

29 July 2015

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

nib holdings limited Updated Trading Policy

In accordance with ASX Listing Rule 12.10, attached is nib holdings limited's updated Trading Policy which became effective on 23 July 2015.

Yours Sincerely



Michelle McPherson
**Chief Financial Officer &
Company Secretary**

Trading Policy

**nib holdings limited ABN 51 125 633 856 and all related entities
within the nib Group (“nib Group”) or (“nib”)**

Dated 23 July 2015

| | |
|----------------------|---------------|
| Last Reviewed | 23 July 2015 |
| Next Review Date | November 2015 |

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1 Purpose

1.1 Scope of this document

This document summarises the law relating to insider trading and sets out the trading policy of the nib Group on buying and selling securities of the nib Group including shares, options, derivatives, managed investment products and superannuation products (“**Securities**”) of nib holdings limited (“**NHF**”).

1.2 Who does the trading policy apply to?

The Board of Directors of nib has adopted this trading policy which applies to all “**Key Management Personnel**”, being Directors, the Company Secretary, the senior executive team, the direct reports to the senior executive team and such other persons as the Company Secretary nominates (each a “**Key Management Person**”) and other employees of any entity within the nib Group (“**Employees**”). It is important to remember that although this trading policy only applies to the persons specified above, the insider trading prohibitions set out in the Corporations Act 2001 (Cwlth) (“**Corporations Act**”) and discussed in Part 2 below, apply to **all** persons (including members of your family).

1.3 Further advice

If you do not understand the summary of the law relating to insider trading set out below or this trading policy, or if you are confused as to whether the law applies to you, please contact the Company Secretary on 02 4914 1768 or company.secretary@nib.com.au. You may wish to seek your own professional legal advice before dealing in NHF Securities.

2 The Corporations Act

2.1 The insider trading prohibitions

If you have Inside Information (as defined in paragraph 2.2 below) relating to the nib Group it is illegal for you to:

- (a) deal in (that is, apply for, acquire or dispose of) NHF Securities or enter into an agreement to do so; or
- (b) procure another person to apply for, acquire or dispose of NHF Securities or enter into an agreement to do so; or
- (c) directly or indirectly communicate, or cause to be communicated, that information to any other person if you know, or ought reasonably to know, that the person would or would be likely to use the information to engage in the activities specified in paragraphs (a) or (b) above.

These prohibitions apply equally to the application for, grant, exercise or transfer of an option over NHF Securities.

It does not matter how or in what capacity you become aware of the Inside

Information. It does not have to be obtained from nib to constitute Inside Information.

You cannot avoid the insider trading prohibition by arranging for a member of your family or a friend to deal in NHF Securities nor may you give “tips” concerning Inside Information relating to nib to others, including customers.

2.2 What is Inside Information?

Inside Information is information relating to nib which is not generally available but would, if the information were generally available, be likely to have a material effect on the price or value of NHF Securities (“**Inside Information**”). Inside Information can include matters of speculation or supposition and matters relating to intentions or likely intentions of a person.

Information is regarded as being likely to have a material effect if it would, or would be likely to, influence persons who commonly invest in securities or other traded financial products in deciding whether or not to deal in NHF Securities.

Examples of Inside Information could be:

- (a) the financial performance of nib against its budget;
- (b) changes in nib actual or anticipated financial condition or business performance;
- (c) changes in the capital structure of nib, including proposals to raise additional equity or borrowings;
- (d) proposed changes in the nature of the business of nib;
- (e) changes to the Board of Directors or significant changes to the other Key Management Personnel;
- (f) an undisclosed significant change in nib’s market share;
- (g) material acquisitions or sales of assets by nib;
- (h) a proposed dividend or other distribution or a change in dividend policy; or
- (i) a material claim against any entity within the nib Group or other unexpected liability.

2.3 When is information generally available?

Information is generally available if:

- (a) it consists of readily observable matter or deductions;
- (b) it has been brought to the attention of investors through an announcement to ASX Limited (“**ASX**”) or otherwise brought to the attention of investors in securities, and a reasonable period has elapsed since it was announced or brought to investors’ attention; or

- (c) it consists of deductions, conclusions or inferences made or drawn from information referred to in paragraphs (a) or (b) above.

Examples of possible readily observable matters are:

- (a) a change in legislation which will affect nib's ability to make certain types of investments; or
- (b) a severe downturn in global securities markets.

2.4 What are the consequences if you breach the insider trading prohibitions?

Breach of the insider trading laws may subject you to:

- (a) criminal liability - penalties include heavy fines and imprisonment;
- (b) civil liability - you can be sued by another party or nib for any loss suffered as a result of illegal trading activities; and
- (c) civil penalty provisions – the Australian Securities and Investments Commission may seek civil penalties against you and may even seek a court order that you be disqualified from managing a corporation.

Breach of the law or this trading policy or both will also be regarded by nib as serious misconduct which may lead to disciplinary action or dismissal.

3 The nib Group's Trading Policy

3.1 What does this trading policy apply to?

This trading policy applies to all information relating to NHF Securities.

3.2 General prohibitions

If you possess Inside Information concerning NHF Securities, you must not:

- (a) deal in NHF Securities or enter into an agreement to do so;
- (b) procure another person to do anything specified in paragraph (a); or
- (c) pass on that information to anyone who is likely to engage in the activities specified in paragraphs (a) or (b) above.

These general prohibitions are overriding obligations and apply at all times, despite all other terms of this trading policy.

3.3 Closed periods

In addition to ensuring compliance with the prohibitions on insider trading, as set out in this policy, Key Management Personnel must also not deal in NHF Securities during the following Closed Periods:

- (a) the period from the close of trading on 31 December each year, up to 24

hours after the nib Group's half-year results announcement is released to the market following its lodgement with ASX; and

- (b) the period from the close of trading on 30 June each year, up to 24 hours after the nib Group's annual results announcement is released to the market following its lodgement with ASX.

3.4 Prior notification

If Key Management Personnel propose to deal in NHF Securities (which includes entering into an agreement to deal) they must first:

- (a) complete and forward a “**Notification Form to Deal in NHF Securities**” in the form of Part A of Schedule 1 to the “**Notification Officer(s)**” (as defined in Schedule 2); and
- (b) receive confirmation in the form of Part B of Schedule 1, signed by the Notification Officer(s) in their discretion, to allow them to deal in NHF Securities.

The notification must state that the proposed dealing in NHF Securities is not as a result of access to, nor the receipt of, Inside Information.

Notification of any dealing in NHF Securities under this paragraph and the completion of Part B of the Notification Form to Deal in NHF Securities does not constitute approval of the dealing by or on behalf of the nib Group.

3.5 Confirmation

In addition to providing advance notice under paragraph 3.4, Key Management Personnel must confirm in writing to the relevant Notification Officer(s) when the dealing in NHF Securities has occurred, the number of Securities affected and the relevant parties to the dealing, no later than 2 working days after the dealing in NHF Securities has occurred.

3.6 Trading with permission

If there are:

- (a) exceptional circumstances (to be determined with regard to the ASX Listing Rules and ASX Guidance Note 27); and
- (b) the person concerned declares that they do not possess any Inside Information,

then approval may be given by the Notification Officer in their discretion to allow a Key Management Person to deal during a Closed Period. Any such approval must be obtained in advance. It cannot be given after the event.

A dealing for which approval is given remains subject to the notice requirements of paragraphs 3.4 and 3.5.

3.7 Extension of trading policy

The Board of Directors may also from time to time extend this trading policy by

specifying that employees are also restricted from dealing in the Securities of other specified companies with which nib may have a close relationship.

4 Prohibitions

4.1 Dealing in financial products issued over NHF Securities by third parties

Key Management Personnel are not permitted to deal at any time in financial products designed to track, hedge or in any other way take a position associated with the future value of NHF Securities, including options, warrants, futures or other financial products issued over NHF Securities by third parties such as banks and other institutions.

4.2 Limiting economic risk

Key Management Personnel are not permitted to enter into transactions in products associated with NHF Securities which operate to limit the economic risk of their security holding in NHF (eg hedging arrangements). This extends to any hedging arrangements or other such transactions in respect of rights under a Plan.

4.3 Margin Loans and other secured financial arrangements

- 4.3.1 Key Management Personnel are prohibited from entering into or maintaining a margin loan over NHF Securities issued by NHF.
- 4.3.2 Key Management Personnel are permitted to enter into or maintain other secured financial arrangements over NHF Securities issued by NHF subject to Board approval being obtained.

5 Confidential Information

You must treat all sensitive, non-public information (“**Confidential Information**”) about nib as confidential and belonging to the nib Group. You must not disclose Confidential Information to others (including family members, relatives, business or social acquaintances) except as authorised or legally required. You must avoid inadvertent or indirect disclosure of Confidential Information. Even within the nib Group, Confidential Information should be distributed to or discussed with others only on a need-to-know basis, and those people must be told that the information is confidential. Be careful that your conversations are not overheard in elevators, aeroplanes or other public places. Do not leave Confidential Information on conference tables, desks or otherwise unguarded; and take whatever steps which are reasonably necessary to keep Confidential Information from being disclosed, except as authorised or legally required.

6 Employment and monitoring of compliance

All new and current Employees will be required to complete an “**Acknowledgment by Employee/Director**” (in the form of Schedule 3). All directors will be required to provide this completed form to the Company

Secretary.

7 Review and publication of this policy

The nib Group's Board of Directors will review this policy annually. This policy may be amended by resolution of the Board of Directors.

A copy of the nib Group's trading policy will be distributed to all employees and directors (present and future) and will also be available on the nib website. It is the responsibility of each such person to comply with this policy.

8 Where can I obtain further information?

If you require any further information or assistance, or are uncertain about the application of the law or this trading policy in any situation, please contact the Company Secretary at company.secretary@nib.com.au or on (02) 4914 1768.

Schedule 1 - Notification Form to Deal in NHF Securities

Part A - For completion by Key Management Person

| | |
|--|--|
| Name of Key Management Person | |
| Description of Securities (ie number of Securities) | |
| Nature of agreement/dealing (sale/purchase/subscription) | |
| Proposed date of transaction (ie completion date) | |

I confirm that:

- (a) I am not in possession of any unpublished information which, if generally available, might materially affect the price or value of NHF Securities; and
- (b) the transaction in NHF Securities described above does not contravene the trading policy of the nib Group dated 23 July 2015.

Signed:

Dated:

Part B - For completion by Notification Officer

I confirm that I am not aware of any circumstances pursuant to which the Key Management Person named above is, or is likely to be, in possession of unpublished information which, if generally available, might materially affect the price or value of NHF Securities.

Name:

Title:

Signature:

..... Dated:

.....

The completed form is to be sent to the Company Secretary or other applicable Notification Officer(s).

Schedule 2 - Notification Officers

In this policy the relevant Notification Officer(s) for each of the Key Management Personnel is as set out in the table below:

| Key Management Person | Notification Officer(s) |
|--|---|
| Chairman | Managing Director and the Chairman of the Audit Committee |
| Managing Director or Non-executive Directors | Chief Executive Officer Chairman Chairman Company |
| Secretary | Managing Director |
| All other Key Management Personnel | Company Secretary |

Schedule 3 - Acknowledgment by Employee/Director

I have read and understood the document entitled Trading Policy – the nib Group (“Trading Policy”) and agree to be bound by and to comply with the Trading Policy as amended or replaced from time to time.

Signature:

Name:

Business Unit:

Dated:

Please return completed form to the Company Secretary.