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21 February 2025

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

Dear Sir/Madam

**QBE Presentation on the 2024 results**

Further to the Company's announcement to the market today on its results for the year ended 31 December 2024, please find attached the presentation to be delivered to investors and analysts this morning.

This release has been authorised by the QBE Board of Directors.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Carolyn Scobie', followed by a period.

Carolyn Scobie  
**Company Secretary**

Encl.



# 2024 Result

21 February 2025

QBE INSURANCE GROUP LIMITED

**Enabling a more resilient future**

# Important information

## Disclaimer

This presentation contains general background information about the Group's activities current as at 21 February 2025. 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 at [www.asx.com.au](http://www.asx.com.au) or QBE's website [www.qbe.com](http://www.qbe.com). The information is supplied in summary form and is therefore not necessarily complete. It is not intended to be and should not be relied upon as advice to investors or potential investors, and does not take into account the investment objectives, financial situation or needs of any particular investor. 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.

## Forward-looking statements

This presentation may contain forward-looking statements. The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan", "outlook", "ambition" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of QBE that may cause actual results to differ materially from those either expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You are cautioned not to place undue reliance on forward-looking statements. Such forward-looking statements only speak as of the date of this presentation and QBE assumes no obligation to update such information.

Any forward-looking statements in respect of earnings and financial position and performance assume ex-cat and catastrophe claims do not exceed the allowance in our business plans, no changes in premium rates in excess of our business plans, no significant change in equity markets and interest rates, no major movement in budgeted foreign exchange rates, recoveries from our reinsurance panel, no unplanned asset sales, no substantial change in regulation, and

no material change to key inflation and economic growth forecasts; in each case, materially from the expectations described in this presentation. Should one or more of these assumptions prove incorrect, actual results may differ.

## Basis of presentation (unless otherwise stated)

1. All figures are in US dollars.
2. Premium growth rates are quoted on a constant currency basis.
3. Premium rate change excludes North America Crop and/or Australian compulsory third party motor (CTP).
4. Core fixed income excludes enhanced fixed income risk assets which comprise emerging market debt, high yield debt and private credit.
5. Funds under management comprise cash and cash equivalents, investments and investment properties.
6. Total core fixed income yield includes assets measured at fair value through profit and loss, and fair value through other comprehensive income.
7. 2024 Adjusted net profit after income tax adjusts for Additional Tier 1 capital coupon accruals. Prior periods remain as presented in prior reports.
8. Earnings per share has been stated on an adjusted basis.
9. 2021 and prior periods are presented on an adjusted AASB 1023 basis as presented in prior reports.
10. APRA PCA calculations at 31 December 2024 are indicative. Prior period calculations have been updated to be consistent with APRA returns finalised subsequent to year end.
11. 2023 Shareholders' equity and Insurance contract liabilities have been restated to reflect an updated transitional adjustment relating to discounting on initial application of AASB 17 *Insurance Contracts*. Adjusted return on equity and other related balance sheet metrics have been restated accordingly.

# FY24 Result highlights

**+5.5%**

Premium rate increases



**+3%**

Gross written premium growth

Or 9% excluding Crop & portfolio exits

**93.1%**

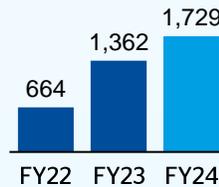
Combined operating ratio



**\$1,729M**

Adj. Net profit after tax

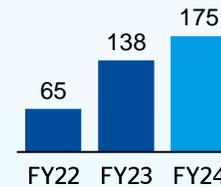
Increase of 27% on FY23



**A¢175**

Basic earnings per share

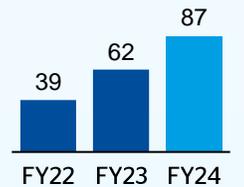
Increase of 27% on FY23



**A¢87**

Dividend per share

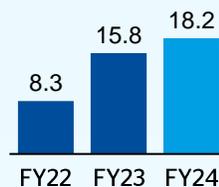
50% payout, 20% franked



**18.2%**

Adj. Return on equity

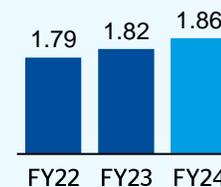
15.8% in FY23



**1.86x**

APRA PCA Multiple

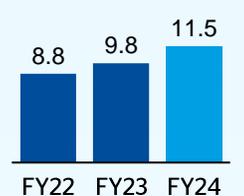
Target range 1.6x to 1.8x



**A\$11.5**

Book value per share

Increase of 17% on FY23



# Performance update

## Growth

**+3%**

**Gross written premium**

Average rate increase  
+5.5%

Ex-rate growth  
(0%)

## Underwriting result

**93.1%**

**Combined operating ratio**

Catastrophe claims  
below allowance

Stable prior year  
development

## Investment result

**4.9%**

**Investment return**

Total investment income  
of \$1,488M

4.3% exit yield

## Balance sheet

**1.86x**

**Regulatory capital**

Capital above S&P 'AA'  
level

Debt to total capital 19.9%

## Dividend

**A¢87**

**Full year dividend**

50% payout ratio

20% franked

# Our journey toward a high-quality, consistent business

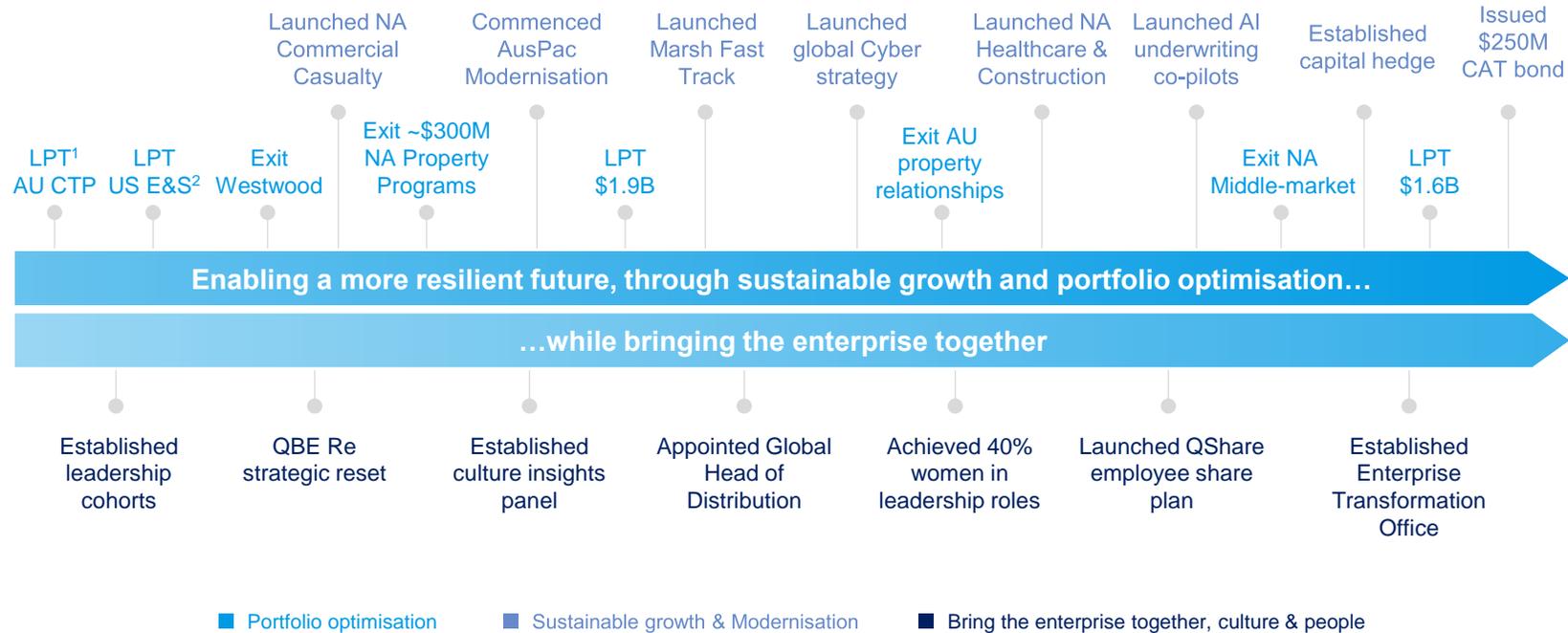
## Strategic initiatives driving consistency and improved performance

### Enter 2022

Launching purpose, vision and strategic priorities

### Exit 2024

With an established track record of consistent performance



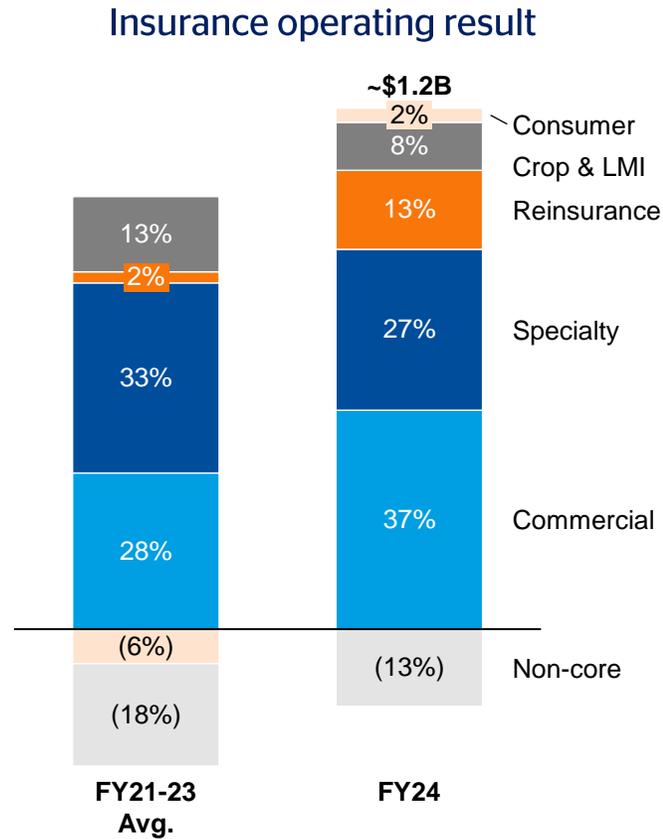
- Uniquely positioned international carrier with strong presence and relationships across key markets
- Portfolio balance and diversification drive stable and predictable underwriting performance
- Breadth of product and regional coverage support sustainable growth profile
- Significant value opportunity from enterprise alignment and efficiency initiatives
- Disciplined capital allocation across market cycles

Note:

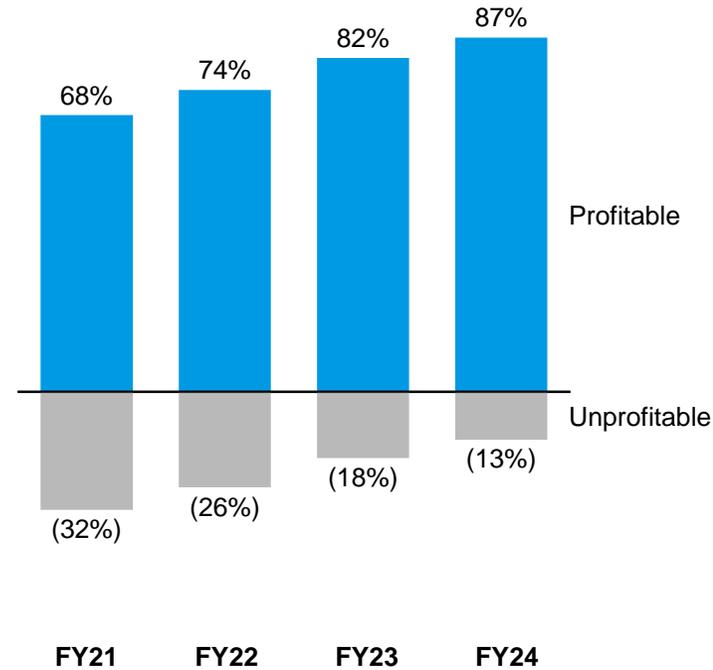
1. Loss portfolio transfer
2. Excess & surplus lines

# Improved quality of earnings and portfolio balance

## Improved quality and breadth of earnings support stronger and more consistent performance



## Profitable vs unprofitable cells (% of GWP)

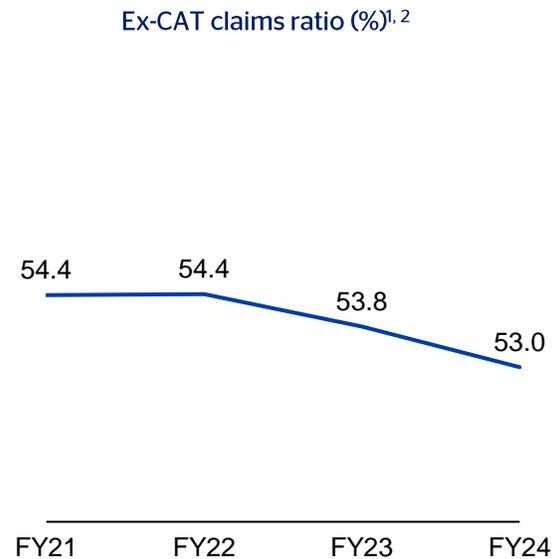
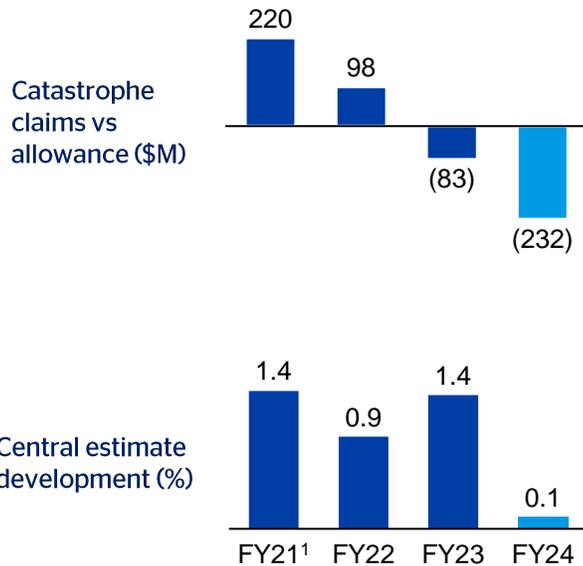


## Strategic progress

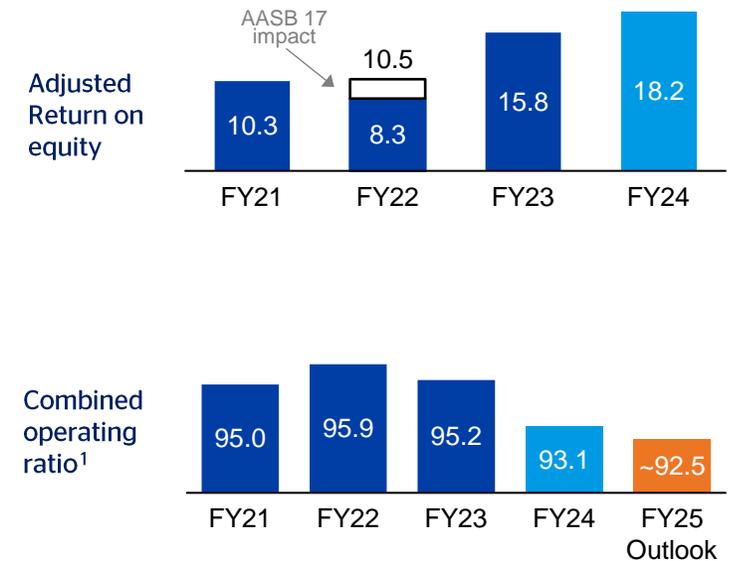
- ◆ Much improved earnings quality with greater breadth, diversification and visibility
- ◆ Portfolio exits to meaningfully reduce drag from underperforming cells
- ◆ Benefit from recent portfolio optimisation initiatives to drive sustainable performance uplift

# Higher quality, more predictable performance

## Improved and less volatile underwriting performance...



## ...driving higher quality, more predictable financial returns

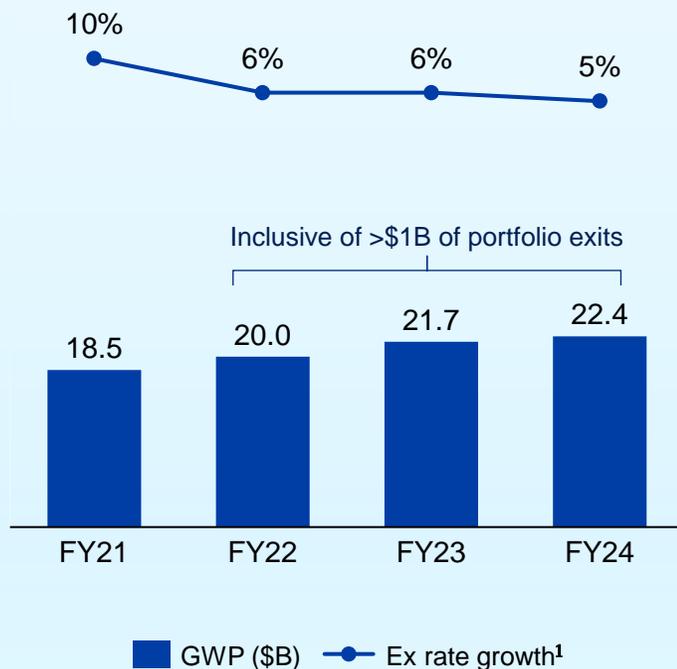


Note:

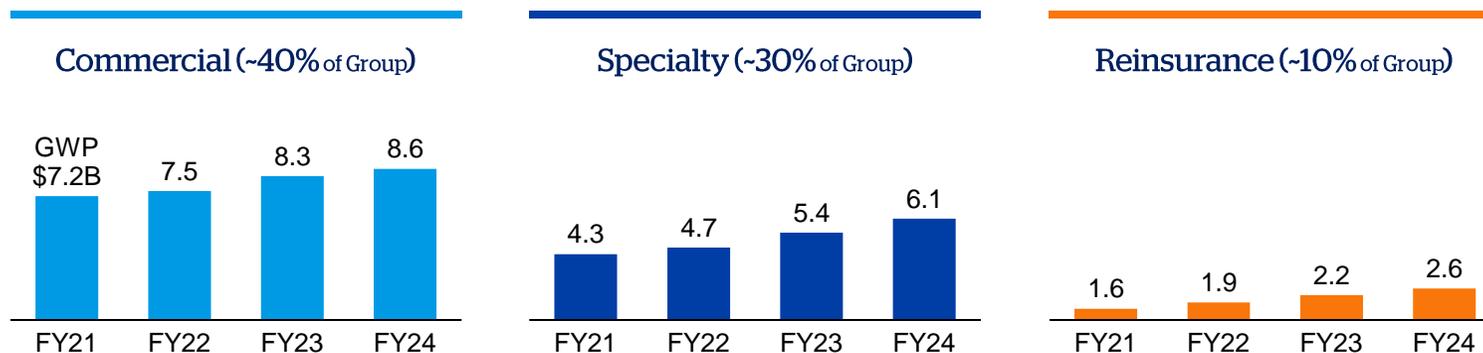
1. FY21 excludes the impact of COVID-19 and the reinsurance loss portfolio transfer transaction.
2. Ex-cat claims ratio excludes Crop and movements in risk margin (AASB 1023) / risk adjustment (AASB 17).

# Attractive sustainable growth outlook

## Building a track record of sustainable growth...



## ...enabled by an internationally diverse portfolio, with strong brand and relationships<sup>1</sup>



### Opportunities

- Deepen core franchises through targeted investment
- Expand into adjacent lines by leveraging our brand and relationships
- Attract high-quality underwriters
- Enhance profile in under-penetrated segments
- Supportive market conditions
- Access broader pools of capital

### Enablers

- Build differentiating capability in data and technology
- More strategic engagement with our trading partners
- Deepen relationships with core customers
- Execute new QBE customer strategy, with more targeted service offering to suit the unique needs of our customers
- Launch of QBE's new global brand proposition

Note:

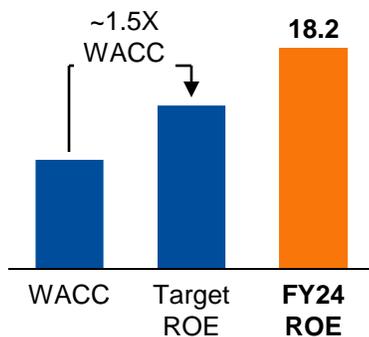
1. Excludes Crop and the impact from portfolio exits.

# Disciplined approach to capital allocation

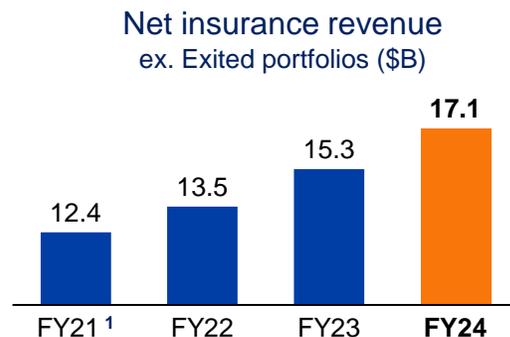
## Growth optionality key into 2025

- Near term capital flexibility remains key, given profitable growth opportunities and strong financial returns
- Potential for improved organic capital generation going forward, as strain from high inflationary environment moderates
- Over coming periods, QBE will balance scope for returning any surplus capital with what remain attractive markets for growth

### Returns currently tracking above target...



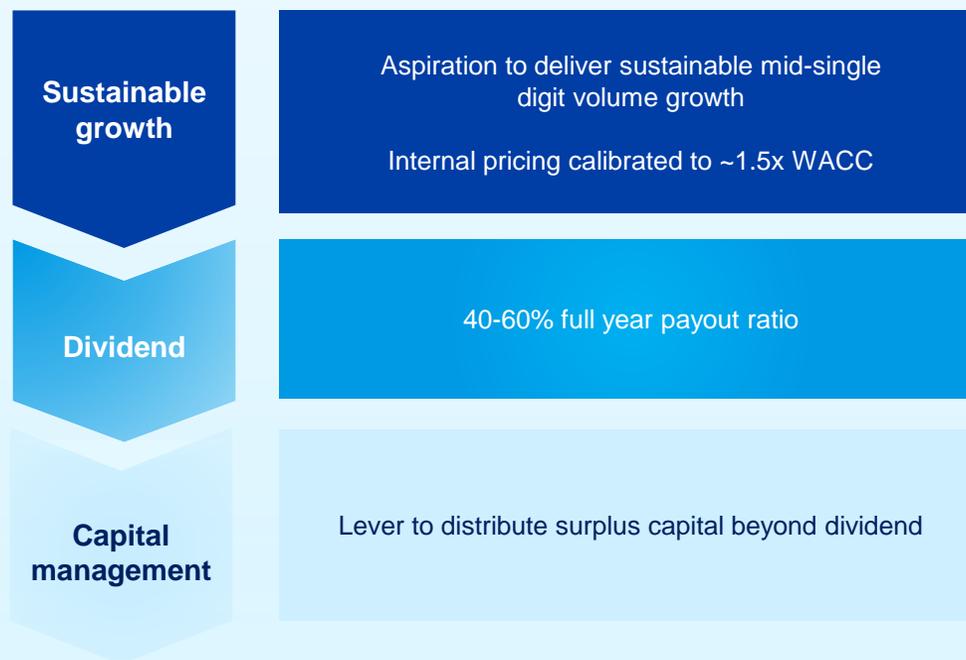
### ...with significant momentum in core business



Note:

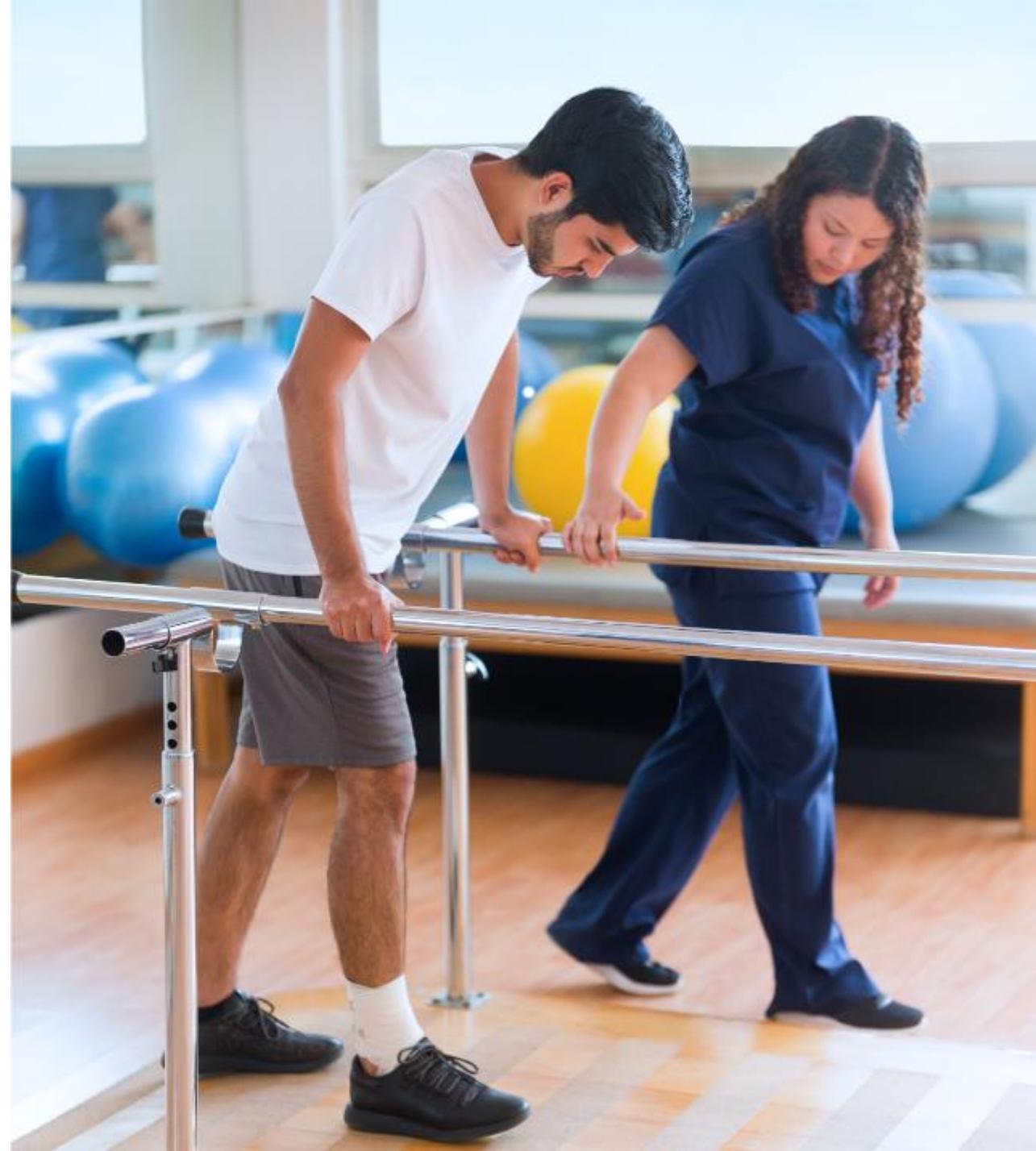
1. FY21 excludes the impact of COVID-19 and reinsurance loss portfolio transfer transaction.

## Capital allocation framework



# Financial performance

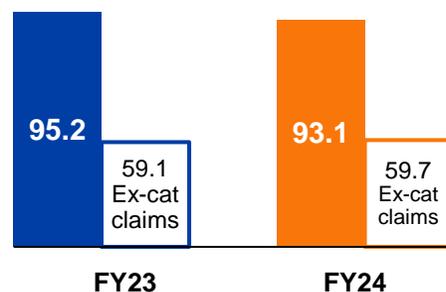
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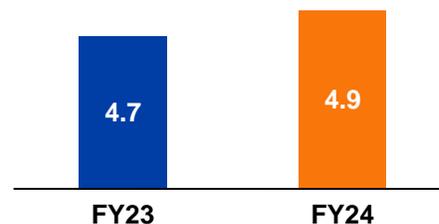
# Result snapshot

Improvement in profitability underscored by more resilient underwriting result and strong investment returns

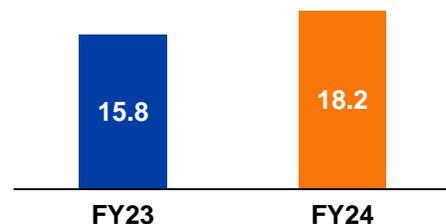
### Combined operating ratio (%)



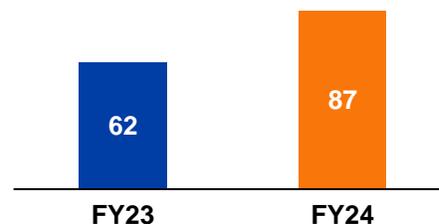
### Investment return (%)



### Adjusted ROE (%)



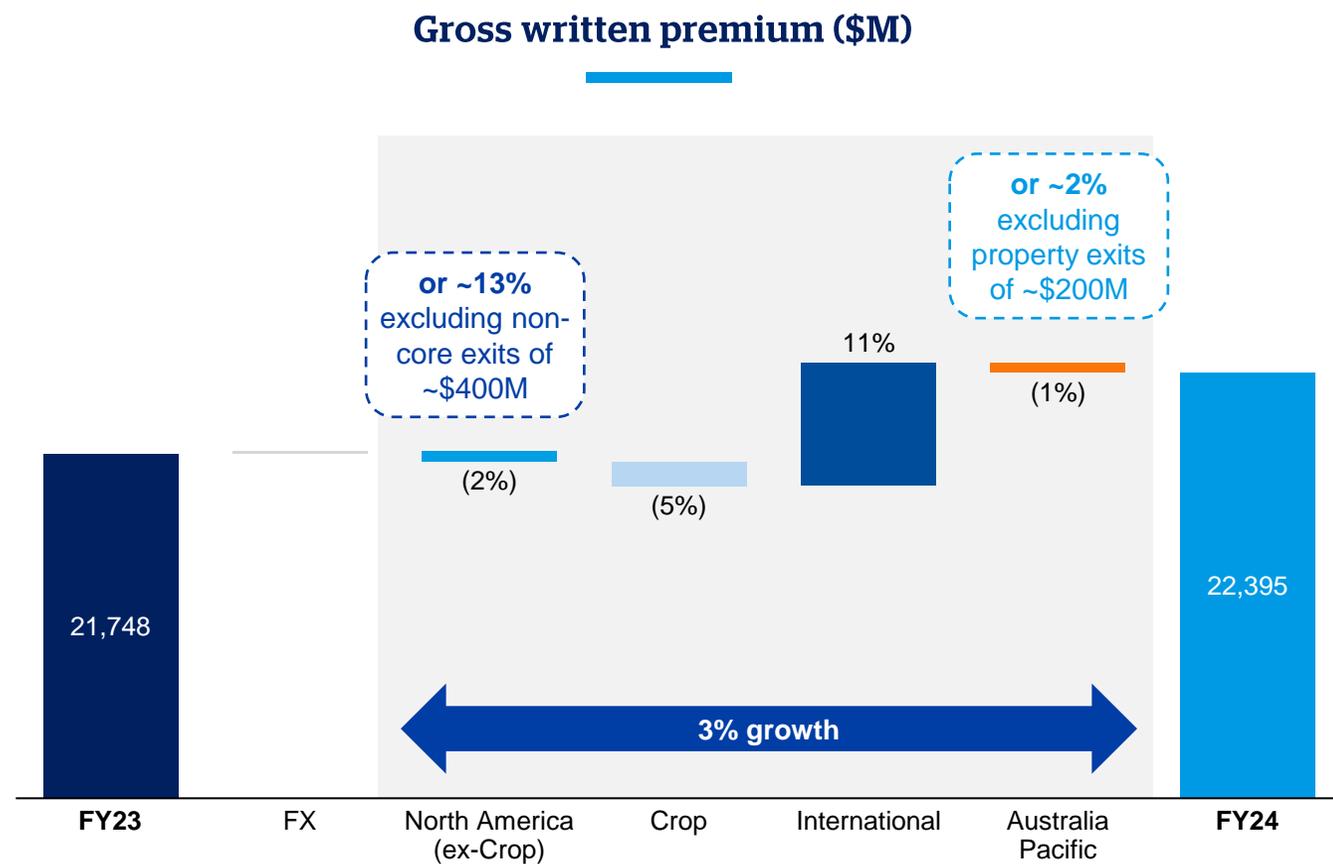
### Dividends per share (A\$ cps)



		FY23	FY24
Gross written premium	\$M	21,748	22,395
Net insurance revenue	\$M	16,599	17,807
Net claims ratio	%	65.1	63.2
Net commission ratio	%	18.3	17.7
Expense ratio	%	11.8	12.2
<b>Combined operating ratio</b>	<b>%</b>	<b>95.2</b>	<b>93.1</b>
<b>Insurance operating result</b>	<b>\$M</b>	<b>796</b>	<b>1,234</b>
Net insurance finance income	\$M	(60)	142
Investment losses from risk-free rate movements	\$M	(5)	(178)
Net investment (loss) income	\$M	1,374	1,488
Net profit after income tax	\$M	1,355	1,779
Adjusted profit after income tax	\$M	1,362	1,729
<b>Adjusted return on equity</b>	<b>%</b>	<b>15.8</b>	<b>18.2</b>

# Gross written premium

Organic growth continues across breadth of opportunities, partially offset by exited property lines and Crop



**Premium growth metrics (%)**

	GWP Growth	GWP growth (ex-rate)	NIR growth
<b>FY24</b>			
North America	(4)	(6)	2
NA (ex-Crop)	(2)	(7)	(4)
NA (ex-Crop & Exits)	13	10	17
International	11	8	14
Australia Pacific	(1)	(7)	3
AusPac (ex-Exits)	2	(3)	7
<b>Group</b>	<b>3</b>	<b>(0)</b>	<b>7</b>
Group (ex-Crop)	5	1	6
<b>Group (ex-Crop &amp; Exits)</b>	<b>9</b>	<b>5</b>	<b>12</b>

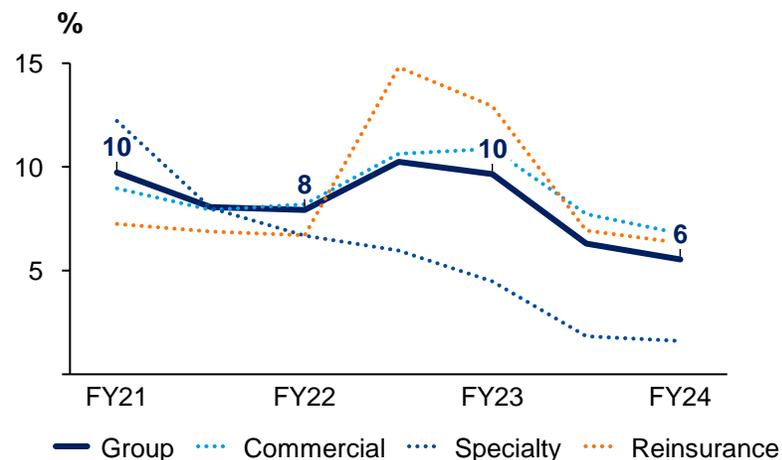
# Group underwriting performance

## Group-wide premium rate increases

Remained supportive at +5.5%

	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24
<b>North America</b> +7.3% YTD	12.3%	6.7%	10.9%	6.9%	6.4%	3.0%
	← 10.0% →		← 9.3% →		← 4.9% →	
	66%	64%	67%	68%	68%	68%
<b>Int'l</b> +3.7% YTD	6.0%	5.2%	4.4%	4.0%	2.9%	2.7%
	← 5.5% →		← 4.2% →		← 2.8% →	
	84%	85%	88%	88%	88%	87%
<b>AusPac</b> +8.4% YTD	12.5%	13.9%	11.0%	9.0%	7.3%	6.7%
	← 13.2% →		← 9.9% →		← 7.0% →	
	86%	83%	76%	81%	81%	81%
<b>Group</b> +5.5% YTD	9.6%	8.2%	6.9%	5.7%	5.1%	3.9%
	← 8.9% →		← 6.3% →		← 4.5% →	
	81%	81%	81%	83%	82%	82%

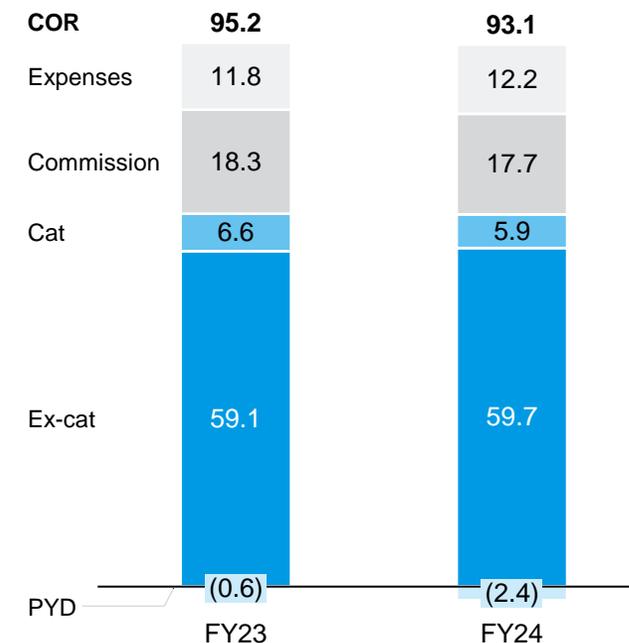
YTD premium retention



Moderation in rate increases most notable in Specialty classes, where rate adequacy has improved substantially in recent years

## Combined operating ratio (%)

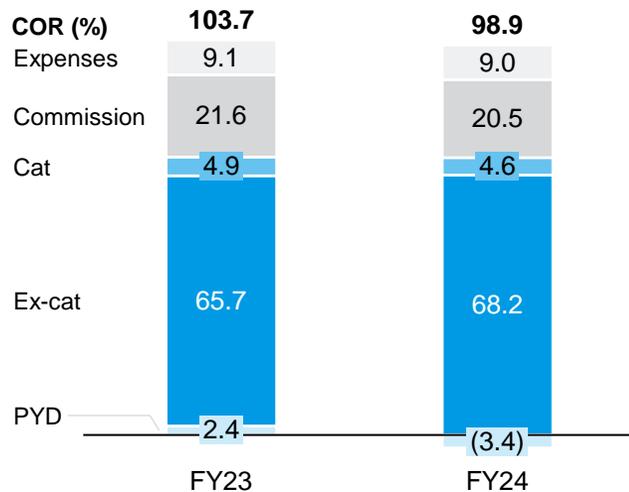
Underwriting result beat plan



# Divisional underwriting highlights

## North America

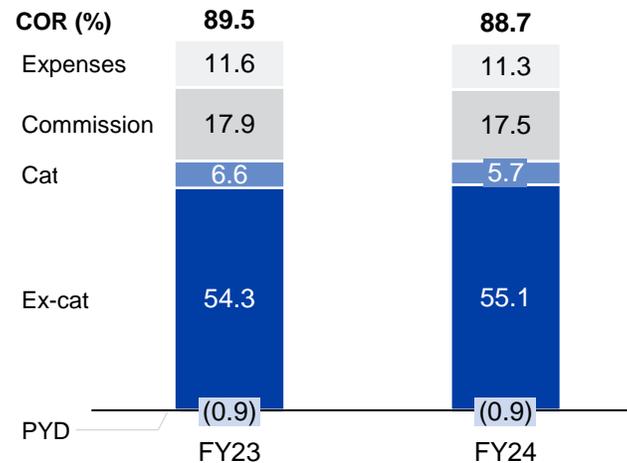
Benefit from favourable reserve development



- Favourable PYD driven by Crop \$31M and other short-tail lines
- Core segment included challenging Crop result, although performance in core commercial and specialty was strong

## International

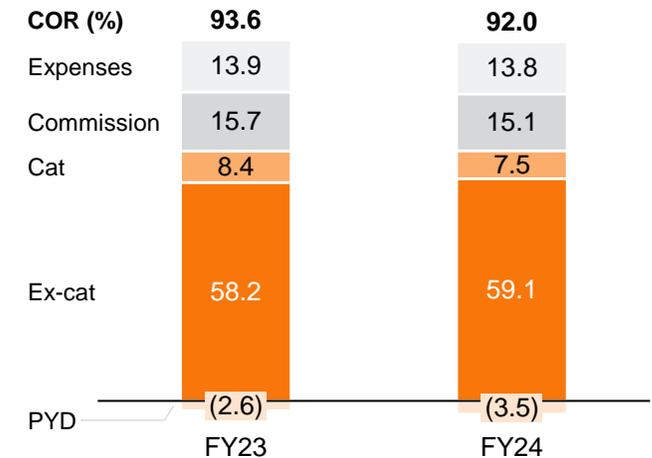
Continuation of robust underwriting result alongside targeted growth



- Favourable catastrophe experience despite elevated global CAT activity
- Ex-cat claims benefitted from rate increases at or above claims inflation offset by large claims (Baltimore Bridge)

## Australia Pacific

Encouraging resilience despite persistent inflation challenges



- Improved catastrophe experience, despite civil unrest in New Caledonia
- Ex-cat claims ratio remained under pressure from persistent inflation in a number of portfolios

# North America strategic update

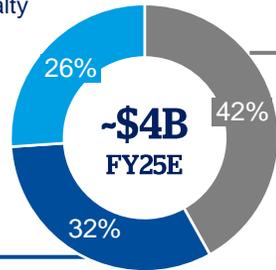
Go-forward business has a well-established track record of performance, with attractive growth opportunities

## Go-forward core platform

Net insurance revenue mix (FY25 plan)

### Commercial ~\$1.1B

- Property programs
- Workers' compensation programs
- Specialty Casualty
- Construction



### Crop ~\$1.8B

- #2 in the US

### Specialty ~\$1.4B

- Accident & Health
- Financial lines & Cyber
- Aviation
- Specialty Healthcare

COR	FY20-22 Avg AASB 1023	FY22 AASB 17	FY23 AASB 17	FY24 AASB 17
Crop	95%	96%	98%	99%
Specialty	97%	96%	95%	91%
Commercial	96%	82%	81%	87%

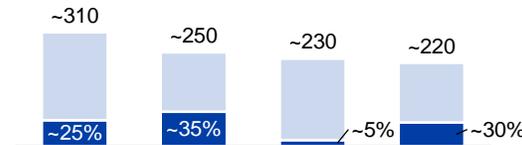
## Go-forward core platform

Strong performance track record

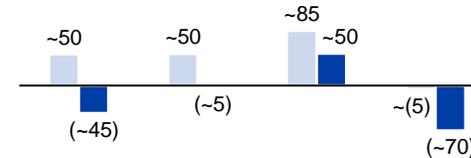
Go-forward core segment COR



Catastrophe claims % of divisional total (\$M)



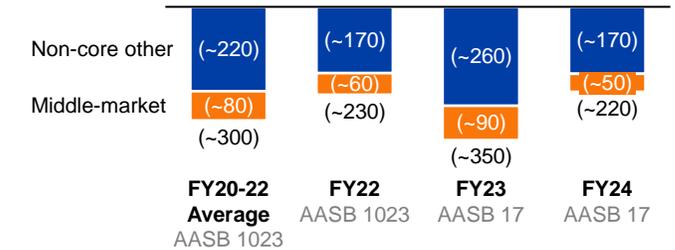
Prior accident year central estimate development (\$M)



Legend: Non-Core (light blue), Go-forward core segments (dark blue)

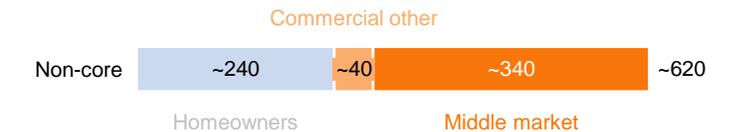
## Non-core platform (US\$M)

Drag expected to moderate into 2025



## Non-core business mix (US\$M)

Net insurance revenue FY24



# Reinsurance update

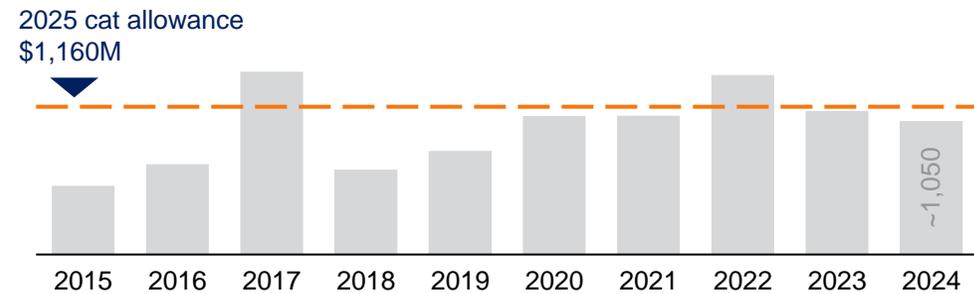
## 2025 reinsurance renewal completed broadly as expected

- 2025 reinsurance program remains broadly consistent
- Lower catastrophe retentions achieved on account of recent portfolio optimisation initiatives (from \$400M to \$300M)
- 2025 catastrophe allowance set at \$1,160M. Probability of sufficiency remains ~80<sup>th</sup> percentile, consistent with prior year
- Vast majority of reduction in 2025 CAT allowance versus prior year relates to non-core property exits
- “As if” analysis highlights the 2025 allowance would have proven adequate in 8 out of the last 10 years. This analysis overlays the 2025 reinsurance program against QBE’s historic catastrophe claims experience (adjusted for inflation and business exits)
- In January 2025, Bridge Street Re launched its first catastrophe bond, providing QBE with \$250M of collateralised reinsurance protection for Named Storm and Earthquake covered events occurring in the US

### Likely Group-wide maximum insurance event retention (\$M)<sup>1</sup>



### 2025 catastrophe allowance “as if” analysis (\$M)



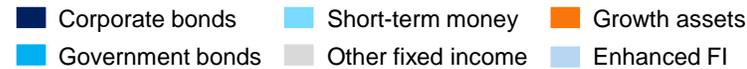
Note:

1. Assumes a single-occurrence, multi-divisional major event for peak perils reflecting insurance risk only, noting International writes policies globally.

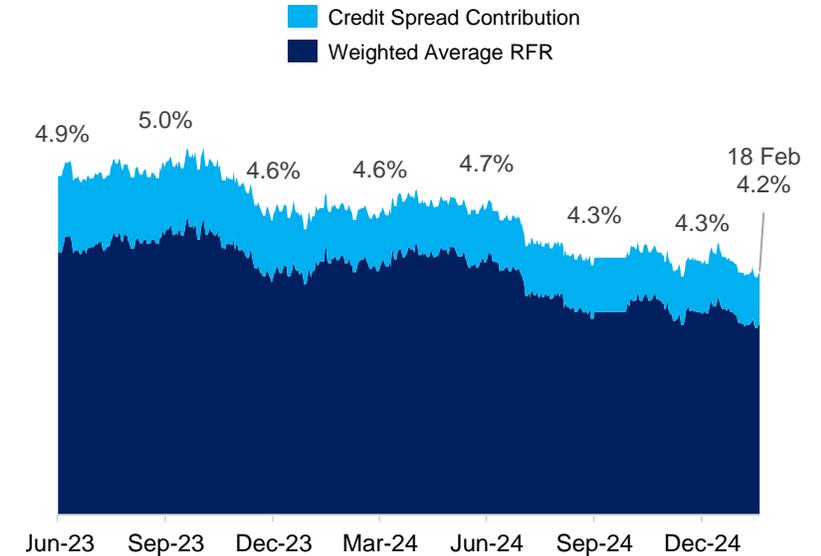
# Investment portfolio performance

FY24 investment return	\$M	%
CFI return (ex-risk-free rate)	1,219	4.6
Credit spreads MTM	63	0.3
Risk assets	295	7.5
Expenses and other	(89)	(0.3)
<b>Net return</b>	<b>1,488</b>	<b>4.9</b>

## Investment portfolio



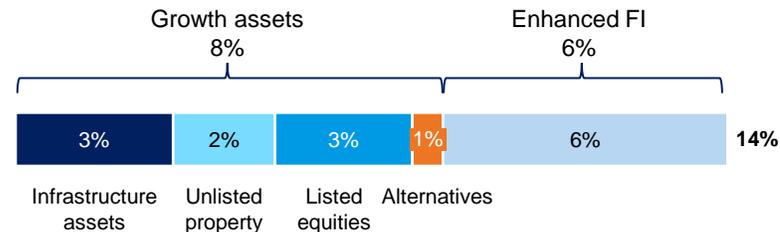
## Core fixed income yield



- Broadly stable core fixed income yield, exiting FY24 at 4.3%
- Total core fixed income duration of 2.4 years

## Risk assets

14% of total FUM



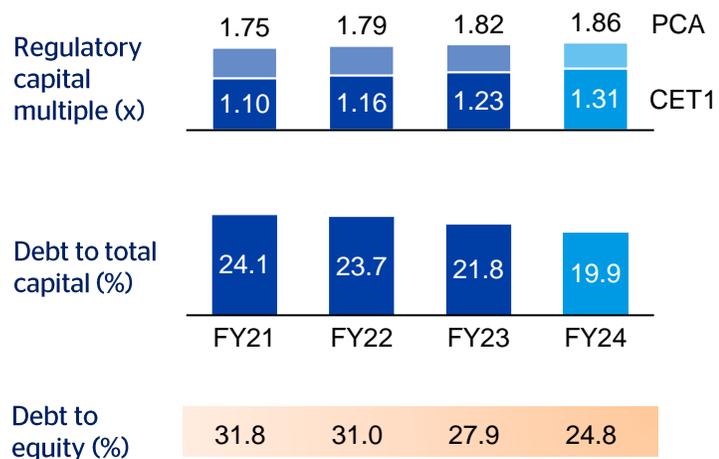
## S&P security grading

Fixed income and enhanced fixed income



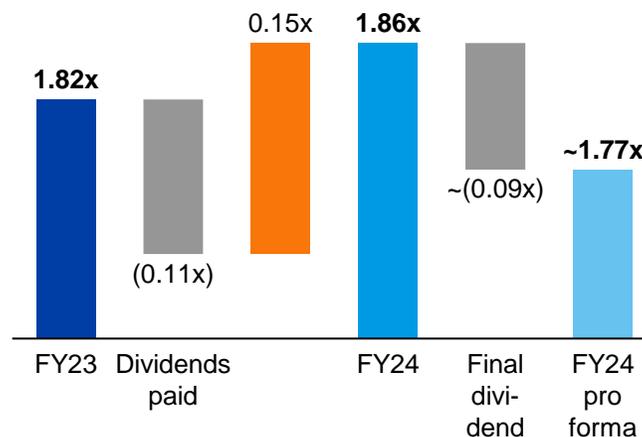
# Balance sheet and capital management

## Key capital metrics



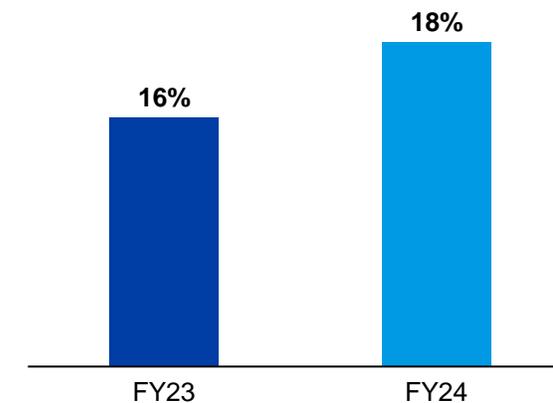
- Strong capitalisation, with continued improvement in the quality of capital
- Gearing comfortable relative to 15-30% debt to total capital target range

## APRA capital PCA multiple



- Regulatory capital at the top end of our 1.6x-1.8x target range
- Final dividend to reduce capital by ~9pts
- Capital above S&P 'AA' level

## Adjusted return on equity



- Encouraging resilience and improvement
- Higher for longer interest rates support outlook for favourable returns

# 2025 Outlook

Extending a track record of growth, strong returns and greater resilience

## Gross written premium

- 2025 constant currency GWP growth of around the mid-single digits

- Premium rate increases expected to remain supportive
- Markets remain conducive to the execution of our growth strategy
- Portfolio exits to impact GWP by ~\$250M

## Combined operating ratio

- Consistent low-to-mid 90s COR through-cycle
- FY25 COR of ~92.5%

- Underlying business settings continue to improve
- Drag from the non-core segment expected to broadly halve
- 1Q25 update on 9 May 2025

## Investment returns

- FY24 exit yield of 4.3%

- Investment portfolio broadly at target mix

# Appendix

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# Key metrics summary

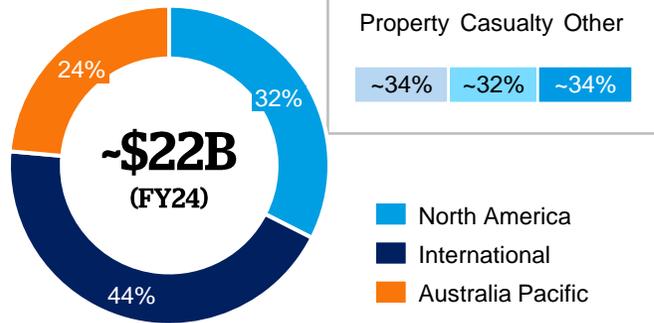
		Group		North America		International		Australia Pacific	
		FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
		Gross written premium	\$M	21,748	22,395	7,555	7,277	8,802	9,837
Insurance revenue	\$M	20,825	21,778	7,529	7,220	8,000	9,101	5,294	5,457
<b>Net insurance revenue</b>	<b>\$M</b>	<b>16,599</b>	<b>17,807</b>	<b>4,790</b>	<b>4,891</b>	<b>6,921</b>	<b>7,931</b>	<b>4,881</b>	<b>4,985</b>
NIR (ex-Crop and LMI)	\$M	14,784	15,749	3,136	2,998	6,921	7,931	4,720	4,821
Net claims expense	\$M	(10,805)	(11,249)	(3,497)	(3,393)	(4,151)	(4,749)	(3,126)	(3,146)
Net commission	\$M	(3,044)	(3,153)	(1,037)	(1,002)	(1,241)	(1,391)	(761)	(753)
Expenses and other income	\$M	(1,954)	(2,171)	(436)	(442)	(803)	(898)	(679)	(688)
<b>Insurance operating result</b>	<b>\$M</b>	<b>796</b>	<b>1,234</b>	<b>(180)</b>	<b>54</b>	<b>726</b>	<b>893</b>	<b>315</b>	<b>398</b>
Ex-cat (ex-Crop, LMI, RA)	%	54.2	53.3	57.1	55.7	51.0	50.9	56.0	56.6
Ex-cat (ex-RA)	%	56.0	56.1	63.4	65.9	51.0	50.9	55.0	55.5
Ex-cat claims ratio	%	59.1	59.7	65.7	68.2	54.3	55.1	58.2	59.1
Catastrophe claims	%	6.6	5.9	4.9	4.6	6.6	5.7	8.4	7.5
Prior year development	%	(0.6)	(2.4)	2.4	(3.4)	(0.9)	(0.9)	(2.6)	(3.5)
<b>Net claims ratio</b>	<b>%</b>	<b>65.1</b>	<b>63.2</b>	<b>73.0</b>	<b>69.4</b>	<b>60.0</b>	<b>59.9</b>	<b>64.0</b>	<b>63.1</b>
Net claims ratio	%	65.1	63.2	73.0	69.4	60.0	59.9	64.0	63.1
Net commission ratio	%	18.3	17.7	21.6	20.5	17.9	17.5	15.7	15.1
Expense ratio	%	11.8	12.2	9.1	9.0	11.6	11.3	13.9	13.8
<b>Combined operating ratio</b>	<b>%</b>	<b>95.2</b>	<b>93.1</b>	<b>103.7</b>	<b>98.9</b>	<b>89.5</b>	<b>88.7</b>	<b>93.6</b>	<b>92.0</b>

		Group		North America		International		Australia Pacific	
		FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
		Ex-cat claims	\$M	(9,808)	(10,625)	(3,150)	(3,336)	(3,761)	(4,368)
- CAY risk adjustment	\$M	(518)	(637)	(113)	(114)	(233)	(333)	(157)	(179)
Catastrophe claims	\$M	(1,092)	(1,048)	(234)	(223)	(449)	(453)	(409)	(372)
Prior year development	\$M	95	424	(113)	166	59	72	126	174
- PYD (Central estimate)	\$M	(225)	(21)	(200)	66	(57)	(124)	20	36
- PYD (Risk adjustment)	\$M	320	445	87	100	116	196	106	138
<b>Net claims incurred</b>	<b>\$M</b>	<b>(10,805)</b>	<b>(11,249)</b>	<b>(3,497)</b>	<b>(3,393)</b>	<b>(4,151)</b>	<b>(4,749)</b>	<b>(3,126)</b>	<b>(3,146)</b>
Ex-cat claims	%	59.1	59.7	65.7	68.2	54.3	55.1	58.2	59.1
- CAY risk adjustment	%	3.1	3.6	2.4	2.3	3.4	4.2	3.2	3.6
Catastrophe claims	%	6.6	5.9	4.9	4.6	6.6	5.7	8.4	7.5
Prior year development	%	(0.6)	(2.4)	2.4	(3.4)	(0.9)	(0.9)	(2.6)	(3.5)
- PYD (Central estimate)	%	1.4	0.1	4.2	(1.3)	0.8	1.6	(0.4)	(0.7)
- PYD (Risk adjustment)	%	(1.9)	(2.5)	(1.8)	(2.1)	(1.7)	(2.5)	(2.2)	(2.8)
<b>Net claims ratio</b>	<b>%</b>	<b>65.1</b>	<b>63.2</b>	<b>73.0</b>	<b>69.4</b>	<b>60.0</b>	<b>59.9</b>	<b>64.0</b>	<b>63.1</b>

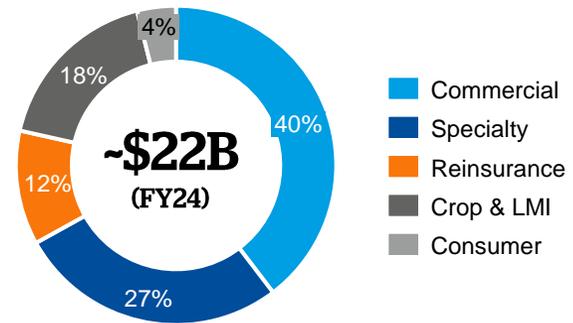
# About us

QBE is an international P&C insurer focused on commercial and specialty (re)insurance, organised over three divisions

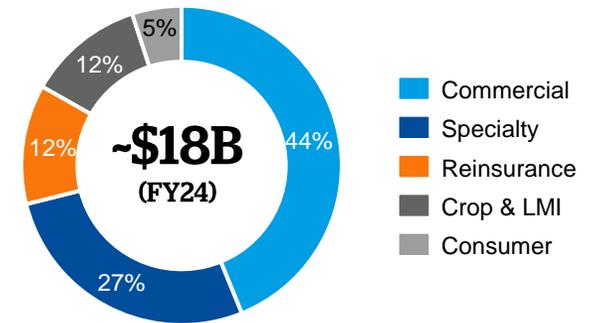
Gross written premium by division



Gross written premium by segment



Net insurance revenue by segment



## Commercial

QBE holds long-established leading market shares in SME through middle-market commercial P&C segments in Australia and the UK, with a strong presence in Continental Europe and Asia

Notable franchises

- UK & Europe commercial
- Australia commercial
- Australia farm
- NZ commercial

## Specialty

QBE is known for underwriting expertise across a diverse group of specialty classes, underpinned by our leading Lloyd's franchise

Notable franchises

- Lloyd's specialty business
- North America Accident & Health
- North America Financial lines
- Australia engineering

## Reinsurance

QBE Re is a full platform, well diversified global reinsurance business, with presence in property, casualty and specialty segments

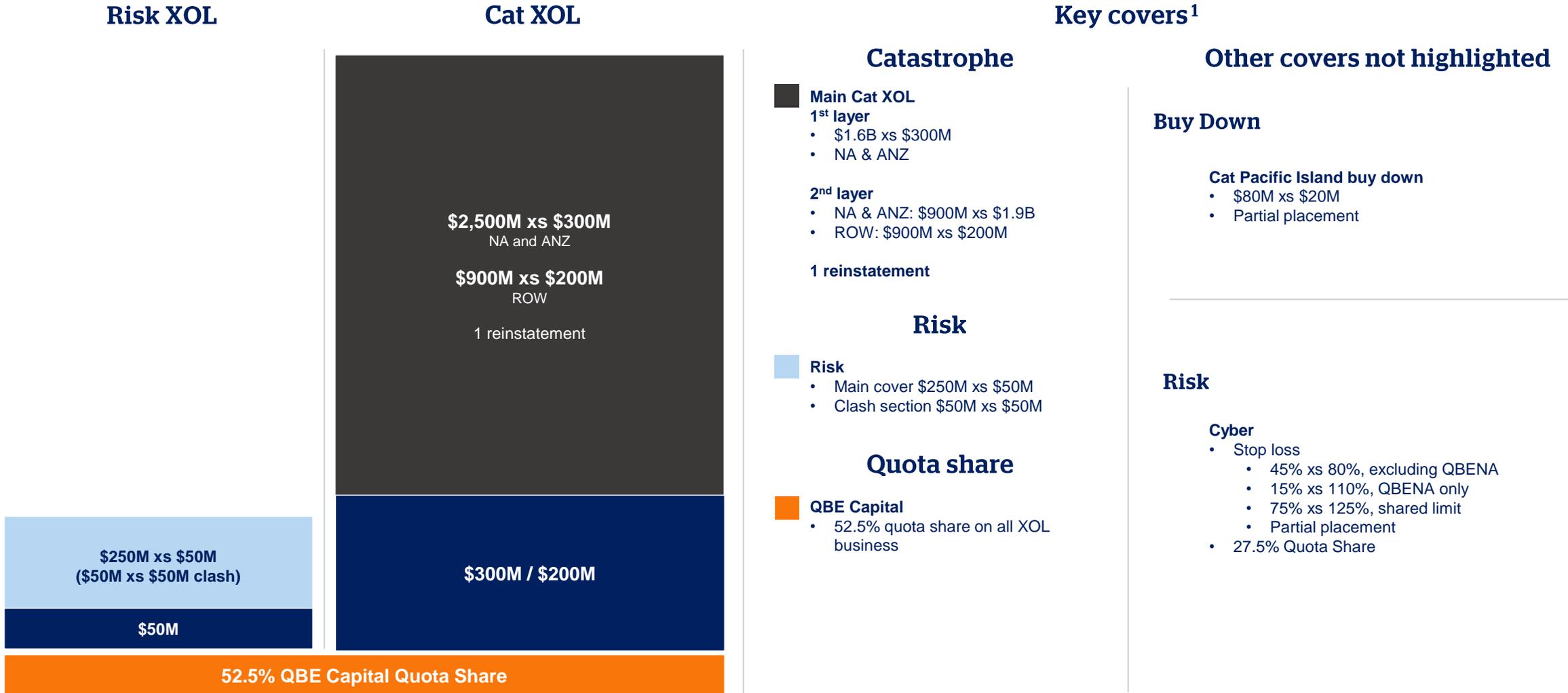
## Crop & LMI

QBE holds leading market shares in two non-traditional P&C lines, providing crop insurance in North America, and lenders mortgage insurance in Australia

## Consumer

QBE has presence in the Australian personal lines segment, with a focus on home and motor products

# 2025 Simplified reinsurance program<sup>1</sup>



Note:

1. Program schematic and cover summary does not show all contracts, sub-layers, placement % or regional covers..

Enabling a more resilient future

