



Material topics for 2022

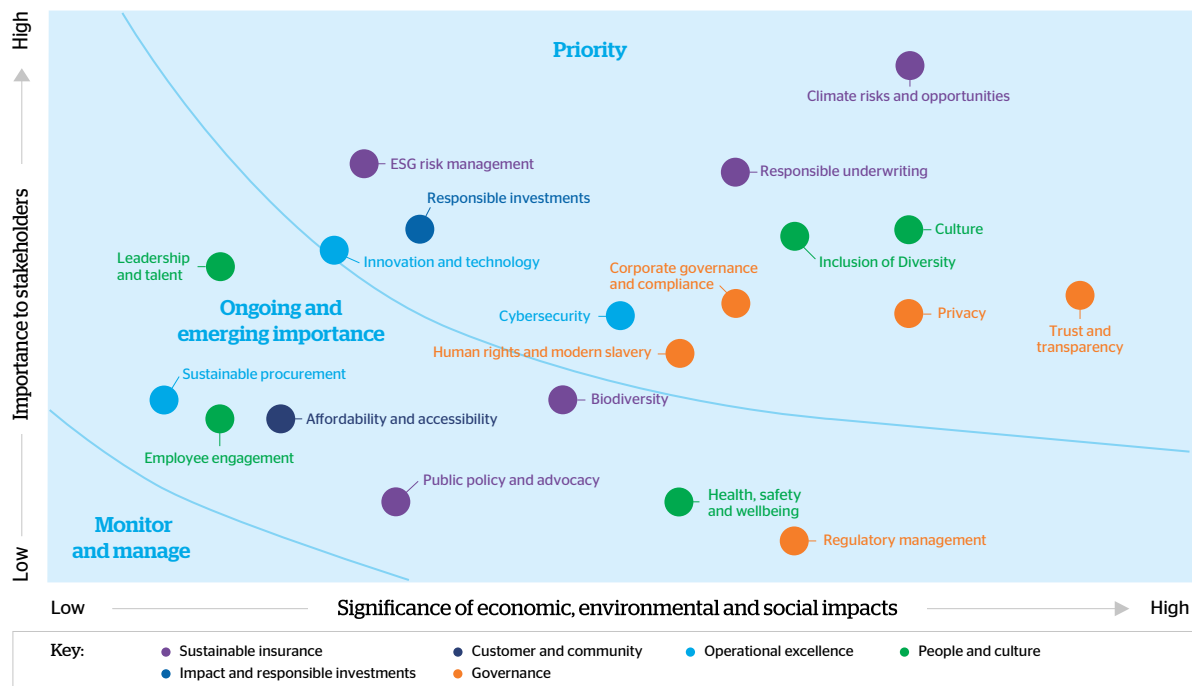
Our approach to materiality focuses on how our business creates value for all stakeholders across the short, medium and longer-term.

In line with the GRI Standards, each year, we are required to review our material topics from the previous year to assess any changes in the impacts of those topics on the economy, the environment and society. QBE undertakes a full materiality assessment every two years, with a desktop review in interim years. In 2022, the desktop review included feedback from investors, risk assessments, peer benchmarking, and thought leadership from external sources. It also mapped to QBE's strategic priorities and top risks.

i More information on our approach to our materiality and the full list of material topics assessment can be found on [our website](#).

The priority material topics remain climate-focused, with an emphasis on how we manage our risks and opportunities related to climate change, especially in responsible underwriting and investments. We recognise that other important topics include the global competition for talent, protecting our customer and corporate data, and using technology to innovate, and improve our products and solutions. This year, the top 12 priority material topics globally have seen 'ESG risk management' and 'Responsible investments' overtake 'Affordability and accessibility' and 'Leadership and talent', as the spotlight falls on how businesses are responding to the challenges and opportunities presented by climate change.

Stakeholder materiality assessment



Climate risks and opportunities

As a leading global insurer and reinsurer, we have a significant role to play in managing the potential risk exposures and opportunities related to climate change across our value chain. We recognise that climate risk is multi-faceted, and includes physical risks, transition risks (e.g. policy, technology, market) and liability risks. We have the ability to help customers, partners and communities build resilience, and understand, and navigate, the changing risk landscape and the transition to a net-zero economy.

Aligned to SDGs
1, 7, 11, 13, 14, 15, 17

i Refer to [Climate change section of the Annual Report](#) and [Climate risks and opportunities](#)

Responsible underwriting

Our Group Underwriting Standards outline our commitment to responsible underwriting and integrate current, and emerging, ESG considerations into our underwriting and pricing (including our models, decision-making processes and systems). This includes the implementation of QBE's [Environmental and Social Risk Framework](#) in our underwriting and investment portfolio decision-making. There is an increased focus on responsible underwriting as the insurance sector collaborates to develop standards and protocols to effectively measure insurance-associated emissions and set targets.

Aligned to SDGs:
1, 8, 9, 13, 17

i Refer to [Sustainable insurance](#)

Culture

Building an organisational culture that supports and enables us to achieve our purpose, vision and strategy is a strategic priority for our business. Our [Group Code of Ethics and Conduct](#) supports our culture and helps guide employees to act ethically, promoting QBE's reputation and supporting our people to feel safe to speak up. Leadership is key to ensuring that 'how' people go about their work is seen as just as important as 'what' gets achieved.

Aligned to SDGs
3, 4, 5, 8, 10, 16

i Refer to [People and culture and our 2022 Annual Report](#)

ESG risk management

We continually work to integrate current and emerging ESG risks into our risk management framework and decision-making processes. Our Group ESG Risk Standard outlines the process we use to identify and manage ESG risks across the business. We also maintain an Environmental and Social (E&S) Risk Framework that underpins our underwriting and investment approach to several sensitive sectors including defence, energy, forestry, fishing and mining.

Aligned to SDGs:
1, 8, 9, 13

i Refer to [Sustainable insurance](#)

Responsible investment

QBE is committed to taking a responsible approach to its investments, including ESG risk integration and considerations of equity and diversity. We recognise that our investment decisions have an impact on the economy, environment and society. As a signatory to the [Principles for Responsible Investment](#) we believe that factoring ESG considerations into investment decision-making improves long-term, risk-adjusted financial returns and aligns to stakeholders' expectations.

Aligned to SDGs:
1, 8, 9, 13

i Refer to [Impact and responsible investments](#)

Inclusion of Diversity

A core part of our culture is focused on creating an environment where everyone is, and feels they are, included. Being inclusive is part of our DNA, and our global Inclusion of Diversity approach enables us to live our purpose. At QBE, we have a broad view of diversity that includes all the ways people are visibly and invisibly different. We continue to focus on initiatives that drive respect and fair treatment, value and belonging, and help our people feel safe to speak up.

Aligned to SDGs
4, 5, 8, 10

i Refer to [People and culture and the 2022 Corporate governance statement](#).



Innovation and technology

We embrace technology and innovation, including automation and digitisation, to improve customer service, experience and efficiency. We seek to embrace new technologies and the opportunities for new product development, including those spurred by COVID-19, which has seen rising consumer expectations for seamless digital transactions and greater personalisation. We also look for opportunities to improve existing services through iterative technical enhancements that seek to simplify and enhance the customer and supplier experience.

Aligned to SDGs:
9, 10, 11, 12

1 Refer to Customer and community and Operational excellence

Privacy

We are committed to respecting our customers' privacy, protecting their personal data from misuse or unauthorised disclosure, and compliance with privacy laws. Our Global Privacy Framework defines the core principles of our privacy program that are the foundation for our ongoing compliance with privacy laws globally. QBE group entities also maintain privacy policies appropriate to local legislation.

Aligned to SDGs
8, 9, 16

1 Refer to Governance

Trust and transparency

Trust in the financial services sector continues to be a key regulatory, consumer and community focus, continuing to drive the need for enhanced transparency and disclosure around key customer issues, ESG risks and opportunities, and tax transparency. We do this through disclosure of our management practices, business performance, and plans for continuous improvement in relation to material sustainability topics.

Aligned to SDGs
8, 10, 12, 16, 17

1 Refer to Governance

Corporate governance and compliance

We are committed to the highest standards of corporate governance across our global operations. This includes the Group Board providing guidance and oversight to support ethical behaviour, transparency and accountable decision-making. We seek to take all reasonable steps to minimise compliance risk – not only because it is required, but to continue to do the right thing by our stakeholders. This topic also incorporates the integration of robust, impartial and independent whistleblowing and grievance procedures into all operations.

Aligned to SDGs:
8, 16, 17

1 Refer to Governance and the 2022 Corporate governance statement

Cybersecurity

Cybersecurity continues to be one of the greatest threats shaping today's risk landscape. As an escalating, rapidly evolving business risk, cybersecurity risk has the potential to impact our operations, and all our key stakeholders. We employ a global approach to managing internal and external threats to the confidentiality, integrity and availability of customer and corporate data. We proactively monitor and respond to known and emerging threats, and invest in innovation and digital transformation to benefit our customers and shareholders.

Aligned to SDGs
9, 16, 17

1 Refer to Customer and community

Human rights and modern slavery

Wherever we operate, we seek to respect and protect human rights. We take measures to integrate human rights across our business as an employer, insurer, investor and business partner through our Group Human Rights Policy, and in our interactions with customers and communities. QBE seeks to comply with applicable modern slavery, labour and human rights laws and regulations globally. We provide annual reporting on the risks of modern slavery in our operations and supply chain.

Aligned to SDGs:
1, 2, 3, 8, 10, 16, 17

1 Refer to Governance