

Enabling a more resilient future



2023 Corporate Governance
Statement

QBE INSURANCE GROUP LIMITED

2023 reporting suite

This report forms part of our annual reporting suite which brings together information on the Group's financial and sustainability performance for the year, and other disclosures.



Annual Report

Our primary disclosure document containing the operating and financial review, remuneration report, financial statements and key governance disclosures.



Investor Report

Provides performance highlights and supplementary management commentary on the Group's strategic and financial performance for the convenience of analysts and institutional investors.



Sustainability Report

Contains discussion of QBE's sustainability performance and progress, and discloses sustainability topics that affect QBE and our impacts on society and the environment.



Sustainability Data Book

Provides data for key sustainability metrics and trends.



Modern Slavery and Human Trafficking Statement

Describes how we identify, assess and address modern slavery risks within our operations and supply chains.



Corporate Governance Statement

Describes our corporate governance framework, including key policies and practices.

Where to find

	ANNUAL REPORT	INVESTOR REPORT	SUSTAINABILITY REPORT	SUSTAINABILITY DATA BOOK	MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT	CORPORATE GOVERNANCE STATEMENT
Business strategy and strategic priorities	●	●				
Risk management	●	○				
Corporate governance framework, policies and practices	○					●
Board membership, skills and experience	●					●
Financial performance	●	●				
Climate-related risks and opportunities	●					
Sustainability strategy	○	○	●			
Sustainability governance	○		●		○	
Sustainability performance	○	○	●	●	●	

Key: ○ Key messages ● Comprehensive

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Corporate governance statement

QBE is committed to the highest standards of corporate governance. The QBE DNA consists of seven interwoven elements that are fundamental to QBE and how QBE needs to operate to succeed, recognising its customers, people, shareholders and communities. QBE believes that a culture that rewards transparency, integrity and performance will promote its long-term sustainability and the ongoing success of its business.

Board and management

Board functions

The Board charter sets out the role and responsibilities of the Board, including matters expressly reserved for the Board and those delegated to its Committees and management. The role of the Board is to represent and serve the interests of QBE and its shareholders by providing guidance and oversight of QBE's strategies, policies and performance. This includes demonstrating leadership and setting the strategic direction for QBE. The Board also promotes QBE values that underpin the desired culture and monitors the performance of management in the delivery of strategy. The Board's principal objective is to maintain and increase shareholder value while ensuring that the activities of QBE are properly managed.

The Board reviews strategy on an ongoing basis. To help the Board maintain its understanding of the business and to effectively assess management, directors receive regular presentations from the divisional chief executive officers and other senior managers of the various divisions on relevant topics, including budgets, three-year business plans and operating performance. The Board receives updated forecasts during the year. The non-executive directors also have contact with senior executives in various forums throughout the year.

Visits by non-executive directors to QBE's offices in key locations are encouraged. The Board meets regularly in Australia and, due to QBE's substantial overseas operations, spends time in the United Kingdom and the United States each year.

Each formal Board meeting normally considers reports from the Group Chief Executive Officer and the Group Chief Financial Officer, together with other relevant reports. The non-executive directors regularly meet in the absence of management. The Chair and Group Chief Executive Officer in particular, and directors in general, including those on the divisional boards, have substantial contact outside Board and Committee meetings.

Details of the number of Board meetings held during the 2023 financial year and attendance by directors are set out in the Directors' Report. Directors are expected to attend all Board meetings.

Senior management functions

Management's responsibilities are to:

- develop a draft strategy, make recommendations to the Board and implement the Board-approved strategy, subject to market conditions;
- instil and reinforce QBE's values and desired culture;
- prepare annual budgets and three-year business plans;
- carry on day-to-day operations within the Board-approved annual budget and three-year business plans, subject to market conditions;
- design and maintain internal controls;
- establish and monitor the effectiveness of the risk and compliance management systems, and monitor and manage all material risks consistent with the strategic objectives, risk appetite statements and policies approved by the Board;

- provide the Board with accurate, timely and clear information on the Group's operations, including on compliance with material legal and regulatory requirements and any conduct materially inconsistent with the Group Code of Ethics and Conduct;
- inform the Board of material matters and keep the Board and market fully informed of any matters which a reasonable person would expect to have a material effect on the price or value of QBE's shares; and
- monitor that succession plans exist for all Group executive positions other than the Group Chief Executive Officer. The succession plans for the Group Chief Executive Officer are managed by the Governance & Nomination Committee, and are discussed in more detail below.

The Board delegates responsibility to the Group Chief Executive Officer for the day-to-day management of the business.

Chair

The independent Chair of the Board is Mike Wilkins AO, who was appointed to that role in March 2020. The Chair is responsible for ensuring that the Board functions as an effective and cohesive group. The Chair works closely with the Group Chief Executive Officer to determine the strategic direction for QBE and to establish high standards of governance and leadership.

Committees

The Board is supported by several Committees which meet regularly to consider audit, risk management, remuneration, and other matters. The main Committees of the Board are the Audit, Governance & Nomination, People & Remuneration and Risk & Capital Committees. Further sub-committees of the Board may be convened to confer on particular issues from time to time. Any non-executive director may attend a Committee meeting.

The Committees have free and unfettered access to QBE's senior managers and may consult external advisers at QBE's cost with the consent of the Chair. A report on each Committee's last meeting is provided at the next Board meeting.

Each Committee comprises at least three independent directors and each Committee Chair is an independent director who is not the Chair of the Board (excluding the Governance & Nomination Committee, the Chair of which is Mike Wilkins). Each Committee operates under a written charter approved by the Board. These charters are available at <https://www.qbe.com/investor-relations/corporate-governance/qbe-charters-and-constitution>. The membership of each Committee is provided at www.qbe.com/about-qbe/group-board-of-directors and details of the number of Committee meetings held during the 2023 financial year and attendance by Committee members at Committee meetings is set out in the Directors' Report.

Further information regarding the Committees can be found throughout this corporate governance statement.

Company Secretary

The Company Secretary acts as secretary to the Board and all of the Committees and is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. All directors have direct access to the Company Secretary.

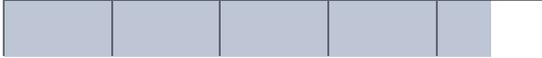
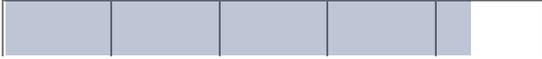
The Company Secretary's role is described in the Board charter and includes communication with regulatory bodies and the Australian Securities Exchange (ASX). The Company Secretary oversees statutory and other filings and assists with good information flows within the Board and its Committees and between non-executive directors and senior management, as well as facilitating induction and professional development of directors as required. The Company Secretary may also provide guidance to directors in relation to governance matters.

Board skills and experience

Directors are selected to provide to QBE a broad range of skills, experience and expertise complementary to QBE's insurance activities. The Board comprised ten directors at 31 December 2023, being an independent Chair, eight other independent directors and the Group Chief Executive Officer.

The Board has a skills matrix covering the range of competencies and experience of each director. When the need for a new director is identified, the required experience and competencies of the new director are considered in the context of this matrix and any gaps that may exist.

The Board's skills matrix is summarised below:

Skills and experience	Collective strength*
 <p>Financial acumen Ability to understand financial statements, question financial controls, and assess financial performance, and/or background in accounting, financial reporting, investment banking, private equity and financial services</p>	 <p>Moderate Strong Very strong</p>
 <p>Strategy Experience in leading, setting or executing enterprise-wide strategy direction or achieving strategic business objectives. Developing, implementing or leading strategic business transformation strategies</p>	 <p>Moderate Strong Very strong</p>
 <p>Insurance or financial services experience Non-executive director, leadership or operational experience and expertise gained in a major insurance or financial services business</p>	 <p>Moderate Strong Very strong</p>
 <p>Risk management Experience in risk and compliance frameworks, including the assessment of risks and controls, setting risk appetite, and distinguishing between financial and non-financial risks</p>	 <p>Moderate Strong Very strong</p>
 <p>Technology and digital innovation Technology focus and use of digital to drive strategy and innovation, knowledge of IT security risks, data analytics</p>	 <p>Moderate Strong Very strong</p>
 <p>Customer and commercial focus Experience in leading, developing or overseeing the embedding of a powerful customer-focused culture in large and/or complex organisations and a strong commitment to customer-oriented outcomes. Ability to apply sound commercial judgment in complex operating scenarios</p>	 <p>Moderate Strong Very strong</p>

	<p>People Experience building workforce capability, setting a remuneration framework that attracts and retains a high calibre of executives and promoting inclusion and diversity</p>	
	<p>Culture Understanding what is needed to build and maintain an effective culture that is aligned to the company's strategic goals</p>	
	<p>Mergers and acquisitions Experience or understanding of merging, acquiring, divesting of entities</p>	
	<p>ESG Understanding of the issues associated with sustainability and environmental issues including the challenges relating to the transition to a climate resilient future and the impact that transition may have on a complex global insurance business</p>	
	<p>Global business perspective Global business experience from working, managing or overseeing business units and/or residing in multiple geographies including a broad understanding of global markets and macro-economic environments</p>	
	<p>Governance, legal and regulatory Experience as non-executive director of a listed entity (in Australia or overseas) and/or understanding of legal and regulatory frameworks underpinning effective corporate governance practices and/or ability to influence government policy and process</p>	

- This represents the collective strength of the Board including Andrew Horton, CEO, and Penny James whose term as a director commenced on 1 January 2024.

Independence of the Board

During the 2023 year, the majority of the directors on the Board were independent directors, applying the 'independence' definition of the ASX Corporate Governance Council.

The roles of the Chair and Group Chief Executive Officer are generally not exercised by the same individual.

Directors are required to advise the Board on an ongoing basis of any interest they have that they believe could conflict with QBE's interests. If a potential conflict does arise, either the director concerned may choose not to, or the Board may decide that he or she should not, receive documents or take part in Board discussions while the matter is being considered. Conflicts of interest, including related party transactions, are a standing agenda item and are considered by the Board at each Board meeting.

Tenure

The mere fact that a director has served on the Board for a lengthy period of time does not, of itself, suggest a lack of independence; however, the Board has agreed that a non-executive director's term should be approximately 10 years. Under the Company's Constitution, there is no maximum fixed term or retirement age for non-executive directors. The Board considers that a mandatory limit on tenure would deprive the Group of valuable and relevant corporate experience in the complex world of international general insurance and reinsurance. The tenure of each director is set out in the Board of Directors section of the Annual Report and can also be found on the QBE website at www.qbe.com/about-qbe/group-board-of-directors. The Constitution provides that no director, except the Group Chief Executive Officer, shall hold office for a continuous period in excess of three years or past the third Annual General Meeting (AGM) following a director's appointment, whichever is the longer, without submission for individual re-election.

Board and senior executive selection process

The Board Governance & Nomination Committee assists the Board with succession planning and selection of non-executive directors and the Group Chief Executive Officer, so that the Board as a whole has the necessary range of skills, knowledge and experience to be effective. The Committee also reviews succession plans for members of the Group Executive Committee (GEC) who report to the Group Chief Executive Officer. The Governance & Nomination Committee comprises four non-executive directors of the Board and is chaired by Mike Wilkins. It meets regularly during the year around the time of the Board meetings.

For non-executive directors and the Group Chief Executive Officer, a formal selection and appointment process is undertaken by the Governance & Nomination Committee. For GEC roles, other than the Group Chief Executive Officer, a formal selection process is undertaken by the Group Chief Executive Officer, with appointments approved by the Board.

External consultants may be employed, where necessary, to search for prospective candidates for non-executive director and GEC roles. Candidates are assessed against the required skills, knowledge, experience, qualifications, and attributes, ensuring their alignment to QBE's DNA. Candidates for non-executive director roles must also demonstrate they have the required time to commit to the position and a willingness to undertake international travel for Board meetings, where required. Appropriate background checks are undertaken before any new non-executive director or GEC appointment or before the Board puts forward a director for election. Each non-executive director and GEC member is provided with a written agreement which sets out the terms of their appointment.

As an ongoing evaluation, the Board regularly discusses and reviews its composition in relation to the mix of skills, diversity and geographic location of directors to operate effectively and meet the needs of QBE. Under the Constitution, the size of the Board is limited to 12 directors. The Board considers that a maximum of 12 directors reflects the largest realistic size of the Board that is consistent with:

- maintaining the Board's efficiency and cohesion in carrying out its governance duties on behalf of shareholders;
- reducing the risk of a director being insufficiently involved in, and informed about, the business of QBE; and
- providing individual directors with greater potential to contribute and participate.

QBE provides shareholders with all material information in its possession that is relevant to a decision on whether or not to elect or re-elect a director. This is done through a number of channels, such as the notice of meeting, director biographies and other information contained in the Annual Report.

The Board believes that orderly succession and renewal contribute to strong corporate governance and are achieved by careful planning and continual review.

Director induction and training

Upon appointment, directors attend induction sessions where they are briefed on QBE's history, DNA, strategy, financials, and risk management and governance frameworks.

A non-executive director may seek legal advice at QBE's cost with the consent of the Chair. Directors are also provided with ongoing professional development and training programs to enable them to develop and maintain their skills and knowledge at QBE's cost, with the consent of the Chair. Non-executive directors are required to complete continuing professional development each year, including on insurance, customer and regulatory matters.

Performance evaluation and remuneration

Performance evaluation – Board and directors

The Chair oversees the performance of the Board, its Committees and each director. The Board regularly reviews its performance through internal and external assessments. Recommendations for either improvement or increased focus are agreed and promptly implemented.

A Board performance evaluation was conducted in 2023 for the 2022 year. The review covered the performance of boards and committees at both the Group and divisional levels.

People & Remuneration Committee

The Board has a People & Remuneration Committee which meets at least four times each year to assist it in, amongst other things, overseeing major remuneration practices of QBE. The People & Remuneration Committee is comprised of independent directors and is chaired by Tan Le.

Performance evaluation – senior executives

The People & Remuneration Committee oversees the performance of senior executives. In addition, the Board continually monitors the performance of these senior executives through regular review and reporting.

Following the introduction of the Annual Performance Incentive (API) plan in 2022, QBE has continued to embed the plan through 2023. API outcomes are based on a combination of the Group's financial performance, non-financial metrics incorporating metrics based on risk, people and culture and strategic priorities, and individual performance assessed both on what has been achieved and how it was achieved during the year. Senior executives' risk performance is also evaluated which may result in upwards or downwards adjustment to their remuneration outcomes.

The senior executives' performance evaluation was conducted by the People & Remuneration Committee and approved by the Board for the 2023 year, with reference to their performance against agreed 2023 objectives.

The QBE Remuneration Report (contained in the 2023 Annual Report) sets out the executive key management personnel business scorecard which provides a summary of performance against the key measures.

Remuneration policies and practices

Details of QBE's policies and practices regarding the remuneration of executive key management personnel and non-executive directors are set out in the QBE Remuneration Report.

Other than meeting statutory superannuation requirements, QBE does not have in place any retirement benefit schemes for non-executive directors.

QBE's Securities Trading Policy outlines QBE's approach to derivatives or otherwise limiting the economic risk of participating in equity-based remuneration plans, and is available at www.qbe.com/investor-relations/corporate-governance/global-policies.

Group governance

Governance frameworks

QBE has a Board-approved Group Governance Framework that sets out five overarching governance principles that support best practice governance across QBE and is designed to encourage collective accountability across Group Head Office and the divisions.

The framework defines the roles, responsibilities and composition of the Group and divisional boards and committees to facilitate the governance and oversight of the business. The framework also strengthens the relationship and information flows between the Group and divisional boards and committees, so that they can work together to achieve the best possible outcomes for QBE.

QBE DNA

Everything we do is informed by our QBE DNA: seven cultural attributes that describe who we are, what we stand for, and how we conduct ourselves. The framework works in conjunction with the Group's Code of Ethics and Conduct to describe who we are and what we stand for, and outlines the standards and behaviours we expect from our employees to achieve our goals and fulfil our purpose.

At QBE, when we show up for our customers, shareholders, communities and each other:

- we are customer-focused;
- we are technical experts;
- we are inclusive;
- we are fast-paced;
- we are courageous;
- we are accountable; and
- we are a team.

The QBE DNA is set and approved by the Board, with the GEC responsible for bringing the elements to life throughout the organisation through our day-to-day interactions as well as through our recruitment, onboarding, performance, reward, leadership, feedback, learning and communication practices.

Employees' demonstration of the QBE DNA is integral to how their performance objectives are measured. At the end of the performance year, employees are assessed in terms of both what they have achieved and how they have achieved it – whether their behaviours were aligned to the QBE DNA. This in turn links to reward outcomes and is applicable for all employees, including senior executives.

The Group Code of Ethics and Conduct addresses the responsibilities employees have to the Group, to each other and to customers, suppliers, communities and governments. It provides clear guidance to help employees apply good judgement and make considered decisions that exemplify the QBE DNA.

Group policies

QBE maintains a suite of Group policies commensurate with a mature and well-run organisation. QBE policies are governed by a global policy framework designed to establish consistent policy design and management requirements. Group policies serve as vital conduits to facilitate an understanding of the Group's compliance and conduct expectations. QBE's approach in key compliance areas recognises that employees (including contractors, directors and agents) are key to maintaining a compliant and ethical approach to QBE's business practices.

The Group Code of Ethics and Conduct applies to all employees as well as directors, agents and contractors. The Group Code of Ethics and Conduct is complemented by the Group Conduct Reporting & Whistleblower Policy. The Board oversees, and receives reports on compliance with amongst other things, the Group Code of Ethics and Conduct. The Group Conflicts of Interest Policy operates in conjunction with the Group Gift and Entertainment Policy, to create a system to identify and report actual, perceived or potential conflicts of interest. In recognition of the importance of protecting employee and customer data across QBE, we have implemented a global privacy framework.

QBE's policy environment also addresses sanctions, outsourcing, human rights and modern slavery, anti-bribery and corruption, health, safety and wellbeing, continuous disclosure, diversity and inclusion, securities trading, flexible working, supplier sustainability and the environment. Material breaches and incidents relating to the Group Code of Ethics and Conduct, the Group Conduct Reporting & Whistleblower Policy and the Group Anti-Bribery and Corruption Policy are required to be recorded and reported to the Board.

Global policies are also in place to address the prudential requirements of APRA, including risk management, cyber risk, business continuity management, reinsurance management, fitness and propriety, consequence management and material outsourcing.

General Insurance Code of Practice

In Australia, QBE is a signatory to the General Insurance Code of Practice (Code) which sets out the standards that general insurers agree to meet when providing products and services to customers. The Code Governance Committee is the independent body that monitors and enforces insurers' compliance with the Code. The Code is currently being formally reviewed as part of the regular three year cycle for continuously improving the Code. The scope of the review includes identifying possible Code commitments that may become enforceable Code provisions. Enforceable code provisions would be provisions in respect of which a contravention will constitute a breach of law. Consultation by the independent Review Panel with the Insurance Council of Australia and its members, regulators, consumer representatives and others as to identification of potential enforceable code provisions is ongoing. QBE's Australian business is also a member of the Australian Financial Complaints Authority, the external dispute resolution scheme that deals with complaints from consumers related to financial services.

Inclusion of Diversity

A fundamental component of our DNA, our approach to Inclusion of Diversity sets out our expectations for how we interact with each other, and our aspiration to be a positive influence for the inclusion of diversity beyond the boundaries of the organisation.

At QBE, we have a broad view of diversity that includes all the ways that people are visibly, and invisibly, different. We know that to realise the benefits of this, we must create an environment where everyone is, and feels that they are, included.

To achieve this, the GEC has set the following key global focus areas, which are overseen and progressed by the GEC and monitored by the People & Remuneration Committee of the Board:

Area of focus

Achievement in 2023

Diverse workforce including diverse leadership representation, diverse pipeline of talent and fair remuneration



Women on the Group Board goal 40% by 2025 achieved

Pledge to HESTA's 40:40 Vision achieved



In 2023 we were pleased to meet our key gender targets (see the *Gender balance at Board and senior management levels* section below). Beyond these commitments and actions, we continue to identify opportunities for further progress, and to develop targeted initiatives to address attraction, progression, and retention of women in leadership at QBE.

The QBE UK School partnership programme, spearheaded by the 'EO MIX' network, completed its third year. This offers mentoring and work placements for ethnic minority students between 16-19 years old and aims to provide them with the opportunity to experience meaningful and worthwhile work that will enable them to develop the skills required once leaving full-time education. It also allows the students to consider the insurance industry as a viable career option, whilst allowing us to engage with talented individuals from an untapped demographic.

In Australia, education and employment pathways remain central to our commitment to reconciliation and the CareerTrackers internship program plays a critical role. Through our long-standing partnership with CareerTrackers, we continue to host Aboriginal and Torres Strait Islander interns who bring a wealth of knowledge to our business in terms of skill, enthusiasm, and sharing their unique perspectives. We have now hosted 43 interns through CareerTrackers since 2014.

QBE North America developed the QBE Early Career Programs which consists of summer internships and underwriting programs, providing opportunities for the next generation of leaders to gain awareness and professional experience within the insurance industry. This includes a 10-week summer internship program designed to build relationships with peers, senior leaders and business leads. QBE North America also runs a one-year underwriting program designed to teach, develop, and ultimately prepare recent graduates to the insurance industry with training as an underwriter in the middle market business.

QBE implements equitable remuneration practices, designed to result in equal pay for equal work. We regularly assess pay equity in our workforce to give us confidence that we have gender pay equity on a like-for-like basis, based on key factors such as role, location, and performance. We recognise that some pay differences remain at an individual level and we continue to work to address any differences through our ongoing annual salary review processes.

During 2023 we also undertook a global gender pay analysis that examined raw pay data between males and females across the entire organisation. This analysis was done without adjustment for factors such as role, level, tenure or geographic location; it simply compared the median pay for all women employed by QBE to that of all men employed by QBE. We undertook this analysis recognising that a gap in median pay data is not an accurate measure of equal pay for equal work but, rather,

could help us to identify over- or under-representations of either gender in various roles and levels throughout the organisation and of the impact of societal trends on our own workforce.

Inclusive workplace including inclusive leader capabilities, QBE DNA, Voice of Employee, Flex@QBE and Workplace Wellbeing



New experience targets
Equal sense of belonging
within dimensions of gender (not met), LGTBTIQ+ identification (met), race/ethnicity (met) & disability status (not met)

Our Group Chief Executive Officer and Chief Executive Officer, Australia Pacific continued to be active members of the Champions of Change Coalition, offering QBE an opportunity to look to peers across the industry and beyond to help us achieve gender equality and further our progress towards building an inclusive workplace.

Following on from the 2022 launch of our new approach to Inclusion of Diversity, in 2023 we focused on uplifting consistency across the enterprise, setting bold ambitions across the employee lifecycle, including developing global Inclusive Recruitment Principles, and uplifting benefits that we know will support inclusion, equality, and diversity.

This year to support a meaningful and global approach to Inclusion of Diversity, we introduced innovative new targets focused on equal sense of belonging across the dimensions of gender, race/ethnicity, disability status and LGTBTIQ+ identification. These build on our existing Women in Leadership targets and signal that it's not just about being represented or counted but also about being included. Our aim is to have minimal variation (<5%) in the 'sense of belonging' Voice Pulse survey responses, regardless of how an individual identifies. In October 2023, we met targets for race/ethnicity and sexual orientation. However, belonging gaps remained above the 5% threshold within the dimensions of disability status and gender identity, with no gap between men and women, but a gap for those who identify as non-binary/another gender. We know there is more work to do, and these results will guide our future strategies.

In North America, our Employee Network community increased with the launch of the WorkAbility Employee Network. This network emphasises the full inclusion of people with disabilities, physical and neurodivergent, and carers to participate fully and meaningfully and to foster a culture of inclusion. Through education and advocacy, WorkAbility cultivates a supportive environment for colleagues and communities to help individuals meet their full potential and bring their whole and authentic selves to the workplace.

In Europe we rolled out our first ever Inclusion Roadshow consisting of a fortnight of engaging inclusion-focused events where all employees in the region had the chance to collaborate and embody our values of an inclusive workplace. Over 400 colleagues were involved with 95% of respondents saying they were inspired to drive positive change.

In 2023 employees in Australia and New Zealand were offered an enhanced four day Flexible Leave Policy which supports our people to juggle a range of life priorities at any given time. In addition to Annual Leave, Flexible Leave provides dedicated time to support significant life moments, knowing your annual leave remains available to "rest and

restore” on a regular basis. In addition to current inclusions such as moving house, attending to home emergencies, attending a family member’s graduation or observance of a religious festival or feast day, we added support for managing menopause symptoms, grieving for a family member, family planning and fertility treatment, time required for the completion of government services forms for child support and elder care as well as supporting attendance at representative sport.

In January 2023, QBE UK increased the maternity leave pay period from 20 weeks to 26 weeks at normal basic salary. QBE UK also enhanced the paternity leave policy to mirror maternity, adoption, and surrogacy to enable partners and co-parents to take up to a total of 52 weeks’ paternity leave, with 26 weeks at normal basic salary and no service eligibility requirements.

A workplace where our people feel safe and respected remains a priority. In Australia in response to the 2022 Respect at Work and 2023 Work Health and Safety Psychosocial legislative updates we remain focused on proactive actions to enable a positive duty of care, in addition to a respectful, safe and inclusive workplace. This includes the launch of the standalone 2022 Sexual Harassment Policy, 2023 Respect at Work program of work including enhanced response, tracking and reporting of sexual harassment, and people-centred response training. A new Respect at Work program has been developed which explores the toll of everyday disrespect with an aim of inspiring action and culture change, which will be rolled out across Australia and New Zealand over 2024 and 2025.

Connected marketplace including customer satisfaction and retention, vulnerable customers and diversity in supply chain

QBE also continues with our industry-first impact investing initiative, Premiums4Good, where we allocate a portion of our customer premiums to make impact investments that aim to create positive environmental and/or social change, alongside a financial return. Select customers can also choose to opt-in 100% of their premium to the program. Our impact investments include green social bonds, social impact bonds and impact investment funds, which help fund initiatives like increasing renewable energy supply, reducing homelessness and improving education in remote communities. At no extra cost to the customer, it’s just another way we help in enabling a more resilient future.

During 2023 QBE has updated our supplier sustainability principles, creating the Supplier Code of Responsible Conduct (Supplier Code). The Supplier Code makes clear that QBE expects suppliers to foster a culture of respect toward diversity, including all the ways people are visibly and invisibly different, and champion appropriate workplace behaviour; provide a safe working environment, that is free from discrimination, harassment of any sort, and bullying; and treat their workforce (and applicants for employment) fairly, offering equal opportunities and pay equity.

In Australia, we launched our third Reconciliation Action Plan (RAP) plan for 2023-2025, which is now at the Innovate stage of the RAP framework.



Impact investment
– Premiums4Good
a portion of a customer’s
premium is directed

towards impact investments

This gives QBE the opportunity to take our commitment to the next level, strengthening and maximising the value of our relationships with First Nations peoples and partnering with First Nations customers in providing culturally respectful support. We will also explore the expansion of our Supply Nation representation within our partner channels and employment opportunities in our business.

Gender balance at Board and senior management levels

In 2020, we set ourselves the goal of achieving 40% women in leadership across QBE by 2025, and 40% women on our Board by 2025. During 2023 we saw an increase from 38.6% to 40.0% women in leadership, meeting this target, and continued to meet our goal of 40% women on the Group Board with 40.0% women. 41.0% of all leader hires and 52.6% of leader promotions were women, reflecting the continued focus on gender diversity in leadership.

In May 2022, we became the first insurer to pledge support for the 40:40 Vision, with a goal to meet the principle of 40% women, 40% men and 20% any gender on the GEC by 2025, a target we already meet with 54.5% women on our GEC.

Additionally, interim goals were set of having above 37% women in leadership by 2023 which we met in 2022 with 38.6%, and an improvement in pipeline for GEC (L1–L3) from a 2025 baseline in 2027*.

Details of gender representation across our workforce and management levels together with targets are set out below*:

Female representation	Gender targets	31 Dec 2023	31 Dec 2022	31 Dec 2021	31 Dec 2020
Board	By 2025: 40%	40.0%	44.4%	33.3%	33.3%
GEC	By 2030: 40:40:20	54.5%	45.5%	45.5%	30.0%
Level 1		34.0%	27.7%	28.3%	25.5%
Level 2		37.0%	37.0%	32.0%	29.4%
Level 3		40.6%	39.3%	36.9%	36.3%
Women in leadership (GEC and levels 1–3)	By 2023: 37% By 2025: 40%	40.0%	38.6%	35.9%	34.8%
Women in workforce		52.8%	52.5%	52.2%	52.0%

* An additional target for 2027 of “an improvement in pipeline for GEC (L1-L3) from 2025 baseline” will be added to the table post 2025.

In addition to gender equality, QBE’s commitment extends to other areas of diversity including:

- actively promoting inclusion for LGBTIQ+ employees with a global QBE Pride employee network;
- ongoing commitment to supporting indigenous communities in Australia and driving our third Reconciliation Action Plan (RAP) (see above for further details);
- maintaining a learning channel that equips people to build inclusion and psychological safety, confront bias, support neurodiversity, and speak up against racism;
- looking to embed accessibility in the workplace and enhance our ability to employ people with a disability, with our recruitment team embedding questions around workplace adjustments into every stage of the recruitment process; and
- increasing the quality and consistency of our diversity data globally and across the employee lifecycle, so we can understand the diversity of our workforce, and how representative we are of the communities in which we operate.

For further details on our approach and progress, refer to QBE’s [2023 Sustainability Report](#). QBE also makes an annual filing to comply with the *Workplace Gender Equality Act 2012* (Cth) (WGEA) in Australia disclosing our performance against the ‘Gender Equality Indicators’. The report can be found at www.qbe.com/investor-relations/corporate-governance/global-policies.

Communications with shareholders

Shareholder engagement

QBE is committed to regularly communicating with its shareholders and other stakeholders in a timely and accessible manner, and encouraging shareholder participation at its AGM. Detailed information about QBE can be found on the website at www.qbe.com including:

- its history;
- the Board and management;
- its Constitution, Board charter and the charters of each of its Committees;
- corporate governance and policies;
- periodic disclosures, including annual reports, half yearly reports, investor reports, sustainability reports and sustainability data books;
- ASX announcements;
- shareholder calendar;
- notices of meeting and any accompanying documents;
- presentation materials provided at investor and analyst briefings; and
- webcasts of meetings of shareholders and investor and analyst briefings.

The QBE website includes a dedicated investor relations section where shareholders can access relevant information regarding their shares. There is also a direct link where shareholders can access their shareholding online through QBE's share registry, Computershare. They can update their personal information and provide their email address and elect to receive communications electronically. Shareholders can discuss their shareholding with either QBE's shareholder services department by email to shares@qbe.com or by contacting QBE's share registry, Computershare, by email to qbe.queries@computershare.com.au or by phone at +61 3 9415 4840. Shareholders may request to receive a hard copy of the Annual Report by updating their communication preferences by logging into their shareholding at www.investorcentre.com/au.

QBE has a comprehensive investor relations program that facilitates effective communication with its investors. The Group Chief Executive Officer, Group Chief Financial Officer, Group Chief Risk Officer, Group General Counsel and Company Secretary, Group Head of Investor Relations, Group Executive, Corporate Affairs and Sustainability, Group Treasurer and divisional chief executive officers generally deal with analysts, investors, media, rating agencies and others, taking account of regulatory guidelines including those issued by the ASX on continuous disclosure. The presentations on the 30 June and 31 December results and other major presentations are sent to the ASX before the presentations commence and are available promptly at www.qbe.com/investor-relations/reports-presentations. The 30 June and 31 December results presentations are also webcast live and subsequently archived at www.qbe.com/investor-relations/reports-presentations.

Annual General Meetings

QBE welcomes and encourages shareholder participation at its AGM, in person, online or by proxy. The AGM is held in Sydney each year. In 2023, QBE held a hybrid AGM. Shareholders were able to:

- participate by attending the meeting in person, watching online or dialing in to the teleconference;
- ask questions in person, online or on the telephone once they were verified; and
- vote by appointing a proxy, direct voting prior to the AGM and direct voting online during the AGM.

Within the required statutory period before each AGM, QBE distributes to shareholders a notice of meeting and proxy form, or a Notice and Access via email or post, in accordance with the requirements of the *Corporations Act 2001*, the

ASX Listing Rules and the Company's Constitution. The Notice of Meeting is also available on QBE's website. To encourage effective participation at AGMs, QBE:

- issues notices of meeting that are honest, accurate and not misleading;
- includes explanatory notes for all resolutions included in the notice;
- provides a proxy form which clearly indicates how a shareholder may appoint a proxy, direct their proxy how to vote on a particular resolution if they so choose and, if they appoint the Chair of the meeting as their proxy, how the Chair intends to vote undirected proxies;
- only combines or 'bundles' resolutions in notices of meeting in limited circumstances; and
- provides shareholders with the opportunity to lodge proxies electronically.

Shareholders are encouraged to provide questions or comments ahead of the AGM so that these can be addressed at the meeting. QBE will make directors, members of the management team and the external auditor available to shareholders at the AGM to respond to questions regarding the items of business, including about the conduct of the audit and the preparation and content of the auditor's report.

Votes at the AGM are by way of a poll i.e. one vote for each fully paid ordinary share held.

Continuous disclosure

QBE takes its continuous disclosure obligations seriously and issues market releases during the year to satisfy those obligations. Significant developments affecting QBE may be the subject of an announcement to the ASX. All ASX announcements are placed on QBE's website at www.qbe.com/investor-relations/asx-announcements as soon as practicable after release. The Board and relevant management also receive copies of all material market announcements promptly after they have been made. QBE's Continuous Disclosure Policy is available at www.qbe.com/investor-relations/corporate-governance/global-policies.

Verification of periodic corporate reports

QBE prepares periodic corporate reports for the benefit of investors such as annual reports, half year reports, investor reports, sustainability reports and a sustainability data book. QBE follows a robust process for satisfying itself that each report is materially accurate and balanced, and that it provides investors with appropriate information to make investment decisions.

Periodic corporate reports are drafted by staff with direct responsibility for, or expertise in, the subject matter and are supported by evidence, including by documenting the various sources of information and consultation undertaken within QBE or with external parties. The information is then reviewed by senior management who have the knowledge and skills to verify the accuracy and completeness of the information provided. QBE uses an independent limited assurance engagement to confirm that certain data in the annual sustainability data book has been prepared and presented appropriately in all material aspects.

The Board and its Committees review and approve statutory and other significant corporate reports prior to release to the market. All other periodic corporate reports are submitted for approval to the Disclosure Committee, a committee comprised of senior executives including the Group Chief Executive Officer and Group Chief Financial Officer.

Financial and other reporting

Audit Committee

The Board has an Audit Committee which meets at least quarterly to support the Board in overseeing the effectiveness of the Group's financial reporting and risk management framework. In particular, the Audit Committee oversees and monitors the integrity of the Group's financial reporting, including climate-related financial disclosures. The Audit Committee is also responsible for overseeing the management of tax risks. The Audit Committee is comprised of independent directors, all of whom have financial expertise, and is chaired by Jann Skinner.

Group Chief Executive Officer and Group Chief Financial Officer declaration

Prior to the Audit Committee's review and the Board's approval of the 2023 Annual Report, the Group Chief Executive Officer and Group Chief Financial Officer provided a declaration to the Board that, in their opinion, the financial records were properly maintained, that the financial statements complied with the appropriate accounting standards and that they gave a true and fair view of the financial position and performance of QBE. The declaration also provides that the opinion of the Group Chief Executive Officer and Group Chief Financial Officer was based on a sound system of risk management and internal control which is operating effectively.

External auditor independence

QBE firmly believes that the external auditor must be, and must be seen to be, independent. The external auditor confirms its independence and the Audit Committee considers this by reviewing appropriate information in accordance with an internal policy on external auditor independence which includes requirements and prohibitions with respect to the provision of non-assurance services.

Under this policy, the external auditor is not allowed to provide the excluded services of preparing accounting records, financial reports or asset or liability valuations. Furthermore, it cannot act in a management capacity, as an advocate, as a custodian of assets or as a share registry. External tax services are generally provided by an accounting firm other than the external auditor.

The Board believes some non-audit services (which include assurance and non-assurance services) are appropriate given the external auditor's knowledge of the Group. QBE may engage the external auditor for some non-audit services, subject to the general principle that fees for non-assurance services should not exceed 50% of all fees paid to the external auditor in any one financial year.

The Audit Committee approves the audit plan each year and receives information on the external auditor's fees. QBE also considers the terms of engagement of the external auditor every few years. The *Corporations Act 2001* and Australian professional auditing standards require rotation of the lead engagement partner after five years. The lead engagement partner of the external auditor was last rotated in 2019 and will complete her term following the completion of the audit for the year ended 31 December 2023.

The Audit Committee regularly meets with the external auditor in the absence of management. The external auditor attends the AGM and a representative is available to answer questions from shareholders relevant to the audit. The Audit Committee has free and unfettered access to the external auditor. The external auditor has free and unfettered access to the Audit Committee.

The Audit Committee regularly reviews the performance, quality and effectiveness of the external auditor as well as the need to rotate the external auditor. If the Audit Committee thought it appropriate to change the firm undertaking QBE's external audit, it would conduct a competitive tender process.

Actuarial review

The central estimate of QBE's insurance liabilities, comprising outstanding claims as well as premium liabilities used to measure onerous contracts and the liability for remaining coverage under the general model, is determined by experienced internal actuarial staff. Actuarial staff form an independent view of both the net central estimate and the confidence level of these liabilities. At 31 December 2023, close to 100% of QBE's net outstanding claims central estimate of the liability for incurred claims was also reviewed by external actuaries.

Internal audit

A global internal audit function is a core part of QBE's three lines of defence approach to effective risk management. QBE's Group Internal Audit team is a global function, independent from the business, that operates on an integrated basis and is managed by the Group Head of Internal Audit. Group Internal Audit is formally accountable to the Chair of the Audit Committee and has an administrative reporting line to the Group Chief Financial Officer. Group Internal Audit operates under an Audit Committee-approved Internal Audit Charter that provides Group Internal Audit with free and unrestricted access to the Audit Committee, and all management, records and properties.

Group Internal Audit's primary purpose is to assist the Group and divisional audit committees and senior management to discharge their responsibility for sound and prudent management of risk at QBE. Group Internal Audit does this by performing audits, reviews and investigations to provide assurance that the design and operation of controls across QBE's international operations are adequate and effective.

Group Internal Audit develops and delivers an annual risk-based Group Internal Audit Plan that is aligned to QBE's risk management framework and includes audits to address relevant regulatory requirements. The annual Group Internal Audit Plan is designed so that the design and operating effectiveness of higher materiality risk processes are reviewed more frequently. Audit findings and related themes are reported to management, divisional audit committees and the Group Audit Committee.

Risk management

QBE is in the business of managing risk. The Board and management are fully committed to adopting a disciplined approach to managing risk, delivering leading practice and maintaining robust and independent risk management processes and systems.

QBE's Enterprise Risk Management Framework supports its businesses across all divisions and provides a sound foundation for reducing uncertainty and volatility in business performance.

An overview of QBE's Enterprise Risk Management Framework and details of how QBE manages risk are set out in the risk management section of the 2023 Annual Report. Detail on QBE's material risks is also set out in note 4 to the financial statements.

Risk & Capital Committee

The Board monitors QBE's performance and, as such, plays a significant role in monitoring that an effective risk management strategy is established and maintained. The Board has a Risk & Capital Committee which meets at least quarterly to support the Board in overseeing the effectiveness of QBE's risk and capital management frameworks. The proper oversight of these frameworks supports strategic objectives, informs business plans and enables current and future risks to be identified, assessed and monitored in line with risk appetite. Under its charter, the Risk & Capital Committee is required to review the Risk Management Framework annually to confirm it continues to be sound. This year, a comprehensive external review of the Risk Management Framework was undertaken in accordance with Prudential Standard CPS220 *Risk Management*.

The Risk & Capital Committee is comprised of independent directors and is chaired by Rolf Tolle. The Risk & Capital Committee has free and unfettered access to the Group Chief Risk Officer and other relevant senior management.

Environmental, social and governance risk

Information about how QBE approaches sustainability and information on the management of ESG risks and opportunities can be found in the [2023 Sustainability Report](#).

Refer to QBE's 2023 Sustainability Report at www.qbe.com/sustainability.



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