

7 May 2020

Company Announcements
Australia Securities Exchange Limited
Level 4, Bridge Street
SYDNEY NSW 2000

Presentation to the Macquarie Australia Conference

Attached presentation delivered by nib at the Macquarie Australia Conference (7 May 2020).

Yours sincerely,



Roslyn Toms
Company Secretary

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



Macquarie Australia Conference

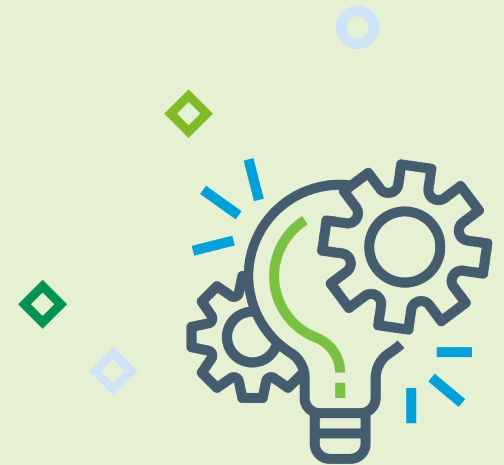
COVID-19 & PHI



Mark Fitzgibbon
Managing Director
7 May 2020

agenda

- **COVID-19 membership impact**
- **Supporting our members**
- **Claims experience**
- **Other business**
- **Community health and wellbeing**
- **Capital position**
- **Business strategy**
- **Questions and answers**



COVID-19 membership impact

Recent sales and lapse unfavourable but manageable

Arhi	April 20	April 19	Variance
Sales	7,684	9,863	-2,179
Lapse (including suspensions)	10,993	7,935	3,058
Lapse (excluding suspensions)	5,879	7,655	-1,776



Various initiatives to redress COVID-19 and retain members



Postponed the general April 2020 premium increase by six months until October 2020.



Actively offered premium relief or suspension of cover (while retaining cover for COVID-19 related treatment) for those in financial hardship.



Extended product coverage at no additional cost to include COVID-19 related treatment on products that specifically exclude cover (including mental health).



Extended cover to include telehealth consultations for a range of ancillary treatments including but not limited to psychology, physiotherapy, podiatry and speech pathology.

member compensation



nib



Relies upon clearer view about claims savings (June 2020).



Effective loss of PHL cover appears to be reducing with easing of restrictions and telehealth.



Possible cash refund or member compensation subject to savings.



claims experience

+

\$



Material decline in ancillary claims during April (particularly dental and optical) with some recent uptick in activity

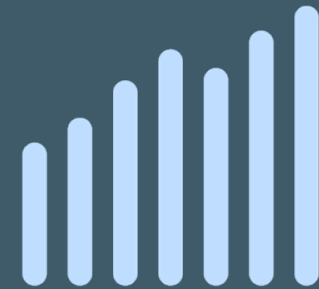


Hospital experience not yet clear



Confounding factors:

- Duration and recovery
- Possible claims catchup
- COVID-19 claims



Provisioning for catchup

other business

nib NZ

- Sales slightly down due to COVID-19 but lapse stable.
- Claims softer due to distancing restrictions and cancelling of private hospital elective surgery and clearing wards for treating COVID-19.

International Students & Workers

- Appears most students/workers are in country (for already sold products).
- New and ongoing sales expected to be impacted by travel restrictions.
- No material change in claims experience to date.

nib Travel

- Stop sell of policies in place.
- Focus remains on reducing significant customer and claims backlog.
- JobKeeper eligibility to reduce operational losses.

China

- Opportunity to expand value proposition and role of PHI in wake of COVID-19.



community health and wellbeing

- \$1.0 million in community grants (including \$500,000 to Lifeline).
- \$500,000 set aside to fund clinical initiatives.
- Donation of 100,000 PPE facemasks to frontline health workers.

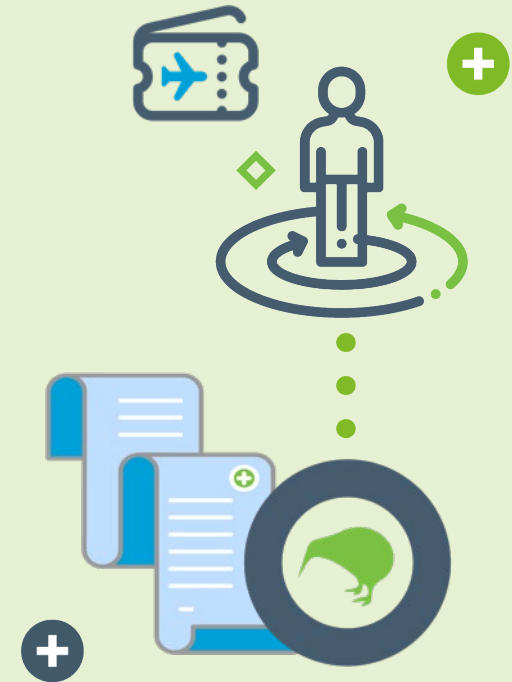


capital position

- Available capital at 31 December 2019 - \$69.2 million and current position stronger.
- Investments negatively impacted by low market confidence (asset allocation as at 31 March 2020 - Defensive ~87%/Growth ~13%).
- FY20 dividend and policy.

business strategy

- COVID-19 an accelerant
- Honeysuckle Health
- Telehealth
- Shift to lower cost settings of care





Questions & Answers

