



26 April 2016

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

Dear Sir/Madam

Market Release regarding 2015 Remuneration Report

QBE Insurance Group Limited has a practice of disclosing its STI targets for the coming year in the Annual Report. In accordance with this practice, the Remuneration Report released on 23 February 2016 contained information regarding "Group statutory ROE targets for 2016" on page 58 of the Annual Report.

Subsequent to publication of the Annual Report, the Remuneration Committee has had the opportunity to consider feedback from investors in relation to the company's STI targets. After considering this feedback, the Remuneration Committee has resolved to make one change to 2016 targets - the threshold level for the Group ROE target has been lifted from 5.0% to 6.0%. As a result, the relevant passage of the Remuneration Report should now read (with the amended figure in bold):

Group statutory ROE targets for 2016

*Each year we set Group ROE targets for STI and LTI purposes that reflect the Group's business plan and the operating environment. We anticipate that both global pricing and investment markets will remain challenging this year and accordingly our focus will be on maintaining underwriting discipline and exercising strict cost control, while continuing to invest in our strategic growth and operational initiatives. The Group ROE target range for 2016 STI is **6.0%** to 12.0%, with on-target performance set at 8.5%, and for the 2016 LTI grant (being the three-year average return) the target range is 7.0% to 10.6%.*

Yours faithfully

A handwritten signature in black ink, appearing to read "Carolyn Scobie", written over a horizontal line.

Carolyn Scobie
Company Secretary