



Governance statement

2024

Australian Unity has been trusted to deliver wellbeing services since 1840 and continues to provide health, wealth and care services to more than 700,000 Australians.

Australian Unity is committed to the Real Wellbeing of all Australians and considers itself a social enterprise with its products and services designed to support Real Wellbeing. To help deliver on this objective, Australian Unity must foster good corporate governance, with sound risk and conflict management practices a fundamental part of its approach.

Australian Unity Limited (Company), a mutual entity, is the head of the Australian Unity corporate group and is registered as a non-operating holding company, under section 28A of the Life Insurance Act 1995 (Cth), and is regulated by the Australian Prudential Regulation Authority (APRA) under that designation.

The Company’s Corporate Governance Framework has been developed to reflect the requirements of APRA’s Prudential Standards—including those related to Governance, Remuneration, Fit and Proper and Risk Management—as well as key aspects of the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (4th Edition) (Principles). Australian Unity acknowledges that the Principles do not apply to Australian Unity Limited as it is debt-listed on the Australian Securities Exchange (ASX). Notwithstanding, Australian Unity considers the Principles to be a valued source of governance guidance and seeks to align itself with the Principles.

Governance structure

Australian Unity is governed by the Company’s board. The board is supported by its committees including the Risk & Compliance (R&C) Committee, Audit Committee, People, Culture & Remuneration (PC&R) Committee and Investment Committee. The Group Managing Director (GMD) reports to the board and, alongside the Group Leadership Team (GLT), is responsible for managing Australian Unity’s day-to-day operations.

The board has structures and processes to support the management of Australian Unity, including policies and procedures, risk and conflict management frameworks and internal controls, which are designed to promote effective, responsible and ethical conduct.

Australian Unity Limited Board



Note: a very small percentage of businesses acquired by Australian Unity may have governance structures independent of Australian Unity (of which Australian Unity has oversight).

The board

Board roles and responsibilities

The board's responsibilities include approving Australian Unity's strategy, budget and operating plans, appointing and evaluating the performance of the GMD, setting and approving Australian Unity's Risk Appetite Statement (RAS) and Enterprise Risk Management Framework (ERMF) and monitoring the effectiveness of Australian Unity's governance arrangements. The Australian Unity Limited Board Charter (Board Charter) is available on Australian Unity's website (australianunity.com.au) and describes the board's roles and responsibilities, including the matters reserved for the board.

Board structure and composition

As at 30 June 2024 (year end), the board comprised nine directors—eight non-executive directors (including the board's Chair) and the GMD (an executive director). Australian Unity has a written agreement with each non-executive director outlining the terms of their appointment.

The board's Chair, Lisa Chung AM, leads the board and is responsible for the efficient conduct of the board's meetings. As the board's Deputy Chair, Melinda Cilento supports the Chair and acts in that position when Ms Chung is absent or not available. More information on the roles of the Chair and Deputy Chair can be found in the Board Charter.

Each director's biography as at year end, including their appointment date and tenure, can be found on the following page.

All of the Company's board and member meetings are conducted in English, with its key corporate documents written in English. As all of the Company's directors are proficient in English, it is not presently necessary for Australian Unity to have in-place engagement processes for non-English-speaking directors.

Board and committee meetings

The board met ten times in the year under review, with the R&C Committee meeting six times and the Audit Committee, PC&R Committee and Investment Committee meeting four times. Director attendance at board and committee meetings throughout the year is set out in the Directors' Report section of the 2024 Annual Report. Board and committee meetings are generally conducted over two-to-three consecutive days, with directors regularly meeting without management present to encourage independent discussion.

Independence and re-election of directors

As at year end, all non-executive directors are considered to be independent. A director is considered independent if they are free of any interest, position or relationship that could or could reasonably be perceived to materially influence their ability to exercise independent judgement on board matters and act in the best interests of the Company as a whole. The criteria for assessing a director's independence are detailed in the Board Charter.

Directors must continuously update their interests, positions, associations and any potential conflicts. These updates are used to reassess each director's independence regularly. Directors are also required to abstain from discussions or voting on any matters where they may have an actual or perceived conflict of interest.

Generally, directors (other than the GMD) serve three-year terms, after which they must seek re-election at the Company's Annual General Meeting (AGM). Directors may serve for a maximum of 12 years, contingent on member re-election. However, extensions beyond this term may be granted in exceptional circumstances, as outlined in the Board Renewal and Evaluations Policy, which is available on our website. Additionally, all directors must meet the 'Fit and Proper' criteria, as defined by the relevant regulatory frameworks applicable to Australian Unity, and must stand for re-election at the first AGM following their appointment.

Board experience, skills and diversity

The board comprises directors with a broad range of experience, expertise and diversity in background and gender. The board, led by the Chair with support from the PC&R Committee, regularly and at least annually considers the directors' skills. During the reporting period, the board skills matrix was comprehensively reviewed and enhanced to ensure that the mix of skills aligns closely with Australian Unity's strategic ambitions. A summary of the board skills matrix follows.



Board of directors

Lisa Chung AM
LLB, FIML, FAICD
Chair



Ms Chung was appointed to the board of Australian Unity Limited on 30 June 2017 and appointed Chair on 26 October 2022. She is a director of a number of Australian Unity Limited subsidiaries and a member of the Audit Committee, Investment Committee, People, Culture & Remuneration Committee and Risk & Compliance Committee. Ms Chung is currently chair of The Front Project, a director of AV Jennings Limited, Warren and Mahoney Limited, Artspace/Visual Arts Centre, Sydney Community Foundation and the Committee for Sydney Limited and a trustee of the Art Gallery of NSW Foundation. Prior to this, Ms Chung was a partner specialising in commercial property and infrastructure at Maddocks Lawyers and at Blake Dawson (now Ashurst) where she also held various senior management roles and was an elected member of the firm's board. Ms Chung completed the Advanced Management Program at INSEAD in France in 2004. She was previously chairman of The Benevolent Society and Urbis and a non-executive director of APN Outdoor Limited. Ms Chung has not held any directorships of listed entities in addition to those set out above during the last three years.

Melinda Cilento
BA, BEc (Hons),
MEc, GAICD
Deputy Chair



Ms Cilento was appointed to the board of Australian Unity Limited on 1 May 2014 and appointed Deputy Chair on 26 October 2022. She is a director of a number of Australian Unity Limited subsidiaries, Chair of the People, Culture & Remuneration Committee and a member of the Investment Committee and Risk & Compliance Committee. She is also co-chair of Reconciliation Australia and until 1 May 2019 was a director of Woodside Petroleum. In addition to her directorships, Ms Cilento is the CEO of the Committee for Economic Development of Australia. She is a member of the Parliamentary Budget Office panel of expert advisors, the Australian Statistical Advisory Council and the Ministerial Advisory Committee on Skilled Migration. She has previously been a commissioner with the Productivity Commission and worked for eight years with Australia's leading CEOs at the Business Council of Australia, including four years as deputy chief executive. Prior to joining the Business Council of Australia, Ms Cilento was Head of Economics at Invesco Australia. Ms Cilento has also worked with the Federal Treasury and International Monetary Fund in Washington DC. She was a director of Wesfarmers General Insurance until June 2014. Ms Cilento has not held any directorships of listed entities in addition to those set out above during the last three years.

Rohan Mead
Group Managing Director
& CEO



Mr Mead was appointed Group Managing Director of Australian Unity Limited on 1 July 2004. As Group Managing Director, he is a member of most subsidiary boards and several committees. Mr Mead is chair of the Business Council of Co-Operatives and Mutuals Limited (BCCM). He is also chair of the Business Council of Australia's Health and Care Economy Committee and a member of its Indigenous Engagement Committee. Mr Mead is a director of the Centre for Independent Studies (CIS) and Private Healthcare Australia Limited (PHA). Prior to joining Australian Unity, Mr Mead was employed by Perpetual Trustees Australia Limited (1996–2003) in a range of senior roles. Mr Mead is not a director of any other listed entities and has not held any other directorships of listed entities during the last three years.

Lucinda Brogden AM
BCom, MOrgPsych,
MAICD



Ms Brogden was appointed to the board of Australian Unity Limited effective from 8 September 2022. She is a member of the Audit Committee and the Risk & Compliance Committee. Ms Brogden served as a commissioner and chair of the National Mental Health Commission from 2014–2022. She is currently the chair of the Diabetes Research Foundation, a director of Be Kind Sydney, Corporate Mental Health Alliance Australia and the National Film and Sound Archive. Ms Brogden is founder and Patron of the Sydney Women's Fund. Ms Brogden has over 30 years' commercial experience and has held a number of roles including with Macquarie Group and Ernst & Young. She has worked in trusted advisory roles with some of Australia's leading CEOs, managing partners, ministers and chairs in investment banking, finance, law and government. Ms Brogden has not held any other directorships of listed entities in addition to those set out above during the last three years.

Kim Cheater
BEc, CA, FAICD



Kim Cheater was appointed to the board of Australian Unity Limited effective from 1 March 2024. Mr Cheater is an experienced non-executive director. He is currently chair of the South Australian Museum and Alwyndor Aged Care and a non-executive director of RAA Group, RAA Insurance and ReturnToWorkSA. He is also a member of the Advisory Board for Sarah Constructions and for Sarah Group Holdings, a council member of Flinders University and the Independent Chair of the Audit, Risk & Investment Committee for Minda Inc. Mr Cheater is a Fellow of the Australian Institute of Company Directors and a Fellow of Chartered Accountants Australia and New Zealand. Mr Cheater was a partner at PwC for nearly 20 years and former managing partner of the Adelaide Office. He led the Governance, Risk and Cyber Security business of PwC in Adelaide as well as the Financial Services practice. Mr Cheater also led PwC's national Reconciliation Action Plan initiatives. He was appointed by the South Australian Governor as an Ambassador for Aboriginal Employment and recognised as a Distinguished Alumnus by Flinders University for his contribution to business and reconciliation. Mr Cheater has not held any other directorships of listed entities in addition to those set out above during the last three years.

Board of directors

Paul Kirk
BEc, CA, RITA, MAICD



Mr Kirk was appointed to the board of Australian Unity Limited on 1 February 2016. He is a director of a number of Australian Unity Limited subsidiaries and a member of the Investment Committee. Mr Kirk is currently managing director and founder of Collins Pitt Associates and is a director of the Noel & Carmel O'Brien Family Foundation and holds a number of other private company directorships. He is a member of the Investment Advisory Committee of Monash University. Mr Kirk was previously a director of the Melbourne Festival, Worksafe Victoria, Transport Accident Commission, St Kilda Football Club and the Victorian Registration and Qualifications Authority. Prior to this, Mr Kirk held a number of senior positions both overseas and in Australia with the major accountancy firm, PricewaterhouseCoopers, specialising in the area of corporate advice, turnaround and restructuring, profit improvement, M&A, strategic advice, risk and governance, forensic accounting and insolvency management. Following this, Mr Kirk worked for two years as special advisor for Lazard Australia. He has not held any directorships of listed entities in addition to those set out above during the last three years.

Su McCluskey
BComm, FCPA, FTSE, MAICD



Ms McCluskey was appointed to the board of Australian Unity Limited on 1 September 2015. She is a director of a number of Australian Unity Limited subsidiaries, Chair of the Risk & Compliance Committee and a member of the Audit Committee and the People, Culture & Remuneration Committee. Ms McCluskey is a director of the Australasian Pork Research Institute and LiveCorp. Ms McCluskey is also the special representative for Agriculture. She was a member of the Charities Review, the Harper Review of Competition Policy and the Regional Telecommunications Review and a commissioner for the National COVID-19 Commission Advisory Board. Ms McCluskey was previously the CEO of the Regional Australia Institute and the executive director of the Office of Best Practice Regulation. She has held senior positions with the Business Council of Australia, the National Farmers' Federation and the Australian Taxation Office. She is also a beef cattle farmer. Ms McCluskey has not held any directorships of listed entities in addition to those set out above during the last three years.

Dr Helen Nott
BSc (Hons), PhD, FAICD



Dr Nott was appointed to the board of Australian Unity Limited effective from 8 September 2022. She is a director of a number of Australian Unity Limited subsidiaries, Chair of the Audit Committee and a member of the Risk & Compliance Committee. Dr Nott is currently a board member of the New Zealand Accident Compensation Corporation (ACC), and is a director of the QBE Australia Pacific portfolio of entities including QBE Insurance (Australia) Limited, QBE Lenders' Mortgage Insurance Limited and QBE Insurance (International) Pty Limited. She was previously vice president and director of Paralympics Australia Pty Ltd, a director of QBE Life (Australia) Limited and Healthdirect Australia. Dr Nott has extensive experience within the insurance industry, holding a number of senior roles with Insurance Australia Group and QBE Australia and New Zealand. Prior to this, Dr Nott held roles with Booz Allen Hamilton (now PwC Strategy&), PwC Corporate Finance and Recovery and with CSIRO Mathematics and Information Sciences (now Data 61). She specialises in supporting executives and boards with corporate operational strategy and financial governance. Dr Nott has not held any directorships of listed entities in addition to those set out above during the last three years.

Julien Playoust
BSc (Arch), BArch
(Hons), MBA, FAICD



Mr Playoust was appointed to the board of Australian Unity Limited on 1 February 2020. He is Chair of the Investment Committee and member of the Audit and Risk & Compliance Committees. He is a director of AEH Group, deputy chairman of the Art Gallery of NSW Foundation and chairman of the Finance Committee, member of the Advisory Board and chairman of the Investment Committee of The Nature Conservancy and a member of the Alumni Leaders Group of the UNSW Business School. Past appointments include: non-executive director of ASX-listed Tatts Group Limited, MCM Entertainment Group Limited, and Australian Renewable Fuels Limited; director of TimeOut Group Australia and Ventura Health and; member of the UNSW Art & Advisory Board, and the National Gallery of Australia Foundation Board. He has worked with AMP, NAB and Accenture. Mr Playoust is a Fellow of the Australian Institute of Company Directors. He holds a Master of Business Administration from UNSW (AGSM), Bachelor of Architecture (First Class Honours) and Bachelor of Science from Sydney University, and a Company Director Course Diploma from the Australian Institute of Company Directors. Mr Playoust has not held any directorships of listed entities in addition to those set out above during the last three years.

Board skills matrix areas

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|---|--|
| <p>Strategy and leadership</p>  | <p>Extensive leadership experience in publicly listed, APRA-regulated, aged care, mutual or not-for-profit entities; strategic thinking abilities including critical assessment of opportunities and threats, development and implementation of enterprise-wide strategies, and effective challenge of management on strategic objectives.</p> |
| <p>Commercial</p>  | <p>Strong commercial expertise with experience in identifying, negotiating, structuring, assessing and executing mergers and acquisitions, or senior leadership experience within a large and multifaceted organisation with significant operational scope, diverse units and with diverse internal and external stakeholders.</p> |
| <p>Australian Unity's operating sectors</p>  | <p>Experience in the areas that Australian Unity operates, including insurance, retirement communities, residential aged care, home care services, health care, community services, financial services, investments and funds management, and infrastructure and property development. Proficiency in service coordination involving strategic planning and management of efficient systems to coordinate a broad range of services, ensuring timely and quality care for a diverse client base.</p> |
| <p>Customer and member wellbeing</p>  | <p>Comprehensive understanding of digital transformation, artificial intelligence and cyber-security issues. Demonstrated ability to foster a strong, member-focused culture and achieve positive member and consumer outcomes. Additionally, experience in accessing and navigating care services personally, showing empathy, understanding and the capability to optimise quality of care.</p> |
| <p>People wellbeing</p>  | <p>Proficiency in safety management and occupational health, ensuring compliance and fostering a culture of safety. Expertise in setting and communicating corporate culture, motivating key talent, overseeing management and evaluating CEOs and key executives, along with a strong understanding of remuneration practices, legislative frameworks and executive incentive arrangements. Skilled in overseeing large corporate change programs, organisational psychology and in navigating complex organisational dynamics.</p> |
| <p>Indigenous wellbeing</p>  | <p>Proficiency in Indigenous cultures and issues, with expertise in respectful engagement and tailored reconciliation strategies. Ability to build positive relationships with Indigenous communities and championing diversity, equity and inclusion while ensuring accountability in related initiatives.</p> |
| <p>Financial acumen</p>  | <p>High-level financial acumen regarding corporate finance, accounting, reporting and internal financial controls. Expertise in capital markets and funds management, encompassing corporate financing, equity and debt markets and portfolio management for retail and institutional investors. Proficiency in analysing financial statements, assessing investment proposals, overseeing budgets and staying current with regulatory changes and industry trends.</p> |
| <p>Governance and risk management</p>  | <p>Sound knowledge of governance issues, particularly within the APRA-regulated and ASX-listed environment, and the ability to manage legal, compliance and reputational risks. Expertise in risk management frameworks, internal controls and contemporary risk management practices to ensure long-term value delivery.</p> |
| <p>Regulatory and public policy</p>  | <p>Ability to influence public policy development and manage the implications of public and regulatory policy.</p> |
| <p>Environment and social responsibility</p>  | <p>Comprehensive commitment to environmental sustainability and social responsibility. Knowledgeable about environment regulations and sustainability practices, contributing to initiatives that minimise environmental impact, and ability to promote ethical business practices.</p> |

Director induction, training and continuing education

Before formally joining the board, prospective directors undertake detailed due diligence and then, once appointed, an induction program is launched. The induction program includes inviting appointees to attend board meetings as an 'observer' before appointment and the provision of broader and more detailed materials than those provided during due diligence, as well as meetings with all GLT members and other senior officers of Australian Unity.

During the year, Kim Cheater was appointed as a director. Mr Cheater attended board and committee meetings before his appointment. The Company also conducted appropriate checks in relation to Mr Cheater's background and experience, including a 'Fit and Proper' assessment under APRA Prudential Standard CPS 520 Fit and Proper. The background checks did not reveal any information of concern.

Australian Unity also has a board training program, which provides the board with professional development opportunities in areas required to execute their roles. The program includes briefing sessions and workshops, conducted by a range of expert stakeholders, on matters such as regulatory change, external risks facing the Company, compliance with key legislation and statutory reporting.

The board has full and free access to the GMD and relevant Australian Unity records, with each director entering a deed of indemnity, insurance and access with the Company.

Board and committee performance

The PC&R Committee regularly assesses the performance of the board and individual non-executive directors at least annually. Every three years, this assessment is conducted by an independent third party. In 2023, the board engaged an independent third party to perform a comprehensive review of the board's performance including its committees. As part of the board's commitment to continuous improvement, opportunities to enhance operations were identified which have been incorporated into the board's governance agenda.

Additionally, the board has engaged an external consultant to provide ongoing coaching to board members, aiming to refine performance within the board and its interactions with the GLT.

In the years where an independent third party is not engaged to conduct a performance assessment, the performance of the board, each committee and individual directors is evaluated through self-assessment. This process utilises a variety of tools, including questionnaires, workshops and interviews of committee members.

Further details on the performance assessment process are outlined in the Board Renewal and Evaluations Policy, available on our website.

Nominations matters

The board, in collaboration with the PC&R Committee, oversees board renewal and nominations matters. The PC&R Committee assists the board in accordance with the Board Renewal and Evaluations Policy, which involves, amongst other things, reviewing the board's composition and considering board renewal at least annually. Both the board and the PC&R Committee are majority independent directors and have an independent chairperson.

Further details about Australian Unity's objectives of board renewal, considerations and appointments can be found in the Board Renewal and Evaluations Policy, available on our website.

Board committees

Each board committee comprises a majority of independent non-executive directors of the board and is chaired by an independent non-executive director (other than the Chair of the board).

The experience of the members of each of the committees is outlined on pages 3 to 4.

Each board committee has a charter which is available on our website.

Impact report

Since 2021, Australian Unity has published an annual stand-alone sustainability report called Our Impact (Impact Report), detailing its performance against environmental, social and governance (ESG) criteria. In 2024 the report will focus on the company's Community & Social Value (CSV) framework and social impact value calculation.

Australian Unity's external auditor provides an 'Independent Limited Assurance Report' in relation to the Impact Report and CSV framework, a copy of which is provided in the report.

A copy of the latest Impact Report and information around Australian Unity's CSV framework can be found at: australianunity.com.au/impact.



| Board Committee | Key responsibilities | Members as at year end |
|---|---|--|
| Risk & Compliance Committee | <p>Assisting with and, where necessary, making recommendations to the board on:</p> <ul style="list-style-type: none"> • Australian Unity's Enterprise Risk Management Framework (ERMF) and Risk Appetite Statement (RAS), and associated policies • Australian Unity's Compliance Management Framework and associated policies • Australian Unity's clinical governance frameworks • Australian Unity's exposure to key risks, including environmental and social risks, alongside recommendations to manage such risks • specific risk and compliance matters, such as health and safety, whistleblower protection, modern slavery, operational resilience and anti-money laundering and counter-terrorism financing, and • Australian Unity's operational structure to ensure that it facilitates effective risk-management. | <p>Su McCluskey (Chair) Dr Helen Nott Julien Playoust Lisa Chung AM Lucinda Brogden AM Melinda Cilento Kim Cheater</p> |
| Audit Committee | <p>Assisting with and, where necessary, making recommendations to the board on Australian Unity's:</p> <ul style="list-style-type: none"> • accounting policies and statutory and financial reporting processes, including the assessment of financial information • operational structure in relation to accountability measures and internal controls • annual and half-year financial statements • community and social value framework, and • audit processes, including the review of the terms of engagement and the performance and results of internal and external audits. | <p>Dr Helen Nott (Chair) Julien Playoust Lisa Chung AM Lucinda Brogden AM Su McCluskey Kim Cheater</p> |
| People, Culture & Remuneration Committee | <p>Assisting with and, where necessary, making recommendations to the board on:</p> <ul style="list-style-type: none"> • Australian Unity's organisational culture strategies and programs, concerning leadership, employee engagement, diversity and ethical business practice and risk culture • Australian Unity's Remuneration Policy and its application, effectiveness and compliance with applicable legislative and regulatory standards • nominations matters, including Australian Unity's strategy in relation to board/senior management succession planning and the appointment process of non-executive directors or candidates for the board election • the remuneration of the GMD, direct reports of the GMD and other persons who, in the PC&R Committee and the board's opinion, may affect Australian Unity's financial soundness or as otherwise required by regulatory bodies, and • Australian Unity's performance measures and targets, including the performance assessment of individual and collective senior management as well as individual directors and the collective board and board committees. | <p>Melinda Cilento (Chair) Lisa Chung AM Su McCluskey</p> |
| Investment Committee | <p>Assisting the board by providing challenge, oversight and guidance to management regarding:</p> <ul style="list-style-type: none"> • investment management activities in relation to Australian Unity's Investable Assets and Assets Under Management, including consideration of management reports and monitoring investment performance • delegations granted by the board as relevant to the investment management function • investment management function's approach to supporting the Australian Unity Group effectively satisfying its various fiduciary obligations and licensing requirements, and • in conjunction with the R&C Committee, provide oversight of market and investment risk. | <p>Julien Playoust (Chair) Lisa Chung AM Melinda Cilento Paul Kirk Rohan Mead William Whitford*</p> |

*Note: William Whitford is an external appointee.

Our values and culture

We recognise that responsible decision making, transparency and accountability in our governance practices are critical to fostering trust, ethical behaviour and societal impact. Our values of being **bold**, **warm** and

honest in what we do, encapsulate how Australian Unity makes decisions, fulfils its purpose and meets its goals and guide how we relate to members, customers, communities, stakeholders and each other.

Our values are reflected in our Code of Conduct, which sets out our moral and ethical standards and requires our directors, employees, contractors and consultants to behave ethically and with integrity in their dealings with stakeholders and each other.

| | |
|---------------|---|
| Bold | We think big, think it through, have a go, do it well and keep learning. |
| Warm | We care about people, welcome difference, inspire each other, understand our customers and make people smile. |
| Honest | We talk straight, do what we say, earn trust, take responsibility and strive to do what's right. |

A positive culture is fundamental to good governance and the board plays a crucial role in setting the right 'tone from the top'. To form their own view on our corporate culture, our board steps outside the board room to observe how the organisation's ethics and behaviours align with our values and goals. For instance, during the year, various directors:

- held several 'coffee with directors' sessions with employees from across the Group to hear first-hand what is on their minds
- conducted individual 'skip' meetings with the Group Leadership Team to hear their perspectives on Group performance
- heard directly from our Group Leadership Team who attended monthly board meetings to provide direct viewpoints and raise any concerns directly with the board and understand the board's expectations first-hand
- received presentations from and engaged directly with our extended senior leadership at the annual board strategy summit
- attended a number of sites across our business, spending time with our employees and customers such as The Alba Care Suites, our Walmsley Retirement Community, our Eastgardens Home Care branch, St Lukes Green Aged Care and the Herston Quarter redevelopment.

Risk culture

We are committed to fostering a strong risk culture throughout Australian Unity. We believe that by continuously improving and evolving our risk culture, we can better protect the interests of our customers, employees and stakeholders while fostering a culture of responsible risk management across the Group.

This year we have made important changes to formalise our approach to the assessment and continuous improvement of risk culture. Some of the key achievements are shown below. We have:

- developed a board-approved Risk Culture Framework, consisting of a risk culture model capturing the key attributes of a positive risk culture; a maturity scale to support assessment of our culture; and development of an action plan for the next year and beyond
- further enhanced our risk culture measures to include a broader range of data and new risk-culture-aligned questions in team member surveys
- provided reporting to help People Leaders assess risk culture for their team members as part of the annual performance assessment process, and
- continued to communicate with our people consistently about the importance of reporting incidents, sharing bad news quickly and utilising the whistleblower process.

Group Leadership Team

The GMD, with support from the GLT, manages Australian Unity's day-to-day operations. The biographical details of each GLT member as at year end can be found on pages 9 to 10. Not all GLT members are considered key management personnel (KMP). For those GLT members that are KMP, an overview of their compensation program and remuneration during the year under review is outlined in the Remuneration Report section of the 2024 Annual Report. Australian Unity has a written agreement with each GLT member outlining the terms of their appointment, and appropriate checks are undertaken prior to and throughout appointment to ensure that the GLT member has the pertinent skills and expertise and is fit and proper for their relevant role.

The review and assessment of performance of the GMD's direct reports is undertaken each year by the GMD with input by the board. The review and assessment of the GMD's performance is undertaken by the board. Each member of the GLT has had their performance reviewed in accordance with this process as at year end. Similar to the board, the GLT are provided with ongoing training opportunities.

Group Leadership Team

Rohan Mead

Group Managing Director & CEO



Mr Mead was appointed Group Managing Director of Australian Unity Limited on 1 July 2004. As Group Managing Director, he is a member of most subsidiary boards and several committees. Mr Mead is chair of the Business Council of Co-Operatives and Mutuals Limited (BCCM). He is also chair of the Business Council of Australia's Health and Care Economy Committee and a member of its Indigenous Engagement Committee. Mr Mead is a director of the Centre for Independent Studies (CIS) and Private Healthcare Australia Limited (PHA). Prior to joining Australian Unity, Mr Mead was employed by Perpetual Trustees Australia Limited (1996–2003) in a range of senior roles.

Prue Bowden

BA, MEMP, LabRelLaw, GAICD

Group Executive—Home Health



Ms Bowden joined Australian Unity in February 2017. Ms Bowden led the Group's transformation agenda to reshape the enterprise operating model, putting the customer front and centre and driving new and more efficient ways of working. In September 2018, Ms Bowden was appointed to Group Executive—People & Culture. She was responsible for leading the Group's people function including culture and capability, performance and remuneration, workplace health and safety, shared services and internal communications. Ms Bowden also led the Group's inclusion and diversity, workplace giving and employee wellbeing strategy. In July 2022, Ms Bowden became the Group Executive—Home Health, our integrated healthcare company to support Australians to live and age well at home. Prior to joining Australian Unity, Ms Bowden was the director of People Solutions Group Pty Ltd, a boutique consulting firm focused on operating model design and transformational change. Ms Bowden brings to Australian Unity diverse industry experience, having successfully led and supported people functions in complex, commercial environments in banking, insurance, media and healthcare. Previous clients and employers include News Limited, Suncorp, ANZ and Ramsay Health Care.

Dean Chesterman

BBus

Group Executive—
People & Culture



Mr Chesterman joined Australian Unity in June 2012. Mr Chesterman undertook senior roles in the People & Culture function before transitioning into a commercial role as General Manager for Branch Operations for almost five years. Mr Chesterman was also acting Executive General Manager for Home and Disability Services for a year during that time. In 2022, Mr Chesterman was appointed as the Group Executive—People & Culture. Prior to Australian Unity, Mr Chesterman held multiple senior roles with KPMG across People & Culture and Strategy. Mr Chesterman has a Bachelor of Business from Queensland University of Technology.

Mark Gay

MEI, GAICD

Group Executive—Technology



Mr Gay joined Australian Unity in 2022 with over 25 years of experience in global roles, spanning banking and financial services, logistics and education. His expertise includes digital transformation, technology strategy, enterprise architecture, program delivery and strategic outsourcing. Previously he was the chief information officer with QBE, the chief digital officer with BetEasy and chief information officer with ME Bank. He also had six years in senior technology roles with GE Capital. Mr Gay holds a Masters of entrepreneurship and innovation from Swinburne University of Technology and was named Finance CIO of the year in 2017 in the iTnews Benchmark Awards.

Group Leadership Team

Melinda Honig

BEcon, LLB, GAICD

Group Executive—Governance,
General Counsel, Company Secretary
and Chief Risk Officer



Ms Honig joined Australian Unity in February 2016. In her role as Group Executive—Governance, Ms Honig is responsible for managing the Group's legal, compliance, risk, and secretariat function. She is also secretary for all Group subsidiary boards. Prior to joining Australian Unity, Ms Honig worked for GE for 15 years, five of those years with GE Capital in the role of general counsel, overseeing the provision of legal services to GE Capital's commercial finance, consumer finance and insurance businesses in Australia and New Zealand. Ms Honig brings to Australian Unity her executive experience in legal, compliance and company secretary functions and has worked abroad as Counsel for GE Indonesia, in operations which included transportation, energy and GE Capital. Prior to joining GE, Ms Honig was at KPMG for five years and undertook her legal training in tax at KPMG.

Esther Kerr

BEc, BAsian Studies (Specialist), GAICD

Group Executive—
Wealth & Capital Markets



Ms Kerr joined Australian Unity in September 2017 and is the Group Executive—Wealth & Capital Markets for the Australian Unity Group. She is responsible for all of Australian Unity's social infrastructure, financial services and investment activities, spanning investment management, trustee services, life investment bonds, as well as the Group's property, development and capital market activities. Ms Kerr is a board member of many of its operating entities, and in April 2024, she was appointed to the Financial Services Council (FSC) Board and is a member of the FSC Standards Oversight & Disciplinary Board Committee. Prior to joining Australian Unity in September 2017, Ms Kerr's experience covered financial services, infrastructure and human services design and delivery.

Darren Mann

BCom, CA

Group Executive—
Finance & Strategy
and Chief Financial Officer



Mr Mann joined Australian Unity in April 2012. He is currently the Group Executive—Finance & Strategy and Chief Financial Officer, having previously been the Deputy Head of Finance and Group Treasurer. Mr Mann has oversight of the Group's statutory, management and tax reporting along with strategy, treasury and capital management. Mr Mann also has oversight of the Residential Aged Care business. Prior to joining Australian Unity, Mr Mann worked in the United Kingdom for ten years on large-scale migration projects for Lloyds TSB, Royal Bank of Scotland and Merrill Lynch Investment Managers. Mr Mann commenced his professional career, becoming a chartered accountant while working at KPMG Melbourne and also Foster's Group Limited. Mr Mann has completed the Harvard Business School Advanced Management Program.

Rebecca Windsor

BCom, DipFP, GAICD

Group Executive—Health Insurance



Ms Windsor joined Australian Unity in July 2002, undertaking several senior roles spanning governance, commercial operations, strategy and advocacy across the Group's financial services, health insurance and group operations. In 2022, Ms Windsor was appointed to the role of EGM—Health Insurance, overseeing the health insurance business, and more recently to the role of Group Executive—Health Insurance in 2024. Ms Windsor is a passionate advocate on health reform, focusing on enhancing affordability, ensuring sector sustainability and strengthening the health system for Australian Unity's members. Prior to Australian Unity, Ms Windsor held roles in financial services. Ms Windsor has a Bachelor of Commerce and a Diploma of Financial Planning.

Company Secretary

As at year end, Melinda Honig and Catherine Visentin were Company Secretaries of the Company.

The Company Secretary is accountable to the board, through the Chair, for matters relating to the proper functioning of the board. The board has full access to the Company Secretary, and an overview of the roles and responsibilities of the Company Secretary is provided in the Board Charter.

Remuneration

Australian Unity recognises that remuneration is important for attracting and retaining high-quality employees and is also a key driver of culture. Australian Unity's Remuneration Policy, which is approved by the board on the advice of the PC&R Committee, sets the framework for rewarding Australian Unity's directors, officers and employees who pursue the growth and success of Australian Unity in line with our values and risk appetite.

The GLT's remuneration comprises both fixed and variable components, including short-term and long-term variable compensation. The structure seeks to ensure a balance between individual compensation and Australian Unity's long-term sustainability, while also meeting applicable regulatory expectations.

The short-term variable compensation program (provided as cash) operates on an annual basis with each GLT member being eligible to receive up to a percentage of their fixed compensation as additional compensation where both individual and Group financial and non-financial performance goals are met.

The long-term variable compensation program (provided as rights to mutual capital instruments (MCI)) also operates on an annual basis with eligible employees receiving an invitation to participate. The board determines the award quantum under the program with participants receiving rights over MCIs, which vest after four years, subject to the employee remaining employed with Australian Unity and other relevant conditions being met.

Under the Remuneration Policy and compliant with relevant legislative and regulatory requirements, employees are prohibited from hedging any rights to MCIs granted to them or limiting the exposure to the economic risk relating to unvested MCIs, ensuring alignment of the interests of nominated executives with the interests of our members and Australian Unity's sustainable performance.

The board has the discretion to decide that an individual's variable compensation for current or prior years is reduced to zero or subject to malus or clawback, with such determinations being made if the individual has failed to comply with their accountabilities.

The Company's non-executive directors are paid a fee for their services, with the aggregate fees paid to non-executive directors remaining within the annual sum last approved by members at an AGM (as outlined in Rule 4.14 of the Company's constitution).

Further information about the remuneration arrangements of Australian Unity's KMP including non-executive directors is outlined in the Remuneration Report section of the 2024 Annual Report.

Key policies

The following key policies can be found on our website:

| Policy | Summary | Key provisions |
|------------------------|--|---|
| Code of Conduct | <p>The Code of Conduct sets out Australian Unity's moral and ethical standards and provides the core values that guide the behaviour of directors, employees, contractors, consultants and volunteers in a way that's beneficial for our members, our customers, our people and Australian Unity as a whole.</p> <p>The R&C Committee are informed of any material breaches of the Code of Conduct.</p> <p>All new employees are required to undertake training and existing employees complete an annual attestation that they understand their obligations and responsibilities under the Code of Conduct.</p> | <p>Requires directors, employees, contractors, consultants and volunteers to behave ethically and with integrity in a manner that:</p> <ul style="list-style-type: none"> • complies with legislative and regulatory directions, including internal policies • aligns with Australian Unity's core values of bold, warm and honest • promotes health, safety and wellbeing • fosters a respectful culture which accords with professional standards • protects confidential information and privacy • encourages individuals to 'speak up' if they see something that is not right, and • respects cultural, gender and religious differences. |

| Policy | Summary | Key provisions |
|--|--|---|
| <p>Whistleblower Protection Policy</p> | <p>The Whistleblower Protection Policy represents Australian Unity's commitment to establishing a culture of honesty and openness. It establishes what is reportable conduct, the protections available to whistleblowers and the process of disclosure that ensures fair, efficient and independent resolutions.</p> <p>The R&C Committee receives high-level numbers and themes of whistleblower incidents, and the Audit Committee receives reporting on the outcomes of whistleblower investigations. The outcome of any investigations may also be referred to the board or other board committees.</p> <p>All employees receive information relating to the Whistleblower Protection Policy and processes as part of the Code of Conduct training.</p> | <p>Sets out the following key information:</p> <ul style="list-style-type: none"> • eligible whistleblowers, including employees, directors, officers and suppliers • reportable conduct which a whistleblower suspects is fraudulent, illegal, dangerous, abusive or unethical • protections available to whistleblowers, including anonymity, liability immunity and compensation entitlements, and • processes for effecting disclosure, including key roles and responsibilities. |
| <p>Continuous Disclosure and External Communications Policy</p> | <p>The Continuous Disclosure and External Communications Policy ensures the Company's compliance with its continuous disclosure obligations as an ASX-listed entity. This policy provides a mechanism for the Company to consider and announce matters that may have a material effect on the price of its securities (Price Sensitive Information).</p> | <p>Sets out the following key information:</p> <ul style="list-style-type: none"> • Australian Unity's obligation to notify the ASX of any Price Sensitive Information • the processes to determine if information is Price Sensitive Information • exceptions to disclosure • processes for effecting disclosure, including key roles and responsibilities, and • protocols on internal and external communications regarding Price Sensitive Information. |
| <p>Anti-Bribery Fraud and Corruption Policy</p> | <p>The Anti-Bribery Fraud and Corruption Policy outlines Australian Unity's zero tolerance to bribery, fraud and corruption. It ensures that directors, employees and officers conduct business with high standards of honesty and integrity.</p> <p>The Audit Committee is informed of any material breaches of the Anti-Bribery Fraud and Corruption Policy.</p> <p>All employees are alerted to the requirements of the Anti-Bribery Fraud and Corruption Policy as part of the Code of Conduct training.</p> | <p>Requires directors, officers, employees, consultants and contractors to:</p> <ul style="list-style-type: none"> • not offer or accept payments, secret commissions or gifts which are improper and/or could lead to an actual or perceived conflict of interest • not engage in corrupt business practices • not obtain an advantage by way of dishonest or fraudulent conduct, and • ensure records of dealings with third parties and any expenditures are maintained. |
| <p>Welcoming Difference Policy</p> | <p>The Welcoming Difference Policy represents Australian Unity's commitment to supporting and celebrating a diverse and inclusive workplace. It ensures that directors, employees and officers engage in discrimination-free, equal opportunity and respectful dealings in the conduct of business, including candidate selection.</p> | <p>Sets out the following key information:</p> <ul style="list-style-type: none"> • diversity areas • key roles and responsibilities in effecting compliance, and • employee diversity data monitoring and reporting methods. |

Financial reporting

The preparation of our full-year and half-year statutory accounts is overseen by the Audit Committee, audited by our external audit firm (KPMG), and ultimately approved by the board.

Pursuant to section 295A of the *Corporations Act 2001 (Cth)* (Act), the board received a declaration from the Chief Executive Officer and the Chief Financial Officer for both the 2023 and 2024 full year financial reports, attesting to the matters required by the Act. The board received a declaration analogous to a section 295A declaration for the half-year 2024 financial reports.

Annual General Meeting (AGM), investor presentations and member engagement

Australian Unity holds an AGM in October each year, with the 2023 AGM held on 25 October 2023. The Chair generally calls a poll for items considered at the meeting. Australian Unity's Notice of AGM clearly outlines how members can participate at the AGM, with options including attending the AGM in person, submitting questions to Australian Unity's member team, direct voting prior to the event or appointing a proxy. Australian Unity's 2023 AGM was held in-person and streamed online, with online participants being able to view but not otherwise participate in proceedings. The GMD and Chair's AGM presentations are published via the ASX and on Australian Unity's website before the start of the meeting. Australian Unity's members can nominate to receive communications, such as notices of meetings and annual reports, electronically.

Australian Unity delivers investor presentations after the release of its half-year and full-year results, with the presentation invites (with dial-in details) and materials being published via the ASX and on Australian Unity's website before the presentation.

Australian Unity's member team organises member events, such as the AGM, and are available to assist with member queries.

Audit

External audit

KPMG (External Auditor) has been appointed to conduct an audit of the Financial Report and to report to members in accordance with the requirements set out in the Act for the year under review. KPMG's Auditor's Report is provided at the end of the Financial Report section of the 2024 Annual Report.

A representative from the External Auditor attends Australian Unity's AGM each year to answer any questions from members on the conduct of the audit, the preparation and content of the Auditor's Report, accounting policies adopted in the preparation of the financial statements and their independence in relation to the conduct of the audit of Australian Unity's financial statements.

Internal audit

Australian Unity has an internal audit team (Group Audit) with the purpose of providing independent and objective assurance and consulting services to Australian Unity's operations. Group Audit assesses whether Australian Unity's network of risk management, control and governance processes are adequate and functioning in a manner that supports various aims, including: the appropriate identification, reporting and management of risks; the accuracy, reliability and relevance of financial, managerial and operating information; and the compliance of employees' actions with policies, standards, procedures and applicable laws and regulations.

Group Audit is led by the Chief of Audit, who is supported by a team of appropriately qualified internal auditors and data analysts. Group Audit is governed by the Group Audit Charter, which outlines the team's mission and scope of work. To ensure independence, Group Audit is accountable to the Audit Committee and reports functionally to the Chair of the Audit Committee.

Group Audit has unrestricted access to the board and all of Australian Unity's records, property and personnel. Group Audit's methodology conforms to the International Standards for the Professional Practice of Internal Auditing.

Risk management

Australian Unity seeks to identify, manage and mitigate risk throughout its business. A positive risk culture and the implementation of and adherence to effective risk management frameworks and practices are core areas of focus for Australian Unity and the board.

The board is responsible for setting and monitoring Australian Unity's Enterprise Risk Management Framework (ERMF)—the systems, structures, policies, processes and people that identify, assess, mitigate and monitor risks that could have a material impact on Australian Unity's operations. The board is responsible for setting the risk appetite within which management is expected to operate and for establishing Australian Unity's Risk Management Strategy, which defines Australian Unity's key risk areas and how they are managed.

The underpinning processes of the ERMF are consistent with the principles of the Australian Standard (AS/NZS ISO 31000) and APRA Prudential Standard CPS 220 Risk Management.

Australian Unity's businesses regularly review risks and develop treatment plans to manage these risks to within risk appetites. Risk profiles are regularly reviewed and higher-rated risks are reported to the R&C Committee quarterly. The R&C Committee also receives reporting on emerging risks and risk mitigation strategies (including their implementation status).

Business-related proposals to be considered by the board require the identification and assessment of key risks and plans to treat these risks. Project risk registers are maintained, and any potential risks delivered

to business operations are tracked, treated or accepted in line with risk appetite.

Policies and processes are in place to manage specific areas of risk, such as capital management, business continuity, information security and the management of incidents and compliance obligations. Australian Unity's risks are also managed by the purchase of appropriate insurances.

Australian Unity's ERMF and RAS are reviewed regularly to reflect an evolving approach to risk management, ensure the risk appetite settings remains appropriate, facilitate consistent management of risk across the business and allow the R&C Committee and the board to satisfy itself that the program remains effective. The ERMF and RAS were last reviewed in May 2024. Compliance with and effectiveness of the ERMF is also reviewed annually by Group Audit, and it is comprehensively reviewed every three years by qualified independent consultants.

A summary of Australian Unity's material risks is outlined in the Directors' Report section of the 2024 Annual Report.

Tax transparency

The Company is the head of Australian Unity's Tax Consolidated Group and is a signatory to the Board of Taxation's Register in respect of the Voluntary Tax Transparency Code (Tax Transparency Code). The Tax Transparency Code supports greater tax disclosure in Australia and reflects Australian Unity's commitment to compliance and governance.

At the end of each financial year, the Company publishes its approach to tax strategy and details of the tax contributions made during the year.

In accordance with the new corporate tax transparency requirements, the Company has incorporated the updated disclosure of subsidiaries, focusing on tax residency in its financial statements for the year ended 30 June 2024. This approach ensures that the Company meets the updated disclosure obligations required for public companies.

A copy of Australian Unity's 2024 Tax Transparency Report can be found on our website.

Diversity and inclusion

Australian Unity is committed to building an inclusive and diverse workplace which reflects and is relevant to the communities in which we operate. We recognise the value of harnessing the unique capabilities and perspectives of all people, including those from First Nations, multicultural and diverse communities. Australian Unity's Welcoming Difference Policy outlines Australian Unity's policy position on diversity and inclusion, with the policy being supported by the Our Inclusive and Diverse Workplace Standard and Our Equal Opportunity Workplace Standard. Our Welcoming Difference Policy and Our Inclusive and Diverse Workplace Standard are available on our website.

From a gender perspective, the Welcoming Difference Policy outlines Australian Unity's aim to achieve a meaningful balance of women across all levels of the organisation, with gender pay parity and compensation practices being consistently reviewed to screen for gender bias in decision-making. Additionally, the Our Equal Opportunity Workplace Standard outlines Australian Unity's focus on achieving a critical mass of women across all levels of management, with critical mass being defined as commencing at approximately 25 percent.

As at year end, Australian Unity had 9,563 employees after the acquisition of *myHomecare Group* (MHC) added 1,577 additional employees. Not including MHC employees, Australian Unity had 7,986 employees (FY2023: 7,657).

Two of the Company's subsidiaries are 'relevant employers' under the *Workplace Gender Equality Act 2012* (Cth) (WGEA), being Australian Unity Group Services Pty Ltd (AUGS) and Australian Unity Care Services Pty Ltd (AUCS). AUGS' latest WGEA report is available on our website.

In Australian Unity's latest WGEA report, as at 29 February 2024 and prior to the MHC acquisition, 80 percent of employees were women, which is consistent with FY2023 (FY2023: 80%). Other key statistics on Australian Unity's gender balance as at that date are as follows:

- the Group Leadership Team is gender balanced (50 percent female: 50 percent male) (FY2023: 44% female)
- the Australian Unity Limited board is skewed to higher female representation (62.5 percent female)* with a female representing both the Chair and Deputy Chair roles (FY2023: 62.5%)
- 46 percent of Australian Unity's senior leaders are women. Senior leaders include those who are Band 8 to 10 senior management and executive employees (FY2023: 43%).

* Following the appointment of Kim Cheater as a director on 1 March 2024, 55.5 percent of board directors are female.

All new and existing employees undertake diversity and inclusion training including a dedicated module on Reconciliation.

We are committed to implementing our endorsed Stretch Reconciliation Action Plan and delivering on three core areas—cultural learning, meaningful careers and business support and growth. Our meaningful careers focus area seeks to create meaningful careers for Aboriginal and Torres Strait Islander people across the entire organisation.

We are moving the dial on the proportion of Australian Unity's permanent workforce (prior to the MHC acquisition) that identifies as Aboriginal and Torres Strait Islander with 5.3% as at year end, a 0.3% increase from the prior year (FY2023: 5.0%). Of these employees, 91% are women, and 13.7% are in positions of influence or leadership by managing direct reports (FY2023: 11.9%).

Summary

As a wellbeing company, Australian Unity is focused on its members, customers and the broader community and helping people thrive. Australian Unity is proud of its strong social focus and presence—built on the foundations of corporate governance and sound risk management practices, which are a fundamental part of Australian Unity's organisational culture and fabric.

5.3%

of our workforce identify as
Aboriginal and Torres Strait Islander

91%

of our Aboriginal and Torres Strait Islander
workforce are women

13.7%

of our Aboriginal and Torres Strait Islander
workforce are people leaders

For Real Wellbeing Since 1840

T 13 29 39

E memberrelations@australianunity.com.au

W australianunity.com.au

271 Spring Street
Melbourne VIC 3000

Australian Unity Limited ABN 23 087 648 888