
QBE Insurance Group Limited

Investment Committee Charter

Role

The Investment Committee ("Committee") is appointed by the Group Board to assist the Board in overseeing the investment activities of QBE Insurance Group Limited and its controlled entities.

Oversight includes review of:

1. investment strategy;
2. investment risk management; and
3. investment exposures across asset classes and counterparties.

In carrying out this role, the Committee may consider the matters described below.

The Committee may decide matters within its scope; otherwise it will make recommendations to the Group Board on them.

It is not intended the Committee should assume any of management's responsibilities in these areas. QBE's Non-executive Directors' Nomination, Performance Evaluation and Tenure Guidelines apply to this Charter so far as relevant.

Scope

The Committee may consider:

- (a) economic and investment conditions as they relate to QBE;
- (b) the investment strategy, taking into account the implications of accounting standards, taxation laws and regulatory requirements;
- (c) investment performance;
- (d) limits for acceptable equity, interest rate and other exposures in respect of investment funds, and for the use of derivatives and other devices to hedge such exposures;
- (e) exposure limits to apply to counterparties;
- (f) investment delegations to be made to the Group Chief Executive Officer;
- (g) investment financial targets and performance goals annually as part of the Group's

three year planning process;

- (h) the Group's direct or indirect guarantee to defined benefit funds sponsored by the Group;
- (i) the charter for the Committee;
- (j) its performance against that charter and otherwise; and
- (k) any special projects either delegated by the Group Board or as part of its scope, deemed necessary by the Committee.

The Committee need not deal with every item above.

The Committee may refer matters to the Group Board or another Committee.

Membership

The Committee will only comprise Non-executive Directors. Other Non-executive Directors will have a standing invitation to attend each meeting.

A Committee Chairman, being a Non-executive Director who is not the Chairman of QBE Insurance Group Limited, will be appointed by the Group Board.

The Chief Executive Officer, Chief Financial Officer, and Chief Investment Officer will have a standing invitation to attend each meeting, subject to exclusion at the discretion of the Committee Chairman as may be necessary from time to time.

A Committee Secretary will be appointed for the purposes of maintaining minutes and attending to necessary administrative matters, subject to exclusion at the discretion of the Committee Chairman as may be necessary from time to time.

The term of service of the members of the Committee will be reviewed by the Group Board at least annually, with a view to rotating members periodically, without, however, losing the continuity of experience and knowledge gained by the members of the Committee.

Meetings

The Committee will usually meet four times a year. The Committee Chairman may call a special meeting on her own motion or will do so if requested by any Committee member, the Chief Executive Officer, Chief Financial Officer or Chief Investment Officer.

The Committee may meet without management.

A quorum for meetings will be two Committee members.

Resolutions may be passed either unanimously or by a majority of votes of Committee members. A notice of each meeting confirming the venue, date and time together with an agenda of items to be discussed and supporting papers will usually be forwarded to each Committee member and any other individual invited to attend not less than three working

days prior to the meeting date.

The Committee Secretary will minute the proceedings and resolutions of all Committee meetings.

Draft minutes of Committee meetings will be circulated promptly to the Committee Chairman and once agreed, to all Committee members.

Access and Advice

The Committee has free and unfettered access to QBE's senior managers, including to seek additional information and explanation during its meetings.

The Committee may engage third party experts at QBE's cost, in a manner that should ensure the engagement, including any advice received, is independent. The experts may attend Committee meetings.

The Chief Investment Officer has free and unfettered access to the Committee Chairman.

Committee members may attend relevant external training courses at QBE's cost after consent from the Group Chairman.

Reporting

The Committee Chairman will report a summary of the findings of each Committee meeting to the Group Board. All Directors will receive a copy of the minutes of the Committee meetings. A Director who is not a Committee member may request a copy of Committee papers, including attachments provided by management and third party experts.

DATED: 7 June 2013