

1. PURPOSE

As a healthcare company, Medibank recognises the impacts of climate change and environmental health on the health of our customers, employees and the community. This policy outlines Medibank's commitment to reducing the environmental impact of its operations, and the role of the business, employees and our suppliers in ensuring sound environmental management practices.

2. SCOPE

This policy applies to:

- (a) anyone employed by or working for Medibank Private Limited. This includes employees (permanent, fixed term, fixed task and casual), contractors and consultants; and
- (b) suppliers of goods and services to Medibank, as per the Supplier Code of Conduct.

This policy applies to all activities of Medibank.

3. PRINCIPLES

Medibank is committed to understanding and reducing the environmental impact of its operations. The following key principles drive our approach:

- (a) The behaviour of our people has the greatest impact on our emissions. We will engage our people to reduce their own environmental impact through education, awareness and behaviour change initiatives.
- (b) Medibank understands the risks of climate change to human health and our own operations. Climate change risk is integrated into our organisational risk management approach.
- (c) As a supporter of the Task Force on Climate-related Financial Disclosures (TCFD), Medibank will continue to align its approach to disclosing climate-related risks and opportunities with the recommendations of the TCFD framework. Medibank will maintain effective disclosure on its environmental performance in its public reports.
- (d) As part of Medibank's commitment to achieve Net-Zero by 2050, each financial year, Medibank will seek to reduce our direct and indirect emissions across all business activities. Where further reductions to emissions have not been made, Medibank will seek to offset these emissions through the purchase of carbon offsets.
- (e) Medibank's approach to reducing our environmental impact extends to our approach to investments and our choice in suppliers. Our Responsible Investment Policy and Supplier Code of Conduct outline our commitments in these areas.
- (f) Medibank will seek to improve the environmental efficiency of our premises.
- (g) Medibank will seek to raise the awareness of the Australian community on health impacts of climate change through education, research and community initiatives.

4. REQUIREMENTS

4.1. Alignment with the United Nations Sustainable Development Goals (SDGs)

This Policy supports our efforts to support the United Nation's Sustainable Development Goals and address SDG 13 (Climate Action). We seek to embed environmental sustainability into our decision-making and work towards SDG 13 through our actions.



4.2. Monitoring, Measurement and Reporting

- (a) Group Property, Procurement and Sustainability Functions will monitor, measure and report on our material sources of greenhouse gas emissions across Scope 1, 2 and 3 emissions.

These include, but are not limited to:

- (i) emissions produced through our direct operations (Scope 1);
 - (ii) our indirect emissions due to energy usage (Scope 2); and
 - (iii) our indirect emissions that occur along our value chain from sources, including those due to employee commuting, business travel, IT equipment and services, postage services, paper usage, waste and recycling.
- (b) Where required for reporting purposes, reporting of material sources of greenhouse gas emissions may also include the use of modelling or industry benchmarking techniques.
- (c) The Sustainability Function will ensure the relevant disclosures are reported publicly on an annual basis.

4.3. Emissions Reductions and Offsetting

- (a) The Group Property, Procurement and Sustainability Functions will monitor and measure material sources of greenhouse gas emissions in order to identify opportunities for emissions reductions across Medibank, and put in place measures to achieve these reductions.
- (b) Each financial year, where emissions have not been further reduced or avoided, the Sustainability Function will offset these emissions through the purchase of carbon offsets.
- (c) Medibank's emissions offsetting strategy requires that any offsets purchased should be able to demonstrate meaningful health or community co-benefits.

4.4. Emissions Reductions in our value chain

- (a) Group Treasury is responsible for ensuring that all Medibank investments are in accordance with our Responsible Investment Policy, which mandates that climate change risks are considered by our investment managers within our internally managed investments and factored into Medibank's investment strategy.
- (b) We will continue to engage with our supply chain partners and engage with suppliers that have ethical and sustainable business practices. Group Procurement is responsible for ensuring that all Medibank suppliers abide by our Supplier Code of Conduct, which includes requirements around environmental performance.
- (c) We will continue to take measures and invest in activities that contribute to environmental efficiency at our premises. Group Property is responsible for ensuring the environmental performance (including environmental efficiency) of premises across Medibank.

4.5. Climate Risk management

The Financial Services function is the owner of climate change risk at Medibank and is

responsible for ensuring the active management of climate change risk through our broader risk management framework.

5. POLICY BREACHES

Non-conformance with this Environmental Policy must be reported to the Group Executive- People, Culture & Sustainability, and the Senior Executive – Sustainability. Breaches of this policy will be dealt with according to the Medibank Code of Conduct. The final determination of measures required to remedy non-conformance will be determined by the Group Executive- People, Culture & Sustainability.

6. WAIVERS AND EXCEPTIONS

Waivers to this Environmental Policy will only be granted in exceptional circumstances by the Group Executive- People, Culture & Sustainability.

7. DEFINITIONS

This table defines the terms used throughout this policy.

Term	Definition
Carbon offsets	Carbon offsets are a reduction in emissions of carbon or other greenhouse gasses made in order to compensate for emissions made elsewhere. For example, carbon offsets might include an approved project of planting trees to offset the carbon emissions of a personal flight.
Green bonds	Green bonds are a type of fixed-income instrument that is specifically earmarked to raise money for climate and environmental projects.
Greenhouse gases	Gases that contribute to the greenhouse effect by absorbing infrared radiation. Carbon dioxide and chlorofluorocarbons are examples of greenhouse gases
Scope 1 emissions	Scope 1 greenhouse gas emissions are the emissions released to the atmosphere as a direct result of an activity, or series of activities at a facility level. Scope 1 emissions are sometimes referred to as direct emissions.
Scope 2 emissions	Scope 2 emissions are indirect emissions from the generation of purchased energy.
Scope 3 emissions	Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.