



Independent limited assurance report

to the management of QBE Insurance Group Limited



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Overview

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Assurance statement

Independent limited assurance report on the 2018 Sustainability Report to the management of QBE Insurance Group Limited

We have undertaken a limited assurance engagement on the subject matter detailed below (the “Sustainability Performance Indicators”) presented in QBE Insurance Group Limited’s (“QBE”) 2018 Sustainability Report for the year ended 31 December 2018, in order to state whether anything has come to our attention that would cause us to believe that the Sustainability Performance Indicators have not been reported, in all material respects, in accordance with the reporting criteria described in the table below (“Reporting Criteria”).

Sustainability Performance Indicators and Reporting Criteria

The Sustainability Performance Indicators and Reporting Criteria for our limited assurance engagement for the year ended 31 December 2018 are as follows:

SUSTAINABILITY PERFORMANCE INDICATORS	REPORTING CRITERIA
Premiums4Good impact investments (USD) and associated financial value, pages 24 to 25	QBE’s 2018 Sustainability Reporting Framework
Employee satisfaction surveys - employee engagement and enablement score including data coverage, page 39	QBE’s 2018 Sustainability Reporting Framework
Workforce (%) by employment level and gender, page 44	GRI Standard 405-1(b) 2016 QBE’s 2018 Sustainability Reporting Framework
Average tenure by gender across levels of workforce, page 44	QBE’s 2018 Sustainability Reporting Framework
Workforce by age and gender including average age, page 45	GRI Standard 405-1(b) 2016 QBE’s 2018 Sustainability Reporting Framework
Breakdown of workforce by ethnicity, gender identity, sexual orientation, disability and carer responsibility (including care provided to), pages 45 to 46	GRI Standard 405-1(b) 2016 QBE’s 2018 Sustainability Reporting Framework
Voluntary, involuntary and overall attrition rate (%) and termination number by gender, age group and region, page 46	GRI Standard 401-1(b) 2016 QBE’s 2018 Sustainability Reporting Framework
Total Scope 1, 2 and 3 Greenhouse Gas emissions (tCO ₂ -e) by activity, page 53	GRI Standard 305-1 2016 GRI Standard 305-2 2016 GRI Standard 305-3 2016 QBE’s Greenhouse Gas Reporting Framework

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Assurance statement (continued)

QBE's responsibility for the Sustainability Performance Indicators

The Management of QBE are responsible for:

- Ensuring the Sustainability Performance Indicators are properly prepared and presented in accordance with the Reporting Criteria;
- Confirming the measurement or evaluation of the Sustainability Performance Indicators against the applicable criteria, and including that all relevant matters are reflected in the Sustainability Performance Indicators information;
- Designing, establishing and maintaining internal controls to ensure that the Sustainability Performance Indicators are properly prepared and presented in accordance with the Reporting Criteria.

Our independence and quality control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Sustainability Performance Indicators based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with the Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ("ASAE 3000"), and the Australian Standards on Assurance Engagements ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements* ("ASAE 3410"), issued by the Australian Auditing and Assurance Standards Board in order to express a conclusion whether, based on the procedures performed and the evidence obtained, anything has come to our attention that causes us to believe that the Sustainability Performance Indicators have not been prepared and presented, in all material respects, in accordance with the Reporting Criteria. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Sustainability Performance Indicators are free from material misstatement.

We read other information included within the 2018 Sustainability Report and considered whether it was consistent with the knowledge obtained through our procedures. We considered the implications for our report if we became aware of any apparent material inconsistencies with the 2018 Sustainability Report. Our responsibilities did not extend to any other information.

A limited assurance engagement in accordance with ASAE 3000 and ASAE 3410 involves identifying areas where a material misstatement of the subject matter information is likely to arise, addressing the areas identified and considering the process used to prepare the subject matter in the 2018 Sustainability Report. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and consisted primarily of:

- Interviewing respective Sustainability Performance Indicators data owners to understand and assess the approach for collating, calculating and reporting respective Sustainability Performance Indicators across the 2018 reporting period;
- Undertaking a sample of detailed walkthroughs of key systems and processes used/relied upon to compile the Sustainability Performance Indicators for the 2018 reporting period;
- Assessing the supporting process documentation developed to support the collation, calculation and reporting process in accordance with QBE's policies and procedures and the Reporting Criteria;
- Completing analytical reviews over material data streams to identify any material anomalies/gaps for selected Sustainability Performance Indicators and investigate further where required; and
- Agreeing overall data sets for selected Sustainability Performance Indicators to the final QBE data contained in the 2018 Sustainability Report.



The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express an opinion providing reasonable assurance about whether the Sustainability Performance Indicators have been properly prepared and presented, in all material respects, in accordance with Reporting Criteria.

Inherent limitations

There are inherent limitations in performing an assurance engagement - for example, assurance engagements are based on selective testing of the information being examined - and it is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all misstatements, as an assurance engagement is not performed continuously throughout the year that is the subject of the engagement and the procedures are performed on a test basis. The conclusion expressed in this report has been formed on the above basis.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data. We specifically note that the Management of QBE have used estimates or extrapolated underlying information to calculate certain amounts included in the Scope 1, 2 and 3 Greenhouse Gas emissions data.

Limitations of use

Our assurance report has been prepared solely for the Management of QBE in accordance with our Statement of Work and Addendum, dated 13 November 2018 and 29 November 2018, respectively. However, we understand that a copy of the report will be included in QBE's 2018 Sustainability Report. We agree that a copy of the report may be included in QBE's 2018 Sustainability Report, but only on the basis that we accept no duty, liability or responsibility to third parties in relation to the report. We accept no duty, responsibility or liability to any party, other than you, in connection with the report or this engagement.

Matters relating to electronic presentation of information

Our limited assurance engagement included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of the 2018 Sustainability Report after the date of this assurance statement.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability Performance Indicators have not been properly prepared and presented, in all material respects, in accordance with the Reporting Criteria for the year ended 31 December 2018.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

PR Dobson

Partner
Sydney, 25th February 2019

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