



QBE Insurance Group

Securities Trading Policy

Effective Date: 13 May 2020

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1 Introduction

As a public company, QBE Insurance Group Limited (**QBE**) is bound by laws governing the conduct for buying, selling and otherwise dealing in securities.

The purpose of this Policy is to:

- (a) explain the types of conduct in dealing in securities that are prohibited under the Corporations Act and to whom such prohibitions apply; and
- (b) establish a best practice procedure for the buying and selling of securities that protects the QBE Group, its Directors and employees against the misuse of inside information.

The QBE Group aims to achieve the highest possible standards of corporate conduct and governance. The Board of Directors of QBE considers that compliance with this Policy is essential for all Directors and QBE Employees to meet the highest standards of conduct.

Any non-compliance with this Policy will be regarded as serious misconduct which may entitle QBE to take disciplinary action.

It is essential that all Directors and QBE Employees read, understand and comply with this Policy. Should you be unsure about any aspect of the Policy, please contact either the QBE Group General Counsel and Company Secretary or the QBE Group Deputy Company Secretary.

2 Definitions

For the purpose of this Policy:

- (a) **ASX** means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market known as 'ASX' operated by it.
- (b) **Corporations Act** means the *Corporations Act 2001* (Cth).
- (c) **Closely Related Party** has the meaning given to that term in section 9 of the Corporations Act which includes the Relevant Person's spouse, child, spouse's child, a dependent of the Relevant Person or Relevant Person's spouse, any other family member of the Relevant Person who is in a position of influence over, or may be influenced by, the Relevant Person, or a company controlled by the Relevant Person.
- (d) **dealing** includes directly or indirectly:
 - (i) buying or otherwise applying for securities, whether on or off market;
 - (ii) selling or otherwise disposing of securities, whether on or off market;
 - (iii) arranging for someone else to buy, sell or otherwise apply for or dispose of securities;
 - (iv) entering into margin lending, stock lending or other financing arrangements related to securities;
 - (v) issuing, underwriting or varying the terms of securities;
 - (vi) granting a mortgage or other right over securities to another party; and
 - (vii) transferring legal ownership of securities, even where beneficial interest does not change.
- (e) **derivative** has the meaning given to that term in the Corporations Act and includes options, forward contracts, swaps, futures, warrants, caps, collars and any other transaction in financial products that operates to limit the economic risk associated with holding securities.

- (f) **direct report** means a person who is managed by, and has an immediate reporting line to, another person.
- (g) **inside information** means information that:
 - (i) is not generally available; and
 - (ii) if it were generally available, it would, or would be likely to, have a material effect on the price or value of those securities. This is satisfied where the information would, or would be likely to, influence investors in deciding whether to buy or sell securities,
 and can include information which is of an uncertain nature, rumours, matters of supposition, matters relating to the intentions of a person (including QBE and its related bodies corporate) and information which is insufficiently definite to warrant disclosure to the public.
- (h) **QBE Employee** means an employee, contractor or consultant of the QBE Group (excluding Directors).
- (i) **QBE Group** means QBE and its related bodies corporate as defined in the Corporations Act.
- (j) **QBE Group Executive Committee** means the executive committee of QBE, including the QBE Group CEO.
- (k) **securities** includes:
 - (i) shares;
 - (ii) notes, bonds, debentures or debt instruments;
 - (iii) options over issued or unissued shares or debentures;
 - (iv) renounceable or non-renounceable rights to subscribe for shares or debentures;
 - (v) interests in managed investment schemes, trusts and other financial products; and any derivatives of those securities, whether settled by cash or otherwise, including financial products created by third parties in relation to those securities.

3 Persons to whom this policy applies

3.1 Relevant Persons and Closely Related Parties

Unless otherwise stated, this Policy applies to:

- (a) all Directors of QBE;
- (b) all Directors of the divisional statutory Boards of the QBE Group; and
- (c) all QBE Employees,

together referred to in this policy as **Relevant Persons**, and

- (d) for each Relevant Person, their Closely Related Parties.

3.2 Responsibility for compliance by Closely Related Parties

- (a) Relevant Persons must ensure their Closely Related Parties are aware of the requirements of this Policy and they must take reasonable steps to ensure their Closely Related Parties comply with those requirements.
- (b) Where this Policy requires a Relevant Person to do something (e.g., obtaining clearance in accordance with paragraphs 5 or 6), that person must also do so for their Closely Related Parties.

- (c) If a Relevant Person becomes aware that any of their Closely Related Parties hold or have dealt in QBE securities in breach of this Policy, they must immediately notify the QBE Group General Counsel and Company Secretary or QBE Group Deputy Company Secretary of that fact.

4 Restrictions on dealing in QBE securities

4.1 No trading when in possession of inside information

Relevant Persons and their Closely Related Parties must not deal in QBE securities where they are in possession of inside information.

4.2 Other prohibited dealings

(a) Closed Periods

Closed Periods are times when Relevant Persons and their Closely Related Parties must not deal in QBE securities.

The following are mandated Closed Periods:

- (i) the period commencing from 9.00am on the date which is one week before QBE's annual balance date until 5.00pm on the day on which QBE's full results are released to ASX;
- (ii) the period commencing from 9.00am on the date which is one week before QBE's half-yearly balance date until 5.00pm on the day on which QBE's half-yearly results are released to ASX; and
- (iii) any other period determined and notified by QBE from time to time.

If the dates which are one week prior to QBE's annual or half-yearly balance date are not ASX trading days, then the Closed Period begins on the preceding trading day.

In addition to the insider trading prohibition in paragraph 4.1 above, Relevant Persons and their Closely Related Parties must not deal in any of QBE securities during Closed Periods unless permitted to do so under paragraphs 5 or 7.

(b) No short-term dealing – buying and selling within three-month period

Relevant Persons and their Closely Related Parties must not deal in QBE securities on a short-term trading basis, being a period of three months between purchase and sale of any QBE securities. Short-term trading has a speculative element which may be indicative that a Relevant Person's or their Closely Related Parties' interests are not aligned with the long-term interests of the QBE Group and its investors.

(c) Margin lending

Dealing in QBE securities by Relevant Persons and their Closely Related Parties pursuant to a margin lending arrangement is not permitted. Such dealings would cover:

- (i) entering into a margin lending arrangement in respect of QBE securities; and
- (ii) transferring QBE securities into an existing margin loan account.

(d) Hedging of QBE securities

Hedging of QBE securities by a Relevant Person and their Closely Related Parties is prohibited at all times.

Hedging includes using securities to offset the risk of any adverse price movement in QBE securities or entering into transactions in financial products that operate to limit the economic risk associated with holding QBE securities.

5 Exceptional circumstances

If a Relevant Person or their Closely Related Parties needs to deal in QBE securities during a Closed Period or undertake short-term trading, in each case due to exceptional circumstances, but such dealing is prohibited by either paragraph 4.2(a) or paragraph 4.2(b) of this Policy, the Relevant Person may apply to the person(s) listed in the table below (**Approver**) for a waiver from compliance with the provisions of that paragraph.

Exceptional circumstances for these purposes may include severe financial hardship, compulsion by court order or court enforceable undertaking, some other overriding legal or regulatory requirement to sell or transfer QBE securities, or any other circumstance that is deemed exceptional by the Approver.

Column A Relevant Person or their Closely Related Parties Seeking to Trade during a Closed Period	Column B Approver (<i>Person(s) From Whom Clearance Must be Sought</i>) (with QBE Group General Counsel and Company Secretary or QBE Group Deputy Company Secretary to be notified)
Directors of QBE (including the QBE Group CEO)	The Chairman of the QBE Board
The Chairman of the QBE Board	The Chairman of the QBE Audit Committee or, in their absence, another member of the QBE Audit Committee that is not the Chairman of the QBE Board
The QBE Group General Counsel and Company Secretary	The QBE Group CEO
Members of the Group Executive Committee (including divisional CEOs)	The QBE Group CEO
Direct reports of members of the QBE Group Executive Committee	The QBE Group CEO via the QBE Group General Counsel and Company Secretary
Directors of the divisional statutory Boards of the QBE Group	The QBE Group CEO via QBE Group General Counsel and Company Secretary
All divisional General Counsels and Company Secretaries of the QBE Group	The QBE Group CEO via the QBE Group General Counsel and Company Secretary
Any other Relevant Person	The QBE Group CEO via the QBE Group General Counsel and Company Secretary

Relevant Persons seeking a waiver under this paragraph must apply in writing to the relevant Approver, with a copy to the QBE Group General Counsel and Company Secretary or the QBE Group Deputy Company Secretary, setting out:

- (a) the details of the proposed dealing(s) (including the proposed date(s) for executing the proposed dealing(s));
- (b) the number and type of QBE securities; and
- (c) an explanation as to the exceptional circumstances under which the waiver is requested.

The Approver may, in their discretion, grant or refuse a waiver application, without giving any reasons. The Approver may also require further details from the requester and may take the time they consider necessary to consider the request, including time to seek legal opinion.

A waiver will only be granted if the Relevant Person's application is accompanied by sufficient evidence (in the opinion of the Approver) that the requested dealing is the only reasonable course of action available in the circumstances.

If a waiver is granted, the Relevant Person will be notified in writing (including by email), with a copy to the QBE Group General Counsel and Company Secretary or the QBE Group Deputy Company Secretary. In each circumstance, the duration of the waiver to deal in QBE securities will be five business days. The Approver may withdraw the waiver if new information comes to light or there is a change in circumstances.

Unless otherwise specified in the approval notice, any dealing permitted under this paragraph 5 must comply with the other paragraphs of this Policy (to the extent applicable).

Where a waiver is refused, it is final and binding on the Relevant Person and the Relevant Person must keep all information relating to the waiver confidential.

The insider trading restriction in paragraph 4.1 applies to all dealings in QBE securities despite any approval given to a Relevant Person under this Policy, and the Relevant Person is responsible for ensuring that the dealing does not breach this restriction.

6 Restrictions for certain Relevant Persons on Dealings outside of a Closed Period

If a Relevant Person or their Closely Related Parties listed in column A below intends to deal in QBE securities during any period other than a Closed Period, the Relevant Person must seek clearance of the proposed dealing from the person(s) listed in column B below (**Approver**):

Column A Relevant Person or their Closely Related Parties Seeking to Trade	Column B Approver – (Person(s) From Whom Clearance Must be Sought) (with the QBE Group General Counsel and Company Secretary or QBE Group Deputy Company Secretary to be notified)
Directors of QBE (including the QBE Group CEO)	The Chairman of the QBE Board

The Chairman of the QBE Board	The Chairman of the QBE Audit Committee or, in their absence, another member of the QBE Audit Committee that is not the Chairman of the QBE Board
The QBE Group General Counsel and Company Secretary	The QBE Group CEO
Members of the QBE Group Executive Committee (including divisional CEOs)	The QBE Group CEO
Direct reports of members of the QBE Group Executive Committee	Their direct manager
Directors of the divisional statutory Boards of the QBE Group	The Chairman of their divisional statutory Board or, in their absence, another member of their divisional statutory Board
Chairman of the divisional statutory Boards of the QBE Group	The Chairman of their divisional Board Audit Committee or, in their absence, another member of the respective Board Audit Committee that is not the Chairman of their divisional statutory Board
Members of QBE Executive Management Board (or equivalent) (excluding the divisional CEO)	Their divisional CEO

Relevant Persons seeking a clearance under this paragraph must apply in writing to the relevant Approver, with a copy to the QBE Group General Counsel and Company Secretary or the QBE Group Deputy Company Secretary ([using the form on QUBE](#)), setting out:

- (a) the details of the proposed dealing(s) (including the proposed date(s) for executing the proposed dealing(s)); and
- (b) the number and type of QBE securities.

The Approver may, in their discretion, grant or refuse a clearance, without giving any reasons. The Approver may also require further details from the requester and may take the time they consider necessary to consider the request, including time to seek legal opinion.

If a clearance is granted, the Relevant Person will be notified in writing (including by email), with a copy to the QBE Group General Counsel and Company Secretary or the QBE Group Deputy Company Secretary. In each circumstance, the duration of the clearance to deal in QBE securities will be five business days. The Approver may withdraw the clearance if new information comes to light or there is a change in circumstances.

Unless otherwise specified in the clearance notice, any dealing permitted under this paragraph must comply with the other paragraphs of this Policy (to the extent applicable).

Where a clearance is refused, it is final and binding on the Relevant Person and the Relevant Person must keep all information relating to the waiver confidential.

The insider trading restriction in paragraph 4.1 applies to all dealings in QBE securities despite any clearance given to a Relevant Person under this Policy, and the Relevant Person is responsible for ensuring that the dealing does not breach this restriction.

7 Exclusions

Paragraphs 4.2(a)–(b) and 6 of this Policy do not apply to:

- (a) participation in an employee equity incentive plan operated by QBE (e.g., applying for an allocation of QBE securities under an employee equity plan offer). However, where QBE securities granted under an employee equity incentive plan cease to be held under the terms of that plan, any dealings in those QBE securities must only occur in accordance with this Policy;
- (b) the following categories of passive trades:
 - (i) acquisition of QBE securities through a dividend reinvestment plan or bonus share plan;
 - (ii) acquisition of QBE securities through a share purchase plan available to all retail shareholders;
 - (iii) acquisition or disposal of QBE securities through a rights issue or other pro rata entitlement offer; and
 - (iv) the disposal of QBE securities through the acceptance of a takeover offer;
- (c) dealings that result in no effective change to the beneficial interest in the QBE securities (e.g., transfers of QBE securities already held into a superannuation fund or trust of which the Relevant Person or their Closely Related Parties is a beneficiary);
- (d) indirect and incidental trading that occurs as a consequence of a Relevant Person or their Closely Related Parties dealing in securities issued by a management investment scheme, listed investment company, exchange-traded fund or similar investment vehicle that is managed by a third party and that happens to hold QBE securities as part of its portfolio; and
- (e) trading under a pre-approved non-discretionary trading plan, where the Relevant Person and their Closely Related Parties did not enter into the plan or amend the plan during a Closed Period, the plan does not permit the Relevant Person and their Closely Related Parties to exercise any influence or discretion in relation to trading under the plan and the plan cannot be cancelled during a Closed Period other than in exceptional circumstances.

The insider trading restriction in paragraph 4.1 applies to all dealings in QBE securities despite any clearance given to a Relevant Person under this Policy, and the Relevant Person is responsible for ensuring that the dealing does not breach this restriction.

8 Securities in other companies

In general, Relevant Persons and their Closely Related Parties are free to deal in securities in other listed companies but should note that the Corporations Act contains various prohibitions on trading in other listed companies with which QBE or a related body corporate may be dealing (including QBE's customers, contractors or business partners) where that person possesses inside information in relation to that other company.

Relevant Persons may come into possession of inside information where they are directly involved in client relationship management or negotiating contracts. For example, where the Relevant Person is aware that QBE or a related body corporate is about to sign a major agreement with another company, the Relevant Person and their Closely Related Parties should not deal in either QBE securities or securities in the other company.

If you are in doubt, you should: (a) not trade; (b) not pass the inside information to another person; and (c) immediately seek advice from either the QBE Group General Counsel and Company Secretary or the QBE Group Deputy Company Secretary.

9 Breach

QBE expects all Relevant Persons to always act with integrity and honesty, acting lawfully and in a manner that avoids a conflict of interest between their own interests and duties owed to QBE.

Breaches of the insider trading laws have serious consequences for both the Relevant Person concerned and for QBE. Breaches of this Policy are regarded as serious and will be subject to appropriate sanctions. Any person who is proven to have breached this Policy could face disciplinary action (including forfeiture of QBE securities and/or suspension or termination of employment).

10 Insider trading

The requirements imposed by this Policy are separate from, and additional to, the legal prohibitions in the Corporations Act on insider trading.

The Corporations Act imposes a number of obligations and duties in relation to dealing in securities by persons in possession of inside information. The law in summary provides that a person in possession of inside information must not:

- (a) deal in securities of an entity whilst in possession of inside information relating to the entity;
- (b) procure another person to deal in those securities; or
- (c) directly or indirectly communicate or cause to be communicated inside information to another person whom he/she knows or ought reasonably to know would or would be likely to deal or procure another person to deal in those securities.

The penalties for breach of the statutory prohibitions by an individual can be either criminal or civil or both.

11 Disclosure by QBE Directors

ASX Listing Rules require QBE to make certain notifications and enter into certain arrangements with Directors about share trading by Directors.

To enable QBE to meet its obligation under these rules, each Director must provide necessary information to QBE. This requires initial, ongoing and final disclosure to QBE and applies to QBE securities or securities of a related body corporate.

12 Who to contact

Any person who has any queries about this Policy should contact either the QBE Group General Counsel and Company Secretary or QBE Group Deputy Company Secretary.