

5 November 2020

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

nib holdings limited 2020 Annual General Meeting (AGM) Presentation

nib's 2020 AGM Presentation is attached.

Yours sincerely,



Roslyn Toms
Company Secretary

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This announcement has been authorised for release by Roslyn Toms, nib Company Secretary.



Annual General Meeting

5 November 2020

Chairman

Steve Crane



Acknowledgement of country



Image: nib Reflect RAP artwork by proud Barkindji, Malyangapa woman and artist Jasmine Craciun.

nib acknowledges the Australian Aboriginal and Torres Strait Islander peoples of this nation.

We acknowledge the traditional custodians of the lands on which our company is located and where we conduct our business today. We pay our respects to ancestors and Elders, past and present.

nib is committed to honouring Australian Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to society.

nib's board and executive



Board

Steve Crane	Chairman and Independent Non-Executive Director
Donal O'Dwyer	Independent Non-Executive Director
Anne Loveridge	Independent Non-Executive Director
Lee Ausburn	Independent Non-Executive Director
David Gordon	Independent Non-Executive Director
Jacqueline Chow	Independent Non-Executive Director
Mark Fitzgibbon	Managing Director and Chief Executive Officer

Executive

Roslyn Toms	Group Executive Legal and Chief Risk Officer (General Counsel and Company Secretary)
Nick Freeman	Group Chief Financial Officer

Agenda



- Item 1** Consideration of Reports
- Item 2** Remuneration Report
- Item 3** Election of Mr David Gordon
- Item 4** Re-election of Ms Lee Ausburn
- Item 5** Re-election of Ms Anne Loveridge
- Item 6** Approval of Participation in Long-Term Incentive Plan

People's choice vote



Supporting mental health well beyond the sand

“These additional funds from nib foundation will enable WOW to continue rolling out surf therapy programs to remote communities in NSW and QLD which have been heavily impacted by not only COVID-19, but also the drought and bushfires.

We’ve tailored our programs to meet the needs of these communities understanding the impact these catastrophic events can have on mental health and wellbeing, and are having great success in supporting our most vulnerable members.”

Joel Pilgrim, Founder & CEO of Waves of Wellness Foundation



Improving Aussies cancer risk score

“With additional funding through nib foundation, the Cancer Risk Calculator can be promoted to those individuals in rural parts of Queensland and metropolitan areas who do not actively seek information about their cancer risk.

This will be done through further demographic and psychographic marketing, with a bespoke approach. We see the Cancer Risk Calculator being integrated into further prevention resources to give people a better understanding of how they can reduce their cancer risk by making small and meaningful changes in their day-to-day life, to move towards our vision of a cancer free future.”

Ms Chris McMillan, CEO of Cancer Council Queensland



Busting drug and alcohol myths

“When given the necessary support to develop their knowledge, understanding and skills, young people feel empowered to make safe and healthy choices.

With the help of nib foundation, our Reality Now education program is supporting secondary students in NSW to make better choices about future drug and alcohol use.

Currently, we have a small number of educators trained in the secondary space. The People’s Choice funding would assist us to train more specialist educators, resulting in increased service delivery of the program throughout NSW.”

Jonathon Peatfield, CEO of Life Education 7



Chairman's presentation

Supporting our members, employees and the community through COVID-19



Our Members



1 April 2020 premium changes postponed until
1 OCTOBER 2020



Expanded cover for **COVID-19** related treatment and additional Extras psychology benefits at

NO COST



24/7 medical and non-medical assistance hotline



Latest **COVID-19** health related information provided to members and the community on nib's digital channels, including the

CHECK UP



A range of financial hardship support and premium relief options



ACCESS TO TELEHEALTH CONSULTATIONS

for a range of health services



Free antenatal and early parenting

ONLINE CLASSES



\$250 wellness benefit for **FRONTLINE HEALTHCARE WORKERS**



Our Community



\$1.5 MILLION

donated to community and clinical initiatives in Australia and New Zealand with nib foundation



100,000

surgical masks donated to healthcare and allied health workers

FOOD HAMPERS



and health packs to support international students

Our Employees



Up to two weeks **SPECIAL PAID LEAVE**



Ergonomics package to support **WORK FROM HOME**



Our purpose: **your better health**

- Accelerated plans to better predict disease risk amongst members
- Our value proposition is as much about healthcare “prevention” as it is “cure”
- Creation of Honeysuckle Health joint venture
- Shift from "sick care" to "well care"
- 2020 premium increase of 2.90% was our lowest in 17 years
- We welcome the recent announcement in the Federal budget to help improve health insurance transparency, efficiency and value
- We are supportive of the Commonwealth’s plans to review current risk equalisation arrangements





\$2.1m

Towards community and health prevention initiatives in FY20



>740,000

People reached through partnerships and grants in FY20



>\$21m

Funding distributed since 2008



FY20: Group results



\$2.5b

total Group revenue
up 3.4%



\$150.1m

Group UOP
down 25.6%
Statutory operating profit \$118.1m
down 36.0%



34.8

Group NPS
up 2.3



\$16.6m

net investment income
down 54.0%



\$89.2m

NPAT
down 40.3%



19.8cps

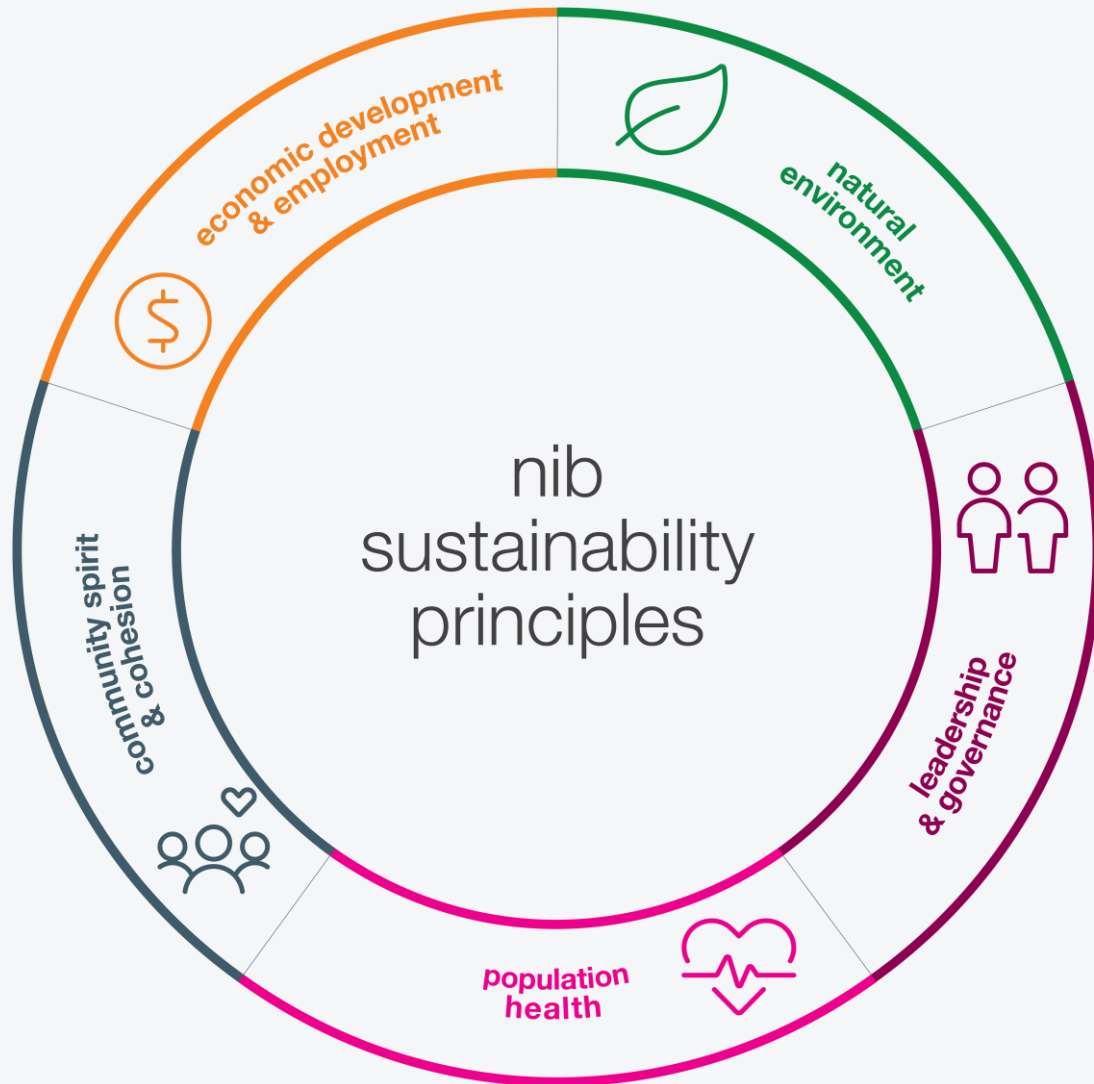
statutory EPS
down 40.0%



14.0cps

full year dividend
payout ratio 71% of NPAT

Sustainability at nib



nib placed 87th globally in the Refinitiv 2020 Diversity and Inclusion Index and was one of only 9 Australian companies included in the index



Inaugural Reconciliation Action Plan published



Our partnership with Māori iwi, Ngāti Whātua Ōrākei is designed to improve access to quality healthcare, with the aim of improving health outcomes for their families

Board succession



- Succession planning and ensuring we have the right skills mix, diversity and experience is a priority.
- Retirement of Ms Christine McLoughlin in September 2020.
- Appointment of Mr David Gordon in May 2020.



Steve Crane



Mark Fitzgibbon



Lee Ausburn



Jacqueline Chow



David Gordon



Anne Loveridge



Christine McLoughlin



Donal O'Dwyer



Thank you



Chief Executive Officer
& Managing Director

Mark Fitzgibbon



Our purpose: **your better health**

FY20 snapshot¹



352,269
hospital admissions



5,431 knee and hip replacements



865 angioplasties



3,806 baby deliveries



3,558,594
ancillary visits



1,105,662 dental visits



376,100 optical visits

1. Underwriting segments - arhi, iih & nz, excludes nib Travel.

FY20: Group results



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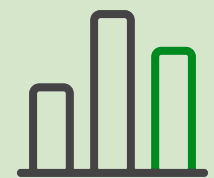
19.8cps

statutory EPS
down 40.0%



14.0cps

full year dividend
down from 23.0cps



14.5%

ROE
down 1130bps



34.8

Group NPS
up 2.3



\$57.0m

available capital
above internal
target

FY20: Summary observations

Business fundamentals remain strong

- arhi policyholder growth of 1.9% (accounted for 41.5% of total industry net growth) with premium revenue ▲2.9% and net margin of 6.4%.
- NZ policyholder growth 7.4% with premium revenue ▲11.4% and net margin of 9.8%.
- Notwithstanding CV19 impact on foreign entry, iihi membership growth 6.3% with premiums up 11.8% and net margin of 17.1%.

Profitability materially impacted by CV19

- In addition to CV19 initiatives, arhi UOP accommodating a \$90.4m provision for deferred claims.
- In addition to CV19 initiatives, NZ UOP accommodating a \$8.4m provision for deferred claims.
- iihi UOP in 4Q20 down 57.5% pcp.
- Travel GWP 4Q20 down 128.0% pcp.

Business silver linings

- Group remains well capitalised with \$57.0 million in available capital above internal targets and gearing ratio of 28.3%.
- Evidence of heightened consumer awareness of disease risk and need for protection and support.
- Some relaxing of restrictions in iihi.
- Group operating expenses¹ (excluding marketing) down 2.2%.
- Honeysuckle Health (JV with Cigna) launched and progressing rapidly.
- Clinical Partners orthopaedic pilot since Feb 2019 has avoided potential out of pocket expenses for 550 arhi members equating to a saving of \$660,000 for nib members (average \$1,200 per member).



1. Underwriting segments - arhi, iihi & nz, excludes nib Travel.

Q1 FY21 update



3 months to 30 September	Sales		Lapse		Net growth	
	FY21	FY20	FY21	FY20	FY21	FY20
arhi	32,006	29,451	(22,006)	(23,272)	10,000	6,179
iihi	15,288	30,360	(22,113)	(23,438)	(6,825)	6,922
NZ ¹	4,253	7,930 ²	(2,583)	(3,113)	1,670	4,817 ²
nib Travel	14,207	329,891				

3 months to 30 September ³	FY21	FY20	Change
Hospital benefits paid	\$246,771,435	\$239,048,195	▲3.2%
Hospital benefits paid excluding Victoria	\$206,978,364	\$195,120,717	▲6.1%
Eligibility checks	107,626	105,152	▲2.4%
Eligibility checks excluding Victoria	93,085	86,979	▲7.0%
Ancillary benefits paid	\$90,464,002	\$89,126,539	▲1.5%
Ancillary benefits paid excluding Victoria	\$78,067,505	\$70,347,301	▲11.0%

1. Figures are New Zealand resident health insurance sales/lapse only and exclude international students sales through Uni-Care distribution agreement.

2. FY20 NZ sales include on-boarding of new group business account.

3. Claims figures include arhi, iihi and exclude GU Health.

Business strategy



**Personalised
healthcare**



**Affordability and
sustainability**



**Grow the core
(arhi)**



**Economies
of scope**



**Racing the Red
Queen**

Honeysuckle Health



Data science and insight

- Individual risk profiling and guidance
- Population risk stratification
- Health management strategy and KPIs



Healthcare products and services

- Disease prevention and management
- Direct delivery
- Provider contracting

Business update: outlook



arhi

- Strong sales performance and retention
- Target annual net organic policyholder growth 2% - 3%
- Claims experience remains clouded by COVID-19 and Victoria
- Heavy emphasis on improving operating efficiency
- Target 6% net margin with some pricing risk
- Opportunistic M&A



iihi

- Sales continue to be hampered by travel restrictions
- Profitability holding up against last year
- Competitive pressures on profit margins
- Expect strong recovery post COVID-19 when borders re-open



New Zealand

- Strong sales performance and retention
- Claims experience reflecting COVID-19 catch-up in deferred claims
- Good progress in developing Māori (iwi) partnerships
- Target 8% - 10% net margin



nib Travel

- Sales extremely weak given limited international travel
- Cost reduction underway to reduce loss making
- Will review strategy in late 2021



China

- Good progress being made in health management business (revenue ~AUD \$2.5 million 12 months to September 2020¹)
- Seeking to acquire license to sell health insurance

1. Represents 100% of revenue. nib has 50% investment in joint venture.



Thank you