

**2018
SUSTAINABILITY
DATA**



MESSAGE FROM THE CHIEF RISK OFFICER

I am pleased to present nib's sustainability data sheet for the financial year ended 30 June 2018.

nib's approach to sustainability is driven by our commitment to fostering healthy futures for our customers, employees, shareholders and the communities in which we operate.

We strive to be an embedded and valued part of the social and economic fabric of our community. Our social license to operate disappears if we are not doing right by our stakeholders.

The following information was developed in line with nib's 2018 Annual Report and Shareholder Review *Sustainability* section.

Roslyn Toms

Group Executive Legal & Chief Risk Officer





MATERIAL ISSUES

In 2017, nib introduced a sustainability framework across the Group founded on independent research and focused on the issues relevant to our key stakeholders. The output of this research was a framework that identified 16 of nib's material issues. This has allowed us to collect information on each of the data points relating to the material issues, so that we can begin improving outcomes for our valued stakeholders.

nib's KEY MATERIAL ISSUES

- Public burden
- Customer satisfaction
- Affordable & accessible insurance
- Assistance at a difficult time
- Healthcare system
- Governance
- Product suitability & awareness
- Advocacy
- Innovation
- Culture & values
- Employee health & wellness
- Mission alignment
- Supply chain
- Partner & supplier benefits
- Employee engagement
- Workforce diversity

nib MATERIALITY MATRIX





OUR MEMBERS

We are committed to empowering people to make more informed decisions about their health and healthcare choices with transparency, systems and data.

MEMBER SNAPSHOT

	FY18	FY17	CHANGE
Number of policyholders			
Australian Residents Health Insurance	594,762	549,602	▲8.2%
International (Inbound) Health Insurance	145,218	118,149	▲22.9%
nib New Zealand	102,696	99,921	▲2.8%
Total	842,676	767,672	▲9.8%

Number of persons covered

Australian Residents Health Insurance	1,159,550	1,059,120	▲9.5%
International (Inbound) Health Insurance	162,280	130,417	▲24.4%
nib New Zealand	204,906	201,972	▲1.5%
Total	1,526,736	1,391,509	▲9.7%

Claims paid

Health insurance claims paid (\$m) ³	1,694.3	1,545.8	▲9.6%
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MEMBER SATISFACTION

Net Promoter Score (NPS)

Australian Residents Health Insurance	28.7%	23.2%	▲550bps
International Students Health Insurance	30.5%	16.7%	▲1380bps
International Workers Health Insurance	42.7%	23.8%	▲1890bps
nib New Zealand	21.1%	12.2%	▲890bps
World Nomads Group ⁴	62.6%	60.3%	▲230bps
GU Health ⁵	30.9%	N/A	N/A

Complaints to PHIO²

Number of complaints regarding arhi	355	306	▲16.0%
Number of disputes regarding arhi	46	44	▲4.5%
Private health insurer share of complaints	9.1%	6.1%	▲300bps
Private health insurer share of disputes	10.5%	8.8%	▲170bps
Private health insurer market share	8.3%	8.1%	▲20bps



SERVING OUR MEMBERS

1.5m¹

members covered

\$1.7b²

total claims paid

28.7%³

arhi net promoter score

\$593,595

largest travel claim paid⁶

1. Underwriting segments only
 2. Health insurance net claims incurred (excluding claims handling), underwriting segments only (excludes World Nomads Group)
 3. Excludes GU Health
 4. Based only on sales
 5. NPS for arhi business
 6. WNG is a managing general agent which performs all the functions of an insurer other than carrying the underwriting risk. WNG claims are managed by Cerberus and underwritten by certain underwriters at Lloyd's

MEMBER EMPOWERMENT

	FY18	FY17
Whitecoat (Australia only)		
New patient reviews ¹	260,778	199,786
Total patient reviews	695,767	434,989
Total healthcare providers registered	189,551	N/A
Preventative health management programs		
Sydney North Health Care Home (SONIC)	117	N/A
The COACH Program [®]	751	665
Healthy Weight For Life [™]	161	223
MindStep ^{™2}	80	115
Hunter Primary Care	128	127
Care Point	170	86
Care Transition	205	N/A
Vitalis VIP	1,519	1,540
Discharge Support Program	7,200	6,192
Healthy Heart ³	10	N/A
Diabetes Action ³	8	N/A
Bone Health ³	1	N/A
Risk Factor Management ³	10	N/A
myhealthHQ	1,045	N/A

For more information on nib's Health Management Programs, visit nib.com.au

1. Based on total Whitecoat surveys which includes where a patient has answered the rating questions but not left a comment
 2. Includes five participants from GU Health
 3. GU Health Program



38yrs
average age of employees



1,323
total number of employees

64%
female



employees by gender

36%
male

OUR PEOPLE

We are committed to employing a diverse workforce and ensuring a meaningful, productive, harmonious, safe and rewarding workplace.

	FY18	FY17	CHANGE
Number of employees			
nib Australia	875	808	▲8.3%
nib New Zealand	161	159	▲1.3%
World Nomads Group	211	217	▼2.8%
GU Health	76	N/A	N/A
Total	1,323	1,184	▲11.7%

Employees by employment type

	FY18	FY17	CHANGE
Permanent Full Time	1,126	1,018	▲10.6%
Permanent Part Time	150	145	▲3.4%
Casual/Temporary	47	21	▲123.8%

Employees by tenure

	FY18	FY17
<1 year	311	267
1 year	202	204
2-3 years	265	214
4-5 years	147	140
6-10 years	223	199
11-15 years	96	77
16-20 years	42	44
21+ years	37	39

Employees by age

	FY18	FY17
<25 years	100	80
25-34 years	502	449
35-44 years	377	335
45-54 years	226	213
55+ years	118	107
Average age of employees	38	38
Number of employees over 50	201	180

EMPLOYEES BY GENDER

	FY18		FY17	
	Female	Male	Female	Male
Employees by gender				
nib Australia	583	292	539	269
nib New Zealand	102	59	107	52
World Nomads Group	108	103	114	103
GU Health	55	21	N/A	N/A
Total	848	475	760	424
% of Total	64	36	64	36

Employment level by gender

	FY18	FY17
Non-Executive Directors	4	3
Executives	3	6
General Managers	0	3
Business Unit Heads	18	34
Manager/Team Leader	120	86
Other workforce	707	346

Employment type by gender

	FY18	FY17
Permanent Full Time	685	441
Permanent Part Time	135	15
Casual/Temporary	28	19

Employment type by tenure and gender

	FY18	FY17
<1 year	183	128
1 year	116	86
2-3 years	155	110
4-5 years	94	53
6-10 years	158	65
11-15 years	71	25
16-20 years	38	4
21+ years	33	4

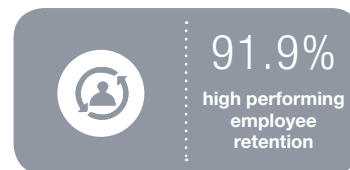
Employee age profile by gender

	FY18	FY17
Average age of employees	39	37
Number of employees over 50	154	47

Parental Leave

	FY18	FY17
Employees accessing parental leave	65	14
Rate of return from parental leave %	89.7	91.6
Employees still employed after 12 months following return %	83.3	25.0
Employees still employed after 24 months following return %	80.0	100.0

OUR PEOPLE CONTINUED



EMPLOYEE HEALTH, SAFETY AND WELLBEING

	FY18			FY17
	VL/L	M	H/VH	
Lost time injuries				
nib Australia	3	6	0	8
nib New Zealand	1	0	0	2
World Nomads Group	0	1	0	3
GU Health	0	0	0	N/A
Total	4	7	0	13
VL/L	Impact very low or low			
M	Impact medium			
H/VH	Impact high or very high			

	FY18	FY17
Group injury frequency rate	5.67	7.48

	FY18	FY17
Flu shots given to employees	488	N/A

	FY18	FY17
Absenteeism		
nib Australia ¹	5.2%	4.6%
nib New Zealand	3.5%	3.8%
World Nomads Group	3.0%	3.0%

	FY18	FY17
Employee Assistance Program (EAP) utilisation	12.2%	13.0%

EMPLOYEE TRAINING AND DEVELOPMENT

	FY18	FY17
Employee development programs		
Leadership (iLead) program participants	77	45
Sales and service (LEAP) program participants	515	197
Hunter Traineeships (diverse background) participants	5	N/A
Employees receiving education assistance	15	17
Total investment in training	\$1,290,826	\$522,576
Total hours in training	4,501	3,277

	FY18	FY17
Flexible work practices		
Individual Flexible Arrangement employees ²	111	74

1. Includes GU Health

2. In addition to formal arrangements, other strategies are also in place to support flexible working for employees including working from home, flexible working hours, study leave and rostering preferences

3. Survey conducted every two years. Next due in FY19.

EMPLOYEE ENGAGEMENT AND RETENTION

	FY18	FY17
Employee engagement score	N/A ³	76.8%

	FY18	FY17
Employee attrition		
Voluntary turnover rate	22.3%	18.2%
Involuntary turnover rate	2.2%	2.1%
Total	24.6%	20.3%

	FY18	FY17
High performing employee retention		
Retention of employees with 75% or above individual Short Term Incentive award	91.9%	94.2%

	FY18	FY17
Enterprise agreements and trade union negotiations		
Employees covered by Enterprise Agreements	294	312
Number of consultations/negotiations with trade unions	6	2

	FY18	FY17
Employee representation		
Number of Joint Consultative Committee (JCC) representatives across the business	14	14

nib's Corporate Governance Statement includes FY18 results for nib's diversity measurable objectives.



OUR COMMUNITY

We are committed to connecting with and supporting others in our communities in their endeavours to improve health outcomes.



nib foundation¹

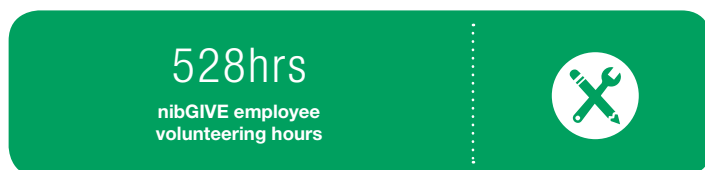
	FY18	FY17
Grants		
Multi year	\$1,152,000	\$718,305
Community	\$274,219	\$377,440
Flexible	\$62,101	\$124,000
Good Cause	\$20,000	\$20,000
Total	\$1,508,320	\$1,239,745
Charity Partnerships		
Multi year	5	5
Community	11	13
Flexible	4	4
Good Cause	4	4
Total	24	26

THE FOOTPRINTS NETWORK¹

	FY18	FY17
Donations		
Donations received	\$506,429	\$526,060
Number of donors	175,652	164,296
Funding		
Funding allocated	\$506,429	\$526,060
Charities funded	13	13
Projects funded	44	42
Countries impacted	17	14

EMPLOYEE GIVING

	FY18	FY17
nib foundation Good Cause Grants		
Funding allocated	\$24,515	\$24,778
Charities supported	5	5
nib Make a Difference Committee		
Employee fundraising donations	\$6,105	\$5,333
Company matching donations	\$6,105	\$5,333
Total	\$12,210	\$10,666
Charities supported	3	4
WNG Social Committee With A Difference		
Employee fundraising donations	\$14,514	N/A
Charities supported	2	N/A
WNG Small Steps		
Employee donations	\$17,463	\$20,118
Company matching donations	\$17,463	\$20,118
Total	\$34,926	\$40,236
Employee participation %	34.8%	42.4%
Charities supported	3	3
nibGIVE EMPLOYEE VOLUNTEERING		
		FY18
Charities assisted		8
Volunteer hours		528
Number of employees participated		93
Value of time		\$19,272



1. The Footprints Network and the nib foundation are both independent organisations of nib holdings with their own governance structures.

Corporate Partnerships <i>Sponsorship Partnerships:</i> Richmond Football Club (AFL) Newcastle Knights (NRL) State of Origin NSW Blues (NRL) nib Stadium, Western Australia The Blues (New Zealand Super Rugby)	<i>Community Partnerships:</i> Newcastle Hunter Rugby Union Hunter Academy of Sport Hunter Research Foundation Hunter Medical Research Institute The Salvation Army (Hunter branch) KidsCan NZ	Newcastle Jets Surfest NZ Men's Health Trust NZ Movies In Parks Ronald McDonald House Charities (NZ)
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GOVERNANCE

We are committed to leadership at all levels of the highest ethical standards and sensitivity to contemporary community expectations.

Governing grounds

nib's Board and Management are committed to achieving and demonstrating the highest standards of corporate governance and ensuring compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. Further information regarding nib's Corporate Governance practices, management and policies is available from nib.com.au/shareholders.

Creating a more sustainable supply chain

nib requires suppliers to comply with applicable laws and standards of business ethics, health and safety and environment protection.

During the sourcing process, communication between nib and suppliers is handled by nib's strategic procurement team to ensure compliance with our procurement policy.

We are also committed to improving the visibility of our supply chain and ethical procurement practices.

	FY18	FY17
nib Whistleblower Register		
Record of calls to nib whistleblower register	0	0

nib COMPLIANCE TRAINING MODULES



- Acceptable Use of IT Policy
- Armed Robbery Safety Awareness
- Bullying and Harassment for Employees
- The Code of Professional Conduct (NZ)
- Bullying and Harassment for Managers and Supervisors
- nib Code of Conduct
- Competition and Consumer Law – An Introduction
- Competition and Consumer Law – Dealing with Consumers Part 1
- Equal Employment Opportunity for Managers and Supervisors
- Competition and Consumer Law – Dealing with Consumers Part 2
- Credit Card Security Policy
- Discipline Policy & Procedure
- Drugs and Alcohol Policy
- Mobile Devices Policy
- Duty of Care for Managers and Supervisors
- Duty of Care for Workers
- Equal Employment Opportunity for Employees
- Competition and Consumer Law – Dealing with Other Businesses
- Financial Advisers Act 2008 (NZ)
- Privacy Act (NZ)
- Financial Adviser (Disclosure) Regulations 2010 (NZ)
- Fraud and Corruption Awareness and Prevention
- nib Trading Policy
- Manual Tasks for Workers
- The Legislative Framework (NZ)
- Privacy and the Workplace
- Grievance Policy & Procedure
- Work Health and Safety Fundamentals
- Financial Adviser Compliance (NZ)



OUR ENVIRONMENT

We care for the environment and are committed to pursuing opportunities to improve the environmental impact of our operations. Our current activities are focused on improvements in energy efficiency and sustainable sourcing for our physical infrastructure and we're currently working towards more comprehensive tracking and reporting of our environmental performance.

	FY18	FY17
Land Travel – nib Australia (KM)		
Fleet car	21,192	21,746
Employee vehicle claimed distance travelled	319,266	263,603
Air Travel – nib Australia & New Zealand (KM)		
International	9,566,916	N/A
Domestic	1,573,783	N/A
Total	11,140,699	N/A

Corporate Locations

1. WNG – Oakland, California, USA
2. WNG – Cork, Ireland
3. nib – Shanghai, China
4. nib – Newcastle, New South Wales
5. nib – Sydney, New South Wales
6. nib – Gosford, New South Wales
7. nib – Melbourne, Victoria
8. nib – Perth, Western Australia
9. nib – Auckland, New Zealand
10. WNG – Sydney, New South Wales
11. GU Health – South Melbourne, Victoria
12. GU Health – Sydney, New South Wales



