

2 October 2020

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

2020 Notice of Annual General Meeting - nib holdings limited

Please find attached nib's 2020 Notice of Annual General Meeting and Voting Form which was distributed to nib shareholders today.

nib's 2020 Notice of Annual General Meeting and Voting Form can also be viewed online at nib.com.au/shareholders/agm.

Yours sincerely,



Roslyn Toms
Company Secretary

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



notice of
meeting
2020

from the chairman

Dear Shareholder,

I am pleased to invite you to the 2020 nib Annual General Meeting (AGM).

Due to the COVID-19 pandemic continually evolving, this year's AGM will be held as a virtual meeting via an online platform on Thursday, 5 November 2020, commencing at 1.00pm (AEDT).


Instructions for how to participate in the AGM are included on the back cover of this Notice of Meeting.

This Notice of Meeting contains details on the items of business for the AGM, as well as explanatory notes and voting procedures.

During the AGM, shareholders will be invited to take part in our 'People's Choice' vote which will be held live during the virtual AGM. This will see three of nib foundation's partners receive up to \$40,000 in funding as voted by you. Further information about these charity partners will be made available at nib.com.au/shareholders/agm prior to the AGM.

We look forward to seeing you online at our 2020 AGM.

Yours sincerely,



Steve Crane
Chairman



items of business

Notice is given that the 2020 Annual General Meeting (“AGM”) of nib holdings limited (ACN 125 633 856) (“nib” or “Company”) will be held:

Date: Thursday, 5 November 2020

Time: 1.00pm (AEDT)

Website: nib.com.au/shareholders/aggm

ORDINARY BUSINESS

1. Consideration of Reports

To receive and consider the Financial Report, the Directors’ Report and the Independent Auditor’s Report of nib and the entities it controlled (also known as the Group) for the financial year ended 30 June 2020.

Shareholders will be able to ask questions about, or comment on the reports, management and audit of the Group.

There is no vote on this Item.

2. Remuneration Report

To consider and, if thought appropriate, pass the following as an advisory ordinary resolution:

“That the Remuneration Report of the Company for the financial year ended 30 June 2020 (set out in the Directors’ Report) is adopted.”

Under the Corporations Act, this resolution is advisory only and does not bind the Directors or the Company.

3. Election of Mr David Gordon

To consider and, if thought appropriate, pass the following as an ordinary resolution:

“That Mr David Gordon be elected as a Non-Executive Director of the Company.”

4. Re-election of Ms Lee Ausburn

To consider and, if thought appropriate, pass the following as an ordinary resolution:

“That Ms Lee Ausburn be re-elected as a Non-Executive Director of the Company.”

5. Re-election of Ms Anne Loveridge

To consider and, if thought appropriate, pass the following as an ordinary resolution:

“That Ms Anne Loveridge be re-elected as a Non-Executive Director of the Company.”

SPECIAL BUSINESS

6. Approval of participation in Long-Term Incentive Plan

To consider and, if thought appropriate, pass the following as an ordinary resolution:

“That for the purposes of ASX Listing Rule 10.14 and for all other purposes the following is approved:

- participation in the nib Long-Term Incentive Plan (LTIP) by Mr Mark Fitzgibbon, Managing Director / Chief Executive Officer;
- acquisition accordingly by Mr Fitzgibbon of Performance Rights and in consequence of the vesting of those Performance Rights, of ordinary shares of the Company; and
- the provision of benefits to Mr Fitzgibbon under the LTIP, for the year commencing 1 July 2020,

in accordance with the terms of the LTIP (as approved by the Board and amended from time to time by the Board) and on the basis described in the Explanatory Notes to this Notice of Meeting.”

items of business

continued

VOTING EXCLUSION STATEMENTS

Item 2

For the purposes of sections 250R(2) and 250BD(1) of the Corporations Act 2001 (Cth):

1. subject to paragraph 2, a vote must not be cast (in any capacity) on the resolution in Item 2 by or on behalf of a member of the Company's key management personnel (including the Directors) (KMP), details of whose remuneration are included in the Remuneration Report or their closely related parties, whether as a shareholder or as a proxy except that a vote may be cast on the resolution in Item 2 by a KMP, or a closely related party of a KMP if:
 - the vote is cast as a proxy appointed in writing that specifies how the proxy is to vote on the resolution in Item 2; and
 - the vote is not cast on behalf of a KMP or a closely related party of a KMP.
2. if you appoint the Chairman of the AGM as your proxy, and you do not direct your proxy how to vote on the resolution in Item 2 on the voting form, you will be expressly authorising the Chairman of the AGM to exercise your proxy even if the resolution in Item 2 is connected directly or indirectly with the remuneration of a KMP of the Group, which includes the Chairman of the AGM.

The Chairman of the AGM intends to vote undirected proxies able to be voted in favour of the resolution in Item 2.

Item 6

For the purposes of section 250BD(1) of the Corporations Act 2001 (Cth):

1. a vote must not be cast on the resolution in Item 6 by a KMP, or a closely related party of a KMP, acting as proxy, if their appointment does not specify the way the proxy is to vote on the resolution in Item 6. However, this voting exclusion does not apply if the KMP is the Chairman of the AGM acting as proxy and their appointment expressly authorises the Chairman of the AGM to exercise the proxy even if the resolution in Item 6 is connected directly or indirectly with the remuneration of a member of the KMP of the Group; and
2. if you appoint the Chairman of the AGM as your proxy, and you do not direct your proxy how to vote on the resolution in Item 6 on the voting form, you will be expressly authorising the Chairman of the AGM to exercise your proxy even if the resolution in Item 6 is connected directly or indirectly with the remuneration of a member of the KMP of the Group, which includes the Chairman of the AGM.

The Chairman of the AGM intends to vote undirected proxies able to be voted in favour of the resolution in Item 6.

For the purposes of the ASX Listing Rules, the Company will disregard any votes cast in favour of the resolution in Item 6 by or on behalf of:

- a Director of nib who is eligible to participate in the LTIP; and
- an associate of that Director of nib who is eligible to participate in the LTIP.

However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- the Chairman of the AGM as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman of the AGM to vote on the resolution as the Chairman of the AGM decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 17 September 2020

By Order of the Board



Roslyn Toms
Company Secretary

Notes

1. A shareholder entitled to attend and vote at the AGM is entitled to appoint not more than two proxies. Shareholders can appoint a body corporate as well as an individual as their proxy. A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at general meetings of nib or in the capacity of a shareholder's proxy at general meetings of nib. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a general meeting or in voting on a resolution.
2. A shareholder who appoints two proxies may state on the voting form what proportion or number of the shareholder's votes each proxy is being appointed to exercise. If a shareholder appoints two proxies and does not specify the proportion or number of votes each proxy may exercise, each of the proxies may exercise half the shareholder's votes.
3. If a shareholder has appointed two proxies, when a resolution is decided on a show of hands, only the first person named on the voting form may vote. If two voting forms have been completed, the person whose name is earlier in alphabetical sequence may vote.
4. A proxy need not be a shareholder of nib.
5. As this year's AGM is being held virtually, votes may be cast directly by shareholders either before or during the live meeting, or via proxy. If you would like to vote directly, you may do so in one of the following two ways:
 - Lodge a voting form before the AGM, by no later than 1.00pm (AEDT) on Tuesday, 3 November 2020; or
 - Lodge an online vote during the live AGM via the following link: web.lumiagm.com and entering the nib AGM meeting ID 339 373 006
6. Shareholders who cast a vote on a resolution before the AGM by lodging a valid voting form will still be entitled to lodge a further direct vote on that resolution online during the live meeting, with the later vote overriding the earlier vote.
7. Either the original, facsimile or electronic transmission of the voting form(s) and any Power of Attorney or authority under which they are signed must be received at least 48 hours prior to the AGM (i.e. by no later than 1.00pm (AEDT) on Tuesday, 3 November 2020), or any adjournment. Any voting form received after this deadline, including at the AGM, will be invalid.
8. A voting form accompanies this Notice of Meeting.
9. Additional voting forms will be supplied by the nib share registry on request.
10. An electronic voting facility is also available to shareholders via investorvote.com.au.
11. If a corporate representative is to attend the AGM on behalf of a corporation, a formal Notice of Appointment must be lodged with the share registry prior to the AGM.
12. In accordance with Regulation 7.11.37 of the Corporations Regulations (Cth) and ASX Settlement Operating Rule 5.6.1, the Board has determined that a person's entitlement to vote at the AGM will be the entitlement of that person set out in the register of shareholders as at 7.00pm (AEDT) on Tuesday, 3 November 2020. Accordingly, transactions registered after that time will be disregarded in determining shareholders entitled to attend and vote at the AGM.
13. If you wish a question to be put to the Chairman or Auditor and you are not able to attend the AGM, please complete the Questions from Shareholders form which is included with this Notice of Meeting. Questions may also be lodged online prior to the AGM at investorvote.com.au or during the AGM using the online facility available at web.lumiagm.com and entering the nib meeting ID 339 373 006.
14. Questions lodged prior to the AGM must be received at least five business days prior to the AGM (by no later than 5.00pm on Thursday, 29 October 2020 or any adjournment). This is to allow time to collate questions and to prepare answers.
15. If the appointment of a proxy specifies the way the proxy is to vote on a particular resolution:
 - the proxy is not required to vote on a show of hands, but if the proxy does so, the proxy must vote as directed (subject to any applicable voting exclusions);
 - if the proxy has two or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands;
 - if the proxy is not the Chairman of the AGM, the proxy need not vote on a poll but if the proxy does so, the proxy must vote as directed (subject to any applicable voting restrictions); and
 - if the proxy is the Chairman of the AGM, the proxy must vote on a poll and must vote as directed.
16. There are some circumstances where the Chairman of the AGM will be taken to have been appointed as a shareholder's proxy for the purposes of voting on a particular resolution even if the shareholder has not expressly appointed the Chairman of the AGM as their proxy. This will be the case where:
 - the appointment of the proxy specifies the way the proxy is to vote on a particular resolution;
 - the Chairman of the AGM is not named as the proxy;
 - a poll has been called on the resolution; and
 - either of the following applies:
 - the proxy is not recorded as attending the AGM; or
 - the proxy attends the AGM but does not vote on the resolution.

Shareholders should consider directing their proxy how to vote on each resolution by crossing either the "For", "Against", or "Abstain" box when lodging their voting form to ensure that their proxy is permitted to vote on their behalf in accordance with their instructions.

ORDINARY BUSINESS

1. Consideration of Reports

Section 317(1) of the Corporations Act 2001 (Cth) ("Corporations Act") requires a public company to lay before its annual general meeting the Financial Report, the Directors' Report and the Auditor's Report for the company for the financial year that ended before the annual general meeting.

Shareholders will be able to consider, comment on and ask questions of the Directors and the Auditor of the Company about the management of the Company, the conduct of the audit, and the preparation and contents of the financial statements and reports of the Company for the financial year ended 30 June 2020.

2. Remuneration Report

The Corporations Act requires listed companies to put a remuneration report relating to Director and Executive remuneration for each financial year to a resolution of members at each annual general meeting. The Remuneration Report for the Group for the financial year ended 30 June 2020 is set out on pages 20 to 40 of the Company's Annual Report and is also available on the Company's website nib.com.au/shareholders.

Under section 250R(3) of the Corporations Act, the vote on this resolution is advisory only and does not bind the Directors or the Company. Shareholders will be able to ask questions about, and make comments on, the Remuneration Report at the AGM.

The Directors unanimously recommend that shareholders vote in favour of this ordinary resolution to adopt the Remuneration Report.

3. Election of Mr David Gordon



Mr David Gordon was appointed by the Board as an Independent Non-Executive Director of the Company in May 2020 pursuant to the Constitution, which allows the Board to appoint a Director to fill a casual vacancy or to appoint a Director as an additional Director to the Board.

David retires in accordance with the Constitution and, being eligible, offers himself for election as an Independent Non-Executive Director. David is also a Director of nib health funds limited.

David has over 20 years' experience as a director of both public and private companies and has spent more than 30 years working in corporate advisory roles to Australian and international organisations. He brings extensive knowledge of mergers and acquisitions, as well as capital raisings, IPOs and joint ventures. David also has a proven track record in guiding businesses to harness their digital asset capability to successfully explore and grow new markets.

He is currently Chair of ASX-listed Accent Group (formerly RCG Corporation) and holds private company board positions with Ordermentum (Chair) and Winning Group (Chair of Advisory Board).

He has also held a number of senior roles with Freehills (Partner) and boutique investment bank Wentworth Associates (acquired by Investec in 2001). In addition, he founded independent corporate advisory and investment firm, Lexicon Partners in 2001.

The Board (with Mr David Gordon abstaining and not voting) supports the election of Mr David Gordon and recommends that shareholders vote in favour of this ordinary resolution.

4. Re-election of Ms Lee Ausburn



In accordance with the ASX Listing Rules and nib's Constitution, Ms Lee Ausburn retires from office at the AGM and, being eligible for re-election, offers herself for re-election as a Non-Executive Director.

Lee was appointed to the Board of the Company in November 2013. She is also a Director of nib health funds limited. Lee is Chairperson of the People and Remuneration Committee and a member of the Risk and Reputation Committee and Nomination Committee.

With more than 30 years' experience in the pharmaceuticals industry, Lee has a wealth of knowledge in the global health industry. She is currently a Director of Australian Pharmaceutical Industries Ltd. She was previously a Director of SomnoMed Ltd and President of the Pharmacy Foundation at the University of Sydney.

The Board (with Ms Lee Ausburn abstaining and not voting) supports the re-election of Ms Lee Ausburn and recommends that shareholders vote in favour of this ordinary resolution.

5. Re-election of Ms Anne Loveridge



In accordance with the ASX Listing Rules and nib's Constitution, Ms Anne Loveridge retires from office at the AGM and, being eligible for re-election, offers herself for re-election as a Non-Executive Director.

Anne was appointed to the Board of the Company in February 2017. She is also a Director of nib health funds limited, the Chairman of the Audit Committee and a member of the Investment Committee, Risk and Reputation Committee and Nomination Committee. Anne is also Chairman of nib nz holdings limited's Audit Committee, nib nz limited's Board, Audit, Risk and Compliance Committee (BARCC) and a Director of nib's New Zealand subsidiaries.

Anne brings over 30 years' experience in financial services and regulatory reporting to the Board and is a Fellow of the Chartered Accountants Australia and New Zealand (FCA). She is currently a Non-Executive Director of Platinum Asset Management, a Non-Executive Director of National Australia Bank Limited and Chairman of Bell Shakespeare Limited. Previously, Anne was Deputy Chairman of PricewaterhouseCoopers (PwC) Australia and held senior positions with PwC for over two decades.

The Board (with Ms Anne Loveridge abstaining and not voting) supports the re-election of Ms Anne Loveridge and recommends that shareholders vote in favour of this ordinary resolution.

SPECIAL BUSINESS

6. Approval of participation in Long-Term Incentive Plan

Approval Sought

nib seeks shareholder approval for Mr Mark Fitzgibbon, Managing Director & CEO, to participate in the Long-Term Incentive Plan (LTIP) via a grant of Performance Rights from July 2020 (with a four-year vesting period).

Background

The LTIP forms part of nib's remuneration strategy. The LTIP is designed to align the interests of Executives and shareholders and to assist nib in the attraction, motivation and retention of Executives. In particular, the LTIP provides Executives with an incentive for future performance, thereby encouraging those Executives to remain with and contribute to the future performance of nib.

Under the LTIP, eligible persons may be granted performance rights on terms and conditions determined by the Board from time to time (Performance Rights).

A Performance Right is a right to acquire a share in nib, subject to the satisfaction of applicable vesting conditions including the achievement of Board-determined performance hurdles.

In 2008, nib adopted the LTIP and the LTIP Rules (LTIP Rules). The LTIP Rules were most recently amended on 25 July 2018. A summary of the LTIP Rules, which apply to Performance Rights granted to Mr Fitzgibbon and others from July 2018, is set out in the Schedule to these Explanatory Notes.

Overview of awards to Mr Mark Fitzgibbon

Performance Rights are awarded to Mr Mark Fitzgibbon (Managing Director & CEO) on an annual basis at the discretion of the Board (and subject to any required shareholder approvals).

The Performance Rights for each annual award are granted in two tranches of equal value.

The Performance Rights proposed to be issued will have a four-year performance period (from 1 July 2020 to 30 June 2024) (Performance Period).

Vesting conditions

The Performance Rights will vest in accordance with the achievement of the following vesting conditions:

Vesting Condition 1	Vesting Condition 1
50% of the Performance Rights ("Tranche 1")	50% of the Performance Rights ("Tranche 2")
Total Shareholder Return targets (TSR) for the relevant Performance Period are met (TSR Hurdle)	Earnings per Share growth targets (EPS) for the relevant Performance Period are met (EPS Hurdle)

The TSR Hurdle and the EPS Hurdle have been chosen by the Board to focus management attention on four-year strategic and financial objectives, as well as shareholder alignment.

TSR Hurdle

The TSR Hurdle measures the growth in the price of securities plus cash distributions notionally reinvested in securities. In order for the Tranche 1 Performance Rights to vest, the TSR of nib is

compared to companies in the S&P/ASX 200 (which nib forms part of) as at the commencement of the relevant Performance Period. For the purpose of calculating the TSR measurement, the security prices (plus cash distributions notionally reinvested in securities) of each comparator company in the S&P/ASX 200 and of nib will be averaged over the 20 consecutive ASX trading days preceding the start date and end date of the relevant Performance Period.

The percentage of Tranche 1 Performance Rights that vest will be as follows:

nib's TSR performance compared to the relevant peer group	Percentage of Tranche 1 Performance Rights to vest
< 50th percentile	No vesting
≥ 50th percentile to 74th percentile	Pro-rata straight line vesting between 50% and 74%
≥ 75th percentile	100% vesting

EPS Hurdle

Previously, the principle used in setting the EPS Hurdle was to use nib's prior financial year's Statutory EPS (EPS) as a base and apply a range of compound annual growth rates in EPS from 3.0% to 9.0%, which in turn determined the percentage of Tranche 2 Performance Rights that would vest following the end of the relevant Performance Period, depending on the compound annual growth rate in EPS achieved.

As FY20 was considered a low EPS base year, hurdle rates were increased significantly from 3.0% - 9.0% to 8.0% - 14.0%. The 8.0% - 14.0% hurdle rates will determine the percentage of Tranche 2 Performance Rights that will vest on 1 September 2024 following the end of the relevant Performance Period.

No Performance Rights will vest if the compound annual growth rate is below 8.0%.

The EPS Hurdle base for the Performance Period is 19.8 cents per share, being nib's 2020 financial year earnings per share, which is calculated based on net profit after tax of \$89.2 million.

The EPS Hurdle for the Performance Period will be determined in accordance with the principles set out in the table below (with the Board setting the EPS hurdles annually):

Percentage of Performance Rights vesting	EPS Hurdle
100%	Compound annual growth rate of 14% (equates to EPS of \$0.334 in the financial year ending 30 June 2024)
75%	Compound annual growth rate of 12% (equates to EPS of \$0.312 in the financial year ending 30 June 2024)
50%	Compound annual growth rate of 10% (equates to EPS of \$0.290 in the financial year ending 30 June 2024)
25%	Compound annual growth rate of 8% (equates to EPS of \$0.269 in the financial year ending 30 June 2024)
0%	Nil

Notes:

- For the purpose of calculation, 25% and 50% will be discrete thresholds (e.g. performance will be assessed at 25% for EPS greater than or equal to \$0.269 but less than \$0.290, with performance above the 50% entitlement calculated on a pro rata basis to a maximum entitlement of 100%).

The EPS Hurdle will be tested as at 30 June 2024 and the percentage of Performance Rights that will vest on 1 September 2024 will be calculated in accordance with the criteria set out in these Explanatory Notes.

Number of Performance Rights

The number of Performance Rights to be granted to the Managing Director & CEO for the financial year commencing 1 July 2020 is calculated as follows:

$$\frac{125\% \times \text{TFR}}{\text{Strike Price}}$$

TFR = the Managing Director's total fixed remuneration for the relevant financial year (being base salary plus superannuation).

Strike Price = Volume weighted average price (VWAP) for nib shares for the first 10 trading days following the announcement of the full year financial results for the financial year ended 30 June 2020, which is \$4.5399.

If approved by shareholders, the number of Performance Rights to be granted to Mr Fitzgibbon for the financial year commencing 1 July 2020 is calculated as follows:

$$\frac{125\% \times \$1,143,300}{\$4.5399} = 314,792 \text{ Performance Rights}$$

Delivery of Shares on Vesting of Performance Rights

Mr Fitzgibbon will receive one share for every vested Performance Right, subject to the LTIP Rules, and the Company may elect whether to allocate shares for the purpose of the LTIP by way of an issue of shares or by procuring the on-market purchase and transfer of shares. The Company currently proposes that it will satisfy its obligations to allocate shares for the purpose of the LTIP by arranging for the on-market purchase and transfer of shares to Mr Fitzgibbon after the testing of the particular performance hurdles.

A two-year non-disposal period applies to 50% of the shares allocated to Mr Fitzgibbon on vesting of the Performance Rights.

Participation in the LTIP by Mr Fitzgibbon

nib seeks shareholder approval for Mr Fitzgibbon, Managing Director & CEO, to participate in the LTIP for the financial year from 1 July 2020 to 30 June 2021, with the number of Performance Rights to be awarded to Mr Fitzgibbon to be calculated in accordance with the formula set out in this Notice of Meeting.

It is proposed that the performance hurdles for Mr Fitzgibbon will be applied to any other offer of Performance Rights to nib's KMP, unless the Board determines otherwise. Details relating to the performance hurdles will be set in the same manner as outlined in relation to Mr Fitzgibbon, unless the Board determines otherwise.

Further Information

Listing Rule 10.14 provides that a listed company may only permit a director to acquire shares or rights to shares under an employee incentive scheme where that director's participation has been approved by an ordinary resolution of shareholders. It is the Board's current intention that if the Performance Rights vest, shares will be acquired on-market for the purposes of the LTIP.

The Board wishes to seek approval for the acquisition of Performance Rights and shares by the Managing Director & CEO under the LTIP as discussed in these Explanatory Notes.

In accordance with the Listing Rules, the following information is provided for shareholders:

1. the details (including the amount) of Mr Fitzgibbon's current total remuneration package are as follows:
 - Total fixed remuneration (TFR): \$1,143,300
 - Potential short-term incentive: 125% of TFR
 - Potential long-term incentive: 125% of TFR
2. the maximum number of Performance Rights for which approval is sought will be calculated as described above and will be provided to shareholders in the relevant Annual Report along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the LTIP after the resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14;
3. the Performance Rights will be granted at no cost to Mr Fitzgibbon and the Board has determined that no amount is payable by Mr Fitzgibbon on the vesting of each Performance Right granted under the LTIP;
4. no loan will be made by nib in connection with the acquisition of Performance Rights or shares by Mr Fitzgibbon under the LTIP;
5. Mr Fitzgibbon has received a total of 3,515,856 Performance Rights under the LTIP with an acquisition price of nil, of which 2,281,776 have vested; and
6. no Performance Rights will be granted under this approval later than 3 years after the date of the AGM.

Recommendation

The Board (with Mr Fitzgibbon abstaining and not voting) recommends that shareholders vote in favour of the ordinary resolution in Item 6 on the basis that the overall remuneration of Mr Fitzgibbon, which includes his participation in the LTIP, is reasonable having regard to the Company's circumstances and that the grant of Performance Rights to Mr Fitzgibbon under the LTIP and on the terms described in these Explanatory Notes:

- is in the best interests of the Company as a whole; and
- is consistent with the Company's remuneration policy, in particular the Company's policy of linking remuneration to achievement, and the objective of attracting and retaining highly-skilled Executives.

schedule

SUMMARY OF THE LTIP RULES

A grant of performance rights is subject to both the LTIP Rules and the terms of the specific grant as determined by the Board. The Board is responsible for administering the LTIP in accordance with the LTIP Rules and the terms and conditions of specific grants of performance rights to participants in the LTIP.

Eligibility and Participation

The Board may determine which persons are eligible to participate in the LTIP from time to time. Eligible persons may be invited to apply to participate in the LTIP. The Board may, in its discretion, accept such applications.

Performance Rights

A person participating in the LTIP (“Executive”) may be granted performance rights on terms and conditions, including tenure conditions and performance hurdles, determined by the Board. A performance right has a nil exercise price and is exercised automatically on vesting unless determined otherwise by the Board.

Consideration for Grant

The Board may determine the amount (if any) payable for the grant of a performance right from time to time.

Vesting

Following the satisfaction of the performance hurdles applying to a performance right, the performance right vests on a date predetermined by the Board (“Vesting Date”).

Accelerated Vesting at Board’s Discretion

The Board may, in its discretion, decide to accelerate the vesting of all or part of the performance rights held by an Executive if there is a winding up of the Company, a delisting of the Company, a change of control, reconstruction or amalgamation of the Company, death of a participant or a cessation of employment as a result of total disablement, redundancy or retirement.

Delivery of Shares on Vesting of Performance Rights

Following the Vesting Date or the accelerated vesting of a performance right, the Executive will be allocated or issued the number of shares comprised in each performance right.

The Board has the discretion to have shares issued or transferred to an Executive on vesting of performance rights. Any shares issued or allotted under the LTIP will rank equally with those shares of the same class for the time being on issue, except for any rights attaching to those shares by reference to a record date prior to the date of issue or allotment.

Lapse

An unvested performance right will lapse on the earliest of:

- a. the expiry date applicable to that performance right;
- b. the Board determining that the vesting conditions in respect of the performance right are not satisfied and not capable of being satisfied on the relevant testing date and that the performance right has lapsed;
- c. the Board making a determination in accordance with the terms and conditions of grant of the performance rights that the performance right has lapsed;

- d. the date the Executive ceases to be employed by nib or a company in the Group due to being a “bad leaver” (being an Executive who ceases employment with nib or a company in the Group by reason of summary dismissal, resignation (other than a mutually agreed separation) and any other reason the Board determines creates a “bad leaver” (other than a reason specified in e below)), unless the Board determines otherwise;
- e. the date the Executive ceases to be employed by nib or a company in the Group due to:
 - i. death;
 - ii. total and permanent disablement;
 - iii. retirement;
 - iv. redundancy; or
 - v. mutually agreed separation,

in which case a pro rata number of each tranche of that Executive’s unvested performance rights (calculated in accordance with the LTIP Rules) will lapse 30 days after the date the Executive ceases employment and the balance of the Executive’s unvested performance rights will continue to be held by the Executive subject to the terms and condition of the grant of the performance rights and the LTIP Rules, unless the Board determines otherwise; or

- f. the Board determining that the Executive has committed (or it is evident that the Executive intends to commit) any act (whether by omission or commission) of dishonesty, fraud, wilful misconduct, wilful breach of duty, serious and wilful negligence or incompetence in the performance of the Executive’s duties, the Executive is convicted of a criminal offence (other than minor/trivial offences) or is guilty of wilful or recklessly indifferent conduct which may injure the reputation or business of an nib entity, the Executive has breached a confidentiality or non-compete obligation, the Executive has been involved or contributed to a material financial misstatement, the vesting of an unvested Performance Right would result in an inappropriate reward outcome for an Executive having regard to matters that were not known or foreseen by the Board at the time the Performance Right was awarded to the Executive or an unvested Performance Right is required to be lapsed, cancelled or forfeited by any applicable law or prudential standard or is appropriate to be lapsed, cancelled or forfeited having regard to applicable regularly standards or guidance and that the performance right has lapsed.

Clawback

If the Board becomes aware of a material financial misstatement, that the Executive has committed (or it is evident that the Executive intends to commit) any act (whether by omission or commission) of dishonesty, fraud, wilful misconduct, wilful breach of duty, serious and wilful negligence or incompetence in the performance of the Executive’s duties, the Executive is convicted of a criminal offence (other than minor/trivial offences) or is guilty of wilful or recklessly indifferent conduct which may injure the reputation or business of an nib entity, the Executive has breached a confidentiality or non-compete obligation, that the vesting of an unvested Performance Right would result in an inappropriate reward outcome for an Executive having regard to matters that were not known or foreseen by the Board at the time the Performance Right was awarded to the Executive or an unvested Performance Right is required to be lapsed, cancelled or forfeited by any applicable law or prudential standard or is

schedule

continued

appropriate to be lapsed, cancelled or forfeited having regard to applicable regularly standards or guidance and the Board determines that a Performance Right which has been awarded to an Executive or become a vested Performance Right would not have been awarded or become a vested Performance Right if the Board had been aware of any of the above matters at the time the Performance Right was awarded or became a vested Performance Right, the Board may (in its absolute discretion):

- a. lapse or cancel the Performance Right (including a vested Performance Right); or
- b. require the Executive to transfer to the Company's nominee, for nil consideration, any shares which the Executive has received in respect of the vested Performance Right or to pay to the Company the sale proceeds of any shares and/or any dividends or distributions previously paid on the shares by a date specified by the Board.

If the Executive fails to transfer those shares by the date specified, the Company or any of its officers (other than the Executive) may transfer the shares to the Company's nominee as the Executive's attorney.

The Board may also exercise its discretion where the Company is required by any applicable law or prudential standard to exercise a clawback power or recover any vested remuneration from an Executive.

Adjustment

In the event of any capital reorganisation by the Company (including any bonus issues), an Executive's performance rights, and the shares allocated to the Executive on vesting of the Executive's performance rights, will be adjusted as set out in the LTIP Rules and otherwise in accordance with the Listing Rules. In general, it is intended that the Executive will not receive any advantage or disadvantage from such adjustment.

Restrictions on Disposal of Shares

An Executive may not dispose of, deal in, or grant a security interest over any interest in, a share allocated to the Executive on the vesting of a performance right for any relevant period determined by the Board. The Board may implement such arrangements (including a holding lock) as it determines are necessary to enforce this restriction. Once the restriction is removed, and subject to the Company's Trading Policy, shares acquired on the vesting of performance rights may be dealt with freely.

ENCLOSURES

Enclosed with the Notice of Meeting are:

- i. a voting form to be completed if you would like to be represented at the AGM by proxy or if you wish to cast a direct vote prior to the AGM. An electronic voting facility is also available to shareholders via the nib shareholders website – investorvote.com.au;
- ii. a Questions from Shareholders form to be completed if you would like a specific question to be addressed by the Chairman or Auditor at the AGM. You may also submit your questions online at investorvote.com.au and there will be an opportunity to ask questions during the AGM via the webcast; and
- iii. a reply paid envelope for you to return either or both of the voting form and Questions from Shareholders form.

further information

Due to the COVID-19 pandemic continually evolving, the AGM will be held as a virtual meeting via an online platform on Thursday, 5 November 2020, commencing at 1.00pm (AEDT). The AGM will be webcast from this time at nib.com.au/shareholders/aggm and can be viewed live or as a recording following the AGM.

There are a number of ways to participate in the AGM:

- **online:** shareholders and proxyholders are encouraged to participate in the AGM online, which will allow them to view a live webcast, ask questions and vote.
- **teleconference:** for shareholders and proxyholders who are unable or do not wish to access the AGM online, this will allow them to listen to the AGM live and ask questions on the telephone, but not vote.
- **webcast:** for viewing the AGM live however it does not provide for asking questions or voting.

Live online participation (including voting)

Shareholders and proxyholders will be able to participate in the AGM online by viewing the live webcast, asking questions and voting by:

- visiting web.lumiaggm.com and entering the nib meeting ID 339 373 006 on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Internet Explorer 11, Edge or Firefox); or
- downloading the Lumi AGM app from the Apple App or Google Play Stores by searching for Lumi AGM.
- appointed proxies can receive their username and password by contacting Computershare Investor Services on +61 3 9415 4024 during the online registration period.

Online registration will open at 12.00 pm (AEDT) on Thursday, 5 November 2020 (one hour before the AGM).

Voting prior to the AGM – direct voting, proxy voting and proxyholder participation

Shareholders are able to cast a direct vote prior to the AGM by either returning the enclosed voting form or casting their vote online at investorvote.com.au. To be valid, votes must be cast and received by nib no later than 1.00pm (AEDT) on Tuesday, 3 November 2020.

Alternatively, shareholders may submit a proxy vote online ahead of the AGM. Proxy votes can be lodged at investorvote.com.au.

Further information on lodging a proxy vote ahead of the AGM is available on the back cover of this Notice of Meeting booklet.

Webcast

The AGM will be webcast live on the nib website nib.com.au/shareholders/aggm.

Non-shareholders may view the webcast by registering online as a guest.

The AGM will be recorded and will be available on the nib website nib.com.au/shareholders/aggm shortly after the event. The webcast is 'view only', those viewing the webcast through the nib website will not be able to vote or ask questions.

Questions

Please note, only shareholders may ask questions online and on the telephone once they have been verified. It may not be possible to respond to all questions. Shareholders may also lodge questions prior to the AGM by lodging their questions online at investorvote.com.au or by mailing or faxing the enclosed Questions from Shareholders form so it is received by no later than 5.00pm on Thursday, 29 October 2020.

Dial in details

Shareholders and appointed proxies who are unable or do not wish to access the AGM online can dial into the teleconference and will be able to listen to the AGM live and ask questions on the telephone. Participants cannot vote using the teleconference facility. Teleconference details are available on the back cover of this Notice of Meeting booklet.

Once you have dialled into the teleconference, please follow the prompts to ask a question.

Please be advised that this AGM will be broadcast over the internet to the public. Your attendance and questions may be visible to others. By asking a question, you acknowledge that other persons viewing the AGM will be able to see that you have asked a question, and nib is permitted to broadcast that question and its responses.

nib's 2020 Annual Report and Shareholder Review is available to view online at nib.com.au/shareholders.

If you would like any further information about nib's AGM, please visit nib.com.au/shareholders/aggm, call 1300 664 316 or email nibshareregistry@computershare.com.au

virtual AGM shareholder guide



Take part in our virtual AGM

Due to the changing nature of the COVID-19 pandemic and social distancing restrictions, nib's 2020 Annual General Meeting (AGM) will be held virtually this year.

The virtual AGM will start at 1:00pm (AEDT) on Thursday, 5 November 2020.

Shareholders can take part by choosing one of the following options:



Participate or watch live

Online registration will open at 12.00pm (AEDT) on Thursday, 5 November 2020 (one hour before the AGM).

1. Visit: web.lumiagm.com OR download the Lumi AGM app
2. Enter the Meeting ID: **339 373 006**
3. Login with your username (**SRN/HIN**) and password (**postcode or area code**) to be able to watch, vote and ask questions; or
4. Log in as a guest to watch only.

For full instructions, please refer to our user guide at nib.com.au/shareholders/agm. If you cannot locate your SRN/HIN contact Computershare on 1300 664 316.

Appointed Proxy:

To receive your username and password, please contact Computershare Investor Services on +61 3 9415 4024 during the online registration period.



Dial-in

1. Call: 1800 148 258 or +61 2 8038 5271
2. Enter conference ID: 6292904

Shareholders and proxyholders are able to listen to the AGM live and ask questions, but not vote.

How to vote



Vote online during the AGM

- For shareholders tuning in on the day via desktop or phone, a live voting poll will be held during the event. Login to the online platform following the instructions provided on this page.



Vote early

- Lodge your vote online prior to the AGM at investorvote.com.au or mail your voting form to Computershare by 1.00pm (AEDT) on Tuesday, 3 November 2020.



Vote by proxy

- Lodge your voting form online at investorvote.com.au or mail it to Computershare by 1.00pm (AEDT) on Tuesday, 3 November 2020.

Ask a question



- Shareholders will be invited to submit their questions live during the virtual AGM. For instructions on how to ask a question, please refer to our user guide at nib.com.au/shareholders/agm
- Shareholders are also invited to submit their questions prior to the virtual AGM at investorvote.com.au or by mailing the Questions from Shareholders form accompanying the Notice of Meeting to Computershare so it is received by 5.00pm (AEDT) Thursday, 29 October 2020.
- Shareholders and appointed proxies can also ask questions via teleconference. Dial in following the instructions on this page.

More information about our virtual AGM can be found at nib.com.au/shareholders/agm



People's Choice Vote

Shareholders will also be invited to take part in our 'People's Choice' vote which will be held live during the virtual AGM and will see three of nib foundation's partners receive up to \$40,000 in funding as voted by you.

Further information about these charity partners will be made available at nib.com.au/shareholders/agm prior to the AGM.



NHF

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:

Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242
Melbourne Victoria 3001 Australia



By Fax
1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)



For all enquiries call:

1300 664 316 (within Australia)
0800 451 326 (within New Zealand)
+61 3 9415 4651 (outside Australia)



Investorvote Control Number: 000000
SRN/HIN: I999999999

Voting Form

For your vote to be effective it must be received by 1.00pm (AEDT) on Tuesday 3 November 2020

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Vote Directly

Voting 100% of your holding: Mark either the For, Against or Abstain box opposite each item of business. Your vote will be invalid on an item if you do not mark any box OR you mark more than one box for that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to participate in the virtual annual general meeting (Meeting) and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities each proxy may vote, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of nib holdings limited.

Signing Instructions for this Form

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Participating in the Virtual Meeting

You can vote online during the Meeting or prior to the Meeting. Details on how to participate in the Meeting are included in the Notice of Meeting and are also available at nib.com.au/shareholders/aggm. If a representative of a corporate securityholder or proxy is to participate in the virtual Meeting on your behalf you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to the Meeting commencing. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for nib holdings limited, please write them on the "Questions from Shareholders" form accompanying the Notice of Meeting or lodge them online at investorvote.com.au so they are received no later than 5.00pm on Thursday, 29 October 2020. Alternatively, questions may be submitted via the AGM webcast available at nib.com.au/shareholders/aggm from 1.00pm (AEDT) on Thursday, 5 November 2020.

GO ONLINE TO LODGE YOUR FORM, or turn over to complete the form

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address.

If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Please mark to indicate your directions

Voting Form

STEP 1

Indicate How Your Vote Will Be Cast *Select one option only*

At the Annual General Meeting of nib holdings limited to be held on Thursday, 5 November 2020 at 1.00pm (AEDT) and at any adjournment or postponement of that Meeting, I/We being member/s of nib holdings limited direct the following:

A Vote Directly Record my/our votes strictly in accordance with directions in Step 2.

PLEASE NOTE: A Direct Vote will take priority over the appointment of a Proxy. For a valid Direct Vote to be recorded you must mark FOR, AGAINST, or ABSTAIN on each item.

OR

B Appoint a proxy to vote on your behalf I/We hereby appoint:

The Chairman of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit).

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2 and 6 (except where I/we have indicated a different voting intention below) even though Items 2 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2 and 6 by marking the appropriate box in step 2 below.

STEP 2

Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS		FOR	AGAINST	ABSTAIN
Item 2	That the Remuneration Report of the Company for the financial year ended 30 June 2020 (set out in the Directors' Report) is adopted	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Election of Mr David Gordon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Re-election of Ms Lee Ausburn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5	Re-election of Ms Anne Loveridge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SPECIAL BUSINESS				
Item 6	Approval of participation in Long-Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies able to be voted in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) This section must be completed.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Contact _____

Securityholder 2

Director

Daytime Telephone _____

Securityholder 3

Director/Company Secretary

Date ____ / ____ / ____

