



Remuneration Framework

2025 Performance Year

This document has been prepared in accordance with the requirements of the Australian Prudential Regulatory Authority's (APRA) Prudential Standard CPS 511 *Remuneration* (CPS 511).

The remuneration framework for the financial year ended 31 December 2025 set out below should be read in conjunction with the QBE Remuneration Report set out on pages 64 to 86 of the Annual Report.

Please note the Remuneration Report uses United States Dollars, this document uses Australian Dollars.

Governance of the remuneration framework

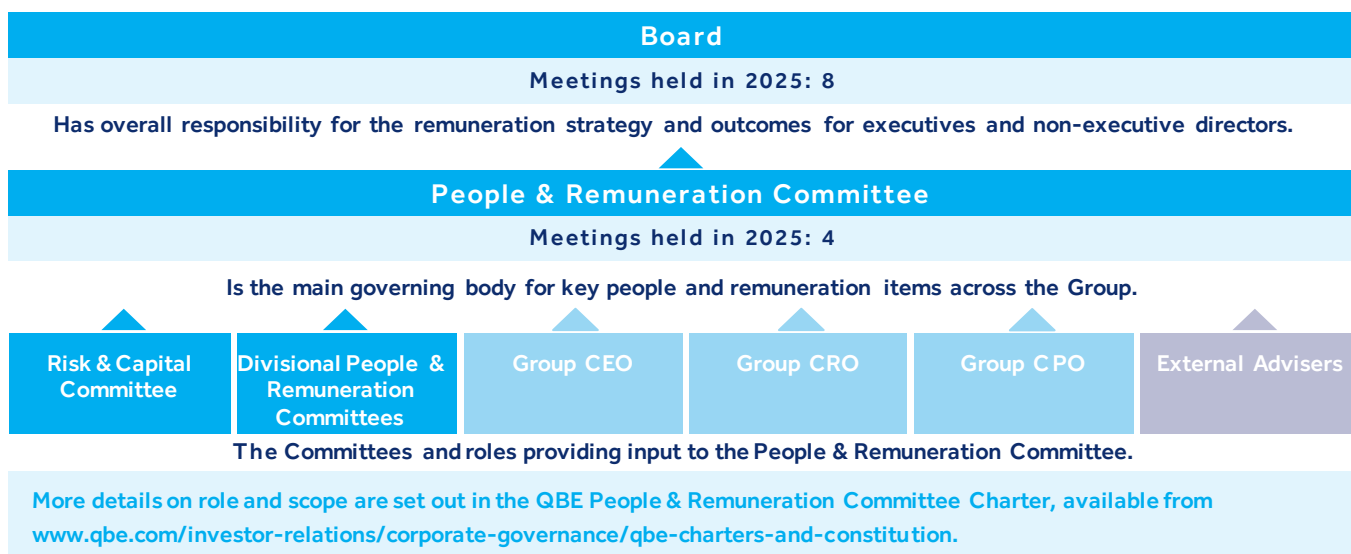
QBE Insurance Group Limited (QBE) has a robust remuneration governance process overseen by the Board of Directors (Board). This ensures that the remuneration arrangements are appropriately designed and managed and that the agreed frameworks and policies are applied and monitored across QBE.

The People & Remuneration Committee is the delegated sub-committee of the Board of QBE which oversees the major people, culture and remuneration practices for employees of QBE, including but not limited to:

- making recommendations to the Board regarding the employment arrangements of the Group Chief Executive Officer (Group CEO);
- any executives reporting to the Group CEO; and
- other persons and roles covered by the Group Remuneration Policy.

The People & Remuneration Committee is established by the Board and has a minimum of three non-executive directors, the majority of which must be independent. The Chair of the People & Remuneration Committee is appointed by the Board. The Group Chief People Officer (Group CPO) attends and provides remuneration and people related insights, with the Risk & Capital Committee and the Group Chief Risk Officer (Group CRO) providing risk insights and inputs to remuneration decisions made by the People & Remuneration Committee and the Board.

The diagram below presents the main parties providing input to the People & Remuneration Committee and Board overseeing remuneration:



The People & Remuneration Committee and the Risk & Capital Committee oversee activities on behalf of the Board with at least one joint meeting conducted annually. In addition, the Board considers the feedback from the Group CRO in the approval of current remuneration outcomes and in determining the extent of vesting of prior deferred remuneration of both current and former senior executives.

The People & Remuneration Committee and Board have authority under the Group Remuneration Policy and the Annual Performance Incentive (API) and Long-term Incentive (LTI) plan rules to apply in-year remuneration adjustments, malus and/or clawback to reduce variable remuneration from the current and/or prior financial years, even to zero if necessary.

External Advisers

Ernst & Young (EY) is the current remuneration adviser appointed by the People & Remuneration Committee. EY provides independent advice, insights and market practice (where relevant) regarding the remuneration framework, including reviewing the Group Remuneration Policy, People & Remuneration Committee Charter, API and LTI plan rules.

Further details on the use of external advisers can be found on page 79 of the 2025 Annual Report.

Remuneration framework review

During 2025, various aspects of the QBE remuneration framework were reviewed to determine that these remain fit for purpose. This included the annual review of remuneration arrangements. Other activity conducted in 2025 included updates to the Group Remuneration Policy and the Global Consequence Management Policy, the annual APRA CPS 511 compliance review and the completion of the first CPS 511 Triennial Effectiveness review by a suitably qualified and independent external adviser. No material matters were raised in these reviews.

The Group Remuneration Policy, reviewed annually by the Board, outlines QBE’s remuneration and reward framework and the relevant governance practices. The Group Remuneration Policy applies to all individuals employed directly by QBE (including any controlled entity) on a permanent or contractual basis, subject to local market conditions and regulatory requirements. It incorporates the design and purpose of fixed and variable remuneration, performance, risk management and conduct, and how consequence management can be applied. The three business divisions adopted the Group Remuneration Policy for 2025, including minor amendments, if needed, where different regulatory requirements apply.

Further details on how the Board oversees the input on all risk related matters from the Risk & Capital Committee and the Group CRO can be found on page 77 of the 2025 Annual Report.

Malus and clawback provisions and details of the number and type of consequence management applied during 2025 can be found on page 78 of the 2025 Annual Report.

Remuneration framework and design of variable remuneration plans

QBE’s remuneration strategy is designed to attract, retain and motivate employees by providing market competitive remuneration, aligned with the creation of sustained shareholder value and robust risk management practices.

The diagram below, which can be found on page 66 of the 2025 Annual Report, shows how QBE’s remuneration framework links to the purpose and vision, the business plan and strategic priorities and aligns to our culture and how we manage risk.



Aligning remuneration to culture and managing risk

The remuneration structure is designed to align remuneration with long-term prudent risk-taking and is underpinned by our QBE DNA. The way executives comply with the requirements of our Group Code of Ethics and Conduct (the Code) and manage their risk is a key consideration for the Board in determining their incentive outcomes. We measure not only what was achieved, but how it was achieved. Additionally, the inclusion of non-financial metrics, together with extended deferral for certain regulated roles, further supports QBE's effective risk management practices in our incentive plans.

Further details on how the remuneration framework promotes QBE's long-term financial soundness can be found on page 77 of the 2025 Annual Report.

The Code supports the QBE risk culture in a robust and globally consistent manner. Through following the Code and our QBE DNA behaviours, we demonstrate the expected standards of professionalism and ethical behaviour in our conduct, actions and interactions. Where a breach of the Code has occurred or the standards of professionalism and ethical behaviour set out in the Code are not satisfactorily met, consequences are applied resulting in an appropriate reduction in the incentive outcome for the current performance year and/or prior financial year.

Further details on the Code can be found on page 78 of the 2025 Annual Report and is available from www.qbe.com/investor-relations/corporate-governance/global-policies.

As part of the 2025 year-end process, the Group CRO provided input to the Board regarding each senior executive's approach to risk management (supported by the Risk Maturity Assessment (RMA) framework and input from Internal Audit), recognising positive and negative risk-based behaviours across risk culture and risk management.

This process resulted in upward and downward adjustments applied through performance ratings, incentive payouts and consequences (that can include executives leaving the organisation). The RMA assessments are utilised as inputs for determining remuneration outcomes at an individual level for senior leaders.

Incentive plans and aligning remuneration outcomes with performance

The performance-based components of variable remuneration established in QBE's API and LTI incentive plans consider both financial and non-financial performance and are designed to encourage behaviours that support long-term financial soundness. Variable remuneration mix differs across the CPS 511 Specified Role cohorts.

The differences arise due to varying target API and LTI opportunities (as percentage of fixed remuneration) in the cohorts. API and LTI opportunities differ due to the local remuneration practices in different countries, seniority levels, skills, capabilities and experience, and the performance outcomes of the individuals. The individual's performance rating will impact their API outcome, with high performing individuals receiving higher outcomes than an individual with a mid or lower performance rating.

Annual Performance Incentive Plan

The API plan is an annual, performance-based incentive, measured over a 12-month period, with the outcome for senior employees, delivered as a combination of cash and deferred equity in the form of conditional rights to fully paid ordinary shares. The design of the API provides a clear link between business performance, risk management and individual performance and behaviours.

All members of the Specified Role cohorts (see Appendix 1 for detailed descriptions of Group CEO, SM, MRT, HPMRT and RFCP) are eligible to participate in the API plan provided they have met the minimum service requirements and are not subject to disciplinary procedures.

The conditional rights which are provided as part of the API payouts for senior employees, vest in equal tranches over a further four years for Group CEO, SM, MRT and HPMRT, with extended deferral applied (where necessary) for regulated roles such as SM or the Group CEO.

The API outcome for each employee is determined by their individual performance, both on "What" (Risk, People and personal goals) has been achieved and "How" they demonstrated the QBE DNA behaviours during the year. The "What/How" outcomes effectively form a non-financial overlay over each employee's entire API opportunity, ranging from 0% to 150% of target.

The API business scorecard assesses financial and non-financial performance across several measures aligned to the Group business strategy and risk management (see table below) and the Board considers both quantitative and qualitative factors in determining the outcomes and the available funding. For those RFCP reporting to SM, they focus on Group performance only and this reinforces the independence of RFCP by separating the funding of their API outcomes from the direct performance of the business areas they control.

Further details on the API scorecard outcomes are on page 69 of the 2025 Annual Report.

Further details on the API, including the forms of remuneration, the financial and non-financial performance measures, their rationale and alignment to strategy, risk management, deferral periods and vesting, are on page 73 of the 2025 Annual Report.

The table below sets out the performance measures by cohort and business line (where applicable), and the application of the material weight of non-financial measures:

SCORECARD DETERMINES FUNDING THROUGH:	PERFORMANCE MEASURES APPLIED – ALIGNED TO STRATEGY AND RISK MANAGEMENT	NON-FINANCIAL OVERLAY BASED ON INDIVIDUAL PERFORMANCE	GROUP CEO AND SM DIRECT REPORTS	SM (OTHER)	MRT (INCLUDING HPMRT)	RFCP (NOTE 1)
Financial	Group return on equity (ROE)	An individual's API can be reduced to zero or increased to 150% of target due to individual performance, effectively forming a non-financial overlay over the entire award. This approach demonstrates the material weighting applied to non-financials.	●	●	●	●
	Group combined operating ratio (COR)		●	●	●	●
	Division/ Underwriting COR/Other		–	●	● (where applicable)	●
Non-financial	Group non-financial (risk, people and culture, strategic measures)		●	●	●	●
	Division non-financial (risk, people and culture, strategic measures)		–	–	●	●

Note 1: For the performance year 2025, the average total variable remuneration outcome in proportion to fixed remuneration for senior RFCP reporting to SM was 63%. This percentage represents the total variable remuneration realised in 2025, being all cash awards received in 2025 and all deferred historic conditional rights that vested in 2025, shown as a percentage of fixed remuneration as at 31 December 2025. No risk adjustments were required, and there were no guaranteed bonuses, sign-on awards or severance payments made to RFCP reporting to SM in 2025.

Long-term Incentive Plan

The LTI is awarded annually to eligible employees in the form of conditional rights to fully paid ordinary shares and has a performance period of three years. Selected individuals participate in the LTI, nominated by the Group Executive Committee (GEC) for individual performance and leadership potential. Vesting is deferred for three to five years from the start of the performance period, for all participants. The Group CEO has an extended retention period of one year for each tranche.

Only selected, senior individuals are eligible to participate in the LTI. In 2025, the below shows the proportion of each cohort's participation:

CEO	SM	MRT	HPMRT	RFCP
100%	88%	(Note 2)	93%	4%

Note 2: Details are not disclosed for cohorts with fewer than five instances, consistent with CPS 511 paragraph 67(b).

Performance is assessed at a Group level and is subject to four performance targets (both financial and non-financial).

Further details on the LTI, including the financial and non-financial performance measures, their rationale and alignment to strategy, risk management, deferral periods and vesting, can be found on pages 74-75 and 77 of the 2025 Annual Report.

The table below sets out the performance measures by cohort and the application of the material weight of non-financial measures:

VESTING DETERMINED THROUGH:	PERFORMANCE MEASURES APPLIED – ALIGNED TO SHAREHOLDER OUTCOMES	NON-FINANCIAL OVERLAY FOR RISK MANAGEMENT	GROUP CEO AND SM DIRECT REPORTS	SM (OTHER)	MRT (INCLUDING HPMRT)	RFCP
Financial	Group ROE	A review of risk and conduct-related behaviours at the end of the performance period aligns the management of risk and an individual LTI outcome.	●	●	●	●
	Relative Total Shareholder Return (TSR)		●	●	●	●
Non-financial	Customer, including a pre-vest assessment.	The People & Remuneration Committee may further adjust LTI outcomes by other items as deemed appropriate.	●	●	●	●
	Sustainability, including a pre-vest assessment.		●	●	●	●

Malus and clawback provisions and details of the number and type of consequence management applied during 2025 can be found on page 78 of the 2025 Annual Report.

Deferrals and adjustments

A comprehensive performance assessment using both the “What” and “How” ratings is conducted in advance of any remuneration decisions as detailed above. The performance assessment includes input on both risk performance and behaviours. The inputs from risk are applied at both a pool funding level and at an individual level for senior leaders.

An individual who does not adequately meet the requirements of their role from either a performance and/or risk perspective receives a lower performance rating and will have a reduced remuneration outcome as a result.

For the Group CEO and each SM, the People & Remuneration Committee considers vesting of any deferred API and LTI in each instance before the end of the deferral period, i.e. whether vesting is to occur and recommends the vesting outcome to the Board. For employees below this level, vesting is subject to risk and people processes, including oversight from the Group CRO for senior leaders (the RMA framework mentioned above). If there is an investigation underway, the date of vesting is delayed until the conclusion of the investigation. The mechanics and duration of deferral is detailed for the API and LTI above in *Remuneration framework and design of variable remuneration plans*.

The Consequence Management Policy also provides guidance to ensure consequences for misconduct or poor risk outcomes are fair, consistent and aligned with local legislative, regulatory and the Code requirements. It is noted that, the Financial Accountability Regime (FAR), applicable to many of the same individuals, also promotes individual accountability.

This accountability will aid the organisation in determining the appropriateness of individual remuneration. QBE's Consequence Management Policy and approach allow overall variable remuneration adjustments across multiple timeframes: in-year, malus for unvested awards and clawback of cash and vested equity up to two years after vesting. It includes a Consequence Matrix which includes various levels of misconduct and provides guidance for determining the consequence(s) to apply for each level of misconduct.

When determining the level of misconduct, the following factors may be considered:

- impact to QBE, our people, customers, communities and other third parties including but not limited to financial, legal, regulatory and reputational impact;
- intent and motivation;
- one-off or repeated occurrence;
- potential or actual breach of legal or regulatory requirements; and/or
- whether conduct constitutes (or may constitute) a criminal or regulatory offence.

Consequence(s) of misconduct may include the adjustment of variable remuneration including:

- adjustments to variable remuneration within a performance year;
- adjustments to deferred variable remuneration that has not yet vested (malus);
- adjustment to variable remuneration that has already been paid or vested (clawback); and/or
- delaying payment/vesting where a person is under investigation for conduct.

Employees are provided with real examples of steps QBE management takes when issues are raised and ethical standards are not met in our annual Spotlight Report. Sharing these examples reinforces QBE's commitment to the highest standards of ethical conduct and professionalism, as outlined in the Code. When concerns are raised through formal channels, we take them seriously and remain transparent about the actions taken. During 2025, there were no downward adjustments to variable remuneration for any of the incumbents in Specified Roles due to consequence management.

Further details on the instances of consequence management, malus and clawback provisions and variable remuneration adjustments can be found on page 78 of the 2025 Annual Report.

Ineligibility for variable remuneration

Employees or fixed term contractors who joined QBE late in the performance year may not be eligible for any variable remuneration. They may still be subject to relevant clauses in their employment contracts (an example being probation), which may include termination of employment/contract in the event of a material breach or misconduct. The Code still applies.

Appendix 1: QBE Specified Roles

CPS 511 reporting requires QBE to define Specified Roles using the titles shown below. The types of roles included in each category are as follows:

CEO	SENIOR MANAGER (SM)	MATERIAL RISK-TAKER (MRT)	HIGHLY PAID MRT (HPMRT)	RISK AND FINANCIAL CONTROL PERSONNEL (RFCP)
Group CEO	Person who holds a 'Responsible Person Position' as aligned to QBE's Fit & Proper Policy. This cohort includes the direct reports to the Group CEO (comprising the GEC) and other Group Fit & Proper roles.	Senior executives with a direct reporting line to the GEC whose activities have a material potential impact on the entity's risk profile, performance and long-term soundness. This cohort excludes employees in support function job families. If senior executives are already included in the SM or RFCP roles, they are not included in the MRT category.	Sub-set of the MRT category whose total fixed remuneration (salary, superannuation, allowances and benefits) plus actual variable remuneration is equal to or greater than A\$1 million in a financial year.	Employees within the APRA-regulated entities whose primary role is in risk management, compliance, internal audit, financial control or actuarial control and have a level of control in risk management, accountability and the ability to influence.

