medibank

ASX release

16 September 2026

Medibank Private Limited – Annual Reporting

In accordance with the Listing Rules, Medibank releases the following documents to the market:

(a) Annual Report 2026;

(b) Corporate Governance Statement 2026; and

(c) Appendix 4G – Key Disclosures – Corporate Governance Council Principles and Recommendations.

These documents have been authorised for release by the Board.

For further information please contact:

For media

Emily Ritchie
Senior Executive, External Affairs
M: +61 429 642 418
E: Emily.Ritchie@medibank.com.au

For investors/analysts

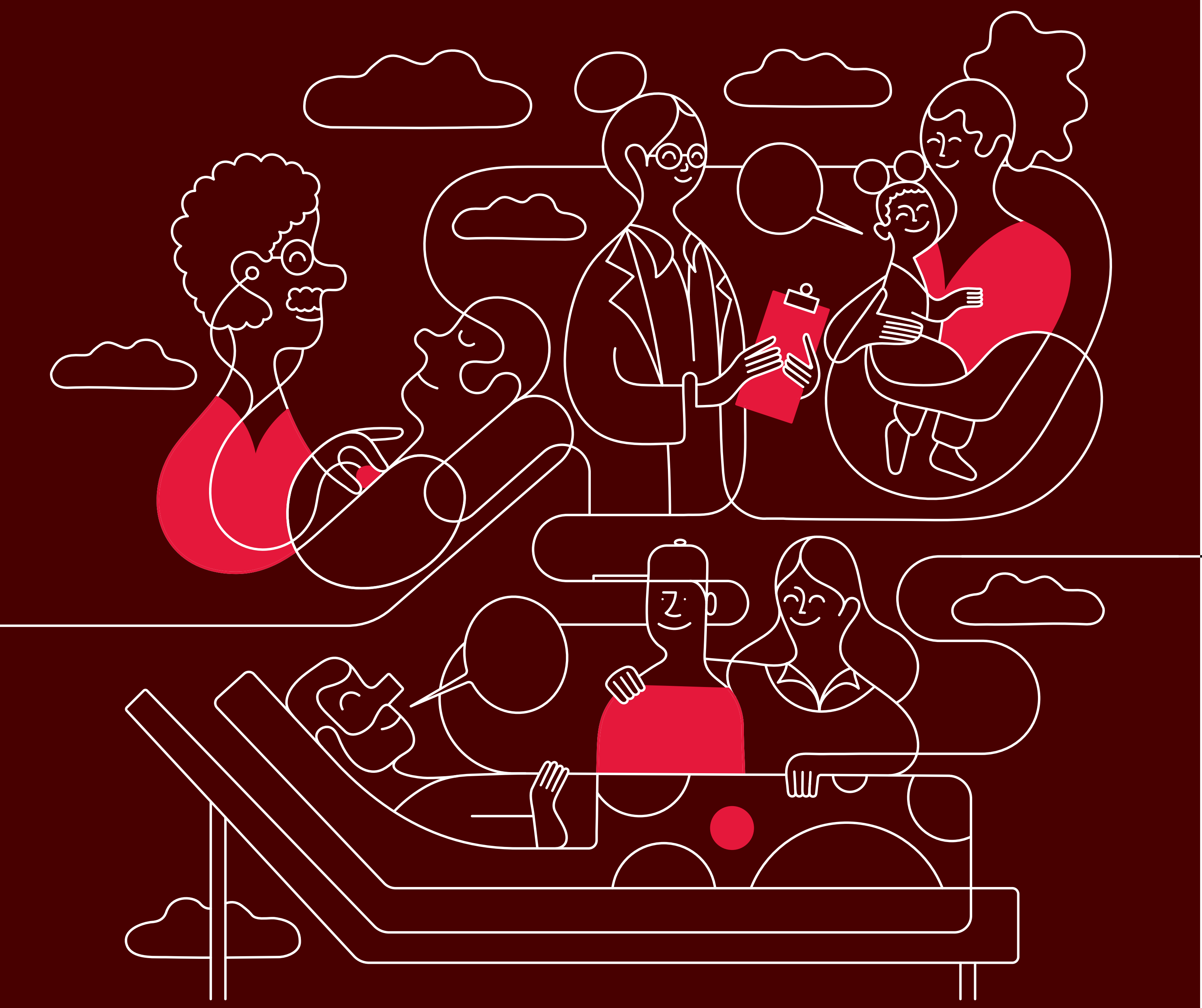
Colette Campbell
Senior Executive, Investor Relations
M: +61 475 975 770
E: Investor.Relations@medibank.com.au

2026

Annual Report

medibank group

Trusted by 6 million people with their health and wellbeing

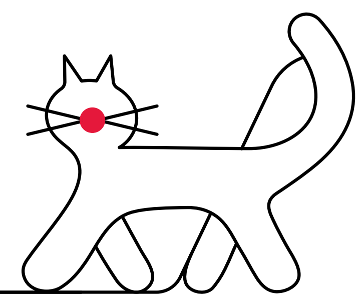


Contents

This report and the Corporate Governance Statement is part of our suite of reporting for the 2026 financial year.

You can find more information about our performance in our Full Year Results Investor Presentation and ESG Databook.

Unless otherwise stated, references to a year are to the financial year ending 30 June in that year.



Who we are

A diversified health company with multiple avenues for growth.

The Medibank Group is a health company providing private health insurance and health services to millions of people across Australia. Our purpose is at the heart of who we are and why we exist. We're working closely with health professionals, providers and governments to transform how care is delivered to help accelerate the health transition in Australia, and we're committed to helping everyone in Australia improve their health and wellbeing.

Our businesses

Building upon our 50-year history as one of Australia's leading health insurers, our Medibank and ahm brands now support over four million customers to manage their health and wellbeing through personalised products and services. We also offer a range of additional insurance products including travel, pet, life, home and car insurance to help deliver value for our customers and support their quality of life.

We're investing in preventative health, including through our Live Better platform, and redesigning healthcare to give people more choice and control over their care. We're growing and developing new health services through our Amplar Health business by partnering with health professionals, providers and governments to deliver care in new ways.

Together we're driving change within Australia's health system to help ensure it can support our generation and those to come.

Our Amplar Health portfolio includes Better Medical, a wholly owned network of 61 GP and medical clinics, together with strategic investments and joint ventures across primary care, short stay surgical and acute mental health hospitals, including Myhealth Medical Group, Adeney Private Hospital, The Orthopaedic Institute at Macquarie University Hospital, East Sydney Private Hospital, Integrated Mental Health hospitals and the Western Hospital.

Our 2030 vision to create the best health and wellbeing for Australia is at the heart of our commitment to sustainability. Our sustainability focus areas include customer health, employee health, a sustainable health system, environmental health, ethical and responsible business and leadership in health. Learn more in our Environmental, Social, and Governance (ESG) databook and on the sustainability pages on our website.

medibank Live Better

Supports the health and wellbeing of customers with a range of personalised health programs, insurance, services and products in addition to healthcare.

ahm People things.

Offers straightforward health cover and multi-category insurance options, focused on cutting out the complexity and making things simple and affordable.

amplar health YOUR HEALTH, AMPLIFIED.

A trusted partner in health, delivering preventative and personalised care across virtual, home and community settings. Combining clinical expertise with seamless care experiences, we help people and organisations access more integrated healthcare.

Our purpose

Better Health for Better Lives

Our vision

Our 2030 vision is to create the best health and wellbeing for Australia

Our 2026 highlights

Delivering more customer value

$250.5m[1]
saved through our Members' Choice and no gap networks

c. $49m
rewards claimed through Live Better[2]

1m+
Live Better rewards participants

334,000
new Live Better everyday prevention enrolments

$6.9b
total claims paid

Supporting better health

5.3m
total Amplar Health patient interactions

57%
of resident policyholders engaged with health and wellbeing offerings

41%[4]
of adult customers provided with additional health support before, during or after their hospital admission

36k
clinician-guided prevention services

Financial

$636.8m
Group underlying net profit after tax

19.2 cps
fully franked ordinary dividend

26.3%
resident PHI market share[6]

$769.8m
Health Insurance operating profit

c. $10m
in productivity savings

Driving innovation and sustainability in healthcare

194,000
hospital bed days saved through homecare[3]

Provided over
$40m
to private hospitals to support sector sustainability and innovation

Invested
$11.5m
in mental health and

provided almost
$1m
in research grants

People and community

8/10
employee engagement

$4.1m
community investment

37.5
Employee experience – products and services eNPS

30.5
Employee experience – place to work eNPS

5,001
employees

Customer advocacy and growth

4.3m
total health insurance customers

+22.1k
net resident policyholder growth

-8.2k
net non-resident policy unit growth

21.9
customer satisfaction average Group blended journey NPS[5]

Some figures are subject to rounding.
1. Savings are calculated by comparing out of pocket costs for customers using Members' Choice and Members' Choice Advantage networks versus non-network providers.
2. Includes value of rewards claimed with partners (such as partner products and vouchers) and health cover rewards (such as savings on premiums.
3. Bed days saved through Medibank clinician-guided homecare programs delivered by or for Medibank and Amplar Health.
4. % of adult customers supported before, during or after an admission through pre and/or post admission information (digital/telephony), enrolment in health programs and/or utilisation of no gap services.
5. Customer satisfaction is a measure of average blended jNPS (replaces previously reported sNPS). This measure came into effect from July 2024 and July 2025 for Medibank and ahm, respectively.
6. Source: APRA, quarterly PHI statistics to March 2026.

Message from our Chair and CEO

A growing health company, delivering more of what customers want

50 years ago, Medibank was established with a clear purpose, to help Australians access the care they need. Today, more than six million people trust us with their health and wellbeing.

More than 20% of customers have held their policies for over 25 years. That continuity speaks to something enduring at the heart of our organisation.

Since the Australian Government established Medibank Private in 1976, Australia's health needs have continued to change. Medibank has evolved with them, moving from a health insurer into a growing health company following its privatisation and ASX listing in 2014.

Today, that evolution is reflected in the breadth of our businesses and the role we play across the health system. Throughout it all, we have remained focused on our customers, helping improve access to care and supporting a health system that delivers greater choice, access and control for Australians.

"For 50 years, we have stood alongside people in Australia to help them choose the right care and to access it when it matters most. In that time, we have processed 1.2 billion individual claims and have paid around $127 billion in benefits, equating to around $200 billion in today's dollars. We've continued to innovate and support personalised care options."

Our history, in many ways, is inseparable from the history of Australian health. We are fortunate to live in a country with one of the best health systems in the world. But we can't take that for granted. The pressures bearing down on the system – an ageing population, rising chronic disease, workforce strain, and growing demand for care – require deliberate, systemic response. We are committed to supporting the health transition Australia needs to ensure we preserve access, choice and control for future generations. We remain focused on managing risk and strengthening the way we operate – safely, thoughtfully, and always with people at the centre.

Our 2030 vision is to create the best health and wellbeing for Australia. This is the driving force behind our strategy. Around 20 years ago, we began investing in health services, and over the last decade, we've invested more than $500 million to help meet more of the needs of our customers and make a positive difference to the health system. Over five decades, Medibank has evolved from a health insurer into a health company.

This year's performance reflects both the strength of our foundations and strategy, and the momentum of our evolution. Today, we are a growing health company – one that customers have turned to for 50 years, not just for insurance, but for health and wellbeing support that makes a genuine difference in their lives.

Our two health insurance brands, Medibank and ahm, continue to grow by delivering more of what customers want. Net resident policyholder growth increased 1.1% with Medibank growth doubling to 0.6% and ahm growing 2.4%. Customer engagement is strong – 57% of resident policyholders are now actively engaging with our health and wellbeing offerings.

Cost-of-living pressures remain the defining concern for many Australian households. Despite this, people living in Australia continue to prioritise their health, including a growing number of younger people, overseas students, workers and visitors. Private health insurance now supports over 45%[1] of hospital admissions nationally, underscoring its critical role in maintaining overall health system capacity.

Improving affordability and delivering greater value for our customers remains a key focus. This year, that included c. $250.5m savings through Members' Choice and no gap networks. Our Live Better members have grown to over one million participants, claiming nearly $49 million in Live Better rewards, with customers earning up to $400 worth of rewards every year.

Through Live Better, we've expanded digital health checks to help more people understand their health risks earlier and drive greater engagement with prevention programs. This year, we saw more than 334,000 new everyday prevention enrolments to support customers to make better choices for their health and wellbeing, and we know highly engaged Live Better members complete more than 24 weekly goals every year and are more active and report healthier behaviours[2].

Medibank Health, one of our key operating segments focused on health service delivery, is targeting at least $200 million in segment earnings by FY30 through our Amplar Health network. This year our Amplar Health business supported over 5.3 million patient interactions and we took another significant step in health, finalising our acquisition of Better Medical, investing more than $163 million to expand our primary care network to 169 GP and medical clinics nationally.

This expanded primary care presence strengthens our ability to improve access, coordinate care and support better outcomes across the health system.

Beyond primary care, we take our role in the sustainability of the broader health system seriously. We're continuing to work constructively with private hospitals, shaping partnership agreements that incentivise shared outcomes to drive the health transition – which is continuing to gain momentum.

In FY26, we provided private hospitals over $40 million to support this shift, and we will keep working with hospitals, health professionals, partners and other funders to accelerate the changes needed. We have continued to invest in wellbeing, prevention, primary care and accelerating the shift to virtual, community and home-based treatment settings.

This year alone, Amplar Health's homecare programs saved around 194,000 hospital bed days – the equivalent of a hospital with over 500 beds for a year. In support of the public health system, My Home Hospital has cared for 24,000 patients since opening, and our transition care and community care services in South Australia have supported more than 106,000. Together, these programs demonstrate that personalised, community-based care can meaningfully expand system capacity while improving patient experience.

Mental health remains one of the most pressing dimensions of national wellbeing. As part of our five-year, $50 million commitment to mental health through to 2030, this year we invested $11.5 million in mental health. We now have almost 130 mental health professionals delivering services across eight programs, available around the clock through our 24/7 Mental Health Support line and webchat. Our psychotherapy program for Post Traumatic Stress Disorder and Treatment Resistant Depression is now available to eligible customers across Western Australia, New South Wales, Victoria, Queensland and the Australian Capital Territory.

The health of our business is tied to the health of our people. We are committed to being the healthiest workplace in Australia by 2030 – and this year brought tangible evidence of progress. In April, Medibank received best enterprise organisation at the Australian Financial Review's BOSS Best Places to Work Awards. In June, we maintained Gold Tier Employer Status at the 2026 Australian Workplace Equality Index Awards, reflecting our ongoing commitment to LGBTQIA+ employees, customers and communities. We again maintained gender balance across both our Board and executive leadership team.

To measure our progress against our healthiest workplace ambition, we introduced our inaugural Healthiest Workplace Index survey. Developed in collaboration with Macquarie University, the index will provide a baseline from which we will track and report our progress towards becoming the healthiest workplace.

This year, the Medibank Better Health Research Hub directed new funding to Orygen, the Murdoch Children's Research Institute, Women's Health Victoria and the Monash Centre for Health Research and Implementation, Macquarie University, La Trobe University, and the ANZCA Foundation and Adelaide University – spanning mental health, heart disease in women, low back pain, Type 2 diabetes, and postoperative recovery. We also co-funded grants with the Australian General Practice Research Foundation and Diabetes Australia focused on prevention in primary care.

1. Australian Prudential Regulation Authority quarterly private health insurance membership and benefits summary – March 2026.
2. Analysis based on the relationship between Live Better engagement and 17.5k completed Medibank online health checks.

Delivering sustainable performance

The 2026 financial year was another successful year for Medibank and we would like to thank our Board colleagues, executive team and most importantly, our Medibank Group people for their ongoing support of our shared purpose of Better Health for Better Lives.

Group operating profit for FY26 was up 6.7% to $813.5 million with solid growth in resident health insurance, continued strong momentum in Medibank Health and disciplined cost management.

Reflecting our continued confidence in the business, your Board has determined that shareholders will receive a fully franked final ordinary dividend of 10.9 cents per share, bringing the total FY26 fully franked ordinary dividend to 19.2 cents per share – up 6.7% on FY25.

Thank you

"50 years is a milestone worth marking. It is a foundation from which we will continue to grow, innovate and serve the health needs of Australia with the same commitment that has defined us from the beginning."

We thank our customers and partners for their trust and our people for their passion and commitment over the last 50 years to create a healthier Australia.

Mike Wilkins AO
Chair

David Koczkar
Chief Executive Officer

Delivering value for customers

Targeting greater value and growth across our key health segments and supporting a sustainable healthcare system.

Medibank is a diversified health company with multiple avenues for growth. Our segments include health insurance, wellbeing, primary care and community and acute care.

The Medibank Group's multi-brand strategy provides us with a point of difference from our competitors. We are focused on deepening relationships with customers, supporting their whole of health needs, driving change in the health system and delivering more value, choice and control.

Our 2030 vision to create the best health and wellbeing for Australia is at the heart of our commitment to sustainability. Our sustainability focus areas are customer health, employee health, sustainable health system, environmental health, and ethical and responsible business and leadership in health.

We have continued to make progress on our strategy in FY26 as we delivered leading customer experiences, broadened our dual brands to create differentiated insurance propositions, expanded our role in health and continued to strengthen our foundations.

The performance scorecard outlines how we measure progress against our strategy, including our FY26 success measures, FY28 milestones and FY30 aspirations. Further details on our strategy and future prospects can be found on page 32 in the operating and financial review.

Our progress towards FY28 milestones

Milestones (FY28)	Measure	FY25	FY26 progress	FY28 milestone
Wellbeing				
Live Better rewards	# participants	0.9m	1.0m	>1.2m
Everyday prevention	# enrolments	270k	334k	>380k
Corporate Health	% accounts engaged	14%	15%	>20%
Financial wellbeing	# policies	340k	356k	>440k
Primary care				
Clinician-guided prevention services	# services	33k	36k	45k
Multi-channel offerings	# GP consults	3.2m	4.1m	7m
	% virtual consults	20.3%	21.7%	c. 30%
Community and acute				
Community care	# visits	107k	106k	155k
Acute home health	# admissions	24k	27k	>27k
JV earnings[1]	$m	($7.5m)	($6.6m)	Break even

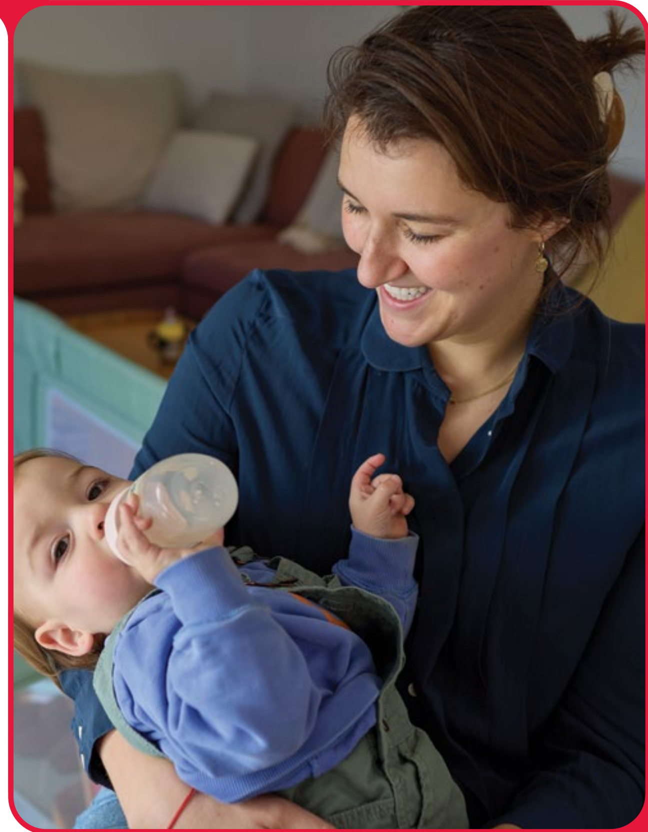
Our progress towards FY30 aspirations

Aspirations (FY30)	Measure	FY25	FY26 progress	FY30 milestone
Medibank Health segment profit	$m	$76.7m	$100.7m	>$200m
Resident PHI market share[2]	%	26.5%	26.3%	>26.8%
Health engagement	# people	c.5m	c.6m	c.10m

1. Joint venture hospital investments held at 29 October 2025.
2. Source: APRA, quarterly PHI statistics to March 2026.

Health insurance

We're delivering disciplined growth, with momentum in priority segments and expanded non-resident partnerships.



Health insurance is our core business, serving more than 4.3 million residents and non-residents. We've invested in delivering value, choice and control through our dual brands – Medibank and ahm – strengthening differentiation across our products, supported by our investments in health and our broad network of partners.

The health insurance business remained resilient despite a challenging economic environment in FY26. Consumers are increasingly seeking value beyond traditional cover, and affordability pressures are reshaping how they choose and use insurance.

During the year, we continued to return significant value to customers. Our customers saved $250.5 million through our Members' Choice and no gap networks, while rewards claimed through Live Better increased by almost 50% to c. $49 million.

Live Better rewards have now delivered around $135 million in value to customers since its launch seven years ago. Highly engaged Live Better members are more active and report healthier behaviours, demonstrating the value of this program.

We aim to return to growth in our non-resident health insurance business by strengthening our position across customer segments and pursuing opportunities in the student, worker and visitor portfolios. We also see potential to create greater value for customers by delivering integrated insurance and health propositions that improve outcomes, increase engagement and support sustainable growth. Service quality and brand trust are becoming important differentiators, as value is progressively defined by digital experience, integrated health services and personalised support.

The future in action:

Recover Boost – supporting customers through life's toughest moments

This year, Medibank introduced a new financial product to help support customers when serious illness or injury strikes. Recover Boost provides eligible customers a $10,000 lump-sum payment following a specified critical illness (such as cancer, heart attack, or stroke) or an accident resulting in surgery.

Customers choose how to use the payment – from everyday expenses like rent, groceries, or childcare, to recovery support, a restorative getaway, or simply saving it for future needs. Recover Boost reflects Medibank's vision of supporting Australians beyond treatment, better addressing the financial and human cost of serious health events.

Wellbeing

We're building a connected wellbeing ecosystem that enables growth and strengthens our core business.

By reshaping how we think about health, we're ensuring health engagement and prevention, not just cure, take centre stage. From digital tools helping people manage stress, to companies stepping up under growing workforce pressures and regulatory demands, the future of wellbeing is proactive, personal, and accelerating fast.

Medibank is expanding in health by integrating everyday wellbeing, workplace solutions, and financial wellbeing, helping give Medibank further relevance in customers' daily lives.

Live Better is one of Australia's largest health and wellbeing programs, and via the Medibank app, customers gain personalised health insights, track habits, earn points, redeem rewards, and access prevention programs covering everything from back pain to sleep. Live Better is an example of one of the key shifts needed to move focus from treating illness to preventing it.

Medibank's Workplace Wellbeing provides organisations with data-led insights, health services and programs – from Employee Assistance Programs and virtual GP, to onsite health checks, skin checks, flu vaccinations, and expert-led sessions – and our financial wellbeing offering covers life and income protection, travel, pet, car, and home insurance.

"We're supporting healthier lives through everyday wellbeing, workplace solutions and financial wellbeing."

Milosh Milisavljevic,
Medibank Group Lead – Chief Customer Officer

The future in action:

Medibank Workplace Wellbeing

Medibank Workplace Wellbeing helps organisations build healthier, safer, and more productive workplaces through an integrated suite of programs and services designed for leaders who want to be more proactive with their health and the health of their workforce.

This includes delivering Corporate Health Cover, health and wellbeing strategies and workplace health services in areas including mental health and psychological wellbeing, healthy weight and lifestyle support, chronic condition management and injury prevention and recovery.

The result is a workforce that feels genuinely supported – recovering faster, performing consistently, and collaborating effectively. Because when people are healthy, organisations thrive.

Primary care

We're helping deliver accessible, proactive, personalised multidisciplinary care in person and virtually.

Primary care is the cornerstone of our health system. Every year over 22 million or 9 in 10 people in Australia seek healthcare solutions from primary care[1]. However, funding models are biased to reactive and activity-based treatment.

We're working with GPs to evolve and improve primary care so that it can better serve the needs of an ageing population and growing chronic disease burden.

We're helping to redesign primary care to better meet consumer needs, to be proactive, connected and multidisciplinary, expanding clinical networks, empowering practitioners to work at their full scope, and embedding the needs of the consumer at the centre of every model of care.

Following our acquisition of Better Medical, we have expanded our primary care network to 169 GP and medical clinics nationally. In June 2026, we launched Amplar Health Online Doctor – our virtual care offering – to help support healthcare access for more people in the community.

"Helping transition primary care to be more proactive and preventative will have huge benefits for patients and the system. Supporting connected team-based care is about high-quality healthcare. We will continue to experiment and advocate to accelerate this."

Robert Read,
Group Lead – Amplar Health

1. Royal Australian College of General Practitioners (RACGP) Health of the Nation 2025 Report.

Community and acute care

Medibank is accelerating the health transition and taking pressure off critical resources needed to support people with acute needs.

We are doing this because it's what our customers and partners want – and it's what our health system needs. We are not just expanding in health; we're driving change within it, across both private and public systems.

This includes community and home care, acute home health and ambulatory care such as short stay hospitals – helping people "get better" and support patients to receive healthcare where and when they want it through Amplar Health.

"Australia's healthcare system is one of the best in the world, but it is under pressure and urgently needs meaningful transformation to ensure we can keep up with the increasing needs in the community.

"It's time for the health system to shift from treatment to prevention, from hospital to community, from analogue to digital and from generic to personalised care."

David Koczkar,
CEO Medibank

The future in action:

Redefining where care happens

My Home Hospital has supported more than 24,000 South Australians and delivered more than 126,000 hospital bed days in the home since opening in 2021. Delivered by Amplar Health Home Hospital on behalf of the South Australian Government, the service provides acute hospital-level care 24 hours a day, seven days a week, 365 days a year, bringing intravenous therapies, monitoring, diagnostics and multidisciplinary clinical care directly into the community.

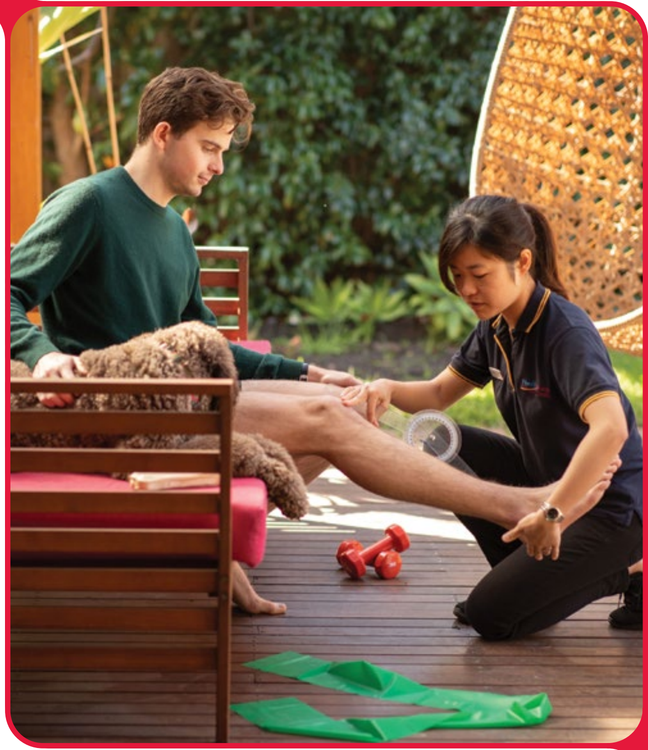
The model supports patients who would otherwise require admission to a traditional ward, offering an alternative to inpatient care. Since launch, the service has maintained an outstanding Net Promoter Score with patient satisfaction rates considered as world class and hospital acquired complication rates significantly lower than a traditional bricks and mortar hospital. Patients have consistently valued recovery in familiar surroundings – their own bed, routines, and the presence of family and pets.

Beyond patient experience, the service is reshaping system capacity, freeing up hospital beds, easing pressure on emergency departments and ambulances, and allowing hospital teams to focus on the most complex cases, as chronic disease, an ageing population and rising community expectations drive growing demand.

This example points to a broader shift: healthcare extending beyond hospital walls, into homes and connected care networks.

Customer health

Supporting our customers to improve their health and wellbeing.



Our 2030 vision is to create the best health and wellbeing for Australia. To achieve this, we're focused on giving our customers greater value, choice and control over their health and wellbeing by investing in preventative, primary and virtual care. We want to enable people to receive care how and where they want it.

Delivering a great customer experience is also a priority across Medibank. We're deeply committed to understanding and improving the experiences of our customers at every touchpoint.

We want our customers' experience with us to feel personalised and contemporary. We strive to deliver healthcare the way our customers want it, by offering options including homecare, virtual care and health navigation and support.

We're delivering greater value by making health and wellbeing more affordable. Our Live Better members have grown to over one million participants, claiming around $49 million in Live Better rewards, with customers earning up to $400 worth of rewards every year.

Through Live Better, we've expanded digital health checks across our customer base, helping more people understand their health risks earlier and drive greater engagement with prevention programs. This year, we saw more than 334,000 new everyday prevention enrolments to support our customers to stay healthy, with tools to help customers eat, move and feel healthier.

"People are genuinely appreciative of the care they've received and it's especially rewarding when you know that without this program, they may not have received any formal cardiac rehabilitation support at all."

Katrina McGilchrist,
Amplar Health Registered Nurse for Medibank's Heart Health at Home offering.

The future in action:

Medibank's Heart Health at Home

Medibank's Heart Health at Home is a digital cardiac rehabilitation program helping eligible customers recover at home. Delivered through Amplar Health, nurses and allied health professionals work one-on-one with patients via phone – supporting condition management, medication, recovery goals, and lifestyle change.

A study by the Baker Heart and Diabetes Institute found a 71% reduction in hospital readmission days among 176 participants within three months – findings published in the European Heart Journal – Digital Health.

Critically, the program reaches those who might otherwise go unsupported – rural residents, shift workers, and single parents. With cardiovascular disease costing Australia an estimated $14.3 billion annually, Heart Health at Home offers a compelling model for reimagining chronic disease care.

Employee health

We're transforming our culture and redesigning the system of work to achieve our ambition to create Australia's healthiest workplace by 2030.

To achieve this, we are using data and insights to shape healthier, more sustainable ways of working, while deepening our connection to customers and patients and giving our people greater autonomy, accountability and agency.

Our values were created by our people and are deeply embedded in everything we do:

Customer Obsessed	Show Heart	Brilliance Together	Break Boundaries	Risk Fit
Their health, our passion	Care in every moment	We impact bigger	Reimagining what's possible	Own it, call it and improve it

work. reinvented is how we're bringing our ambition to be the healthiest workplace by 2030 to life and creating greater health, joy and creativity for our people. It challenges traditional ways of working by helping teams organise around the work that matters most, prioritise health and wellbeing, stay deeply customer obsessed, and build autonomy, agency and accountability at scale.

We are seeing that when our people are healthier, they are more engaged and better able to perform at their best.

Our approach is shaped by evidence, employee experience and business needs, recognising that healthy, sustainable work will look different across the organisation. We are testing and embedding different ways of working that reflect the needs of our people, customers and patients.

Across the organisation, this ranges from improving how teams spend their time and make decisions, to strengthening local ways of working and giving teams greater ownership of customer and patient outcomes. The Four Day Work Week experiment is helping some teams remove low-value work and make meetings more purposeful.

Across Amplar Health and Medibank customer-facing roles, customer and patient support teams are strengthening community-based ways of working to respond more locally to customer and patient needs. At ahm, the customer service model is giving team members greater ownership of customer outcomes and supporting more consistent experiences.

We believe diversity and inclusion is fundamental to a healthy workplace. We ensure every voice is valued and we challenge each other to be more curious and continuously learn. Through our Diversity and Inclusion Council and eight employee networks, our employees shape strategy, influence decision-making and ensure diverse perspectives are reflected across our business.

This year, employee engagement remained strong and employee turnover remained consistently low, reflecting progress in our focus on healthier, more sustainable ways of working.

We know that the people closest to the work are often best placed to make decisions that improve outcomes for customers, patients and communities. As we redesign how work happens across the Medibank Group, we are creating clearer conditions for teams to act with autonomy, take accountability for outcomes and shape how work gets done.

Empowering our people also requires confidence, clarity and responsible decision-making. Risk Fit is continuing to strengthen our culture by further embedding risk behaviours into the way work gets done empowering our people to own it, call it and improve it. This enables informed decision-making, early escalation and continuous learning, so we can deliver better outcomes for our customers, patients and communities with confidence, safety and pace.

Together, these changes are helping build the confidence, accountability, and capability needed to make better decisions for our customers, patients, and communities.

> "We're focused on creating the healthiest workplace in Australia, rethinking the way we work, removing friction, and building an environment where people can do their best work in a sustainable way."

Kylie Bishop,
Medibank Group Lead – People, Spaces & Sustainability

The future in action:

Customer Obsessed Week

Putting our customers and patients first, delivering leading experiences, anticipating their needs and building deeper trust is at the core of our strategy.

We're strengthening our customer obsessed culture by helping our people better understand the experiences, needs and expectations of customers and patients, and use those insights to guide decisions and priorities.

We continued our focus on Customer Obsessed with a Customer Obsessed Week in February, bringing together employees from across Medibank, ahm and Amplar Health to deepen their understanding of customer and patient needs. Through customer immersion sessions, employees heard directly from customers and patients, helping them better understand what matters most and how customer insights can shape decisions and improve experiences.

To help embed customer obsession beyond the week itself, we also launched a new Customer Obsessed Portal, giving employees ongoing access to customer research, insights and connection opportunities.

Whether they are helping someone access care, supporting them through a health challenge or improving their everyday health and wellbeing, our people can see the difference their work makes.

Sustainable health system

We're building a stronger and more sustainable health system.

Medibank is supporting a sustainable health system by making a difference in our community, building partnerships and investing in preventative health and research to address some of Australia's biggest health concerns.

Our approach to health policy is grounded in a commitment to a more sustainable, consumer-focused and innovative system through constructive, evidence-based dialogue with government, industry and the broader health sector. We advocate for change on areas of the health system where there is an opportunity to improve value, choice and control for consumers.

Medibank is also building research partnerships that contribute to its long-term vision for a healthier Australia. This year, the Medibank Better Health Research Hub has directed funding toward research addressing the quintuple aims of healthcare: improving health outcomes, affordability, patient experience, health equity and the wellbeing of health workers.

New funding has supported:

- **Orygen** – Examining whether a digital youth mental health platform improves service access, efficiency and continuity of care, in partnership with Australia's leading youth mental health research institute.
- **The Murdoch Children's Research Institute** – Assessing whether early involvement in the Mental Health in Primary Schools initiative leads to lasting improvements in adolescent mental health, reduces demand for mental health services, and contributes to sustainable long-term outcomes.
- **Women's Health Victoria and the Monash Centre for Health Research and Implementation** – Developing, implementing and evaluating Australia's first cardiovascular education module focused specifically on women's heart health, strengthening clinicians' knowledge and capability to support more accurate diagnosis and improved care.
- **Macquarie University** – Assessing the impact, cost-effectiveness, uptake and safety of WalkBack Online, a digital program designed to prevent low back pain from returning.
- **La Trobe University** – Examining whether a Virtual Diabetes Clinic can improve access to high-quality Type 2 diabetes care for people in rural and regional communities, and whether the model is practical to deliver and easy to use.
- **ANZCA Foundation and Adelaide University** – Expanding the anaesthesia-led Advanced Recovery Room Care model to improve postoperative outcomes, building the evidence base for higher-quality early care, including improved complication detection, smoother recovery and better use of hospital resources.

Medibank also co-funded grants with the Australian General Practice Research Foundation and Diabetes Australia focused on prevention in primary care.

The future in action:

Building a stronger, more sustainable health system

A sustainable health system depends on safe care that reaches people earlier, closer to home, and at lower cost to the system overall. Medibank is driving this shift both through direct investment in more personalised care options such as homecare, virtual care or shorter hospital stays with recovery supported at home. We're also advocating for the changes needed to deliver more value, choice and controls to patients, and to support better access to help the health system stretch further to support long-term sustainability.

In June 2025, we hosted our inaugural Primary Care Symposium, bringing together more than 70 senior health leaders, clinicians, researchers and patient representatives as part of our commitment to advocating for reform that improves health system sustainability. Key recommendations to come out of the symposium included team-based care that puts patients at the centre; continuous improvement in reform rollouts with tailored support for clinicians and community partners; refreshed funding models to incentivise quality, equity and innovation; and investment in data-sharing infrastructure to enable connected, coordinated care across the full health system.

Alongside this advocacy, Medibank is investing in models that shift care away from acute hospital settings and into homes and communities – easing pressure on hospitals while delivering better outcomes for patients. Two initiatives illustrate this shift in action.

Amplar Health's engagement by the Department of Health, Disability and Aged Care is delivering a virtual nursing program into aged care homes nationwide. Over 12 months, the program has supported 20 homes and completed 21,000 virtual care interactions by phone, email and Visionflex technology, helping older Australians access timely clinical support while complementing and strengthening on-site care teams.

Investment in iMH's Deakin Private Hospital is transforming mental health care delivery. More than 1,300 patients have been treated under this model, which pairs shorter hospital stays with intensive, wraparound community care, supporting better long-term outcomes by prioritising recovery in patients' homes, alongside family and community. While private psychiatric readmission rates average over 45% nationally within 12 months, Deakin's readmission rate has been just 22%.

Together, these programs reflect a common thread: care that follows patients wherever they are, reducing reliance on hospital beds and building a health system that can meet growing demand sustainably.

"Prior to discharge, your psychiatrist organises for a community nurse to visit you at home, so you can transition safely and comfortably. You're not alone in this. My nurse was caring and supportive, helping me stay on track with coping strategies and mindfulness as I returned to daily life."

Patricia,
Patient Deakin Private Hospital

Environmental health

Achieving our vision to create the best health and wellbeing for our customers, people and community relies on us doing what we can to protect the health of our planet.

We continue to understand and work to address our impacts on the environment, including supporting employee-led initiatives to minimise waste and clean up local communities. In 2026, we revised our Net Zero Target to align with our changed operational footprint (see page 51).

We have also prepared and released our first sustainability report in accordance with the Australian Sustainability Reporting Standard, Australian Accounting Standards Board Standard 2, Climate-related disclosures (see our sustainability report on page 36). We continue to work to strengthen our disclosure of how we respond to climate change and collaborate to reduce environmental impacts of our operations.

Ethical and responsible business and leadership in health

We're focused on responsible decision making centred on customers and patients and our values guide our way.

By focusing on the responsible use and protection of customer data, we are continuing to embed ethics, responsible use of technology and data management practices, so that our customers can feel confident about how their data is used, protected and managed.

We're committed to supporting ethical decision making to improve resilience and the impact of supply chains; strengthening governance practices for strong and resilient business; continuing to monitor and respond to the ongoing risk of cybercrime; and embedding responsible and ethical use of Artificial Intelligence (AI) that supports exploration of its capabilities to enable our people to improve the customer experience.

We continue to strengthen our approach to ethical and responsible technology use and data risk management across the organisation. The assessment of new AI models, solutions and use cases are guided by Australia's AI Ethics Principles, supporting the safe, responsible and transparent deployment of AI with appropriate human oversight.

AI risk assessments consider privacy, data governance and security risks, alongside potential impacts relating to bias, fairness, and patient or customer harm. Complementing this approach, a cross-functional governance group focuses on the responsible use of customer data, identifying opportunities to embed Data Ethics principles across the data lifecycle and supporting teams to deliver improved customer outcomes. Together, these practices help maintain trust while enabling the responsible adoption of emerging technologies and data-driven innovation.

The future in action:

Using AI to transform healthcare delivery

As Medibank continues to introduce AI across the business, our approach is people-focused and disciplined – built on strong technology and data foundations, with governance and accountability frameworks that let us innovate with confidence. As a health company, trust and safety underpin how we scale these capabilities to strengthen workforce capability, customer experience, productivity and commercial outcomes.

AI is already improving workforce efficiency, patient navigation and care delivery. Clinical documentation tools like Heidi are cutting administrative time by 3–4 minutes per 15-minute consultation at Amplar Health, with 80% adoption in the Virtual GP service, while scribing pilots on frontline calls are saving an average of eight minutes per interaction. AI is also strengthening workforce planning and scheduling, and in diagnostics, tissue analytics now deliver 95% accuracy compared with 60% manually. For patients, AI-powered symptom checkers, triage tools and wellbeing coaches are providing timely, personalised support – moving quickly, but safely, to complement clinicians.

Our commitment to community

Promoting better health and wellbeing helps our community thrive.

Medibank supports a sustainable health system by making a difference in our community, building partnerships and working with researchers to understand and respond to some of Australia's biggest health challenges.

Our approach to engaging with our community is focused on three priorities:

- our 10-year commitment to addressing loneliness by promoting social wellbeing and mental fitness.
- enhancing employee engagement and wellbeing through community giving, fundraising and volunteering opportunities.
- deepening our impact on the health and wellbeing of our local communities.

We believe feeling connected to others, community and purpose supports good health and wellbeing. Guided by our research into loneliness and social connection, we partner with organisations on key initiatives supporting communities that experience higher levels of loneliness. We know lasting change doesn't happen in isolation. We work with others to create meaningful opportunities for people to connect, build belonging and strengthen wellbeing.

We engage with our community to promote better health and wellbeing to help our community thrive.

This includes our ongoing engagement with Aboriginal and Torres Strait Islander communities and businesses through our Reconciliation Action Plan commitments. In FY26, we supported the National Walk for Truth – a 905km journey from Naarm (Melbourne) to Canberra. We encouraged participation by promoting the walk to our employees and to customers via our retail stores. Our CEO and executive team also spent a day on Country walking alongside community leaders and we funded initiatives to support cultural safety and wellbeing of Aboriginal and Torres Strait Islander participants.

> "As one of Australia's largest health companies, we see the human cost of the escalating mental health crisis and want to play a meaningful part of the solution. At Medibank, we believe mental fitness is just as important as physical fitness, as almost half of us will face mental ill health at some point in our life."

David Koczkar,
CEO Medibank

The future in action:

Ending loneliness

Loneliness can affect anyone, at any stage of life with 56% of Australians reporting they feel lonely in a typical week. Medibank has a 10-year commitment to address loneliness and strengthen social connection across Australia. We partner on key initiatives that create impact by building social connection, creating awareness, reducing stigma, improving mental wellbeing and creating a greater sense of belonging.

Medibank has renewed its partnership with peak body, Ending Loneliness Together. The partnership takes a preventative approach, reducing chronic loneliness before it leads to poorer health outcomes. The collaboration reflects a shared belief that tackling loneliness requires coordinated, cross-sector effort, and that no single organisation can do it alone.

A core focus is supporting people earlier, particularly during critical life stages, where connection and care matter most. This year, Medibank announced a new partnership with Mum Walk – a community initiative helping new mums build social connections through free, local mum-led walking groups. Our research showed loneliness is a higher risk during identity shifts and major life transitions, such as becoming a parent. In the first six months of the partnership, Medibank supported Mum Walk to increase its network from 50 to 73 free, local walking groups nationally helping mums step out of isolation and into a community that walks beside them. 20,000 mums can now access Mum Walk (up from 15,000) and 90% have reported their sense of connection has improved since joining.

In partnership with Women's Agenda, Medibank launched The Motherhood Index, a new national report examining the lived experience of loneliness and connection during early motherhood in Australia. Drawing on national survey data and qualitative insights from mothers across the country, the Index explores how connection, support and social design affect maternal mental and physical health during the early years of parenting.

Working with our community

We work with community organisations to build social connections and strengthen the health and wellbeing of our local communities.

batyr – creating a world where young people lead

Medibank is collaborating with batyr to support young people experiencing the rising impact of mental ill-health. batyr's model is evidence-based, peer-led and grounded in lived experience storytelling through face-to-face and digital programs. They educate and empower young people to have positive conversations about mental health and act before crisis occurs. batyr's Youth Advocacy Lead also sits on Medibank's Mental Health Reference Group, providing guidance to decision makers working on improved mental health services, products and programs for customers.

parkrun and Medibank celebrating 10 years

A major partner since 2016 and presenting partner since 2022, Medibank has supported parkrun's growth to more than 550 locations nationwide with over 1.3 million local participants including 204,000 volunteers. The impact of the partnership can be seen not only in participation numbers, but in the role parkrun plays in supporting healthier, more connected communities. parkrun is increasingly being recognised as part of 'social prescribing' where health care extends beyond clinical treatment to include community-based activities that can help improve physical and mental wellbeing.

Women's Agenda – The Connections Hub

In collaboration with Women's Agenda, Medibank launched The Connections Hub to spotlight grassroots groups fostering social connection and to destigmatise loneliness. A recent national report by Medibank and Women's Agenda also revealed widespread loneliness among mothers, highlighting major gaps in connection and support.

Supporting Lifeblood's life-saving work

Medibank supports Lifeblood's life-saving work through employee participation in blood and plasma donations. These donations support thousands of patients in Australia and help contribute to a healthier, more connected community.

Ending Loneliness Together

Medibank has renewed its partnership with Ending Loneliness Together, a national coalition focused on reducing loneliness and social isolation. With a shared commitment to raise awareness of loneliness as a significant health issue and drive evidence-based action through sponsorship of Loneliness Awareness Week and the Australian National Loneliness Conference.

Long-standing relationship with Aboriginal community in Wadeye

Since 2012, Medibank has maintained a long-standing relationship with the remote Aboriginal community of Wadeye in the Northern Territory, supporting community-led health initiatives and cultural exchange opportunities. Guided by community leadership and locally identified priorities, the relationship is built on mutual respect, two-way learning and shared commitment to improving health and wellbeing outcomes. Since FY25, this work has been strengthened through our partnership with the Thamarrurr Youth Indigenous Corporation (TYIC), supporting community-led initiatives that create lasting local impact for local young people and families.

Medibank supporting the AFLW and AFL's Ahead of the Game

Medibank is an official health partner of the AFLW, backing women's health. As proud supporters of the AFLW, Medibank has extended its support of the AFL's leading mental health and wellbeing community program, Ahead of the Game. The free youth mental health program developed by Movember uses community sport as a platform to build mental fitness and resilience, enabling more women and girls across the country to learn valuable mental fitness skills and grow their knowledge in how to look after their mental health.

ahm official sponsor of National Pickleball League Australia

ahm has backed the rapidly growing sport of Pickleball as it gains momentum in Australia and the rest of the world. Pickleball – a mini tennis or large table tennis; is the most accessible sport in the world. Perfect for all ages, skill levels and fitness levels. The sport now sees over 50m+ players worldwide and the National Pickleball League expects one million Australians to try it within the next few years.

Medibank official health partner of 36 Months

36 months is a social change initiative that is urging governments to mandate social media citizenship, delaying the age teenagers can sign up to social media platforms with addictive features. In 2024, they led a national campaign to raise the minimum age of social media from 13 to 16 (which is 36 months) - the first law of its kind anywhere, setting a global precedent and creating a blueprint the world could follow.

Mum Walk

Medibank has partnered with Mum Walk – a free, community-based walking group initiative for new mothers – to help grow the program from 50 to 100+ walks nationally. The partnership supports Medibank's 10-year commitment to tackling loneliness, recognising that becoming a parent is a key period of social vulnerability.

Flying Fox

Medibank has partnered with Flying Fox's Hangouts program – an initiative championing connection, inclusion, and accessibility. Flying Fox aims to create social opportunities for young people with disability, grounded in a simple but powerful belief: fun is a human right, and everyone deserves the chance to belong, engage, and thrive.

Operating and financial review

1. About Medibank

Medibank Private Limited (Medibank) is a health company providing health insurance to more than 4.3 million people in Australia, as well as health services. Our core business is Health Insurance, where we underwrite and distribute private health insurance policies under the Medibank and ahm brands for resident and non-resident customers. Medibank Health complements our Health Insurance business by providing a number of services. Amplar Health supports the healthcare needs of patients across both the public and private systems including Medibank and ahm customers and the broader community with wellbeing, prevention, primary care and homecare, alongside investments in short stay surgical and mental health facilities. Our Live Better program supports customers and the community to make better choices for their health and wellbeing. We also offer a range of other insurance products such as travel, life, home and pet insurance and have a number of non-controlled investments supporting our strategy to provide greater access, choice and control in health. Additionally, as we maintain assets to satisfy our regulatory reserves, we generate investment income from our portfolio of investment assets.

Medibank was founded 50 years ago in 1976 as a private health insurer owned and operated by the Australian Government. We have operated on a for-profit basis since 2009. On 25 November 2014, Medibank was sold by the Australian Government by way of an initial public offering (IPO) and listed on the Australian Securities Exchange. As at 30 June 2026, we had 5,001 full-time equivalent (FTE) employees (excluding employees in associates and joint ventures).

2. Financial and operating performance

References to “2025”, “2026” and “2027” are to the financial years ended on 30 June 2025, 30 June 2026 and 30 June 2027 respectively, unless otherwise stated. The “Group” refers to the consolidated entity, consisting of Medibank and its controlled entities.

2.1 Group summary income statement

Year ended 30 June ($m)	2026	2025	Change
Group revenue from external customers	**9,115.2**	**8,604.0**	**5.9%**
Health Insurance operating profit[1]	769.8	741.5	3.8%
Medibank Health segment profit	100.7	76.7	31.3%
Segment operating profit	**870.5**	**818.2**	**6.4%**
Corporate overheads	(57.0)	(55.8)	2.2%
Group operating profit	**813.5**	**762.4**	**6.7%**
Net investment income	178.9	207.8	(13.9%)
Other income/(expenses)	(29.6)	(18.9)	56.6%
Cybercrime costs	(34.9)	(39.7)	(12.1%)
Profit before tax, before movement in COVID-19 reserve	**927.9**	**911.6**	**1.8%**
Movement in COVID-19 reserve (excl. tax)	-	(182.8)	n.m.
Profit before tax	**927.9**	**728.8**	**27.3%**
Income tax expense	(281.6)	(219.5)	28.3%
Non-controlling interests	(7.6)	(8.5)	(10.6%)
NPAT attributable to Medibank shareholders	**638.7**	**500.8**	**27.5%**
Effective tax rate	30.3%	30.1%	20bps
Earnings per share (EPS) (cents)	23.2	18.2	27.5%
Normalisation for investment returns	(1.9)	(10.1)	(81.2%)
Normalisation for COVID-19 reserve movements	-	128.0	n.m.
Underlying NPAT[2]	**636.8**	**618.7**	**2.9%**
Underlying EPS (cents)[2]	23.1	22.5	2.9%
Dividend per share (cents)	**19.2**	**18.0**	**6.7%**
Dividend payout ratio[2]	83.0%	80.1%	290bps

1. Health Insurance operating profit excludes the impacts of COVID-19. These impacts were included in the COVID-19 equity reserve which was finalised in 2025.
2. Underlying NPAT is statutory NPAT normalised for growth asset returns to historical long-term expectations, credit spread movements, movement in COVID-19 reserve and one-off items. Underlying EPS and dividend payout ratio are based on underlying NPAT.

Operating and financial review

Unless otherwise stated, discussion of performance in this section of the report is on a management basis, which is consistent with how performance is assessed internally. In the prior period, this includes reporting the impacts of COVID-19 outside of Group operating profit. These impacts were included in the COVID-19 equity reserve, which was finalised in 2025.

Group

Medibank's financial results for the 12 months ended 30 June 2026 demonstrate our ability to manage through the cycle, balance growth and profitability, and invest to build a more sustainable and diverse business.

Group operating profit was up 6.7% to $813.5 million, with solid growth in resident Health Insurance, continued strong momentum in Medibank Health and well controlled corporate costs. Profit before tax of $927.9 million includes a $28.9 million decrease in net investment income which was impacted by a lower average RBA cash rate, while the increase in other income and expenses included higher M&A costs associated with the Better Medical acquisition and an increase in AASB 16 interest on lease liabilities.

Non-recurring cybercrime costs of $34.9 million were lower than the prior comparable period and include IT security uplift and legal and other costs associated with regulatory investigations and litigation relating to the 2022 cybercrime event. With the IT security uplift program now largely embedded, costs in 2027 are expected to be less than $20 million primarily related to ongoing regulatory investigations and litigation, excluding the impacts of any potential findings or outcomes from regulatory investigations or litigation.

Underlying net profit after tax (NPAT), which adjusts statutory NPAT for any movement in the COVID-19 equity reserve and the normalisation of investment returns, increased 2.9% to $636.8 million. Reported NPAT attributable to Medibank shareholders increased $137.9 million to $638.7 million. Statutory NPAT in 2025 was reduced by $128.0 million due to the timing and value of COVID-19 claims savings and customer give backs. Following the finalisation of the COVID-19 equity reserve at 30 June 2025, there was no impact for COVID-19 reserve movements in 2026.

Underlying earnings per share (EPS) was up 2.9% to 23.1 cents per share, while reported EPS was 27.5% higher at 23.2 cents per share.

The key reasons for the movements in the Health Insurance and Medibank Health results, as well as net investment income, are outlined in this report.

Health Insurance financial performance

Year ended 30 June ($m)	2026	2025	Change
Premium revenue	8,585.1	8,211.0	4.6%
Net claims expense (including risk equalisation)	(7,125.1)	(6,814.6)	4.6%
Gross profit	**1,460.0**	**1,396.4**	**4.6%**
Expenses	(690.2)	(654.9)	5.4%
Operating profit[1]	**769.8**	**741.5**	**3.8%**
Gross margin	**17.0%**	**17.0%**	**-**
Expense ratio (ER)	8.0%	8.0%	-
Operating margin	**9.0%**	**9.0%**	**-**

Our Health Insurance business has remained resilient despite a challenging economic environment, reflecting our disciplined approach to managing growth, margins and expenses.

Gross profit was up 4.6% to $1,460.0 million supported by disciplined growth, lower utilisation and an improved risk equalisation outcome. Gross margin was stable at 17.0% with a 10 basis point increase in resident gross margin and a 210 basis point reduction in non-resident.

We have continued to balance disciplined cost management as we invest in growth resulting in a stable expense ratio at 8.0%, with a flat operating margin of 9.0% and operating profit up 3.8% to $769.8 million.

1. Health Insurance operating profit excludes the impacts of COVID-19. These impacts were included in the COVID-19 equity reserve which was finalised in 2025.

Industry and customer growth

The resident health insurance industry continues to grow, with the non-discretionary nature of healthcare underpinning future demand.

Cost-of-living pressures have impacted the industry with policyholder growth skewed to lower tier products, higher switching and aggregators increasing their share of joins. As a result, the competitive environment intensified in the fourth quarter of 2026 with some competitors pursuing aggressive growth tactics, alongside increased aggregator marketing.

We have chosen to prioritise the quality of growth over quantity. This is demonstrated by growth in our priority segments, maintaining the Revenue Mix[2] impact at the 1H26 level and increasing the percentage of ahm joins through direct channels.

Resident policyholders increased by 22,100 or 1.1% which includes Medibank brand growth of 0.6% which is double the growth rate of the prior 12-month period, while ahm was up 2.4% despite lower aggregator joins.

The resident acquisition rate increased 10 basis points to 11.6%. There was a 60 basis point improvement in the Medibank brand to 9.9% reflecting continued investment in brand, customer value and differentiation, while ahm was 130 basis points lower at 17.3% with direct sales partially offsetting lower aggregator activity.

We expect that we have performed better than the industry[3] on retention despite our lapse rate increasing by 40 basis points to 10.5%, reflecting the value customers place on our differentiated products and broader health proposition.

In 2027 we aim to increase growth in a disciplined way through continued brand and proposition differentiation, targeted investment in priority segments and building stronger direct customer relationships that support retention.

In the non-resident business, policy units decreased by 2.3% with student policy units declining due to tighter migration settings and a natural run-off from large cohorts that were acquired following the reopening of borders. This was partially offset by continued strong growth in the worker segment.

Revenue

During the period, Health Insurance revenue increased 4.6% to $8,585.1 million reflecting a 4.5% increase in resident revenue to $8,267.9 million and a 5.0% increase in non-resident revenue to $317.2 million.

Claims

Total gross claims increased 4.7% to $7,140.0 million while net claims, which includes risk equalisation, increased 4.6% to $7,125.1 million.

Resident gross claims increased 4.6% to $6,933.1 million, while net claims expense was up 4.4% to $6,918.2 million. Risk equalisation provided a 20 basis point benefit to net claims growth this period (70 basis point benefit in 2025), with the timing benefit we saw in the first half of 2026 unwinding as expected.

The average resident claims growth per policy unit increased 40 basis points to 2.6%, with a 400 basis point increase in extras claims growth partially offset by a 110 basis point decrease in hospital claims growth. In hospital, the decrease in inflation reflects higher private hospital indexation, offset by reduced additional investment in product benefits and lower public and medical indexation. Hospital utilisation growth remained negative, reflecting prior period COVID-19 impacts and policyholder growth being skewed to lower tier products. The higher extras claims growth includes increased utilisation as demand normalised following a period of subdued activity.

There was a non-recurring hospital claims benefit in 2026, which includes a $74.8 million COVID-19 utilisation benefit (circa 150 basis point impact) that was recognised in 2025 and a number of other largely offsetting items. These impacts were considered in our 1 April 2026 premium increase.

In 2027, we expect hospital claims per policy unit growth to increase reflecting the $74.8 million COVID-19 utilisation benefit in 2026 not recurring, continued negative utilisation growth driven by mix impacts, broadly stable private hospital indexation and the benefit from more procedures happening outside of traditional higher cost settings. In extras, we expect claims growth per policy unit to reduce reflecting lower indexation and benefit investment. We are also monitoring utilisation trends given historic customer behaviour and current economic conditions.

In non-resident, net claims expense increased by 8.6% to $206.9 million further reflecting the growth and mix of the portfolio.

2. From 1H26, Medibank has replaced the term "downgrading" with "Revenue Mix". The underlying calculation is unchanged and continues to reflect the difference between the average premium rate rise and reported revenue growth per policy unit in the resident private health insurance segment.
3. Based on Medibank internal switching data.

Operating and financial review

Gross profit

Total gross profit increased 4.6% to $1,460.0 million, while gross margin was stable at 17.0%.

Resident gross margin increased 10 basis points to 16.3% reflecting our disciplined approach to growth with revenue and claims growth per policy unit of 2.7% and 2.6%, respectively. Resident policyholder growth was skewed to lower tier products, with largely offsetting impacts to revenue and claims. The 10 basis point increase in revenue growth per policy unit to 2.7% reflects the higher average premium increase which was partially offset by a higher Revenue Mix impact. The higher Revenue Mix impact of 150 basis points reflects customer growth skewed to lower tier products, an increase in offers spend and investment in Live Better. We expect 2027 Revenue Mix impacts to be similar to 2026.

In the non-resident business, gross profit was down 1.2% to $110.3 million and gross margin was 210 basis points lower at 34.8%, largely due to tenure and mix impacts in the student portfolio.

We expect our non-resident business to deliver solid gross profit growth in 2027, supported by a stabilising student portfolio underpinned by retention initiatives and pricing actions, continued momentum in workers through student-to-worker conversion and emerging opportunities in new contracts, and growth in visitors following the launch of new products.

Operating costs

Expenses increased 5.4% to $690.2 million, while the expense ratio was stable at 8.0%. The increase in expenses was largely driven by higher operating expenses and depreciation and amortisation costs increasing in line with a higher investment in digital assets, which was partially offset by lower sales commissions and approximately $10 million of productivity savings in 2026.

Sales commissions decreased by $7.4 million, driven by a $7.3 million reduction in resident commissions due to lower ahm aggregator joins.

Operating expenses were up 7.1% to $568.2 million which includes cost inflation of approximately 4%, volume related increases and investment in our foundations. There was also additional marketing investment, which includes reinvesting $5 million from the lower resident commission spend.

The major drivers of expense growth in 2027 are expected to include cost inflation and volume-related increases, as well as additional investment to support resident policyholder growth, including AI uplift. This will be partially offset by a targeted $10 million of productivity savings in 2027.

We will continue to target a stable to modestly improving expense ratio over time through disciplined cost management and productivity initiatives, while balancing this aspiration with investing in growth where this makes commercial sense.

Medibank Health performance

Medibank Health segment profit increased 31.3% to $100.7 million with strong organic growth across all three segments and a $6.2 million contribution from Better Medical. Operating profit increased 27.4% to $107.3 million. The operating margin was down 50 basis points to 16.9% with a 180 basis point reduction in gross margin partially offset by an improving expense ratio.

Revenue increased 30.8% to $634.8 million, with the key metrics underpinning business performance outlined below:

- In Wellbeing, revenue increased 21.1% to $175.5 million reflecting strong customer growth. Live Better members increased 11.6% supported by investment in the proposition and the reward points give back offer, while financial wellbeing policies were up 4.7% despite subdued demand for travel.
- In Primary Care, revenue was 29.6% higher at $316.5 million with increased consultation numbers and a higher average fee per consultation. GP consultation numbers increased by 26.7%, reflecting a 6-month contribution from Better Medical.
- In Community and Acute, revenue growth of 48.8% to $142.8 million reflects an increased number of patients and a 12-month contribution from 100% ownership of Amplar Health Home Hospital. Acute home health admissions were up 13.7%, supported by ongoing growth in publicly funded home health admissions and increased capacity in the Transition Care Service[4].

Gross profit was up 26.5% to $327.2 million, with a 180 basis point reduction in gross margin to 51.5% reflecting additional investment in the Live Better program and business mix impacts (including in the Wellbeing segment), which was partially offset by efficiency benefits in Community and Acute, as well as Primary Care.

Expenses were 24.3% higher at $215.5 million, reflecting inflation, volume related impacts and a $10 million additional investment to support future growth. However, with growing scale the expense ratio was 140 basis points lower at 34.6%.

We continue to see strong organic growth potential with 2027 focus areas including meeting more health needs of more customers, scaling existing services with a broader set of payors, realising synergy benefits across our primary care network and further performance improvement in the joint venture hospital portfolio.

4. The Transition Care Service is a joint collaboration between SA Health and Amplar Health.

We aim to augment this organic growth with further M&A that scales and expands geographic coverage in primary care and adds capability in wellbeing and virtual care.

Net investment income

Medibank's investment portfolio was $3.4 billion as at 30 June 2026. This investment portfolio, which includes $3.1 billion relating to the health fund and short-term operational cash (STOC) of $0.2 billion, provides liquidity to cover insurance liabilities related to the Health Insurance business and satisfies our obligation to maintain regulatory reserves to meet health claims and to fund ongoing operations.

Net investment income decreased $28.9 million or 13.9% to $178.9 million, with a $7.0 million reduction in both our growth and defensive portfolio income, respectively.

The decrease in our growth portfolio income reflects lower income from both Australian and international equities, which was partially offset by improved performance in both property and infrastructure. Our defensive portfolio income was impacted by a $7.5 million decrease in interest income from the lower average RBA cash rate, a $2.6 million increase in interest income from a higher average defensive portfolio balance, and a $2.7 million cost from widening credit spreads this period ($0.9 million cost in 2025).

Net other investment income and expenses were $14.9 million lower. There was a $12.5 million impact from lower STOC and Non-Fund portfolio holdings following the payment of the final COVID-19 customer give back and funding the Better Medical acquisition, as well as a $1.4 million decrease in interest income due to the lower average RBA cash rate.

Consistent with previous practice, we have adjusted net investment income for the impact of short-term market returns that are expected to normalise over the medium to longer term in our underlying NPAT. After normalisation[5], net investment income was down $17.2 million from $193.4 million in 2025 to $176.2 million this period. The $17.2 million decrease in underlying net investment income includes a $8.9 million decrease in interest income due to the lower average RBA cash rate. This resulted in the underlying investment return decreasing 24 basis points to 5.62%, which is a 177 basis point spread to the average RBA cash rate and within our full year target of 150 to 200 basis points.

In 2027, we expect underlying net investment income to benefit from growth in asset balances, a higher average RBA cash rate ($6.4 million higher annual interest income for every 25 basis point change in RBA cash rate) and opportunities to increase liquidity and credit margins.

Our investment portfolio is subject to, and compliant with, our Responsible Investment Policy. Domestic and international equity investment portfolios remain aligned with socially responsible investment principles.

2.2 Group financial position

Medibank's net asset position increased by $74.6 million or 3.2% to $2,410.7 million as at 30 June 2026. Key movements in the consolidated statement of financial position during the year were driven by the acquisition of Better Medical Group and the payment of the final COVID-19 customer give back.

2.3 Capital management and dividend

Medibank's capital management objective is to maintain a strong financial risk profile and capacity to pay all eligible customer benefits, invest in the growth of our business to provide a return to shareholders and to meet financial commitments.

- In June 2023 APRA announced an additional capital adequacy requirement of $250 million for Medibank, with effect from 1 July 2023, following a review of the 2022 cybercrime event. As a result, we have temporarily increased Health Insurance business related capital to offset this supervisory adjustment. At 30 June 2026 this requirement remains in place.
- The business continues to be well capitalised with the Fund prescribed capital amount (PCA) coverage ratio[6] now sitting at 1.9x (up from 1.8x at 30 June 2025). Unallocated capital decreased by $69.0 million to $182.9 million mainly due to funding the Better Medical acquisition, but this was partially offset by strong capital generation.
- At 30 June 2026, Health Insurance capital employed was stable at $1,323.8 million. The prescribed capital amount decreased by $9.0m to $755.6 million due to lower insurance and asset risk charges. The higher PCA coverage ratio of 1.9x PCA supports growth.
- The target health insurance capital ratio is between 10% and 12% of premium revenue, however, the current ratio of 13.3% sits above this range to offset the $250 million temporary APRA supervisory adjustment.
- Medibank Health capital employed increased $147.8 million to $559.8 million, driven by the $163.5 million cost of the Better Medical acquisition, which was partially offset by lower required capital.

5. The adjustment normalises growth asset returns to long term market expectations and defensive returns for credit spread movements. Normalisation of returns for 2026 benchmark performance decreased net investment income by $2.7 million (2025: decreased $14.4 million).
6. Calculated as Required Health Insurance capital less APRA supervisory adjustment, divided by Fund PCA less APRA adjustment.

Operating and financial review

Our strong balance sheet continues to provide capacity for future growth, supporting our FY30 Medibank Health earnings aspiration of at least $200 million operating profit (assumes circa $700 million Medibank Health capital employed). We have the capacity to raise Tier 2 debt to support growth beyond this aspiration if further attractive opportunities arise. We will consider capital management actions if suitable M&A opportunities do not eventuate in a reasonable timeframe.

The following table sets out Medibank's annual disclosure of its APRA regulatory capital position at 30 June 2026.

- The APRA capital base definition is higher than the Medibank reported eligible capital due to the Medibank specific adjustment to deduct the dividend accrual at 30 June 2026.
- The prescribed capital amount (PCA) for the health benefits fund of $755.6 million is consistent with the Medibank reported basis and includes the $250 million temporary APRA supervisory adjustment in operational risk.
- The PCA coverage ratio for the health benefits fund is 2.1x on the regulatory basis, which is higher than the Medibank reported basis (1.9x).

Year ended 30 June 2026 ($m)	Health Benefits Fund	General Fund	Total Insurer
Net Assets	**1,715.4**	**589.1**	**2,304.5**
Regulatory Adjustments	(124.1)	(417.3)	(541.4)
Common Equity Tier 1 Capital	**1,591.3**	**171.8**	**1,763.1**
Additional Tier 1 & 2 Capital	-	-	-
Capital Base	**1,591.3**	**171.8**	**1,763.1**
Insurance Risk Charge	186.6	-	186.6
Asset Risk Charge	242.1	46.4	288.5
Operational Risk Charge	421.7	-	421.7
Aggregation Benefit	(94.8)	-	(94.8)
Prescribed Capital Amount (PCA)	**755.6**	**46.4**	**802.0**
PCA Coverage Ratio	**2.1x**	**3.7x**	**2.2x**

Dividends paid or payable in respect of profits from the financial year totalled 19.2 cents per share fully franked, amounting to $528.8 million comprising:

- An interim ordinary dividend of 8.3 cents per share fully franked, amounting to $228.6 million paid on 18 March 2026 in respect of the 6-month period ended 31 December 2025.
- A final ordinary dividend of 10.9 cents per share fully franked, amounting to $300.2 million to be paid on 8 October 2026 in respect of the 6-month period ended 30 June 2026.

The full year 2026 ordinary dividend represents a 83.0% payout ratio of underlying NPAT, which is within our dividend target payout ratio range of between 75% and 85% of underlying NPAT.

2.4 Management changes

In January 2026, Tom Exton, Group Lead - Chief Risk & Compliance Officer and member of the executive leadership team decided to leave Medibank. Recruitment for a new Group Lead – Chief Risk Officer has been completed, with the successful candidate due to commence in September 2026. In the interim, leadership responsibilities have been appropriately managed to ensure continuity across the Enterprise Risk function.

3. Strategy and future prospects

Medibank's purpose is Better Health for Better Lives and our vision is to create the best health and wellbeing for Australia. As a health company, we are focused on helping people live better, healthier lives and meeting more health needs of more customers. Our strategy puts our customers and people at the centre of everything we do. We connect people to a better quality of life in every moment. By working to create access, choice and control for Australia, we seek to sustainably build our customer base and grow shareholder value, while together leading change for a stronger health system.

We continued to make progress on our strategy as we delivered leading customer experiences, leveraged our dual brands to create a differentiated insurance proposition, expanded our role as a health company and continued to strengthen our foundations.

The performance scorecard on page 33 outlines how we measure progress against our strategy, including our FY26 success measures, FY28 milestones and FY30 aspirations.

FY26 performance scorecard

Key success measures (FY26)	Measure	FY25	FY26 outcome
Deliver leading experiences			
Customer satisfaction[1]	jNPS	New measure	21.9
Customer health engagement	#interactions	New measure	19.5m
Employee experience – products and services	eNPS	39	37.5
Employee experience – place to work	eNPS	38	30.5
Differentiate our insurance business			
Resident PHI market share[2]	%	26.5%	26.3%
Non-resident growth	# policy units	354.4k	346.2k
Expand in health			
Medibank Health segment profit	$m	$76.7m	$100.7m
Amplar Health engagement	# interactions	4.3m	5.3m
Continue to strengthen our foundations			
Employee experience – ease to get things done	Employee sentiment	7.0	7.0
Employee experience – autonomy	Employee sentiment	7.9	8.0
Health insurance productivity	$m	c. $10m	c. $10m

1. Customer satisfaction is a measure of average blended jNPS for Medibank and ahm (replaces previously reported sNPS). This measure came into effect from July 2024 and July 2025 for Medibank and ahm, respectively.
2. Source: APRA, quarterly private health insurance statistics to March 2026.
3. Joint venture hospital investments held at 29 October 2025.

Milestones (FY28)	Measure	FY25	FY26 progress	FY28 milestone
Wellbeing				
Live Better rewards	# participants	0.9m	1.0m	>1.2m
Everyday prevention	# enrolments	270k	334k	>380k
Corporate Health	% accounts engaged	14%	15%	>20%
Financial wellbeing	# policies	340k	356k	>440k
Primary care				
Clinician-guided prevention services	# services	33k	36k	45k
Multi-channel offerings	# GP consults	3.2m	4.1m	7m
	% virtual consults	20.3%	21.7%	c. 30%
Community and acute				
Community care	# visits	107k	106k	155k
Acute home health	# admissions	24k	27k	>27k
JV earnings[3]	$m	($7.5m)	($6.6m)	Break even

Aspirations (FY30)	Measure	FY25	FY26 progress	FY30 aspiration
Medibank Health segment profit	$m	$76.7m	$100.7m	>$200m
Resident PHI market share[2]	%	26.5%	26.3%	>26.8%
Health engagement	# people	c. 5m	c.6m	c. 10m

Delivering leading experiences

In 2026 we focused on delivering leading customer experiences that strengthen customer advocacy, trust and engagement across our Medibank and ahm brands.

We continued to improve the experiences we deliver to customers through simpler service experiences, stronger digital interactions, enhanced frontline support and expanded self-service functionality, including digital hospital eligibility checks. These initiatives made it easier for customers to engage with us and contributed to higher customer and journey advocacy. We have also continued to grow customer health engagement to support deeper relationships and differentiation, reaching 19.5 million interactions in 2026.

To support the delivery of leading experiences, we further evolved the way we work by embedding customer-obsessed, integrated and autonomous teams. Consistent with our ambition to create Australia's healthiest workplace, we are empowering our people to focus on what has the greatest impact for our customers and community.

During the year, we also scaled the use of AI across the business to support more personalised and connected experiences, empower our people to work more effectively and improve operational efficiency, driving further differentiation and growth.

Operating and financial review

Differentiate our insurance business

This year, we continued to support our customers by delivering greater value, enhancing our products and providing greater choice, access and support through our insurance and health offerings.

Improving affordability and delivering greater value for our customers remained a key focus. This year, our Members' Choice networks continued to provide greater value and cost transparency, with customers saving $243.0 million in out-of-pocket costs across dental, optical and other health services. Meanwhile, our Live Better program grew to more than 1.0 million participants with $48.6 million in rewards redeemed during 2026. Live Better rewards have now delivered around $135.0 million in value to customers since its launch in FY19.

Our No Gap network continues to support customers by reducing out-of-pocket costs and improving access to more affordable hospital care. Approximately 8,200 customers accessed the network during the year, reducing out-of-pocket costs by around $7.5 million. One in every five Medibank-funded joint replacements in Melbourne and Sydney is now delivered through a No Gap hospital.

We continued to enhance our product proposition to better meet customer needs and drive long-term customer value. New Basic Hospital products, an ahm Extras Limit Rollover for routine dental, Recover Boost, Cash Boost and an expanded Overseas Visitors Health Cover range improved affordability, support and choice for customers.

Providing customers with access to health services and support beyond traditional insurance remains an important point of differentiation. During the year, access to Medibank's Online Doctor service was extended to eligible Medibank customers alongside our non-resident offering. The service has delivered more than 50,000 no out-of-pocket telehealth consultations while helping improve access to timely care. We also expanded Medibank's Health Checks program to include online health checks through the My Medibank app and strengthened our partnership with Specsavers to broaden access to audiology services. Together, these initiatives made it easier for customers to access affordable, convenient care and engage more actively with their health.

Expand in health

We continued to expand in health to support more of our customers' health and wellbeing needs and improve health experiences. During 2026, we increased health and wellbeing engagement, strengthened our primary care capability and expanded access to virtual and community-based care.

We continued to broaden access to preventative and primary care services. During the year, Digital Health Checks were launched through the My Medibank app with more than 28,000 checks completed, Online Doctor services continued to scale, and we introduced new programs, including Alcohol and Drug Detox at Home. Participation in preventative health initiatives also increased with 334,000 everyday prevention enrolments. Together, these initiatives improved access to preventative, primary and home-based care and made it easier for customers to access support when and where they need it.

We also strengthened our primary care capability through the acquisition of Better Medical, a network of 61 GP and medical clinics across Victoria, Queensland, South Australia and Tasmania. The acquisition expands Medibank's presence in primary care and supports our ambition to deliver more proactive, comprehensive and connected care. Complementing this, Amplar Health continued to progress its primary care and prevention initiatives through a Proactive Primary Care pilot at Myhealth clinics.

Building on the success of the Transition Care Service at the Pullman Hotel in Adelaide, Amplar Health partnered with the Central Adelaide Local Health Network to establish a new 50-bed service supporting patients transitioning from hospital to home or community-based settings. The service provides additional capacity by freeing up acute hospital beds, while helping reduce pressure on South Australia's public hospitals.

This complements the My Home Hospital program, which has supported more than 24,000 South Australians and delivered more than 126,000 hospital bed days in the home since inception in 2021. During the year, the My Home Hospital contract with SA Health was renewed, reflecting continued confidence in the program and its ability to deliver acute hospital-level care at home.

Meanwhile increasing demand for community-based healthcare was reflected in a 13.7% increase in acute home health admissions, representing an additional 3,300 patients accessing these services. Growth was supported by the expansion of the South Australia Community Care Contract, which broadened its scope to support care delivery for paediatric patients in the home. Together, these initiatives strengthened access to community-based care and reinforced Home Health's position as a trusted provider of high-acuity care in the home.

Continue to strengthen our foundations

Strong foundations remain important to delivering for our customers and supporting the long-term success of our business.

We have continued to strengthen the foundations that support our people, technology and operations. This year, we launched Risk Fit and continued embedding our refreshed risk culture framework, further strengthening our approach to risk management across the organisation.

We also continued to strengthen our technology environment by delivering security, infrastructure and platform upgrades. These investments further strengthened resilience, supported the expansion of our AI capabilities and enhanced digital experiences for our customers.

Operational productivity was further enhanced through automation, analytics and digitisation initiatives, delivering approximately $10 million in productivity benefits during the year. Together, these initiatives have continued to strengthen Medibank's foundations and supported the execution of our broader strategic priorities.

Future prospects

Medibank remains committed to delivering Better Health for Better Lives and creating the best health and wellbeing for Australia.

Australia's health system continues to face affordability, accessibility and workforce challenges while consumer expectations are evolving. Consumers are increasingly seeking greater value from their health cover, more personalised experiences and easier access to healthcare. At the same time, prevention, primary care and home-based care are becoming increasingly important in supporting more personalised, proactive, and accessible care and contributing to a more sustainable healthcare system.

These trends reinforce the opportunities we see to strengthen customer advocacy and trust, sustainably grow our health insurance business and deepen health engagement. By creating more connected customer experiences, delivering differentiated propositions, increasing health and wellbeing engagement and expanding access to prevention, primary care and home-based care while continuing to strengthen our resilience and scalability, we aim to create greater value for customers and grow shareholder value.

Consistent with our strategy to deliver leading experiences, our 2027 focus areas include creating simpler, more connected customer experiences through personalised engagement, digital innovation and improved service experiences, while continuing to re-invent the way we work through greater autonomy, AI-enabled capabilities and simpler ways of working. We will lead and shape the health transition through advocacy, partnerships and leadership, while uplifting our AI capabilities to empower our people, improve customer experiences and drive growth. Together, these initiatives are intended to strengthen advocacy and trust, improve employee experience and increase health engagement with our customers.

We remain focused on sustainably growing our health insurance business by strengthening differentiation across our Medibank and ahm brands and maintaining disciplined resident policyholder growth through differentiated propositions, value focus and growth in priority segments. We will focus on returning to growth in our non-resident health insurance business through targeted customer propositions, distribution expansion and lifecycle management. We also see opportunities to create greater value for our customers by delivering integrated insurance and health propositions. These initiatives are intended to drive growth and differentiation, while improving resident health insurance market share and supporting non-resident customer growth.

We aim to expand in health to support more Australians through prevention, primary care and home-based care. Looking ahead, we will focus on increasing health and wellbeing engagement through prevention initiatives, Live Better, corporate health and financial wellbeing solutions, while accelerating growth in primary care through GP-led care, virtual health and preventative health programs. We will also focus on expanding community and acute care through innovative, home-based, virtual and transitional care models. Through these initiatives, we aim to increase wellbeing engagement and accelerate the health transition through more connected, accessible and sustainable models of care, while diversifying and growing our earnings.

Further strengthening our foundations will continue to underpin our strategy. We will maintain our disciplined focus on risk and resilience through delivery of our uplift programs and continue to empower our people to proactively manage risk, while driving a culture of continuous improvement through accelerated use of automation and AI as well as technology simplification and modernisation.

We will continue to advocate for reforms that improve consumer value and support the sustainability of private health and the broader healthcare system.

Over time, we expect progress against our strategic priorities to support growing health engagement, our resident market share aspirations and an increasing contribution from Medibank Health aligned with our FY28 milestones and FY30 aspirations.

Outlook

Consistent with these priorities, Medibank remains focused on delivering sustainable growth through disciplined execution across Health Insurance and Medibank Health.

In resident Health Insurance, we aim to grow market share in a disciplined way, including improved volume momentum in the Medibank brand.

We expect the 2027 resident Health Insurance gross margin to be broadly consistent[7] with 2026 as we continue to manage Revenue Mix and claims growth in line with premium increases.

In non-resident, we expect to deliver solid gross profit growth in 2027, supported by a stabilising student portfolio, further differentiation through additional product value and expanding health proposition, and lifecycle management opportunities.

In Medibank Health, we remain focused on meeting more health needs of more customers, scaling existing services with a broader set of payors and realising primary care network synergies. We expect segment profit growth of circa 25% in 2027, including a full year contribution from Better Medical.

A strong asset pipeline remains with appetite and financial capacity to pursue further opportunities consistent with our growth strategy and adding shareholder value. We will pursue further investments which add scale, expand geographic coverage or build capability, with priority segments including Primary Care and Wellbeing, including Corporate Health.

4. Material business risks

Please refer to page 76 of the risk management section for an overview of our material business risks.

7. Subject to the outcome of the 1 April 2027 Premium increase.

Sustainability report

Basis of preparation

The Sustainability Report of Medibank Private Limited ("the Company") and its subsidiaries "the Group") has been prepared in accordance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) as issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* (Cth).

This report contains the Group's climate-related disclosures for the financial year ended 30 June 2026. It has been prepared using the same consolidated reporting entity and reporting period as the Group's consolidated financial statements, as described in Note 1 to the financial statements. It should be read in conjunction with the financial report.

As this is the first year AASB S2 has been applied, the Group has elected not to disclose comparative financial information. The Group has also elected to apply the transitional relief available under AASB S2 to not disclose Scope 3 greenhouse gas (GHG) emissions.

The presentation currency of the climate-related financial disclosures is the Australian dollar, which aligns to the financial statements. Unless otherwise stated, references to a year are to the financial year ending 30 June in that year.

This report was authorised for issue in accordance with a resolution of the directors on 20 August 2026.

Time horizons

The Group considers the impact of climate change over the following three-time horizons:

Short-term (to 2030): Aligns with the Group's core strategic planning and business cycle of approximately three to five years. The oversight of climate-related risks and opportunities is being integrated into annual and multi-year planning, operational decision-making and risk assessments.

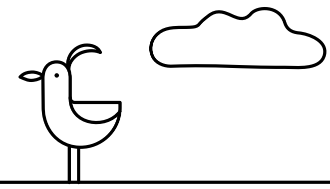
Medium-term (to 2040): Medium-term strategy considers the increasing influence of climate change on population health outcomes, healthcare demand, affordability and access, as well as evolving customer expectations and policy settings and includes the period in which our Net Zero Pathway applies.

Long-term (to 2060): Long-term strategic planning addresses the potential for chronic physical climate risks, systemic health impacts and broader economic and social disruption arising from climate change. Insights from this horizon inform the Group's long-term positioning as a health company providing health insurance and health services, supporting sustainable business models and improved health outcomes in a changing climate.

Contents

This sustainability report includes the Group's consolidated climate-related disclosures covering:

- **Governance** processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities
- **Risk management** processes to identify, assess, manage, prioritise and monitor climate-related risks and opportunities
- **Strategy** for managing climate-related risks and opportunities
- **Metrics and targets**, including our performance in relation to climate-related risks and opportunities and progress towards our climate-related targets



Sustainability report

Governance

The Group's governance framework was updated in 2026 to establish defined roles and responsibilities relating to the oversight, management and reporting of climate-related risks and opportunities.

Medibank Private Limited Board

Per the Board Charter, approving the sustainability strategy and overseeing and monitoring progress against the sustainability strategy, including approving key external environmental and social targets and overseeing climate-related risks and opportunities.

Risk Management Committee (RMC)

Per the RMC Charter, monitoring Environmental, Social and Governance (ESG) risks, including the Group's climate-related risks and opportunities. Making recommendations to the Board for approval of the Group's sustainability strategy and key external environmental and social targets.

Audit Committee

Per the Audit Committee Charter, providing an objective, non-executive review of the effectiveness of the Group's internal control, financial and mandatory sustainability reporting and risk management framework. Overseeing and reviewing the integrity of the Group's external financial and mandatory sustainability reporting.

Management

Executive Risk Committee (ERC)

Per the ERC Charter, consisting of the executive leadership team (ELT), the ERC provides oversight of the implementation of the sustainability strategy (including metrics and targets) and oversees, directs and supports the implementation and operation of the risk management framework and internal compliance and control system across the Group to ensure effective management of financial and non-financial risks. A responsibility as part of this is reviewing and ensuring appropriate disclosures are made regarding any material exposure the Group has to economic, environmental (including climate risk) and social sustainability risks. The ERC reports to the RMC on sustainability matters twice a year.

Board oversight

As set out in the Board Charter, the Board monitors the operational performance and financial position of the Group, as well as overseeing the business strategy and approving strategic objectives. The Board provides overall strategic guidance for the Group and effective oversight of management.

Updates

The Board receives ESG-related updates at a minimum of five times a year through reporting to the Board and its Committees. In 2026 this included:

- The Board – two voluntary sustainability reporting updates
- Audit Committee – one mandatory sustainability reporting progress update
- Risk Management Committee – two updates on sustainability strategy and performance (including metrics and targets)

The oversight of climate-related risks and opportunities has been integrated into the Board updates process from this year.

Skills and competency

The Board has a skills matrix that represents the collective strength of the Board for each skill, which includes environmental and social skills and experience, including climate change. The Nomination Committee is responsible for formulating the Board skills matrix, identifying and making recommendations to the Board regarding the necessary and desirable competencies of directors and evaluating the balance of skills, experience, independence, knowledge and diversity of directors sitting on the Board.

The Board is provided with ongoing professional development opportunities to maintain the skills and knowledge needed to effectively perform their role. During 2026, internal and external programs provided to the Board included presentations related to climate reporting, risks and governance.

Management oversight

Ongoing review of climate-related risks and opportunities commenced this year and will continue to be integrated into the Group's broader ESG approach, in line with the Group's risk management framework and risk appetite as defined by the Board.

Responsible executives

Climate-related risks and opportunities affect many areas of the Group and therefore are managed across the ELT. Executive accountability for climate-related risks and opportunities and the management of associated controls sits with the Group Lead – People Spaces & Sustainability (PS&S). The following executives have specific responsibilities relating to climate-related risks and opportunities and are supported in their roles by the ERC which meets biannually with the Sustainability team:

- Chief Executive Officer (CEO) – responsible for oversight of financial and non-financial risk and overseeing the work conducted by the Group Lead – PS&S in respect of the climate strategy. The CEO also approves the Group's Environmental Policy and ensures it is operating effectively.
- Group Lead – PS&S – Responsible for the design, implementation and embedment of the Group's risk sustainability strategy (including climate risk) and reporting to the CEO on the delivery of relevant strategic goals and objectives. Manages the overall implementation of the sustainability strategy (including progress towards targets), climate-related risks and opportunities and sustainability report, as supported by subject matter experts.
- Group Lead – Chief Risk Officer – responsible for management or control of the Group's overall risk management arrangements, including emerging risks and strategic risks.
- Group Lead – Chief Financial Officer and Group Strategy – responsible for providing inputs to internal and external reporting, including Board, management, risk, financial and regulatory reporting.

Executive remuneration

The remuneration framework for 2026 does not include climate-related considerations within executive remuneration. There is no set amount of remuneration linked to climate affecting a short-term incentive made to an executive, however there is a risk, compliance and behaviour gateway that must be achieved. Within this gateway, executives must demonstrate that the risks relevant to their roles are well managed.

Consideration during strategic decision-making and major transactions

Sustainability is integral to the Group's business strategy. The annual strategic planning process establishes our strategic objectives and includes the Board's review and approval of our strategy. The strategic planning process includes formal considerations of the outcomes from the Risk Management Framework and Risk Management Strategy to ensure appropriate consideration of the risk and control landscape. The Board also considers our Net Zero Target and Pathway.

When overseeing major mergers and acquisitions in the Group impacting our strategy, management-level integration working groups are established to investigate implications across all areas of the business. The PS&S

Sustainability report

integration working group assesses certain climate-related risks and opportunities of transactions, identifying potential issues and their risk level, as well as associated integration plan recommendations and costs. This is then shared with the team overseeing the feasibility of an acquisition, before recommendations are put to the Board to help inform the final approval of the acquisition. The process for identifying, prioritising, assessing and monitoring climate-risks and opportunities of the acquired entity are integrated into existing processes.

Controls and procedures

The Group has a three lines of defence approach to define risk management roles, responsibilities and accountability.

First line: Management is accountable for identifying, assessing, monitoring and managing material risks in the business. They are responsible for decision making and the execution of business activities, whilst managing risk to ensure it is in line with the Board's risk appetite and strategy.

Second line: The Group risk and compliance functions provide objective advice and challenge to the first line on risk and control activities and provide assurance and guidance on the design and implementation of appropriate risk management activities.

Third line: The internal audit function provides independent assurance to the Audit Committee and the Board on the adequacy and effectiveness of the Risk Management Framework, financial reporting processes and internal control and compliance systems operating in the first and second line.

Controls relating to the management of climate-related risks and opportunities are embedded within our central risk, obligations and control register and operate in line with the Risk Management Framework and the three lines of defence approach. These controls are designed to support the identification, assessment and management of climate-related risks and opportunities, including controls in relation to annual climate scenario analysis and the preparation of climate-related disclosures. Additionally, our Environmental Policy outlines our commitment to identifying, assessing and working towards mitigating the environmental impacts of our operations, including climate risk management. Management is responsible for ensuring the effective operation of these controls and they are regularly assessed by our Internal Audit function to determine whether their design and operation is effective and to facilitate a formal assessment in line with our Risk Management Framework.

The Group continues to strengthen the use of insights resulting from our climate risks and opportunities work to inform strategic decision-making, risk prioritisation and Board oversight, consistent with evolving regulatory expectations and industry practice.

Risk management

Risk management approach

The Group's risk management approach is defined by our Risk Management Strategy and underpinned by the enterprise Risk Management Framework. The framework includes the systems, structures, policies, processes and people used to manage risk across the business and aligns with the Australian Prudential Regulation Authority's Consolidated Prudential Standard 220 *Risk Management*.

The Group undertakes an annual strategic planning process to establish and agree strategic objectives with the Board, supported by the development of its corporate plan and capital management plan. Climate-related risks are considered within the broader risk governance arrangements, where considered to have a potential material impact to the business, and continue to be progressively incorporated into strategic and risk management processes as capability and methodologies mature.

Identifying, prioritising, assessing and monitoring climate-related risks

The identification of climate-related risks across the enterprise is informed by a range of inputs, including:

- Internal analysis (such as strategic reviews and engagement with the relevant teams)
- Peer benchmarking
- External research
- Consideration of the Net Zero Transition Scenario as aligned with our Net Zero Pathway
- Outputs from the materiality assessment, which identified environmental health as a key focus area.

This process identified for consideration potential climate-related physical and transition risks across key upstream relationships (including healthcare providers, service partners and property arrangements), core operations and associated assets, and downstream interactions with members and patients (in Table 1). Identification included consideration of ongoing shifts in healthcare delivery (such as the transition towards more home-based, virtual and lower emissions models of care), investment portfolio, data and technology, and marketing functions. Refer to Note 16 of the financial statements for the summary Group structure.

Climate-related risks were prioritised in a workshop by drawing on input from key representatives across the Group (including senior executives from Amplar Health, the Actuarial, Customer, Investments, Legal, Procurement, Risk, Strategy and Sustainability teams) to assess the time horizons, potential impact on cash flows, access to finance, cost of capital, likelihood levels and how these risks relate to existing enterprise risk themes. This resulted in a refined set of seven risks considered most relevant to the Group's prospects.

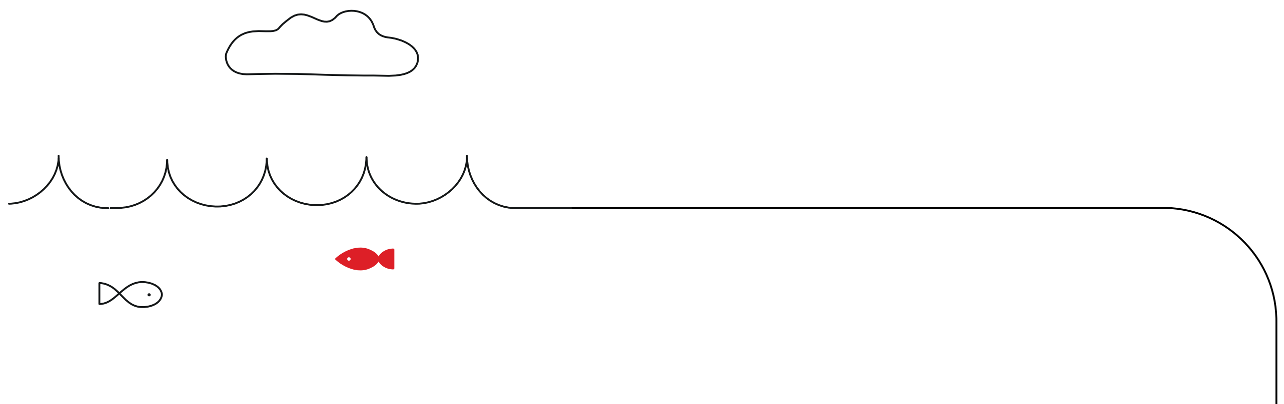
Climate scenario analysis was then used to stress test these seven risks across the enterprise under two plausible future climate conditions incorporating both qualitative insights and quantitative modelling. The analysis indicates that impacts are expected to be limited in the short-term (to 2030), with potential effects emerging over the long-term (2040–2060).

Climate-related risks are monitored through the existing risk governance and reporting processes and are reviewed at least annually to assess changes in relative impact over time. Identified climate risks are currently monitored with a longer-term perspective and are reassessed as the Group's understanding of climate impacts and risk drivers continues to evolve.

Identifying, assessing, prioritising and monitoring climate-related opportunities

The Group has identified two climate-related opportunities (in Table 1) as part of broader research conducted for a qualitative climate scenario analysis, that could reasonably be expected to affect the Group's prospects. We have undertaken work to pursue these opportunities and continue to do so, with impacts and progress monitored across the relevant areas. These opportunities continue to be relevant to the Group and are considered as part of our broader sustainability strategy and business strategy where relevant.

Key risks and opportunities are subject to ongoing review, and judgements regarding their identification and assessment. This includes the determination of material information. This is reassessed at each reporting period. This approach continues to evolve and is informed by the broader risk management practices.



Strategy

The Group has identified climate-related risks and opportunities that could reasonably be expected to affect its prospects over the short, medium and long-term. These risks and opportunities were identified through the process described above and reflect both transition and physical climate risk drivers.

Climate-related risks and opportunities

Table 1 summarises the seven climate-related risks reasonably expected to affect the Group's prospects (being its cash flows, access to finance and cost of capital), together with the mitigation and adaptation efforts the Group is employing. Table 1 also includes the climate-related opportunities we are pursuing and current and anticipated business and value chain impact. This includes climate-related risks and opportunities that the Group may not regard as material (based on likelihood and magnitude) but that users might reasonably consider likely to affect the Group's prospects. The assessment of materiality for climate-related risks and opportunities has been undertaken with reference to the Risk Appetite Framework, applying the likelihood and consequence criteria related to financial, infrastructure and environmental, as the closest available proxy. The assessment considers where these risks and opportunities are concentrated across our operations, suppliers and geographies and these insights inform our risk management priorities. For all of the risks and opportunities identified in the table, there are no material current impacts on our business model and value chain. The indicative financial effects of the climate-related risks summarised in Table 1 have been assessed through climate scenario analysis (to stress test their projected impacts in a lower and higher warming scenario) and are presented in aggregate in Table 2 in the climate resilience section.

Sustainability report

Table 1: Climate-related risks and opportunities reasonably expected to affect the Group's prospects

The Group has assessed the following risks before accounting for any mitigation controls (assessed on an uncontrolled basis).

Climate-related risk or opportunity	Climate driver, relevant scenario context and time horizon impact	Description of exposure or opportunity (pre-mitigation/ adaptation)	Anticipated business model and value chain impacts (risks), current and anticipated business model and value chain impacts (opportunities)	Current and anticipated adaptation and mitigation efforts
Carbon offset cost **(transition risk)**	Net Zero Scenario (**1.5°C**) Long-term	If the Group is unable to achieve its Net Zero Target, any unabated emissions can lead to exposure to carbon price. In addition, the Group's expansion of primary care centres through acquisitions and greenfield developments will increase energy use and emissions, increasing its exposure to energy cost volatility, carbon offsets costs.	The potential reliance on carbon offsets to achieve the Net Zero Target may result in increased operating costs and uncertainty arising from offset price volatility and supply constraints. This exposure arises at a Group level through our emissions management approach and interaction with the international and national carbon markets.	Additional investment in decarbonisation. Factor into financial plan and budgeting process.
Healthcare sector decarbonisation cost **(transition risk)**	Net Zero Scenario (**1.5°C**) Long-term	The transition costs (e.g. building retrofits to be more energy efficient, other cost related to decarbonisation) for healthcare facilities including private hospitals can result in significant costs that the Group as an investor and hospital funder may need to absorb.	This risk arises within the Group's healthcare value chain. While the Group holds an investment and funding relationship with its joint ventures, operational control rests with the healthcare provider. Our influence is exercised primarily through governance oversight, investment and funding arrangements, rather than operational control at a Group level, representing a small proportion of operating costs under assessed scenarios.	Factor into premium setting to the extent this leads to higher than expected claim payments.
Inflationary impact **(transition risk)**	Net Zero Scenario (**1.5°C**) Long-term	Higher inflation rates driven by climate transition and inflationary pressures on supply chains could increase healthcare costs, affecting the affordability of health insurance premiums for consumers.	Increased healthcare costs may indirectly affect the Group through pressure on insurance affordability, potentially putting pressure on customer retention, higher lapse rates, and revenue. These impacts arise primarily through the Group's role as a private health insurer within the healthcare value chain.	Factor into premium setting to the extent this leads to higher than expected claim payments. Assess potential investment and productivity options to help reduce inflationary impacts and customer retention risk.
Investment return risk **(transition risk)**	Net Zero Scenario (**1.5°C**) Long-term	Additional expenses associated with divestment could occur when aligning the investment portfolio with net zero economy requirements. The transition to a lower-carbon economy may negatively affect or disrupt certain industries in which the Group invests, thereby affecting investment performance.	Changes in investment allocation and market conditions driven by the climate transition may affect investment income and return across the Group investment portfolio. This arises through our role as a capital allocator and investor within financial markets.	Assess alternative investment options and asset allocation. Factor into financial plan and budgeting process.
Affordability and membership attrition – pressure on discretionary income **(transition risk)**	Net Zero Scenario (**1.5°C**) Long-term	An increase in cumulative climate change impacts could reduce discretionary income for Australians.	Reduced affordability may influence some customer behaviour across the private health insurance portfolio, potentially leading to higher lapse rates or a shift towards lower-priced products. These impacts arise downstream in the healthcare value chain through consumer purchasing decisions.	Factor into premium setting. Assess potential productivity savings to ease affordability pressures.
Increase in mental health claims **(physical risk)**	Hot House Scenario (**+4.4°C**) Long-term	Chronic stress and anxiety from ongoing climate emergencies could deteriorate mental health and can lead to an increase in hospitalisations, and emergency visits, increasing claims.	Increase in claims, and increased need for mental health services, which may mean losing customers to competitors with better mental health products and services. These impacts arise downstream in the healthcare value chain through increased service demand.	Our $50m investment in mental health research and care could be expanded. Factor into premium setting.
Increase in heat stroke claims **(physical risk)**	Hot House Scenario (**+4.4°C**) Long-term	An increase in the frequency and duration of extreme heat events can lead to a rise in heatstroke-related claims.	Increase in acute health impacts of more frequent and prolonged extreme heat events with heat-related illnesses projected to increase, affecting cardiovascular, kidney, respiratory, joint, and pregnancy-related claims. Noting that only a small proportion is expected to be borne by the private health system, given the urgent/unexpected nature of these incidents.	Factor into premium setting to the extent this leads to higher than expected claim payments.
Commitment to Net Zero (opportunity)	Net Zero Scenario (**1.5°C**) – transition Short – long-term	A commitment to Net Zero assists with keeping pace with projected changes in climate policy as well as stakeholder expectations.	This opportunity benefits our reputation, supports customer and employee retention and helps identify pathways for innovation. In 2021, we established our first Net Zero Pathway. As at 30 June 2025, we met our Net Zero Target for Scope 1 and Scope 2 emissions, as aligned to our business structure at the time (did not include Myhealth or other acquisitions since 2021). In 2026, we revised our emissions reduction pathway and updated our Net Zero Target and Pathway to align with our changed operational footprint. Read more about this in the *Net Zero Target* section.	Ongoing cross functional collaboration throughout our entire value chain to reduce Scope 1, Scope 2 and Scope 3 (excluding Category 15 – financed emissions) emissions to Net Zero by 2050. Integration and consideration of future mergers and acquisitions as the need arises.

Sustainability report

Climate-related risk or opportunity	Climate driver, relevant scenario context and time horizon impact	Description of exposure or opportunity (pre-mitigation/ adaptation)	Anticipated business model and value chain impacts (risks), current and anticipated business model and value chain impacts (opportunities)	Current and anticipated adaptation and mitigation efforts
Virtual and personalised models of care (opportunity)	Net Zero Scenario **(1.5°C)** – transition Short-term	Increased weather events may result in increased demand for virtual and home assistance health services.	This opportunity is intended to benefit the Group's patients and customers. Expanding virtual and personalised models of care is expected to be delivered through Amplar Health. It is not possible to isolate the climate-related investment and benefits of this opportunity with sufficient measurement certainty, as the opportunity is embedded within current business strategy. As the Group explores new ways to grow and improve virtual and personalised models of care options the potential impact includes increased revenue from market growth and reduced claims expenses as a result of preventative care.	Continue to explore and improve virtual and personalised models of care to be delivered through Live Better and Amplar Health. Recent examples include delivering virtual nursing and general practitioner services, introducing an online chat option to our 24/7 mental health line, delivering telehealth services, and at-home care programs like Hospital at Home and Rehab at Home.

Impact on strategy and decision making

The physical impacts of climate change and the transition towards a net zero emissions economy are likely to impact areas of our business and parts of the value chain to varying degrees. Climate change presents both discrete risks and opportunities and heightens the pressures on other strategic and operational risks, access to capital, cost of inputs, health and safety.

We recognise that the Group also has an impact on the climate, and we seek to minimise our environmental footprint to manage climate-related risks and capture the opportunities that the transition to a lower-carbon economy presents.

Climate-related risks and opportunities inform our strategy across two key areas:

1. Decarbonisation and operational efficiency, including renewable electricity sourcing, property efficiency initiatives and fleet transition (relating to our opportunities and transition risks).
2. Resilience and business continuity, including supporting customer wellbeing (relating to opportunities and physical and transition risks).

Currently, there are no changes to our business model or resource allocation related to our climate-related risks as none are affecting us materially in the current period. Climate-related opportunities continue to be pursued, with no further changes required in the current period. Additionally, we do not anticipate any changes to our business model or resource allocation as a result of our climate-related risks or opportunities as the capacity to adjust is embedded within current business strategy (see *Climate resilience* section).

Current and anticipated effects on financial position and performance, and cash flows

The nature of climate-related risks (including long-term and cumulative impacts) does not fully align with the discrete and event-based risks typically captured within the Risk Appetite Framework. As such, this framework has been applied on a high level and indicative basis only. Based on this assessment, the identified climate-related risks and opportunities are not considered material to the Group's current financial position. This approach will be further refined as a dedicated climate materiality framework is developed.

Current

Risks: For each risk identified in Table 1, there are no current material effects on financial position and performance, and cash flows.

Opportunities: Operating costs were incurred in 2026 relating to energy use, decarbonisation initiatives and carbon offsets, however this capital deployment was limited in scale and had no material effect on our financial position and performance, and cash flows. The climate-related costs of investments in digital health solutions are not separately identified from the total investment in digital health.

Anticipated

Risks: For each risk identified in Table 1, we do not anticipate any material financial impacts in the short-term. Given the Group has the capacity to adjust (see the *Climate resilience* section), we do not anticipate material financial impacts from our risks in the medium and/or long-term.

Opportunities: For each opportunity identified in Table 1, we anticipate continued limited operating costs with no material effect on our financial position and performance, and cash flows in the short, medium and long-term.

We do not anticipate there are any climate-related risks or opportunities identified above for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in financial statements.

Changes to financial position

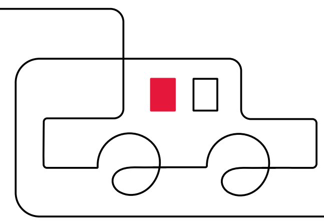
The Group's financial position is expected to remain resilient over the short, medium and long-term horizons, per the relative impact identified in Table 2. This is due to the existing business strategy including strategies to mitigate identified climate-related risks (such as drivers of net zero) and the implementation of opportunities (such as the growth of digital health solutions and innovation in service delivery). We remain committed to assessing the costs of climate-related risks and opportunities relating to new acquisitions and partnerships.

Planned sources of funding for new initiatives to manage climate-related risks and opportunities are expected to come from operating cash flows. Based on current projections, these initiatives are not expected to result in material impacts on operating costs in the short, medium or long-term.

Work continues to enhance our financial risk models to better capture the potential impacts of climate change on our portfolio.

Climate resilience

To assess climate resilience, the Group uses climate scenario analysis to assist with understanding the uncertainty of climate-related risks and opportunities across the short, medium and long-term, in both a Net Zero Transition and Hot House Scenario. The scenarios on page 46 were selected because they represent two distinct, plausible futures, one of which is aligned to our Net Zero Pathway. Together, they provide a robust basis to assess strategic resilience. Further detail on our assumptions when applying these climate scenarios, and their associated impact on the Group, is outlined in the tables on page 46.



Sustainability report

Climate scenario analysis

Figure 1: Overview of climate scenario analyses

	+1.5°C Temperature alignment 2100 SCENARIO 1: Net Zero Transition	+4.4°C Temperature alignment 2100 SCENARIO 2: Hot House
Description	This scenario represents a high transition pathway of a world focused on sustainability, equity and proactive climate action, achieving very low GHG emissions and limiting radiative forcing to 1.9 W/m² by 2100. It envisions a rapid transition from fossil fuels to renewable energy in Australia, driven by collective efforts of the government, businesses and consumers. It represents a future where global efforts to mitigate climate change are successful, resulting in a significant reduction in GHG emissions and a limited global temperature rise to 1.5°C. Characterised by low physical risk but high transition risk, it envisions a rapid shift to a low-carbon economy, driven by the collective efforts of governments, businesses, and consumers.	This scenario is based on a high global warming trajectory, assuming net zero targets are not achieved, and current trajectories continue unabated resulting in a very high GHG emissions outcome (8.5 W/m²) and where fossil fuels continue to dominate the Australian energy supply. The world faces unprecedented changes to social, economic, and technological trends. Erratic development and income growth cause severe setbacks in many regions, with less socio-economically mature nations especially affected. This is a continued reliance on fossil fuels and severe weather events, sea-level rise and ecosystem degradation are common. This scenario explores physical risks to inform the understanding of the more pronounced impacts of physical climate hazards, which increase towards the end of the century.
Global scenario alignment	Shared Socioeconomic Pathway (SSP)1-1.9 Global scenario alignment Orderly Net Zero 2050 Network for Greening the Financial System scenario alignment	SSP5-8.5 Global scenario alignment Hot house Current policies Network for Greening the Financial System scenario alignment
Global GHG in 2050	2.4 Gt CO_2/yr	84.7 Gt CO_2/yr
Global temperature increase by end of century	1.0-1.8°C	3.3-5.7°C
Associated climate risk types	Transition risks	Physical risks

Key assumptions

	SCENARIO 1: Net Zero Transition	SCENARIO 2: Hot House
Climate-related policies	1. In Australia, stronger government action and consumer demand drive more stringent climate policies and incentives. 2. Strict preventative greenwashing guidelines under the Australian Securities and Investments Commission (ASIC) and improved climate reporting under AASB S2, leads to increased regulations. 3. Stringent policies and increased government action, driven by rising consumer demand for sustainability, result in robust climate policies and incentives. 4. Climate reporting improves with the introduction of AASB S2, leading to increased regulations and emerging disclosure requirements. 5. ASIC develops guidelines to prevent greenwashing and ensure accurate sustainability-related disclosures.	1. Without strong climate policies, climate-related health impacts and natural disasters intensify, increasing financial risk and limiting insurers' ability to provide coverage, as well as putting more strain on healthcare systems. 2. Health insurance providers face scrutiny balancing financial stability and those vulnerable to climate change. 3. In response to the physical impacts and policy failures, there is an increase in legal claims brought against companies who directly, or indirectly, have contributed to climate change.

Key assumptions

	SCENARIO 1: Net Zero Transition	SCENARIO 2: Hot House
Economic trends	1. Coal-dependent economies like Australia face significant impacts, the economy diversifies, shifting towards renewable energy and green hydrogen technologies. 2. Increased growth of sectors focused on the extraction, processing, and export of critical minerals, such as lithium, cobalt, and nickel, which are essential for renewable energy technologies like batteries and electric vehicles. 3. By 2050, carbon prices increase to over 20 times the current price of $33 in Australia.	1. Widespread economic challenges, with growth rates likely to decline due to the physical impacts of climate change. Inconsistent policies and a lack of unified approach lead to stagnation in carbon pricing, as there is no global carbon price or coordinated market formation. The overall economy is severely impacted, with the global Gross Domestic Product projected to decrease by 6.9% by 2100. 2. Increasingly severe weather events drive infrastructure damage and higher asset loss costs, with flow-on impacts to communities, businesses and the broader economy. 3. Population centres in South East Queensland and North East New South Wales see the greatest increase in natural disaster costs under this scenario, cost of restoration and recovery from climate change impacts leads to a higher cost of living and affordability issues for healthcare and insurance.
Banking trends	1. In this scenario, banks play a key role in providing capital to facilitate the transition to net zero. 2. As the economy transitions, changes in demand for products, services, and input prices have the potential to cause challenges for the financial sector. Opportunities for lenders to offer tailored products to meet the increased demand for financial products to assist in funding climate resilience and the net zero transition.	1. Severe physical climate impacts present under this scenario increase overall bank lending losses. Mortgage portfolio losses as much as triple by 2050, caused by higher default rates, coupled with property damage decreasing the value of homes used as collateral for mortgages. 2. Queensland and the Northern Territory experience the most significant increases in lending loss rates from 2030 to 2050.
Healthcare trends	1. Public healthcare systems face reduced health impacts, with lower emissions leading to improved air quality and fewer respiratory and cardiovascular conditions. 2. Chronic respiratory conditions remain a key health burden, affecting 34% of Australians and accounting for approximately 3% of total healthcare expenditure. Improved air quality reduces pressure on healthcare systems, supporting better health outcomes and lowering hospital claims. 3. Advances in medical technology, combined with economic growth, improve access to healthcare, with a greater focus on preventative care and enhanced patient outcomes.	1. Private and public health systems face unprecedented challenges due to increased bushfire events leading to a surge in respiratory diseases from poor air quality. 2. Pollution and extreme heat exacerbate cardiovascular issues, increasing heatstroke and related conditions. Chronic stress and anxiety from ongoing climate emergencies deteriorate mental health, resulting in more hospitalisations, emergency visits, and ambulance callouts. 3. The healthcare system struggles to meet the increased demand, further strained by economic challenges and rising healthcare costs limiting access to essential services. By 2050, the number of years of healthy life lost due to cardiovascular disease caused by increased temperatures increase by 182.6% from 7.3% in 2025.

Sustainability report

	Key assumptions	
	SCENARIO 1: Net Zero Transition	**SCENARIO 2: Hot House**
Social trends	1. Significant changes to social and population dynamics. Consumers increasingly prefer sustainable goods and services, driven by heightened awareness and demand for environmental responsibility. There is a global commitment to achieving sustainable development goals, reducing inequality, and minimising resource consumption. 2. Additionally, the ageing population nearly doubles, with those over 60 years old increasing from 12% to 22% between 2015 and 2050. This demographic shift necessitates enhanced social support and healthcare systems to ensure overall wellbeing.	1. Soaring global temperatures and climate-related disasters increase global inequalities, displacement, and public health issues, especially for vulnerable people. 2. The lack of climate policies exacerbates inequalities, leading to a breakdown in social structures, increasing risks and reducing protection for vulnerable populations. Extreme weather and rising sea levels increase the cost of living and further threaten mental health, particularly in rural and low-income areas. 3. Climate-induced displacement, migration, and property loss destabilise society, impacting healthcare systems and affordability, leading to increased stress and anxiety. As extreme weather events strain the power grid, rural and regional communities face more frequent power outages due to higher demand or inadequate infrastructure. Energy uncertainty is especially challenging for hospitals, which must depend on backup diesel generators to sustain essential services, raising operational costs and complicating care delivery.
Infrastructure and healthcare trends	1. Rapid decarbonisation and evolving consumer demands shifts the focus towards low-carbon, circular economy-based design and considerations within the infrastructure industry. 2. In Australia, GHG emissions from Australia's waste and recycling industry reduces to about 4 Mt CO_2-e by 2030 and continue trending down towards zero by 2050.	1. Critical infrastructure for energy, water, and transport is exposed to heatwaves, floods, and extreme weather. These conditions disrupt power, communications, water and sewer systems, and transport networks, increasing maintenance and repair costs for businesses. 2. Rising infrastructural costs and lack of coordinated policies further strain the industry's ability to meet customer demand and maintain normal operations. 3. Annual waste generation in Australia increases by 18 million tonnes from 75.6 million tonnes of waste in 2024.
Developments in technology	1. A key factor in this reduction is the adoption of innovative technologies, including waste-to-energy generators integrated with carbon capture and storage.	1. Slow innovation in advanced non-fossil technology, resulting in only modest cost and performance improvements for fossil-fuel alternatives.

Qualitative scenario analysis

The qualitative climate scenario analysis, completed in 2026, was based on publicly available data sources. The analysis considered potential impacts across the Group's healthcare services, private health insurance operations, and broader value chain. It identified areas of possible disruption that may affect our strategy, business model and risk profile. Location-specific climate hazards, assessed across a selection of 30 sites in Victoria, Queensland and New South Wales, were chosen to capture a range of operational and geographic exposures. Climate hazard and scenario-aligned metrics were applied to these locations, including those consistent with a 1.5°C pathway, to support the qualitative assessment.

Quantitative scenario analysis

A quantitative climate scenario analysis, completed in 2026, was done on the physical and transition risks that could be reasonably expected to affect the Group.

The analysis was performed assuming a static portfolio, with only climate-related changes modelled. As such, the scenario analysis does not reflect future changes to customer/mix (other than those related to the identified risk in Table 1), underlying claims inflation, potential future policy changes, nor potential additional steps to mitigate the financial impacts. Impacts are modelled independently and represent average effects only. Table 2 provides further details on the impact anticipated to affect the Group in the short, medium and long-term.

Key assumptions - Transition Scenario:

- Current Australian carbon price and Australian Energy Market Commission (AEMC) shadow price blended over the scenario period (for example 2050: 100% AEMC)
- Climate transition model estimated impact on household disposable income, inflation (increasing up to +1.4% by 2060) and investment income, and applied at a national level to reflect the Group's national footprint of customers
- 50% of the increased claims cost will be passed to customers via higher premium increases, with current lapse elasticity factors used to estimate the impact on policyholder numbers under future climate scenarios
- Australia's total cost of decarbonisation is apportioned to the private healthcare sector according to the share of carbon emissions produced by private hospitals and dental practices (approximately 1%), and reflecting the Group's current share of funding this sector

Key assumptions - Hot House Scenario:

The analysis evaluates the impact of climate-related hazards on mental health and extreme heat-related claims across different demographics and geographic locations and applies these impacts to claims data from 2024-2026 to assess the estimated increase in 2030, 2040 and 2060.

- Mental health claims impacted in proportion to current claims (based on available Australian research, 2% increase in mental health claims per 1 degree increase in temperature), and all mental health claims treated in private hospitals (i.e. not public)
- Current claim patterns by clinical category are used as a proxy for members' vulnerability to requiring treatment during heat effects, with impacts by category based on available research (approximately 0.5-7% range of increase per 1 degree increase in temperature)
- Based on available research on Australian historical heatwave events, 5.3% of physical health claims will be paid by private health insurance as these claim impacts are expected to be related to emergency care (i.e. mostly treated by the public health system)

Assessing our resilience

Using our climate scenario analysis, the Group stress tested the risks reasonably expected to affect our prospects under a Net Zero Transition scenario and a Hot House scenario across the short, medium and long term. The estimations are influenced by the assumptions and scenarios underpinning the models and calculations described earlier in this report and assumed a static portfolio with no additional mitigation actions.

The analysis indicates that climate-related impacts are expected to increase over time however remain below 1% of profit before tax across both scenarios across the short, medium and long-term. These relative impact levels describe the scale and direction of impacts across scenarios and time horizons and not intended to represent formal materiality thresholds or determine risk appetite at this stage.

The analysis indicates that climate-related stressors are not expected to have a material financial impact on the Group across either scenario with our strategy and business model remaining resilient. Expected transition risks are manageable within existing strategic levers such as pricing, product mix, supplier engagement and business line tilts, without the need for significant changes to strategy or business model. Under a scenario of a reduction in profit (before tax) by 1.0%, the Group would remain profitable and this financial impact could potentially be offset by one of the financial levers available as part of our risk and capital management framework (such as a reduced dividend).

The Group can adapt over the short, medium and long term, supported by its strong capital position and flexibility to redeploy, repurpose and upgrade assets. Extreme weather events may occasionally increase claims costs or heighten certain strategic and non-financial risks, but long-term climate shifts and transition factors are not expected to require significant changes to the business model or strategy. Overall, given the limited impacts within the disclosed ranges, the Group is expected to remain flexible and resilient.

Limitations and judgements

Climate-related scenario analysis is used to assess the resilience of the Group's strategy and business model under a range of future climate-related conditions. Scenario analysis is not intended to predict future outcomes and should not be interpreted as a forecast. Climate-related scenario analysis involves inherent uncertainty and relies on assumptions regarding policy settings, macroeconomic conditions and technological developments and stakeholder expectations. These assumptions may not eventuate and actual outcomes may differ materially from those reflected in the scenarios. Scenario assumptions do not incorporate changes to the Group's business model or control environment beyond those currently in place.

Where quantitative metrics and amounts cannot be measured directly, the Group estimates values using available internal and external information, including industry benchmarks and other proxies. Due to the complexity of modelling climate-related impacts, particularly in relation to transition risks and healthcare-specific supply chain dependencies, precise quantification is not feasible without a high degree of uncertainty. Whilst reasonable estimates and supporting assumptions have been applied, limitations remain. This analysis reflects current frameworks and controls without assuming changes to our business model or strategy in response to future risk drivers.

Sustainability report

Metrics and targets

Climate-related metrics

GHG emissions: 2026 results

Table 3: Total absolute gross GHG emissions* for 2026 (tCO_2-e):

Category name and scope	2026
Scope 1	
Scope 1 (gross)	49.4
Scope 2	
Scope 2 (market-based)	3,411.3
Scope 2 (location-based)	4,099.9
Total Scope 1 and Scope 2 (market-based)	3,460.7
Total Scope 1 and Scope 2 (location-based)	4,149.3

* The atmospheric gases responsible for causing global warming and climate change, which include carbon dioxide (CO_2), methane (CH4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF6) and nitrogen trifluoride (NF3).

Total absolute gross location-based GHG emissions are the total GHG emissions produced by an entity across all scopes. Total market-based GHG emissions are the total GHG emissions produced by an entity across all scopes less verified removals or offsets such as renewable energy certificates. Our absolute gross location-based GHG emissions show the actual operational footprint and market-based emissions indicate progress towards our Net Zero Target.

Measurement approach, inputs and assumptions for GHG emissions

The Group uses an operational control approach to emissions reporting, consistent with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004). Under this approach, emissions are included where the Group has the authority to influence the operational activities at a location, and emissions reduction initiatives are implemented where operational control exists. During 2026 the Better Medical Group was acquired and incorporated into the Group's gross emissions boundary. Scope 1 and Scope 2 emissions are calculated using emission factors from the National Greenhouse Accounts 2025.

The accuracy of GHG emissions calculations is contingent upon the quality of data and the representativeness of the proxies used, and we are committed to continuously improving the accuracy of these metrics. We are investing in improving data collection and reporting systems, engaging with suppliers to obtain more precise data, and participating in industry initiatives to refine the methodologies for calculating value chain emissions.

Scope 1 gross GHG emissions: Direct emissions, consisting primarily of emissions from the combustion of fuels directly released from activities the Group owns or controls, such as fuel consumption across vehicles, with a small amount of fugitive emissions from refrigerant leakages also contributing. Total fuel consumption is based on third-party records, including invoices. Where third-party data is not available, estimates were developed using best-available information, including Australian National Greenhouse and Energy Reporting (NGER) accounts factors 2025, particularly for scoping refrigerant-related emissions.

Scope 2 GHG emissions: Scope 2 emissions represent indirect emissions from purchased electricity consumed across the Group's operations. Emissions are calculated in accordance with the GHG Protocol and the methodology outlined in the National Greenhouse Accounts Factors 2025 using both the location-based method (reflecting grid-average emission factors) and the market-based method (reflecting renewable electricity sourcing decisions). GHG emissions are calculated using emissions factors from the National Greenhouse Accounts 2025, consistent with the requirements of the Australian NGER methodology.

Scope 2 emissions relate to electricity consumption across the Group's operations. Scope 2 emissions include electricity that is directly procured and controlled within the Group's tenancy spaces. For leased office environments where building services, including heating, ventilation and air conditioning systems, are controlled and operated by landlords, associated energy consumption is excluded from Scope 2. This approach reflects the Group's lack of operational control over base building systems and aligns emissions reporting with operational responsibilities.

Electricity consumption is measured using third-party data sources, including invoices, and where necessary supplemented by management estimates based on historical consumption patterns or comparable facilities on a per square metre basis. Electricity consumption for Myhealth and Better Medical sites is estimated based on actual invoice data from a representative sample of top-performing sites (top 10% by availability of verified data) over a 12- month period.

Market-based: This Scope 2 emissions reporting incorporates GreenPower® purchases. Bundled instruments involve purchasing renewable electricity and certificates together (e.g. GreenPower®), while unbundled instruments involve separately acquiring decoupled GreenPower® to match electricity use. The Group's primary reporting basis for Scope 2 (market-based) is applying a consolidated approach across all operations under its operational control and reflecting the use of GreenPower® for sites unable to directly transition to renewable electricity. This enables a unified Scope 2 (market-based) position for 2026.

Location-based: Scope 2 emissions under the location-based method are calculated using the average emissions intensity of the electricity grids in the regions where electricity is consumed in accordance with the methodology outlined in the GHG Protocol and the Australian National Greenhouse Accounts Factors 2025. This approach reflects the underlying generation mix of each grid and does not take into account contractual instruments such as renewable energy purchases or certificates. Electricity consumption data is primarily based on third-party records, supplemented by reasonable estimates where data is incomplete.

Internal carbon price

The Group does not currently apply an internal carbon price to investment and operational decisions.

Vulnerability of assets and business activities to climate-related risks and opportunities

During the assessment of climate-related risks, no material assets or business activities have been identified as vulnerable to physical or transition risks over the short term.

The corporate and retail sites and General Practitioner (GP) clinics are leased premises with limited exposure to the financial risk of damaged property from extreme weather events. The Group's identified climate-related physical risks primarily relate to impacts on claims experience, rather than damage to owned physical assets. Although the Group is exposed to physical risks, we have a number of climate resilience measures already in place, such as business continuity through flexible and remote working. The identified climate-related transition risks primarily relate to impacts of insurance affordability on customer behaviour. The impacts are currently assessed as within risk appetite based on the likelihood of the risk occurring and existing controls to manage the risk.

The alignment of assets and business activities to climate-related opportunities have been qualitatively identified at the Group level. Our Commitment to Net Zero opportunity is applicable across the Group per our Net Zero Target and Pathway. Our Virtual and personalised models of care opportunity is also applicable to the Group as is intended to benefit our patients and customers. These opportunities are managed through the Group's existing business strategy, such as expansion of our virtual health services.

As outlined in the *Current and anticipated effects on financial position and performance, and cash flow* section, there is no current or anticipated material capital deployment for the Group's climate-related risks and opportunities.

Further refinement of asset and business level considerations will be considered as scenario capabilities continue to mature, including integration of specific exposure data and evaluation of financial implications.

Climate-related targets

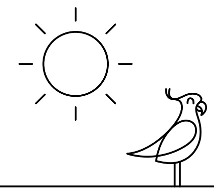
Net Zero Target

In 2026, we revised our Net Zero Target to align with our changed operational footprint. The Group has committed to achieving an absolute target of Net Zero by 2050 across Scope 1, Scope 2 (market-based) and Scope 3 (excluding Scope 3 Category 15 financed emissions) GHG emissions from a 2025 baseline, focused on decarbonisation. The Net Zero Target applies to subsidiaries within the Group. The Group is relying on transitional reporting relief from disclosing its Scope 3 emissions in accordance with AASB S2. As a full Scope 3 emissions inventory (inclusive of Scope 3 Category 15 financed emissions) has not yet been calculated, the Group has not yet determined the appropriate offset percentage from the baseline and therefore does not currently have a gross target for Scope 3 GHG emissions.

This time horizon reflects an updated understanding of the Group's emissions profile and decarbonisation levers, particularly across our healthcare value chain. Our Net Zero Target is informed by the goals of the Paris Agreement, including efforts to limit global temperature increase to 1.5°C, and aligned to the Global Road Map for Health Care Decarbonisation, published by Health Care Without Harm in April 2021. The Net Zero Target has not been derived using a sectoral decarbonisation approach as there is no current one that correlates with the Group's operations. A third-party validation has not been undertaken at this time.

Progress is monitored using key metrics including absolute emissions (tCO_2-e). Performance against our Net Zero Target and Net Zero Pathway is assessed over time using emissions data and operational metrics, with material trends and changes monitored to support continuous improvement.

Resourcing required for our Net Zero Target and Pathway comes from operating cash flows, see *Changes to financial position* section on page 45 for further details.



Sustainability report

Net Zero Pathway

Our Net Zero Pathway sets out the actions we plan to take to achieve our Net Zero Target. The Group has identified a range of decarbonisation levers across Scope 1, Scope 2 and all relevant categories of Scope 3 (excluding Category 15 – financed emissions) available to support our Net Zero Pathway, including passive and active levers. Our active levers are outlined in Table 4 below.

While these levers provide a credible basis for emissions reduction, we acknowledge that there remains inherent uncertainty associated with long-term Scope 3 emissions trajectories. This uncertainty reflects factors outside our direct control, including supplier and customer actions, technology development and adoption, market dynamics, policy and regulatory settings, and the availability of lower-emissions products and services. The Net Zero Target and Pathway are reviewed periodically through internal governance processes and may be updated to reflect changes in organisational structure, data quality, or external standards. Any revisions are approved by the Board and disclosed to the market in that annual reporting period.

For all relevant Scope 3 categories (excluding Category 15 – financed emissions), we apply the minimum boundary as per the GHG Protocol *Corporate Value Chain (Scope 3) Accounting and Reporting Standard,* with the exception of professional services (Category 1), due to our limited ability to influence professional services.

Table 4: Our Net Zero Pathway active levers to achieve our 2050 Net Zero Target

Actions to 2030	Actions to 2040	Actions to 2050
Scope 1 and Scope 2 (market-based) GHG emissions: • Continue fleet decarbonisation efforts to further reduce Scope 1 GHG emissions • Reduce Scope 2 (market-based) GHG emissions across general practitioner clinics by at least 90% against baseline • Utilise measures such as increased use of renewable energy in leased assets and improving building energy efficiency • Offset residual Scope 1 and Scope 2 (market-based) GHG emissions with minimum reliance on offsets (<10% against baseline)	Maintain net zero across Scope 1 and Scope 2 (market-based) GHG emissions Scope 3 GHG emissions: • Category 1 (purchased goods and services) and Category 2 (capital goods) – 70% reduction across the Group compared to FY25 baseline, with a commitment to exploring emissions reduction opportunities across our controlled subsidiaries • Category 8 (upstream leased assets) – 80% reduction	Maintain net zero across Scope 1 and Scope 2 (market-based) GHG emissions Scope 3 GHG emissions: • Category 5 (waste) – improve recycling and reduce unnecessary single-use items, where safe to do so, through engagement at medical sites • Category 6 (business travel) and Category 7 (employee commuting) – reduce employee business travel compared to FY25 baseline. Embed travel efficiency principles into nurse and GP-led care models. Virtual care will be used as a clinical enabler, not as a substitute target, and will not be relied upon to offset emissions growth from expanded in person services

Note: Scope 3, Category 15 (financed emissions) are excluded from our current Net Zero Pathway. We intend to assess the feasibility of a financial emissions pathway once we have a better understanding of our emissions portfolio.

2025 baseline

As at 30 June 2025, the Group met its Net Zero Target for Scope 1 and Scope 2 (market-based) emissions against a 2021 baseline, as aligned to our business structure at the time (did not include Myhealth or other acquisitions since 2021). Subsequently, 2025 has been adopted as the baseline year for measuring progress against our new Net Zero Target and Pathway, for Scope 1, Scope 2 (market-based) and Scope 3 GHG emissions.

Progress against our Net Zero Target

The following analysis focuses on market-based GHG emissions, which reflect the impact of renewable electricity procurement and are used to track progress towards the Net Zero Target.

Scope 1 GHG emissions decreased by 15% during the year, largely resulting from the transition to a hybrid fleet. Scope 2 (market-based) emissions increased by 40%, reflecting business growth, including an expanded footprint across Myhealth, growth in Amplar Home Health Hospital operations, and the acquisition of Better Medical.

Net emissions were generated through electricity consumption across the Group's office and retail portfolio across Scope 2 (market-based). During the year, the Group increased renewable electricity procurement through GreenPower®, with 86% of sites supplied under GreenPower® arrangements at year end and the remaining sites purchasing decoupled GreenPower®.

Myhealth

The emissions boundary established for Myhealth did not identify any quantified Scope 1 emission sources. Net emissions were generated through electricity consumption across 108 clinics, reflecting the operational footprint of the portfolio during the reporting period. Market-based emissions from Myhealth increased by 25%, primarily reflecting growth in the operational footprint, including an increase in occupied floor area across the clinic network and associated electricity consumption.

Better Medical

Better Medical's emissions profile reflects the inclusion of 61 clinics within the reporting boundary and the associated electricity consumption required to support clinical operations across the expanded portfolio since the date of acquisition.

Scope 3 emissions

With 2026 marking the commencement of our Net Zero Target and Pathway, key activities included planning, capability building, and development of reduction initiatives, with emissions outcomes expected to be realised in future reporting periods.

Planned use of carbon credits

The Net Zero Pathway prioritises emissions reduction as the primary means of achieving our Net Zero Target, however we anticipate needing to offset residual GHG emissions. The Group currently sources nature-based and technology-based offsets and nature-based removals, including mangrove restoration projects which provide long-term carbon storage with high permanence. Prior to purchasing, projects are assessed internally under the Group's carbon credit purchasing framework which aligns with our sustainability strategy and evaluates factors such as permanence, social co-benefits, integrity checks and verification standards. Chosen offsets and removals are verified under independent nationally recognised schemes, these include (but are not limited to) Verra's Verified Carbon Standard.

Directors' declaration

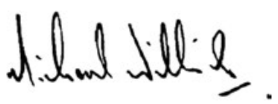
The directors declare that, in the opinion of the directors, the Company and its controlled entities (Group) have taken reasonable steps to ensure that the substantive provisions of the Sustainability report for the financial year ended 30 June 2026 set out on pages 36 to 53 are in accordance with the *Corporations Act 2001*, including:

a. Complying with Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures and any further requirements determined under section 296C of the *Corporations Act 2001*; and

b. Containing the climate statement disclosures required by section 296D of the *Corporations Act 2001.*

This declaration is made in accordance with a resolution of the directors.

On behalf of the Board,



Mike Wilkins AO
Chair

David Koczkar
Chief Executive Officer

20 August 2026
Melbourne

PwC sustainability assurance report

Independent Auditor's Review Report on specified Sustainability Disclosures

To the Members of Medibank Private Limited

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of Medibank Private Limited ("the Company") and its controlled entities (together, "the Group") for the year ended 30 June 2026 as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Specified Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) (including related general disclosures required by Appendix D)	Location in Sustainability Report
Governance	Paragraph 6	Governance disclosures presented under the heading "Governance".
Strategy (risks and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	The climate-related physical risks, transition risks, and opportunities presented in Table 1: Climate-related risks and opportunities reasonably expected to affect the Group's prospects under the columns "Climate-related risk or opportunity" and "Description of exposure or opportunity (pre-mitigation/adaptation)". Applicable method and measurement approaches are as described under the sub-heading "Climate-related risks and opportunities" within the Strategy section.
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	The following emission disclosures presented in Table 3: Total absolute gross GHG emissions for 2026 (tCO_2e) within the Metrics and targets section: • Scope 1 emissions: 49.4 tCO_2e; • Scope 2 emissions (location-based): 4,099.9 tCO_2e; • Scope 2 emissions (market-based): 3,411.3 tCO_2e Applicable method and measurement approaches are the disclosures outlined under the sub-headings "*GHG emissions: 2026 results*" and "*Measurement approach, inputs and assumptions for GHG emissions*".

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006,
GPO Box 1331 MELBOURNE VIC 3001
T: +61 3 8603 1000, F: +61 3 8603 1999, www.pwc.com.au

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the Work Performed' section of our report below.

Our responsibilities under ASSA 5000 are further described in the Auditor's Responsibilities section of this report.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures and public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the specified Sustainability Disclosures and our auditor's report thereon. Prior to the date of this auditor's report, the other information we obtained included the Directors' Report, Financial Report and the remainder of the statutory sustainability report. We expect the remaining other information to be made available to us after the date of this auditor's report.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon. We have issued a separate opinion on the Financial Report and the Remuneration Report included in the annual report.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent

PwC sustainability assurance report

with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the specified Sustainability Disclosures

The directors of the Company are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining such internal control as is necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act, that are free from material misstatement, whether due to fraud or error.

Inherent Limitations in preparing the specified Sustainability Disclosures

Sustainability information may be subject to more inherent limitations than financial information, given both its nature and the methods used for determining, calculating, and estimating such information. Different acceptable methods have varying precision and can affect the comparability of sustainability information across entities and over time.

In addition, greenhouse gas emissions quantification is subject to inherent uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

The specified Sustainability Disclosures in relation to Strategy (risks and opportunities) have been prepared using assumptions about future events, and management's actions, that may not occur.

Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Inspected the specified Sustainability Disclosures and assessed the completeness and accuracy of these disclosures against the relevant disclosure requirements of AASB S2 and with reference to the knowledge and evidence obtained during the assurance engagement;
- Performed enquiries of management regarding the methodologies, processes and controls for capturing, collating, calculating and reporting the specified Sustainability Disclosures and assessed their alignment with AASB S2 and applicable method and measurement approaches;
- Inspected and assessed, on a sample basis, charters, statements, and minutes of meetings regarding the monitoring, management and oversight of climate-related matters, and other underlying evidence supporting the climate-related financial disclosures on governance;
- Performed enquiries of management and examined underlying evidence on a sample basis regarding the approach taken by the Group to:
  - Identify and prioritise climate-related risks and opportunities;
  - Identify material information for disclosure with regards to the Strategy (risks and opportunities) disclosures;
- Performed enquiries of management and examined underlying evidence to assess the completeness and accuracy of the establishment of the organisational boundary, and sources of emissions, in the context of the specified Sustainability Disclosures;
- Performed enquiries of management regarding the assumptions, conversion factors and greenhouse gas emission factors applied within the calculations of the Scope 1 and 2 emissions;
- Applied analytical procedures to evaluate the Scope 1 and 2 emissions and the underlying activity data, and;
- Performed testing over the calculations of the Scope 1 and 2 emissions, including testing, on a sample basis, the activity data utilised within the calculations to third-party records, and other relevant underlying information, on a sample basis. These procedures did not include any examination of whether Energy Attribute Certificates applied within these calculations, such as Large-scale Generation Certificates or Renewable Energy Certificates, actually represent renewable electricity generated.

PricewaterhouseCoopers

PricewaterhouseCoopers

M. Laithwaite

Marcus Laithwaite
Partner

Melbourne
20 August 2026

Directors' report

The directors of Medibank Private Limited (Medibank) present their report on the consolidated entity consisting of Medibank and its controlled entities (collectively referred to as the Group) for the year ended 30 June 2026.

References to 2025 and 2026 are to the financial years ended on 30 June 2025 and 30 June 2026 respectively unless otherwise stated.

Directors

The names of directors in office during the year and up to the date of this directors' report, unless stated otherwise, are as follows:

Current

Mike Wilkins AO – Chair
David Koczkar – Chief Executive Officer
Dr Tracey Batten
Gerard Dalbosco
Peter Everingham
Kathryn Fagg AC
Jacqueline Hey (appointed effective 19 November 2025)
Dr Lisa McIntyre (appointed effective 19 November 2025)

Former

David Fagan (retired effective 19 November 2025)
Linda Nicholls AO (retired effective 19 November 2025)
Jay Weatherill AO (retired effective 31 December 2025)

Principal activities

The principal activities of the Group during the financial year were providing health insurance and health services. The Group's core business is underwriting and distributing private health insurance policies under the Medibank and ahm brands for resident and non-resident customers. Medibank Health complements the insurance business through Amplar Health, which provides wellbeing, prevention, primary care and homecare services to Medibank and ahm customers, and to customers and patients across the public and private systems, and the broader community. Activities also include the Live Better rewards program and offering other insurance products, including travel, life, home and pet insurance. The Group also has investments in other entities and joint ventures engaged in the provision of short stay surgical and mental health facilities.

There were no other significant changes in the nature of those activities during the year.

Operating and financial review

Details of the operating and financial review of the Group including a review of operations during the year and results of those operations are included in the operating and financial review on pages 26 to 35.

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Group during the year.

Events since end of financial year

No matter or circumstance has arisen since the end of the financial year that has significantly affected, or may significantly affect, the Group's operations, or the results of those operations, or the Group's state of affairs in future financial years.

Future developments

Details of developments in the Group's operations in future financial years and the expected results of those operations are included in the operating and financial review on pages 26 to 35.

Directors

Dividends

Dividends paid or determined by Medibank during and since the end of the year are set out in Note 5 to the financial statements and further set out below:

- A fully franked final ordinary dividend of 10.20 cents per share was determined in respect of the six-month period ended 30 June 2025, paid on 9 October 2025 to shareholders registered on 11 September 2025.
- A fully franked interim ordinary dividend of 8.30 cents per share was determined in respect of the six-month period ended 31 December 2025, paid on 18 March 2026 to shareholders registered on 27 February 2026.
- A fully franked final ordinary dividend of 10.90 cents per share has been determined in respect of the six-month period ended 30 June 2026, payable on 8 October 2026 to shareholders registered on 3 September 2026.

Directors' qualifications, experience and special responsibilities

Details of the qualifications, experience and special responsibilities of each director and company secretary in office as at the date of this report are set out on pages 64 to 66 and form part of the directors' report.

Directors' attendance at meetings

The table below shows the number of Board and committee meetings held and the number of meetings attended by directors during the year. All directors may attend committee meetings even if they are not a member of the relevant committee. The table below does not include the attendance of directors at committee meetings where they were not a committee member.

	Board (scheduled)		Board (additional)		Audit Committee		Risk Management Committee		Investment and Capital Committee		People and Remuneration Committee		Nomination Committee	
Director	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Mike Wilkins	11	11	7	7					4	4	5	5	3	3
Dr Tracey Batten	11	11	7	7			5	5			5	5	3	3
Gerard Dalbosco	11	11	7	7	5	5	5	5					3	3
Peter Everingham[1]	11	11	7	7					4	4	5	5	3	3
David Fagan[2]	5	5	1	1	2	2	3	3					0	0
Kathryn Fagg[3]	11	11	7	7	5	5	2	2			2	2	3	3
Jacqueline Hey[4]	6	6	6	6	3	2	2	2						
David Koczkar	11	11	7	7										
Dr Lisa McIntyre[5]	6	6	6	6					2	2	3	3		
Linda Bardo Nicholls	5	5	1	1			3	3	2	2			0	0
Jay Weatherill[6]	6	6	1	1	3	3	3	3						

A Indicates the number of meetings held during the time the director held office or was a member of the committee during the year.
B Indicates the number of meetings attended during the time the director held office or was a member of the committee during the year.

1. Peter Everingham was appointed a member of the Nomination Committee effective 19 November 2025.
2. David Fagan retired as a director effective 19 November 2025.
3. Kathryn Fagg retired from the People and Remuneration Committee and was appointed to the Risk Management Committee and Nomination Committee effective 19 November 2025.
4. Jacqueline Hey was appointed as a director and member of the Audit Committee and Risk Management Committee effective 19 November 2025.
5. Dr Lisa McIntyre was appointed as a director and member of the People and Remuneration Committee and Investment and Capital Committee effective 19 November 2025.
6. Jay Weatherill retired as a director effective 31 December 2025.

The directors also attended special purpose committee meetings.

Options and performance rights

During the financial year, 3,257,162 performance rights were issued to senior executives pursuant to Medibank's Performance Rights Plan. No performance rights have been issued since the end of the financial year up to the date of this directors' report.

During the financial year, 2,129,575 performance rights vested and were exercised.

Further information regarding performance rights is included in the remuneration report from page 78.

Directors' interests in securities

The relevant interests of directors in Medibank securities at the date of this directors' report were:

Director	Ordinary shares	Performance rights
Mike Wilkins	200,000	
David Koczkar	2,420,503	2,275,601
Dr Tracey Batten	50,000	
Gerard Dalbosco	72,832	
Peter Everingham	65,000	
David Fagan[1]	47,016	
Kathryn Fagg	65,500	
Jacqueline Hey	11,448	
Dr Lisa McIntyre	22,370	
Linda Nicholls[1]	50,400	
Jay Weatherill[1]	22,600	

1. David Fagan and Linda Nicholls each retired as a director effective 19 November 2025 and their ordinary shareholding information is as at that date. Jay Weatherill retired as a director effective 31 December 2025 and his ordinary shareholding information is as at that date.

Environmental regulation

The Group's operations are not subject to any particular and significant environmental regulation under either Commonwealth or State law.

Indemnification and insurance of directors and officers

The Medibank Constitution permits Medibank to indemnify, to the maximum extent permitted by law, every person who is or has been a director, secretary, officer or senior manager of the Group. The indemnity applies to liabilities incurred by a person in the relevant capacity (except liability for legal costs). The indemnity may however also apply to certain legal costs incurred in obtaining advice or defending legal proceedings. Further, the Medibank Constitution permits Medibank to maintain and pay insurance premiums for a director and officer liability insurance covering every person who is or has been a director, secretary, officer or senior manager of the Group, to the extent permitted by law.

Consistent with the provisions in Medibank's Constitution, Medibank has entered into deeds of indemnity, insurance and access with current and former directors and secretaries of Medibank and current Medibank appointed directors and secretaries of Medibank's subsidiaries. Under these deeds, Medibank:

- Indemnifies the relevant current and/or former directors and secretaries against liabilities incurred as a director or secretary, as the case may be, to the maximum extent permitted by law;
- Maintains a directors' and officers' insurance policy covering current and former directors and secretaries against liabilities incurred in their capacity as directors or secretaries, as the case may be. Disclosure of the insurance premium and the nature of the liabilities covered by the insurance are prohibited by the contract of insurance; and
- Grants current and /or former directors and secretaries access to Medibank's records for the purpose of defending any relevant action.

Directors

Auditor's independence declaration

A copy of the auditor's independence declaration given by PricewaterhouseCoopers (PwC) in relation to its compliance with independence requirements of section 307C of the Corporations Act is set out on page 103.

Non-audit services

During the year, PwC, the Group's external auditor, performed certain other services to the Group in addition to its statutory responsibilities as auditor. Details of the amounts paid or payable to PwC for non-audit services provided by it during the year are set out in Note 19 Auditor's remuneration.

Based on advice provided by the Audit Committee, the directors are satisfied that the provision of non-audit services during the year by PwC is compatible with the general standard of independence for auditors imposed by the Corporations Act, and that the provision of the non-audit services did not compromise the auditor independence requirements of the Corporations Act, for the following reasons:

- All non-audit services provided were approved in accordance with the process set out in Medibank's policies, including being reviewed by the Audit Committee to ensure that provision of the services did not impact the integrity and objectivity of the auditor.
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Remuneration report

The remuneration report on pages 78 to 102 forms part of the directors' report.

Rounding of amounts

The amounts contained in this directors' report and in the financial report have been rounded to the nearest hundred thousand dollars (where rounding is applicable) unless specifically stated otherwise under the relief available pursuant to *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183*. Medibank is an entity to which that relief applies.

This report is made in accordance with a resolution of the directors.

Mike Wilkins AO
Chair

David Koczkar
Chief Executive Officer

20 August 2026
Melbourne

Board of Directors

100%* were born in Australia

100%* identify primarily as Australian (non-Aboriginal and Torres Strait Islander)

50%* are women

* As at 20 August 2026, including CEO

Board of Directors

Mike Wilkins AO

Age: 69

Chair and Independent Non-executive Director

BCom, MBA, FAICD, FCA

Chair: **Member:**

Mike was appointed a director in May 2017 and Chair effective 1 October 2020. He has more than 30 years of experience in financial services, predominantly in Australia and Asia.

Relevant other directorships: Director – Scentre Group Limited (since Apr 2020).

Relevant former directorships/ executive roles: Chair – QBE Insurance Group Limited (Mar 2020 to May 2026) and director (Nov 2016 to May 2026); Managing Director and Chief Executive Officer – Insurance Australia Group; Managing Director and Chief Executive Officer – Promina Group Limited; Managing director and Chief Executive Officer – Tyndall Australia Limited; Executive Chair and director – AMP Limited; Director – Maple-Brown Abbott Limited; Alinta Limited; The Geneva Association; The Australian Business and Community Network.

David Koczkar

Age 53

Chief Executive Officer

BCom, PG Dip Finance, MAICD

David has been Chief Executive Officer since May 2021. He has over 25 years of leadership experience across Australia, Asia and the UK, including previous work in the aviation, consulting and financial services industries.

David joined Medibank in 2014 as Chief Operating Officer and then Group Executive – Chief Customer Officer from September 2016, responsible for the Medibank and ahm Health Insurance and Wellbeing portfolios.

Relevant other directorships: Chair – International Federation of Health Plans; Director – North Melbourne Football Club.

Relevant former directorships/ executive roles: Group Chief Commercial Officer – Jetstar; Director – Jetstar Pacific (Vietnam); NewStar airline group (Singapore); Luxury Escapes.

Dr Tracey Batten

Age 60

Independent Non-executive Director

MBBS, MHA, MBA (Harvard), FAICD, FRACMA

Chair: **Member:**

Tracey was appointed a director in August 2017. She has extensive experience in the health services sector, with strong commercial, strategy, and change leadership skills.

Relevant other directorships: Director – EBOS Group Limited (since July 2021); Nanosonics Limited (since Sept 2023); IHH Healthcare Berhad (since July 2026).

Relevant former directorships/ executive roles: Chair – Accident Compensation Corporation; Director – Abano Healthcare Group; National Institute of Water and Atmospheric Research, NZ. Executive roles: Chief Executive – Imperial College Healthcare NHS Trust UK; Chief Executive – St Vincent's Health Australia; Chief Executive Officer of a number of other healthcare groups in Australia.

Audit Committee | Risk Management Committee | Investment and Capital Committee | People and Remuneration Committee | Nomination Committee

Gerard Dalbosco

Age: 63

Independent Non-executive Director

M.AppFin, B.Comm, FCA, FFIN, GAICD

Chair: **Member:**

Gerard was appointed a director in May 2021. A partner of EY until September 2020, Gerard held a number of senior leadership roles including Oceania Managing Partner and CEO; Asia Pacific Joint Deputy CEO and Managing Partner – Markets; Oceania Managing Partner – Transaction Advisory Services; and Melbourne Managing Partner. Prior to these roles Gerard advised organisations across a range of sectors in respect of merger and acquisitions advice, valuations, and strategic, commercial and financial due diligence.

Relevant other directorships: Chair – Melbourne Archdiocese Catholic Schools; Gillespie Family Council & Gillespie Family Foundation; Director – Nanosonics Limited (since Jan 2025); Melbourne Prize Trust.

Relevant former directorships: Director and Chair (Finance & Audit Committee) – Mercy Health & Aged Care; Director and member of the Finance Committee – Berry Street Victoria; Director and Co-Deputy Chair – Committee for Melbourne.

Peter Everingham

Age: 57

Independent Non-executive Director

BEc, MBA, GAICD

Chair: **Member:**

Peter was appointed a director in March 2022. He has over 25 years of corporate experience and is highly respected in the digital sector, having held senior executive roles in that sector for 18 years. His senior leadership experience includes key roles at companies with a strong consumer and technology focus.

Relevant other directorships: Director – Super Retail Group Limited (since Dec 2017); Governor – WWF Australia.

Relevant former directorships/ executive roles: Director – iCar Asia Limited (July 2017 to May 2022); Managing Director international division (and concurrently Chair of Seek's subsidiary, Zhaopin) – Seek Limited; director – ME Bank; IDP Education Ltd. Executive roles: senior executive – Yahoo! Australia and Southeast Asia.

Kathryn Fagg AC

Age: 65

Independent Non-executive Director

FTSE, BE (Hons), MCom (Hons), Hon. DBus, Hon.DChemEng, FAICD

Chair: **Member:**

Kathryn was appointed a director in March 2022. She is a highly respected director and Chair with significant, wide-ranging senior commercial and operational experience.

Relevant other directorships: Chair – Watertrust Australia Ltd; Director – National Australia Bank Ltd (since Dec 2019); Djerriwarrh Investments Ltd (since May 2014); The Myer Foundation; Grattan Institute.

Relevant former directorships/ executive roles: Chair – CSIRO (Oct 2021 to Feb 2025) and director (Aug 2018 to Oct 2021); Chair – Boral Limited (July 2018 to July 2021) and director (Sept 2014 to July 2021); Chair – Parks Victoria; Melbourne Recital Centre; Breast Cancer Network Australia; President – Chief Executive Women (CEW); Director – Incitec Pivot Limited; Board member – Reserve Bank of Australia; Australian Centre for Innovation; Champions of Change Coalition.

Audit Committee | Risk Management Committee | Investment and Capital Committee | People and Remuneration Committee | Nomination Committee

Board of Directors

Jacqueline Hey Age: 60

Independent Non-executive Director

BCom, Grad Cert (Mgmt), GAICD

Member:

Jacquie was appointed a director in November 2025. Jacquie is an experienced non-executive director with extensive experience in consumer businesses and the financial services and technology sectors. Jacquie's prior professional experience includes more than 20 years with IT and telecommunications company Ericsson where she held multiple senior positions globally and in Australia.

Relevant other directorships: Director – OFX Group Ltd (since May 2024); Commonwealth Superannuation Corporation.

Relevant former directorships/ executive roles: Chair – Bendigo and Adelaide Bank Ltd (Oct 2019 to Oct 2023) and director (July 2011 to Oct 2023); Director – Qantas Airways Ltd (Aug 2013 to Feb 2024); AGL Energy Ltd; Australian Foundation Investment Company; Melbourne Business School; Special Broadcasting Service (SBS); Cricket Australia; Brighton Grammar School; Foundation for Positive Masculinity.

Dr Lisa McIntyre Age: 60

Independent Non-executive Director

BSc (Hons), PhD

Member:

Lisa was appointed a director in November 2025. Lisa is an experienced company director with a broad portfolio that spans the health, insurance, technology and e-learning sectors. Lisa's executive experience is primarily in strategy. She spent 20 years as a Senior Partner at L.E.K. Consulting, in its health and biotechnology practices in the US and Australia.

Relevant other directorships: Director – Fisher & Paykel Healthcare Corporation Ltd (since Oct 2021); Director – Studiosity Pty Ltd; Baymatob Pty Ltd; University of Sydney; Chair – Women for Change Committee of the LBW Trust.

Relevant former directorships/ executive roles: Director – Nanosonics Ltd (Nov 2019 to Nov 2025); HCF Group; I-MED; GenesisCare; Garvan Institute of Medical Research.

Mei Ramsay

Company Secretary

BA, LLB, LLM

Mei holds the positions of Company Secretary and Group General Counsel. Mei is responsible for leading the trust, legal and governance functions including regulatory affairs. She has been a member of the executive leadership team since 2016.

Mei has more than 25 years of experience as a senior in-house legal adviser for multinational and international companies as well as private practice. Prior to joining Medibank, she was the General Counsel and Company Secretary for the Asia Pacific region at Cummins Inc. and also held senior legal positions at Coles Myer Ltd and Southcorp Limited. Mei started her legal career at Arnold Bloch Leibler and also worked as a Senior Associate at Minter Ellison. Mei is a member of Chief Executive Women.

Relevant former directorships/ executive roles: Former Director and President – Association of Corporate Counsel (ACC) Australia; former Chair – ACC GC100.

Audit Committee | Risk Management Committee | Investment and Capital Committee | People and Remuneration Committee | Nomination Committee

Our executive leadership team

11%* were born overseas

89%* identify primarily as Australian (non-Aboriginal and Torres Strait Islander)

56%* are women

*As at 20 August 2026, including CEO. Not pictured: Anne-Marie Paterson, Group Lead - Chief Risk Officer (acting).

Our executive leadership team

David Koczkar
Chief Executive Officer

Mei Ramsay
Group Lead – Trust, Legal and Company Secretariat and Company Secretary

Please refer to pages 64 and 66 for bios.

Kylie Bishop
Group Lead – People, Spaces & Sustainability

Kylie is a registered psychologist, specialising in organisational psychology and has been a member of the executive leadership team since 2013. Kylie is responsible for leading key people functions, including culture, capability, performance, payroll, reward, diversity & inclusion, talent engagement, health, safety & wellbeing and workplace relations. She also leads the sustainability agenda across the group, as well as community and spaces.

Kylie has extensive experience in cultural change and transformation and leads Medibank's work. reinvented program across the group. Kylie began her career in consulting and banking before joining Medibank in 2010.

Relevant directorships: Non-executive director – Royal Melbourne Hospital and non-executive director (previous) – Basketball Victoria and Rugby Victoria

Milosh Milisavljevic
Group Lead – Chief Customer Officer

Milosh is responsible for the Health Insurance and Wellbeing businesses across the Medibank and ahm brands. This includes marketing, product, customer channels, operations, member health programs, provider partnerships, Live Better, Corporate Health and Financial Wellbeing (including broader insurance offerings). Milosh also leads the enterprise AI uplift, focused on building and embedding AI capabilities across customer, health and operational domains. He has been a member of the executive leadership team since June 2021.

Milosh joined Medibank in 2016 and has held a number of roles leading customer strategy, commercial transformation, product innovation and portfolio management, strategic partnerships and AI.

Milosh has extensive experience leading customer-focused and data-driven transformations across health, media and telecommunications industries, including proposition innovation and new business growth. Prior to joining Medibank, Milosh held senior roles at SEEK and McKinsey & Company.

Relevant directorships: Director – Private Healthcare Australia Limited

Anne-Marie Paterson
Group Lead – Chief Risk Officer (acting)

Anne-Marie is a risk executive and senior legal professional with more than 24 years of experience leading risk management, governance and legal services in highly regulated environments. Anne-Marie joined Medibank in September 2025 to lead the Enterprise Risk Management function and has been a member of the executive leadership team since February 2026.

Anne-Marie has held the role of Chief Risk Officer as well as other senior leadership roles across major ASX-listed financial services organisations, including AMP Limited, Bendigo and Adelaide Bank, Colonial First State and CBA.

Anne-Marie has led some of the largest APRA-regulated risk and culture uplift programs in Australia. Her experience spans enterprise risk management, risk appetite and frameworks, risk culture, governance, investigations, whistleblowing, financial and non-financial risk and large scale regulatory change.

Relevant directorships: Board Advisory Member – Liberty IT Consulting Group and Rely Platform/ Your Call

Robert Read
Group Lead – Amplar Health

Rob leads Medibank's growing role as a healthcare provider through Amplar Health, which is driving the health transition to more planned and preventative care, delivered in a way that is more accessible, offers more patient choice and can be delivered closer to home. He is responsible for the services we deliver to both public and private sectors, which include Primary Care as well as Community and Acute care. This also includes our Amplar Health Home Hospital which delivers acute hospital care in the home in partnership with the public sector, as well as our short stay hospital investments, across both surgical and mental health.

Rob joined Medibank in 2022 and has been a member of the executive leadership team since November 2023.

Prior to joining Medibank, Rob held senior roles in private equity and at leading pharmaceutical company, GSK PLC. Most recently Rob was CEO and Managing Director at MedAdvisor Ltd, an ASX-listed technology-led medication adherence company operating in Australia, US and the UK.

Relevant directorships: Director – Adeney Private Hospital

Mark Rogers
Group Lead – Chief Financial Officer & Group Strategy

Mark is responsible for the finance, actuarial, treasury, internal audit, investor relations and procurement functions across Medibank, as well as group strategy and M&A. He has been a member of the executive leadership team since January 2017.

Mark has more than 25 years of global experience across the financial services, healthcare, pharmaceuticals and logistics sectors. Before joining Medibank, Mark held senior financial and group development roles at NAB and prior to that he was responsible for strategy, M&A and investor relations for the former ASX-listed healthcare, pharmaceuticals and logistics company Mayne Group.

Relevant directorships: Director – Integrated Mental Health; Royal Children's Hospital Melbourne

Meaghan Telford
Group Lead – Policy, Advocacy & Reputation

Meaghan leads government and industry relations, health stakeholder engagement, health policy, reputation and external communications. She also chairs the Medibank Diversity and Inclusion Council.

Meaghan joined Medibank in 2016 to lead the External Affairs and Government Relations function. She has been a member of the executive leadership team since July 2023, and in 2025 joined the Board of Next25.

With more than 20 years of experience across sport, politics and ASX-listed organisations, Meaghan is a seasoned corporate affairs leader. Over her career, she has helped shape organisations' external agendas through media and government relations, campaigns, stakeholder engagement, employee engagement and public affairs research.

Relevant directorships: Director – Next25

Felicia Trewin
Group Lead – Data & Technology

Felicia leads the Data & Technology team, responsible for our technology, information security, data, digital and core platforms.

She joined Medibank in February 2024 from AMP, where as Chief Technology Officer she played a pivotal role in developing the organisation's technology strategy and accelerating the adoption of digital and data technology across the group.

Felicia has more than 28 years of experience in technology and transformation, including leading the technology function at AustralianSuper, and establishing ANZ's Digital Labs to prototype and test emerging technologies. She has also held senior roles at Microsoft, Deloitte, and Accenture.

Corporate governance

The Medibank Private Limited (Medibank) Board is committed to supporting people to experience their best health and wellbeing, so they can live better lives. The Board seeks to ensure that Medibank is properly managed to protect and enhance shareholder interests, and that Medibank, its directors, officers and employees operate in an appropriate environment of corporate governance.

Medibank's Corporate Governance Statement can be found at: medibank.com.au/about/company/governance

Key areas of focus for the Board in 2026

Key areas of governance, strategy and oversight that the Board, with assistance from its Board committees, have focused on include:

Strategy and growth: Throughout the year the Board regularly discussed and reviewed Medibank's strategic priorities and programs. In addition to the Board's regular engagement on strategic matters, the Board participated in an annual strategy day which provided an opportunity for focus and constructive challenge with management on our strategy and 2030 vision. The Board oversaw key growth initiatives including the acquisition of Better Medical, a network of General Practitioner (GP) and medical clinics, in December 2025.

Risk culture and management: Throughout the year there was ongoing and detailed focus from the Board and its Risk Management Committee on continuing to further enhance the key risk management documents and processes that underpin our approach to risk management, including our risk management framework and risk appetite statement. The Board continued to focus on our regulatory uplift programs as well as overseeing the implementation of CPS 230 and the embedment of our risk culture framework.

Financial oversight: The Board continued its oversight of Medibank's capital management policies, level of capital and its investments and partnerships.

ESG and sustainability: The Board approved Medibank's revised Net Zero pathway and first statutory Sustainability Report.

Technology: The Board maintained its focus on maturing our cybersecurity approach to better enable Medibank to respond to the rapidly evolving cyber threat landscape. The Board continues to oversee an ongoing program of enhancements to information security which during the year included considering Medibank's revised Enterprise Technology and Data Strategy.

Litigation: The Board continued its oversight of the litigation and regulatory proceedings relating to the 2022 cybercrime event.

Tone from the top: The Board continued to work closely with the CEO and the ELT to set the direction and tone of Medibank's culture. The Board reviewed and approved updates to our Code of Conduct including new 'can we?', 'should we?' guidance for ethical decision making.

Our people: The Board continued its focus on Medibank's people and prioritised regular engagement with Medibank employees, with highlights including participation in an immersion session on ahm's ways of working and meeting team members nominated in the 'Risk Fit' category of Medibank's annual employee awards.

Board succession planning and capability development: During the year the Board was actively engaged in Board succession planning, which included the retirement of two longstanding directors and the appointment of two new directors. Additionally, the Board undertook a comprehensive and externally facilitated skills assessment which supported the Board's focus on the individual and collective range of skills, capabilities and experience needed by Medibank directors.

Spotlights

Risk culture and management

During 2026 the Board continued to focus on further strengthening Medibank's enterprise-wide risk management capabilities.

The Board participated in a dedicated risk workshop focused on strategic and operational risks, and directors participated in a simulation involving the testing of business continuity plans.

The Board also participated in risk culture workshops and completed a risk culture assessment. These activities supported greater clarity, discovery and debate in relation to risk culture and enhancing its maturity.

Customer

The Board remained focused on Medibank's customers.

In 2026 the Board met with Medibank's frontline employees in Melbourne, Sydney and Wollongong and spent time with specialist teams including the Customer First team and the ahm Learning Academy.

Directors listened in on live customer calls and chats and visited retail stores throughout the year.

Health

The role of primary care in the delivery of our 2030 vision was a key focus for the Board, which included the acquisition of Better Medical Group in December 2025.

The Board worked closely with the executive leadership team to progress our FY28 milestones across wellbeing, primary care and community and acute care.

Artificial Intelligence (AI)

The Board continued its focus on the adoption, use and governance of AI.

Directors attended learning and development sessions focussing on applied AI, AI regulation and oversaw the development of Medibank's AI governance framework.

Discussion also focused on aligning Medibank's AI strategy with our purpose, to support better customer and patient outcomes.

Corporate governance

Board skills matrix

Levels of working experience and knowledge

High
High competency, knowledge and experience

Practised
Strong understanding of the concepts and issues built on repeated practical or direct experience

General
Good general awareness and understanding

Skills and experience	Directors' ratings[1]
Leadership Senior executive leadership experience in comparable organisations	High, High, High, High, High, High, High, Practised
Strategy Experience in developing and implementing organisational strategies, and appropriately challenging management on delivery of strategic objectives	High, High, High, High, High, High, High, High
Financial acumen and capital management Strong financial acumen and proficiency in corporate finance and internal financial controls and/or experience in overseeing corporate funding, capital management and investments	High, High, High, High, High, Practised, Practised, Practised
Corporate transactions and major projects Experience in overseeing complex business transactions and major projects, including mergers and acquisitions (and integration of those acquisitions)	High, High, High, High, High, High, High, High
Risk and compliance management Experience in establishing risk and compliance management frameworks, setting the risk appetite, and overseeing organisational risk culture	High, High, High, High, High, Practised, Practised, Practised
Governance Experience in establishing and overseeing operations in a complex regulated environment, and demonstrated commitment to the highest governance standards	High, High, High, High, High, High, High, Practised
Insurance industry experience Experience in the insurance industry	High, High, High, High, Practised, Practised, Practised, General
Healthcare industry experience Experience in the healthcare industry	High, High, High, High, High, Practised, Practised, General
Customer Experience in developing product and/or customer management strategies, marketing and/or digitised customer initiatives	High, High, High, High, High, High, Practised, Practised
People and culture Understanding the link between strategy, culture, performance, long-term shareholder value creation and remuneration outcomes	High, High, High, High, High, High, High, Practised
Government relations and public policy Interacting with government and/or regulators, and/or involvement in public policy decisions	High, High, High, High, Practised, Practised, General, General
Technology, data and digital innovation Understanding technology and innovation, including data management, data privacy and information security practices. Experience with businesses that have developed and implemented technology-based initiatives to enhance productivity and/or customer experiences	High, High, Practised, Practised, Practised, Practised, Practised, Practised
Environment and social Understanding and identifying potential risks and opportunities from an environment (including climate change) and social perspective	High, High, Practised, Practised, Practised, Practised, Practised, Practised

1. This represents the collective strength of the Board including CEO David Koczkar.

Risk management

Our approach to risk management reflects our commitment to ethical and responsible business practices and guides the work we are doing to deliver on our 2030 vision of the best health and wellbeing for Australia.

Our risk management approach is defined within our risk management strategy and underpinned by our enterprise risk management framework, which encompasses the systems, structures, policies, processes and people that manage risks across the business. Medibank operates in line with Australian financial regulations, including APRA's risk management standard (CPS 220) and the Financial Accountability Regime (FAR), which holds registered individuals including certain senior leaders accountable for risk and governance.

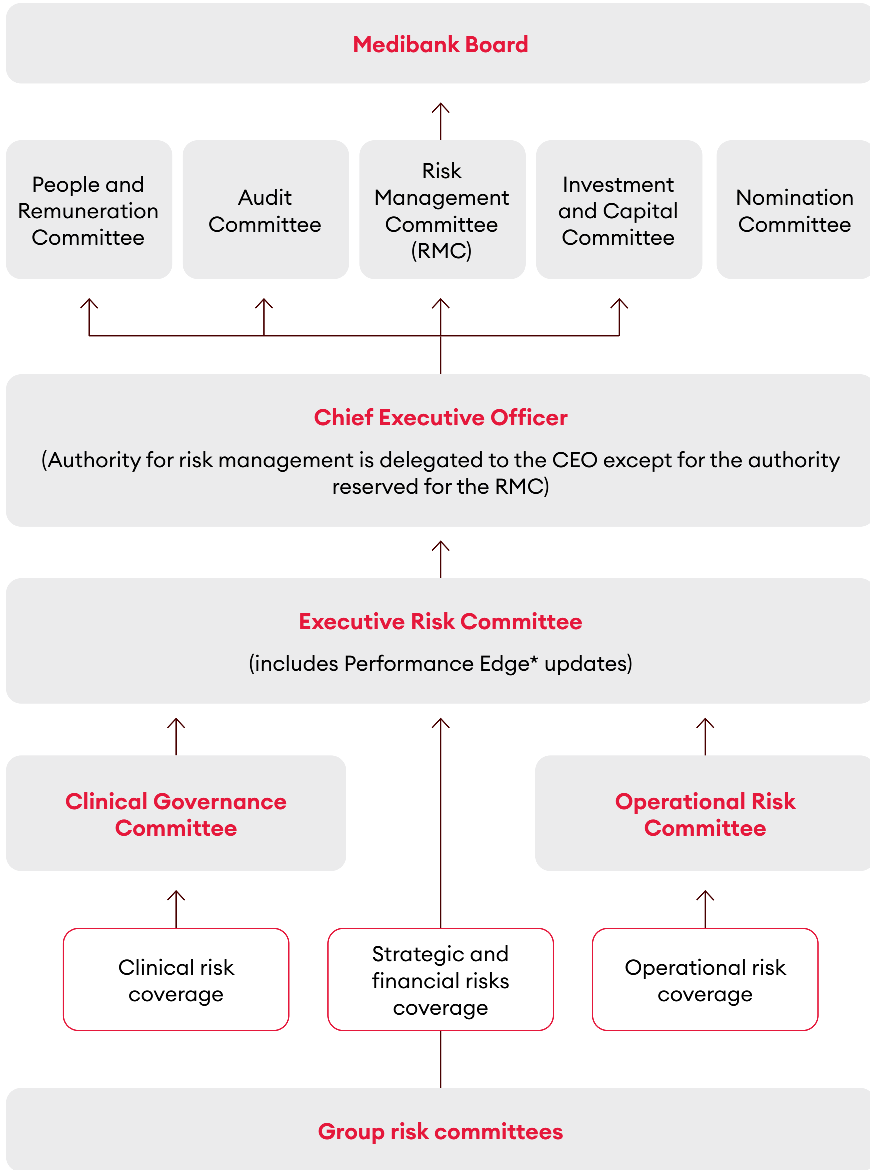
We undertake an annual strategic planning process to establish and agree upon our strategic objectives with the Board and develop our risk appetite statement, corporate plan and capital management plan.

How Medibank manages risk

Managing cyber security risks

Medibank continuously works to protect itself from the ongoing risk of cybercrime. Our strategic approach and roadmap of uplift activities are designed to continue maturing our cybersecurity approach and better enable us to respond to the cyber threat landscape, which is evolving rapidly. It encompasses technology and IT security, risk culture and capability and is focused on four key areas:

- further strengthening our core cybersecurity services;
- continuing to mature our risk management culture and practices;
- assessing our capability maturity pursuant to the National Institute of Standards and Technology's (NIST) cyber security framework; and
- ongoing enhancement of our security detection and response capabilities.



*Performance Edge is a monthly forum of the executive team to discuss all material risk metrics and financial results.

Risk management

Medibank continued to invest in its Security Operations Centre, network security, vulnerability management and identity and access management, to enhance our resources and capabilities. The Board has approved a three-year security strategy to guide this work going forward.

Risk governance is a shared responsibility within our structure:

Board: Sets the overall risk appetite and strategy, which is reviewed annually

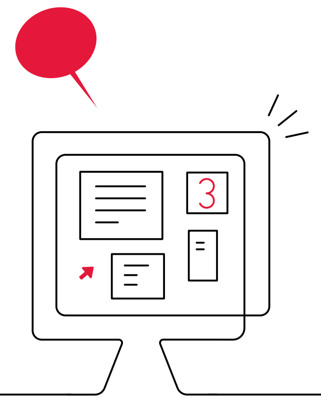
Risk Management Committee: Oversees how the risk management framework is put into practice

Executive and Divisional Committees: Ten committees covering different parts of the business and how they manage day-to-day risks.

The Board is also assisted by the Investment and Capital Committee, Audit Committee, and People and Remuneration Committee. These committees oversee the implementation and monitoring of the investment strategy and ICAAP Summary Statement Policy (including monitoring the effectiveness of the investment process which aims to achieve optimum return relative to Medibank's risk appetite), the annual audit plan and tracking and closure of actions that arise, and operational health and safety, people and remuneration risk, respectively.

Medibank has adopted a three lines of defence approach to define risk management roles, responsibilities and accountability:

- **First line:** Management is accountable for identifying, assessing, monitoring and managing material risks in the business. They are responsible for decision making and the execution of business activities, whilst managing risk to ensure it is in line with the Board's risk appetite and strategy.
- **Second line:** The Group risk and compliance functions provide objective advice and challenge to the first line on risk and control activities and provide assurance and guidance on the design and implementation of appropriate risk management activities.
- **Third line:** The internal audit function provides independent assurance to the Audit Committee and the Board on the adequacy and effectiveness of the risk management framework, financial reporting processes and internal control and compliance systems operating in the first and second line.



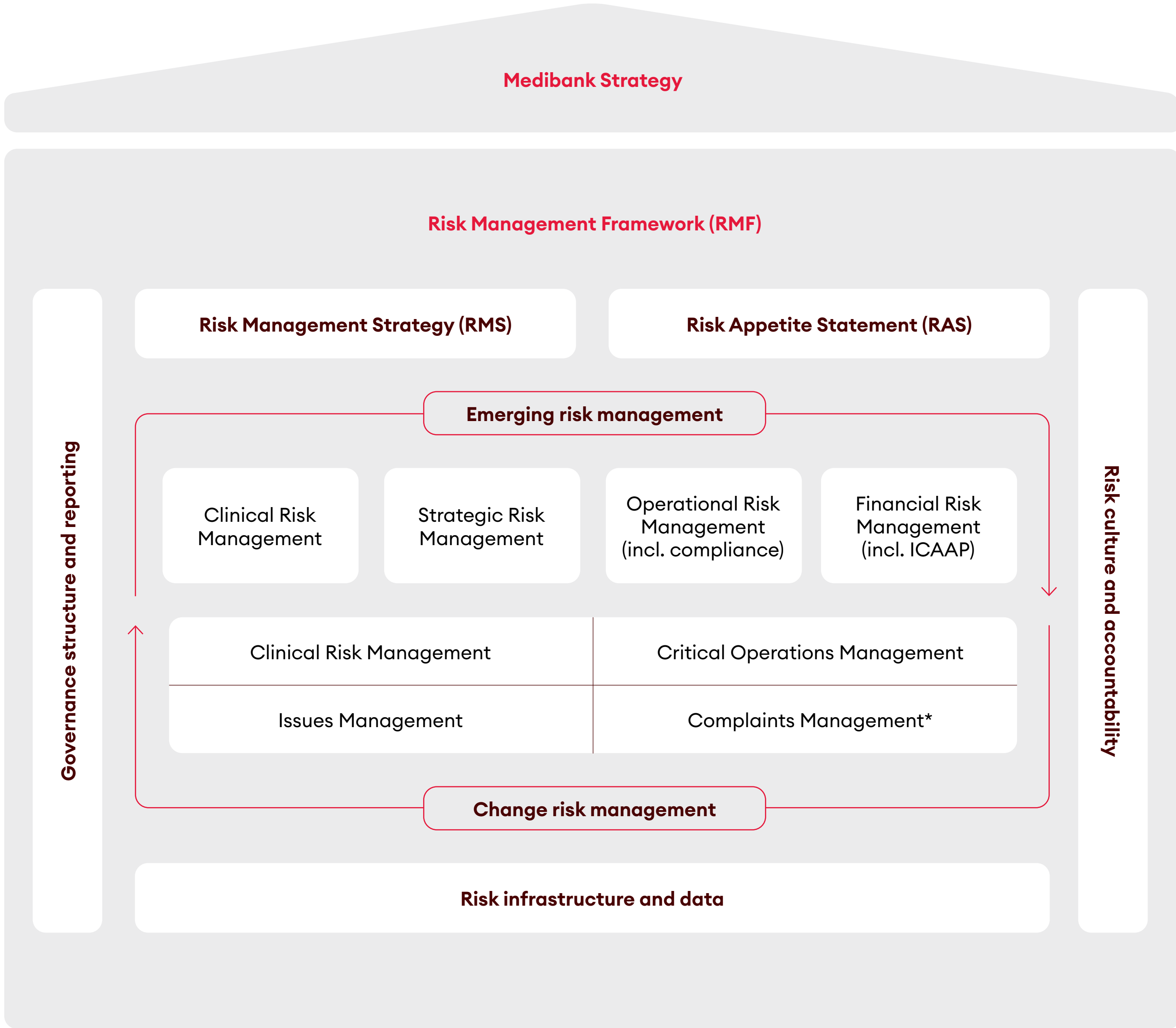
Risk and performance

Risk management plays an important role in remuneration outcomes. For an incentive award to be made to any employee, a risk, compliance and behaviour gateway must be met. In addition, all employees have specific risk-related key performance measures incorporated into their performance scorecard under the company-wide 'I Perform Better' performance framework. More information on the relationship between risk and remuneration can be found in the remuneration report on page 86.

Risk management framework

Our risk management framework guides risk management activities across the business to effectively identify, assess, manage, monitor and report risks. The framework is implemented through the three lines of defence model, and its effectiveness is assessed by the internal audit function on an annual basis with a comprehensive review conducted every three years in accordance with the Risk Management Committee Charter and APRA Prudential Standard CPS 220.

A key component of our risk management framework is the definition of Medibank's risk appetite by the Board which informs management's decision-making process. The annual review and the comprehensive review (every three years) of the framework consider whether the framework is sound, and Medibank is operating with due regard to the risk appetite set by the Board. The Risk Management Committee reviews the risk management framework at least yearly and regularly monitors the framework's effectiveness. The three yearly comprehensive review was completed in late 2024. Medibank continues to operate and strengthen enterprise risk management practices in alignment with the requirements outlined in the APRA's CPS 220 standard.



Risk management

Material business risks

Material business risks are those risks deemed to have a significant impact on Medibank's 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.

Material business risk	Mitigations	Material categories
Clinical Clinical risk, being the risk of unexpected adverse clinical outcomes arising from, and attributable to, a health service provided by the Medibank Group, or a third-party action on behalf of the Medibank Group.	Clinical risk is managed through Medibank's clinical governance and quality management framework, with Board oversight supported by the Risk Management Committee, CEO implementation oversight through the Enterprise Risk Committee, and dedicated oversight by the Clinical Governance Committee. Group Risk Committees support accountable Group and Hub Leads to manage, monitor and report the clinical risk profile, including patient safety, quality of care and clinical outcomes.	• Clinical
Strategic Strategic risk, being the risks that may threaten the achievement of Medibank's corporate strategy and objectives. This includes strategic planning and execution, as well as the management of key external relationships.	Strategic risk is managed through the annual strategy and corporate planning process, with Board approval of the Strategy and Corporate Plan and monitoring of performance against strategic objectives. The executive leadership team manages execution risk, supported by Enterprise Risk Committee oversight and escalation of material risks through established governance pathways.	• External stakeholder risk • Strategic planning and enablement • Strategic execution – Health Insurance growth • Strategic execution – Medibank Health growth
Operational Operational risk, being the impacts that may result from inadequate or failed internal processes or systems, the actions or inactions of people, or external drivers and events. This includes compliance with legal and regulatory obligations and the management of Medibank's controls environment.	Operational risk is managed through enterprise-wide processes to identify, assess, monitor and report risks arising from people, processes, systems, third parties and external events. Oversight is provided by the Board, Risk Management Committee and Enterprise Risk Committee, supported by the Operational Risk Committee, and Group risk committees.	• Conduct – Customer • Transaction processing and execution • Fraud • Business continuity • Information security • Technology • Data management • People • Third party • Regulatory compliance
Financial Financial risk, being risks that may impact on Medibank's profitability, solvency or operational stability.	Financial risk is managed through Board-approved capital, liquidity, investment and pricing frameworks, including the Internal Capital Adequacy Assessment Process, Liquidity Management Policy and Investment Strategy. The Investment and Capital Committee oversees investment governance, while Treasury and management monitor liquidity, capital adequacy, insurance risk and financial performance against appetite. Oversight is provided by the Risk Management Committee and Enterprise Risk Committee.	• Credit • Market and investment • Capital and liquidity • Insurance

Environmental, social and governance risks

Medibank's risk management framework also applies to Environmental, Social and Governance (ESG) risks (including climate risk). ESG risks are considered within the broader risk governance arrangements, where considered to have a potential material impact to the business, and continue to be progressively incorporated into strategic and risk management processes as capability and methodologies mature. Information on climate-related risks can be found in the risk management section of the sustainability report on page 40.

APRA CPS 230 Operational Risk Management

We implemented requirements for APRA's new prudential standard CPS 230 Operational Risk Management which came into effect on 1 July 2025, designed to enhance resilience to operational risks and disruptions. As per the standard, Medibank has identified its critical operations, the resilience tolerances for these operations and its material service providers as required by the standard.

Medibank risk culture framework

Medibank is committed to building a strong risk culture that reflects who we are as an organisation. Our risk culture framework is based on our purpose, values and strategy, and outlines the behaviours we expect from our people.

We believe accountability and continuous learning are the foundations of good risk management. Everyone at Medibank is responsible for the decisions they make and for learning from the outcomes. We encourage our people to reflect on their decisions, learn from them, and share those learnings with others.

Our risk culture framework has seven key elements and three core capabilities that guide better risk management practices and behaviours across the business. We have enhanced our risk culture across the business by giving our people a greater understanding of risks to make them more confident in identifying, assessing and managing risk in their roles. We regularly review our risk culture to identify what is working well and where we can improve. These findings are shared with our people and the Board, and where more focus is needed, progress is monitored and tracked over time.

Leadership
Leaders are accountable and role model strong risk management behaviours

Capability
We have the right skills and capabilities to act with autonomy and agency and are accountable for risk management decisions that are made

Ways of working
We ensure different viewpoints are heard and we challenge traditional ways of working to drive autonomy, accountability and agency

Communication
Our people are clear on what is expected and are guided by a known standard that is communicated consistently and effectively

Performance
We celebrate desired risk management behaviours and outcomes and effectively manage poor risk behaviours, through an aligned framework of performance and reward

Systems and processes
Barriers are removed and policies, practices and procedures are aligned to drive strong risk management behaviours and decisions

Oversight
Our governance is built on strong foundations of policies, processes, controls, reporting and insights for continuous improvement

Sound decision making and accountability
- I understand my role and what my accountabilities are
- I put myself in the 'shoes' of our customers/patients/people to make the best decision possible
- I ensure I know the governance requirements in my role
- I use all the information available to me to ensure I make a balanced decision that could impact our customers, patients, people or organisation
- I am accountable for my decisions even when something goes wrong

Confidence to speak up
- I'm not afraid to ask questions to help me make better decisions in my role
- I create a safe environment for people to speak up
- I encourage discussion and debate to ensure all views are heard
- I talk openly about risks and encourage others to do the same
- I stay in conversations even when they are hard

Leadership and continuous learning
- I make the time to discuss things with others to enhance my decision making
- I know my risks, am comfortable discussing them with others, and am willing to help others navigate their risks as we make the best decisions for our customers, patients and people
- I am committed to constantly improving my capability in subject matter areas critical to my role, such as privacy, information security and data governance
- I escalate issues in a timely manner as I know it is an important opportunity for us to learn and improve

Remuneration report

For the financial year ended 30 June 2026

Dear shareholder,

On behalf of the Board, I'm pleased to share Medibank's 2026 remuneration report, which outlines how our non-executive directors and Executive Key Management Personnel (Executive KMP) are paid, including the outcomes of fixed and variable pay based on company and individual performance.

The business performed well this year. Customer numbers grew, margins remained stable, and our health services division – Medibank Health – made a stronger contribution. Customers engaged more with our health and wellbeing services, and we continued investing in virtual, home and primary care.

We also made meaningful progress on our strategy: improving digital care access, enhancing customer experience, building a stronger risk culture, and expanding into primary care through acquisitions like Better Medical. These steps are laying the groundwork for sustainable, long-term growth – even as the industry faces ongoing pressures around affordability, changing consumer needs, and broader healthcare system challenges.

Our approach to remuneration is designed to reward executives for delivering on our strategy responsibly, demonstrating the right behaviours, and creating value for customers, shareholders, and the broader community. Pay outcomes are directly linked to both business results and individual conduct, reinforcing our commitment to long-term success.

Changes to the Board

Long-serving non-executive directors David Fagan and Linda Nicholls retired at the end of the 2025 Annual General Meeting (AGM). Both directors joined the Board in March 2014 and, over more than a decade of service, played a significant role in Medibank's transition from a government-owned health insurer into the diversified health organisation that it is today.

At the AGM in November 2025, shareholders elected Jacqueline Hey and Dr Lisa McIntyre to the Board. Jacqueline brings extensive experience across consumer industries, financial services and technology, while Lisa contributes deep expertise in health, insurance and technology– further strengthening the Board's overall skills, experience and capabilities.

The Hon Jay Weatherill AO retired from the Board with effect from 31 December 2025 following his appointment as Australia's High Commissioner to the United Kingdom. Appointed to the Medibank Board in March 2024, Jay served on the Audit and Risk Management Committees and contributed significant public policy and reform expertise during his tenure.

Short-Term Incentives

Medibank delivered solid financial and operational performance in 2026, with Group Operating Profit and Customer Satisfaction exceeding target, and insurance revenue growth exceeding threshold performance levels.

In line with our usual practice, the Board reviewed STI outcomes from a holistic perspective. Whilst acknowledging progress made during the year, the Board determined that opportunities existed to further strengthen elements of Medibank's risk management framework. Accordingly, the Board applied a 5% downward risk adjustment to executive leadership team outcomes and believes these outcomes reflect overall performance for the year. As a result, Executive KMP STI outcomes averaged 95% of their target opportunity (55% of maximum).

Long-Term Incentives

Medibank's 2024 Long-Term Incentive (LTI) was tested following the completion of the performance period on 30 June 2026, resulting in an estimated overall vesting of 75.1%, with the following outcomes by performance hurdle:

- 89.7% vesting against the Earnings Per Share Compound Annual Growth Rate (EPS CAGR) measure with a result of 6.2% over the performance period.
- 94% vesting against the Total Shareholder Return (TSR) measure with a performance rank at the 72nd percentile against our comparator group.
- No vesting against the private health insurance market share growth measure, however this will be confirmed once Australian Prudential Regulation Authority (APRA) releases the June Quarterly private health insurance statistics.
- 100% vesting against the brand sentiment measure.

This is the first time brand sentiment has been assessed as an LTI measure, following its introduction in 2024 as part of Board-approved changes to the Executive Remuneration Framework to meet APRA's Prudential Standard CPS 511 Remuneration (CPS 511) requirements.

Executive KMP remuneration

Following a review of fixed remuneration levels of Executive KMP members against the median of Medibank's market comparator group, the fixed remuneration of Executive KMP was increased by an average of 3.0%, effective 1 July 2026. This includes a remuneration increase for the Chief Executive Officer (CEO), David Koczkar, of 3.0%. Fixed remuneration increases are in line with the increases planned for Medibank's salaried population.

Non-executive director fees

Board and Committee fees were also reviewed against the median of Medibank's market comparator group, resulting in a 3% increase in Board and Committee fees during 2027. The aggregate fee spend for non-executive directors remains below the total fee pool of $3,000,000 approved by shareholders at the annual general meeting in November 2024.

Remuneration Framework

To comply with CPS 511, Medibank is required to undertake a comprehensive review of the effectiveness of its remuneration framework at least every three years. The inaugural review was conducted in 2026 by KPMG, which assessed the framework as generally effective, fit for purpose and operating as intended.

The Board considered the findings and agreed an action plan to further strengthen the framework, including improving the simplicity and transparency of executive deferral arrangements and strengthening the link between risk and consequence management.

Aligned to the action plan, the following changes will apply to the remuneration framework from 2027:

- In addition to the application of the Risk, Compliance and Behaviour (RCB) Gateway and consideration of risk management through the performance review process, STI outcomes for executive leadership team members and senior executives will be subject to a risk modifier . The outcome of a risk assessment will inform the individual performance rating that may be awarded and may result in an upward or downward adjustment to the participant's STI outcome.
- To better align with market practice, the CEO shareholding requirement will increase from 100% to 200% of annual total fixed remuneration effective 1 July 2026.

Shareholders are encouraged to vote to adopt the report at our annual general meeting in November.

Yours sincerely,

Dr Tracey Batten
Chair, People and Remuneration Committee

Contents

Remuneration report

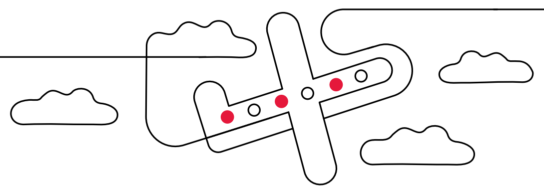
For the financial year ended 30 June 2026

1. Key Management Personnel overview

Medibank's Key Management Personnel (**KMP**) includes all non-executive directors and executives who have authority and responsibility for planning, directing and controlling the activities of Medibank.

In 2026, KMP were as follows:

Key Management Personnel	Position	Term as KMP
David Koczkar	Chief Executive Officer (CEO)	Full-year
Milosh Milisavljevic	Group Lead – Chief Customer Officer	Full-year
Robert Read	Group Lead - Amplar Health	Full-year
Mark Rogers	Group Lead – Chief Financial Officer & Group Strategy	Full-year
Non-executive directors		
Mike Wilkins	Chair	Full-year
Tracey Batten	Non-executive director	Full-year
Gerard Dalbosco	Non-executive director	Full-year
Peter Everingham	Non-executive director	Full-year
Kathryn Fagg	Non-executive director	Full-year
Jacqueline Hey	Non-executive director	From 19 November 2025
Dr Lisa McIntyre	Non-executive director	From 19 November 2025
Former non-executive directors		
Linda Bardo Nicholls	Non-executive director	Retired 19 November 2025
David Fagan	Non-executive director	Retired 19 November 2025
Jay Weatherill	Non-executive director	Retired 31 December 2025



2. Summary of remuneration outcomes

Key remuneration outcomes for Executive KMP and non-executive directors during the year are summarised on the right, with more detailed information contained throughout the report.

3. Medibank's remuneration strategy

At Medibank, we believe that remuneration has a key influence on behaviour and is valuable in reinforcing our culture. Our people are guided by our purpose and values which are anchored to the core pillars of our culture – health and wellbeing, customers and patients, and autonomy, accountability and agency.

Our remuneration strategy has been developed to reward our people for responsibly executing Medibank's strategy, role-modelling behaviours that strengthen our purpose and values-based culture and achieving business objectives that increase value for our customers and shareholders. Our remuneration framework supports this, designed to link reward to business outcomes, individual performance and behaviour, support Medibank's long-term financial success and risk management framework, and comply with CPS 511 and the Financial Accountability Regime (FAR).

The diagram on the right illustrates the relationship between Medibank's remuneration strategy, reward framework and the timeline of when 2026 remuneration is delivered.

Executive KMP

Fixed remuneration

- Fixed remuneration for Executive KMP including the CEO increased by an average of 3.0% effective 1 July 2026.
- Fixed remuneration of the CEO, David Koczkar, was increased by 3% to $1,723,000 effective 1 July 2026.

STI

- In line with our usual practice, the Board reviewed STI outcomes from a holistic perspective. Whilst acknowledging progress made during the year, the Board determined that opportunities existed to further strengthen elements of Medibank's risk management framework. Accordingly, the Board applied a 5% downward risk adjustment to executive leadership team outcomes and believes these outcomes reflect overall performance for the year. As a result, Executive KMP STI outcomes averaged 95% of their target opportunity (55% of maximum).
- 30% of STI awards for Executive KMP delivered in the form of performance rights which are subject to deferral of up to five years for the CEO and four years for other Executive KMP members.
- STI target percentages for Executive KMP members, including the CEO, have been maintained at current levels.

LTI

- Medibank's 2024 LTI was tested following the completion of the performance period on 30 June 2026 and resulted in a vesting of 75.1% in line with the terms of the grant.
- This outcome reflects partial vesting against EPS CAGR measure with a result of 6.2%, partial vesting against the TSR measure with a performance rank at the 72nd percentile against our comparator group and 100% vesting against the brand sentiment hurdle.
- It is likely there will be no vesting against the private health insurance market share growth measure, however this will be confirmed once APRA releases the June Quarterly private health insurance statistics.
- LTI opportunity percentages for Executive KMP members, including the CEO, have been maintained at current levels.

Non-executive directors

Non-executive director fees

- The annual base fees for the Chair and other non-executive directors increase by 3.0% to $509,550 and $188,975 respectively for 2027.
- Committee chair fees and committee membership fees were increased by 3% to $45,800 and $22,875 respectively for 2027.
- The aggregate non-executive director fee spend remains below the approved total fee pool of $3,000,000.

Remuneration report

For the financial year ended 30 June 2026

Medibank's remuneration strategy

Focus employees on responsibly executing Group strategy to increase customer and shareholder value with behaviours aligned to Medibank's values and purpose

Attract and **retain** key talent through competitive and fair fixed remuneration	**Incentivise** high performance through variable, at risk payments	**Reward** employees for the achievement of business outcomes aligned with Medibank's culture	**Align** the interests of executives with increasing long-term customer and shareholder value

Medibank's total target reward framework

	Performance Measures	Delivery
Total fixed remuneration (TFR)	• Determined with reference to capability, experience, the complexity of the role, as well as median pay levels of Medibank's comparator group • Paid on a fortnightly basis in base salary and superannuation	
Short-term incentive (STI)	For an STI to be awarded: • Individuals must pass a risk, compliance, and behaviour gateway; and • Medibank must achieve a baseline Group operating target. Performance measures: • Group operating profit • Health Insurance revenue growth • Customer Satisfaction • Role-specific metrics	CEO and other Executive KMP: • 70% cash • 30% performance rights deferred for up to 5 years for the CEO and up to 4 years for other Executive KMP subject to a one year service condition.
Long-term incentive (LTI)	• Earnings per share compound annual growth rate • Relative total shareholder return • Growth of Medibank's private health insurance market share • Brand Sentiment - Customer Net Promoter Score (cNPS)	Performance rights with a 3-year performance period and deferral after vesting of: • 3 years for the CEO • 2 years for other Executive KMP

Supported by Medibank's Consequence Management Policy and the Malus & Clawback policy. The P&RC and Risk Committee may apply discretion to ensure appropriate alignment of remuneration outcomes to Medibank's risk framework and Code of Conduct.

CEO - 2026 remuneration timeline

		FY26	FY27	FY28	FY29	FY30	FY31	FY32
TFR	Base salary + super							
STI	Cash		70%					
	Deferred			6%	6%	6%	6%	6%
LTI	Relative total shareholder return (30%)					33%	33%	34%
	EPS CAGR (30%)							
	PHI market share growth (20%)							
	Customer NPS (20%)							

Other Executive KMP - 2026 remuneration timeline

		FY26	FY27	FY28	FY29	FY30	FY31
TFR	Base salary + super						
STI	Cash		70%				
	Deferred			7.5%	7.5%	7.5%	7.5%
LTI	Relative total shareholder return (30%)					50%	50%
	EPS CAGR (30%)						
	PHI market share growth (20%)						
	Customer NPS (20%)						

date earned/vested   date granted   eligible for payment or exercise

The STI and LTI plans are designed with a balanced mix of financial and non-financial metrics, aligning incentives with both short-term delivery and long-term creation of shareholder and customer value. Financial measures ensure accountability for business performance, while non-financial measures, such as customer outcomes, reinforce the importance of sustainable growth and stakeholder trust over time.

The customer metrics used in the STI and LTI differ intentionally to reflect these distinct objectives. The STI uses Journey NPS to measure customer satisfaction and capture immediate, interaction-based customer experience during the year, driving accountability for service quality and responsiveness. In contrast, the LTI uses Brand Sentiment (Customer NPS) to measure broader, externally assessed perceptions of the brand over multiple years. Together, these measures provide a balanced view of customer satisfaction by rewarding strong day-to-day execution while also incentivising the longterm development of brand advocacy and trust.

4. Remuneration governance

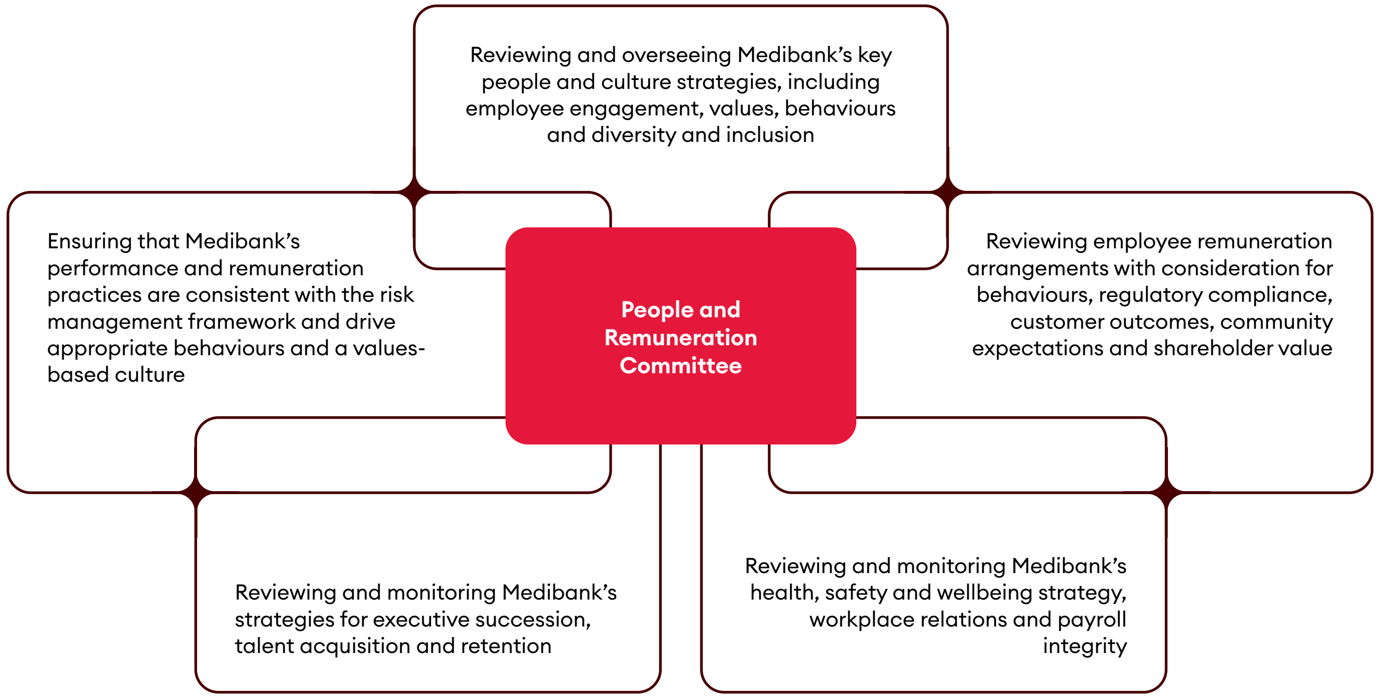
Medibank has a robust governance framework in place to ensure that our remuneration and performance practices are fair, reasonable and aligned with the requirements outlined in our risk management framework.

Our governance framework also considers regulatory compliance, customer outcomes, community expectations and the delivery of sustainable shareholder value.

4.1 The role of the Board in remuneration

The People and Remuneration Committee (P&RC) is a committee of the Board. The diagram below outlines the role of the P&RC in assisting and advising the Board on people and culture policies and practices, including remuneration.

While there are four permanent members of the P&RC, a standing invitation exists to all non-executive directors to attend meetings. The CEO and Group Lead - People, Spaces & Sustainability are also invited to attend P&RC meetings, except where matters associated with their own performance or remuneration are considered. Specific governance activities of the P&RC include regular reviews of the P&RC Charter to ensure consideration of changing regulations, guidelines and best practice and an annual audit of committee minutes against the P&RC Charter. For P&RC meeting attendance information, refer to the table on page 60 of the directors' report.



Independent remuneration consultant

- Ernst & Young provides information to assist the P&RC in making remuneration decisions and recommendations to the Board.
- The work undertaken by Ernst & Young in 2026 did not constitute a remuneration recommendation.

Remuneration report

For the financial year ended 30 June 2026

4.2 Executive remuneration policies

4.2.1 Performance evaluation of Executive KMP members

Medibank uses a goal-setting framework known as Objectives and Key Results (**OKRs**) to promote and support accountability throughout the organisation. Medibank's OKRs are designed to balance financial and non-financial objectives and clearly define core leadership accountabilities and expected contributions to support alignment, focus on measurable outcomes, and promote a culture of ownership and transparency.

Executive KMP performance evaluation framework

Stage	What happens	Why it matters
1. Goal setting	At the start of the year, the Board sets OKRs for Medibank and each Executive KMP, including both enterprise-wide goals and role-specific objectives aligned to customer and financial priorities outlined in the annual report.	Ensures executives are focused on delivering Medibank's strategic, financial and customer outcomes.
2. Cascading of objectives	Executive KMP OKRs are translated into objectives for their leadership teams and broader workforce, ensuring alignment across the organisation.	Promotes a consistent approach and accountability across all levels of the business.
3. Performance assessment	At year end, each Executive KMP is assessed against: (i) the risk, compliance and behaviour gateway and (ii) the achievement of their agreed OKRs.	Ensures that performance is assessed not only on outcomes, but also on how those outcomes are delivered, including adherence to risk and conduct expectations.
4. Individual performance rating	Executives receive a performance rating on a 5-point scale, reflecting achievement of OKRs and demonstration of expected behaviours. A minimum rating of 3 – Achieving is required to be eligible for a remuneration increase and STI award.	Provides a structured and consistent way to differentiate performance and link outcomes to remuneration.
5. Determination of STI outcomes and fixed remuneration	Individual performance ratings are combined with Medibank's overall company performance to determine final STI outcomes. Fixed remuneration adjustments consider individual performance, experience, role complexity and market benchmarks. Further details on STI measures and fixed remuneration are provided in Sections 6 and 7 (STI) and Section 6.2 (fixed remuneration) of this report.	Aligns executive reward with both personal contribution and overall business performance.
6. Governance	The CEO assesses Executive KMP performance and makes recommendations to the Board. The Chair, in consultation with the Board, assesses the CEO. The Board retains ultimate discretion over all outcomes.	Ensures independent oversight and alignment with shareholder, customer and community expectations.

4.2.2 Malus and clawback of executive performance-based remuneration

Medibank's Malus and Clawback Policy provides the Board with discretion to reduce, cancel, or clawback the variable remuneration of a recipient in certain circumstances and subject to applicable laws, including the following:

- **Fraud or misconduct:** Any fraudulent activity or misconduct that benefits an individual financially or otherwise or that results in significant adverse outcomes.
- **Risk management failures**: significant failures in managing financial or non-financial risks.
- **Accountability and compliance breaches**: Significant failures in accountability, fitness, propriety, or compliance obligations, including failure to comply with obligations under FAR.
- **Errors and misstatements**: Major errors or misstatements affecting variable remuneration outcomes.
- **Significant adverse outcomes**: actions for which the recipient is accountable leading to major negative consequences for customers, beneficiaries, counterparties or the community.
- **Material reputational damage**: acting, or failing to act, in a way that contributed to material reputational damage.
- Any other event as determined by the Board.

The Malus and Clawback Policy provides that if any of these events occur, the Board may, in its absolute discretion, determine if malus and/or clawback will apply. Malus provisions allow Medibank to reduce or cancel variable remuneration before it has been paid (or share awards vested) or make it subject to additional or amended conditions, while clawback provisions allow Medibank to, subject to applicable laws, recover some or all of the variable remuneration after it has been paid (or share awards vested).

4.2.3 Executive shareholding requirements

Executive KMP are subject to a Minimum Shareholding Policy that is designed to strengthen their alignment with customers and shareholders by requiring them to hold Medibank shares with a value equivalent to 100% of their annual total fixed remuneration within five years of appointment to the executive leadership team. The policy does not require a person to purchase shares, however they are restricted from selling their vested employee equity holdings (other than to satisfy income tax obligations) until they meet the minimum shareholding requirement.

All Medibank shares and unvested performance rights that are subject to a tenure-based hurdle held by, or on behalf of, the person (for example within a family trust or self-managed superannuation fund where they are the beneficial owner) will count towards satisfaction of the minimum shareholding requirement.

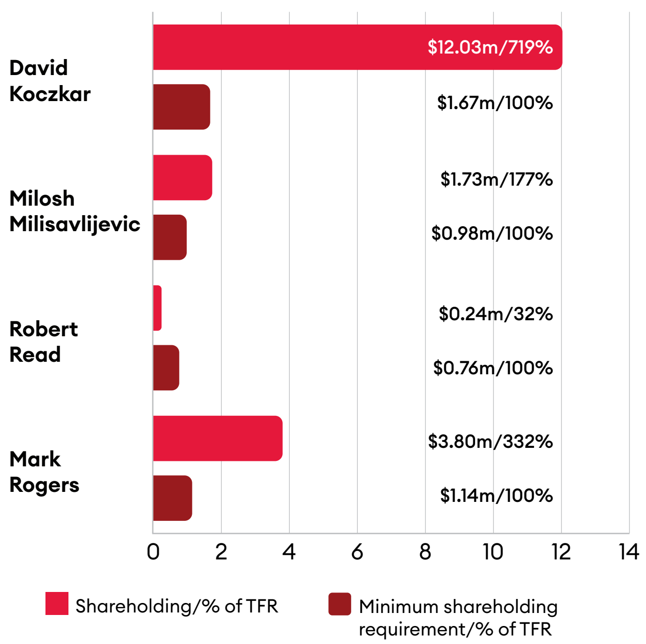
To better align with market practice, effective 1 July 2026, the CEO will be required to maintain a shareholding in the company with a value equivalent to at least 200% of one year's total fixed remuneration.

As at 30 June 2026, progress towards the minimum shareholding requirement for each Executive KMP is provided below:

Executive KMP	Minimum shareholding requirement \$[1]	Value of eligible shareholdings as at 30 June 2026 \$[2]	Minimum shareholding requirement as % of TFR	Actual shareholding as % of minimum shareholding requirement	Minimum shareholding requirement timeline
David Koczkar	1,672,450	12,029,900	100%	719%	Requirement satisfied
Milosh Milisavljevic	978,000	1,733,402	100%	177%	Requirement satisfied
Robert Read	760,000	243,038	100%	32%	13 November 2028
Mark Rogers	1,144,000	3,800,489	100%	332%	Requirement satisfied

1. Minimum shareholding requirement based on each person's total fixed remuneration (TFR) as at 30 June 2026.
2. Holding value is calculated with reference to the total number of eligible shares or performance rights held by each person, multiplied by the closing price of Medibank's shares on 30 June 2026 (\$4.97).

Executive KMP shareholdings at 30 June 2026 in comparison to minimum shareholding requirement



4.2.4 Share Trading Policy

We have a Share Trading Policy to ensure that non-executive directors and all employees understand their obligations in relation to dealing in Medibank shares. The Share Trading Policy describes restrictions on buying and selling Medibank shares.

In addition, non-executive directors, all senior executives, and employees with potential access to inside information are deemed to be 'Restricted Employees' and must seek approval before dealing in Medibank shares. They are also subject to share trading blackouts prior to financial result announcements and other times as required. These employees are also prohibited from entering into transactions relating to Medibank shares which limit their economic risks, including in relation to the LTI Plan and equity-based component of the STI Plan.

Medibank's Share Trading Policy can be found within the corporate governance section on our website.

Remuneration report

For the financial year ended 30 June 2026

4.2.5 Termination provisions in Executive KMP contracts

A summary of the termination provisions of KMP executive employment agreements, including key terms outlined in relevant incentive plan documentation, is included below:

	CEO	Other Executive KMP
Notice period	Termination by employer with notice: Six months Resignation: Six months	Termination by employer with notice: Six months Resignation: Three months
	Termination provisions included in Executive KMP contracts are limited to six months payment of fixed remuneration, in lieu of notice.	
Treatment of STI on termination[2]	**Good leaver[1]:** • Cash STI award in respect of the performance year in which they leave would be paid on a pro rata basis at the end of the STI performance period • The deferred component of the STI award will be paid in cash (rather than performance rights) on a pro rata basis with payment deferred on the same terms outlined in the STI plan rules. Deferred amounts are subject to Malus and Clawback. • Any previously deferred STI that has vested remains restricted until the applicable exercise date, unless determined otherwise by the Board, and subject to malus and clawback. **Participants who do not meet the good leaver definition:** • No cash STI awarded • Any previously deferred STI that has vested remains restricted until the applicable exercise date unless determined otherwise by the Board, and subject to malus and clawback.	
Treatment of LTI on termination[2]	**Unvested performance rights:** • **Good leaver:** Performance rights are retained on a pro rata basis and remain unvested and subject to the same vesting conditions that will be assessed at the end of the performance period • **Participants who do not meet good leaver definition**: performance rights are forfeited. **Vested performance rights subject to deferral:** • Any vested performance rights are retained and remain subject to deferral conditions, and malus and clawback.	

1. 'Good leaver' means KMP ceasing employment by reason of death, serious disability, permanent incapacity, redundancy or with Board approval.
2. Further details of the termination provisions that relate to the STI and LTI plans are detailed in section 6 of this report.

5. Risk and remuneration

A key focus for Medibank's Board and the P&RC is ensuring our remuneration policies and practices are consistent with our risk management framework, aligned with prudent risk taking and support the effective management of financial and non-financial risks. Full details about Medibank's risk management can be found on page 73 of the Annual Report.

Medibank's Code of Conduct sets out the way we work at Medibank via the establishment of standards of behaviour and conduct expected from all employees. The Code not only emphasises the importance of compliance with legal obligations, it also clearly outlines our responsibility toward our employees, our customers, and the wider community. The Board, CEO and the ELT continue to emphasise the importance of conduct and behaviours by setting a strong and consistent tone from the top.

5.1 Alignment of remuneration with prudent risk taking

At Medibank, executive pay is tied to how well risks are managed. Each year, all employees are assessed on a scorecard covering both financial and non-financial goals, including how well they've met their risk, compliance, and behavioural responsibilities.

Senior executives' risk management is reviewed jointly by the Risk Management Committee (RMC) and the P&RC. They look at things like audit findings, incident management, health and safety, and risk culture. The Chief Risk Officer and the Group Lead – People, Spaces & Sustainability are responsible for flagging any risk or conduct issues that could affect pay outcomes for senior leaders, including the CEO.

To make sure risk is considered over the long term, a portion of executive incentives is deferred under both the STI and LTI plans.

5.2 Consequence management

Our Consequence Management Policy is a key part of our risk culture and ensures risk, compliance and behaviour outcomes are aligned with remuneration outcomes. The policy provides guidelines in the application of consequences of employees breaching Medibank's Code of Conduct or Risk Culture Framework to ensure they are fair, reasonable and proportionate to the incident or breach. Consequences are clearly articulated and may include an employee attending further training or counselling, a formal written warning being applied, or in certain circumstances, termination of employment. The issue of a final written warning automatically results in the employee being given a maximum of 'needs improvement' performance rating for the relevant performance period, meaning the individual is ineligible for any performance-based reward outcome or fixed remuneration increase. Medibank's STI plan rules also clearly articulate that failure to meet the risk, compliance and behaviour gateway in any given performance period will lead to ineligibility for a STI award for the performance period.

In 2026, 17 employees were issued with final written warnings following a breach of Medibank's Code of Conduct, or another Medibank Group policy. In all cases, each employee received a performance rating of 'unsatisfactory' and was ineligible for any applicable performance-based incentive or fixed remuneration increase. A further 6 individuals in 2026 had their employment terminated following an incident of misconduct. Further details on consequence management can be found in our ESG databook 2026.

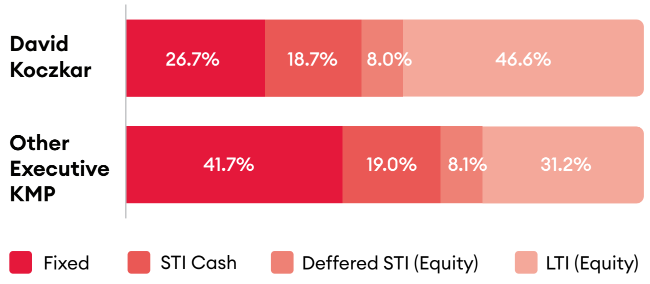
6. Executive KMP remuneration components

Target remuneration for Executive KMP is designed to reward sustained business performance with behaviours aligned with Medibank's values and purpose that increases value for both customers and shareholders. The Board aims to find a balance between:

- Fixed and at-risk remuneration.
- Short-term and long-term remuneration.
- Remuneration delivered in cash and deferred equity.

6.1 2026 target remuneration mix

The 2026 target remuneration mix for Medibank's Executive KMP is shown below.



6.2 Total fixed remuneration (TFR)

Total fixed remuneration (TFR) is the fixed portion of remuneration and includes base salary and employer superannuation contributions. Fixed remuneration is determined with reference to the executive's capabilities, experience, the complexity of the role, as well as median pay levels for similar roles at companies in the ASX 11-100 (excluding mining and energy companies). This ensures that fixed remuneration is set at competitive levels and enables Medibank to attract and retain high quality executives. Further details of Medibank's comparator group of companies is outlined in section 14 of this report. The table below outlines the current TFR settings for Executive KMP.

6.2.1 TFR

Executive KMP	30 June 2026 $	1 July 2026 $
David Koczkar	1,672,450	1,723,000
Milosh Milisavljevic	978,000	1,007,000
Robert Read	760,000	795,000
Mark Rogers	1,144,000	1,166,000

Remuneration report

For the financial year ended 30 June 2026

6.3 STI

STI is an at-risk element of remuneration, which is designed to reward executives for the creation of customer and shareholder value during the financial year. Executives must pass two separate gateways to participate in the plan. Once both gateways are achieved, executives have the opportunity to earn a percentage of their fixed remuneration as an incentive, based on the Group's and their individual performance.

6.3.1 STI gateways

For an STI award to be made to an executive, the following gateways must be achieved:

Risk, compliance and behaviour gateway

Individually assessed, the risk, compliance and behaviour gateway requires executives to:

- Adhere to Medibank's Code of Conduct which covers standards of behaviour and conduct which includes anti-harassment, anti-discrimination and anti-bribery and corruption obligations, and requires all employees to comply with legal obligations, and to act ethically and responsibly in relation to customers, colleagues and the community.
- Complete all mandatory compliance training including privacy, cyber-security, health and safety, bullying and harassment, bribery and corruption and meet our legal, ethical and governance requirements.
- Ensure that the risks in respect of their position are well managed. Multiple factors are considered when assessing risk management (including environment, social and corporate governance and climate risks where relevant), which differ based on an executive's role. Common elements include the effective operation of divisional risk committees, incident identification, audit findings, remediation actions, health and safety, and feedback on risk culture from employees.

Assessment of the risk, compliance and behaviour gateway is also subject to feedback provided by the Group Lead – Chief Risk Officer and Group Lead – People, Spaces & Sustainability as outlined in section 5.1.

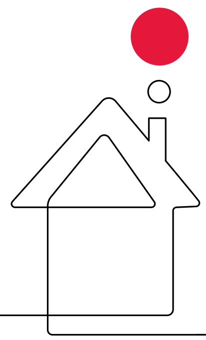
Financial gateway

Assessed at the Group level, Medibank must achieve a baseline group operating profit target for an STI to be awarded.

6.3.2 STI performance measurement

The Board determines challenging levels of performance for each Medibank and role-specific STI performance measure. When setting performance expectations, the Board considers Medibank's strategic objectives, prior year performance, the external environment, customer outcomes and shareholder expectations, and ensures that performance levels are set for the current year in the context of achieving longer term customer and financial strategic goals. Further detail on each performance measure is outlined in section 7.1.

At the completion of the performance year, an assessment is made on the achievement of the STI gateways. If achieved, STI outcomes are determined based on Company and Individual performance. Performance against the Group's measures determines the company component of the STI while the individual rating from the annual performance assessment process determines the Individual component. There is a threshold, target and stretch level of performance for each company measure as set by the Board and employees need to achieve a minimum rating of "3 – Achieving" for an STI award to be paid.



6.3.3 Key features of the STI plan

Over what period is performance assessed?	The STI performance period is the financial year 1 July to 30 June.
How are STI payments delivered?	70% of STI awarded to Executive KMP is paid as cash, with the remaining 30% provided in the form of deferred performance rights, subject to a one-year service condition.
When are STI payments made?	The cash component of STI is paid following the release of audited financial results, with performance rights for the deferred STI component granted shortly thereafter.
What is the deferral period for the deferred STI component?	Performance rights are deferred for: • up to five years for the CEO, with 20% of the deferred amount released each year following the conclusion of the service period; and • up to four years for other KMP, with 25% of the deferred amount released each year following the conclusion of the service period. The exercise of each tranche is subject to the assessment by the Board of the application of Medibank's Malus and Clawback policy to the relevant tranche and after the relevant annual results are announced to the ASX.
How are the number of performance rights granted to each participant determined as part of the deferred STI?	Performance rights under the STI plan are granted at face value. The deferred STI value for each Executive KMP is divided by the volume weighted average share price (VWAP) of Medibank shares over the 10 trading days up to and including the payment date of the cash STI to determine the number of units granted.
Are deferred STI performance rights entitled to receive a dividend payment?	Deferred STI performance rights don't attract dividends during the deferral period. To align participant outcomes with shareholders, on exercise of these performance rights additional Medibank shares are granted to ensure each participant receives a benefit equivalent to any dividends paid during the deferral period on the rights being exercised.
What gateways apply to the STI plan?	For an STI award to be made to Executive KMP, both the risk, compliance and behaviour gateway, and the financial gateway must be achieved. Further detail on these gateways is outlined in section 6.3.1.
What are the performance measures under the STI plan?	Performance measures under the STI plan are determined by the Board at the commencement of each performance period. 2026 performance measures were: • Group operating profit (excluding investment income). • Health Insurance premium revenue growth. • Customer satisfaction. • Role-specific metrics. Section 7.1 of this report provides a detailed description of Medibank's STI performance measures and a description of how Medibank has performed against each measure in 2026. Actual target values are not disclosed as this is considered commercially sensitive information.
Does Medibank have a Malus and Clawback Policy that applies to the STI plan?	Medibank has a Malus and Clawback Policy that provides discretion to the Board to reduce, cancel, or recover (clawback) any award made under the STI plan to employees in certain circumstances subject to applicable laws. Further detail on this policy is outlined in section 4.2.2.
What happens to STI entitlements if an executive leaves Medibank?	If an executive is a 'good leaver' (meaning they cease employment by reason of death, serious disability, permanent incapacity, redundancy, or with Board approval), pro rata payment of STI applies. Section 4.2.5 provides additional information on the treatment of STI for people deemed as 'good leavers' by the Board. Other than in the case of dismissal, an executive who ceases employment after meeting the service period will retain the deferred STI performance rights which will remain subject to malus and clawback and will be released as per the deferral schedule.
In what circumstances are STI entitlements forfeited?	In the event an executive is not considered a 'good leaver' (meaning they cease employment for any reason other than death, serious disability, permanent incapacity, redundancy or with Board approval), the executive will forfeit any payment under the STI plan, including any unvested deferred STI grants, unless otherwise determined by the Board.

Remuneration report

For the financial year ended 30 June 2026

6.3.4 Annual STI opportunity

The target and maximum annual STI opportunity as a percentage of TFR for each Executive KMP is outlined in the table below.

	2026 & 2027	
Executive KMP	**Target**	**Maximum**
David Koczkar	100%	150%
Milosh Milisavljevic	65%	120%
Robert Read	65%	120%
Mark Rogers	65%	120%

6.4 LTI

LTI is an at-risk element of remuneration designed to reward executives for delivering sustainable business performance over the long term. Given the nature of the private health insurance industry and the fact that it is highly regulated, the Board considers it appropriate to measure long term performance over a three-year period with deferral conditions applying to vested awards. A three-year performance period with the additional deferral conditions, strikes a balance between providing a reasonable period to align reward with shareholder return and the LTI acting as a vehicle for executive motivation and retention.

Each year Executive KMP are eligible to receive an LTI which is calculated as a percentage of their annual fixed remuneration, subject to performance hurdles that will be tested at the end of the three-year performance period. Based on performance against these hurdles a percentage of the incentive will be retained by the Executive KMP with the remainder being forfeited. Vested performance rights are subject to a deferral period of up to three years for the CEO and up to two years for other Executive KMP.

6.4.1 Key features of the LTI plan

What is the aim of the LTI plan?	The Medibank LTI plan is designed to: • Align the interests of executives more closely with the interests of customers and shareholders, by providing an opportunity for those executives to receive an equity interest in Medibank through the granting of performance rights. • Assist in the motivation, retention and reward of executives over the performance and deferral periods.
What are performance rights?	Performance rights issued to executives under the LTI plan are conditional rights for the participant to receive fully paid ordinary shares in Medibank. Each performance right entitles the executive to subscribe for one ordinary share if the performance hurdles are met at the conclusion of the performance period. No amount is payable by the participant upon the grant or exercise of the performance rights once they have vested.
What method is used to determine the number of performance rights granted to each participant?	Performance rights under the LTI plan are granted at face value. Each participant receives a percentage of their fixed remuneration in LTI (refer to section 6.4.2 for details). This amount is then divided by the face value of Medibank shares. For the 2026 LTI plan, the number of performance rights granted to each participant was determined using the volume weighted average price of Medibank shares on the ASX during the 10 trading days up to and including, 30 June 2025. This average price was $4.94
What is the performance period for 2026 LTI plan?	The performance period for the 2026 LTI plan is three financial years which commenced on 1 July 2025.
When is the LTI delivered?	Following the three-year performance period any performance rights that meet the performance hurdles vest and are then subject to a deferral period of up to three years for the CEO and up to two years for other Executive KMP.
What is the deferral period for LTI?	Vested performance rights are deferred for: • Up to three years for the CEO, with one third being exercised each year starting at the beginning of the year following the end of the performance period. • Up to two years for other KMP, with half being exercised at the beginning of the year following the end of the performance period, and the remaining amount being exercised in the following year. The exercise of each tranche is subject to the assessment by the Board of the application of Medibank's Malus and Clawback policy to the relevant tranche and after the relevant annual results are announced to the ASX.
What are the performance hurdles under the 2026 LTI plan?	Performance rights issued under the 2026 LTI plan are subject to four separate performance hurdles, providing for an appropriate balance of financial and non-financial performance: • 30% of the performance rights are subject to a performance hurdle based on Medibank's EPS CAGR over the performance period. The starting point for EPS will be calculated using Medibank's underlying profit as at 30 June 2025 and the performance period for the EPS performance hurdle will run for 3 years from 1 July 2025 through to 30 June 2028. Further detail on the profit measure used in the calculation of EPS is provided in section 6.4.3. • 30% of the performance rights are subject to a relative TSR performance hurdle, measured over the performance period. Medibank's relative TSR will be compared to a comparator group comprising companies with a market capitalisation positioned within the ASX 11-100 (excluding mining and energy companies). • 20% of the performance rights are subject to a performance hurdle based on the growth of Medibank's private health insurance market share (as reported by APRA) over the performance period. • 20% of the performance rights are subject to a performance hurdle based on Brand Sentiment, measured as the change in Medibank's Customer Net Promoter Score (CNPS) over the performance period. These performance hurdles were chosen by the Board as they are aligned with the interests of our customers and shareholders and represent well understood and transparent mechanisms to measure performance and provide a strong link between executive reward, customer outcomes, and shareholder wealth creation. The performance hurdles under the 2026 LTI plan have threshold levels which need to be achieved before vesting commences. Details of these thresholds are outlined in the vesting schedule in section 6.4.3.
When do the performance rights vest?	Performance hurdles are assessed as soon as practicable after the completion of the relevant performance period. The number of performance rights that vest (if any) will be relative to the achievement against the performance hurdles. See section 6.4.3 for the vesting schedule associated with each performance hurdle.
Are the performance hurdles re-tested?	No. Performance hurdles are only tested once at the end of the performance period. Any performance rights that remain unvested at the end of the performance period are immediately forfeited.
Are LTI performance rights entitled to receive a dividend payment?	LTI performance rights do not attract a dividend during the performance period, as they are still subject to performance hurdles that will determine the number of rights that convert to ordinary Medibank shares. Vested performance rights do not attract dividends during the deferral period. However, on exercise of the vested performance rights, additional Medibank shares are granted to ensure each participant receives a benefit equivalent to any dividends paid during the deferral period on the rights being exercised.
Does Medibank have a malus and clawback policy that applies to the LTI plan?	Medibank has a Malus and Clawback Policy that provides discretion to the Board to reduce, cancel, or recover (clawback) any award made under the LTI Plan to an employee in certain circumstances subject to applicable laws. Further detail on this policy is outlined in section 4.2.2.
What happens to LTI entitlements if a participant leaves Medibank?	If a participant is a 'good leaver' (meaning they cease employment by reason of death, serious disability, permanent incapacity, redundancy, or with Board approval), a portion of the performance rights held (granted, but not vested) by that participant on cessation of employment will be forfeited on a pro rata basis according to a formula which takes into account the length of time the participant has held the performance rights relative to the performance period for the grant. The retained performance rights will remain unvested and will be tested at the end of the performance period against the existing performance hurdles. Vested performance rights remain subject to deferral conditions.
In what circumstances are LTI entitlements forfeited?	LTI entitlements are forfeited if performance hurdles are not met. In the event a participant is not considered a 'good leaver' (meaning they cease employment for any reason other than death, serious disability, permanent incapacity, redundancy or with Board approval), the performance rights held (granted, but not vested) by that participant on cessation of employment will be automatically forfeited.

Remuneration report

For the financial year ended 30 June 2026

The annual LTI allocation value as a percentage of TFR for each Executive KMP is outlined in the table below.

6.4.2 Annual LTI allocation

Executive KMP	2026 & 2027 LTI allocation value as % of TFR
David Koczkar	175%
Milosh Milisavljevic	75%
Robert Read	75%
Mark Rogers	75%

6.4.3 LTI hurdles explained

Each year, the Board reviews the LTI targets and vesting conditions in the context of Medibank's operating environment. The Board is committed to setting targets which are appropriately challenging for management to meet while not being unattainable and which ultimately support the delivery of strong outcomes for our customers and shareholders. Vesting schedules for the 2026 LTI allocation have been revised relative to the 2025 allocation for EPS CAGR, market share, and brand sentiment metrics.

2026 EPS performance rights (30% of award)

The Board approved increasing the EPS CAGR threshold and target to 4% and 8% for the 2026 LTI grant, up from 3% and 7% for the 2025 LTI grant. Details of the vesting schedule are outlined in the table below:

Medibank's EPS CAGR over the performance period	Percentage of EPS performance rights that vest
Less than 4% EPS CAGR	Nil
Between 4% and 8% EPS CAGR	Straight-line pro rata vesting between 50% and 100%
Above 8% EPS CAGR	100%

Medibank's performance against the EPS hurdle is calculated based on the CAGR of Medibank's EPS over the performance period. EPS is based on underlying profit, which adjusts statutory Net Profit After Tax (NPAT) where appropriate, for short-term outcomes that are expected to normalise over the medium to longer term, most notably in relation to the level of gains or losses from investments, due to the limited control that management has over these outcomes.

2026 Total Shareholder Return performance rights (30% of award)

The Board approved maintaining the vesting schedule for the Total Shareholder Return (TSR) hurdle. Medibank's TSR will be compared against companies within the ASX 11-100 (excluding mining and energy companies), which is the same comparator group used for executive and non-executive remuneration benchmarking. For any of the 2026 TSR performance rights to vest, Medibank must achieve the threshold TSR ranking over the performance period. The percentage of the 2026 TSR performance rights that vest, if any, will be based on Medibank's TSR ranking at the end of the performance period, as set out in the following vesting schedule:

Medibank's TSR rank in the 2026 comparator group	Percentage of TSR performance rights that vest
Less than 50th percentile	Nil
Between the 50th and 75th percentile	Straight-line pro rata vesting between 50% and 100%
Above 75th percentile	100%

The TSR of Medibank and other companies within the comparator group, expressed as a compound annual rate of return, will be comprised of:

a. The change in share price of each company over the performance period. The change in share price is calculated using the Volume Weighted Average Price (VWAP) of each entity over the 20 trading days leading up to and including the performance period start and end dates. The VWAP at the end of the performance period will be adjusted for any stock splits that occur during the performance period.
b. The value of all dividends and other shareholder benefits paid by each company during the performance period assuming that:
   i. The dividends and shareholder benefits are reinvested in the relevant company at the closing price of the securities on the date the dividend or shareholder benefit was paid.
   ii. Franking credits are disregarded.

The entities comprising the 2026 comparator group are determined at the commencement of the performance period. If the ordinary shares or stock of a member of the 2026 comparator group is not quoted on the ASX at the end of the performance period (for example if the member has been delisted for any reason), then it will be excluded from calculations of the TSR calculation, unless the Board, acting in good faith and in its absolute discretion, determine otherwise. In exercising its discretion, the Board may have regard to such matters it deems relevant including (but not limited to) the length of time that the member was quoted on the ASX during the performance period.

2026 market share performance rights (20% of award)

The Board approved adjusting the market share threshold and target to 10 and 60 basis points, respectively for the 2026 LTI grant, down from 25 and 75 basis points for the 2025 LTI grant. This adjustment was made to reflect Medibank's commitment to grow market share in a disciplined way. Details of the vesting schedule are set out below:

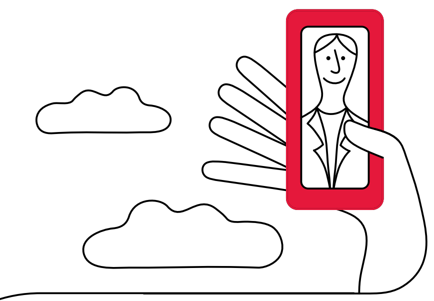
Medibank's Private Health Insurance market share growth	Percentage of market share performance rights that vest
Less than 10 basis points	Nil
Between 10 basis points 60 basis points	Straight-line pro rata vesting between 50% and 100%
Above 60 basis points	100%

2026 brand sentiment performance rights (20% of award)

Brand sentiment is assessed as the change in Medibank's Customer Net Promoter Score (CNPS) over the performance period – a key customer advocacy metric that measures the likelihood of people recommending Medibank or ahm to their families and friends.

The percentage of brand sentiment performance rights that vest, if any, will be based on Medibank's performance against the brand sentiment hurdle over the performance period, as set out in the following vesting schedule. The threshold and target levels of performance for the 2026 LTI grant have been increased to 12 and 18, up from 5.3 and 10.6 for the 2025 LTI grant.

Medibank's brand sentiment (CNPS)	Percentage of brand sentiment performance rights that vest
Less than 12	Nil
Between 12 and 18	Straight-line pro rata vesting between 50% and 100%
Above 18	100%



Remuneration report

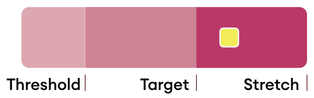
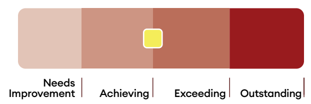
For the financial year ended 30 June 2026

7. Linking remuneration and performance in 2026

7.1 2026 Short-Term Incentive (STI) performance scorecard

Gateways

Both the Financial Gateway and the Risk, Compliance & Behaviour Gateway (in respect of each of the Executive KMP's roles) were met. The following table details the 2026 STI performance scorecard measures, weightings, and assessment.

Measure	Description	Weighting		Targets and performance outcomes	Actual outcome	
		CEO	Exec KMP		CEO	Exec KMP
Group operating profit	Group operating profit represents the core financial measure for the annual STI Plan and reflects the Board's belief that it is the best measure of underlying business performance and value created for customers and shareholders over the performance period. Group operating profit for the purposes of the 2026 STI is inclusive of cybercrime event related expenses.	45%	35%		47.9%	38.8%
Health Insurance premium revenue growth	Measured alongside the core metric of group operating profit, the focus of this measure is sustainable and profitable revenue growth to ensure optimal value creation for customers and shareholders.	20%	25%		14%	17.5%
Customer Satisfaction	Measured by a combination of Journey Net Promoter Score (jNPS) for Medibank and ahm.	20%	20%		22.5%	24.2%
Role-specific goals	Aligned to one or more of the following milestones: **1. Deliver leading experiences** – we aim to increase advocacy and trust by enhancing customer experience, re-inventing the way we work, making a meaningful difference for our stakeholders by delivering on our sustainability commitments and leading bold and sustainable industry change. **2. Differentiate our insurance business** – We aim to grow insurance market share sustainably by remaining disciplined in how we grow resident PHI, strengthening our non-resident offerings and driving growth through our differentiation strategy. **3. Expand in health** – We aim to diversify and grow earnings by increasing wellbeing engagement, accelerating growth in primary care and building scale across the continuum of care. **4. Strengthen our foundations** - We aim to continuously strengthen our capabilities by maintaining our disciplined focus on continuing to strengthen risk culture and long-term resilience and driving a culture of continuous improvement.	15%	20%	 Individual performance at achieving	15%	20%
Total		**100%**	**100%**	**Adjusted outcome**	**94%**	**95%**

7.2 Medibank's 2026 financial performance

Medibank's 2026 annual financial performance is provided in the table below in addition to the average 2026 STI award achieved by Executive KMP, as a percentage of maximum opportunity. This table illustrates the relationship between the key indicators of shareholder wealth creation and STI outcomes for Executive KMP.

Measure	2026	2025	2024	2023[1]	2022
Health Insurance premium revenue growth	4.6%	3.9%	4.0%	4.2%	2.7%
Group operating profit[1]	$813.5m	$762.4m	$699.8m	$648.4m	$594.1m
Group net profit after tax (NPAT)	$638.7m	$500.8m	$492.5m	$308.6m	$393.9m
Dividend	19.2 cents p/s	18.0 cents p/s	16.6 cents p/s	14.6 cents p/s	13.4 cents p/s
Share price as at 1 July	$5.05	$3.73	$3.52	$3.25	$3.16
Share price as at 30 June	$4.97	$5.05	$3.73	$3.52	$3.25
Average Executive KMP STI as a percentage of target opportunity	95%	101%	108%	0%	121%
Average Executive KMP STI as a percentage of maximum opportunity	55%	58%	61%	0%	72%

1. The 2023 group operating profit and NPAT have been restated to reflect the application of AASB 17 Insurance Contracts. Remuneration outcomes were not revised.

7.3 2026 STI awards

The table below provides a summary of STI awards for the 2026 performance year.

Executive KMP	Target STI $	Total STI achieved $	STI cash (70%) $	STI deferred (30%) $	Total STI achieved as % of target	Total STI achieved as % of max opportunity
David Koczkar	1,672,450	1,578,751	1,105,125	473,636	94%	63%
Milosh Milisavljevic	635,700	606,952	424,866	182,086	95%	52%
Robert Read	494,000	471,660	330,162	141,498	95%	52%
Mark Rogers	743,600	709,972	496,980	212,992	95%	52%

7.4 2024 LTI plan outcomes

Medibank's 2024 LTI was tested following the completion of the performance period on 30 June 2026. The Board determined it was appropriate to allow the LTI to vest in line with the terms of its grant, with a vesting outcome of 75.1%. The table below outlines the outcomes against the EPS CAGR, Relative TSR, market share and brand sentiment performance hurdles. It is likely there will be no vesting against the market share growth measure, however this will be confirmed once APRA releases the June 2026 Quarterly private health insurance statistics.

Performance hurdle	Weighting	Outcome	Vesting percentage
EPS CAGR	30%	6.2%	89.7%
Relative TSR	30%	72nd Percentile	94%
Market share (bps)	20%	TBC	TBC
Brand Sentiment	20%	12.4	100%
Total 2024 LTI vesting percentage			**75.1%**

Remuneration report

For the financial year ended 30 June 2026

Vested performance rights are deferred for:

- Up to three years for the CEO, with one third being exercised at the end of the 2027, 2028 and 2029 financial years.
- Up to two years for other KMP, with half being exercised at the end of the 2027 financial year and the remaining half at the end of the 2028 financial year.

The exercise of each tranche is subject to the assessment by the Board of the application of Medibank's Malus and Clawback policy to the relevant tranche and after the relevant annual results are announced to the ASX.

The performance rights granted under the 2024 LTI Plan that do not vest because of the performance hurdle outcomes not being met will lapse immediately.

The performance rights granted under the 2025 and 2026 LTI plans remain in restriction and will be assessed against their performance hurdles at the completion of the 2027 and 2028 financial years respectively.

8. 2026 actual remuneration (Non-International Financial Reporting Standards disclosure)

The table below represents the 2026 'actual' remuneration for Executive KMP and includes all cash payments made in relation to 2026, in addition to deferred STI and LTI awards that vested in 2026.

Statutory remuneration disclosures prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards differ to the numbers presented below, as they include (among other benefits) expensing for equity grants that are yet to realise or may never be realised. The statutory remuneration table for Executive KMP is presented in section 9.

Executive KMP	Base salary and superannuation $	Cash STI for performance to 30 June 2026 $	Total cash payments in relation to 2026 $	Deferred equity awards that vested in 2026[1] $	Total 2026 actual remuneration $	Equity awards that lapsed in 2026[2] $
David Koczkar	1,670,058	1,105,125	2,775,183	2,728,827	5,504,010	1,167,161
Milosh Milisavljevic	975,969	424,866	1,400,835	680,057	2,080,892	269,198
Robert Read	759,577	330,162	1,089,739	247,947	1,337,686	83,201
Mark Rogers	1,142,350	496,980	1,639,330	847,135	2,486,465	337,717

1. Deferred equity awards that vested in 2026 relate to the exercise of the first tranche of the 2024 Deferred STI (including shares allocated as dividend equivalent for the deferral period as per plan rules) and the 2023 LTI performance rights that vested during the year. The value of vested awards is calculated using the closing share price on the vesting date.
2. Equity awards that lapsed in 2026 relate to the portion of the 2023 LTI performance rights that lapsed following the testing of the performance hurdles in July 2025. The value of lapsed awards is calculated using the closing share price on the vesting/lapse date.

9. Statutory remuneration tables

9.1 Statutory remuneration table

The following table has been prepared in accordance with Section 300A of the *Corporations Act 2001* and details the statutory accounting expense of all remuneration-related items for Executive KMP. In contrast to the table in section 8 that details 2026 actual remuneration, the table below includes accrual amounts for equity awards being expensed throughout 2026 that are yet to, and may never, be realised.

		Short-term benefits				Post-employment benefits	Long-term benefits		Equity-based benefits	Other	
Executive KMP	**Financial year**	**Salary $[1]**	**Short-term incentive (STI) $**	**Other $**	**Non-monetary benefits $[2]**	**Superannuation $**	**Leave $[3]**	**Deferred STI $**	**Performance rights $[4]**	**Termination benefits $**	**Total remuneration $**
David Koczkar	2026	1,648,767	1,105,125	-	18,364	30,000	101,771	-	2,217,062	-	5,121,089
	2025	1,602,285	959,632	-	20,527	30,000	68,095	-	2,035,814	-	4,716,353
Milosh Milisavljevic	2026	951,646	424,866	-	16,915	30,000	94,903	-	634,073	-	2,152,403
	2025	903,366	389,053	-	15,151	30,000	37,538	-	608,065	-	1,983,173
Robert Read	2026	733,238	330,162	-	15,951	30,000	22,682	-	493,722	-	1,625,755
	2025	709,368	289,003	-	15,079	30,000	20,548	-	440,694	-	1,504,692
Mark Rogers	2026	1,118,285	496,980	-	17,405	30,000	59,783	-	736,214	-	2,458,667
	2025	1,079,035	425,797	-	16,174	30,000	64,559	-	711,319	-	2,326,884
Total Executive KMP	2026	4,451,936	2,357,133	-	68,635	120,000	279,139	-	4,081,071	-	11,357,914
	2025	4,294,054	2,063,485	-	66,931	120,000	190,740	-	3,795,892	-	10,531,102

1. Salary includes annual base salary paid on a fortnightly basis and annual leave entitlements accrued, but not taken, during the year which are expected to be taken in the next 12 months.
2. Non-monetary benefits may include death, total and permanent disablement insurance, salary continuance insurance, subsidised Medibank health insurance and fringe benefits that are on the same terms and conditions that are available to all employees of the Group.
3. Long-term leave comprises an accrual for long service leave and annual leave entitlements accrued, but not taken, during the year which are not expected to be taken in the next 12 months.
4. Performance rights include equity-based remuneration incurred during the relevant financial year. The values are based on the grant date fair value amortised on a straight-line basis over the performance period and any reversals required by *AASB 2 Share-based Payments*.

9.2 Performance-related remuneration statutory table

The following table provides an analysis of the non-performance-related (fixed remuneration) and performance-related STI and LTI components of the 2026 remuneration mix for Medibank's Executive KMP as detailed in the 'statutory remuneration table'.

	Non-performance related	Performance-related			
Executive KMP	**Fixed remuneration[1]**	**Cash STI**	**Deferred STI[2]**	**LTI[3]**	**Total performance-related remuneration**
David Koczkar	35.1%	21.6%	10.9%	32.4%	64.9%
Milosh Milisavljevic	50.8%	19.7%	10.3%	19.2%	49.2%
Robert Read	49.3%	20.3%	10.3%	20.1%	50.7%
Mark Rogers	49.8%	20.2%	10.2%	19.8%	50.2%

1. Fixed remuneration includes the accounting expense from all columns of the 'statutory remuneration table' other than 'cash STI', 'performance rights' and 'deferred STI'.
2. Deferred STI includes the 2026 accounting expense of the 2026 deferred STI component within the 'performance rights' column of the 'statutory remuneration table'.
3. LTI includes the 2026 accounting expense of the 2024, 2025 and 2026 LTI component within the 'performance rights' column of the 'statutory remuneration table'.

Remuneration report

For the financial year ended 30 June 2026

10. Executive KMP equity awards

10.1 Executive KMP equity award transactions

Details of 2026 Executive KMP equity award transactions and outstanding holdings granted in previous years are set out below.

Executive KMP	Award type[1]	Balance 1 July 2025	Acquired during 2026[2]		Vested during 2026[3]		Lapsed during 2026[4]		Other changes	Balance 30 June 2026[5]	
			Units	Value	Units	Value	Units	Value		Units	Value
David Koczkar	Long-term incentive	2,140,058	592,466	2,192,124	499,985	2,549,924	228,855	1,167,161	-	2,003,684	6,224,600
	Short-term incentive	174,671	133,093	644,334	35,847	178,904	-	-	-	271,917	1,155,381
	Ordinary shares	1,884,671	-	-	535,832	2,728,827	-	-	-	2,420,503	12,029,900
Milosh Milisavljevic	Long-term incentive	519,423	148,480	549,376	115,319	588,127	52,784	269,198	-	499,800	1,552,905
	Short-term incentive	71,807	54,057	261,720	18,420	91,930	-	-	-	107,444	458,095
	Ordinary shares	215,034	-	-	133,739	680,057	-	-	-	348,773	1,733,402
Robert Read	Long-term incentive	330,571	115,384	426,921	35,645	181,790	16,314	83,201	-	393,996	1,223,265
	Short-term incentive	51,676	40,144	194,358	13,256	66,158	-	-	-	78,564	335,679
	Ordinary shares	-	-	-	48,901	247,947	-	-	-	48,901	243,038
Mark Rogers	Long-term incentive	628,441	173,684	642,631	144,674	737,837	66,219	337,717	-	591,232	1,835,325
	Short-term incentive	85,371	59,207	286,662	21,900	109,298	-	-	-	122,678	520,128
	Ordinary shares	764,128	-	-	166,574	847,135	-	-	-166,016	764,686	3,800,489

1. Long-term incentive corresponds to performance rights awarded under the LTI plan that are subject to performance hurdles. STI represents performance rights awarded under the STI plan. Ordinary shares include all Medibank shares held by the executive or related parties.
2. Represents the maximum number of equity awards that may vest to each Executive in respect to their time as KMP during 2026. The minimum potential outcome for the equity awards is 0. The values are calculated using the fair value as at grant date. The fair value at grant has been based on a valuation by independent external consultants in accordance with accounting standard AASB 2 Share Based Payments. The fair values for the 2024, 2025 and 2026 LTI grants are used for accounting purposes only as all LTI grants are made using the face value, as outlined in section 6.4. Unit prices have been rounded to the nearest cent.
3. Awards that vested in 2026 relate to the exercise of the first tranche of the 2024 Deferred STI award (including shares allocated as dividend equivalent for the deferral period as per plan rules) and the 68.6% vesting of 2023 LTI awards (granted December 2022) following the assessment of performance hurdles. Performance rights that vested were automatically exercised and no payment was required from participants. Executives received one ordinary share for each performance right that vested during the financial year. The value of vested awards is calculated using the closing share price on the vesting date.
4. Awards that lapsed in 2026 relate to the 31.4% of the 2023 LTI awards that did not meet the performance hurdle and subsequently lapsed. The value of lapsed awards is calculated using the closing share price on the vesting/lapse date.
5. The value of unvested STI is determined by the number of units at 30 June 2026 multiplied by the unit price at grant. The value of unvested LTI is determined by the number of units at 30 June 2026 multiplied by the fair value at grant. The value of ordinary shares is determined by multiplying the number of ordinary shares at 30 June 2026 by the closing price of Medibank shares on the same date.

10.2 Overview of unvested equity awards and fair value assumptions

All awards are subject to continued employment, malus and clawback provisions.

Award	Award type	Performance start date	Performance end date[1]	Grant date	Performance measure	Weighting	Unit price at grant	Fair value at grant[2]
2026 LTI performance rights	LTI	1/07/2025	30/06/2028	12/12/2025	EPS	30%	4.94	4.27
					Market share	20%	4.94	4.27
					TSR	30%	4.94	2.38
					Brand Sentiment	20%	4.94	4.27
2025 Deferred STI performance rights	STI	1/07/2025	15/08/2026	12/12/2025	Service	100%	4.84	4.84
2025 LTI performance rights	LTI	1/07/2024	30/06/2027	9/12/2024	EPS	30%	3.73	3.48
					Market Share	20%	3.73	3.48
					TSR	30%	3.73	1.71
					Brand Sentiment	20%	3.73	3.48
2024 Deferred STI performance rights	STI	1/07/2024	15/08/2025	9/12/2024	Service	100%	3.69	3.69
2024 LTI performance rights	LTI	1/07/2023	30/06/2026	11/12/2023	EPS	30%	3.56	3.16
					Market Share	20%	3.56	3.16
					TSR	30%	3.56	1.78
					Brand Sentiment	20%	3.56	3.16
2023 LTI performance rights	LTI	1/07/2022	30/06/2025	6/12/2022	EPS	35%	3.19	2.63
					Market Share	30%	3.19	2.63
					TSR	35%	3.19	1.19

1. The performance end date represents the earliest possible date the performance rights may vest, being the end of the performance period. The actual vesting and exercise date will be at a time and manner determined by the Board, with Medibank to notify the holder at that time.
   - FY23 LTI: Performance rights that vest are automatically exercised and no payment is required from participants. Any performance rights that don't vest at this point will immediately expire.
   - FY24, FY25 and FY26 LTI: Following the three-year performance period any performance rights that meet the performance hurdles vest and are then subject to a deferral period of up to three years for the CEO and up to two years for other Executive KMP. Any performance rights that don't vest will immediately expire. Performance rights that meet the deferral conditions are automatically exercised and no payment is required from participants.
   - FY24 and FY25 Deferred STI: performance rights are deferred for up to five years for the CEO with 20% of the deferred amount released each year following the conclusion of the service period and up to four years for other Executive KMP with 25% of the deferred amount released each year following the conclusion of the one year service period. Performance rights that meet the deferral conditions are automatically exercised and no payment is required from participants.
2. Fair value of LTI performance rights has been calculated as at the start of the performance period.

Remuneration report

For the financial year ended 30 June 2026

11. Non-executive director remuneration and framework

Non-executive director fees are determined by the Board and reflect the role, market benchmarks and Medibank's objective to attract highly skilled and experienced independent non-executive directors. All non-executive directors are required to hold a minimum number of shares in Medibank to align with shareholder interests.

11.1 Non-executive director remuneration

Component	Delivered	Description
Base fee	Cash and superannuation	The base fee represents remuneration for service on the Medibank Board. The base fee for the Chair represents the entire remuneration for that role.
Committee fees	Cash and superannuation	Committee fees represent remuneration for chairing, or membership of, Board committees.

11.1.1 Non-executive director fee cap

Under Medibank's Constitution, the total fees paid in any financial year to all non-executive directors for their services (excluding, for these purposes, the salary of any executive director) must not exceed, in aggregate, the amount fixed at Medibank's AGM in 2024 at $3,000,000 per annum (fee cap).

11.1.2 Non-executive director remuneration

Under Medibank's Constitution, the Board is responsible for determining the total amount paid to each non-executive director as remuneration for their services, considering the level of work required for the role and the median remuneration paid to non-executive directors of companies positioned within the ASX 11-100 (excluding mining and energy companies).

Following the annual benchmarking exercise and the position of non-executive directors against the median of the benchmark group, non-executive director base and committee fees will increase by 3% for 2027.

Based on the composition of the Board, non-executive director fee spend for 2027 will be $1,980,200 against the approved cap of $3,000,000.

Non-executive director fees applicable to 2026 and 2027 are set out in the table below:

Position	2026 $	2027 $
Chair	494,700	509,550
Non-executive directors	183,450	188,975
Committee chair fees		
Audit Committee	44,450	45,800
Risk Management Committee	44,450	45,800
People and Remuneration Committee	44,450	45,800
Investment and Capital Committee	44,450	45,800
Committee membership fees		
Audit Committee	22,200	22,875
Risk Management Committee	22,200	22,875
People and Remuneration Committee	22,200	22,875
Investment and Capital Committee	22,200	22,875

11.2 Non-executive director superannuation

Medibank meets its obligations under the Superannuation Guarantee legislation by paying superannuation contributions in respect of non-executive directors to their nominated complying superannuation funds up to the concessional contribution limits. Superannuation contributions for non-executive directors are drawn from the overall fees paid to non-executive directors.

As permitted under the Superannuation Guarantee legislation, people with multiple employers can elect to be exempt from the superannuation guarantee where contributions are likely to take them over the annual concessional contribution cap. If a non-executive director applies and receives an exemption from superannuation guarantee payments, Medibank will make those payments in cash.

11.3 Shareholding policy for non-executive directors

Medibank's Minimum Shareholding Policy requires non-executive directors to have a shareholding in the company equal in value to at least one year of their pre-tax base fee. Non-executive directors have five years from the date of their appointment or election as directors to attain their required minimum shareholding.

Non-executive directors do not participate in, or receive, any performance-based remuneration as part of their role and do not participate in any equity plans that operate within Medibank.

As at 30 June 2026, all non-executive directors had met the minimum shareholding requirement, except Jacqueline Hey and Dr Lisa McIntyre, who were appointed to the Board in November 2025 and are expected to build their shareholding over the applicable five-year timeframe under the policy.

Further details of current non-executive director shareholdings are provided in section 13.

12. 2026 non-executive director remuneration statutory table

		Short-term benefits		Post-employment benefits	
Non-executive director	**Financial year**	**Cash salary and fees $**	**Non-monetary[1] $**	**Superannuation $**	**Total $**
Mike Wilkins	2026	464,700	2,668	30,000	497,368
	2025	478,000	6,738	-	484,738
Tracey Batten	2026	224,122	3,201	26,940	254,263
	2025	217,524	3,108	25,053	245,685
Gerard Dalbosco	2026	251,062	3,467	-	254,529
	2025	236,755	3,371	6,671	246,797
Peter Everingham	2026	216,408	3,699	26,011	246,118
	2025	198,171	3,625	22,826	224,622
Kathryn Fagg	2026	216,408	164	26,011	242,583
	2025	198,171	147	22,826	221,144
Jacqueline Hey[2]	2026	125,192	1,322	15,023	141,537
	2025	-	-	-	-
Dr Lisa McIntyre[2]	2026	125,192	847	15,023	141,062
	2025	-	-	-	-
Former non-executive directors					
David Fagan[3]	2026	87,563	7,908	10,554	106,025
	2025	217,524	5,578	25,055	248,157
Linda Bardo Nicholls[3]	2026	86,508	2,362	11,608	100,478
	2025	242,579	3,365	-	245,944
Jay Weatherill[4]	2026	103,246	1,252	12,431	116,929
	2025	198,171	206	22,826	221,203
Total non-executive director remuneration	2026	1,900,401	26,890	173,601	2,100,892
	2025	1,986,895	26,138	125,257	2,138,290

1. Non-monetary benefits may include death, total and permanent disablement insurance, salary continuance insurance, subsidised Medibank health insurance and fringe benefits that are on the same terms and conditions that are available to all Medibank employees.
2. The 2026 remuneration for Jacqueline Hey and Dr. Lisa McIntyre reflects their commencement as non-executive directors of 19 November 2025.
3. The 2026 remuneration for David Fagan and Linda Bardo Nicholls reflects their retirement from the Medibank Board on 19 November 2025.
4. Jay Weatherill's 2025 remuneration reflects his commencement as non-executive director on 18 March 2025, while his 2026 remuneration reflects his retirement from the Medibank Board on 31 December 2025.

Remuneration report

For the financial year ended 30 June 2026

13. Non-executive director ordinary shareholdings

Non-executive director	Balance 30 June 2025	Acquired during the year	Other changes	Balance 30 June 2026	Minimum shareholding requirement $[1]	Shareholding value at 30 June 2026 $[2]	Minimum shareholding requirement timeline
Mike Wilkins	200,000	-	-	200,000	494,700	994,000	Requirement satisfied
Tracey Batten	50,000	-	-	50,000	183,450	248,500	Requirement satisfied
Gerard Dalbosco	72,832	-	-	72,832	183,450	361,975	Requirement satisfied
Peter Everingham	40,000	25,000	-	65,000	183,450	323,050	Requirement satisfied
Kathryn Fagg	65,500	-	-	65,500	183,450	325,535	Requirement satisfied
Jacqueline Hey[3]	-	11,448	-	11,448	183,450	56,897	November 2030
Dr. Lisa Mcintyre[3]	-	22,370	-	22,370	183,450	111,179	November 2030
Former non-executive director							
David Fagan[4]	47,016	-	-47,016	-	-	-	Not applicable
Linda Bardo Nicholls[4]	50,400	-	-50,400	-	-	-	Not applicable
Jay Weatherill[4]	16,700	5,900	-22,600	-	-	-	Not applicable

1. Minimum shareholding requirement based on annual non-executive director pre-tax base fees for 2026.
2. Value has been calculated with reference to the total number of eligible shares held by each non-executive director, multiplied by the closing price of Medibank's shares on 30 June 2026 ($4.97).
3. Jacqueline Hey and Dr Lisa McIntyre commenced as non-executive directors on 19 November 2025, and therefore their balance at 30 June 2025 was zero.
4. David Fagan, Linda Bardo Nicholls and Jay Weatherill ceased to be KMPs during 2026 and therefore their balances have been adjusted to reflect no further holdings as KMPs.

14. Medibank's comparator group

As outlined throughout this report, Medibank uses a comparator group for the purposes of benchmarking executive and non-executive director remuneration and for the assessment of Medibank's relative TSR performance under its LTI plan. Medibank's comparator group is the ASX 11-100, excluding mining and energy companies. In any given year, there may be changes in the mining and energy companies excluded from Medibank's comparator group due to companies either falling outside the ASX 11-100 or companies no longer considered exclusively as a mining or energy company.

15. Loans and other transactions with KMP

During 2025 and 2026 there were no loans to KMP or any of their related parties. Certain KMP hold director positions in other entities, some of which transacted with the Group during the current and prior reporting periods. All transactions that occurred were in the normal course of business on terms and conditions no more favourable than those available on an arm's length basis.

Auditor's Independence Declaration

Auditor's Independence Declaration

As lead auditor of Medibank Private Limited's financial report and specified sustainability disclosures within the sustainability report for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report or the review of the specified sustainability disclosures; and

b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report or the review of the specified sustainability disclosures.

Marcus Laithwaite
Partner
PricewaterhouseCoopers

Melbourne
20 August 2026

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006,
GPO Box 1331 MELBOURNE VIC 3001
T: +61 3 8603 1000, F: +61 3 8603 1999, www.pwc.com.au

Financial report

Consolidated financial statements

Notes to the financial statements

Other

Signed reports

Consolidated statement of comprehensive income

For the financial year ended 30 June 2026

	Note	2026 $m	2025 $m
Insurance revenue	2(b) 4(a)	**8,652.2**	**8,011.7**
Insurance service expenses			
Incurred claims	4(a)	(7,034.3)	(6,654.7)
Other insurance service expenses	3	(690.3)	(656.6)
		(7,724.6)	**(7,311.3)**
Insurance service result		**927.6**	**700.4**
Other operating revenue	2(b)	463.0	334.7
Other expenses	3	(628.9)	(503.1)
Share of net profit/(loss) from equity accounted investments	16(c)	(12.7)	(11.0)
Profit before net investment income and income tax		**749.0**	**521.0**
Net investment income	6(a)	178.9	207.8
Profit for the year before income tax		**927.9**	**728.8**
Income tax expense	15(a)	(281.6)	(219.5)
Profit for the year		**646.3**	**509.3**
Total comprehensive income for the year, net of tax		**646.3**	**509.3**
Profit and total comprehensive income for the year attributable to:			
Equity holders of the parent entity		638.7	500.8
Non-controlling interests		7.6	8.5
		646.3	**509.3**
		cents	cents
Earnings per share attributable to ordinary equity holders of the parent entity - basic and diluted	5(b)	**23.2**	**18.2**

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 30 June 2026

	Note	2026 $m	2025 $m
Current assets			
Cash and cash equivalents	6	570.4	648.6
Trade and other receivables		105.7	66.4
Financial assets at fair value	6(b)	2,932.0	3,062.5
Other assets		38.5	34.1
Total current assets		**3,646.6**	**3,811.6**
Non-current assets			
Property, plant and equipment	9	259.3	194.2
Intangible assets	10	689.3	499.9
Deferred tax assets	15(c)	114.6	146.5
Equity accounted investments	16(c)	32.5	39.0
Other assets		10.6	9.1
Total non-current assets		**1,106.3**	**888.7**
Total assets		**4,752.9**	**4,700.3**
Current liabilities			
Trade and other payables	7(c)	190.2	170.5
Lease liabilities	13(a)	39.1	29.2
Borrowings	7(c)	-	35.0
Insurance contract liabilities	4(b)	1,452.9	1,606.1
Tax liability		39.1	34.4
Provisions and employee entitlements	11	140.7	128.6
Total current liabilities		**1,862.0**	**2,003.8**
Non-current liabilities			
Trade and other payables	7(c)	72.2	35.4
Lease liabilities	13(a)	198.9	144.8
Borrowings	7(c)	35.9	-
Insurance contract liabilities	4(b)	133.8	147.8
Provisions and employee entitlements	11	39.4	32.4
Total non-current liabilities		**480.2**	**360.4**
Total liabilities		**2,342.2**	**2,364.2**
Net assets		**2,410.7**	**2,336.1**
Equity			
Contributed equity	8(a)	85.0	85.0
Reserves	8(b)	(7.0)	27.4
Retained earnings		2,352.7	2,223.5
Total equity (attributable to equity holders of the parent entity)		**2,430.7**	**2,335.9**
Non-controlling interests		(20.0)	0.2
Total equity		**2,410.7**	**2,336.1**

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the financial year ended 30 June 2026

		Total equity (attributable to equity holders of the parent entity)					
	Note	Contributed equity $m	Reserves $m	Retained earnings $m	Total $m	Non-controlling interests $m	Total equity $m
Balance at 1 July 2024		**85.0**	**152.3**	**2,068.4**	**2,305.7**	**(0.6)**	**2,305.1**
Profit for the year		-	-	500.8	**500.8**	8.5	**509.3**
Other comprehensive income		-	-	-	**-**	-	**-**
Total comprehensive income for the year		**-**	**-**	**500.8**	**500.8**	**8.5**	**509.3**
Dividends paid	5(a)(i)	-	-	(473.7)	**(473.7)**	(6.9)	**(480.6)**
Movement in COVID-19 reserve, net of tax	8(b)(i)	-	(128.0)	128.0	**-**	-	**-**
Other movements in non-controlling interests		-	-	-	**-**	(0.8)	**(0.8)**
Acquisition and settlement of share-based payment, net of tax		-	(5.4)	-	**(5.4)**	-	**(5.4)**
Share-based payment transactions		-	8.5	-	**8.5**	-	**8.5**
Balance at 30 June 2025		**85.0**	**27.4**	**2,223.5**	**2,335.9**	**0.2**	**2,336.1**
Profit for the year		-	-	638.7	**638.7**	7.6	**646.3**
Other comprehensive income		-	-	-	**-**	-	**-**
Total comprehensive income for the year		**-**	**-**	**638.7**	**638.7**	**7.6**	**646.3**
Dividends paid	5(a)(i)	-	-	(509.5)	**(509.5)**	(7.1)	**(516.6)**
Reversal/(recognition) of put option liability over non-controlling interests	7(c)(i)	-	(37.2)	-	**(37.2)**	1.9	**(35.3)**
Purchase of shares from non-controlling interests	8(b)(i)	-	-	-	**-**	(25.4)	**(25.4)**
Shares issued to non-controlling interests						2.3	**2.3**
Other movements in non-controlling interests		-	-	-	**-**	0.5	**0.5**
Acquisition and settlement of share-based payment, net of tax		-	(8.6)	-	**(8.6)**	-	**(8.6)**
Share-based payment transactions		-	11.4	-	**11.4**	-	**11.4**
Balance at 30 June 2026		**85.0**	**(7.0)**	**2,352.7**	**2,430.7**	**(20.0)**	**2,410.7**

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the financial year ended 30 June 2026

	Note	2026 $m	2025 $m
Cash flows from operating activities			
Premium receipts		8,441.9	8,004.4
Medibank Health receipts		513.5	357.5
Payments for claims and levies		(6,989.8)	(6,660.6)
Payments to suppliers and employees		(1,225.1)	(1,079.6)
Income taxes paid		(228.9)	(240.8)
Net cash inflow from operating activities	14	**511.6**	**380.9**
Cash flows from investing activities			
Interest received		110.9	133.2
Trust distributions received		23.9	12.3
Investment expenses		(5.8)	(5.7)
Net proceeds from sale of financial assets		142.5	50.4
Purchase of equity accounted investments	16(c)	(4.7)	(7.0)
Loans to equity accounted investments		(1.4)	(4.5)
Payments for the purchase of businesses, net of cash acquired	16(b)	(159.4)	1.6
Purchase of plant and equipment		(19.4)	(11.2)
Purchase of intangible assets		(71.7)	(58.6)
Net cash inflow from investing activities		**14.9**	**110.5**
Cash flows from financing activities			
Purchase of shares to settle share-based payment		(10.7)	(6.4)
Lease principal and interest payments	13	(53.5)	(46.8)
Proceeds from borrowings	7(c)	0.9	-
Purchase of additional shares from non-controlling interests		(27.1)	-
Proceeds from shares issued to non-controlling interests		2.3	-
Dividends paid to non-controlling interests		(7.1)	(6.9)
Dividends paid to equity holders of the parent entity	5(a)(i)	(509.5)	(473.7)
Net cash outflow from financing activities		**(604.7)**	**(533.8)**
Net decrease in cash and cash equivalents		**(78.2)**	**(42.4)**
Cash and cash equivalents at beginning of the year		648.6	691.0
Cash and cash equivalents at end of the year		**570.4**	**648.6**

The above statement should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

30 June 2026

Section 1: Basis of preparation

Overview

This section outlines the basis on which the Group's financial statements are prepared. Specific accounting policies are described in the note to which they relate.

Note 1: Basis of preparation

a. Corporate information

Medibank Private Limited ("Medibank") is a for-profit company incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange (ASX).

The financial statements of Medibank for the financial year ended 30 June 2026 were authorised for issue in accordance with a resolution of the directors on 20 August 2026. The directors have the power to amend and reissue the financial statements.

b. Basis of preparation

The financial statements are general purpose financial statements which:

- Are for the consolidated entity ("the Group") consisting of Medibank ("parent entity") and its controlled entities.
- Have been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.
- Comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).
- Have been prepared under the historical cost convention, with the exception of financial assets measured at fair value.
- Are presented in Australian dollars, which is Medibank's functional and presentation currency.
- Have been rounded in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183* to the nearest hundred thousand dollars unless otherwise stated.
- Adopt all new and amended accounting standards that are mandatory for 30 June 2026 reporting periods, but do not apply any pronouncements before their operative date. Refer to Note 20 for further information.
- Include, where necessary, updates to comparative financial information for changes in classification of amounts in the current reporting period.

c. Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Medibank as at 30 June 2026 and the results for the financial year then ended. In preparing the consolidated financial statements, all transactions between controlled entities are eliminated in full. When control of an entity commences or ceases during a financial year, the results are included for that part of the year during which control existed. Refer to Note 16(b) for further information on acquisitions during the period and Note 16(a) for the summary group structure.

d. Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the following notes:

- Note 4: Insurance contracts.
- Note 10: Intangible assets.
- Note 12: Contingent liabilities.

Notes to the consolidated financial statements

30 June 2026

Section 2: Operating performance

Overview

This section explains the operating results of the Group for the year, and provides insights into the Group's result by reference to key areas, including:

- Results by operating segment
- Other operating expenses
- Insurance service result
- Shareholder returns

Note 2: Segment information

Segment reporting accounting policy

Operating segments are identified based on the separate financial information that is regularly reviewed by the Chief Operating Decision Maker (CODM). The term CODM refers to the function performed by the Chief Executive Officer (CEO) in assessing performance and determining the allocation of resources across the Group.

a. Description of segments

Segment information is reported on the same basis as the Group's internal management reporting structure at the reporting date. Transactions between segments are carried out on an arm's length basis and are eliminated on consolidation. The Group is not reliant on any one major customer.

For the financial year ended 30 June 2026, the Group was organised for internal management reporting purposes into two reportable segments, Health Insurance and Medibank Health.

Health Insurance	Offers private health insurance products including hospital cover and ancillary cover, as stand-alone products or packaged products that combine the two. Hospital cover provides members with health cover for hospital treatments, whereas ancillary cover provides members with health cover for healthcare services such as dental, optical and physiotherapy. The segment also offers health insurance products to overseas visitors and overseas students. **Health insurance revenue recognition accounting policy** Insurance revenue is the amount of expected premium receipts allocated over the coverage period. For contracts of one year or less the allocation is based on the passage of time. For other contracts, the allocation reflects the expected pattern of risk. Adjustments made to past premiums are recognised as a reduction in insurance revenue.
Medibank Health	Derives its revenue from a range of activities including contracting with government and corporate customers to provide health management and in-home care services, as well as providing a range of telehealth and primary care services in Australia. In addition, the Group distributes travel, life and pet insurance products on behalf of other insurers as part of a broader strategy to retain members and leverage its distribution network. **Medibank Health revenue recognition accounting policy** Medibank Health revenue is reported within Other operating revenue and is recognised when services are provided to the customer and at an amount the Group will be entitled to receive in relation to providing the services. A contract liability is recognised within trade and other payables in the consolidated statement of financial position when the Group has an obligation to transfer services to a customer for which it has already received consideration from the customer (or an amount of consideration is receivable). Contract liabilities are recognised as revenue when the services are provided.

b. Segment information provided to the CEO

The CEO measures the performance of the Group's reportable segments based on the operating profit of the segments. The segment information provided to the CEO for the year ended 30 June 2026 is as follows.

2026	Health Insurance $m	Medibank Health $m	Total $m
Revenue			
Revenue from external customers	8,585.1	530.1	9,115.2
Inter-segment revenue	-	104.7	104.7
Total segment revenue [1]	**8,585.1**	**634.8**	**9,219.9**
Incurred claims [2]	**(7,125.1)**	**-**	**(7,125.1)**
Expenses			
Depreciation and amortisation	(67.1)	(37.2)	(104.3)
Sales commissions	(72.5)	-	(72.5)
Operating expenses [3]	(550.6)	(496.9)	(1,047.5)
Total expenses	**(690.2)**	**(534.1)**	**(1,224.3)**
Operating profit	**769.8**	**100.7**	**870.5**
2025			
Revenue			
Revenue from external customers	8,211.0	393.0	8,604.0
Inter-segment revenue	-	92.2	92.2
Total segment revenue [1]	**8,211.0**	**485.2**	**8,696.2**
Incurred claims [2]	(6,814.6)	-	(6,814.6)
Expenses			
Depreciation and amortisation	(62.7)	(31.2)	(93.9)
Sales commissions	(79.9)	-	(79.9)
Operating expenses [3]	(512.3)	(377.3)	(889.6)
Total expenses	**(654.9)**	**(408.5)**	**(1,063.4)**
Operating profit	**741.5**	**76.7**	**818.2**

1. Segment health insurance revenue is after $67.1 million (2025: $58.3 million) of transfers between the Group's other operating segments in relation to the loyalty program.
2. Incurred claims include transactions with the Group's other operating segments of $90.7 million (2025: $83.4 million).
3. Medibank Health operating expenses include $0.7 million of interest income from loans to equity accounted investments (2025: $0.5 million) and $(7.3) million in relation to the share of net profit/(loss) from equity accounted investments (2025: $(8.0) million).

Notes to the consolidated financial statements

30 June 2026

c. Other segment information

i. Segment operating profit or loss

A reconciliation of segment operating profit to the profit for the year before income tax of the Group is as follows:

	Note	2026 $m	2025 $m
Total segment operating profit		**870.5**	**818.2**
Unallocated to operating segments:			
Corporate overheads		(57.0)	(55.8)
Group operating profit		**813.5**	**762.4**
Net investment income	6(a)	178.9	207.8
Cybercrime expenses [1]		(34.9)	(39.7)
Other income/(expenses) [2]		(29.6)	(18.9)
Movement in COVID-19 reserve [3]		-	(182.8)
Profit for the year before income tax		**927.9**	**728.8**

1. Cybercrime expenses of $34.9 million (2025: $39.7 million) incurred in relation to IT security uplift and legal and other costs associated with the Group's cybercrime event. Refer to Note 12 for further information.
2. Other income/(expenses) of $(29.6) million (2025: $(18.9) million) includes interest expense on lease liabilities of $17.6 million (2025: $12.0 million) relating to the Group's lease agreements, mergers and acquisition expenses of $6.8 million (2025: $2.5 million), acquisition intangible amortisation and non-cash adjustments on step-acquisitions.
3. The COVID-19 reserve was established to support COVID-19-related accounting and to provide transparency over the Group's commitment to return any permanent net claims savings arising from COVID-19 to policyholders. With the completion of the COVID-19 support package and give-back program in the prior period, the associated accounting has concluded and the COVID-19 reserve balance has reduced to nil as at 30 June 2025.

ii. Segment assets and segment liabilities

No information regarding segment assets and segment liabilities has been disclosed, as these amounts are not reported to the CEO for the purpose of making strategic decisions.

iii. Geographic information

Segment revenue based on the geographical location of customers has not been disclosed, as the Group derives all of its revenues from its Australian operations.

Note 3: Other operating expenses

The table below provides an analysis of other operating expenses incurred by the Group. Other operating expenses excludes incurred claims, share of profit/(loss) from equity accounted investments, net investment income and income tax expense.

	Note	2026 $m	2025 $m
Medical services expense		(74.1)	(55.4)
Employee benefits expense [1]		(708.2)	(600.5)
Office and administration expense		(132.7)	(124.6)
Marketing and commissions expense		(181.5)	(175.5)
Information technology expense		(105.3)	(98.8)
Depreciation and amortisation expense		(105.1)	(96.0)
Finance expense	13(a)	(12.3)	(8.9)
Other expenses		**(1,319.2)**	**(1,159.7)**

1. Includes superannuation expense of $59.1 million (2025: $47.7 million).

Note 4: Insurance contracts

This note provides information on the Group's insurance contracts, including the Group's insurance service result and insurance contract liabilities.

Insurance contracts accounting policy

An insurance contract arises when the Group accepts significant insurance risk from another party by agreeing to compensate them from the adverse effects of a specified uncertain future event. The significance of insurance risk depends on both the probability and magnitude of an insurance event.

Once insurance cover has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk significantly reduces during the period. With the exception of travel, life and pet insurance, for which the Group does not act as an underwriter, all other types of insurance cover are insurance contracts.

The Group applies the premium allocation approach (PAA) for the measurement of its insurance contracts. The carrying amount of a group of insurance contracts at the end of each reporting period is the sum of the liability for remaining coverage (LFRC) and the liability for incurred claims (LFIC).

The LFRC represents the Group's obligation to provide future insurance services in relation to contracts recognised at the reporting date. Under the PAA, the LFRC is measured as premiums received less amounts recognised as insurance revenue for coverage that has already been provided.

The LFIC represents the present value of the estimated future payments arising from claims incurred at the end of each reporting period under insurance cover issued by the Medibank health insurance fund and other incurred insurance service expenses.

In previous periods, the Group announced various customer give backs as part of its commitment to return permanent net COVID-19 savings to policyholders. These give backs were recognised as a reduction to insurance revenue in the consolidated statement of comprehensive income when the Group formally announced the give back. One-time cash payments were recognised within LFIC and Live Better rewards point give backs were recognised within the loyalty program liability within trade and other payables in the consolidated statement of financial position. With the completion of the COVID-19 support package and give-back program in the prior period, the associated accounting was concluded as at 30 June 2025. Refer to Note 2(c)(i) for further information.

a. Insurance service result

The insurance service result includes insurance revenue, offset by directly attributable insurance service expenses. Insurance revenue reflects the consideration the Group expects to be entitled to in exchange for providing insurance contract services. Insurance service expenses include expenses that are directly attributable to fulfilling a group of insurance contracts and include claims incurred, other directly attributable insurance service expenses and changes to past service. Other expenses not meeting the above categories are included in other operating expenses in the consolidated statement of comprehensive income.

Notes to the consolidated financial statements

30 June 2026

	Note	2026 $m	2025 $m
Insurance revenue		**8,652.2**	**8,011.7**
Insurance service expenses			
Claims incurred	(i)	(7,028.9)	(6,655.4)
Changes relating to past service		37.0	36.8
Movement in risk adjustment for non-financial risk		6.0	(4.3)
Net Risk Equalisation Special Account payments/(rebates)		14.9	13.1
State levies		(63.4)	(46.6)
Incurred claims, excluding claims handling costs		**(7,034.4)**	**(6,656.4)**
Movement in claims handling costs for incurred claims		0.1	1.7
Incurred claims	(ii)	**(7,034.3)**	**(6,654.7)**
Other insurance service expenses		(690.3)	(656.6)
Total insurance service expenses		**(7,724.6)**	**(7,311.3)**
Insurance service result		**927.6**	**700.4**

i. Claims incurred are after the elimination of transactions with the Group's other operating segments of $90.7 million (2025: $83.4 million).

ii. Incurred claims consist of amounts paid and payable to hospital, medical and ancillary providers, and includes changes in claims liabilities and amounts receivable from and payable to the Risk Equalisation Special Account, applicable state levies and costs incurred in health management services.

Health insurance revenue recognition accounting policy

Insurance revenue is the amount of expected premium receipts allocated over the coverage period. For contracts of one year or less the allocation is based on the passage of time. For other contracts, the allocation reflects the expected pattern of risk. Adjustments made to past premiums are recognised as a reduction in insurance revenue.

The Australian Government contributes a rebate towards eligible policyholder's premium and pays this directly to the Group. This rebate is recognised within insurance revenue in the consolidated statement of comprehensive income.

Net Risk Equalisation Special Account levies and rebates accounting policy

Under legislation, all private health insurers must participate in the Risk Equalisation Special Account in which all private health insurers share the cost of the eligible claims of members aged 55 years and over, and claims meeting the high cost claim criteria.

The Australian Prudential Regulation Authority (APRA) determines the amount payable to or receivable from the Risk Equalisation Special Account after the end of each quarter. Estimates of amounts payable or receivable are provided in the LFIC for periods where determinations have not yet been made. This includes an estimate of risk equalisation for unpresented and outstanding claims.

b. Reconciliation of movement in insurance contract liabilities

The table below provides an analysis of the movement in the net carrying amounts of insurance contract liabilities.

		2026				2025			
			Liability for incurred claims				Liability for incurred claims		
	Note	Liability for remaining coverage $m	Present value of future cash flows $m	Risk adjustment for non-financial risk $m	Total insurance contract liabilities $m	Liability for remaining coverage $m	Present value of future cash flows $m	Risk adjustment for non-financial risk $m	Total insurance contract liabilities $m
Insurance contract liabilities at 1 July		**834.6**	**861.9**	**57.4**	**1,753.9**	**811.1**	**937.7**	**53.1**	**1,801.9**
Insurance revenue		**(8,652.2)**	**-**	**-**	**(8,652.2)**	**(8,011.7)**	**-**	**-**	**(8,011.7)**
Insurance service expenses									
Claims incurred	4(a)(i)	-	7,028.9	(6.0)	**7,022.9**	-	6,655.4	4.3	**6,659.7**
Changes relating to past service		-	(37.0)	-	**(37.0)**	-	(36.8)	-	**(36.8)**
Net Risk Equalisation Special Account payments/(rebates)		-	(14.9)	-	**(14.9)**	-	(13.1)	-	**(13.1)**
State levies		-	63.4	-	**63.4**	-	46.6	-	**46.6**
Incurred claims, excluding claims handling costs		**-**	**7,040.4**	**(6.0)**	**7,034.4**	**-**	**6,652.1**	**4.3**	**6,656.4**
Movement in claims handling costs for incurred claims		-	(0.1)	-	**(0.1)**	-	(1.7)	-	**(1.7)**
Incurred claims	4(a)(ii)	**-**	**7,040.3**	**(6.0)**	**7,034.3**	**-**	**6,650.4**	**4.3**	**6,654.7**
Other insurance service expenses		-	690.3	-	**690.3**	-	656.6	-	**656.6**
Total insurance service expenses		**-**	**7,730.6**	**(6.0)**	**7,724.6**	**-**	**7,307.0**	**4.3**	**7,311.3**
Insurance service result		**(8,652.2)**	**7,730.6**	**(6.0)**	**(927.6)**	**(8,011.7)**	**7,307.0**	**4.3**	**(700.4)**
Other movements	(i)	**226.8**	**(228.2)**	**-**	**(1.4)**	**30.8**	**(65.6)**	**-**	**(34.8)**
Cash flows									
Premium receipts		8,441.9	-	-	**8,441.9**	8,004.4	-	-	**8,004.4**
Payments for claims and other expenses		-	(7,680.1)	-	**(7,680.1)**	-	(7,317.2)	-	**(7,317.2)**
Total cash flows		**8,441.9**	**(7,680.1)**	**-**	**761.8**	**8,004.4**	**(7,317.2)**	**-**	**687.2**
Insurance contract liabilities at 30 June		**851.1**	**684.2**	**51.4**	**1,586.7**	**834.6**	**861.9**	**57.4**	**1,753.9**

i. Includes the movement between LFRC and LFIC in relation to the customer give back provision of $228.3 million (2025: $64.7 million), as well as movements in balances that do not form part of insurance contract liabilities.

Of the LFIC balance, $734.3 million (2025: $917.7 million) has an expected maturity (based on the present value of future cash flows) of up to one year and $1.3 million (2025: $1.6 million) has an expected maturity of between 13 to 24 months.

Notes to the consolidated financial statements

30 June 2026

Liability for incurred claims (LFIC) accounting policy

The LFIC provides for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported. It is measured as the present value of the estimated future payments arising from claims incurred at the end of each reporting period under insurance cover issued by the Medibank health insurance fund and other incurred insurance service expenses.

The liability also allows for an estimate of claims handling costs, which comprises all direct expenses of the claims department and general administrative costs directly attributable to the claims function. These include internal and external costs incurred from the negotiation and settlement of claims. The allowance for claims handling costs at 30 June 2026 is 1.0% of the outstanding claims liability (2025: 1.0%).

Key estimate

The LFIC includes the expected claims payments and expenses required to settle any insurance contract obligations. The LFIC estimate with respect to claims is based on an actuarial assessment of the hospital, ancillary and overseas claim categories.

Hospital and overseas	Calculated using statistical methods adopted for all service months but with service levels for the most recent service month (hospital) or two service months (overseas) being based on the latest forecast adjusted for any observed changes in payment patterns.
Ancillary	Calculated using statistical methods adopted for all service months.

The critical assumption is the extent to which claim incidence and development patterns are consistent with past experience. Adjustments are then applied to reflect any unusual or abnormal events that may affect the estimate of claims levels such as major variability to claims processing volumes.

The process for establishing the LFIC involves consultation with internal actuaries (including the Chief Actuary), claims managers and other senior management. The process includes monthly internal claims review meetings attended by senior management.

Key estimate

The risk adjustment reflects the compensation required for bearing uncertainty about the amount and timing of cash flows that arises from non-financial risk. The risk adjustment applied to the Group's outstanding claims central estimate within the LFIC at 30 June 2026 is 12.2% (2025: 12.2%). The risk adjustment is based on an analysis of past experience, including comparing the volatility of past payments to the adopted outstanding claims estimate. The risk adjustment has been estimated to equate to the Group's objective of achieving a probability of adequacy of at least 98% (2025: 98%).

Liability for remaining coverage (LFRC) accounting policy

The LFRC is measured as premiums received less amounts recognised as insurance revenue for coverage that has been provided. The LFRC is not adjusted for the effect of financial risk and it is not adjusted to reflect the time value of money, as the Group expects that the time of providing the services is close to the related premium due date.

Insurance acquisition costs are expensed as incurred and are included within profit or loss.

Onerous contracts accounting policy

Insurance contracts are onerous when the LFRC is insufficient to pay future claims and other insurance service expenses attributable to the contracts. The Group's contracts are assumed not to be onerous unless facts and circumstances indicate otherwise. If there are facts and circumstances that indicate contracts may be onerous, a loss component is recognised in profit or loss if the carrying amount of the LFRC is less than the estimated fulfilment cash flows. No onerous contracts have been identified in the current or prior reporting periods.

c. Impact of changes in key variables on the LFIC

The key variables in the measurement of the LFIC include the claims central estimate, risk margin and weighted average term to settlement. A 10% increase/decrease in the claims central estimate would result in a $29.0 million decrease/increase to profit after tax and equity (2025: $33.4 million). A 1% movement in other key variables, including risk margin and weighted average term to settlement, would result in an insignificant decrease/increase to profit after tax and equity.

d. Insurance risk management

The Group provides private health insurance products including hospital cover and ancillary cover, as stand-alone products or packaged products that combine the two, for Australian residents, overseas students studying in Australia and overseas visitors to Australia. These services are categorised as hospital and/or ancillary cover.

The table below sets out the key variables upon which the cash flows of the insurance contracts are dependent.

Type of contract	Detail of contract workings	Nature of claims	Key variables that affect the timing and uncertainty of future cash flows
Hospital cover	Defined benefits paid for hospital treatment, including accommodation, medical and prostheses costs.	Hospital benefits defined by the insurance contract or relevant deed.	Claims incidence and claims inflation.
Ancillary cover	Defined benefits paid for ancillary treatment, such as dental, optical and physiotherapy services.	Ancillary benefits defined by the insurance contract or relevant deed.	Claims incidence and claims inflation.

Insurance risks and the holding of capital in excess of prudential requirements are managed through the use of claims management procedures, close monitoring of experience, the ability to vary premium rates, and risk equalisation.

Mechanisms to manage risk

Claims management	Strict claims management ensures the timely and correct payment of claims in accordance with policy conditions and provider contracts. Claims are monitored monthly to track the experience of the portfolios.
Experience monitoring	Monthly financial and operational results, including portfolio profitability and prudential capital requirements, are reported to management committees and the Board. Results are also monitored against industry for insurance risks and experience trends as published by the regulator, APRA.
Prudential capital requirements	All private health insurers must comply with prudential capital requirements to maintain adequate capital against the risks associated with its activities. The Private Health Insurance Capital Framework includes the HPS 110 Capital Adequacy standard, and requires private health insurers to have a Board-approved Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP involves an integrated approach to risk and capital management, based around assessing the level of, and appetite for, risk in the business and ensuring that the level and quality of capital is appropriate for that risk profile. Medibank's ICAAP Summary Statement Policy (ICAAPSS policy) defines our approach to capital management and sets out the target level of capital and the processes and framework to achieve this outcome, including the triggers and actions to follow in the case of an adverse stress event. Medibank's capital management objective is to maintain a strong financial risk profile and capacity to pay all eligible customer benefits, invest in the growth of our business to provide a return to shareholders and to meet financial commitments. Capital is managed against the ICAAPSS policy and performance is reported to the Board on a monthly basis. The Board has a target level of capital which is in excess of the minimum regulatory prescribed capital requirements. The level of capital must also comply with the requirements in Medibank's Liquidity Management Policy, to ensure sufficient liquidity is available to fund all payments as and when they fall due. Following a review of the 2022 cybercrime event, APRA announced a $250 million increase in Medibank's capital adequacy requirement, effective from 1 July 2023. To meet this supervisory adjustment, capital allocated to the Health Insurance business has been temporarily increased. The Group also created a sub-portfolio within the Health Fund Investment Portfolio to support the amount held for the APRA supervisory adjustment.

Notes to the consolidated financial statements

30 June 2026

Mechanisms to manage risk (*continued*)

Ability to vary premium rates	The Group can vary future premium rates subject to the approval of the Minister for Health.
Risk equalisation	Private health insurance legislation requires resident private health insurance contracts to meet community rating requirements. This prohibits discrimination between people on the basis of their health status, gender, race, sexual orientation, religious belief, age (except as allowed under Lifetime Health Cover provisions), increased need for treatment or claims history. To support these restrictions, all private health insurers are required to participate in the Risk Equalisation Special Account.
Concentration of health risk	The Group has health insurance contracts covering hospital and ancillary cover, and private health insurance for overseas students and visitors to Australia. There is no significant exposure to concentrations of risk because contracts cover a large volume of people across Australia.

Note 5: Shareholder returns

a. Dividends

i. Dividends paid or payable

	Cents per fully paid share	$m	Payment date
2026			
2025 final fully franked dividend	10.20	280.9	9 October 2025
2026 interim fully franked dividend	8.30	228.6	18 March 2026
2025			
2024 final fully franked dividend	9.40	258.9	26 September 2024
2025 interim fully franked dividend	7.80	214.8	26 March 2025

ii. Dividends not recognised at the end of the reporting period

On 20 August 2026, the directors determined a final fully franked ordinary dividend for the six months ended 30 June 2026 of 10.90 cents per share. The dividend is expected to be paid on 8 October 2026 and has not been provided for as at 30 June 2026.

iii. Franking account

Franking credits available at 30 June 2026 for subsequent reporting periods based on a tax rate of 30% are $520.5 million (2025: $514.7 million).

iv. Calculation of dividend paid

Medibank's target dividend payout ratio for the 2026 financial year is 75-85% (2025: 75-85%) of full year normalised net profit after tax (underlying NPAT). Normalised net profit after tax is calculated based on statutory net profit after tax attributable to equity holders of the parent entity, adjusted for short-term outcomes that are expected to normalise over the medium to longer term, most notably in relation to the level of gains or losses from investments and movement in credit spreads, and for one-off items, especially those that are non-cash, such as impairments. Underlying NPAT was also adjusted for the net movement in the COVID-19 reserve in the prior period (refer to Note 2(c) for further information).

	2026 $m	2025 $m
Profit for the year - after tax, attributable to equity holders of the parent	**638.7**	**500.8**
Normalisation for growth asset returns	(3.8)	(10.7)
Normalisation for defensive asset returns – credit spread movement	1.9	0.6
Normalisation for movement in COVID-19 reserve	-	128.0
Underlying NPAT	**636.8**	**618.7**

Dividends accounting policy

A liability is recorded for any dividends determined on or before the reporting date, but that have not been distributed at that date.

b. Earnings per share (EPS)

	2026	2025
Basic and diluted earnings per share attributable to ordinary equity holders of the parent entity (cents)	23.2	18.2
Profit for the year attributable to ordinary equity holders of the parent entity ($m)	638.7	500.8
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	2,754,003,240	2,754,003,240

EPS accounting policy

Basic EPS is calculated by dividing the profit attributable to equity holders of Medibank by the weighted average number of ordinary shares outstanding during the reporting period.

Diluted EPS adjusts the EPS for the weighted average number of ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Section 3: Investment portfolio and capital

Overview

This section provides insights into the Group's exposure to market and financial risks and outlines how these risks are managed. This section also describes how the Group's capital is managed.

Note 6: Investment portfolios

This note provides information on the net investment income and the carrying amounts of the financial assets residing in the two investment portfolios: the Health Fund Investment Portfolio (including the sub-portfolio) and the Non-Health Fund Investment Portfolio.

Health Fund Investment Portfolio

The Health Fund Investment Portfolio is managed in accordance with the requirements of the Board approved Capital Management Policy, APRA regulatory requirements and the overall objective of achieving a capital base that is both stable and liquid. Consequently, the asset allocation of the Health Fund Investment Portfolio is skewed towards defensive assets (less risky and generally lower returning) rather than growth assets (riskier but potentially higher returning). The Board approved short-term target asset allocation and long-term Strategic Asset Allocation (SAA) for the Health Fund Investment Portfolio is 18%/82% for growth and defensive assets.

The Short-term Operational Cash (STOC) sub-portfolio includes $167.0 million (2025: $167.0 million) to support the amount held for the APRA supervisory adjustment. In the prior period, the sub-portfolio also funded claims deferred due to COVID-19 and customer give backs. Given the sub-portfolio's short-term nature, it is managed separately from the target asset allocation framework. This sub-portfolio is permitted to invest in bank deposits, short-term domestic money market securities with a minimum credit rating of A-1+ and Fixed Income assets with a minimum credit rating of AA-.

Notes to the consolidated financial statements

30 June 2026

Non-Health Fund Investment Portfolio

The Non-Health Fund Investment Portfolio is designed to provide the Group with additional liquidity and financial flexibility. The portfolio resides outside of the health fund and is not subject to the same regulatory requirements as the Health Fund Investment Portfolio. The Chief Financial Officer has delegation from the Investment and Capital Committee to manage the portfolio in accordance with the Board approved Non-Health Fund Investment Management Policy and investment strategy. The Non-Health Fund Investment Portfolio is permitted to invest in bank deposits, short-term domestic money market securities with a minimum credit rating of A-1+ and Fixed Income assets with a minimum credit rating of AA-.

Portfolio composition

	2026 $m	2025 $m	2026 %	2025 %	Target asset allocation
Growth					
Australian equities	75.6	101.7	2.5%	3.4%	3.0%
International equities	116.4	123.6	3.8%	4.2%	4.0%
Property	131.8	141.0	4.3%	4.7%	5.0%
Infrastructure	170.6	163.8	5.6%	5.5%	6.0%
Total Growth	**494.4**	**530.1**	**16.2%**	**17.8%**	**18.0%**
Defensive					
Fixed income	1,979.3	1,836.5	64.7%	61.9%	67.0%
Cash [1]	583.9	604.6	19.1%	20.3%	15.0%
Total Defensive	**2,563.2**	**2,441.1**	**83.8%**	**82.2%**	**82.0%**
Total Health Insurance Fund	**3,057.6**	**2,971.2**	**100.0%**	**100.0%**	**100.0%**
Short-term operational cash portfolio (STOC)	167.0	424.6			
Non-Health Fund Investment portfolio	128.0	246.2			
Total investment portfolio [2]	**3,352.6**	**3,642.0**			
Operational cash	149.8	69.1			
Total cash and cash equivalents and financial assets at fair value	**3,502.4**	**3,711.1**			

1. For investment portfolio purposes, cash comprises cash and cash equivalents of $570.4 million (2025: $648.6 million), plus deposits with longer maturities of $369.4 million (2025: $363.4 million), less Non-Health Fund Investment portfolio cash of $55.7 million (2025: $38.6 million), less short-term operational cash of $149.8 million (2025: $291.5 million), less cash allocated to the fixed income portfolio of $0.6 million (2025: $8.2 million), less operational cash of $149.8 million (2025: $69.1 million).
2. Excludes cash trust distributions receivable at balance date of $43.8 million (2025: $5.6 million), which are reported within trade and other receivables in the consolidated statement of financial position.

Financial assets at fair value accounting policy

Health Fund Investment Portfolio

Investments in listed and unlisted equity securities held by the Health Fund Investment Portfolio are accounted for at fair value through profit or loss (FVTPL). Fixed income investments held by the Health Fund Investment Portfolio are also accounted for at FVTPL, as the Group applies the fair value option to eliminate an accounting mismatch. Transaction costs relating to these financial assets are expensed in the consolidated statement of comprehensive income. These assets are subsequently carried at fair value, with gains and losses recognised within net investment income in the consolidated statement of comprehensive income.

Non-Health Fund Investment Portfolio

Fixed income assets held by the Non-Health Fund Investment Portfolio are accounted for at fair value through other comprehensive income (FVOCI). Interest income is recognised within net investment income in the consolidated statement of comprehensive income using the effective interest method. Impairment losses are recognised in profit or loss.

Key judgement and estimate

Fair value measurement may be subjective, and investments are categorised into a hierarchy depending on the level of subjectivity involved in the valuation techniques used to measure fair value. The hierarchy is described in Note 6(b).

The fair value of level 2 financial instruments is determined using a variety of valuation techniques, which make assumptions based on market conditions existing at the end of each reporting period. Valuation methods include quoted market prices or dealer quotes for similar instruments, yield curve calculations using the mid yield, vendor or independent developed models.

The fair value of level 3 financial instruments is determined using inputs that are not based on observable market data.

a. Net investment income

Net investment income is presented net of investment management fees in the consolidated statement of comprehensive income.

	2026 $m	2025 $m
Interest income	122.0	144.4
Trust distributions	81.2	37.4
Net gain/(loss) on fair value movements on financial assets	(28.2)	23.5
Net gain/(loss) on disposal of financial assets	13.2	10.3
Investment expenses	(5.8)	(5.7)
Interest expense	(3.5)	(2.1)
Net investment income	**178.9**	**207.8**

Net investment income accounting policy

Net investment income includes:

- Interest income on financial assets and interest expense on borrowings, which is recognised using the effective interest method.
- Trust distribution income derived from financial assets at FVTPL, which is recognised when the Group's right to receive payments is established.
- Gains or losses arising from changes in the fair value of financial assets measured at FVTPL.
- Investment expenses.

Notes to the consolidated financial statements

30 June 2026

b. Fair value hierarchy

The Group's financial instruments are categorised according to the following fair value measurement hierarchy:

- Level 1: Quoted prices (unadjusted current bid price) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data.

The following tables present the Group's financial assets measured and recognised at fair value on a recurring basis.

30 June 2026	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Financial assets at fair value through profit or loss				
Australian equities [1]	-	75.6	-	**75.6**
International equities [1]	-	116.4	-	**116.4**
Property [1]	-	-	131.8	**131.8**
Infrastructure [1]	-	-	170.6	**170.6**
Fixed income	55.1	2,281.1	3.6	**2,339.8**
Financial assets at fair value through other comprehensive income - Fixed income	-	97.8	-	**97.8**
Balance at 30 June 2026	**55.1**	**2,570.9**	**306.0**	**2,932.0**

30 June 2025	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Financial assets at fair value through profit or loss				
Australian equities [1]	-	101.7	-	**101.7**
International equities [1]	-	123.6	-	**123.6**
Property [1]	-	-	141.0	**141.0**
Infrastructure [1]	-	-	163.8	**163.8**
Fixed income	64.2	2,223.2	-	**2,287.4**
Financial assets at fair value through other comprehensive income - Fixed income	-	245.0	-	**245.0**
Balance at 30 June 2025	**64.2**	**2,693.5**	**304.8**	**3,062.5**

1. Australian equities, international equities, property and infrastructure are indirectly held through unit trusts.

The Group's other financial instruments, being trade and other receivables and trade and other payables, are not measured at fair value. The fair value of these instruments has not been disclosed, as due to their short-term nature, their carrying amounts are assumed to approximate their fair values.

Transfers between fair value hierarchy levels are recognised from the date of effect of the transfer. There were no transfers between the fair value hierarchy levels during the year.

Fair value measurements using significant unobservable market data (level 3)

The Group's investments in infrastructure and property financial assets are held in unlisted unit trusts and are valued at the redemption value per unit as reported by the managers of such funds. Private credit fixed income investments are valued using a discounted cash flow analysis and market yield analysis. These investments are classified within level 3 of the fair value hierarchy as their fair values are not based on observable market data due to the infrequent trading of these investments which results in limited price transparency.

The following table presents the changes in level 3 financial assets during the period.

	Fixed income	Infrastructure $m	Property $m	Total $m
Balance at 1 July 2025	-	163.8	141.0	304.8
Disposals	3.6	-	(12.6)	**(9.0)**
Net unrealised gain/(loss) on fair value movements	-	6.8	3.4	**10.2**
Balance at 30 June 2026	3.6	170.6	131.8	306.0

A 10% increase/decrease in the redemption price would increase/decrease the fair value of the level 3 financial assets by $30.6 million (2025: $30.5 million).

Note 7: Financial risk management

This note reflects risk management policies and procedures associated with financial instruments. The Group's principal financial instruments comprise cash and cash equivalents (short-term money market instruments), fixed income assets (floating rate notes, asset-backed securities, syndicated loans, fixed income absolute return funds, hybrid investments and private credit investments), property assets, infrastructure assets, Australian equities and international equities.

A strategic asset allocation is set and reviewed at least annually by the Board and establishes the target and maximum and minimum exposures in each investment class. Transacting in individual investments is subject to the delegation of authorities and approval process that is established and reviewed by the Investment and Capital Committee (ICC). Trading of derivative instruments for purposes other than risk management cannot be undertaken, unless explicitly approved by the ICC. The Group was in compliance with this policy during the current and prior reporting periods.

The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk. Primary responsibility for the consideration and control of financial risks rests with the ICC under the authority of the Board. The Board reviews and agrees policies for managing each of the risks identified, including the setting of limits for trading in derivatives, foreign currency contracts and other instruments. Limits are also set for credit exposure and interest rate risk.

a. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

i. Interest rate risk

Description	The risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.
Exposure	The Group has exposure to variable and fixed interest rate risk in respect of its cash and cash equivalents (2026: $570.4 million, 2025: $648.6 million) and fixed income assets (2026: $2,437.6 million, 2025: $2,532.4 million). The Group regularly analyses its interest rate exposure and resets interest rates on longer-term investments every 90 days on average. At balance date, the Group's fixed income assets had a modified duration of 0.2 years (2025: 0.3 years). The Group also has exposure to variable interest rate risk in respect of its borrowings (2026: $35.9 million, 2025: $35.0 million).
Sensitivity	A 50bps increase/decrease in interest rates for the entire reporting period, with all other variables remaining constant, would have resulted in a $8.0 million increase/decrease to profit after tax and equity (2025: $8.0 million). The sensitivity analysis has been conducted using assumptions from published economic data.

Notes to the consolidated financial statements

30 June 2026

ii. Foreign currency risk

Description	The risk that the fair value of a financial instrument will fluctuate because of changes in foreign exchange rates.
Exposure	All of the Group's financial assets with a non-AUD currency exposure are fully economically hedged, except for international equities which are unhedged. At balance date, international equities financial assets (2026: \$116.4 million, 2025: \$123.6 million) had net exposure to foreign currency movements.
Sensitivity	A 10% increase/decrease in foreign exchange rates, with all other variables remaining constant, would have resulted in a \$9.1 million decrease/increase to profit after tax and equity (2025: \$9.6 million). Balance date risk exposures represent the risk exposure inherent in the financial instruments.

iii. Price risk

Description	The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.
Exposure	The Group is exposed to price risk in respect of its fixed income assets primarily due to movements in credit spreads. This risk is managed through active management of credit exposures and credit spread duration. The Group's equity price risk arises from investments in property, infrastructure, Australian equities and international equities. It is managed by setting and monitoring objectives and constraints on investments, diversification plans and limits on investments in each country, sector and market.
Sensitivity	These investments are exposed to short-term fluctuations in price with their fair value movements being recorded in the consolidated statement of comprehensive income. Price risk is managed by taking a longer-term view of the investment portfolio. The following sensitivity analysis is based on the equity price risk exposures on the average monthly balances during the period and shows the impact on profit after tax and equity if market prices had moved, with all other variables held constant.

	2026 \$m		2025 \$m	
	+10.0%	-10.0%	+10.0%	-10.0%
Australian equities	6.7	(6.7)	7.5	(7.5)
International equities	7.5	(7.5)	8.5	(8.5)
Property	9.5	(9.5)	9.9	(9.9)
Infrastructure	11.8	(11.8)	8.7	(8.7)

In relation to fixed income assets, a 25bps increase/decrease in credit spreads, with all other variables remaining constant, would have resulted in a \$8.4 million decrease/increase to profit after tax and equity (2025: \$9.0 million). Balance date risk exposures represent the risk exposure inherent in the financial instruments.

b. Credit risk

i. Cash and cash equivalents and financial assets at fair value

Description	The risk of potential default of a counterparty, with a maximum exposure equal to the carrying amount of these instruments.
Exposure	Credit risk exposure is measured by reference to exposures by ratings bands, country, industry and instrument type. The Investment Management Policy limits the majority of internally managed credit exposure to A- or higher rated categories for long-term investments, and A2 or higher for short-term investments (as measured by external rating agencies such as Standard & Poor's). Departures from this policy and the appointment of external managers require Board approval. The Group does not have any financial instruments to mitigate credit risk and all investments are unsecured (except for covered bonds, asset-backed securities and mortgage-backed securities). However, the impact of counterparty default is managed through the use of Board approved limits by counterparty and rating and diversification of counterparties.
Sensitivity	The Group's cash and fixed income portfolios are subject to counterparty exposure limits. These limits specify that no more than 50% (2025: 50%) of the cash portfolio can be invested in any one counterparty bank and no more than 10% (2025: 10%) in any one counterparty corporate entity. In the Group's fixed income portfolio, the maximum amounts that can be invested in any one counterparty bank and any one counterparty corporate entity are 50% (2025: 50%) and 15% (2025: 15%) of the portfolio respectively. As at 30 June 2026 and 2025, the counterparty exposure of the Group was within these limits.

ii. Trade and other receivables and insurance related receivables

Description	Due to the nature of the industry and value of individual policies, the Group does not request any collateral nor is it the policy to secure its trade and other receivables and insurance related receivables. The Group regularly monitors its trade and other receivables and insurance related receivables, with the result that exposure to bad debts is not significant. The credit risk in respect to insurance related receivables, incurred on non-payment of premiums, will only persist during the grace period of two months as specified in the Fund Rules, after which the policy may be terminated. The Group is not exposed to claims whilst a membership is in arrears, although a customer can settle their arrears up to the two month grace period and a claim for that arrears period will then be paid. Trade and other receivables are monitored regularly and escalated when they fall outside of terms. The use of debt collection agencies may be used to obtain settlement.
Exposure	There are no significant concentrations of credit risk on trade and other receivables within the Group.

Trade and other receivables accounting policy

Trade and other receivables are non-interest bearing and generally due for settlement within 7 - 30 days. These receivables are initially measured at fair value and subsequently at amortised cost using the effective interest method, less a loss allowance for expected credit losses. The carrying value of trade and other receivables is considered to approximate fair value, due to the short-term nature of the receivables. Collectability of trade receivables is reviewed on an ongoing basis. The Group applies the simplified impairment approach, and any impairment loss is recognised within other expenses in the consolidated statement of comprehensive income.

Notes to the consolidated financial statements

30 June 2026

iii. Counterparty credit risk ratings

The following tables provide information regarding the Group's credit risk exposure at balance date in respect of the major classes of financial assets. Amounts are classified according to the short-term and equivalent long-term credit ratings (as per published Standard & Poor's correlations) of the counterparties. Assets that fall outside the range AAA to BBB are classified as non-investment grade. The Group's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets in the consolidated statement of financial position.

Short-term rating	A-1+	A-1+	A-1	A-2	B & below		
Long-term rating	**AAA**	**AA**	**A**	**BBB**	**BB & below**	**Not rated**	**Total**
2026	**$m**	**$m**	**$m**	**$m**	**$m**	**$m**	**$m**
Cash and cash equivalents	-	570.4	-	-	-	-	**570.4**
Financial assets at fair value							
Australian equities	-	-	-	-	-	75.6	**75.6**
International equities	-	-	-	-	-	116.4	**116.4**
Property	-	-	-	-	-	131.8	**131.8**
Infrastructure	-	-	-	-	-	170.6	**170.6**
Fixed income	145.4	799.3	769.6	297.2	0.7	327.6	**2,339.8**
Financial assets at fair value through other comprehensive income	-	97.8	-	-	-	-	**97.8**
Total	**145.4**	**1,467.5**	**769.6**	**297.2**	**0.7**	**822.0**	**3,502.4**
2025							
Cash and cash equivalents	-	648.6	-	-	-	-	**648.6**
Financial assets at fair value							
Australian equities	-	-	-	-	-	101.7	**101.7**
International equities	-	-	-	-	-	123.6	**123.6**
Property	-	-	-	-	-	141.0	**141.0**
Infrastructure	-	-	-	-	-	163.8	**163.8**
Fixed income	108.0	842.2	842.2	228.7	-	266.3	**2,287.4**
Financial assets at fair value through other comprehensive income	-	245.0	-	-	-	-	**245.0**
Total	**108.0**	**1,735.8**	**842.2**	**228.7**	**-**	**796.4**	**3,711.1**

The not rated fixed income assets relate to investments in unrated unit trusts. The majority of the underlying securities held by these unit trusts are investment grade assets and Senior Loans.

c. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash commitments associated with financial instruments. It may result from either the inability to sell financial assets quickly at their fair values; or a counterparty failing on repayment of a contractual obligation; or insurance liability falling due for payment earlier than expected; or inability to generate cash inflows as anticipated.

In order to maintain appropriate levels of liquidity, the Health Fund Investment Portfolio's target asset allocation is to hold 15% (2025: 20%) of its total investment assets in cash/bank deposits and highly liquid short-term money market instruments and fixed income securities. The Short-term Operational Cash (STOC) sub-portfolio invests cash/bank deposits and highly liquid short-term money market instruments and fixed income securities. The Non-Health Fund Investment Portfolio provides the Group with additional liquidity and financial flexibility over and above the Fund's target allocation.

Trade payables and other financial liabilities mainly originate from the financing of assets used in ongoing operations such as property, plant and equipment and investments in working capital. These assets are considered by the Group in the overall liquidity risk. To monitor existing financial liabilities as well as to enable an effective overall controlling of future risks, the Group has established comprehensive risk reporting that reflects expectations of management of expected settlement of financial liabilities.

i. Trade and other payables

	2026 $m	2025 $m
Current		
Trade creditors	42.6	39.5
Other creditors and accrued expenses	108.2	96.5
Loyalty program liability	25.4	32.6
Put option liabilities over non-controlling interests	14.0	1.9
Total current	**190.2**	**170.5**
Non-current		
Loyalty program liability	44.9	35.4
Put option liabilities over non-controlling interests	23.2	-
Other liabilities	4.1	-
Total non-current	**72.2**	**35.4**
Total trade and other payables	**262.4**	**205.9**

Trade and other payables accounting policy

Trade and other payables are non-interest bearing and are initially measured at fair value and subsequently at amortised cost using the effective interest method.

The carrying value of trade and other payables is considered to approximate fair value, due to the short-term nature of the payables.

Loyalty program accounting policy

Where the amount of health insurance revenue includes a loyalty component, revenue is allocated to this component based on the relative estimated stand-alone selling price. The component of loyalty revenue is initially deferred as a liability on the consolidated statement of financial position, and subsequently recognised in the consolidated statement of comprehensive income upon redemption when Medibank is obliged to provide the specified goods or services itself.

Notes to the consolidated financial statements

30 June 2026

Put option liabilities accounting policy

The Group has granted put options to certain non-controlling shareholders which may require the Group to acquire their shares at an amount determined by reference to a specified EBITDA multiple for the 12 months preceding exercise, subject to the conditions and exercise periods set out in the relevant agreements.

A financial liability is recognised for the present value of the estimated redemption amount, with a corresponding adjustment to equity. Measurement of the liability requires estimates regarding the expected timing of exercise, the future EBITDA and the applicable redemption multiple. Estimated future cash flows are discounted to their present value using an appropriate discount rate. The liability is subsequently remeasured at each reporting date, with any resulting gains or losses recognised within equity.

ii. Borrowings

The Myhealth Medical Group has borrowings facilities of $100.0 million (2025: $50.0 million), of which $35.9 million (2025: $35.0 million) has been drawn at balance date. The borrowings are secured and at variable interest rates.

Borrowings accounting policy

Borrowings are held by the Myhealth Medical Group and are initially recognised at fair value, less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

iii. Maturity analysis

The following table summarises the maturity profile of the Group's financial liabilities based on the remaining undiscounted contractual cash flow obligations. Cash flows for financial liabilities without fixed amount or timing are based on the conditions existing at 30 June 2026.

	Under 6 months $m	6 to 12 months $m	1 to 2 years $m	Over 2 years $m	Total contractual cash flows $m	Carrying amount $m
2026						
Trade and other payables [1]	166.7	23.5	34.5	37.7	**262.4**	**262.4**
Borrowings	-	-	-	35.9	**35.9**	**35.9**
2025						
Trade and other payables [1]	159.4	11.1	12.0	23.4	**205.9**	**205.9**
Borrowings	35.0	-	-	-	**35.0**	**35.0**

1. Contractual cash flows greater than 6 months primarily relate to the loyalty program liability and the put option liabilities over non-controlling interests.

Note 8: Equity

a. Contributed equity

Contributed equity consists of 2,754,003,240 fully paid ordinary shares at $0.03 per share. Ordinary shares entitle their holder to one vote, either in person or by proxy on a poll, at a general meeting of Medibank, and in a reduction of capital, the right to repayment of the capital paid up on the shares.

Ordinary shares entitle their holders to receive dividends and, in the event of winding up Medibank, entitle their holders to participate in the distribution of the surplus assets of Medibank.

b. Reserves

	2026 $m	2025 $m
Equity reserve [1]	17.8	17.8
Share-based payments reserve [2]	12.4	9.6
Put option liability reserve [3]	(37.2)	-
Total	**(7.0)**	**27.4**

1. During the 2009 financial year, the parent entity entered into a restructure of administrative arrangements, which gave rise to an equity reserve representing the difference between the book value of the net assets acquired from Medibank Health Solutions Pty Ltd (formerly Health Services Australia Pty Ltd) and the total purchase consideration.
2. The share-based payments reserve is used to record the cumulative expense recognised in respect of performance rights issued to participating employees. Refer to Note 18 for further information.
3. The put option liability reserve represents the put option liabilities recognised over non-controlling interests. Refer to Note 7(c)(i) for further information.

Section 4: Other assets and liabilities

Overview

This section provides insights into the operating assets used and liabilities incurred to generate the Group's operating result. Refer to Note 4 for further information on insurance contract liabilities.

Note 9: Property, plant and equipment

a. Closing net carrying amount

	Note	2026 $m	2025 $m
Plant and equipment		16.9	13.9
Leasehold improvements		77.5	65.7
Assets under construction		3.9	4.7
Right-of-use assets	13	161.0	109.9
Total property, plant and equipment		**259.3**	**194.2**

Notes to the consolidated financial statements

30 June 2026

b. Reconciliation of the net carrying amount

	Plant and equipment $m	Leasehold improvements $m	Assets under construction $m	Total $m
2026				
Gross carrying amount	27.7	144.1	3.9	**175.7**
Accumulated depreciation and impairment	(10.8)	(66.6)	-	**(77.4)**
Net carrying amount	**16.9**	**77.5**	**3.9**	**98.3**
Net carrying amount at 1 July	**13.9**	**65.7**	**4.7**	**84.3**
Acquisition of business	2.5	9.5	0.2	**12.2**
Net additions	5.0	8.8	6.2	**20.0**
Transfers in/(out)	0.6	6.6	(7.2)	**-**
Depreciation expense	(5.1)	(13.1)	-	**(18.2)**
Net carrying amount at 30 June	**16.9**	**77.5**	**3.9**	**98.3**
2025				
Gross carrying amount	19.6	119.2	4.7	**143.5**
Accumulated depreciation and impairment	(5.7)	(53.5)	-	**(59.2)**
Net carrying amount	**13.9**	**65.7**	**4.7**	**84.3**
Net carrying amount at 1 July	**12.2**	**72.7**	**3.3**	**88.2**
Net additions	5.5	3.3	3.8	**12.6**
Transfers in/(out)	1.1	1.3	(2.4)	**-**
Depreciation expense	(4.9)	(11.6)	-	**(16.5)**
Net carrying amount at 30 June	**13.9**	**65.7**	**4.7**	**84.3**

c. Property, plant and equipment capital expenditure commitments

There were no capital commitments in respect of property, plant and equipment as at 30 June 2026 (2025: nil).

Property, plant and equipment accounting policy

Refer to Note 13 for the accounting policy for right-of-use assets.

Property, plant and equipment is carried at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item and any subsequent expenditure eligible for capitalisation. Repairs and maintenance costs are recognised in the consolidated statement of comprehensive income during the period in which they are incurred.

Depreciation

Property, plant and equipment is depreciated using the straight-line method over the estimated useful life as follows:

Plant and equipment	2 - 15 years
Leasehold improvements	the lease term
Assets under construction	not depreciated until in use

Disposal

The gain or loss on disposal of property, plant and equipment (the difference between the carrying amount of the asset and the net proceeds on disposal) is recognised in the consolidated statement of comprehensive income.

Note 10: Intangible assets

	Goodwill $m	Customer contracts, relationships and brand $m	Software $m	Assets under construction $m	Total $m
2026					
Gross carrying amount	585.7	98.4	637.6	88.6	**1,410.3**
Accumulated amortisation and impairment	(78.4)	(91.9)	(550.7)	-	**(721.0)**
Net carrying amount	**507.3**	**6.5**	**86.9**	**88.6**	**689.3**
Net carrying amount at 1 July	**342.4**	**7.4**	**82.3**	**67.8**	**499.9**
Acquisition of business [1]	164.9	-	1.1	-	**166.0**
Additions	-	-	4.8	67.2	**72.0**
Transfers in/(out)	-	-	46.4	(46.4)	**-**
Amortisation expense	-	(0.9)	(47.7)	-	**(48.6)**
Net carrying amount at 30 June	**507.3**	**6.5**	**86.9**	**88.6**	**689.3**
2025					
Gross carrying amount	420.8	98.4	585.3	67.8	**1,172.3**
Accumulated amortisation and impairment	(78.4)	(91.0)	(503.0)	-	**(672.4)**
Net carrying amount	**342.4**	**7.4**	**82.3**	**67.8**	**499.9**
Net carrying amount at 1 July	**323.7**	**8.7**	**90.2**	**44.4**	**467.0**
Acquisition of business	13.3	.	-	-	**13.3**
Additions	5.4	-	2.3	57.1	**64.8**
Transfers in/(out)	-	-	33.7	(33.7)	**-**
Amortisation expense	-	(1.3)	(43.9)	-	**(45.2)**
Net carrying amount at 30 June	**342.4**	**7.4**	**82.3**	**67.8**	**499.9**

1. Includes goodwill arising on the acquisition of the Better Medical Group of $163.4 million (refer to Note 16(b) for further details) and net Myhealth goodwill additions of $1.5 million.

Goodwill accounting policy

Goodwill is carried at cost less accumulated impairment losses. Goodwill is not amortised and is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

Key estimate

Refer to Note 10(a) for further information on the assumptions used in the recoverable amount calculations.

Notes to the consolidated financial statements

30 June 2026

Software accounting policy

Software is carried at cost less accumulated amortisation and impairment losses. Costs capitalised include external direct costs of acquiring software, licences and service, and payroll related costs of employees' time spent on the project. Assets are capitalised where there is control of the underlying software asset and where they will contribute to future financial benefits, through revenue generation and/or cost reduction.

Amortisation is calculated on a straight-line basis over the expected useful lives of the software (1.5 to 10 years).

Customer contracts, relationships and brand accounting policy

Customer contracts and relationships and brands acquired as part of a business combination are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses.

Amortisation is calculated on a straight-line basis over the expected useful lives (customer contracts and relationships: 5 to 12 years, brand: 10 years).

Customer contracts and relationships are assessed for indicators of impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

a. Impairment tests for goodwill – key assumptions and judgements

Below is a summary of the Group's goodwill allocation to cash generating unit (CGU) and the key assumptions made in determining the recoverable amounts.

	2026			2025		
	Goodwill allocation $m	Growth rate %	Pre-tax discount rate %	Goodwill allocation $m	Growth rate %	Pre-tax discount rate %
Health Insurance	100.0	2.5	12.7	100.0	2.5	11.7
Medibank Health Telehealth	11.1	2.5	13.0	11.1	2.5	12.1
Medibank Health Home Care	97.2	2.5	13.0	97.2	2.5	12.1
Primary care - Myhealth	135.6	2.5	12.4	134.1	2.5	11.8

On 16 December 2025, the Group acquired 100% of the issued capital in the Better Medical Group (refer to Note 16(b) for further details). The difference between the consideration paid and the identifiable assets and liabilities of Better Medical of $163.4 million, has been recorded as goodwill. This goodwill represents an increased focus on primary care and preventative care, and profitability of the acquired business. The goodwill is non-deductible for tax purposes and is expected to be allocated to the Better Medical cash-generating unit upon the finalisation of the acquisition accounting. No indicators of impairment exist for this goodwill.

Forecast future cash flows	The recoverable amounts of the CGUs are based on value in use (VIU) calculations, which use a three-year cash flow projection per the Group's Board approved Corporate Plan. A terminal value has been assumed in the VIU calculations.
Discount rates	Estimated future cash flows are discounted using post-tax discount rates which reflect risks specific to each CGU. The equivalent pre-tax discount rates are disclosed above.
Growth rates	The growth rates do not exceed the long-term average growth rates for the businesses in which the CGUs operate as per industry forecasts.
Other key assumptions	The key assumptions underpinning the cash flows are specific to each CGU and the industry in which it operates. The assumptions applied are based on management's past experience and knowledge in the market in which the CGU operates. They include the following: • Health Insurance CGU: Key assumptions include policyholder growth and future health insurance revenue rate rises, along with claims growth and claims inflation. • Medibank Health Telehealth CGU: The forecast cash flows contain key assumptions around customer contracts, including contract renewals, new wins and losses. • Medibank Health Home Care group of CGUs: Comprises acquired and internally developed in-home care businesses. Goodwill has been allocated to the Home Care CGUs as the Group derives strategic and operational synergies, and the Group monitors business performance at the combined Home Care level. The forecast cash flows contain key assumptions around volumes of services performed across geographic areas, expected contract renewals and new wins and losses. • Myhealth CGU: Comprises the Myhealth Medical Group and virtual health businesses and is the level at which business performance is monitored and strategic and operational synergies are derived. The forecast cash flows contain key assumptions around volumes of services performed across geographic areas and patient retention rates.

There are no reasonably possible changes in key assumptions that could have resulted in an impairment loss in the current or prior reporting periods.

Goodwill impairment accounting policy

Goodwill is allocated to CGUs, or groups of CGUs, at which the goodwill is monitored and where the synergies of the business combination are expected.

An impairment loss is recognised if the CGU's carrying amount exceeds its recoverable amount. The recoverable amount of a CGU is the higher of its fair value less costs of disposal and VIU. In assessing VIU, estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

b. Intangible assets capital expenditure commitments

	2026 $m	2025 $m
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities	1.1	1.7

Note 11: Provisions and employee entitlements

	Note	2026 $m	2025 $m
Current			
Employee entitlements		112.8	100.2
Provisions	11(a)	27.9	28.4
Total current		**140.7**	**128.6**
Non-current			
Employee entitlements		20.5	17.7
Provisions	11(a)	18.9	14.7
Total non-current		**39.4**	**32.4**

Notes to the consolidated financial statements

30 June 2026

a. Movements in provisions

Movements in provisions, other than employee entitlements, are as follows:

	Commissions $m	Make good $m	Workers compensation $m	Corporate loyalty benefits $m	Other $m	Total $m
Balance at 1 July 2025	**8.5**	**10.9**	**6.3**	**13.9**	**3.5**	**43.1**
Acquisition of business	-	3.3	-	-	2.4	**5.7**
Additional provision	5.1	0.8	2.0	2.5	-	**10.4**
Amounts utilised during the year	(8.5)	0.2	(1.2)	(1.7)	(0.5)	**(11.7)**
Reversal of unused provision	-	-	-	-	(0.7)	**(0.7)**
Balance at 30 June 2026	**5.1**	**15.2**	**7.1**	**14.7**	**4.7**	**46.8**
Balance comprised of:						
Current	5.1	3.9	0.6	14.7	3.6	**27.9**
Non-current	-	11.3	6.5	-	1.1	**18.9**

i. Commissions provision

This provision relates to estimated commissions payable to third parties in relation to the acquisition of health insurance contracts.

ii. Make good provision

The Group recognises a provision for the estimated costs that may be incurred in restoring leased premises to their original condition at the end of their lease term. These costs are included in the cost of the right-of-use assets.

Provisions accounting policy

Provisions are recognised when:

- The Group has a present legal or constructive obligation as a result of past events.
- It is probable that an outflow of resources will be required to settle the obligation.
- The amount has been reliably estimated.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

iii. Workers compensation provision

The parent entity is self-insured for workers' compensation claims. Provisions are recognised based on claims reported and an estimate of claims incurred but not reported. These provisions are determined on a discounted basis, using an actuarial valuation performed at each reporting date. The parent entity has entered into $11.1 million (2025: $10.0 million) of bank guarantees in relation to its self-insured workers compensation obligations.

iv. Corporate loyalty benefits provision

This provision relates to estimated incentives payable to third parties in relation to the acquisition of corporate health insurance contracts.

Employee entitlements accounting policy

This provision incorporates annual leave, long service leave, bonus plans and termination payments.

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for bonuses are based on a formula that takes into consideration the performance of the employee against targeted and stretch objectives, the profit of the Group and other financial and non-financial key performance indicators. The Group recognises a provision when it is contractually obliged or where there is a past practice that has created a constructive obligation.

Other long-term employee benefit obligations

Liabilities for long service leave are measured at the present value of expected future payments using the projected unit credit method, taking into account expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using high quality corporate bond yields with terms that closely match the estimated future cash outflows. The obligations are presented as current liabilities in the consolidated statement of financial position if the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Note 12: Contingent liabilities

a. Cybercrime event

The Group was subject to a cybercrime in October 2022 which resulted in a data breach. Specific contingent liabilities in relation to the cybercrime that may impact the Group as known at this reporting period are set out below. The outcome and any potential financial impacts of the matters below are currently unknown, and as such no provision has been recognised for these matters. The outcome of these matters could impact the financial results, cashflows and financial position of the Group.

It is not currently practicable to estimate the potential financial impact, if any, of these claims.

AIC civil penalty proceedings

On 5 June 2024, Medibank received notice of civil penalty proceedings filed in the Federal Court of Australia by the Australian Information Commissioner (AIC) in relation to the cybercrime. The proceedings relate to the AIC's own investigation into the cybercrime and allege that Medibank breached Australian Privacy Principle 11.1.

If Medibank is found to have breached Australian Privacy Principle 11.1, the AIC alleges that the interference with individuals' privacy was either serious and/or repeated within the meaning of section 13G(a) & (b) of the *Privacy Act 1988 (Cth)*, and the AIC seeks penalties of up to $2.2 million per contravention. The AIC alleges either one or two contraventions, or separate contraventions in respect of each individual whose personal information Medibank held during the relevant period (alleged to be 9.7 million individuals). A court ordered mediation is to be completed by 30 September 2026.

Medibank is defending the civil penalty proceedings.

OAIC representative complaint

Maurice Blackburn, in collaboration with Bannister Law and Centennial Lawyers, has lodged a representative complaint with the OAIC alleging Medibank has breached its privacy obligations and seeks compensation for loss and damage, including but not limited to distress and injury to feelings and humiliation. The representative complaint is under investigation by the OAIC.

Medibank is defending the representative complaint.

Consumer class actions

Medibank received notice of two separate consumer class actions filed in the Federal Court of Australia in relation to the cybercrime. On 1 August 2023 these proceedings were consolidated into a single consumer class action. The consolidated consumer class action is being brought by Baker & McKenzie on behalf of persons who were Medibank or ahm health insurance customers between 21 December 2001 and 12 October 2022, and persons who provided personal information to Medibank or ahm for the purpose of obtaining a quote for insurance but did not become a customer.

The consolidated statement of claim includes allegations of breach of contract, contraventions of the Australian Consumer Law, and breach of equitable obligations of confidence. The amount claimed is unspecified, however remedies sought include damages, declarations for contraventions of the *Privacy Act*, injunctive relief requiring Medibank to take reasonable steps to destroy or deidentify personal information which Medibank no longer needs to retain, interest and costs. A court ordered mediation is to be completed by 27 February 2027.

Medibank is defending this consolidated consumer class action proceeding.

Notes to the consolidated financial statements

30 June 2026

Shareholder class actions

Medibank received notice of two separate shareholder class actions filed in the Supreme Court of Victoria. On 6 September 2023 these proceedings were consolidated into a single shareholder class action. The consolidated shareholder class action is being brought jointly by Quinn Emanuel and Phi Finney McDonald on behalf of persons who acquired an interest in Medibank shares or entered into equity swap confirmations of Medibank shares during the period 1 July 2019 to 25 October 2022.

The consolidated statement of claim includes allegations of misleading or deceptive conduct and that Medibank breached its continuous disclosure obligations under the *Corporations Act 2001* and ASX Listing Rules by not disclosing to the market information relating to alleged deficiencies in its cyber security systems. The amount claimed is unspecified, however remedies sought include damages, interest and costs.

Medibank is defending this consolidated shareholder class action proceeding.

b. Other contingency matters (excluding cybercrime event)

The Group has issued $29.0 million (2025: $24.6 million) of bank guarantees to third parties for various operational and legal purposes, including $11.1 million (2025: $10.0 million) in relation to its self-insured workers compensation obligations (refer to Note 11(a)(iii)) and other guarantees relating to conditions set out in property agreements. It is not expected that these guarantees will be called upon.

In addition to the items noted above in relation to the cybercrime event, the Group is exposed from time to time to contingent liabilities which arise from the ordinary course of business, including:

- Losses which might arise from claims and litigation.
- Investigations from internal reviews and by regulatory bodies such as the ACCC, APRA, ATO, ASIC or other regulatory bodies into past conduct on either industry-wide or Group specific matters.

It is anticipated that the likelihood of any unprovided liabilities arising from these other contingency matters is not material or are not at a stage to support a reasonable evaluation of the likely outcome.

Key judgement and estimate

Contingent liabilities are possible obligations whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the Group's control, or present obligations that are not recognised because it is not probable that a settlement will be required or the value of such a payment cannot be reliably estimated.

Judgement is exercised to identify whether a present obligation exists and also in estimating the probability, timing, nature and quantum of the outflows that may arise from past events.

Note 13: Leases

a. Group as a lessee

The Group has lease agreements for corporate and retail properties and medical clinics. Rental payments are generally fixed, with differing clauses to adjust the rental to reflect increases in market rates. These clauses include fixed incremental increases, market reviews and inflation escalation clauses during a lease on which contingent rentals are determined. No operating leases contain restrictions on financing or other leasing activities. Management have determined it is not reasonably certain that any of its leases will be extended or terminated.

The table below sets out the carrying amounts of the right-of-use asset and the movements during the year.

	2026 $m	2025 $m
Balance at 1 July	**109.9**	**116.8**
Acquisition of business	45.8	-
Net additions	43.6	27.4
Depreciation expense	(38.3)	(34.3)
Balance at 30 June	**161.0**	**109.9**

The table below sets out the carrying amounts of the lease liabilities and the movements during the year.

	2026 $m	2025 $m
Balance at 1 July	**174.0**	**183.4**
Acquisition of business	58.9	-
Net additions	46.3	28.5
Accretion of interest	12.3	8.9
Lease payments	(53.5)	(46.8)
Balance at 30 June	**238.0**	**174.0**
Balance comprised of:		
Current	39.1	29.2
Non-current	198.9	144.8

The table below sets out maturity profile of contractual undiscounted cash flows.

	2026 $m	2025 $m
Under 6 months	25.3	20.9
6 to 12 months	26.1	19.9
1 to 2 years	47.6	34.6
Over 2 years	190.6	145.7
Total contractual cash flows	**289.6**	**221.1**
Carrying amount	**238.0**	**174.0**

Leases accounting policy

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to restore the underlying asset less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use or the end of the lease term. In addition, the right-of-use is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

The lease liability is subsequently measured at amortised cost using the effective interest method and is remeasured for changes in lease payments, with corresponding adjustments made to the right-of-use asset (or profit or loss if the carrying amount of the right-of-use asset has been reduced to zero).

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (leases with a term of 12 months or less) and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the consolidated financial statements

30 June 2026

b. Group as a Lessor

The Group has recognised $3.6 million of finance lease receivables (2025: $2.9 million). These are presented within other assets in the consolidated statement of financial position.

Leases accounting policy

As a lessor

The Group acts as an intermediate lessor for some leases of medical clinics. The Group's interest in the head lease and sublease are accounted for separately. At the sublease commencement, the Group determines whether it is a finance or operating lease by assessing whether the lease transfers substantially all of the risks and rewards of ownership to the lessee, with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

Note 14: Reconciliation of profit after income tax to net cash flow from operating activities

	Note	2026 $m	2025 $m
Profit for the year		**646.3**	**509.3**
Non-cash items			
Depreciation and amortisation		105.1	96.0
Non-cash share-based payments expense		11.4	8.5
Share of (profit)/loss from equity accounted investments	16(c)	12.7	11.0
Other non-cash items		(0.3)	2.4
Investing and financing items			
Net realised loss/(gain) on financial assets		(13.2)	(10.3)
Net unrealised loss/(gain) on financial assets		28.2	(23.5)
Net interest income		(118.5)	(142.3)
Trust distributions		(81.2)	(37.4)
Investment expenses		5.8	5.7
Interest paid - leases	13(a)	12.3	8.9
(Increase)/decrease in operating assets net of the effects of acquisitions of businesses			
Trade and other receivables		6.6	(20.8)
Other assets		(4.2)	(7.4)
Net deferred tax assets		48.7	(5.5)
Increase/(decrease) in operating liabilities net of the effects of acquisitions of businesses			
Trade and other payables		4.5	38.1
Insurance contract liabilities		(167.2)	(48.0)
Income tax liability		4.7	(15.7)
Provisions and employee entitlements		9.9	11.9
Net cash inflow from operating activities		**511.6**	**380.9**

Cash and cash equivalents accounting policy

Cash and cash equivalents comprise short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant change in value. These investments have original maturities of three months or less and include cash on hand, short-term bank bills, term deposits and negotiable certificates of deposit.

Amounts in cash and cash equivalents are the same as those included in the consolidated statement of cash flows.

Section 5: Other

Overview

This section includes additional information that must be disclosed to comply with Australian Accounting Standards, the *Corporations Act 2001* and the Corporations Regulations.

Note 15: Income tax

Tax consolidation legislation

Medibank and its wholly owned entities are members of a tax consolidated group. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are offset in the consolidated financial statements.

The entities in the tax consolidated group entered into a tax sharing agreement which limits the joint and several liability of the wholly owned entities in the case of a default by the head entity, Medibank. These entities have also entered into a tax funding agreement under which the wholly owned entities fully compensate Medibank for any current tax payable and are compensated by Medibank for any current tax receivable.

a. Income tax expense

	2026 $m	2025 $m
Current tax	227.0	216.8
Deferred tax	55.1	3.4
Adjustment for tax of prior period	(0.5)	(0.7)
Income tax expense	**281.6**	**219.5**

Notes to the consolidated financial statements

30 June 2026

b. Numerical reconciliation of income tax expense to prima facie tax payable

	2026 $m	2025 $m
Profit for the year before income tax expense	**927.9**	**728.8**
Tax at the Australian tax rate of 30%	278.4	218.6
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible expenses	2.1	1.3
Tax offset for franked dividends	(2.6)	(3.3)
Share of (profit)/loss from equity accounted investments	3.8	3.3
Other items	0.4	0.3
	282.1	**220.2**
Adjustment for tax of prior period	(0.5)	(0.7)
Income tax expense	**281.6**	**219.5**

c. Deferred tax assets and liabilities

Deferred tax balances comprise temporary differences attributable to following items.

	2026 $m	2025 $m
Recognised in the consolidated statement of comprehensive income		
Trade and other receivables	**-**	0.2
Financial assets at fair value through profit or loss	**(10.7)**	(18.4)
Property, plant and equipment	**(41.5)**	(27.6)
Intangible assets	**3.0**	(0.9)
Trade and other payables	**74.7**	55.8
Employee entitlements	**40.0**	35.4
Insurance contract liabilities	**5.4**	73.6
Provisions	**11.7**	8.2
Business capital costs	**0.6**	0.5
Tax value of recognised tax losses [1]	**25.1**	14.6
Other (liabilities)/assets	**6.0**	4.8
	114.3	**146.2**
Recognised directly in other comprehensive income		
Actuarial gain on retirement benefit obligation	**0.3**	0.3
	0.3	**0.3**
Net deferred tax assets	**114.6**	**146.5**

1. Movement from prior period includes tax losses acquired through the Better Medical acquisition of $10.0 million.

Income tax accounting policy

Current taxes

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period and includes any adjustment to tax payable in respect of previous periods.

Deferred taxes

Deferred tax is calculated using tax rates expected to apply when the related asset is realised or liability is settled and is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements, except:

- On initial recognition of goodwill or of assets and liabilities in transactions (other than business combinations) that do not affect accounting or taxable profit.
- For temporary differences relating to investments in subsidiaries and equity accounted investments, where the Group controls the timing of reversal and it is probable the differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses and deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which they can be used.

Current and deferred tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Offsetting balances

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

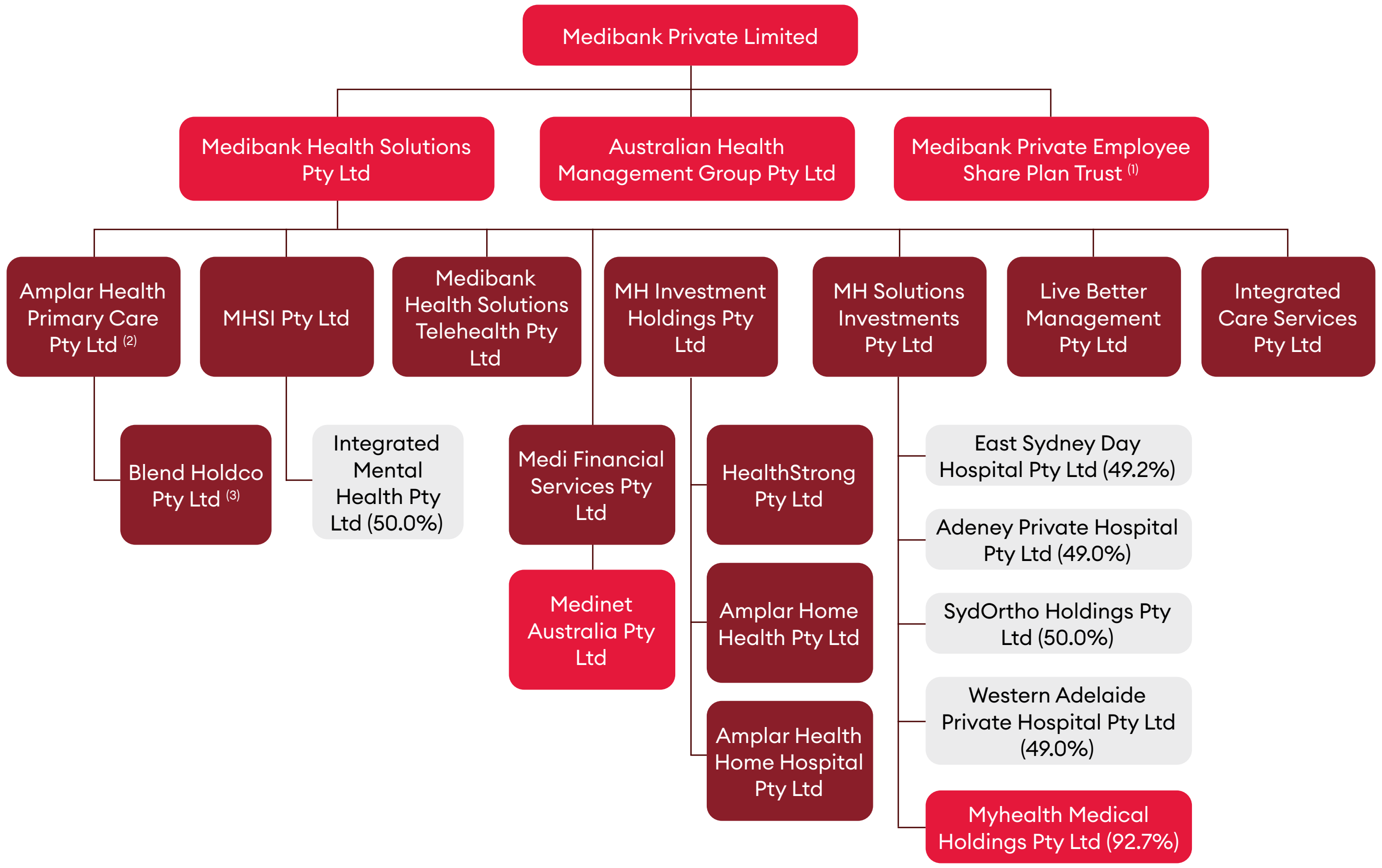
Notes to the consolidated financial statements

30 June 2026

Note 16: Group structure

a. Group structure

The summary Medibank Group structure is shown below. All entities, unless otherwise stated, are 100% controlled.



These controlled entities are wholly owned by Medibank Health Solutions Pty Ltd and have been relieved from the requirement to prepare financial reports in accordance with the *ASIC Corporations (Wholly owned Companies) Instrument 2016/785*.

These entities are equity accounted investments. Refer to Note 16(c) for further information.

1. Refer to Note 18(a) for further information on the Employee Share Plan Trust.
2. Amplar Health Primary Care Pty Ltd (AHPC) was incorporated on 22 October 2025.
3. The Group acquired Blend Holdco Pty Ltd (Better Medical Group) on 16 December 2025. Refer to Note 16(b) for further information.
4. The following entities were deregistered during the period: Myhealth Sydney North Pty Ltd (20 August 2025), Myhealth Sydney SE Pty Ltd (24 August 2025), Myhealth Sydney West Pty Ltd (24 August 2025) and MH Operations Pty Ltd (14 January 2026).

Controlled entities

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over it. Non-controlling interests in the results and equity of controlled entities are shown separately in the consolidated statement of comprehensive income, balance sheet and statement of changes in equity.

b. Acquisitions

i. Better Medical

On 16 December 2025, the Group acquired 100% of the issued capital in Blend Holdco Pty Ltd (Better Medical Group) for consideration of $163.5 million. This acquisition builds on the Group's support for primary care through its Amplar Health network, with a focus on improving access, choice and control for both patients and clinicians. Since the acquisition date, the Better Medical Group contributed $6.2 million of operating profit to the Medibank Health segment.

At 30 June 2026, the fair values of identifiable assets acquired and liabilities assumed are provisional and are subject to the completion of detailed valuation assessments.

	Provisional fair value $m
Assets	
Cash and cash equivalents	6.0
Right-of-use assets	45.8
Property, plant and equipment	12.2
Deferred tax assets	14.7
Other assets	10.5
Liabilities	
Lease liabilities	(58.9)
Provisions and employee entitlements	(9.9)
Other liabilities	(20.3)
Fair value of identifiable assets	**0.1**
Provisional goodwill arising on acquisition	163.4
Total consideration	**163.5**

Total consideration excludes $7.1 million paid into an escrow account during the period. The funds are held by an independent escrow agent and will be released within 12 months of completion in accordance with the terms of the sale and purchase agreement, subject to the settlement of any post-completion adjustments.

ii. Myhealth Medical Group

During the period, the Group subscribed for additional shares in the Myhealth Medical Group for total cash consideration of $7.9 million and increased its shareholding to 92.7%. The Myhealth Medical Group also repurchased shares from its non-controlling interests for $19.2 million and completed the acquisition of two medical clinics for $1.9 million.

Acquisition accounting policy

The acquisition method is used to account for the acquisition of controlled entities. The consideration transferred for the acquisition of a controlled entity comprises the fair value of the assets transferred and the liabilities incurred. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired, is recorded as goodwill. On acquisition, any non-controlling interests in the acquiree are measured at either fair value or at the non-controlling interest's proportionate share of the net identifiable assets acquired.

Notes to the consolidated financial statements
30 June 2026

c. Equity accounted investments

As at 30 June 2026 the Group held the following investments in associates and joint ventures:

Name of company	Principal activity	Place of incorporation	Type	Ownership interest % 2026	Ownership interest % 2025
East Sydney Day Hospital Pty Ltd	Short stay hospital	Australia	Associate	49.2%	49.0%
Adeney Private Hospital Pty Ltd	Short stay hospital	Australia	Associate	49.0%	49.0%
SydOrtho Holdings Pty Ltd	Short stay hospital	Australia	Joint Venture	50.0%	50.0%
Integrated Mental Health Pty Ltd	Short stay hospital	Australia	Joint Venture	50.0%	50.0%
Western Adelaide Private Hospital Pty Ltd	Short stay hospital	Australia	Associate	49.0%	49.0%

The following table shows the Group's aggregated interests in equity accounted investments.

	2026 $m	2025 $m
Balance at 1 July	**39.0**	**58.7**
Additions [1]	6.2	7.0
Disposals [2]	-	(15.7)
Share of net profit/(loss) for the year	(12.7)	(11.0)
Balance at 30 June	**32.5**	**39.0**

1. Current period additions comprise additional shares subscribed in Adeney Private Hospital Pty Ltd ($1.0 million), Integrated Mental Health Pty Ltd ($3.7 million) and East Sydney Day Hospital Pty Ltd ($1.5 million). The East Sydney Day Hospital Pty Ltd addition includes $0.9 million arising from the conversion of an existing loan to equity.
2. Disposals in the prior period relate to the step-acquisitions of Amplar Health Home Hospital Pty Ltd and Medinet Australia Pty Ltd.

Equity accounted investments accounting policy

The Group's associates and joint ventures, which are entities over which the Group has significant influence or joint control, are accounted for using the equity method. Under this method, the investment in associate or joint venture is initially recognised at cost and is increased or decreased to recognise the Group's share of profit or loss. Dividends received from an associate or joint venture reduce the carrying amount of the investment. Equity accounting of losses is restricted to the Group's interest in the associate or joint venture. The Group's share of profit or loss for the period is reflected in the consolidated statement of comprehensive income. Investments in associates and joint ventures are tested for impairment if an event occurs that has an impact on the estimated future cash flows from the net investment. Equity accounting is discontinued from the date when the investment ceases to be an associate or a joint venture.

d. Parent entity financial information

i. Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2026 $m	2025 $m
Statement of financial position		
Current assets	3,361.0	3,617.2
Total assets	4,232.3	4,311.8
Current liabilities	1,692.3	1,860.9
Total liabilities	1,927.8	2,112.4
Equity		
Contributed equity	85.0	85.0
Reserves		
Equity reserve	6.3	6.3
Share-based payment reserve	11.8	9.6
Retained earnings	2,201.4	2,098.5
Total equity	**2,304.5**	**2,199.4**
Profit for the year	**612.4**	**489.5**
Total comprehensive income	**612.4**	**489.5**

ii. Guarantees entered into by parent entity

The parent entity has entered into $11.1 million (2025: $10.0 million) of bank guarantees in relation to its self-insured workers compensation obligations and $3.8 million (2025: $1.0 million) of bank guarantees relating to conditions set out in property agreements. Refer to Note 11(a)(iii) for further information on the provision for workers compensation.

iii. Contingent liabilities of the parent entity

Refer to Note 12 for details of the contingent liabilities of the parent entity.

iv. Parent entity capital expenditure commitments

Capital commitments in respect of intangible assets as at 30 June 2026 were $1.1 million (2025: $1.7 million).

Parent entity financial information accounting policy

The financial information for the parent entity, Medibank, has been prepared on the same basis as the consolidated financial statements, except as set out below:

- Investments in subsidiaries are accounted for at cost less accumulated impairment losses.
- Assets or liabilities arising under tax funding arrangements with the tax consolidated entities are recognised as current assets or current liabilities.

Notes to the consolidated financial statements

30 June 2026

Note 17: Related party transactions

a. Transactions with equity accounted investments

	2026 $m	2025 $m
Transactions with equity accounted investments		
Claims incurred	(26.0)	(12.8)
Services received	-	(2.3)
Services provided	0.5	0.6
Interest received	0.7	0.5
Outstanding balances with equity accounted investments		
Amounts payable	(0.8)	(1.7)
Amounts receivable	0.8	0.1
Loan receivable	7.9	7.4

The related party transactions include amounts for the reimbursement of costs incurred, payment of policyholder claims, receipts in relation to services rendered and interest-bearing loans advanced, which are provided under normal commercial terms.

b. Key management personnel remuneration

	2026 $	2025 $
Short-term benefits	8,804,995	8,437,503
Post-employment benefits	293,601	245,257
Long-term benefits	279,139	190,740
Share-based payments	4,081,071	3,795,892
Total key management personnel	**13,458,806**	**12,669,392**

Refer to the remuneration report for further details of the composition of the key management personnel.

c. Transactions with other related parties

Certain key management personnel hold director positions in other entities, some of which transacted with the Group during the current and prior reporting periods. All transactions that occurred were in the normal course of business on terms and conditions no more favourable than those available on an arm's length basis.

Note 18: Share-based payments

a. Share-based payments arrangements

Performance rights to acquire shares in Medibank are granted to members of the Executive Leadership Team (ELT), Senior Executive Group (SEG) and other selected senior employees as part of Medibank's short-term incentive (STI) and long-term incentive (LTI) plans. These plans are designed to:

- Align the interests of participating employees more closely with the interests of customers and shareholders by providing an opportunity for those employees to receive an equity interest in Medibank.
- Assist in the motivation, retention and reward of participating employees.

Performance rights granted do not carry any voting rights.

Medibank has an Employee Share Plan Trust to manage its share-based payments arrangements. Shares allocated by the Trust to the employees are acquired on-market prior to allocation. The Trust held nil shares at 30 June 2026.

i. LTI offer

Under the LTI Plan, performance rights were granted to selected employees as part of their remuneration. Performance rights granted under the LTI Plan are subject to the following performance hurdles:

- 30% of the performance rights will be subject to a vesting condition based on Medibank's earnings per share compound annual growth rate (EPS CAGR) over the performance period.
- 30% of the performance rights will be subject to a relative total shareholder return (TSR) vesting condition, measured over the performance period against a comparator group of companies.
- 20% of the performance rights will be subject to a performance hurdle based on the growth of Medibank's private health insurance market share (as reported by APRA) over the performance period.
- 20% of the performance rights will be subject to a performance hurdle based on Brand Sentiment, measured as the change in Medibank's Customer Net Promoter Score over the performance period.

Each performance hurdle under the LTI Plan has a threshold level of performance which needs to be achieved before vesting commences. Details of these thresholds are outlined in the remuneration report. The vesting conditions for performance rights in grants will be tested over a three-year performance period commencing on 1 July of the relevant period. Following the three-year performance period, any performance rights that meet the performance hurdles vest with deferral conditions applying to specific employees as follows:

- Up to 3 years for the CEO, with one third converting to shares each year starting at the beginning of the year following the end of the performance period.
- Up to 2 years for ELT members and other specified senior executives, with half converting to shares at the beginning of the year following the end of the performance period, and the remaining amount converting to shares in the following year.

Upon satisfaction of vesting conditions, and deferral conditions, each performance right will convert into a fully paid ordinary share on a one-for-one basis.

LTI performance rights do not attract a dividend during the performance period, as they are still subject to performance hurdles that will determine the number of rights that convert to ordinary Medibank shares. Vested performance rights subject to deferral conditions do not attract dividends during the deferral period. On exercise of deferred vested performance rights, additional Medibank shares are granted to ensure each participant receives a benefit equivalent to any dividends paid during the deferral period on the rights being exercised.

The number of rights granted in the 2026 grants were determined based on the monetary value of the LTI award, divided by the volume-weighted average share price of Medibank shares on the ASX during the 10 trading days up to and including 30 June 2025. This average price was $4.94.

ii. Annual STI offer

Under the Group's STI Plan, 70% (2025: 60%) of STI awarded to ELT members and other specified senior executives is paid in cash after the announcement of financial results. The remaining 30% (2025: 40%) is provided in the form of performance rights granted under the Performance Rights Plan that are subject to a 1 year service condition. Performance rights are deferred for:

- Up to 5 years for the CEO with 20% of the deferred amount released each year following the conclusion of the service period.
- Up to 4 years for ELT members and other specified senior executives, with 25% of the deferred amount released each year following the conclusion of the service period.

Once deferral conditions are met, each performance right will convert into a share on a one-for-one basis, subject to any adjustment required to ensure that the participant receives a benefit equivalent to any dividends paid by Medibank during the deferral period on the rights being exercised.

The number of rights to be granted will be determined based on the monetary value of the STI award, divided by the volume-weighted average share price over the 10 trading days up to and including the payment date of cash STI.

Notes to the consolidated financial statements

30 June 2026

Share-based payments accounting policy

The fair value of the performance rights is recognised as an employee benefits expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the performance rights granted, which includes any market performance conditions and the impact of any non-vesting conditions, but excludes the impact of any service and non-market performance vesting conditions. Non-market vesting conditions are included in assumptions about the number of performance rights that are expected to vest.

The total expense is recognised over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At the end of each reporting period, the Group revises its estimates of the number of awards that are expected to vest based on the non-market vesting conditions. The impact of the revision to original estimates, if any, is recognised in profit or loss, with a corresponding adjustment to equity.

b. Performance rights - Group

	Number of equity instruments	
	2026	**2025**
Outstanding at 1 July	**10,262,327**	**8,821,775**
Granted [1]	3,257,162	4,389,410
Forfeited [2]	(425,931)	(362,411)
Exercised [1] [3]	(2,129,575)	(1,647,591)
Lapsed [4]	(900,490)	(938,856)
Outstanding at 30 June	**10,063,493**	**10,262,327**
Exercisable at 30 June	-	-

1. Instruments granted and exercised includes the additional Medibank shares received on the vesting of deferred STI performance rights as a benefit equivalent to any dividends paid during the deferral period.
2. Forfeited relates to instruments that lapsed on cessation of employment.
3. Performance rights are exercised as soon as they vest.
4. Lapsed relates to instruments that lapsed on failure to meet the performance hurdles.

c. Fair value of performance rights granted

The table on page 149 shows a summary of the fair values of the 2025 and 2026 LTI plans and the key assumptions used in determining the valuation. The fair value was determined by an independent valuation expert and takes into account the terms and conditions upon which they were granted.

	TSR performance rights		EPS, market share and brand sentiment performance rights	
	2026	**2025**	**2026**	**2025**
Grant date	12 December 2025	9 December 2024	12 December 2025	9 December 2024
Date of commencement of service and performance period	1 July 2025	1 July 2024	1 July 2025	1 July 2024
Expected vesting date	30 June 2028	30 June 2027	30 June 2028	30 June 2027
Fair value	$2.38	$1.71	$4.27	$3.48
Share price at grant date	$4.69	$3.87	$4.69	$3.87
Dividend yield (per annum effective)	3.7%	4.2%	3.7%	4.2%
Franking rate	100.0%	100.0%	100.0%	100.0%
Risk free discount rate (per annum)	4.12%	3.84%	n/a	n/a
Volatility	18%	18%	n/a	n/a

Note 19: Auditor's remuneration

During the year the following fees were paid or payable for services provided by the auditor of Medibank, its related practices and non-related audit firms:

	2026 $	**2025 $**
PricewaterhouseCoopers Australia (PwC):		
Amounts received or due and receivable by the Company's auditor for:		
- An audit or review of the financial report of the Company and any other entity within the Group	2,082,134	1,982,297
Other assurance services in relation to the Company and any other entity within the Group:		
- Other statutory assurance services	541,937	322,011
- Accounting and other assurance services	174,242	147,053
Other services in relation to the Company and any other entity within the Group:		
- Other non-audit services	54,060	-
Total remuneration of PwC	**2,852,373**	**2,451,361**

Note 20: Other

a. New and amended standards adopted

The amendments and interpretations that became effective for the annual reporting period commencing on 1 July 2025 did not have a material impact on the Group's accounting policies or on the consolidated financial report.

b. New accounting standards and interpretations not yet adopted

The Group has not adopted any standards, interpretations or amendments that have been issued but are not yet effective. These standards, interpretations and amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

c. Events occurring after the reporting period

There have been no events occurring after the reporting period which would have a material effect on the Group's financial statements at 30 June 2026.

Consolidated entity disclosure statement

30 June 2026

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes each entity that was part of the consolidated Medibank Group in accordance with AASB 10 *Consolidated Financial Statements* as at 30 June 2026.

All controlled entities are incorporated in Australia and are Australian residents and Australian tax residents. All controlled entities are body corporate entities unless otherwise stated.

Consolidated entity disclosure statement

	% of share capital at 30 June 2026
Medibank Private Limited	N/A
Australian Health Management Group Pty Ltd	100.0%
Medibank Private Employee Share Plan Trust [3]	N/A
Medibank Health Solutions Pty Ltd	100.0%
Medibank Health Solutions Telehealth Pty Ltd	100.0%
Live Better Management Pty Ltd	100.0%
Integrated Care Services Pty Ltd	100.0%
MHSI Pty Ltd	100.0%
Medi Financial Services Pty Ltd	100.0%
Medinet Australia Pty Ltd	100.0%
Mypractice App Pty Ltd	100.0%
MH Investment Holdings Pty Ltd	100.0%
HealthStrong Pty Ltd	100.0%
Amplar Home Health Pty Ltd	100.0%
Amplar Health Home Hospital Pty Ltd	100.0%
MH Solutions Investments Pty Ltd	100.0%
Amplar Health Primary Care Pty Ltd	100.0%
Myhealth Medical Holdings Pty Ltd [1]	92.7%
Myhealth Medical Group Pty Ltd [1]	92.7%
Myhealth Management Pty Ltd [1]	92.7%
Doctorbook Pty Ltd [1]	92.7%
Edensor Park Medical Centre Pty Ltd [1]	83.5%
Enfield MP Pty Ltd [1]	74.2%
MMH Clinics Pty Ltd [1]	92.7%
Medical Academy Pty Ltd [1]	92.7%
Mortlake Medical Pty Ltd [1]	64.9%
Myhealth Airport West Pty Ltd [1]	55.6%
Myhealth Ashmore Pty Ltd [1]	92.7%
Myhealth Auburn Pty Ltd [1]	55.6%
Myhealth Balwyn Pty Ltd [1]	91.8%
Myhealth Barangaroo Pty Ltd [1]	92.7%
Myhealth Bayside Pty Ltd [1]	69.5%
Myhealth Benowa Pty Ltd [1]	83.5%
Myhealth Benowa Village Pty Ltd [1]	83.5%
Myhealth Blackburn Square Pty Ltd [1]	55.6%
Myhealth Blacktown West Point Pty Ltd [1]	74.2%
Myhealth Bondi Junction Pty Ltd [1]	92.7%
Myhealth Boronia Pty Ltd [1]	55.6%
Myhealth Box Hill Pty Ltd [1]	51.0%

	% of share capital at 30 June 2026
Myhealth Box Hill NSW Pty Ltd [1]	55.6%
Myhealth Brigadoon Pty Ltd [1]	74.2%
Myhealth Brisbane Showgrounds Pty Ltd [1]	55.6%
Myhealth Broadway Pty Ltd [1]	83.5%
Myhealth Browns Plains Pty Ltd [1]	55.6%
Myhealth Burleigh Waters Pty Ltd [1]	51.9%
Myhealth Burwood Pty Ltd [1]	55.6%
Myhealth Carlton Pty Ltd [1]	74.2%
Myhealth Castle Towers Pty Ltd [1]	55.6%
Myhealth Central Pty Ltd [1]	74.2%
Myhealth Chadstone Pty Ltd [1]	69.5%
Myhealth Chatswood Pty Ltd [1]	92.7%
Myhealth Chermside Pty Ltd [1]	88.1%
Myhealth Clyde North Pty Ltd [1]	55.6%
Myhealth Coolangatta Pty Ltd [1]	83.5%
Myhealth Coomera Pty Ltd [1]	92.7%
Myhealth Corio Pty Ltd [1]	74.2%
Myhealth Cranbourne Pty Ltd [1]	55.6%
Myhealth Cremorne Pty Ltd [1]	51.0%
Myhealth Dandenong Pty Ltd [1]	74.2%
Myhealth Darling Square Pty Ltd [1]	65.8%
Myhealth Doncaster Pty Ltd [1]	74.2%
Myhealth Doncaster East Pty Ltd [1]	64.9%
Myhealth East Yarrabilba Pty Ltd [1]	47.3%
Myhealth Eastland Pty Ltd [1]	55.6%
Myhealth Edens Landing Pty Ltd [1]	47.3%
Myhealth Edmondson Park Pty Ltd [1]	55.6%
Myhealth Engadine Pty Ltd [1]	92.7%
Myhealth Ermington Pty Ltd [1]	64.9%
Myhealth Fairfield Pty Ltd [1]	60.3%
Myhealth Forest Lake Pty Ltd [1]	55.6%
Myhealth Fortitude Valley Pty Ltd [1]	88.1%
Myhealth Fountain Gate Pty Ltd [1]	64.9%
Myhealth Foxwell Road Pty Ltd [1]	92.7%
Myhealth Garden City Pty Ltd [1]	55.6%
Myhealth Hamilton Pty Ltd [1]	83.5%
Myhealth Hampton Pty Ltd [1]	74.2%
Myhealth Helensvale Pty Ltd [1]	78.8%
Myhealth Highpoint Pty Ltd [1]	55.6%

	% of share capital at 30 June 2026
Myhealth Holmview Pty Ltd [1]	65.8%
Myhealth Hurstville Pty Ltd [1]	74.2%
Myhealth IP Pty Ltd [1]	46.4%
Myhealth Kable Street Pty Ltd [1]	79.7%
Myhealth Kurrajong Village Pty Ltd [1]	70.5%
Myhealth Leichhardt Pty Ltd [1]	55.6%
Myhealth Lindfield Pty Ltd [1]	92.7%
Myhealth Liverpool Pty Ltd [1]	55.6%
Myhealth Logan Village Pty Ltd [1]	70.5%
Myhealth Macarthur Square Pty Ltd [1]	92.7%
Myhealth Macquarie Park Pty Ltd [1]	92.7%
Myhealth Marketplace Pty Ltd [1]	65.8%
Myhealth Maudsland Pty Ltd [1]	74.2%
Myhealth M-City Monash Pty Ltd [1]	74.2%
Myhealth Meadowbank Pty Ltd [1]	81.6%
Myhealth Medical Baulkham Hills Pty Ltd [1]	58.4%
Myhealth Medical Merrylands Pty Ltd [1]	83.5%
Myhealth Medical Newington Pty Ltd [1]	47.3%
Myhealth Medical Top Ryde Pty Ltd [1]	64.9%
Myhealth Melrose Park Pty Ltd [1]	92.7%
Myhealth Mentone Pty Ltd [1]	74.2%
Myhealth Miranda Pty Ltd [1]	83.5%
Myhealth Moreland Pty Ltd [1]	78.8%
Myhealth Nerang Pty Ltd [1]	92.7%
Myhealth Newtown Pty Ltd [1]	74.2%
Myhealth North Eltham Pty Ltd [1]	70.5%
Myhealth Northmead Pty Ltd [1]	55.6%
Myhealth North Richmond Pty Ltd [1]	74.2%
Myhealth Orana Pty Ltd [1]	92.7%
Myhealth Oran Park Pty Ltd [1]	78.8%
Myhealth Pacific Fair Pty Ltd [1]	55.6%
Myhealth Palm Beach Pty Ltd [1]	55.6%
Myhealth Parramatta Pty Ltd [1]	92.7%
Myhealth Penrith Pty Ltd [1]	55.6%
Myhealth Pimpama Pty Ltd [1]	91.8%
Myhealth Pittwater Place Pty Ltd [1]	55.6%
Myhealth Point Cook Pty Ltd [1]	55.6%
Myhealth Potts Point Pty Ltd [1]	92.7%
Myhealth Redfern Pty Ltd [1]	55.6%
Myhealth Regents Park Pty Ltd [1]	74.2%
Myhealth Rhodes Pty Ltd [1]	92.7%
Myhealth Ringwood Pty Ltd [1]	74.2%
Myhealth Robina Pty Ltd [1]	81.6%
Myhealth Rockdale Pty Ltd [1]	64.9%
Myhealth Roselands Pty Ltd [1]	92.7%
Myhealth Rosehill Pty Ltd [1]	55.6%
Myhealth Ryde Pty Ltd [1]	64.9%
Myhealth SB Pty Ltd [1]	88.1%
Myhealth Services Pty Ltd [1]	92.7%
Myhealth Sky Square Pty Ltd [1]	92.7%
Myhealth Smith Collective Pty Ltd [1]	55.6%
Myhealth South Eveleigh Pty Ltd [1]	55.6%
Myhealth Southland Pty Ltd [1]	55.6%
Myhealth Springwood Pty Ltd [1]	91.8%
Myhealth St Helena Pty Ltd [1]	62.1%

	% of share capital at 30 June 2026
Myhealth Sydney CBD Pty Ltd [1]	47.3%
Myhealth Sydney Harbour Pty Ltd [1]	77.9%
Myhealth The Gables Pty Ltd [1]	55.6%
Myhealth The Glen Pty Ltd [1]	74.2%
Myhealth Toorak Pty Ltd [1]	92.7%
Myhealth Toowong Pty Ltd [1]	88.1%
Myhealth Treetops Pty Ltd [1]	47.3%
Myhealth Tuggerah Pty Ltd [1]	92.7%
Myhealth Warringah Mall Pty Ltd [1]	55.6%
Myhealth Wellington Point Family Practice Pty Ltd [1]	91.8%
Myhealth Wellington Point Pty Ltd [1]	55.6%
Myhealth Wentworth Point Pty Ltd [1]	55.6%
Myhealth Werrington County Pty Ltd [1]	47.3%
Myhealth Westmead Pty Ltd [1]	56.6%
Myhealth West Moreton Pty Ltd [1]	55.6%
Myhealth Wetherill Park Pty Ltd [1]	83.5%
Myhealth Woodridge Pty Ltd [1]	65.8%
Myhealth Yarrabilba Pty Ltd [1]	92.7%
Myhealth Zetland Pty Ltd [1]	83.5%
Mymobile Health Pty Ltd [1]	91.8%
The Medical Agency Pty Ltd [1]	92.7%
Wellington Point General Practice Pty Ltd [1]	55.6%
Blend Holdco Pty Ltd [2]	100.0%
Blend Bidco Pty Ltd [2]	100.0%
Blend Midco Pty Ltd [2]	100.0%
General Medical Holdings Pty Ltd [2]	100.0%
GP Mx Solutions Pty Ltd [2]	100.0%
Hills Medical Property Pty Ltd [2]	100.0%
Hills Medical Pty Ltd [2]	100.0%
HMAX Pty Ltd [2]	100.0%
Innovative Healthcare Solutions Pty Ltd [2]	100.0%
Medical Practice Management Solutions Pty Ltd [2]	100.0%
Medplus Group Pty Ltd [2]	100.0%
Medplus Ipswich Pty Ltd [2]	100.0%
Medplus Lutwyche Pty Ltd [2]	100.0%
Medplus Pullenvale Pty Ltd [2]	100.0%
Medplus Rothwell Pty Ltd [2]	100.0%
Medplus Strathpine Pty Ltd [2]	100.0%
Smart Clinics Pty Ltd [2]	100.0%
Smart Clinics Tasmania Pty Ltd [2]	100.0%
Woree Family Medical Centre Pty Ltd [2]	100.0%
Hills Medical Property Unit Trust [2] [3]	100.0%
MPMS Telephone Triage Unit Trust [2] [3]	100.0%
MPMS Sorell Unit Trust [2] [3]	100.0%
MPMS Brighton Unit Trust [2] [3]	100.0%
MPMS After Hours Doctor Unit Trust [2] [3]	100.0%

1. These entities are a part of the Myhealth Medical Holdings Group.
2. These entities are a part of the Blend Holdco Pty Ltd (Better Medical) Group acquired on 16 December 2025.
3. These entities are trusts.

Directors' declaration

The directors declare that, in the opinion of the directors:

a. the financial statements and notes set out on pages 104 to 149 are in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Company and the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

ii. complying with *Australian Accounting Standards*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;

b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

c. the consolidated entity disclosure statement on pages 150 to 151 is true and correct.

Note 1(b) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration has been made after receiving the declarations required to be made to the directors by the Chief Executive Officer and Chief Financial Officer in accordance with section 295A of the *Corporations Act 2001* for the year ended 30 June 2026.

This declaration is made in accordance with a resolution of the directors.

On behalf of the Board,

Mike Wilkins AO
Chair

David Koczkar
Chief Executive Officer

20 August 2026
Melbourne

Independent auditor's report

Independent auditor's report

To the members of Medibank Private Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Medibank Private Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 30 June 2026;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information;
- the consolidated entity disclosure statement as at 30 June 2026; and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006,
GPO Box 1331 MELBOURNE VIC 3001
T: +61 3 8603 1000, F: +61 3 8603 1999, www.pwc.com.au

Independent auditor's report

Audit Scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor, or component auditors operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Group financial report as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	*How our audit addressed the key audit matter*
Estimation of liability for incurred claims (Refer to note 4) As at 30 June 2026, the Group recognised $1,586.7m of insurance contract liabilities. This is made up of two components being the liability for remaining coverage of $851.1m and the liability for incurred claims $735.6m. The estimation of the liability for incurred claims is inherently uncertain and involves complex actuarial models and significant management judgement regarding future events, both internal and external to business. The liability for incurred claims is a key audit matter due to the significant judgement involved in estimating the liability.	Our procedures included, amongst others: • We evaluated the design and implementation of the Group's controls relevant to the estimation process that determines the Group's liability for incurred claims. • We assessed, on a sample basis, whether certain key controls relevant to our audit of the liability for incurred claims were operating effectively throughout the year. • With the assistance of PwC actuarial experts our procedures included, amongst others: ○ Evaluating the work of management's expert, being the Chief Actuary, including his professional competence, capability and objectivity ○ Considering whether the Group's actuarial methodologies were consistent with generally accepted actuarial practices and those generally used in the private health insurance industry ○ Assessing significant assumptions, and any significant changes to these assumptions, adopted by the Group in estimating the liability for incurred claims with reference to external and internal factors ○ Testing a selection of calculations to evaluate the mathematical accuracy of the Group's actuarial models ○ Evaluating the relevant underlying calculations used to derive the risk adjustment, including the significant assumptions ○ For data used in the models, assessing on a sample basis, the relevance and reliability of significant data inputs used in the Group's modelling and measurement of the central estimate. • We also assessed the reasonableness of the related disclosures in the financial report against the requirements of Australian Accounting Standards.

Key audit matter	*How our audit addressed the key audit matter*
Contingent liabilities (Refer to note 12(a)) Ongoing legal and regulatory matters, as a result of the 2022 cybercrime event, may result in costs associated with litigation, fines and penalties, compensation, and/or other regulatory enforceable actions. Such costs are uncertain and dependent on the outcome of legal and regulatory processes which remain ongoing. We considered this a key audit matter because of the significant judgement that is required by the Group to determine the appropriate recognition, measurement and disclosures of these matters.	Our procedures included, amongst others: • evaluating the design and implementation of the Group's processes and controls for identifying and assessing the impact of relevant legal and regulatory matters • evaluating the nature and status of each of the legal and regulatory matters, including the current status of each matter, to determine whether a provision and/or contingent liability is required in accordance with Australian Accounting Standards • assessing the reasonableness of relevant disclosures in the financial report against the requirements of the Australian Accounting Standards.
Reliance on automated processes and controls The Group utilises a number of complex and interdependent Information Technology (IT) systems to capture, process and report a high volume of transactions. We considered this a key audit matter because the operations and financial reporting processes of the Group are heavily reliant on IT systems; and the underlying IT controls over business processes are significant to the financial reporting process.	Our procedures included, amongst others: • With the assistance of PwC IT specialists, developing an understanding of the Group's IT governance framework, as well as performing an assessment of operating effectiveness over certain information technology internal controls designed to mitigate the risk of material errors in the Group's financial report. This included testing of a selection of controls in the following IT control areas: program changes, access to programs and data, computer operations and certain automated controls and reports.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the Financial Report and our auditor's report thereon. Prior to the date of this auditor's report, the other information we obtained included the Directors' Report and Sustainability Report. We expect the remaining other information to be made available to us after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate review conclusion on specified Sustainability Disclosures within the Sustainability Report, in accordance with the scope of Australian Standard on Sustainability Assurance ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent auditor's report

pwc

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2026.

In our opinion, the remuneration report of Medibank Private Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

Marcus Laithwaite
Partner

Melbourne
20 August 2026

Shareholder information

The shareholder information below is current as at 20 August 2026.

Distribution of equity securities

Size of shareholding	Number of shareholders	Number of shares	% of issued shares
1 - 1,000	41,440	35,136,845	1.28
1,001 - 5,000	116,107	322,465,420	11.71
5,001 - 10,000	12,155	84,273,441	3.06
10,001 - 100,000	6,565	141,785,581	5.15
100,001 & over	173	2,170,341,953	78.81
Rounding			-0.01
Total	**176,440**	**2,754,003,240**	**100.00**

Unmarketable parcels

There were 1,033 holdings of less than a marketable parcel ($500) of shares (107 shares based on a market price of $4.71 per share) and such holders held a total of 34,886 shares.

20 largest shareholdings

		Number of shares	% of issued capital
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	809,761,773	29.40
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	703,735,638	25.55
3	CITICORP NOMINEES PTY LIMITED	390,937,043	14.20
4	BNP PARIBAS NOMS PTY LTD	74,765,437	2.71
5	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	66,261,112	2.41
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NTCOMNWLTH SUPER CORP A/C>	20,023,279	0.73
7	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	11,647,566	0.42
8	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	8,519,960	0.31
9	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	7,378,274	0.27
10	BNP PARIBAS NOMS (NZ) LTD	7,107,368	0.26
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,938,591	0.18
12	IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	4,288,956	0.16
13	BOARDROOM FINANCIAL SERVICES PTY LIMITED <VSA UNRESTRICTED A/C>	4,124,724	0.15
14	NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	3,744,033	0.14
15	UBS NOMINEES PTY LTD	3,252,507	0.12
16	IOOF INVESTMENT SERVICES LIMITED <IISL NAL ISMA 2 A/C>	3,185,796	0.12
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	2,529,824	0.09
18	IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	2,456,566	0.09
19	OLIVE MAN INVESTMENTS PTY LTD <OLIVE MAN A/C>	2,420,503	0.09
20	IOOF INVESTMENT SERVICES LIMITED <IISL NAL ISMA 1 A/C>	1,587,382	0.06
		2,132,666,332	**77.44**

Substantial shareholders

As at 20 August 2026 the following holders had provided a substantial shareholding notice:

Name of holder	Number of shares	% of issued capital
AustralianSuper Pty Ltd	275,641,770	10.01
State Street Corporation	229,260,406	8.32
BlackRock Group	193,895,716	7.04
The Vanguard Group	193,021,153	7.009
JP Morgan Chase & Co	142,685,723	5.18

Voting rights

At a general meeting of the Company, every shareholder present (including virtually present) or by proxy, attorney or representative has one vote on a show of hands and, on a poll, one vote for each share held.

On-market purchases of shares

During the financial year ended 30 June 2026, 2,129,575 Medibank ordinary shares were purchased on market at an average price of $5.02 for the purposes of Medibank's employee incentive schemes.

On-market share buy-back

There is no current on-market share buy-back.

Financial calendar

Key dates

Full year results announcement	20 August 2026
Ex-dividend share trading commences	2 September 2026
Record date for final dividend	3 September 2026
Payment date for final dividend	8 October 2026
Annual general meeting	18 November 2026
Half year results announcement	February 2027
Payment date for interim dividend	March 2027

The above dates and payments are subject to confirmation.

Any change will be notified to the Australian Securities Exchange (ASX).

Corporate directory

Company

Medibank Private Limited

Registered Office:
Level 2, 695 Collins Street,
Docklands Vic 3008

GPO Box 9999
Melbourne VIC 3001

Telephone:
132 331
(within Australia)
+61 3 8622 5780
(outside Australia)

medibank.com.au

Share registry

Computershare Investor Services Pty Limited

GPO Box 2975
Melbourne VIC 3001

Telephone:
1800 998 778
(within Australia)
+61 3 9415 4011
(outside Australia)

computershare.com.au

Important notice

These documents contain summary information about Medibank Private Limited (Medibank) and its controlled entities (collectively referred to as the Group) for the financial year ended 30 June 2026.

These documents should be read together with Medibank's other announcements and reports lodged with the Australian Securities Exchange, which are available at asx.com.au or on Medibank's website (www.medibank.com.au).

Forward-looking information

These documents contain forward-looking statements in relation to the Group's activities, intentions, objectives, expectations, plans, strategies, prospects, future earnings, future capital expenditure, market conditions, future performance, climate-related risks and opportunities, greenhouse gas emissions reduction targets, Net Zero commitment and pathway and certain plans and objectives of the management of the Group.

Forward-looking statements can generally be identified by the use of words such as "believes", "estimates", "anticipates", "expects", "predicts", "intends", "seeks", "commits to" or "commitments", "plans", "goals", "targets", "aims", "outlook", "aspiration", "guidance", "forecasts", "continue", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. Statements about market and industry trends are also forward-looking statements.

These forward-looking statements do not represent guarantees, assurances or predictions of future events or performance. Medibank cannot predict whether any forward-looking statements, or the assumptions on which they are based, will eventuate.

Forward-looking statements are based on Medibank's current expectations, reasonable estimates and assumptions at the date of these documents. These statements involve known and unknown risks, many of which are beyond the control of Medibank, which may cause the actual results, conditions, circumstances, performance or the ability to meet commitments and targets of Medibank to differ materially from those expressed in these documents.

These factors include general economic conditions in Australia; exchange rates; the market environment in which Medibank operates and inherent regulatory risks in Medibank's business; the impact of climate change on our service continuity and supply chain; electricity grid decarbonisation; and changes to forecast supply chain emissions including but not limited to failure of third parties to achieve contractual environmental targets or milestones that have direct or indirect impact on our environmental modelling.

Except as required by applicable laws or regulations, Medibank does not undertake any obligation to update or revise any forward-looking statement (or the assumptions on which they are based) to reflect any change in expectations, contingencies or assumptions, whether as a result of new information or future events.

Greenhouse gas emissions

Given that there are inherent uncertainties and limitations in measuring or quantifying greenhouse gas emissions, all greenhouse gas emissions data or references to greenhouse gas emissions volumes in these materials are estimates. The accuracy of the Group's emissions data and other metrics may be impacted by factors, including inconsistent data availability, a lack of common definitions and standards for reporting climate-related information, quality of historical emissions data, reliance on assumptions and changes in market practice.

Financial data

These documents are not and do not constitute an offer to sell or the solicitation, invitation or recommendation to purchase, subscribe for, or otherwise deal in any securities in any jurisdiction and neither these documents nor anything contained herein shall form the basis of any contract or commitment. The information contained in these documents is not investment, legal, tax or other advice and has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person. You should make your own assessment and seek independent professional advice in connection with any investment decision.

To the extent permitted by law, no responsibility for any loss arising in any way from anyone acting or refraining from acting as a result of this information is accepted by the Group.

Third-party information

Certain market and industry data used in these documents has been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Except where otherwise indicated, Medibank has not sought to independently verify market or industry data obtained from public and third-party sources.

medibank group

Medibank Private Limited
ABN 47 080 890 259