



Financial Inclusion

Action Plan



Message from CEO



QBE Australia is proud to be part of the Financial Inclusion Action Plan (FIAP) program - joining other leading organisations that are equally committed to promoting greater financial inclusion. Together, we're doing what we can to help ensure no Australian is left behind.

As a major insurance company, QBE is focused on managing risk and facilitating participation - giving people the confidence to achieve their ambitions. This includes our customers, our people, our partners, and communities. Our priorities are to ensure we are customer-focused by providing accessible solutions to our customers' current and emerging needs, and to operate sustainably which includes working to address key customer and community issues such as financial wellbeing.

The launch of the our FIAP is particularly important given the recent and ongoing disruptions impacting our communities. The drought, the bushfires and now the COVID-19 crisis show how vulnerable we all can be and how important it is that we work together to support those in need in our society.

We believe it is incumbent on us to help improve access to services and help build financial wellbeing and resilience.

Our FIAP is designed to help improve access to services and help build resilience in all the communities in which we operate. Our plan centres around making insurance products and services simpler and easier to understand, ensuring equitable and inclusive access.

We're doing this by enhancing our customer-focused approach to designing our products and services to ensure they meet the needs of our customers.

We are enhancing the capabilities of our people to support customers experiencing vulnerability, particularly in the area of financial capability. We believe that building this capability across the organisation will not only support the financial wellbeing of our own people as members of the community, but also 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.

In addition to this, we are reinforcing our commitment to an inclusive and supportive workplace by creating enhanced pathways for our people to access assistance when they are experiencing difficulties associated with family and domestic violence and mental health. We recognise how these difficulties can have a significant impact on an individual's financial wellbeing. Through strategic partnerships with expert organisations, we are providing intensive training for our on-the-ground first responder network across our sites which can provide

discrete, respectful, and empowering support and critical resources to help staff experiencing these difficulties.

Finally, our plan highlights our ongoing commitment to our community, by continuing to direct resources into social impact investments and critical on-the-ground support mechanisms to help support resilience in our communities both for the long term and in times of need.

Our plan continues to build on initiatives we already have underway to improve financial well-being and resilience within the community, including working with a diverse range of suppliers, supporting small businesses and partnering with community organisations to support and protect the wellbeing of the most vulnerable and build a more resilient and sustainable community for all Australians.

The initiatives detailed in this FIAP will provide improved awareness of and access to appropriate financial products and services, increased understanding of barriers to financial inclusion for more effective responses, and additional support for financially vulnerable individuals and communities.

While much is being achieved, there is still much more to be done to identify and assist those at risk in our community. The initiatives outlined in this FIAP are the next step in our commitment to addressing these complex social-economic issues.

A handwritten signature in black ink that reads "Vivek". Below the signature is a short, curved line.

Vivek Bhatia

Chief Executive Officer, Australia Pacific

About QBE and what we have already in place regarding sustainability

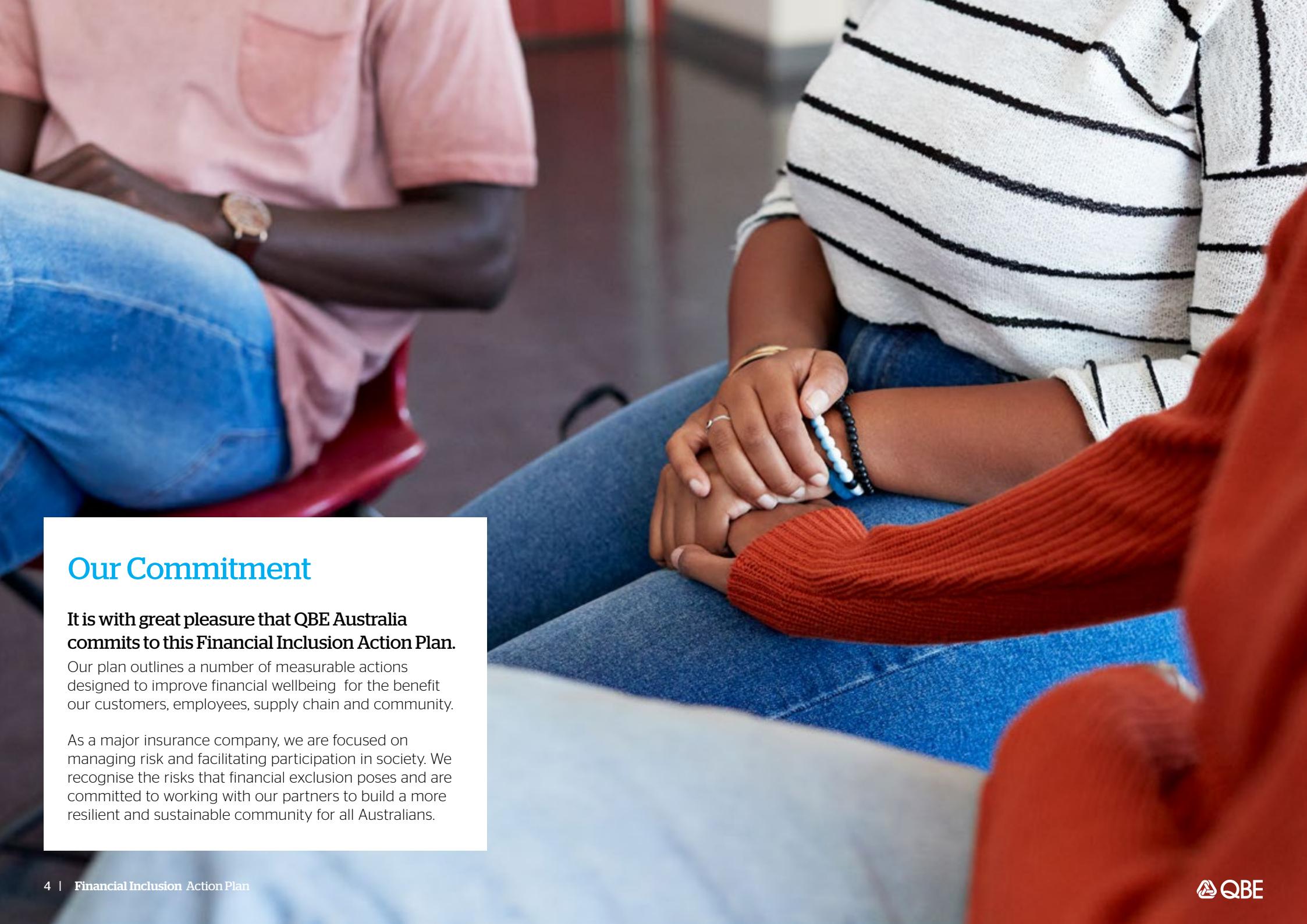
As an international insurer and reinsurer, we are focused on making a positive and impactful contribution to the societies, economies and communities in which we operate. Our approach to sustainability is essential to our ability to deliver on our purpose to give people the confidence to achieve their ambitions.

In addition to the FIAP, we have a number of ongoing commitments designed to support vulnerable customers and communities in Australia and globally.

Some examples of these include:

- Commitment to the United Nations Sustainable Development Goals (SDGs), which seek to address the world's most pressing economic, environmental and social challenges. This includes SDG 1: No Poverty and our role in supporting financial inclusion. We are also a signatory to the United Nations Environment Programme Finance Initiative and the Principles for Sustainable Insurance.
- QBE is part of a collaboration called the Australian Sustainable Finance Initiative (ASFI), established to set out a roadmap for enabling the financial services sector to contribute to a more resilient and sustainable economy.
- Since 2011 the QBE Foundation has partnered with impactful not-for-profits around the world to protect vulnerable communities, enable financial resilience, strengthen their health and wellbeing, and to build more inclusive, sustainable communities. In 2019, the total value of our social and community investment programs globally was over USD 5.5 million.
- Premiums4Good, which allows customers to opt for part of their premium to support impact investments that have additional social or environmental benefits. By the end of 2019, Premiums4Good had grown to 48 securities representing USD 663 million invested. Our ambition now is to grow our impact investments to USD 2 billion by 2025.
- Our Reconciliation Action Plan (RAP) outlines how we support Aboriginal and Torres Strait Islander communities, organisations and businesses and formalises our commitment to creating positive and sustainable change within QBE and in the communities in which we operate.
- We also offer financial hardship support and have a clear approach to support customers affected by natural disasters.
- In November 2019, we launched our first Global Disaster Relief and Climate Resilience partnerships with Red Cross and Save the Children focussing on rapid mobilisation of disaster relief in response to catastrophic events, and disaster preparedness and climate resilience initiatives for vulnerable communities.





Our Commitment

It is with great pleasure that QBE Australia commits to this Financial Inclusion Action Plan.

Our plan outlines a number of measurable actions designed to improve financial wellbeing for the benefit of our customers, employees, supply chain and community.

As a major insurance company, we are focused on managing risk and facilitating participation in society. We recognise the risks that financial exclusion poses and are committed to working with our partners to build a more resilient and sustainable community for all Australians.

Initiative highlights



Building our capability
to support customers
experiencing vulnerability



Simplifying our
communications and
disclosure documentation



Developing partnerships
to better support our
community in times of need



Directing investment and
resources to enhance
resilience of communities
and small business



Providing assistance to
customers experiencing
financial hardship



Our FIAP and what it's focused on

Together with Good Shepherd Microfinance we have developed our foundation FIAP which details a series of actions to deliver on our commitment to improve financial wellbeing.

Our foundation FIAP contains 29 initiatives designed to improve financial inclusion for our customers, community partners, suppliers and employees. This plan has been developed to address the following key action areas of the FIAP program:



Action Area 1 Products and Services

The delivery of these initiatives will enable us to support our stakeholders by:

- Providing improved awareness and access to appropriate financial products and services
- Increased understanding of barriers to financial inclusion, financial resilience and financial well-being
- Improved support for financially vulnerable customers, staff, suppliers community
- Increased pathways and tools for ongoing support for vulnerable groups
- More partnerships and collaboration to support vulnerable groups

Our progress towards the delivery of these initiatives will be evaluated at the end of the first year.



Action Area 2 Understanding Financial Vulnerability



Action Area 3 Financial Capability



Action Area 4 Economic Security





Action Area 1: Products & Services

| Stakeholders | Action Statement | Output | Responsibility | Timeframe |
|--------------------------------|--|--|---------------------------|-----------|
| Customers, Staff and Community | Develop a plain English writing guide to be used as guiding principles in the drafting of all customer and partner-facing communications to improve understanding and accessibility. | Updated plain English guide to writing and training sessions with relevant teams. | Marketing | Ongoing |
| Customers, Community | Engage our customers through the delivery of relevant, timely and tailored content throughout their journey via a proactive strategy using customer channel of choice to improve awareness and understanding around insurance. | Production of editorial content that helps customers better understand insurance for use on our digital channels. | Marketing | 2020 |
| Customers | Refresh and align our direct motor insurance PDS, related policy documents, and broader disclosure mechanisms to ensure that information regarding cover is clearly articulated and easy to understand. | Simplified Car Insurance PDS, policy documents and broader disclosures. | Product Disclosure | 2020 |
| Customers | Ensure the development of the right products for the right people that truly meet the needs of the intended customer groups. | The development and delivery of a product design and governance framework. | Chief Underwriting Office | Jun-20 |
| Customers, Staff | Reduce timeframe to manage and resolve simple customer complaints, including for customers experiencing financial hardship or vulnerability. | Implementation of a fast track complaints process. | Customer Relations | 2020 |
| Customers, Staff and Community | Modernisation and simplification of motor and home insurance products to ensure simpler and easier to understand products. | New products with revised and refined customer-friendly features, including new and simplified documentation and clearer and simpler experiences at point of sale. | Personal Lines | Sep-2020 |



Action Area 1: Products & Services

| Stakeholders | Action Statement | Output | Responsibility | Timeframe |
|------------------------------------|---|---|--|-----------|
| Customers, Staff and Community | Continue investing customer premiums into investments that have additional social and environmental impact through the Premiums4Good program. | Investment in social impact bonds, green bonds and infrastructure supporting a range of projects and programs that seek to create change. | Group Impact and Responsible Investments | Ongoing |
| Customers, Suppliers and Community | Embed Catastrophe Management Plan (short tail) to provide support and relief for customers suffering financial hardship | Clearly defined plans and actions to support customers and community during times of disaster. | Claims | Ongoing |
| Customers, Suppliers and Community | Provide interpreter services to support vulnerable customers to improve accessibility for cultural and linguistically diverse customers. | Establish a panel of interpreter services. | Claims | Ongoing |
| Customers and Suppliers | Provide training to support the simplification of business interruption cover to improve product knowledge. | Online learning and resources for brokers and partners to enhance accessibility to relevant products and services. | SME Commercial Lines | Dec-2020 |
| Customers and Community | Develop segment specific product proposition for improved access to appropriate financial products. | Develop product strategy and launch new insurance product containing relevant cover for women. | SME Commercial Lines | Dec-2020 |
| Customers | Provide holistic support to SME to manage their risk as a primary focus. | Pilot program which provides core service around safety culture with insurance coverage as the value add. | SME Commercial Lines | Dec-2020 |



Action Area 2: Understanding Financial Vulnerability

| Stakeholders | Action Statement | Output | Responsibility | Timeframe |
|--------------------------------|--|---|----------------------|-----------|
| Customers, Staff and Suppliers | Review and re-design the financial hardship process to improve the customer experience for hardship applications. | Updated hardship process Staff trained on updated hardship process | Customer Relations | 2020 |
| Customers and Staff | Develop approach for implementation of training across QBE with respect to identifying and supporting customers experiencing vulnerability. | Approach to training program finalised Training sessions implemented | Customer Advocacy | 2020 |
| Staff | Claims to continue to embed mental health & family and domestic violence first responder network | Claims representation in the QBE family & domestic violence first responder network. | Claims | Ongoing |
| Staff | Establish an internal working group of subject matter experts across QBE to improve and uplift capability in respect of approach to vulnerable customers and improving the experience of vulnerable customers. | Working group established to support the design and delivery of initiatives underpinning QBE's approach to supporting vulnerable customers. | Customer Advocacy | Ongoing |
| Customers and Staff | Develop a policy/guidelines articulating QBE's framework and approach to identifying and supporting vulnerable customers. | Internally published policy articulating QBE's approach to identifying and supporting vulnerable customers. | Customer Advocacy | 2020 |
| Staff | Improved understanding of financial wellbeing needs and concerns across QBE employees. | Survey to understand financial wellbeing and values, as well as sources of financial information and knowledge across employee base. Identify opportunities to partner and share knowledge with respect to improving financial wellbeing of our employees and building financial resilience for unexpected events that have a financial impact | Reward | Ongoing |
| Customers | Explore potential partnerships for development of insurance products for start-up businesses allowing for greater collaboration resulting in innovative and customer centric product designs. | Identify and establish key partners to co-create new product for start-up businesses. | SME Commercial Lines | Dec-2020 |



Action Area 3: Financial Capability

| Stakeholders | Action Statement | Output | Responsibility | Timeframe |
|---------------------|--|---|-------------------------|-----------|
| Community | Support Aboriginal and Torres Strait Islanders through focusing on education and employment opportunities. | Clear plans to support all members of the community through QBE's Reconciliation Action Plan. Partner with Career Trackers to provide mentoring for Indigenous women. | Diversity and Inclusion | Ongoing |
| Staff | Develop, launch and embed QBE Family and Domestic Violence Policy providing 10 days leave and financial support to employees experiencing family and domestic violence for improved support for staff experience family and domestic violence. Pilot a referral process for first responders in collaboration with UNSW Gendered Network. | Delivery and implementation of the Family & Domestic Violence Policy Establishment of first responder training and network. | Diversity and Inclusion | Ongoing |
| Staff | Conduct an annual pay gap review as part of QBE's commitment to an inclusive workplace through helping address economic inequality for QBE staff. | Closing the gender pay gap and achieving equal pay for equal roles. | Diversity and Inclusion | Ongoing |
| Staff and Community | Develop and implement Accessibility Inclusion Program to support job seekers with a disability and support an inclusive workplace where QBE identifies and removes barriers for people with accessibility needs. | Accessibility program developed and implemented. | Diversity and Inclusion | Ongoing |
| Staff | Connect employees to resources to enhance awareness and capability for financial wellbeing. | Communication campaigns providing tools and support to employees at the time of a financial event and generally raising awareness of the resources available on the MoneySmart website. | Marketing | 2020 |



Action Area 4: Economic Security

| Stakeholders | Action Statement | Output | Responsibility | Timeframe |
|--------------------------------|---|---|--------------------------------------|-------------------------------|
| Customers, Staff and Community | Support Red Cross and Save the Children to improve their capacity to anticipate, prepare and respond quickly and effectively for communities after a disaster. | Secure partnership and funding for quick and coordinated disaster response. | QBE Global Foundation | November 2019 - November 2022 |
| Staff, Community | Develop and launch programs and guidelines to support gender related issues to help drive gender equality and a supportive and inclusive approach with respect to employment and economic independence. | Launch Share the Care- a gender equality parenting policy to address the systemic barriers contributing to gender inequality. Develop and launch Gender Affirmation Guidelines to support employees' transition in the workplace. | Diversity and Inclusion | 2020 |
| Suppliers | Explore opportunities to increase spend with diverse suppliers to benefit vulnerable businesses and their employees for improved financial inclusion | Identified procurement opportunities and increased spend with diverse suppliers. | Operations/ Diversity & Inclusion | Ongoing |
| Community | Strengthen partnerships with community organisations | Partner with Stars Foundation to support the delivery of a mentoring program for Indigenous girls and young women. Partner with Mission Australia to identify opportunities and initiatives to integrate Mission Australia's social enterprises into our supply chain and support vulnerable customers. | AUSPAC QBE Foundation | 2020 |
| Community | Develop shared value partnership with community organisations. | Partner with a community organisation to support vulnerable community members through the provision of financial support, in-kind giving and support to help them increase their offering and service more vulnerable communities. In turn, we will connect our people to their work through volunteering and by using storytelling to enhance awareness and understanding of different types of vulnerability. | Marketing (Community) | 2020 |



Statement by the FIAP Partnership Group

FIAP members are part of an important movement to reduce inequalities and promote inclusive growth in Australian communities. Financial hardship can impact us all, at any stage in our lives – through the FIAP, our hope is that every organisation will be able to respond in time and every time to ensure financial hardship can be identified early, managed and overcome. By building capacity, awareness and greater access to appropriate products and services, organisations will see the social and economic benefits in their engagement, outcomes and prosperity of customers, employees and the wider community. We congratulate QBE on developing their first FIAP and for committing to strengthening financial wellbeing.

A handwritten signature in black ink, appearing to read "Stella Avramopoulos".

Stella Avramopoulos

Chief Executive Officer, Good Shepherd Australia New Zealand
On behalf of the FIAP Partnership Group

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