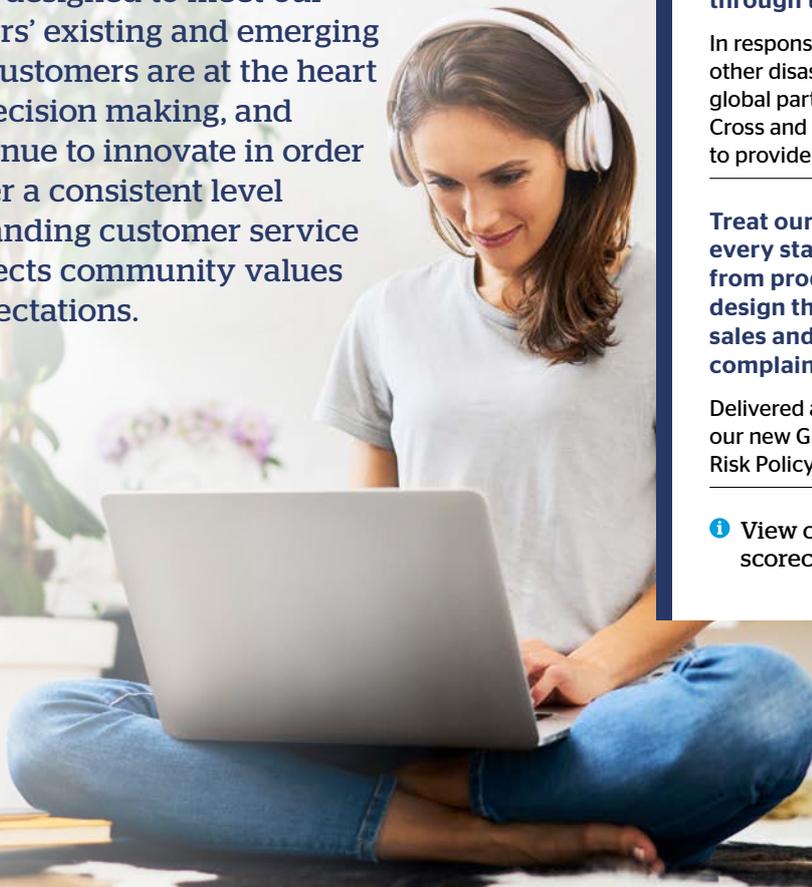




Customer and community

As a leading international insurer and reinsurer with a strong history of serving our community, we offer a diverse range of products and services designed to meet our customers' existing and emerging needs. Customers are at the heart of our decision making, and we continue to innovate in order to deliver a consistent level of outstanding customer service that reflects community values and expectations.



2020 Sustainability scorecard achievements

Develop a vulnerable customer strategy for the Australia Pacific Business

Published a Financial Inclusion Action Plan in 2020 **page 41** ✓

Implemented Supporting Customers Experiencing Vulnerability Policy and training for our people in Australia Pacific **page 9** ✓

Maintain a Group-wide community engagement strategy in line with our priority SDGs

Maintained QBE Foundation spend of 0.5% of 2019's cash profit after tax **page 45** ↻

Initiated the refresh of our global community engagement strategy **page 42** ↻

Support communities affected by natural disasters through the QBE Foundation

In response to COVID-19 and other disasters, enhanced our global partnership with Red Cross and Save the Children to provide urgent relief **page 10** ↻

Treat our customers fairly at every stage of the policy cycle, from product development/design through to post sales and claims, including complaints handling

Delivered and rolled out our new Group Conduct Risk Policy **page 39** ✓

i View our 2021 Sustainability scorecard on **page 68**.

Key for progress symbols:

✓ Achieved

↔ On track

↔ Behind

↻ Refreshed

Leveraging disruptive technology to support our customers

In 2020, we launched Customer@QBE, our globally consistent approach to delivering value to customers in a responsible, accountable manner to ensure long-term sustainable relationships. Our approach focuses on three key elements being mindset, insight and delivery. As an enabler of this, our global sales approach unifies our employees to drive more customer-centred behaviours across our policy cycle.

We aim to be at the forefront of technology to understand and address trends impacting our customers and the broader community. We also contribute to the communities in which we operate through our disaster relief partnership, the QBE Foundation, by engaging in thought leadership, advocacy and mentoring and providing online resources for customers and others.

The Sustainable insurance section of this report outlines how we provide innovative products and services for our customers.

Managing customer conduct risk

We define 'conduct risk', broadly, as the risk of unfair or detrimental outcomes resulting from a failure to treat customers and claimants in a fair manner when designing or building our products, designing and operating our sales and marketing practices, distributing our products, handling claims and managing complaints.

In 2019, we introduced a Group Conduct Risk Policy outlining our expectations in relation to managing conduct risk across our business. The Policy seeks to affirm our strong commitment to customer service and satisfaction.

Our Group Executive Non-Financial Risk Committee (ENFRC), has oversight of conduct risk at QBE. The ENFRC's objective is to support the Group Board and the BRCC with identifying, assessing and mitigating conduct risk. We have a dedicated Group Head of Conduct to oversee our efforts in managing this topic.

Highlighting our commitment as a customer-centric insurer, we maintain several initiatives, processes and controls to ensure fair treatment of our customers through every stage of the policy life cycle, including post-sale services. This includes customer service satisfaction surveys, analysing customer complaints to identify the relevant root cause(s) and a continuous focus on improving the customer experience.



Artificial Intelligence (AI): the future of home inspections

QBE believes in empowering customers with the most advanced tools available to help them obtain the right coverage for their homes. In North America, AI-assisted home inspections help customers conduct these at their own convenience, without the need for a third-party inspector to enter the home. Using a smartphone camera to scan their own property, AI automatically documents critical property data including hazards, risks, features, materials and more.

In near real-time, the AI can 'react' to the data collected to adapt and customise conversational workflows based on the unique attributes that it 'sees'. The identification of risks and hazards through these self-guided inspections helps us more quickly and efficiently support customers at a critical time.



Customer and community (continued)



► **Partnering to disrupt the Small to Medium Enterprise (SME) insurance market**

QBE and SafetyCulture, a workplace safety technology platform, have entered into a joint venture to launch Mitti to disrupt the traditional insurance model for SME businesses. A key focus is risk mitigation to reduce the likelihood of needing to make a claim.

Mitti combines QBE's technical expertise and deep experience with SafetyCulture's inspection software iAuditor, the world's largest safety checklist app, to help customers mitigate their business risks and stop incidents from happening before they occur. By leveraging big data, AI and machine learning, Mitti aims to deliver more tailored solutions that do not just assess risk, but help customers avoid risks altogether and the losses that might flow from them. Importantly, by supporting more businesses to manage their risks, Mitti will help create safer workplaces for their customers and employees. Mitti joins the portfolio of companies that are part of QBE Ventures, and is one of the many ways we are delivering more affordable and smarter insurance to customers.

❶ Further information about QBE Ventures can be found in [Operational excellence](#).



Digital innovation and customer experience

Our focus on a simplified, more usable customer journey is the driving force behind significantly enhancing our digital offerings. The COVID-19 pandemic

has highlighted the importance of online platforms and digital tools in our day-to-day insurance business.

In Australia Pacific, we launched our new online portal for customers to get a quote and purchase car and home insurance with an easy-to-use interface and simpler products. New Product Disclosure Statements were designed with customers in mind, with clear and understandable language. The portal also contains helpful tips and intuitive navigation to help customers understand their cover. On the heels of the launch of the new online car portal, QBE was recognised by the 2020 Mozo Experts Choice Awards as an industry leader in Exceptional Value Car Insurance based on price, features, benefits and cover levels.



Recognition as a digital innovator

In Asia, we continue to be recognised for our ongoing focus on digital innovation to deliver exceptional value and operational excellence for our customers, business partners, people and the community in both Hong Kong and Singapore.

For the second year in a row, QBE has been recognised at the prestigious Insurance Asia Awards. In 2019, QBE Hong Kong's Digital Claims won **Claims Initiative of the Year**. In 2020, it won the **Digital Insurance Initiative of the Year** for the newly introduced motor claims initiative. The Digital Motor Claims platform is designed to enable customers to directly file a motor claim anywhere, at any time. Providing a superior claims experience for customers with direct connection to QBE's panel repairers' network, the platform also simplifies claims management through

centralising registration, procedures, repairs, claims status tracking and adjuster appointing. This end-to-end claims service not only shortens the claims turnaround time but also reduces the need for physical documentation.

QBE Singapore was also awarded **Digital General Insurance Initiative of the Year** for the Green Dispatch Solution, launched amid the COVID-19 pandemic, in support of the Singapore government's push for sustainable practices. The solution offers electronic distribution of policy documentation to our business partners and customers using robotic process automation technology (bots). The Green Dispatch bot collates newly-generated policy documents each day, applies encryption to enhance security then distributes these to intermediaries via email on the next business day. Customers are able to receive their policies

quickly and securely. Eliminating the high volume of paper associated with document printing and manual administration has saved a staggering one million sheets of A4 paper per year, warehouse space, transportation emissions and processing time, as well as eliminating the risk of lost mail.



QBE Singapore has also been recognised for its significant efforts to achieve better integration through common digital standards of business practices across various business functions in this year's Australian Chamber of Commerce Singapore Business awards, winning the inaugural **Digital Capability Award**.



▶ Promoting greater financial inclusion

In Australia, we are part of a number of organisations included in the Financial Inclusion Action Plan (FIAP) program, a partnership between Good Shepherd Australia and New Zealand, the Australian Government, EY and the Centre for Social Impact that promotes economic wellbeing and financial inclusion.

Our [FIAP](#) outlines 29 programs of work to strengthen financial inclusion and build resilience in underserved communities. This enables us to support our customers and stakeholders by increasing their understanding of QBE's products and services, creating alternate pathways, products and access to insurance and supporting vulnerable groups through partnerships and collaboration. We continue to strengthen our capability to support customers experiencing vulnerability, particularly in the area of financial acumen. This will help reinforce our capacity to recognise and respond to our customers who are most at risk of financial exclusion and refer them to critical support networks for assistance in times of need.

We continue to invest in social impact bonds and infrastructure supporting a range of programs that seek to create change in underserved communities, enhancing the resilience of communities and small businesses. Through our QBE Foundation and local and global disaster relief partnerships, we have developed action plans and methods to better support our customers and communities in times of crisis.



Investing in communities for greater resilience

The QBE Foundation continues to partner with impactful not-for-profits around the world to safeguard vulnerable communities, enable financial resilience, strengthen their health and wellbeing and promote inclusion and sustainability. We remain focused on our priority SDGs, providing opportunities for our people to support the communities in which they live and work. We tackled the challenges presented by COVID-19 through a globally co-ordinated response, pivoting where required to support existing partners as they experienced increased demand for their services and a reduction in funding and donations.

i Refer to [Responding to the events of 2020: Communities for further information.](#)

In 2020, we joined the Business for Societal Impact network (formerly LBG), a global standard in measuring and managing corporate community investment (CCI), implementing their methodology for measurement and reporting.

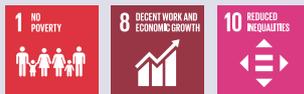
We also assessed our community engagement approach and the QBE Foundation strategy and, in 2021, will launch a new global strategy. Here are some of the ways we have delivered against our priorities in 2020.

i Further information about the QBE Foundation and partnerships we support around the globe can be found [here](#).



▶ An opportune path to prosperity

At QBE, we understand that not all our customers and communities have access to traditional financial products. To assist these communities in North America, we supported Opportunity Fund, a microfinance non-profit company providing loans to underserved small business owners, helping them build credit and grow their business. Since 1994, they have lent to thousands of underserved entrepreneurs, mostly low-income women and People of Colour. Opportunity Fund ensures that vulnerable men and women have access to economic resources such as financial services, including microfinance. These loans also assisted in rebuilding small businesses impacted by the economic fallout caused by COVID-19.



Empowering survivors of modern slavery

There are an estimated 136,000 people in modern slavery in the United Kingdom. QBE Foundation supported Their Voice, which aims to empower survivors of human trafficking and modern slavery. Many women who have escaped these conditions find themselves pregnant, in an unfamiliar country and without access to support. Their Voice helps survivors rebuild their lives by supplying essentials for babies, children and adults and providing advocacy for individuals applying for residency. With QBE's funding, Their Voice helped 125 trafficked women receive hospital bags, providing both practical and psychological support. Their Voice also runs programs to raise awareness about human trafficking and modern slavery to help free existing victims and eradicate forced labour.



Giving citizen scientists a platform to save the natural world

ClimateWatch, launched in Australia in 2009, is an Earthwatch program responding to the critical gap in climate science data by encouraging the public to document wildlife and plants in their surrounding environments. The ClimateWatch app uses photos submitted by users to record environmental data, to assist in our understanding of the impact of climate change on biodiversity.

With travel restricted during COVID-19 and more people exploring their local areas, interest rose until the demand outgrew the processing abilities of the app. To help, QBE diverted funding from our Earthwatch expeditions, that were unable to go ahead due to COVID-19 restrictions, to support the development of the new ClimateWatch app.

QBE's support for ClimateWatch and climate action will enable a growing community of citizen scientists to understand how climate change is impacting plants and animals.



Supporting vulnerable families in times of need

QBE Foundation, in partnership with Philippine Business for Social Progress (PBSP), has provided support for in-need communities greatly impacted by lockdowns during the pandemic. As movement restrictions were imposed in the country, a lot of families have struggled to put food on the table, and depend on relief assistance provided by the local government and the private sector. As a consequence of the pandemic, communities had limited opportunities for daily-wage-earners, contributing to hunger in households. With QBE's grant, PBSP provided relief packs for a total of 940 families in communities in Manila and Cebu. These packs contain rice, assorted vegetables and vitamins. The vegetables are sourced from local farmers who have struggled to market their produce during the pandemic. PBSP has also provided support to local health units and quarantine centres in identified COVID-19 hotspot areas by distributing hygiene kits, drinking water, and personal protective equipment (PPE).



Customer and community (continued)



► Stars Foundation

In 2020, QBE Foundation and Stars Foundation (Stars) entered the second year of their multi-year partnership to support the empowerment of Aboriginal and Torres Strait Islander girls and young women. The Stars program aligns with the Australian Government's Closing the Gap targets addressing school attendance rates, year 12 completion and successful transition into employment or further study.

With QBE's support, Stars assisted over 1,000 First Nations girls and young women in 17 schools across the Northern Territory, Queensland and Victoria in areas such as education, health and wellbeing. COVID-19 has had a significant impact on all of Stars' programs due to the closure of communities. Despite this, Stars was able to deliver support remotely and has seen a consistently outstanding attendance rate of 84% of its students across its programs. As at June 2020, around 91% of Stars' graduates have remained in employment or further study.



Making a house a home

In Hong Kong, the QBE Foundation supported Habitat for Humanity's Project Home Works program. This program serves low income families, the elderly and people living with physical disabilities through providing critical home repair and renovation services, ensuring access to adequate and safe housing. Habitat for Humanity partners with several local non-profit and social services organisations to identify individuals and families in need of housing repairs in Hong Kong. Before the onset of COVID-19, volunteers worked alongside contractors to paint, clean and repair homes for vulnerable families and individuals. Volunteers brought warmth and human connection into these households and helped raise awareness about the need for access to adequate, safe and affordable housing for all. With the onset of COVID-19, QBE's support enabled Habitat to distribute 50 essential home hygiene kits to elderly and low-income vulnerable families living in Kwai Chung.





Our corporate community investment

The total value of our social and community investment programs in 2020 was over \$4.9 million. This includes financial contributions through our charity partnerships and local grants, employee volunteering, workplace giving, in-kind giving and management overheads arising out of volunteered time, services or office space.

TYPE OF CONTRIBUTION ¹	2020 US\$000	2019 US\$000	2018 US\$000
Financial contributions ²	4,335	4,544	4,185
Time: employee volunteering ³	61	551	464
In-kind giving ⁴	2	48	77
Management overheads or administrative costs ⁵	572	518	431
Total community contribution	4,970	5,661	5,157

CCI Investment



Total Community Contribution by SDG⁶



Percentage directed to COVID-19 Support



31%

of overall community contributions directed to COVID-19 support



Through the QBE Foundation, our support has reached

45,406

people through

288

community organisations



Our people got involved over

3,000

times in QBE Foundation activities e.g. volunteering, fundraising



Our employees have donated

\$210,000

of their own money towards charities



1 Data has been verified by Corporate Citizenship using B4SI (formerly LBG) international standard for measuring and benchmarking corporate community investments.

2 **Financial contributions:** Total financial contributions for disaster relief, grants, charity partnerships commercial sponsorships with a community benefit and employee matching for employee fundraising efforts and/or payroll deductions from pre-tax salary.

3 **Time: employee volunteering:** The equivalent financial cost of time volunteered by employees as logged in our HR system to various community initiatives across our divisions. A decrease in employee volunteering is attributed to all face to face opportunities ceasing due to COVID-19 in our countries of operation.

4 **In-kind giving:** In 2020, we have maintained our process to capture in-kind giving across our divisions by using financial proxy values as estimates. A decrease in in-kind giving a direct result of COVID-19 restrictions limiting our opportunity to host events and provide other forms of in-kind support for our partners across the year.

5 **Management overheads or administrative costs:** This includes costs associated with communications and marketing, overheads and administration of our divisional QBE Foundation Committees.

6 Total contribution split by SDG does not include management costs. SDG 8, Decent work and economic growth, was not a primary focus for the Foundation in 2020 and therefore, has not been captured in this data set.