



People and Remuneration Committee Charter

**nib holdings limited ACN 125 633 856 and all related
entities within the nib Group ("nib") or ("the nib Group")**

Updated as at **27 November 2020**

People and Remuneration Committee Charter

1 Background and Purpose

1.1 nib Group

The nib Group (“**nib Group**” or “**nib**”) is comprised of nib holdings limited ACN 125 633 856 and its subsidiary companies worldwide.

1.2 Board Committees

The Board of nib holdings limited has established the following Board Committees to consider reports provided by Management and provide oversight, recommendations, and guidance to the Board in accordance with the Charter for each Committee. These responsibilities complement each other and collectively provide governance over the material risks of the group.

Committee	Purpose
Audit Committee	Assists and makes recommendations to the Board on: <ul style="list-style-type: none">• nib’s external audit function and the adequacy of nib’s corporate reporting processes;• the integrity of nib’s financial statements and other material regulatory documents;• the competency, fees, independence and quality of services provided by nib’s Appointed Actuary and External Auditor;• nib’s systems and procedures for compliance with applicable legal and regulatory requirements (other than those monitored by the Risk and Reputation Committee);• monitoring solvency and compliance with nib’s Capital Management Plan; and• the propriety of related party transactions.
Risk and Reputation Committee	Assists and makes recommendations to the Board on: <ul style="list-style-type: none">• nib’s internal audit function, the appropriateness of risk policy, risk management strategy and risk management framework;• the effectiveness of nib’s risk management framework;• identification and assessment of material risks;• nib’s systems and procedures for compliance with applicable legal and regulatory requirements (other than those monitored by the Audit Committee);• sustainability initiatives and the social, environmental and ethical impacts of nib’s business practices on nib’s stakeholders including, but not limited to members, employees and community; and• recommending standards for social, environmental and ethical practices.

Nomination Committee	Assists and makes recommendations to the Board on: <ul style="list-style-type: none"> • director selection and appointment practices; • director performance evaluation processes and criteria; • Board composition; and • succession planning for the Board.
People and Remuneration Committee	Assists and makes recommendations to the Board on: <ul style="list-style-type: none"> • remuneration strategy, policies and practices. • reviewing the nib Diversity and Inclusion Policy; • reviewing the People and Culture strategy, succession planning processes and annual engagement survey; • reviewing the company values and the inculcation of those values throughout the organisation; and • monitoring employee engagement and culture.
Investment Committee	Assists and makes recommendations to the Board on: <ul style="list-style-type: none"> • investment strategy and investment risk management; • investment performance and outlook; • compliance with the investment component of nib's Capital Management Plan; • compliance with the gearing component of nib's Capital Management Plan; • external group borrowings; and • compliance with debt covenants.

1.3 Authority

The People and Remuneration Committee has the authority and power to exercise the responsibilities set out in this Charter and in accordance with any separate delegations of the Board of nib granted from time to time.

In carrying out its role the People and Remuneration Committee acts as People and Remuneration Committee of nib holdings limited and assists the Board and nib Group related entities in establishing and having oversight of nib's remuneration policy and practices.

2 Role of the Committee

2.1 Remuneration

The Committee reviews, advises and makes recommendations to the Board on nib's remuneration strategy, policies and practices. These policies and practices are designed to:

- (a) enable nib to attract, retain and motivate directors, executives and employees;
- (b) be fair and appropriate having regard to the performance and behaviour of nib and the relevant director, executive or employee; and
- (c) comply with relevant legal requirements.

2.2 Diversity and Inclusion

The Committee is committed to assisting nib in achieving objectives for diversity and inclusion by creating and ensuring a diverse and inclusive work environment in which everyone is treated fairly and with respect and where everyone feels responsible for the reputation and performance of nib.

The Committee also assists the Board to review the nib Group's compliance with the nib Diversity and Inclusion Policy and reviews, advises and makes recommendations to the Board on any changes it considers should be made to that policy.

2.3 People and Culture Strategy

The Committee also assists the Board in reviewing the People and Culture strategy, succession planning processes and processes to monitor and strengthen employee engagement.

3 Remuneration responsibilities

3.1 General

The responsibilities of the Committee include:

- (a) Conducting regular reviews and making recommendations to the Board on the Remuneration Policy;
- (b) Making annual recommendations to the Board on the remuneration of the Board, CEO, CFO, senior executives and other employees in line with the Remuneration Policy;
- (c) Conducting regular reviews and making recommendations to the Board on nib's recruitment, retention and termination policies for the CEO and senior executives and any changes to those policies;
- (d) Conducting regular reviews and making recommendations to the Board on incentive schemes, if appropriate, for the CEO and senior executives and other employees in line with the Remuneration Policy; and
- (e) Conducting regular reviews and making recommendations to the Board on equity-based plans, if appropriate, for the CEO, senior executives and other employees in line with the Remuneration Policy.

3.2 Incentive schemes and equity based remuneration

For any incentive schemes or equity based plans which are adopted, the Committee is responsible for (and where appropriate, making recommendations to the Board on matters relating to the following):

- (a) reviewing their terms (including any performance hurdles for equity based plans);

- (b) overseeing their administration;
- (c) considering whether shareholder approval is required for the schemes or plans and for any changes to them; and
- (d) ensuring that payments and awards of equity are made in accordance with their terms and any shareholder approval.

3.3 Structure of remuneration

In fulfilling these responsibilities, the Committee will ensure that:

- (a) a clear distinction is maintained between the structure of non-executive directors' remuneration and that of executives; and
- (b) a proportion of executive directors' remuneration is structured in a manner designed to link rewards to corporate and individual performances.

3.4 Reporting

The Committee will:

- (a) liaise with the Audit Committee in relation to nib's remuneration related reporting in the financial statements and remuneration report required by the Corporations Act;
- (b) oversee the preparation of the Remuneration Report; and
- (c) review, recommend and provide relevant assurances through the Audit Committee to the Board for approval of the Remuneration Report to be included in the annual Director's Report.

4 Diversity and Inclusion responsibilities

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

- (a) promote diversity and inclusion as an important strategic and cultural asset to achieve business objectives across the organisation;
- (b) set measurable diversity and inclusion objectives;
- (c) identify ways to achieve and remove barriers to diversity and inclusion goals and commitments;
- (d) identify programs designed to broaden the director candidate pool and initiative that will assist employees to develop the skills and experience that will prepare them for senior management and board positions;
- (e) commit to transparency of board processes, including review and appointment of directors;
- (f) address the extent to which the achievement of measurable diversity and inclusion objectives will be linked to the KPIs for the Board, CEO and senior executives; and
- (g) report to the Board on diversity issues within nib and make recommendations as appropriate.

5 People and Culture Strategy

- (a) The Committee will review People and Culture Strategy and specific matters related to human resources as requested from time to time by the Board.

- (b) The Committee will oversee and make recommendations to the Board on the succession planning frameworks and processes for the CEO, executives who report directly to the CEO and other selected nib executives who are in roles that are critical for the success of nib's business.
- (c) The Committee will review progress of management succession, talent leadership development programs for executives and other selected senior roles.
- (d) The Committee will review the engagement survey results and related initiatives undertaken by management.

6 Delegation

The Committee may delegate any of its powers and responsibilities as the Committee thinks appropriate for the administration of director, senior executive and employee share, option or other plans, to the senior executive.

7 Membership

7.1 Composition and size

The Committee will consist of at least three members and:

- (a) all members must be non-executive directors; and
- (b) a majority of members must be independent directors.

The composition of the Committee is determined by the Board.

7.2 Chairman

- (a) The chairman of the Committee is appointed by the Board and must be an independent non-executive director who is not the Chairman of the Board.
- (b) Where the Committee Chairman is not present at a meeting, the Committee may elect a chairman for the meeting.

7.3 Commitment of Committee members

Committee members must devote the necessary time and attention for the Committee to carry out its responsibilities.

7.4 Secretary

The Company Secretary or their nominee is the secretary of the Committee.

8 Committee meetings and process

8.1 Meetings

Meetings and proceedings of the Committee are governed by the provisions in nib's Constitution in so far as they are applicable and not inconsistent with this charter.

8.2 Frequency and calling of meetings

The Committee will meet at least quarterly, or more often as appropriate to undertake its role effectively. The Chairman must call a meeting of the Committee if requested by any member of the Committee, the external auditor, the internal auditor or the Chairman of the Board.

8.3 Quorum

Two directors constitute a quorum for meetings of the Committee.

8.4 Access to information and advisors

The Committee has the authority to:

- (a) require management or others to attend meetings and to provide any information, documents, or advice that the Committee requires;
- (b) access nib's documents and records, and any information that the Committee deems appropriate for the performance of its functions;
- (c) at the expense of nib, obtain the advice of special or independent counsel, accountants or other experts.

8.5 Conflicts

No member of the Committee will participate in the determination of their own remuneration.

8.6 Minutes

The secretary will keep minute books to record the proceedings and resolutions of Committee meetings.

8.7 Reporting to the Board

The Committee will:

- (a) make available copies of its minutes to the Board;
- (b) through the Committee Chairman, provide updates and make recommendations to the Board on matters that are within the scope of its roles and responsibilities; and
- (c) promptly bring to the Board's attention any material matters that may impact the financial condition or affairs of nib.

9 Committee's performance evaluation

The Committee will review its performance annually, including whether it is performing effectively and has met the terms of its charter. The Committee will provide a report on the outcomes of this review to the Board.

10 Review and publication of the charter

The Board will review this charter at least annually to ensure it remains relevant to the current needs of nib and regulatory requirements and whenever there are significant changes to the operations, scale, or management structure of nib. The charter may be amended by resolution

of the Board.

The charter is available on the nib website at www.nib.com.au.

11 Access and attendance

11.1 Access

The Committee will have unfettered access to, but not limited to, the following:

- (a) the Chief Executive Officer;
- (b) the Chief Financial Officer;
- (c) the Chief Risk Officer;
- (d) the Group Executive, People and Culture;
- (e) senior management; and
- (f) those persons responsible for the following functions:
 - Remuneration
 - Diversity and Inclusion
 - People and Culture
 - Risk Management
 - Compliance
 - Internal Audit
 - Finance
 - Actuarial

Any Committee member that wishes to have access to any of the above persons will arrange that access through the Chairman of the Committee.

11.2 Attendance

The following persons are invited to attend each meeting of the Committee, except for non-executive director sessions unless invited by the Committee and to have unfettered access to the Committee (usually via the Chairman):

- (a) the Chief Executive Officer;
- (b) the Group Executive, People and Culture; and
- (c) any other persons listed in paragraph 11.1 above as invited from time to time by Chairman.

Approved by the Board with effect on 27 November 2020