

QBE Insurance Group Limited

LONG-TERM INCENTIVE PLAN

Adopted by the Remuneration Committee of QBE Insurance Group Limited on 6 December 2013 and varied on 7 December 2017, 17 February 2021 9 December 2022 and 8 December 2023

The Plan is a discretionary benefit offered by QBE Insurance Group Limited for the benefit of its employees. Its main purpose is to increase the interest of the employees in QBE Insurance Group Limited's long term business goals and performance through share ownership. The Plan is an incentive for the employees' future performance and commitment to the goals of the QBE Insurance Group.

Shares purchased or received under the Plan, any cash received under the Plan and any gains obtained under the Plan are **not** part of salary for any purpose (except to any extent required by statute).

The Remuneration Committee of the Board of QBE Insurance Group Limited shall have the right to decide, in its sole discretion, whether or not awards will be granted under the Plan and to which employees those awards will be granted.

The detailed rules of the Plan are set out overleaf.

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1. DEFINITIONS AND INTERPRETATION

1.1 In the Plan, unless the context otherwise requires:

"**Board**" means the board of directors of the Company.

"**Business Day**" means a day that is not a Saturday, Sunday, bank holiday or public holiday in New South Wales, Australia.

"**Cause**" means termination:

- (a) for a reason other than:
 - (i) the position of the Participant becoming Redundant;
 - (ii) the Participant Retiring;
 - (iii) the Participant being Totally and Permanently Disabled;
 - (iv) the death of the Participant; or
 - (v) the Participant accepting an offer of employment made by the purchaser (or its related entity) of the whole or part of the business conducted by Group Company (through a share sale or other transaction) in which the Participant performs work within 30 days of completion of the purchase. or
- (b) in circumstances where a Participant's employment terminates and the Participant does not execute, or the Committee determines, whether before or after the termination, that in its sole and absolute opinion it is unlikely that the Participant will execute a deed of release or a similar document which provides for the preservation of rights in accordance with this Plan, in terms acceptable to the Committee, in connection with that termination.

"**Change in Control**" means either a scheme of arrangement has been approved by the Company's shareholders and become effective or a bidder has at least 50% of the issued and to be issued QBE Shares under an unconditional takeover offer made in accordance with the *Corporations Act 2001*.

"**Committee**" means the People and Remuneration Committee of the Board.

"**Company**" means QBE Insurance Group Limited (registered in Australia with registered number ACN 008 485 014).

"**Company's Trading Policy**" means the QBE Insurance Group Limited Trading Policy for dealing in securities of QBE Insurance Group Limited or other entities by Directors and Senior Group Executives, as varied or replaced from time to time.

"**Control**" in relation to a Group Company, other than the Company, includes:

- (a) the ability to exercise or control the exercise of the right to vote in respect of more than 50% of the voting shares or other form of voting equity in the company;
- (b) the ability to dispose or exercise control over the disposal of more than 50% of the shares or other form of equity in the company;
- (c) the ability to appoint or remove all or a majority of the members of:

- (i) the board; or
 - (ii) if the company has no board or if the board is not a primary internal governing body of the Company, a primary internal governing body of the company;
- (d) the ability to exercise or control the exercise of the casting of a majority of the votes cast at the meetings of:
- (i) the board; or
 - (ii) if the company has no board or if the board is not a primary internal governing body of the company, a primary internal governing body of the company; and
- (e) control, as defined in section 50AA of the *Corporations Act 2001*.

“Eligible Employee” means a person who on the Grant Date:

- (a) is employed by:
 - a. a Participating Company; or
 - b. a joint venture company, including a joint venture company of which a Group Company does not have Control, where the joint venture company has been selected by the Committee as a Participating Company for the purposes of these Rules;
- (b) has not given notice of the termination of their employment;
- (c) is not serving a period of notice given by the company that employs them;
- (d) is not subject to any disciplinary procedure or performance improvement procedures or circumstances exist which would warrant the termination of the person’s employment for Cause, whether or not the company that employs the person is aware of those circumstances; and
- (e) is selected to participate in the Plan at the discretion of the Committee.

“Employee” means any Participant, Eligible Employee or any other employee of a Group Company.

“First Vesting Date” is the third anniversary of the Grant Date, or such other date as determined by the Committee.

“Grant Date” means the date on which a LTI Conditional Right is granted.

“Group” means the Company and all Group Companies.

“Group Company” means any related body corporate (as defined in the *Corporations Act 2001*) of the Company.

“Invitation” has the meaning given in Rule 3.1.

“LTI Conditional Rights” means conditional rights to QBE Shares granted to a Participant in accordance with Rule 3.2.

“LTI Grant” means an amount granted to a Participant in accordance with Rule 3.2 and Rule 3.3.

“Market Value” means the volume weighted average sale price of a QBE Share over the 5 trading days on the Australian Securities Exchange prior to the Grant Date or the Vesting Date, whichever is applicable.

“Participant” means an employee who has accepted an Invitation to participate in the Plan.

“Participating Company” means the Company, a Group Company or a company selected by the Committee to be a Participating Company.

“Performance Targets” means the targets determined by the Committee and set out in the Invitation issued to an Eligible Employee. Such targets may include financial and non-financial targets, and targets in respect of individual, divisional, Company or Group performance.

“Performance Period” means the period of 3 financial years commencing in the financial year in which the Grant Date occurred, or such other period determined by the Committee.

“Period” means one financial year of the Company.

“Personal Information” means information or an opinion (including information or an opinion forming part of a database) that is recorded in any form and whether true or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.

“Plan” means the QBE Insurance Group Limited Long-Term Incentive Plan as amended from time to time.

“QBE Share” means a fully paid ordinary share in the Company or an American Depositary Receipt (ADR) representing a fully paid ordinary share in the Company.

“Redundant” means a situation where a Participant’s position ceases to exist or is substantially changed due to a variety of reasons including reorganisation, restructuring, change in business practice or strategy, technological change or downturn in business.

“Regulatory Requirements” means any and all applicable regulatory requirements (including any prudential standards issued by the Australian Prudential Regulation Authority and Regulatory Guides issued by the Australian Securities and Investments Commission), as varied from time to time, in any jurisdiction, that are applicable to the Group (and/or an individual Group Company) at the date of this Plan or may subsequently become applicable after the date of this Plan.

“Retention Period” means the period from the Grant Date to the First Vesting Date, the Second Vesting Date or the Third Vesting Date, whichever is applicable, and as varied under these Rules or otherwise determined by the Committee and set out in an Invitation (including where necessary to comply with Regulatory Requirements).

“Retiring” means where the Participant satisfies the Committee that the Participant is genuinely retiring, having regard to, among other things, whether the Participant is likely to work full time in any capacity, including directorships or consultancy.

“Rule” means a rule of the Plan.

“Second Vesting Date” is the fourth anniversary of the Grant Date, or such other date as determined by the Committee.

“**Superannuation Guarantee Legislation**” includes the *Superannuation Guarantee Charge Act 1992* and the *Superannuation Guarantee (Administration) Act 1992*.

“**Third Vesting Date**” is the fifth anniversary of the Grant Date, or such other date as determined by the Committee.

“**Totally and Permanently Disabled**” means the Participant suffers an injury or illness, and in the Committee’s opinion, is unlikely to engage in any occupation for which he or she is reasonably suited by education, training or experience.

“**Unvested LTI Conditional Right**” is a LTI Conditional Right which has not yet vested in accordance with these Rules.

“**Vested LTI Conditional Right**” is a LTI Conditional Right which has vested in accordance with Rule 5.1.

“**Vesting Date**” means the date on which a LTI Conditional Right vests in accordance with these Rules.

- 1.2 Any reference in the Plan to any enactment includes a reference to that enactment as from time to time modified, extended or re-enacted.
- 1.3 The singular includes references to the plural and vice versa. Words denoting a particular gender shall include all genders.
- 1.4 Expressions in italics and headings are for guidance only and do not form part of the Plan.

2. COMMENCEMENT

The Plan applies for the Period specified in an Invitation.

3. INVITATION TO PARTICIPATE AND LTI GRANT

3.1 Issuing Invitations

From time to time the Committee may, in its discretion, issue an Invitation to an Eligible Employee to participate in the Plan.

3.2 Form of Invitation

The Invitation may contain such material, and be on such terms and conditions, as the Committee determines and as required by applicable law and Regulatory Requirements, but will usually include the following:

- (a) the date of the Invitation;
- (b) the name of the Eligible Employee to whom the Invitation is addressed;
- (c) the LTI Grant;
- (d) the number of LTI Conditional Rights;
- (e) the Performance Targets, if any; and
- (f) a copy of these Rules or details about how a copy of these Rules can be obtained.

(g) **Acceptance of Invitation**

Unless specified otherwise in the Invitation, an Eligible Employee will be taken to have accepted an Invitation to participate in the Plan in accordance with the terms and conditions of the Invitation and these Rules unless they notify the Company in writing within 30 days of receiving an Invitation that they do not wish to accept the Invitation in full. An Eligible Employee cannot accept an Invitation in part. If an Eligible Employee does not accept an Invitation in full to participate in the Plan, their LTI Grant will lapse immediately and they will not be entitled to receive a payment or other benefit in lieu.

3.3 **Inconsistency**

Subject to applicable law and Regulatory Requirements, if there is any inconsistency between these Rules and an Invitation, the terms of the Invitation prevail to the extent of the inconsistency.

3.4 **LTI Grant Discretion**

The Committee may determine in its discretion to reduce the amount of any LTI Grant (including to zero) for any reason the Committee considers to be in the best interests of the Company or any Group Company (including by having regard to financial and non-financial measures). The Committee has no obligation to make any LTI Grant.

3.5 **Form of LTI Grant**

A LTI Grant will be granted in the form of conditional rights to QBE Shares. The number of LTI Conditional Rights granted by the Committee will be calculated by dividing the monetary amount of the LTI Grant by the Market Value prior to the Grant Date. LTI Conditional Rights will be granted subject to this Plan and any Regulatory Requirements, the Performance Targets and unless specified in the Invitation, the following tranches and retention periods:

- (a) 33% of the LTI Conditional Rights will vest on the First Vesting Date (**First Tranche**);
- (b) 33% of the LTI Conditional Rights will vest on the Second Vesting Date (**Second Tranche**); and
- (c) 34% of the LTI Conditional Rights will vest on the Third Vesting Date (**Third Tranche**).

4. LTI GRANT AND PERFORMANCE TARGETS

Any LTI Grant and the Performance Targets, if any, will be determined by the Committee.

The Committee may vary any Performance Target at any time before the Committee determines the extent to which the Performance Target has been met in accordance with Rule 5.1, provided that no such variation may be made which would, in the opinion of the Committee, materially reduce or increase the prospects of the Performance Target being met.

Subject to applicable laws and Regulatory Requirements, circumstances where there is a dispute of any nature between a Participant and a Group Company, a Participant's actions or inactions may be relevant to an internal or external investigation, or the Committee is of the opinion that such a dispute or investigation may arise, the Committee may vary the Retention Period (and accordingly the relevant Vesting Date) and/or the terms and conditions of the LTI Grant that apply to any tranche of LTI Conditional Rights granted to a Participant at any time before the relevant tranche Vesting Date.

Any Participant affected by any such variation must be notified of the variation.

5. VESTING OF LTI CONDITIONAL RIGHTS

5.1 Dates of Vesting

Subject to these Rules, at the end of the Performance Period, the Committee will determine the extent to which the Performance Targets have been met and the number of LTI Conditional Rights that will vest subject to the satisfaction of any remaining Retention Period and convert into QBE Shares which will be issued or transferred to the Participant at no cost within 20 Business Days of the First Vesting Date, the Second Vesting Date and the Third Vesting Date, although in circumstances of the death of a Participant during the Performance Period or the Retention Period the Committee may exercise its discretion and determine that the Participant's Unvested LTI Conditional Rights will vest immediately. In determining whether to exercise its discretion in the case of the death of a Participant, the Committee may take into account any factors it considers relevant, including, but not limited to, whether the immediate vesting of any Unvested LTI Conditional Rights would be prohibited by law or any Regulatory Requirements, and in circumstances of the death of a Participant during the Performance Period, the extent to which the Performance Targets have been or are likely to be met.

In assessing the extent to which any Performance Target (including one based on Group Return on Equity) has been met, the Committee may adjust the Performance Target where it considers it reasonable to adjust for the impact of factors during the Performance Period which, in the opinion of the Committee, are outside of the reasonable control of Participants (including, without limitation, changes in the risk-free rate).

Further, the Committee may, at its discretion, pay cash in lieu of QBE Shares. Any such payment will be calculated by multiplying the number of Vested LTI Conditional Rights by the Market Value prior to the relevant Vesting Date.

No LTI Conditional Rights will vest on the relevant Vesting Date if:

- (a) the Participant is subject to any disciplinary process; or
- (a) the Committee considers that there may be circumstances which would fall within the scope of Rule 10,

unless the Committee, at its discretion, determines otherwise. Subject to these Rules, any LTI Conditional Rights which does not vest under this Rule will then only vest if the Committee determines, at its discretion, that the LTI Conditional Rights should vest.

In circumstances where there is a dispute of any nature between a Participant and a Group Company, a Participant's actions or inactions may be relevant to an internal or external investigation, or the Committee is of the opinion that such a dispute or investigation may arise, the Committee may, in its discretion, defer:

- (a) consideration of the extent to which the Performance Targets have been met and the number of LTI Conditional Rights that will vest at the end of a Performance Period; and/or
- (b) the conversion of any Vested LTI Conditional Rights into QBE shares,

if it considers it appropriate to do so.

5.2 Vested LTI Conditional Rights Dividends

Notional dividends on a LTI Conditional Right will accrue during the Retention Period and be notionally reinvested at the time of payment of the dividend. The accrued value of notional

dividends will be provided to the Participant on the date of vesting of a LTI Conditional Right in accordance with Rule 5.1 in the form of additional QBE Shares (or cash in lieu). Notional dividends in respect of a LTI Conditional Right will cease to accrue after the relevant Vesting Date.

5.3 QBE Shares to rank equally

All QBE Shares either issued or transferred in accordance with Rule 5.1 will rank equally in all respects with the QBE Shares for the time being in issue except for any rights attaching to QBE Shares by reference to a record date prior to the date of their allotment or transfer.

5.4 Shares to be quoted on ASX

The Company will apply to the Australian Securities Exchange or another stock exchange as required by its listing rules for QBE Shares issued in accordance with Rule 5.1 to be quoted.

6. LTI CONDITIONAL RIGHTS - GENERAL RULES

6.1 No interest

A LTI Conditional Right does not, of itself, provide a Participant with any interest in any QBE Shares. Consequently, any dividends, voting rights, capital distributions or other entitlements (e.g. rights issues or share purchase plan) that are attributable to QBE Shares cannot be exercised by the Participant.

6.2 Extinguishment of LTI Conditional Rights

At the Committee's discretion, LTI Conditional Rights may be extinguished at any time by the Company issuing to the Participant QBE Shares equal to the number of LTI Conditional Rights granted to the Participant, or such other number of QBE Shares as determined by the Committee in its discretion (including as to any additional QBE Shares in lieu of cash dividends). If the Committee decides to extinguish LTI Conditional Rights then, for the purpose of determining any additional shares in lieu of cash dividends under Rule 5.2, the accrued notional dividends will be calculated on the date the Committee decides to extinguish the LTI Conditional Rights in accordance with this Rule by reference to the LTI Conditional Rights converted to QBE Shares.

6.3 Non-transferability and bankruptcy

A LTI Conditional Right granted to any Participant:

- (a) will not be transferred, assigned, encumbered, charged or otherwise disposed of (except on the Participant's death to their personal representatives) and any attempt to do so will result in the lapse of the LTI Conditional Right; and
- (b) will lapse immediately if the Participant is declared bankrupt.

6.4 Capitalisation

The Committee may, in its discretion, adjust the number of LTI Conditional Rights granted to a Participant or any other terms and conditions of a LTI Conditional Right to reflect capital reconstructions, bonus share issues or any other transaction which the Committee determines warrants an adjustment to the terms of a LTI Conditional Right. Nothing in the terms and conditions of a LTI Conditional Right restricts the rights of the Board to issue further QBE Shares or entitles a Participant to an increase in shares issued pursuant to a Vested LTI Conditional Right due to the issue of further QBE Shares by the Board.

6.5 Listing Rules

LTI Conditional Rights are subject to the listing rules of the Australian Securities Exchange. If there is any inconsistency with the listing rules or the listing rules require any terms to apply in relation to a LTI Conditional Right, then the terms of the LTI Conditional Right will be deemed to be amended to the extent required to eliminate the inconsistency or to include the required term (as applicable).

7. LOSS OF UNVESTED LTI CONDITIONAL RIGHTS

Except as otherwise provided for in the relevant Invitation, if, after the Performance Period but during the Retention Period:

- (a) the Participant terminates their employment or gives notice of the termination of their employment for a reason other than:
 - (i) the Participant Retiring;
 - (ii) the Participant being Totally and Permanently Disabled;
 - (iii) the death of the Participant;
 - (iv) the Participant accepting an offer of employment made by the purchaser (or its related entity) of the whole or part of the business conducted by the Group Company (through a share sale or other transaction) in which the Participant performs work within 30 days of completion of the purchase; or
 - (v) such other reason as accepted by the Committee in its discretion;
- (b) the Participating Company that employs the Participant terminates the employment of the Participant or gives notice of the termination of their employment, in either case for Cause; or
- (c) the Participant is subject to any disciplinary procedure or performance improvement procedures or circumstances exist which would warrant the termination of the Participant's employment for Cause, whether or not the Participating Company that employs the Participant is aware of those circumstances,

any Unvested LTI Conditional Rights which have been granted to the Participant will lapse immediately and the Participant will not be entitled to any payment or other benefit in lieu. If the Committee exercises its discretion under Rule 7(a)(v), the Committee may determine that a portion of any Unvested LTI Conditional Rights which have been granted to the Participant will vest on applicable Vesting Dates and that the remainder of such Unvested LTI Conditional Rights will lapse immediately.

8. REDUCTION OF UNVESTED LTI CONDITIONAL RIGHTS

8.1 Reduction of Unvested LTI Conditional Rights during the Performance Period

Subject to Rule 8.2, if, during the Performance Period, the Participant's employment with the Participating Company that employs them ceases as a result of:

- (a) that company terminating the employment of the Participant for a reason other than for Cause; or
- (b) the Participant terminating their employment for one of the following reasons:

- (i) the Participant Retiring;
 - (ii) the Participant being Totally and Permanently Disabled; or
 - (iii) the Participant accepting an offer of employment made by the purchaser (or its related entity) of the whole or part of the business conducted by the Group Company (through a share sale or other transaction) in which the Participant performs work within 30 days of the completion of the purchase; or
- (c) such other reason as accepted by the Committee in its discretion,

the number of the Participant's Unvested LTI Conditional Rights will be reduced to no more than a pro rata amount to reflect the proportion of the Performance Period (in complete days) in which the Participant was employed.

8.2 **Reduction of Unvested LTI Conditional Rights in circumstances of redundancy**

Without limiting the Committee's discretion to reduce the number of the Participant's Unvested LTI Conditional Rights, in circumstances where the Participant's employment with the Participating Company that employs them ceases during the Performance Period or the Retention Period as a result of the position of the Participant becoming Redundant, the Committee may decide to reduce the number of the Participant's Unvested LTI Conditional Rights to zero.

8.3 **Vesting of Unvested LTI Conditional Rights under Rule 8**

For the avoidance of doubt any Unvested LTI Conditional Rights reduced under this Rule 8 will otherwise vest in accordance with and subject to these Rules.

9. **TRANSFER OF EMPLOYMENT BETWEEN GROUP COMPANIES**

For the purposes of this Plan, a transfer of employment between any two Group Companies will not be a termination of employment for the purposes of Rules 7 and 8 and this Plan will continue to apply to that Participant as if the Participant's employment with the two Group Companies was continuous. A transfer of employment between any two Group Companies means where the Participant commences employment with the second Group Company within 30 days of the termination of their employment with the first Group Company.

10. **VARIATION OF UNVESTED LTI CONDITIONAL RIGHTS (MALUS)**

The Committee may adjust any Unvested LTI Conditional Rights downward at any time, to zero if appropriate, if it concludes in good faith that there was:

- (a) serious misconduct or misconduct leading to significant adverse outcomes; or
- (b) a significant failure of financial or non-financial risk management; or
- (c) a significant failure or breach of accountability, fitness and propriety, or compliance obligations; or
- (d) a significant error or a significant misstatement:
 - (i) of criteria on which the LTI Grant determination was based; or
 - (ii) upon which the Committee based its determination of the extent to which the Performance Targets have been met; or
- (e) significant adverse outcomes for customers, beneficiaries or counterparties; or

- (f) circumstances that undermine materially the Group's performance; or
- (g) circumstances that undermine materially the reputation of the Group.

The Committee may also adjust any Unvested LTI Conditional Rights downward, to zero if appropriate, if such an adjustment is necessary to:

- (a) protect the financial soundness of the Group; or
- (b) respond to significant unexpected or unintended consequences that were not foreseen by the Committee.

The Committee will review the circumstances of each Participant separately and may but shall not be obliged to make an adjustment to any Unvested LTI Conditional Rights under any of the above provisions at its discretion.

11. VARIATION AND REPAYMENT OF VESTED LTI CONDITIONAL RIGHTS (CLAWBACK)

To the extent permissible by applicable law and Regulatory Requirements and without limitation to the Committee's discretion under Rule 10, the Board may, in its sole and absolute discretion, recover the cash equivalent (assessed on a gross basis) of any Vested LTI Conditional Rights, QBE Shares and/or cash paid in lieu of QBE Shares (**Clawback**).

All Vested LTI Conditional Rights, QBE Shares and/or cash paid in lieu of QBE Shares remain subject to Clawback for a period of two years from the date of vesting, issuance or payment (as the case may be) irrespective of whether the Participant is an Employee at the relevant time.

The Board may apply Clawback if it concludes in good faith Clawback is reasonably necessary or appropriate in the circumstances to comply with any Regulatory Requirements or that there was:

- (a) misconduct leading to material adverse outcomes;
- (b) a material failure of financial or non-financial risk management;
- (c) a material failure or breach of accountability, fitness and propriety, or compliance obligations;
- (d) a material error or a material misstatement:
 - (i) of criteria on which the LTI Grant determination was based; or
 - (ii) upon which the Committee based its determination of the extent to which the Performance Targets have been met and/or
- (e) material adverse outcomes for customers, beneficiaries or counterparties.

Clawback may be applied to any Vested LTI Conditional Rights, QBE Shares and/or cash paid in lieu of QBE Shares that have vested, been issued or been paid (as the case may be) in accordance with, and for the period specified in, this Rule 11 at any time during, or after the termination (for any reason) of the Participant's employment.

By accepting an Invitation in accordance with Rule 3, the Participant also agrees:

- (a) to repay the cash equivalent (assessed on a gross basis) of any Vested LTI Conditional Rights, QBE Shares and/or cash paid in lieu of QBE Shares (as the case may be) in respect

of which the Board notifies the Participant that it is exercising its Clawback right pursuant to this Rule 11;

- (b) that such amount will become a debt due to the Company; and
- (c) that debt will be payable by the Participant within the timeframe notified to the Participant by the Board.

12. TAKEOVER AND OTHER CORPORATE EVENTS

12.1 Adjustment of Retention Period for Change in Control

If there is a Change in Control during the Retention Period then, subject to Rule 12.2, the Retention Period will end on the date of such event and any Unvested LTI Conditional Rights will vest by reference to the extent to which the relevant Performance Targets have, in the opinion of the Committee (as constituted immediately before the Change in Control), been satisfied at that date (if the Performance Period had not then ended and been assessed), and will be reduced to no more than a pro rata amount to reflect the proportion of the Performance Period (in complete days) elapsed and the circumstances of the Change in Control.

12.2 Replacement of Unvested LTI Conditional Rights

Despite Rule 12.1, the Committee (as constituted immediately before the Change in Control) may decide that the Retention Period will not be adjusted under Rule 12.1 and that any Unvested LTI Conditional Rights for a Participant will be automatically replaced by equivalent new awards (including as to the value of the Unvested LTI Conditional Rights) over shares in the acquiring company (provided that the Committee has first obtained the written agreement of that acquiring company).

13. AMENDMENTS

The Committee may at any time alter all or any part of the rules of the Plan to:

- (a) benefit the administration of the Plan;
- (b) take account of any alteration to applicable laws or Regulatory Requirements; or
- (c) further the best interests of the Group or any Group Company.

14. TERMS OF EMPLOYMENT

- 14.1 Nothing in this Plan or the operation of the Plan forms part of the contract of employment of an Employee or affects the rights and obligations of an Employee under their terms of employment, which are separate from the Plan.
- 14.2 Participation in the Plan does not create any right to, or expectation of, continued employment or affect the rights of a Participating Company to terminate the employment of any Employee.
- 14.3 No Employee has a right to participate in the Plan. Participation in the Plan or receipt of a LTI Grant on a particular basis in any Performance Period does not confer any right on the Employee to participate in a plan or receive a long term incentive on the same basis, or at all, in respect of any other performance period.
- 14.4 The benefit of participation in the Plan does not give rise to any contractual right or form part of an Employee's fixed remuneration or employment related entitlements.

- 14.5 Other than in respect of Rule 10, the Employee will have no claim in respect of any decision, omission, or exercise of discretion which may operate to the disadvantage of the Employee.
- 14.6 Nothing in this Plan or participation in it may be used to increase damages in any action, complaint, claim or proceeding against the Company, any Group Company or their directors, employees or agents in connection with the office or employment, or the termination of the office or employment, of any Employee.
- 14.7 Receipt of a LTI Grant under this Plan is subject to applicable law and Regulatory Requirements. If a LTI Grant is prohibited in whole or in part by any law or Regulatory Requirement then the Employee will have no claim for the payment or other benefit in lieu.

15. GENERAL

15.1 Limitation of liability

Each of the Company, its directors and any trustee appointed by the Company to administer the Plan is not liable for any loss or damage suffered by a Participant because of a contravention of paragraphs (a) – (c) of section 1100Z(1) of the *Corporations Act 2001* where:

- (a) they have:
 - (i) made all inquiries (if any) that were reasonable in the circumstances; and
 - (ii) after doing so, believed on reasonable grounds that the statement was not misleading or deceptive; or
- (b) they did not know that the statement was misleading or deceptive; or
- (c) they placed reasonable reliance on information given to them by:
 - (i) the case of the Company or any trustee, someone other than a director, employee or agent of the body corporate or responsible entity; or
 - (ii) in the case of any director of the Company, someone other than an employee or agent of the individual; or
- (d) they publicly withdrew their consent to being named in the Plan in the manner specified; or
- (e) the contravention arises because of a new circumstance that has arisen since the Plan or any applicable offer made under it was prepared and they prove that they were not aware of the matter.

15.2 The Committee's authority

The Committee may manage and administer this Plan, including exercising any discretion or power conferred under this Plan, and the Committee has all powers necessary to do so including the power to appoint other persons to act on the Committee's behalf and to exercise any discretion or power conferred under this Plan, including that the Committee may determine that the Plan may be administered in conjunction with an employee incentive plan trust, the trustee of which may acquire QBE Shares for the purposes of transfer to Participants. The transfer or allocation of a QBE Share by the trustee of such a trust to a Participant will satisfy the obligation of the Company to allocate a QBE Share to the Participant under the Plan.

Without limiting the powers and discretions of the Committee in this Plan, and subject to the ASX Listing Rules (if applicable), the Committee may in its discretion and at any time, on notice and with immediate effect:

(a) suspend or terminate this Plan, these Rules or any document issued under these Rules;

(b) amend, delete or add to these Rules or any document issued under these Rules,

if it is of the opinion that it is appropriate to do so.

15.3 Decisions or determinations by the Committee

Other than in respect of Rule 10, any decision or determination by the Committee pursuant to this Plan; in relation to any dispute or disagreement as to the interpretation of this Plan; or as to any question or right arising from or related to the Plan:

(a) is made in the discretion of the Committee, which may inform itself or take such advice as it sees fit; and

(b) is final.

The Committee is not a fiduciary of any Employee.

15.4 Directions from the Board

Other than in respect of Rule 12.1, the Board may at any time and from time to time:

(a) give directions to the Committee as to the manner of the exercise by the Committee of any of its discretions or powers under this Plan; and

(b) amend any of those directions,

and where the Board has given such a direction, the Committee must exercise the relevant discretion or power in accordance with that direction.

15.5 Taxation and superannuation contributions

Any payment made under this Plan is subject to the deduction of tax and any social security obligations and is inclusive of any contributions which must be made under the Superannuation Guarantee Legislation or any pension or similar scheme.

15.6 Set off

(a) Where, immediately prior to the time of vesting of any LTI Conditional Rights under these Rules, the Participant is also obliged to make a payment to the Participating Company that employs them, the Committee may, subject to applicable law and Regulatory Requirements, decide to reduce the number of LTI Conditional Rights which would otherwise vest in accordance with these Rules, including to zero, to set off the amount of the payment due to the Participating Company. For the purpose of determining the number of LTI Conditional Rights which will be used to offset the payment due to the Participating Company, the Committee will value each Unvested LTI Conditional Right by reference to the Market Value as if the date on which the set-off takes place is a vesting date for the purposes of these Rules.

(b) Where the Company is or will be required to withhold any amount in respect of the LTI Conditional Rights under the *Taxation Administration Act 1953* (Cth), the sum that the

Company is or will be required to withhold will constitute a debt owing by the Participant to the Company and the Participant irrevocably directs and authorises:

- (i) the Company to set off the debt against any moneys owing by the Company to the Participant; and/or
 - (ii) the Participating Company that employs the Participant to pay to the Company an amount equal to the debt from any monies owing by the Participating Company to the Participant.
- (c) If the Company requests the Participant to do so, the Participant must dispose of such number of LTI Conditional Rights as is necessary to raise the funds required to repay the debt referred to in Rule 15.6(b) and the Participant irrevocably appoints the Company as his or her attorney and agent to do all things necessary, including, but not limited to, executing all documents necessary, to effect the disposal of the LTI Conditional Rights.

15.7 No other rights

The Plan does not confer any right or entitlement, including as to the making of any LTI Grant, on anyone, including an Employee or a third party.

15.8 Privacy

By participating in the Plan, a Participant consents to the collection, use, storage, transfer (including internationally) or disclosure of their Personal Information for any purpose in connection with the operation of the Plan. This includes, but is not limited to:

- (a) providing that Personal Information to any Group Company or any third party such as trustees of any employee benefit trust, administrators of the Plan, brokers, professional advisers and any of their respective agents;
- (b) processing of that Personal Information by a Group Company or third party; and
- (c) providing that Personal Information to potential purchasers of the Company, the Participant's employer or the business in which the Participant works.

15.9 Severability

Part or all of any Rule in this Plan that is illegal or unenforceable will be severed and the remaining provisions continue in force.

15.10 Waiver

The failure at any time to insist on performance of any provision of this Plan is not a waiver of the person's right at any later time to insist on performance of that or any other provision in this Plan.

15.11 Notices

Any notice or other document which has to be given in connection with this Plan may be delivered to an Employee or sent by post to the Employee at their home address using the records of the Participating Company that employs the Employee, or such work address as that company considers appropriate, or, subject to applicable law, by email (or other electronic means including posting on any website or intranet site) to any address which according to the records of the Participating Company that employs the Employee is used by the Employee.

Any notice or other document which has to be given to the Company in connection with this Plan may be delivered or sent by post to it at its registered office.

Notices sent by post will be deemed to have been given 7 days after the date of posting. Notices sent by email (or other electronic means) will be deemed to have been given on the third day after the day on which the email (or other electronic means) was sent.

15.12 Documents

The Committee may require a Participant to complete and return such documents to the Committee as may be required by law or as otherwise necessary for administrative, legal or taxation reasons.

15.13 Suspension and cancellation

The Committee may from time to time suspend the operation of the Plan and may at any time cancel the Plan.

15.14 Governing law

The Plan and all awards shall be governed by and construed in accordance with the law of New South Wales and the Courts of New South Wales have non-exclusive jurisdiction to hear any dispute.

ADDENDUM FOR THE UNITED KINGDOM

This Addendum sets out and clarifies how the LTI Plan is applied in the United Kingdom by amending the terms and conditions of the LTI Plan.

A. FORM OF EQUITY GRANT

Any LTI Conditional Rights Grant made in accordance with this Plan to a Participant may, at the discretion of the Committee, be in the form of zero exercise price options (**ZEPOs**) for QBE Shares instead of conditional rights. In this event, all references to conditional rights in the LTI Plan will, for the United Kingdom, be taken to be references to ZEPOs. A Participant will not receive, and will have no entitlement to receive, conditional rights.

B. VESTING DATE

At the date of vesting of a ZEPO in accordance with Rule 5.1 of the LTI Plan Rules (**Vested ZEPO**), the Vested ZEPO (and any notional dividends accrued under Rule 5.2) will become exercisable by the Participant.

C. EXERCISE OF ZEPOS

C.1. Period of exercise

Subject to Rule C.2 of this Addendum, a Vested ZEPO (and any notional dividends accrued under Rule 5.2) will be exercisable up until the date that is 10 years from the Grant Date (**Exercise Period**). If not exercised in that time, the Vested ZEPO (and any notional dividends accrued under Rule 5.2) will lapse.

C.2. Exercise of Vested ZEPOs when employment ceases

Subject to applicable law, Regulatory Requirements and Rule C.3, if a Participant's employment with the Participating Company that employs them ceases during the Exercise Period, any Vested ZEPOs which have not been exercised by the Participant will automatically be exercised on the date that is 30 days following the date the Participant's employment with the Participating Company that employs them ceases (or if the Company's Trading Policy prohibits dealing within that time, within 30 days of such dealing being permitted), unless the Participant exercises the Vested ZEPOs earlier.

C.3. Loss of Vested ZEPOS

Despite Rule C.2 of this Addendum, if a Participant's employment is terminated for gross misconduct, any Vested ZEPOs which have not been exercised by the Participant will lapse immediately and the Participant will not be entitled to any payment or benefit in lieu.

C.4. Variation of unvested ZEPOs

The reference to "serious misconduct" in Rule 10(a) of the Plan shall be replaced with "gross misconduct".

C.5. Form of exercise

The exercise of any Vested ZEPO shall be effected in the form and manner prescribed by the Committee from time to time. The First, Second and Third Tranches may, once they have vested, be exercised in whole or part unless, to facilitate the easier administration of the LTI Plan, the Committee decides to impose a minimum number of QBE Shares in respect of which of Vested ZEPOs may be exercised. Subject to any decision of the Committee, if the First, Second or Third

Tranche is exercised in part, the Participant may exercise the balance of the Tranche at some other time during the Exercise Period.

C.6. Taxation as a result of exercise

If a liability to income tax or employee's national insurance (**Employee Tax Liability**) arises as a result of the exercise of any Vested ZEPO then unless the Participant has indicated in the form of exercise that they will make a payment to the Company (or as directed to the Participating Company that employs the Participant) of an amount equal to the Employee Tax Liability and the Participant does, within 7 days of being notified by the Company of the amount of the Employee Tax Liability, make such payment to the Company, then the Company may sell or procure the sale of sufficient QBE Shares to meet the Employee Tax Liability. In such circumstances the Company will arrange payment to the member of the Group (or other relevant person) on which the Employee Tax Liability falls of an amount equal to the Employee Tax Liability out of the proceeds of sale (by way of reimbursement).

C.7. Transfer of QBE Shares or cash in lieu

As soon as reasonably practicable after a Vested ZEPO has been exercised:

- (a) subject to Rule C.7(b) of this Addendum, the Company will transfer or procure the transfer to the relevant Participant an amount of QBE Shares equivalent to the number of Vested ZEPOs that have been exercised; and
- (b) despite Rule C.7(a) of this Addendum, the Committee may, at its discretion, pay cash in lieu of Vested ZEPOs that have been exercised at the weighted average sale price of a QBE Share over the 5 trading days on the Australian Securities Exchange prior to the date of exercise of the Vested ZEPO.

C.8. Tax on cash in lieu payment

If the Committee determines to make a cash in lieu payment under Rule C.7(b) of this Addendum or under Rule 5.2 of the Plan, such payment shall be made subject to deduction of income tax and employee's national insurance.

D. GOVERNING LAW

This Addendum shall be governed and construed in accordance with the laws of New South Wales and the Courts of New South Wales have non-exclusive jurisdiction to hear any dispute.

E. AMENDMENTS AND CANCELLATION

The Committee may, at any time, determine to alter, replace, suspend or cancel the operation of this Addendum, although any alteration, replacement, suspension or cancellation must not disadvantage a Participant in connection with any ZEPOs granted which are subject to a vesting date or any Vested ZEPOs.