



2025 Half Year Result

Fixed Income Supplement

8 August 2025

QBE Insurance Group Limited



Important information

Disclaimer

The information in this presentation provides an overview of the results for the half year ended 30 June 2025.

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Basis of presentation (unless otherwise stated)

1. All figures are in US dollars
2. APRA PCA calculations at 30 June 2025 are indicative. Prior year calculation has been updated to be consistent with APRA returns finalised subsequent to year end.

APRA regulatory capital

| APRA PCA calculation (\$M) | 31 Dec 2024 | 30 Jun 2025 |
|--|---------------|---------------|
| Ordinary share capital and reserves | 9,845 | 10,898 |
| Net surplus relating to insurance liabilities | 1,206 | 1,458 |
| Regulatory adjustments to Common Equity Tier 1 Capital | (2,602) | (2,604) |
| Common Equity Tier 1 Capital | 8,449 | 9,752 |
| Additional Tier 1 Capital – Capital securities | 886 | - |
| Total Tier 1 Capital | 9,335 | 9,752 |
| Tier 2 Capital – Subordinated debt and hybrid securities | 2,664 | 3,679 |
| Total capital base | 11,999 | 13,431 |
| Insurance risk charge | 3,747 | 4,246 |
| Insurance concentration risk charge | 745 | 745 |
| Asset risk charge | 2,836 | 3,263 |
| Operational risk charge | 678 | 762 |
| Less: Aggregation benefit | (1,552) | (1,765) |
| APRA Prescribed Capital Amount (PCA) | 6,454 | 7,251 |
| PCA multiple | 1.86x | 1.85x |
| CET1 ratio (APRA requirement >60%) | 131% | 134% |

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

- In December 2024 APRA confirmed that it will phase out the use of Additional Tier 1 (AT1) as eligible bank capital. In July 2025, APRA released a consultation paper on implementing APRA's decision to phase out AT1 capital instruments. APRA is proceeding with its proposal to phase out the use of AT1 Capital in the bank prudential framework. These changes do not apply to insurers however APRA continues to monitor the framework

Balance sheet and ratings

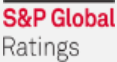


| Summary balance sheet (\$M) | 31 Dec 2024 | 30 Jun 2025 |
|---|---------------|---------------|
| Cash, investments and investment properties | 30,586 | 33,957 |
| Reinsurance contract assets | 9,438 | 9,325 |
| Intangible assets | 1,964 | 2,072 |
| Other receivables | 533 | 726 |
| Deferred tax assets | 609 | 506 |
| Current tax assets | 23 | 29 |
| Other assets | 693 | 664 |
| Total assets | 43,846 | 47,279 |
| Insurance contract liabilities | 28,735 | 30,745 |
| Borrowings | 2,664 | 3,679 |
| Other payables | 363 | 754 |
| Deferred tax liabilities | 506 | 500 |
| Current tax liabilities | 46 | 91 |
| Other liabilities | 801 | 612 |
| Total liabilities | 33,115 | 36,381 |
| Net assets | 10,731 | 10,898 |
| Shareholders' funds | 9,842 | 10,896 |
| Capital notes | 886 | - |
| Non-controlling interests | 3 | 2 |
| Total equity | 10,731 | 10,898 |

Capital and borrowings

- At 30 June 2025, all Group borrowings were regulatory capital qualifying
 - Debt to total capital ratio of 25.2% (FY24: 19.9%)

Credit ratings

- QBE utilises three major rating agencies, S&P, Fitch, and AM Best

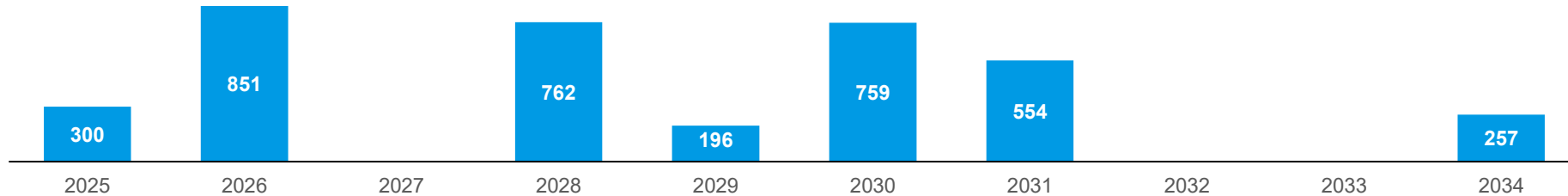
| | Long-term FSR | Debt issue ICR | Outlook | Effective date |
|--|---------------|----------------|---------|----------------|
|  S&P Global Ratings | AA- | A | Stable | May 2025 |
|  Fitch Ratings | AA- | A | Stable | June 2025 |
|  AM BEST | A | - | Stable | July 2025 |

Capital markets issuance profile

QBE has access to a range of debt capital markets including A\$MTN, EMTN and 144A

Date to first call¹ (\$M)

Weighted average time to first call: 3.7yrs



| | Issued instruments | Issue date | Currency | Notional value local currency | First call date ¹ | Coupon | Maturity date | Carrying Value US\$M ² |
|--------|--------------------------------|------------|----------|-------------------------------|------------------------------|-----------------|---------------|-----------------------------------|
| Tier 2 | 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 | 524 |
| | 16NC6 | Aug-20 | A\$M | 500 | Aug-26 | 3M BBSW + 2.75% | Aug-36 | 327 |
| | 17NC7 | Sep-21 | £M | 400 | Mar-28 | 2.50% | Sep-38 | 547 |
| | 15NC5 | Oct-23 | A\$M | 330 | Oct-28 | 3M BBSW + 2.55% | Oct-38 | 215 |
| | 16NC6 | Jun-23 | A\$M | 300 | Jun-29 | 3M BBSW + 3.10% | Jun-39 | 196 |
| | 11NC6 | Sep-24 | A\$M | 400 | Jun-30 | 3M BBSW + 1.95% | Jun-35 | 261 |
| | 11NC6 | Apr-25 | US\$M | 500 | Oct-30 | 5.83% | Oct-35 | 498 |
| | 11NC6 | May-25 | A\$M | 275 | May-31 | 3M BBSW + 1.95% | May-36 | 179 |
| | 11NC6 | May-25 | A\$M | 325 | May-31 | 5.80% | May-36 | 212 |
| | 12NC7 | Nov-24 | A\$M | 250 | Nov-31 | 3M BBSW + 1.80% | Nov-36 | 163 |
| | 15NC10 | Sep-24 | A\$M | 350 | Sep-34 | 6.30% | Sep-39 | 228 |
| | Other Tier 2 subordinated debt | | | | | | | |
| | | | | | | | | 3,679 |

1. Subject to prior written APRA approval

2. As at 30 June 2025

Enabling a more resilient future

