

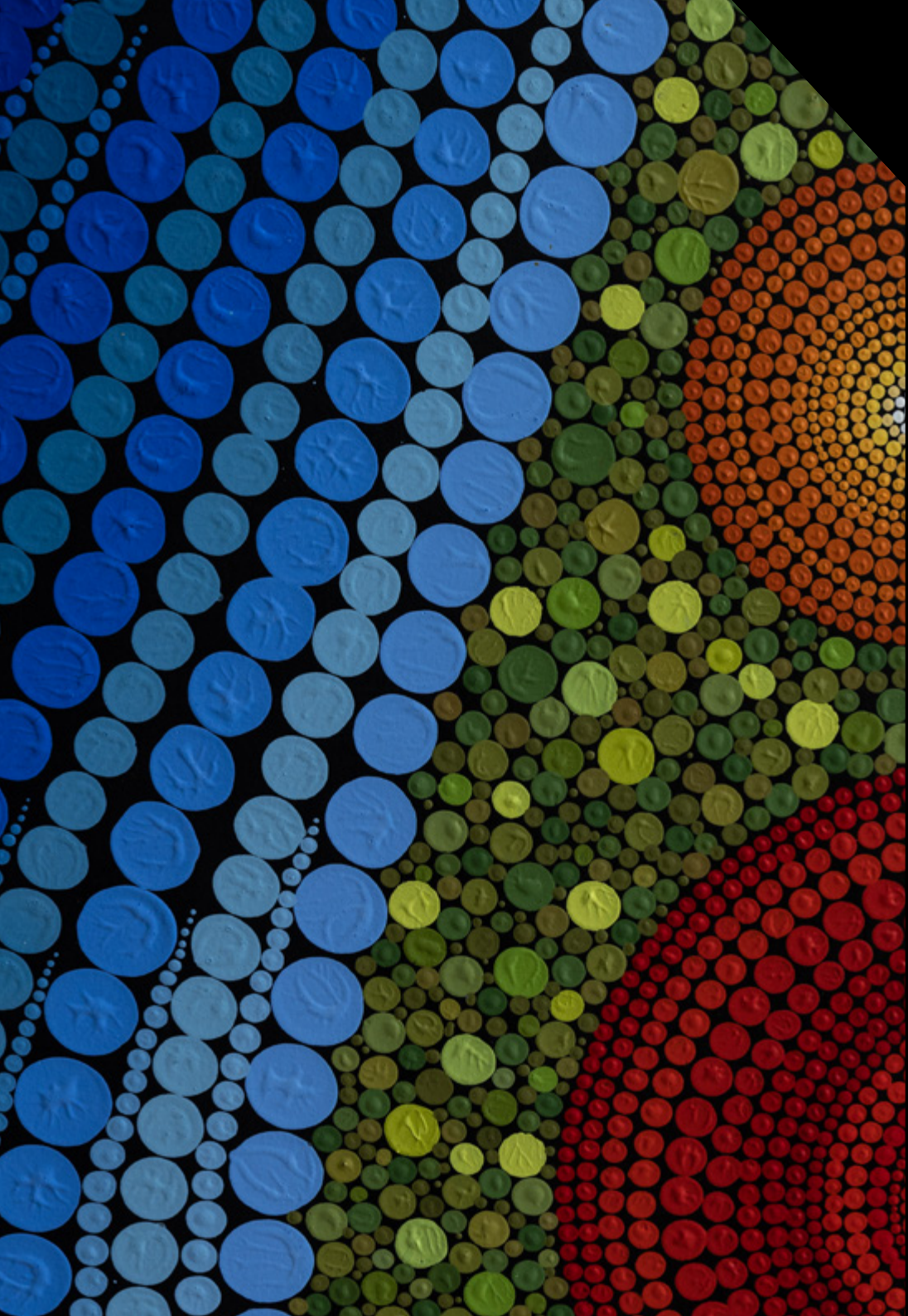


2022 Modern Slavery and Human Trafficking Statement

Respecting human rights and addressing modern slavery

Enabling a more resilient future

QBE INSURANCE GROUP LIMITED



Acknowledgement of Country

As an Australian-domiciled entity, QBE Insurance Group Limited (QBE) acknowledges and respects the Traditional Custodians of the lands on which we operate. We recognise their continuing connection to land, waters and culture and pay our respects to Elders past, present and future.

Art, "Flight" by Ella Gillespie.

Message from the Group Chief Executive officer

At QBE, we remain committed to identifying and addressing environmental and social challenges. We recognise that modern slavery can occur anywhere, and that understanding and managing these risks requires a collaborative approach with our suppliers, employees and industry stakeholders.

Modern slavery is estimated to affect over 49 million people globally¹. As an international insurer and reinsurer, we have a responsibility to respect human rights and address modern slavery within our operations and supply chains.

At QBE, our purpose is enabling a more resilient future. In line with this, we are committed to promoting and upholding the human rights of our employees, customers, suppliers and communities. We do not tolerate modern slavery and human trafficking in our operations and supply chains, and expect our suppliers and business partners around the world to adopt practices that are consistent with our policies and standards.

We recognise that addressing modern slavery risks requires a Group-wide approach and a multifaceted program of work, which we are committed to implementing, continuously improving and embedding throughout our organisation. We continue to strengthen our internal risk identification and due diligence processes across the enterprise.

To date, no reports of modern slavery, or indicators of actual or potential modern slavery, have been reported to us, or through our internal reporting processes. We acknowledge that modern slavery may exist in our supply chains. We have implemented a due diligence and remediation process to seek to mitigate the potential to cause foreseeable harm.

This year's Modern Slavery and Human Trafficking Statement reflects our commitment and continued progress to embed human rights and modern slavery considerations across the enterprise. We value this opportunity to share our approach in relation to addressing modern slavery, what we have learned throughout the year and to provide insight into our priorities as we seek to continually improve on modern slavery risk management.

1. International Labour Organization, Walk Free, International Organization for Migration, Global Estimates of Modern Slavery: Forced Labour and Forced Marriage (Geneva, 2022), 20

During the reporting period (the financial year ended 31 December 2022, referred to as “2022” throughout this statement), some of our key actions included:

- 1. Documenting our global due diligence** - In 2022, we revisited our overarching human rights due diligence process, reflecting QBE’s continued progress in embedding human rights, including modern slavery considerations, across the enterprise.
- 2. Modern slavery due diligence compliance review** - Our Group Compliance Monitoring team conducted a compliance monitoring review of our modern slavery risk assessment processes and governance to understand the effectiveness of our risk mitigation controls and levels of compliance. The review has helped identify and recommend areas for improvement in how we consistently assess and address modern slavery risk across our procurement-related activities.
- 3. Employee training and awareness** - We continued to raise awareness of human rights by including content as part of our annual Group Code of Ethics and Conduct training. We also developed a bespoke training module on human rights, available for all employees to access.
- 4. Respecting human rights as an insurer and investor** - Our Environmental and Social Risk Framework came into effect in January 2022, setting minimum criteria for investment and underwriting screening to address risks.
- 5. Due diligence of our investment portfolio** - We uplifted our human rights due diligence as part of our investment decision-making process for investment grade corporate credit and external managers.
- 6. Engaging our communities** - We continue our work through the QBE Foundation to help develop strong, resilient and inclusive communities where human rights are respected.



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About us

QBE is listed on the Australian Securities Exchange (ASX) and headquartered in Sydney.

We are a specialist insurer and reinsurer, offering a diverse portfolio of commercial, personal and specialty products including accident and health, aviation, inland marine, professional lines, specialty programs, surety, trade credit and transactional liability, as well as risk management solutions to personal, business, corporate and institutional customers. Our diverse product portfolio includes property, motor, crop, public/product liability, professional indemnity, workers' compensation, energy, marine cargo and aviation insurance.

In January 2022, we launched our new purpose and vision. Our purpose, enabling a more resilient future, and vision, to be the most consistent and innovative risk partner, highlights how sustainability is integral to QBE.

As at 31 December 2022, we employed 12,479 people, with operations in 27 countries and employees located in 34² countries to support our global operations. Our core operations are divided into three geographical divisions: International (including Europe and Asia), Australia Pacific and North America.

² For an overview of countries where QBE employees are located as at 31 December 2022, refer to the [2022 Sustainability Data Book](#).

Joint statement by QBE Group reporting entities

This statement reflects the steps that QBE, the ultimate parent company of QBE Insurance Group, and its subsidiaries have undertaken to seek to address modern slavery and human trafficking risks within its operations and supply chains for the 2022 reporting period.

The statement is made pursuant to the Australian Modern Slavery Act 2018 (Cth) (the Australian Act) and the United Kingdom's Modern Slavery Act 2015 (the UK Act) and applies to QBE, and its controlled entities. A full list of the Group's controlled entities can be found on Page 147 of the [2022 Annual Report](#). The reporting entities under the UK Act are QBE UK Limited, QBE European Operations plc, QBE Management Services (UK) Limited, QBE Underwriting Limited, QBE Europe SA/NV and QBE Partner Services (Europe) LLP. All amounts in this statement are expressed in US dollars unless another currency is indicated.

Respecting human rights

In 2021, QBE released its [Group Human Rights Policy](#) outlining the principles we have adopted in relation to respecting human rights across our business. The policy covers our role and activities as an employer, insurer, investor and business partner, and how we interact with our customers and communities.

Wherever we operate, we respect human rights. We are committed to, and promote adherence to, internationally recognised human rights principles including the:

- International Bill of Human Rights, consisting of the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights;
- International Labour Organisation's eight fundamental Conventions;
- United Nations Guiding Principles on Business and Human Rights;
- United Nations Global Compact (UNGC) and the Ten Principles;
- United Nations Environment Programme - Finance Initiative's Principles for Sustainable Insurance (PSI) and the United Nations Principles for Responsible Investment (PRI);
- Women's Empowerment Principles; and
- United Nations 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals (SDGs).

We implement processes to promote compliance with economic and trade sanctions, including those arising from alleged breaches of human rights, consistent with industry practice.

Our position on modern slavery

We reject modern slavery in any form, including slavery, forced commercial sexual exploitation, servitude, forced labour or compulsory labour (including child labour) and human trafficking. We are committed to implementing effective systems and controls to seek to ensure these practices do not take place in our own business or our supply chains. We aim to identify and manage risks related to modern slavery across our organisation and through our supply chain relationships.

We are aware that modern slavery may exist in our operations and supply chains. To this end, we aim to be diligent in our processes and are committed to continuous improvement, wherever possible.

Our approach to sustainability

QBE's approach to human rights and modern slavery forms part of our broader sustainability ambition. Sustainability remains essential to QBE's ability to deliver on our strategic priorities. We continue to embed our Sustainability Framework across the business while responding to evolving regulatory and industry trends. In 2022, we refreshed our sustainability strategy and defined three focus areas.

These three focus areas are relevant to each of our strategic priorities. Addressing modern slavery and human trafficking continues to be an important social consideration of our strategy and three focus areas, in particular through the lens of an inclusive transition to a net zero economy and our focus on our people and suppliers.

QBE's sustainability agenda seeks to support the advancement of the United Nations (UN) Sustainable Development Goals (SDGs). Our prioritisation of SDG 8 (Decent Work and Economic Growth) and SDG 10 (Reduced Inequalities) directly relate to our focus on respecting labour and human rights within our business and across our supply chains. We are committed to remaining a responsible employer and business partner. Further information on our five priority SDGs can be found on our [website](#).

Integrating sustainability

Recognising our role in identifying and addressing environmental and social challenges

Our strategic priorities



Portfolio optimisation



Sustainable growth



Modernise our business



Our people



Our culture



Bring the enterprise together

Three new sustainability focus areas

1

Foster an orderly and inclusive transition to a net zero economy

2

Enable a sustainable and resilient workforce

3

Partner for growth through innovative, sustainable and impactful solutions

Our framework



Impact and responsible investments



Sustainable insurance



Operational excellence



Governance



Customer and community



People and culture

Further information can be found in our [2022 Sustainability Report](#).

Our business structure

International

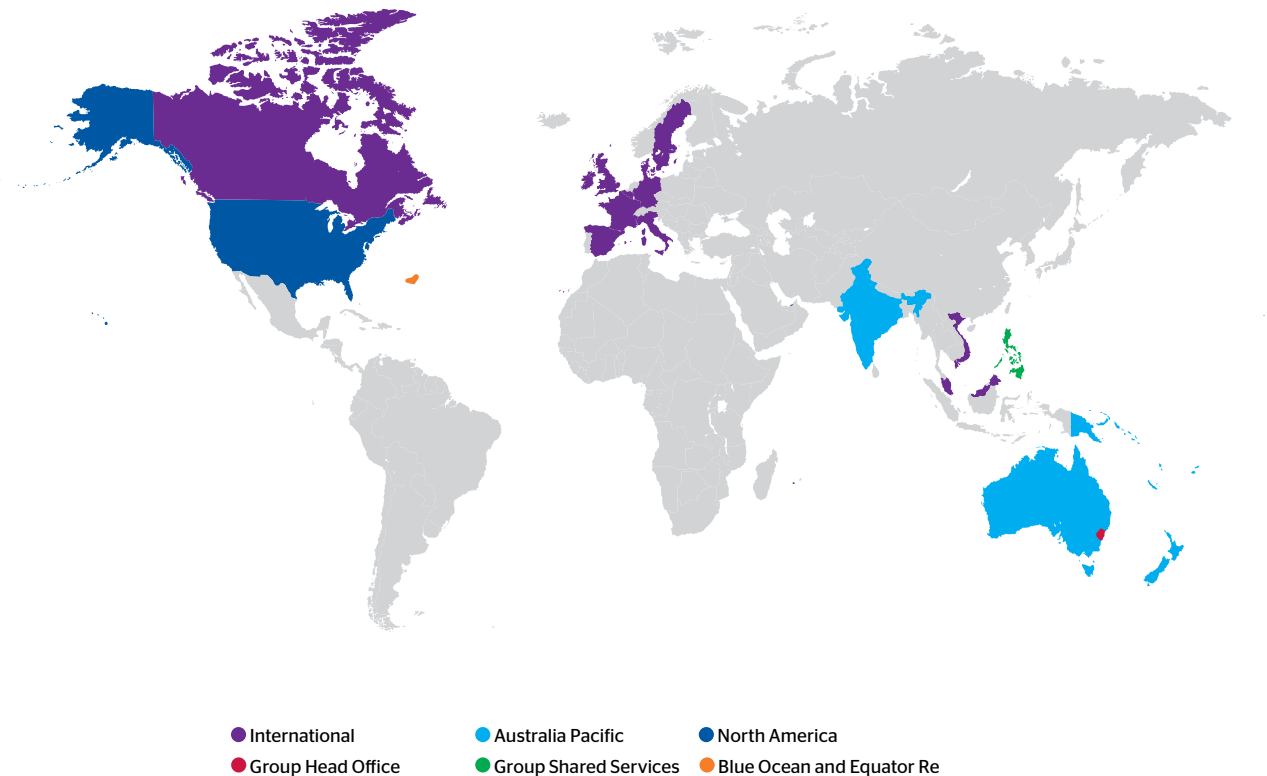
International comprises our operations in the United Kingdom, Europe, Canada, Dubai, Bermuda (where part of our global reinsurance function known as QBE Re is located) and Asia, including Hong Kong, Singapore, Malaysia, Macau and Vietnam. International provides a range of insurance and reinsurance products and risk management solutions across commercial and specialty lines. International has a number of small representative offices in Argentina, Columbia and Japan.

Australia Pacific

Australia Pacific comprises our operations in Australia, New Zealand, India and the Pacific and combines our expertise in commercial and small and medium enterprise insurance, with a targeted presence in personal lines, including home, motor and Compulsory Third-Party insurance.

North America

North America comprises operations in 15 major office hubs across the United States. We are an integrated specialist insurer providing specialty personal, commercial and reinsurance capabilities to meet our customers' evolving needs.



Group Head Office and Group Shared Services

Our Group Head Office (GHO) function based in Sydney, Australia, and our Group Shared Services Centre (GSSC) based in Manila and Cebu in the Philippines, exist to support our three operating divisions. The GSSC provides a range of back-office services to support QBE's customers and partners across North America, Australia, New Zealand, the Pacific Islands, Europe and Asia such as underwriting support, policy servicing, claims, control and customer service.

Blue Ocean and Equator Re

QBE Blue Ocean Re Ltd (Blue Ocean) is a wholly owned internal reinsurer for the QBE Group. The company provides reinsurance protection to QBE Group's operations in North America and, through its subsidiary Equator Re, provides reinsurance protection to the QBE Group's operations in other jurisdictions around the world. Blue Ocean and Equator Re aim to assist in the management of QBE Group's capital and net exposure to large individual risk and catastrophe claims.

Human rights and modern slavery governance

Human rights and modern slavery have been identified as material sustainability topics and Environmental, Social and Governance (ESG) risks for our business. These are overseen across the enterprise through collaboration between our Group Board and Group Executive Committee and our Sustainability, ESG Risk, Compliance, Legal and Procurement teams. For more detailed information on our sustainability governance, please refer to [our website](#).

Oversight and accountability

The Group Board and Group Executive Committee

Consistent with its charter, the Group Board is responsible for setting the standards and monitoring compliance with QBE's environmental, social and governance responsibilities and practices. This includes our policies and activities in relation to the environment and human rights. The Group Sustainability team regularly updates the Group Board on our sustainability performance.

Our Group Executive Committee (GEC) reviews and approves our sustainability strategy and priorities and is supported by the Environmental and Social Subcommittee (E&S GEC SC), the Executive Risk Committee (ERC) and ESG Risk Committee.

Environmental and Social GEC Subcommittee

The E&S GEC SC was established in 2021 to support sustainability integration across the Group and met ten times in 2022.

The Sustainability Committee supports the E&S GEC SC in the delivery and effectiveness of our sustainability strategy, initiatives, and reporting. It comprises senior representatives from across the Group who are involved in the day-to-day management of sustainability issues and are responsible for delivering on the actions associated with QBE's Sustainability Scorecard and commitments. These representatives come from business units including Risk, Compliance, Underwriting, Finance, Impact and Responsible Investments, Investor Relations, Human Resources/People, Company Secretariat, Operations and Procurement. The Sustainability Committee is chaired by our Group Executive, Corporate Affairs and Sustainability, a GEC member.

Executive Risk Committee and ESG Risk Committee

Our Executive Risk Committee also supports the GEC in managing ESG risks and met six times in 2022. The ESG Risk Committee is chaired by the Group Chief Risk Officer (GCRO) and attended by senior leaders from across the Group including Risk, Underwriting, Group Investments, Legal, Finance, Corporate Affairs and Sustainability, Compliance and Procurement. The committee continues to monitor the progress of our human rights and modern slavery program of work and oversees its key deliverables with the aim of ensuring that objectives are carried out in a timely manner to support the Board in its approach to modern slavery risk management. The committee meets at least quarterly and has been given an update in relation to our Human Rights Action Plan and our supply chains.

Third-Party Risk Management (TPRM) Steering Committee

In 2022, we formed a Group TPRM Steering Committee with responsibility for TPRM governance and oversight. The committee is also responsible for monitoring and horizon scanning for emerging legislation, risks and issues (including human rights and modern slavery issues), regularly reviewing the effectiveness of our TPRM framework and recommending amendments.

Integrating our approach to human rights and modern slavery across our business

Group Sustainability team

The Group Sustainability team, led by the Group Head of Sustainability, reports to the Group Executive, Corporate Affairs and Sustainability, a GEC member. The team drives sustainability across our business, including coordination and delivery of our approach to human rights and modern slavery across the business. The team works closely with business functions to embed consideration of human rights as part of decision-making processes.

Group Underwriting Sustainability and Governance team

To further integrate sustainability and ESG considerations as part of underwriting, we have a team of individuals working with the Group Chief Underwriting Officer, a GEC member.

Group Impact and Responsible Investments team

QBE has a dedicated Group Impact and Responsible Investments (IRI) team that reports to the Group Chief Investment Officer (GCIO) and the Group Chief Financial Officer (GCFO), a GEC member. The IRI team seeks to integrate ESG considerations into our investment decision-making process. The GCIO and the Head of IRI participate in numerous sustainability-related committees including the E&S GEC SC, ESG Risk Committee and Sustainability Committee.

Group Third Party Risk Management Governance Team

The Group TPRM Governance Team reports into our Technology and Operations Chief Operating Officer and the Group Executive, Technology and Operations, a GEC member. The team is responsible for overseeing our Group TPRM Policy and Standard, which embeds a range of risk domains relating to social and governance risks including modern slavery, data privacy, conduct risk, financial crime and business continuity.

Group ESG Risk team

The Group ESG Risk team reports to the Group Enterprise Risk Officer and GCRO, a GEC member. The team supports the identification, analysis and management of ESG risks and integration into our risk management practices and systems. In relation to human rights and modern slavery, the ESG Risk team provides subject matter expertise to review and challenge our ongoing program of work. The Group ESG Risk team is also responsible for referrals of our modern slavery risk assessments undertaken by our Procurement teams.

Divisional integration

To support alignment and integration of the enterprise-wide sustainability strategy, we maintain relevant divisional executive sustainability or ESG committees. In Australia Pacific, sustainability-related responsibilities are addressed through existing executive management forums. In Europe, we established a separate executive management committee for ESG-related topics in April 2022.

ESG Management Group - European Operations

The ESG Management Group (ESG MG) reports to the Divisional Executive Management Board and was established to strategically support the division's Executive Management in oversight of all elements of ESG including business opportunities, financial risks and regulatory requirements for the division.

Our operations

We take measures to integrate human rights considerations across our business as an employer, insurer and investor. QBE complies with applicable modern slavery, labour and human rights laws and regulations globally.

QBE's process to identify human rights and modern slavery risks

In 2022, we updated our internal human rights due diligence process. This reflects QBE's continued progress in embedding human rights, including modern slavery considerations, across the enterprise.

As a global insurer and reinsurer with diverse and complex operations and supply chains, we recognise that human rights abuses and modern slavery may exist within our business and supply chains, which may give rise to harm to individuals and communities. Any actual, or potential, violation of human rights, such as modern slavery allegations, is likely to have multifaceted risk consequences, such as reputation, brand, financial, legal, regulatory and operational risk. QBE rejects any form of slavery and takes active measures to prevent modern slavery risk throughout our supply chain.

Aligned with the UN Guiding Principles on Business and Human Rights, our approach covers potential human rights impacts that QBE may cause or contribute to through our own activities and/or actions in our supply chains, or which may be directly linked to our operations, products or services through our business relationships. The focus of our due diligence is to identify and address the relevant potential impacts on human rights. Our due diligence process involves five key steps:

- identifying potential human rights impacts;
- assessing and prioritising human rights risks that have been identified;
- integrating and acting on our findings;
- tracking responses; and
- communicating how our potential impacts have been assessed and addressed.

The scope of our due diligence process considers our potential impact or involvement on a broad range of human rights impact areas and issues, including forms of modern slavery such as forced labour, debt bondage and child labour; discrimination; freedom of association; occupational health and safety; a living wage; excessive overtime; gender equality; migrant workers; and Indigenous Peoples. These potential impact areas were assessed in relation to our role:



as an employer;



as an insurer;



as an investor;



as a business partner;



in relation to our communities.

Based on our identification of our potential human rights impacts, we were able to conduct an initial Group-level desktop review of controls including governing documents and policies, guidance, systems and processes relating to each of our activities. The process was intended to help inform and prioritise Group and Divisional level activities. Our review identified various levels of integration of human rights considerations by activities and themes which allowed us to develop and prioritise our Human Rights Action Plan.

Our workforce

At QBE, we are committed to continually improving our employee experience, wellbeing, safety, and workplace environment, wherever our people are located. We strive for a culture that embraces diversity, seeks feedback, and encourages people to speak up.

Building an organisational culture that supports and enables us to achieve our purpose, vision and strategy is a strategic priority for our business. In 2022, we continued to embed the QBE DNA across the organisation and consider how the seven interlinked cultural attributes help guide our decision-making. For us, 'how' people go about their work is seen as just as important as 'what' gets achieved. These seven attributes describe who we are, what we stand for, and how we should operate to deliver our vision and strategic plan. Our QBE DNA can be summarised as follows:

We are *customer-focused*

We are *technical experts*

We are *inclusive*

We are *fast-paced*

We are *courageous*

We are *accountable*

We are a *team*

Our [Group Code of Ethics and Conduct](#) reinforces the importance of 'how' we do things. It sets professional standards that apply across QBE and provides guidance to support ethical decision making.

In early 2022, we launched our new approach to Inclusion of Diversity. At QBE, we have a broad view of diversity that includes all the ways people are visibly and invisibly different. We know that to realise the benefits of all the ways we are different, we have to create an environment where everyone is, and feels, included. Our refreshed policy sets out our expectations for how we interact with each other, and our aspiration to be a positive influence for inclusion of diversity beyond the boundaries of the organisation.

At QBE, we strongly believe in equal pay for equal work. We regularly assess pay equity in our workforce based on key drivers such as role, location, and performance, enabling us to identify areas for improvement, and giving us confidence that we have gender pay equity on a like-for-like basis. We recognise that some pay gaps remain at an individual level and will continue to work to address any gaps through our ongoing annual salary review processes.

We also continued to make positive progress towards our target of 40% women in leadership across QBE, with an increase over the last year from 35.9% to 38.6%. Further workforce metrics relating to people and culture can be found in our [2022 Sustainability Report](#) and [Data Book](#).

QBE is committed to:

- continuing to pay our employees at least the living wage³ or equivalent in our countries of operation;
- providing and maintaining a safe, secure and healthy working environment for all employees; and
- creating an open, safe and transparent environment where employees are encouraged to speak up and report genuine concerns about conduct or activity.

Contractors and sub-contractors are also subject to probity checks with the aim of ensuring compliance with all laws, regulations and codes applicable to the provision of their services.

More information on our people and culture can be found in our [2022 Sustainability Report](#).

3. Living wage is defined as the minimum income necessary to meet basic needs.

Employee training and awareness

Each year, we aim to deliver training to help our employees develop their knowledge of modern slavery, including how to identify modern slavery risk within our operations and supply chains. In 2022, we continued to deliver targeted training for employees across the enterprise with direct responsibility and contact with our supply chain.

In 2022, 99.4% of our employees completed the annual Code of Ethics and Conduct training. This is the key training module providing human rights awareness and understanding of our human rights commitments. The training includes different examples and scenarios for employees to work through to help operationalise our commitments.

An additional optional training module was launched on the UN Human Rights Day in December 2022 to further deepen employees' awareness of:

- human rights and what is modern slavery;
- the role of business in relation to respecting human rights and how human rights are relevant to QBE; and
- steps that can be taken to mitigate human rights-related risks.

All employees have continuing access to this module as part of our learning platform. We will track uptake of the module quarterly at a global level.



Underwriting

QBE predominantly provides its products and services to retail and commercial customers globally.

As a signatory to the Principles for Sustainable Insurance, we take an active approach to risk management. We continually work to integrate sustainability and address current and emerging ESG risks, such as modern slavery risk, and opportunities in our decision-making processes. Our Group Underwriting Standards (GUS) continue to support our commitment to responsible underwriting. These standards include:

- strict adherence to compliance and regulatory obligations underpinning global efforts to combat terrorism, corruption, corporate and organised crime and human rights violations;
- identifying and integrating ESG issues into risk management and underwriting decision-making processes;
- developing products and services with a positive impact on ESG and conduct issues; and
- working with our customers and business partners to raise awareness of ESG and conduct issues, manage risk and develop impactful solutions.

Respecting human rights as an insurer and investor

On 1 January 2022, our Environmental and Social (E&S) Risk Framework came into effect. This was a result of a risk mapping of key environmental and human rights risks for specific sectors in our underwriting and investment portfolios that was completed in 2020. The process led to the identification of ten sensitive sectors requiring minimum due diligence processes or revised risk appetites and strategies. Our positions on these sensitive sectors are reflected in the E&S Risk Framework.

The framework sets out the minimum criteria for screening to address these key environmental and social risks across our investment and underwriting activities. All direct investments and underwriting activities are subject to the framework, which specifies detailed commitments and criteria for a range of sectors we have identified as higher risk for human rights, including:

- defence: controversial weapons and firearms; and
- energy: coal, oil sands and Arctic drilling, oil, and gas.

To the extent that we are able, we also encourage our customers to adhere to best practice risk management practices in their business activities.

Since 2018, our GUS have incorporated our responsible underwriting principles, reflecting our position on environmental and social risks. The Group Underwriting Committee, chaired by our Group Chief Underwriting Officer (GCUO), with membership from across the enterprise, oversees adherence to the GUS and corporate strategy. This role has accountability of our material sustainability topics through a position on the E&S GEC subcommittee, Executive Risk Committee and ESG Risk Committee.

The E&S Risk Framework outlines our approach to addressing key environmental and social risks across our underwriting and investment activities. Underwriting training was delivered throughout 2022 to further embed ESG risk management, and drive consistent application of the E&S Risk Framework's sensitive sector positions. This training supports operational adherence to our commitments and policies, including the GUS, Group Environmental Policy, Group Human Rights Policy, and E&S Risk Framework. Our GCUO and GCRO monitor our referral process, and preventative and detective controls. To date, there have been no known cases of non-adherence to the E&S Risk Framework.



Investments

QBE manages an international, multi-asset, multi-currency investment portfolio, and is a signatory to the Principles for Responsible Investment (PRI). We factor ESG considerations into our investment decision-making processes to seek to manage risk, improve long-term, risk-adjusted financial returns, and align our approach with stakeholder expectations.

As a responsible global investor, we recognise that our decisions can have a positive or negative impact on people, society, and our communities. Our Investment Philosophy Framework underpins this and is designed to deliver an investment outcome that facilitates the protection and growth of appropriate stakeholder value. Further information on this can be found on our [website](#).

As an asset owner, we seek to responsibly invest our proprietary assets, including our premium income, across the globe. Our fixed income portfolio represents the majority of our overall investment assets, with

the portfolio largely managed directly using in-house portfolio managers and analysts. We also invest across multiple asset classes utilising external fund managers and are committed to ensuring they align with QBE's responsible investments approach. We aim to maintain a minimum of 90% of all funds under management with external managers that are PRI signatories. The PRI supports investors' efforts to address social issues such as human rights, working conditions and modern slavery within companies in their portfolio.

Our IRI team seeks to generate appropriate risk-adjusted returns along with a positive, measurable, social and/or environmental benefit. Human rights and modern slavery considerations are embedded as part of our investment due diligence and ongoing engagement approaches.

Due diligence of our investment portfolio

Our membership of several ESG-focused alliances, such as the Responsible Investment Association Australasia (RIAA), helps guide our approach to human rights in our investment strategy.

We consider ESG integration through the inclusion of material ESG factors, such as modern slavery and human rights issues, into investment analysis and decision-making. All investment grade corporate credit issuers must meet relevant criteria set out in our E&S Risk Framework, Group Sanctions Policy and Group Human Rights Policy. We integrate ESG into the credit analysis process through our internal, proprietary credit assessment framework that identifies suitability and eligibility for our portfolio.

This process was enhanced in 2022 to further incorporate human rights considerations for investment grade corporate credit issuers. We broadened our due diligence questions to consider an additional 14 data points on human rights and modern slavery in order to determine the level of risk exposure an investee might have. Updated focus areas included policies, controversies, labour standards, and diversity, equity and inclusion, informed by data sourced from our third-party data provider.

We also invest across multiple asset classes utilising external fund managers and are committed to ensuring they are aligned with QBE's responsible investments approach. In 2022, as part of the implementation of our Group Human Rights Policy, we incorporated additional human rights-focused questions for all our external managers. Our methodology allows us to produce a quantitative indicator score of how our external managers are implementing responsible investment practices and approaching key ESG areas. This allows us to understand our exposure to ESG risks and opportunities and informs our engagement approach, with the aim of achieving real-world outcomes.



QBE Foundation

The QBE Foundation seeks to create strong, resilient, and inclusive communities across the globe where human rights are respected. We work in partnership with community organisations, guided by our global strategy, with a focus on climate resilience and inclusion - two areas where we believe we can have the greatest impact.

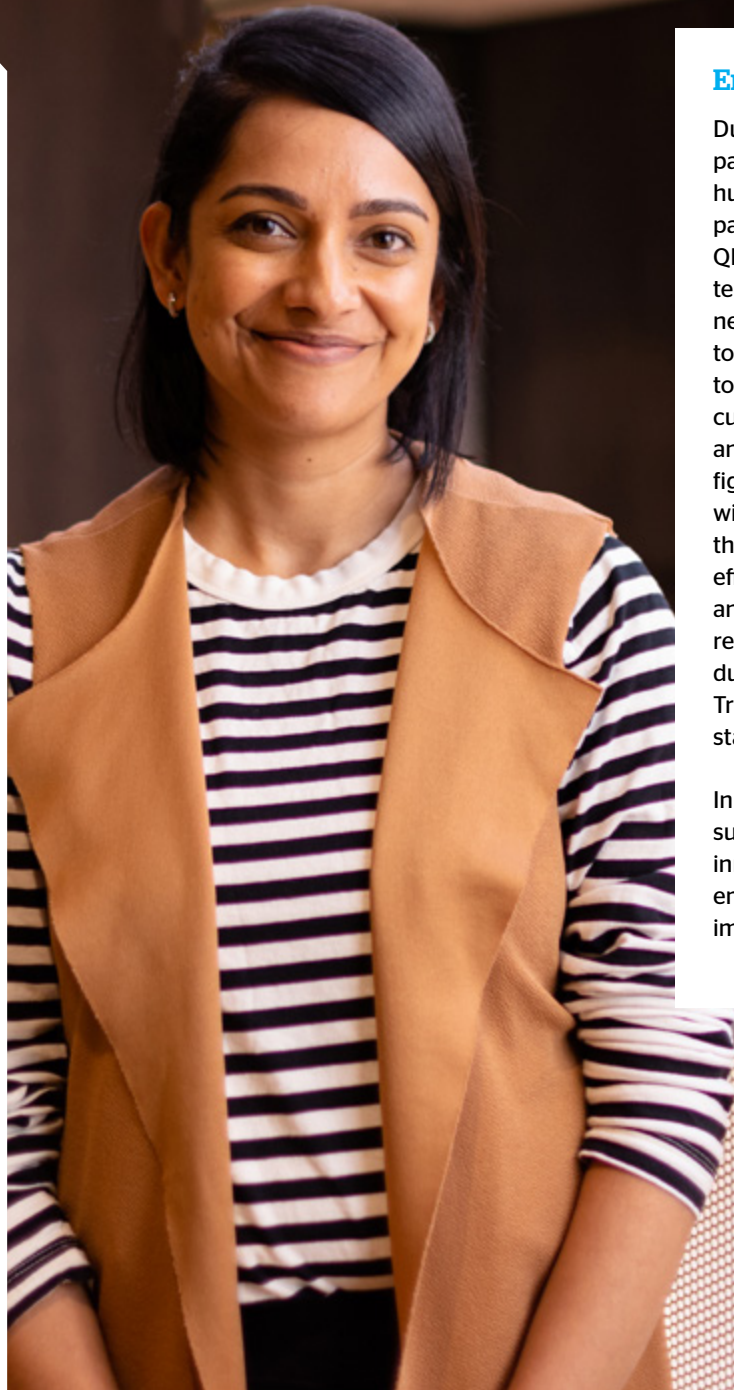
We work closely with our community partners to create a long-term, sustained impact on the community. In addition to funding, we work in collaboration with our charity partners to support events, fundraising, advocacy, volunteering and to seek out other ways to support their work.

QBE Foundation local grants are a way for us to provide meaningful support for community initiatives outside of our community partnerships. Each year during our application period, we invite charities to apply for grants addressing specific areas of need. The total of our community contribution in 2022 was over \$5.88 million.

Engaging our communities

During the reporting period, we continued to participate in community initiatives related to human rights. In North America, we continued our partnership with Collective Liberty, a finalist in QBE AcceliCITY 2020. Collective Liberty leverages technology to produce actionable intelligence needed by law enforcement and other agencies to prosecute human traffickers, as well as helping to protect and liberate survivors. They provide curated data, intelligence and case studies, and tech-driven, cutting-edge approaches to fighting and stopping perpetrators. Combined with legislative efforts to create systemic change through public policy, it is their mission to effectively end all forms of human trafficking and ensure survivors have access to necessary resources. A fundraiser and awareness campaign during the United States' National Human Trafficking Prevention Month was launched by 20 staff volunteers in January 2022.

In 2022, we also worked with Restore NYC who support survivors of human trafficking through innovative counselling, housing and economic-empowerment solutions that provide access to improved well-being, safe homes and real jobs.



Our supply chains

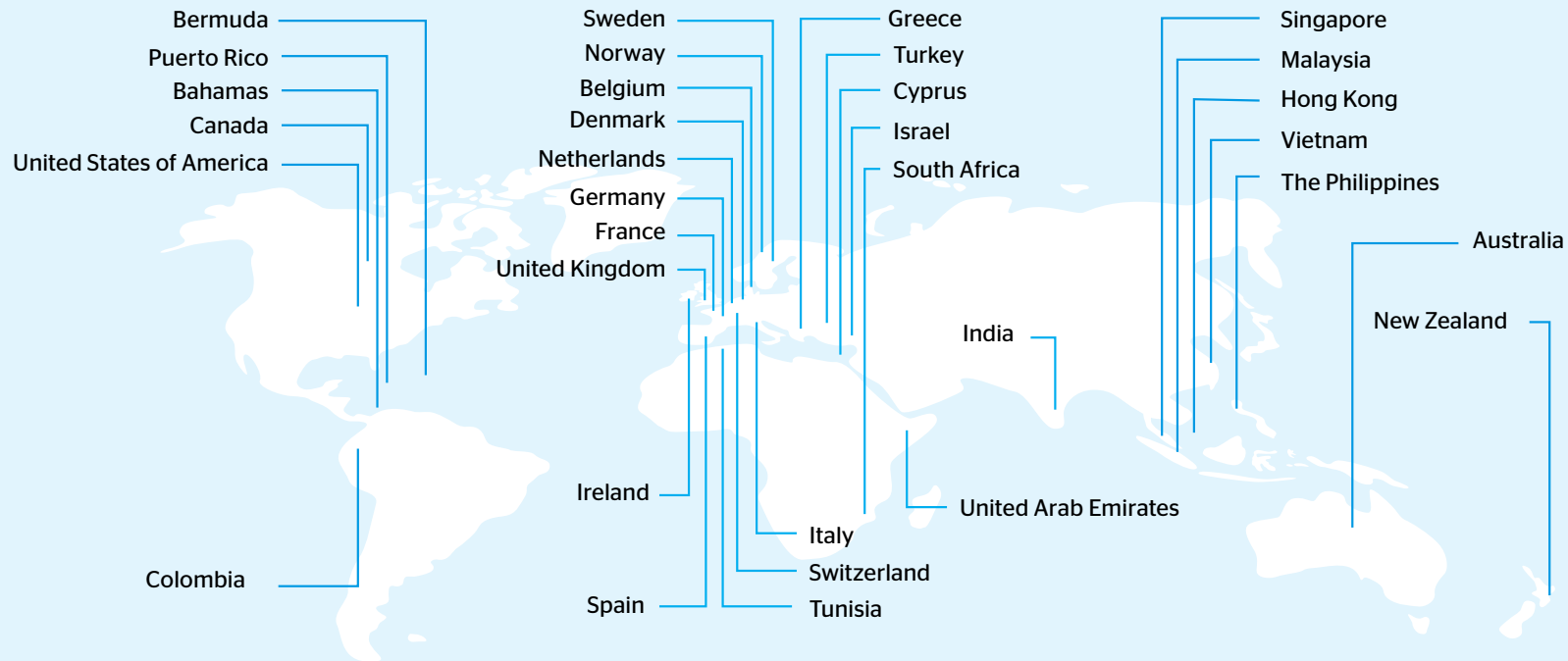
As a global insurance and reinsurance provider with operations in 27 countries, our supply chain is elaborate and comprises a supplier network from many different regions around the world. The following map provides an overview of the global footprint of where the majority of our suppliers are domiciled.

QBE suppliers are mainly sourced by various procurement functions that operate across the QBE Group. Procurement at QBE is broken down into three key operational areas - Claims, IT, and Indirect Procurement. Other areas of the business that also procure goods and services are functions such as Underwriting and Investments.

We recognise that as an entity with a global supply base, our approach to modern slavery can influence the business conduct and performance of our suppliers. As such, we remain committed to continually improving our approach to identifying, assessing and mitigating modern slavery risks in our supply chains.

During the reporting period, we procured over \$1 billion of goods and services from more than 2,200 contracted suppliers globally.

Global landscape of suppliers

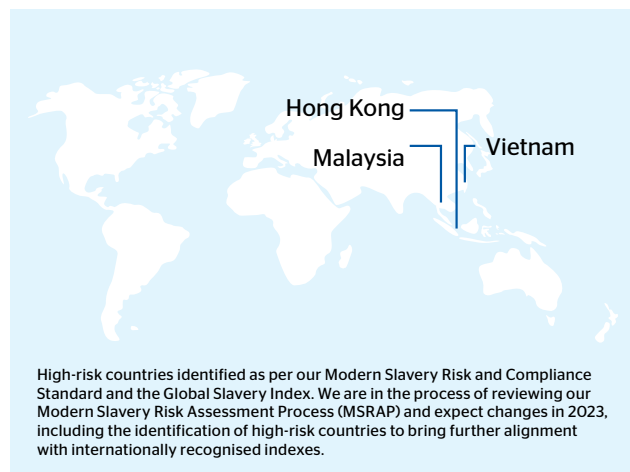


Identifying modern slavery risks in our supply chains

As part of our Group Modern Slavery Risk and Compliance Standard, we require suppliers to respond to an initial modern slavery questionnaire which serves as an initial triage process. In particular, this initial triage identifies the following modern slavery risk factors that we consider material to our operations and supply chain. These are:

Geographic risk

The following map provides an overview of the geographic locations classified as high-risk for modern slavery and human trafficking where our suppliers are domiciled.

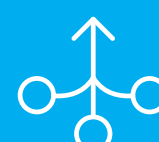


Sector risk

Based on our understanding of sector risk and data from publicly available research about high-risk sectors and activities, we consider the modern slavery risks which have the potential to be found in all of our supply chain operational areas. Below we highlight some key considerations for each operational area of procurement:



IT procurement: Our electronic and IT suppliers are most likely to have operations in high-risk countries where a low-skilled labour force is used. Suppliers from this sector have the potential to connect QBE to modern slavery through their manufacturing or sourcing activities.



Indirect procurement: As indirect procurement can include cleaning, maintenance and other accommodation and food service activities, we consider these employees as more susceptible to the risk of exploitation due to the various levels of contracting giving rise to decreased visibility for QBE, and we recognise these roles require greater focus.



Claims procurement: We consider that certain claims partners may have an extended supply chain where modern slavery risks may be present. For example, the sourcing and manufacturing of certain raw materials required to manufacture goods and/or provide services during the claims fulfilment process. This includes agriculture, forestry and fishing, construction, mining, and quarrying.

Our risk assessment process

In early 2022, we introduced the Third Party Risk Management (TPRM) Policy and Minimum Standards to improve and uplift our controls and capabilities to manage third party risk. The TPRM documents were developed to provide a consistent framework across our operations to conduct risk assessments for third parties for risk domains such as modern slavery. This occurs prior to onboarding and increases the visibility of modern slavery risk management activities within our supply chain. As part of our TPRM Framework, we have embedded a range of risk domains relating to human rights including modern slavery, privacy, conduct risk, financial crime and business continuity.

For the modern slavery risk domain, the Group Modern Slavery Risk and Compliance Standard, which was formally rolled out in early 2021, provides an overview of our due diligence process also known as the Modern Slavery Risk Assessment Process (MSRAP). We continue to implement this across the Group and in our divisions in a consistent manner.

QBE's Modern Slavery Risk and Compliance Standard requires suppliers which are found to operate in both a high-risk sector and a high-risk geography to complete a further, more detailed modern slavery risk assessment. This assessment informs our understanding of the level of control procedures that they have in place to identify and mitigate modern slavery risks within their operations or within their own supply chain. This determines whether we can work with the supplier and if any remedial action may be required prior to commencing a relationship with a supplier.

While our divisions and group functions have differing levels of maturity, capacity and processes, we seek to encourage and work to introduce measures to provide consistency across the business when assessing modern slavery risk. Our aim is to continue to improve our knowledge and understanding in relation to our risk assessment approach and to drive best practice throughout the Group to achieve:

- a more effective approach to identifying modern slavery risks within our supply chains;
- a greater understanding of our supplier landscape and third-party relationships to determine where modern slavery risks can be further assessed; and
- greater reporting of modern slavery risks in a standardised and consistent manner to proactively monitor risk trends and generate actionable insights.

In 2022, we performed over 1,400 modern slavery risk assessments globally, both for new suppliers and existing suppliers who were due to be reassessed. Of these, we found 13 suppliers to be rated 'medium-high' risk and five 'high' risk for modern slavery and human trafficking. Most of these suppliers are IT suppliers, with a small number being from Indirect and Claims. All of these suppliers were referred to and further assessed by our Risk, Compliance and Legal teams to determine the suitability of procuring from them. We found sufficient levels of controls within these suppliers' internal procedures and all suppliers were deemed suitable to work with.





Recognition of risks and our ability to leverage suppliers

We recognise that as a business our activities may have the potential to cause, contribute, to or be linked to modern slavery risks in our operations and supply chain. When identifying potential risks, we use guidance such as the UN Guiding Principles on Business and Human Rights (UNGPs) to understand our involvement or linkages to those risks.

We also recognise that as an entity with a global supplier base, our approach to modern slavery can influence the business conduct and performance of our suppliers. As such, we aim to continually improve our approach to identifying, assessing and mitigating modern slavery risks in our supply chain, as well as working on improving our modern slavery risk assessment processes with our suppliers.

We strive to assess all incoming and continuing suppliers to better understand and determine the modern slavery risk inherent in their business. Higher risk suppliers are further assessed by our Risk, Compliance and Legal teams to determine whether the supplier is acceptable and falls within our risk appetite.

Compliance monitoring review

Our Group Compliance monitoring review of the Modern Slavery Risk and Compliance Standard showed varying levels of maturity across our divisions, with different systems and processes in place to support our modern slavery risk assessments. We will continue to work with our divisional procurement teams to embed the TPRM and consideration of modern slavery as part of their risk management processes and seek to make them more consistent across the business over time.

Contractual provisions

QBE includes anti-modern slavery clauses in our standard Global Supply Agreement template, which is the starting point for our contracts with many of our IT and Indirect suppliers. Modern slavery and supplier clauses are still relatively new, and QBE will continue to work with our suppliers to embed these clauses consistently across our key supplier contracts and service agreements.



Remediation process

Any actual or potential risk of modern slavery within our operations or supply chain is reportable through our Risk and Compliance teams directly, or through other channels such as whistleblowing. Following any report of modern slavery within our supply chains, we will take all reasonable steps to investigate. We will then attempt to address any modern slavery concerns with the relevant supplier and endeavour to agree on a remediation action plan including the steps set out below, where appropriate.

1. Ensure all individuals are safe

This means protecting the safety and wellbeing of anyone who has been identified as a potential victim of modern slavery and/or individuals who have raised concerns about modern slavery through our whistleblowing process.

2. Identify and respond

We will explore, together with the identified supplier, possible remedial action to assist any person that may be subject to any actual or potential harm or trauma.

3. Verify the allegation or suspicion

Where there is reasonable evidence of a real or potential modern slavery risk within our supply chains, all relevant procurement teams are required to report such a case to our Risk and Compliance teams for further investigation.

4. Determine the type and level of response

Certain types of remedial action may require tailoring to the particular situation, risk or incident. We may require that suppliers work collaboratively with internal and external stakeholders with the aim of ensuring any person at risk is safe and removed from further risk of harm.

5. Design remediation action plan

We will work with our suppliers to encourage them to take various remediation steps that may range from an apology through to restitution or compensation; trauma counselling; securing agreed remedial action from the relevant supplier; facilitating the right of workers to collective action; supporting affected persons to access legal remedies and/or assisting at-risk persons to secure alternative employment.

6. Implement and monitor the remediation action plan

All plans that are formally implemented are monitored by appropriate, independent employees with the aim of ensuring they are completed effectively, and in a timely manner.

7. Document and close the case

Once a plan is complete, with all necessary action(s) undertaken, the issue and remediation is appropriately documented and closed in accordance with the QBE Incident and Issue Management Standard.

Raising concerns

Through our annual compliance training on the Group Code of Ethics and Conduct, all QBE employees are provided with information that communicates their responsibility to report instances or suspected instances of human rights violations in accordance with the QBE Incident and Issue Management Standard, to their direct manager and their local Divisional Compliance team. Where a QBE employee or contractor prefers to report an incident or suspected incident anonymously, this can be done in accordance with our Group Conduct Reporting & Whistleblowing Policy and processes. External parties may report human rights incidents through their QBE procurement manager, relationship manager or business owner.



Our internal policies and procedures

QBE has a global policy framework in place, aimed at ensuring transparency and accountability across all areas of governance. We maintain a wide range of policies and procedures that are aligned with our approach to modern slavery and are committed to:

- promoting and upholding human rights principles; and
- continuing to embed these across a wide range of policies, frameworks and processes.

Our policies, frameworks and standards are reviewed in line with our Group Governing Document Management Standard within prescribed timeframes and in the context of changing legal, regulatory and business requirements.

Group Code of Ethics and Conduct

QBE's Group Code of Ethics and Conduct (Code) applies across the organisation to everyone – employees, contractors (long or short term), contingent workers (including consultants), directors, agents and anyone else who represents QBE in any capacity.

Our aim is that QBE remains a positive, safe and inclusive place to work, free from all forms of unlawful behaviour, where everyone is treated with dignity, courtesy and respect. We want our people to feel confident to share their thoughts, participate in discussion, and to raise risks, issues or concerns. This includes reporting genuine concerns about any conduct they believe to be in violation of human rights or amounting to actual or potential instances of modern slavery.

It is important that our approach to ethics and conduct keeps pace with community expectations. We perform an annual review of our Code to make sure it remains relevant for our business and stakeholders in an ever-changing world. During the reporting period, we updated our Code, strengthening how we communicate conduct expectations to our people.

Group Human Rights Policy

QBE's Group Human Rights Policy is underpinned by our status as a signatory to, and our commitment to uphold, a number of international human rights-related principles.

Our policy provides an overview of the principles QBE adopts in relation to managing human rights, the requirements to integrate human rights considerations into all our business operations, and the roles and responsibilities of our different business units. The policy enables issues relating to human rights violations to be identified, managed, resolved and reported. It applies to our role and activities as an employer, insurer, investor and business partner, and in our interactions with customers and communities.

Third Party Risk Management Policy and Standard

Our TPRM Policy and Standard is designed to set out a consistent enterprise-wide approach to the identification, assessment and ongoing management of the risks arising out of the engagement of third parties, such as suppliers. The policy was approved in early 2022 and rolled out across our business with an effective date of 1 January 2022.

Group Modern Slavery Risk and Compliance Standard

During the reporting period, we continued to implement our Group Modern Slavery Risk and Compliance Standard, which outlines our MSRAP. This comprises a list of questions, scoring methodology, and set of outcomes or a risk rating arising out of the scoring. The head of each Procurement team is responsible for facilitating the implementation of the MSRAP as part of the due diligence process for suppliers, and for scheduled reviews of the MSRAP.

Group Conduct Reporting & Whistleblower Policy

Our Group Conduct Reporting & Whistleblower Policy outlines QBE's principles, approach and channels for reporting, and the protections for disclosures of suspected or actual wrongdoing based on reasonable belief, including matters relating to our supply chains, or any human rights-related issues or concerns.

QBE provides various channels to raise concerns including an independent third-party reporting service called the Ethics Hotline. This is available in most locations to support the raising of concerns confidentially and anonymously, subject to local laws. The Ethics Hotline has multilingual capabilities, and can be accessed via web or by phone. A modern slavery category is available for stakeholders to select.

We are committed to protecting and supporting those who raise concerns, so that they feel safe to do so. In accordance with our policy, those raising concerns will be protected from any detrimental acts or omissions, including victimisation and retaliation.

Our Group Compliance team provides regular updates, including a dashboard, to a committee of the Group Board. Matters are escalated as needed, including from our Group Whistleblowing Committee. This is supported by local and divisional reporting and processes. We will continue to review and refine our reporting of whistleblower cases.

Supplier Sustainability Principles

QBE is committed to conducting business in a responsible and sustainable manner. We understand that our purchasing decisions not only affect our performance, reputation and risk profile, but also affect the economy, environment and communities in which we operate, including impacting people.

Our Supplier Sustainability Principles (SSPs) are designed to set minimum expectations for our suppliers in the areas of compliance; sanctions; bribery and corruption; privacy; human rights; workplace practices; diversity and inclusion; workplace health and safety; environmental management; supplier diversity; community; and whistleblowing.

We believe that all workers in our supply chain deserve to be treated with dignity, respect, and in a manner which complies with ethical workplace practices. We acknowledge that some workers in our supply chain may be vulnerable due to factors including their age, gender, race, religion, marital status, sexual orientation, disability, immigration status or any other status protected by law. We believe that by setting clear expectations through the SSPs, suppliers to QBE will better understand the importance of the human rights of workers in their own supply chains to assist in mitigating the risks of exploitation.

The SSPs are incorporated into our Global Supply Agreement template, which is the starting point for our contracts with many of our IT and Indirect suppliers. Some divisional contracts, such as our European Operations Indirect procurement contracts, also refer to the SSPs. Our request for tender proposal documents, specifically those in North America and used for our most strategic arrangements, require a supplier to accept and confirm their ability to comply with the SSPs.

Environmental and Social Risk Framework

The E&S Risk Framework outlines our approach to addressing key environmental and social risks across our investment and underwriting activities. The E&S Risk Framework outlines the minimum criteria that we are committed to adhering to as a business regarding human rights and the environment in our investment and underwriting business. The framework is operationalised through the E&S Risk Framework Underwriting Application and the E&S Risk Framework Investments Monitoring Procedure.

Assessing the effectiveness of our actions

Assessing the effectiveness of our actions is a critical part of driving continuous improvement in our approach to identify, assess and address modern slavery risks. We have some specific measures, metrics and key performance indicators in place and are working towards a consistent global measurement.

Governance

In line with its charter, the Group Board is responsible for overseeing QBE's social, ethical and environmental responsibilities across the business. The Board is supported by the Board Risk & Capital Committee, comprised of independent directors, which guides QBE's sustainability approach, initiatives and reporting. This includes oversight of human rights and modern slavery risks within our enterprise risk management framework. In 2022, there were no known incidents of modern slavery that arose for escalation through our various channels.

Actions to address modern slavery risks in our supply chain

Our Group Risk, Compliance and Legal teams regularly receive referrals from our Procurement teams in relation to suppliers who are found to operate in both a high-risk sector and a high-risk geography and have been required to complete a full modern slavery risk assessment. Group ESG Risk reviews the information and supporting documentation provided by the supplier and advises the relevant Procurement team on the adequacy of controls.

Compliance monitoring review

Our Group Compliance monitoring review of the Modern Slavery Risk and Compliance Standard showed varying levels of maturity across our divisions, with different systems and processes in place to support our modern slavery risk assessments. We will continue to work with our divisional procurement teams to embed the TPRM Policy and consideration of modern slavery as part of their risk management processes and seek to make them more consistent across the business over time.

Risk management review

We regularly review our internal policies and standards that make up our risk and compliance framework with the aim of ensuring that we remain up to date within all areas of risk management, including the management of modern slavery and human rights risks.

Training

In 2022, 99.4% of our employees completed the annual Code of Ethics and Conduct training. This is the key training module on human rights awareness and understanding of our human rights commitments. The training includes different examples and scenarios for employees to work through to help operationalise our commitments.

We monitor training by tracking employee completion rates for mandatory and optional training modules through our internal systems with the aim of ensuring that those who are involved in our supplier management processes understand what modern slavery is and how to identify risk indicators.

Benchmarking and feedback through industry peers and bodies

External benchmarking helps us to develop our roadmap to enhance modern slavery risk management. We continue to utilise insights from reputable research institutions and leading industry associations to improve our due diligence processes and reporting transparency. During the reporting period, Monash University⁴ conducted a modern slavery statement disclosure quality review to assess the quality of ASX-listed companies and their modern slavery disclosures. QBE was part of the assessment and received a 'biggest improvement' acknowledgement as part of the disclosure scores.

Reporting concerns

Each year, we aim to understand the types of concerns that have been raised through our Ethics Hotline. To date, no reports of modern slavery, or indicators of actual or potential modern slavery, have been reported through this, or any of our other mechanisms.

Over subsequent reporting periods, we will continue to develop key performance indicators to measure the effectiveness of our actions, in line with our continuous improvement approach.

4. Modern Slavery Disclosure Quality Ratings ASX 100 Companies Update 2022

Next steps

Year-on-year we seek to improve our efforts to identify, address and mitigate human rights issues and modern slavery risks within our operations and supply chains. We recognise that this is an ongoing commitment requiring a Group-wide effort and continuous evolution in our program of work, risk management processes and reporting capabilities.

Our next steps are embedded within our Human Rights and Modern Slavery program of work, which was developed in 2022 on the basis of our findings from our ongoing reviews, audits, data gathering and conversations. In addition to the cyclical review of internal policies and our continuous improvement approach to our risk management, we will continue to build knowledge and awareness through:

- participation in the United Nations Global Compact 2023 Business & Human Rights Accelerator program to gain insights;
- leverage our bespoke training module to further raise awareness of the importance of human rights and modern slavery at QBE; and
- continue collaborating and working closely with external stakeholders and industry forums or frameworks (such as the PRI and PSI) to support human rights and modern slavery programs of work.

Collaboration with industry

We acknowledge the importance of working alongside other industry leaders and bodies to share information, and learn leading practices. This helps tackle new and emerging human rights and modern slavery issues collectively, for a greater impact. As part of our membership of the UNGC Network Australia, we participate in its Modern Slavery Community of Practice. This forum explores challenges and best practices, and provides an interactive and collaborative platform for companies working to comply with modern slavery laws. This working group also assists us to develop solutions to address local and global challenges relevant to our industry.

In 2022, we also participated in the Insurance Council of Australia's modern slavery working group. Its aim is to create an industry-wide community of practice on modern slavery to help collectively lift the literacy of insurers and fast track how the industry works to mitigate modern slavery risks to people. We acknowledge that the insurance sector has a role to play in reducing the risk of modern slavery to people, by effectively managing this risk in its operations and supply chains.

As part of our membership of the RIAA, we continue to participate in its Human Rights Working Group and First Nations Peoples' Rights Working Group. These forums provide us with insights into the consideration of human rights and First Nations Peoples' rights as part of our investment portfolio.

Throughout the reporting period, we participated in a variety of industry forums and discussions on modern slavery, taking our learnings in-house and translating these to enhance and develop our processes. We believe that building strong relationships with the broader industry is integral to creating and empowering real change.



Process of consultation with other controlled entities

This statement has been prepared by the QBE Group parent entity, QBE Insurance Group Limited (ASX: QBE), in consultation with its controlled entities. This includes Australia Pacific, North America and International divisions as described on page 9. The statement is submitted on behalf of QBE and each of these reporting entities in respect to the financial year ended 31 December 2022.

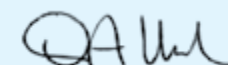
The process of consultation involved direct engagement by the Group Sustainability team with each QBE division. There was extensive stakeholder engagement with our key teams that sit within our Group and divisional functions who are responsible for delivering and leading our human rights and anti-modern slavery objectives for our operations and supply chains. These teams include our Legal and Company Secretariat, Compliance, Risk (including ESG Risk), Procurement, People, Underwriting, Impact and Responsible Investments and Corporate Affairs and Sustainability.

This statement has been endorsed by all reporting entities within the QBE Group.

The statement was reviewed and approved by our divisional Executive Management Boards and divisional Boards where legislation is applicable to our reporting entity. The Statement was also reviewed by the GEC, who are collectively responsible for the day-to-day management of the Group and leading the delivery of our strategic objectives, and approved by the Group Board.

Detail on the approval of the statement

This Statement has been prepared on behalf of QBE Insurance Group Limited ABN 28 008 485 014, and its controlled entities and was approved by the Board of QBE Insurance Group Limited on 7 June 2023 and by the Boards of European Operations plc, QBE Underwriting Limited, QBE UK Limited, QBE Europe SA/NV, QBE Management Services (UK) Limited and QBE Partner Services (Europe) LLP on 16 May 2023. This Statement is signed by a responsible member of QBE Insurance Group Limited.



Andrew Horton

Group Chief Executive Officer,
QBE Insurance Group Limited

7th June 2023

