2026 Annual Report

nib

Acknowledgement of Indigenous peoples

nib operates and supports employees, members, travellers and participants from all corners of the world. Our organisation acknowledges and respects the custodianship that Indigenous and First Nations peoples have on their lands and waterways. nib acknowledges Aboriginal and Torres Strait Islander peoples as the First Australians and pays respect to Elders past and present across all the lands on which we operate.

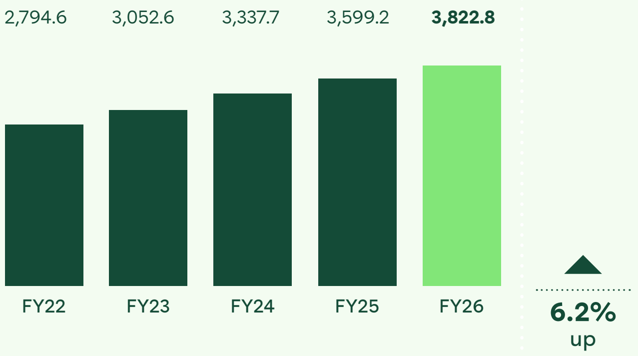
nib Innovate Reconciliation Action Plan artwork The Beginning by Michelle Kerrin, descendant of the Arrernte and Luritja clan groups from the Northern Territory, born and raised on the lands of the Larrakia People.

Contents

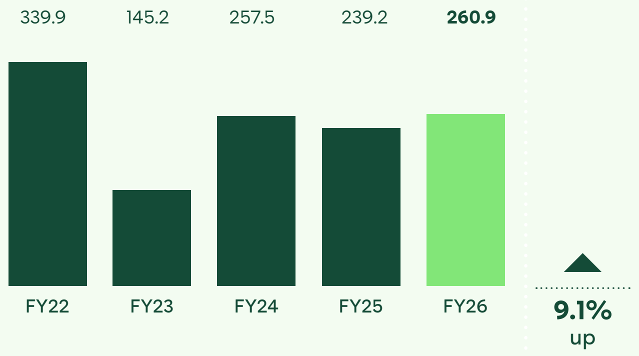
Group Performance Highlights

For the year ended 30 June 2026

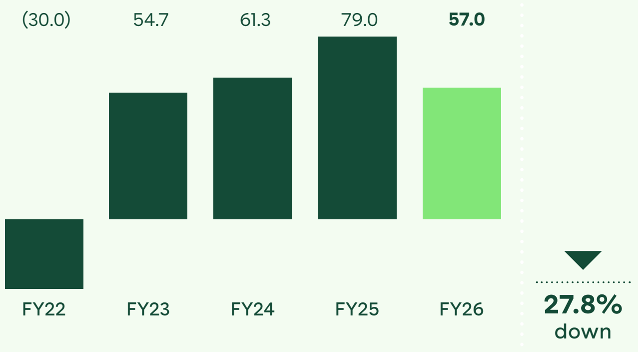
Total revenue[1] $m



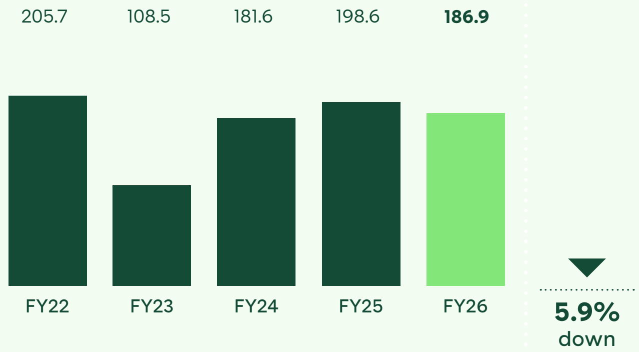
Underlying operating profit[2] $m



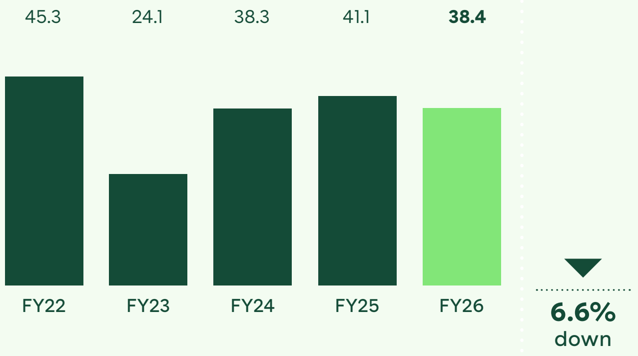
Net investment income $m



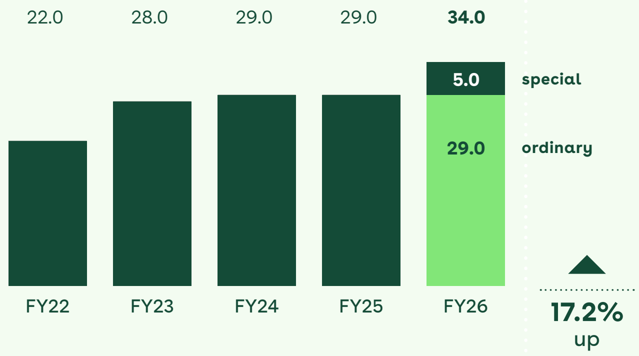
Net profit after tax $m



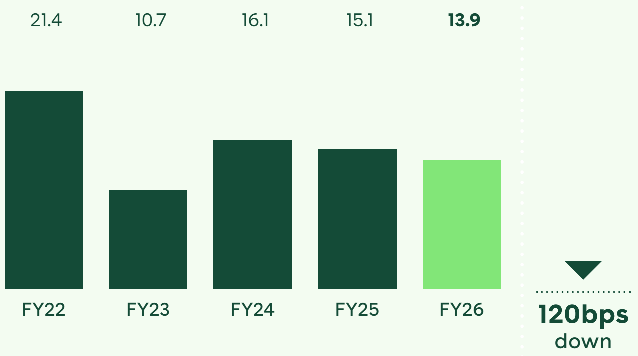
Statutory EPS[3] cps



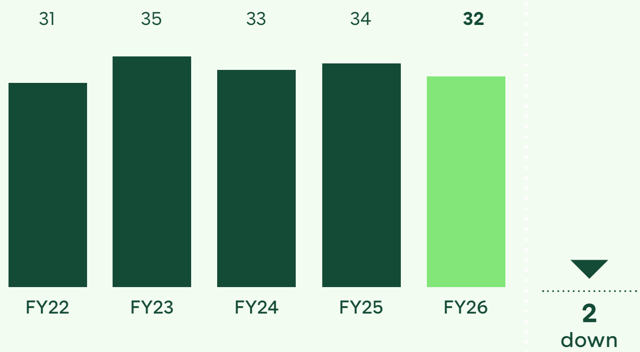
Dividends cps



Return on invested capital[4] %



Group NPS



1. Total Group revenue includes insurance revenue net of reinsurance expense, other underwriting revenue, other income, share of net profit of associates and JV, and excludes one-off transactions. Includes nib Travel discontinued operations.
2. Includes nib Travel discontinued operations.
3. Includes profit from discontinued operations.
4. ROIC calculated using tax effected EBIT over average shareholders' equity attributable to owners of nib holdings limited and average interest-bearing debt over a rolling 12-month period.

Our purpose, vision and mission

Purpose:

Your better health and wellbeing

Vision

nib is a leader in private health insurance, disability support and health services across Australia and New Zealand, reshaping the industry through bold innovation, strategic disruption and trusted partnerships.

We Protect our customers by ensuring healthcare is more accessible and affordable. Through great value insurance, we provide financial security and peace of mind when it matters most.

We Connect our customers to trusted providers and partners, simplifying the healthcare and disability journey with transparency, technology and human expertise.

We Empower individuals with the insights, tools, and support to take control of their health, wellbeing, and financial future.

Mission

We deliver great value health insurance and support services to protect, connect and empower you to access healthcare when and where you need.

Business Strategy

Our business strategy is focused on growing and strengthening our core private health insurance businesses in Australia and New Zealand, supported by focused health and insurance services businesses that complement the core and by Group-wide capabilities that enable execution.

Grow and strengthen our core PHI businesses in Australia and New Zealand

- We differentiate the customer experience and improve efficiency via our digital-first strategy
- We improve health outcomes and reduce claim outlays via health management, claims optimisation and focused customer segmentation strategies
- We capitalise on our multi-channel, multi-brand distribution competitive advantage
- We pursue disciplined growth with sustainable margins
- Where required we take action to contain cost or claims inflation through targeted repricing, product and network optimisation and disciplined cost management

Scale health and insurance services and strengthen synergies with the core

- When combined with our core PHI businesses, our health and insurance services businesses create distinct value propositions and competitive advantage as part of our go to market
- We scale Health Services to improve PHI customer health and satisfaction, support financial outcomes of our PHI businesses and strengthen B2B client and payer partnerships
- We increase our value proposition and customer lifetime value through selective adjacent insurance partnerships
- We strengthen our PHI distribution and scale through our PHI services business in partnership with ItsMyGroup
- We grow NDIS Plan Management by leveraging capabilities developed in PHI to deliver a best-in-class participant and provider value proposition while enhancing operating efficiency through scaled automation

Strengthen Group-wide capabilities that enable execution

- By scaling digital, data, AI and automation capabilities we drive a step-change in productivity and deliver seamless customer experiences
- We foster a high performing, purpose-led culture where our people are connected, empowered and inspired to make a difference
- We embed ways of working to strengthen cross-functional collaboration, strategic focus, disciplined capital allocation and a positive, accountable risk culture

Our sustainability vision

We recognise that health outcomes are shaped by more than healthcare. Social, economic and environmental factors including inclusion, meaningful work, financial security and a healthy natural environment, also play an important role.

We focus on where we can have the greatest impact, supporting better health outcomes and stronger communities over the long term.

Our approach focuses on supporting better health outcomes, building trust and strong partnerships across the health system, and responsibly managing long term risks to support a resilient and sustainable business.

Our FY26 highlights include:

More than **89,500** members accessed a general health interaction[1] (against a target of 78,000)

More than **1,700** employee volunteering hours (against a target of 1,500)

More than **28,300** hospital bed days were avoided through care-at-home and health management programs (against a target of 26,000)

More than **635,000** people reached via nib foundation's Prevention Partnerships (against a target of 250,000)

75.7 Health Management Program Net Promoter Score (NPS)[2]

Certified carbon neutral under the Climate Active Carbon Neutral Standard[3]

100% of FY26 Reconciliation Action Plan deliverables achieved

Women represented **57%** of leadership roles[4]

27% of sponsorship funding supported diversity and inclusion initiatives (against a target of 20%)

AI impact assessments developed

For more information please refer to the nib 2026 Impact Report at nib.com.au/about-us/sustainability

1. General health interaction defined as interactions or services that intend to provide targeted prevention, education, wellbeing and health literacy activities. E.g. Wellbeing coaching, telehealth GP.
2. Excluding AU partner and NZ programs.
3. Carbon neutrality was achieved through the offsetting of greenhouse gas emissions in accordance with the Climate Active Carbon Neutral Standard.
4. Leadership roles include Board, Executive, heads of business units, team leaders and management positions.

Operating and Financial Review

For the year ended 30 June 2026

Chairman's Report

Delivering performance in a complex environment

Throughout FY26, nib operated in an environment characterised by ongoing cost-of-living pressures, elevated healthcare costs, evolving regulatory expectations and rapid technological change. Against this backdrop, the Group remained focused on disciplined execution, strengthening our core health insurance businesses, delivering value for customers and investing selectively in the capabilities that will support long-term growth.

For the Board, the key priorities during the year were affordability, customer value, claims and healthcare cost management, ongoing risk management improvement, prudent capital allocation and ensuring nib remains well positioned to respond to technological and regulatory change. We continued to balance near-term performance with investments that strengthen the Group's long-term competitiveness and resilience.

In FY26, nib reported underlying operating profit (UOP) of $260.9 million, up 9.1%, and net profit after tax of $186.9 million. The Board declared a fully franked final dividend of 21.0 cents per share, including a special dividend of 5.0 cents per share.

Our Australian residents' health insurance (arhi) business remained the primary driver of Group performance. Policyholder growth of 1.9% is expected to be in line with industry, and we now cover more than 1.95 million private health insurance customers across Australia and New Zealand. Higher lapse rates highlighted the ongoing pressure on household budgets and the need to keep strengthening customer value. Pleasingly, customer experience remained strong, with our arhi business achieving an NPS of +32 and 94.8% of claims being processed within 24 hours. These outcomes reflect the continued strength of our multi-brand, multi-channel distribution model, our focus on digital self-service and competitive product design and pricing. We also remained actively engaged in the future of the private health system, supporting reforms that improve participation, strengthen value for customers and contribute to the long-term sustainability of healthcare in Australia. Maintaining affordability and demonstrating clear value for members remains critical to sustaining participation in private health insurance and the long-term strength of the system.

Technology, automation and AI are increasingly important enablers of customer experience, operational efficiency and productivity across the Group. More than 70% of our Australian private health insurance customers are now digitally connected, 86% of Australian residents' claims are processed unassisted through automation, and more than 700 operations team members are using nibGPT. These tools are helping simplify work, improve service and generate better customer insights. The Board continues to oversee the responsible adoption of these technologies through established governance, risk management and data protection guardrails.

Affordability and access continue to be central issues for private health insurers, with claims inflation remaining a key pressure. Customers expect value, certainty and support when they need care. At the same time, hospitals and healthcare providers are managing higher input costs and changing models of care. Our responsibility is to help balance these interests by keeping premiums as affordable as possible, supporting sustainable provider relationships and ensuring customers can access the right care in the right setting, with no or known out-of-pocket costs wherever possible. This is why our hospital contracting programme remains important. Long-term, partnership-style agreements with major hospital groups provide greater certainty for customers and providers, while supporting more sustainable funding arrangements across the private health system. As the regulatory environment continues to evolve, including scrutiny of product design, rebate settings and hospital payout ratios, nib supports reforms that improve transparency, affordability and sustainability, while ensuring customers continue to receive clear value from their cover.

Across the Group, our private health insurance businesses continued to support the health and wellbeing of millions of customers. Throughout our Australian operations, we facilitated 407,631 hospital admissions across the year, equating to $1.7 billion in benefits paid, up 8.1% from FY25. We also supported more than 4.5 million ancillary visits, equating to $666 million in benefits paid, up 6.8%. This support reflects the important role private health insurance plays in improving access to care and providing financial support when customers need it most.

Focusing the portfolio for long-term value

Our international inbound health insurance business continued to deliver a resilient and profitable performance in FY26. The business achieved 4.4% policyholder growth through the year and strengthened gross margin to 41.6%, supported by more normalised claiming patterns and disciplined claims management. This remains an important part of nib's portfolio, helping people who come to Australia for study or work navigate the health system, access care when they need it and feel supported while living away from home.

Our New Zealand business delivered an improved performance in FY26 despite continuing challenges arising from elevated healthcare costs and broader market conditions. During the year, nib New Zealand made difficult but necessary product and pricing changes, maintained a strong focus on operating costs and progressed actions to improve the sustainability of the portfolio. Claims inflation remains elevated compared with historical levels but has moderated to 12% in FY26. Although policyholders have declined, our improvement in service levels and normalised pricing should assist policyholder growth moving forward. Following a challenging first half, customer outcomes improved significantly, with NPS increasing from +2 in the first half to +25 in the second half of FY26. Looking ahead, the focus remains on disciplined execution, including further work to reduce fraud, waste, abuse and error, optimise the First Choice Network and strengthen customer value.

The Health Services division continued to play an increasingly important role in delivering nib's long-term strategy. Through Honeysuckle Health, we have expanded our capability in health management, virtual care, prevention and healthcare at home, strengthening our ability to support customers across more of their health journey. In FY26, more than 22,300 members enrolled in health management programs and we facilitated over 150,000 telehealth consultations, while a growing number of nib customers accessed complementary health services through the business. These capabilities enhance our customer value proposition, create opportunities for growth beyond traditional health insurance and support better health outcomes through more connected and proactive models of care.

Importantly, FY26 marked a significant milestone with Health Services achieving profitability for the first time. This outcome reflects the scale, capability and discipline developed over several years and provides evidence that our strategy to develop health-adjacent capabilities can create both customer and shareholder value. Through stronger care pathways, deeper customer engagement and closer provider relationships, Health Services has the potential to improve health outcomes, reduce healthcare costs and create meaningful value for both customers and shareholders. Over time, we believe these capabilities position nib to participate more meaningfully in the delivery and management of healthcare, extending our role beyond funding care to helping improve how care is accessed, coordinated and experienced.

nib Thrive remains an important part of the National Disability Insurance Scheme (NDIS), supporting participants and providers through plan management and related services. While nib Thrive continued to face a slower-growth and more regulated NDIS environment, the business made progress in stabilising operations and improving retention. While participant numbers reduced modestly, service improvements and operational stabilisation contributed to the lapse rate almost halving from FY25, reflecting a stronger participant experience and more resilient operating platform. The NDIS remains an important social reform and we support measures that strengthen the long-term sustainability, integrity and accountability of the Scheme. As the regulatory environment continues to evolve, nib Thrive remains focused on payment integrity, participant experience, operational efficiency and maintaining the capability required to support participants in a more regulated and quality-focused market.

FY26 also marked an important step in simplifying the Group and sharpening our strategic focus. Since acquiring World Nomads Group in 2015, nib Travel has made an important contribution to the Group, broadening our portfolio and supporting millions of travellers around the world. Following a strategic review, we concluded that focusing capital and capability on core health insurance and health-adjacent services would create greater long-term value. In FY26, we announced the sale of World Nomads to International Medical Group, a subsidiary of SiriusPoint, for $67.5 million, and entered into an agreement with Allianz Partners to sell our remaining Australia and New Zealand travel insurance businesses for consideration of up to $50 million. We also established a long-term strategic partnership with Allianz Partners to continue distributing nib-branded travel insurance products in Australia and New Zealand. Together, these transactions will allow nib to continue serving travel insurance customers through strong distribution partnerships while focusing capital and management attention on our core health insurance and health-adjacent businesses. Both transactions are expected to complete by the end of the year, with transition planning focused on continuity for customers, partners and employees. We thank the nib Travel team for their commitment and professionalism and acknowledge the customers and partners who have trusted nib Travel over many years.

Strengthening risk, governance and resilience

Our purpose, your better health and wellbeing, guides our approach to sustainability, governance and long-term value creation. In FY26, we strengthened the integration of sustainability into business decision making, with a sharper focus on measurable outcomes, accountability and new mandatory climate disclosure requirements. The Board also maintained active oversight of nib's material risks, risk appetite and governance settings, including operational resilience, cyber security, regulatory change and the responsible use of technology and AI. These areas continue to receive heightened Board attention given their growing importance to organisational resilience and long-term value creation. We continued to focus on strengthening risk culture and accountability across the Group, recognising that sustainable long-term performance depends on sound judgement, constructive challenge and disciplined risk management at every level of the organisation. As AI becomes more embedded in how nib serves customers, supports employees and improves productivity, the Board is focused on ensuring it is adopted safely and responsibly, with clear accountability, ethical use, strong data protection and appropriate controls built into nib's broader risk management framework.

I would also like to recognise Director changes during the year. Donal O'Dwyer retired as a Non-Executive Director after almost a decade on the nib Board. On behalf of the Board and shareholders, I thank Donal for his service. In December, we were pleased to welcome Hisham El-Ansary as an independent Non-Executive Director. Hisham brings more than 30 years' senior executive experience across healthcare, insurance and large commercial businesses, including as a former CEO of Bupa Asia Pacific.

Positioned for sustainable growth

Looking ahead, nib's performance will continue to be shaped by affordability pressures, healthcare cost inflation, regulatory developments and ongoing technological change. Our priority remains ensuring the Group is well positioned to navigate these challenges while maintaining sustainable customer outcomes and delivering sustainable shareholder returns.

Our priorities remain clear: strengthening our core health insurance businesses, improving productivity through technology and AI, deepening provider and partner relationships, expanding health-adjacent services and maintaining a disciplined approach to capital allocation, risk management and operational resilience. As a simpler and more focused organisation, we are confident in nib's long-term prospects and in the capability of our people to execute our strategy.

I thank my fellow Directors, the Executive Management and the entire nib team for their commitment, professionalism and focus on serving our customers throughout the year.

David Gordon
Chairman
nib Group

Managing Director's Report

Supporting better health and delivering customer value

Our purpose, your better health and wellbeing, is most meaningful when it shows up in the care and support we provide every day. In FY26, nib provided 1.95 million customers access to hospital treatment, dental and optical services, telehealth, health management programs and care at home across Australia and New Zealand. We also supported more than 40,000 participants in the National Disability Insurance Scheme (NDIS) and invested in the communities in which we operate through $1.6 million in nib foundation partnerships.

Despite ongoing claims inflation, affordability pressures and changing customer expectations, we remained focused on what matters most: delivering customer value, growing our core businesses and building the capabilities that will support nib's next phase of growth.

FY26 highlights include:

- More than 1.95 million lives covered through our private health insurance (PHI) businesses and more than 40,000 NDIS participants supported
- 407,631 hospital admissions funded across our Australian operations, totalling $1.7 billion benefits paid, up 8.1% from FY25
- More than 4.5 million ancillary treatments facilitated across Australian residents and international inbound health insurance businesses
- 151,420 telehealth consults and more than 22,300 members enrolled in health management programs
- More than 635,000 community members engaged through nib foundation Prevention Partnerships

We also continued to improve the speed and ease of our customer experience through our digital first agenda. In FY26, 94.8% of Australian residents' claims were processed within 24 hours, with 86.3% processed unassisted through automation. These improvements are helping customers get faster answers while freeing our teams to focus on more complex needs. The results are having a tangible impact on our customer experience, achieving an NPS of +32 for the year.

Strengthening performance through disciplined execution and digital capability

Our financial results in FY26 reflect a year of sharper execution for nib. We simplified our Group strategy, invested in areas of long-term value and continued to focus on helping more customers access care, manage their health and navigate the health system with greater confidence. Across the Group we delivered a solid and sustainable operating result in a dynamic market. Group revenue was up 6.2% to $3.8 billion and our underlying operating profit of $260.9 million is up 9.1%. Growth in our Australian residents health insurance (arhi) and International inbound health insurance (iihi) businesses, a strong recovery from nib New Zealand, the profitability milestone of Health Services and continued productivity gains all supported this pleasing performance.

At the same time, elevated claims inflation and cost-of-living pressures continued to shape customer behaviour, pricing decisions and operating priorities. In response, we have accelerated our productivity agenda and maintained disciplined management of our cost base, delivering approximately $61 million in value across the Group in FY26, with the Group operating expense ratio improving a further 110bps to 16.6%. A growing proportion of this was achieved through digital automation, process simplification and the growing use of AI across service, claims, operations, technology delivery and corporate services. In FY26, we continued to use digital automation and AI to simplify work, improve service and lift productivity. More than 700 operational employees are now using nibGPT, with 345,000 interactions throughout the year, helping reduce manual effort and support faster decision-making. We also introduced AI-generated call summaries across our PHI customer service operations, which automatically capture key information from customer interactions and provide context for future conversations. By reducing manual administration, the capability has delivered measurable reductions in after-call work and average handling times, improving both employee productivity and customer service responsiveness.

While productivity benefits remain important, we believe the greatest opportunity in AI lies in improving customer experiences and creating new sources of long-term competitive advantage. Our focus is on making healthcare easier to access, improving service responsiveness and equipping our people with better tools to deliver value. AI is also a key enabler of our Future of Work strategy as we prepare for changing skill needs and emerging ways of working. As the technology continues to evolve, we are equally focused on preparing our people for the opportunities ahead. Our commitment is to lead this change with transparency and help employees develop the skills and confidence they need to thrive in an AI-enabled workplace.

We are increasingly confident that the combination of human capability and AI will strengthen customer outcomes, improve productivity and support sustainable growth across the Group. As we continue this journey, we remain committed to safe, ethical and responsible adoption, supported by strong governance and clear accountability for decisions and outcomes.

Growing the core and improving affordability

In our Australian private health insurance business, we continued to grow sustainably in target segments while managing a more complex operating environment. We continued to grow our policyholder base in a disciplined way with record sales achieved in FY26, as consumers continue to see the attraction of nib's health insurance value proposition. Importantly, the private health insurance sector continues to demonstrate resilience, with participation levels remaining strong. Our net growth of 1.9% in FY26 is expected to be in line with industry, despite ongoing affordability pressures and lapse rates remaining above historical levels. We remain confident in the sustainability and long-term role and relevance of the private health system in Australia.

At the same time, the challenges are real. Claims inflation, cost-of-living pressure and increased industry switching activity continued to affect pricing decisions, retention and margins. Our response has been deliberate. We maintained pricing discipline, strengthened retention activity, invested in products and services customers value, and continued to build the claims management, provider network and benefits management capability needed to support affordability and sustainable margins.

Private health insurance continues to play a critical role in Australia's health system, funding around 40% of hospital episodes and two in three elective surgeries. nib continues to support a strong and sustainable hospital sector through long-term provider partnerships, with agreements in place across approximately 85% of private hospitals, alongside significant funding for hospital treatment on behalf of our members. At the same time, we are working with hospitals and providers to improve value, reduce avoidable cost growth and give customers greater confidence on access, quality and out of pocket costs. During FY26, we expanded our First Choice provider network, including introduction of our audiology and mental health networks, and the continued expansion of our dental, physiotherapy and optical networks. We also increased our No Gap dental network to more than 700 clinics nationally. During the year, 43.9% of eligible ancillary claims were through a First Choice provider, collectively saving members $57 million in out of pocket costs through our preferred provider networks.

We are also responding to a more active regulatory and reform environment. Where reforms support participation, affordability and a more sustainable health system, we are supportive and will continue to advocate for settings that protect customer value and affordability, support choice and strengthen the important role that private health insurance continues to play in Australia's broader healthcare system.

Digital service and automated claims also helped us respond to affordability pressures. Faster processing and simpler service are improving the customer experience and allowing our teams to spend more time on complex claims, vulnerable customer needs and the moments that matter most for members. We have a comprehensive plan of initiatives in progress for FY27 that will further position us to support customer value, affordability and margin performance both in the short and long-term.

Helping customers navigate healthcare with confidence

Our international inbound health insurance business continues to make a strong contribution to the Group, supporting more than 260,000 international students and workers across Australia and New Zealand. In FY26, we continued to build our role beyond insurance, helping members who are new to Australia or New Zealand understand the healthcare system, access the right care setting, use GP and telehealth pathways, and navigate cover with greater confidence. This is especially important for PALM workers, where nib retained preferred supplier status and continues to support culturally appropriate care, translated materials, health literacy and access to GPs, nurses and hospital services.

In New Zealand, our positive recovery was supported by disciplined pricing, cost control, service recovery and product simplification. We also continued to build on Toi Ora as a distinctive population health initiative, working with iwi and hapū partners to improve access and outcomes for Māori through health insurance, navigation, proactive health screening, Rongoā Māori and Kaiārahi support. Together with Tohu Toi Ora, which helps members identify providers offering culturally positive healthcare experiences, this reinforces nib New Zealand's role in supporting more local, trusted and culturally connected models of care.

nib Thrive supported over 40,000 participants through a period of significant change in the National Disability Insurance Scheme (NDIS). FY26 was a transitional year, with participant numbers reducing modestly as the plan management sector continued to adjust to new regulatory settings. Encouragingly, participant retention improved during the year, reflecting service improvements, operational stabilisation and a stronger focus on participant experience. We maintained our focus on service quality, payment integrity and simplifying operations following the integration of acquired businesses. Looking ahead, we remain confident in our pathway back to sustainable growth, with continued focus on participant outcomes, operational excellence and strengthening our market position. We are also prepared for a more regulated, quality-focused environment and support reforms that strengthen scheme sustainability, integrity and accountability, while continuing to advocate for appropriate transition arrangements and meaningful co-design with participants, families, carers, providers and intermediaries.

Managing Director's Report continued

Expanding health services and sharpening our strategic focus

Through Honeysuckle Health, we continue to scale our adjacent health services businesses and strengthen our broader approach to claims management to enhance healthcare affordability for customers. Using data-led health management programs, virtual care, pharmacy and injury support, Honeysuckle Health is helping customers access the right care earlier, in more convenient settings and, where appropriate, outside higher-cost hospital environments. This is increasingly important as healthcare inflation and affordability pressures continue to affect customers and the private health sector more broadly. By working closely with providers, expanding lower cost and higher value care options, and supporting prevention and better care coordination, we are helping reduce avoidable hospital utilisation, manage out of pocket costs and improve customer outcomes. Honeysuckle Health now serves almost 40 external clients, with a Customer Satisfaction Score of +91.3 across health programs for non-nib members. Our Health Services Division also reached profitability for the first time in FY26 and is now central to how we are extending nib's role beyond funding care to helping customers access, coordinate and manage care. Throughout the year, 84,056 customers engaged with Honeysuckle Health services and avoided 27,872 hospital bed days for nib through alternative models of care.

We have also continued to develop our PHI Services strategy as an important growth platform. ItsMyGroup are partnering with more than 18 PHI brands and facilitating more than 10% of industry sales, as well as offering AI-enabled solutions across sales, service, retention and claims. This now gives nib another way to apply its capability beyond our own customer base, with another avenue to realise value and support the private health insurance sector.

FY26 was an important year in simplifying our portfolio. Following the strategic review of nib Travel, we announced transactions that will allow nib to sharpen its focus on core health insurance and health-adjacent growth. I want to acknowledge and thank the nib Travel team for their professionalism and commitment through this period of change and look forward to providing a seamless transition for International Medical Group and Allianz Partners during the transaction process to ensure continuity for travellers.

Building capability, culture and resilience for long-term performance

Our people made this year possible. Across nib, teams continue to serve our customers, deliver change, improve systems, respond to reform and find more efficient ways to work. In FY26 we refreshed our nib Values and continued to build our Life at nib employee value proposition that supports flexibility, connection, wellbeing and performance. We also continued to invest in capability that supports our culture including employee listening, wellbeing programs and inclusion initiatives.

We proudly delivered all actions in our Diversity, Equity and Inclusion Plan and Disability Inclusion Action Plan and continued to progress our commitment to reconciliation with First Nations peoples through the implementation of our 2025-2027 Innovate Reconciliation Action Plan (RAP), achieving all planned actions for the year. Through nib foundation partnerships, we also continued to support prevention, health equity and community resilience with our Prevention Partnerships seeing more than 635,000 people engage with digital health programs during the year.

Strong execution also depends on strong risk management. Through our strategic Risk Management Program, we continued to strengthen the maturity of our risk management framework, operational resilience and governance capabilities across the Group. This work is not only enhancing our control environment but helping us make better decisions, manage change more effectively and support sustainable long-term performance and outcomes for customers, shareholders and other stakeholders. Data security remains a key focus for nib. During the year, we successfully completed our ISO/IEC 27001:2022 recertification audit for nib's Information Security Management System. We also remain focused on external operating risks, including elevated hospital indexation, claims volatility, NDIS reform and industry switching activity. We will continue to invest in raising our risk management capability during FY27 and beyond.

Clear priorities for the year ahead

Looking ahead, our FY27 priorities are clear. We will continue to grow our core private health insurance businesses in Australia and New Zealand, with a focus on customer value, affordability, retention and sustainable margins. We will further strengthen access to care through provider partnerships, digital experiences and health management programs, while continuing to expand the role of Health Services in improving health outcomes and enhancing our core private health insurance proposition.

We will also continue to strengthen our position in the NDIS plan management sector through nib Thrive with a focus on improving participant experiences and service quality, payment integrity and operational efficiency. Across the Group, we will embed AI, automation and smarter ways of working to improve customer experiences, support our people and drive sustainable productivity gains.

I want to thank our people across nib for their commitment, care and focus throughout the year. I also thank our customers, participants, providers, partners, shareholders and the Board for their continued support. With a clear strategy, strong foundations and growing capabilities across health insurance, health services and technology, we are well positioned to navigate change, deliver better customer outcomes and create sustainable long-term value.

Ed Close
Managing Director
nib Group

The Review of Operations provides commentary on financial performance for the 12 months to 30 June 2026 (FY26) compared to the 12 months to 30 June 2025 (FY25) unless otherwise stated.

nib Group

Group revenue	NPAT	Group UOP	Full year dividend
$3.8b	**$186.9m**	**$260.9m**	**34.0cps**[1]
up 6.2%	down 5.9%	up 9.1%	up 17.2%

nib Group reported an underlying operating profit (UOP) of $260.9 million (FY25: $239.2 million), an increase of 9.1%. Statutory operating profit of $215.7 million (FY25: $198.7 million) was up 8.6%. Group revenue of $3.8 billion (FY25: $3.6 billion) increased 6.2% and was driven by New Zealand and Australian residents pricing to offset claims inflation, with disciplined policyholder growth expected to be in line with resilient industry growth.

Group incurred claims increased 7.6% with Australian residents claims inflation being well managed at 4.1% (4.5% including NSW bed rate changes). Non-marketing expenses decreased 3.5% reflecting productivity focus across the Group despite inflationary pressure.

One-off transactions, M&A and integration costs increased 10.2% and were impacted by historical adjustments to the Australian Government Rebate (AGR), Health Insurance Levy (HIL) and historical adjustment to industry risk equalisation. Net investment income decreased 27.8% mainly reflecting strong returns in the prior period. Net profit after tax (NPAT) of $186.9 million (FY25: $198.6 million) decreased 5.9% and statutory earnings per share (EPS) of 38.4 cents per share (FY25: 41.1 cps) decreased 6.6% driven by the lower NPAT also.

The nib Group is in a strong capital position and continues to exceed required capital levels under stressed conditions with a gearing ratio of 15.2%, down from 20.1%, and a leverage ratio of 0.6x, down from 0.8x. At 30 June 2026, nib Health Funds held a capital base of $481.4 million, which is $189.3 million above the prescribed capital amount (PCA), with a PCA ratio of 1.65x.

The Board declared a final dividend of 21.0 cents per share fully franked, including a special dividend of 5.0 cents per share, resulting in a full year dividend of 34.0 cents per share (FY25: 29.0 cps). The full year dividend represents an ordinary payout ratio of 75.5% of FY26 NPAT. The final dividend has a record date of 4 September 2026 and will be paid to shareholders on 7 October 2026. The Dividend Reinvestment Plan is available to eligible shareholders.

1. Includes 5.0 cps special dividend.

Australian residents health insurance

Insurance revenue	UOP	Net promoter score
$3.0b	**$187.9m**	**32**
up 6.4%	down 9.6%	no change

nib's Australian residents business reported UOP of $187.9 million (FY25: $207.8 million) which decreased 9.6% with disciplined policyholder growth of 1.9% and a net margin within the 6-7% target range.

Insurance revenue was $3,012.7 million (FY25: $2,832.6 million) up 6.4%, supported by a 5.47% price increase effective from 1 April 2026.

Incurred claims increased 8.9% driven by claims inflation of 4.1% (4.5% including NSW bed rate changes), policyholder growth of 1.9% and prior year liability for incurred claims (LIC) restatements.

Other insurance service expenses decreased 1.8% reflecting a strong productivity focus with both marketing and non-marketing expense ratios declining vs the prior year.

NPS remains high at +32 (FY25: +32) as we continue to focus on customer experience through our digital first strategy.

International inbound health insurance

Insurance revenue	UOP	Net promoter score
$236.9m	**$35.1m**	**62**
up 7.4%	up 15.1%	up 1

The International business reported a UOP of $35.1 million (FY25: $30.5 million) up 15.1%.

Insurance revenue of $236.9 million (FY25: $220.5 million) grew 7.4% driven by 4.4% policyholder growth across the Pacific Australia Labour Mobility scheme (PALM), temporary graduates and skilled workers.

Incurred claims of $138.2 million (FY25: $131.1m) increased 5.4%. Other insurance services expenses increased 9.4%, driven by marketing, with the non-marketing expense ratio stable at 18.1% (FY25: 18.0%) due to alignment with the Australian residents operating model and capabilities.

Margins have improved, with a gross margin of 41.6% (FY25: 40.0%) and a net margin of 15.0% (FY25: 13.8%).

NPS of +62 remained consistently high (FY25: +61) due to a strong focus on digital customer experiences.

New Zealand

Insurance revenue	UOP	Net promoter score
$429.4m	**$27.5m**	**11**
up 7.0%	up $30.4m	down 19

The nib New Zealand business delivered a UOP of $27.5 million (FY25: $2.9 million loss), up $30.4 million, following a strong turnaround delivered through pricing and claims recovery actions.

Insurance revenue of $429.4 million (FY25: $401.4 million) grew 7.0%, driven by pricing actions to address claims inflation. Residents PHI net policyholder growth of (7.7%) was impacted by price increases and cost of living pressures.

Incurred claims decreased 2.2% driven by a decline in policyholders, downgrading, and moderating claims inflation of 12%, supporting the reduction of future pricing increases.

Other insurance service expenses increased 2.6% reflecting targeted investment in technology and resourcing for increased customer interactions.

NPS of +11 (FY25: +30) reflects premium increases and product changes as part of claims recovery actions. Customer outcomes have materially improved half on half from +2 in 1H26 to +25 in 2H26.

nib Health Services

Operating income	UOP	HMP enrolments
$25.4m	**$2.4m**	**18,550**
up 46.0%	up $8.3m	up 1.8%

nib Health Services achieved full year profitability in FY26, with UOP of $2.4 million (FY25: $5.9 million loss).

Operating income increased 46.0%, due to full ownership of the Honeysuckle Health Group, while operating expenses increased a modest 4.7%, driven by efficiencies.

Health management program (HMP) enrolments increased 1.8% to 18,550 while the customer satisfaction score from external members improved to +91.3.

nib Thrive

Fee income	UOP	Participants
$55.0m	**$16.3m**	**41,603**
down 3.7%	down 3.6%	down 3.3%

nib Thrive reported UOP of $16.3 million (FY25: $16.9 million), a decrease of 3.6%, comprising fee income of $55.0 million (FY25: $57.1 million) and operating expenses of $38.7 million (FY25: $40.2 million), representing a modest reduction in participant numbers of 3.3%.

As the business recovers following a prior service disruption, nib Thrive's focus is on ongoing investment in service, operations and technology to be well positioned for a more regulated market.

nib Travel

GWP	UOP	Net promoter score
$165.5m	**$4.8m**	**55**
down 3.0%	down 28.4%	up 2

nib Travel reported a UOP of $4.8 million (FY25: $6.7 million) down 28.4%.

Operating income of $80.8 million (FY25: $88.1 million) decreased 8.3%, and GWP was $165.5 million (FY25: $170.7 million) down 3.0%, driven by challenging market and geopolitical conditions.

Operating expenses (excluding commissions and marketing) decreased 13.3%, reflecting automation and efficiency initiatives.

NPS was +55 (FY25: +53) as customer experience remained strong.

The nib Travel strategic review has concluded with the sale announced of both the World Nomads and AU/NZ businesses. Both transactions are expected to complete in 1H27.

Five Year Summary

		2026 $m	2025 $m	2024 $m	2023 $m	2022 $m
Consolidated Income Statement						
Insurance revenue		3,685.7	3,461.4	3,211.6	2,939.3	2,753.9
Insurance service costs - incurred claims		(2,947.3)	(2,740.2)	(2,487.2)	(2,330.5)	(2,000.3)
Insurance service costs - other service expenses		(478.9)	(476.3)	(451.4)	(440.6)	(386.1)
Net reinsurance costs		(12.9)	(13.7)	(16.6)	(14.9)	(10.5)
Underwriting result		**246.6**	**231.2**	**256.4**	**153.3**	**357.0**
Other underwriting revenue		4.4	4.6	4.7	4.8	5.2
Underwriting result		**251.0**	**235.8**	**261.1**	**158.1**	**362.2**
Other income		163.4	165.3	153.0	137.5	51.5
Other expenses		(154.8)	(161.8)	(152.8)	(146.0)	(68.2)
Share of net profit / (loss) of associates and joint ventures		1.3	(0.1)	(3.8)	(4.4)	(5.6)
Underlying operating profit		**260.9**	**239.2**	**257.5**	**145.2**	**339.9**
Less: Segments classified as discontinued operations		(4.8)	(6.7)	(8.1)	-	-
Amortisation and impairment of acquired intangibles		(16.7)	(12.3)	(13.6)	(10.7)	(7.7)
One-off transactions, merger, acquisition and new business implementation costs		(23.7)	(21.5)	(20.8)	(8.9)	(0.1)
Statutory operating profit from continuing operations		**215.7**	**198.7**	**215.0**	**125.6**	**332.1**
Finance income and costs		(14.3)	(18.5)	(17.3)	(13.8)	(6.7)
Net investment income		57.0	79.0	61.3	54.7	(30.0)
Profit before tax		**258.4**	**259.2**	**259.0**	**166.5**	**295.4**
Tax		(73.7)	(64.9)	(82.6)	(57.4)	(88.5)
NPAT from continuing operations		**184.7**	**194.3**	**176.4**	**109.1**	**206.9**
Profit from discontinued operations		2.2	4.3	5.2	(0.6)	(1.2)
NPAT		**186.9**	**198.6**	**181.6**	**108.5**	**205.7**
Consolidated Balance Sheet						
Total assets		2,150.1	2,187.2	2,114.6	2,012.7	1,753.4
Equity		1,152.3	1,111.1	1,043.8	996.8	829.9
Debt		204.8	276.6	264.6	245.9	260.9
Share Performance						
Number of shares	m	488.9	487.0	485.1	483.4	459.1
Weighted average number of shares - basic	m	487.9	486.1	484.2	475.6	458.4
Weighted average number of shares - diluted	m	487.9	486.1	484.2	475.6	458.4
Basic earnings per share[1]	cps	38.4	41.1	38.3	24.1	45.3
Diluted earnings per share[1]	cps	38.4	41.1	38.3	24.1	45.3
Share price at year end	$	7.06	7.08	7.35	8.45	7.38
Dividend per share – ordinary	cps	29.00	29.00	29.00	28.00	22.00
Dividend per share – special	cps	5.00	0.00	0.00	0.00	0.00
Dividend payout ratio – ordinary	%	75.5%	70.6	75.7	68.7	74.4
Other financial data						
ROIC[2]	%	13.9	15.1	16.1	10.7	21.4
Group underlying operating revenue[3]	$m	3,822.8	3,599.2	3,337.2	3,051.0	2,788.6
Operating cash flow	$m	199.1	165.7	219.8	202.1	312.5

* The above Five Year Summary is unaudited.

1. Earnings per share includes profits (losses) from discontinued operations.
2. ROIC calculated using tax effected EBIT over average shareholders' equity attributable to owners of nib holdings limited and average interest-bearing debt over a rolling 12-month period.
3. Total Group revenue includes insurance revenue net of reinsurance expense, other underwriting revenue, other income, share of net profit of associates and JV, and excludes one-off transactions. Includes nib Travel discontinued operations.

Managing material risks and uncertainties

nib has established policies and systems for the oversight and management of material business risks. Our Risk Management Framework enables us to navigate the changing landscape, and ensure we make informed risk decisions within our risk appetite and tolerances. We will continue to invest in raising our risk management capability during FY27 and beyond.

nib's Risk Management Framework is made up of both formal parts, including our Risk Management Strategy, Risk Appetite Statement (RAS) and the defined responsibilities for the Board and Employees, and more informal parts, including our values and risk culture. The framework is applied as part of the decision-making processes in nib's day-to-day operations, when undertaking strategic planning, implementing strategic initiatives, managing our capital, establishing our investment strategy, reviewing our product design or launching a new business.

STRATEGIC PLAN
'nib Playbook' – Purpose, Vision & Mission

RISK MANAGEMENT FRAMEWORK (RMF)

How nib ensures the comprehensive management of risks to support the delivery of the Strategic Plan

Business Plan
How each business will achieve its strategic goals

Risk Appetite Statement
Board-approved limits on the risks nib is willing to accept

Risk Management Strategy
Board-approved approach for how nib manages risk to achieve its objectives

Operational Risk Management Framework
Brings together the various operational elements for indentifying, managing, monitoring and reporting on risks across nib

Risk and Control Assessment

Controls Assurance

Issues and Incident Management

Emerging Risks and External Scanning

Risk Systems, Data and Metrics

Monitoring, Escalation & Reporting

Risk Culture, Capability, Accountability & Governance

Further information regarding how nib recognises and manages risk is detailed in our Corporate Governance Statement, which is available on our website at nib.com.au

Managing material risks and uncertainties continued

nib continues to closely monitor its risk profile. nib will continue making enhancements to manage both financial and non-financial risks.

The material risks and uncertainties that could potentially impact nib's operations, strategies and overall performance are listed in the table below.

Insurance risks	
Risk description	**Risk appetite and management strategies**
Claims inflation The risk of higher than expected inflation in claims costs. The drivers may include a combination of provider pricing pressure, utilisation growth, sales and treatment mix, or industry, regulatory and market dynamics. Sustained inflation may reduce affordability of health insurance products, and may compress margins if not covered by pricing.	nib maintains structured management systems for monitoring claims behaviours and experience, including processes to validate timely and accurate payment of claims in accordance with policy conditions. A high priority is placed upon the negotiation, establishment and renewal of key provider contracts, to ensure acceptable terms, service utilisation rates and claiming processes are in place. nib recognises the importance of improving product value and affordability for members, resulting in ongoing strategic investments in initiatives including: development of provider networks to improve price certainty and value, tools to assist members in making informed financial decisions and a strategy to target chronic conditions through Health Management Programs. A strong focus also exists on premium affordability through the annual pricing submission process. Further details on claims inflation risk are included in Notes to the Consolidated Financial Statements 22(a).
Government policies and regulations Risks relating to potentially significant and/or unexpected changes to the regulatory policy settings and incentives for private health insurance, e.g. risk equalisation arrangements supporting the community rating principle, PHI Rebates and Life Time Health Cover Loading. Financial impacts resulting from this risk could be either positive or negative.	nib actively monitors early developments in PHI policy via industry, media and government circulars, channels and forums. nib is an active contributor to PHI reforms consultation processes conducted by regulators including Australian Prudential Regulation Authority (APRA) and the Department of Health, Disability and Ageing, to help shape improved outcomes for nib members. nib's risk analysis processes include impact assessment of potential changes arising from government policy and resulting changes to products e.g. sustainable premium pricing. nib is represented within industry forums including Private Healthcare Australia (PHA) and seeks to work collaboratively with other industry stakeholders to present practical solutions. As reforms are implemented, nib maintains appropriate resources for external communications (members, strategic partners, media, investor relations) to ensure effective communication and understanding of changes to targeted audiences. nib invests in rapid implementation of initiatives to improve customer value and lower costs. Further details on risk equalisation are included in Notes to the Consolidated Financial Statements 22(a).
Forecasting and pricing risk The risk that actual experience differs from assumptions, which may be due to inherent uncertainty, changes in external conditions or customer behaviour, or forecasting errors. This may result in a range of negative outcomes including: incorrect price setting, impacts on achievement of nib's strategic goals, material financial impact, regulatory issues and/or impacts on annual pricing approvals.	There is inherent uncertainty in forecasting the outcome of future events, and especially when predicting insurance claims and the external environment. nib has a low appetite for model risk and process error relating to forecasting and pricing. Operational controls are in place to mitigate associated risks involving integrity of data and systems, preparation and review processes, appropriately qualified people (including actuarial review where required), and sufficiently detailed documentation. Further details on pricing risk are included in Notes to the Consolidated Financial Statements 22(a).

Financial risks	
Risk description	**Risk appetite and management strategies**
Investment and capital management Risks related to the performance of nib's investment portfolio, impacting profitability, financial position and ensuring stakeholder expectations are fulfilled.	nib has a low risk appetite for having insufficient capital to act as a buffer against the financial impacts of severe but plausible stress events. nib's Audit Committee provides oversight of this risk. The Committee considers the investment strategy and investment risk management practices, investment performance in order to meet Return on Investment (ROI) objectives and outlook, and compliance with the investment component of nib's Capital Management Plan.
Economic and geopolitical conditions The environment in which nib operates may experience challenging conditions as a result of general uncertainty about future domestic economic conditions and geopolitical considerations.	nib recognises that its performance is impacted by the broader Australian economic conditions such as inflation, interest rates, exchange rates, credit markets, consumer and business spending and employment rates which are outside nib's control. nib monitors economic conditions, and geopolitical considerations, and completes regular stress testing of key variables to validate capital management planning processes.

Strategic risks	
Risk description	**Risk appetite and management strategies**
PHI Experience & Growth The risk that nib is unable to deliver an experience to members that aligns with expectations, resulting in declining customer satisfaction, increased churn, and ultimately membership and revenue growth below expectations. This risk may arise from pricing and premium affordability pressures, service quality issues in claims, digital and assisted channels, and competitive pressures across price, product and service.	nib's approach is an insight-led risk management strategy where customer experience is treated as a core strategic risk driver. Controls are centred on continuous listening, data-driven intervention, and governance visibility, complemented by targeted transformation initiatives to address structural pain points and sustain membership growth within risk appetite. • Voice of Customer (VoC) oversight: nib maintains a structured VoC program and dedicated teams to continuously monitor member sentiment and experience across key journeys, enabling proactive identification of emerging risks and service gaps. • Complaints monitoring and trend remediation: Customer complaints are systematically tracked, with trend analysis used to identify root causes. Insights are escalated and actioned by relevant business units to address systemic issues and reduce recurrence. • Enterprise risk reporting and governance: Customer experience and complaints performance are formally reported through Key Enterprise Risk (KER) reporting on a quarterly basis, ensuring Board and executive oversight and alignment with risk appetite thresholds. • Targeted transformation initiatives: Strategic delivery programs are in progress to address priority pain points and uplift experience, including: – Change (policy and service improvements) – Pay (affordability and pricing experience) – Claim (claims processing and outcomes)
Sovereign risk The risk that changes to the operating environment as determined by government policy results in a material risk to the Private Health Insurance (PHI), International Visitors insurance and nib Thrive value proposition for existing and future new customers.	There is a level of risk acceptance that the industries which nib operates are subject to the impacts of any Government-led changes to policy and incentive settings. nib manages these risks through proactive media and sentiment monitoring of early policy developments, regulatory engagement with reform consultations and advocacy measures such as membership of Private Healthcare Australia (PHA) across the Health Insurance, Travel insurance and NDIS sectors in which we operate in order to help shape improved outcomes for nib members. As reforms are implemented, nib maintains appropriate to ensure effective communication and understanding of changes to impacted members.

Managing material risks and uncertainties continued

Clinical risks	
Risk description	**Risk appetite and management strategies**
The risk associated with the delivery, funding or oversight of health services that adversely impacts patient safety, quality of care, regulatory compliance, clinical effectiveness or health outcomes.	Clinical risk governance arrangements, policies, oversight structures and risk management processes are established and operating effectively.

Operational risks	
Risk description	**Risk appetite and management strategies**
Business continuity and resilience Risks of events such as natural disasters or a major failure or inadequacy in information technology systems may have an adverse impact on nib's earnings, assets and reputation.	nib has a low risk appetite for major business disruption events and therefore invests in highly resilient practices, systems, providers and people. A business continuity management framework is in place and overseen by Senior Management and the Board Risk and Reputation Committee. nib continues to invest in its operational resilience capabilities and undertakes various lines of ongoing assurance including regular reviews under the requirements of the new CPS 230 Operational Risk Management prudential standard. Similarly, for other notable types of operational risks such as data management, outsourcing, fraud, people, and health and safety risks, nib oversees these risks via management, divisional risk committees, the Management Risk Committee and the Board Risk and Reputation Committee.
Cybersecurity This risk involves a failure to mitigate/manage a cyber attack or major security incident. Such an issue could result in adverse impacts to nib's members, disruption to business continuity, non-compliance with regulations and data standards and negative reputational effects.	As part of nib's reliance on technology to support business operations, nib maintains cyber security capabilities, controls and governance frameworks designed to support the secure and resilient operation of its technology environment. nib recognises that the emergence of frontier AI is accelerating the cyber threat environment by increasing the speed, scale, and sophistication of existing threats. These risks are managed through established cyber security governance and risk management practices, with oversight provided by the Management Risk Committee and the Board Risk and Reputation Committee.
Regulatory compliance and legal risks Risks relating to failure to comply with specific regulations as part of conducting insurance businesses and meeting listing requirements of the ASX. Non-compliance with regulatory requirements can lead to a range of impacts including financial penalties, cancellation of authorisations and / or negative reputational impacts. Legal risk could involve civil proceedings in courts of various jurisdictions. nib may also be exposed to litigation in the future over claims.	nib will always endeavour to comply with all legal, regulatory and contractual requirements applicable to us. In doing so, we will apply sensible and generally accepted interpretation of the requirements and ensure that our compliance activities meet the expectations of our regulators. nib has a structured approach to risk management which includes a compliance management framework incorporating: compliance strategies and culture and governance practices. nib's framework includes systems and processes for identifying compliance obligations as well as monitoring and measuring compliance performance. Oversight is provided by the Management Risk Committee and the Board Risk and Reputation Committee.

Emerging Risk

Emerging risks are risks that may develop or increase in significance over time. While they may not currently have a material impact on nib's financial performance or be classified as Key Enterprise Risks, they are monitored through established risk management and governance processes.

Environmental, Social and Governance risks	
Risk description	**Risk appetite and management strategies**
Climate change risks Climate-related risks may affect nib through physical impacts associated with climate change and transition impacts arising from changes in regulation, technology, markets, reputation and broader economic conditions.	Climate-related risks are managed through nib's climate risk assessment process and Risk Management Framework. Our FY26 Sustainability Report outlines our approach to climate-related governance, strategy, risk management, metrics and targets in accordance with AASB S2. Climate-related risks and opportunities are monitored and reassessed annually, with material matters escalated through established governance processes as appropriate.

Operational risks	
Risk description	**Risk appetite and management strategies**
Emerging Technologies including Artificial Intelligence (AI) Adoption of dynamic technologies including AI can present various opportunities and risks. Risks relating to failed deployment could lead to impacts including reduced service levels, member impacts and financial costs.	nib maintains an ongoing focus and investment on emerging technologies. In the case of AI, an internal AI framework is used to assess opportunities, risks and to determine deployment approach. Opportunities are managed and assessed across different domains. The Board maintains oversight of AI activities via regular reporting on nib's Group AI Framework. Additionally, the Board Risk and Reputation Committee maintains oversight of any impacts of AI on the existing organisation risk profile, via existing enterprise risk reporting.

Sustainability Report

For the year ended 30 June 2026

Contents

Basis of Preparation

This Sustainability Report (report) has been prepared for nib holdings limited and its controlled entities (together referred to as nib).

This report has been prepared in accordance with Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2) as issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 (Cth).

AASB S2 provides transitional relief for the first annual reporting period in which an entity applies AASB S2. nib has elected to apply the following transitional relief:

- Relief from mandatory Scope 3 Greenhouse Gas (GHG) emissions disclosures, with these not disclosed in the first annual reporting period.
- Relief from the requirement to disclose comparative information in the first annual reporting period.

This Report should be read in conjunction with nib's consolidated annual financial statements prepared in accordance with the AASB Accounting Standards. It covers a 12-month period for the year ended 30 June 2026 which is aligned with the reporting period of the related consolidated annual financial statements.

Judgements and measurement uncertainties

The preparation of this report requires management judgement, particularly in assessing which climate-related risks and opportunities could reasonably be expected to affect nib's prospects, selecting the climate scenario used for assessment, evaluating the anticipated financial effects of climate-related risks and opportunities, and determining the operational control boundary used for greenhouse gas emissions reporting and targets. Estimates and assumptions have also been applied in climate scenario analysis, assessment of future financial effects and greenhouse gas emissions reporting where data limitations or measurement uncertainty exist. Data and assumptions used in preparing this report are consistent with those used in the consolidated annual financial statements where relevant.

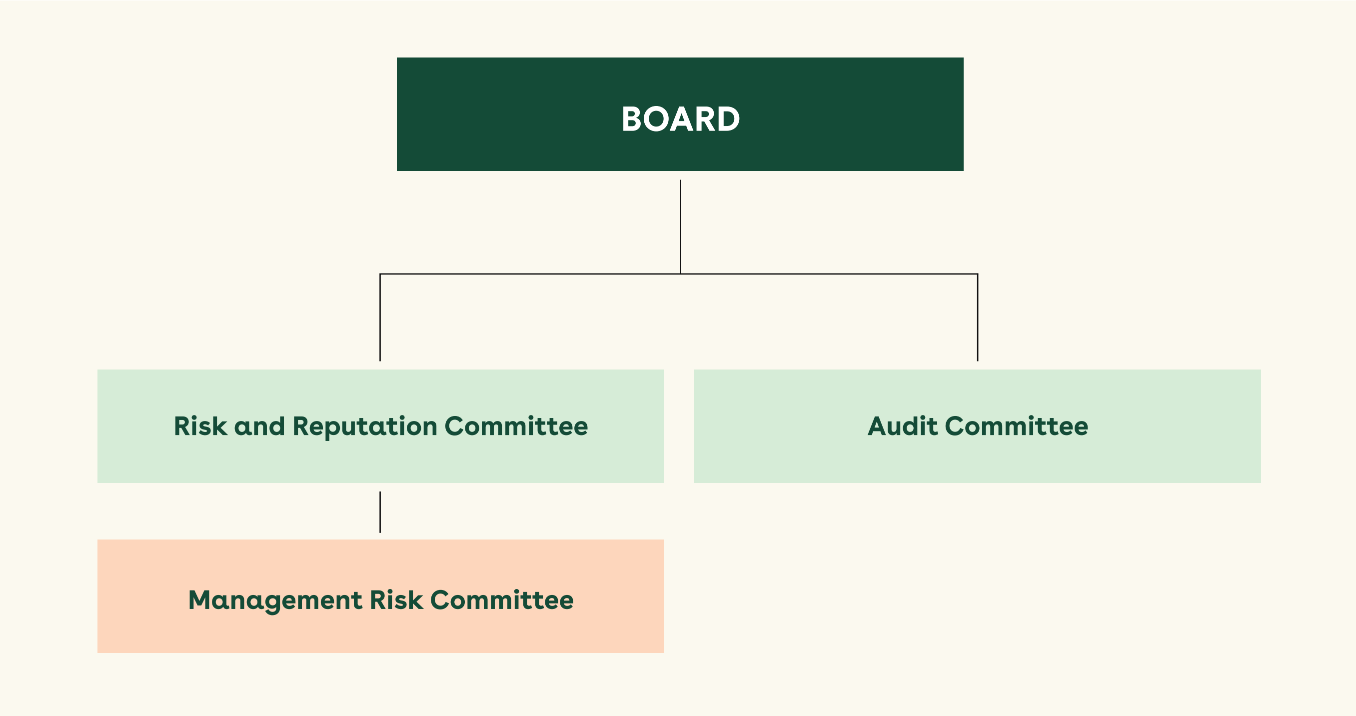
Governance

Climate governance framework

Climate-related risks and opportunities (CRROs) are overseen through nib's established governance and Risk Management Framework (RMF). As with all other risk types, ultimate accountability rests with the nib holdings limited Board, supported by Board Committees and Management.

The climate-related responsibilities of the Board, Board Committees and Management are summarised on page 19. These responsibilities are reflected in nib's governance framework, including the relevant Board and Committee Charters. Further information on nib's overall governance framework is available in the FY26 Corporate Governance Statement.

CRROs are assessed through nib's climate risk assessment process, which considers the nature, timing and potential magnitude of impacts on the Group's financial position, financial performance and cash flows over the short, medium and long term. Further information on the assessment approach and criteria is provided in the Risk Management section of this report (pages 25 to 26).



CRROs are not currently classified as Key Enterprise Risks and are therefore not subject to routine reporting at Board or Committee meetings. Consistent with nib's RMF, climate-related matters are monitored through established risk processes. Climate-related risk identification and assessment is led by the Sustainability team, reported to the MRC and escalated through Management, Board Committees and the Board where material issues arise.

nib Board

The nib holdings limited Board (Board) holds ultimate responsibility for oversight of CRROs. This includes approval of climate-related targets and the sustainability report prepared in accordance with AASB S2.

The Board approves nib's corporate strategy, annual budget and RMF, within which CRROs are considered.

Climate-related matters are brought to the Board through the annual RMF assessment cycle, review of climate-related disclosures (including scenario analysis outputs where applicable), and escalation of material climate-related risks via Board Committees. The Board considers CRROs through the annual RMF cycle, review of climate-related disclosures and reporting from Board Committees. Material climate-related matters are escalated to the Board through established governance processes.

Risk & Reputation Committee (R&RC)

The R&RC supports the Board, under delegation, through oversight of climate-related risks within the RMF. The Committee considers material climate-related matters escalated through nib's risk management and governance processes and escalates those matters to the Board where appropriate.

Audit Committee (AC)

The AC supports the Board by reviewing the sustainability report and recommending it for approval, and by overseeing assurance arrangements for climate related disclosures.

The AC also considers the financial impacts of climate-related risks as reflected in enterprise stress testing undertaken for regulatory and risk management purposes.

Management Risk Committee (MRC)

Executive Management, led by the Chief Executive Officer, is responsible for managing CRROs within the Group's risk appetite. The MRC is the primary management forum overseeing climate-related matters. Climate-related risk identification and assessment is led by the Sustainability team through the annual climate risk assessment process, with outcomes reported to the MRC for review. Climate-related risks are managed through the RMF, with material climate-related matters escalated to the R&RC and Board as appropriate.

In overseeing CRROs, Management and the Board considered trade-offs between maintaining affordability for members, prioritising initiatives and resource allocation, and strengthening resilience to climate-related risks. These considerations were evaluated through established governance and risk management processes.

Our climate governance framework is designed to support compliance with AASB S2 and to evolve over time as climate-related risk management practices, targets and assurance requirements mature.

Board skills and capability

The Board determines whether appropriate skills and competencies are available to oversee strategies responding to CRROs through its Board skills matrix, annual Board and Committee performance evaluations, and Nomination Committee oversight of Board composition and succession planning.

The Board skills matrix is reviewed and updated annually, with Directors assessed against relevant skill areas, including sustainability, environmental and social risk oversight and related reporting frameworks. Through these processes, the Board considers whether additional skills or experience are required and how capability will be developed as the strategy and regulatory environment evolve. During the reporting period, Directors and Executives undertook education on the Australian Sustainability Reporting Standards (ASRS), including reporting requirements and emerging regulatory developments, to support effective oversight of climate-related risks, opportunities and disclosures.

Climate-related targets and remuneration

nib's climate-related target currently relates to Scope 1 and 2 greenhouse gas emissions under its operational control. Oversight of the target sits with the Board, with progress monitored through reporting provided by Management via the MRC and R&RC.

Climate-related targets were not directly incorporated into Executive remuneration outcomes during the reporting period. Further detail on climate-related targets is provided in the Metrics and Targets section of this report (pages 26 to 28).

Strategy

CRROs were identified through nib's 2025 climate scenario analysis, stakeholder workshops and climate risk assessment processes. The identified risks and opportunities were reassessed in FY26 using the 'Too Little Too Late' scenario, which was selected to represent the future nib reasonably expects to face.

CRROs identified through climate scenario analysis were assessed to determine which could reasonably be expected to affect nib's prospects. Two risks and one opportunity met this threshold and are disclosed in this report (pages 20 to 22).

CRROs are assigned a time horizon based on their relationship and relevance to nib's business planning cycle:

- Short term (0–1 year): expected to arise within the next 12 months and considered through operational planning processes.
- Medium term (2–5 years): may emerge within the current business planning cycle and influence strategic objectives, operating conditions or financial performance.
- Long term (5–25 years): may affect nib's long-term prospects and business model resilience and are primarily assessed through climate scenario analysis.

PHYSICAL RISK – Climate-driven increase in claims severity, utilisation volatility and health system stress

Category	Disclosure
Risk type	Physical Risk
Risk classification	Insurance / Underwriting Risk – claims volatility, pricing adequacy, member affordability
Drivers	• Increased frequency and severity of heatwaves, extreme weather events and deteriorating environmental conditions. • Increasing prevalence of climate-sensitive health conditions, including heat stress, cardiovascular and respiratory illness, mental health impacts and emerging disease risks. • These impacts also place sustained pressure on healthcare systems and provider capacity, increasing the cost and complexity of delivering healthcare.
Concentration in the business model	Australian Residents Health Insurance, International Inbound Health Insurance, life and travel adjacencies.
Geographic concentration	Australia and New Zealand, with secondary exposure through international member cohorts.
Potential effects of the risk	• Increased claims utilisation and severity from climate-sensitive health conditions. • Increased provider charges and cost of care due to health system capacity constraints. • Pressure on underwriting margins and pricing adequacy. • Reduced member affordability and increased lapse risk. • Greater volatility and reduced predictability of future claims costs. • Pressure on the long-term sustainability of products and member value propositions.
Time horizon	Medium to long term

PHYSICAL RISK – continued

Category	Disclosure
Business responses (current and anticipated)	• Pricing strategy, actuarial forecasting and modelling. • Product design and underwriting assessments. • Capital management, stress testing and reinsurance arrangements. • Provider engagement and in-house healthcare capability (Honeysuckle Health). • Preventative health initiatives, care pathway optimisation and digital health capabilities to support improved member outcomes and manage long-term claims costs.
Anticipated financial effect	Climate-sensitive health conditions and increasing pressure on healthcare systems may increase claims utilisation, claims severity and provider costs over the medium and long term. These impacts may reduce underwriting margins, increase claims and operating costs and place pressure on member affordability and retention. While the magnitude and timing of these impacts remain uncertain, nib has identified business responses intended to manage this risk, including pricing, product design, capital management and healthcare service innovation.

TRANSITION RISK – Climate-related healthcare affordability and policy transition impacts

Category	Disclosure
Risk type	Transition Risk
Risk classification	Regulatory & Legal Risk / Insurance Risk – member affordability and pricing adequacy
Drivers	• Evolving climate-related policy and regulatory reform. • Healthcare system reforms in response to climate-related pressures. • Increasing affordability pressures affecting members' ability to maintain private health insurance. • Evolving healthcare, insurance and regulatory settings in response to climate-related pressures on public and private health systems. • Changes in healthcare utilisation patterns and private health insurance participation.
Concentration in the business model	Australian Residents Health Insurance, International Inbound Health Insurance, Honeysuckle Health and health services adjacencies.
Geographic concentration	Australia and New Zealand.
Potential effects of the risk	• Increased healthcare and operating costs. • Reduced affordability of private health insurance, contributing to participation and member retention pressures. • Pressure on pricing adequacy and underwriting margins. • Changes to healthcare funding and delivery models affecting product sustainability. • Increased uncertainty in healthcare utilisation and long-term business planning.
Time horizon	Medium to long term
Business responses (current and anticipated)	• Pricing strategy, actuarial forecasting and modelling. • Product design and affordability initiatives. • Monitoring of healthcare policy and regulatory developments. • Provider engagement and industry advocacy. • Scenario informed strategic planning. • Ongoing assessment of healthcare delivery models to support long-term member value and affordability.

TRANSITION RISK – continued

Category	Disclosure
Anticipated financial effect	Climate-related healthcare affordability pressures and policy responses may affect member participation, pricing adequacy and operating costs over the medium and long term. These impacts may reduce premium revenue where affordability pressures contribute to member lapse, increase operating expenses and place pressure on underwriting margins and long-term product sustainability. While the magnitude and timing of these impacts remain uncertain, nib continues to monitor and respond through pricing, product, regulatory and strategic planning processes. Future outcomes will depend on the pace of climate transition, healthcare policy settings, broader economic conditions and member behaviour.

OPPORTUNITY – Climate-adaptive and affordability-focused product and service innovation

Category	Disclosure
Opportunity classification	Insurance / Underwriting Opportunity – product innovation, preventative health and affordability
Drivers	• Increasing prevalence of climate-sensitive health conditions. • Growing demand for preventative and adaptive healthcare services associated with climate-sensitive health conditions. • Rising healthcare costs and affordability pressures, including those associated with climate-related impacts on health outcomes and healthcare systems. • Changing member expectations for accessible, value-focused health products and services. • Opportunities to address emerging climate-related health needs through product and service innovation.
Concentration in the business model	Australian Residents Health Insurance, International Inbound Health Insurance, Midnight Health, Honeysuckle Health and health services adjacencies.
Geographic concentration	Australia and New Zealand.
Potential effects of the opportunity	• Improved member outcomes through preventative health and early-intervention. • Reduced claims severity and downstream healthcare costs through more effective care pathways. • Improved member affordability, retention and portfolio resilience. • Development of products and services that respond to climate-related health needs. • Enhanced member value and competitive positioning.
Time horizon	Medium to long term
Business responses (current and anticipated)	• Product and service innovation focused on prevention, affordability and improved health outcomes. • Investment in data, analytics, actuarial capability and population health insights. • Monitoring emerging climate-related health trends and changing member needs. • Leveraging Honeysuckle Health and adjacent healthcare capabilities to support innovative models of care.
Anticipated financial effect	Climate-related changes in health outcomes, healthcare demand and member affordability may create opportunities to improve member outcomes, strengthen portfolio resilience and support the long-term sustainability of nib's products and services. These initiatives may contribute to improved member retention, reduce downstream claims costs and more sustainable healthcare utilisation over time. While the timing and magnitude of potential benefits remain uncertain, these opportunities may contribute to improved member outcomes, portfolio resilience and the long-term sustainability of nib's products and services. nib will continue to monitor and assess their potential financial effects as products, services and member needs evolve.

The CRROs above did not have a material impact on nib's financial position, financial performance or cash flows during FY26. No material financial effects attributable to CRROs were identified during the reporting period. In assessing the financial effects of CRROs, nib considered potential impacts on premium revenue, claims costs, operating expenses, underwriting margins, insurance liabilities and cash flows. No material impacts to these items were identified during FY26.

While certain CRROs were assessed as capable of affecting nib's prospects over the medium to long term, and the magnitude and timing of any such impacts remain uncertain, nib currently assesses the magnitude of any resulting financial effects as not material, having regard to the timing of impacts, existing business responses and the outcomes of the resilience assessment. Potential future financial effects considered include impacts on premium revenue, claims costs, operating expenses, underwriting margins, insurance liabilities, investment asset values and cash flows. This assessment will continue to be reviewed as climate-related conditions, assumptions and business circumstances evolve.

These CRROs are not currently classified as Key Enterprise Risks and are not material drivers of nib's FY26 strategic planning cycle, investments, capital allocation decisions or business model. Accordingly, no material changes to strategy, the business model or capital deployment are currently planned. Business responses are managed through existing operational functions.

While one opportunity was assessed as potentially material, nib continues to pursue business responses consistent with its existing strategy and business model, including product innovation, preventative health initiatives and healthcare service innovation. No material changes to strategy, capital allocation or business operations are currently planned in response to this opportunity and nib will continue to monitor opportunities through its strategic planning and risk management processes.

Consistent with our Risk Management Framework, nib continues to monitor our CRROs, including for any material changes in their expected financial impact, likelihood or timing.

Climate scenario analysis

Our climate scenario analysis (CSA) was conducted in 2025 to support preparation of AASB S2 climate-related disclosures. Three different but plausible climate scenarios were developed and applied across nib's value chain, including insurance and health service portfolios, members, providers, workforce, operations, investments and regulatory settings. Scenario narratives, stakeholder workshops and climate risk assessment processes were used to identify CRROs. Those CRROs were then assessed through nib's FY26 climate risk assessment process to determine which could reasonably be expected to affect our prospects and require disclosure.

Climate scenarios used to assess CRROs

Scenario	Description	Risk type	Key assumptions
Ambitious transition Sourced from: **SSP 1-1.9** **NGFS Net Zero 2050** **UN PRI Required Policy Response**	Consistent with the Paris Agreement on climate change, collective action occurs towards a low carbon global economy, with steady and constant societal changes related to technology, policy and behaviour. A steadily increasing carbon price reinforces low carbon behaviours. Long-term chronic impacts from historic greenhouse gas emissions still occur, although not severely.	Transition (medium) & Physical (low)	Early, coordinated global policy action with progressively tightening climate policy and carbon pricing Rapid technology deployment and electrification, with strong energy system decarbonisation Orderly market adjustment with capital shifting to low carbon solutions Lower physical risk, with warming broadly limited to ~1.5–2°C **Sources:** NGFS Net Zero 2050 (orderly, early policy, lower risk); IPCC SSP 1-1.9 (sustainable pathway, low emissions)

Climate scenarios used to assess CRROs

Scenario	Description	Risk type	Key assumptions
Too little too late Sourced from: **SSP2-4.5** **NGFS Nationally Determined Contributions** **UN PRI Forecast Policy Response**	A misaligned and delayed transition to a low carbon economy, where some countries are early movers and others continue fossil fuel development through to the mid-point of the century. After that, global efforts begin to align, with large increases in carbon prices driving a rapid improvement in low emissions technology efficacy and uptake. Despite this concerted effort, the changes come too late to prevent wide ranging acute and chronic physical climate impacts.	Transition (high) & Physical (medium)	Delayed and fragmented policy action, followed by rapid policy tightening and rising carbon prices Uneven and late technology uptake, with accelerated transition in later periods Disorderly market adjustment, including repricing and transition shocks Moderate–high physical risk, with warming ~2–3°C **Sources:** NGFS disorderly scenarios (delayed/divergent policy, higher transition risk); PRI IPR (delayed action leads to abrupt, disruptive policy response)
Hothouse scenario Sourced from: **SSP5-8.5** **NGFS Current Policies**	This scenario represents minimal action towards a low carbon global transition, reflecting a continued and increasing level of fossil fuel use and increasing consumption and materialism. Globalisation remains intact. The impact of these activities continues to drive emissions higher throughout the remaining 21st century leading to significant materialisation of acute and chronic physical risks.	Physical (high) & Transition	Limited additional climate policy, reflecting continuation of current settings Ongoing fossil fuel reliance and slower low carbon technology uptake Minimal transition disruption in the near term High physical risk, with warming >3°C and severe chronic and acute impacts **Sources:** NGFS Current Policies (insufficient action, high physical risk); SSP5 8.5 (fossil fuelled growth, high emissions pathway)

The three scenarios were used to explore a range of plausible climate futures across the short, medium and long term time horizons, inform identification of CRROs and support assessment of resilience across different climate outcomes. For FY26 risk assessment purposes, nib selected the "Too Little Too Late" scenario as the primary decision-useful scenario for reassessment of identified risks and opportunities because it reflects the future nib reasonably expects to face and captures both physical and transition risk impacts relevant to our business model.

Resilience assessment

nib considered a range of plausible climate futures and assessed its vulnerability to identified CRROs. The assessment found low vulnerability to most anticipated climate-related risks.

nib has moderate vulnerability to indirect impacts arising from climate-related stress on the healthcare system, including affordability pressures, regulatory change and physical disruptions. While these impacts are not expected to affect the resilience of nib's strategy or business model, they may increase claims costs, place pressure on member participation and reduce profitability over the medium to long term. nib considers these impacts manageable through existing business responses, including cost management initiatives, product redesign and service innovation, although some residual claims cost and lapse risk may remain.

While climate-related opportunities remain subject to uncertainty, nib considers it has the capability to respond to changing health needs through product design, pricing, healthcare partnerships and service innovation. These capabilities may support member outcomes, affordability and business resilience over the medium to long term as climate-related conditions and healthcare needs evolve.

We consider our strategy and business model to be resilient to the CRROs identified through our climate scenario analysis. While the magnitude and timing of potential financial impacts associated with the disclosed climate-related risks and opportunity remain subject to uncertainty, the assessment indicates that existing business responses, risk management practices and strategic capabilities support resilience across a range of plausible climate futures.

Management will continue to monitor climate-related developments through its risk management and strategic planning processes, as described in the Risk Management section of this report (pages 25 to 26). This conclusion reflects consideration of all three climate scenarios described above and remains subject to uncertainty regarding future climate, regulatory and healthcare system outcomes.

Risk Management

At nib, risk management underpins the delivery of strategy and compliance with regulatory obligations. Climate-related risks are managed within the Group's Risk Management Framework (RMF), ensuring they are assessed and governed consistently with other material risks.

Climate risk governance is supported by the Group ASRS Working Group and the MRC, which oversee climate scenario analysis, assessment of materiality, and alignment with regulatory expectations.

Identification of CRROs

CRROs are identified through nib's climate scenario analysis (CSA), most recently undertaken in 2025. The resulting risks and opportunities were reassessed in FY26 through the climate risk assessment process. Full CSA updates are planned every 2–3 years, or more frequently where there are material changes in nib's risk profile or external environment.

CRROs are identified and assessed through the climate risk assessment process, which is led by the Sustainability team and undertaken at least annually. The process considers risks and opportunities identified through the CSA, assesses their potential impacts over the short, medium and long term, and evaluates whether they could affect nib's prospects. Climate-related risks are managed through the RMF and monitored through established risk management processes. Material climate-related matters are escalated to the MRC, R&RC and Board as appropriate.

While no climate-related risks were classified as Key Enterprise Risks during FY26, climate-related risks assessed as capable of affecting nib's prospects remain subject to ongoing monitoring and governance through the RMF.

Climate-related opportunities are identified and assessed using the same scenario-led and time-horizon approach as climate-related risks. Opportunities are monitored through the climate risk assessment process and formally reassessed at least annually.

nib's view of the future

Climate-related risks are assessed using a decision-useful climate scenario that captures both physical and transition risks relevant to nib's business model. For FY26, we applied the "Too Little, Too Late" scenario aligned with the IPCC SSP2 RCP4.5 pathway to identify and assess CRROs. Scenario assumptions and supporting evidence are documented and independently reviewed.

Assessment and prioritisation of climate-related risks

Climate-related risks identified through the CSA are assessed at least annually and recorded in the enterprise risk register. Inherent impact severity is assessed prior to consideration of controls or adaptation measures, using enterprise defined impact criteria. Likelihood is assessed using a climate-specific dual approach:

- **Short term (0–1 year)**: assessed using established enterprise risk likelihood definitions.
- **Medium term (2–5 years) and long term (5-25 years)**: given the longer timeframe and inherent uncertainty, these risks and opportunities are assessed using plausibility ratings based on the climate scenario selected to reflect nib's view of the future.

Some risks and opportunities that are assessed as immaterial may continue to be monitored due to their emerging or uncertain nature.

Scenario selection and analytical approach

Risk assessment draws on internal analysis, external climate datasets, actuarial inputs and specialist advice where required.

Relationship between climate-related risks and Key Enterprise Risks

Climate-related risks disclosed under AASB S2 are assessed for their potential impact on nib's financial position, financial performance or cash flows over the short, medium and long term.

This assessment is distinct from the classification of Key Enterprise Risks (KERs), which focuses on current or near term risks requiring heightened management attention. A climate-related risk may therefore be material without being classified as a KER, particularly where impacts are expected to arise over longer time horizons.

Absence from the KER register does not indicate that a risk is unmanaged. Disclosed climate-related risks remain subject to ongoing monitoring and governance within the enterprise RMF.

Integration, monitoring and escalation

Climate-related risks assessed as clearly or potentially material are integrated into the enterprise Risk Management Framework and managed through standard risk responses.

For the purposes of climate-related disclosure, materiality reflects whether a climate-related risk or opportunity could reasonably be expected to affect nib's prospects, including our financial position, financial performance, cash flows, access to finance or cost of capital.

These risks are monitored through established enterprise risk processes, including annual risk and control self assessments and regular reporting to management risk committees, with escalation to the Board where appropriate. Monitoring focuses on changes in risk severity, time horizon and relevant external drivers.

Where a climate-related risk is assessed as material in the short term, it is escalated through divisional risk processes and considered for inclusion in the KER register. Medium- and long-term climate-related risks are monitored by the Group Risk function and reassessed at least annually or earlier if conditions change.

Outcome

For FY26, no climate-related risks met the threshold for classification as KERs. This report discloses CRROs that management has assessed as capable of reasonably affecting nib's prospects. CRROs assessed as clearly or potentially material remain subject to monitoring, annual reassessment and integration into enterprise risk management processes.

Judgements and uncertainties

Climate-related materiality assessment involves judgement, particularly in relation to timing, severity of impact and regulatory response. Limitations include uncertainty in long term climate data, global policy pathways and the maturity of external datasets used to assess value chain impacts.

Scenario based analysis also involves inherent uncertainty, and certain impacts cannot yet be reliably quantified.

Establishment of ASRS aligned climate risk management

In preparing its first climate-related financial disclosures under the ASRS, nib has formalised and strengthened aspects of its climate risk management approach.

This includes embedding climate scenario analysis into risk identification and assessment, and clarifying governance, monitoring and escalation processes.

During FY26, nib also documented our climate risk assessment methodology, roles and responsibilities, and established an auditable record of identified risks supported by scenario evidence. Climate-related risks were incorporated into the annual APRA stress testing program for the first time.

Metrics and Targets

nib measures and reports greenhouse gas emissions annually and has established emissions reduction targets.

Greenhouse gas emissions reporting

nib reports greenhouse gas (GHG) emissions in accordance with the Greenhouse Gas Protocol (GHGP) using an 'operational control' approach. Emissions are reported in tCO_2e and have been prepared in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (GHG Protocol) (WRI/WBCSD, 2004).

We have chosen this approach because under the GHGP it allows organisations to account for emissions where they have the authority to implement operational policies.

Scope 2 emissions are reported using the location-based method in accordance with AASB S2. nib has also disclosed market-based Scope 2 emissions for renewable electricity procurement and target measurement purposes.[1]

Absolute GHG Emissions

The table below presents nib's FY26 greenhouse gas emissions inventory. FY26 is our first year of reporting under AASB S2 and therefore no prior period comparison is presented.

Table 1: GHG Emissions^

Metric (tCO_2e)	tCO_2e
Scope 1 emissions	5.7
Scope 2 emissions – location based	305
Scope 2 emissions – market based^^[2]	54

^ During FY26, approximately 79% of electricity consumption was matched with accredited renewable electricity products.

^^ nib procures renewable electricity through accredited products such as GreenPower in Australia and renewable electricity certificates in New Zealand. Market based Scope 2 emissions therefore reflect renewable electricity procurement and are lower than location based emissions to the extent of that procurement.

1. Location-based Scope 2 emissions are required under AASB S2 para 29(a)(v). Market-based Scope 2 emissions are disclosed voluntarily and are not a mandatory requirement under the AASB S2 or the Corporations Act.
2. See footnote 1 for basis of voluntary disclosure.

Measurement of greenhouse gas emissions involves the use of estimates, assumptions and emission factors and the reported emissions metrics are subject to measurement uncertainty as a result. While we seek to use the best available information, certain activity data may not be directly available and estimation techniques may therefore be required. As methodologies, data quality and reporting systems continue to mature, previously reported emissions data may be refined in future reporting periods.

Emissions reflected in FY26 incorporate both actual and estimated activity data. Where complete data was unavailable, estimation techniques including annualisation and benchmarking were applied. The proportion of estimated data varies by emissions source and reporting location.

Calculation methodology

Scope 1 and Scope 2 emissions were calculated using activity data, including electricity consumption records, utility invoices and fuel consumption data, and relevant emissions factors. Emissions factors were sourced from the applicable National Greenhouse Accounts Factors (Australia), New Zealand Ministry for the Environment, UK Department for Energy Security and Net Zero and US Environmental Protection Agency publications in effect for the reporting period. Emissions are reported using a 100-year Global Warming Potential (GWP100) and aligned with IPCC AR6.

Exposure to CRROs

With reference to the CRROs identified and assessed in our *Climate-related Risks and Opportunities*, nib assessed the exposure of its investment assets and business activities to climate-related transition risks, physical risks and climate-related opportunities over the short, medium and long term.

The assessment of investment assets considered information provided by investment managers including asset classes, investment time horizons and climate-related data where available. nib continues to work with investment managers and third parties to improve climate-related data coverage and analytical capabilities as climate-related reporting and assessment methodologies continue to mature.

The assessment of business activities was informed by nib's CRROs assessment and resilience assessment, including consideration of the potential effects of CRROs on operations, products and services, strategy and business model.

Transition risks

The assessment identified that certain equity and property investments may be exposed to climate-related transition risks over the medium and long term, while cash and fixed income investments were assessed as having comparatively lower exposure. Climate-related transition risks were also identified within nib's business activities. No material exposure to climate-related transition risks was identified during FY26.

Physical risks

The assessment identified that direct property investments may be exposed to physical climate risks in the short term and that equity and property investments may be exposed to physical climate risks over the medium and long term. Climate-related physical risks were also identified within nib's business activities. No material exposure to physical climate-related risks was identified during FY26.

Climate-related opportunities

Climate-related opportunities were identified for both investment assets and business activities, including opportunities associated with climate transition trends and evolving healthcare needs. Climate-related opportunities are not material for FY26 or separately quantifiable at this stage. No material alignment of investment assets or business activities with climate-related opportunities was identified during FY26.

Inputs and limitations

Due to differences in data availability, portfolio coverage and methodologies across asset classes and investment managers, management concluded that portfolio-wide quantified measures of assets or business activities vulnerable to climate-related risks, or aligned with climate-related opportunities, would not provide sufficiently reliable or decision-useful information for FY26 reporting. The assessment will continue to evolve as climate-related data and methodologies mature. nib continues to work with its investment managers and third parties to source data that is precise enough to provide quantitative assessments in future.

Capital deployment

No climate specific capital expenditure, financing or investment occurred during the reporting period.

Internal carbon price

nib did not apply an internal carbon price in decision making during the reporting period.

Executive remuneration and climate-related considerations

Executive remuneration includes performance measures related to broader sustainability objectives; however, no specific climate-related targets or metrics were included in executive remuneration during the reporting period. Accordingly, 0% of executive remuneration recognised in FY26 was directly linked to climate-related considerations.

Climate-related targets

nib has previously disclosed broader emissions reduction targets. Following a review of nib's emissions profile, organisational boundaries, data maturity and reporting obligations under the ASRS, those targets were assessed as no longer providing the most appropriate basis for measuring and reporting emissions performance. In particular, the prior targets were established using methodologies and boundaries that are not consistent with the operational control approach now applied for AASB S2 reporting purposes. The decision to withdraw and replace the prior targets was made in accordance with the governance arrangements for climate-related targets described in the Governance section of this report (pages 18 to 20). They have therefore been withdrawn and replaced by the current Scope 1 and Scope 2 emissions target. The revised target focuses on emissions sources under nib's operational control and provides a clearer, more decision-useful basis for target setting, monitoring and performance measurement.

The current Scope 1 and Scope 2 emissions target was approved by the Board and is monitored annually by the MRC and R&RC, with progress reported to the Board. The target was established using FY26 emissions data and current information regarding nib's operational emissions profile. It was not established by reference to a Paris Agreement-aligned pathway; rather, it reflects a commitment to eliminate operational emissions within nib's direct control, informed by nib's emission profile, identified delivery actions and the available abatement opportunities. Based on currently available data and identified delivery actions, we consider the target achievable.

Target

By 2030, nib will reduce Scope 1 and Scope 2 emissions under operational control to net zero, through direct emissions reduction and procurement of 100% renewable electricity.

Note: This is an absolute emissions reduction target applying to emissions sources within nib's operational control boundary. It does not extend to Scope 3 emissions, or non-consolidated investees. Some emissions sources may remain outside nib's direct operational control, such as leased premises with landlord-managed utilities. In these cases, nib will continue to work with landlords and other third parties to support emissions reduction where possible.

Note: Net zero is assessed on a market-based basis for Scope 2 emissions. 100% renewable electricity applies where nib directly controls electricity procurement. Limited residual emissions may remain where electricity procurement is outside nib's direct control (for example, in leased premises with landlord-managed utilities) or where acquired businesses require a transition period to align with nib's renewable electricity arrangements.

Note: FY26 has been set as the baseline year.

Target delivery

nib expects to deliver the target through:

- procurement of renewable electricity to address Scope 2 emissions, including a goal to achieve 100% renewable electricity by 2027; and
- direct abatement of Scope 1 emissions.

Monitoring and review

Progress against the target will be monitored annually using:

- reported Scope 1 emissions and market based Scope 2 emissions; and
- the proportion of electricity consumption matched with accredited renewable electricity.

As FY26 is the baseline year, no trend or change analysis is yet applicable. The target does not include interim milestones, reflecting its relatively short timeframe and annual monitoring cycle. Performance against the target will be assessed and disclosed in future reporting periods.

Oversight of climate-related targets is integrated into nib's governance and risk management processes, as described in the Governance and Risk sections of this report.

Use of carbon offsets

The Scope 1 and Scope 2 emissions target is expected to be achieved primarily through direct emissions reduction and renewable electricity procurement.

Carbon offsets are not expected to be a primary mechanism for achieving the target and, if required, would only be used for limited residual Scope 1 emissions remaining at the target date after reasonable emissions reduction actions have been implemented.

Any offsets used will be limited to verified, high-integrity carbon credits from recognised third-party certification schemes. Details of offsets used, including the relevant certification scheme and offset characteristics, will be disclosed in the reporting period in which they are used.

Directors’ declaration

For the year ended 30 June 2026

In the opinion of the directors of nib holdings limited, nib has taken reasonable steps to ensure the substantive provisions of the report, including the climate statement and notes set out on pages 18 to 28, are in accordance with the *Corporations Act 2001 (Cth)*, including:

- Section 296C (compliance with sustainability standards etc);
- Section 296D (climate statement disclosures);

and are in compliance with Australian Sustainability Reporting Standard AASB S2 Climate-related disclosures.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Board

David Gordon
Director

Anne Loveridge

Anne Loveridge AM
Director

Newcastle, NSW
21 August 2026

Independent Auditor's Review Report on specified Sustainability Disclosures

To the Members of nib holdings limited

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of nib holdings limited and its controlled entities (together, the Group) for the year ended 30 June 2026 as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Specified Sustainability Disclosures	**Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) (including related general disclosures required by Appendix D)**	**Location in Sustainability Report***
Governance	Paragraph 6	All paragraphs contained within the '*Governance*' section on pages 18-20.
Strategy (risks and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	The following climate-related physical risk on page 20: • Climate-driven increase in claims severity, utilisation volatility and health system stress The following climate-related transition risk on page 21: • Climate-related healthcare affordability and policy transition impacts The following climate-related opportunity on page 22: • Climate-adaptive and affordability-focused product and service innovation The applicable method and approaches are presented under the '*Identification of climate-related risks and opportunities*' heading on pages 25 and 26.

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Scope 1, Scope 2 (location-based) and Scope 2 (market-based) emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	The following emissions disclosures on page 26: • Scope 1 emissions: 5.7 tCO_2e • Scope 2 emissions – location-based: 305.0 tCO_2e • Scope 2 emissions – market-based: 54.0 tCO_2e The applicable method and approaches are presented under the 'Greenhouse gas emissions reporting' heading on page 26, the Absolute GHG Emissions on pages 26 and 27, and the paragraph underneath the *'Calculation Methodology'* heading on page 27.

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the Work Performed' section of our report below.

Our responsibilities under ASSA 5000 are further described in the Auditor's Responsibilities section of this report.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information

The directors of the Group are responsible for the other information. The other information comprises the information included in the Annual Report for the year ended 30 June 2026, but does not include the specified Sustainability Disclosures and our auditor's report thereon. We have issued a separate auditor's report on the financial report and remuneration report included in the Annual Report.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the specified Sustainability Disclosures

The directors of the Group are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent Limitations in preparing the specified Sustainability Disclosures

Sustainability information may be subject to more inherent limitations than financial information, given both its nature and the methods used for determining, calculating, and estimating such information. Different acceptable methods have varying precision and can affect the comparability of sustainability information across entities and over time.

In addition, greenhouse gas emissions quantification is subject to inherent uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases

Auditor’s Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity’s internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Inspected the specified Sustainability Disclosures and assessed the completeness and accuracy of these disclosures against the relevant disclosure requirements of AASB S2 and with reference to the knowledge and evidence obtained during the assurance engagement;
- Performed enquiries of management regarding the methodologies, processes and controls for capturing, collating, calculating and reporting the specified Sustainability Disclosures and assessed their alignment with AASB S2 and applicable method and measurement approaches;
- Inspected and assessed, on a sample basis, charters, policies, minutes of meetings regarding the monitoring, management and oversight of climate-related matters, and other underlying evidence supporting the climate-related financial disclosures on governance;
- Performed enquiries of management regarding the approach taken by Group to:
    - Identify climate-related risks and opportunities;
    - Identify material information for disclosure with regards to the Strategy (risks and opportunities) disclosures;
- Performed enquiries of management and examined underlying evidence to assess the completeness and accuracy of the establishment of the organisational boundary, and sources of emissions, in the context of the specified Sustainability Disclosures.
- Performed enquiries of management regarding the assumptions, conversion factors and greenhouse gas emission factors applied within the calculations of the Scope 1, Scope 2 (location-based) and Scope 2 (market-based) emissions;
- Applied analytical procedures to evaluate the Scope 1, Scope 2 (location-based) and Scope 2 (market-based) emissions and the underlying activity data, and;

- Performed testing over the calculations of the Scope 1 and Scope 2 (location-based) and Scope 2 (market-based) emissions, including testing the activity data utilised within the calculations to third-party records, and other relevant underlying information, on a sample basis. These procedures did not include any examination of whether Energy Attribute Certificates applied within these calculations, such as Large-scale Generation Certificates or Renewable Energy Certificates, actually represent renewable electricity generated.

PricewaterhouseCoopers

PricewaterhouseCoopers

C. Mara

Caroline Mara
Partner

Newcastle
21 August 2026

Directors' Report

For the year ended 30 June 2026

The Directors of nib holdings limited (Company) present their report on the consolidated entity (Group) consisting of nib holdings limited and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors

The following persons were Directors of nib holdings limited during the whole of the financial year and up to the date of this report unless otherwise indicated:

- David Gordon
- Ed Close
- Jacqueline Chow
- Peter Harmer
- Anne Loveridge
- Jill Watts
- Brad Welsh

Donal O'Dwyer retired as Non-Executive Director on 6 November 2025, and Hisham El-Ansary was appointed as Non-Executive Director on 2 December 2025.

Principal activities

The principal activities of the nib Group during the financial year were as a private health insurer in Australia and New Zealand, whereby it underwrites and distributes private health insurance to Australian and New Zealand residents as well as international students and workers. The Group also underwrites and distributes life and living insurance in New Zealand. nib Health Services offers health management, injury support and virtual care in partnership with Honeysuckle Health, and complementary insurance products, and through nib Thrive the Group operates under the National Disability Insurance Scheme (NDIS). The nib Travel business specialises in the sale and distribution of travel insurance policies internationally, this business has been designated as held for sale.

Review of operations

Information on the operations and financial position of the Group and its business strategies and prospects is set out in the Operating and Financial Review on pages 4 to 17 of this Annual Report.

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the Group during the financial year.

Likely developments and expected results from operations

Additional comments on expected results on operations of the Group are included in this Annual Report under Operating and Financial Review on pages 4 to 17.

Further information on likely developments in the operations of the Group have not been included in this Annual Report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

Dividends

Dividends paid to shareholders during the financial year were as follows:

	2026 $m	2025 $m
Final dividend for the year ended 30 June 2025 of 16.0 cents (2024 – 14.0 cents) per fully paid share paid on 7 October 2025	77.9	67.9
Interim dividend for the year ended 30 June 2026 of 13.0 cents (2025 – 13.0 cents) per fully paid share paid on 8 April 2026	63.3	63.1
	141.2	**131.0**

In addition to these dividends, since the end of the financial year the Directors have recommended the payment of a fully franked final dividend of $102.7 million (21.0 cents per fully paid share, including 5.0 cps special dividend) to be paid on 7 October 2026 out of retained profits at 30 June 2026.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect:

a) the Group's operations in future financial years; or

b) the results of those operations in future financial years; or

c) the Group's state of affairs in future financial years.

Environmental regulation

The Group is not subject to any specific environmental regulation and has not breached any legislation regarding environmental matters.

The Sustainability Report is set out on pages 18 to 29 of the Annual Report.

Information on directors

Details of the qualifications, experience, special responsibilities and interests in shares and performance rights of the Directors are as follows:

David Gordon – Chair

LLB (University of NSW), BCom (University of NSW), MAICD

Age: 65

Independent Non-Executive Director

David was appointed to the Board of nib holdings limited in May 2020 and has served as Chair since 29 July 2021. He is also the Chair of the Nomination Committee.

He is also Chair of nib health funds limited.

Industry experience
David has over 30 years of experience as a Director of both public and private companies and in corporate advisory roles to Australian and international organisations. He brings extensive knowledge of strategy development, mergers and acquisitions, as well as capital raisings, IPOs and joint ventures.

David also has a proven track record in guiding businesses to grow and harness their digital capability to successfully explore and develop new products and markets.

Other business and market experience
David was formerly a Partner with Freehills (now Herbert Smith Freehills Kramer) and boutique investment bank Wentworth Associates.

Directorships of listed entities
None.

Former directorships of listed entities in the past three years
Chair of Accent Group Limited (retired November 2025).

Other commitments
David is Chair of Kinyara Health Pty Ltd, Genesis Capital Manager I Pty Ltd and Genesis Capital Manager II Pty Ltd (the management entities of the Genesis Capital Fund I and Genesis Capital Fund II healthcare investment funds, respectively).

Interests in shares and performance rights
Indirect: 55,000 ordinary shares in nib holdings limited held for David Gordon Superannuation Fund.

Ed Close – Chief Executive Officer and Managing Director

LLB (University of Newcastle), BBus (Management) (University of Newcastle), Diploma Legal Practice (College of Law, NSW), MBA (MQ), GAICD

Age: 39

Executive Director

Ed was appointed Chief Executive Officer and Managing Director of nib Group on 1 December 2024. Ed joined nib in 2017 as Head of Marketing and Products for the Australian Residents Health Insurance (arhi) business. In January 2020, he was appointed Chief Executive, Australian Residents Health Insurance, and in 2023 his role expanded to include member experience, claims and operations.

Ed is a Director of nib health funds limited, as well as many other nib holdings limited subsidiaries.

Industry experience
Ed brings extensive experience in financial services and health insurance, having overseen P&L, distribution, customer, digital and marketing functions. He is known for motivating and leading high-performing, diverse teams and has played a key role in shaping nib's group strategy, private health insurance market share growth and health services expansion.

Other business and market experience
Ed has previously held senior management roles at the Commonwealth Bank of Australia, where he worked across product management, strategy and customer engagement in the consumer banking division.

Directorships of listed entities
None.

Former directorships of listed entities in the past three years
None.

Other commitments
Member, Private Healthcare Australia, Audit and Risk Committee. Non-Executive Director of nib Foundation.

Interests in shares and performance rights
Direct: 49,090 ordinary shares in nib holdings limited.

Indirect: 159,234 ordinary shares in nib holdings limited held for ELC Investment.

- 46,419 performance rights under FY23-FY26 Long Term Incentive Plan which may vest from 1 September 2026.
- 52,428 performance rights under FY24-FY27 Long Term Incentive Plan which may vest from 1 September 2027.
- 154,359 performance rights under FY25-FY28 Long Term Incentive Plan which may vest from 1 September 2028.
- 178,768 performance rights under FY26-FY29 Long Term Incentive Plan which may vest from 1 September 2029.

Information on Directors continued

Jacqueline Chow

MBA (Kellogg School of Management, Northwestern University, Chicago), BSc (Hons) (University of NSW), FAICD

Age: 54

Independent Non-Executive Director

Jacqueline was appointed to the Board of nib holdings limited in April 2018. She is Chair of the People and Remuneration Committee, and a member of the Nomination Committee, and the Audit Committee.

She is also a Director of nib health funds limited.

Industry experience
Jacqueline has more than 20 years' experience working with global blue-chip consumer product multinationals in a range of executive and non-executive positions in general management, strategy, marketing as well as technology and innovation. Her early career concentrated on business analytics, brand equity and marketing.

With a reputation for driving growth and performance in global businesses, she is passionate about unlocking value through the entire value chain by growing consumer demand through disruptive technologies, innovation and digital platforms.

She has also led company-wide business transformation by driving productivity and efficiencies at every level, as well as embedding leadership behaviours and change.

Jacqueline actively contributes toward ensuring the long-term sustainability of the organisations she serves in the areas of climate scenario impacts, human rights and supply chain resilience.

Other business and market experience
Jacqueline has significant global experience driving strategic growth and innovation across customer and consumer brands for the likes of Fonterra, Campbell Arnott's and the Kellogg Company.

She was previously Deputy Chair of Global Dairy Platform and a Director of Fisher & Paykel Appliances in New Zealand, Dairy Partners Americas, the Riddet Institute (Massey University NZ) and The Arnott's Foundation.

Jacqueline is a senior advisor with McKinsey & Company's Transformation Practice where she advises clients across resources, retail, financial services, telecommunications and consumer sectors on organisational change and high performance culture.

Directorships of listed entities
Jacqueline is currently a Non-Executive Director of Coles Group Limited, Charter Hall Group and Reece Limited.

Former directorships of listed entities in the past three years
Independent Non-Executive Director of Boral Limited.

Other commitments
Jacqueline is Chair of the Board of the Australia-Israel Chamber of Commerce and a member of Chief Executive Women.

Interests in shares and performance rights
Direct: 25,000 ordinary shares in nib holdings limited.

Hisham El-Ansary

BEc (Australian National University), MBA (University of Canberra), FAICD, FCPA

Age: 61

Independent Non-Executive Director

Hisham was appointed to the Board in December 2025. He is a member of the People and Remuneration Committee, the Nomination Committee, the Audit Committee, and the Clinical Governance Committee.

He is also a Director of nib health funds limited.

Industry experience
Hisham has more than 30 years of senior executive experience across healthcare, insurance, retail, aviation, and construction consulting in Australia, and the broader Asia-Pacific region. He has deep experience in health insurance with 15 years at BUPA, including serving as Chief Executive Officer for BUPA Asia-Pacific from 2019 to 2023. During his tenure, he guided the organisation through the challenges of the COVID-19 pandemic and the Royal Commission into Aged Care Quality and Safety.

Other business and market experience
Hisham currently serves as a Senior Adviser at Goldman Sachs, where he provides strategic counsel to a diverse portfolio of companies across the Asia-Pacific.

His leadership across private, ASX-listed and government-owned entities has driven strong financial performance, while navigating complex regulatory environments.

Directorships of listed entities
None.

Former directorships of listed entities in the past three years
None.

Other commitments
Hisham is a Non-Executive Director of Royal Automobile Club of Victoria Limited (RACV).

Interests in shares and performance rights
None.

Peter Harmer

Harvard Advanced Management Program

Age: 65

Independent Non-Executive Director

Peter was appointed to the Board of nib holdings limited in July 2021. He is the Chair of the Risk and Reputation Committee, and a member of the Nomination Committee, and the People and Remuneration Committee.

He is also a Director of nib health funds limited.

Industry experience
Peter has over 45 years' experience in the Australian and international insurance and financial sectors, including over 30 years in a senior executive capacity.

He has a deep understanding of the global insurance and reinsurance markets and has driven the improvement of business and customer experiences through digital innovation. During his career, Peter accelerated digital engagement through re-examining customer journeys to understand pain points and introduced the right tools and technology to help improve the overall customer experience.

In addition, he has been focused on the development and design of agile working methodologies combined with Human Centred Design thinking to ensure best practice in employee productivity, performance, health and wellbeing.

Other business and market experience
Peter was formerly Chief Executive Officer of Insurance Australia Group (IAG), CGU Insurance, Aon Limited UK, Aon Risk Services Australia Pacific and Aon Re Australia and has successfully led business growth agendas, major acquisitions, and industry roll-ups.

Prior to his role as Chief Executive Officer at IAG, he took up a secondment role as Chief Digital Officer to help drive IAG's digital strategy. This included building a centralised capability to improve the customer experience through the utilisation of new technology and data insights.

Directorships of listed entities
Peter is currently a Non-Executive Director of Commonwealth Bank of Australia, and Chair of AUB Group Limited.

Former directorships of listed entities in the past three years
None.

Other commitments
Peter is the Chair of Lawcover Insurance Pty Ltd.

Interests in shares and performance rights
Indirect: 36,852 ordinary shares in nib holdings limited held by Bond Street Custodians Limited.

Anne Loveridge AM

BA (Hons) (University of Reading), FCA, GAICD

Age: 64

Independent Non-Executive Director

Anne was appointed to the Board of nib holdings limited in February 2017. She is the Chair of the Audit Committee, and a member of the Nomination Committee, and the Risk and Reputation Committee.

In addition, Anne is a Director of nib health funds limited, nib nz limited, and nib nz holdings limited.

Industry experience
Anne has more than 35 years of experience in the highly regulated financial services sector, including health insurance.

She has extensive knowledge of financial and regulatory reporting, risk management and compliance frameworks. She has been a Non-Executive Director for ASX-listed entities in the financial services sector for more than 10 years.

Anne has championed the role of leadership, performance and culture to successfully drive change.

Other business and market experience
Formally trained as a Chartered Accountant, Anne has wide experience in financial reporting, auditing, risk, ethics and regulatory affairs. She spent more than 30 years with PwC in the UK and Australia, where she was a Senior Audit Partner and Deputy Chair of the Australian Firm until 2015.

In 2023, Anne was made a Member of the Order of Australia, recognising her significant contribution to theatre administration and to business.

Anne receives an amount from a retirement scheme in relation to her former role as a partner at PwC. The amount of the payment is fixed (subject to CPI) and not related to the financial performance of PwC. The Board is satisfied that this matter does not affect her independence as Non-Executive Director and does not constitute a conflict of interest.

Directorships of listed entities
Anne is a Non-Executive Director of ASX Ltd and Accent Group Limited.

Former directorships of listed entities in the past three years
National Australia Bank Limited and Platinum Asset Management.

Other commitments
Non-Executive Director of HSBC Bank Australia Ltd, and member of Chief Executive Women.

Interests in shares and performance rights
Direct: 35,000 ordinary shares in nib holdings limited.

Jill Watts

MBA (Griffith University), Wharton Leadership Program (University of Pennsylvania), Grad Dip Health Admin and Info Sys (University of Central Queensland)

Age: 67

Independent Non-Executive Director

Jill was appointed to the Board of nib holdings limited in July 2023. She is the Chair of the Clinical Governance Committee, and a member of the Audit Committee, the Risk and Reputation Committee, and the Nomination Committee.

She is also a Director of nib health funds limited.

Industry experience
Jill has more than 40 years' experience leading global businesses. She has worked across the private sector, with governments affecting public policy change, and private research institutes. She has gained significant experience working with companies with operations in Australia, the UK, France, and South Africa.

Prior to returning to Australia in 2017, Jill was the Group CEO of the UK's largest private hospital group, BMI Healthcare, responsible for 60 facilities across the UK. Jill was also Group CEO of Ramsay Healthcare, UK. In 2010, Jill was voted the most influential leader in UK Private Health Care.

She has joined the Boards of a range of global companies since returning to Australia.

Other business and market experience
Jill is a prior Director of the Australian Chamber of Commerce, UK; The Royal Australian Flying Doctor Service, UK; Netcare Hospital Group, South Africa; Ramsay Générale de Santé, France; and Chair of Healthcare Logic Global Group. She was a Board member at Keyton, a retirement villages business, formerly known as Lendlease Retirement Living.

Directorships of listed entities
None.

Former directorships of listed entities in the past three years
IHH Healthcare Berhad, which is dual listed in Singapore and Malaysia.

Other commitments
Jill is currently a Non-Executive Director at St Vincent's Healthcare and Icon Cancer Group.

Interests in shares and performance rights
Direct: 4,021 ordinary shares in nib holdings limited.

Indirect: 18,471 ordinary shares in nib holdings limited held for Watts Super Fund.

Brad Welsh

MMinEng (University of NSW), LLB (University of NSW), BCommWel (WSU), Grad Dip Legal Practice (NSW College of Law), GAICD

Age: 45

Independent Non-Executive Director

Brad was appointed to the Board of nib holdings limited in July 2023. He is a member of the Risk and Reputation Committee, People and Remuneration Committee, and the Nomination Committee.

Brad is also a Director of nib health funds limited.

Industry experience
Brad has spent more than a decade leading and advising global resource companies, including Energy Resources of Australia and Rio Tinto, bringing both public sector and commercial skills to his role on nib's Board.

He is currently Chief Executive Officer and Managing Director at Energy Resources of Australia, an ASX-listed mining company, where he is responsible for one of the world's largest and most complex mine-site rehabilitation processes. Through his senior leadership roles in mining and energy, Brad has focused on operational efficiency, safety and building long-term relationships of trust with key stakeholders, including traditional landowners.

Through media and senior advisory roles in the Office of the NSW Premier, the Minister for Planning, and the Prime Minister of Australia, he has acquired a deep understanding of the public sector.

Brad brings to the nib Board commercial acumen combined with a purpose that aligns with nib's values.

Other business and market experience
Brad has been admitted as a solicitor to the NSW Supreme Court.

Directorships of listed entities
Brad is the Chief Executive Officer and Managing Director at Energy Resources of Australia Limited.

Former directorships of listed entities in the past three years
None.

Other commitments
None.

Interests in shares and performance rights
Indirect: 16,261 ordinary shares in nib holdings limited held by Turril Pty Ltd.

Former Directors

Donal O'Dwyer retired as a Director on 6 November 2025.

Company secretary

Mr Jordan French, BSc (Hons)/LLB (Macquarie University) GGIA was appointed Company Secretary on 15 August 2017. Mr French joined nib in 2016 as Senior Corporate Counsel and Assistant Company Secretary. He has acted in the position of Head of Sustainability during 2022-2023, and was the General Counsel and Head of Risk and Governance for the Honeysuckle Health Group (a nib Group company) from 2024-2025. He also served more than seven years as the Company Secretary of nib's charitable arm, nib Foundation. In February 2026, he was appointed nib Group's General Counsel and Company Secretary and is responsible for legal, governance, and company secretariat functions for the nib Group. In this role, Jordan provides strategic legal advice and implements corporate governance frameworks that support nib's operations and regulatory obligations.

Former company secretary

Ms Roslyn Toms retired as Company Secretary on 1 December 2025.

Meetings of directors

The number of meetings of nib holdings limited's Board of Directors and of each Board Committee held during the year ended 30 June 2026, and the numbers of meetings attended by each Director are noted below. All directors may attend Committee meetings even if they are not a member of a Committee. The table below excludes the attendance of Directors at Committee meetings where they were not a Committee member.

	Board		Audit Committee		Risk and Reputation Committee		People and Remuneration Committee		Nomination Committee	
Name	**Held[1]**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
D Gordon	11	11	–	–	–	–	–	–	1	1
E Close	11	11	–	–	–	–	–	–	1	1
J Chow	11	10	7	6	–	–	5	5	1	1
H El-Ansary[2]	6	6	3	3	–	–	2	2	1	1
P Harmer	11	10	–	–	5	5	5	5	1	1
A Loveridge	11	10	7	7	5	5	–	–	1	1
D O'Dwyer[3]	5	5	3	3	–	–	2	2	–	–
J Watts	11	10	7	6	5	5	–	–	1	1
B Welsh	11	11	–	–	5	5	5	5	1	1

1. Includes three unscheduled board meetings called at short notice.
2. H El-Ansary was appointed as a Director on 2 December 2025. The stated number of meetings held for Mr. El-Ansary are those that were convened during the financial year after his commencement as Director.
3. D O'Dwyer retired as a Director on 6 November 2025. The stated number of meetings held for Mr. O'Dwyer are those that were convened during the financial year prior to his retirement.

Clinical Governance Committee

In August 2026, the Board will establish a new standing Board Committee, the Clinical Governance Committee. The Committee will provide oversight of nib's clinical governance framework, clinical risk management, and clinical quality and safety practices. As the Committee was not active during FY26, it is not included in the Board Committee meeting and attendance disclosures.

Remuneration report

The Remuneration Report is set out on pages 44 to 63 of the Annual Report and forms part of this Report.

Shares under performance rights

Unissued ordinary shares of nib holdings limited under performance rights at the date of this report are as follows:

Date performance rights granted	Expiry date	Issue price of shares	Number under performance right
2 December 2022	1 September 2026	nil	454,251
1 December 2023	1 September 2027	nil	497,284
6 December 2024	1 September 2028	nil	476,550
21 January 2026	1 September 2029	nil	496,342
31 March 2026	1 September 2029	nil	23,399

Shares may be issued or acquired on-market at the election of the Company. It is anticipated that the performance rights will be satisfied through on-market share purchases administered by the nib Holdings Ltd Share Ownership Plan Trust.

No performance right holder has any right under the performance rights to participate in any other share issue of the Company or any other entity.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

Details of the amounts paid or payable to the auditor (PricewaterhouseCoopers) for audit and non-audit services during the year are disclosed in Note 25 – Remuneration of Auditors.

The Board of Directors has considered the position and, in accordance with advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out in Note 25, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit Committee to ensure that they did not impact the impartiality and objectivity of the auditor;
- none of the services undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*.

Insurance of officers

During the financial year, the Group paid a premium in respect of a contract insuring the Directors and Officers of the Group against liability incurred as such a Director or Officer, other than conduct involving wilful breach of duty in relation to the Group, to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 43.

Rounding of amounts

The Company is of a kind referred to in Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off to the nearest hundred thousand dollars in accordance with that Instrument.

This report is made in accordance with a resolution of the Directors.

On behalf of the Board

Anne Loveridge

David Gordon
Director

Anne Loveridge AM
Director

Newcastle, NSW
21 August 2026

Auditor's Independence Declaration

For the year ended 30 June 2026

Auditor's Independence Declaration

As lead auditor of nib holdings limited's financial report and specified sustainability disclosures within the sustainability report for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report or the review of the specified sustainability disclosures; and

b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report or the review of the specified sustainability disclosures.

C. Mara

Caroline Mara
Partner
PricewaterhouseCoopers

Newcastle
21 August 2026

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Remuneration Report

For the year ended 30 June 2026

Message from the People and Remuneration Committee Chair

Dear Shareholders,

On behalf of the Board, I am pleased to present nib Group's FY26 Remuneration Report.

Performance & Remuneration Outcomes

As the Chairman and Managing Director/CEO (MD/CEO) have highlighted, FY26 was a year of disciplined execution against our strategic priorities.

The Group delivered an underlying operating profit of $260.9m (up 9.1%), while statutory earnings per share were down to 38.4 cents per share.

Meaningful progress was made against our non-financial metrics including employee experience, inclusion and wellbeing and delivery of our digital-first agenda.

Against the backdrop of our FY26 results, the Board assessed remuneration outcomes to ensure they appropriately reflected both company performance and individual contribution.

The MD/CEO's short-term incentive (STI) award outcome was 95.6% of target with other Executive Key Management Personnel (KMP) ranging between 62.7% – 108.3%.

The 2023 long-term incentive (LTI), which covered performance between FY23 and FY26, will vest on 1 September 2026. Reflecting performance against the Relative Total Shareholder Return (TSR) and Statutory Earnings Per Share (EPS) hurdles over the performance period, 29.31% of the performance rights will vest.

In setting FY27 remuneration for Executive KMP, the Board carefully considered a range of factors including remuneration benchmarking data, the external operating environment, shareholder views and performance of the company. As a result, the Board approved an up to 4% increase to Executive KMP fixed pay and a 3% increase to Non-Executive Director (NED) Fees, effective 1 July 2026.

Risk Culture & Accountability

Accountability and effective risk management remain central to nib's remuneration framework. As Ed outlined in his MD/CEO report, we continue to strengthen our strategic Risk Management Program to enhance risk maturity, operational resilience and governance capabilities across the Group.

This reinforces the Board's view that remuneration outcomes should reflect not only what is achieved, but how it is achieved, with sustainable performance underpinned by sound risk management, appropriate conduct and positive customer outcomes.

Executive performance assessments include consideration of risk, conduct, compliance and governance outcomes, supported by a formal risk and conduct review. This process ensures remuneration decisions appropriately reflect both financial performance and the quality and sustainability of outcomes delivered.

This year also reflects the first of our extended deferral schedule to meet minimum deferral requirements under the Financial Accountability Regime Act, with the deferred STI share component now vesting over a 3-year period, up from the prior 2-year schedule.

The Board maintains discretion to adjust, reduce, forfeit or recover variable remuneration where conduct, risk, compliance or customer outcomes fall short of expectations.

Executive Remuneration Framework

During the year, the Board completed a review of the Executive Remuneration Framework to ensure it remains aligned with shareholder expectations, regulatory requirements and nib's strategic priorities.

The review reinforced the link between remuneration, sustainable performance, effective risk management and long-term shareholder value. It also is designed to support our ambition of fostering a high performing, purpose led team.

Effective from 1 July 2026, key changes include:

- Enhanced assessment of risk and conduct outcomes including the introduction of a positive risk modifier for exceptional risk behaviours and outcomes.
- Introduction of an additive scorecard that strengthens recognition of individual performance while continuing to incentivise shared accountability for Group performance.
- Refined performance measures to better support delivery of strategic priorities.

We are confident these changes will further strengthen our remuneration strategy and drive sustainable outcomes for our customers and shareholders alike.

Looking ahead

At this year's AGM we will be seeking shareholder approval to increase the fee pool for Non-Executive Directors (NEDs) from $1.9 million to $2.75 million, effective 1 January 2027. The current fee pool was approved in November 2017 and has not changed since, despite nib's growth and increasing business complexity.

The proposed increase will give nib appropriate flexibility to attract and retain high-quality Directors with the skills, experience, diversity and capacity needed to support the Group's future growth and governance requirements. Further details are provided in the Notice of Meeting.

As we prepare for a future where AI and technology are increasingly embedded in how work is done, our focus remains firmly on our people. We see this transformation as an opportunity to enhance, rather than replace, human capability by reducing repetitive tasks and enabling employees to spend more time on the work that creates the greatest value for our customers, members and shareholders.

We're supporting our people through the transition by investing in new skills, career development and workforce capability to ensure they are well positioned for the future. We believe organisations that successfully combine technology with human expertise will be best placed to deliver sustainable growth and long-term shareholder value.

We're also reinforcing our ongoing commitment to fostering a culture of inclusion through the development of our new integrated Inclusion and Belonging Plan which highlights our equity and inclusion actions for the years ahead.

Core to achieving ongoing success are our people, and I thank them for their ongoing commitment, resilience and passion for delivering better health outcomes for our customers.

On behalf of the Board, I'd invite you to read our FY26 Remuneration Report and as always, welcome feedback.

Jacqueline Chow

Chair

People and Remuneration Committee

Contents

Key terms used in this report

FY25	Financial year ended 30 June 2025
FY26	Financial year ended 30 June 2026
FY27	Financial year ended 30 June 2027
AGM	Annual General Meeting
EPS	Earnings Per Share
FR	Fixed Remuneration
Group	nib holdings limited consolidated entity
KMP	Key Management Personnel (those Directors and Executives who have responsibility for planning, directing and controlling the activities of nib, either directly or indirectly)
KPI	Key Performance Indicator
LTI	Long-Term Incentive
LTIP	Long-Term Incentive Plan
NPAT	Net Profit After Tax
PARCO	People and Remuneration Committee
STI	Short-Term Incentive
TSR	Total Shareholder Return

Key Management Personnel (KMP)

This Report presents the remuneration arrangements for nib's KMP during the financial year ended 30 June 2026.

Name	Position	Term as KMP
Chairman		
David Gordon	Chairman Chair, Nomination Committee	Full year
Current Non-Executive Directors		
Jacqueline Chow	Chair, People and Remuneration Committee Member, Audit Committee Member, Nomination Committee	Full year
Peter Harmer	Chair, Risk and Reputation Committee Member, People and Remuneration Committee Member, Nomination Committee	Full year
Hisham El-Ansary	Member, People and Remuneration Committee Member, Audit Committee Member, Nomination Committee	From 2 December 2025
Anne Loveridge	Chair, Audit Committee Member, Risk and Reputation Committee Member, Nomination Committee Chair, New Zealand Board Audit, Risk and Compliance Committee (until 11 November 2024) Member, New Zealand Board Audit, Risk and Compliance Committee (from 11 November 2024) Director, New Zealand subsidiaries	Full year
Donal O'Dwyer	Member, People and Remuneration Committee Member, Audit Committee Member, Nomination Committee	Until 6 November 2025
Brad Welsh	Member, People and Remuneration Committee Member, Risk and Reputation Committee Member, Nomination Committee	Full year
Jill Watts	Member, Audit Committee Member, Risk and Reputation Committee Member, Nomination Committee	Full year
Current Executive KMP		
Ed Close	Managing Director/Chief Executive Officer (MD/CEO) Member, Nomination Committee	Full year
James Barr	Chief Executive, Australian Private Health Insurance (CE APHI)	Until 12 June 2026
Matthew Neat	Group Executive, nib Australia (GEA)	From 15 June 2026
Nick Freeman	Group Chief Financial Officer (GCFO)	Full year
Roslyn Toms	Group Executive, Legal and Chief Risk Officer (GELCRO)	Until 1 December 2025

Executive KMP remuneration overview

Our Remuneration Principles

- Simple and transparent
- Market competitive
- Fair and equitable
- Aligned to customer and shareholder interests
- Rewards sustainable performance
- Promotes accountability, effective risk management and conduct

	Fixed Remuneration (FR)	Short-Term Incentive (STI)	Long-Term Incentive (LTI)
Rationale	Provides market competitive remuneration to attract and retain high calibre talent. Reflects role size and accountability	Rewards executives for achievement against predetermined financial and non-financial performance measures	Rewards executives for creating sustainable, long-term shareholder value
Structure	Base salary and superannuation	50% paid in cash 20% deferred into shares, restricted 1 year 20% deferred into shares, restricted 2 years 10% deferred into shares, restricted 3 years	Rights to shares with no dividend equivalent payments. Vesting is subject to performance over a 4-year period, with 50% of the award held in escrow for a further 2 years
Approach	Reviewed annually against comparator group remuneration benchmarks: • ASX listed companies with a market capitalisation 50-200% of nib • ASX listed companies within the financial services and healthcare sectors with a market capitalisation 33-300% of nib	**Quantum** • Target opportunity of 90% of FR for the CEO (between 60% and 75% for other Executive KMP) • Maximum opportunity is 150% of Target for all Executive KMP **Performance Measures** • Group performance is assessed on achievement of financial and non-financial measures linked to the Group's strategic priorities (Group Scorecard) • Individual performance is assessed against a tailored scorecard comprised of financial and non-financial measures that reflect the responsibilities of each Executive KMP's role (Individual Scorecards) See page 53 for further information on the STI Plan and Group Scorecard measures	**Quantum** • Maximum face value allocation of 125% of FR for the CEO (60% for other Executive KMP) **Performance Measures:** • Relative TSR (50%) • Statutory EPS (50%) See page 54 for further information on the LTI Plan
		Subject to in-year adjustments, malus and claw back	**Subject to malus and clawback**

Executive KMP Remuneration Outcomes – FY26 Snapshot

	MD/CEO	Other Executive KMP
Fixed Remuneration Increase	**2.5%**	**2.5%**
STI awarded (% of target)	**95.6%**	**62.7% - 108.3%** (average 87.5%)
LTI which reached the end of its performance period on 30 June 2026	**29.31% of the award vested, being:** • 0% vesting for the Relative TSR hurdle • 58.62% vesting for the Statutory EPS hurdle	

Our remuneration governance

nib Board

Responsible for the governance of the Company, including ensuring nib's remuneration framework and executive reward outcomes are transparent and suitably robust, and aligned with the interests of our members, travellers, participants, employees, shareholders, and community expectations.

Considers recommendations from PARCO regarding changes to nib Group's Executive reward and recognition framework including long-term and short-term incentive arrangements. The Board is responsible for assessing the performance of the MD/CEO.

PARCO

The role of PARCO is to ensure nib's remuneration framework supports nib's business strategy assisting and advising the Board on:

- remuneration strategy, policies and practices;
- reviewing the nib Diversity, Equity and Inclusion Policy;
- reviewing the People and Culture strategy and succession planning processes;
- reviewing the Company values and the inculcation of those values throughout the organisation; and
- monitoring employee engagement and culture.

Risk Performance Assessment

PARCO conducts a formal assessment of each Executive's risk management performance with input from nib's Risk and Reputation Committee, and in collaboration with the Audit Committee. This assessment may result in an adjustment to remuneration outcomes to appropriately reflect risk considerations.

Shareholders and Other Stakeholders

nib Board and PARCO representatives seek feedback from industry stakeholders, including major shareholders and shareholder interest groups, to assist in remuneration decisions.

External Remuneration Advisers

PARCO may seek input from independent remuneration advisers to assist in Executive salary benchmarking against comparator groups of companies.

Management

The MD/CEO is responsible for assessing the performance of other Executives, which is subject to Board approval.

The role of our People and Remuneration Committee (Committee) is to ensure alignment of nib's remuneration framework and executive reward strategy against the short and long-term performance of the nib Group (nib), assessed through a combination of financial and non-financial measures. The Committee also has an ongoing role to assess remuneration and performance to ensure it is consistent with shareholder and community expectations.

As part of this process the Committee seeks advice and feedback from a range of external stakeholders, including independent remuneration advisers, proxy advisers and major shareholders.

The Committee uses independent external remuneration advisers to provide the Committee with remuneration benchmarking data, information on current market practice and regulatory requirements, and may provide independent input into key remuneration decisions as required. No remuneration recommendations in relation to Executive KMP as defined by Division 1 of part 1.2 of Chapter 1 of the *Corporations Act 2001* were provided by any adviser during the year.

When assessing our remuneration framework strategy, the Committee ensures there is a clear link to nib's culture and values as well as risk management and business strategy. Guiding this process is an intent to create a workplace and environment that attracts, retains, develops and appropriately rewards our people. External factors such as the operating environment, governance and regulatory expectations also feed into this process.

The People and Remuneration Committee as at 30 June 2026 are:

- Jacqueline Chow (Chair)
- Peter Harmer
- Brad Welsh
- Hisham El-Ansary

Shareholders can view the Committee Charter on the nib website (nib.com.au/about-us/corporate-governance).

Executive KMP remuneration structure

Executive remuneration is based on nib's performance assessed using a combination of metrics and timeframes, ensuring reward is linked to decision-making and performance, aligned to our values and culture, is sustainable, consistent with our long-term business strategy and shareholder value creation.

The structure of our executive remuneration arrangements are set against a comparator group of listed organisations or peers, which nib determines in consultation with external remuneration advisors. The aim is to position the total target remuneration between the 50th and 75th percentile of benchmarked companies. The Committee also considers shareholder views when setting the remuneration of our MD/CEO and Executive KMP, with feedback shared by the Committee.

nib's remuneration framework and executive reward strategy provides a mix of fixed and variable remuneration assessed against short and long-term performance. There are three components to total remuneration:

- fixed remuneration, comprising a base remuneration package and superannuation, plus insurance cover;
- short-term incentives based on pre-determined Group and individual targets established by the Board; and
- long-term incentives based on pre-determined Total Shareholder Return (TSR) and Statutory Earnings Per Share (EPS) performance hurdles, established by the Board.

A significant portion of remuneration for executives is performance-based or "at risk" through Short-Term Incentives (STI) and Long-Term Incentives (LTI). All performance-based incentives (STI and LTI) for executives include malus and clawback provisions.

nib's Remuneration & Reward Policy includes a Consequence Management framework to ensure executive remuneration outcomes appropriately reflect risk and conduct. The Board may exercise discretion to adjust, forfeit, or recover incentives, including where an executive:

- engages in dishonesty, fraud, serious misconduct, or negligence;
- is convicted of a criminal offence impacting their role or reputation;
- breaches contractual obligations such as confidentiality or non-compete clauses; and
- fails to take reasonable steps to prevent or escalate issues that may harm nib's reputation or operations.

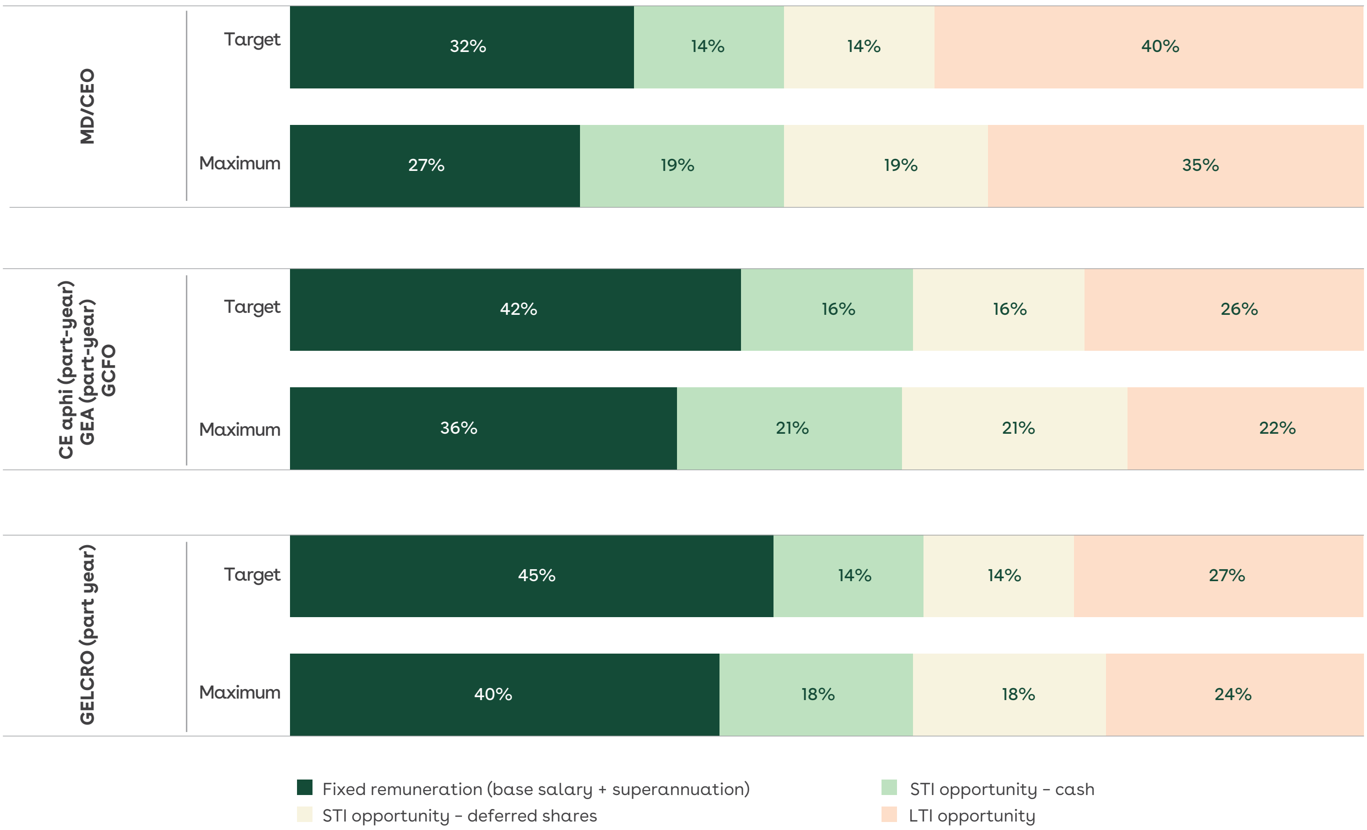
Additionally, if the Board becomes aware of a material financial misstatement, misconduct causing significant harm, major failures in risk management or compliance, adverse customer outcomes, or errors used to determine variable remuneration or any other pertinent event under the plan rules, the Board may (at its absolute discretion):

- require the executive to repay the Company any short or long-term incentive received; or
- apply an in-period adjustment, forfeit or cancel any short or long-term award (vested or unvested).

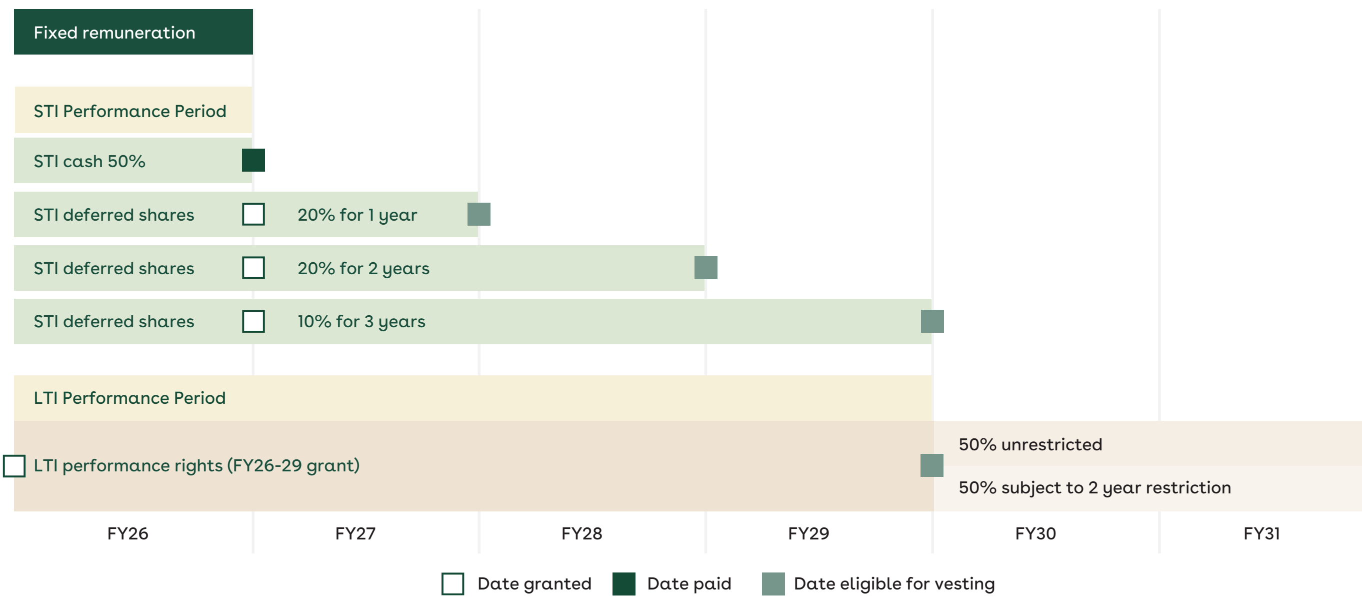
When granting a variable remuneration component for each executive relating to the performance period, such as STI and LTI Awards, the Board also ensures any governance, adverse risk reputation and conduct outcomes, or audit issues are factored into the quantum of payments to each executive. To support this, a formal risk and conduct modifier is incorporated into our STI Plan design. The Committee assesses each executive's risk performance with input from nib's Risk and Reputation Committee, the Group Chief Risk Officer, and in collaboration with the Audit Committee, to determine any necessary adjustments to remuneration outcomes. The Board also has discretion to adjust variable remuneration downwards to ensure the financial and reputational soundness of the Group.

Executive KMP remuneration mix

The graph below illustrates the FY26 remuneration mix for Executive KMP at target and maximum opportunity. A large portion of executive remuneration is "at risk" and subject to meeting performance hurdles as set out through the STI and LTI for each Executive KMP.



The following diagram provides an illustrative indication of how FY26 financial year remuneration will be delivered to Executive KMP:



Executive KMP remuneration mix – fixed remuneration

Fixed remuneration for executives reflects their core responsibilities and duties, which is determined with reference to a benchmarking process, external market factors, competition to attract and retain talent, as well as consideration of the expertise of the individual in the role. Fixed remuneration is generally positioned between the 50th and 75th percentile of benchmarked companies, with consideration to adjust based on the size and specialty of the role, as well as the skills and experience of the executive.

Fixed remuneration includes cash salary and superannuation. Fixed remuneration may be salary packaged at no additional cost to the Group. Adjustments to an executive's remuneration are generally only made where their remuneration is below benchmarked companies or there is a material change in the executive's responsibilities.

nib periodically conducts executive remuneration benchmarking, obtaining data from specialist market survey providers and other relevant sources to assess competitiveness and alignment with market practice.

The companies that make up our peer group for assessing benchmark remuneration data include the following sectors and industries:

- Australian market capitalisation comparator group: this includes ASX200 companies within 50-200% of nib's market capitalisation; and
- Australian industry-based comparator group: this includes selected ASX200 financial services and healthcare companies within 33-300% of nib's market capitalisation.

In setting Executive KMP remuneration for FY27, the Board carefully considered the remuneration benchmarking data, along with a range of other factors, including the performance of the company, the external competitive market and shareholders' views. Taking these factors into account, the Board determined increases to fixed remuneration for FY27 of 0-4% (rounded up to the next $500) for Executive KMP to ensure remuneration levels remain competitive and aligned to market rates.

Details of FY26 and FY27 fixed remuneration arrangements for all Executive KMP are provided below:

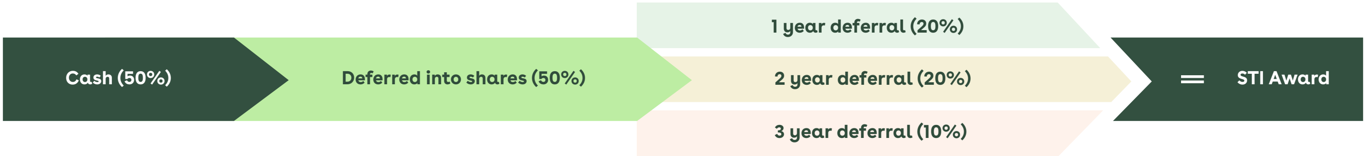
	Total fixed remuneration[1] $	
Executive KMP	**FY26**	**FY27**
Ed Close	1,076,500	1,120,000
Nick Freeman	796,000	796,000
Matthew Neat[2]	730,000	730,000

1. Includes base salary and superannuation.
2. Matthew Neat is considered a KMP effective 15 June 2026. FY26 fixed remuneration reflects his recent appointment to the GEA role. No increase was applied for FY27 as fixed remuneration was reviewed and set upon appointment to the role.

Executive KMP remuneration mix – variable remuneration

Short-term incentives (STI)

nib's Executive Short-Term Incentive (STI) plan is structured as follows.



Variable (Determined by a mixture of financial, non-financial and individual performance outcomes)

The Board is responsible for assessing the performance of the MD/CEO and the MD/CEO is responsible for assessing the performance of other executives. The performance assessment is overlayed with a formal review of each executive's risk performance considered during a joint sitting of the People and Remuneration Committee, the Risk and Reputation Committee and the Audit Committee, with input from the Group Chief Risk Officer.

For FY26, the MD/CEO's Target STI was 90% of fixed remuneration with other Executive KMP between 60%-75% of fixed remuneration. The maximum STI for all Executive KMP (including the MD/CEO) is 150% of Target. A condition of acceptance for each executive in the STI Plan is the requirement that 50% of the STI be deferred into shares. The deferred share component vests over three years, with 20% after one year, 20% after two years and the remaining 10% deferred for three years. These shares are subject to a risk of forfeiture during the deferral period under malus and clawback conditions.

Actual STI outcomes are determined based on assessment of performance against the following components:

1. **Group Scorecard** which comprises a mix of financial and non-financial measures for which shared accountability or significant collaboration is critical to success. The Group scorecard acts as a multiplier when calculating STI outcomes for all nib Group employees, including Executive KMP. Further detail on the Group Scorecard is included on page 56.

2. **Individual Scorecards** comprising financial and non-financial measures which vary based on each executive's scope of accountability and influence. All individual scorecards include a component that is weighted to 'strategy delivery' goals which is designed to incentivise and reward progress against key milestones and initiatives that contribute to achievement of the Group's strategic plan. The MD/CEO provides a detailed assessment of each executive's progress and achievements in relation to their individual scorecard which the Board considers, to determine the individual scorecard result for each executive.

   For the MD/CEO, the Board determines an individual performance score based on an assessment that considers the following factors:

   - Leadership
   - Strategic planning
   - Shareholder return
   - Customer satisfaction
   - Operations and people
   - Financial management
   - Board relations
   - Public image and professional development

   nib does not disclose individual performance hurdles and metrics if they are commercially or strategically sensitive.

The table on page 56 details the remuneration outcomes for the MD/CEO against performance criteria for the FY26 STI award. The table on page 57 shows the STI award for each Executive KMP for FY26.

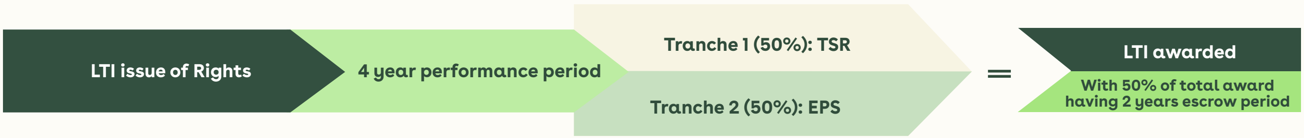
The table below outlines the Target STI opportunity applicable to each Executive KMP in FY26 which are unchanged in FY27.

	Target STI (% of fixed remuneration)	
Executive KMP	**FY26**	**FY27**
Ed Close	90%	90%
Nick Freeman	75%	75%
Matthew Neat[1]	75%	75%

1. Matthew Neat is considered a KMP effective 15 June 2026.

Long-term incentives (LTI)

nib's Executive Long-Term Incentive (LTI) Plan is structured as follows:



The purpose of the LTI is to balance short-term performance objectives with the creation of long-term shareholder value by focusing overall Group performance over a multi-year period.

The nib LTI is an incentive provided to eligible executives if specific measures are met over a four-year period. LTI targets are set in the interests of creating long-term shareholder value and to assist nib to attract, reward, motivate and retain executives.

LTI participants are granted performance rights that enable the executive to acquire shares in nib for nil consideration if performance conditions are met and the executive is still employed by nib at the end of the vesting period. No dividends are received on unvested rights.

Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The performance hurdles for the nib LTI are Total Shareholder Return (TSR) relative to the S&P/ASX200 over four years and Statutory EPS growth over the performance period. The LTI is allocated in two equal tranches; 50% for TSR and 50% for Statutory EPS. The Board's view is that our current LTI performance hurdles being EPS and TSR relative to S&P/ASX200 group of companies remain appropriate and aligned to our remuneration philosophy. We continue to assess the appropriateness of these performance hurdles each year and consult with shareholders, proxy advisors and other shareholder representative groups regarding any future amendments to ensure they are aligned to shareholders' interests and regulatory requirements.

A condition of acceptance for each executive in the LTI Plan is the requirement for 50% of the LTI to have a two-year escrow period. This escrow period extends beyond employment at nib ceasing, including termination. Performance rights and shares are subject to a risk of forfeiture during the performance and escrow period under malus and clawback conditions.

If vesting conditions are met, the performance rights will vest following the end of the performance period. On the vesting date, executives who hold vested performance rights will be either issued or transferred shares in nib for each vested performance right. There is no re-testing of performance.

The vesting date may be accelerated at the Board's discretion in the following circumstances:

- If an executive is employed or engaged by a member of the Group, if there is a winding up of the Company, a delisting of the Company, a change of control, reconstruction or amalgamation of the Company, or a cessation of employment as a result of redundancy or retirement of the executive, or the death, serious incapacity, serious disability or serious illness of the executive or their spouse, partner or dependent child;
- When an executive ceases to be employed or engaged by a member of the Group, in the event of death, serious incapacity, serious disability or serious illness of the executive, or only as many performance rights as are required to enable the executive to comply with all taxation obligations arising from the acceleration of any performance rights at cessation of employment or engagement; or
- Whilst an executive remains a holder of unvested performance rights following cessation of employment or engagement, if there is a winding up of the Company, a delisting of the Company, a change of control, reconstruction or amalgamation of the Company, or death of the executive, provided that the treatment of these unvested performance rights is the same as the treatment of unvested performance rights held by an executive who remains employed or engaged by a member of the Group.

The table below outlines the LTI opportunity applicable to each Executive in FY26 which are unchanged in FY27.

	LTI Opportunity (% of fixed remuneration)	
Executive KMP	**FY26**	**FY27**
Ed Close	125%	125%
Nick Freeman	60%	60%
Matthew Neat[1]	60%	60%

1. Matthew Neat is considered a KMP effective 15 June 2026.

Executive KMP remuneration for the financial year ended 30 June 2026

Actual remuneration received

Actual remuneration for each Executive KMP in FY26 included a fixed component, as well as a variable or at-risk component, made up of an STI award and LTI grant.

The table below details remuneration received by Executive KMP during the financial year, including:

- fixed pay and other benefits paid during the financial year;
- the value of STI awards (cash and shares held in escrow) received during the financial year; and
- the value of prior years' deferred LTI awards that vested during the financial year.

Statutory remuneration disclosures prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards differ to the numbers presented below, as they include expensing for equity grants that are yet to realise or may never be realised. Statutory remuneration table is presented on page 60.

		STI applicable to the FY25 year paid in Sept 2025 (FY26)[2]			
Actual remuneration received (non-statutory)	**Total fixed remuneration[1] $**	**Cash $**	**Shares held in escrow $**	**LTI vested in FY26[3] $**	**Total reward (received or available) $**
Ed Close	1,076,500	328,802	328,802	288,223	2,022,327
James Barr[4]	562,020	169,134	169,134	104,562	1,004,850
Nick Freeman	796,000	186,942	186,942	382,630	1,552,514
Matthew Neat[5]	28,077	–	–	–	28,077
Roslyn Toms[6]	247,077	119,595	119,595	107,096	593,363
	2,709,674	**804,473**	**804,473**	**882,511**	**5,201,131**

1. Total fixed remuneration comprises cash salaries, superannuation and leave entitlements paid on termination.
2. FY25 STI Award paid in the FY26 year.
3. Value of shares issued during the year on exercise of performance rights.
4. Remuneration is pro-rated for the period Mr Barr was a KMP being 1 July 2025 – 12 June 2026.
5. Remuneration is pro-rated for the period Mr Neat was a KMP being 15 June – 30 June 2026.
6. Remuneration is pro-rated for the period Ms Toms was a KMP being 1 July – 1 December 2025.

Executive KMP remuneration for the financial year ended 30 June 2026 continued

Short-term incentives for the financial year ended 30 June 2026

Measure	Weight	Target	Below Threshold	Threshold to Target	At Target	Above Target	Stretch	% of Target awarded	FY26 Achievement
Financial (50%)									
Group underlying revenue[1]	10.0%	$3,889.2m		●				65.2%	Group underlying revenue was $3,821.5m (up 6.2%), driven by price increases across segments and arhi policyholder growth expected to be in line with industry.
Group underlying operating profit[2]	25.0%	$255.0m				●		107.8%	Group underlying operating profit was $260.9m (up 9.1%), with arhi margins in the target range and recovery of New Zealand.
Statutory earnings per share (adjusted for M&A costs)	7.5%	40.6 cps				●		100.8%	Adjusted EPS of 40.6 cents per share, with statutory EPS of 38.4 adjusted for one-off, M&A and costs associated with the sale of nib Travel.
Productivity	7.5%	($682.5m)					●	125.0%	We achieved stretch performance on our productivity target reflecting disciplined expense management resulting in a reduction in total expenses compared to FY25.
Customer & Digital (10%)									
Group NPS[3]	2.5%	+34		●				66.7%	Group weighted NPS was +32, below target and FY25 by 2 points. Performance was mixed by segment with GU and iwhi above target, while arhi, ishi and NZ below target.
Digital First	7.5%	Board assessment				●		107.0%	The Board assessed digital first performance as above target due to strong progress in building a more digital, automated and scalable operating model.
People & Culture (7.5%)									
Group Employee Experience, Inclusion & Wellbeing	7.5%	Board assessment				●		105.0%	Employee experience, inclusion & wellbeing performance was assessed as above target reflecting disciplined execution of people and culture initiatives, improved employee experience and continued progress on inclusion.
Strategy Delivery (15%)									
Group Strategy Milestones	15.0%	Board assessment		●				86.4%	The Board assessed performance against our Group strategy milestones as threshold to target, reflecting continued progress against key strategic priorities.
Risk (17.5%)									
Risk Management Program & Risk Culture[4]	17.5%	Board assessment	●					34.3%	The Board assessed risk as below threshold, reflecting the context of the Group's evolving operating environment and the ongoing program of work relating to risk management and culture.
Group Scorecard Result								**86.92%**	

MD/CEO Performance Assessment (Ed Close)

The Board assessed the MD/CEO's performance against the criteria outlined on page 53.

Group Scorecard Result		MD/CEO Performance Assessment		Risk & Conduct Modifier		MD/CEO STI Award (% of Target)
86.9%	**x**	**110.0%**	**x**	**N/A** ***(No adjustment)***	**=**	**95.6%**

1 Net premium revenue, other underwriting revenue and other income from non-underwriting businesses, excluding one-off transactions.
2 Underwriting result, other income and expenses including non-underwriting businesses. It excludes amortisation of acquired intangibles, one-off transactions (integration of acquired business, establishment of business costs as well as extraordinary legal fees), merger and acquisition costs, finance costs, net investment income and income tax.
3 Group NPS is calculated using a weighted average result by segment underlying revenue. Excludes nib Travel.
4 Group Scorecard applies to variable remuneration outcomes of all Executive KMP that were in roles during FY26. The Board exercised its discretion to forfeit a portion of a former Executive KMP's deferred variable remuneration.

Actual STI Awards* for each Executive KMP (as a percentage of target and maximum) are set out below.

	FY26		FY25	
Executive KMP	% of Target	% of Maximum	% of Target	% of Maximum
Ed Close (MD/CEO)	95.6%	63.7%	79.1%	52.7%
James Barr	62.7%	41.8%	96.4%	64.3%
Nick Freeman	91.9%	61.3%	64.2%	42.8%
Matthew Neat	108.3%	72.2%	-	-
Roslyn Toms	86.9%	57.9%	70.0%	46.7%

*Actual STI Awards shown for the period Executives were considered a KMP only.

Long-term incentives for the financial year ended 30 June 2026

nib LTI performance rights vest in accordance with the achievement of the following vesting conditions:

Vesting Condition 1	Vesting Condition 2
50% of the performance rights (Tranche 1)	50% of the performance rights (Tranche 2)
Total shareholder return targets (TSR Hurdle) for the relevant performance period are met	Earnings per share growth targets (EPS Hurdle) for the relevant performance period are met

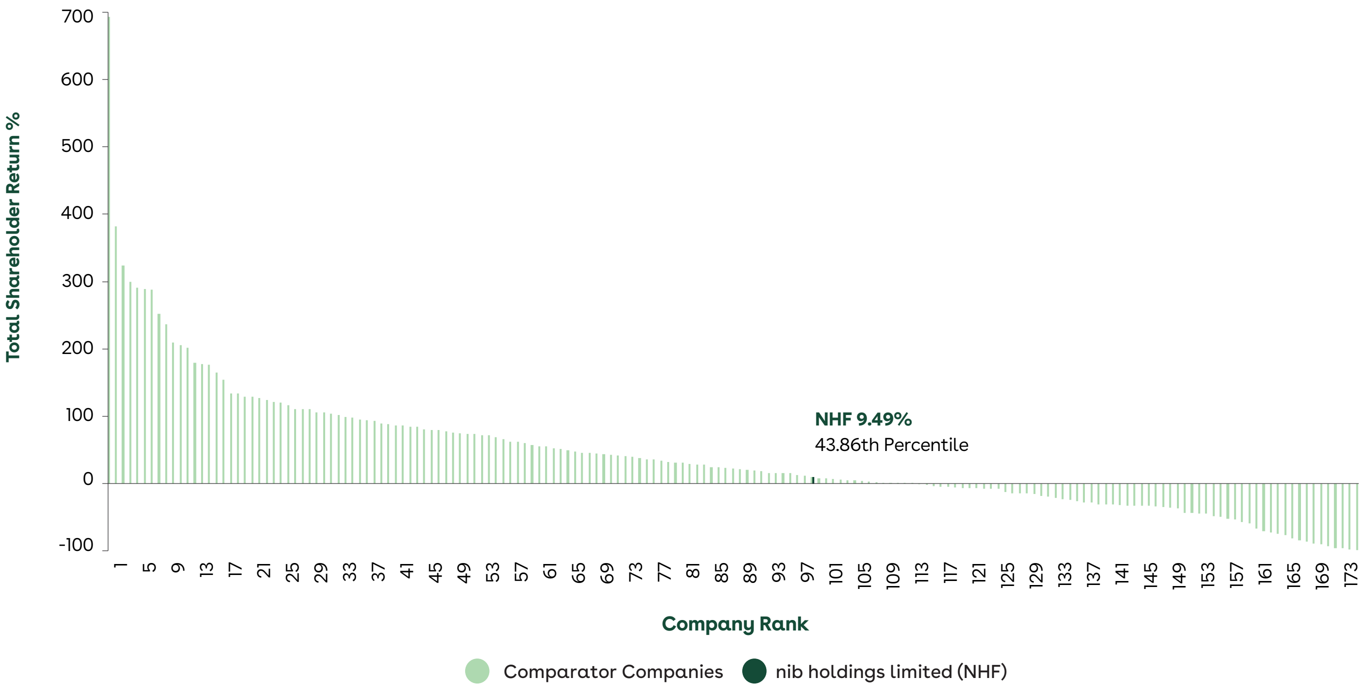
TSR Hurdle (Tranche 1)

For the four-year performance period ended 30 June 2026, nib's TSR was ranked at the 43.86th percentile to our peer group (S&P/ASX 200). As per the TSR vesting conditions for the FY23-26 LTI (as set out below) this translates to a 0% vesting of the performance rights for Tranche 1.

nib's TSR performance compared to the relevant peer group	Performance of Tranche 1 performance rights vesting
>= 75th percentile	100%
>= 50th percentile to 74th percentile	Pro-rata straight line vesting between 50% and 74%
< 50th percentile	0%

Relative TSR Performance

(1 July 2022 - 30 June 2026)



Source: MUFG (as at 30 June 2026). In accordance with the terms of the LTI Grant, ranking excludes companies that were delisted from the ASX during the performance period.

Executive KMP remuneration for the financial year ended 30 June 2026 continued

Statutory EPS Hurdle (Tranche 2)

For the 12 months to 30 June 2026 nib's Statutory EPS was 38.4 cps. As per the Statutory EPS vesting conditions for the FY23-26 LTI (as set out below) this translates to Statutory EPS CAGR of 6.7% from the base of 29.6 cps and 58.62% vesting of the performance rights for Tranche 2.

Percentage of performance rights vesting	FY23-FY26 LTIP
100%	43.3 cps
75%	40.3 cps
50%	37.4 cps
25%	34.6 cps
0%	nil

For the purpose of the calculation, 25% to 50% will be discrete thresholds, with performance above the 50% entitlement calculated on a pro rata basis to a maximum entitlement of 100%.

Linking remuneration with performance

The components of remuneration that are linked to performance are the STI and LTI plans. Refer to table on page 57 for summary of performance versus target against each FY26 STI component for the MD/CEO. The Five-Year Summary on page 12 details the Group's financial performance and KPI results for the last five years.

Executive KMP employment conditions

Executive KMP contracts summarise employment terms and conditions, including remuneration arrangements and compensation.

A significant portion of remuneration for our Executive KMP is performance based through STI and LTI arrangements. Executive KMP have claw-back arrangements and a malus condition in place for performance-based remuneration such as STI and LTI received.

The table below provides a summary of the current arrangements:

		Termination provisions	
	Service agreement effective	Notice by nib	Notice by employee
MD/CEO	Permanent	12 months	12 months
Other Executive KMP	Permanent	6 months	6 months

Termination payments

Where notice is given by nib, the Group may make a payment in lieu of all or part of the notice period.

The Executive KMP may also receive the following benefits upon termination:

- a pro-rata STI payment based on the period of the financial year during which the Executive KMP was employed and the Board's assessment of the Executive KMP's performance against the key performance indicators as at the date of termination; and/or
- the Board has discretion to determine that all or a portion of unvested performance rights of a participant of the LTIP are to be vested upon termination (in circumstances allowed by the LTI Plan Rules).

Minimum shareholding requirements

While nib does not set minimum shareholding requirements on our Executive KMP, the Board's view is that the deferral arrangements under the STI and LTI means all Executive KMP have an appropriate minimum equity holding.

Non-Executive Director remuneration

Fees and payments to Non-Executive Directors (NED) reflect the Board role, market fee levels, and the objective of the Group to attract highly skilled and experienced non-executive directors. Our Non-Executive Directors are paid a base fee and an additional fee for being members of other nib Board Committees. Non-Executive Director fees are reviewed annually by the Committee and approved by the Board.

nib's Non-Executive Director remuneration is set with reference to comparable ASX listed entities, having regard to market capitalisation and industry sector. External benchmarking data is obtained annually for analysis to assess competitiveness and alignment with market practice. Following this review, the Board approved a 3.0% increase to NED fees (rounded up to the next $100) for FY27.

Fees for Non-Executive Directors of nib holdings limited are determined within the $1.9 million aggregate fee pool limit set at the AGM in November 2017 (effective from 1 January 2018). The pool includes all fees payable to Non-Executive Directors for their service on the nib holdings limited Board and subsidiary boards, where applicable. Directors' fees and superannuation are paid out of this pool. Travel allowances, non-monetary benefits and retirement benefits are not included in this pool.

At this year's AGM nib will be seeking shareholder approval to increase the fee pool for Non-Executive Directors from $1.9 million to $2.75 million, effective 1 January 2027. The current fee pool was approved in November 2017 and has not changed since, despite nib's growth and increasing business complexity.

The proposed increase reflects the creation of a new Clinical Governance Committee of the Board and the payment of associated fees to NEDs appointed to that Committee. It also gives nib appropriate flexibility to attract and retain high-quality Directors with the skills, experience, diversity and capacity needed to support the Group's strategic ambitions and governance requirements. Furthermore, while the Board is not currently proposing to increase its size, the current cap does not provide the Board with future flexibility to make additional Board appointments should the business need arise.

Although an increase in the fee pool is being sought, it does not imply that the full amount will be used. The fee pool is a maximum annual limit and does not indicate that fees will necessarily be increased accordingly to that limit. Non-Executive Director fees will continue to be reviewed annually and managed in accordance with our existing NED remuneration philosophy.

The following table shows the fees (inclusive of superannuation) for nib's Australian Boards and Committees, and for Australian directors who serve on subsidiary boards in New Zealand:

	2026 **$**	**2025** **$**
Base fees		
Chairman	371,400	362,300
Other Non-Executive Directors	153,400	149,600
Additional fees		
Audit Committee		
Chairperson	38,300	37,300
Member	16,200	15,800
Risk and Reputation Committee		
Chairperson	38,300	37,300
Member	16,200	15,800
People and Remuneration Committee		
Chairperson	38,300	37,300
Member	16,200	15,800
Nomination Committee		
Chairperson	–	–
Member	–	–
NZ Subsidiaries – Base fees (AU domiciled Director)		
Member	58,500	57,000
NZ Subsidiaries – Board, Audit, Risk and Compliance Committee (AU domiciled Director)		
Chairperson	13,000	12,600
Member	–	–

nib's Corporate Governance Statement (which is available at nib.com.au/about-us/corporate-governance) includes the committee membership of each Non-Executive Director of nib holdings limited.

Non-Executive Director remuneration continued

Minimum shareholding requirements (MSR)

All Non-Executive Directors (nib holdings limited only) are required to hold a minimum of 100% of the annual base director's fee in shares, which is to be accumulated within four years of appointment.

Compliance with the MSR is tested annually using the relevant base fee (Chairman or Director fee) and the higher of:

a) the market value at 30 June, calculated using the volume-weighted average price for the 30 days up to and including 30 June; or

b) the market value on the date the shares were acquired.

All Non-Executive Directors who were required to comply with the MSR in FY26 met the annual test.

Detailed disclosure of Executive KMP remuneration

The following table shows details of the remuneration expense recognised for the Group's Executive Key Management Personnel (KMP). The remuneration is measured in accordance with the requirements of the accounting standards with additional information provided for performance rights vested during the year.

	Short-term employee benefits			Post-employment benefits	Long-term benefits	Share-based payments			
Executives	Cash salary and fees[1] $	Cash bonus $	Non-monetary benefits[2] $	Superannuation $	Long service leave $	Bonus[3] $	Performance rights expense $	Performance rights additional value at vesting[4] $	Total $
2026									
Ed Close	1,005,096	463,150	12,619	30,000	17,932	463,150	259,265	67,124	2,318,336
James Barr[5]	517,437	132,104	7,237	28,846	9,742	132,104	(27,876)	24,353	823,947
Nick Freeman	790,492	274,417	11,700	30,000	13,261	274,417	73,274	89,115	1,556,676
Matthew Neat[6]	26,923	12,996	262	1,154	–	12,996	2,340	–	56,671
Roslyn Toms[7]	242,926	127,004	3,174	12,692	(2,658)	14	(25,963)	24,942	382,131
	2,582,874	**1,009,671**	**34,992**	**102,692**	**38,277**	**882,681**	**281,040**	**205,534**	**5,137,761**
2025									
Mark Fitzgibbon	559,500	365,679	31,189	14,966	8,718	–	123,703	867,041	1,970,796
Ed Close	889,925	328,763	11,554	29,932	15,218	328,763	212,008	174,362	1,990,525
James Barr	307,625	119,707	7,736	17,269	(16,405)	119,707	23,614	–	579,253
Nick Freeman	728,649	186,847	12,255	29,932	65,037	186,847	177,611	243,891	1,631,069
Roslyn Toms	535,145	119,581	8,042	29,932	2,921	119,581	122,225	126,941	1,064,368
	3,020,844	**1,120,577**	**70,776**	**122,031**	**75,489**	**754,898**	**659,161**	**1,412,235**	**7,236,011**

1 Includes cash salary and fees and short-term compensated absences, such as annual leave entitlements accrued during the year.
2 Non-monetary benefits includes insurance cover and cost of benefits and associated Fringe Benefits Tax.
3 Includes bonus share rights. Refer to Share-based payments.
4 The Performance rights additional value at vesting represents the difference between fair value at grant date and the value at vesting date which is not included in statutory remuneration.
5 Remuneration is pro-rated for the period Mr Barr was a KMP being 1 July 2025 – 12 June 2026.
6 Remuneration is pro-rated for the period Mr Neat was a KMP being 15 June – 30 June 2026.
7 Remuneration is pro-rated for the period Ms Toms was a KMP being 1 July – 1 December 2025.

Detailed disclosure of Non-Executive Director remuneration

Details of the remuneration of the Directors of the nib holdings group are set out in the following tables.

	Short-term employee benefits		Post-employment benefits	
Non-Executive Directors	**Cash salary and fees $**	**Non-monetary benefits $**	**Superannuation $**	**Total $**
2026				
David Gordon	341,400	–	30,000	371,400
Jacqueline Chow	207,900	–	-	207,900
Hisham El-Ansary	100,812	–	5,666	106,478
Peter Harmer	185,636	–	22,264	207,900
Anne Loveridge	266,400	–	-	266,400
Donal O'Dwyer	59,603	6,231	7,571	73,405
Jill Watts	165,902	–	19,898	185,800
Brad Welsh	165,902	–	19,898	185,800
	1,493,555	**6,231**	**105,297**	**1,605,083**
2025				
David Gordon	332,368	–	29,932	362,300
Jacqueline Chow	202,700	–	–	202,700
Peter Harmer	182,196	–	20,504	202,700
Anne Loveridge	264,353	–	–	264,353
Donal O'Dwyer	162,871	–	18,329	181,200
Jill Watts	162,871	–	18,329	181,200
Brad Welsh	162,871	–	18,329	181,200
	1,470,230	**-**	**105,423**	**1,575,653**

Equity instruments held by KMP

Reconciliation of performance rights held by KMP

The numbers of performance rights over ordinary shares in the Company held during the financial year by each Executive KMP of nib holdings limited are set out below.

	Balance at the start of the year		Vested and exercised		Lapsed			Balance as the end of the year	
Name and Grant dates	**Unvested**	**Granted as compensation**	**Number**	**%**	**Number**	**%**	**Other changes**	**Vested and exercisable**	**Unvested**
Ed Close									
26 Nov 2021 (FY22 - FY25 LTIP)	46,681	–	37,451	80%	9,230	20%	–	–	–
2 Dec 2022 (FY23 - FY26 LTIP)	43,446	–	–	–	–	–	–	–	43,446
23 Jun 2023 (FY23 - FY26 LTIP)	2,973	–	–	–	–	–	–	–	2,973
1 Dec 2023 (FY24 - FY27 LTIP)	52,428	–	–	–	–	–	–	–	52,428
6 Dec 2024 (FY25 - FY28 LTIP)	154,359	–	–	–	–	–	–	–	154,359
21 Jan 2026 (FY26 - FY29 LTIP)	–	178,768	–	–	–	–	–	–	178,768
James Barr[1]									
26 Nov 2021 (FY22 - FY25 LTIP)	17,612	–	14,130	80%	3,482	20%	–	–	–
2 Dec 2022 (FY23 - FY26 LTIP)	21,220	–	–	–	–	–	–	–	21,220
1 Dec 2023 (FY24 - FY27 LTIP)	35,951	–	–	–	–	–	–	–	35,951
6 Dec 2024 (FY25 - FY28 LTIP)	52,889	–	–	–	–	–	–	–	52,889
21 Jan 2026 (FY26 - FY29 LTIP)	–	46,591	–	–	–	–	–	–	46,591
Nick Freeman									
26 Nov 2021 (FY22 - FY25 LTIP)	61,970	–	49,718	80%	12,252	20%	–	–	–
2 Dec 2022 (FY23 - FY26 LTIP)	53,403	–	–	–	–	–	–	–	53,403
1 Dec 2023 (FY24 - FY27 LTIP)	56,173	–	–	–	–	–	–	–	56,173
6 Dec 2024 (FY25 - FY28 LTIP)	76,138	–	–	–	–	–	–	–	76,138
21 Jan 2026 (FY26 - FY29 LTIP)	–	63,449	–	–	–	–	–	–	63,449
Matthew Neat									
6 Dec 2024 (FY25 - FY28 LTIP)	24,489	–	–	–	–	–	–	–	24,489
21 Jan 2026 (FY26 - FY29 LTIP)	–	39,699	–	–	–	–	–	–	39,699
Roslyn Toms									
26 Nov 2021 (FY22 - FY25 LTIP)	41,629	–	33,398	80%	8,231	20%	–	–	–
2 Dec 2022 (FY23 - FY26 LTIP)	35,866	–	–	–	–	–	(4,072)	–	31,794
1 Dec 2023 (FY24 - FY27 LTIP)	41,193	–	–	–	–	–	(15,560)	–	25,633
6 Dec 2024 (FY25 - FY28 LTIP)	55,841	–	–	–	–	–	(36,801)	–	19,040
21 Jan 2026 (FY26 - FY29 LTIP)	–	34,913	–	–	–	–	(28,365)	–	6,548

1. 74,356 performance rights to be forfeited.

To date nib's practice has been to source equity for remuneration awards from shares purchased on market. Accordingly, there was no dilution from Executive KMP new issue equity awards in FY26.

The terms and conditions of each grant of options affecting remuneration in the current or a future reporting period are:

LTIP	Grant date	Date vested and exercisable	Expiry date	Exercise price	Value per performance right at grant date	Performance achieved	% Vested
FY22-FY25	26 November 2021	1 September 2025	1 September 2025	nil	$5.9205	80.0%	80.0%
FY23-FY26	2 December 2022	1 September 2026	1 September 2026	nil	$5.8174	to be determined	n/a
FY23-FY26	23 June 2023	1 September 2026	1 September 2026	nil	$7.2368	to be determined	n/a
FY24-FY27	1 December 2023	1 September 2027	1 September 2027	nil	$6.4536	to be determined	n/a
FY25-FY28	6 December 2024	1 September 2028	1 September 2028	nil	$4.4503	to be determined	n/a
FY26-FY29	21 January 2026	1 September 2029	1 September 2029	nil	$5.5383	to be determined	n/a
FY26-FY29	31 March 2026	1 September 2029	1 September 2029	nil	$5.2515	to be determined	n/a

Shareholdings

The number of shares in the Company held during the financial year by each Director of nib holdings limited and other Key Management Personnel of the Group, including their personally related parties, are set out below.

2026	Balance at the start of the year	Granted during the year as compensation	Shares purchased	Shares sold	Other changes during the year	Balance at the end of the year
Ordinary shares						
Directors of nib group						
David Gordon	50,000	–	5,000	–	–	55,000
Jacqueline Chow	25,000	–	–	–	–	25,000
Hisham El-Ansary	–	–	–	–	–	–
Peter Harmer	36,852	–	–	–	–	36,852
Anne Loveridge	35,000	–	–	–	–	35,000
Donal O'Dwyer	43,985	–	–	–	(43,985)	–
Jill Watts	15,819	–	6,673	–	–	22,492
Brad Welsh	16,261	–	–	–	–	16,261
Other key management personnel of the Group						
Ed Close	181,887	80,173	–	(53,736)	–	208,324
James Barr	39,734	36,106	–	(28,455)	–	47,385
Nick Freeman	218,783	74,008	–	(71,000)	–	221,791
Matthew Neat	11,294	6,698	–	–	–	17,992
Roslyn Toms	108,651	48,937	–	(63,268)	–	94,320

Other transactions with key management personnel

There were no transactions with other related parties during the year.

Corporate Governance Statement

For the year ended 30 June 2026

The nib Board and management are committed to achieving and demonstrating the highest standards of corporate governance and ensuring compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition).

The Board is dedicated to, and responsible for, actively promoting ethical and responsible decision making and practices at nib to ensure that practices are in place to maintain confidence in nib's integrity.

The 2026 Corporate Governance Statement reflects the corporate governance practices in place throughout the 2026 financial year. The Corporate Governance Statement was approved by the Board on 30 July 2026. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at nib.com.au/about-us/corporate-governance.

Financial Report

For the year ended 30 June 2026

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Consolidated Income Statement

For the year ended 30 June 2026

	Notes	2026 $m	2025 $m
Insurance revenue		3,657.7	3,454.5
Insurance service costs – incurred claims		(2,937.6)	(2,737.9)
Insurance service costs – other insurance service expenses		(480.1)	(477.4)
Reinsurance expense		(28.5)	(28.7)
Reinsurance income		16.8	16.1
Insurance service result		**228.3**	**226.6**
Other underwriting revenue		4.4	4.6
Insurance operating result		**232.7**	**231.2**
Other income	5	82.8	77.2
Other expenses	6	(101.1)	(109.6)
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method		1.3	(0.1)
Operating profit		**215.7**	**198.7**
Finance income		0.1	0.1
Finance costs	6	(14.4)	(18.6)
Investment income	10	59.1	81.5
Investment expenses	10	(2.1)	(2.5)
Profit before income tax		**258.4**	**259.2**
Income tax expense	7	(73.7)	(64.9)
Profit from continuing operations		**184.7**	**194.3**
Profit from discontinued operations (attributable to equity holders of the company)	26	2.2	4.3
Profit for the year		**186.9**	**198.6**
Profit/(loss) for the year is attributable to:			
Owners of nib holdings limited		187.5	199.8
Non-controlling interests		-	(1.6)
Charitable foundation		(0.6)	0.4
		186.9	**198.6**
		Cents	**Cents**
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company			
Basic earnings per share	21	38.0	40.2
Diluted earnings per share	21	38.0	40.2
Earnings per share for profit attributable to the ordinary equity holders of the company			
Basic earnings per share	21	38.4	41.1
Diluted earnings per share	21	38.4	41.1

The above Consolidated Income Statement should be read in conjunction with the accompanying notes

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2026

	Notes	2026 $m	2025 $m
Profit for the year		**186.9**	**198.6**
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	19	(21.8)	2.7
Income tax impact – including exchange differences on translation of tax balances of foreign operations	7	4.6	(0.7)
Items that will not be reclassified to profit or loss			
Transactions with non-controlling interests	19	–	(11.3)
Other comprehensive income/(loss) for the year, net of tax		**(17.2)**	**(9.3)**
Total comprehensive income for the year		**169.7**	**189.3**
Total comprehensive income/(loss) for the year is attributable to:			
Owners of nib holdings limited		170.3	190.5
Non-controlling interests		–	(1.6)
Charitable foundation	28	(0.6)	0.4
		169.7	**189.3**
Total comprehensive income/(loss) for the year attributable to owners of nib holdings limited:			
Continuing operations		168.1	186.2
Discontinued operations	26	2.2	4.3
		170.3	**190.5**

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes

Consolidated Balance Sheet

As at 30 June 2026

	Notes	2026 $m	2025 $m
ASSETS			
Current assets			
Cash and cash equivalents	8	217.0	228.8
Receivables	9	39.2	31.4
Inventory		0.4	0.3
Financial assets at amortised cost	10	6.2	5.8
Financial assets at fair value through profit or loss	10	1,102.7	1,117.9
Insurance contracts assets	4	19.1	13.2
Reinsurance contracts assets	4	1.5	0.8
Current tax assets		0.6	2.3
Finance lease receivable	14	2.5	2.7
Current assets excluding assets classified as held for sale		**1,389.2**	**1,403.2**
Assets classified as held for sale	26	128.1	133.3
Total current assets		**1,517.3**	**1,536.5**
Non-current assets			
Investments accounted for using the equity method	28	14.9	13.6
Insurance contracts assets	4	145.0	129.7
Property, plant and equipment	12	6.8	8.8
Intangible assets	13	454.8	480.9
Right-of-use assets	14	11.1	15.0
Finance lease receivable	14	0.2	2.7
Total non-current assets		**632.8**	**650.7**
Total assets		**2,150.1**	**2,187.2**
LIABILITIES			
Current liabilities			
Payables	15	107.5	116.3
Insurance contracts liabilities	4	549.6	533.6
Lease liabilities	14	8.9	9.1
Provisions and employee entitlements	17	11.1	9.5
Current tax liabilities		2.7	7.7
Current liabilities excluding liabilities relating to assets held for sale		**679.8**	**676.2**
Liabilities relating to assets classified as held for sale	26	14.4	12.4
Total current liabilities		**694.2**	**688.6**
Non-current liabilities			
Borrowings	16	204.8	276.6
Insurance contracts liabilities	4	48.7	49.2
Lease liabilities	14	15.6	24.5
Provisions and employee entitlements	17	4.3	4.5
Deferred tax liabilities	7	30.2	32.7
Total non-current liabilities		**303.6**	**387.5**
Total liabilities		**997.8**	**1,076.1**
Net assets		**1,152.3**	**1,111.1**
EQUITY			
Contributed equity	18	340.9	325.9
Retained profits		841.5	795.2
Reserves	19	(43.6)	(24.1)
Capital and reserves attributable to owners of nib holdings limited		**1,138.8**	**1,097.0**
Charitable foundation	28	13.5	14.1
Total equity		**1,152.3**	**1,111.1**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

		Attributable to owners of nib holdings limited						
	Notes	Contributed equity $m	Retained profits $m	Reserves $m	Total $m	Non-controlling interests $m	Charitable foundation $m	Total equity $m
Balance at 1 July 2024		**314.1**	**726.4**	**(11.4)**	**1,029.1**	**1.0**	**13.7**	**1,043.8**
Profit/(loss) for the year		–	199.8	–	199.8	(1.6)	0.4	198.6
Movement in foreign currency translation, net of tax	19	–	–	2.0	2.0	–	–	2.0
Transactions with non-controlling interests	19	–	–	(11.3)	(11.3)	–	–	(11.3)
Total comprehensive income/(loss) for the year		**–**	**199.8**	**(9.3)**	**190.5**	**(1.6)**	**0.4**	**189.3**
Transactions with owners in their capacity as owners:								
Ordinary shares issued	18	11.8	–	–	11.8	–	–	11.8
Share capital in non-controlling interests		–	–	–	–	0.6	–	0.6
Shares acquired by the nib Holdings Ltd Share Ownership Plan Trust	18	(7.0)	–	–	(7.0)	–	–	(7.0)
Issue of shares held by nib Holdings Ltd Share Ownership Plan Trust to employees	18	7.0	–	(4.9)	2.1	–	–	2.1
Employee performance rights – value of employee services	19	–	–	1.5	1.5	–	–	1.5
Dividends paid	20	–	(131.0)	–	(131.0)	–	–	(131.0)
		11.8	**(131.0)**	**(3.4)**	**(122.6)**	**0.6**	**–**	**(122.0)**
Balance at 30 June 2025		**325.9**	**795.2**	**(24.1)**	**1,097.0**	**–**	**14.1**	**1,111.1**
Balance at 1 July 2025		**325.9**	**795.2**	**(24.1)**	**1,097.0**	**–**	**14.1**	**1,111.1**
Profit/(loss) for the year		–	187.5	–	187.5	–	(0.6)	186.9
Movement in foreign currency translation, net of tax	19	–	–	(17.2)	(17.2)	–	–	(17.2)
Total comprehensive income/(loss) for the year		**–**	**187.5**	**(17.2)**	**170.3**	–	**(0.6)**	**169.7**
Transactions with owners in their capacity as owners:								
Ordinary shares issued	18	12.9	–	–	12.9	–	–	12.9
Shares acquired by the nib Holdings Ltd Share Ownership Plan Trust	18	(1.6)	–	–	(1.6)	–	–	(1.6)
Issue of shares held by nib Holdings Ltd Share Ownership Plan Trust to employees	18	3.7	–	(2.6)	1.1	–	–	1.1
Employee performance rights – value of employee services	19	–	–	0.3	0.3	–	–	0.3
Dividends paid	20	–	(141.2)	–	(141.2)	–	–	(141.2)
		15.0	**(141.2)**	**(2.3)**	**(128.5)**	**–**	**–**	**(128.5)**
Balance at 30 June 2026		**340.9**	**841.5**	**(43.6)**	**1,138.8**	**–**	**13.5**	**1,152.3**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

Consolidated Statement of Cash Flows

For the year ended 30 June 2026

	Notes	2026 $m	2025 $m
Cash flows from operating activities			
Receipts from policyholders and customers (inclusive of goods and services tax)		3,977.6	3,733.4
Payments to policyholders and customers		(2,990.9)	(2,793.9)
Receipts from outwards reinsurance contracts		19.3	18.4
Payments for outwards reinsurance contracts		(32.4)	(31.9)
Payments to suppliers and employees (inclusive of goods and services tax)		(713.4)	(698.9)
		260.2	**227.1**
Dividends received		–	0.2
Interest received		16.8	17.5
Distributions received		0.1	–
Transaction costs relating to acquisition of business		–	(4.0)
Interest paid		(12.3)	(14.5)
Income taxes paid		(65.7)	(60.6)
Net cash inflow/(outflow) from operating activities	8	**199.1**	**165.7**
Cash flows from investing activities			
Proceeds from disposal of financial assets at fair value through profit or loss		1,155.1	497.8
Payments for financial assets at fair value through profit or loss		(1,118.1)	(467.6)
Proceeds from sale of property, plant and equipment and intangibles		0.1	–
Payments for property, plant and equipment and intangibles	12,13	(34.4)	(53.6)
Payments for acquisition of business combination, net of cash acquired		–	(40.7)
Proceeds from disposal of investments in associates and joint ventures		–	4.9
Payments for investments in associates and joint ventures		–	(15.0)
Net cash inflow/(outflow) from investing activities		**2.7**	**(74.2)**
Cash flows from financing activities			
Proceeds from borrowings		58.7	185.7
Repayments of borrowings		(122.5)	(175.0)
Principal elements of lease payments		(7.9)	(7.6)
Shares acquired by the nib Holdings Ltd Share Ownership Plan Trust		(1.6)	(7.0)
Transactions with non-controlling interests		(3.2)	(5.1)
Dividends paid to the company's shareholders	20	(128.3)	(119.2)
Net cash inflow/(outflow) from financing activities		**(204.8)**	**(128.2)**
Net increase/(decrease) in cash and cash equivalents		(3.0)	(36.7)
Cash and cash equivalents at the beginning of the year		239.7	275.3
Effects of exchange rate changes on cash and cash equivalents		(7.8)	1.1
Cash and cash equivalents at the end of the year		**228.9**	**239.7**
Reconciliation to Consolidated Balance Sheet			
Cash and cash equivalents	8	217.0	228.8
Cash and cash equivalents – discontinued operations	26	11.9	10.9
		228.9	**239.7**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

1. Summary of material accounting policies

The financial statements are for the consolidated entity consisting of nib holdings limited and its subsidiaries. nib holdings limited is a company limited by shares, incorporated and domiciled in Australia.

The Financial Report was authorised for issue by the Directors on 21 August 2026. The company has the power to amend and reissue the Financial Report.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Material and other accounting policies that summarise the measurement basis used and are relevant to the understanding of financial statements are provided throughout the notes to the financial statements.

a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards (and interpretations issued by the Australian Accounting Standards Board) and the *Corporations Act 2001*. nib holdings limited is a for-profit entity for the purpose of preparing the financial statements.

i) Compliance with IFRS

The consolidated financial statements of nib holdings limited Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

ii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of claims liabilities and financial assets and liabilities at fair value through profit or loss.

iii) Comparatives

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with the current year.

iv) Rounding of amounts

The company is of a kind referred to in Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Financial Report. Amounts in the Financial Report have been rounded off in accordance with that Instrument to the nearest hundred thousand dollars, or in certain cases, the nearest dollar.

b) Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Australian dollars, which is nib holdings limited's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement, within finance costs. All other foreign exchange gains and losses are presented in the income statement on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

c) New and amended standards and interpretations adopted by the Group

The Group has adopted the following new standard and amendment for the current reporting period commencing 1 July 2025. Any new or amended accounting standards or interpretations that are not yet mandatory have not been early adopted.

- AASB 2023-5 *Amendments to Australian Accounting Standards – Lack of Exchangeability*

The amendment above did not have any impact on the amounts recognised in prior periods and is not expected to significantly affect the current or future periods.

d) New accounting standards and interpretations not yet adopted

The Group has not early adopted the following standards, interpretations or amendments issued but not yet effective.

- AASB 2024-2 *Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments* (effective for annual periods beginning on or after 1 January 2026)
- AASB 18 *Presentation and Disclosure in Financial Statements* (effective for annual periods beginning on or after 1 January 2027)

2. Critical accounting judgements and estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies.

The Group makes estimates and assumptions in respect of certain key assets and liabilities. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key areas in which critical estimates are applied are:

Note 4	Insurance and reinsurance contracts assets and liabilities
Note 13	Goodwill and indefinite life intangibles impairment and useful life of brand names and trademarks
Note 26	Discontinued operations

3. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to Executive management. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director/Chief Executive Officer (MD/CEO).

The MD/CEO assesses the performance of the operating segments based on underlying operating profit. This measurement basis excludes from the operating segments the effects of income and expenditure such as integration costs, merger and acquisition costs, new business implementation costs, amortisation and impairment of acquired intangibles.

No information regarding assets, liabilities and income tax is provided for individual Australian Residents Health Insurance and International (Inbound) Health Insurance segments to the MD/CEO. Furthermore, investment income and expenditure for Australia is not allocated to individual Australian segments as this type of activity is driven by the central treasury function, which manages the cash position of the Australian companies.

Management has determined the operating segments based on the reports reviewed by the MD/CEO that are used to make strategic decisions.

The MD/CEO considers the business from both a geographic and product perspective and has identified six reportable segments:	
Australian Residents Health Insurance	nib's core product offering within the Australian private health insurance industry
International (Inbound) Health Insurance	nib's offering of health insurance products for international students and workers, and commission from other insurance products
New Zealand Insurance	nib's product offerings within the New Zealand private health and life insurance industry
nib Travel	nib's distribution of travel insurance products
nib Thrive	nib's offering as a Plan Manager under the National Disability Insurance Scheme (NDIS)
nib Health Services	nib's healthcare delivery and insurance services business including Midnight Health, Honeysuckle Health and share of ItsMy Group, and commission from other insurance products

"Unallocated to segments" includes corporate expenses and the charitable foundation as they do not meet the quantitative requirements for reportable segments.

3. Segment reporting continued

	For the year ending 30 June 2026							
	Australian Residents Health Insurance $m	International (Inbound) Health Insurance $m	New Zealand Insurance $m	nib Travel $m	nib Thrive $m	nib Health Services $m	Unallocated to segments $m	Total $m
Insurance revenue	3,012.7	236.9	429.4	6.7	–	–	–	3,685.7
Insurance service costs – incurred claims	(2,526.1)	(138.2)	(280.7)	(2.3)	–	–	–	(2,947.3)
Insurance service costs – other insurance service expenses	(297.1)	(59.3)	(119.8)	(2.7)	–	–	–	(478.9)
Reinsurance expense	(11.2)	(13.8)	(3.5)	(3.5)	–	–	–	(32.0)
Reinsurance income	6.5	7.9	2.4	2.3	–	–	–	19.1
Underlying insurance service result	**184.8**	**33.5**	**27.8**	**0.5**	**–**	**–**	**–**	**246.6**
Other underwriting revenue	3.1	1.6	(0.3)	–	–	–	–	4.4
Underlying insurance operating result	**187.9**	**35.1**	**27.5**	**0.5**	**–**	**–**	**–**	**251.0**
Other income	–	–	–	80.8	55.0	25.4	2.2	163.4
Other expenses	–	–	–	(76.5)	(38.7)	(24.3)	(15.3)	(154.8)
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	–	–	–	–	–	1.3	–	1.3
Underlying operating profit/(loss)	**187.9**	**35.1**	**27.5**	**4.8**	**16.3**	**2.4**	**(13.1)**	**260.9**
Less: Segments classified as discontinued operations				(4.8)				(4.8)
Items not included in underlying operating profit								
Amortisation of acquired intangibles	(1.2)	(0.9)	(1.8)	–	(12.3)	(0.5)	–	(16.7)
One-off transactions, merger, acquisition and new business implementation costs	(13.9)				–		(9.8)	(23.7)
Finance income							0.1	0.1
Finance costs							(14.4)	(14.4)
Investment income							59.1	59.1
Investment expenses							(2.1)	(2.1)
Profit before income tax from continuing operations								**258.4**
Inter-segment other income[1]	–	–	–	–	–	14.4	–	14.4
Depreciation and amortisation	1.3	0.6	2.2	0.7	13.9	0.6	38.1	57.4
Total assets	1,443.1		299.0	128.1	196.5	56.5	26.9	2,150.1
Total liabilities	664.2		51.9	14.4	19.3	5.7	242.3	997.8

1. Inter-segment other income is eliminated on consolidation and not included in operating profit.

	For the year ending 30 June 2025							
	Australian Residents Health Insurance $m	**International (Inbound) Health Insurance $m**	**New Zealand Insurance $m**	**nib Travel $m**	**nib Thrive $m**	**nib Health Services $m**	**Unallocated to segments $m**	**Total $m**
Insurance revenue	2,832.6	220.5	401.4	6.9	–	–	–	3,461.4
Insurance service costs – incurred claims	(2,319.9)	(131.1)	(286.9)	(2.3)	–	–	–	(2,740.2)
Insurance service costs – other insurance service expenses	(302.4)	(54.2)	(116.8)	(2.9)	–	–	–	(476.3)
Reinsurance expense	(11.4)	(13.6)	(3.7)	(3.4)	–	–	–	(32.1)
Reinsurance income	6.0	7.0	3.1	2.3	–	–	–	18.4
Underlying insurance service result	**204.9**	**28.6**	**(2.9)**	**0.6**	**–**	**–**	**–**	**231.2**
Other underwriting revenue	2.9	1.7	–	–	–	–	–	4.6
Underlying insurance operating result	**207.8**	**30.3**	**(2.9)**	**0.6**	**–**	**–**	**–**	**235.8**
Other income	–	0.4	–	88.1	57.1	17.4	2.3	165.3
Other expenses	–	(0.2)	–	(82.0)	(40.2)	(23.2)	(16.2)	(161.8)
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	–	–	–	–	–	(0.1)	–	(0.1)
Underlying operating profit/(loss)	**207.8**	**30.5**	**(2.9)**	**6.7**	**16.9**	**(5.9)**	**(13.9)**	**239.2**
Less: Segments classified as discontinued operations				(6.7)				(6.7)
Items not included in underlying operating profit								
Amortisation of acquired intangibles	(1.2)	(0.9)	(1.9)	–	(8.3)	–	–	(12.3)
One-off transactions, merger, acquisition and new business implementation costs					(13.3)		(8.2)	(21.5)
Finance income							0.1	0.1
Finance costs							(18.6)	(18.6)
Investment income							81.5	81.5
Investment expenses							(2.5)	(2.5)
Profit before income tax from continuing operations								**259.2**
Inter-segment other income[1]	–	–	–	–	–	4.4	–	4.4
Depreciation and amortisation	1.4	0.6	4.2	0.7	9.2	–	32.5	48.6
Total assets	1,445.9		302.8	133.3	211.7	52.6	40.9	2,187.2
Total liabilities	639.4		66.3	12.4	23.7	8.1	326.2	1,076.1

1. Inter-segment other income is eliminated on consolidation and not included in operating profit.

4. Insurance contracts

The Group applies the Premium Allocation Approach (PAA) to all insurance contracts on the basis that all of its insurance and reinsurance contracts meet the eligibility requirements.

a) Insurance and reinsurance contracts balance sheet composition

i) Insurance contracts

Insurance contracts issued	2026 $m	2025 $m
Total		
Insurance contracts assets	164.1	142.9
Insurance contracts liabilities	(598.3)	(582.8)
Net insurance contracts assets/(liabilities)	**(434.2)**	**(439.9)**
Made up of:		
Insurance contracts assets		
- assets for remaining coverage (acquisition cash flows assets pre coverage period)	*164.1*	*142.9*
Insurance contracts assets	**164.1**	**142.9**
Insurance contracts liabilities		
- liability for remaining coverage (LRC)		
- unearned premium cash flows	*(343.1)*	(303.3)
- acquisition cash flows assets relating to coverage period	*74.3*	67.8
- private health insurance premiums reduction scheme receivable	*52.1*	47.9
- loss component liability – onerous contract	–	(2.0)
	(216.7)	(189.6)
- liability for incurred claims (LIC)		
- outstanding claims (IBNR)	*(204.7)*	(225.7)
- premium payback and waiver of premium liability	*(11.4)*	(12.8)
- claims processed not yet paid and RESA payable	*(165.5)*	(154.7)
	(381.6)	(393.2)
Insurance contracts liabilities	**(598.3)**	**(582.8)**
Net insurance contracts assets/(liabilities)	**(434.2)**	**(439.9)**

ii) Reinsurance contracts

Reinsurance contracts held	2026 $m	2025 $m
Current		
Reinsurance contracts assets	1.5	0.8
Net reinsurance contracts assets	**1.5**	**0.8**

b) Insurance contract reconciliation of the liability for remaining coverage and the liability for incurred claims

	2026					2025				
	LRC and IACF[1]		LIC			LRC and IACF[1]		LIC		
Insurance contracts issued	**Excluding loss component $m**	**Loss component $m**	**Present value of future cash flow $m**	**Risk adjustment for non-financial risk $m**	**Total $m**	**Excluding loss component $m**	**Loss component $m**	**Present value of future cash flow $m**	**Risk adjustment for non-financial risk $m**	**Total $m**
Opening insurance contracts assets	142.9	–	–	–	142.9	122.2	–	–	–	122.2
Opening insurance contracts liabilities	(187.6)	(2.0)	(373.7)	(19.5)	(582.8)	(191.9)	–	(374.8)	(30.2)	(596.9)
Net insurance assets/(liabilities) as at 1 July	**(44.7)**	**(2.0)**	**(373.7)**	**(19.5)**	**(439.9)**	**(69.7)**	**–**	**(374.8)**	**(30.2)**	**(474.7)**
Insurance revenue	3,657.7	–	–	–	3,657.7	3,454.5	–	–	–	3,454.5
Incurred claims and other directly attributable expenses										
Claims expense	–	–	(2,645.5)	2.0	(2,643.5)	–	–	(2,467.2)	10.7	(2,456.5)
RESA levy	–	–	(267.3)	–	(267.3)	–	–	(239.9)	–	(239.9)
State levies	–	–	(26.8)	–	(26.8)	–	–	(41.5)	–	(41.5)
Other insurance service expenses[2]	–	–	(358.6)	–	(358.6)	–	–	(387.4)	–	(387.4)
Losses on onerous contracts and reversal of those losses	–	1.9	–	–	1.9	–	(2.0)	–	–	(2.0)
Insurance acquisition amortisation[2]	(119.5)	–	–	–	(119.5)	(85.7)	–	–	–	(85.7)
Insurance service result	**3,538.2**	**1.9**	**(3,298.2)**	**2.0**	**243.9**	**3,368.8**	**(2.0)**	**(3,136.0)**	**10.7**	**241.5**
Insurance assets classified as held for sale	–	–	–	–	–	0.8	–	0.7	–	1.5
Other changes – exchange differences	(7.1)	0.1	–	–	(7.0)	0.6	–	–	–	0.6
Cash flows										
Premiums received	(3,693.3)	–	–	–	(3,693.3)	(3,454.5)	–	–	–	(3,454.5)
Claims and other directly attributable expenses paid[2]	–	–	3,307.8	–	3,307.8	–	–	3,136.4	–	3,136.4
Insurance acquisition cash flows[2]	154.3	–	–	–	154.3	109.3	–	–	–	109.3
Total cash flows	**(3,539.0)**	**–**	**3,307.8**	**–**	**(231.2)**	**(3,345.2)**	**–**	**3,136.4**	**–**	**(208.8)**
Net insurance assets/(liabilities) as at end of the period	**(52.6)**	**–**	**(364.1)**	**(17.5)**	**(434.2)**	**(44.7)**	**(2.0)**	**(373.7)**	**(19.5)**	**(439.9)**
Closing insurance contracts assets	164.1	–	–	–	164.1	142.9	–	–	–	142.9
Closing insurance contracts liabilities	(216.7)	–	(364.1)	(17.5)	(598.3)	(187.6)	(2.0)	(373.7)	(19.5)	(582.8)
Net insurance assets/(liabilities) as at end of the period	**(52.6)**	**–**	**(364.1)**	**(17.5)**	**(434.2)**	**(44.7)**	**(2.0)**	**(373.7)**	**(19.5)**	**(439.9)**

1. Liability for remaining coverage for the year ended 30 June 2026 (2025) included a derecognition from insurance acquisition cash flows (IACF) assets of $133.1m ($88.6m) to insurance contracts liabilities.
2. Insurance acquisition amortisation increased in FY26 following the adoption of a new methodology for the New Zealand business to allocate expenses between insurance acquisition amortisation, other insurance service expenses, insurance acquisition cash flows and claims paid. The revised methodology had no impact on the insurance service result or total cash flows.

4. Insurance contracts continued

c) Reinsurance contract reconciliation of the liability for remaining coverage and incurred claims components

	2026				2025			
Reinsurance contracts held	**Remaining coverage $m**	**Present value of future cash flow $m**	**Risk adjustment for non-financial risk $m**	**Total $m**	**Remaining coverage $m**	**Present value of future cash flow $m**	**Risk adjustment for non-financial risk $m**	**Total $m**
Opening reinsurance contracts assets	(1.9)	2.7	–	0.8	(2.7)	4.5	–	1.8
Net reinsurance assets as at 1 July	**(1.9)**	**2.7**	**–**	**0.8**	**(2.7)**	**4.5**	**–**	**1.8**
Reinsurance expenses	(28.5)	–	–	(28.5)	(28.7)	–	–	(28.7)
Claims recovered	–	16.8	–	16.8	–	16.1	–	16.1
Net income (expenses) from reinsurance contracts held	**(28.5)**	**16.8**	**–**	**(11.7)**	**(28.7)**	**16.1**	**–**	**(12.6)**
Reinsurance assets classified as held for sale	–	–	–	–	1.0	(1.4)	–	(0.4)
Cash flows								
Premiums paid net of ceding commissions and other directly attributable expenses paid	28.7	–	–	28.7	28.5	–	–	28.5
Recoveries from reinsurance	–	(16.3)	–	(16.3)	–	(16.5)	–	(16.5)
Total cash flows	**28.7**	**(16.3)**	**–**	**12.4**	**28.5**	**(16.5)**	**–**	**12.0**
Net reinsurance assets as at end of the period	**(1.7)**	**3.2**	**–**	**1.5**	**(1.9)**	**2.7**	**–**	**0.8**
Closing reinsurance contracts assets	(1.7)	3.2	–	1.5	(1.9)	2.7	–	0.8
Net reinsurance assets as at end of the period	**(1.7)**	**3.2**	**–**	**1.5**	**(1.9)**	**2.7**	**–**	**0.8**

d) Accounting policy

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts.

Unit of account

AASB 17 defines a portfolio of insurance contracts as 'Insurance contracts subject to similar risks and managed together'. nib have identified the following portfolios:

- Australian health insurance
- New Zealand health insurance
- New Zealand life and living benefits insurance
- Travel insurance

Under PAA, a portfolio is the level at which policyholder assets and liabilities are presented in the statement of financial position. Further segmentation is required into groups of contracts for the identification of onerous contracts, including annual cohorts of contracts that are either onerous, no significant possibility of being onerous and other. There is a presumption under the PAA that no contracts are onerous unless there are clear facts and circumstances that indicate otherwise.

In contemplating the facts and circumstances, the Group has considered information reported to the Board of Directors. Where facts and circumstances are identified that may indicate an onerous contract exists, detailed testing is performed, and any loss component is valued using the estimated fulfilment cash flows for the group of insurance contracts, using the building blocks approach from the General Measurement Model (GMM), including an assessment of the risk adjustment determined for the liability for remaining coverage (LRC).

Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

A group of insurance contracts or reinsurance contracts are derecognised when all rights and obligations are extinguished or a contract modification occurs.

Measurement

Contract boundary

The fulfilment cash flows (FCF) are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and payment for claims and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance coverage or other services.

Cash flows are outside of the contract boundary when the Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks. Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.

4. Insurance contracts continued

e) Actuarial methods and critical accounting judgements and estimates

Liabilities for incurred claims

The liability for incurred claims comprises two components:

1. Estimates of future cash flows to investigate and pay claims that have incurred under private health insurance contracts issued by nib Group; and
2. A risk adjustment for non-financial risk.

The expected future cash flows comprise claims that have been reported but not yet paid, as well as claims incurred but not yet reported. These cash flows are not adjusted for the time value of money as claims for health funds are expected to be settled within one year.

The expected future cash flows are unbiased estimates and include allowances for Risk Equalisation Special Account (RESA) consequences and claims handling expenses. While nib Group takes all reasonable steps to ensure that it has appropriate information at hand when estimating these cash flows, actual cash flows may differ to expectations due to future uncertainty.

The risk adjustment for non-financial risk reflects the compensation that nib Group requires for bearing the uncertainty about the amount and timing of the expected cash flows as it fulfils its insurance contracts. A confidence level technique was used for determining the risk adjustment, comparing historical claims cash flow volatility with the required compensation for non-financial risk. The central estimates are calculated gross of any recoveries. A separate estimate and risk adjustment is made of the amounts that will be recoverable based upon the gross provision.

In calculating the estimated cost of future cash flows, the Group uses estimation techniques based upon statistical analysis of historical experience. Allowance is made, however, for changes or uncertainties which may create distortions in the underlying statistics being analysed compared to their values in previous periods. The main statistics being analysed are the cost of settled claims, claim reporting and claim settlement delays and claim backlogs, which are influenced by changes in the economy, hospital contracting and Group claim handling processes.

The liability for incurred claims estimate for Australian business segments is derived based on three valuation classes, namely hospital and prostheses services combined, medical services, and general treatment. For the New Zealand segment the liability for incurred claims estimate is comprised of five valuation classes; surgical, medical, students and workers, premium payback and waiver of premium. This analysis is supplemented by more granular analysis within classes as appropriate.

Insurance acquisition cash flows assets

i) Australian Residents Health Insurance

Insurance acquisition cash flows are deferred and amortised on a straight line basis over a period of 5 years (2025: 5 years), in accordance with the expected pattern of the incidence of risk under the open ended insurance contracts to which they relate, which includes expectations of customers remaining insured.

The Group pays an upfront commission to retail brokers on signing up new members to the business. These upfront commissions will give rise to future premium revenue beyond the current period and are able to be measured and directly associated with a particular insurance contract. The Group does not capitalise the indirect administration costs associated with acquiring new members due to the difficulty in identifying and associating those indirect costs with acquiring particular insurance contracts. The Group considers the duration of a health insurance contract to be an open ended agreement as the Group stands ready to continue to insure its customers under continuing policies. The Group uses average retention rates to determine the appropriate customer contract life and related amortisation period for customers who purchase insurance through these broker channels. This analysis and management's expectations of future lapse supports the amortisation period of 5 years. The Group re-performs this analysis at least every six months for reassessment. A decrease (increase) in the expected contract periods of one year would increase (decrease) amortisation expense by $21.7 million ($13.8 million) for 30 June 2026.

ii) nib New Zealand

The Group incurs upfront commission costs that will give rise to future premium revenue and are able to be directly associated with a particular insurance contract. These costs are deferred and amortised over the life of the insurance contract. Deferred insurance acquisition cash flows are amortised systematically based on the present value of net cash flows over 30 years for the life and living benefits business. The Group does not capitalise the indirect administration costs associated with acquiring new members due to the difficulty in identifying and associating those indirect costs with acquiring particular insurance contracts.

The nz health business incurs upfront commission costs that will give rise to future premium revenue and can be directly attributed to an insurance contract. These costs are deferred and amortised over the expected duration of the insurance contract, with IACF assets amortised systematically over 15 years. This requires two key assumptions relating to the period over which the assets are amortised and the pattern of amortisation:

- the period of the insurance contract is assumed to be the average length of insurance for nib nz limited policyholders who are the subject of an upfront commission; and
- the average length of insurance for nib nz limited policyholders who are the subject of an upfront commission is calculated by extrapolating historical lapse rates for that group of policyholders.

Amortisation of acquired customer contracts is on a straight-line basis over 10-15 years based on the estimated useful life of the contract.

f) Actuarial assumptions

i) Liability for incurred claims

The following significant assumptions have been made in determining the liability for incurred claims:

	2026		2025	
	nib health funds	nib NZ	nib health funds	nib NZ
Expense rate	0.9%	1.5%	0.9%	1.6%
Risk adjustment	9.0%	17.0%	7.8%	22.7%
Risk equalisation rate	14.0%	n/a	17.5%	n/a
Risk adjustment for risk equalisation	9.0%	n/a	7.8%	n/a

The risk adjustment for non-financial risk in the liability for incurred claims has been determined using the confidence level approach. The confidence level used to determine the risk adjustment is 95% for nib health funds and nib NZ (June 2025: 95% for nib health funds and nib NZ).

The table below describes how a change in each assumption will affect the profit after tax.

		2026	2025
Variable	Movement in variable	Profit after tax $m	Profit after tax $m
Central estimate	+5.0%	(6.5)	(6.8)
	-5.0%	6.5	6.8
Expense rate	+0.5%	(0.6)	(0.7)
	-0.5%	0.6	0.7
Risk equalisation allowance	+2.5%	(2.3)	(2.4)
	-2.5%	2.3	2.4
Risk adjustment	+1.0%	(1.3)	(1.4)
	-1.0%	1.3	1.4

5. Other income

	2026 $m	2025 $m
NDIS fee income	55.0	57.1
Health services and package fee income	22.6	14.7
Commission on other insurance products	2.8	3.1
Insurance recoveries	–	0.2
Sundry income	2.4	2.1
Other income	**82.8**	**77.2**

a) Accounting policy

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into account the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

i) NDIS fee income	Income in the form of NDIS plan management fees is recognised as the plan management service is performed.
ii) Health services and package fee income	Income in the form of Health services and package fee income is recognised as the service is performed, with nib acting as an agent for package fee income.

6. Expenses

	Notes	2026 $m	2025 $m
Expenses by function			
Insurance service costs – other insurance service expenses		480.1	477.4
Other expenses		101.1	109.6
Finance costs		14.4	18.6
Investment expenses	10	2.1	2.5
Total expenses (excluding direct claims expenses)		**597.7**	**608.1**
Expenses by nature			
Amortisation of acquired intangibles		16.7	12.3
Bank charges		3.9	3.4
Communications, postage and telephone expenses		2.7	2.5
Depreciation and amortisation		34.8	30.6
Depreciation of right-of-use assets	14	4.1	3.9
Employee costs		203.3	216.4
Finance costs		13.0	16.7
Finance costs – interest on lease liabilities	14	1.4	1.9
Information technology expenses		45.4	45.2
Investment expenses		2.1	2.5
Losses on onerous contracts and reversal of those losses		(1.9)	2.0
Marketing expenses – excluding commissions		53.5	56.2
Marketing expenses – commissions		169.9	158.1
Merger, acquisition and new business implementation costs		–	4.0
Professional fees		29.2	37.5
Other expenses		19.6	14.9
Total expenses (excluding direct claims expenses)		**597.7**	**608.1**

7. Taxation

a) Income tax

	2026 $m	2025 $m
i) Income tax expense		
Recognised in the income statement		
Current tax expense	63.7	59.9
Deferred tax expense	0.6	7.8
Under (over) provided in prior years	–	(1.6)
Total income tax expense	**64.3**	**66.1**
Income tax expense/(benefit) is attributable to:		
Profit from continuing operations	73.7	64.9
Profit/(loss) from discontinued operations	(9.4)	1.2
Aggregate income tax expense	**64.3**	**66.1**
Numerical reconciliation of income tax expense/(benefit) to prima facie tax payable		
Profit from continuing operations before income tax expense	258.4	259.2
Profit/(loss) from discontinued operations before income tax expense	(7.2)	5.5
Profit before income tax expense	**251.2**	**264.7**
Tax at the Australian tax rate of 30% (2025: 30%)	75.4	79.4
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Sundry items	–	(0.8)
Net assessable trust distributions	0.2	0.3
Imputation credits and foreign tax credits	(0.8)	(0.9)
Adjustment for current tax of prior periods	–	(1.6)
Unrecognised tax losses and deferred tax assets	(4.8)	(10.5)
Carried forward capital gains tax losses	(5.1)	–
Differences in foreign tax rates	(0.6)	0.2
Total income tax expense	**64.3**	**66.1**
ii) Deferred income tax expense (revenue) comprises movements in deferred tax assets and liabilities:		
Insurance contracts – incurred claims	0.8	(0.3)
Insurance contracts – remaining coverage	12.2	9.5
Investment in associates and joint ventures	0.4	–
Property, plant and equipment	1.3	(0.5)
Employee benefits	(0.9)	0.3
Unrealised (gains) / losses on investments	(4.8)	15.2
Brands, trademarks and customer contracts and relationships	(6.6)	(3.1)
Lease assets and liabilities	0.7	0.6
Carried forward tax losses	(1.4)	(13.7)
Other assets and liabilities	(1.1)	(0.2)
Total deferred tax expense	**0.6**	**7.8**
iii) Tax expense relating to items of other comprehensive income		
Foreign currency translations	(4.6)	0.7
Total tax expense/(benefit) relating to other comprehensive income	**(4.6)**	**0.7**

b) Deferred tax assets/(liabilities)

The balance comprises temporary differences attributable to:

	2026 $m	2025 $m
Insurance contracts – incurred claims	4.0	5.0
Investment in associates and joint ventures	5.2	5.6
Lease liabilities	7.0	9.8
Employee benefits	8.2	7.9
Tax losses	28.2	26.2
Other assets and liabilities	8.5	5.8
Set-off of deferred tax liabilities pursuant to set-off provisions	(61.1)	(60.3)
Total deferred tax assets	**-**	**-**
Insurance contracts – remaining coverage	(74.1)	(63.2)
Brands, trademarks and customer contracts and relationships	(12.0)	(17.8)
Right-of-use assets	(3.4)	(5.4)
Unrealised gains on investments	(1.4)	(6.1)
Other assets and liabilities	(0.4)	(0.5)
Set-off of deferred tax assets pursuant to set-off provisions	61.1	60.3
Total deferred tax liabilities	**(30.2)**	**(32.7)**
Net deferred tax assets relating to assets held for sale	1.7	1.2
Total deferred tax assets/(liabilities) including held for sale	**(28.5)**	**(31.5)**
Recovery of total deferred tax assets/(liabilities):		
Deferred tax assets/(liabilities) to be recovered within 12 months	(12.3)	(5.5)
Deferred tax assets/(liabilities) to be recovered after more than 12 months	(16.2)	(26.0)
	(28.5)	**(31.5)**

c) Accounting policy

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

nib holdings limited and its wholly-owned Australian controlled entities are a tax consolidated group. As a consequence, the entities within each group are taxed as a single entity and the deferred tax assets and liabilities of these entities are set-off in the consolidated financial statements. Details of the tax consolidated group are detailed in Note 31(a)(ii).

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

7. Taxation continued

d) OECD Pillar Two model rules

Pillar Two legislation has been enacted in Australia, with effect from 1 January 2024, introducing a global minimum tax regime designed to ensure that large multinational enterprises pay an effective tax rate of at least 15% in each jurisdiction in which they operate.

In January 2026, the OECD released further administrative guidance, including the "side by side package", which introduces additional safe harbours and simplifications to the application of the Pillar Two rules. The Australian Government has announced its intention to implement these measures.

The Group has assessed the potential impact of the Pillar Two legislation, taking into account the enacted Australian rules and the OECD administrative guidance. Based on this assessment as at the reporting date, and having regard to historical and reasonably estimable information, the Group is not expected to have a material Pillar Two tax exposure.

The Group has applied the temporary exception under AASB 112 Income Taxes from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

8. Cash and cash equivalents

	2026 $m	2025 $m
Cash at bank and cash on hand	213.6	224.4
Short term deposits and deposits at call	3.4	4.4
	217.0	**228.8**

a) Accounting policy

Cash and cash equivalents, and bank overdrafts, are carried at face value of the amounts deposited or drawn. For the purpose of the presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

b) Risk exposure

The Group's exposure to interest rate risk is discussed in Note 22(b). The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

c) Reconciliation of profit after income tax to net cash inflow from operating activities

	2026 $m	2025 $m
Profit for the year	186.9	198.6
Net (gain)/loss on write-down of property, plant and equipment	–	0.5
Fair value (gain)/loss on other financial assets through profit or loss	(40.6)	(61.3)
Share of net (profit)/loss of associates and joint ventures	(1.3)	0.1
Non-cash employee (benefits)/expense – share-based payments	–	1.5
Depreciation and amortisation	55.8	48.7
Depreciation of right-of-use assets and interest on leases	5.5	5.8
Amortisation of borrowing costs	0.5	0.4
Net exchange differences	7.8	(1.2)
Change in operating assets and liabilities, net of effect from purchase of controlled entity		
Decrease (increase) in receivables	(2.2)	(6.4)
Decrease (increase) in insurance assets	(21.3)	(32.3)
Increase (decrease) in trade payables	(5.9)	7.0
Increase (decrease) in insurance liabilities	14.4	(2.4)
Increase (decrease) in current tax liabilities	(2.5)	(2.5)
Increase (decrease) in deferred tax liabilities	(3.8)	8.4
Increase (decrease) in provisions	5.8	0.8
Net cash flow from operating activities	**199.1**	**165.7**

d) Off-balance sheet arrangements

nib Travel Pty Limited (nib Travel), a wholly-owned subsidiary of nib holdings limited, operates bank accounts held in its name on behalf of its underwriters in accordance with contractual terms governing the arrangements. These accounts are not considered part of the cash and cash equivalents of nib Travel. At 30 June 2026 this amounted to $8,976,623 (2025: $11,351,227).

9. Receivables

	2026 $m	2025 $m
Receivables	22.5	15.0
Provision for loss allowance	(1.4)	(1.0)
Prepayments	18.1	17.4
	39.2	**31.4**

As at 30 June 2026, current receivables of the Group with a nominal value of $1.4 million (2025: $1.0 million) were impaired.

The loss allowance as at 30 June 2026 and 2025 was determined as follows:

Group at 30 June 2026		**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 120 days past due**	**Total**
Expected loss rate	%	1%	0%	0%	60%	
Gross carrying amount – receivables	$m	19.6	0.7	0.2	2.0	22.5
Loss allowance	$m	**0.2**	**-**	**-**	**1.2**	**1.4**

Group at 30 June 2025		**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 120 days past due**	**Total**
Expected loss rate	%	1%	0%	0%	45%	
Gross carrying amount – receivables	$m	12.4	0.4	0.2	2.0	15.0
Loss allowance	$m	**0.1**	**-**	**-**	**0.9**	**1.0**

The closing loss allowances as at 30 June 2026 and 2025 reconcile to the opening loss allowances as follows:

	Receivables $m	**Total $m**
1 July 2024	**1.0**	**1.0**
Increase/(decrease) in loss allowance recognised in profit or loss during the year	-	-
At 30 June 2025	**1.0**	**1.0**
Increase/(decrease) in loss allowance recognised in profit or loss during the year	0.5	0.5
Receivables written off during the year as uncollectible	(0.1)	(0.1)
At 30 June 2026	**1.4**	**1.4**

9. Receivables continued

a) Accounting policy

i) Receivables	Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Receivables are generally due for settlement within 30 days. The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, other receivables have been grouped based on shared risk characteristics. The amount of expected credit losses is recognised in the Consolidated Income Statement. When a receivable becomes uncollectible it is written off against the expected credit loss account. Subsequent recoveries of amounts previously written off are credited against other expenses in the Consolidated Income Statement.
ii) Impairment of financial assets	The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain. Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate. For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in the Consolidated Income Statement.
iii) Interest rate risk	Information about the Group's exposure to interest rate risk in relation to other receivables is provided in Note 22.
iv) Fair value and credit risk	Due to the short-term nature of current receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above.
v) Risk exposure	The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable mentioned above. Refer to Note 22 for more information on the risk management policy of the Group and the credit quality of the Group's receivables.

10. Financial assets

a) Financial assets at amortised cost

	2026 $m	2025 $m
Short term deposits	6.2	5.8
	6.2	**5.8**

b) Financial assets at fair value through profit or loss

	2026 $m	2025 $m
Equity securities	135.3	143.9
Interest-bearing securities	816.3	822.1
Property trusts	51.1	51.9
Short term deposits	100.0	100.0
	1,102.7	**1,117.9**

Financial assets at fair value through profit or loss are held in unit trusts, except for interest-bearing securities held in the New Zealand investment portfolio, and short term deposits.

The redemption terms for investments in certain managed trusts can be varied by their responsible entities in response to market conditions. For those investments which cannot be redeemed entirely within one year from reporting date, the amounts have been allocated between current and non-current in accordance with the maximum percentage redeemable within one year as per the most recent advice from the manager at the end of the reporting period.

c) Investment income

	2026 $m	2025 $m
Interest	16.7	17.6
Net realised gain (loss) on financial assets at fair value through profit or loss	57.8	11.6
Net unrealised gain (loss) on financial assets at fair value through profit or loss	(15.4)	52.1
Dividends	–	0.2
Investment income	**59.1**	**81.5**
Investment expenses	(2.1)	(2.5)
Net investment income	**57.0**	**79.0**

Investment income in net fair value gains or losses on financial assets classified as at fair value through profit or loss are recognised in the period. Interest income is recognised using the effective interest method.

10. Financial assets continued

d) Accounting policy

i) Classification	The Group classifies its financial assets into the following measurement categories: • those to be measured at fair value (either through other comprehensive income, or through profit or loss), and • those to be measured at amortised cost. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the relevant cash flows. The Group has determined that financial assets held by entities in the Group that are health and life insurers are classified as fair value through profit or loss as they are held to back insurance liabilities. These assets are managed in accordance with agreed investment mandate agreements on a fair value basis and are reported to the Board on this basis. A financial asset is measured at amortised cost only if both of the following conditions are met: • it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and • the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.
ii) Recognition and derecognition	Purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.
iii) Measurement	Financial assets at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs. Subsequent to the initial recognition, for financial assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held as described below. Reclassification of debt investments is done when and only when its business model for managing those assets changes. For investments in equity instruments, the fair value will be recorded in profit or loss, unless the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.
iv) Equity instruments	The Group subsequently measures all investments in equity instruments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in investment gains/(losses) in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.
v) Impairment	The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost. The recognition of impairment depends on whether there has been a significant increase in credit risk. Debt investments at amortised cost are considered to be low credit risk, and thus the impairment provision is determined as 12 months ECL.
vi) Assets backing insurance liabilities	As part of the investment strategy, the Group actively manages its investment portfolio to ensure that a portion of its investments mature in accordance with the expected pattern of future cash flows arising from private health and life insurance liabilities. The Group has determined that all financial assets of nib health funds limited and nib nz limited are held to back private health liabilities and the life insurance liabilities. Financial assets that are not held to back private health insurance and life insurance liabilities are designated as financial assets at amortised cost.
vii) Risk exposure	Information about the Group's exposure to price risk and interest rate risk is provided in Note 22.

11. Fair value measurement

a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows below the table.

The following tables present the Group's assets and liabilities measured and recognised at fair value at 30 June 2026 and 30 June 2025:

Group at 30 June 2026	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Assets				
Receivables	–	0.5	–	0.5
Financial assets at fair value through profit or loss				
Equity securities	–	135.3	–	135.3
Interest-bearing securities	–	816.3	–	816.3
Property trusts	–	51.1	–	51.1
Short term deposits	–	100.0	–	100.0
Finance lease receivable	–	2.7	–	2.7
Total assets	**-**	**1,105.9**	**-**	**1,105.9**

Group at 30 June 2025	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Assets				
Receivables	–	0.5	–	0.5
Financial assets at fair value through profit or loss				
Equity securities	–	143.9	–	143.9
Interest-bearing securities	–	819.1	3.0	822.1
Property trusts	–	51.9	–	51.9
Short term deposits	–	100.0	–	100.0
Finance lease receivable	–	5.4	–	5.4
Total assets	**-**	**1,120.8**	**3.0**	**1,123.8**

All financial assets held for investment purposes are held through unit trusts, except for the New Zealand fixed interest portfolio and short-term deposits held in Australia.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values due to their short-term nature.

The Group's policy is to recognise transfers into and transfers out of the fair value hierarchy levels as at the end of the reporting period.

The Group's financial assets held through profit and loss are classified according to the following measurement hierarchy:

Level 1	The fair value of financial instruments directly held for which identical assets are traded in active markets is based on quoted market prices at the reporting date.
Level 2	The fair value of financial instruments that are not traded in active markets is determined using valuation techniques based on observable data. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Pricing for investments in unit trusts is provided by investment managers.
Level 3	One or more of the significant inputs is not based on observable market data.

11. Fair value measurement continued

b) Fair value measurements using significant unobservable inputs (level 3)

The Group's level 3 investments comprise units in interest bearing securities which are infrequently traded. The following table presents the changes in level 3 instruments for the year ended 30 June 2026 and 30 June 2025:

	2026 $m	2025 $m
Fair value measurement as at 1 July	3.0	3.4
Purchased	–	1.3
Sales	–	(0.2)
Change in fair value	–	(1.5)
Transfer from level 3 to level 2	(2.8)	–
Exchange differences	(0.2)	–
Fair value measurement at end of period	**–**	**3.0**

• **Transfers between levels 2 and 3**	The Group assessed the appropriateness of transfers between fair value hierarchy levels by considering whether observable inputs were available for factors significant to the valuation of the instruments. During the period, the Group's level 3 investments were transferred to level 2. The transfer reflects the availability of observable market inputs, including quoted prices and dealer valuations. Following the transfers, there are no level 3 instruments remaining at the reporting date.

12. Property, plant and equipment

	Plant & Equipment $m	Leasehold Improvements $m	Total $m
At 1 July 2024			
Cost	24.5	14.1	38.6
Accumulated depreciation and impairment	(20.1)	(7.4)	(27.5)
Net book amount	**4.4**	**6.7**	**11.1**
Year ended 30 June 2025			
Opening net book amount	4.4	6.7	11.1
Additions	1.4	0.3	1.7
Acquisition of business	0.1	–	0.1
Assets classified as held for sale and other disposals	(0.1)	(0.5)	(0.6)
Depreciation charge for the year	(2.2)	(1.3)	(3.5)
Closing net book amount	**3.6**	**5.2**	**8.8**
At 30 June 2025			
Cost	18.9	13.0	31.9
Accumulated depreciation and impairment	(15.3)	(7.8)	(23.1)
Net book amount	**3.6**	**5.2**	**8.8**
Year ended 30 June 2026			
Opening net book amount	3.6	5.2	8.8
Additions	0.9	0.1	1.0
Depreciation charge for the year	(1.9)	(1.1)	(3.0)
Closing net book amount	**2.6**	**4.2**	**6.8**
At 30 June 2026			
Cost	14.3	12.9	27.2
Accumulated depreciation and impairment	(11.7)	(8.7)	(20.4)
Net book amount	**2.6**	**4.2**	**6.8**

a) Accounting policy

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of a replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

- Plant and equipment 3 to 10 years
- Leasehold improvements 3 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see Note 13).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

13. Intangible assets

	Goodwill $m	Software $m	Brands, trademarks and other rights $m	Customer contracts and relationships $m	Total $m
At 1 July 2024					
Cost	371.1	257.9	33.0	106.4	768.4
Accumulated amortisation and impairment	–	(150.2)	(18.2)	(59.0)	(227.4)
Net book amount	**371.1**	**107.7**	**14.8**	**47.4**	**541.0**
Year ended 30 June 2025					
Opening net book amount	371.1	107.7	14.8	47.4	541.0
Additions	–	45.1	–	–	45.1
Acquisition of business	29.4	0.1	–	8.9	38.4
Assets classified as held for sale and other disposals	(76.6)	(14.1)	(12.6)	(3.3)	(106.6)
Amortisation charge for the year	–	(27.9)	(0.2)	(8.1)	(36.2)
Impairment charge	–	(1.9)	–	–	(1.9)
Exchange differences	0.8	0.4	–	(0.1)	1.1
Closing net book amount	**324.7**	**109.4**	**2.0**	**44.8**	**480.9**
At 30 June 2025					
Cost	324.7	254.7	12.4	103.0	694.8
Accumulated amortisation and impairment	–	(145.3)	(10.4)	(58.2)	(213.9)
Net book amount	**324.7**	**109.4**	**2.0**	**44.8**	**480.9**
Year ended 30 June 2026					
Opening net book amount	324.7	109.4	2.0	44.8	480.9
Additions	–	30.8	–	–	30.8
Acquisition of business	(2.1)	–	–	3.0	0.9
Disposals	–	–	(0.1)	–	(0.1)
Amortisation charge for the year	–	(37.7)	(1.3)	(7.9)	(46.9)
Exchange differences	(7.4)	(3.1)	–	(0.3)	(10.8)
Closing net book amount	**315.2**	**99.4**	**0.6**	**39.6**	**454.8**
At 30 June 2026					
Cost	315.2	275.4	11.8	103.1	705.5
Accumulated amortisation and impairment	–	(176.0)	(11.2)	(63.5)	(250.7)
Net book amount	**315.2**	**99.4**	**0.6**	**39.6**	**454.8**

a) Accounting policy

i) Goodwill	Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised. Instead, goodwill is tested for impairment annually, and is carried at cost less accumulated impairment losses.
ii) Software	Costs incurred in developing products or systems and costs incurred in acquiring software that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis over periods ranging from two and a half years to ten years. The Group had adopted the treatment set out in the IFRS Interpretations Committee agenda decision, to recognise the costs as intangible assets only if the implementation activities create an intangible asset that the entity controls and the intangible asset meets the recognition criteria. Costs that do not result in intangible assets are expensed as incurred, unless they are paid to the suppliers of the Software as a Service (SaaS) arrangement to significantly customise the cloud-based software for the Group, in which case the costs are recorded as a prepayment for services and amortised over the expected renewable term of the arrangement.
iii) Brands and trademarks	Brands and trademarks acquired as part of a business combination are carried at fair value at the date of acquisition less accumulated amortisation. Amortisation is calculated on the asset's estimated useful life which is five years for IMAN Australian Health Plans Pty Ltd and 10 years for Grand United Corporate Health Limited. Brands and trademarks acquired with World Nomads Group in July 2015 have an indefinite useful life and are carried at fair value at the date of acquisition, less impairment losses, and have been reclassified to held for sale.
iv) Customer contracts and relationships	Customer contracts and relationships acquired as part of a business combination are recognised separately from goodwill. The customer contracts are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the contracts over their estimated useful lives ranging from 5 years to 10 years.
v) Impairment	Goodwill and intangible assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

b) Impairment tests for goodwill and intangibles

Goodwill and intangibles are allocated to a cash-generating unit (CGU).

An asset is considered impaired when its balance sheet carrying amount exceeds its estimated recoverable amount, which is defined as the higher of its fair value less cost of disposal and its value in use.

The recoverable amount of a CGU is determined based on a value-in-use calculations which require the use of assumptions. The value-in-use calculations use cash flow projections based on financial budgets and forecast forward projections approved by management covering a four-year period. The estimates used in calculating value-in-use are highly sensitive, and depend on assumptions specific to the nature of the Group's activities. Actual cash flows and values could vary significantly from forecasted future cash flows and related values derived from discounting techniques.

13. Intangible assets continued

c) Key assumptions used for value-in-use calculations

The assumptions used for the cash flow projections for the first four years (five years for Thrive CGU) are in line with the current forecast forward projections. Key assumptions include policyholder growth, claims ratio, revenue growth and the discount factor.

For insurance CGUs, policyholder growth is calculated by forecasting the number of sales each month based on budgeted advertising and promotions spend, less the number of expected lapses each month. Claims ratios are targeted that generate price increases that maintain price competitiveness, cover expected increases in claims costs, do not adversely affect the funds capital adequacy position and enable funding of future business growth.

For non-insurance CGUs, revenue growth is calculated by forecasting the revenue each month based on budgeted marketing spend.

Cash flows beyond the four-year period are extrapolated into perpetuity assuming a growth factor of 2.5%. The Group has applied a post-tax discount rate to discount the forecast future attributable post tax cash flows.

These assumptions have been used for analysis of each CGU. Management determined policyholder growth and claims ratios based on past performance and its expectations for the future.

The following table sets out the key assumptions for those CGUs that have significant goodwill allocated to them.

	Policyholder growth		Claims ratio		Long term growth rate		Pre-tax discount rate	
Goodwill	**2026 %**	**2025 %**	**2026 %**	**2025 %**	**2026 %**	**2025 %**	**2026 %**	**2025 %**
Australian Residents Health Insurance	3.1	2.9	83.2	82.6	2.5	2.5	14.3	13.0
International Workers Health Insurance	3.0	2.0	55.8	54.4	2.5	2.5	14.3	13.0
New Zealand Residents Insurance	4.2	2.3	68.4	72.9	2.5	2.5	12.4	12.0
New Zealand International Visitors Insurance	3.0	6.2	49.4	48.8	2.5	2.5	12.4	12.0

	Revenue growth rate		Long term growth rate		Pre-tax discount rate	
	2026 %	**2025 %**	**2026 %**	**2025 %**	**2026 %**	**2025 %**
nib Thrive NDIS	6.2	8.6	2.5	2.5	18.4	17.1
Honeysuckle Health	10.0	2.0	2.5	2.5	16.0	14.4

d) Significant estimate: Impact of possible changes in key assumptions

Other than as noted for nib Thrive CGU in the sensitivity table below, there are no reasonably possible changes in any of the key assumptions that would have resulted in an impairment write-down of intangibles in any CGU.

The Australian Government has proposed significant NDIS reforms that could materially reshape the plan management market. Key changes include:

- Lower overall Scheme spend,
- A reduction in Scheme participants to 600,000 by FY30,
- The introduction of a commissioned panel of plan managers, significantly reducing the number of providers, and
- Tighter regulatory requirements.

Based on current circumstances at 30 June 2026, nib expects to be on the panel of plan managers and as such, the lower volume of scheme participants is offset by higher market share and there is no impairment write down of intangibles required. If nib is not selected on the panel, it is highly likely that there would be an impairment write down of nib Thrive NDIS intangibles. If growth in participant numbers does not eventuate for other reasons, there is a reasonable possibility an impairment may occur.

Sensitivity to changes in assumptions	Carrying value $m	Recoverable value $m	Difference $m
nib Thrive NDIS CGU	162.4	180.8	18.4

Change in recoverable value	Movement in variable	Change recoverable value $m	Adjusted recoverable value $m
Change in revenue	+12.0%	21.7	202.5
	-12.0%	(21.7)	159.1

14. Lease assets and liabilities

a) Right-of-use assets

	2026 $m	2025 $m
Right-of-use assets – properties	11.1	15.0
	11.1	**15.0**

b) Finance lease receivables

	2026 $m	2025 $m
Current	2.5	2.7
Non-current	0.2	2.7
	2.7	**5.4**

Minimum undiscounted lease payments receivable on the sublease are as follows:

	2026 $m	2025 $m
Within 1 year	2.5	2.7
Between 1 and 2 years	0.2	2.5
Between 2 and 3 years	–	0.2
	2.7	**5.4**

c) Lease liabilities

	2026 $m	2025 $m
Current	8.9	9.1
Non-current	15.6	24.5
	24.5	**33.6**

	2026 $m	2025 $m
Balance at beginning of the year	33.6	42.2
Lease payments	(10.5)	(10.2)
Interest expense on lease liabilities	1.4	1.9
Lease on acquisition	–	0.2
Lease addition	0.8	–
Other adjustments	(0.6)	(0.3)
Classified as held for sale	–	(0.2)
Foreign exchange adjustments	(0.2)	–
	24.5	**33.6**

d) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts related to leases.

	Notes	2026 $m	2025 $m
Finance income		0.1	0.1
Depreciation charge of right-of-use assets – properties	6	4.1	3.9
Finance costs – interest on lease liabilities	6	1.4	1.9
Expenses relating to short-term leases (included in other expenses)		0.5	0.5

The total cash outflow for leases in 2026 was $7.9 million (2025: $7.6 million).

14. Lease assets and liabilities continued

e) Accounting policy

As a lessee

The Group leases various offices. Rental contracts are typically made for fixed periods of 3 to 15 years but may have extension options as described in (i) below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor

The Group is a sub-lessor (intermediate lessor) of the right-of-use assets. The Group classifies the sublease as a finance lease or an operating lease by assessing if the lease transfers substantially all the risks and rewards with reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset.

For subleases classified as a finance lease, the sub-lessor derecognises the right-of-use asset relating to the head lease that it transfers to the sublease and recognises the net investment in the sublease; any difference between the right-of-use assets and the net investment in the finance sublease is recognised in profit or loss. At the commencement date, net investment in the finance lease is measured at an amount equal to the present value of the lease payments for the underlying right-of-use assets during the lease term. The Group recognises finance income over the lease term, based on a pattern reflecting a constant period rate of return on the lessor's net investment in the lease.

i) Extension and termination options

Extension and termination options are included in a number of leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts.

The minimum non-discounted cash flows associated with the extensions that have not been recognised is $21.6 million.

15. Payables

	2026 $m	2025 $m
Current		
Trade creditors	17.6	19.2
Other payables	75.5	81.1
Annual leave payable	14.4	16.0
	107.5	**116.3**

Annual leave payable is accrued annual leave. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken within the next 12 months.

	2026 $m	2025 $m
Annual leave obligation expected to be settled after 12 months	1.6	1.9
	1.6	**1.9**

16. Borrowings

	2026 $m	2025 $m
Non – current		
Bank loans	204.8	276.6
	204.8	**276.6**

The Group has access to total debt facilities of $350.0 million. During the period, $122.5 million was repaid and $58.3 million was drawn down including NZD $4.0 million by nib nz holdings limited, bringing the total drawdown to $205.6 million as at 30 June 2026. Of these drawings, $172.3 million had a maturity date of 8 October 2027, and $33.3 million had a maturity date of 8 October 2028. All loans are variable rate loans and are carried at amortised cost. The variance between the drawdown amount and that per the balance sheet relates to capitalised borrowing costs.

Movements in the bank loans (secured) are as follows:

	2026 $m	2025 $m
Balance at beginning of period	276.6	264.6
Proceeds from borrowings	58.7	274.7
Repayment of borrowings	(122.5)	(264.0)
Borrowing expenses	0.5	0.4
Exchange differences	(8.5)	0.9
Balance at end of period	**204.8**	**276.6**

The above loans have the following financial covenants that must be met by the Group:

Financial Covenant	Ratio as at 30 June 2026
Group Gearing Ratio[1] will not be more than 45%	15.2%
Group Interest Cover Ratio1 will not be less than 3:1	27:1

1. Excludes lease liabilities and associated interest.

nib holdings limited acts as a guarantor on behalf of nib nz holdings limited in respect of the facilities to which it is a party.

16. Borrowings continued

a) Accounting policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as non-current liabilities if the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

b) Risk exposure

Information on the sensitivity of the Group's profit and equity to interest rate risk on borrowings is provided in Note 22.

17. Provisions and employee entitlements

	2026 $m	2025 $m
Current		
Long service leave	7.7	7.2
Termination benefits	2.2	1.1
Provisions	1.2	1.2
	11.1	**9.5**
Non-current		
Long service leave	4.3	4.5
	4.3	**4.5**

Amounts not expected to be settled within the next 12 months

The current provision for long service leave includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of the provision or require payment within the next 12 months. The following amounts reflect leave that is not to be expected to be taken or paid within the next 12 months.

	2026 $m	2025 $m
Long service leave obligation expected to be settled after 12 months	6.4	6.2
	6.4	**6.2**

a) Accounting policy

i) Short-term obligations	Liabilities for wages and salaries, including non-monetary benefits and annual leave are recognised in payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The portion not expected to be settled within 12 months is discounted based on expected settlement dates. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rate paid or payable.
ii) Other long-term employee benefit obligations	The liability for long service leave is the amount of the future benefit that employees have earned in return for their service in the current and prior periods. The liability is calculated using expected future increases in wage and salary rates and expected settlement dates, and is discounted using G100 treasury discount rates at the balance sheet date which have the maturity dates approximating to the terms of nib's obligations.
iii) Bonus plans	A liability for employee benefits in the form of bonus plans is recognised in other creditors when at least one of the following conditions is met: • there are formal terms in the plan for determining the amount of the benefit, or • the amounts to be paid are determined before the time of completion of the financial report, or • past practice gives clear evidence of the amount of the obligation. Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.
iv) Termination benefits	Liabilities for termination benefits, not in connection with the acquisition of an entity or operation, are recognised when a detailed plan for the terminations has been developed and a valid expectation has been raised with those employees effected that the terminations will be carried out without possibility of withdrawal. The liabilities for termination benefits are recognised as current provisions, as liabilities for termination benefits are expected to be settled within 12 months of reporting date.
v) Provisions	The Group is required to restore some leased premises to their original condition at the end of the respective lease terms. The make good provision has been recognised for the present value of the estimated cost required for restoration. These costs have been included in the Right of Use Asset.

18. Contributed equity

a) Share capital

	2026 $m	2025 $m
Ordinary shares		
Fully paid	**344.2**	**331.3**
Other equity securities		
Treasury shares	**(3.3)**	**(5.4)**
Total contributed equity	**340.9**	**325.9**

b) Movements in share capital

Date	Details	No. of shares	Price $	$m
30 Jul 2024	**Balance**	**485,077,866**		**319.5**
8 Oct 2024	Shares issued – Dividend reinvestment plan	1,059,475	5.77	6.1
9 April 2025	Shares issued – Dividend reinvestment plan	879,683	6.48	5.7
30 Jun 2025	**Balance**	**487,017,024**		**331.3**
7 Oct 2025	Shares issued – Dividend reinvestment plan	936,487	7.52	7.1
8 April 2026	Shares issued – Dividend reinvestment plan	959,280	6.07	5.8
30 Jun 2026	**Balance**	**488,912,791**		**344.2**

18. Contributed equity continued

c) Treasury shares

Treasury shares are shares in nib holdings limited that are held by the nib Holdings Ltd Share Ownership Plan Trust (Trust) for the purpose of issuing shares under the Group's Executive management Short-Term Incentive and Long-Term Incentive share plans. See Note 30 for more information.

Date	Details	No. of shares	$m
30 Jun 2024	**Balance**	**762,223**	**5.4**
	Acquisition of shares by the Trust	1,083,332	7.0
	Employee share issue – LTIP	(663,844)	(4.9)
	Employee share issue – STI	(313,794)	(2.1)
30 Jun 2025	**Balance**	**867,917**	**5.4**
	Acquisition of shares by the Trust	200,000	1.6
	Employee share issue – LTIP	(415,588)	(2.6)
	Employee share issue – STI	(167,331)	(1.1)
30 Jun 2026	**Balance**	**484,998**	**3.3**

d) Accounting policy

i) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. If the entity reacquires its own equity instruments, for example as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental cost (net of income taxes) is recognised directly in equity.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

ii) Employee share trust

The Group has formed a trust to administer the Group's Executive management Short-Term Incentive and Long Term-Incentive share plans. This trust is consolidated, as the substance of the relationship is that the trust is controlled by the Group.

Shares held by the nib Holdings Ltd Share Ownership Plan Trust are disclosed as treasury shares and deducted from contributed equity.

19. Reserves

	2026 $m	2025 $m
Share-based payments	2.4	4.5
Share-based payments exercised	(14.7)	(14.5)
Foreign currency translation	(13.9)	3.3
Transactions with non-controlling interests	(17.4)	(17.4)
	(43.6)	**(24.1)**

Movements in reserves

	Notes	2026 $m	2025 $m
Share-based payments			
Balance at the beginning of the year		4.5	5.3
Performance right expense		0.3	1.5
Transfer to share-based payments exercised reserve on exercise of performance rights		(2.4)	(2.3)
Balance at the end of the financial year		**2.4**	**4.5**
Share-based payments exercised			
Balance at the beginning of the year		(14.5)	(11.9)
Transfer from share-based payments reserve on exercise of performance rights		2.4	2.3
Issue of shares held by nib Holdings Ltd Share Ownership Plan Trust to employees		(2.6)	(4.9)
Balance at the end of the financial year		**(14.7)**	**(14.5)**
Foreign currency translation			
Balance at the beginning of the year		3.3	1.3
Currency translation differences arising during the year - gross		(21.8)	2.7
Deferred tax	7	4.6	(0.7)
Balance at the end of the financial year		**(13.9)**	**3.3**
Transactions with non-controlling interests			
Balance at the beginning of the year		(17.4)	(6.1)
Transactions with non-controlling interests during the year		-	(11.3)
Balance at the end of the financial year		**(17.4)**	**(17.4)**

Nature and purpose of reserves

i) Share-based payments	The share-based payments reserve is used to recognise the fair value of performance rights and bonus share rights issued to employees but not exercised.
ii) Share-based payments exercised	The share-based payments exercised reserve is used to recognise the difference between fair value of performance rights and bonus share rights accumulated in the share-based payments reserve and cost of exercising the rights.
iii) Foreign currency translation	Exchange rate differences arising on translation of foreign controlled entities are recognised in other comprehensive income as described in Note 1(b) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.
iv) Transactions with non-controlling interests	The reserve is used to recognise when the proportion of the equity held by non-controlling interests changes, the carrying amounts of the controlling and non-controlling interests are adjusted in equity to reflect the changes in the Group's interests.

20. Dividends

a) Ordinary shares

	2026 $m	2025 $m
Final dividend for the year ended 30 June 2025 of 16.0 cents (2024 – 14.0 cents) per fully paid share paid on 7 October 2025		
Fully franked based on tax paid at 30%	77.9	67.9
Interim dividend for the year ended 30 June 2026 of 13.0 cents (2025 – 13.0 cents) per fully paid share paid on 8 April 2026		
Fully franked based on tax paid at 30%	63.3	63.1
Total dividends provided for or paid	**141.2**	**131.0**
Dividends paid in cash or satisfied by the issue of shares under the dividend reinvestment plan during the years ended 30 June 2026 and 2025 were as follows:		
Paid in cash	128.3	119.2
Satisfied by issue of shares	12.9	11.8
Total dividends provided for or paid	**141.2**	**131.0**

b) Dividends not recognised at year end

	2026 $m	2025 $m
In addition to the above dividends, since the end of the year the Directors have recommended the payment of a final dividend of 21.0 cents per fully paid share, including 5.0 cps special dividend (2025 – 16.0 cents), fully franked based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on 7 October 2026 out of retained profits at 30 June 2026, but not recognised as a liability at the end of the year, is:	**102.7**	**77.9**

c) Franked dividends

The franked portion of the final dividends recommended after 30 June 2026 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ending 30 June 2026.

	2026 $m	2025 $m
Franking credits available for subsequent financial years to equity holders of parent entity based on a tax rate of 30%	**202.1**	**194.5**

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- Franking credits that will arise from the payment of the amount of the provision for income tax;
- Franking debits that will arise from the payment of dividends recognised as a liability at the reporting date; and
- Franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

d) Accounting policy

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at balance date.

21. Earnings per share

		2026	2025
Profit from continuing operations attributable to the ordinary equity holders of the company used in calculating basic/diluted EPS	$m	185.3	195.5
Weighted average number of ordinary shares	#m	487.9	486.1
Basic/Diluted EPS	**cents**	**38.0**	**40.2**

		2026	2025
Profit attributable to the ordinary equity holders of the company used in calculating basic/diluted EPS	$m	187.5	199.8
Weighted average number of ordinary shares	#m	487.9	486.1
Basic/Diluted EPS	**cents**	**38.4**	**41.1**

a) Accounting policy

i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares;
- by the weighted average number of ordinary shares outstanding during the financial year.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

b) Information concerning the classification of shares

i) Performance rights

Performance rights granted to employees under the nib holdings Long-Term Incentive Plan are considered to be potential ordinary shares and are only included in the determination of diluted earnings per share to the extent to which they are dilutive. The performance rights have not been included in the determination of basic earnings per share. Details relating to the performance rights are set out in the Remuneration Report on page 62.

The total 1,947,826 performance rights granted (2025 – 2,124,529) are not included in the calculation of diluted earnings per share because they are contingently issuable ordinary shares and conditions were not satisfied at 30 June 2026. These performance rights could potentially dilute basic earnings per share in the future.

22. Risk management

The Board of nib is ultimately responsible for the Group's Risk Management Framework and oversees the Group's operations by ensuring that management embed a sound risk culture and operate within the approved Risk Appetite Statement. The Board approves the Group's overall risk management strategy, risk appetite and policies and practices to ensure that risks are identified and managed within the context of this appetite.

The Board's sub committees, including the Audit Committee, People and Remuneration Committee and the Risk and Reputation Committee assist the Board in the execution of its responsibilities. The responsibilities of these Committees are detailed in their respective Charters.

The Group's Risk Management Framework is based on a 'Three Lines of Accountability' model and provides defined risk ownership responsibilities with functionally independent oversight and assurance. The Group manages risks through:

- the governance structure established by the Board,
- implementation of the Risk Management Framework by management,
- oversight of the Risk Management Framework by the Risk function and the Management Risk Committee,
- the Group's internal policies and procedures designed to identify and mitigate risks,
- internal audit which provides independent assurance to the Board regarding the appropriateness, effectiveness and adequacy of controls over activities where risks are perceived to be high,
- regular risk and compliance reporting to the Board and relevant Board Committees,
- application of solvency and capital adequacy standards for nib health funds limited (regulated by APRA) and nib New Zealand (regulated by RBNZ).

The Group's objective is to manage the Group's risks in line with the Board approved Risk Appetite Statement. Various procedures are in place to identify, mitigate and monitor the risks faced by the Group. Management are responsible for understanding and managing risks, including financial and non-financial risks. The Group's exposure to all high-rated and other key enterprise risks, is reported quarterly to the Board via the Risk and Reputation Committee.

During the year the Group continued to invest in and strengthen our risk management systems and practices to reflect our strong commitment to risk and compliance in alignment with APRA Prudential Standard CPS 220 – Risk Management and CPS 230 – Operational Risk Management.

The financial condition and operations of the Group are affected by a number of Material Risks and Uncertainties. High level descriptions of these risks are included in the Operating and Financial Review (see pages 4 to 17), including Insurance Risks, Financial Risks, Strategic Risks, Clinical Risks and Operational Risks as categorised in nib's Risk Management Strategy. Realisation of these risks can have both financial and/or non-financial impacts.

Further material is contained in the notes below on the exposures and mitigation of specific risks with discrete financial impacts.

Category	Risks
Insurance risks	Forecasting and Pricing
	Claims inflation
	Risk equalisation (Australia only)
Financial risks	Fair value interest rate risk
	Foreign exchange risk
	Price risk
	Credit risk
	Liquidity risk

a) Insurance risk

Insurance risk is the risk that inadequate or inappropriate underwriting, claims management, product design and pricing will expose the Group to financial loss from claims expenditure exceeding the amount implicit in premium income.

There are a number of sources of risk that require nib to closely review and monitor our control strategies. These risks have Board oversight. These sources include:

Description	Exposure	Mitigation
Pricing risk	Forecasting and pricing is a core capability within the Group. Without effective controls there is potential for poor quality forecasting. This could result in a range of negative outcomes, including: pricing decisions that do not align with nib strategic goals, material impact to nib financial performance, and failure to comply with ASX Listing Rule Continuous Disclosure obligations. Control failures could also impact annual pricing approval decisions by the Minister for Health. Amendments or rejections of price applications could have a negative impact on nib's operating and financial performance.	This risk is managed by establishing product premiums through the use of actuarial models based on historical claims costs and forecast claims inflation. Pricing recommendations are externally reviewed by the Appointed Actuary. The Group works collaboratively with Government, regulators and other stakeholders to improve health insurance premium affordability through industry reforms and health policy setting.
Claims inflation	The Group is subject to the risk of significant claims inflation which may not be adequately covered by premium price increases and/or product design changes. In Australia the principle of community rating prevents private health insurers from improperly discriminating between people who are or wish to be insured, on the basis of their health status, age, race, gender, religious beliefs, sexuality, frequency of need of health care, lifestyle or claims history.	Claims patterns are monitored and premiums calculated accordingly. Governance, contractual and control procedures are in place for key benefits and provider relationships. Maintenance of reserves in excess of minimum solvency and capital requirements allows the Group to withstand increased levels of claims inflation.
Risk equalisation special account arrangements	Risk equalisation arrangements apply to the registered health insurance industry in Australia. Under these arrangements all registered health insurers effectively provide reinsurance support so that the industry as a whole shares the hospital cost of high risk groups irrespective of the policyholder or private health fund related to the claim.	Risk equalisation provides some protection to high cost claims however exposes the Group to claims from other health insurers. Actuarial models are used to monitor past experience and predict future costs, premiums are calculated accordingly.

22. Risk management continued

b) Fair value interest rate risk

Description	Exposure	Mitigation
Risk of fluctuations in interest rates impacting the Group's financial performance or the fair value of its financial instruments.	The Group has interest rate risk arising from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk if the borrowings are carried at fair value. The Group's borrowings at variable rate were denominated in Australian and New Zealand Dollars. The Group's other interest rate risks arise from: • receivables; • financial assets at amortised cost; • financial assets at fair value through profit or loss; and • cash and cash equivalents All other receivables are non-interest bearing. There is an interest-bearing component of financial assets at fair value through profit or loss.	The Group mitigates interest rate risk on long term borrowings by maintaining an appropriate gearing ratio and monitoring and forecasting key indicators such as interest expense coverage. nib has a defined investment strategy and risk/return objectives, that is aligned to the strategic plan and capital management plans, overseen by the Audit Committee and assisted by asset management consultants.

As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

	2026		2025	
	Weighted average interest rate %	Balance $m	Weighted average interest rate %	Balance $m
Bank loans	4.8%	204.8	5.8%	276.6
Net exposure to cash flow interest rate risk		**204.8**		**276.6**

An analysis by maturities is provided at 22(f). The table below summarises the sensitivity of the Group's financial assets and financial liabilities to interest rate risk.

Interest rate risk	2026	-100bps	+100bps	2025	-100bps	+100bps
	Carrying amount $m	Profit after tax $m	Profit after tax $m	Carrying amount $m	Profit after tax $m	Profit after tax $m
Financial assets						
Cash and cash equivalents	217.0	(1.5)	1.5	228.8	(1.6)	1.6
Receivables	22.5	(0.1)	0.1	15.0	(0.1)	0.1
Financial assets at amortised cost	6.2	-	-	5.8	-	-
Financial assets at fair value through profit or loss						
- Interest-bearing securities	816.3	14.7	(14.7)	822.1	10.6	(10.5)
- Short term deposits	100.0	0.7	(0.7)	100.0	0.7	(0.7)
Financial liabilities						
Bank loans	(204.8)	1.5	(1.5)	(276.6)	1.9	(1.9)

c) Foreign exchange risk

Description	Exposure	Mitigation
Risk of fluctuations in foreign exchange rates impacting the Group's financial performance.	The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency translation risk through its subsidiaries located in overseas jurisdictions. In accordance with the policy set out in Note 1(b), foreign exchange gains or losses arising on translation of the Group's foreign operations to the Group's Australian dollar presentation currency are recognised in equity through other comprehensive income. Foreign exchange gains or losses arising on assets and liabilities denominated in foreign currencies are recognised directly in profit and loss.	The Group does not hedge this risk.

The table below summarises the sensitivity of the Group's equity to a 10% strengthening and weakening of the Australian dollar against the foreign currency, with all other variables held constant.

	2026					2025				
Foreign exchange risk		-10%		+10%			-10%		+10%	
	Exposure $m	Profit after tax $m	Equity $m	Profit after tax $m	Equity $m	Exposure $m	Profit after tax $m	Equity $m	Profit after tax $m	Equity $m
New Zealand dollar	162.5	-	(16.3)	-	16.3	158.6	-	(15.9)	-	15.9
Chinese Yuan	0.1	-	-	-	-	0.5	-	-	-	-
Other	0.3	-	-	-	-	0.4	-	-	-	-

d) Price risk

Description	Exposure	Mitigation
Risk of fluctuations in price of equity securities impacting the Group's fair value of its financial instruments.	The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified on the balance sheet as at fair value through profit or loss. The Group is not exposed to commodity price risk.	To manage its price risk the Group has adopted an investment strategy which delivers a diversified portfolio with a heavier weighting to defensive assets versus growth assets. nib has a defined investment strategy and risk/return objectives, that is aligned to the strategic plan and capital management plans, overseen by the Audit Committee and assisted by asset management consultants.

Profit after tax for the year would increase/decrease as a result of gains/losses on equity securities classified as at fair value through profit or loss. All the equity securities are held in unit trusts. The table below summarises the sensitivity of the Group's financial assets to price risk.

	2026			2025		
Other price risk		-10% unit price	+10% unit price		-10% unit price	+10% unit price
	Carrying amount $m	Profit after tax $m	Profit after tax $m	Carrying amount $m	Profit after tax $m	Profit after tax $m
Financial assets						
Financial assets at fair value through profit or loss						
- Equity securities	135.3	(9.6)	9.6	143.9	(10.0)	10.0
- Property trusts	51.1	(3.6)	3.6	51.9	(3.6)	3.6

22. Risk management continued

Methods and assumptions used in preparing sensitivity analysis for fair value interest rate, foreign exchange and price risk

The after tax effect on profit and equity of movements in foreign exchange, interest rate and price have been calculated using 'reasonably possible' changes in the risk variables, based on recent interest rate and market movements.

An interest rate change of 100 basis points will directly affect interest received on cash and cash equivalents and other receivables. An interest rate change of 100 basis points will inversely affect the unit price of fixed interest investments. This change has been calculated by multiplying the average duration of underlying investments in each portfolio by the interest rate change. All other investments are not directly affected by interest rate changes but would be revalued through profit or loss as their unit price changes.

e) Credit risk

Description	Exposure	Mitigation
Risk that a counterparty will default on its contractual obligations, or the decline in the credit quality of a financial instrument, resulting in financial loss to the Group.	Credit risk arises from: • cash and cash equivalents; • financial assets and deposits with banks and financial institutions; and • credit exposures to policyholders and the Department of Human Services (Private Health Insurance Premiums Reduction Scheme). The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date is the carrying amount, net of any provisions for impairment loss, as disclosed in the balance sheet and notes to the financial statements. Apart from Services Australia the Group does not have any material credit risk to any other single debtor or group of debtors under financial instruments entered into.	Directly managed term deposits are held with institutions that have at least an A-1 credit rating. Term deposits held within portfolios managed by investment managers are in accordance with the relevant investment policy statement. nib has a defined investment strategy and risk/return objectives. These are aligned to the strategic plan and capital management plans, as overseen by the Audit Committee. Execution of the investment strategy is overseen by investment managers. Credit risk for premium receivables are minimal due to the diversification of policyholders. The Private Health Insurance Premiums Reduction Scheme receivable is due from a government organisation under legislation.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Receivables	2026 $m	2025 $m
Counterparties with external credit rating	–	–
Group 1 – new debtors (relationship less than 6 months)	0.1	0.1
Group 2 – existing debtors with no defaults in the past	19.9	12.6
Group 3 – existing debtors with some defaults in the past. All defaults were fully recovered	2.5	2.3
	22.5	**15.0**

Cash at bank and short-term bank deposits	2026 $m	2025 $m
A-1+	214.2	228.4
A-1	2.5	0.1
A-2	0.3	0.3
	217.0	**228.8**

Financial assets at amortised cost	2026 $m	2025 $m
Short term deposits		
A-1+	6.2	5.8
	6.2	**5.8**

Financial assets at fair value through profit or loss	2026 $m	2025 $m
Short term deposits		
A-1+	100.0	100.0
Interest-bearing securities[1]		
AAA	171.9	245.2
AA	496.7	435.4
A	82.3	97.9
BBB	27.1	41.1
Below BBB	–	2.5
Unclassified[2]	38.3	–
	916.3	**922.1**

1. The financial assets at fair value through profit or loss with credit risk are held via unit trusts. The above table summarises the underlying investments of the unit trusts.
2. Credit ratings applied are security specific, rather than based on the issuer. Unclassified securities relate to issuers with a credit rating of BBB and above.

f) Liquidity risk

Description	Exposure	Mitigation
Risk that the Group will not be able to meet its financial obligations as they fall due, because of lack of liquid assets or access to funding on acceptable terms.	Liquidity risk arises from: • trade creditors; • other payables; • lease liabilities; and • borrowings.	The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and holding a high percentage of highly liquid investments. There are no overdraft facilities.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

Group at 30 June 2026	≤ 1 month $m	1-3 months $m	3-12 months $m	1-5 years $m	> 5 years $m	Total contractual cash flows $m	Carrying amount $m
Financial Liabilities							
Trade creditors	17.6	–	–	–	–	17.6	17.6
Other payables	60.5	15.0	–	–	–	75.5	75.5
Lease liabilities	0.9	1.8	7.2	17.0	–	26.9	24.5
Borrowings	1.5	0.5	9.1	212.5	–	223.6	204.8
	80.5	**17.3**	**16.3**	**229.5**	**–**	**343.6**	**322.4**

Group at 30 June 2025	≤ 1 month $m	1-3 months $m	3-12 months $m	1-5 years $m	> 5 years $m	Total contractual cash flows $m	Carrying amount $m
Financial Liabilities							
Trade creditors	19.2	–	–	–	–	19.2	19.2
Other payables	66.9	14.2	–	–	–	81.1	81.1
Lease liabilities	0.9	1.7	7.9	23.6	3.3	37.4	33.6
Borrowings	3.4	0.1	10.8	303.9	–	318.2	276.6
	90.4	**16.0**	**18.7**	**327.5**	**3.3**	**455.9**	**410.5**

23. Commitments and contingent assets and liabilities

a) Capital expenditure and charitable foundation commitments

At 30 June 2026 the Group's capital expenditure and charitable foundation commitments payable not longer than one year is $0.2 million (2025: nil).

b) Guarantees and financial support

nib holdings limited has provided a guarantee and indemnity to NAB on behalf of nib nz holdings limited in respect of the debt facility, under which NZD $80.0 million is drawn.

In the current year, all intercompany loans and funding facilities existing between nib holdings limited (as lender) and nib nz holdings limited (as borrower) were refinanced and replaced with a single intercompany loan with a facility amount of NZD $92.0m. $87.0m has been drawn by nib nz holdings limited under this facility.

nib holdings limited has given an undertaking to extend financial support to a number of other subsidiaries within the Group, and Footprints Fundraising Inc. (Footprints) by subordinating repayment of debts owed by the entities to nib holdings limited, in favour of all other creditors. This undertaking has been provided as a result of each of these subsidiaries experiencing deficiencies of capital and reserves, and is intended to enable the entities to continue their operations and fulfil all financial obligations now and in the future. The undertaking for Footprints is valid until 31 December 2026.

c) Other contingencies

nib operates in a highly regulated industry where guidance is issued from a number of stakeholders including, ASIC, APRA and the Department of Health, Disability and Ageing. From time to time nib will be required to modify practices and health fund rules as a result of new or clarified guidance, which exposes nib to risks and potential liabilities.

Management are not aware of any material financial consequences as a result of updated guidance or changes made to practices and fund rules during the year.

24. Events occurring after the balance sheet date

There have been no other matters or circumstances that have arisen since the end of the financial year that has significantly affected, or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

25. Remuneration of auditors

	2026 $	2025 $
a) PricewaterhouseCoopers Australia		
Audit and review of financial reports	1,096,414	993,395
Other statutory assurance services	344,885	237,375
Total remuneration of PricewaterhouseCoopers Australia	**1,441,299**	**1,230,770**
b) Network firms of PricewaterhouseCoopers		
Audit and review of financial reports	490,350	578,885
Other statutory assurance services	56,637	28,276
Other non-audit services		
Due diligence and transaction advisory services	55,123	91,005
Other	10,719	-
Total remuneration of network firms of PricewaterhouseCoopers	**612,829**	**698,166**
Total auditors' remuneration	**2,054,128**	**1,928,936**

26. Discontinued operations

a) Description

The strategic review of nib travel has been finalised with transactions expected to complete in 1H27. Accordingly, the Net Assets of nib travel have been designated as held for sale, together with the financial performance as discontinuing operations.

On 13 February 2026, an agreement was entered into to sell the World Nomads international travel insurance business for consideration of $67.5 million, subject to customary completion adjustments, with an estimated immaterial profit on sale. The sale has not been completed.

On 5 June 2026, an agreement was entered into with Allianz Partners (AP) to sell the Australian and New Zealand travel insurance portfolio, including partnerships, white label channel and Travel Insurance Direct (TID). The sale has not been completed. The sale price comprises approximately $30 million AUD receivable on completion and $20 million AUD subject to certain conditions being met over the first 12 months following completion. The sale consideration is expected to be materially in line with the carrying value of assets as at completion. In addition, nib and AP have entered a strategic partnership through a long-term agreement for the distribution of nib branded travel insurance products to nib's customers in Australia and New Zealand. In addition to the sale price, nib will receive ongoing upfront commissions for the distribution of travel insurance products through their channels. Commissions from the Australian and New Zealand distribution agreement are not included in the sale price and are in addition to the base and earnout consideration.

b) Financial performance and cash flow information

The financial performance and cash flow information presented below are for the years ended 30 June 2026 and 2025:

	2026 $m	2025 $m
Insurance revenue	6.7	6.9
Insurance service costs – incurred claims	(2.3)	(2.3)
Insurance service costs – other insurance service expenses	(2.7)	(2.9)
Reinsurance expense	(3.5)	(3.4)
Reinsurance income	2.3	2.3
Insurance service result	**0.5**	**0.6**
Other income	82.0	88.3
Other expenses	(89.9)	(83.6)
Operating profit/(loss)	**(7.4)**	**5.3**
Investment income	0.2	0.2
Profit/(loss) from discontinued operations before income tax	**(7.2)**	**5.5**
Income tax (expense)/benefits	9.4	(1.2)
Profit from discontinued operations	**2.2**	**4.3**
Net cash inflow / (outflow) from operating activities	8.6	4.1
Net cash inflow / (outflow) from investing activities	(7.0)	(4.8)
Net cash inflow / (outflow) from financing activities	(0.1)	(0.1)
Net increase / (decrease) in cash and cash equivalents	**1.5**	**(0.8)**

26. Discontinued operations continued

c) Assets and liabilities of disposal group classified as held for sale

The following assets and liabilities were reclassified as held for sale in relation to the discontinued operation as at 30 June 2026 and 2025:

	2026 $m	2025 $m
Assets classified as held for sale		
Cash and cash equivalents	11.9	10.9
Receivables	9.3	11.1
Reinsurance contracts assets	0.5	1.1
Current tax assets	–	0.9
Deferred tax assets	1.7	1.2
Property, plant and equipment	–	0.1
Intangible assets	104.5	107.8
Right-of-use assets	0.2	0.2
Total assets of disposal group held for sale	**128.1**	**133.3**
Liabilities directly associated with assets classified as held for sale		
Payables	8.0	9.4
Insurance contracts liabilities	0.9	2.0
Lease liabilities	0.2	0.2
Provisions and employee entitlements	5.3	0.8
Total liabilities of disposal group held for sale	**14.4**	**12.4**
Net assets classified as held for sale	**113.7**	**120.9**

27. Business combination

a) Prior year

The fair values of the acquisition for Honeysuckle Health Pty Ltd, MTGDM Pty Ltd and Instacare Pty Ltd were provisionally determined in the annual report for the year ended 30 June 2025.

During the year, the Group finalised the purchase price allocation. The aggregate provisional fair value of goodwill has decreased by $2.1 million, customer contracts has increased by $3.0 million and associated deferred tax liabilities by $0.9 million.

28. Interest in other entities

a) Subsidiaries and trusts

The consolidated financial statements incorporate the assets, liabilities and results of the controlled entities as listed in the Consolidated Entity Disclosure Statement on page 123 in accordance with the accounting policy described in Note 28(d).

b) Consolidation of nib foundation trust and nib foundation limited

The constitution of nib foundation limited (as trustee for the nib foundation trust) is to enable receipt of unclaimed dividends of the parent entity (nib holdings limited) to fund charitable donations to the community. The parent is required to consolidate the nib foundation trust. The assets of the nib foundation trust are shown as restricted in use and the retained earnings are shown as a restricted reserve of the Group given they can only be distributed for charitable purposes under the constitution of nib foundation trust and are not available to the owners of nib holdings limited.

c) Interest in associates and joint ventures

Set out below are the associates and joint ventures of the Group as at 30 June 2026. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

		% of ownership interest				Carrying amount $m	
Name of entity	**Place of business/ country of incorporation**	**2026**	**2025**	**Nature of relationship**	**Measurement method**	**2026**	**2025**
The ItsMy Group Pty Ltd	Australia	43.9%	43.9%	Joint venture	Equity	14.9	13.6
Total equity accounting investments						**14.9**	**13.6**

The ItsMy Group Pty Ltd provides SaaS, sales, brokerage and customer experience solutions across the insurance and financial services sector.

In the prior year, nib holdings limited acquired the remaining non-controlling interest share capital in Midnight Health Pty Ltd, resulting in full ownership. The total consideration paid included contingent consideration of $5.6 million dependent on the future performance of Midnight Health. During FY26, $3.2 million of the contingent consideration recognised at acquisition was paid.

28. Interest in other entities continued

i) Summarised financial information for associates and joint ventures

The tables below provide summarised financial information for those joint ventures and associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not the Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

	The ItsMy Group Pty Ltd	
Summarised balance sheet	**2026 $m**	**2025 $m**
Current assets		
Cash and cash equivalents	10.5	2.8
Other current assets	9.7	7.1
Total current assets	**20.2**	**9.9**
Non-current assets	**2.5**	**2.3**
Current liabilities		
Financial liabilities (excluding trade payables)	7.1	8.0
Other current liabilities	7.8	0.3
Total current liabilities	**14.9**	**8.3**
Total non-current liabilities	**1.2**	**0.2**
Net assets	**6.6**	**3.7**
Reconciliation to carrying amounts:		
Opening net assets	3.7	1.7
Profit for the period	2.9	2.0
Closing net assets	**6.6**	**3.7**
Group's share in %	43.9%	43.9%
Group's share in $	2.9	1.6
Goodwill	12.0	12.0
Carrying amount	**14.9**	**13.6**
Summarised statement of comprehensive income		
Revenue	77.1	36.6
Interest income	0.1	-
Depreciation and amortisation	(0.7)	(0.2)
Interest expense	(0.1)	-
Income tax expense	(1.5)	(0.7)
Profit for the period	**2.9**	**2.0**
Other comprehensive income	-	-
Total comprehensive income	**2.9**	**2.0**
Dividends received from associates and joint venture entities	**-**	**-**

d) Accounting policy

i) Subsidiaries	The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of nib holdings limited ("parent entity") as at 30 June 2026 and the results of all subsidiaries for the year then ended. nib holdings limited and its subsidiaries together are referred to in this financial report as the Group. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.
ii) Associates	Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see *(iii) Equity method*), after initially being recognised at cost.
iii) Equity method	Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

e) Deeds of cross guarantee

Pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785, as at 30 June 2026 nib holdings limited and the following wholly owned subsidiaries are parties to separate Deeds of Cross Guarantee:

nib Thrive Deed

- nib holdings limited
- nib Thrive Pty Ltd

Honeysuckle Health Deed

- nib holdings limited
- Honeysuckle Health Pty Ltd

nib Travel Deed

- nib holdings limited
- WorldNomads.com Pty Limited
- nib Travel Services (Australia) Pty Limited
- nib Travel Pty Limited
- WNG Services Pty Limited

For each deed, the entities listed were members of the closed group under the deed, and each entity guarantees the debts of the other parties to the deed. The nib Thrive and Honeysuckle Health deeds were executed on 25 June 2026 and lodged with ASIC in accordance with ASIC Pro Forma 24. The nib Travel Deed will be amended following the completion of the sale of nib's travel insurance business.

28. Interest in other entities continued

The individual financial statements for the nib Thrive Pty Limited show the following aggregate amounts:

	2026 $m
Balance Sheet	
ASSETS	
Current assets	17.4
Non-current assets	232.8
Total assets	**250.2**
LIABILITIES	
Current liabilities	245.3
Non-current liabilities	5.8
Total liabilities	**251.1**
NET ASSETS	**(0.9)**
EQUITY	
Accumulated losses	(0.9)
Total Equity	**(0.9)**
Profit for the year	**3.4**
Total comprehensive income for the year	**3.4**

The individual financial statements for the Honeysuckle Health Pty Limited show the following aggregate amounts:

	2026 $m
Balance Sheet	
ASSETS	
Current assets	5.6
Non-current assets	63.9
Total assets	**69.5**
LIABILITIES	
Current liabilities	15.3
Total liabilities	**15.3**
NET ASSETS	**54.2**
EQUITY	
Share capital	92.0
Accumulated losses	(37.8)
Total Equity	**54.2**
Profit for the year	**(0.6)**
Total comprehensive income for the year	**(0.6)**

nib Travel Pty Limited and subsidiaries are designated as held for sale. Refer to Note 26 for financial statements for the nib Travel group.

29. Related party transactions

a) Related party transactions with key management personnel

Key management personnel are entitled to insurance policies provided at a discount dependent on length of service; in all other respects the policies are on normal terms and conditions.

There were no other related party transactions with key management personnel during the year, as there were no transactions where either party had the presence of control, joint or significant influence to affect the financial and operating policies of the other entity.

b) Key management personnel compensation

	2026 $	2025 $
Short-term employee benefits	5,127,323	5,682,427
Post-employment benefits	207,989	227,454
Other long-term benefits	38,277	75,489
Share-based payments	1,369,255	2,826,294
	6,742,844	**8,811,664**

Detailed remuneration disclosures are provided in the Remuneration Report on pages 44 to 63.

c) Transactions with other related parties

During the period, nib made payments totalling $21.0 million to the ItsMy Group Pty Ltd in relation to commission payments.

30. Share-based payments

a) Long-term incentive plan (LTIP)

Performance rights to acquire shares in nib holdings limited are granted to Executives under the Long Term Incentive Plan (LTIP). Information relating to the LTIP is included in the Remuneration Report on page 63. The nib Holdings Ltd Share Ownership Plan Trust administers the Group's Executive management Short-Term Incentive and Long-Term Incentive Share Plans. This Trust has been consolidated in accordance with Note 28(d).

Set out below is a summary of performance rights granted under the plan:

	2026 Number of rights	2025 Number of rights
Balance at the start of the year	2,124,529	2,216,804
Granted as compensation	601,218	599,739
Exercised	(415,588)	(663,844)
Other forfeitures	(362,333)	(28,170)
Balance at the end of the year	**1,947,826**	**2,124,529**
Vested and exercisable at the end of the year	-	-

The valuation methodology inputs for performance rights granted during the year ended 30 June 2026 included:

a) Performance rights are granted for no consideration and vest subject to nib holdings limited EPS and TSR hurdles

b) Exercise price: $nil (2025: $nil)

c) Grant date: 21 January 2026 and 31 March 2026 (2025: 1 December 2024)

d) Expiry date: 1 September 2029 (2025: 1 September 2028)

e) Share price at grant date: $5.5383 and $5.2515 (2025: $4.4503)

f) Expected dividend yield: Dividends are assumed based on the expected dividend payout ratio of 60% to 70% of normalised net profit after tax (with the potential for special dividends above this range)

30. Share-based payments continued

b) Employee Share Acquisition (tax exempt) Plan (ESAP)

Eligible Australian employees were offered the opportunity to receive part of their salary in the form of shares. All permanent employees who were an employee at the date the offer was made were eligible to participate in the scheme. Employees may elect not to participate in the scheme.

ESAP is administered by the Board. Shares granted to the employees by the Board were acquired on-market via a third party trustee plan company.

Under the plan, participating employees were allocated an aggregate market value up to $1,000 worth of fully paid ordinary shares in nib holdings limited. Subsequent offers under ESAP are at the Board's discretion.

Shares issued under the scheme may not be sold until the earlier of three years after issue or cessation of employment. In all other respects shares rank equally with other fully-paid ordinary shares on issue.

	2026	2025
Number of shares purchased on market under the plan to participating employees	52,158	63,233

The shares were allocated in two tranches. The first tranche of shares were allocated on 1 September 2025 following nib's FY25 full year results presentation at a volume weighted average price of $7.64. The remaining tranche of shares were allocated on 5 March 2026 following nib's FY26 half year results presentation at a volume weighted average price of $6.03.

c) nib NZ Employee Share Purchase Scheme (ESPS)

Eligible employees were offered the opportunity to receive part of their salary in the form of shares. Employees may elect not to participate in the scheme.

ESPS is administered by the Board. Shares granted to the employees by the Board were acquired on-market via a third party trustee plan company.

Under the scheme, participating employees were allocated an aggregate market value up to NZD $1,000 worth of fully paid ordinary shares in nib holdings limited. Subsequent offers under ESPS are at the Board's discretion.

Shares issued under the scheme may not be sold until the earlier of three years after issue or cessation of employment. In all other respects shares rank equally with other fully-paid ordinary shares on issue.

	2026	2025
Number of shares purchased on market under the plan to participating employees	2,932	4,317

The shares were allocated in two tranches. The first tranche of shares were allocated on 1 September 2025 following nib's FY25 full year results presentation at a volume weighted average price of $7.64. The remaining tranche of shares were allocated on 5 March 2026 following nib's FY26 half year results presentation at a volume weighted average price of $6.03.

d) nib Salary Sacrifice Plan and Matching Plan

Business unit managers were offered the opportunity to receive part of their salary in the form of shares, with an additional amount of shares contributed by the Company. Employees may elect not to participate in the plan.

The plan is administered by the Board. Shares granted to the employees by the Board were acquired on-market via a third party trustee plan company.

Under the plan, participating employees were allocated an aggregate market value up to $10,000 worth of fully paid ordinary shares in nib holdings limited, made up of $5,000 salary sacrifice and $5,000 matching company component. Subsequent offers under the plan are at the Board's discretion.

	2026	2025
Number of shares purchased on market under the plan to participating employees	39,326	62,904

Shares issued under the plan may not be sold until the earlier of three or seven years (as nominated by employee) after issue, or cessation of employment. In all other respects shares rank equally with other fully paid ordinary shares on issue.

e) Salary Sacrifice Plan (NZ) and Matching Plan (NZ)

New Zealand business unit managers were offered the opportunity to receive part of their salary in the form of shares, with an additional amount of shares contributed by the Company. Employees may elect not to participate in the plan.

The plan is administered by the Board. Shares granted to the employees by the Board were acquired on-market via a third party trustee plan company.

Under the plan, participating employees were allocated an aggregate market value up to NZD $10,000 worth of fully paid ordinary shares in nib holdings limited, made up of NZD $5,000 salary sacrifice and NZD $5,000 matching company component. Subsequent offers under the plan are at the Board's discretion.

	2026	2025
Number of shares purchased on market under the plan to participating employees	4,794	7,214

Shares issued under the scheme may not be sold until the earlier of three or seven years (as nominated by employee) after issue, or cessation of employment. In all other respects shares rank equally with other fully paid ordinary shares on issue.

f) Short-Term Performance Incentive (STI)

All eligible employees have a STI opportunity. For the MD/CEO the target bonus opportunity is 90% of the base remuneration package. For the GCFO, GEA and CE APHI the target bonus opportunity is 75% of the remuneration package. For the GELCRO the target bonus opportunity is 60% of the remuneration package.

The nib Holdings Ltd Share Ownership Plan Trust administers the Group's Executive management Short-Term Incentive and Long-Term Incentive Share Plans. This Trust has been consolidated in accordance with Note 28(d).

Shares issued by the Trust to the employees are acquired on-market prior to the issue. Shares held by the Trust and not yet issued to employees at the end of the reporting period are shown as treasury shares in the financial statements, see Note 18(c).

Shares were purchased on market and brokerage fees are borne by nib health funds limited.

g) Expenses arising from share-based payments transactions

	2026 $m	2025 $m
Shares purchased on market under ESAP and ESPS	0.4	0.4
Shares purchased on market under nib salary sacrifice plan and matching plan and salary sacrifice (NZ) rules and matching plan (NZ)	0.3	0.4
Performance rights granted under LTIP	0.3	1.1
Shares purchased on market under STI	1.3	1.9
	2.3	**3.8**

h) Accounting policy

The fair value of performance rights granted under the nib holdings Long-Term Incentive Plan is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the performance rights granted, which includes any market performance conditions but excludes the impact of any service and non-market performance vesting conditions and the impact of any non-vesting conditions. Non-market vesting conditions are included in assumptions about the number of performance rights that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimate of the number of performance rights that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The nib holdings Long-Term Incentive Plan is administered by the nib Holdings Ltd Share Ownership Plan Trust, see Note 18(d)(ii). When the performance rights are exercised, the trust transfers the appropriate amount of shares to the employee.

Under the Employee Share Acquisition (tax exempt) Plan, the nib Salary Sacrifice Plan and Matching Plan and the Short-Term Performance Incentive, shares are acquired on-market and expensed.

31. Parent entity financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2026 $m	2025 $m
Balance Sheet		
ASSETS		
Current assets	190.2	220.4
Non-current assets	940.6	942.1
Total assets	**1,130.8**	**1,162.5**
LIABILITIES		
Current liabilities	8.1	18.5
Non-current liabilities	139.3	206.4
Total liabilities	**147.4**	**224.9**
NET ASSETS	**983.4**	**937.6**
EQUITY		
Share capital	613.2	600.4
Share-based payments	(12.5)	(10.1)
Retained profits	382.7	347.3
Total Equity	**983.4**	**937.6**
Profit for the year	**176.7**	**191.8**
Total comprehensive income for the year	**176.7**	**191.8**

Refer to Note 23 for contingent assets and liabilities of the parent entity.

a) Accounting policy

The financial information for the parent entity, nib holdings limited, has been prepared on the same basis as the consolidated financial statements, except as set out below.

i) Investments in subsidiaries, associates and joint venture entities	Investments in subsidiaries, associates and joint venture entities are accounted for at cost less any provision for impairment in the financial statements of nib holdings limited. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.
ii) Tax consolidation legislation	nib holdings limited and its wholly-owned Australian controlled entities have implemented the tax consolidated legislation. The head entity, nib holdings limited, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right. In addition to its own current and deferred tax amounts, nib holdings limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group. The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate nib holdings limited for any current tax payable assumed and are compensated by nib holdings limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to nib holdings limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements. The amounts receivable/payable under the tax funding agreement is due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments. Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the Group. Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

Consolidated Entity Disclosure Statement

For the year ended 30 June 2026

The Consolidated Entity Disclosure Statement provides information about the subsidiaries included in the consolidated financial statements of nib holdings limited as at 30 June 2026.

	Type of entity	% of share capital	Country of incorporation	Australian resident or foreign resident	Countries of residence for tax purpose
nib holdings limited	Body corporate	100	Australia	Australia	Australia
nib health funds limited	Body corporate	100	Australia	Australia	Australia
nib servicing facilities Pty Limited	Body corporate	100	Australia	Australia	Australia
nib Life Pty Limited	Body corporate	100	Australia	Australia	Australia
nib Tailored Trust	Trust	100	Australia	Australia	Australia
IMAN Australian Health Plans Pty Limited	Body corporate	100	Australia	Australia	Australia
nib nz holdings limited	Body corporate	100	New Zealand	Foreign	New Zealand
nib nz limited	Body corporate	100	New Zealand	Foreign	New Zealand
Orbitprotect Limited	Body corporate	100	New Zealand	Foreign	New Zealand
nib Options Pty Limited	Body corporate	100	Australia	Australia	Australia
Digital Health Ventures Pty Limited	Body corporate	50	Australia	Australia	Australia
nib Philippines Pty Limited	Body corporate	100	Australia	Australia	Australia
nib Philippines Pty Limited (Branch)	Branch	100	Australia	Foreign	Philippines
nib Asia Pty Limited	Body corporate	100	Australia	Australia	Australia
Nuo Ban Business Information Consulting (Shanghai) Co. Ltd	Body corporate	100	China	Foreign	China
nib International Student Services Pty Ltd	Body corporate	100	Australia	Australia	Australia
Honeysuckle Health Pty Ltd	Body corporate	100	Australia	Australia	Australia
Prima Health Solutions Pty Ltd	Body corporate	100	Australia	Australia	Australia
Midnight Health Pty Ltd	Body corporate	100	Australia	Australia	Australia
Cantro Pty Ltd	Body corporate	100	Australia	Australia	Australia
Control Health Pty Ltd	Body corporate	100	Australia	Australia	Australia
Stagger Health Pty Ltd	Body corporate	100	Australia	Australia	Australia
Youly Pty Ltd	Body corporate	100	Australia	Australia	Australia
nib Thrive Pty Limited	Body corporate	100	Australia	Australia	Australia
nib Tempo Pty Limited	Body corporate	100	Australia	Australia	Australia
Peak Plan Management Pty Ltd	Body corporate	100	Australia	Australia	Australia
Connect Plan Management Pty Ltd	Body corporate	100	Australia	Australia	Australia
Developing Links Pty Ltd	Body corporate	100	Australia	Australia	Australia
Instacare Pty Ltd	Body corporate	100	Australia	Australia	Australia
nib Thrive Support Coordination Pty Ltd	Body corporate	100	Australia	Australia	Australia
nib Navigator Pty Limited	Body corporate	100	Australia	Australia	Australia
Kynd Group Pty Ltd	Body corporate	100	Australia	Australia	Australia
Kynd Pty Ltd	Body corporate	100	Australia	Australia	Australia
nib Health Services Pty Ltd	Body corporate	100	Australia	Australia	Australia
nib Travel Pty Limited	Body corporate	100	Australia	Australia	Australia
WNG Services Pty Limited	Body corporate	100	Australia	Australia	Australia
nib International Assistance Pty Limited	Body corporate	100	Australia	Australia	Australia
Suresave Pty Limited	Body corporate	100	Australia	Australia	Australia
Sure-Save.net Pty Ltd	Body corporate	100	Australia	Australia	Australia
Travel Insurance Direct Holdings Pty Limited	Body corporate	100	Australia	Australia	Australia
Travel Insurance Direct Pty Ltd	Body corporate	100	Australia	Australia	Australia
Travel Insurance Direct (New Zealand) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand

Consolidated Entity Disclosure Statement
For the year ended 30 June 2026

	Type of entity	% of share capital	Country of incorporation	Australian resident or foreign resident	Countries of residence for tax purpose
nib Travel Insurance Distribution Pty Limited	Body corporate	100	Australia	Australia	Australia
Surecan Technology Pty Ltd	Body corporate	100	Australia	Australia	Australia
The World Nomads Group Holdings Pty Ltd	Body corporate	100	Australia	Australia	Australia
World Nomads Pty Ltd	Body corporate	100	Australia	Australia	Australia
World Nomads Inc	Body corporate	100	United States of America	Foreign	United States of America
World Nomads (Canada) Ltd	Body corporate	100	Canada	Foreign	Canada
WorldNomads.com Pty Ltd	Body corporate	100	Australia	Australia	Australia
nib Travel Services (Australia) Pty Limited	Body corporate	100	Australia	Australia	Australia
Get Insurance Group Pty Limited	Body corporate	100	Australia	Australia	Australia
World Experiences International Holdings Pty Ltd	Body corporate	100	Australia	Australia	Australia
World Experiences Seguros De Viagem Brasil LTDA	Body corporate	100	Brazil	Foreign	Brazil
nib Travel Services Limited	Body corporate	100	Cayman Islands	Australia	Australia
Nomadic Insurance Benefits Holdings Limited	Body corporate	100	Ireland	Foreign	Ireland
nib Travel Services Europe Limited	Body corporate	100	Ireland	Foreign	Ireland
nib Travel Services Europe (UK Branch)	Branch	100	United Kingdom	Foreign	United Kingdom
nib Travel Services Ireland Limited	Body corporate	100	Ireland	Foreign	Ireland
nib Holdings Ltd Share Ownership Plan Trust	Trust	100	Australia	Australia	Australia
nib salary sacrifice plan and matching plan trust	Trust	100	Australia	Australia	Australia
nib Salary Sacrifice (NZ) and Matching Plan (NZ) Trust	Trust	100	Australia	Australia	Australia
nib holdings – nib nz Employee Share Purchase Scheme Trust	Trust	100	Australia	Australia	Australia
nib foundation trust	Trust	100	Australia	Australia	Australia
nib foundation limited (trustee for the nib foundation trust)	Body corporate	100	Australia	Australia	Australia

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with *AASB 10 Consolidated Financial Statements*.

Determination of tax residency

Section 295 (3A)(vi) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency

  The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

- Foreign tax residency

  Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the *Corporations Act 2001*).

Directors' Declaration

For the year ended 30 June 2026

In the Directors' opinion:

a) the financial statements and notes set out on pages 65 to 122 are in accordance with the *Corporations Act 2001*, including:
   i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
   ii. giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

b) there are reasonable grounds to believe that nib holdings limited will be able to pay its debts as and when they become due and payable.

c) the information disclosed in the Consolidated Entity Disclosure Statement set out on pages 123 to 124 is true and correct.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given declarations by the Chief Executive Officer and Group Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Board

David Gordon
Director

Anne Loveridge AM
Director

Newcastle, NSW
21 August 2026

Independent auditor's report

To the members of nib holdings limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of nib holdings limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated balance sheet as at 30 June 2026;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information;
- the consolidated entity disclosure statement as at 30 June 2026; and
- the directors' declaration.

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Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events. In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor, or component auditors from another PwC network firm operating under our instruction. Where the work was performed by the component auditor, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Group financial report as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit Committee.

Key audit matter	How our audit addressed the key audit matter
Valuation of liability for incurred claims Refer to note 4 As at 30 June 2026, the Group held insurance contract liabilities of which there are two components. The first component relates to the liability for remaining coverage which comprises fulfilment cash flows related to future services to be provided under groups of insurance contracts. The second component relates to the liability for incurred claims and comprises the present value of fulfilment cash flows related to past services provided under groups of insurance contracts which have not yet been paid, including claims that have been incurred but not yet reported (IBNR). This balance is also inclusive of a risk adjustment to estimate the compensation required by the Group for bearing non-financial risk associated with the fulfilment cash flows. We considered the valuation of the liability for incurred claims to be a key audit matter due to the significant judgement required by the Group in estimating future cash flows, and particularly IBNR. These estimates are inherently uncertain and can be further impacted by a number of factors occurring close to year end where data is limited and as a result require greater reliance on expert judgement. Estimating the risk adjustment is also a key area of judgement as it is determined using confidence level techniques.	With the assistance of PwC actuarial experts, we • Developed an understanding of the control activities relevant to the Group's process for determining insurance contract liabilities and assessing on a sample basis whether certain key controls were appropriately designed and operating effectively, throughout the year ended 30 June 2026. • Developed an understanding of economic and other factors impacting the valuation and assessing the methodology and assumptions used by the Group and, where available, comparing the significant assumptions to historical experience of the Group, subsequent payment patterns, current industry trends and benchmarks, and other publicly available information. • Evaluated the appropriateness and reliability of significant data used to estimate future cash flows associated with a sample of contracts, including agreeing a sample of claims to underlying information. • Tested the mathematical accuracy of a selection of calculations included in the Group's liability calculations. • Evaluated the relevant underlying calculations used to derive the risk adjustment, including the significant assumptions. We also assessed the reasonableness of the related disclosures in the financial report against the requirements of Australian Accounting Standards.

Key audit matter	How our audit addressed the key audit matter

Impairment testing of nib thrive goodwill
 	
Refer to note 13
 	
As at 30 June 2026, the carrying value of the nib thrive cash-generating unit (CGU) is $162.4 million.
 	
An impairment assessment is performed annually by the Group, or more frequently if events or circumstances indicate that the carrying value of goodwill may be impaired.
 	
Potential impairment is identified by comparing the value-in-use of the CGU to its carrying value, including goodwill. The value-in-use for the CGU is estimated by the Group using a discounted cash flow model which includes significant judgements and assumptions relating to cash flow projections, investment returns, terminal growth rates and discount rates.
 	
We considered the carrying value of goodwill a key audit matter due to the inherent estimation uncertainty and subjectivity in judgements in a number of the assumptions.
	Our procedures included:
	• Evaluated the determination and composition of the CGUs to which goodwill is allocated in the context of the Group's operations and reporting processes.
	• Developing an understanding of the control activities and process by which the cash flow projections were developed and comparing the cash flows included in the impairment assessment with the five-year forecasts presented to and approved by the Board of Directors.
	• Evaluating the appropriateness of significant assumptions used to derive the cash flow projections by comparing to external market and industry data where available, and current and past performance of the CGU.
	• With the assistance of PwC valuation experts, we:
	  ○ Evaluated the appropriateness of the value-in use methodology adopted against the requirements of Australian Accounting Standards.
	  ○ Assessed the consistency of the terminal growth rate and investment returns with available external information.
	  ○ Evaluated the appropriateness of the discount rate applied to cash flow projections, including comparing key inputs (including risk-free rates, market premiums and unlevered betas) to industry and other benchmarks.
	• Tested the mathematical accuracy of the models which were used to determine the value-in-use of the CGU.
	
	We also assessed the reasonableness of the related disclosures in the financial report against the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report and a limited assurance conclusion on specified metrics included in the sustainability report. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf.

This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2026. In our opinion, the remuneration report of nib holdings limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

C. Mara

Caroline Mara
Partner

Newcastle
21 August 2026

Shareholder Information

As at 31 July 2026

The shareholder information set out below was applicable as at 31 July 2026.

A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	Number of holders
1 – 1,000	53,722
1,001 – 5,000	59,212
5,001 – 10,000	8,480
10,001 – 100,000	923
100,001 and over	37
	122,374

There were 1,003 holders of less than a marketable parcel of ordinary shares.

B. Equity security holders

The 20 largest quoted equity security holders

The names of the 20 largest holders of quoted equity securities are listed below:

	Ordinary Shares	
	Number held	Percentage of issued shares %
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	99,241,934	20.30
CITICORP NOMINEES PTY LIMITED	64,290,721	13.15
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	54,234,721	11.09
BNP PARIBAS NOMS PTY LTD	15,031,024	3.07
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	4,422,412	0.90
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	1,863,014	0.38
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	1,254,212	0.26
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	1,012,147	0.21
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	812,354	0.17
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	803,180	0.16
UBS NOMINEES PTY LTD	758,301	0.16
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	723,843	0.15
BNP PARIBAS NOMS (NZ) LTD	615,846	0.13
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	539,857	0.11
CPU SHARE PLANS PTY LTD <NHF ESCROW TRUST MASTER A/C>	483,873	0.10
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	416,136	0.09
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	338,055	0.07
BRENCAM PTY LIMITED	316,371	0.06
MR GRAHAM ROBERT WOODS	310,600	0.06
MOORGATE INVESTMENTS PTY LTD	235,795	0.05
	247,704,396	**50.66**

Unquoted equity securities

	Number on issue	Number of holders
Performance rights issued under the nib holdings Long-term Incentive Plan	1,947,826	17

C. Substantial holders

State Street Corporation and subsidiaries became a substantial holder on 30 August 2024, and most recently registered their change of interests on 3 December 2024 to be 30,593,290 ordinary shares, which represented 6.29% of nib's ordinary shares at this time. Vanguard Group became a substantial holder on 17 April 2023, and most recently registered their change of interests on 20 June 2025 to be 29,640,617 ordinary shares, which represented 6.086% of nib's ordinary shares at this time. There are currently no other substantial holders.

D. Voting rights

The voting rights attaching to each class of equity securities are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Performance rights

No voting rights.

Corporate Directory

DIRECTORS

Chairman & Non-Executive Director

David Gordon

Managing Director & Chief Executive Officer

Ed Close

Non-Executive Directors

Jacqueline Chow

Hisham El-Ansary

Peter Harmer

Anne Loveridge AM

Jill Watts

Brad Welsh

COMPANY SECRETARY

Jordan French

EXECUTIVE MANAGEMENT

Managing Director & Chief Executive Officer
Ed Close

Group Chief Financial Officer
Nick Freeman

Chief Executive Officer – nib Health Strategy & Services
Rhod McKensey

Chief Executive Officer – nib New Zealand
Skye Daniels

Group Executive – nib Australia
Matthew Neat

Group Chief People Officer
Lauren Daniels

General Counsel and Company Secretary
Jordan French

Group Chief Risk Officer
Rachel Sandhu

Group Chief Technology and Transformation Officer
Linda Da Silva

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) of nib holdings limited will be held as a hybrid meeting where shareholders may attend in person at The Mint, 10 Macquarie Street, Sydney or via an online platform available at nib.com.au/shareholders/shareholder-information/agm. The AGM will be held on 23 November 2026, commencing at 9:30am (AEDT).

A formal Notice of Meeting will be distributed to shareholders prior to the AGM.

SHARE REGISTER

Computershare Investor Services Pty Limited
Level 4
44 Martin Place
Sydney NSW 2000

1300 664 316

STOCK EXCHANGE LISTING

nib holdings limited (NHF) shares are listed on the Australian Securities Exchange.

PRINCIPAL REGISTERED OFFICE IN AUSTRALIA

22 Honeysuckle Drive
Newcastle NSW 2300

13 14 63

AUDITOR

PricewaterhouseCoopers

PricewaterhouseCoopers Centre
Level 3, 45 Watt Street
Newcastle NSW 2300

LEGAL ADVISERS

Ashurst Perkins Coie
Level 8
39 Martin Place
Sydney NSW 2000

BANKERS

National Australia Bank Limited
2 Carrington Street
Sydney NSW 2000

WEBSITE

nib.com.au

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