

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

nib holdings limited
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ABN/ARBN

51 125 633 856
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Financial year ended:

30 June 2021
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Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>

- These pages of our annual report:
- This URL on our website: <https://www.nib.com.au/shareholders/company-profile/corporate-governance>

The Corporate Governance Statement is accurate and up to date as at *[insert effective date of statement]* and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.<sup>3</sup>

Date: 23 August 2021

Name of authorised officer authorising lodgement: Roslyn Toms

<sup>1</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

<sup>2</sup> Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

<sup>3</sup> Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have <b>NOT</b> followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.5	A listed entity should: (a) have and disclose a diversity policy;	<input checked="" type="checkbox"/> and we have disclosed a copy of our diversity policy at:	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b>

<sup>4</sup> Tick the box in this column only if you have followed the relevant recommendation **in full** for the **whole** of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

<sup>5</sup> If you have followed all of the Council’s recommendations **in full** for the **whole** of the period above, you can, if you wish, delete this column from the form and re-format it.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p><a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a></p> <p>and we have disclosed the information referred to in paragraph (c) at:</p> <p>Pages 9 to 11 of the Corporate Governance Statement; and</p> <p><a href="https://www.nib.com.au/shareholders/company-profile/sustainability">https://www.nib.com.au/shareholders/company-profile/sustainability</a></p> <p>WGEA Report</p> <p>and if we were included in the S&amp;P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.</p>	<p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>Page 7 of the Corporate Governance Statement</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>Page 7 of the Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>Page 7 of the Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: Page 7 of the Corporate Governance Statement	

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<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a></p> <p>and the information referred to in paragraphs (4) and (5) at: Pages 15 to 19 of the Annual Report</p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively at:</p> <p>N/A</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our board skills matrix at: Page 6 of the Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the names of the directors considered by the board to be independent directors at: Page 5 of the Corporate Governance Statement</p> <p>and, where applicable, the information referred to in paragraph (b) at: N/A</p> <p>and the length of service of each director at: Page 5 of the Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have <b>NOT</b> followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a> Page 1 of the Code of Conduct Page 3 of the Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at:	<input type="checkbox"/> set out in our Corporate Governance Statement

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(b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a>	

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<b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a></p> <p>and the information referred to in paragraphs (4) and (5) at: Pages 15 to 19 of the Annual Report</p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner at:</p> <p>N/A</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a> Disclosure and Communication Policy Disclosure and Materiality Guidelines	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a> Disclosure and Communication Policy <a href="https://www.nib.com.au/shareholders/home">https://www.nib.com.au/shareholders/home</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

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6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<input checked="" type="checkbox"/> <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a> and the information referred to in paragraphs (4) and (5) at: Pages 15 to 19 of the Annual Report <i>[If the entity complies with paragraph (b):]</i> and we have disclosed the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at: N/A	<input type="checkbox"/> set out in our Corporate Governance Statement
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<input checked="" type="checkbox"/> and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: Page 13 of the Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p>	<input checked="" type="checkbox"/> <i>[If the entity complies with paragraph (a):]</i>	<input type="checkbox"/> set out in our Corporate Governance Statement

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	(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	and we have disclosed how our internal audit function is structured and what role it performs at: Page 13 of the Corporate Governance Statement <i>[If the entity complies with paragraph (b):]</i> and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at: N/A	
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at: Pages 10 to 12 of the Annual Report ('Principle Risks and Uncertainties' section); and <a href="https://www.nib.com.au/shareholders/company-profile/sustainability">https://www.nib.com.au/shareholders/company-profile/sustainability</a> Sustainability Report and, if we do, how we manage or intend to manage those risks at: <a href="https://www.nib.com.au/shareholders/company-profile/sustainability">https://www.nib.com.au/shareholders/company-profile/sustainability</a> Sustainability Report	<input type="checkbox"/> set out in our Corporate Governance Statement

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Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>	
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a></p> <p>and the information referred to in paragraphs (4) and (5) at: Pages 15 to 19 of the Annual Report</p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p>N/A</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at:</p> <p>Pages 22 to 43 of the Remuneration Report of the Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our policy on this issue or a summary of it at: <a href="https://www.nib.com.au/shareholders/company-profile/corporate-governance">https://www.nib.com.au/shareholders/company-profile/corporate-governance</a></p> <p>Trading Policy</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b>			
9.1	<p>A listed entity with a director who does not speak the language in which board or security holder meetings are held or key</p>	<p>N/A</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
	corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	and we have disclosed information about the processes in place at: N/A	<input type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	N/A	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	N/A	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	N/A and we have disclosed the information referred to in paragraphs (a) and (b) at: N/A	<input type="checkbox"/> set out in our Corporate Governance Statement
-	<i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	N/A and we have disclosed the terms governing our remuneration as manager of the entity at: N/A	<input type="checkbox"/> set out in our Corporate Governance Statement



corporate  
governance  
statement  
2021



## contents

<b>message from the chairman</b>	2	<b>remuneration</b>	12
<b>corporate governance framework</b>	3	non-executive director remuneration	12
<b>board role and responsibilities</b>	3	senior executive remuneration	12
board committees	4	trading policy	12
board composition and independence	5	<b>managing risk</b>	13
board skills matrix	6	risk management framework	13
appointment, election and re-election	7	internal audit	13
induction and training	7	<b>reporting, disclosure and communications</b>	14
performance evaluation	7	integrity in corporate reporting	14
company secretary	7	continuous disclosure	14
<b>culture, diversity and inclusion</b>	8	shareholder engagement	15
values, conduct and policies	8		
diversity and inclusion objectives and outcomes	8		



## message from the chairman

### I am pleased to present nib's Corporate Governance Statement for the financial year ended 30 June 2021.

In line with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Fourth Edition) (ASX Governance Principles) our Board and Management were committed to demonstrating the highest standards of corporate governance for the period.

Several highlights during the year demonstrating this commitment include:

- nib's recognition as one of the top 100 most diverse and inclusive organisations worldwide as part of Refinitiv's 2020 Diversity and Inclusion (D&I) Index;
- Developing our Diversity and Inclusion Action Plan 2021-2023 that details nib's equity and inclusion actions and objectives;
- Our inaugural Reflect Reconciliation Action Plan has been put in place to learn and reflect on what it means to truly reconcile with our First Nations peoples;
- nib's first Modern Slavery Statement was published and outlines the steps we have taken to identify, assess and mitigate modern slavery risks within our operations and supply chain; and
- We developed an Ethics Framework weaving together our purpose, values and principles to establish a clear point of reference for nib's employees when making decisions across the organisation.

Following the financial year in July 2021, we farewelled long-time Chairman, Steve Crane, who has been instrumental in nib's growth during his tenure and more recently has shown great leadership and capability in responding to the COVID-19 pandemic. I am honoured and excited to assume the role of nib's Chairman and thank Steve for the extraordinary contribution to the company over the past decade.

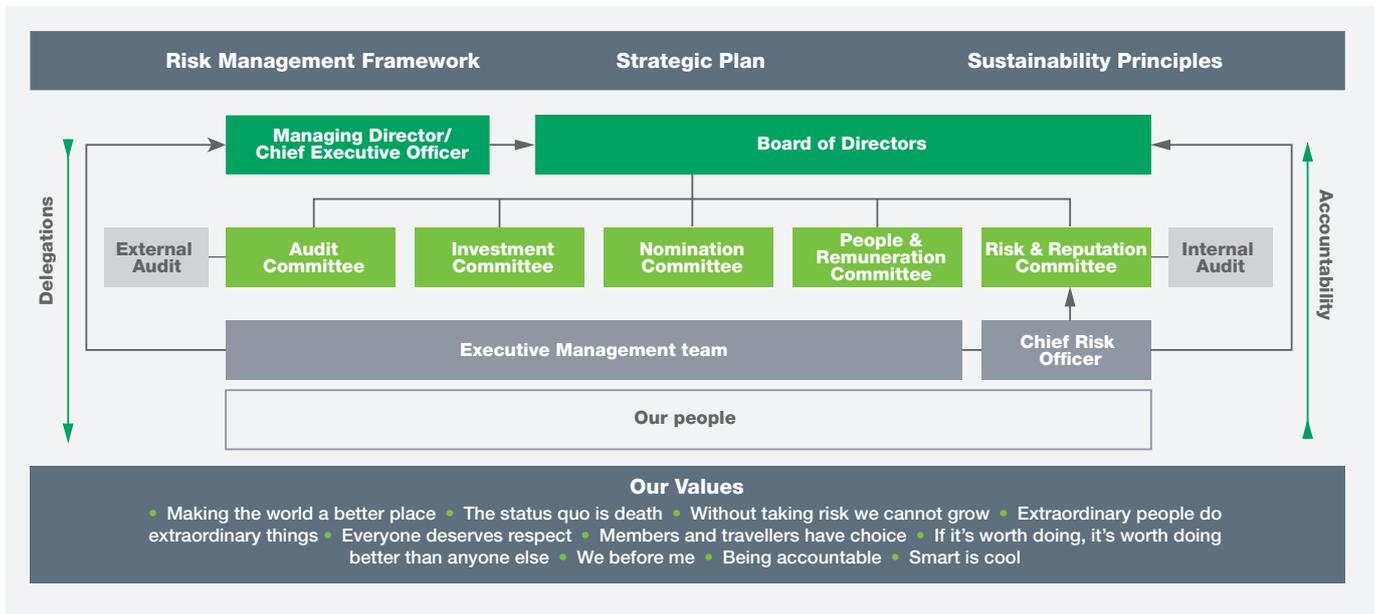
In addition, we welcomed Peter Harmer as an Independent Non-Executive Director in July 2021. Peter will stand for election at the 2021 Annual General Meeting in November and brings over 40 years' experience in the Australian and international insurance and financial sectors.

While the following statement summarises nib's corporate governance practices for the period 1 July 2020 to 30 June 2021, nib's 2021 Annual Report and Sustainability Report also provide further information on nib's governance and risk management activities and are available to view on our website, [nib.com.au/shareholders](http://nib.com.au/shareholders).

**David Gordan**  
Chairman



## corporate governance framework



## board role and responsibilities

nib's Board provides overall strategic guidance for the nib Group and effective oversight of management.

The Board ensures that the activities of the company comply with its Constitution, from which the Board derives its authority to act, and in accordance with all legal and regulatory requirements. To achieve this role, the Board Charter (available at [nib.com.au/shareholders](http://nib.com.au/shareholders)) reserves the following responsibilities to the Board:

- overseeing the development of nib's strategy;
- oversight of management;
- ensuring effective shareholder communication and the exercise of shareholder rights;
- monitoring environmental, employment and WHS policies, and policies governing nib's relationship with other stakeholders;
- approving the company values and reviewing the embedding of those values throughout the organisation;
- continually reinforcing the desired culture of acting lawfully, ethical business practices and responsible decision making;
- establishing and maintaining nib's Code of Conduct;
- monitoring the performance of sustainability initiatives and reporting of social, environmental and ethical impacts of nib's business practices on stakeholders;
- oversight of financial and capital management; and
- overseeing nib's systems of audit, compliance and risk management.

The Board has delegated to the Managing Director/Chief Executive Officer (MD/CEO) the authority to manage the day-to-day operations of the business in relation to all matters other than those responsibilities reserved to itself. The MD/CEO has, in turn, authority to sub-delegate.

## Board committees

The Board has five standing Board Committees (refer to charters for Audit Committee, Investment Committee, Nomination Committee, People and Remuneration Committee and Risk and Reputation Committee) with each Committee comprising independent non-executive directors and chaired by an independent non-executive director, as summarised in the table below.

The Chairman of the Board is the Chairman of the Nomination Committee and attends other Committee meetings in an ex-officio capacity.

nib's Annual Report discloses the number of times the Board and Committees met throughout the financial year and the individual attendances of Directors at those meetings on page 19 of the Directors Report.

nib's Annual Report and each committee charter is available on our website [nib.com.au/shareholders](http://nib.com.au/shareholders)

Board Committee	Responsibilities	Members as at 30 June 2021
<b>Audit Committee</b>	<p>Assists and makes recommendations to the Board on:</p> <ul style="list-style-type: none"> <li>nib's external audit function and the adequacy of nib's corporate reporting processes;</li> <li>the integrity of nib's financial statements and other material regulatory documents;</li> <li>the competency, fees, independence and quality of services provided by nib's Appointed Actuary and External Auditor;</li> <li>nib's systems and procedures for compliance with applicable financial reporting standards, regulatory financial reporting requirements and ASX listing obligations;</li> <li>monitoring solvency and compliance with nib's Capital Management Plan; and</li> <li>the propriety of related party transactions.</li> </ul>	<p>Anne Loveridge (Chairman)</p> <p>Jacqueline Chow</p> <p>David Gordon</p>
<b>Investment Committee</b>	<p>Assists and makes recommendations to the Board on:</p> <ul style="list-style-type: none"> <li>investment strategy and investment risk management;</li> <li>investment performance and outlook;</li> <li>compliance with the investment component of nib's Capital Management Plan;</li> <li>compliance with the gearing component of nib's Capital Management Plan;</li> <li>external group borrowings; and</li> <li>compliance with debt covenants.</li> </ul>	<p>Donal O'Dwyer (Chairman)</p> <p>Jacqueline Chow</p> <p>Anne Loveridge</p>
<b>Nomination Committee</b>	<p>Assists and makes recommendations to the Board on:</p> <ul style="list-style-type: none"> <li>director selection and appointment practices;</li> <li>director performance evaluation processes and criteria;</li> <li>Board composition; and</li> <li>succession planning for the Board.</li> </ul>	<p>Steve Crane (Chairman)</p> <p>Lee Ausburn</p> <p>Jacqueline Chow</p> <p>Mark Fitzgibbon</p> <p>Anne Loveridge</p> <p>Donal O'Dwyer</p> <p>David Gordon</p>
<b>People and Remuneration Committee</b>	<p>Assists and makes recommendations to the Board on:</p> <ul style="list-style-type: none"> <li>remuneration strategy, policies and practices;</li> <li>reviewing the nib Diversity and Inclusion Policy;</li> <li>reviewing the People and Culture strategy, succession planning processes and annual engagement survey;</li> <li>reviewing the company values and the inculcation of those values throughout the organisation; and</li> <li>monitoring employee engagement and culture.</li> </ul>	<p>Lee Ausburn (Chairman)</p> <p>Jacqueline Chow</p> <p>Donal O'Dwyer</p> <p>David Gordon</p>

Board Committee	Responsibilities	Members as at 30 June 2021
<b>Risk and Reputation Committee</b>	<p>Assists and makes recommendations to the Board on:</p> <ul style="list-style-type: none"> <li>nib's internal audit function, the appropriateness of risk policy, risk management strategy and risk management framework;</li> <li>the effectiveness of nib's risk management framework;</li> <li>identification and assessment of material risks;</li> <li>nib's systems and procedures for compliance with applicable legal and regulatory requirements (other than financial reporting standards, regulatory financial reporting requirements and ASX listing obligations monitored by the Audit Committee);</li> <li>sustainability initiatives and the social, environmental and ethical impacts of nib's business practices on nib stakeholders including, but not limited to, members, employees and community; and</li> <li>recommending standards for social, environmental and ethical practices.</li> </ul>	<p>Jacqueline Chow (Chairman)</p> <p>Lee Ausburn</p> <p>Anne Loveridge</p> <p>Donal O'Dwyer</p>

### Board composition and independence

As at 30 June 2021, there were seven Directors on nib's Board: six non-executive directors, all of whom are independent, and one Executive Director, being the Chief Executive Officer who is also appointed as the Managing Director.

The Board Charter sets out specific principles in relation to Directors' independence and requires that all Directors bring an independent judgment to bear on all Board decisions.

On appointment, each Director is required to provide information to the Board to assess their independence as part of their consent to act as a Director. The Board regularly assesses the independence of each Director in light of the interests disclosed by them and the length of tenure of each of the Directors.

The Board has determined that all current non-executive directors, including the Chairman, are independent and free of any relationship which may conflict with the interests of nib and the Group in accordance with the approved criteria for assessing independence.

The date of appointment and tenure for each non-executive director are set out in the table below. Details of the skills, experience and expertise of the Directors are set out on pages 15 to 18 of the Annual Report available on our website [nib.com.au/shareholders](http://nib.com.au/shareholders).

Board of Directors		Appointed	Tenure
<b>Mr Steve Crane<sup>1</sup></b>	Chairman; Non-Executive Director/Independent	28 September 2010 (Appointed as Chairman 1 October 2011)	10 years 9 months
<b>Mr Mark Fitzgibbon</b>	Managing Director/Chief Executive Officer	28 May 2007	14 years 1 month
<b>Ms Lee Ausburn</b>	Non-Executive Director/Independent	13 November 2013	7 years 7 months
<b>Ms Jacqueline Chow</b>	Non-Executive Director/Independent	5 April 2018	3 years 2 months
<b>Mr David Gordon<sup>2</sup></b>	Non-Executive Director/Independent	29 May 2020	1 year 1 month
<b>Ms Anne Loveridge</b>	Non-Executive Director/Independent	20 February 2017	4 years 4 months
<b>Mr Donal O'Dwyer</b>	Non-Executive Director/Independent	22 March 2016	5 years 3 months

1. Retired from nib holdings limited Board on 29 July 2021.

2. Appointed as nib holdings limited Chairman on 29 July 2021.

## Board skills matrix

The following board skills matrix sets out the skills of the nib Board. All Directors (including the Executive Director) have been assessed against the skills matrix. nib's Board skills matrix will continue to develop as nib's strategy develops. All areas of nib's skills matrix are currently well represented on the nib Board. nib has four male and three female directors.

Skills	
<b>Leadership</b>	
<ul style="list-style-type: none"><li>• Previous experience as a director, executive or senior leader of a publicly listed or large company</li></ul>	
<b>International business</b>	
<ul style="list-style-type: none"><li>• Experience in developing and leading international businesses</li><li>• Exposure to a range of political, cultural and regulatory environments</li></ul>	
<b>Industry experience</b>	
<ul style="list-style-type: none"><li>• Experience as a director or senior executive in the private health insurance, general insurance or financial services industries</li></ul>	
<b>Digital and emerging technologies</b>	
<ul style="list-style-type: none"><li>• Experience in existing and emerging technology to drive innovation and business growth</li><li>• Experience in deriving deep insights into customer needs through big data and artificial intelligence</li></ul>	
<b>Corporate strategy</b>	
<ul style="list-style-type: none"><li>• Experience in developing, reviewing, scrutinising and implementing corporate strategy, including organic growth through innovation as well as merger and acquisition experience</li></ul>	
<b>Risk Management</b>	
<ul style="list-style-type: none"><li>• Experience in assessing the effectiveness of risk management frameworks, identification and assessment of material risks, oversight of systems and procedures for compliance, and setting and monitoring risk appetite and risk culture</li></ul>	
<b>Government and public policy</b>	
<ul style="list-style-type: none"><li>• Experience in government interactions at senior levels and influencing public policy development and application</li></ul>	
<b>Marketing, customer focus and brand</b>	
<ul style="list-style-type: none"><li>• Experience and/or qualifications in marketing, branding, distribution, customer management and retention strategies</li></ul>	
<b>People and cultural alignment</b>	
<ul style="list-style-type: none"><li>• Experience in people matters, including creating cultural alignment, promotion of diversity, establishing or overseeing remuneration frameworks, management development and succession planning</li></ul>	
<b>Business and technical skills</b>	
<ul style="list-style-type: none"><li>• Experience and/or qualifications in any of the following business and technical skills:<ul style="list-style-type: none"><li>– Accounting</li><li>– Finance</li><li>– Audit</li><li>– Risk management</li><li>– Legal</li><li>– Mergers and acquisitions</li></ul></li></ul>	
<b>Skill and personal attributes expected of all directors</b>	
<ul style="list-style-type: none"><li>• Accountability</li><li>• Strategic thinking</li><li>• Ability to network</li></ul>	<ul style="list-style-type: none"><li>• Ability to work in a team</li><li>• Knowledge of corporate governance practices</li><li>• High level of performance in respective field of experience and endeavour</li></ul>

## **Appointment, election and re-election**

nib has adopted a set of desired competencies for the appointment of directors to the Board. These capabilities include general corporate attributes, industry specific attributes and personal attributes.

In accordance with the Nomination Committee Charter, the Committee is to meet as frequently as required to perform its function but at least once a year to review its composition including the size of the Board, the number of independent directors and the mix of skills, experience and diversity of directors.

The current composition of the Board reflects nib's policy of having at least three independent, non-executive directors with appropriate expertise and experience to deal with current and emerging issues for nib.

When a vacancy on the Board arises, the Nomination Committee uses an external executive recruitment agency to identify a short list of non-executive directors who can bring appropriate skills, experience and expertise and an independent judgment on the strategy and performance of nib.

The shortlists of candidates are interviewed by the Chairman of the Board, the People and Remuneration Committee Chairman and any other Non-Executive Director as considered appropriate. Candidates with the skills, experience and expertise that best complement the Board's existing skills and experience are then recommended to the Board. Prior to appointment, nib engages an external professional body to undertake background checks (including criminal checks). A new Director must also be assessed as fit and proper in accordance with nib's Fit and Proper Policy and APRA Prudential Standard CPS 520.

A director appointed to the Board as a casual vacancy or an addition to the Board is required to stand for election at the next Annual General Meeting (AGM).

At each AGM, there must be an election of Directors. A Director must retire from office at least every three years (excluding the MD/CEO), and a Director appointed to fill a casual vacancy or as an additional Director to the Board must stand for election at the AGM immediately following appointment. Retiring Directors are eligible for re-election.

Before each AGM, the Board will assess the performance of any Director standing for re-election and will determine the Board's recommendation to shareholders on the re-election of the Director. The Notice of Meeting contains all material information in relation to any Director standing for election or re-election to provide shareholders with sufficient information relevant to the decision to elect or re-elect a Director.

A letter of appointment is entered into between nib holdings limited and Non-Executive Directors setting out the terms and conditions of their appointment as well as a Deed of Indemnity, Insurance & Access. For nib's senior executives, an Executive Service Agreement is entered into setting out the terms and conditions of their appointment by nib.

## **Induction and training**

Directors are expected to participate in any induction or orientation programs on appointment, and any continuing education or training arranged for them.

It is the practice at nib for the continuing professional development programs for Directors to be agreed between the individual director and Chairman and consequently this responsibility has not been given to the Nomination Committee.

## **Performance evaluation**

The Board undertakes an annual review of its collective performance, the performance of the Chairman, individual Directors and of its Committees. In FY21, the Board undertook an internal performance review process, with actions developed from the review findings.

Each of the Board's Committees review their performance annually or whenever there are major changes to the Committee structure. The performance and effectiveness of the Board Committees was evaluated as part of the internal Board assessment.

In accordance with the Board Charter, the Board regularly monitors the performance of senior executives and the implementation of strategy against measurable and qualitative indicators. The performance of the MD/CEO is evaluated and assessed by the Board each year. This process was followed in FY21.

The MD/CEO conducts performance reviews of nib senior executives (key management personnel) by comparing performance against agreed measures, examining the effectiveness and quality of performance of the individual, both as a divisional leader and in their individual capacity, and assessing whether various expectations of stakeholders have been met. Further information regarding senior executive performance against non-financial and financial performance criteria for FY21 is provided as part of the Remuneration Report (pages 22 to 43 of the Annual Report).

## **Company secretary**

The Board Charter provides that the Company Secretary is accountable to the Board through the Chairman of the Board on all governance matters. All Directors have access to the Company Secretary. The responsibilities of the Company Secretary are set out in the Board Charter.

nib has entered into a Deed of Indemnity, Insurance & Access with each Company Secretary.



## culture, diversity and inclusion

### Values, conduct and policies

At nib we're guided by our nib Group values as outlined in our Corporate Governance Framework on page 3. These values are the foundation of how we behave and interact with each other, our members, travellers, suppliers, shareholders, regulators and other stakeholders. When viewed together, the nib Group values are intended to reflect the priorities of the business and provide guidance in decision making.

nib's core codes and policies, which apply to all employees are available in the Corporate Governance section on the nib website, [nib.com.au/shareholders](http://nib.com.au/shareholders). Any material breaches of nib's codes and policies are reported to the Board in line with our incident management and reporting procedures.

nib has a Code of Conduct which applies to all Directors, officers, employees, contractors, consultants and associates of nib. The Code of Conduct sets out nib's ethical standards and rules and provides a framework to guide compliance with legal and other obligations to stakeholders. To support the Code of Conduct, in May 2021 nib developed an Ethics Framework weaving together our purpose, values and principles to establish a clear point of reference for employees when making decisions across the organisation.

nib's Human Rights Statement accounts our responsibility to protect the human rights of our members and travellers, our people, those in our supply chain and our wider community, as set out in the Universal Declaration of Human Rights.

We are working hard to continue to strengthen our ethical business practices, no matter where we operate in the world and published our first Modern Slavery Statement in November 2020 outlining the steps we have taken to identify, assess and mitigate modern slavery risks within our operations and supply chain. We reinforce this commitment to operating sustainably across our supply chain through our Supplier Code of Conduct which sets out the commitments and principles we expect of all our supply chain partners.

nib's Whistleblower Policy has been put in place to ensure our employees and others can raise concerns regarding any misconduct or improper state of affairs or circumstances (including unethical, illegal, corrupt or other inappropriate conduct) without being subject to victimisation, harassment or discriminatory treatment.

The Anti-Bribery Policy in alignment with nib's Code of Conduct and our values ensures that we observe the highest standards of fair dealing, honesty and integrity in our business activities.

nib's Diversity and Inclusion Policy sets out our approach to diversity and inclusion in the workplace (including gender diversity). In 2021, we published nib's Diversity and Inclusion Action Plan 2021-2023. Our Plan is a commitment to our employees and the communities in which we operate, which details our equity and inclusion actions and objectives.

nib was proud to launch our inaugural Reflect Reconciliation Action Plan (RAP) in October 2020, to learn and reflect on what it means to truly reconcile with our First Nations peoples. Our RAP was designed using the Reconciliation Australia framework to allow us to reflect on the histories of Aboriginal and Torres Strait Islander peoples, in a concerted effort to promote equality and justice in our communities.

The Board and management believe that nib's commitment to this policy and plans contributes to achieving nib's corporate objectives and embeds the importance and value of diversity and inclusion within the culture of nib.

### Diversity and inclusion objectives and outcomes

We've maintained a strong focus on inclusion, gender representation, accessibility, heritage and culture as part of our recruitment and retention strategies, succession planning and support of career development for our employees across nib.

In October 2020, nib joined a prestigious line-up of leading global organisations after being recognised as one of the top 100 most diverse and inclusive organisations worldwide as part of Refinitiv's 2020 Diversity and Inclusion (D&I) Index. nib placed 87th globally and seventh in Australia – testament to nib's ongoing commitment to creating a safe and inclusive workplace, where every person is treated fairly, with respect and diversity of thought is encouraged.

As a relevant employer under the Workplace Gender Equality Act, nib publishes its 'Gender Equality Indicators' on the Workplace Gender Equality Agency website and on the Sustainability section of our website, [nib.com.au/shareholders](http://nib.com.au/shareholders). At 30 June 2021, 62.6% of nib's total workforce was female.

The Board of nib is committed to achieving diversity in accordance with its Diversity and Inclusion Policy. Set out below are the current outcomes to the measurable objectives set by the Board.

## Diversity and inclusion objectives and outcomes *continued*

Measurable Objectives	Outcomes as at 30 June 2021																				
<p>Ensure that employees and directors are selected from diverse candidate pools:</p> <ul style="list-style-type: none"> <li>40/40/20 gender mix in interviewing panels and shortlisted candidates for all management, executive and Board positions.</li> </ul>	<p>We expanded our definition of gender representation to encapsulate all gender identity categories, moving to a 40/40/20 target. This 40/40/20 ratio measures the percentage of individuals that represent in the following gender identifying categories: 40% male, 40% female and 20% any gender.</p> <p>Pleasingly, for all management, executive and Board positions a gender representation on interview panels of 40/40/20 was achieved.</p> <p>Whilst at this point in time we do not have gender diverse identifying employees in leadership positions, we will continue to actively promote nib as a diverse employer to ensure we attract gender diverse candidates and have made the appropriate system, policy and process changes to reflect our aspirations in this space.</p> <p>Progress at 30 June 2021 is indicated below:</p> <table border="1"> <thead> <tr> <th></th> <th>Male %</th> <th>Female %</th> <th>Gender Diverse %</th> <th>Target %</th> </tr> </thead> <tbody> <tr> <td>Total hires</td> <td>39%</td> <td>61%</td> <td>0%</td> <td>40/40/20</td> </tr> <tr> <td>Leadership Positions (external hire)</td> <td>50%</td> <td>50%</td> <td>0%</td> <td>40/40/20</td> </tr> <tr> <td>Leadership Positions (internal appointment)</td> <td>39%</td> <td>61%</td> <td>0%</td> <td>40/40/20</td> </tr> </tbody> </table>		Male %	Female %	Gender Diverse %	Target %	Total hires	39%	61%	0%	40/40/20	Leadership Positions (external hire)	50%	50%	0%	40/40/20	Leadership Positions (internal appointment)	39%	61%	0%	40/40/20
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Leadership Positions (external hire)	50%	50%	0%	40/40/20																	
Leadership Positions (internal appointment)	39%	61%	0%	40/40/20																	
<p>Develop diverse leadership teams and talent pipelines by having 40/40/20 gender mix represented in the following role levels:</p> <ul style="list-style-type: none"> <li>Manager and team leaders</li> <li>Heads of business units</li> <li>Executives</li> </ul>	<p>We specifically look at gender across all levels of nib Group and the following data is representative of our experience to date:</p> <table border="1"> <thead> <tr> <th></th> <th>Male %</th> <th>Female %</th> <th>Gender Diverse %</th> <th>Target %</th> </tr> </thead> <tbody> <tr> <td>Executives</td> <td>80%</td> <td>20%</td> <td>0%</td> <td>40/40/20</td> </tr> <tr> <td>Heads of business units</td> <td>59%</td> <td>41%</td> <td>0%</td> <td>40/40/20</td> </tr> <tr> <td>Manager and team leaders</td> <td>41%</td> <td>59%</td> <td>0%</td> <td>40/40/20</td> </tr> </tbody> </table> <p>This year has seen achievement of our 40/40/20 target for our business unit head and manager and team leader populations.</p> <p>Due to recent changes to our executive team, our target hasn't been met, however our succession pipelines are showing promising female diversity that has the potential to succeed these roles within the next five years.</p> <p>To ensure we are building gender diverse talent for the future, we specifically report on gender diversity across all executive and business unit head talent pipelines. Positively, we saw increased growth in female representation in talent pipelines for our business unit head and manager categories, which in time we hope to attribute to greater representation of future female talent in our executive team.</p>		Male %	Female %	Gender Diverse %	Target %	Executives	80%	20%	0%	40/40/20	Heads of business units	59%	41%	0%	40/40/20	Manager and team leaders	41%	59%	0%	40/40/20
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<p>Ensure female representation in Board positions by having at a minimum 3 females or gender diverse directors and a minimum 1 female or gender diverse member of the People and Remuneration Committee.</p>	<p>As at <b>30 June 2021</b> gender representation in Board positions and on the People and Remuneration Committee are as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> <th>Gender Diverse</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td>3</td> <td>3</td> <td>0</td> <td>3 female or gender diverse directors</td> </tr> <tr> <td>PARCO</td> <td>2</td> <td>2</td> <td>0</td> <td>1 female or gender diverse member</td> </tr> </tbody> </table>		Male	Female	Gender Diverse	Target	Board	3	3	0	3 female or gender diverse directors	PARCO	2	2	0	1 female or gender diverse member					
	Male	Female	Gender Diverse	Target																	
Board	3	3	0	3 female or gender diverse directors																	
PARCO	2	2	0	1 female or gender diverse member																	

## Diversity and inclusion objectives and outcomes *continued*

Measurable Objectives	Outcomes as at 30 June 2021
<p>Provide our people with workplace flexibility by ensuring 100% of roles are open to part-time and flexible work arrangements.</p>	<p>The shift to distributed working, also known as Life at nib, has and continues to provide a rare opportunity to rethink work, redefine our thinking and explore new and better work experiences for our people. Empowering our employees to work outside of a traditional office environment enables us to be more flexible in providing our people with work/life balance opportunities that work for their individual circumstances.</p> <p>A series of principles have informed Life at nib, and at the heart of it is a focus on supporting flexibility and choice for our employees and encouraging diversity and inclusion. A Distributed Work Policy has been developed and published internally to outline the support available to employees. This Policy also includes a Distributed Work Allowance to contribute to the reasonable ongoing costs of working remotely, including maintaining a safe workspace, home internet usage, utilities and consumables. This policy and allowance enable our employees to customise their flexible working experience.</p> <p>The Flexible Work Policy continues to provide employees with the option of mutually beneficial flexible work arrangements. Managers continue to implement various flexible work arrangements with their teams, both formally and informally to support this objective.</p> <p>We have seen a decrease in formalised Individual Flexible Agreements (IFAs) from 108 at the end of FY20 to 87 at the end of FY21 that address a range of employee needs including:</p> <ul style="list-style-type: none"> <li>• Providing support to employees returning from parental leave, 55% of our people used this instrument to successfully transition back into the workplace;</li> <li>• 21% of IFAs are put in place to assist employees who are balancing work commitments with carer responsibilities and require additional, formalised support to do so; and</li> <li>• In addition to supporting parental leave and caring responsibilities, IFAs are also put in place for employees for medical reasons (13%) and other reasons such as balancing work and study commitments (11%).</li> </ul>
<p>Create an inclusive workplace culture with an overall engagement score &gt;73% by 2023.</p>	<p>In November 2020, 1221 employees completed the Employee Experience and Inclusive Workplace Design Survey. Employee engagement remained consistent from 2019 to 2020 with our Group employee engagement score consistent at 69%, despite the workplace challenges associated with COVID-19.</p> <p>All executives have developed an Engagement Plan to continue to grow employee engagement within their division. This plan guides executives and their leadership teams to:</p> <ol style="list-style-type: none"> <li>1. Listen – reflect on the nib overall engagement results, division engagement levels as well as top 3 strengths and opportunities;</li> <li>2. Learn – generate division specific insights on their employee’s experience and engagement; and</li> <li>3. Act – capture simple yet impactful actions to enhance employee experience.</li> </ol> <p>We are more than halfway through deploying our Leading Inclusively at nib program, with the remaining 44% of people leaders across nib Group ready to complete early next year. The purpose of this program is to highlight the ways unconscious bias can impact decision-making for our people leaders. This training was designed and delivered in partnership with Diversity Partners and provided participants with techniques to harness multiple perspectives to generate new ideas and solutions. Leaders understanding and mitigating their conscious and unconscious bias is an important foundation capability in creating an inclusive workplace culture.</p>

## Diversity and inclusion objectives and outcomes *continued*

Measurable Objectives	Outcomes as at 30 June 2021
<p>Seek to reward people fairly by supporting a gender pay equity target of &lt;5% by 2025.</p>	<p>There are many contributing factors to determine remuneration and reward outcomes including; complexity of role, skills and experience, education and qualifications and the unique value proposition each employee brings to nib.</p> <p>In the past 12 months, we have narrowed the gender pay equity gap across our business unit head population. This has been demonstrated by a favourable 5.1% basis point reduction in the average salary gap from 16.9% to 11.8%.</p> <p>Across our business unit head population, it is worth noting that the proportion of roles that are typically remunerated at a higher level are unique, due to their specialised and highly complex nature. There is currently a stronger representation of males in these roles, which is reflected in our data.</p> <p>We have developed several strategies to help drive greater gender pay equity outcomes including; dedicated budget provisions to correct any gender pay anomalies, continuing to differentiate pay outcomes based on high performers and potential and quarterly reporting of outliers and supporting actions to our People and Remuneration Committee.</p> <p>Whilst we have witnessed an uplift, it is important to note proactive monitoring and actions will continue to reach our objective by 2025.</p>
<p>100% of cultural awareness training completed across key leadership roles by 2022.</p>	<p>In April 2021 a review of Aboriginal and Torres Strait Islander cultural learning needs was conducted performing a learning needs analysis (LNA) across our Australian business in alignment with our Reflect Reconciliation Action Plan (RAP) Deliverable 7.2. The LNA has been informed by internal and external insights and contains learning recommendations for differentiated learning groups (employees, leaders, executive and RAP Committee members) based in Australia, including cultural awareness training.</p> <p>In New Zealand, 30 leaders and 80 employees graduated from the 10-week 'Cultural Coalition' Program (Whatua te Aho Tukurua) created and facilitated by Ngati Whatua Orakei. The Leaders graduation was held at the Ngati whatua Orakei marae facilitated by the iwi themselves, and the graduation was held at the nib office and included the full powhiri process led by our own leaders in conjunction with the program facilitators.</p> <p>This progress, is instrumental in developing greater organisational cultural competency and fluency across the Group.</p>



## remuneration

The People and Remuneration Committee reviews remuneration of senior executives and Non-Executive Directors every year. Typically every second year, the Committee seeks guidance from independent remuneration consultants in relation to executive remuneration and market rates to assist it in making recommendations to the Board for nib's remuneration practices and the structure of Non-Executive Directors' remuneration and the remuneration of senior executives.

nib clearly distinguishes the structure of Non-Executive Directors' remuneration from that of Executive Directors and senior executives.

### **Non-Executive Director Remuneration**

Remuneration for Non-Executive Directors is fixed. Board and Committee fee rates are reviewed by the People and Remuneration Committee and approved by the Board. The total annual remuneration paid to Non-Executive Directors must not exceed the fee pool set by shareholders at the AGM. The current maximum annual remuneration was set at \$1.9 million per annum by shareholders in November 2017 (effective from 1 January 2018). Further information in relation to nib's remuneration practices for Non-Executive Directors is provided as part of the Remuneration Report (pages 22 to 43 of the Annual Report).

### **Senior Executive Remuneration**

The remuneration of senior executives (who are key management personnel), including the MD/CEO, have the following remuneration components:

- base salary;
- statutory entitlements (including superannuation and long service leave, as applicable);
- a short-term incentive (subject to performance thresholds); and
- a long-term incentive (subject to performance thresholds).

Further information in relation to nib's remuneration policies and practices for senior executives and Non-Executive Directors is provided as part of the Remuneration Report (pages 22 to 43 of the Annual Report).

### **Trading policy**

nib's Trading Policy, which is available on our website, [nib.com.au/shareholders](http://nib.com.au/shareholders), prohibits key management personnel from:

- dealing in financial products designed to track, hedge or in any other way take a position associated with the future value of nib shares, including options, warrants, futures or other financial products issued over nib shares by third parties such as banks and other institutions; and
- entering into transactions in products associated with nib Securities which operate to limit the economic risk of their shareholding in nib (e.g. hedging arrangements). This extends to any hedging arrangements or other such transactions in respect of rights under a Plan.

### **Risk management framework**

nib's Risk Management Framework (RMF) sets out our structured approach for managing nib's material risks. The RMF is a combination of both formal and informal elements including risk management systems, structures, policies, processes and the people operating them.

The Board and the Risk and Reputation Committee receive regular reports on key enterprise risks that may impact nib in delivering its business objectives. During FY21, management provided reports to support the Risk and Reputation Committee and the Board's assessment of the effectiveness of nib's risk management framework and the management of material business risks. In addition, the Audit Committee monitors the Group's financial risks and reports to the Board on the adequacy of the Group's internal controls as they apply to financial reporting, financial management systems, accounting and business policies to mitigate any material financial risks.

The Risk and Reputation Committee undertakes an annual review of nib's risk management framework (including a review of nib's Risk Appetite, Risk Management Strategy and Key Enterprise Risks) to ensure that nib's risk management framework continues to be effective and relevant to nib. During FY21, the Risk and Reputation Committee undertook an annual review of the risk management framework.

nib's exposure to environmental and social sustainability risks and further information on nib's sustainability practices and initiatives is provided in the 'Sustainability Report' available on nib's website, [nib.com.au/shareholders](http://nib.com.au/shareholders).

### **Internal audit**

nib's internal audit function for FY21 in Australia was performed by KPMG. The internal auditor provides an independent and objective internal audit review of nib's risks and key controls and how nib's processes and technology are operated and managed to provide the best outcomes for nib. nib's Internal Audit plan is developed using a risk-based methodology in consultation with the Risk and Reputation Committee, together with nib management to ensure alignment with identified key enterprise risks. Internal audit reviews performed also ensure nib identifies opportunities for process improvement.

Internal audit reports are considered at meetings of the Risk and Reputation Committee. Representatives from the internal auditors attend meetings of the Risk and Reputation Committee and the Audit Committee to present internal audit reports and answer questions from the Committees.



## reporting, disclosure and communications

### Integrity in corporate reporting

The Audit Committee assists and makes recommendations to the Board on nib's external audit function (including fees payable to the auditor for audit and non-audit work), the adequacy of nib's corporate reporting processes and the integrity of nib's financial statements and other material regulatory documents.

The Audit Committee Charter sets out the role and responsibility of the Audit Committee. In fulfilling its role, the Audit Committee:

- receives regular reports from management, the external auditors, the Appointed Actuary and, if required, the internal auditors;
- meets with external auditors and the Appointed Actuary on a regular basis and has issued a standing invitation to the external auditor to attend all meetings of the Audit Committee;
- reviews the processes that the MD/CEO and the Chief Financial Officer have in place to support their certifications to the Board;
- reviews any significant disagreements between the auditors and management, irrespective of whether they have been resolved;
- meets separately with the external auditors and the Appointed Actuary at least twice a year without the presence of management; and
- provides the external auditors and the Appointed Actuary with a clear line of direct communication at any time to either the Chairman of the Audit Committee or the Chairman of the Board.

The Audit Committee has authority, within the scope of its responsibilities, to access employees, management, internal and external auditors and the Appointed Actuary.

Prior to the approval of nib's full year financial statements for the year ended 30 June 2021, the Board received a signed declaration from the MD/CEO and the Chief Financial Officer, pursuant to section 295A of the Corporations Act 2001 (Cth) (Corporations Act) including that the opinion of the MD/CEO and CFO had been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Periodic corporate reports released to the market which are not audited or reviewed by an external auditor follow an internal data verification process to ensure all information is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions. This process includes separation of duties and multi-level review and approval.

### Continuous disclosure

nib has a Disclosure and Communication Policy and Disclosure and Materiality Guidelines to ensure compliance with the ASX Listing Rules disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclosure.

The Disclosure and Communication Policy and Disclosure and Materiality Guidelines are provided to all officers, senior executives and relevant employees on their appointment and are disclosed on the nib website, [nib.com.au/shareholders](http://nib.com.au/shareholders). nib has established a Disclosure Committee which is responsible for managing nib's disclosure obligations under the ASX Listing Rules. The Disclosure Committee comprises the MD/CEO, Group Chief Financial Officer, Group Executive – Legal and Chief Risk Officer (General Counsel and Company Secretary) and Head of Investor Relations.

nib is committed to providing relevant up-to-date information to its shareholders and other stakeholders in accordance with its obligations under the ASX Listing Rules and the Corporations Act. In meeting its continuous disclosure obligations, nib works to ensure that its announcements are presented in a factual, clear and balanced way and that all shareholders have equal and timely access to material information concerning nib. This includes disclosing new or substantive investor and analyst presentation materials on the ASX Market Announcements and on nib's website prior to the presentation occurring.

nib's Group Executive – Legal and Chief Risk Officer (General Counsel and Company Secretary), Group Chief Financial Officer and Head of Investor Relations have been nominated as the persons responsible for communications with the ASX. nib also ensures that its Board receives copies of all material market announcements promptly after they have been released.

## Shareholder engagement

nib's Disclosure and Communication Policy sets out the way in which nib communicates to shareholders and encourages participation in general meetings.

The Board and management aim to ensure that shareholders are informed of all information necessary to fully assess nib's performance as required under the ASX Listing Rules. nib has a dedicated shareholder website that can be found at [nib.com.au/shareholders](http://nib.com.au/shareholders). This website provides relevant information for shareholders in a dedicated place and in an easy-to-navigate manner, including particulars of the Directors and senior executives, copies of nib's Constitution, Board and Committee Charters, corporate governance policies and other policies, sustainability activities, copies of annual reports and financial statements. All information, including announcements to the ASX, is posted on the shareholder website soon after release to the market by the ASX.

nib prepares an annual investor relations strategy and program detailing how nib will communicate and engage with investors. This includes how nib will facilitate feedback from shareholders as well as opportunities and channels shareholders can use to communicate with nib on matters of concern or interest to them.

nib encourages shareholders to attend the AGM in person (pending COVID-19 restrictions) or virtually and use the opportunity to ask questions at the meeting. If a shareholder is unable to attend the AGM, the shareholder can appoint a proxy to attend and vote on their behalf/or use any other means as included in the notice of meeting. All voting at the AGM is decided by a poll.

Questions from shareholders can be lodged prior to the AGM by completing the relevant form accompanying the notice of meeting. nib responds in writing to any shareholder who submits a written question. Notices of meeting and accompanying explanatory notes aim to clearly, concisely and accurately set out the nature of the business to be considered at the meeting. nib places notices of general meetings and accompanying explanatory material on the nib website.

Due to the impacts of COVID-19, nib's 2020 AGM was a virtual meeting where shareholders were able to watch, listen to the business of the AGM and vote by webcast from the nib shareholder website. Pending further COVID-19 restriction, nib's 2021 AGM will be a virtual meeting. Further information on nib's 2021 AGM is available on the nib shareholder website, [nib.com.au/shareholders](http://nib.com.au/shareholders).

nib shareholders can elect to receive their shareholder communications electronically. Electronic communications are actively encouraged to shareholders who currently receive communications in printed form. nib's shareholder website further enables shareholders to access information online.