs are rising, but we look to other ways to deliver value for members. Our First Choice Network has more than 3,500 practices.

This network connects healthcare providers with more than 1.5 million nib members at a set, reduced cost, or agreed discount. First Choice providers include dentists, optometrists, and physiotherapists, amongst others.

We have a network of specialists, orthopaedic surgeons, anaesthetists, and cardiologists who also provide nib members with no gap or known gap options. As last year's results evidenced the nib Group is in fantastic shape, yet as you have hopefully picked up today, we will not be getting comfortable. We need to demonstrate that our P2P strategy and everything it entails is making the kind of difference we imagine.

Continued growth and improved health outcomes will be the best evidence of our progress. We need to meet the likely impact of a post pandemic recovery in hospital and allied treatment and absorb the additional claims expense. As part of that, we need to continually manage our capital prudently and improve efficiency and productivity as any business must.

We must consolidate and build out our nascent NDIS business, nib Thrive, and make good on our promise to contribute to a better, more sustainable system. So, as you can see, there is much work to do in this and coming years. I would like to thank all of the Executives and the entire nib team for their tremendous work in FY23.

I would like to thank our CEO, Mark Fitzgibbon, an outstanding Executive, and a leader who provides over a very purpose driven culture that fosters innovation and autonomy within each of our businesses.

I also extend my thanks to my fellow Board colleagues for their commitment to our vision and for their hard work throughout the year. I will now hand over to Mark, for his update on the four months to 31 October, and the outlook for our business for the 2024 financial year.

Mark Fitzgibbon: Thanks, Chairman David, and good morning, everybody. It is great to see so many in attendance. It partly reflects, I suppose, our heavy reliance as a company on our retail shareholder base, that is distinct from institutional shareholder base. Both are very important of course, but we are particularly proud of our large retail base, both the people here today and the people online, and I am sure I speak on Chairman David and the Board's behalf in saying that, that large retail base figures prominently in all our decision making around capital management and dividends, and so on. So, we appreciate your support for the Company.

I have got a few slides to get through here this morning. Some of it will run the risk of duplicating important information David has already shared. To the extent it does that, I will move quickly over it. David has already stressed that fundamentally we are trying to become a health management company. That is our lofty ambition. It does not mean that health insurance per se is any less important.

Of course, it remains important. It remains important in terms of us achieving the third part of that purpose statement, and of course, it is also relevant to our history.

Most health insurers, probably with the exception of Medibank Private, which was a government business privatised by the government, most health insurers have their genesis in some cases 100 years ago, as mutual societies, or friendly societies, or employment groups. nib was actually an employment group, and that all occurred 72 years ago now.

So, we acknowledge and respect the fact that fundamentally people turn to the likes of nib for that kind of financial protection that has been offered since those BHP workers in 1948 got together.

But the other two parts of our value proposition is today that we help people not only finance and access their healthcare, but we help them understand risks for their individual risk, or and that same thing can apply to an entire community. We do that with very sophisticated predictive analytics that data science provides us with today. We then connect them with a much broader ecosystem of healthcare products and services.

Now, David has mentioned Healthcare 2.0 a couple of times in his presentation. We are moving to a future where our reliance on traditional healthcare assets, think hospitals, doctors and dentists, remain important but there is a whole new universe of healthcare products and services emerging from home delivered pharmaceuticals to digital healthcare, even forms of exercise, pilates, whatever the case may be, we are regarding now as healthcare service and relevant to the management of good health outcomes.

So, there are three parts to our purpose today, and we are equally dedicated to each, while recognising that health insurance will, at least for another 100 years remain the key economic engine underneath the Company. Look, this is a bit busy as a slide, but it neatly captures, at a high level, our blueprint for our Payer to Partner strategy which David's spoken about. So think about from payer to partner, that’s our philosophy.

You can see in that northwest corner the ongoing reliance as part of the value proposition on financial protection support. We’re even expanded that into travel insurance, so we've got you covered whether you're in Australia or New Zealand or in Europe or America. In New Zealand we're now offering life insurance to complement the health insurance offering and we'll talk a little bit more about NDIS plan management.

But fundamentally we're playing an intermediary role in helping NDIS participants access, just like we do in healthcare, disability services. On the top right-hand side there, I've touched upon this idea of us providing insight and guidance. What's that mean? It means that we help you and your doctors, nobody's trying to exclude doctors as part of this proposition, we help you understand your inherent risk as an individual, we help you do a good health management plan, we help you understand what's the next best steps for you to improving your health and wellbeing.

We're now providing E-triage tools which will help, for example, you understand if you're not feeling well, whether you should take a couple of Bex and lie down or visit your GP or visit your pharmacy or even call an ambulance if the E-triage system suggests that's the most appropriate next best action. I'll come back to the point of social prescribing if I've time in a second.

Social prescribing is recognising that so much of our health and wellbeing, as important as clinical medical factors are, so much of our overall health and wellbeing is influenced by our social circumstances. Whether we have a job, whether we're lonely, whether we're abusing substances, whether we live in a safe neighbourhood, whether we have secure housing, how well we're eating.

So we're really cottoned on to this as a concept in trying to understand how we can help our members and travellers and NDIA participants stay all the more healthy. To the left and right of the middle there is just a dichotomy of what I'm calling their health networks, both physical, think hospitals, doctors' consulting rooms, virtual, think online consultations and increasingly homecare.

We're very deliberately moving into supporting people in their own homes. It was only 100 and a bit years ago that most healthcare actually happened in people's homes. Hospitals were pretty much for the infirm, the wounded or people with infectious diseases. Most people had their healthcare at home and somewhat ironically, we're transitioning back into home-based care.

On the right-hand side there you'll see how we're introducing this idea of everyday health care products and services. So we're not just there for you, providing you services or access to services once you're sick, where they're providing you with informed guidance as to what preventative health care services might be best for your health and wellbeing.

At the bottom there, there's just a whole stack of enabling capabilities we've identified particularly around technology, which are necessary to integrate this kind of service and product offering for consumers and make it all the more easier for them. I often brag to anyone who cares to listen that on my phone today I can still do all my routine health insurance stuff like make a claim, check my annual limits, find a doctor et cetera.

But I can also today do a GP consultation, I can fill a prescription and have it home delivered. I can access a wide range of men's, women's and non-binary health care products and services from hair loss to weight loss to gut health to the morning after pill, et cetera. I can do a Good Health Plan and be informed with next best actions. I can even do a skin check for cancers.

That's just the start. Eventually that ecosystem will grow and our devices, whether it be mobile phone or laptop – or even if that's not suited to your ability as a person, some other device which helps you access this ecosystem and make the experience all the more integrated and seamless. So, kind of a front door for consumers meeting all their healthcare needs. Next slide.

So the way we figure is if we're really good at this, making good this promise, this value proposition if you like, and in a couple of slides I'll talk about just what progress we're making, we think it will help grow the PHI market, the private health insurance market, in general and our share of that marketplace. We think it will give us license to practice in some new markets, which have, thematically have promised are likely to grow and whichever strong relationship with health and wellbeing.

I've already mentioned, travel insurance and of course the NDIS. We think that better managing underlying risk in our insured population will help us manage the loss ratio. With that better management we can pass on savings to consumers in the form of lower premiums and that will be also helpful in terms of growing the market and our share of that marketplace.

A key factor in our business strategy is the development of Honeysuckle Health. So, Honeysuckle Health is an engine which is doing much of the data science which helps us assess and analyse risk at an individual and population level and then supports that with programs, products and services relevant for that risk profile. So the idea is to keep people healthy and out of hospital, essentially, or have them treated in settings which substitute for more expensive hospital settings.

I'll come back to that point in a moment. Basically, Honeysuckle Health is seeking to capture value that is currently flowing to hospitals and other more acute medical centre settings. Finally, we have a longer-term ambition, if you like, to play a more active role in health care programs delivered by third party, particularly government.

So you don't have to look too far around the world to understand how in many healthcare systems, government sets the policy and provides the funding but relies on the private sector to deliver the actual financial protection products.

It’s not just in the USA with Medicare Advantage and programs like Medicaid which were the centrepieces of Obamacare, it's in Europe, Switzerland, Germany, the Netherlands, where the private sector delivers the kind of financial protection and health management that I've described today. So it's a longer-term objective but we’ve made a good start.

We’ve particularly made a good start in New Zealand with Māori tribes where we're providing health insurance but also health management to two iwi, as they're known, and two more on the way. As David has already articulated, we're looking do the same in New South Wales, well we are doing the same in New South Wales centred on the community of Bourke, but it's really a north – it’s a western New South Wales initiative.

Okay, so how do we know that this is working? Well attribution is difficult with these things but the fact that we're growing so powerfully ahead of the industry average growth rate, we like to think is a sign that we're making progress. We have over 30,000 people now who are members of nib as GreenPass members. What's that mean? It means they don't have health insurance yet but they have access to all the products and services and ecosystem that I've described. Of course, the idea is, they meet nib, they become familiar with nib, they like the Company and at some point, when the time is right for them, they convert to private health insurance.

We have 3,000 travel insurance customers which are converted into GreenPass. So again, you'd see that channel working, we have 400 GreenPass members who have actually become PHI members, arhi members.

We even are starting to see a small amount of Midnight Health customers flowing, having met us, flowing through to taking out private health insurance with us. People recognise nib as a general health management company. Well, again, it's early days but we survey, we do random surveys of people and ask them to nominate 10 brands which they think about when they think about health care.

Now, so far, about 6% of the sample acknowledge us as a health management company but that's double what it was last year. So again, our effort's still very nascent but we're making progress in terms of this vision of nib as a health management company. In the past 12 months, 38,000 PHI members have sourced products of Midnight Health, Honeysuckle Health and travel insurance.

So again, you can see the integration occurring between private health insurance and the other product offerings we had. About 25% of all of our knee and hip replacements today are occurring through our clinical partners program which David mentioned. These are doctors who have agreed to join our network, we call them clinical partners, and so they're extension of our P2P ecosystem.

People recognise nib as a genuine health management company. Well, I've touched upon that, I've got these back to front, I'm sorry. I'll move to the final point, the last two points. Health outcomes are improving. Measuring our health outcomes is problematic. You somehow need to risk adjust based on age and other factors. We've embraced an international standard called Dacadoo which gives a score, health score, for [the] population.

Again, it's early days but our score is, and I can provide any additional information that people might require, but our score last year improved from 520 out of 1,000, to 535. We'd be worried if it was going the other way. We've reduced unplanned hospital admissions courtesy of the work that Honeysuckle Health does by about 7%, that's helped a lot of people.

About 25% of our rehab now is occurring at home which we believe, in the right circumstances, home based care is clinically superior to hospital-based care in the right clinical circumstances. So we think that's consistent with improving health outcomes. Of course, the growth in enterprise value that we expect to flow from all of our P2P initiatives is there for everyone to observe. Group revenue up 10.9% last year, and EPS up 39.9%.

So early days but this aspiration, if you like, of being a health management company is starting to come to life. We're constantly monitoring the data to make sure that we're not fooling ourselves and that we are making the kind of progress that we imagine. Okay, some of the key priorities, we'll bring P2P to life, I've just spoken about that, and proving out the hypothesis.

Predicting, managing and pricing and claims growth and achieving net margins. This is a difficulty in the sector, not just our business at the moment. Because we've come out of the period of COVID-19 where a lot of noise has been created. So understanding the future trajectory, what trajectory claims inflation will resume is not quite clear as yet. Then pricing that in, given the regulatory processes involved there.

We've always been confident about doing that because we're confident about our actuarial science and confident that the kind of earnings profit margins we target in the business are not only sustainable but acceptable to the general community and the government. Development and value creation of new businesses, David has spoken about nib Thrive and how important that initiative is and what potential we believe it has.

I've mentioned Honeysuckle Health where we see value creation in that business and its potential and of course, Midnight Health. Big emphasis on technological enhancement and automation. Pretty much nothing of what we're talking about today is possible without the kind of modern technologies we have, generative AI which improves our ability to predict risk.

Our modern-day systems of communication which enhance our ability to interact with members and of course the kind of technology which allows us to make the experience for consumers and doctors and dentists all the more integrated and seamless. Operating cost control is top priority. Just because we’ve had a pretty good run doesn't take any pressure at all on us ensuring that we're operating with maximum efficiency and productivity. That's by no means lost on us.

An interesting one there, hybrid working productivity engagement. I like to think we're being progressive on the hybrid working front. Now, by definition, with progression comes risk, we understand that but we're managing, we're identifying risks to our new operating model and managing our risk but so far, so good. Certainly, in terms of staff engagement and satisfaction with working with nib, it’s very positive and it's certainly not impairing our commercial performance as a company.

Just some slides I thought worth sharing. Again, we don't want to brag too much about this, and David's already touched upon it. I think the key point here behind our consistent growth well above the industry average is it's not one big thing. It's a series of innovations and initiatives that we've taken over time to drive this powerful performance. So I won’t go into any detail here today but if across our timeline so many initiatives like us, offering consumers greater choice about their level of cover in the late 2000s.

Initiatives like ours, developing a white label, private label capability, which allows the likes of Qantas, the Automobile Association in New Zealand, Suncorp, IAG and many others to offer health insurance to their clientele, their customer base, manufactured by nib. Initiatives like our early embracement of the aggregators when they arrived in Australia years and years ago.

Now most of our competitors turned their back on the aggregators fearing that they're going to eat their lunch. We took the view, well look, if consumers want to shop here, we have to have a presence and all of the health insurers today use the aggregators and they account for about 30% of our sales. So they've been very important to our growth over the years. I'd like to think that P2P will be the next major innovation, the next shifting gear, if you like, which sees us continue to propel our growth way beyond our competitors.

Next graph, please. I just touched upon this a moment ago, you can see the impact of COVID-19. It saw a massive drop off in claims because people simply couldn't get treatment, whether it be surgery or dental treatment.

In between the various pandemic phases, I've forgotten all the names, we saw a resurgence in claim activity and then we saw it drop off again now. The big question now is, as I've touched upon earlier, what trajectory does the post COVID world take? There’ve certainly been efficiency improvements as a consequence of COVID. Nobody celebrates COVID but there have been, such as less hospitalisation for rehabilitation and psychiatric conditions.

But the healthcare system has had had an uncanny knack, generally, of where savings are made that consumers find somewhere else to spend and it's a bit of a Whac-A-Mole factor, I often describe it to investors. So a challenge for us in understanding that trajectory, pricing it in and making sure that we meet our target margins which for arhi is between 6% and 7% but a challenge we're up for.

Again, just a bit of a brag slide. The difference between ’22 and ’23 is exaggerated by equity markets and investment returns and bond markets. I think, Nick, there's about $84 million a swing. But again, if you take a line of best fit through that, obviously our goal is to keep that run rate going. This is interesting, you can see when we started investing in business adjacencies, it's an economies of scope kind of approach to running the business.

When we were a pure play health insurer we thought a lot about, well, what are the kind of competencies from our brands to our technologies which lend themselves to other markets. That took us into New Zealand, it took us into international workers and students, it took us into travel insurance and you could see the concerted building of non-PHI, non arhi, Australian Residents Health Insurance business that was occurring. COVID-19 got a bit in the way, travel insurance dropped right off. So too did international students. Workers continued to do well but it hurt the earnings of those adjacent businesses but they're coming back to life and they're coming back to life quite quickly.

Okay, this is the business update the Chairman David promised. You can see arhi, our core, our flagship arhi business has experienced good growth in the four months to the end of October, we're pleased with that. Premium revenue has followed that growth pathway. You can see our combination of international workers and international students bouncing back with good gross in policyholders. Now that's, as David mentioned earlier, that's just tipped 200,000 now. With that earnings growth, similar story in New Zealand, growth is not quite as powerful yet, but I suspect that's probably double the average system growth in New Zealand.

I don't have the data, but I'm pleased with where it's at and you'll see the premium revenue growth coinciding with that. nib travel surged back after COVID-19 ended and people started to travel again but that revenge travel seems to be a little bit behind us. The other factor there we have to call out is the fact that last year we were manufacturing insurance for Qantas and that partnership ended in about June, I want to say was it? June, July. So you know on an apples for apples basis, we're doing a lot better than those numbers demonstrate.

nib Thrive, our new business is doing particularly well and contributing towards our earnings in a way that we forecast when we looked at the original investment thesis for our participation in the NDIS.

I think that's it, isn’t it Ros? Okay, well look, thanks for the opportunity to share that information today and I'll be back, if necessary, for any questions. Thanks, David.

David Gordon: Thanks, Mark. We will now proceed with the formal business of the meeting. I propose to take the notice convening the meeting as read. Please note that matters not pertaining to the meeting won't be covered today.

Shareholders will be given the opportunity to ask questions in relation to any aspect of nib's operations and responses to questions or general matters of business will take place under the first item of business.

For subsequent agenda items, I'll only allow questions and comments specific to those items. I'll address questions from the floor first, by inviting you to speak at one of the microphone stands in the aisles. If you're unable to do that, you can raise your hand and we'll bring a microphone to you.

For shareholders joining us online, to ask a question from the online platform, please follow the instructions shown on your screen. You must be logged in as a shareholder to do this. The question function on the online platform is now open.

If we receive similar questions regarding the same topic, we'll respond to those questions collectively. And any shareholder who has submitted a written question prior to today, will receive a written response from nib.

We recognise that a number of our – a significant number of our shareholders are also nib members. If you have a question relating to your health cover policy, please visit our member consultants in the pre-function area or you can contact nib via phone on 13 16 42 or by visiting our website at nib.com.au.

So I'll now put before the meeting nib's 2023 financial report, Director's report, and independent auditor's report. There's no vote on this item and as such, voting is not yet open.

But this is the only item on today's agenda where you have a formal opportunity to ask questions or make comments generally about the performance of nib, its management, and Board.

Our auditor, Mr Scott Fergusson, a partner at PricewaterhouseCoopers, is here today and available to respond to questions in relation to the audit of nib's 2023 financial report. Any questions in relation to these reports or any aspect of nib's operations or its management generally will be addressed now.

If you have a question about a subsequent item of business, please wait until I address that item of business. I will address any questions from the floor first. If a shareholder in the room would like to ask a question, please come to one of the microphones stands in the aisles with your attendance card.

I love questions. Please.

James Beckwith: (Shareholder) Thank you very much for the presentations that have been made. They've been very well put forward. So, thank you very much both of you.

David Gordon: Could you tell us your name?

James Beckwith: (Shareholder) Yes, so thank you. I just want…

David Gordon: Sorry, could you tell us your name?

James Beckwith: (Shareholder) Sorry? My name is James. James [Beckwith].

David Gordon: James. Nice to meet you. Thanks for coming.

James Beckwith: (Shareholder) Yes, thank you. Thank you. Just a question. I've looked through the financial reports. Did nib make any donations to a political party or a campaign during the 2022 or '23 financial years? If so, which political campaign did nib donate to and how much?

David Gordon: Mark, you might be in a better position – political campaigns and parties we're talking about.

Mark Fitzgibbon: No, well we don't donate to political campaigns as such. We are a member of the Labor Party's business forum which is a subscription based rather than a donation. From time to time, we will attend breakfasts and lunches conducted by local members and ministers. But no significant political donations as such.

James Beckwith: (Shareholder) Thank you very much. Yes. Thank you.

David Gordon: Sure. Does anyone else have a question? This is the time for all general questions. No? If not, I'll address any questions or comments relating to this item of business from the online platform. Ros.

Roslyn Toms: Yes, Chair. We have three questions on the online platform. The first question from Mr Stephen Mayne. Thanks for running a hybrid AGM today. Will the Chair commit to continuing doing this into the future to maximise shareholder participation along with publishing a full copy of the webcast online?

nib has around 130,000 shareholders, putting us in the top 20 for shareholder numbers on the ASX. When disclosing the outcome of voting on all resolutions today, could you please advise the ASX how many shareholders voted for and against each item, similar to what happens with the scheme of arrangement?

This will provide a better gauge of retail shareholder sentiment on all resolutions and was a voluntary disclosure initiative adopted by the likes of Metcash, Altium, AUI, Dexus, Webjet, Tabcorp, and Myer over the past two years. The ASX itself did it for the first time this season and Qantas did it first last Friday.

David Gordon: Thank you. Okay. I'm not sure if Stephen is online or whether he sent the question in advance. But doing this from memory. So in terms of the hybrid meeting, yes, for the moment, we'll continue to do that for as long as it makes sense.

As I said earlier, we like the opportunity to engage with shareholders and frankly, face to face as much as possible. But we also acknowledge that some shareholders aren't able to do that. So we'll continue with hybrid meetings.

In terms of publishing of the detail of the numbers of individual shareholders versus others, most people don’t complain that there is insufficient detail and information in the reams of numbers that we throw at you.

But that's certainly something we can take on notice and if it makes sense, we can do that in the future.

Roslyn Toms: Thank you, Chair. The second question is from Mrs Kristin Laden. How is the financial risk to nib's profit mitigated in respect to malpractice due to nib's expansion into provisions of medical services to members?

David Gordon: Okay. Well, thank you, Mrs Laden. Firstly, let me say that nib doesn’t actually provide services. We provide financial support in the form of private health insurance and there are some products and services that are provided by Honeysuckle Health in which we own 50%, and by Midnight Health in which we own about 75%.

In all cases, we have a medical quality regime that applies for the provision of all of those products and services, both in the organisation itself and in our joint ventures and in Midnight Health.

In terms of financial risk, there are insurances in the hands of the doctors who are part of the system who provide advice. But that's not an nib exposure. And certainly, financial risk is, as you would imagine, one that we take very seriously. It's one of the key risks that the Board and all of the management team focus upon. So it's certainly catered within our risk management systems but it's not something that we have a large exposure to by virtue of the nature of the business that we undertake.

Mark Fitzgibbon: Yes, it's a great question. Because you know, as we move from being a financial services company to more a health management company, obviously this risk becomes more – surfaces in a way which historically, we haven’t had to encounter.

Just as David has mentioned, we're not directly providing the services. They're being provided through joint ventures and subsidiaries and partnerships. Notwithstanding, we are amping up our clinical governance right across the organisation to ensure that where people are providing clinical services on our behalf, and essentially with our warranty, that our reputation and financial risk is protected.

So it's a heavy point of emphasis, as Chairman David knows, within the Company at the moment.

Roslyn Toms: Thank you, Chair. There's one final question from Mr Stephen Mayne. With nib shares currently at $7.26, the advice from JP Morgan back in 2007 to do a totally unnecessary $50 million placement to its clients at $0.85 as part of the demutualisation process was clearly very costly for the then 300,000 nib customer shareholders.

As the only Director around, does CEO Mark Fitzgibbon now acknowledge that pre-demutualisation customers were diluted out of hundreds of millions of dollars of value? Does Mark have any regrets? And what is the ongoing relationship that nib has with JP Morgan after the 2007 IPO? Are they still our main corporate advisor?

David Gordon: Let me get a general comment and then I'll hand over to you.

Mark Fitzgibbon: Okay.

David Gordon: So first of all, Mr Mayne, thinking about things that took place in 2007 and with the benefit of whatever it is, 17 years of hindsight, is obviously of itself difficult. But the bottom line is that this business today and in all of its 70 years, has always made decisions consistent with the best interests of its members, all of the people for whom it provides products and services, and its shareholders.

And I think that's evident if you, notwithstanding your comments about whether or not things were necessary, the return to investors since 2007 when nib floated, is something of the order of 2600%. Compared to the ASX200 which I think is 167% over that period.

So it doesn't seem to me like shareholders have been hard done by from a demutualisation which provided that sort of financial return, as well as all of the members and others who have benefited from the services and products that we have been able to supply over that period.

But Mark, you might want to add…

Mark Fitzgibbon: Look, David, I think you've covered. I'm not an insignificant shareholder myself so if I've doubted like anyone, I've doubted myself. Look, the background was because in our demutualisation, the members got shares as consideration. So there was no capital in the business and we needed to create liquidity.

And so we raised the money purely to give – not to give, to sell – to institutional investor and that created a secondary market for the trading of our shares which we weren't confident about happening while there was such a large retail base.

We also wanted to raise some money to set up the foundation, which as David has covered today, has been a marvellous achievement in our minds. And I guess just a final point, it wasn't long after we listed at $0.85 that we were trading at $0.55 pre-GFC.

So you know, making these judgements in hindsight is quite problematic with due respect to Mr Mayne.

David Gordon: Indeed. Ros, any other questions online?

Roslyn Toms: No further questions, Chair.

David Gordon: Great. All right. I'll now address any questions or comments relating to this item of business from the telephone line. Do we have any questions on the telephone?

Operator: Chairman, there are no questions on the telephone line.

David Gordon: Okay. So now that we've considered the reports, we'll deal in turn with each of the items set out in the Notice of Meeting. I declare that voting on a poll for all resolutions is now open.

Votes may be changed up until the time voting is closed at the conclusion of the meeting. For those of you in the room who are eligible to vote, please follow the instructions on your attendance card. Participants who have logged into the online platform as a shareholder or proxy, will be able to vote by following the instructions on their screen.

Item 2 on the agenda relates to the remuneration report contained in the 2023 financial report. In accordance with the Corporations Act, this vote is advisory only and the outcome won't be binding on the Board. But our approach to remuneration is simple and underpinned by strong governance framework.

Consistent with our approach in previous years, we are actively engaged with and seek regular feedback on our remuneration framework from key interest groups, including shareholders, proxy advisors, and other shareholder representative groups such as the Australian Shareholders' Association.

The Directors unanimously recommend that shareholders vote in favour of adopting the remuneration report of nib for the financial year ended 30 June 2023 as set out in the Director's report.

I'll now take questions on this item of business. I'll address any questions first from the floor. Does anyone have a question on the remuneration report? Are you sure? We spend hours making these reports – I hope people read them if they're not going to ask questions about them.

I'll now address any questions or comments relating to this item from the online platform. Ros?

Roslyn Toms: Yes, Chair, there is one question. One question from Mr Stephen Mayne. Why did we only lodge the Annual Report with the ASX on October 6 when most companies do this at the same time as the full year results are released in August? Will you get with the program next year to give proxy advisers more time to review our remuneration practices?

Did any of the proxy advisers recommend against any of today's resolutions, including this remuneration report item? Also, why not disclose the proxy position to the ASX along with the formal addresses as many companies do now? There is no reason to hold back disclosure of the proxies until during the meeting.

David Gordon: Thank you. Okay. It's never one question, but that's fine. As far as getting with the program, I think actually Stephen maybe you should get with the program. We actually published the annual report in August, along with our results, so we did the same as everybody else does. I'm not sure why you think otherwise.

The second point was in relation to proxy numbers.

Roslyn Toms: Yes. Will you get with the program next year to give proxy advisers more time – sorry.

David Gordon: We've done that one.

Roslyn Toms: Did any of the proxy advisers recommend against any of the resolutions?

David Gordon: Ah yes. No. I should say – I mean all of the proxy advisers recommended in favour of all of our resolutions. Which we're very pleased about. The last part of the question was?

Roslyn Toms: That was it.

David Gordon: Was that it? Okay. Are there any other online questions?

Roslyn Toms: No. No further questions.

David Gordon: Okay. What about questions on the telephone?

Operator: Chairman, there are no questions on the telephone line.

David Gordon: Okay. Well, if there's no further discussion, I'll now reveal the proxy votes received prior to the meeting in relation to this resolution. They're up on the screen now.

As the Chairman of the meeting, I have been appointed proxy by some shareholders to vote on this resolution. I intend to vote undirected proxies that can be voted on this resolution in favour of Item 2. There are voting exclusions applicable to this resolution which are outlined in detail on page 5 of the Notice of Meeting.

I'll now put to a poll the resolution that the remuneration report of the Company for the financial year ended 30 June 2023 as set out in the Directors' report is adopted.

We'll get those results after the end of the meeting.

Item 3 on the agenda is the election of Mr Brad Welsh as a Non-Executive Director of nib. Brad was appointed to the Board of nib holdings limited in July 2023 in accordance with the ASX listing rules and nib's constitution, Brad retires and being eligible offers himself for election as an Independent Non-Executive Director. I'd like to invite Brad to address the meeting regarding his re-election

Brad Welsh: Thank you, David. Good afternoon, everyone. I'd like to start by acknowledging the Gadigal people and bring the warmest of greetings from my people, the Muruwari, in Northwestern New South Wales.

My name is Brad Welsh and as this is my first nib annual general meeting and the first time that I'm official speaking to you, I thought I'd tell you a little bit about myself. I hold three degrees across law, mining engineering and welfare and I've worked in both the public and private sector for more than 20 years.

I've worked for a New South Wales premier in the office of an Australian Prime Minister and spent more than a decade leading and advising global resource companies, including Rio Tinto, which is dual listed and has a market capitalisation of more than $160 billion.

I'm currently the chief executive officer and managing director of Energy Resources of Australia, a very large and complex uranium mine site in the process of rehabilitation adjacent to Kakadu in the Northern Territory. We are one of the most regulated mines on the planet.

My focus in leadership roles has been on operational efficiencies and building long term relationships of trust with key stakeholders. I have a deep understanding of the public sector and how public policy intersects with business and I have high levels of commercial and risk management skills that I bring to the nib Board.

As shareholders, you will now that the nib Group has grown from a small Company with a focus on private health insurance to a more diversified Company with large profitable businesses and all are touched by government policy. Private health insurance, travel insurance and recently nib's expansion into the NDIS with nib Thrive, have varying levels of government regulation and policy interaction.

I'm excited about joining the nib Board and bringing my diverse experience across a range of disciplines and regulation to nib. I'm based in Darwin, so I bring to nib a bit more diversity when it comes to representation. I look forward to being a Board member if elected and making a contribution to a team that has deep and diverse skills. I'm honoured to be trusted by you, our investors, to guide this Company and its Executive management team alongside my fellow Board members and our chair. Thank you.

David Gordon: Thanks Brad. The Directors with Mr Welsh abstaining recommend that you vote in favour of the election of Mr Welsh as a Non-Executive Director of nib. I'll now take questions on this item of business, and I'll address any questions from the floor first.

Does anyone have a question they'd like to ask? No? Okay.

What about online, Ros?

Roslyn Toms: Yes Chair. We have one question from Mr Stephen Mayne. Could the two Directors, Brad and Jill, along with the Chair, comment on the recruitment process that led to their appointment to the Board? Was a head hunter involved? Did the full Board interview any other candidates and did either new Director know any of the existing Directors before engaging with the recruitment process? What was the recruitment process like for the two new Directors?

David Gordon: Okay. We have a very thorough recruitment process. There is a nominations committee which is a sub-committee of the Board on which all of the Executive – not all of the Non-Executive Directors are members. Succession planning around the Board is as important as succession planning in relation to the management team and the business.

I myself joined this Board only three years ago as part of that renewal process and it continues as Directors get to the end of their relevant terms and retire from the Board that we are always looking for new people to join who are going to bring diverse skills and experiences around the Board table.

I think you will all agree from what you just heard about Brad, that he has particularly interesting alternative experience to the sorts of experiences that others around the Board table have. I also learned today that he has a pet crocodile, so if anyone has any aspirations about taking him on, I suspect you should think otherwise.

But more importantly, I had never met Brad before we went through the process and I'm not sure Brad if you'd met any of the other Directors? I didn't think so. The same goes for Jill. I hadn't met Jill beforehand and none of our Directors have. If there's a sort of a sleeper question in all of this as to whether or not we're handing out roles to friends, that's definitely not the case.

I in fact didn't know any of the people on this Board when I first joined and I suspect it was similar for many of the people who have joined.

We have a very strong, harmonious and mutually respectful Board. I think that our process stands strong in the results that it evidences in terms of the people who are sitting up on this dais with me and I must say I'm particularly proud that they all are prepared to commit their time and effort to working with us in the growth of the business. I think that's a response.

Anything else?

Roslyn Toms: He did also ask what the process was like for the two new Directors.

David Gordon: Perhaps – if you want to say anything from there.

Brad Welsh: I think the process was quite comprehensive. It was over quite a period of time. There was quite a strong focus on values alignment and how a skill set might be additive to the Board's diverse skill set. I know that I ended up talking to David and talking to the Board but it was over many months, so in my experience quite a comprehensive and impressive process.

David Gordon: Jill? Anything you'd like to add?

Jill Watts: I think most things have been said but yes, a very comprehensive process that went over a number of months and involved meeting and talking to all of the individual Directors and yes, I didn't know any of the people around the table or on the management team prior.

David Gordon: I should also add that we use an independent firm to assist us in every single one of our recruitment processes for Non-Executive Directors. This is about trying to find people that bring the best additional experience and diversity and certainly not simply a case of us opening little black books and expecting to find people, so a very transparent and independent process that we go through. Anything else?

Roslyn Toms: No further questions.

David Gordon: Excellent. What about the telephone? Do we have any questions on the telephone?

Operator: Chairman, there were no questions on the telephone line.

David Gordon: Okay. Well, if there's no more discussion, I'll now reveal the proxy votes prior to the meeting in relation to this resolution.

As the Chairman of the meeting, I have been appointed proxy for some shareholders to vote on this resolution. I intend to vote in favour of the resolution detailed in Item 3 for the proxies open at the Chairman's discretion. I now put to a poll the resolution that Mr Brad Welsh be elected as a Non-Executive Director of the Company.

Let's move on to Item 4. Item 4 on the agenda is the election of Ms Jill Watts as a Non-Executive Director of nib. Jill was appointed in July 2023 and in accordance with the ASX listing rules and our constitution, she retires and being eligible offers herself for election as an Independent Non-Executive Director. I'd like to invite Jill to address the meeting regarding her election.

Jill Watts: Thank you, David. Good morning, everybody. My name is Jill Watts – my first AGM with nib and I'm very honoured to have joined the Board and to be working with such a distinguished team who I know are very passionate about improving the health and wellbeing of nib members.

I come to the Board with over 45 years' experience in both Board and operational roles and over my career I have been privileged to have worked in many different health systems, including Australia, Europe, South Africa and Southeast Asia.

As well as my role on the nib Board, I currently sit on the Board of St Vincent's Healthcare Group, the Icon Group and IHH Berhad which is an international company dual listed in Malaysia and Singapore and which provides comprehensive health care systems across ten different countries.

Prior to 2017 when I returned to Australia, I spent over 10 years in the UK, firstly as the CEO for Ramsay Healthcare UK and then as the CEO for BMI Healthcare. BMI is the largest UK private healthcare operator and during my time while I was there, I worked with many stakeholders within the system, including the health insurers and different industry bodies and I was also a member of the Australian Chamber of Commerce.

I started my career as a nurse and midwife and then moved across into health education and organisational development before making the transition across into healthcare management. Right throughout my career I've been a very strong advocator of putting the patient at the centre of the health system and I've always been passionate about the use of technology and finding ways to develop innovative solutions to minimise healthcare risk and to be able to deliver quality, cost effective health care.

I feel that my own values align very well with those of nib, who are clearly a purpose driven and progressive organisation, but nib is also very passionate about empowering their members to make better decisions on how to improve health outcomes through greater accessibility and affordable health services and information.

I am looking forward to working with the other members of the Board and the management team to be able to represent the interests of all our shareholders and the communities in which we serve, so I hope that my past experiences in different health systems will allow me to being a fresh perspective and a diversity of thought to the Board.

I'd just like to finish by thanking the shareholders for the trust that was placed in me in appointing me to the Board and, if I am reappointed, I look forward to being part of the positive nib journey going forward. Thank you.

David Gordon: Thank you, Jill. The Directors with Ms Watts abstaining recommend that you vote in favour of the election of Ms Watts as a Non-Executive Director of nib. I'll now take questions on this item of business and I'll start with questions from the floor. If a shareholder in the room would like to ask a question, please come to one of the microphones.

Does anyone have a question in relation to this resolution? No? Okay. What about online, Ros?

Roslyn Toms: There are no questions Chair.

David Gordon: Okay, and on the phone?

Operator: There are no questions on the phone line.

David Gordon: None? Okay, easy. Well, if there's no further discussion, I'll reveal the proxy votes received prior to the meeting in relation to this resolution and as the Chairman I have been appointed proxy by some shareholders to vote on this resolution as for others and I intend to vote in favour of the resolution detailed in Item 4 for proxies that are open at the Chairman's discretion. I'll now put to a poll the resolution that Ms Jill Watts be elected as a Non-Executive Director of the Company.

Item 5 on the agenda is my re-election as Non-Executive Director of nib. For the purpose of this item, I'm going hand the meeting over to Anne Loveridge, one my fellow Non-Executive Directors, who also chairs nib's audit committee. After the poll on this resolution, I'll resume the role of Chairman of the meeting. Thanks Anne.

Anne Loveridge: Thank you David. David was appointed to the Board of nib holdings in May 2020 and has been the Chair since July '21. In accordance with the ASX listing rules and nib's constitution, David retires and being eligible offers himself for re-election as an Independent Non-Executive Director. I now invite David to address the meeting regarding his re-election.

David Gordon: Thanks Anne. Ladies and gentlemen, I hope you'll forgive me, but as Chair I get an opportunity to read lots of pre-planned material and I would prefer to talk about this resolution without preplanning, because it's something that means a lot to me.

I've had the honour of being the Chairman of nib for, as Anne said, a couple of years now and been on the Board for about three years. That's on the tail end of having been involved in governance and Board matters for most of my career. I started off life as a lawyer in the mid ‘80s and very soon into the early ‘90s started taking on roles on boards, even when I was still practising as a lawyer and across a broad range of different industries, including mining as it turns out, Brad, but that’s a long time ago.

I have over the last 30 years moved from being a lawyer and providing consulting services to working with companies and helping them grow. I’ve done that with businesses that I’ve started myself, I’ve done that with businesses that have been started by others and some of those have been private and some of those have been public businesses.

Today I remain the chair of one of those businesses which is a public business in the retail sector that a friend and I got involved with almost 20 years ago and turned from a business with market cap of $10 million to a business with a market cap today in excess of $1 billion, so the shareholders in that company have done pretty well too.

I don’t come with any healthcare background or experience other than my father was a doctor, but I see in healthcare as all of my fellow Directors and the team at nib see, the importance of our purpose, which is to improve the health and wellbeing of all Australians and Kiwis. And it’s rare in corporate life that you get an opportunity to participate in something that has such a meaningful outcome for others in the community.

I don’t say that in reference to the – in reducing in any way the importance of providing good returns to shareholders, but in addition to that and as I mentioned earlier, nib has done that in spades, the work that we do uniquely gives you the opportunity to participate in something where you’re actually improving people’s lives. Whilst that may sound corny, it is actually something which I take very seriously, and I know that all of my fellow Directors do too.

Within all of the risk management frameworks and other systems that we adopt and have to put in place for the betterment of the business and also in order to comply with the reams of regulation that surround the business, there is ultimately only one question which really matters and that is, are we doing the right thing? Are we doing the right thing to improve people’s lives, to improve people’s health and to give them opportunities they may not otherwise have. I feel very fortunate to be part of a team and indeed to Chair the team on the Board that take that job very seriously.

So I would be very honoured to be re-elected to remain in this role and I believe that there is an enormous amount of wonderful work, which we have to do in the years to come to continue to grow this business, not just in relation to the areas that we've traditionally had for over 70 years, but across all of the new and exciting areas that I mentioned earlier in my address. Thank you.

Anne Loveridge: Thank you David. The Directors with Mr Gordon abstaining recommend that you vote in favour of the re-election of Mr Gordon as a Non-Executive Director of nib. I will now take questions on this item of business. I'll address any questions from the floor first. So any questions? Anyone has any questions?

No questions. I'll now address any questions or comments relating to this item of business from the online platform.

Roslyn Toms: Yes, Chair, there's one question, Mr Stephen Mayne. When David was first appointed to the Board in 2020, then Chairman Steve Crane said it was part of succession planning. Could David clarify if he knew Steven Crane before his appointment to the nib Board and whether they discussed potential Chair succession before he joined the Board in 2020?

At the time of the Chair transition in July 2021, was there an internal Board process? Was there a contest and a secret ballot? Also, as a relatively new Chair, what is David doing in terms of planning CEO succession given that Mark Fitzgibbon has been in the role for the entire 16-year period that nib has been listed?

Anne Loveridge: Well, the first part of that question, I think we answered that we did have a process for the recruitment of David and Steve Crane didn't know David, but some of those other parts David relate to since you've been appointed. So maybe you want to address some of those.

David Gordon: Sure. Do you mind if I do it from here. This line of questioning fascinates me because it's not like there's a red under the bed. I didn't know Steve and I didn't know anybody else on the Board as I think I mentioned earlier.

The process for my appointment was similar to the process for the appointments of Brad and Jill in the sense that we had an independent – well, nib at that stage, not me had an independent expert to help out in terms of the recruitment process.

Did Steve and I undertake secret Chairman's business in relation to the handover? It was something which was obvious obviously going to be the case because Steve had been in the role for I think 10 years at that stage and like all good things, it was coming towards the time of his retirement.

With the good planning that this company is known for, they started looking for someone who would take over that role well in advance so that it gave me the wonderful opportunity to participate around the Board table and get to learn the business and the people alongside everybody else.

So, I regret to say Stephen, that there was nothing secret or elicit. I'm not the cousin of anybody involved. I certainly had no knowledge of anybody, and the process was completely transparent and above board as you'd expect it would be.

Anne Loveridge: I can add as obviously I was on the Board at the time that whilst we were looking for candidates who had the capability to be Chair, there was no pre-agreement that that would be the case. We enabled David coming onto the Board to participate as a Board member and then we did run a proper process for the selection of David as the Chair.

David Gordon: Yes, I should address the succession question too, sorry. Yes, there was also – thanks Mark and Ros pointed out there was implicit in the numerous questions in Stephen's question was the question of CEO succession.

Obviously Mark has been the CEO of the business for a considerable period of time, in excess of 20 years, including all of the time that the Company has been listed. Yes, like anybody else, I suspect there will come a time when Mark will retire and we engage in continual development and succession processes within the business as I've mentioned before.

That includes development programs for all of our senior Executives and indeed for Executives throughout the business so that we can give people opportunities to move forward in their careers. That will include ultimately potentially the opportunity for someone to take on Mark's role when he retires.

Of course, we will also look at alternate external candidates in such a situation as well. But in terms of the processes they are well and truly – we have those processes and we continue to look for developing the talent of everyone at nib so that they can take on higher and more senior roles as their careers continue.

Anne Loveridge: Thank you, David. Were there any other questions Ros, online?

Roslyn Toms: No further questions.

Anne Loveridge: I will now address any questions or comments relating to this item of business from the telephone line.

Operator: There are no questions on the telephone line.

Anne Loveridge: Thank you. There being no further discussion I will now reveal the proxy votes received prior to the meeting in relation to this resolution.

As the Chair of this portion of the meeting, I have been appointed proxy by some shareholders to vote on this resolution. I intend to vote in favour of the resolution detailed in Item 5 for the proxies open at the Chair's discretion.

I now put to a poll the resolution that Mr David Gordon be re-elected as a Non-Executive Director of the Company. I now hand back to David, the Chair for the remaining meeting.

David Gordon: Thanks Anne. Just to continue these musical chairs, Item 6 on the agenda is the re-election of Ms Anne Loveridge as a Non-Executive Director of nib. Anne was appointed to the Board in February 2017 and in accordance with the listing rules and our constitution, she retires and being eligible, offers herself for re-election as an Independent Non-Executive Director. I'd now like to invite Anne to address the meeting regarding her re-election.

Anne Loveridge: Thank you David and good afternoon everyone. As noted, I joined the Board in February 2017 and I have chaired the Audit Committee in Australia and the Audit and Risk Committee in New

Zealand for nib for the last six and a half years. For the last eight years I've been a professional non-executive director at major ASX listed companies.

Over that time, we have all seen, and I have seen from a Director perspective, businesses manage and respond to disruptions, pandemic, cyber, changed customer behaviour, massive changes in technology, which has led to increased speed, efficiency and ability to analyse data, which in turn has led to an increasing focus on the security and ethical use of the data and finally, of course, impacts of the changes in economic growth and slowdowns over that period.

At nib, as part of the private health industry, we've seen increased regulatory compliance, competition from new players, claims cost volatility and evolving customer expectations, all of which have shifted the focus of stakeholders and have impacted the work of the Boards.

In addition to my experience as a Non-Executive Director, I have a 30-year career background in accounting, including as an audit partner and advisor, which means I have actively participated in the governance and financial oversight of major listed companies for many years.

As a result of this background, I contribute deep skills and knowledge of financial regulatory reporting and risk management, which as David noted, are a necessary requirement of operating in this industry.

I bring perspectives from other organisations and how they are addressing challenges and opportunities relevant to nib. I have experience in developing leaders and driving performance and importantly, I have the skills and experience to listen, analyse, contribute and challenge, enabling me to effectively Chair and contribute to nib Audit and Risk Committee and Boards, both in Australia and New Zealand. I would be honoured to continue to receive your support to serve on this Board. Thank you.

David Gordon: Thanks, Anne. The Directors, with Ms Loveridge abstaining recommend that you vote in favour of the re-election of Ms Loveridge as a Non-Executive Director of nib. I will now take questions on this item of business. I'll address any questions first from the floor.

If anyone would like to ask a question, please step up to one of the microphones. Does anyone have a question? No questions. Okay. Let's move on to the online platform. Ros, are there any questions?

Roslyn Toms: No, there are no questions online.

David Gordon: Okay. What about on the phone?

Operator: There are no questions on the telephone line.

David Gordon: We are making good headway here. Okay. There being no further discussion or no discussion, I will reveal the proxy votes received prior to the meeting in relation to this resolution.

As the Chairman of the meeting and common with all of the other resolutions, I've been appointed proxy by some shareholders to vote on this resolution and I intend to vote in favour of the resolution detailed in Item 6 for proxies open at the Chairman's discretion.

I will now put to a poll the resolution that Ms Anne Loveridge be re-elected as a

Non-Executive Director of the Company, which takes us on to the seventh and final resolution to seek shareholder approval for Mr Mark Fitzgibbon, Managing Director and CEO to participate in the long-term incentive plan via a grant of performance rights in the financial of the year, commencing on 1 July 2023 with a four-year vesting period.

The plan forms part of nib's remuneration strategy. It is designed to align the interests of Executives and shareholders and to assist nib in the attraction, motivation, and retention of Executives. In particular, the plan provides Executives with an incentive for future performance, thereby encouraging those Executives to remain with and contribute to the future performance of nib.

A summary of the plan rules is set out in the schedule to the explanatory notes in the Notice of Meeting. If you want to read that, you've got too much time on your hands. The Board, with Mr Fitzgibbon abstaining recommends that shareholders vote in favour of the ordinary resolution in Item 7.

I now take questions on this item of business. Firstly, from the floor. Does anyone in the audience have a question they'd like to ask about this resolution? No. Okay. Yes, please do. If you could let me know your name first, that would be great.

Computershare representative: Chairman, I'd like to introduce Chris Lloyd.

David Gordon: Chris, welcome.

Chris Lloyd: Hi. I've got several issues with what's being proposed, 50% of it's based upon TSR growth.

David Gordon: Yes.

Chris Lloyd: That's a very blunt tool for measuring performance of a company. It's affected by things such as interest rates, market sentiment, PE expansion and contraction. Those are things that are well outside the control of management, so it really shouldn't be a metric that's used.

Secondly, the other 50% is based upon EPS growth, which normally I would say is a good metric to choose because if it's chosen correctly for real growth of the Company, it does its job. In this instance, if my understanding is correct, 75% of the EPS performance rights vest on achieving 7% growth in EPS.

Inflation is running around about 6% or 7% despite the best efforts of the RBA. Does the Board really think that 75% of the bonuses should be vested based upon zero or negative real growth?

David Gordon: Right. Thank you. There are two good points. So first of all, I have to confess to you that I am not a fan of including comparative shareholder performance or share performance in these schemes, but I am very much in the minority.

If you speak with any of the proxy advisors and the major institutions and indeed most of the best practice experts, they tell us that it's important that half of – you have a 50/50 proportionality between the performance, the operating performance of the business, and we use, as you say, EPS for that basis and the relative performance of the Company compared to its peers on the market.

The problem for nib is that the only other – there is only one other listed health insurance fund and so how do we value relevantly include a group of other companies in the mix? If we are going to do that on a basis anything other than comparing us only to Medibank, which would be a rather narrow comparison.

So we pick a broader group which has the downside as you say that that means that some of those businesses are not exactly the same as ours but we try and pick a broader range of businesses that have some of the hallmarks of our business as a means of trying to achieve that 50/50 split.

In terms of the earnings rate in EPS that's embedded in the scheme, I would say, let's remember, this is a long-term incentive scheme and if I go back even one year or two years, interest rates were zero and no one came to me at that time to suggest that a 7% growth rate in EPS was unusually difficult for the management team to achieve in the context of zero interest rates.

I take the point that where you can get a higher rate of return that you might have been able to do 12 and 24 months, then 7% seems like not as much of a stretch. I don't recall the exact detail of what percentages are attributed increasing rates, but I know that we've been looking at moving those rates up over time.

Of course interest rates may be high now, but this program lasts over several years. If the Reserve Bank, as you say has anything to do with it, rates will probably start coming down again at some point. So we have to establish something that was going to apply year in year out across a long term.

For all of the Executives who participate in this program, and I should say we only vote on Mark's because the listing rules require that for the Chief Executive and someone who's also a Director, shareholders need to vote on participation and that's fine.

Mark is joined by all of the senior Executives and others in the business in participation in this scheme. Long-term incentive schemes as we indicated, are predicated on the idea that shareholders only benefit when – sorry, Executives only benefit when shareholders benefit when we can improve the value.

So there is no right and wrong answer to your question and I appreciate very much the fact that for a business such as ours it's difficult to find a group of market comparable. But we try in the line of best fit amidst a range of different views, some of whom strongly wish that we include a relative share performance in the mix. Are there any other questions?

Roslyn Toms: Yes, there's one question online.

David Gordon: By the way and thank you very much for the question and for coming today.

Roslyn Toms: The question is from Mr Stephen Mayne. Could the CEO summarise his past LTI grants as to whether they have vested or lapsed? Also, has he ever sold any ordinary shares in the Company or bought any on market without relying on an incentive scheme to build his equity position in the Company?

Please don't say look it up in the Annual Report and through ASX announcements. It's complicated and the CEO could factually summarise the situation in 60 seconds.

David Gordon: Okay, well just before – I will hand over to Mark in a moment because it relates to him personally but I find it a bit rich that, first of all I'm told that we don't publish our Annual Report early enough for people to be able to read it to come to conclusions and then I'm told notwithstanding when we publish it, we shouldn't refer to it because we should be able to answer questions notwithstanding what we go to great pains to point out in innumerable detail in the Annual Report.

Having said that, to my knowledge and Mark confirmed this, certainly in the period of time that I've been on the Board, Mark has not purchased any shares. As you'll understand, it is extremely difficult for management to be buying and selling shares because much of the time they're possessed of inside information and like Directors as well, we don't trade in the shares in the business.

Mark has, on occasion sold down some shares which he's done in accordance with our security trading policy, which requires that he needs to ask me every time before he's about to sell for my approval. In that approval I need to make sure that he's not possessed of any information which could create an insider trading problem or otherwise act to the detriment of the business.

So we go through a very full process to ensure that that's not the case. Each time, to my knowledge that Mark has done it, it's been to fund the tax that he has to pay on the grants of shares that he gets at other times because unfortunately, unlike other regimes in Australia, you can be in a situation where you've got to pay tax in relation to a grant or even if you've got to pay tax generally and large amounts of people's wealth is held up in shares.

So, there have been a few times and every time that it happens, we go through that process. Not only that, but we also then disclose to the market within, I think it's 48 hours, Ros, of exactly how many shares have been sold. So, it's a matter of record. Having said all of that, Mark, is there anything you'd like to add?

Mark Fitzgibbon: I've no idea how many LTIs have lapsed. We are talking about 17 years' worth of LTIs. To your question sir, quite a few have over the years. They've never been easy beat LTI targets.

As the Chairman has said, I have never purchased a nib share mainly because about 90% of my wealth is tied up in nib already. My kids would be worried in terms of their inheritance if I was any more exposed. So no, I've never bought any nib shares. I haven't had cause to give the large, well, in my view, large holding I have an exposure.

As you've mentioned Chairman, I've only ever sold shares hand on heart to pay tax bills, which is a first world problem, but it can be quite significant obligations as you well know.

David Gordon: Exactly. All right, thank you. Are there any other questions Ros?

Roslyn Toms: No further questions.

David Gordon: What about on the phone?

Operator: Chairman, there are no questions on the phone line.

David Gordon: Goodness, it's a quiet day. All right, well as there's no further discussion, I'll reveal the proxy votes received prior to the meeting in relation to this resolution. As the Chairman of the meeting, I've been appointed – we must be able to say this simply – maybe I can say this at the beginning of every meeting and not have to go through it every time, but I'm sure there's a legal reason why I have to say that I've been appointed proxy for some shareholders to vote in relation to this resolution and I intend to vote undirected proxies which are available to be voted on this resolution in favour of item 7.

There are voting exclusions applicable to this resolution which are outlined in detail on page 5 of the Notice of Meeting. I now put to a poll the resolution which is displayed on the screen.

Is it displayed on the screen – yes, so I don't intend to read it - which is Mark’s participation in the long-term incentive plan. There being no further discussion I’ll now pause to allow shareholders time to finalise their vote on this and any of the previous resolutions. Remember, you can change your vote anytime up until when voting closes.

For shareholders present in the room with an orange paper voting card, please hold these up once you've finished so that the Computershare staff can collect them. For those people who are voting online I’ll remind you that you're able to continue to change your vote or place your vote up until the time that I declare the poll closed which I will only do once I know that everyone in the room has had a chance to have their forms collected.

Does anyone else have an orange form? They're no good taken home. They're only good here. No? We got one. Okay. Take your time, sir. I'll just fill in the time for anyone who's not an nib policyholder and wants to become an nib member, we've got member services in the room to our right. We've also going to have, I think, tea, coffee and a few things to nibble and an opportunity for members of the Board to meet and have a chat with any of you if you'd like to stay around.

So, I think we've now collected all of the orange forms which means that I can now declare the poll on all resolutions closed. The results of the poll on all the resolutions determined by full poll result will be lodged with the ASX and made available on our shareholder website later today. A recording of today's meeting will be available shortly on the shareholder website.

Shareholders and guests, that being the end of the business, I'd like to wish you all continued good health and wellbeing and declare the meeting closed. Thanks for your attendance and please feel free to join us next door if you'd like to have a tea or coffee or anything to eat. Thank you.

End of Transcript