

Independent limited assurance report

to the management of QBE Insurance Group Limited on the 2017 Greenhouse Gas Emissions Data

Deloitte.

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We have undertaken a limited assurance engagement on the subject matter detailed below (the 'Subject Matter') presented in QBE Insurance Group Limited's ('QBE') 2017 Sustainability Report for the year ended 31 December 2017.

Subject matter and reporting criteria

The Subject Matter and Reporting Criteria for our limited assurance engagement for the year ended 31 December 2017 is as follows:

Subject Matter

QBE's Scope 1, Scope 2 and Scope 3 Greenhouse Gas (GHG) emissions for the year ended 31 December 2017, collectively referred to as the '2017 GHG Emissions Data' as disclosed on pages 17 to 18 of the QBE 2017 Sustainability Report.

Reporting Criteria

- Global Reporting Initiative ('GRI') Standards' requirements for Disclosures 305-1, 305-2 and 305-3;
- QBE's ESG Reporting - Greenhouse Gas Reporting Framework;
- the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard;
- the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

QBE's responsibility for the 2017 GHG emissions data

The Management of QBE is responsible for the preparation and presentation of the 2017 GHG Emissions Data in accordance with the Reporting Criteria, in all material respects. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the 2017 GHG Emissions Data that is free from material misstatement, whether due to fraud or error.

The Management of QBE is responsible for the interpretation and application of the requirements of the Reporting Criteria in determining operational control and quantifying emissions, which are reflected in QBE's ESG Reporting Greenhouse-Gas Reporting Framework.

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.

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Our responsibility

Our responsibility is to express a limited assurance conclusion on the 2017 GHG Emissions Data based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with 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 2017 GHG Emissions Data has not been prepared and presented in all material respects in accordance with the Reporting Criteria. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the 2017 GHG Emissions Data is free from material misstatement.

We read other information included within the 2017 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 2017 Sustainability Report. Our responsibilities did not extend to any other information.

A limited assurance engagement in accordance with ASAE 3410 involves identifying areas where a material misstatement of the 2017 GHG Emissions Data information is likely to arise, addressing the areas identified and considering the process used to prepare the 2017 GHG Emissions Data in the 2017 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 included enquiries with relevant process owners and data owners, observations of processes performed, inspection of documents, analytical procedures, evaluating appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- evaluated the appropriateness of the quantification methods and reporting policies used, and the reasonableness of emissions estimates made by the Management of QBE;
- evaluated the application of the activity definitions in determining facility boundaries and operational control in determining controlling corporation boundaries;
- evaluated the overall presentation of the 2017 GHG Emissions Data.

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 2017 GHG Emissions Data has 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 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 within the 2017 GHG Emissions Data.

Limitations of use

Our assurance report has been prepared solely for the Management of QBE in accordance with our Statement of Work dated 21 November 2017. We disclaim any assumption of responsibility for any reliance on this report or on the Subject Matter to which it relates, to any person other than the management of QBE or for any purpose other than that for which it was prepared.

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 2017 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 2017 GHG Emissions Data has not been properly prepared and presented, in all material respects, in accordance with the Reporting Criteria for the year ended 31 December 2017.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

PR Dobson

PR Dobson

Partner

Sydney, 26 February 2018