



2023 Gender Equality Bond

Progress Report

Year ended 31 December 2023

QBE INSURANCE GROUP LIMITED

Disclaimer

The material contained in this document is intended to be general background information on QBE Insurance Group Limited (QBE) and its activities current as at the date of the document.

This document is for distribution only to persons who are not a 'retail client' within the meaning of section 761G of the *Corporations Act 2001* of Australia and are also sophisticated investors, professional investors or other investors in respect of whom disclosure is not required under Part 6D.2 or Part 7.9 of the *Corporations Act 2001* of Australia and, in all cases, in such circumstances as may be permitted by applicable law in any jurisdiction (including Australia) in which the investor may be located.

This document does not constitute a prospectus, offering memorandum, an invitation to subscribe for or to buy any securities or an offer for subscription or purchase of any securities or a solicitation to engage in or refrain from engaging in any transaction. It should not be reproduced, distributed or transmitted to any person without the consent of QBE and is not intended for distribution in any jurisdiction in which such distribution would be contrary to local law or regulation.

Any securities referred to in this document have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the 'Securities Act') and may not be offered or resold within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act) unless in accordance with an effective registration statement or an exemption from registration under the Securities Act and applicable U.S. state laws.

The information is supplied in summary form and is therefore not necessarily complete. Also, it is not intended that it be relied upon as advice to investors or potential investors, who should consider seeking independent professional advice depending upon their specific investment objectives, financial situation or particular needs. This document does not constitute financial product advice. The material contained in this document may include information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

Information contained in or otherwise accessible through the websites mentioned in this document does not form part of the document unless it is specifically stated that the information is incorporated by reference thereby forming part of the document. All references in this document to websites are inactive textual references and are for information only.

This document may contain statements that constitute 'forward-looking statements' regarding QBE's intent, belief or current expectations with respect to QBE's business and operations, market conditions, results of operations and financial condition, capital adequacy, specific provisions and risk management practices. Forward-looking statements are statements about matters that are not historical facts.

When used in this document, words such as 'will', 'may', 'expect', 'indicative', 'intend', 'seek', 'would', 'should', 'could', 'continue', 'plan', 'probability', 'risk', 'forecast', 'likely', 'estimate', 'anticipate', 'believe', 'aim' or other similar words are intended to identify forward-looking statements. These forward-looking statements reflect QBE's current views with respect to future events and are subject to change, certain risks, uncertainties and assumptions which are, in many instances, beyond QBE's control and have been made based upon management's expectations and beliefs concerning future developments and their potential effect upon QBE.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including QBE or any of its advisers). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. There can be no representation, warranty or assurance (express or implied) that future developments will be in accordance with QBE's expectations or that the effect of future developments on QBE will be those anticipated. Actual operations, results, performance, production targets or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based depending on the outcome of various factors.

When relying on forward-looking statements to make decisions with respect to QBE, investors and others should carefully consider such factors and other uncertainties and events. QBE is under no obligation to update any forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, after the date of this document.

Table of contents

Introduction	3
United Nations Women's Empowerment Principles	4
Framework summary	5
QBE	6
Spotlight on select investments	
Commonwealth Bank of Australia	7
NAB	8
Westpac	9
Allocation of proceeds	10

Introduction

QBE Insurance Group Limited (QBE) recognises that we have responsibilities not only towards our customers, employees and shareholders, but also the countries and communities in which we operate.

This means understanding and managing the impact we have on society and the environment, and investing in the future of our employees and the communities we serve.

In November 2017, QBE issued its inaugural Gender Equality Bond (Gender Bond) raising US\$400 million in Additional Tier 1 capital. It was the first Gender Bond issued by an insurance company and only the second ever issued globally.

QBE is proud to be part of this innovative and evolving market.

Since the first report, QBE has continued to support its commitment to responsible investments, including investments in line with QBE's commitment to gender equality.

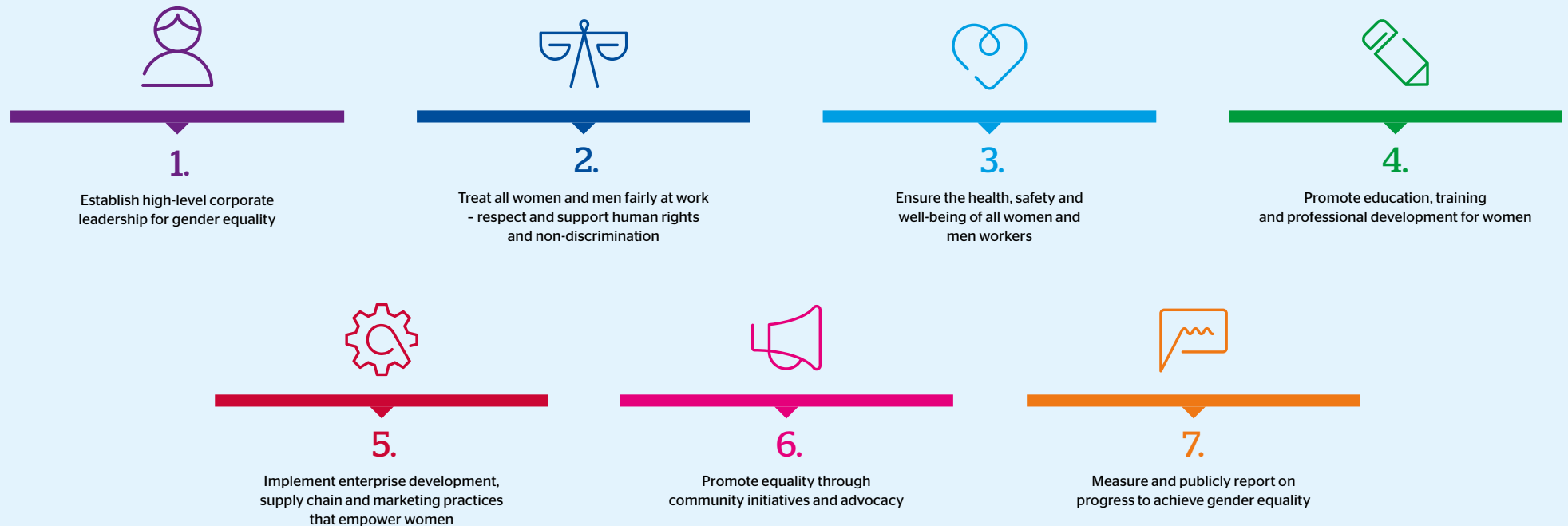
Compliance statement

As at 31 December 2023, QBE confirms that the Use of Proceeds of the Gender Equality Bond aligns with the criteria set out in the QBE Gender Equality Bond Framework. Sustainalytics has conducted an external review of the Gender Equality Bond Portfolio and 'based on the limited assurance procedures conducted, Sustainalytics believes the reviewed bonds funded through proceeds of QBE's Gender Equality Bond are in conformance, in all material aspects, with the Use of Proceeds and Reporting Criteria outlined in the Gender Equality Bond Framework'.



United Nations **Women's Empowerment Principles**¹

The United Nations Women's Empowerment Principles (UN WEPs) are a set of seven principles that offer guidance for business based on best practices from around the world. The UN WEPs were developed as a joint initiative between UN Women and the UN Global Compact.



QBE has invested in a range of companies that are a signatory to the UN WEPs and are strongly committed to gender equality in their workforce and in the wider community.

¹ <https://www.weps.org>

Framework summary

QBE's Gender Bond Framework aligns to the four core components of the International Capital Markets Association (ICMA) Social Bond Principles.

Use of proceeds

The proceeds of the QBE Gender Bond will be used towards the financing/refinancing of the Gender Bond investment portfolio, meeting our specific criteria under the QBE Gender Bond Framework, as detailed below. The bond must:

- have been issued by a company that is a signatory to the United Nations Women's Empowerment Principles (UN WEPs), a joint initiative of the UN Global Compact and UN Women; and
- have been issued by a company recognised in the current Equileap Gender Equality Global Report and Ranking.¹

Process for investment evaluation and selection

QBE identifies eligible bonds for inclusion in the portfolio that align with our specific criteria under the QBE Gender Bond Framework.

QBE has also developed a list of exclusionary criteria to ensure that it will not knowingly finance a cause that is not aligned to the ICMA Social Bond Principles.

Management of proceeds

QBE tracks the Use of Proceeds of the Gender Bond via internal information systems, with periodic adjustments to match allocations to eligible Gender investments made during that period.

Reporting

QBE will provide annual allocation and impact reporting to investors via the Gender Bond Progress Report and will engage an appropriate second party assurance provider to independently assure and verify the bond complies with the QBE Gender Bond Framework and UN WEPs.

¹ <https://equileap.com/equileap-reports/>

And
this is us...

QBE¹

QBE is committed to inclusion of diversity, both in terms of people and in the practice of its insurance business.

There is a significant strategic focus on diversity and inclusion across QBE, in line with our commitments as signatory to the UN WEPs.

In 2023, QBE launched new targets focused on fostering an equal sense of belonging, regardless of how an individual identifies and achieved the 2025 target of 40% women in leadership ahead of target.

¹ <https://www.qbe.com/sustainability>

Standout initiatives

Women in Leadership

In 2023, QBE achieved the target of 40% women in leadership across QBE ahead of target, an increase from 38.6% last year to 40.0%. QBE continues to meet its 2025 goal of 40% women on the Group Board, with 40% women. In 2022, QBE became the first insurer to sign up to HESTA's 40:40 Vision. QBE pledged to have 40% women, 40% men and 20% any gender on the Group Executive Committee by 2030 - a target which QBE has already met, with 54.5% women.

UN Women's Empowerment Principles:



Pay Equity

QBE implements equitable remuneration practices, designed to result in equal pay for equal work. QBE regularly assesses 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. QBE recognises that some pay differences remain at an individual level and continues to work to address any differences through our ongoing annual salary review processes.

UN Women's Empowerment Principles:



Belonging Targets

QBE launched new belonging targets aiming to have minimal variation (<5%) in the 'sense of belonging' Voice Pulse survey responses across the dimensions of gender, ethnicity, disability status, and LGBTIQ+ identification. In 2023, QBE met targets for ethnicity and LGBTIQ+ identification, however, belonging gaps remained above the 5% threshold within the dimension of disability status and for gender identity, with no gap between men and women, but a gap for those who identify as non-binary/another gender.

UN Women's Empowerment Principles:



Champions of Change Coalition

QBE's Group Chief Executive Officer, Andrew Horton and Australia Pacific Chief Executive Officer, Sue Houghton, are members of the Champions of Change Coalition, a globally recognised coalition - for achieving gender equality, advancing more and diverse women in leadership, and furthering progress toward building an inclusive and respectful workplace.

UN Women's Empowerment Principles:



Standout achievements

Most Inclusive Workplace

In 2023, QBE was awarded the 'Most Inclusive Workplace' at the Australian HR Institute Awards.



Bloomberg Gender-Equality Index

QBE has been recognised for a sixth year in the 2023 Bloomberg Gender-Equality Index.



Australian Workplace Equality Index

In 2023, QBE maintained Platinum status, recognising our sustained commitments as a leading LGBTIQ+ inclusion employer.



UK Working Dads Employer Awards

QBE was announced as the 2023 Parental Policies Award winner, celebrating our commitment to enhancing and encouraging secondary carers to use our parenting policies.



Commonwealth Bank of Australia¹

Commonwealth Bank of Australia (CBA) is committed to diversity, equity and inclusion. Equality, equity and respect is integral to their values, how they meet the needs of customers and deliver strategy.

As part of this commitment, CBA seeks to:

- increase the number of women comprising executive manager and above roles to 47-50% by 2025;
- continue to maintain 40% women on the CBA Board, and aim for 40% female representation on CBA Subsidiary Boards;
- cultural diversity of senior leaders to match the cultural diversity of the Australian population by 2025; and
- achieve 3% Aboriginal and Torres Strait Islander Representation in CBA's domestic workplace by 2026.

¹ <https://www.commbank.com.au/about-us/investors/annual-reports/annual-report-2023.html>

Standout initiatives

Next Chapter

CBA continues to extend its support for people impacted by financial abuse through CommBank Next Chapter, a program launched in 2020 that is designed to make it easier for survivors to start their next chapter and achieve long-term financial independence.

UN Women's Empowerment Principles:



Respect Lives Here

Respect Lives Here is CBA's key prevention initiative to proactively address discrimination and promote gender equality in the workplace. Using evidence-based research from OurWatch, Griffith University and the University of New South Wales, the self-paced learning and leader-led discussions set expectations of respectful and disrespectful behaviours at work and provide strategies for employees to become active bystanders when they see or hear something that does not feel right.

UN Women's Empowerment Principles:



Standout achievements

Women in Leadership

CBA achieved a year-on-year increase of women in leadership from 43.1% to 44.0% in 2023.

Bloomberg Gender-Equality Index

CBA has been recognised in the 2023 Bloomberg Gender-Equality Index.



Spotlight

Julie Hunter



CHIEF RISK OFFICER (ACTING),
Institutional Banking & Markets division

What advice would you offer younger generations to best drive future development of diversity, equity, and inclusion?

Diversity has many dimensions beyond the ones we typically think of such as gender and culture. Neurodiversity and age are just two examples of the type of diversity it is important to actively embrace. If you can be open to the points of view and ideas expressed by every single person, then you are truly acknowledging diversity in all its forms and behaving inclusively. This is not just a matter of basic respect, although that is important. Organisations and teams that can effectively incorporate diverse points of view have been demonstrated to outperform. Two pieces of very simple advice: learn what it means to be a truly good listener, and also how to effectively encourage contributions from those who do not naturally speak up.

Can you provide examples of successful projects and initiatives that contributed to diversity, equity, and inclusion into the workplace?

I am really proud of our Risk Breakthrough program, which will enter its 7th year in 2024. The program provides development support and mentoring for diverse talent across risk management in CBA and Bankwest. The purpose of Risk Breakthrough is to create inclusive career pathways for future risk leaders – and we've already had successful outcomes, including promotion opportunities for participants.

Julie Hunter is the Chief Risk Officer (Acting) for Institutional Banking & Markets (IB&M) at CBA, having worked in IB&M Risk in senior roles since January 2022. Prior to this, Julie spent her career in wholesale banking in client facing roles, covering debt capital markets, securitisation and client coverage. Julie has a Masters degree in finance, and a Graduate degree in accounting. She is a graduate of the Australian Institute of Company Directors and has held multiple governance related roles, including until recently as President of Women in Banking & Finance.

NAB¹

NAB is committed to focusing on both inclusion and diversity across all areas of their business practices, in order to create a long-term workforce reflective of its communities.

As part of its multi-year Inclusion and Diversity Strategy Framework, NAB adopted an intersectional approach for inclusive leadership, inclusive workplace and customer inclusion to address considerations including gender equality, people with disability, cultural diversity, younger and older generations and Indigenous community.

As such, NAB has committed to:

- achieve at each salary level 40–60% of gender represented (including Board & Group subsidiary Boards) by 2025;
- reward people fairly, and have an objective of gender pay equity <10% by 2025; and
- targeting no gap in the inclusion experience between under-represented colleagues (i.e. women) and over-represented colleagues, by 2025.

¹ <https://www.nab.com.au/content/dam/nab/documents/reports/corporate/2023-annual-report.pdf>

Standout initiatives

LGBTQIA+ Inclusion

In 2023, NAB introduced gender affirmation leave, of up to 12 months, consisting of 4 weeks paid leave.

UN Women's Empowerment Principles:



Accessibility Action Plan

In 2023, NAB's new Accessibility Action Plan 2023–2024 was launched. The action plan focuses on work towards being an employer of choice for people with disability, helping communities prosper by supporting disability organisations and businesses to solve emerging issues and the use of data and insights from customers to listen, understand and implement improved accessibility into their experience.

UN Women's Empowerment Principles:



Standout achievements

Asian Leadership Project

NAB is a Platinum sponsor of the Asian Leadership Project's national conference and participates in its National Group Mentoring program.

Australian Workplace Equality Index



NAB continues to be awarded Platinum Status in the Australian Workplace Equality Index.

Access and Inclusion Index

NAB was awarded third place in the Access and Inclusion Index by the Australian Network on Disability.

Bloomberg Gender-Equality Index

NAB has been recognised in the 2023 Bloomberg Gender-Equality Index.



Spotlight

Krista Baetens



EXECUTIVE FOR MARKETS,
Corporate & Institutional Bank, NAB

How do you think Artificial Intelligence (AI) can play a part in elevating 'diversity, equity and inclusion' in the workplace?

The ability to quickly and easily analyse large data sets makes AI a potentially powerful tool to explore, for example, the diversity of our workforce, levels of engagement amongst different groups and the impact we are having on issues like the gender pay gap.

Clearly though AI is not a magic bullet and we need to approach it with an awareness that it's up to us to ask the right questions and to be cognisant of the biases that may be inherent in the data it analyses and that AI can unintentionally pick up and integrate bias from humans too.

Krista was appointed as the Executive for Markets, Corporate & Institutional Bank (C&IB), at NAB in 2023, leading a global team of professionals providing customers internationally with access to markets. She joined NAB in January 2021 as the Executive for Asia of C&IB NAB and was responsible for all NAB activities in Asia. Her 25 years of international experience also includes senior roles as Chief Executive Officer of Wholesale Banking for ING Asia Pacific and Chief Risk Officer of ING Belgium SA. She is a non-executive non-independent director of Nautilus Insurance (Singapore), of National Australia Bank Europe (France) and recently joined the Board of Australian Financial Markets Association.

Westpac¹

Westpac continues to be committed to its inclusion and diversity strategy, focusing on gender, cultural diversity and indigenous representation.

Under Westpac's Accelerating Women and Gender Equality plan, Westpac has committed to the following objectives to continue through to 2030:

- maintain 50% women in leadership roles;
- at least 40% women in senior executive positions;
- maintain no less than 50% women in the workforce generally; and
- at least 40% women on the Westpac Board of Directors.

¹ <https://www.westpac.com.au/content/dam/public/wbc/documents/pdf/aw/ic/WG-AnnualReport2023.pdf>

Standout initiatives

Inclusion and Diversity

In 2023, Westpac increased its Aboriginal and Torres Strait Islander Australian workforce representation to 0.96%, in line with its target of 1.5% by September 2025.

UN Women's Empowerment Principles



HESTA's 40:40 Vision

Westpac supports the HESTA's 40:40 Vision and commits to achieving 50% (+/-2%) of women in senior leadership roles. Currently, women comprise 49% of these roles.

UN Women's Empowerment Principles:



Te Waiu O Aotearoa Trust

In 2023, the Te Waiu O Aotearoa Trust continued to offer student scholarships to promote, develop and provide education and advancement of Māori, within both banking and finance industry and general business in New Zealand, totalling 29 scholarships since 2013.

UN Women's Empowerment Principles



Standout achievements

Bloomberg Gender-Equality Index

Westpac has been recognised and achieved its highest score in the 2023 Bloomberg Gender-Equality Index, driven by increased representation of women in senior leadership and enhancements to parental leave.



Backing Indigenous Enterprise

In 2023, Westpac spent \$6.3 million with Indigenous-owned businesses, in line with its target of \$8 million by April 2025.

Spotlight

Susannah Wood



MANAGING DIRECTOR,
Head of Westpac Institutional Bank Digital

How does your organisation promote an inclusive environment regardless of sexual orientation, race, age, nationality, or disability status?

We are building a workplace that fosters diversity and inclusion, where our people feel valued, respected and safe. Doing so enriches our workplace and helps us reflect and understand the customers that we serve.

Our new diversity and inclusion strategy, launched this year, helps us to support people in the moments that matter to them in both their careers and personal lives, build a more inclusive and equitable society through advocacy and create a workplace where it is safe for our people to be themselves and be celebrated through trusted communities and allies.

How does your organisation internally and externally advocate for diversity, equity, and inclusion and how is this measured?

Our annual inclusion and diversity survey helps us to shape our approach to a safe and respectful workplace. We have numerous specific initiatives that support this strategy, including providing our people with networking, career and leadership opportunities through partnerships with organisations like the Asian Australian Leadership Project. This supports career progression of individuals with different cultural backgrounds to more senior roles.

Susannah (Sue) joined Westpac in 2023 as the Head of Westpac Institutional Bank (WIB) Digital. Prior to joining Westpac, Sue led Commbank's IB&M Digital Transformation Team, and also held roles globally at Deutsche Bank, Citibank and Goldman Sachs. During her time in these global organisations, Sue has held various committee positions on Women's Networks, Family Networks and Diversity & Inclusion Networks. Sue holds a BSc. (First Class Honours) in Computer Science & Management Studies from University College London. Outside of work, Sue loves to travel with her husband and three children.

Impact of investments

Portfolio composition as at 31 December 2023

Gender equality bond portfolio over-collateralised at (US\$M)

\$443M

on a mark-to-market basis

Investment in UNWEPs and Equileap Gender Equality ranking organisations



The specific allocations to each of the counterparties are set out below:

	(US\$M)
● CBA	117
● NAB	227
● Westpac	99

Key statistics

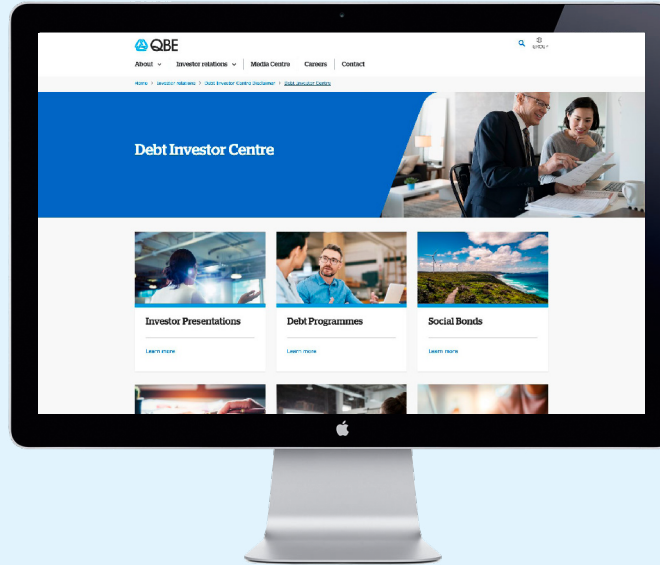
Equileap¹ is a global leader in researching gender balance and gender equality in public companies. The ranking orders the Top 100 companies and gives them an overall grade based on how well they scored against various data points.

	CBA ²	NAB ²	Westpac ²
Women on the board	44.4%	60.0%	44.4%
Women in management	44.0%	44.5%	49.0%
Equileap ranking	22	55	10
Equileap score	71	68	73

1 Equileap statistics as of report published 3 March 2023, noting the 2023 Gender Equality Global Report & Ranking is expected to be released in March 2024: <https://equileap.com>.

2 As at 31 December 2023.

Information for investors



Contact our **Global Treasury team**

Sam Vilo *Group Treasurer*

Group Treasury

QBE Insurance Group Limited

Level 18, 388 George Street, Sydney NSW 2000 Australia

Email: debtir@qbe.com

www.group.qbe.com/investor-centre/disclaimer/debt-investor-centre

QBE Insurance Group Limited

Level 18, 388 George Street, Sydney NSW 2000 Australia | telephone +61 2 9375 4444 | www.qbe.com