



# 2024 Half year result fixed income supplement

9 August 2024

QBE INSURANCE GROUP LIMITED

*Enabling a more resilient future*



# Important information

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The information in this presentation provides an overview of the results for the half year ended 30 June 2024.

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## Basis of presentation (unless otherwise stated)

1. All figures are in US dollars
2. APRA PCA calculations at 30 June 2024 are indicative. Prior period calculation has been updated to be consistent with APRA returns finalised subsequent to year end

# APRA regulatory capital

<b>APRA PCA calculation (\$M)</b>	<b>31 Dec 2023</b>	<b>30 June 2024</b>
Ordinary share capital and reserves	9,067	9,294
Net surplus relating to insurance liabilities	1,276	1,496
Regulatory adjustments to Common Equity Tier 1 Capital	(2,751)	(2,668)
<b>Common Equity Tier 1 Capital</b>	<b>7,592</b>	<b>8,122</b>
Additional Tier 1 Capital – Capital securities	886	886
<b>Total Tier 1 Capital</b>	<b>8,478</b>	<b>9,008</b>
Tier 2 Capital – Subordinated debt and hybrid securities	2,798	2,779
<b>Total capital base</b>	<b>11,276</b>	<b>11,787</b>
Insurance risk charge	3,706	3,908
Insurance concentration risk charge	749	749
Asset risk charge	2,493	2,889
Operational risk charge	654	704
Less: Aggregation benefit	(1,420)	(1,591)
<b>APRA Prescribed Capital Amount (PCA)</b>	<b>6,182</b>	<b>6,659</b>
<b>PCA multiple</b>	<b>1.82x</b>	<b>1.77x</b>
<b>CET1 ratio (APRA requirement &gt;60%)</b>	<b>123%</b>	<b>122%</b>

## APRA Tiers of Capital Requirement



Source: Prudential Standard GPS 112, "Capital Adequacy: Measurement of Capital", July 2023

### APRA: Point of non-viability loss absorption

- All Additional Tier 1 ("AT1") Capital and Tier 2 Capital must include loss absorption provisions (via conversion or write-down) upon a non-viability trigger event

### APRA Additional Tier 1 discussion paper

- APRA's Additional Tier 1 (AT1) Discussion paper "Enhancing bank resilience: Additional Tier 1 Capital in Australia" was released in September 2023. APRA is reviewing the effectiveness of AT1 capital to ensure it operates as intended to absorb losses during a crisis

# Balance sheet and ratings




<b>Summary balance sheet (\$M)</b>	<b>31 Dec 2023</b>	<b>30 June 2024</b>
Cash, investments and investment properties	30,064	30,465
Reinsurance contract assets	8,034	8,380
Intangible assets	2,112	2,046
Other receivables	519	550
Deferred tax assets	625	612
Current tax assets	30	1
Other assets	724	578
<b>Total assets</b>	<b>42,108</b>	<b>42,632</b>
Insurance contract liabilities	27,567	27,827
Borrowings	2,798	2,779
Other payables	432	690
Deferred tax liabilities	366	437
Current tax liabilities	127	17
Other liabilities	865	702
<b>Total liabilities</b>	<b>32,155</b>	<b>32,452</b>
<b>Net assets</b>	<b>9,953</b>	<b>10,180</b>
Shareholders' fund	9,064	9,292
Capital notes	886	886
Non-controlling interests	3	2
<b>Total equity</b>	<b>9,953</b>	<b>10,180</b>

## Capital and borrowings

- At 30 June 2024, all of the Group's borrowings count towards regulatory capital
- Debt to total capital ratio of 21.4% (FY23: 21.9%)

## Credit ratings

- QBE utilises three major rating agencies and is committed to maintaining its ratings at their current levels

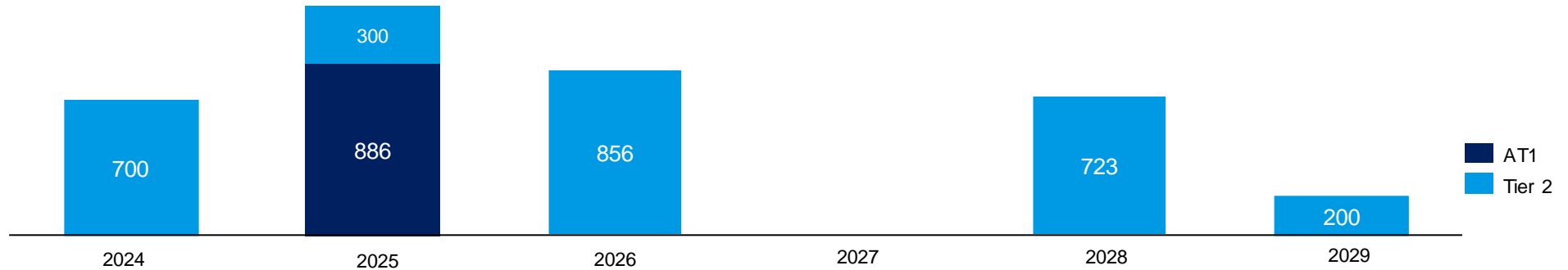
	Long-term FSR	Debt issue ICR	Outlook	Effective date
	A+	A-	Positive	May 2024
	A+	A-	Stable	November 2023
	A	-	Stable	July 2024

# Capital markets issuance profile

QBE has access to A\$MTN, EMTN and US144A capital markets

## Date to first call<sup>1</sup> (\$M)

Weighted average time to first call: 1.9yrs



	Issued instruments	Issue date	Currency	Nominal value local currency	First call date <sup>1</sup>	Coupon	Maturity date	Carrying Value US\$M <sup>2</sup>	
Accounted for as equity	Additional Tier 1 (AT1)	Capital Notes	Jul-20	US\$M	400	May-25	5.25%	Perp	393
		Capital Notes	May-20	US\$M	500	May-25	5.88%	Perp	493
		<b>AT1 subtotal</b>							<b>886</b>
Accounted for as debt		16NC6	Aug-20	A\$M	500	Aug-26	3M BBSW + 2.75%	Aug-36	333
		17NC7	Sept-21	£M	400	Mar-28	2.50%	Sept -38	504
		15NC5	Oct-23	A\$M	330	Oct-28	3M BBSW + 2.55%	Oct-38	219
		16NC6	Jun-23	A\$M	300	Jun-29	3M BBSW + 3.10%	Jun-39	200
		30NC10	Dec-14	US\$M	700	Dec-24	6.75%	Dec-44	700
		30NC10	Nov-15	US\$M	300	Nov-25	6.10%	Nov-45	300
		30NC10	Jun-16	US\$M	524	Jun-26	5.88%	Jun-46	523
	<b>Tier 2 subtotal</b>							<b>2,779</b>	
	<b>Total instruments</b>							<b>3,665</b>	

1. Subject to prior written APRA approval  
2. As at 30 June 2024

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