

Group CEO message



I am proud of the steps we took in 2018 to progress QBE's long-term sustainability journey as we continued to further integrate sustainability across our business. This Report describes the actions we are taking to deliver solutions for our customers to manage current and emerging needs.

A focus on sustainability is essential to our ability to deliver on our purpose, and our work in this area is underpinned by a refreshed Sustainability Framework described on the following page. In line with our commitment of doing the basics of insurance – underwriting, pricing and claims – brilliantly (our commitment to “Brilliant Basics”), this refreshed Framework will assist us to further integrate sustainability across our international business and our decision-making processes.

In 2018, we undertook a detailed review of the United Nations Sustainable Development Goals (SDGs) to understand the risks and opportunities each presents for our business and stakeholders. We believe the SDGs align closely with our business and provide an opportunity to collaborate with our stakeholders on the issues that matter.

We have identified an initial five priority SDGs for our business, where we believe we can have the greatest impact as an international insurer. Throughout this Report we have included a range of case studies that show how we have contributed to these five SDGs throughout the year.

Early in 2018, QBE committed to implementing the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures, over a three-year period. QBE recognises that a failure to act on climate change will lead to increasingly volatile and severe weather-related events and these are likely to have significant economic consequences. This is a material business risk for QBE, and for our customers, and I am pleased with the progress we have made on implementing our Climate Change Action Plan, which is detailed in our [2018 Annual Report](#).

I am proud of our continued commitment to diversity and inclusion. This is essential to our ability to embed our cultural attributes across the

business. It is fundamental to who we are and how we operate. Our efforts to provide a diverse, inclusive and innovative workplace were recognised with QBE's inclusion as a member of the 2019 Bloomberg Gender-Equality Index and in the top 200 companies in the Equileap 2018 Gender Equality Global Report & Ranking.

Our impact investment initiatives were also celebrated, with Premiums4Good winning the Asset Owner of the Year at the Australian Impact Investment Awards. The program was also included as a Finalist in the Finance for the Future Awards founded by The Prince of Wales's Accounting for Sustainability Project and the Institute of Chartered Accountants in England and Wales. This program continues to go from strength to strength and just last month, I was delighted to announce our ambition to grow our impact investments to \$1 billion by 2021, up from \$440 million today.

As we continue to build for the future, we are focused on effective ESG risk management across our business. Our long-term, holistic view of risks and opportunities enables us to continue creating value for our stakeholders and ultimately protects our organisation's sustainability.

Throughout the coming year, we will continue to build on our progress by engaging with our customers, employees, shareholders, investors, partners and the community to make sure that our approach to sustainability across the business responds to the needs of our stakeholders and emerging trends. This will strengthen our ability to assist our customers to build resilience in light of a rapidly changing environment, and to give them the confidence to achieve their ambitions.

Pat Regan
Group Chief Executive Officer