

# Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2023

Your directors present their report on QBE Insurance Group Limited and the entities it controlled at, or during, the year ended 31 December 2023.

## Directors

Michael Wilkins AO (Chair)  
Andrew Horton  
Yasmin Allen AM  
Stephen Ferguson (from 1 November 2023)  
Tan Le  
Kathryn Lisson  
Sir Brian Pomeroy  
Jann Skinner  
Eric Smith (until 10 March 2023)  
Rolf Tolle  
Peter Wilson (from 1 September 2023)

Penny James was appointed to the Board on 1 January 2024.

## Operating and financial review

Information on the Group's results, operations, business strategy, prospects and financial position is set out in the operating and financial review on [pages 6 to 33](#) of this Annual Report.

## Dividends

The directors are announcing a final dividend of 48 Australian cents per share (2022 30 Australian cents per share). The final dividend will be 10% franked (2022 10%). The 2023 full year dividend payout is A\$926 million compared with A\$580 million for 2022. Further details of dividends paid during the year are set out in note 5.4 to the financial statements.

## Activities

The principal activities of QBE during the year were underwriting general insurance and reinsurance risks, management of Lloyd's syndicates and investment management.

## Presentation currency

The Group has presented the Financial Report in US dollars because a significant proportion of its underwriting activity is denominated in US dollars. The US dollar is also the currency that is widely understood by the global insurance industry, international investors and analysts.

## Group indemnities

Rule 78 of the Company's Constitution provides that the Company indemnifies past and present directors, secretaries or other officers against any liability incurred by that person as a director, secretary or other officer of the Company or its subsidiaries. The indemnity does not apply to any liability (excluding legal costs):

- owed to the Company or a related body corporate (e.g. breach of directors' duties);
- for a pecuniary penalty under section 1317G or a compensation order under sections 1317H or 1317HA of the *Corporations Act 2001* (Cth) (or a similar provision of the corresponding legislation in another jurisdiction); or
- that is owed to someone other than the Company or a related body corporate and which did not arise out of conduct in good faith.

The indemnity extends to legal costs other than where:

- in civil proceedings, one or more of the above exclusions apply;
- in criminal proceedings, the person is found guilty;
- the person is liable in proceedings brought by the Australian Securities and Investments Commission (ASIC), a corresponding regulator in another jurisdiction or a liquidator (unless as part of the investigation before proceedings are commenced); or
- the court does not grant relief after an application under the *Corporations Act 2001* or corresponding legislation in another jurisdiction.

In addition, a deed exists between the Company and each director which includes an indemnity in similar terms to rule 78 of the Company's Constitution.

# Directors' Report continued

FOR THE YEAR ENDED 31 DECEMBER 2023

## Directors' and officers' insurance

QBE pays a premium each year in respect of a contract insuring directors, secretaries, senior managers and employees of the Group together with any natural person who is either a trustee or a member of a policy committee for a superannuation plan established for the benefit of the Group's employees against liabilities past, present or future. The officers of the Group covered by the insurance contract include the directors listed on pages 34 and 35 of this Annual Report, the Group General Counsel and Company Secretary, Carolyn Scobie, and Group Company Secretary, Peter Smiles.

In accordance with normal commercial practice, disclosure of the amount of premium payable under, and the nature of liabilities covered by, the insurance contract is prohibited by a confidentiality clause in the contract.

No such insurance cover has been provided for the benefit of any external auditor of the Group.

## Significant changes

There were no significant changes in the Group's state of affairs during the financial year other than as disclosed in this Annual Report.

## Likely developments and expected results of operations

Likely developments in the Group's operations in future financial years and the expected results of those operations have been included in the operating and financial review on pages 6 to 33 of this Annual Report.

## Events after balance date

Other than the declaration of the final dividend, no matter or circumstance has arisen since 31 December 2023 that, in the opinion of the directors, has significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial periods.

## Material business risks

As a global insurance and reinsurance business, QBE is subject to a substantial variety of business risks. The directors believe that effective management of these risks is critical to delivering value for QBE's stakeholders. It is QBE's policy to adopt a rigorous approach to managing risk throughout the Group. Risk management is a continuous process and an integral part of QBE's governance structure, QBE's broader business processes and, most importantly, QBE's culture.

Some of the material business risks that QBE faces include strategic, insurance, credit, market, liquidity, operational, compliance and Group risks. Explanations of these risks and their mitigations are set out in detail in note 4 to the financial statements which we recommend you read. Further details of how QBE manages risk are set out in the risk management section on pages 16 to 19, climate-related risks and opportunities section on pages 20 to 33 and the risk management section of the [corporate governance statement](#) on the website.

## Meetings of directors

	FULL MEETINGS OF DIRECTORS <sup>1</sup>		MEETINGS OF INDEPENDENT DIRECTORS		MEETINGS OF COMMITTEES									
					AUDIT		GOVERNANCE & NOMINATION		PEOPLE & REMUNERATION		RISK & CAPITAL		SUB-COMMITTEES <sup>2</sup>	
	H	A	H	A	H	A	H	A	H	A	H	A	H	A
Yasmin Allen	9	9	6	6	5	5	–	–	4	4	–	–	4	4
Stephen Ferguson <sup>3</sup>	2	2	1	1	1	1	–	–	–	–	1	1	1	1
Andrew Horton	9	9	–	–	–	–	–	–	–	–	–	–	5	4
Tan Le	9	9	6	6	–	–	9	9	4	4	–	–	–	–
Kathryn Lisson	9	9	6	6	–	–	–	–	4	4	5	5	–	–
Sir Brian Pomeroy	9	9	6	6	5	5	–	–	–	–	5	5	–	–
Jann Skinner	9	9	6	6	5	5	9	9	–	–	5	5	7	7
Eric Smith <sup>3</sup>	1	1	1	1	1	1	–	–	–	–	1	1	–	–
Rolf Tolle	9	9	6	6	–	–	9	8	4	4	5	5	1	1
Michael Wilkins	9	9	6	6	5	5	9	9	4	4	5	5	7	7
Peter Wilson <sup>3</sup>	3	3	2	2	2	2	–	–	–	–	2	2	–	–

H Number of meetings held while a Board or Committee member.

A Number of meetings attended while a Board or Committee member.

1 All directors attended all scheduled Board meetings. Some of the 2023 Board meetings were unscheduled and called at short notice, resulting in some directors being unable to attend.

2 Ad hoc committees of the Board were convened during the year in relation to the financial results and other reporting matters.

3 Eric Smith retired from the Board effective 10 March 2023. Peter Wilson was appointed to the board effective 1 September 2023. Stephen Ferguson was appointed to the board effective 1 November 2023.

Further meetings occurred during the year, including meetings of the Chair, Group Chief Executive Officer, and meetings of the directors with management. Often directors attend meetings of committees of which they are not currently members.

## Directorships of listed companies held by the members of the Board

From 1 January 2021 to 16 February 2024, the following directors also served as directors of the following listed entities:

DIRECTOR	POSITION	DATE APPOINTED	DATE CEASED
<b>Michael Wilkins</b>			
Medibank Private Limited	Director	25 May 2017	–
Scentre Group Limited	Director	8 April 2020	–
<b>Jann Skinner</b>			
Telix Pharmaceuticals Limited	Director	19 June 2018	–
<b>Yasmin Allen</b>			
Cochlear Limited	Director	2 August 2010	–
Santos Limited	Director	22 October 2014	–
ASX Limited	Director	9 February 2015	–

## Qualifications and experience of directors

The qualifications and experience of each director are set out on [pages 34 and 35](#) of this Annual Report.

## Qualifications and experience of company secretaries

**Carolyn Scobie**, BA, LLB, MA, AGIA, GAICD

Carolyn joined QBE in 2016 as Group General Counsel and Company Secretary. Prior to joining QBE, Carolyn was Group General Counsel at Goodman Group for 17 years, where she ran a multi-disciplinary legal team. Carolyn has extensive experience in corporate law, compliance, regulatory matters, litigation and managing the complexity of multiple jurisdictions.

**Peter Smiles**, LLB, MBA, FGIA, FCIS, GAICD

Peter is Group Company Secretary of QBE Insurance Group Limited and a company secretary of various QBE subsidiaries in Australia. He has over 30 years of insurance experience, which includes 25 years as a corporate lawyer. In addition to his current company secretarial duties, he acts as a corporate lawyer advising Group head office departments.

## Directors' interests and benefits

### Ordinary share capital

Directors' relevant interests, including those of their personal related parties, in the ordinary share capital of the Company at the date of this report are as follows:

DIRECTOR	NUMBER OF SHARES HELD
Yasmin Allen	18,333
Stephen Ferguson	–
Andrew Horton	315,729
Penny James	–
Tan Le	12,493
Kathryn Lisson	52,800
Sir Brian Pomeroy	46,215
Jann Skinner	70,000
Rolf Tolle	79,160
Michael Wilkins	92,559
Peter Wilson	–

### Options and conditional rights

At the date of this report, Andrew Horton has 869,113 conditional rights to ordinary shares of the Company. No executives or directors hold options at the date of this report. Details of the schemes under which options and conditional rights are granted are provided in the Remuneration Report and in note 8.5 to the financial statements.

The names of all persons who currently hold options granted under the Employee Share and Option Plan and conditional rights to ordinary shares of the Company are entered in the registers kept by the Company pursuant to section 168 of the *Corporations Act 2001*.

## Environmental regulation

Disclosures on climate-related risks and opportunities are provided on [pages 20 to 33](#) of this Annual Report and operational GHG emissions and other environmental data are disclosed in the [2023 Sustainability Data Book](#).