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3 May 2018

The Manager
Markets Announcements Office
ASX Limited
Level 4
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

2018 Annual General Meeting of Shareholders – Presentation Slides

We refer to our letter earlier today.

Please find attached the presentation slides to be delivered at QBE's Annual General Meeting today.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Carolyn Scobie', written in a cursive style.

Carolyn Scobie
Company Secretary

Attachment

QBE Insurance Group

2018 Annual General Meeting

Thursday 3 May 2018

All figures in US\$ unless otherwise stated



Marty Becker

Chairman of the Board



Pat Regan

Group Chief Executive Officer



Our Focus

1 Simplify QBE

2 Brilliant Basics

3 Drive Performance Improvement

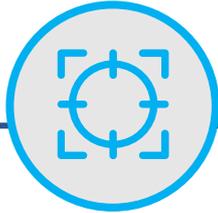
4 Further Reposition North America

5 Remediate Asia

6 Talent and Culture

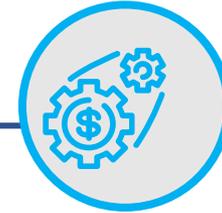
7 Build for the Future

1 Simplify QBE



Our Focus

- Markets and products where we have a competitive advantage
- Narrow the focus and simplify back to core
- Improve quality and consistency of results



Simplification Initiatives

- Latin America ✓
- HK workers' comp – construction ✓
- Thailand ✓
- North American Personal Lines

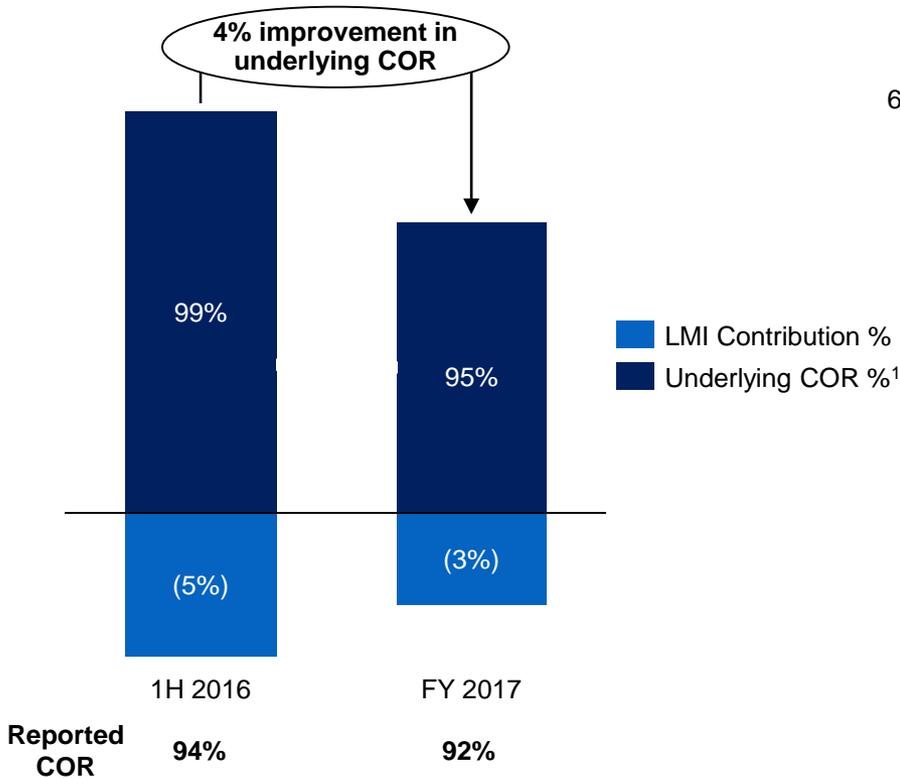
2 Brilliant Basics



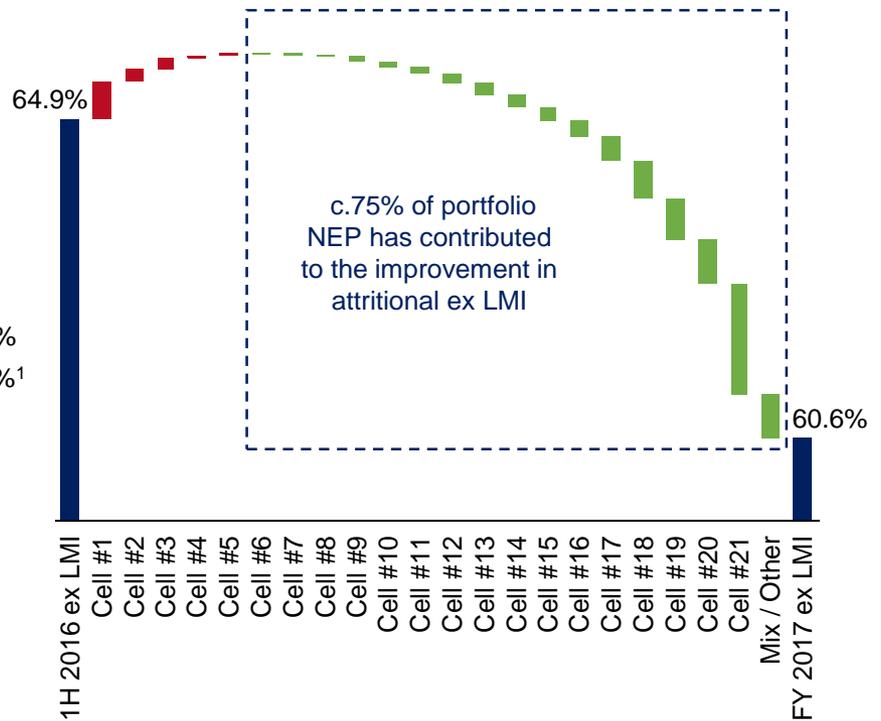
- Establish **consistent QBE standards and practices** in all of our markets
- Strive for **global best practice** in underwriting, pricing and claims
- Strengthen **governance and oversight**

2 Brilliant Basics – Impact on Australia & New Zealand

1 Stronger Earnings Quality



2 Improving Attritional Performance



ANZO performs c.50 cell reviews on a quarterly basis while the exhibit above reflects a subset

¹ Excludes discount impact due to changes in risk-free rates

3 Drive Performance Improvement: Cell Review Process

Driving a culture of accountability

Fact based reviews

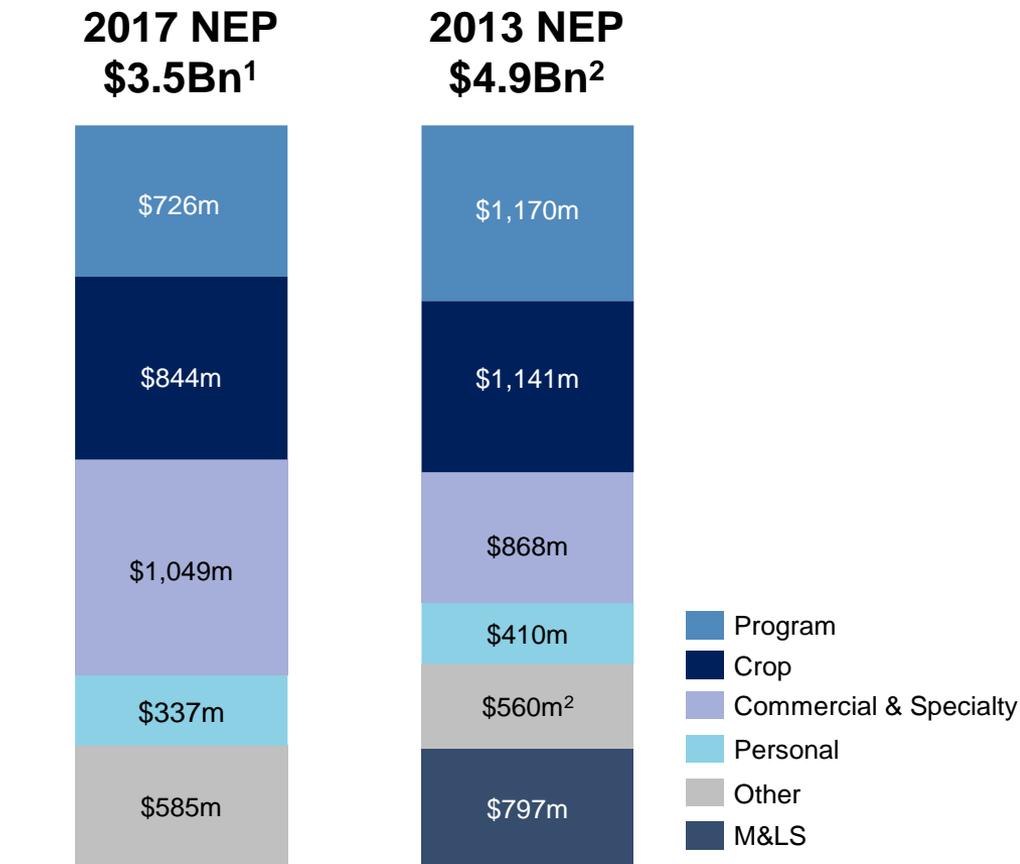
Results oriented outcomes



4 Further Reposition North America

Key Priorities

- 1 Deliver 2018 plan
- 2 Establish Brilliant Basics fundamentals
- 3 Refocus portfolio: middle market commercial and Specialty
- 4 Reduce costs



¹ Excludes transactions to reinsure US liabilities

² Adjusted to exclude non-North America premium related to global reinsurance portfolio

5 Remediate Asia: Execute Profit Improvement Program

Remediation activities

1 Targeted performance improvement plans

2 Implement Brilliant Basics: Underwriting, pricing and claims

3 Rationalise regional costs and simplify operating model

Property hazard grade improving

Hazard Index 2017



6 Talent and Culture



Talent & culture

- Fast-paced
- Accountable
- Technically excellent
- Courageous
- Diverse
- Customer-centred
- Team oriented

7 Build For The Future



Innovation & Technology

- Building internal data science capability
- Investment in Insurtech companies
- Digital



Customer Focus

- Ensure products deliver value to customers
- Enhance retention
- Sales excellence



Operational Excellence

- Efficiency plan later in the year
- Process excellence, digital and automation

Sustainability



**Diversity &
Inclusion**



**QBE
Foundation**



**Impact
Investing**



Climate Change



2018 Outlook



Our Focus

- 1 Simplify QBE
- 2 Brilliant Basics
- 3 Drive Performance Improvement
- 4 Further Reposition North America
- 5 Remediate Asia
- 6 Talent and Culture
- 7 Build For The Future

2018 Targets

**COMBINED
OPERATING
RATIO**

**95.0% -
97.5%^{1,2}**

**INVESTMENT
RETURN**

2.5% - 3.0%²

1 Assumes risk-free rates as at 31 December 2017

2 Includes the results of operations in Latin America which will be presented as discontinued operations in the 2018 statement of comprehensive income

Disclaimer

This presentation should be read in conjunction with all information which QBE has lodged with the Australian Securities Exchange ("ASX"). Copies of those lodgements are available from either the ASX website www.asx.com.au or QBE's website www.qbe.com.

Prior to making a decision in relation to QBE's securities, products or services, investors, potential investors and customers must undertake their own due diligence as to the merits and risks associated with that decision, which includes obtaining independent financial, legal and tax advice on their personal circumstances.

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Any forward-looking statements assume large individual risk and catastrophe claims do not exceed the significant allowance in our business plans; no overall reduction in premium rates; no significant fall in equity markets and interest rates; no major movement in budgeted foreign exchange rates; no material change to key inflation and economic growth forecasts; recoveries from our strong reinsurance panel; and no substantial change in regulation. Should one or more of these assumptions prove incorrect, actual results may differ materially from the expectations described in this presentation.

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