

medibank

medibank



Sustainability Report 2022

For healthy futures

Contents



Medibank acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of this nation. We proudly recognise Elders past, present and emerging as the Traditional Owners of the lands on which we work and live. We're committed to supporting Indigenous self-determination and envision a future where all Australians embrace Aboriginal and Torres Strait Islander histories, cultures and rights as a central part of our national identity. Aboriginal and/or Torres Strait Islander peoples should be aware that this report may contain the images and names of people who may have passed away since publication.

This report is part of our Medibank Group suite of reporting for the 2022 financial year – 1 July 2021 to 30 June 2022. You can find more information about our performance in our [annual report](#) and [full year results investor presentation](#).

Our cover features VANgo, our mobile store on wheels, at the Noosaville parkrun event. We're using VANgo to improve access to our services in rural and regional areas of Australia and connect people to a better quality of life.

References to 2020, 2021 and 2022 are for the financial years ending 30 June 2020, 30 June 2021 and 30 June 2022 respectively unless otherwise stated. References to COVID are for COVID-19. References to Medibank Group are to Medibank Private Limited (ACN 080 890 259) and its ultimately wholly owned subsidiaries. References to our Net Zero pathway are based on Medibank Group's current business-as-usual operations and does not account for any future partnership and investment activity or its investment portfolio. Selected ESG metrics have been independently assured by PwC.

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Medibank Group – our story

We're a health company working to create Better Health for Better Lives by providing the **best health and wellbeing experience for people across Australia**. Building upon our 46-year history as one of Australia's **leading health insurers**, our Medibank and ahm brands now **support millions of customers** to manage their health and wellbeing through personalised products and services.

We're investing in preventative health and reimagining healthcare to give people greater choice, better access and more control over their care. We're partnering with doctors, hospitals and governments to deliver care in new ways – and growing and developing new health services through our Amplar Health business. We're also working together to drive the change within Australia's healthcare system to help ensure it can support our generation and those to come.

Better Health for Better Lives

Purpose

Vision
The best health and wellbeing for Australia

Values



Customer obsessed



Show heart



Brilliance together



Break boundaries

Strategy

Growing as a health company



Deliver leading experiences



Differentiate our insurance business



Expand in health

Our brands

medibank
Live Better

ahm

You're good.



Amplar Health
Making Health Personal

Health insurance

Diversified insurance



Travel



Pet



Life



Car and home

Health services

Health and wellbeing including Live Better

Preventative programs

Clinical homecare and virtual care

Investments in primary care, virtual care and health system navigation support

Investments in no gap healthcare programs

Sustainability focus areas



Customer health



Employee health



Community health



Environmental health



Governance



David Koczkar
CEO

Mike Wilkins
Chair

We're pleased to **present our 3rd sustainability report**, showcasing our progress across **environmental, social and governance (ESG)** areas over the past year. People have higher expectations about the role businesses must play in bringing about **broader societal change for the greater good**. At Medibank, we share those expectations – we want to be **part of this change and are working to deliver it**.

For us, that means living up to our purpose of Better Health for Better Lives and making a positive impact on the health and wellbeing of our community.

It is through the decisions we make every day across our business that we can have the biggest impact. This is why we've embedded sustainability into our strategy to strengthen our focus on ESG issues and continue to support the United Nations Sustainable Development Goals. It's also why we refreshed our materiality assessment this year – to ensure we are concentrating on the topics most important to our customers, our people, our shareholders and our industry and community stakeholders.

For our customers and all patients in the Australian health system, we are seeking to deliver a better health and wellbeing experience and create more access, choice and control. We also continued to support our customers through the pandemic, with our broader financial support package and give back program standing at around \$682 million at 30 June 2022.

For the community and our people, we continue showing leadership on diversity and inclusion with the launch of our 5th Reconciliation Action Plan (RAP) and 2nd Accessibility and Inclusion

Plan (AIP). Our RAP includes measures to double representation of Aboriginal and Torres Strait Islander employees in our business and increase our procurement spend with Aboriginal and Torres Strait Islander businesses.

On environment and climate change, we've accelerated our commitments, setting science-based goals and a pathway to achieve Net Zero by 2040. We recognise the broader health industry has much to do in this space, so we're actively engaging with others to drive more sustainable practices.

We remain committed to good governance and sustainable business practices and this year engaged PwC to provide assurance over selected ESG metrics. We've strengthened our work to support and uphold human rights in Australia and beyond, publishing our 1st Human Rights Policy as well as our 2nd Modern Slavery Statement. We're also piloting a program with some of our hospital partners to better understand modern slavery risks in their supply chains.

While we know there is much more to do, we are proud to be working to affect real change in the communities we are part of, as we look to deliver Better Health for Better Lives.

Better Health for Better Lives

Purpose

Vision

The best health and wellbeing for Australia

Values



Customer obsessed



Show heart



Brilliance together



Break boundaries

Strategy

Growing as a health company

Board Risk Management Committee

Oversees and monitors progress against the Board-approved sustainability strategy

Sustainability focus areas



Customer health



Employee health



Community health



Environmental health



Governance

Material topics

Affordable, innovative and personalised healthcare

Engaged, purpose-led culture, attract and retain talent
Diverse and inclusive workforce

Supporting healthy communities
Working together to build a stronger and more sustainable health system

Environmental health and climate change

Ethical and sustainable business

Material topics

Integrated within our policies, procedures, metrics and targets

Sustainability strategy



Policies, procedures and guidelines



Metrics, targets, reporting and assurance

Our ESG performance

CDP
2021 — B

A not-for-profit charity that runs the global disclosure system. A major global ESG index with submitted data made public and provided to other key indices

Corporate Sustainability Assessment
2021 — top 21%

An annual evaluation of companies' sustainability practices, covering 10,000+ companies from around the world

Sustainalytics
2022 — top 15%

Measures a company's exposure to industry-specific material ESG risks and how well a company is managing those risks

Equileap
2022 — top 11%*

An annual Gender Equality Global Report and Ranking assessing c. 4,000 public companies around the world against 19 gender equality criteria

*global ranking

Materiality assessment

Our materiality assessment helps us **identify the sustainability issues** that our customers, employees, shareholders, community members and industry bodies believe are most important for us to address.

In 2020, we undertook an extensive materiality assessment that identified 16 material topics across five key pillars, which has guided our sustainability strategy and approach. As sustainability-related risk and opportunities become increasingly important to us and the ESG expectations of our stakeholders continue to evolve, we reassess our material topics regularly.

This year, we reviewed our materiality assessment to examine the relevance of our existing topics in meeting our stakeholders' and our own expectations and to identify any gaps that might exist. Working with our partner, we undertook interviews

with external and internal stakeholders, a customer insights survey, peer benchmarking and an analysis of our current strategy.

The review found strong alignment with stakeholder expectations and our strategic direction. It identified an opportunity to refocus our existing material topics to better reflect our current priorities, so we have consolidated our original 16 topics to seven and introduced ESG enablers to support the outcomes we are working to achieve. Our revised approach has been supported by our Executive Leadership Team and Board.

Our direct contribution to the Sustainable Development Goals

We're committed to ensuring Medibank is a **responsible** and **sustainable** business and support the United Nations Sustainable Development Goals most relevant to the work we do. These goals seek to **address the global challenges** the world faces, including those **related to poverty, inequality, climate change, environmental degradation, peace and justice**.

SUSTAINABLE DEVELOPMENT GOALS



Ensure healthy lives and promote wellbeing for all ages



Reduce inequality within and among countries



Achieve gender equality and empower all women and girls



Take urgent action to combat climate change and its impacts



Promote sustained, inclusive and sustainable growth, full and productive employment and decent work for all



Strengthen the means of implementation and revitalise the global partnership for sustainable development

Our material topics

 <p>Customer health</p>	 <p>Employee health</p>	 <p>Community health</p>	 <p>Environmental health</p>	 <p>Governance</p>
<p>Better support our customers to improve their health and wellbeing through personalised advice and by delivering greater value, access choice and control</p>	<p>Build an engaged, inclusive workforce that is customer obsessed, values and purpose driven and focused on health and wellbeing</p>	<p>Make a difference in our community, building partnerships and investing in preventative healthcare and research to address some of Australia's biggest health concerns</p>	<p>Entrench environmental sustainability into our decision making</p>	<p>Embed ethical and responsible business practices throughout Medibank and our supply chain</p>

Material topics

Affordable, innovative and personalised healthcare

Innovate to improve healthcare products and services that give people greater access, choice and control over their healthcare

Engaged, purpose-led culture, attract and retain talent

Embed our purpose and values throughout our business, and build a highly engaged skilled workforce

Diverse and inclusive workforce

Embrace and promote diversity and inclusion in the workplace and the health sector

Support healthy communities

Engage with our community to understand and respond to some of Australia's biggest health challenges

Work together to build a stronger and more sustainable health system

Partner with health professionals to drive change in the system and advocate for reform

Environmental health and climate change

Understand and address climate change and reduce our impact on the environment

Ethical and sustainable business

Embed governance, transparency and ethical practices throughout our business

Enablers

- Preventative healthcare
- Personal choice healthcare
- Partnerships with health professionals

- Healthy and safe workers
- Future Fit way of working

- Supporting mental health
- 10-year commitment to address loneliness
- Aboriginal and Torres Strait Islander engagement
- Disability access and inclusion

- Net Zero commitment
- Progress learnings from our climate scenario analysis
- Collaborate with the broader health industry

- Corporate and clinical governance
- Privacy and data security
- Address modern slavery
- Sustainable supply chains

Summary of sustainability achievements



Ensure healthy lives and promote wellbeing for all ages

Material topics

Affordable, innovative and personalised healthcare

Support healthy communities



Achieve gender equality and empower all women and girls

Material topics

Diverse and inclusive workforce

Engaged, purpose-led culture, attract and retain talent

FY22 highlights

Giving back to customers
c. **\$368m** in COVID permanent net claims savings through cash give backs and postponing premium increases for 7 months



c. **\$682m** total COVID financial support package to date

Rolling over unclaimed ahm FY22 extras annual limits for another year

More than doubled our no gap network (including short stay) across 7 states and territories



c. **568k** customers engaged with Live Better and preventative programs

FY22 highlights



Women represent 44% of Group and senior leaders

44% of our Board are women

Maintained gender pay equity of less than 1%

c. 7.2k customers used Medibank at Home

c. **\$31.2m** out-of-pocket savings through Members' Choice Advantage network



Managed c. 3.5m virtual health interactions

Supported c. 165k patients through COVID Care at Home program delivered with Calvary



Lowest average premium increase in 21 years

Invested \$10m in health technology company, Medinet

c. **79k** Better Minds hub users and app downloads



c. 100k+ people engaged with the Smiling Mind Families program



Launched We Are Lonely podcast series to raise awareness of loneliness

Rewarded 70k+ Live Better members for getting COVID vaccinations

40k+ customers accessed free flu vax vouchers



24% of parental leave taken by men



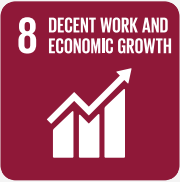
11th globally in Equileap Gender Equality Index

Employer of choice by WGEA, 7th year in a row



Certified as a Family Friendly Workplace by UNICEF Australia and Parents at Work

Summary of sustainability achievements



Promote sustained, inclusive and sustainable growth, full and productive employment and decent work for all

Material topics

Engaged, purpose-led culture, attract and retain talent

Ethical and sustainable business



Reduce inequality within and among countries

Material topics

Diverse and inclusive workforce

Ethical and sustainable business

FY22 highlights

Published 1st Human Rights Policy



Extended modern slavery risk assessments of suppliers

Published 2nd Modern Slavery Statement

Sought independent limited assurance of selected ESG metrics



In the top 25% of companies globally for employee health and wellbeing engagement (Q1 2022 Peakon global benchmark)



Extended commitments to partner with Aboriginal and Torres Strait Islander businesses in RAP



Paid community leave and charity gift voucher donations to support employees to get COVID vaccinations



c. 85% of employees worked flexibly

COVID care and pregnancy support programs extended to employees

c. \$596k (inc GST) spend with Aboriginal and Torres Strait Islander businesses

FY22 highlights



Increased employee engagement among Aboriginal and Torres Strait Islander employees

163 employees identified as having a disability

Piloted a carers support program for employees



Published 2nd Accessibility and Inclusion Plan

Ranked 11 on the Australian Network on Disability Access & Inclusion index

Published 5th RAP



11 years partnering with the Wadeye community in NT



1,674 employees participated in cultural awareness training

Summary of sustainability achievements



Take urgent action to combat climate change and its impacts

Material topic

Environmental health and climate change



Strengthen the means of implementation and revitalise the global partnership for sustainable development

Material topics

Ethical and sustainable business

Work together to build a stronger and more sustainable health system

Support healthy communities

FY22 highlights



Accelerated commitment to achieving Net Zero by 2040 including Net Zero against our Scope 1 and 2 emissions by 2025

c.\$15m invested in green bonds



Begun analysis to understand the sustainability profile of our investment portfolio

Maintained our carbon neutral status for our Scope 1, 2 and 3 emissions



Ongoing commitment to low carbon domestic and international equity investments



Further integration of ESG into enterprise risk management

FY22 highlights



c. \$1.1m invested in 25 health research projects

Advocated for healthcare system reform

Partnered with La Trobe University to research impacts of COVID and health delivery services



6 years partnering with the Grattan Institute

3 years partnering with the Australian Patients Association



Community partnerships

- parkrun Australia
- Smiling Mind
- Feel Good Program, Brisbane
- Sydney Dance Company
- Dr Michael Mosley and The Fast 800 Program

Aboriginal and Torres Strait Islander partnerships

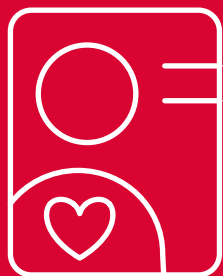
- Australian Indigenous Doctors' Association
- Thamarrurr Indigenous Youth Corporation
- Wadeye community, Northern Territory
- Indigenous Defence and Infrastructure Consortium (iDiC)
- Supply Nation
- Dhiira



Better support our customers to improve their health and wellbeing through personalised advice and by delivering greater value, access, choice and control

Customer health





Customer health

Innovate to improve healthcare products and services that give people greater access, choice and control over their healthcare

The issues that matter

Affordable, innovative and personalised healthcare

How we're enabling this

- Preventative healthcare
- Personal choice healthcare
- Partnerships with health professionals

SDGs



Our FY22 commitments

Our progress

What's next



Engage around 480k customers in our Live Better Rewards and Activities, preventative health programs and any new care offerings developed

c. 568k customers engaged with Live Better and preventative programs

800k Live Better Rewards participants targeted by FY25
More than 50k preventative program participants* targeted by FY25



Expand support for the no gap surgery program to new surgery types and new locations

24 hospitals across 7 states and territories will be participating by October 2022

Continue expanding to new surgery types and more locations

Expanded surgery types to endoscopy and some general surgery procedures



Deliver our telehealth services through more digital channels and our customer apps and integrate them with other health services like primary care

c. 3.5m virtual health interactions
Piloted telepsychology clinic in partnership with Myhealth GPs and Medinet
Launched online GP service for international students

Expand our telepsychology clinic to other allied health services
Expand out-of-hospital models of care for mental health



Build new health and wellbeing offering for the next generation of health consumers

Launched new Medibank and ahm flexible extras products

Create a personalised digital gateway between our customers and health services



Deliver \$15m in productivity savings in FY22

c. \$15m savings delivered

Deliver \$40m in productivity savings between FY22 – FY24 including c. \$15m delivered in FY22

* Includes total customers who have engaged with a preventative health offering, including Live Better Rewards, Live Better Activities, preventative health programs and any new offerings developed.

Affordable, innovative and personalised healthcare

We're supporting people to better manage their health and wellbeing, creating a more **personalised healthcare experience** built around people's needs. We're **focusing on preventative healthcare** and innovating to improve our products and services, working with the healthcare community to **create new care models** that give people more control over their healthcare, **greater choice** and **better access**. We're also managing our own costs and improving our productivity.



Keeping our customers supported throughout COVID

From the beginning of the pandemic, we've been there to support our customers. We committed to not profit from COVID by **returning all permanent net claims savings due to COVID to our customers** and we've stuck by our promise. Our financial support package now totals around \$682 million and we continue to assess known claims savings to return to our Medibank and ahm customers. In FY22 our COVID customer support included:

- **Giving back to customers around \$368 million** in COVID permanent net claims savings through postponing premium increases for seven months and cash give backs
- Rolling over **unclaimed FY22 extras annual limits** for ahm customers for another year
- Continuing our **financial hardship policy**
- Rewarding more than **70,000 customers for getting vaccinated** with more than **7 million Live Better points**
- Continuing temporary addition of **heart, lung and kidney coverage** to more than 1 million customers
- **Extending extras cover** to include telehealth services for seven allied health services such as psychology and physiotherapy
- **Providing COVID Health Assist**, a program of customised health and wellbeing support for customers, including the most vulnerable
- **Extending access** to Medibank's 24/7 nurse and mental health lines to ahm customers
- Continuing our **Live Better at Home free online program** of work out videos, cooking demonstrations and guided meditations
- **Funding** a number of projects researching the **impact of COVID**
- Supporting around **165,000 COVID positive patients** through our COVID Care at Home programs in NSW, Vic, Qld and WA delivered in partnership with Calvary
- Assisting federal and state governments with **COVID care programs** including phone support lines, welfare checks, facilitating in-home COVID testing, assisting with contact tracing and providing services to hundreds of residents in aged care homes

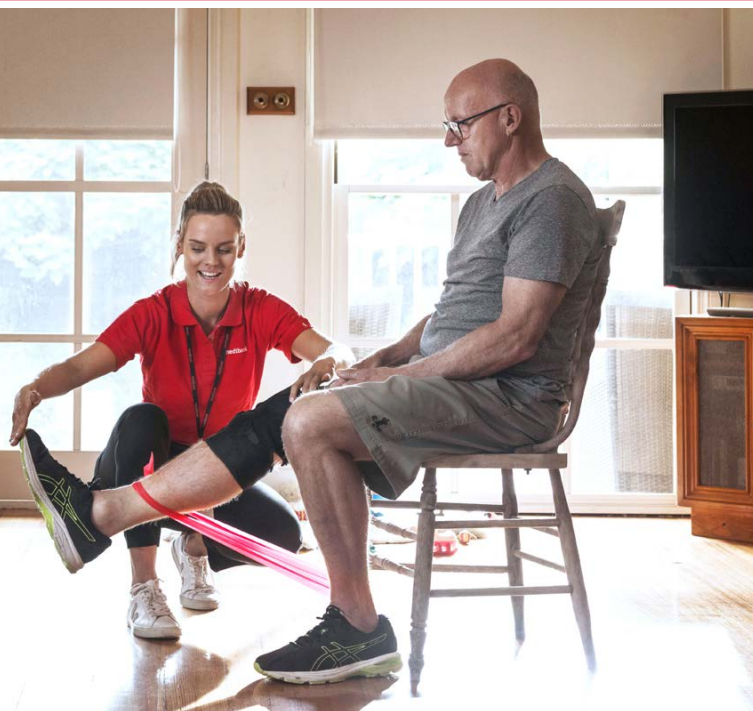
c. \$682m 
total COVID customer financial support to date

Affordable, innovative and personalised healthcare

Being better – preventative healthcare

As our **population ages** and the incidence of **chronic health conditions rise**, our health system is feeling the pressure of the increased demand for treatment. This is why **preventative healthcare is so important to us** and we are working with health professionals on a range of preventative health programs, homecare options and health support services to **help our customers be better and stay better**.

 **10,086**
people enrolled in preventative health programs in FY22



Preventative programs







We've invested in growing our suite of preventative health programs designed to support our customers to stay healthy and avoid unnecessary treatments, and have seen enrolments in our programs increase by more than 40% over the past 12 months.

This year, our Better Knee, Better Me program was awarded the Australian Clinical Trials Alliance (ACTA) inaugural Industry Partnership Award. The trial results showed up to four out of five participants experienced clinically significant improvements in knee pain and an average of 10% body weight loss. Participants also reported better knee function, enhanced quality of life, reduced feelings of depression and lower use of pain medications. It is now a permanent program available nationally.

Following the success of Better Knee, Better Me, we recently launched a Better Hip pilot that aims to help people manage osteoarthritis hip pain. It connects people to a physiotherapist who will provide information, treatment options and a personalised strengthening and physical activity plan, with some participants also offered consultations with a dietician.

To help people better manage their mental health and wellbeing, we introduced our Better Minds app. The app includes wellbeing checks, evidence-based skills training to build mental fitness and up to two one-on-one coaching sessions with a mental health professional at no extra cost, based on individual needs.

Our preventative health programs include

Health service		In partnership/ supported by
Better Knee, Better Me 	A support program to help manage painful knee osteoarthritis	University of Melbourne Austin Health
Medibank Type 2 Diabetes program (pilot) 	A weight management program to help people with type 2 diabetes lose weight and better manage their diabetes	The Baker Heart and Diabetes Institute Austin Health
Better Hip (pilot) 	A personalised program for customers with hip osteoarthritis exploring whether exercise and dietary support for weight loss can help reduce pain and improve function	University of Melbourne
Better Minds app 	An evidence-based app to help people monitor and manage their mental health	Uprise
Baby Sleep Support Line 	Baby sleep and settling telehealth consultations for customers in the comfort of their own home	Tresillian
CareComplete programs inc. CarePoint CareFirst CareTransition/ Assist 	Integrated care and coordination services for the prevention and management of chronic disease, and injury and illness recovery services	GPs

See our homecare services (page 15) and health support services (page 17)

Affordable, innovative and personalised healthcare



Live Better – Be Better

Our Live Better program helps and rewards people on the journey to better wellbeing, and this year celebrated having more than 500,000 members. It encompasses [an app](#) which allows people to track and measure everyday activities, rewarding eligible Medibank customers for making small healthy changes. The program also features free exercise, nutrition and mental wellbeing activities across Australia and online, a monthly newsletter and an [information hub](#).

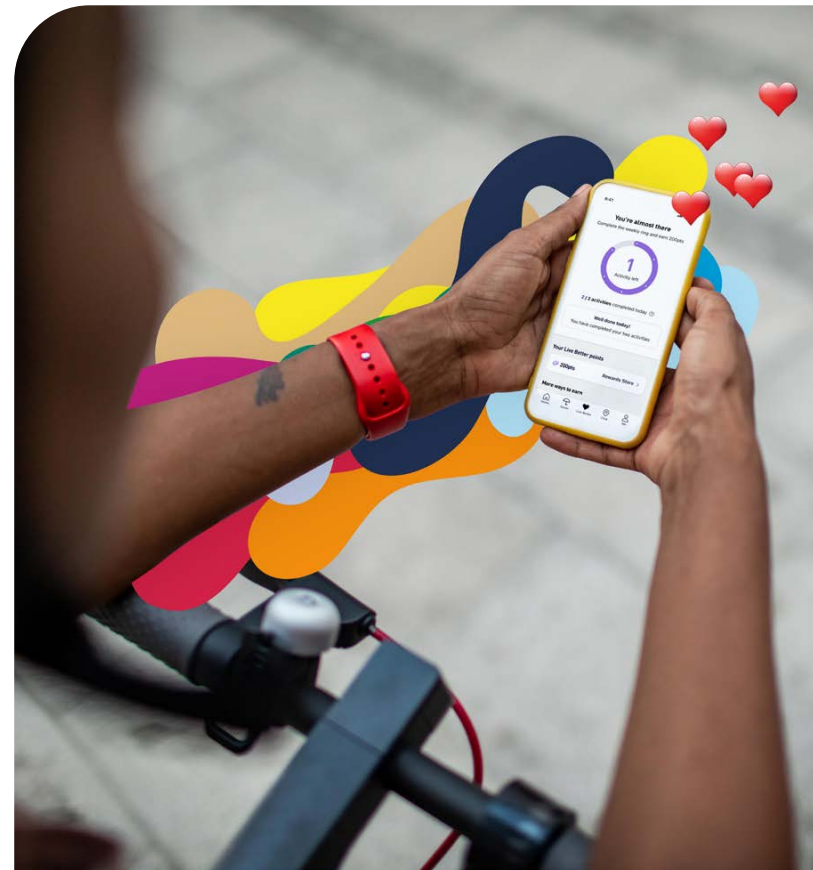
The program encourages and rewards behaviours that support health and wellbeing from daily steps to workouts and specific preventative health behaviours, like COVID or flu vaccinations, and blood pressure and skin checks. This year we also ran a children’s eye check challenge, in response to research showing the increased use of screens during COVID has led to an increase in childhood myopia.

In FY22 more than 70,000 customers claimed rewards for COVID vaccinations and more than 40,000 downloaded their free flu vaccination voucher.

CareComplete

Our CareComplete program aims to help people with chronic health conditions stay well and out of hospital. The team works alongside GPs around Australia to provide integrated and person-centred care, and has now supported more than 48,000 patients since launching in 2014. They also deliver care to injured workers and transport accident claimants and conduct health coaching and medication management. This year the team also assisted veterans and their families wanting to make a submission to the Royal Commission into Defence and Veteran Suicide by providing support to help them retell their story.

 **48k+**
CareComplete patients to date



500k+
Live Better members have done the equivalent of:

- Walking **4,922** laps around the world 
- Meditating for **13,758** days 
- Cycling **311** laps of Australia 
- Running **8,321** times across the Nullarbor 
- Swimming for **7,671** days 

Affordable, innovative and personalised healthcare

Building partnerships with health professionals

To help us create a better healthcare experience, we partner with hospitals, doctors and other stakeholders across the health sector. These partnerships are integral to a range of our programs across the Medibank Group, including our growing no gap network.

During the year we formed a new partnership with Health Care for 15 hospitals to be part of our no gap network and continued to work with a group of more than 40 doctors on the development of Adeney Private Hospital – a new short stay, no gap surgical facility in Melbourne to open in 2024.

We continued to work with GPs given the vital role they play in primary health. Our investment in Myhealth Medical Group helped us strengthen our focus on preventative health. We also invested in Medinet – a health technology company focused on creating the best possible virtual connection with a healthcare professional – and we are using its technology platform to deliver our telepsychology clinic pilot as well as our online GP service for international students. This also reflects our support for primary care in the community by investing in the virtual capability and connectivity of GPs and their patients.

Case study



Faster access to mental health support

One of the biggest barriers for people needing mental health support is the time it can take to see a psychologist – often three to six months. This is why we've partnered with Myhealth GPs and Medinet to pilot a telepsychology clinic that aims to reduce wait times to just two weeks. The pilot features virtual consultations and an innovative digital and phone concierge service to guide people through the process, managing all aspects of the referral, booking and Medicare claims process. It also enables the GP to receive regular updates about their patient's therapy that focuses on the patient's goals and their progress in achieving them.



Making health personal – Amplar Health

We believe in personal choice healthcare – creating options that give people greater access, choice and control over their healthcare. We're investing to drive innovation in health and through our Amplar Health division, partnering with health professionals to build new models of care and create digitally connected health experiences that are more sustainable and better suit the needs of people across Australia.



Affordable, innovative and personalised healthcare

No gap joint replacement 

1 in 4 joint replacement patients are having rehab at home

\$1,200+ average out-of-pockets saved by customers 

 Halved the average length of hospital stay



New care models

Short stay – a doctor-led alternative

Through partnerships and investments, we've expanded the short stay program this year. This reduces the time patients spend in hospital by allowing them to recuperate at home (where clinically appropriate), where they are cared for by nurses, allied health practitioners and personal carers, with no medical out-of-pocket costs for eligible customers. Our no gap program, covering hip and knee replacements and endoscopies, will have 24 participating hospitals across 7 states and territories by October 2022, and almost two thirds of Medibank customers will live within 25km of a no gap site. We are also expanding the program to new clinical specialties including some general surgery procedures, which are currently available at East Sydney Private Hospital.

Not only is this program delivering affordable healthcare that gives customers more choice and convenience, it is taking pressure off already stretched hospitals and can play a key role in helping ensure the sustainability of our health system. KPMG research this year shows the program has the potential to save around 23,000 bed days in 2023 if it were to be expanded across the public and private hospital systems and include additional procedures in the pipeline for our short stay program.

My Home Hospital

My Home Hospital is a Wellbeing SA service delivered by a joint venture between Calvary and Medibank. It delivers hospital level care to patients in their homes in Adelaide and surrounding areas. The service utilises remote monitoring technology to enable clinicians to track the clinical status of admitted patients and allows the care team to stay in touch 24/7. This year, My Home Hospital expanded to provide a broader range of treatments and care to patients in additional areas near Adelaide.

3,245

patients used My Home Hospital

since launch in January 2021




Medibank at Home

	Program customers
FY22	7,239
FY21	7,650
FY20	5,854


Homecare


Our homecare services give people the choice of receiving healthcare and support services in the comfort of their own homes, where clinically appropriate. Not only is this often more convenient for patients, it helps free up beds in hospitals for those who need critical care. While COVID restrictions on elective surgery impacted our delivery of homecare services this year, we have continued to see momentum grow for care at home services from health professionals and throughout the community.


Hospital at Home services


Rehab at Home – total joint replacement 


Rehab at Home – non-total joint replacement


Chemotherapy at Home 

Infusions at Home (pilot) 

Dialysis at Home (pilot) 

Palliative Care at Home (pilot) 

Heart Health at Home 

Hospital in the Home 

Affordable, innovative and personalised healthcare

Telehealth / virtual care

Telehealth and virtual health have continued to play a vital role in healthcare across Australia with our teams supporting around 3.5 million virtual health interactions over the past 12 months. The Nurse Triage and After Hours GP programs that we deliver on behalf of healthdirect have been supporting local hospitals and helping alleviate the strain on emergency departments, and telehealth has played

a key role in our delivery of COVID Care at Home services in NSW, Vic, Qld and WA. We also provided telehealth services for 1800RESPECT, Beyond Blue, Victoria's Nurse on Call and the NSW Mental Health Line, in addition to our own 24/7 general health and mental health services for customers. And we continued enabling telehealth for psychology, counselling, physiotherapy, podiatry, speech pathology, exercise physiology and occupational therapy.

Case study

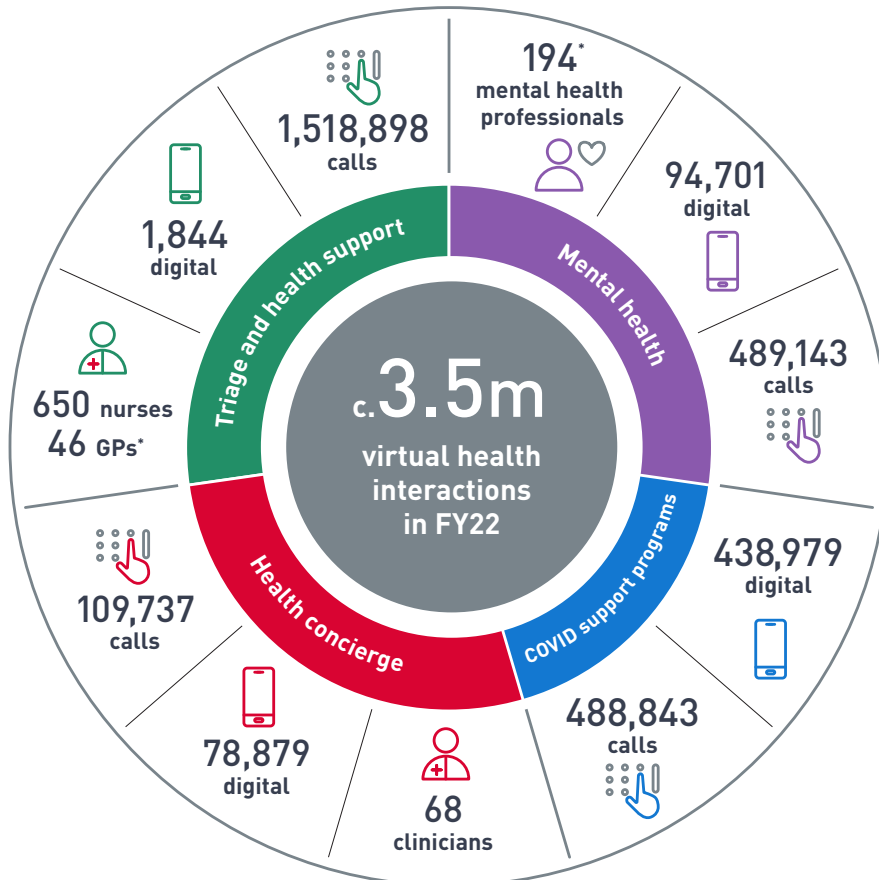


Helping out public hospitals

We're helping relieve some of the pressure on emergency departments in major hospitals in NSW, providing a community helpline that people with flu or COVID like symptoms can call and be directed to the most appropriate channel for care, such as an emergency doctor consultation, or access to other local health services. The COVID Community Helpline and Respiratory Helpline first began in August 2021 as a COVID information support service, before growing to provide clinical triage for COVID patients and further expanding to support broader respiratory concerns. We've now undertaken more than half a million phone and digital interactions through this service, which we deliver on behalf of the NSW Ministry of Health.

Online GP service for international students

We launched an online GP service to make it easier for international students to access the right healthcare and help reduce the confusion of navigating Australia's healthcare system. Students can get a virtual consultation in a variety of languages from a network of around 800 GPs through their Medibank or ahm Overseas Student Health Cover (OSHC) app, enabled by the Medinet technology platform. It's one of the ways we're supporting international students to make the best healthcare choices to suit their needs.



*as at 30 June 2022

Affordable, innovative and personalised healthcare

Allied healthcare

Our HealthStrong team continued to provide high quality allied health care to people living at home and in residential aged care. The team of 250 physiotherapists, occupational therapists, podiatrists and dietitians worked in ongoing COVID conditions to support people to improve their quality of life and maintain their independence. This year, we launched a new dietetics program designed to support residential aged care residents in preventing unplanned weight loss and help them maintain good nutrition to support their quality of life. The team has also been preparing for the introduction of new government reforms designed to improve the quality and safety of residential aged care, which offer the opportunity for practitioners to broaden their scope of practice and have a more positive impact on the health and wellbeing of residents.

A better hospital experience

We want our customers going to hospital to have a good experience and we're working to ensure this in a number of ways. Through our Health Concierge program, we aim to take the stress out of the hospital experience by offering personalised health support to customers preparing for, or recovering from, a hospital stay or treatment. It provides customers with an overview of what to expect, what their insurance covers and additional support available. We developed two new pilots this year. Our Dietician Support service helps people aged 75+ going to hospital who are at risk of malnutrition. We also introduced our Mental Health Concierge this July, which aims to prepare customers and their family for a psychiatric admission and support them throughout their experience.

Patient experience data

We also make it easier for people to learn more about hospital experiences by publishing the outcomes of our [patient experience survey](#) we conduct with customers, after they've had an overnight stay in a private or public hospital. It provides feedback from more than 93,000 customers about the care they received, their engagements with hospital staff, the quietness and cleanliness of the hospital, and the discharge process. This year, we expanded our survey to patients who had same-day surgery, collecting feedback from more than 22,000 customers. We continue collaborating with the University of Sydney to ensure the validity of these survey results and share this information with hospitals as well.

Health navigation and support

24/7 Medibank Nurse Phone Service	Experienced nurses provide advice and support around the clock
24/7 Mental Health Phone Support	24/7 professional support for mental health and wellbeing concerns
Health Concierge	Personalised health support to prepare for or recover from a hospital stay or treatment
Fertility Support Line	For customers navigating their fertility journey looking for extra support for their hospital admission or emotional wellbeing
Dietician Support (pilot)	Nutrition support for customers over 75 going to hospital who are at risk of malnutrition
Mental Health Concierge (pilot)	Supporting customers and their families through a psychiatric admission



c. 27%

of Medibank customers going to hospital were supported by Health Concierge



100%

of private hospitals rated 8/10 or higher vs 64.7% of public hospitals

Affordable, innovative and personalised healthcare

A better customer experience

Bringing Medibank to our customers

To better support our customers in rural and regional areas, this year, we were excited to launch VANgo – our mobile store on wheels. VANgo has travelled up and down Queensland, visiting smaller towns and areas, and attending community events, shows and regional parkruns to bring Medibank information and services to people who may not be able to easily access a store. VANgo has been so popular, we are expanding our family of mobile stores so we can visit more towns in regional locations around the country on a regular basis.

Focused on our customers

Customer advocacy

We want our customers to experience best-in-class service every time, which is why we measure how customers feel about us after they've interacted with us in some way, such as going to hospital, using their extras cover or having a health cover check in. We track customer advocacy using the Net Promoter Score (NPS) and aim to maintain a strong NPS year on year. Our Service NPS for Medibank is the highest it's ever been, and we also achieved above target for ahm; reflecting the support we have given our customers through yet another challenging year. Like most companies, we've had workforce difficulties throughout the past 12 months, which we've addressed by enabling our retail and contact centre

teams to work across multiple channels and improving the effectiveness of our digital self-service channels.

We also measure the likelihood of our employees to recommend our products and services (eNPS), tracking this through regular employee surveys throughout the year. We aim to continue outperforming the benchmark we have set for ourselves, and this year delivered well above the target we had set.

Customer check ins

We want to ensure we are providing our customers with the best possible value we can. This is why we checked in with more than half a million customers this year to ensure the health cover they are on is the right one for their needs.

Average Service NPS and Employee NPS



	Service NPS (average)		eNPS (Products and services)
	Medibank	ahm	Employee
FY22	45.3	42.4	+29*
FY21	37.1	43.0	+26
FY20	31.8	41.2	N/A

*Based on employee engagement survey response rate of 76% (2,758) from 3,628 employees invited to participate. FY22 employee advocacy benchmarks are based on the global average adjusted for Australian healthcare and financial insurance industry context

Customer Obsessed program

Caring for our customers in every possible way is a part of who we are. We aim to ensure that every decision we make and every interaction we have is based on what will make their lives better. Our Customer Obsessed program provides our non-customer facing team members with opportunities to connect with customer experiences such as listening to calls, calling customers or attending lunch and learn activities. This year we held a new series of customer immersion sessions focused on hearing from diverse groups of customers, such as people living with disability or those who had experienced mental health concerns, to better understand their experiences. We also introduced a new program where teams listen to recorded customer calls and then participate in a group-facilitated discussion.

1k+ customers supported by VANgo

in more than 30 regional locations this year

500k+ health cover check ins



Affordable, innovative and personalised healthcare

Complaints

Our goal is to get things right first time, but if that doesn't happen, we want to fix any issue as quickly as possible and work to resolve issues within 10 days. In recognition of our ongoing commitment to better deliver for our customers, in the last six months there were only five complaints regarding Medibank or ahm that required investigation by the Private Health Insurance Ombudsman.

Our customer support team introduced a new process enabling our frontline teams to access a complaints consultant in real-time for support when helping a customer with a concern, to try and resolve the issue straight away. We improved how we process and report complaints from our providers, enhancing our governance and

reporting framework to make it easier to identify causes and solve issues effectively. Our complaints team leaders attended the Commonwealth Ombudsman Complaint Handling Forum to hear about practical strategies to help improve complaint management and we now have complaints case managers participate in all of our employee induction programs.

Looking after our customers

We've established specialist teams in Medibank and ahm to manage requests for a policyholder or partner to be removed from a policy, to better ensure the privacy of customers is protected – especially in situations where a relationship breakdown has occurred or people are at risk of domestic, family or sexual assault violence.

Simpler and easier experiences

Our digital channels continue to grow as more of our customers choose them as their preferred option to connect with us. More than a third of new Medibank customers joined online, while over 40% of service queries were through self-service channels. This year, we improved the claims experience – enabling hospital, medical and ambulance claims through the app and website. We also continued our integration of Live Better functionality into the My Medibank app, making it easier for customers to manage their health and wellbeing in a single digital experience.

Customers are loving the ease and convenience of our online messaging service and we expanded this, adding new capabilities to guide people through payments and claims queries. We also invested in our automation capability, and now 40% of ahm's messaging interactions are successfully resolved by automated virtual assistants. We made it easier for ahm customers to pay digitally, revamping the claims experience and introducing on-the-spot orthodontics claims in HICAPS, and improved online forms by removing the need to print and email them. We've also seen more people taking up digital membership cards now that both Medibank and ahm cards are available on both iOS and Android systems.


Share of industry complaints



	Medibank/ahm complaints	Industry complaints	Medibank/ahm % of industry complaints	Medibank Group market share
FY22*	399	2,091	19.1%	27.45%
FY21	557	3,021	18.5%**	27.3%
FY20	720	3,150	22.8%	26.9%
FY19	901	4,042	22.3%	26.9%
FY18	1,111	4,553	24.4%	26.9%

*FY22 results based on Quarterly Update data published by the Commonwealth Ombudsman and unaudited data for the 4th quarter at the time of publication

**FY21 figure updated following the publication of the Commonwealth Ombudsman's State of the Health Funds Report 2021

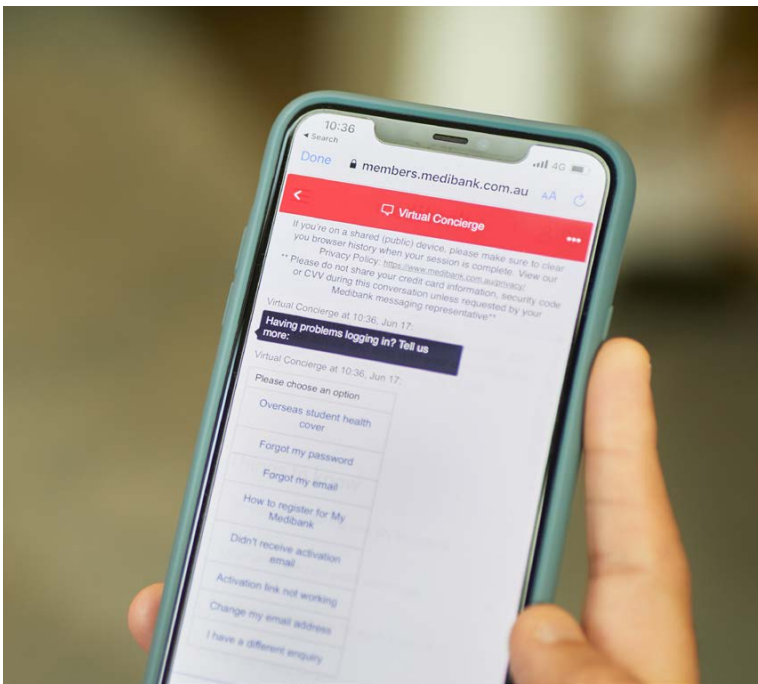


42%

of Medibank service interactions are now through self-service channels

30%

of our digital support queries are being managed through online messaging



Affordable, innovative and personalised healthcare

Health insurance that works harder

We're working to provide more value for our customers through our products and services, partnering with health providers and hospitals, making healthcare costs more visible, and keeping our own costs down.

This year, we were the first major health insurer to adopt the Federal Government's voluntary age dependent reforms, extending the age that young adults could stay on their parents' policy from 24 years old until their 31st birthday.

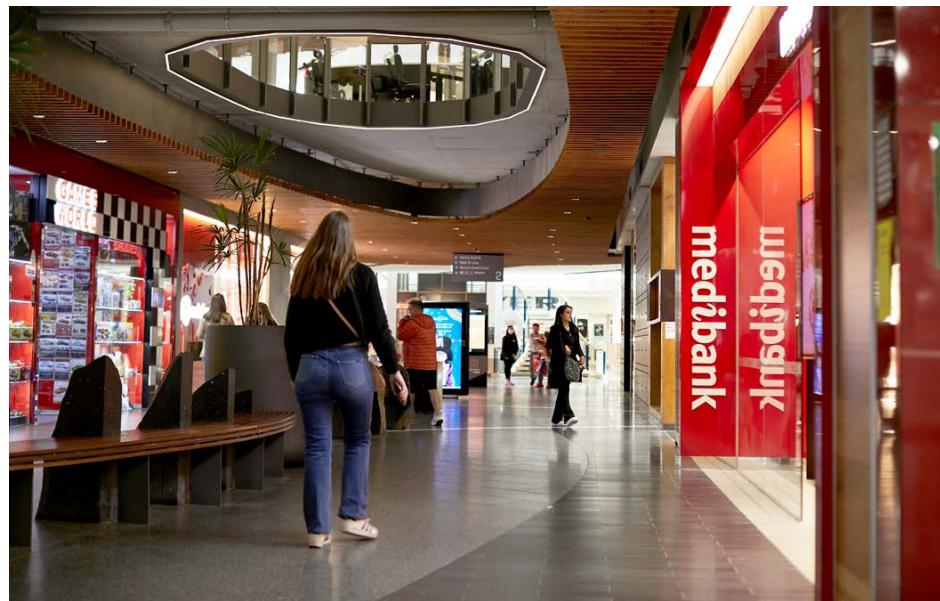
We expanded our Members' Choice network to give customers even greater value at hospitals and healthcare providers around the country. Our frontline team leaders underwent health navigator training to better support customers' health-related queries. We're also trialling the introduction of specialist health concierge clinicians across five Victorian stores to engage with customers on the many health and wellbeing support options available to access.

Through our Live Better program, we rewarded eligible customers with hospital or extras cover for looking after their health by visiting a Members' Choice Advantage dentist or optical provider or shopping with one of our Live Better partners like Fitbit, Amcal Pharmacy or HelloFresh.

We continued to offer greater value to customers through our additional insurance products. Since the beginning of COVID, our travel insurance cover has been one of the few with no pandemic /epidemic exclusions.

As international travel resumed this year, we were among the first to introduce COVID benefits within our travel insurance products to protect our customers' health. We also made it easier for customers to access pet insurance cover by incorporating it into My Medibank and improving cover options to offer better protection for people's four-legged friends. This was recognised in July this year when we received the Canstar Award for outstanding value pet insurance.

And we introduced a Student Rewards Plus program for our Overseas Student Health Cover (OSHC) customers, designed to help international students save money, find work and enhance their skills and knowledge while studying in Australia. The program includes exclusive access to discounts and offers from major brands and will soon provide practical life skills and employment support, including a student job board.



Case study



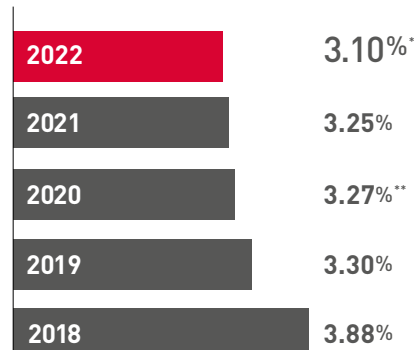
Extras that give more choice

In the second half of last year, we launched new extras cover products that give Medibank and ahm customers the ability to choose and pay only for the bundles of extras services they need. This customer-focused design of Medibank's My Choice Extras and ahm's Chooseable Extras was developed from customer feedback and existing customer usage data. The flexibility these products provide is proving popular and customer satisfaction is significantly higher.

Affordable, innovative and personalised healthcare

Average premium increase

Year (from 1 April)



*postponed until 1 November 2022

**postponed until 1 October 2020

c. \$31.2m

in out-of-pocket savings
through Members' Choice
Advantage network



More choice and better value

Our Members' Choice network is one of the largest health provider networks in Australia, and offers better value, more cost transparency and a wider range of services to our customers. In July, we expanded our extras network which now covers more types of services than any other health insurer, including dental, physio, optical, chiro, podiatry, acupuncture and remedial massage.

Bringing out-of-pocket costs to light

To make it easier for people to understand potential healthcare costs, our [Find a Provider](#) site provides details on the out-of-pocket costs specialists charge to our customers. We also provide a guide to out-of-pocket costs for [common hospital procedures](#) and an extras claim estimator as well. We continue advocating for greater transparency of costs across the industry.

Supporting those in need

For many people, this has been a challenging year with the impacts of COVID continuing to be felt and devastating floods in Queensland and New South Wales forcing tens of thousands of people to evacuate their homes and close businesses. We've been there to provide both financial and mental health support for our customers, with our disaster relief package. This offers policy suspensions of up to two years or financial support to cover the cost of premiums for up to three months and 24/7 mental health support. We also help customers who need extra support, working with them on an individual basis so we can provide the best option depending on their situation.

Keeping our premium increases down

This year we delivered our lowest average premium increase in 21 years, and paused the increases by seven months for our Medibank and ahm customers. While we know no one likes their premium to go up, healthcare costs have continued to increase at a rate much higher than general inflation while at the same time, we continue to deal with the increasing asks on our healthcare system as our population ages and the incidence of chronic disease increases.

Managing our costs

We work hard to be financially responsible and manage our own costs. We know affordability is top of mind for our customers, particularly at a time when many people are managing rising costs of living. We're committed to doing all we can to reduce pressure on prices and provide the best possible value for our customers. This year we delivered around \$15 million in cost savings – part of our target to deliver productivity savings of \$40 million between FY22 and FY24.

Hospital contracts

We want our customers to have the best possible experience should they need to go to hospital. So we partner with almost 500 hospitals or hospital groups across the country to negotiate funding agreements that meet our customers' affordability, quality and experience expectations and ensure access to our Members' Choice hospital network around Australia. These contract negotiations play a critical role in helping ensure the private healthcare system can deliver quality outcomes with sustainable costs.

We recognise that hospitals have been impacted by elective surgery restrictions and employee availability challenges in recent times and take these impacts into consideration as part of our negotiations. We're partnering with our hospital providers to find ways to navigate this challenging environment, including expanding the no gap joint replacement program developed in partnership with hospitals and providing ongoing support for initiatives such as inpatient mental health and rehabilitation telehealth services in private hospitals.

Payment integrity

To help us manage costs, we are working to make sure our customers and healthcare providers claim and get paid correctly through our payment integrity program which helps identify, recover and prevent improper payments. We've continued to enhance our program by investing in technology and advanced analytics to increase automated detection capabilities and in July, began piloting a new self-service portal for providers making it easier to exchange information and resolve payment issues. We are also working to drive a shift towards prevention over post payment detection, partnering with our providers on ways to prevent issues before claims are submitted.



We're building an engaged, inclusive workforce that is customer obsessed, values and purpose driven and focused on health and wellbeing

Employee health





Employee health

We're embedding our purpose and values throughout our business and building a highly engaged, skilled workforce. We're also embracing and promoting diversity and inclusion in the workplace and the health sector

The issues that matter

Engaged, purpose-led culture, attract and retain talent

Diverse and inclusive workforce

How we're enabling them

→ Future Fit way of working

→ Healthy and safe workers

SDGs



Our FY22 commitments



Ensure at least 40% of senior leaders and Board members are women

Maintain at least 40% women across our manager workforce and improve the representation of men in our non-manager workforce



Increase representation of Aboriginal and Torres Strait Islander employees to at least 42 employees (approx. 1.4% of our organisation) and improve self-reported engagement



Increase representation and self-reported engagement of employees with a disability



Review our gender pay equity annually to ensure it is no greater than 1%



Employee advocacy benchmark
 > +24 Place to work
 > +19 Products and services



Expand our preventative healthcare programs to employees



Provide a market leading comprehensive and targeted support carers package to improve the engagement of employees with caring responsibility.

Our progress

Women hold 44% of Board, and 44% of Group and senior executive roles

Women represent 53% of all manager roles

25 employees identified as Aboriginal and Torres Strait Islander (down from 33) and engagement was above the Medibank average

163 employees identified as having a disability (+4%) but engagement was slightly lower than the average

Maintained gender pay equity of less than 1%

+27 Place to work
 +29 Products and services

COVID care and pregnancy support programs extended to employees

Pilot support program launched

What's next

Ongoing

Ongoing

Increase to at least 43 employees (approx. 1.6% of survey respondents)

Increase to at least 178 employees (approx. 6.5% of survey respondents)

Ongoing

FY23 benchmark*
 >+24 Place to work
 >+26 Products and services

Ongoing

Scale the pilot program across the business

*FY23 benchmark has been corrected from originally reported in operating and financial review in FY22 Appendix 4E and Financial Report issued on 18 August 2022 and includes the global average benchmark for Place to Work eNPS and the historical trend for Products and services eNPS

Engaged, purpose-led culture, attract and retain talent

We're embedding our **purpose and values** throughout our business and building a highly engaged, skilled team.

Envisioning our future

This year, we launched our 2030 Vision to create the best health and wellbeing for Australia. At its heart is our commitment to support people to live their best quality of life, and to create better healthcare access, choice and control for everyone, working together to lead the change needed for a stronger health system.

It is this vision that guides all that we do and ensures that no matter what role or part of the business our people are in, they are working together towards a shared goal.

Our values have always been deeply embedded across our business, but to achieve our 2030 ambitions, our employees told us we needed to be braver, more innovative and more creative.





So we refreshed our values this year, to continue driving the behaviours that make us successful today and to elevate the new behaviours we need to be successful for our future.

Building a culture to deliver on our vision

It is our purpose-driven culture that differentiates us from other organisations. It defines who we are, shapes the way we work, guides our decision making and determines how we show up for each other and our customers. It is only by empowering our people that we can deliver on our vision, so we've built a culture anchored by the three pillars of purpose, people and performance to enable them to make the greatest impact on our customers and communities.



Purpose **Better Health for Better Lives**
 Vision **The best health and wellbeing for Australia**

- Values
-  **Customer obsessed**
Their health, our passion
 -  **Show heart**
Care in every moment
 -  **Brilliance together**
We impact bigger
 -  **Break boundaries**
Reimagining what's possible

Our cultural pillars



Feel good

We know that fulfilling our **purpose** starts with our people. We are dedicated to their health and wellbeing; that they feel heard and valued for who they are.



Impact bigger

We create a culture that is rewarding and challenging so that our **people** are inspired to do meaningful work that makes a real difference to our customers and communities.

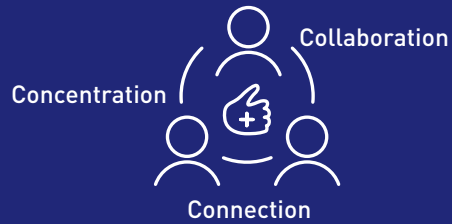


Step in step up

We innovate to find better ways of working for our people so they feel empowered to be at their best. We are committed to strengthening our **performance** edge in striving to deliver our purpose.

Engaged, purpose-led culture, attract and retain talent

Our Future Fit ways of working



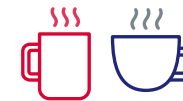
A new way of working

Drawing upon lessons learnt over the past few years of the pandemic and our already progressive approach championing flexible work, we've continued to transform the way we work. Flexibility isn't new to us and Future Fit is the next evolution of our ways of working. For us, work is something we do, not somewhere we go. We empower our people to make decisions on where they work, based on what they are doing and where it's best to get that work done. In April this year, we relaunched our Future Fit approach, after COVID lockdowns forced many team members back to mostly working from home.

To help our people reconnect when COVID restrictions eased, we hosted a Connections Festival in May across our key office locations, to act as a circuit breaker and give people a purpose to come to the office.

Over six days, employees could take part in a range of events including keynote speakers like Cathy Freeman and activities, fireside chats, free coffee, lunches and festival stands. A highlight was the creation of our Medibank Couch Choir – around 100 employees and family members from across the country who come together virtually to learn harmonies and record popular songs.

Case study



Social connections

During COVID when people's movements were restricted, we created social connection groups across the country where people living locally could meet up with each other or connect with colleagues who had the same interests. These were supported by our Feel Good Champions – employees who actively support good health and wellbeing. They organised local events like coffee catchups, joining book clubs, getting involved in parkruns or walks; like a group of employees in Ballarat and surrounding areas who meet regularly for coffee around Lake Wendouree.

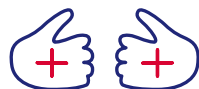


Engaged, purpose-led culture, attract and retain talent

Engaging our employees through listening

We're focused on creating an environment where our employees can make an impact and get the most out of each day. To do that we need to listen and learn from our people, and we regularly encourage them to share their thoughts via a series of regular pulse surveys throughout the year. This year these surveys drew more than 30,000 comments and show our people remain highly engaged, valuing the flexibility they have to manage their work and life commitments and to choose where to work, based on what they need to get done. They feel well supported in regard to their health and wellbeing, and opportunities for professional development.

The survey also highlighted the strength of our people leadership, with employees feeling supported and cared for throughout COVID. But there is always room for improvement. Our people want greater focus on reward and recognition and we need to make it easier for them to get things done. The real-time feedback we are receiving through our always-on strategy is better informing our decision making.



Employee engagement

FY22	7.9 *
FY21	83% equivalent of 7.8**
FY20	84% increasing to 91% during COVID survey
FY19	85%

* In FY22 our survey methodology changed from a % score to a rating out of 10. Our engagement this year was equal to the external Peakon global benchmark of 7.9

** Our employee advocacy (eNPS) measure can be found in the customer health section alongside customer advocacy. Based on an employee engagement survey response rate of 76% [2,758] from 3,628 employees invited to participate

Attracting and retaining the best talent

While COVID has made the employment market even more competitive, we are committed to ensuring Medibank remains a great place to work, differentiating ourselves in the market through our approach to flexibility and health and wellbeing.

We have a talented team of people working at Medibank and we continue to attract and retain high calibre people right across Australia who are drawn to the work we are doing, our values-driven culture, and our progressive way of working. In addition to our highly compelling employee value proposition, we offer engaging training solutions, professional development opportunities, employee benefits and competitive remuneration.

In the competitive jobs market, our focus on our caring and inclusive work environment and flexible ways of working is helping us differentiate ourselves effectively. Many healthcare workers have been attracted to the opportunities and benefits that our telehealth roles provide and we've seen a high volume of applications for these roles.

To help ensure we retain our talented team members, we've increased our focus on regular talent conversations with each business unit leadership team and have developed tailored initiatives to support areas of the business that have been experiencing the effects of tight talent markets.

c. **31k**
people applied to join our
Medibank team in FY22



Engaged, purpose-led culture, attract and retain talent

Developing our people

A key focus for us is ensuring all our people can access professional development, which is why we created our virtual learning hub in 2020 to enable all our people to access a range of development programs. We upgraded the platform this year to improve access and functionality and have seen a 113% increase in people using mobile learning to access programs. We introduced a Health Navigator program to enhance the skills and improve the confidence of our frontline teams to have health conversations with our customers, which has received very positive feedback from our teams. We also launched virtual sessions for new employees to give them an opportunity to hear directly from our CEO, learn more about our organisation and connect with other new employees from across the business.

Building future talent

We want to ensure we retain our strongest performers and develop employees who have the potential to become future leaders. Our talent and succession management framework is designed to help us identify and nurture potential leaders, support and enhance their development and ensure we are building the right skills and capabilities for the future direction of our business. This year, we refreshed our existing five enterprise leadership streams and established a new commercial health leadership pipeline designed to identify and invest in people who will support our strategic expansion into health.

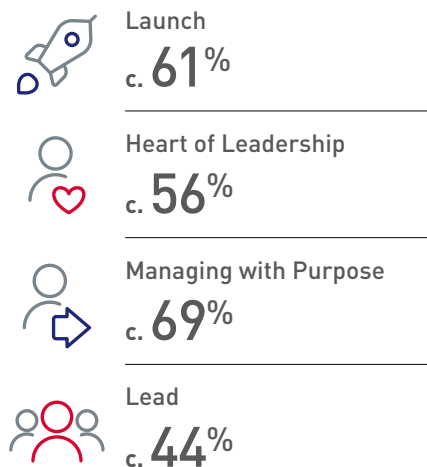
Leaders are supported with a range of targeted programs to develop and build upon the skills they need to be an inclusive, empathetic and accountable leader. Programs include workshops, individual, group and peer coaching, self-assessment and exposure to other businesses and individuals who excel in their fields.

Our enterprise leadership streams



- > Customer and operations leadership
- > Proposition and portfolio leadership
- > Strategy and transformation leadership
- > Commercial health leadership
- > Specialist leadership

Targeted programs – female representation



Elevate immersion program did not run this year due to ongoing COVID restrictions

Clinical development

Our access to AusMed continues to provide our clinicians and health professionals with training and development so they can maintain their registrations and adapt to the changing delivery of healthcare in Australia. Our Homecare business has implemented role-specific mandatory training including clinical skills development topics. We also introduced regular skills seminars to support our clinicians. Through our partnerships with leading universities, we continue to look for opportunities to develop our leaders and support the development of the next generation of clinicians in Australia.



Shine awards

Our Shine awards recognise and celebrate employees who've made outstanding contributions to our business and this year we received over 900 nominations. Among the winners were the COVID Care at Home team, who together with Calvary established a digital and homecare service to support COVID positive patients in just six days in response to the escalating COVID situation in Sydney. Also recognised was the Virtual Channels program cross-functional team who enabled our phone-based teams to work from their local Medibank store. Not only has the program increased the connectedness and collaboration between the two teams, it's translating to better customer experiences.

385

people attended personal development courses in FY22



Engaged, purpose-led culture, attract and retain talent

Study assistance

We support and encourage our employees to undertake external study opportunities relevant to their role that will build their long-term career development. Our assistance can include reimbursement of compulsory course fees, including tuition and union fees, study leave and flexible work arrangements.

Study assistance update



Women **5.1%** Men **2.8%**

percentage of total FY22 headcount, excluding HSS

Freedom of association/ collective bargaining approach to Enterprise Agreements

We recognise the rights to collective bargaining and freedom of association our people have as part of the *Fair Work Act 2009*. Some of our people are members of unions including the Australian Nursing and Midwifery Federation, the Community and Public Sector Union and the United Services Union and we have a number of enterprise bargaining agreements operating within our company.

Training hours

Our people leaders' participation in training programs stabilised this year as they focused on applying and embedding skills they had learnt in 2021, where we saw a significant increase in leadership training due to programs being delivered virtually. This skills application by our leaders was highlighted in our most recent employee engagement survey which showed improved sentiment towards people leaders with people feeling their leaders were more inclusive, caring and supportive of them and their development.

Leadership training



	Total hours
FY22	13,139
FY21	17,526
FY20	9,118

Employees covered by Enterprise Agreements



	30 June 2022		30 June 2021		30 June 2020		30 June 2019	
	Headcount	% of total	Headcount	% of total	Headcount	% of total	Headcount	% of total
Covered by EA	1,636	43%	1,620	42%	1,710	43%	1,767	41%
Not covered by EA	2,132	57%	2,246	58%	2,272	57%	2,515	59%
Total	3,768	100%	3,866	100%	3,982	100%	4,282	100%

All training



FY22

Training hours	Women	Men	Other	All
Management	9,789.77	7,798.62	35.17	17,623.55
Non-management	61,890.87	17,100.62	335.25	79,326.73
Total	71,680.6	24,899.2	370.4	96,950.3

Average training hours per employee

	Women	Men	Other	All
Management	17.48	15.85	8.79	16.69
Non-management	23.72	22.98	37.29	23.60
Overall average	22.6	20.1	28.5	21.9

Leadership training

FY22

Training hours	Women	Men	Other	All
Management	4,783.67	4,051.68	2.33	8,837.68
Non-management	2,880.52	1,420.37	0.00	4,300.88
Total	7,664.18	5,472.05	2.33	13,138.57

Average training hours per employee

	Women	Men	Other	All
Management	20.98	23.02	1.17	21.77
Non-management	18.46	26.80	0.00	20.58
Overall average	20.0	23.9	1.2	21.4

Engaged, purpose-led culture, attract and retain talent

Family Friendly Workplace accreditation

We remain a supporting partner of Family Friendly Workplaces – UNICEF Australia and Parents At Work’s national family and work standards and certification framework. The accreditation is based on criteria across five key areas: flexible work, parental leave, family care and family wellbeing and leadership. We have also been certified as a Family Friendly Workplace since the standards were introduced in 2021.



Workplace giving and volunteering

We encourage our employees to feel good through giving back to social causes and our people can volunteer their time, fundraise and donate to those who need it, through our Feel Good Giving platform. This year, we strengthened our partnership with Good Company to make it easier for our people to donate through payroll and get

it matched dollar for dollar from Medibank. Employees can search and register for volunteering opportunities and create fundraisers for causes they care deeply about. Family and friends can also donate to these fundraisers through the same platform.

Among this year’s highlights – almost 500 employees joined the Medibank

November team, raising more than \$70,000; we created and delivered almost 900 Christmas cards to residents of aged care homes, and our Medibank LifeBlood team has saved 960 lives through blood donation. Together with our people, we donated almost \$260,000 towards social causes and undertook more than 4,200 volunteering hours in FY22.



Employee volunteering

	Number of employees	Hours	\$ equivalent
FY22	973	4,233*	\$194,718
FY21	539	1,325	\$60,950
FY20	1,024	2,688	\$123,648
FY19	558	1,957	\$82,221

*This includes supporting community health by encouraging our people to utilise volunteering leave to receive the COVID-19 vaccination

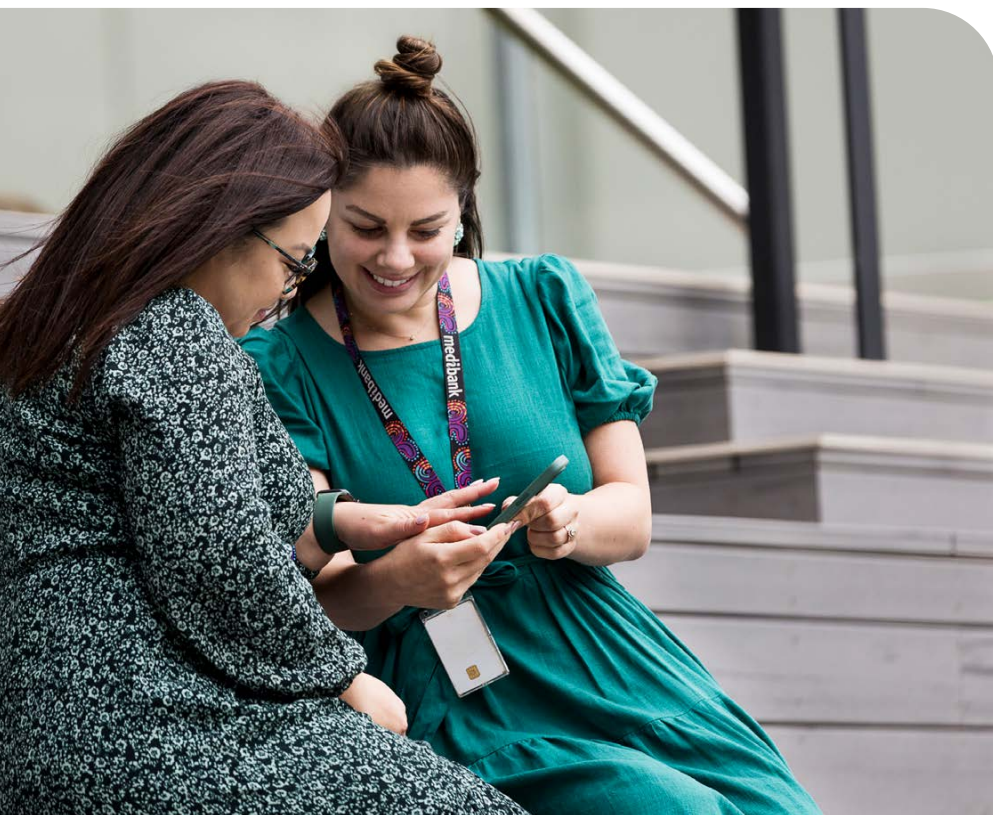
Matched donations



	Donations	Matched by Medibank	Total
FY22	\$71,794	\$65,340	\$253,009*
FY21	\$58,963	\$56,395	\$115,358
FY20	\$115,908	\$109,055	\$230,468**
FY19	\$81,121	\$75,738	\$156,859

*FY22 total includes \$115,875.58 in additional Medibank donations and charity vouchers

**Total includes \$5,504.50 in additional donations by Medibank



Diverse and inclusive workforce

Building a workforce for all

We're committed to creating an **inclusive culture** – one that acknowledges and **embraces difference** in all its forms and recognises the benefits these differences make to our **people**, our **shareholders**, our **customers** and our **community**.

These differences can include gender, marital or family status, sexual orientation, gender identity, age, disability, ethnicity, nationality, religious beliefs, cultural background, socio-economic backgrounds, perspectives, experiences, and other areas of potential difference.

Our philosophy is to create a workplace where employees can come as they are, to challenge who we become. We aim to ensure an inclusive work environment in which everyone is treated fairly and with respect and dignity.

To do this we're focused on delivering our Reconciliation Action Plan (RAP); achieving the goals within our Accessibility and Inclusion Plan (AIP), supporting parents and carers, delivering on gender equality and inclusion of LGBTQI+ people; and ensuring our workforce is representative of the changing cultural demographics of our customers.

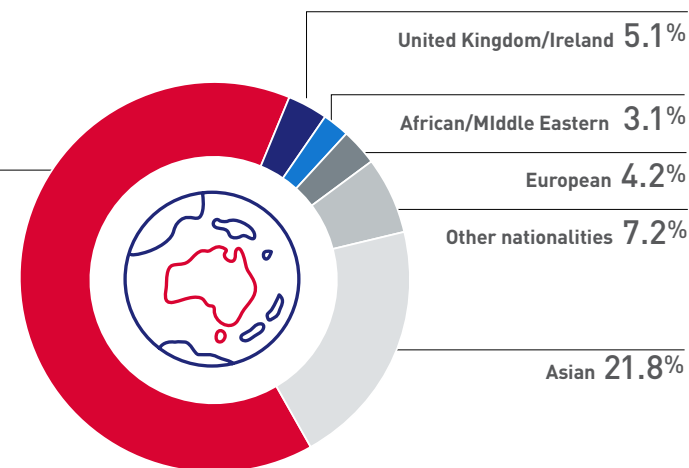


Who are we?

Australian

57.7%

(includes Aboriginal and Torres Strait Islander 0.9%)



*Based on employee engagement survey response rate of 76% (2,758) from 3,628 employees invited to participate

Our workforce



	30 June 2022	30 June 2021	30 June 2020	1 July 2019*
Headcount (#)	3,768	3,866	3,982	3,828
This includes # health professionals	1,302	1,408	1,508	1,341
Full time equivalent (#)	3,291	3,409	3,536	3,419
This includes # health professionals	970	1,094	1,188	1,063

FY21 and FY20 HSS headcount proxy for FTE due to limited data availability






*1 July 2019 marked end of Garrison contract

Diverse and inclusive workforce

Keeping ourselves accountable to our goals

FY22 diversity and inclusion measurable objectives

Progress toward achievement

<p>Medibank will remain committed to ensuring a representation of at least 40% women across our senior leadership population, and at least 40% of women on the Medibank Board</p>		<p>As at 30 June 2022, women represented 44% of Group and senior executive roles (down from 50% in FY21). Representation of women on the Medibank Board is still above target at 44% (including the CEO), aligned with FY21.</p>
<p>Medibank will aim to improve the gender balance across our manager and non-manager population by maintaining at least 40% women across our manager workforce and improving the representation of men in our non-manager workforce</p>		<p>Women represented 53% of all manager roles (excluding Group and senior executives), up from 51% in FY21 and 79% of non-manager positions (compared to 77% in FY21). This is largely driven by our Health Services and Homecare divisions where women made up 87% of the non-manager workforce, compared to other Medibank divisions which sit at 63%. This is in line with the broader Australian health workforce, which is comprised of approximately 80% women*.</p>
<p>Medibank will continue to focus on the representation of Aboriginal and Torres Strait Islander employees with a target set of at least 42 employees (approx. 1.4% of our organisation) and their improved self-reported engagement through the delivery of a new Reconciliation Action Plan</p>		<p>In FY22, the number of employees identifying as Aboriginal and Torres Strait Islander in our annual engagement survey decreased to 25 people, which equates to 0.9% of survey respondents** and 17 employees less than our target of 42 employees. This may be reflective of a reduction in overall participation in the survey. Engagement for this cohort was 8.1 which is above the Medibank average of 7.9 and above FY21's result of 6.9.</p> <p>Through the launch of our fifth Reconciliation Action Plan this year, we have set out our key focus areas from 2022 – 2024, including 16 new actions with deeper delivery accountability across the business. Cultural capability has been identified as a key priority and we are working on the development of a cultural responsiveness framework to provide practical and appropriate guidelines for the development and growth of cultural safety within Medibank, to be delivered by the end of this year.</p>
<p>Medibank will cultivate a disability confident culture leading to an increase in the representation and self-reported engagement of employees with a disability</p>		<p>In FY22, the number of employees identifying as having a disability in our annual engagement survey rose to 163 people, which equates to 5.9% of survey respondents**, an increase from 4% in FY21. Engagement for this cohort was 7.7, which is below the Medibank average of 7.9 and 0.1 lower than FY21's result of 7.8.</p> <p>We continued to focus on the inclusion of people with disabilities through the development of our second Accessibility and Inclusion Plan. It details our areas of focus for the next three years, including the creation of an inclusive, safe and disability confident workplace. As part of this focus, we launched our first disability awareness training module at the end of 2021. We are now working to include this training in our onboarding and annual compliance training programs.</p>
<p>Medibank will provide a market-leading comprehensive and targeted carers support package to improve the engagement of employees with caring responsibility for elderly parents, or people with a disability or chronic condition</p>		<p>A significant proportion of our people have caring responsibilities; either elderly parents, or a family member with a disability or chronic condition (19.3%, as measured by our employee survey).</p> <p>In FY21 we began developing a targeted carers support package, including a carers support network. This year, we launched a carers information hub and piloted a carers support program with a small group of employees, which we will review in FY23 to determine its potential to scale to all employees.</p>

*Workplace Gender Equality Agency (2020) Australia's gender equality scorecard

**Based on employee engagement survey response rate of 76% [2,768] from 3,628 employees invited to participate

Diverse and inclusive workforce

To help drive greater diversity for the year ahead, our FY23 measurable objectives have been set by the Board.

♀ 40%

Ensure a representation of **at least 40% women** across our executive leadership and senior leadership populations, and **at least 40% of women** on the Medibank Board.



Improve the gender balance across our manager and non-manager population by **maintaining at least 40% women** across our manager workforce and **improving the representation of men** in our non-manager workforce.



Increase the representation and engagement of **Aboriginal and Torres Strait Islander employees** with a target set of **at least 43 employees** (approx. 1.6% of survey respondents) as self-reported in our annual engagement survey.



Increase the representation and engagement of **employees with disability** with a target set of **at least 178 employees** (approx. 6.5% of survey respondents) as self-reported in our annual engagement survey.



Provide a market-leading comprehensive and targeted support carers package to **improve the engagement of employees with caring responsibilities** for elderly parents, or person with a disability or chronic condition.



Diversity and Inclusion working groups

We have six employee-led diversity and inclusion focused groups that drive our inclusive culture and support the delivery of our diversity and inclusion measurable objectives.



> **The Diversity and Inclusion (D&I) Council** governing body for Medibank's D&I strategy

> **Diversity and Inclusion Working Groups** support D&I activities and drive change

> **Employee Support Networks** provide working groups with support and connection, feedback and advice

Piloting a new approach to supporting carers

In March, we began piloting a carers support program with a small group of our people who are caring for ageing parents or a loved one with a disability or chronic illness. Each person was supported with a one-on-one consultation with one of our CareComplete clinicians and recommendations for local services to assist with their individual needs. The pilot has received overwhelmingly positive feedback from the employees and clinicians involved and we are looking to scale the program across the business.



Gender equality approach

We recognise the critical role we play in driving gender equality in our business and in the broader community. This year, we again achieved our targets of at least 40% representation of women across our senior leadership team and Board and we maintained gender pay equity of less than 1%. We are committed to delivering gender equality, with a focus on ensuring gender is not a barrier to career opportunities and advancement and representation of all gender identities throughout our recruitment processes. We are proud of our achievements and will continue to challenge our biases and educate ourselves so that we can continue to champion further progress in gender equality.

Diverse and inclusive workforce



Gender pay analysis

Since 2018, Medibank has undertaken and disclosed an analysis of gender pay equity relative to market rates of pay. In addition to broadening the scope of our gender pay equity analysis to include employees covered by enterprise agreements, this year we are also reporting on our gender pay gap by employee band.

Gender pay gap

The gender pay gap, as it is broadly understood and reported, seeks to measure the difference between the average pay of women and men across a given workforce. Our gender pay gap by employee band is calculated by dividing the average total fixed remuneration (base salary + superannuation) for women within each band, by the average total fixed remuneration for men in the same band to determine the percentage difference.



Gender pay gap at 30 June 2022*

	FY22	FY21	FY20
Group executives	-27%	-29%	-31%
Senior executives	-2%	-8%	-10%
Senior managers	-4%	-3%	-2%
Other managers	-8%	-8%	-8%
Non-managers	1%	1%	0%

*Gender pay gap data is based on permanent and fixed-term employees. Data excludes the CEO, non-executive directors, casual employees and employees who have not responded with a defined gender.

In our most senior roles, there is a greater gender pay gap reflecting the small number and different types of roles in these groups. In the non-manager group, which covers most of our people, the gender pay gap is 1%.

Gender pay equity

Our gender pay equity analysis represents the difference between how women and men are paid relative to similar roles outside Medibank. Total fixed remuneration (base salary + superannuation) for each employee is compared to an external market reference to determine the percentage difference. These results are then averaged to determine the gender pay equity percentage. A positive number indicates that women are paid higher than men relative to the market reference, and vice versa.

We believe this approach is a fair and robust method for ensuring that both women and men employees are paid equitably for similar roles relative to the external market and thereby ensuring there is no internal gender bias in our remuneration settings.

For the fifth year in a row since we began reporting on our gender pay equity analysis for employees not covered by an enterprise agreement, we've continued to maintain a gap of less than 1%. This year, we've extended our analysis to include employees covered by enterprise agreements to provide a holistic view of our gender pay equity, with this cohort also showing a gap of less than 1%.

Gender pay equity at 30 June 2022*

	FY22**	FY21	FY20
Non-Enterprise Agreement employees	-0.5%	0.0%	-0.7%
Enterprise Agreement employees	-0.4%	NA	NA

*Gender pay equity data is based on permanent and fixed-term employees. Data excludes non-executive directors, casual employees and employees who have not responded with a defined gender.

**Gender pay equity analysis for FY21 and FY20 was conducted during August in the relevant year to coincide with the annual review cycle for non-enterprise agreement employees. Gender pay equity analysis for FY22 is based on rates of pay as at 30 June 2022 so that both groups of employees are being compared on a like-for-like basis.

Diverse and inclusive workforce

Equality that's recognised globally

This year, we ranked 11th globally in Equileap's 2022 Gender Equality index. The report assessed almost 4,000 publicly listed companies against 19 gender equality criteria. We achieved a gender equality score of 70% against Equileap's gender equality scorecard (the average of the top 100 companies globally was 66%) which placed us 3rd in Australia and third across all financial organisations globally.

Workplace Gender Equality Agency

In 2022, Medibank was recognised as an Employer of Choice for Gender Equality by the Workplace Gender Equality Agency (WGEA) for the 7th year. This citation is in place until the end of 2023.



Employees by employment type and gender



	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	Women headcount		Men headcount		Other headcount		% women	
Board (including CEO)	4	4	5	5	-	-	44%	44%
Group executives (including CEO)	2	2	6	6	-	-	25%	22%
Senior executives	22	25	24	20	-	-	48%	56%
Group and senior executive total	24	27	30	27	-	-	44%	50%
Senior managers	100	106	115	112	1	-	46%	49%
Other managers	353	334	292	305	1	2	55%	52%
Non-managers	2,258	2,288	578	649	8	8	79%	77%
Overall (including Board)	2,739	2,759	1,019	1,097	10	10	73%	71%

44%
of Board roles held by women

44%
of senior leadership roles held by women



Diverse and inclusive workforce

Flexible working and parental leave

Our approach to flexible working and parental leave has been an integral part of fostering greater gender balance in our workplace. We were one of the first companies to introduce a parental leave program offering all eligible prospective parents 14 weeks of paid leave within the first 24 months of their child's birth. This year we enhanced our policy by making parental leave available to eligible permanent employees from the time they start working with us, and providing greater access to paid parental leave and flexible unpaid leave.

Case study

Getting a deeper understanding of our customers

In December, Medibank partnered with ACON to facilitate a customer immersion to understand how we can better support gender-affirmed members of the community. Approximately 80 people across the organisation attended the event, hearing directly from customers and Medibank employees about gender affirmation and their experience with the healthcare system.



Parental leave taken by men

FY22	24%
FY21	27%
FY20	25%



Employees who worked flexibly % of employees reporting they have the flexibility to manage work and life commitments

FY22	85%
FY21	64%
FY20	pre COVID 71%



*FY22 based on employee engagement survey response rate of 76% (2,758) from 3,628 employees invited to participate. FY21 data includes HSS employees who care for patients in their homes and community settings for the first time.



Parental leave



	FY22			FY21			FY20		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Employees who took parental leave	275	86	361	260	94	354	270	88	358
Employees who returned to work after parental leave	219	65	284	237	81	318	250	85	335
Parental leave return to work rate (%)	80%	76%	79%	91%	86%	94%	93%	97%	94%
Parental leave retention rate 12 months after return (%)	NA	NA	NA	68%	74%	72%	78%	71%	76%

Diverse and inclusive workforce

Turnover

Our voluntary turnover increased in FY22. As our contracts with 1800RESPECT and Beyond Blue came to an end this year, many of our fixed-term employees working on these services looked for other opportunities beyond their contract term. Our broader health and customer frontline teams also faced into a competitive talent market and historically low unemployment.

Voluntary vs involuntary turnover by gender*



	FY22		FY21		FY20	
	Voluntary	Involuntary	Voluntary	Involuntary	Voluntary	Involuntary
Women**	32.1%	4.6%	22.9%	3.7%	21.4%	12.5%
Men**	30.1%	4.5%	19.0%	5.0%	18.2%	12.0%
Other**	47.6%	0.0%	9.2%	0.0%	0.0%	9.7%
Total	31.5%	4.6%	21.7%	4.1%	20.4%	12.4%

* Number of employees who left Medibank (voluntarily, involuntarily, or total) as a percentage of the average permanent and fixed-term headcount for each respective year (casual employees are not included). Please note that our calculation methodology has changed from our Sustainability Report 2021. Our FY21 and FY20 figures have therefore been restated to reflect the new methodology.

** Turnover figures for gender represent a percentage of each category. Turnover figures for 'Other' vary significantly due to the low number of employees in this category.

Promotions



	30 June 2022		30 June 2021		30 June 2020	
	Headcount	% of category	Headcount	% of category	Headcount	% of category
Promotions by gender						
Women	142	6%	116	5%	111	4%
Men	83	8%	76	7%	76	7%
Other	1	10%	0	0%	0	0%
Total	226	6%	192	5%	187	5%
Promotions by age						
Under 25	5	7%	2	3%	2	2%
25-34	88	9%	70	7%	86	8%
35-44	94	7%	68	5%	66	5%
45-54	30	4%	37	5%	25	3%
55-64	9	2%	14	4%	7	2%
65+	0	0%	1	2%	1	2%
Total	226	6%	192	5%	187	5%

Excludes HSS

Diverse and inclusive workforce

Employment type



	30 June 2022				30 June 2021				30 June 2020			
	Women	Men	Other	Total	Women	Men	Other	Total	Women	Men	Other	Total
	Headcount				Headcount				Headcount			
Permanent												
Full-time	1,270	836	5	2,111	1,250	865	7	2,122	1,301	898	7	2,206
Part-time	801	58	4	863	850	83	2	935	966	86	2	1,054
Fixed term												
Full-time	103	42	0	145	132	50	0	182	117	40	0	157
Part-time	414	54	1	469	321	56	1	378	201	47	1	249
Casual	151	29	0	180	206	43	0	249	269	47	0	316
Total	2,739	1,019	10	3,768	2,759	1,097	10	3,866	2,854	1,118	10	3,982

Talent pool



	30 June 2022		30 June 2021		30 June 2020	
	Headcount	% of total headcount	Headcount	% of total headcount	Headcount	% of total headcount
New hires by gender						
Women	960	27%	770	22%	902	24%
Men	289	8%	276	8%	368	10%
Other	7	0%	2	0%	2	0%
Total	1,256	36%	1,048	29%	1,272	34%
New hires by age						
Under 25	84	2%	78	2%	148	4%
25-34	454	13%	366	10%	470	13%
35-44	415	12%	320	9%	350	9%
45-54	200	6%	189	5%	209	6%
55-64	92	3%	86	2%	84	2%
65+	11	0%	9	0%	11	0%
Total	1,256	36%	1,048	28%	1,272	34%

FY20 excluding HSS
Rounded to nearest percentage

Diverse and inclusive workforce

Healthy and safe workers

Creating a healthy and safe workplace for our people will always be a priority. We work to **deliver programs and initiatives** to support our employees when they need it most. We do this by **focusing on prevention, early intervention** and delivering **a range of health and wellbeing initiatives** that support the physical and mental wellbeing of our employees. Our approach is anchored to our Health, Safety and Wellbeing Policy and practices and is integrated into the everyday activities of our business.

Supporting the health of our people

We're committed to driving a culture of wellbeing and supporting the diverse physical, emotional, and mental health needs of our people. It's how we design our ways of working, our policies, our behaviours and our values. We've developed a range of initiatives, programs, tools and support to encourage our people to work towards feeling mentally and physically well. We also offer subsidised private health insurance, free flu vaccinations, injury and illness support, access to a wellbeing coach, extended parental leave and more. We know that our people appreciate this support with our annual engagement survey results for meeting employees' health and wellbeing needs placing us in the top 25% of companies globally*.

Expanded employee health support



Our Employee Health Support Line launched in 2019 and provides our people with 24/7 access to our qualified nurses for trusted health advice. This year we expanded the service to offer COVID support for employees and their immediate family, as well as pregnancy support and advice – with healthcare professionals providing expert and confidential advice and information on costs, prenatal classes, preparing for hospital and life as a new parent, to help employees and their partners navigate the path to parenthood.

Mental health support



Our comprehensive approach to supporting mental health focuses on providing employees and their families with choice in accessing the right support for them. MindHub is an online resource for employees featuring mental health information, resources and programs designed to help our people feel mentally well and ensure they have access to support when they need it. This support includes our dedicated 24/7 Employee Mental Health Line, and access to the Smiling Mind and Uprise apps. An annual Good Health Day, regular Digital Detox afternoons, and meeting-free periods also help provide employees with greater flexibility.

Feel good grants

Since 2020, our Feel Good Grants program has been bringing to life activities and initiatives that support the physical, mental health and wellbeing of our people. The program provides employees with an opportunity to receive the funding they need to put their health and wellbeing ideas into action. This year, our Feel Good Cookbook has helped our people make better food choices and our Growing Organically initiative supported our people to engage more with nature and grow their own food. We also delivered virtual pilates, yoga and mindfulness sessions, and joined forces with Pub Choir to launch our first virtual Medibank Couch Choir.

Domestic, family and sexual violence support

Domestic, family and sexual violence remains a significant issue for our community and we are committed to helping our people feel supported and safe. This year, we launched a series of training modules for our employees designed to assist with recognising signs of domestic, family and sexual violence, how to respond appropriately when we recognise it in our employees or our customers and where to direct people for further support. We also provide full and part-time employees who are experiencing domestic, family and sexual violence with uncapped paid leave and additional support.



*Based on Medibank's performance against the Q1 2022 Peakon global benchmark

Diverse and inclusive workforce

Employee assistance program

Our Employee Assistance Program (EAP) service is available for our employees and their families should they need support for their wellbeing or to manage personal and professional issues. In March we introduced a dedicated First Peoples provider to give Aboriginal and Torres Strait Islander employees the choice of accessing culturally appropriate counselling services.

Grievance procedures

We actively encourage our people to speak up and raise any concerns they may have. We then work with those who do speak up in a fair and balanced grievance resolution process, and people can also access any external tribunal or other body if they feel they need it. As well, people can utilise our whistleblower channels or provide interactive comments on our employee survey to anonymously raise any concerns they might have.

Health and safety training

Our people undertake mandatory training so they understand the systems and practices in place to manage their health, safety and wellbeing. This training must be completed by all new employees within a month of joining Medibank, and existing employees undertake a refresher module every year. This year we had a 99.6% completion rate.

99.6% 
completion rate of mandatory
health and safety training

Keeping our people safe

We work to ensure both the location and the way our people work are safe and support their health and wellbeing – no matter where they may be. This year we launched a number of safety and wellbeing resources for our people leaders to help them support and manage their teams. Our COVID response included risk assessments, delivery of COVID-safe plans, face masks and rapid antigen tests, access to community leave to attend COVID vaccination appointments and \$20 charity gift vouchers for employees who received a COVID vaccination. We also supported our employees impacted by floods in Queensland and New South Wales.

Lost time injury frequency rate

To measure our progress in ensuring a healthy and safe workplace, we track our lost time injury frequency rate. The targets we set are aligned to our previous performance and the industry benchmarks for the insurance and healthcare industries, as indicated by Safe Work Australia. We're pleased that our insurance business injury rate continues to be below benchmark, while Amplar Health sat above our target. To help address this, Amplar Health's key prevention programs for the next year will target manual handling and slips, trips and falls in our homecare business as well as a focus on psychological health across the division.

Lost time injury frequency rate



	Rate	Target	Number of lost time injuries
FY22 Medibank/ahm	0.54	<2.0	2
FY22 Amplar Health*	9.24	<8.0	18
FY21 Medibank/ahm	0.49	<2.0	2
FY21 Healthcare**	8.91	<8.0	18
FY20 Medibank/ahm	2.01	<2.0	8
FY20 Healthcare**	6.70	Not set	13

* Amplar Health was previously referred to as Healthcare

** Includes Homecare (HSS, CareComplete, HealthStrong) and Medibank Health Solutions

Lost Time Injury Frequency Rate (LTIFR) = [(Number of lost time injuries in the 12-month reporting period) x 1,000,000] / (Total hours worked in the reporting period)

A lost time injury is a work-related injury with one or more shifts lost and a corresponding accepted Workers Compensation claim

Incidents and hazards reported



	Incidents reported	Hazards reported
FY22	358	26
FY21	389	57
FY20	299	43

Diverse and inclusive workforce

Working safely from home

Our people have access to a range of equipment and support tools to help them optimise their work from home set up. Permanent and fixed-term employees can access an ergonomic chair and other equipment including a wireless keyboard, mouse, monitor and laptop stand. We have also developed a variety of resources to support their wellbeing and help them set up their home workstation including information guides and tips to looking after their mental health.

Early intervention program

We have a range of support in place to help our people minimise the impact of any illness and injury that may occur, and make a safe and sustainable return to work. Our early intervention program helps people to safely return to work in accordance with their doctor's advice, or to recover while remaining at work. Employees can also access workers compensation and salary continuance options. We've maintained a high return to work rate of 95% and our program has received overwhelming positive feedback from both employees and people leaders.

Absenteeism

As our people continue to manage through the ongoing impacts of the pandemic and a significant flu season, we saw absenteeism return to pre-COVID levels. We've maintained our approach of focusing on key health and wellbeing measures in our employee survey as a key indicator, rather than setting absenteeism targets. We benchmark ourselves on this indicator against the top 25% of businesses globally, measured by our international provider. We continue to encourage our people to take care of themselves and each other and not work when they are unwell.



Total absenteeism

Year	Total
FY22	4.1%
FY21	3.2%
FY20	3.2%
FY19	4.2%

Excludes HSS

Measure of actual absentee days lost, expressed as a percentage of total days scheduled to be worked by workers for the same period

85%
employees who
worked flexibly





We're making a difference in our community, building partnerships and investing in preventative healthcare and research to address some of Australia's biggest health concerns

Community health





Community health

We're engaging with our community to understand and respond to some of Australia's biggest health challenges and partnering with health professionals to drive change in the system and advocate for reform

The issues that matter

Support healthy communities

Work together to build a stronger and more sustainable health system

How we're enabling this

- 10-year commitment to address loneliness
- Supporting mental health and wellbeing
- Engagement with Aboriginal and Torres Strait Islander people
- Disability access and inclusion

SDGs



Our FY22 commitments

Our progress

What's next

	<p>Increase investment in research that improves health experiences, outcomes and affordability for all Australians</p>	<p>\$1.1m invested in FY22</p>	<p>Ongoing</p>
	<p>Deliver our 5th Reconciliation Action Plan (RAP)</p>	<p>Developed and launched our 5th RAP</p>	<p>Progress our ambitions as outlined in our RAP</p>
	<p>Develop our 2nd Accessibility and Inclusion Plan (AIP)</p>	<p>Developed and launched our 2nd AIP</p>	<p>Progress our ambitions as outlined in our AIP</p>
	<p>Deliver online domestic and family violence training for our people and corporate partners</p>	<p>Employee training modules developed and launched Training undertaken with a corporate partner</p>	
	<p>10-year commitment to address loneliness</p>	<p>Launched We Are Lonely podcast Undertook second phase of our long-term loneliness population research</p>	<p>Progress strategic roadmap for 10-year loneliness impact, including key community partnerships</p>

Support healthy communities

We recognise the important role we play in **supporting the health and wellbeing of all people in Australia.**

That's why we're focused on addressing some of Australia's biggest health issues, by **investing in community partnerships** and activities, **funding health and medical research**, shining a **spotlight on loneliness**, focusing on **mental health** and taking action to **close the gap** in health equity for Aboriginal and Torres Strait Islander people and for people living with disability.

This year, we've contributed over **\$3.3 million to the community.**

Researching our way to better health



Through the Medibank Better Health Foundation, we're driving research and patient advocacy initiatives; partnering with universities and research leaders, industry, and advocacy groups to design and produce projects that can benefit our customers and all people across Australia. This year, the Foundation has partnered with the Menzies School of Health Research to sponsor HealthLAB – an innovative, interactive and educational travelling health program; created a partnership grant for research in digital health in primary care in collaboration with the Royal Australian College of General Practitioners (RACGP), committed \$50,000 annually to support research to further enable health equity for Aboriginal and Torres Strait Islander

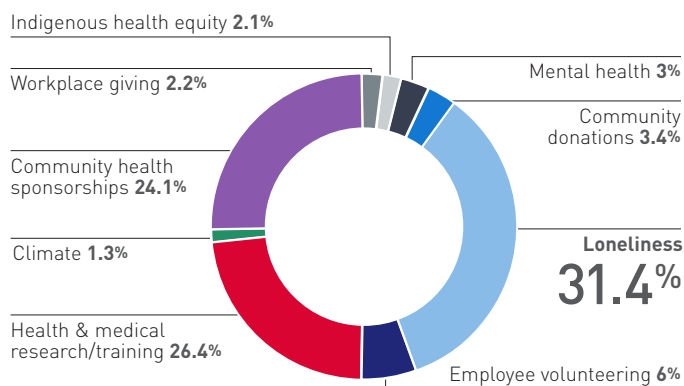
peoples, and established a process to determine the key opinion leader academics in the field for each project to partner with, to ensure we utilise funds strategically.

We've supported 25 projects this year, including a University of Sydney program assessing the use of digital health services to help people in rural and remote communities manage musculoskeletal pain, research into the patient experience and overall feasibility of Medibank's no gap joint replacement program by the University of Melbourne in collaboration with the ANZCA Foundation, and an analysis of cultural safety training in Australian health services to help improve the safety and quality of care Aboriginal and Torres Strait Islander people receive, led by the Australian Commission for Safety and Quality in Health Care.

Youth Health Summit

We supported the Consumer Health Forum's 2021 Youth Health National Summit, which brought together hundreds of youth advocates and young people from across the country to discuss how well the health system is serving 18-30-year-olds. Among the key outcomes of the day; participants called for young people in schools, universities and TAFE to be better educated within these systems about health system navigation and use, for medical colleges and health bodies to establish accreditation standards for working with diverse communities and for the Federal Government to address the duty of care on climate change with a national strategy on climate, health and wellbeing for Australia.

Community investment*



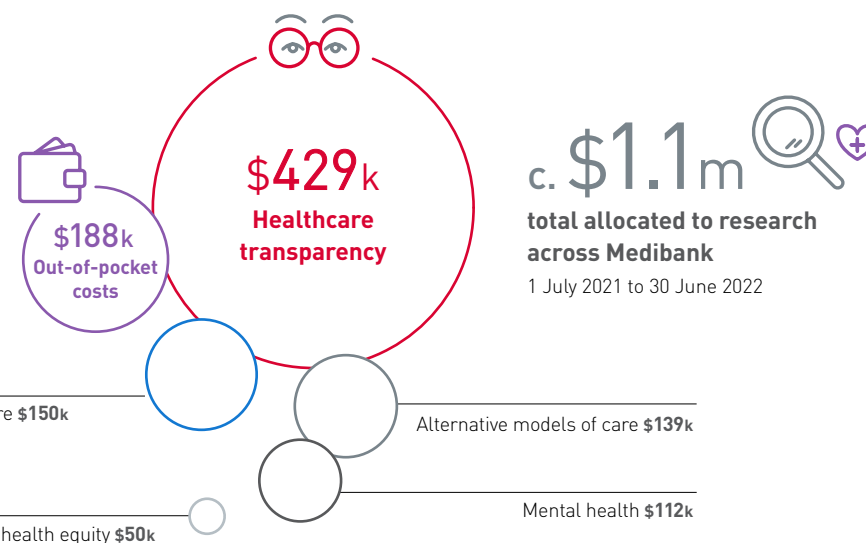
Key achievements

25 projects

Partnered with 25 organisations

5 publications

5 conference presentations



*Numbers have been rounded to one decimal place

Support healthy communities

Helping people Live Better

Every day, we want to help people make the best possible choices for their health and wellbeing and our Live Better activities program is designed to support them along the way. In late 2021, we reached our goal of engaging 1.5 million people in our free Live Better events and activities, 10 months ahead of schedule. Among the many free activities we supported this year – a series of health and wellbeing classes as part of the Medibank Feel Good program in Brisbane, a series of online dance classes

in collaboration with the Sydney Dance Company, mindfulness activities for families through our partnership with Smiling Mind and fitness, food and mind activities from our Live Better ambassadors Tim Robards, Steph Prem and Emily Toner, with Emily hosting the popular puppy meditation class. We also partnered with Australian wrestler Shazza McKenzie to create Stressling – a series of easy to replicate, solo wrestling moves designed to help people manage stress in the comfort of home.

Programs we supported in FY22

- parkrun Australia
- Smiling Mind
- Feel Good Program, Brisbane
- Sydney Dance Company
- Dr Michael Mosley and The Fast 800 Program

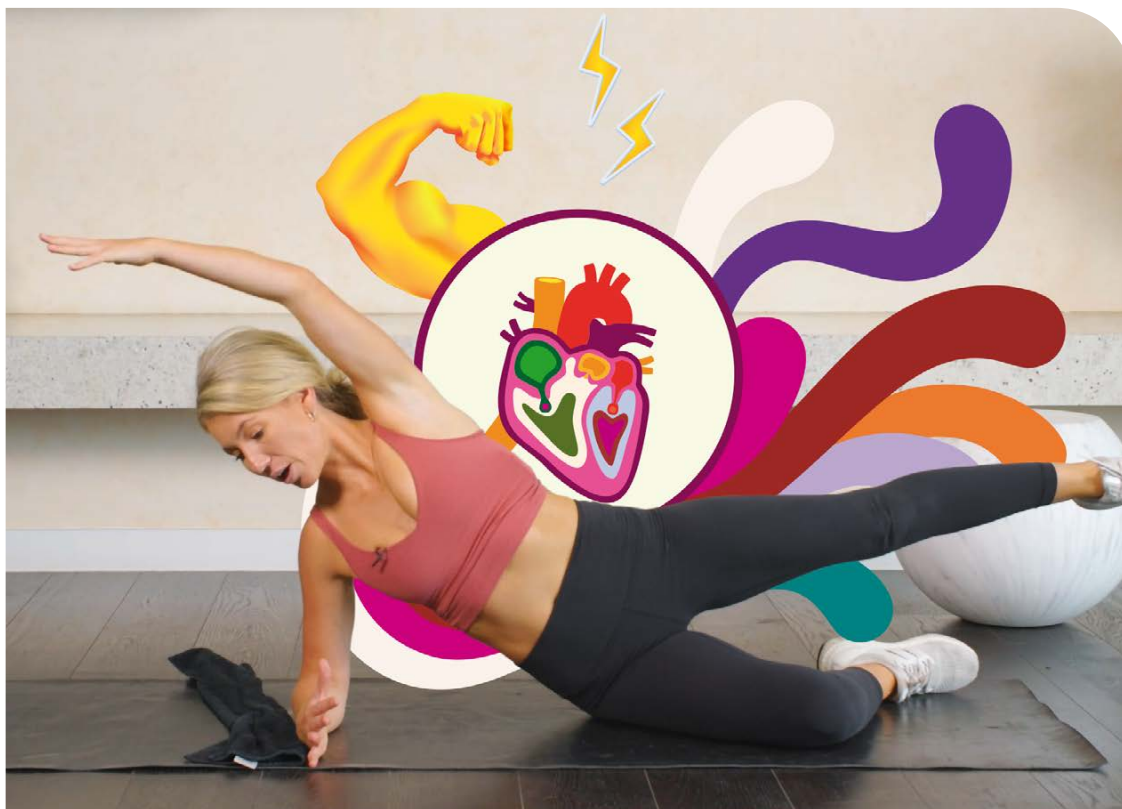


1.5m+
people have engaged
in Live Better events
and activities



Partnering with parkrun Australia

parkrun has helped more than 750,000 people participate in weekly runs and walks, in locations ranging from parks and military bases through to prisons and youth detention centres. We've been supporting them to do this since 2016. Together we share a commitment to helping people make better health choices every day – we also know the positive social impact parkrun has on communities, particularly so in terms of tackling loneliness. This is why we extended our partnership this year, becoming parkrun's first presenting partner and will be helping them work towards their goal of 900,000 people taking part in parkrun by the end of 2025. We now have a team of employees who are volunteering their time at local parkruns to assist in the running of events.



Support healthy communities

Supporting the national health response to COVID

We've continued working with federal and state governments to support the COVID community response. Together with Calvary, we provided a COVID care program to remotely support and monitor COVID positive people at home in New South Wales, Victoria, Queensland and Western Australia. We've now assisted around 165,000 people through the program.

Understanding the effects of COVID

We've collaborated with La Trobe University on three health research projects investigating the impacts of the pandemic on the health of Australians and the delivery of health services. The research explored how people were coping with working from home; evaluated the rapid implementation of telehealth rehabilitation for cancer survivors; and studied the sustainability, effectiveness and safe use of virtual care and health monitoring technologies and their impact on reducing pressure on our health systems. This research is one of several projects that form part of our strategic health partnership with La Trobe University aimed at supporting our future health professionals, researching better health outcomes for people in Australia and helping the university deliver its City of the Future vision.

Helping those in need

As well as assisting our customers through our COVID financial support package and give back program, this year we helped customers impacted by the floods in New South Wales and Queensland. We provided assistance packages including policy suspensions and financial support to cover premiums for up to three months, and customers with pet insurance could also access emergency boarding for their animals, no matter what their policy type.

Helping end domestic, family and sexual violence

After 10 years delivering the 1800RESPECT service for the Federal Government, our contract came to an end in June this year. Over the past decade, we've provided expert tailored counselling and support for people in Australia impacted by domestic, family violence and sexual assault. We removed barriers to people accessing support through the service, worked with influential disability advocates and professionals to improve service referral pathways and responses for people with disability and have helped to drive the national conversation around domestic family violence and sexual assault. We will continue to play our part in helping to end this national scourge.



c. 165k

COVID patients supported in partnership with Calvary



242,835

answered contacts to 1800RESPECT

Telephone and online counselling combined, this may include contacts from frequent nuisance and prank callers



Support healthy communities

Supporting those in remote and regional areas

We worked closely with one of our largest corporate clients to provide virtual GP services and 24/7 care to support their regional, rural and fly in fly out employees. This year the fully subsidised service provided more than 7,000 GP consultations, almost two thirds of which were for people in regional or very remote areas, while 15% were for children under 17 years old. The service has received excellent feedback from employees and their families, and we've now expanded the service to include care programs for asthma management, diabetes control and sleep health.

Shaping future leaders

We have a wide range of health partnerships with many universities and have been focused on enriching our engagement through the delivery of integrated learning and professional development opportunities. In addition to supporting universities to improve the health outcomes of international students, we're contributing to the academic and professional student experience. As part of our strategic health partnership with RMIT, we have been co-designing RMIT's curriculum content to match the skills and career pathways of the future. Our people are contributing industry insights and trusted advice across a suite of courses to help better prepare students for real-world situations.

Supporting international students

To further support the health and wellbeing of our international students, this year we launched two initiatives focused on easing some of the cost of living pressures and supporting them to find employment opportunities in Australia. Support includes advice on resumes, cover letters and job interviews, tips on how to navigate career pathways as well as access to a job board. Part of our new Student Rewards Plus program, these programs build on our existing digital offering for overseas students, such as our online GP service, which is designed to take some of the confusion out of navigating Australia's healthcare system.



7,000+


GP consultations provided, most of which were for people in regional or remote areas



Support healthy communities

10-year commitment to addressing loneliness

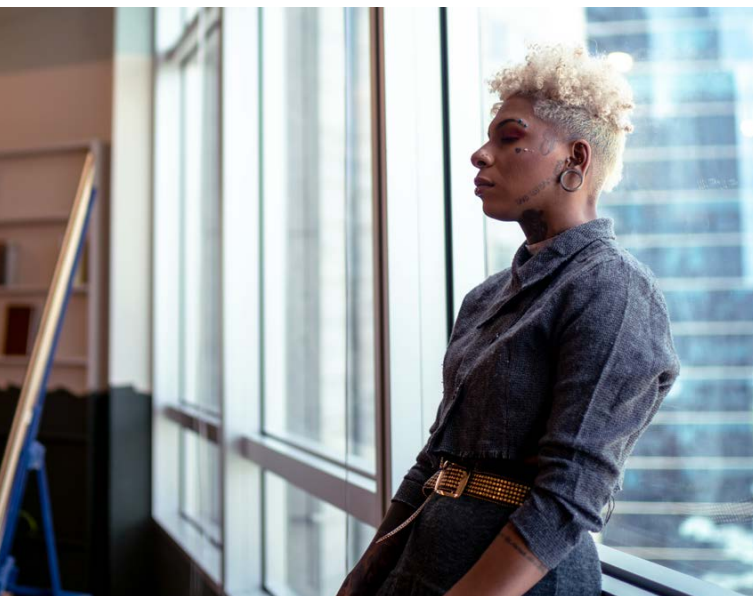
Loneliness is impacting **more people across Australia than ever**, with our latest research showing more than half of the 1,200+ people we surveyed **felt lonely on one or more days during a typical week**, with young, single people the loneliest. On top of this, the research revealed **one in three people were classified with a high level of loneliness**, an increase from one in four people in 2020.



More than half of Australians surveyed (53%) feel lonely on one or more days during a typical week

1 in 3 people are classified with high-level loneliness

75% of single people aged 16-34 feel lonely in a typical week



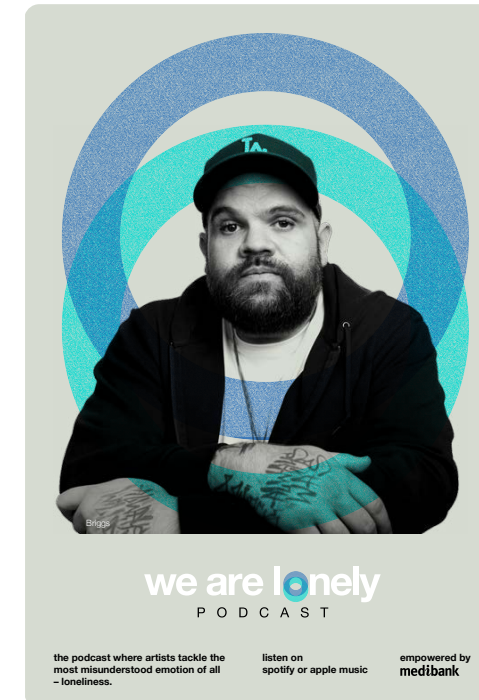
We are committed to helping address loneliness for people in Australia and are working with some of Australia’s leading researchers and experts to raise awareness of the issue, encourage open conversations and work towards new solutions for a problem faced by so many of us. This year we also undertook research through our employee survey to better understand how loneliness is impacting our people. The results show loneliness is more prevalent among younger employees, closely mirroring the outcomes of our broader research. We’re now exploring a range of options to help support loneliness among our people.

We Are Lonely

To explore the theme of loneliness and drive positive conversations around mental health and wellbeing, we created the podcast series, We Are Lonely available on [Spotify](#) and [Apple Music](#). Hosted by radio/TV personality Myf Warhurst and Dr Frederic Kiernan, it features in-depth interviews with Australian artists, actors and entertainers like Hugo Weaving, Darren Hayes and Briggs talking about their personal experience of loneliness and providing insights into how these feelings are an experience shared by everyone. The podcast is helping to raise awareness of loneliness and remove the stigma around it, enabling people to better understand and identify loneliness in themselves and others. Among those who listened to an episode, self-identification of loneliness increased by 30%.

Ending loneliness together

We are also part of Ending Loneliness Together – a national network of organisations working together to raise awareness of loneliness as an important social, health and economic issue, and build the evidence base and tools to address loneliness in Australia. Together we are also working to influence government and relevant stakeholders to make meaningful change and inspire others to take action, participating in the Parliamentary Friends of Ending Loneliness forum to share our knowledge and help encourage policy to support ending loneliness strategies.



More than **55k+** people have listened to the We Are Lonely podcast to date

We are Lonely reached **#17** in top podcasts on Spotify

the podcast where artists tackle the most misunderstood emotion of all – loneliness. listen on spotify or apple music empowered by medibank

Support healthy communities

Supporting mental health and wellbeing

Mental health hub

More than 2.2 million people reported having mental health conditions in the most recent Australian census report, while COVID continues to negatively impact people's mental health and wellbeing. More of our customers contacted our Mental Health support line, with usage up 66% on last year. We launched our [Better Minds website](#) last year to provide a range of resources on the symptoms and signs of mental health issues and how people can look after their mental health, making it easier for people to find support and

information on how to use their cover. We also introduced the Better Minds app, an online learning program including wellbeing checks, mental fitness training and one-on-one coaching based on individual needs, which has already been downloaded by more than 4,000 customers.

Building a path to better mental health

To better help people on their mental health journey, ahm's innovation team has been exploring ways to use technology to alleviate some of the key problems people encounter, such as the difficulty in finding a mental health practitioner or staying connected in between counselling sessions.

Smiling Mind

Our partnership with Smiling Mind helps connect people with a digital platform and app featuring a range of tools and activities to help develop skills to support their mental wellbeing. This year, we've helped Smiling Mind to create a new sleep for families program within the Smiling Mind app. This is part of the successful mindfulness for families program that our partnership had already developed. We've seen more than 100,000 people engage with the Smiling Mind Families program this year.

Workplace wellness

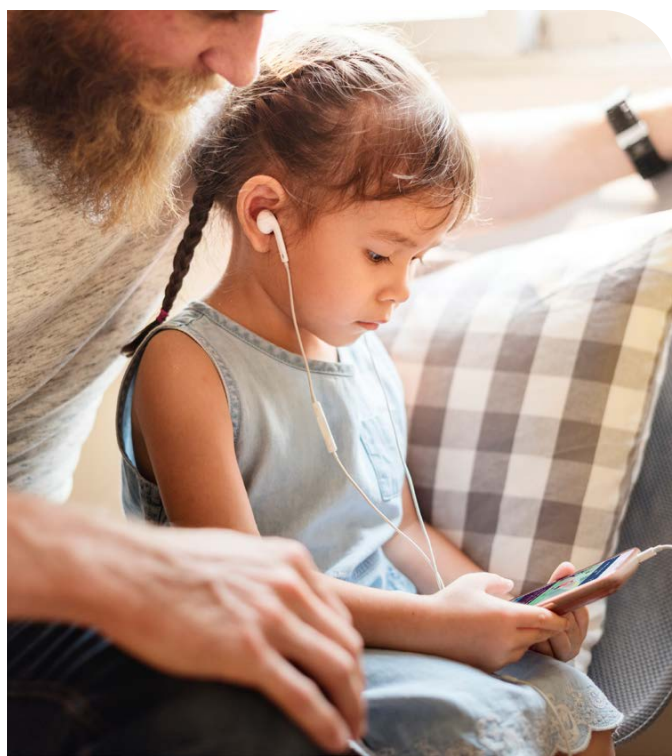
Supporting people's health and wellbeing continues to be a high priority for more employers as they compete for talent. Over the past 12 months, we've been working closely with a number of our corporate partners to embed health and wellbeing into their employee experience. This includes working together to build psychologically safe workplaces, co-creating physical and mental health programs and delivering vaccination programs. We're also supporting more of our corporate partners to deliver subsidised health insurance and access to health services like telehealth and other compelling benefits to their employees.

A decade of Beyond Blue

Over the past 10 years we have delivered the Beyond Blue service, providing mental health and counselling support for anxiety and depression to almost 1.4 million people. We also partnered with Beyond Blue to raise awareness of the benefits of good mental health through a number of community and customer initiatives. In 2020, when the pandemic began and demand for mental health support soared, we donated \$5 million to help them establish a dedicated COVID mental wellbeing support service. While our contract with Beyond Blue ended in June this year, we are proud of the work we have done to support the mental health and wellbeing of so many people in local communities across the country.

Better understanding youth mental health and wellbeing research

We undertook research this year to better understand how the pandemic is impacting young people's ability to move forward with their lives and the challenges 16-24-year-olds across Australia are facing. It showed 1 in 3 young people rated their health over the past year as terrible or poor and COVID's impact on key life events has caused many of them to rethink their future. More than half feel there is now a significant gap in their learning and are less confident than pre-pandemic. It also highlighted that parents often underestimate the psychological toll COVID has had on young adults. We are using our research to inform our own mental health support for customers and sharing it with stakeholders and university partners to better inform community programs as well.



c. 79k
Better Minds hub
users and app
downloads

100k+
people have engaged
with the Smiling
Mind Families
program this year

Support healthy communities

Engaging with Aboriginal and Torres Strait Islander people

Since launching our first Reconciliation Action Plan (RAP) 10 years ago, we've been on an ongoing journey of listening and learning to understand how we can increase momentum towards reconciliation and more effectively play our role in addressing the health equity of Aboriginal and Torres Strait Islander peoples and communities.

Over the past few years, we've evolved our practice of cultural safety and responsiveness with both our employees and customers, and this continues to influence our approach moving forward. We've worked to build awareness of this not just within our business, but in the broader health sector, working together with the Australian Indigenous Doctors' Association (AIDA). We've joined with AIDA and Reconciliation Australia to strengthen and

create new partnerships across the health sector to improve cultural responsiveness and health outcomes for Aboriginal and Torres Strait Islander peoples and this will be a key focus for us moving forward.

Reconciliation Action Plan

In March 2022, we launched our 5th Reconciliation Action Plan (RAP) and 3rd Stretch RAP, building on our commitments to advance reconciliation and address the gap in health and wellbeing outcomes of Aboriginal and Torres Strait Islander peoples. It is defined by four key focus areas targeted towards prosperity for our Aboriginal and Torres Strait Islander employees, customers and communities. We're committed to being transparent about our reconciliation progress; sharing when we get it right and when we don't and fostering an environment for ongoing learning.

A more culturally aware approach

We have continued to increase our cultural awareness and understanding among our people, with 1,674 employees participating in our cultural awareness training. Our CEO David Koczkar hosted a senior leaders forum in March focused on increasing representation and engagement of Aboriginal and Torres Strait Islander employees, Indigenous procurement and creating opportunities to improve the health and wellbeing of Aboriginal and Torres Strait Islander peoples and communities. In September 2021, we hosted a virtual workshop with the Australian Indigenous Doctors' Association (AIDA) and members of the Health RING (a network of health organisations) to gain a deeper understanding about the importance of a culturally safe health sector.

We've also begun creating a cultural responsiveness framework to provide practical and appropriate guidelines for the development and growth of our cultural safety, which we will launch later this year.

Engagement and partnerships

We continue to have meaningful partnerships with:

- Australian Indigenous Doctors' Association
- Thamarrurr Indigenous Youth Corporation
- Wadeye community, Northern Territory
- Indigenous Defence and Infrastructure Consortium (iDiC)
- Supply Nation
- Dhiira

Medibank Stretch Reconciliation Action Plan

March 2022 – December 2024



Our RAP focus areas



Creating a culturally inclusive, safe and responsive workforce



Addressing health equity



Establishing strong, meaningful and mutually beneficial relationships



Sharing our reconciliation journey

Support healthy communities

Aboriginal and Torres Strait Islander representation

This year, we saw a drop in the number of our employees who identify as Aboriginal and Torres Strait Islander from 1.1% to 0.9%, falling short of our target of 1.4%. While this may reflect a reduction in overall participation in our engagement survey, we know we need to do more to increase representation. Pleasingly, overall engagement of this group increased from 6.9 to 8.1 due in part to the extensive consultation we undertook with our employees in the development of our new RAP and the efforts of our Aboriginal Employee Network.

Aboriginal Employee Network

We launched our Aboriginal Employee Network (AEN) in 2020 to connect Aboriginal and Torres Strait Islander employees from all parts of our business to share experiences, problem solve and offer peer support on an ongoing basis. This year, proud Worimi and Ngarrindjeri man and Founder and Managing Director of Dhiira, Leroy Wilkinson-Maher, facilitated a virtual yarn with AEN members to define the group's purpose, priorities and objectives for 2022 and beyond.



COVID support for Wadeye

We have a long-standing relationship with the community of Wadeye in the Northern Territory and have worked closely together on several projects including a co-designed women's health program in early 2019 and supporting Captain Sanitiser's cross-nation bike ride last year. In March this year, the Wadeye community experienced a surge of COVID cases resulting in numerous challenges for the community in accessing their regular grocery shopping. We contributed \$20,000 to help in the provision of food boxes from the local store to be delivered to families who were isolating. We also supported a digital campaign led by Red Dust, to encourage Northern Territory communities to get vaccinated and stay protected from COVID.

Case study



Providing hope during the pandemic

In 2021, there was one Aboriginal community in Australia that was hit harder than most – Wilcannia. With up to one in six of the total population testing positive to COVID, the community had limited access to resources and supplies, including essentials like food and water. Our RAP Working Group co-chair Kerindy Clarke created a fundraiser that led to a \$25,900 donation to the Wilcannia community and coordinated the procurement and delivery of vital personal protective equipment (PPE) including N95 masks, gloves, water and sanitiser to five other Aboriginal communities across NSW.



Support healthy communities

Accessibility and inclusion

With **approximately one in five people living with disability**, we're focused on **removing barriers** that exist for people with disability so that everyone has **equal access** to better health and employment outcomes.

Our people

We have 163 employees self-identifying as living with disability, this year increasing our representation from 4% to 5.9%. For the first time, our employee engagement survey also recognised our neurodiverse employees, with 137 people identifying as experiencing atypical variations in the way the brain functions, which can affect sociability, learning, attention, mood and other cognitive functions.

Our employee profiles

5.9% 
have a disability*

7.7/10 
overall engagement of
employees with disability

 **128** additional employees have completed our
Disability Awareness module since Dec 2021

Accessibility and Inclusion Plan

Earlier this year, we launched our 2nd Accessibility and Inclusion Plan (AIP) outlining our new and ongoing commitments to better support our people, customers and all Australians living with disability. It reflects the discussions we've had with colleagues with disability, carers of people with disability and community partners and is focused on four areas: creating an inclusive, safe and disability confident workplace; ensuring an equitable and accessible customer experience, establishing strong, mutually beneficial relationships with community partners, and transparent governance and reporting on our accessibility journey with our people, customers and community.

Our achievements in FY22

For our customers
and community



- Launched accessible membership cards.
- Completed an audit of the accessibility features of all Medibank retail stores and listed these features on our website.
- Maintained Gold membership with the Australian Network on Disability and sponsored their 2022 Annual Conference.
- Continued our partnership with Get Skilled Access.
- Updated our Code of Conduct to include our commitment to working with suppliers who prioritise accessibility.
- Employees donated \$20,000+ to organisations supporting people with disability or carers through our workplace giving platform.

For our people



- Team members participated in the Positive Action towards Career Development (PACE) mentoring program through the Australian Network on Disability. The program connects jobseekers with disability to mentors from leading Australian organisations and enables leaders to develop their leadership skills and disability confidence while jobseekers gain vital workplace experience, develop skills and expand their networks.
- Launched our 1st Disability Awareness training program with a further 128 employees completing the training this year.
- Piloted a carers support program.

Australian Network on Disability Index results

For the 6th consecutive year, we participated in the Australian Network on Disability's Access & Inclusion Index to evaluate and benchmark our accessibility and inclusion practices. In the 2021 – 22 Index, Medibank ranked 11th, when compared to other participating organisations across Australia. We made progress in a number of areas including innovation for customers, with the launch of our new Medibank membership cards that include tactile features designed to help customers who are visually impaired. The evaluation also identified areas for further improvement including technology systems and processes, and workplace adjustments.



*Data according to Medibank's My Voice engagement survey (May 2022)

Work together to build a stronger and more sustainable health system

Reform for a better health system

Making Australia's health system stronger and more sustainable will **help take pressure off our hospitals** and **deliver better outcomes for patients**.

We continue to **proactively advocate for reforms** that will increase care options where clinically appropriate, put downward pressure on health system costs, give our customers more choice about their healthcare, free up beds in hospitals, **reduce or remove out-of-pocket costs**, and make private health insurance **more affordable**.

Over the year we've engaged with the Federal Department of Health on ways to improve the incentives for private health insurance and we've spoken to all sides of politics about ways to take costs and demand pressures out of the hospital system, such as by making out-of-hospital care more widely available.

Prostheses

Australians with private health insurance continue to pay too much for prostheses, with the price of medical devices in Australia around 30% higher than in New Zealand, France and the United Kingdom. We've rigorously advocated for reductions to the price of prostheses and we are hopeful the Federal Government's agreement with medical device manufacturers will result in real price reductions for the health system.

This year we've made multiple submissions to the Federal Government's ongoing consultation on prostheses reform and we've been explaining the potential of these reforms to all sides of politics and the clinical community.

While we expect to see the impact of these changes flow through over the next four years, we believe more needs to be done to fully realise the opportunity to deliver around \$900 million in savings to private health customers. We remain committed to returning prostheses reform savings realised to our customers through lower premium increases.

Public policy engagement

Along with our advocacy for health system and prostheses reform, this year we've made a submission to inform the Federal Government's National Digital Health Strategy and helped inform the Government's changes into the age dependency rules.

We also engaged KPMG to model the potential private health system benefits of our short stay hospital program and we've met with the health minister, the Federal Health Department, other government departments and agencies, as well as all major political parties, on the sustainability of private health insurance and the benefits.

Case study



Easing the burden on the healthcare system

A short stay in hospital accompanied by homecare is one way we're helping to create a better health system. Paul is one of the eligible Medibank customers who was clinically suitable for the short stay in hospital option following his right hip replacement in June. With support from Medibank, Paul was able to recover in the comfort of his own home, including sleeping soundly in his own bed and enjoying the company of his wife, three children and pet Labrador.



Prostheses costs are around

30% higher

than in NZ, France or the UK

Private Healthcare Australia



Entrench environmental sustainability into our decision making

Environmental health



Overview

Customer health

Employee health

Community health

Environmental health

Governance

Notes



Environmental health

Understand and address climate change and reduce our impact on the environment

The issues that matter

Environmental health and climate change

How we're enabling this

- Net Zero commitment
- Progress learnings from our climate scenario analysis
- Collaborate with the broader health industry

SDGs



Our FY22 commitments

Our progress

What's next



Establish Net Zero pathway and set short, medium and long-term science-based targets

Targets established and Net Zero commitments accelerated to 2040

Undertake analysis to set short, medium and long-term science-based targets to achieve Net Zero across our entire investment portfolio



Maintain carbon neutral status for our Scope 1, 2 and 3 emissions

Certified carbon neutral by Climate Active for Scope 1, 2 and 3 emissions

Ongoing



Embed environmental sustainability into plans for our new Melbourne office

The new Melbourne office will be a 6-star Green Star building and environmental planning and performance is being considered at each stage*

Continue embedding environmental aspects such as energy and water efficiency, recycling, natural lighting, indoor air quality and biophilia into the design scope



Enhance the way we capture data

Data integrity analysis conducted as part of our external assurance readiness project

Ongoing

* To be certified by the Green Building Council of Australia

Environmental health and climate change

If we are to achieve our vision to deliver the best health and wellbeing for our customers, our people and our community, **we must help protect the health of our planet**, by **reducing our environmental impact** and **supporting others** to do the same.

We recognise the science of climate change and its impact on human health and know we have a role to play in addressing climate change threats. We're implementing ambitious, **science-based targets** consistent with the International Panel on Climate Change's (IPCC) recommendations to help **limit global warming to 1.5°C** and embedding environmental sustainability into our strategy and decision making.

Our pathway to Net Zero



From FY21 base year. Target dates refer to financial year end

Accelerating our pathway to Net Zero

We've maintained our carbon neutral status for our Scope 1, 2 and 3 emissions since 2018 and were the first private health insurer to be accredited carbon neutral by Climate Active in 2019.

In September 2021, we announced our commitment to Net Zero by 2050 and our strategy to work towards setting science-based short, medium and long-term targets for reducing our impact on the environment. Following endorsement from our Board and Executive Leadership Team, we've accelerated our pathway and are now committed to achieving Net Zero by 2040 from a base year of FY21, as based on our greenhouse gas inventory.

Our pathway is based on Medibank Group's current business-as-usual operations and does not account for any future partnership and investment activity. Our investment portfolio is also currently out of scope, but we are working to create a pathway to Net Zero for this. We transitioned to a low-carbon equity portfolio for our domestic and international equities in 2019. We have now begun a review into the sustainability profile of our investment portfolio, which we want to be consistent with our values and ESG principles. As part of this, we are exploring our portfolio's greenhouse gas emissions exposure so we can work towards setting short, medium and long-term science-based targets to achieve Net Zero across our investments.

Environmental health and climate change

Collaborating with the broader health industry


While our **Net Zero pathway** reflects our commitment to **reduce our own environmental footprint**, as a health company we need to **help reduce the climate impact** of the broader health industry. Moving forward, we will be collaborating with our health partners to find opportunities to help address climate change across the broader health system.

Task Force on Climate-related Financial Disclosures (TCFD)

We know climate change presents a risk to our customers, our people and our operational and financial performance. In October 2021, we became an official supporter of the Task Force on Climate-related Financial Disclosures (TCFD) to which we continue to align our disclosures about climate risks and opportunities to promote transparency.

Our progress against TCFD recommendations

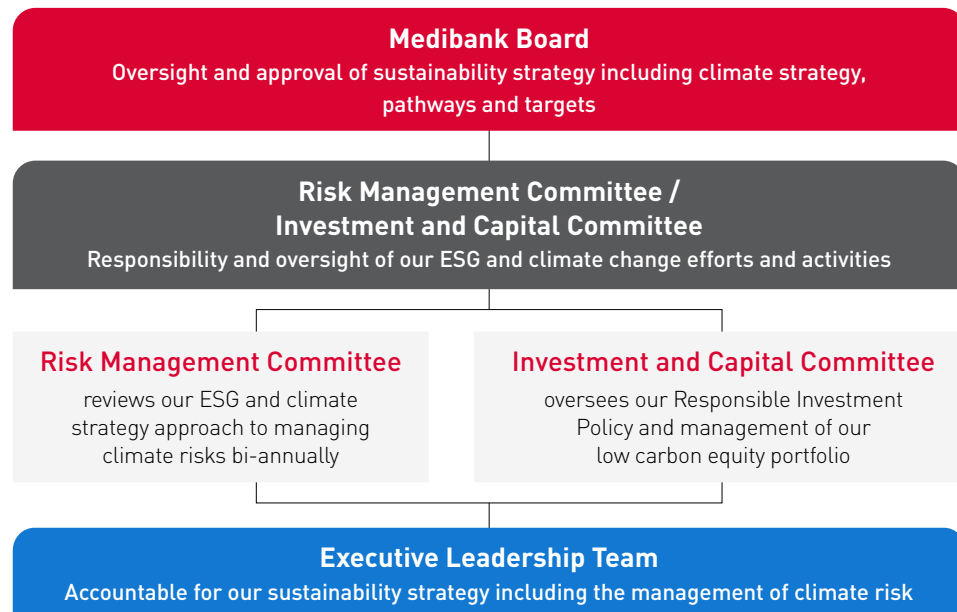
		Status
Governance 	Board oversight of climate-related risks and opportunities	
	Management's role in assessing and managing climate-related risks and opportunities	
Strategy 	Risks and opportunities identified for short, medium and long term	
	Actual and potential impacts on the business, strategy and financial planning	
	Scenario analysis of impacts including a 2°C scenario	
Risk management 	Processes for identifying and assessing climate-related risks	
	Process for managing climate-related risks	
	Integration of climate-related risks into overall risk management	
Metrics and targets 	Metrics used to assess climate-related risks and opportunities	
	All greenhouse gas emissions (Scopes 1, 2 and 3) and related risks	
	Targets and performance against those targets	

 = fully achieved

Environmental health and climate change

Governance

We've established a strong governance approach to ensure the effective management of environmental, social and governance (ESG) related issues, including climate risks.



Strategy

We are committed to Net Zero by 2040 and our ESG strategic priorities that focus on our efforts to achieve our climate commitments. Our planned approach and pathways to address environment and climate issues are detailed in our sustainability strategy, and further supported through our Environmental Policy, Responsible Investment Policy, business continuity planning, and monitoring and measurement of our greenhouse gas inventory.

Our Environmental Policy specifically covers our commitment to reduce emissions, consider the environmental efficiency of our premises and raise awareness in the broader community of the health impacts of climate change. It also details our expectations of our people and others we work with.



Our Responsible Investment Policy aligns our continued investment in green bonds that are funding projects with positive environmental benefits including wind farms, solar farms, clean transportation and low carbon commercial property. We continue to invest in green bonds, holding \$15 million as at 30 June 2022 – a small reduction due to changing market conditions and availability. During the year, we maintained our low carbon equity portfolio for both our international and domestic investments.

\$15m
in green bonds 

Environmental health and climate change

Climate scenario analysis

In 2021, we worked with independent specialists on our 1st climate scenario analysis to understand the potential impacts of climate change to our business, using the low emissions scenario of RCP 2.6 and the high emissions scenario RCP 8.5. We also analysed opportunities and transitional risks covering emerging regulation, technology, legal, market and reputational risks. The analysis found that with the current controls in place and previously implemented mitigation actions including our existing low-carbon portfolio and flexible and remote working policies, Medibank is resilient to climate change and no material physical or transition risks were identified. It also found we are progressing identified opportunities, including our commitment to Net Zero.

Reducing our impact



To minimise our impact on the environment we undertook a number of activities aimed at reducing our energy, water consumption and waste, increasing our recycling and minimising our emissions including:

- **implementing sustainable procurement practices** such as switching to carbon neutral paper and changing Medibank's fleet cars to hybrid vehicles
- **sustainable procurement training and seminars** to increase employees' awareness of environmentally-friendly options when making purchasing decisions
- **educating our employees** about climate change and actions they can take to reduce their own impact

Risk management

Climate risk management

Our enterprise risk management framework incorporates ESG risks, including climate risks. In 2021, after completion of our climate scenario analysis, climate risks were reassessed and classified as an emerging risk, as they were found to not pose a material risk to Medibank's financial performance and business operations. Selected emerging and/or accelerating risks are monitored at least quarterly by the Executive Risk Committee and the Board's Risk Management Committee.

Carbon offsetting

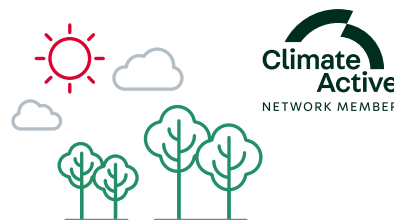
Our approach to carbon offsets is to invest in projects most aligned to our Sustainable Development Goals, such as supporting the Olkola Aboriginal Corporation's Savannah Burning Project in the Cape York Peninsula, clean wind energy in India, and the Katingan Mentaya Project that ensures natural forest restoration and protection in Central Kalimantan, Indonesia. A key biodiversity area and the home of the Bornean Orangutan, this project safeguards the habitat of many important endangered species and has been providing extensive vocational training and microfinance to local communities to enable the development of sustainable economic activities.

Metrics and targets

Greenhouse gas inventory

Last year we improved and increased our data capture across our business and updated our greenhouse gas inventory by including additional emission sources. This has enabled us to establish a more comprehensive baseline to inform our emissions reduction strategies and Net Zero pathway.

While there was some variability to our year-on-year emissions movements in certain categories, on balance our total Scope 1, 2 and 3 emissions for the year remained stable compared to FY21. Notable reductions in FY22 were observed in our working from home emissions as a result of our people returning to our offices, and a reduction in our Scope 2 and 3 electricity-based emissions as a result of renewable energy making up a higher proportion of Australia's electricity generation in FY22. Our Scope 1 emissions increased this year as it was the first time we have reported on fuel used by Medibank-owned vehicles.



Environmental health and climate change

Greenhouse gas inventory



Greenhouse gas emissions (t CO ₂ -e/year)	Net Zero targets (FY21 baseline)	FY22		
		FY22	FY21	FY20
Scope 1	Net Zero against our Scope 1 and 2 emissions by 2025	203.3	130.5	0.04
Natural gas		0.1	0.03	0.04
Refrigerants and fuels		203.2*	130.5	-
Scope 2	Net Zero against our Scope 1 and 2 emissions by 2025	1,983.1	2139.6	3,553.9
Electricity (market-based)		1,983.1	2139.6	3,553.9**
Scope 3	50% reduction in Scope 3 emissions by 2030	13,209.0	13,385.2	9,098.2
Property (base building)		1,379.5	1,650.5	3,025
IT hardware, software, cloud and telecommunications		6,028.4	6,078.4	2,619.6
Water	Net Zero across Scope 3 by 2040 and offset residual emissions with removals	18.5	12.8	1.3
Travel, accommodation and employee commute		1,443.9	1,604.0	2,295.9
Working from home		1,400.7	2,727.6	619.2
Purchased goods and services		2,792.2	1,128.3	389.5
Waste-landfill		145.8	183.6	147.9
Recycling		0.0	0.0	0.0
Total		15,395.4	15,655.3	12,652.3
Per full time employee		4.7	4.6	3.6

*Includes fuel used by Medibank-owned vehicles reported for the first time in FY22

**Electricity emissions reporting changed in 2021 to market-based from being location-based in previous reporting periods. Please see Glossary and definitions (page 77) for the reporting criteria for the greenhouse gas emissions inventory

Environmental impact data



	FY22	FY21	FY20
Electricity (MWh)	2,780.58	2,743.12	4,047.38
Waste (tonnes)	227.4	176.7	161.92
Recycled	115.3	35.5	38.7
Landfill	112.1	141.2	123.22
Water (ML)	7.9	5.5	1.5
Working from home (hours)	4,149,197.4	5,300,470.5	1,987,634





Embed ethical and responsible business practices throughout Medibank and our supply chain

Governance



Overview

Customer health

Employee health

Community health

Environmental health

Governance

Notes



Governance

We're committed to doing the right thing and being transparent about what we do, which is why ethics and responsible business practices are embedded throughout our business and supply chain

The issues that matter

Ethical and sustainable business

How we're enabling this

- Corporate and clinical governance
- Privacy and data security
- Addressing modern slavery
- Sustainable supply chains

SDGs



Our FY22 commitments



Strengthening our position on human rights



Working with our suppliers identified as being at a higher risk of modern slavery to ensure that suitable awareness and controls are in place with the supplier to manage risks



Sustainable supply chains

Our progress

Published 1st Human Rights Policy

Improved our controls through human rights contract provisions and T&Cs

Completed risk reviews for suppliers identified as medium to high risk

Launched a pilot with a group of hospital partners to better understand where the potential modern slavery risk is most prominent in their supply chain

Operations review in progress

c. \$596k (inc GST) spend with Aboriginal and Torres Strait Islander businesses

Embedded long-term contracts with Aboriginal and Torres Strait Islander businesses

Incorporated Aboriginal and Torres Strait Islander procurement principles and processes into our Procurement Policy

What's next

Introduce human rights provisions into procurement contracts

Continue extending risk assessments and educating our partners and employees about modern slavery risks

Target \$1 million (inc GST) in Aboriginal and Torres Strait Islander business procurement spend each year from FY25

Ethical and sustainable business

Underlying our **way of working** within **our business** and with **our customers, community** and **industry partners** is our strong **values-led culture, purpose and vision**. We require all our people to act ethically and with integrity and we **support this approach** through our **policies and procedures**.

Our Code of Conduct details the practical principles and minimum standards of expected behaviour, setting out the way our people, including our directors and executives work. Supporting this is our Anti-Bribery and Corruption Policy and Conflict of Interest Policy. Executive remuneration is also designed to ensure performance and behaviours align with our values and purpose. To be eligible for any incentive plans, executives must meet risk, compliance and behaviour requirements, adhere to our Code of Conduct and complete all mandatory compliance training.

Compliance

To ensure all employees understand our regulatory obligations and what this means for their individual role, compulsory compliance training is undertaken each year. This covers areas including risk, anti-bribery and corruption, privacy, bullying and harassment and working in a publicly listed organisation.

Consequence management

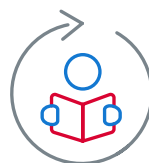
A key part of our approach to managing risk is ensuring our people clearly understand the behaviour expected of them and what happens if they don't meet those expectations. These steps are detailed in our Code of Conduct and policies and tied to our remuneration strategy. Depending on the situation, an employee may need to attend further training or counselling, receive a formal written warning or in certain circumstances have their employment terminated. If an employee is given a final written warning, they automatically receive an 'unsatisfactory' performance rating for the relevant performance period and are ineligible for any performance-based reward outcome or pay increase.

FY22

99.6%

employees completed compulsory compliance training

excludes suspended, casual and contingent workers



Consequence management

FY22	Totals
Incidents reported internally	
Bullying	8
Inappropriate behaviour <i>(behaviour that breaches company values and/or policies but is not necessarily serious enough to constitute misconduct)</i>	18
Misconduct <i>(including, but not limited to, privacy/data breaches, confidential information breaches and disconnecting customer calls)</i>	19
Discrimination	3
Fraud	3
Sexual harassment	-
Other**	8
Substantiated	27*
Bullying	-
Inappropriate behaviour	9
Misconduct	11
Fraud	1
Sexual harassment	-
Other**	6
Outcome	
Warning	10
Final warning	5
Termination	10
Resignation	2
No action/other	2

*11 still in progress as at 30 June 2022

Statistics are recorded at the time of occurrence. The review of incidents may not always be completed in the same period as when they were reported

** Other refers to instances related to employees not complying with Medibank's COVID vaccination requirements

	FY22	FY21	FY20
Employees issued with a final written warning	5	19	31
People whose employment was terminated due to misconduct	4	12	21

Ethical and sustainable business

Sexual harassment

In FY22 we had no complaints of sexual harassment, which we actively work to prevent through our zero tolerance approach, values-led culture, focus on diversity and inclusion, commitment to gender equality, and annual compliance training. We aim to create a safe, respectful and inclusive workplace. We work to ensure our people feel safe to speak up and clearly understand the behaviour expected of them. We have also signed up to the Champions of Change Coalition sexual harassment recommendations with CEO David Koczkar a member of the Champions of Change Coalition.

Whistleblowing

We aim to create an environment where people are encouraged to speak up if something doesn't look right and where they feel safe if they do. People can report their concerns anonymously or limit those informed of their identity, through a number of different channels – either to our external whistleblower hotline or internally to the Chief Risk Officer, Group Executive – People, Culture & Sustainability, any senior executive, officer or director of Medibank. Further details about our approach can be found in our Whistleblower Policy.

Contacts to our whistleblower hotline

FY22	5
FY21	3
FY20	12

Tax transparency

We continue to publish our tax report as part of our commitment to meet our tax obligations in a transparent way and in support of the Australian Government's voluntary Tax Transparency Code.

In FY22 we paid an effective tax rate of 29.7% – money that contributes to the wider community and to universal healthcare in Australia. We also made significant payroll and employer tax payments in Australia.

\$0 donations to any political party, politician or candidate



Political donations

We don't make political donations to any political party, politician or candidate. If there is a legitimate business reason, we do attend some political functions related to public policy discussions relevant to our business, but these are not regarded as political donations under the *Commonwealth Electoral Act 1918*.



Tax solely paid in Australia

Our FY22 effective tax rate is

29.7%



Paid

\$425.4 m

in taxes and levies to Australian revenue authorities in FY21

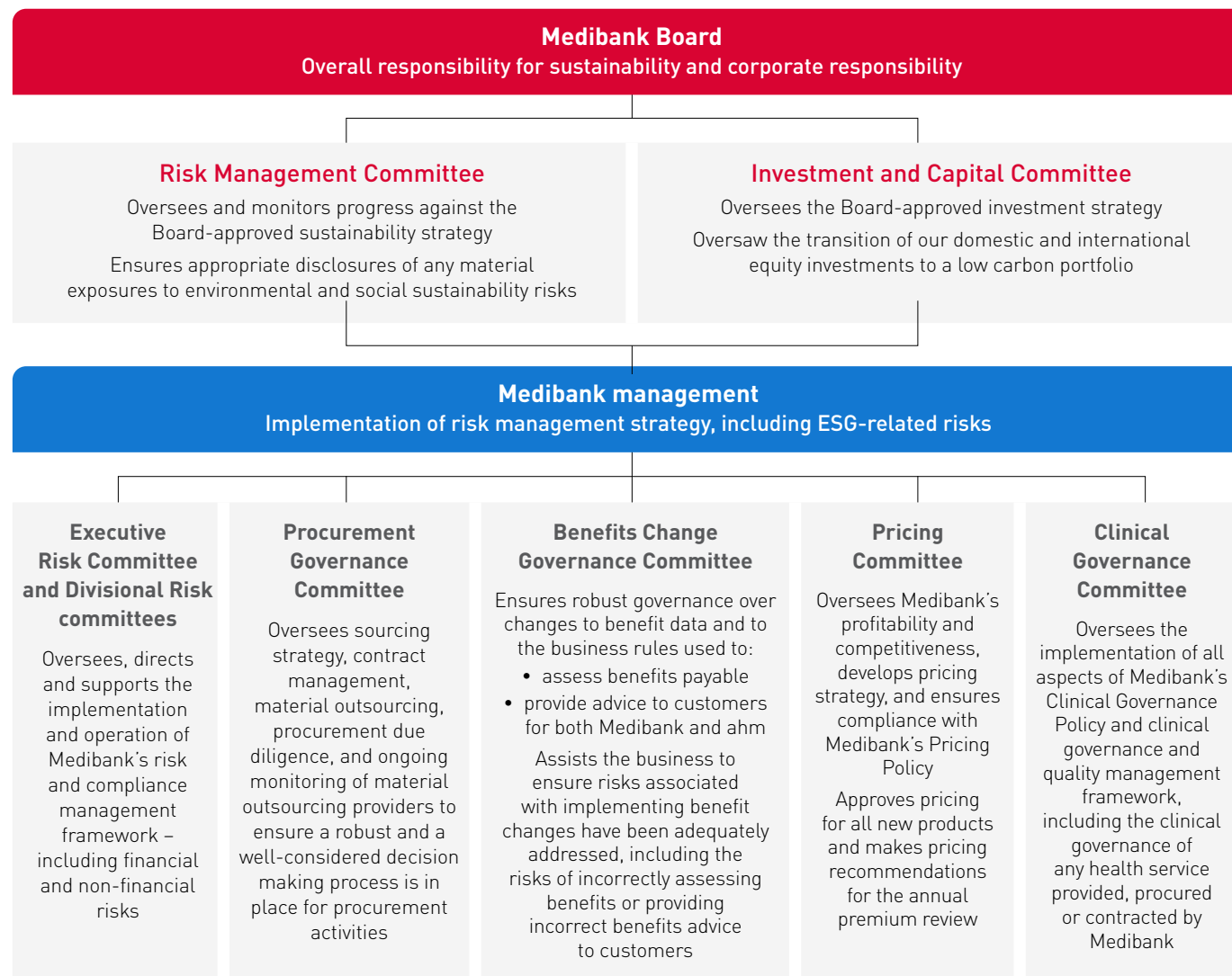
Ethical and sustainable business

Corporate governance

Our Board has instigated a framework of corporate governance policies and practices, internal controls, and risk and compliance management processes to meet our responsibilities and obligations to our customers and patients, employees, shareholders and stakeholders, and promote responsible management and ethical conduct.

Five standing Board committees have been established to assist the Board in managing its corporate governance responsibilities. Each is governed by a charter setting out the committee’s role, responsibilities, membership and processes – more detail on which is available on our website.

The Medibank Board holds overall responsibility for sustainability and corporate responsibility issues, while other Board committees have input into environmental, social and governance issues.



Ethical and sustainable business

Clinical governance

The governance of clinical quality and safety at Medibank and our commitment to improving our health services, are both critical enablers of our strategy. We know the importance of providing timely clinical input and evidence-based care as we work towards building a better healthcare experience for people in Australia. Under our clinical governance model, everyone at Medibank is accountable for the safety of

health services. Our clinical governance and quality framework aligns with our broader corporate governance and enterprise risk practices and supports our commitment to patient safety and quality.

As Australia navigated multiple COVID surges throughout the year, clinical governance played a key role in the rapid development and expansion of our health services to help meet the needs of the community.

Our focus on continuous improvement saw us update our telehealth clinical approach to align with new evidence and practice guidelines and launch new feedback sessions with our frontline health teams to identify areas for improvement and respond to COVID exposure or work concerns. We improved our Home Support Services team’s clinical care processes and launched a clinical supervision pilot to develop a train the trainer course for our HealthStrong team. We also continue reviewing good practices in the industry to identify learnings and implement improvements to our own programs, so they are more sustainable in the longer term.

We also tie risk management to remuneration, by assessing all employees against a combination of measures including performance against their risk, compliance and behaviour obligations.

Our risk management framework also applies to ESG risks (including climate risk) as identified in our social and governance framework, which we have mapped to our material risk categories.

While an independent external review aligned to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) did not identify climate change as a material risk for our business, we recognise the risk it presents to our customers, our people and our operational and financial performance. We continue to monitor regulatory requirements and our exposure to climate risks through ongoing assessment.

Emerging risks we are tracking include a heightened cyber risk associated with the geo-political environment, the ongoing impact of COVID on talent and resource availability, wage price growth in the Australian economy as well as the impacts on the global economy from COVID and economic sanctions caused by geo-political tensions.

Risk management

Through our risk management framework, we aim to effectively identify, assess, manage, monitor and report risks. Overall responsibility for risk, including setting the risk appetite for Medibank, is held by the Board. We use a three lines of defence approach to define risk management roles, responsibilities and accountability. The management of financial and non-financial risks by senior executives is reviewed by the Risk Management Committee, and our Enterprise Risk and Group Compliance functions provide oversight of the effectiveness of risk management practices. In addition, our internal audit team regularly assesses the effectiveness of risk management in accordance with our Risk Management Committee Charter.

Our clinical governance and quality framework



Person centred
– people get the care and outcomes they need



Quality and safety
– are equally valued and prioritised



Continuous improvement
– we seek to learn, including from our mistakes, and we share those learnings to improve



Transparency
– we are open about mistakes and responsive to feedback, advice and external review














Engaged workforce
– clinical governance is everyone’s responsibility










Ethical and sustainable business

Material risks

Risk	Risk management strategy	Material sustainability categories
<p>Strategic</p>  <p>The risk that we are unable to identify and execute the right strategic initiatives and projects on target and on time that deliver measurable and agreed outcomes to support our goals</p>	<p>Medibank’s strategic risks are identified and assessed as part of our annual strategic planning process and endorsed by the Board. Key strategic risks identified include loss of private health insurance customers, healthcare costs and utilisation, regulatory risk, and execution of non-private health insurance growth. These risks influence the prioritisation of investments and resources in the Corporate Plan, which is approved by the Board. To effectively understand and assess some key strategic risks that are broad in nature (e.g. regulatory and customer risks), we undertake detailed analysis on threats or opportunities that specific scenarios may pose to our business</p>	 
<p>Operational (including regulatory compliance)</p>  <p>The risk of financial loss resulting from inadequate or failed internal processes, people and systems or from external events</p>	<p>We have established risk management policies and procedures for identifying, assessing, monitoring and reporting operational risks and controls. This includes the important areas of information security, technology, business continuity, outsourcing, fraud, people, and health and safety risks. We also have established compliance management policies and procedures for identifying and managing regulatory obligations and incidents that may arise. Management of operational risk is overseen by divisional risk committees, the Executive Risk Committee and the Board’s Risk Management Committee</p>	  
<p>Credit</p>  <p>The risk of financial loss due to counterparties failing to meet all or part of their contractual obligations</p>	<p>Exposure to this risk is primarily through Medibank’s investment portfolio. This risk is managed through the application of the Investment Management Policy. The effective implementation of this policy is overseen by the Board’s Investment and Capital Committee to ensure that credit risk is managed in line with the risk appetite set by the Board</p>	
<p>Capital & liquidity</p>  <p>The risk of not being able to meet financial commitments as and when they are due and in complying with APRA prudential standards on solvency and liquidity</p>	<p>Medibank has a Board-approved Liquidity Management Policy and a Board-endorsed plan designed to ensure it meets or exceeds regulatory solvency requirements and is able to meet all payments as and when they fall due. Liquidity risk is managed by our treasury function through daily cash management of cash flows and liquid asset positions and projected future cash flows, supported by actuarial forecasts that take into account anticipated seasonality as well as stressed market conditions</p>	



Ethical and sustainable business

Risk	Risk management strategy	Material sustainability categories
<p>Market & investment</p>  <p>The risk of adverse financial impact market factors e.g. foreign exchange rates, interest rates and equity prices</p>	<p>We have a Board-approved Investment Management Policy. The Board’s Investment and Capital Committee oversees the investment process and compliance with investment mandates, performance against benchmarks and asset allocation. Our strategic asset allocation is weighted largely towards defensive assets and with limits applied to illiquid assets</p>	
<p>Insurance</p>  <p>The risk of misestimation of incurred and expected costs, frequency and severity of insured events</p>	<p>The Board approves the Pricing Policy, which includes pricing and profitability objectives and forms a key part of the Capital Management Plan. Our objective is to support customer growth through balancing the offer of competitive value to all customers with profitability objectives and the need to meet capital management and regulatory requirements. Insurance risk is a key part of regular portfolio monitoring and treatment plans are formulated and implemented in response to any potential for deviation from target measures</p>	
<p>Clinical</p>  <p>The risk of unexpected, adverse clinical outcomes from a health service provided by Medibank, or a third party acting on behalf of Medibank</p>	<p>Clinical risk arises from clinical services that Medibank provides and procures, the provision of health-related information, and customer health initiatives. We have implemented a clinical governance and quality management framework that defines the principles, structures and processes that underpin service quality, continuous improvement and patient safety. Our Chief Medical Officer, supported by a clinical governance team, provides oversight and assurance. The Risk Management Committee and Board receive regular reporting on the performance of clinical risk management</p>	
Emerging risk (including ESG risks)	Emerging risks	Material sustainability categories
	<ul style="list-style-type: none"> • Climate risk • Heightened cyber risk associated with the geo-political environment • Ongoing impact of COVID on talent and resource availability • Australian wage price and and other cost growth • Impacts on the global economy from COVID and geo-political tensions 	

Material risks are those deemed to have a significant impact on our operations, financial prospects and business objectives

Emerging risks are those we are monitoring that could have the potential to become material risks in the future



Ethical and sustainable business




Risk culture

Our risk culture approach is designed to ensure our people are not only complying with our legal obligations, but are acting ethically and responsibly. It is supported by our purpose-led culture and values, which are integral to the way we consider risk.

We recently refreshed our risk culture framework which brings together the key elements that influence and shape our risk culture in terms of behaviours and practices. It clearly highlights the behaviours we expect of our people and the practical application of the framework.

Our risk culture framework





Risk behaviours in action

 <p>Leadership</p>	<p>My people leader talks openly about risk and encourages others to do the same</p> <p>My people leader role models good risk management behaviours, as part of living our values</p> <p>My people leader takes the time to understand the changing business environment and the risks that are present and emerging</p>
 <p>Decision making and challenge</p>	<p>I am guided by our values when making decisions in my role</p> <p>In our team, we are encouraged to be curious and consider diverse views to overcome unconscious biases and group think</p> <p>My team is open to debate and we provide constructive feedback to each other</p>
 <p>Communication and escalation</p>	<p>My team readily escalates incidents because they are opportunities to learn and improve</p> <p>In our team, we openly communicate about risks and concerns and are actively encouraged to speak up</p>
 <p>Knowledge and capabilities</p>	<p>My team prioritises training and development that is needed to do the job effectively</p> <p>My team looks for ways to continuously improve our processes, systems and practices to deliver outcomes for our customers more effectively</p>

Policies and practices

We ensure our policies and practices comply with the 4th edition of the ASX Corporate Governance Principles and Recommendations (CGPRs) and continue to comply with the Australian Prudential Regulation Authority (APRA) Governance Standard (CPS 510). You can find out more about our governance practices in our annual report and on our website.

Risk architecture and foundation

 <p>Risk appetite and strategy</p>	<p>Our leaders use risk appetite as a key input to our decisions and planning, and recognise that we need to take risk to grow</p> <p>My team escalates, challenges and debates risk-taking boundaries to ensure we can grab hold of opportunities with confidence</p>
 <p>Risk governance and oversight</p>	<p>My team uses frameworks, policies, and controls as an enabler of great business outcomes, to gain efficiencies and to future proof our growth strategy</p> <p>My team values good governance and recognises that it is critical to being a sustainable, responsible, and customer-focused business</p>
 <p>Responsibility and accountability</p>	<p>I understand my role and responsibilities in relation to managing risk and embrace the idea that risk is 'everyone's responsibility'</p> <p>I take accountability for delivering outcomes that are in the best interest of our customers, and act with urgency to resolve their issues</p>
 <p>Performance management and incentives</p>	<p>In our team, good risk management behaviour and activities are recognised and prioritised for attention</p> <p>When non-compliance occurs or when employees display lack of accountability for their risk obligations, there are direct and appropriate consequences</p>

Ethical and sustainable business

Privacy and data security

As a health company, we are **trusted** with managing and protecting our customers' and employees' **information and privacy** and have a responsibility to ensure our services and **operations are secure**.

Our privacy framework has been designed to enhance trust and confidence in the way we do business through strong, effective and contemporary privacy management practices and systems centred on six key principles.

- **Fostering** and **maintaining** a culture of privacy awareness
- **Recognising** that we handle sensitive information and manage diverse operations across our business, and we take a responsible approach to ensuring that privacy is respected
- **Integrating** privacy into our enterprise risk, compliance and incident management systems
- **Applying** a risk-based approach to privacy and encouraging open, proactive conversations about privacy risk
- **Embedding** good privacy practices
- **Expecting** a high degree of best practice privacy compliance from our employees and our systems

Being open about privacy

We've continued reviewing and improving our Privacy Policy and practices to make it easier for customers to understand how we collect, store and use their data. Our policy is available online and also includes details on how we dispose of information and how people can access their personal information. We also seek consent upfront and provide notices regarding personal information where required.

Keeping information safe

Information security and privacy practices are embedded into our day-to-day activities and applied through our business processes, policies, systems and frameworks. We continue strengthening our privacy and data security foundations to ensure we can adapt and rapidly respond to changing and increasingly complex digital/cyber environments.

This year, we established a new security operations centre with a broader responsibility, more specialised roles and enhanced tools. We further enhanced our security capabilities enabling our people to work flexibly from any location. We also took greater advantage of security automation to increase the number of risk assessments of third-party vendors conducted before they started working on a project or service.

We repeatedly test for any vulnerabilities that might exist across our systems and maintain detailed disaster recovery plans that we review and update regularly. Independent internal and external teams conduct regular audits of our cyber risk and security control capabilities, including annual Payment Card Industry Data Security Standard (PCI DSS) compliance audits. We also do privacy impact assessments on services, projects or procurement of services that involve personal and sensitive information when needed.

Our privacy framework



Embed

a culture of privacy that enables compliance

Establish

robust and effective privacy practices, procedures and systems

Evaluate

our privacy practices, procedures and systems to ensure continued effectiveness

Enhance

our response to privacy issues



Ethical and sustainable business

Best-in-class approach

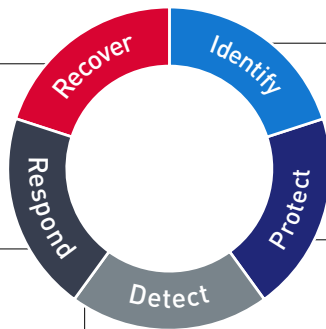
Our cyber security approach is guided by the National Institute of Standards and Technology's Cyber Security Framework and draws upon best practices and controls from other international standards and frameworks including the ISO 27001, Australian Signals Directorate and Australian Prudential Regulation Authority.

We're compliant with national laws and regulations and keep updated on global privacy and data protection laws and regulations. Over the next 12 months, we'll be reviewing our existing security model to identify opportunities to further enhance how we keep our customers' data secure and private, and secure our systems and processes as we continue to grow as a health company.

Information security framework

Recover normal business operations to reduce the overall impact of a security event

Efficiently contain or mitigate the impact of potential security incidents



Provide alignment, governance and prioritisation for security efforts, risk management and security strategy

Protect infrastructure and assets and support the capability to limit or contain the impact of security incidents

Discover security events, threats and vulnerabilities in a proactive manner to enable a faster response to incidents

Case study



Delivering our vision on a foundation of trust

Protecting people's data and respecting privacy is central to what we're doing to build more personalised and connected health and wellbeing experiences for our customers. Our customers want health support tailored to their own needs and a health system that is easier to navigate and simpler to use. To deliver this, we will need to utilise information we have about our customers, and we want to be very open about how we will do this and ensure people can control their information. We value our customers' privacy rights. So, as we develop these new experiences, we will be embedding privacy and data controls that will enable appropriate mechanisms to protect and respect customers' privacy rights – including their right to choose – and ensure their information is protected.



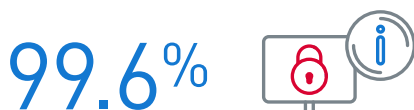
Ethical and sustainable business

Building a cyber culture

Every one of our people is key to protecting the information we hold – they are our first line of defence against security threats. We've continued to invest in and enhance our cyber culture, this year surveying our people across the business to create a base profile for security culture. We regularly educate our people, including using informal channels to offer helpful security information applicable to people's daily lives. We also require employees to undertake training throughout the year, including compulsory privacy and data protection training, to ensure they understand the role they play in keeping information safe.

How we store and use information

Security controls reflecting the sensitivity of the data being protected are applied across all of our IT environment. This includes our data centres, software and applications, mobile devices and physical locations and we test our systems regularly. We also ensure that information is only accessible to those employees who require access for their role, and we review our employees' system access regularly.



employees completed privacy and data protection training as part of our compliance training

excludes suspended, casual and contingent workers

Managing security incidents or data breaches

Our incident response process enables us to respond quickly should a situation occur. It brings together the required teams from across the business to first determine how severe a breach is and then to enact our established response plans to limit any impact and resolve the issue. Following any incident, we hold a review, from which we take detailed learnings to adapt our process as required.

We draw upon our relationships with major government agencies and cybersecurity organisations to both inform and test our

cybersecurity resilience and run regular simulations. We also ensure that we meet all our privacy compliance obligations under the Australian Privacy Principles (APP).

Of the five notifiable data breaches we reported this year, two were in relation to unauthorised access to a customer's health insurance online account by a potential malicious third party (fraud syndicate) – both likely due to compromised customer credentials. Two were due to human error in processing account changes and one incident involved an employee who inadvertently disclosed an employee's personal information to another employee.

Information security and data breaches



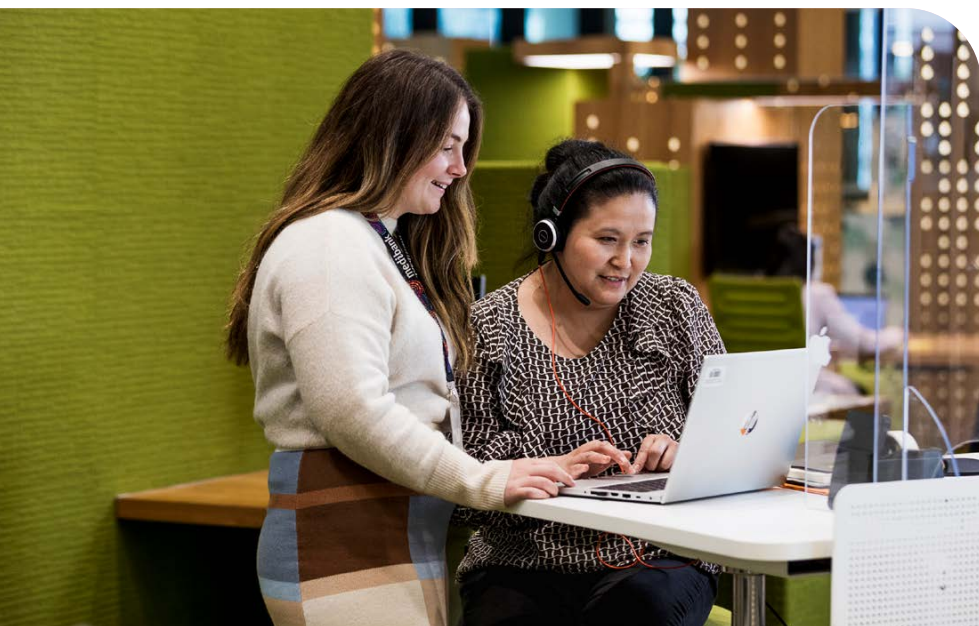
	FY22	FY21	FY20	FY19
Total number of information security or other cybersecurity incidents*	0	1	3	1
Total number of cybersecurity data breaches**	0	0	0	1
Total number of notifiable privacy data breaches***	5	1	3	2
Total amount of fines/penalties paid in relation to information security breaches or other cybersecurity incidents	0	0	0	0

NIST guidance used

* An occurrence that actually or potentially jeopardises the confidentiality, integrity, or availability of an information system or that constitutes a violation or imminent threat of violating security policies, security procedures, or acceptable use policies.

** An incident that involves a security breach or cybersecurity incident involving sensitive, protected or confidential information being copied, transmitted, stolen, disclosed to, or used by a malicious party without authority to do so. Exposed information may include credit card numbers, personal health information, customer data, company trade secrets, or matters of national security.

*** An incident that involves sensitive or personal information being accessed or disclosed by an individual unauthorised to do so and meets the relevant regulatory thresholds for reporting. Exposed information may include credit card numbers, personal health information or customer data. Notifiable privacy data breaches (NDB) have been reportable to the Privacy Commissioner under the Privacy Act since 2018. These are privacy breaches that are likely to result in serious harm to one or more individuals. Some NDB events also amount to information security incidents under APRA Prudential Standard CPS234.



Ethical and sustainable business

Sustainable supply chains

We want to help create a sustainable future, which is why we look to work with suppliers and operational partners that share our approach to ethical conduct, environmental performance, and diversity and inclusion. We believe that by building relationships with diverse and inclusive businesses, we can better support the needs of our customers, our people and our community. We also highly value opportunities to work with social enterprises.

We've updated our supplier information page to provide more detail about our sustainable procurement focus and also incorporated our Aboriginal and Torres Strait Islander procurement principles and processes into our Procurement Policy.

Helping end modern slavery

We published our 2nd Modern Slavery Statement in December, highlighting the work we've been doing to help prevent modern slavery and human trafficking in our business operations and supply chain. This year we've worked directly with the suppliers and partners we'd identified as medium to high risk of modern slavery to understand and clarify the controls required. We've also extended the risk assessments we undertake to our hospital partners and overseas agents that distribute products on our behalf. This has reinforced the importance of providing the background to modern slavery legislation in Australia and the objective of its requirements. We continue working with these partners to provide guidance and support their understanding of modern slavery risks.

Our highest risk areas

Supply chain

Computer and digital equipment



We procure computer and digital equipment such as laptops and mobile phones to support our operations. These goods are known to be manufactured in high risk countries with exploitative labour practices and using conflict minerals in earlier stages of their supply chains

Medical equipment and supplies



For our medical practitioners, we purchase medical consumables and equipment such as surgical gloves, PPE and surgical instruments. These goods have a high risk of forced labour both in their production of raw materials and in their manufacture. The high demand for these products during COVID (particularly for PPE) is known to have led to severe production targets, withdrawal of wages and sub-standard working conditions

Sales and marketing



We procure branded products and promotional merchandise (such as clothing, stationery, novelty goods and small electronics) which are sourced indirectly via resellers from overseas suppliers. Some of these suppliers are located in countries listed as high risk on the Global Slavery Index

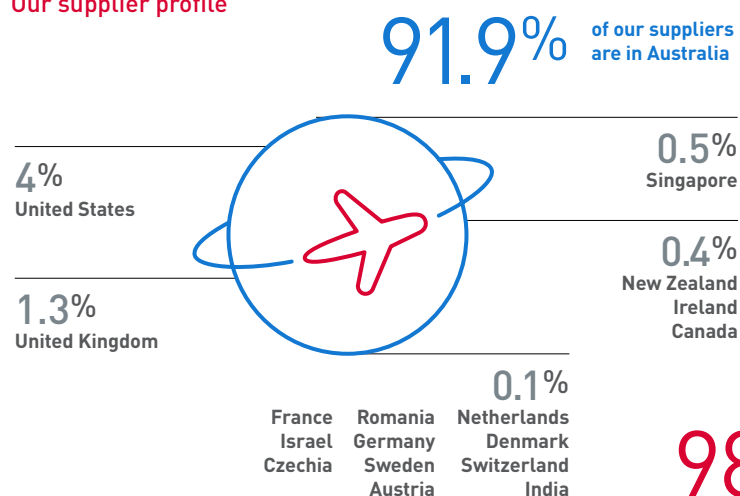
Operations

Partners with overseas locations



To provide health insurance products to temporary visa holders, we have a number of agents who distribute these products on our behalf. The locations of these entities are across the globe, including countries listed as high risk on the Global Slavery Index

Our supplier profile



98% of our supply chain spend is for the engagement of services

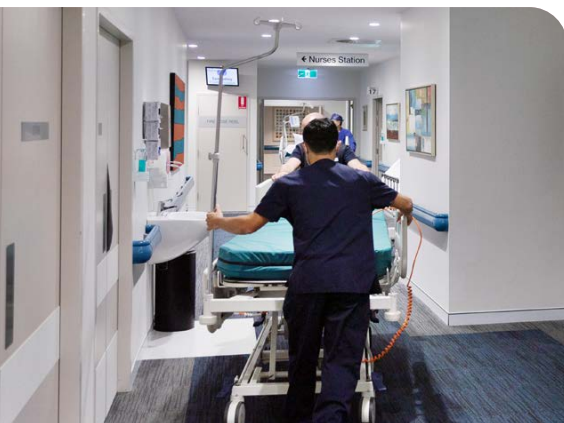
Ethical and sustainable business

Human rights for all

Our inaugural [Human Rights Policy](#) sets out our commitments and guiding principles to managing human rights issues across our business and helping ensure respect and equality for our customers, employees, communities and suppliers. It strengthens the work we had previously done to manage and uphold human rights across our business through existing policies and commitments.

Working together with hospitals

As a health company we recognise our role to support others in the industry to build more sustainable supply chains. Hospitals can be at high risk for modern slavery due to the global supply chain for many of their products as well as their complex mix of operations. This year we've undertaken a review of modern slavery risk in hospitals and have launched a pilot with a number of our hospital partners to better understand where the potential for risk is most prominent. We are also actively supporting broader industry efforts to address modern slavery in healthcare, led by Private Healthcare Australia.



Protecting our people and our customers with third parties

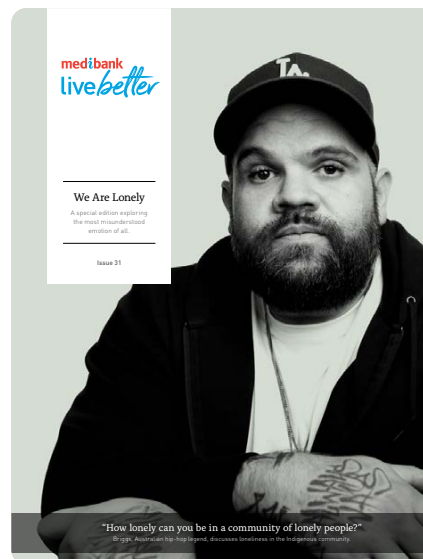
Before we work with a new supplier or partner, we undertake a detailed assessment to identify any potential risks or impacts that may need to be considered. This may include whether the product or service will access any Medibank data, interact with any of our technology platforms or deliver a clinical or health program. It also flags whether there are any health and safety considerations, potential media or regulation impacts to be considered.

Business for good

Aboriginal and Torres Strait Islander procurement

As part of our commitment to help improve economic outcomes for Aboriginal and Torres Strait Islander people and communities, we've set a new procurement target of \$1 million (inc GST) per annum by the third year of our new Reconciliation Action Plan. Through this goal, we look to establish strong, meaningful and mutually beneficial relationships that continue for years to come. We also draw upon our valued partnerships with Supply Nation and Indigenous Defence and Infrastructure Consortium (iDiC) to embed Aboriginal and Torres Strait Islander businesses within Medibank.

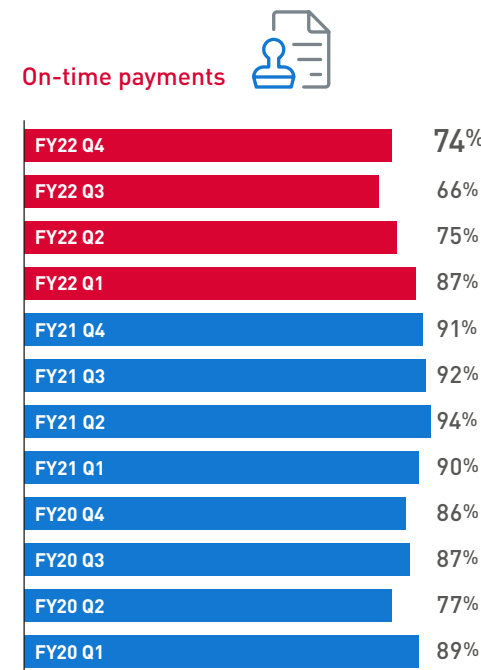
c. **\$596k** 
 spend with **Aboriginal and Torres Strait Islander businesses in FY22** 



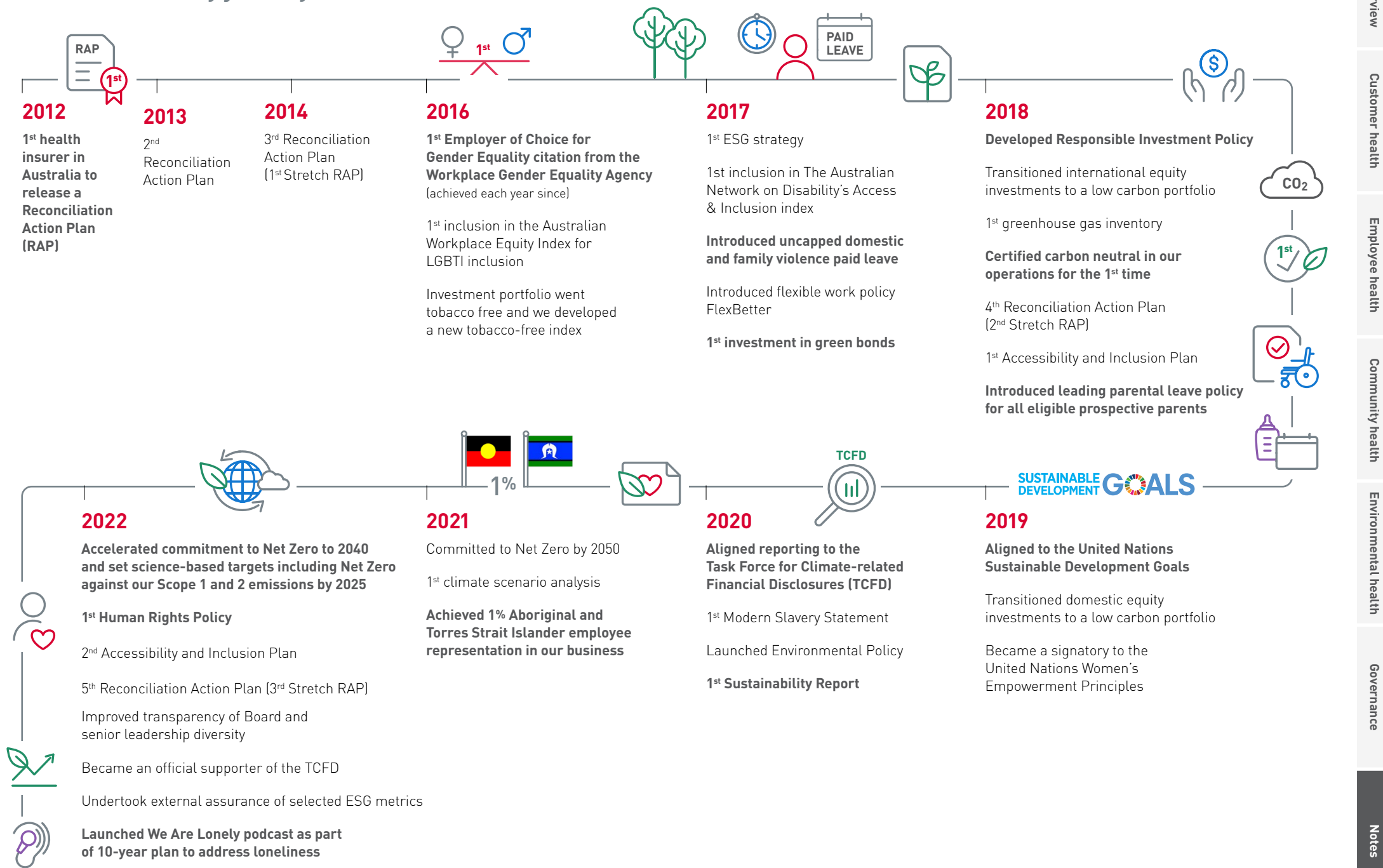
This year, we signed a three-year contract for all our stationery supplies to be provided by Muru, a company with an 80% Aboriginal and Torres Strait Islander workforce that is also supporting the development of Indigenous communities. We've included iDiC on our panel of approved providers for creative services, leading to two new companies being engaged to develop infographics and reporting dashboards. We've also continued encouraging our suppliers to engage with Aboriginal and Torres Strait Islander businesses, with printer Finsbury Green working with Printing with Purpose on our Live Better magazine and JLL working with Vivid Indigenous Services to provide our commercial property cleaning.

Paying bills promptly

We work to pay our suppliers and partners on time because we believe it's a key requirement of building mutually beneficial relationships. We continue working to improve our on-time payments, particularly for small to medium-sized enterprises and keep ourselves accountable by measuring our performance. We also remain fully compliant with the *Payment Times Reporting Act 2020*.



Our sustainability journey



Overview

Customer health

Employee health

Community health

Environmental health

Governance

Notes

Independent Limited Assurance Report



Independent Limited Assurance Report to the Directors of Medibank Private Limited

What we found

Based on the work described below, nothing has come to our attention that causes us to believe that the selected subject matter for the year ended 30 June 2022 (unless otherwise stated) has not been prepared, in all material respects, in accordance with the reporting criteria. This conclusion is to be read in the context of what we say in the remainder of our report.

What we did

Medibank Private Limited ('Medibank') engaged us to perform limited assurance on selected subject matter within the *Medibank Sustainability Report 2022*.

Selected subject matter

The scope of our work was limited to assurance over the selected subject matter and is summarised below:

Customer health

- Employee Net Promoter Score (eNPS) - products and services

Employee health

- Female representation by level (%)
- Gender pay gap (%)
- Gender pay equity (%)
- Lost Time Injury Frequency Rate (LTIFR) – Medibank/ahm
- Lost Time Injury Frequency Rate (LTIFR) – Amplar Health

Community health

- Aboriginal and Torres Strait Islander representation (%)
- Employees with a disability (%)

Environmental health

Greenhouse gas emissions (for both the year ended 30 June 2021 and the year ending 30 June 2022):

- Total Scope 1 GHG emissions (tCO₂-e)
- Total Scope 2 GHG emissions (tCO₂-e)
- Total Scope 3 GHG emissions (tCO₂-e)

Governance

- Aboriginal and Torres Strait Islander procurement expenditure (\$)

The selected subject matter did not include:

- data sets, statements, information, systems or approaches other than the selected performance indicators and related disclosures;
- forward looking statements; or
- any comparisons made against historical data.

Reporting criteria

The selected subject matter needs to be read and understood together with the reporting criteria, being the boundaries, definitions and methodologies contained within the Glossary and definitions section of the *Medibank Sustainability Report 2022* (the 'reporting criteria') which Medibank is solely responsible for selecting and applying.

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities, and over time.

Responsibilities

PwC

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the selected subject matter is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and

- reporting our conclusion to the Directors of Medibank.

Medibank

Medibank's management ('management') are responsible for:

- preparing the selected subject matter as well as *Medibank Sustainability Report 2022* in its entirety, including making estimates that are reasonable in the circumstances;
- the prevention and detection of fraud and error in relation to the selected subject matter;
- the design and operation of controls to ensure the completeness and accuracy of information within the *Medibank Sustainability Report 2022*, including but not limited to the selected subject matter; and
- determining suitable reporting criteria for reporting the selected subject matter within the *Medibank Sustainability Report 2022* and publishing those criteria such that they are available to expected users of the report.

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Liability limited by a scheme approved under Professional Standards Legislation.

Independent Limited Assurance Report



What our work involved

We conducted our work in accordance with the following Australian standards on assurance engagements:

- ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (Revised);
- ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements*; and
- Other relevant assurance standards, as issued by the Auditing and Assurance Standards Board.

These standards require that we comply with independence and ethical requirements and plan the engagement so that it will be performed effectively.

Main procedures performed

The main procedures we performed were:

- making enquiries of management to understand the methodologies, processes and controls supporting the aggregation, calculation and reporting of the selected subject matter;
- enquiring of relevant management to understand and assess the appropriateness of the assumptions and estimates, such as greenhouse gas emission factors, used within the calculation of the selected subject matter;
- reviewing a sample of relevant management information and documentation supporting the selected subject matter;
- testing of activity data utilised to calculate the selected subject matter. This involved a combination of analytical procedures and substantive tests of details of a sample of Medibank and third-party records and other relevant underlying information;

- testing the arithmetic accuracy of a sample of calculations of the selected subject matter;
- reconciling the selected subject matter to underlying data sources and calculations;
- inspecting other supporting evidence to assess the completeness of Medibank facilities and the selected subject matter overall; and
- reviewing the selected subject matter to assess whether it has been prepared as described in the reporting criteria.

We believe that the information we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Yours sincerely,

Adam Cunningham
Partner

PricewaterhouseCoopers
Melbourne
15 September 2022

Our Independence and Quality Control

We have complied with relevant ethical requirements related to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

The firm applies the Auditing Standard on Quality Control *ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Limited assurance

This engagement is aimed at obtaining limited assurance for our conclusions. As a limited assurance engagement is restricted primarily to enquiries and analytical procedures and the work is substantially less detailed than that undertaken for a reasonable assurance engagement, the level of assurance is lower than would be obtained in a reasonable assurance engagement. Professional standards require us to use negative wording in the conclusion of a limited assurance report.

Restriction on use

This report, including our conclusions, has been prepared solely for the Directors of Medibank in accordance with the agreement between us, to assist the Directors in reporting Medibank sustainability performance and activities. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors and Medibank for our work or this report except where terms are expressly agreed between us in writing. Any reliance on this report by any third party is entirely at its own risk.

We permit this report to be disclosed in the *Medibank Sustainability Report 2022* to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the selected subject matter.

Inherent limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. Therefore fraud, error or non-compliance may occur and not be detected. Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data.

Glossary and definitions

The table below outlines the reporting criteria for the sustainability metrics that PwC has provided limited assurance over in 2022 and definition of specific terms used throughout the report.

Metric or term	Reporting criteria or definition	Metric or term	Reporting criteria or definition
Aboriginal and Torres Strait Islander employees %	Number of employees who self-identified as Aboriginal and/or Torres Strait Islander via our May 2022 employee engagement survey, divided by the number of total respondents to the survey (2,758). Survey response rate was 76%, sent to 3,628 employees.	% representation of women (continued)	<ul style="list-style-type: none"> • Senior Manager – The percentage of employees at the level of Senior Manager that are women as at 30 June 2022. Senior Manager roles are those that are classified as Band 4 within Medibank’s job banding framework and typically report to a Senior Executive and/or are leaders of a function. • Other Manager – The percentage of employees at the level of Other Manager that are women as at 30 June 2022. Other Manager roles are those that are classified as Band 5 within Medibank’s job banding framework and are typically leaders of a team or processes. • Non-manager – The percentage of employees at the level of Non-manager that are women as at 30 June 2022. Non-manager roles are those that are classified as Band 6 within Medibank’s job banding framework and are typically supervisors of operational teams, individual contributors or a position covered by a Medibank enterprise bargaining agreement.
Employees with a disability %	Number of employees who self-identified as having a disability or accessibility requirement via our May 2022 employee engagement survey divided by the number of total respondents to the survey (2,758). Survey response rate was 76%, sent to 3,628 employees.		
eNPS - Products and Services	The average employee net promoter score across two surveys conducted in FY22 (September and May). Employees respond to the question “How likely is it you would recommend our organisation’s products and services to friends and family?” on a scale from 0-10. eNPS is determined by deducting the % of employees who are “detractors” (scoring 6 or less) from the % of employees who are “promoters” (scoring 9 or 10). Reported result is the average across both May and September surveys.		
% representation of women	<ul style="list-style-type: none"> • Board – The number of women who are members of the Medibank Board as a percentage of the total number of Board members (including the CEO) as at 30 June 2022. • Group Executives – The percentage of employees at the level of Group Executive that are women as at 30 June 2022. Group Executive roles are direct reports to the Chief Executive Officer and members of the Executive Leadership Team. • Senior Executives – The percentage of employees at the level of Senior Executive that are women as at 30 June 2022. Senior Executive roles are those that are classified as Band 3 within Medibank’s job banding framework and typically report directly to a Group Executive, have organisational wide influence and/or lead a number of teams, often multi-disciplinary. 	Gender pay gap	<p>Medibank’s gender pay gap analysis is calculated by dividing the average total fixed remuneration (base salary + superannuation) for women within each band of Medibank’s job banding framework, by the average total fixed remuneration for men in the same band to determine the percentage difference.</p> <p>Medibank’s gender pay gap analysis is based on permanent employees of the Medibank Group as at 30 June 2022, excluding the CEO, non-executive directors, casual employees, and employees who have not responded with a defined gender.</p>

Glossary and definitions

Metric or term	Reporting criteria or definition
Gender pay equity	<p>Medibank's gender pay equity analysis represents the difference between how women and men are paid relative to the market reference. The total fixed remuneration (base salary + superannuation) for each permanent employee was compared to the market reference for their respective position, with data sourced from the Mercer Total Remuneration Survey (Australia) October 2021, the Aon April – June 2022 Survey, PwC 2022 Top 50 Executive Survey, tailored remuneration benchmarking reports and relevant state and federal awards to determine the percentage difference to the market reference. The percentage differences from the market reference for each employee were then aggregated and averaged for both men and women employees, which were then compared to determine the gender pay equity percentage. A positive number indicates that women are paid higher than men relative to the market reference and vice versa.</p> <p>Medibank's gender pay equity calculation has been based on permanent employees of the Medibank Group as at 30 June 2022, where a relevant market reference for the role of the employee was available, with 96% of positions held by permanent employees able to be benchmarked against the market reference. Data excludes non-executive directors, casual employees and employees who have not responded with a defined gender.</p>
Greenhouse gas emissions inventory	<ol style="list-style-type: none"> 1. Total Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions caused by the operations of the Medibank Group. 2. The operational boundary for the Medibank Group has been defined based on an operational control test, in accordance with the principles of the <i>National Greenhouse and Energy Reporting Act 2007</i>. 3. The methods used for collating data, performing calculations and presenting the GHG inventory are in accordance with the following standards: <ol style="list-style-type: none"> a. Climate Active Standards b. The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) c. National Greenhouse and Energy Reporting (Measurement) Determination 2008

Metric or term	Reporting criteria or definition
Greenhouse gas emissions inventory (continued)	<ol style="list-style-type: none"> 4. All emissions sources included within this inventory have been assessed for relevance in accordance with the Climate Active Relevance Test Principles, which are based upon the GHG Protocol relevance test guidance. The Climate Active Relevance Test Principles stipulate the inclusion of emission sources that meet two or more of the below criteria: <ol style="list-style-type: none"> a. They are large (or believed to be large) relative to the company's Scope 1 and Scope 2 emissions b. They contribute to the company's GHG risk exposure c. They are deemed critical by key stakeholders (e.g., feedback from customers, suppliers, investors, or civil society) d. There are potential emissions reductions that could be undertaken or influenced by the company. e. The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations. <p>All emission factors used within the GHG inventory are derived from the National Greenhouse Account (NGA Factors), expenditure-based factors released by the University of New South Wales' Industrial Ecology Laboratory (IELab), and other relevant sources.</p> <p>Where possible, Medibank also utilises publicly reported emissions data from key suppliers to derive supplier-specific emission factors and build a Scope 3 profile that is more accurate and reflective of the GHG activities of our supply chain.</p> 5. The greenhouse gases have been expressed as carbon dioxide equivalents (CO₂-e) using relative global warming potentials (GWPs) from the Intergovernmental Panel on Climate Change's (IPCC) Fifth Assessment Report.

Glossary and definitions

Metric or term	Reporting criteria or definition
Employees	Permanent, fixed-term and casual employees of the Medibank Group as at 30 June 2022.
Aboriginal and Torres Strait Islander procurement spend	Annual spend (inclusive of GST) with businesses that are: <ul style="list-style-type: none"> at least 50% owned by individuals of Aboriginal and Torres Strait Islander descent; and registered or certified by Supply Nation or listed with an Australian Indigenous Chamber of Commerce or the Office of the Registrar of Indigenous Corporations (ORIC) as an Indigenous business.
Lost time injury frequency rate (LTIFR)	LTIFR refers to the number of lost time injuries within a 12-month period, relative to the total number of hours worked in that period. Lost time injuries are injuries or illnesses of employees resulting in one or more full scheduled days (or shifts) lost, other than the day (or shift) on which the injury occurred where work was a significant contributing factor, as evidenced by a corresponding accepted Workers Compensation claim. LTIFR, being the number of lost time injuries per 1 million hours worked by employees, is calculated as: $\frac{\text{(Number of lost time injuries in the reporting period} \times 1,000,000)}{\text{(Total hours worked in the reporting period)}}$
Medibank Group	Medibank Private Limited (ACN 080 890 259) and its ultimately wholly owned subsidiaries.
Net Zero	Reducing Scope 1, 2 and 3 greenhouse gas emissions to a residual level that is consistent with the IPCC recommendation of a 1.5° warming scenario, with any residual emissions in the net zero target year (and thereafter) offset through the permanent removal and storage of carbon from the atmosphere.

Metric or term	Reporting criteria or definition
Greenhouse gases	The atmospheric gases responsible for causing global warming and climate change, which include carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphurhexafluoride (SF ₆) and nitrogen trifluoride (NF ₃).
Scope 1 greenhouse gas emissions	Scope 1 greenhouse gas emissions include all direct greenhouse gas emissions from sources that are within the Medibank Group's operational control boundary. These could be emissions from fuel use, refrigerants and on-site electricity generation.
Scope 2 greenhouse gas emissions	Scope 2 greenhouse gas emissions include purchased electricity, heat, cooling and steam (i.e. energy produced outside the Medibank Group's operational control boundary but used within the Medibank Group).
Scope 3 greenhouse gas emissions	Scope 3 greenhouse gas emissions are all indirect emissions that occur as a result of the activities of the Medibank Group, but occur from sources outside the Medibank Group's operational control boundary.
Green bond	Investments that fund projects with positive environmental benefits such as wind farms, solar farms, clean transportation and low carbon commercial property.
Low carbon (equities portfolio)	Medibank has transitioned to, and is committed to maintaining, a low carbon domestic and international equities portfolio. This is achieved by ensuring that climate change risks are considered by our investment managers within our internally managed investments and factored into Medibank's investment strategy. The portfolio targets 40-50% lower carbon than the benchmark.

medibank

Medibank Private Limited

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