



# 2022 Modern Slavery Statement

This joint statement covers the activities of nib holdings limited (ACN 125 633 856) and its controlled entities (“nib Group”) including the reporting entity, nib health funds limited (ACN 000 124 381), during the financial year ended 30 June 2022 (FY22). For the purposes of this statement, references to “nib” or “Group” include all these entities.

This joint statement is issued by nib Group and sets out the actions taken to understand the risks of and implement actions to address and mitigate modern slavery and human trafficking across our operations, supply chain and investments.

## **Acknowledgement of Indigenous Peoples**

nib operates and supports employees and members from all corners of the world. Our organisation acknowledges and respects the custodianship that Indigenous peoples have on their lands and waterways.



# Message from the Chairman

## I am proud to launch nib's third Modern Slavery Statement.

The Board is pleased to see that nib has taken meaningful action over the course of FY22 to respect and protect human rights and improve nib's processes and practices for preventing modern slavery in its business, supply chain and investments.

nib's purpose is your better health and wellbeing, which extends beyond the lives of its employees and members. We know that modern slavery is having a devastating impact on the lives of millions of people around the world, including in Australia, and that is why nib has zero tolerance for all forms of slavery and slavery-like practices, child labour, forced labour, debt bondage, human trafficking and forced marriage.

We recognise that addressing modern slavery and human rights abuses relies on individual action by corporates, governments and broader civil society, but it is the collective effect of their efforts that will uncover and eradicate these insidious practices.

Our focus for FY22 has been on educating our suppliers, increasing our capability to assess and address risks in our supply chain and broaden our connections with civil society, including the United Nations Global Compact Australian Network Modern Slavery Community of Practice.

But there is more to do in FY23, and we will continue to expand our efforts and capability to ensure the prevention of modern slavery within our business, supply chain and investments remain a focus.

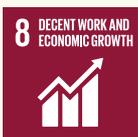
This joint statement was approved by the Board of nib holdings limited in its capacity as the principal governing body for nib holdings limited and as the parent company in the nib Group on 25 November 2022.

**David Gordon**  
Chairman

This statement is signed by David Gordon in his role as the Chairman the Board of nib holdings limited on 25 November 2022.

## Key milestones for FY22

- Enhanced system capability to increase automation and frequency of supplier questionnaires and continuous improvement plans issued.
- Introduced supplier screening at the pre-contract stage for strategic procurement activities.
- Issued first continuous improvement plans to suppliers with multiple risk factors.
- Embedded continuous improvement plan reviews into our procurement practices.
- Continued to screen our investment portfolio for modern slavery risks.
- Updated our modern slavery incident response and remediation plan as part of a review of our *Guide to Modern Slavery*.
- Ensured all nib employees completed mandatory annual modern slavery compliance training.
- Became a signatory to the United Nations Global Compact and joined the Australian Network Modern Slavery Community of Practice.
- Enhanced our Human Rights Statement and elevated approval to the Board.



Leadership & Governance



Economic Development & Employment

Supporting strong economic development through employment and procurement, creating a more sustainable supply chain and ensuring ethical procurement practices are core elements of nib Group's sustainability principles. Our focus aligns with the United Nation's Sustainable Development Goal 8 – Decent Work and Economic Growth.

# Our business

nib Group is a trusted international health partner, empowering our members and travellers to make better decisions and improve health outcomes through greater accessibility to affordable health services and information.

We are the health and medical insurer of choice for 1.5 million Australian and New Zealand residents, as well as more than 180,000 international students and workers in Australia. During FY22, we expanded our insurance offering in New Zealand to include life and living insurance through the acquisition of Kiwi Insurance Limited.

In addition, we are a top-three Australian travel insurer and global distributor of travel insurance through our business, nib Travel, providing financial protection and assurance to travellers wherever they are in the world.

Created in 2008, our charitable giving organisation, [nib foundation](#), partners with charities across Australia and New Zealand that share our aspirations to help people and communities achieve better health and wellbeing. Since its inception, our foundation has committed over \$24.9 million in funding to over 191 partners and continues to commit \$1.5-\$2 million each year.

The nib Group recently announced its entry into the Australian National Disability Insurance Scheme (NDIS). The NDIS has become a vitally important part of Australia's social capital and a significant economic sector. It supports 530,000 participants. nib's activities in relation to the NDIS will form part of nib's operations in future reporting periods.

nib also invests in companies that aim to bring better health and wellbeing to Australia's remote regions. We work with partners to provide support programs to keep people healthy, get them back to work sooner after injury, and stop them being re-admitted to hospital after a major heart health event. Our aim is better health and wellbeing for our members, their families and communities.

## Our structure

nib holdings limited (the parent company in the nib Group) is an Australian public company listed on the Australian Stock Exchange (ASX: NHF).

This joint statement applies to nib holdings limited and its controlled entities (including nib health funds limited who is required to report under the Modern Slavery Act). The nib Group is comprised of a number of entities, of which details can be found on page 113 of nib Group's [2022 Annual Report](#).

## Consultation with reporting entities

We have a Group-wide approach to managing modern slavery risk within our business, supply chain and investments.

Our Group governance approach promotes ongoing consultation with each nib Group entity on human rights due diligence, and the outcomes are reported annually in this Statement. These reporting entities are directly accountable to the Group CEO and the nib holdings limited Board.

Each of nib Group's reporting entities and the entities they own and control have been consulted in the development of this joint statement and have been provided a copy of it.

This consultation was achieved through:

- each entity in the nib Group being provided an opportunity to contribute prior to submission of this joint statement through a group management committee;
- common Board members sitting on each of the respective reporting entity Boards;
- regular modern slavery working group meetings that include representatives from all reporting entities;
- key business units (such as procurement) that have Group-wide responsibility for our modern slavery response for all reporting entities in the nib Group; and
- policies, procedures and practices (including our *Guide to Modern Slavery*), which apply to all reporting entities in the nib Group.

nib Group operates the following business divisions:

Australian residents health insurance (arhi)	 
nib New Zealand (nib nz)	
International inbound health insurance (iihi)	 
nib Travel	  
nib foundation is consolidated into the nib Group	

Investments	Joint ventures and interests in associates
nib's investment portfolio consists of several different asset classes with the majority held in defensive investments.	nib holds strategic investments in other companies to complement the Group's health insurance business or which use the Group's knowledge or expertise in health insurance.



## Our operations

Our purpose is your better health and wellbeing. We are a trusted partner in helping our members and travellers make more informed healthcare decisions, transact with healthcare systems and generally live healthier lives.

While nib Group's core operations are located in Australia and New Zealand, our international presence means that we have operations in five countries. We directly employ more than 1,350 people and engage a small percentage of our workforce as contractors via outsourcing arrangements.

## Our locations

nib also engages a small number of contractors in China and India via a third-party labour hire arrangement, and has a business process outsourcing arrangement in place with Acquire Asia Pacific Inc under which a number of administrative functions in our health insurance and nib Travel businesses are performed in the Philippines.

## nib employee locations across the world



## Our supply chain

During FY22, nib undertook a review of the suppliers in its supply chain to ensure that we are accurately determining the extent of our supply chain, and taking appropriate action to assess and address our risks of modern slavery.

There are approximately 5,200 suppliers in nib's direct supply chain. In previous reporting periods, nib had captured as part of its supply chain, and risk assessments, a further 25,000 entities that were independently engaged by our insured members. Those entities were general ancillary medical providers (for example physiotherapists), specialists and uncontracted hospital groups that provide goods and services to nib's members and travellers, and with whom nib has no relationship. nib's role as an insurer is to reimburse its members for services they have received from others.

nib believes that the previous approach resulted in an inaccurate representation of our supply chain as it extended to entities that did not contribute to our own products and services. We recognise that suppliers in the insurance and healthcare industries have long and often complex supply chains, which increases the potential risk of modern slavery. With this in mind nib's approach is to focus on suppliers within our supply chain who:

- we have a direct, ongoing contractual arrangement with;
- is directly linked to our business operations and is core to our services; and
- we have influence over pricing, services and business practices.

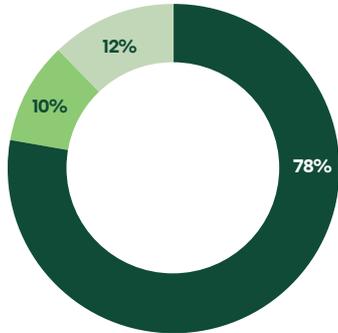
We believe this aligns with the intent of the United Nations Guiding Principles on Business and Human Rights and the *Modern Slavery Act 2018* (Cth).

The majority of suppliers in nib's supply chain distribute its products and services or provide members and travellers with access to world class healthcare.

Almost 90% of those suppliers are located in Australia or New Zealand.

# Our business continued

## Supplier by location



● Australia ● New Zealand ● Other

Our two major categories of procurement by Global Industry Classification Standard (GICS) are:



**41%**

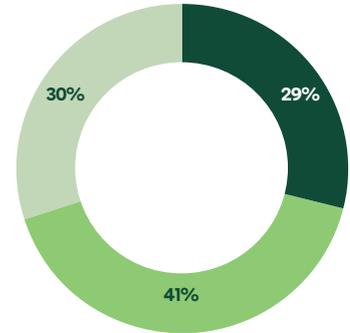
**Insurance Brokers**



**29%**

**Healthcare Services & Healthcare Facilities**

## Supplier by GICS Code



● Healthcare Services & Healthcare Facilities ● Insurance Brokers ● Other

Our largest category of supplier (by number) is insurance brokers, with the vast majority comprising education and visa agents through which nib distributes international student and international worker health cover.

These agents are located both in Australia, and a range of source countries for international students and workers, including China, India, Nepal and south-east Asia. This category also includes domestic comparator businesses, such as iSelect, and nib's white label insurance partners, including Qantas, Suncorp, ING and Priceline.

Healthcare services and healthcare facilities comprise the second largest category of supplier in our supply chain (by number), with a combined 29%. This includes hospitals, medical and ancillary providers with whom nib has a contractual relationship, and whose products and services are utilised by our insured members. As noted above, there has been a significant reduction in the number of entities in this category in comparison to FY21 as a result of nib's review of its supply chain.

We understand cash flow is important to small businesses and supporting their cash flow reduces the risk of poor labour practices. We comply with the Payment Times Reporting Scheme in Australia, including disclosing our payment terms and times, and are proud to report 99% of Australian small business invoices were paid within 30 days of receipt in FY22.



# Our human rights governance structure



## nib Board

Responsible for the governance of the Group, including:

- establishing, overseeing and regularly reviewing a system for identifying, assessing, monitoring and managing material risk throughout the Company
- establishing, overseeing and regularly reviewing systems of internal compliance, risk management and control, and systems of legal compliance that govern the operations of the company, and ensuring they are operating effectively;and
- establishing, overseeing and regularly reviewing written policies, codes and procedures governing compliance, risk oversight and management

Considers recommendations from the Risk and Reputation Committee and Management Sustainability Committee regarding Modern Slavery Acts requirements.



## Risk and Reputation Committee

Assists and makes recommendations to the Board on:

- the appropriateness of risk policy, risk management strategy and risk management framework
- the effectiveness of nib's risk management framework
- identification and assessment of material risks
- nib's systems and procedures for compliance with applicable legal and regulatory requirements
- sustainability initiatives and the social, environmental and ethical impacts of nib's business practices on nib stakeholders including, but not limited to, members, employees and community recommending standards for social, environmental and ethical practices.



## Management Sustainability Committee

Oversees and guides the establishment of operational structures and reporting mechanisms for the management of Modern Slavery Act requirements. Identifies risks and opportunities for improvement including monitoring the market for emerging issues that should be escalated to the Risk and Reputation Committee and the Board.



## Modern Slavery Working Group

The purpose of the working group is to ensure nib meets the Modern Slavery Act reporting requirements, while also utilising the opportunity to steer nib's efforts in terms of ethical sourcing and human rights. It includes representatives from across the Group including the following business units Strategic Procurement; Sustainability; Finance; Legal; Risk; Compliance and Governance; People and Culture; Health Service Contracting and Community.



Key Supporting Business Units



Sustainability



Strategic Procurement



Risk

We recognise there is a relationship between modern slavery, bribery, corruption and other crimes. We 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. Our corporate governance commitments are outlined on our [website](#).

# Identifying modern slavery risks

Importantly, when assessing modern slavery risk, we take a human-rights approach by considering risks to people.

During FY22, we matured and expanded our mechanisms to understand our potential exposure to modern slavery risk within our business and supply chain.

This has been achieved through the ongoing application of our risk assessment methodology, which aligns with our nib Group Risk Management Framework.

## Risk assessment methodology

To assess suppliers, we apply a scorecard methodology to risk assessment, which includes evaluation of several indicators of modern slavery risk such as the type of product and service, sector and industry, geographical location and specific entity risk.

We use tools and resources such as the Global Slavery Index, Responsible Sourcing Tool, Social Hotspot Database and local non-government organisation reports to assess initial risk ratings (or 'inherent risk' ratings) for each supplier.

This methodology is automated through a technology platform that helps us map our supply chain from very low to very high inherent risk of modern slavery. This allows us to undertake a more targeted risk assessment by issuing modern slavery questionnaires to all suppliers with a high inherent risk rating, and many medium risk suppliers.

## Risks within our operations and supply chain

We recognise that modern slavery may occur in our organisation and supply chain. However our assessment of the nib Group's supply chain shows that a very small proportion of our suppliers have a high inherent risk of modern slavery.

As noted above, nib has more accurately described our supply chain in FY22, which in turn enabled us to more accurately reflect nib's exposure to modern slavery risks in our operations and supply chains.

The table below shows the inherent risks of modern slavery for this supply chain, compared to the inherent risk in FY21, which included not only nib's supply chain, but a significant number of suppliers that were providing goods and services independently to our members.

Risk Level	FY22	FY21
Very high	0.00%	0.01%
High	1.00%	0.08%
Medium	49.00%	90.71%
Low	21.00%	2.75%
Very low	29.00%	6.34%

nib Group's core business relates to financing healthcare treatment and as such our supply chain features suppliers directly related to either the sale and distribution of our health insurance products or payments to healthcare providers.

We also purchase laptops, computers and mobile phones to enable our workforce and merchandise including garments to support various internal and external stakeholder engagement activities. We recognise these product categories pose a higher risk of modern slavery, however, currently none of these suppliers have a high inherent risk.

In addition, while our supply chain is predominantly located in Australia, which has a lower level of modern slavery risk, nib Group's operations and suppliers in international countries, particularly Asia, have an elevated risk of modern slavery.

Our FY22 assessment has identified that suppliers from the following countries and industries (based on Global Industry Classification System) have the highest inherent risk of modern slavery within our supply chain<sup>1</sup>. nib engages a small number of contractors in China and India via a third-party labour hire arrangement. nib is cognisant of the inherent risks of labour arrangements in these countries. However, nib maintains a series of controls to ensure fair and consistent working conditions. These controls include the application of nib's employment policies to these third party labour hire arrangements, as well as annual reviews of employment contracts, salary and performance reviews consistent with Group practices and regular team engagement activities and meetings.

Similarly, with respect to nib's business process outsourcing arrangement with Acquire Asia Pacific Inc in the Philippines, nib maintains a very close business relationship with Acquire to ensure working conditions for the relevant employees are fair and free of exploitation.

It's also important that we apply the same risk methodology assessment to nib's operations to assess the inherent and residual risk of modern slavery within our own business practices. This shows that nib has a very low inherent risk rating based on core country and industry sector (Financials GICS code).

Country	Industry
<b>Philippines</b>	Insurance Brokers Education Services Human Resource & Employment Services Research & Consulting Services Advertising
<b>Pakistan</b>	Insurance Brokers
<b>India</b>	Human Resource & Employment Services Diversified Support Services Hotels, Resorts & Cruise Lines Research & Consulting Services
<b>China</b>	Diversified Support Services Human Resource & Employment Services
<b>Hong Kong</b>	Diversified Support Services Health Care Supplies

1. Countries shown are where more than one nib supplier is located.



We also completed a supplier questionnaire on nib's operations to demonstrate further due diligence, which resulted in a moderate residual risk rating. This is reflective of the work done to date to respect and protect human rights and encourage ethical business practices within our operations as outlined in this statement.

nib is also a supplier, and has participated in a number of supplier assessments with our upstream suppliers. To date, there has been no request for remediation plans or improvements to our human rights efforts.

### Risk in investments

nib recognises that we may contribute to modern slavery risks through our investment portfolio. During the year we continued to screen for risks.

Our commitment to thorough risk management and a responsible approach to our investments is reflected in our [Responsible Investment Policy](#), which also outlines our engagement priority of reducing human rights abuses (including modern slavery) and labour rights abuses.

Our appointed investment managers (Mercer in Australia and Nikko AM in New Zealand) also share our belief in protecting human rights.

[Mercer's Sustainable Investment Policy](#) outlines its screening activity, which includes breaches of human rights, while their [Investment Approach to Modern Slavery](#) reflects its commitment to assessing and addressing modern slavery risk in its investment process.

Similarly, Nikko AM is committed to supporting the fight against modern slavery and human trafficking. In 2021, it created the Freedom Fund, which gives investors the chance to use their dormant capital to help protect people's lives. All fees and returns from the Freedom Fund are donated to Tearfund, a charity with an end-to-end response to human trafficking that works with partners in five of the world's poorest nations.

Furthermore, our investment managers maintained their commitment to the United Nations Principles for Responsible Investment. These principles encourage investors to conduct human rights due diligence in accordance with intergovernmental instruments, declarations and guidelines.

### nib foundation

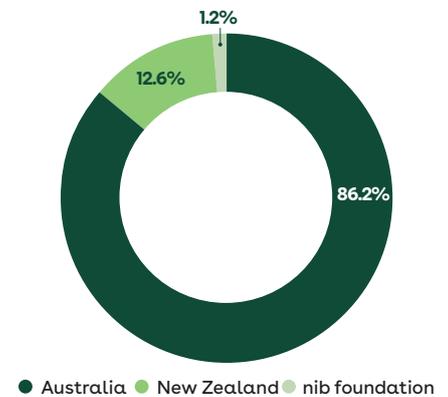
Our charitable arm, nib foundation, has an Investment Policy Statement that sets out investment restrictions and guidelines for its corpus and includes an ethical screen overlay.

nib foundation's investment manager, Macquarie, undertakes an annual review of environmental, social and governance (ESG) ratings and attributes of the investments that we hold. Macquarie advise on any significant ESG issues that warrant consideration or investment exclusion.

Macquarie has also publicly committed to identifying and mitigating the risk of modern slavery and human trafficking occurring in their business operations and supply chain via their [2022 Modern Slavery Act Transparency Statement](#).

Macquarie is a signatory to the United Nations Principles for Responsible Investment.

### FY22 Invested Funds



# Actions to assess and address risk

nib remains committed to assessing and addressing the risk of modern slavery and human rights abuses within our business and working in partnership with suppliers and investment managers to influence change.

During FY22, we focused on suppliers where we can influence change. We identified more ways to increase our leverage, including through engaging with various industry, business, government and community stakeholders. We embedded and expanded our actions to enhance supplier contracts, ensuring our requirements for modern slavery compliance and reporting are included

in nib's standard supply agreement and negotiated into third party agreements to the extent we are able to do so.

We also continued to assess our suppliers by issuing modern slavery questionnaires to all suppliers with a high inherent risk rating, and material medium risk suppliers, during FY22.

Through our investment managers, we continued to screen our investment portfolio by applying nib's Responsible Investment Policy, which excludes investments in gambling, tobacco, controversial weapons and carbon intensive fossil fuels<sup>1</sup>.

No breaches of our exclusions and no modern slavery red flags were identified in our annual compliance review against nib's Responsible Investment Policy.

Our employees completed modern slavery compliance training, and we maintained regular reporting to nib Group committees and the Board.

Importantly, this year we also reviewed and updated our Modern Slavery incident response and remediation plan, which forms part of our *Guide to Modern Slavery*.

Governance and collaboration	Policies, procedures and employee training	Due diligence and remediation	Supplier engagement
<ul style="list-style-type: none"> <li>✓ Held quarterly Modern Slavery Working Group meetings</li> <li>✓ Provided quarterly reports on modern slavery to nib Group committees and Board</li> <li>✓ Continued to lead health insurance industry consortium with quarterly meetings and focus on supplier education and shared learnings</li> <li>✓ Joined the United Nations Global Compact Australian Network Modern Slavery Community of Practice</li> <li>✓ Became a founding member of the Insurance Council of Australia's (ICA) Modern Slavery Working Group</li> <li>✓ Engaged with various industry, business, government and community stakeholders</li> <li>✓ Participated in external conferences, webinars and training</li> </ul>	<ul style="list-style-type: none"> <li>✓ Undertook annual review of policies and procedures</li> <li>✓ Enhanced Human Rights Statement to further align with the <i>United Nations Guiding Principles for Business and Human Rights</i></li> <li>✓ Reviewed and updated Supplier Code of Conduct</li> <li>✓ Increased number of current supplier contracts with modern slavery clauses</li> <li>✓ Incorporated modern slavery clauses into new supplier agreements</li> <li>✓ Modern slavery screening embedded in procurement tender and onboarding processes</li> <li>✓ Revised nib's <i>Guide to Modern Slavery</i></li> <li>✓ Annual modern slavery compliance training completed by all employees</li> <li>✓ Increased awareness of modern slavery risk among employees via internal communications</li> </ul>	<ul style="list-style-type: none"> <li>✓ Screened investment portfolio for modern slavery risk and assessed compliance with Responsible Investment Policy and Investment Policy Statement</li> <li>✓ Enhanced system capability to increase automation and frequency of supplier questionnaires and continuous improvement plans</li> <li>✓ Supplier risk assessments undertaken as part of tender process and modern slavery questionnaires issued to most new suppliers as part of onboarding process</li> <li>✓ Progressed assessment of suppliers with a medium inherent risk rating</li> <li>✓ Commenced issuing continuous improvement plans to suppliers with multiple risk factors</li> <li>✓ Embedded continuous improvement plan reviews into our procurement practices</li> <li>✓ Updated modern slavery incident response and remediation framework</li> <li>✓ Participated in upstream supplier assessments on nib Group</li> </ul>	<ul style="list-style-type: none"> <li>✓ Used training video in our procurement processes to build supplier awareness of modern slavery and nib's expectations</li> <li>✓ Worked with the private health insurance industry consortium to prepare a supplier education webinar to be held in FY23</li> </ul>

1. Gambling and carbon intensive fossil fuel exclusions are subject to revenue thresholds set by individual investment managers.



## Supplier assessments

We continue to conduct risk assessments of suppliers based on country of operation and industry code to determine the inherent risk of modern slavery. This allows us to issue follow-up questionnaires, recognising many suppliers have strong processes in place to mitigate those risks.

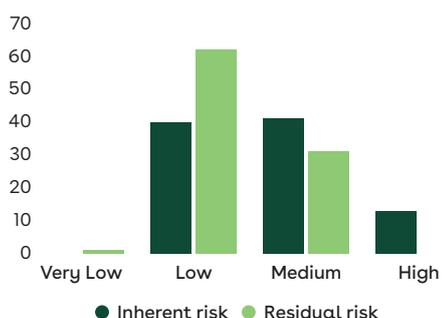
Throughout FY22, we worked with our technology platform provider to increase the automation and frequency with which questionnaires and continuous improvement plans are able to be issued to suppliers.

We continue to apply a risk-based approach to target our assessment efforts on our medium and high-risk suppliers.

Our focus on system improvement and developing the capability to issue continuous improvement plans has meant that we issued fewer questionnaires in FY22 than FY21.

The table below sets out the risk rating applied to our suppliers following an initial risk assessment (inherent risk as represented in dark green), compared against the risk rating applied to our suppliers following our supplier assessment process and issue of supplier questionnaires over the period FY20-FY22 (residual risk as represented in light green).

### Supplier Risk Rating



## Supplier continuous improvement planning

We expanded our supplier assessment process this year by developing and issuing continuous improvement plans to suppliers that we identified as having eight or more key areas for improvement in their approach to managing and addressing modern slavery risk. During FY22, a total of 23 suppliers were issued continuous improvement plans.

Continuous improvement plans outline opportunities for strengthening a supplier's approach to modern slavery risk. We will monitor progress against each continuous improvement plan and periodically reissue questionnaires to monitor each supplier's risk rating.

In FY23, we will continue to expand and automate the continuous improvement plan process and work with suppliers to complete these plans once issued.

## Investment compliance

Pleasingly in FY22, 100% of our investments managed by Mercer and Nikko AM complied with nib Group's Responsible Investment Policy and Macquarie reported 100% compliance with nib foundation's Investment Policy Statement.

## Managing incidents of modern slavery

We maintain a Group-wide procedure for reporting any modern slavery risk or incidents in line with our incident management procedure. Upon becoming aware of an incident involving modern slavery within our business or supply chain, we take steps to promptly investigate and undertake remediation actions that are appropriate.

Our procedures include:

- documenting suspected or known modern slavery incidents on our incident management online reporting system so that any incident can be assessed by our Incident Response team quickly (within 24 hours of identification), and escalated as required.
- knowing the people we need to speak to in the event of a modern slavery incident.
- reviewing the incident and implementing actions to remediate and prevent future modern slavery incidents.

Importantly, nib will prioritise victims' rights in any remediation activity. We will also seek to assess and address the root causes of any incidents.

Furthermore, we have an established [Whistleblower Policy](#) and reporting mechanism to ensure concerns can be raised without victimisation, harassment, or discrimination.

## nib's Modern Slavery Incident Management Procedure



### 1. Modern slavery incident reported



### 2. Conduct preliminary assessment

Within 24 hours of identification and including elements such as

- a high level of urgency
- a focus on immediate containment strategies
- Consideration of "serious harm" to any of the individuals
- Ensure actions are in the best interests of the victim / suspected victim
- Assessment required of nib's procurement of services related to the supplier in question.
- Consideration of the scope and extent of the alleged incident or practice, e.g. is it a one-off or systemic issue?
- Verification of any claims
- Reporting to law enforcement (if required)



### 3. Remediation phase and actions



### 4. Communication with stakeholders and the public (as required)



### 5. Review phase

# Measuring our Effectiveness

nib matured its effectiveness measures during FY22. Outcomes in each of our four focus areas are outlined below.

Focus Area	Actions	Measurement	FY22 Result
<b>Governance and collaboration</b>	Board and management oversight	Discussed at meetings of the Board, Board committees, relevant internal committees and Modern Slavery Working Group	Achieved through: <ul style="list-style-type: none"> <li>• Annual oversight and approval of Modern Slavery Statement by Board</li> <li>• Quarterly discussion at Management Sustainability Committee</li> <li>• Quarterly Modern Slavery Working Group meetings held</li> </ul>
	Regular reporting	Board and Management Sustainability Committee reporting	Achieved through quarterly reporting
	Industry collaboration	Regular meetings of industry consortium	Achieved quarterly private health insurance industry consortium meetings
<b>Policies, procedures and employee training</b>	Policy and procedure reviews	Policies, procedures and practices reviewed in line with agreed timelines and communicated with employees, suppliers and investment managers	Achieved through the following policies and procedures being reviewed and updated: <ul style="list-style-type: none"> <li>• <i>Guide to Modern Slavery</i></li> <li>• Modern Slavery Act Compliance Process</li> <li>• Supplier Code of Conduct</li> <li>• Human Rights Statement</li> </ul>
	Supplier contracts	Modern slavery clauses included in new supplier contracts to the extent practicable	Achieved
	Employee training	% of employees trained	100%
	Grievance mechanisms	Number of grievances raised and/or remediated	0
	Initial supplier risk assessments	Risk assessments conducted on all new suppliers	Achieved
<b>Due diligence and remediation</b>	Supplier questionnaire assessments	Number of supplier questionnaires issued to medium and high-risk suppliers	27
	Supplier continuous improvement plans	Number of supplier continuous improvement plans issued	23
	Monthly business unit compliance statements	Number of exceptions from monthly compliance statements	0
<b>Supplier engagement</b>	Supplier engagement	Supplier training or education provided on modern slavery	Achieved

Furthermore, we sought advice from external experts on the preparation of this statement to ensure it complied with the *Modern Slavery Act 2018* (Cth). Going forward we will continue to improve and implement our effectiveness measures in our four focus areas outlined above.



# Stakeholder engagement and collaboration

Tackling modern slavery is not something that can be achieved by one organisation in isolation. As recognised in the Issues Paper for the review of the *Modern Slavery Act 2018*<sup>1</sup>:

*There is international acceptance that new approaches – legal, commercial and cultural – are required to block the spread of modern slavery.*

During the year we continued to work with a range of stakeholders to help inform them of our approach to managing modern slavery risk including business partners, other reporting entities, the Department of Home Affairs, the investment community, human rights and sustainability experts as well as non-government organisations.

nib became a signatory to the United Nations Global Compact and joined the Australian Network Modern Slavery Community of Practice.

We also joined the ICA's Modern Slavery Working Group established during the financial year to help address modern slavery risk across the general insurance industry.

### Private health insurance industry consortium

We maintained our industry approach to addressing modern slavery risks across the private health insurance industry through our consortium with Australian health funds.

The consortium has continued to share learnings and to improve processes to support suppliers assess risks and ethical issues.

Our technology platform is used by multiple health funds, which streamlines the process for common suppliers by needing to only respond to one questionnaire.

The use of this platform also means we can share our process for creating and issuing continuous improvement plans to suppliers.

## The year ahead

A key goal of the Australian Government's National Action Plan to Combat Modern Slavery 2020-2025 is to promote a collaborative response, built on common and broad participation.

We recognise the role we have to play to identify and assess the risks within our operations, supply chain and investments, and to take action if and when instances of abuse are found.

Set out below are our priorities for FY23.

Governance and collaboration	Policies, procedures and employee training	Due diligence and remediation	Supplier engagement
<ul style="list-style-type: none"> <li>Participate in the <i>Modern Slavery Act 2018</i> (Cth) consultation led by the Australian Government</li> <li>Maintain and enhance partnerships with civil society to support efforts to combat modern slavery</li> <li>Increase effectiveness of engagement with industry and other key stakeholders</li> <li>Maintain regular Board and committee reporting and quarterly Modern Slavery Working Group meetings</li> </ul>	<ul style="list-style-type: none"> <li>Review and strengthen our grievance mechanisms to ensure they specifically consider modern slavery</li> <li>Ensure supplier and partnership contracts contain modern slavery clauses to the extent practicable</li> <li>Conduct annual review of policies and procedures including Supplier Code of Conduct</li> <li>Test our Modern Slavery Incident Management Procedure</li> <li>Achieve 100% completion rate on employee modern slavery compliance training</li> </ul>	<ul style="list-style-type: none"> <li>Undertake supplier assessments on at least 20 Australian Residents Health Insurance suppliers and eight Australian hospital groups</li> <li>Reassess our own business using our risk assessment methodology</li> <li>Maintain processes to ensure suppliers engaged include modern slavery assessments and provisions</li> <li>Consolidate and grow automated supplier assessment feedback and continuous improvement plans</li> <li>Ensure at least 30 suppliers complete a continuous improvement plan</li> <li>Conduct annual assessment of investment portfolio for modern slavery</li> <li>Support Macquarie to adopt nib Group's Responsible Investment Policy and assess all investments for compliance against our Responsible Investment Policy</li> </ul>	<ul style="list-style-type: none"> <li>Develop and deliver modern slavery webinar for suppliers</li> <li>Continue to provide education to suppliers on modern slavery during onboarding and assessment</li> </ul>

1. Australian Government, *Review of Australia's Modern Slavery Act 2018: Issues Paper*, 2022, p. 4.

# Appendix – Modern Slavery Act Statement Annexure

The below table outlines where throughout this Modern Slavery Statement nib has addressed each of the mandatory reporting criteria in section 16 of the *Modern Slavery Act 2018* (Cth).

<b>Mandatory criteria</b>	<b>Page number</b>
a) Identify the reporting entity.	Inside front cover
b) Describe the reporting entity's structure, operations and supply chains.	2-4
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	6-7
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	8-9
e) Describe how the reporting entity assesses the effectiveness of these actions.	10
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	2
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.	11-12

## Company directory

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## Further information



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