

Sustainability governance and management

Oversight of sustainability

The highest governing body for sustainability-related issues is our Group Board of Directors. The Board is supported by the Board Risk & Capital Committee (BRCC) which oversees and guides QBE's sustainability approach, initiatives and reporting requirements. The Group Sustainability function, operating under a dedicated Group Head of Sustainability, reports on sustainability performance and activity at each BRCC meeting (six meetings were held in 2018).

Our Group Executive Committee (GEC) reviews and approves QBE's sustainability agenda and priorities. The GEC also receives reports on sustainability performance throughout the year.

Driving sustainability across our business

Group Sustainability function

The Group Sustainability function drives sustainability across our business. This includes development and implementation of our sustainability approach and initiatives, external stakeholder engagement, internal communications and engagement, performance management and reporting.

Group ESG Risk function

In 2018, a Group ESG Risk function was formed. The team reports to the Group Chief Risk Officer (CRO), a GEC member. It is responsible for coordinating the identification, analysis and management of ESG risks and integration into our risk management practices and systems across the business. The team supports our Climate Change Working Group on managing our approach to climate risk management.

Group Responsible Investments function

QBE has a dedicated Responsible Investments (RI) function, which reports to the Group Chief Investment Officer and the Group Chief Financial Officer, a GEC member. The RI team is responsible for integrating ESG considerations into the investment decision-making process. The RI team's activities are also overseen by the BRCC and, where appropriate, the Board Investment Committee.

Sustainability Committee

The Sustainability Committee supports the business in the delivery and effectiveness of our sustainability strategy, initiatives and reporting requirements. It is made up of senior representatives from across the Group who are involved in the day-to-day management of sustainability issues. These representatives come from business units including Risk, Finance, Investments, Investor Relations, People and Culture, Communications, Legal, Company Secretariat and Compliance, Operations and Claims.

The Sustainability Committee is chaired by our Group Head of Communications and Marketing, a member of the GEC. This ensures a close alignment with our Group CEO's agenda.

ESG Business Policy Committee

The ESG Business Policy Committee was established in late 2018 by the Group CRO. The Committee is responsible for managing and overseeing activities to identify and review ESG risks and developing appropriate policy and decision-making frameworks. In addition, the Committee considers and recommends policy positions on ESG risks that impact underwriting, investment and/or operations across the Group to the Executive Risk & Capital Committee.

Other Governance Forums

There is a range of other internal governance forums and working groups whose members have specialist skills to understand and address existing and emerging sustainability issues. These include our:

- Group Emerging Risk Forum;
- Climate Change Working Group;
- Group Underwriting Committee;
- Conduct Risk Working Group;
- Premiums4Good Global Steering Committee;
- Diversity & Inclusion Council;
- Health & Safety Working Group; and
- QBE Foundation Global Committee.

Further detail about these committees can be found throughout this Report under the relevant sections.



Sustainability Governance Framework



Overview

Sustainable Insurance

Responsible Investments

Customer and community

People and culture

Operational excellence

Governance

Assurance statement