

# Reinsurer Roadshow – Property

June 2024



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# European Operations Property

## Presenters:

Ian France, Property Product Leader European Operations

Nic Murton, Head of Catastrophe Modelling

Luke Stile, Outwards Cat RI Analytics Leader

David Jones, Director of UK Property

Tom Weeks, Director of International Markets Property

Franco Masciovecchio, Product Manager European Property



# Agenda

**01**

**Accumulation  
Management**

**02**

**Portfolio Overview and  
Financials**

**03**

**Coverage and general  
Governance**

**04**

**Individual Business Unit  
updates**

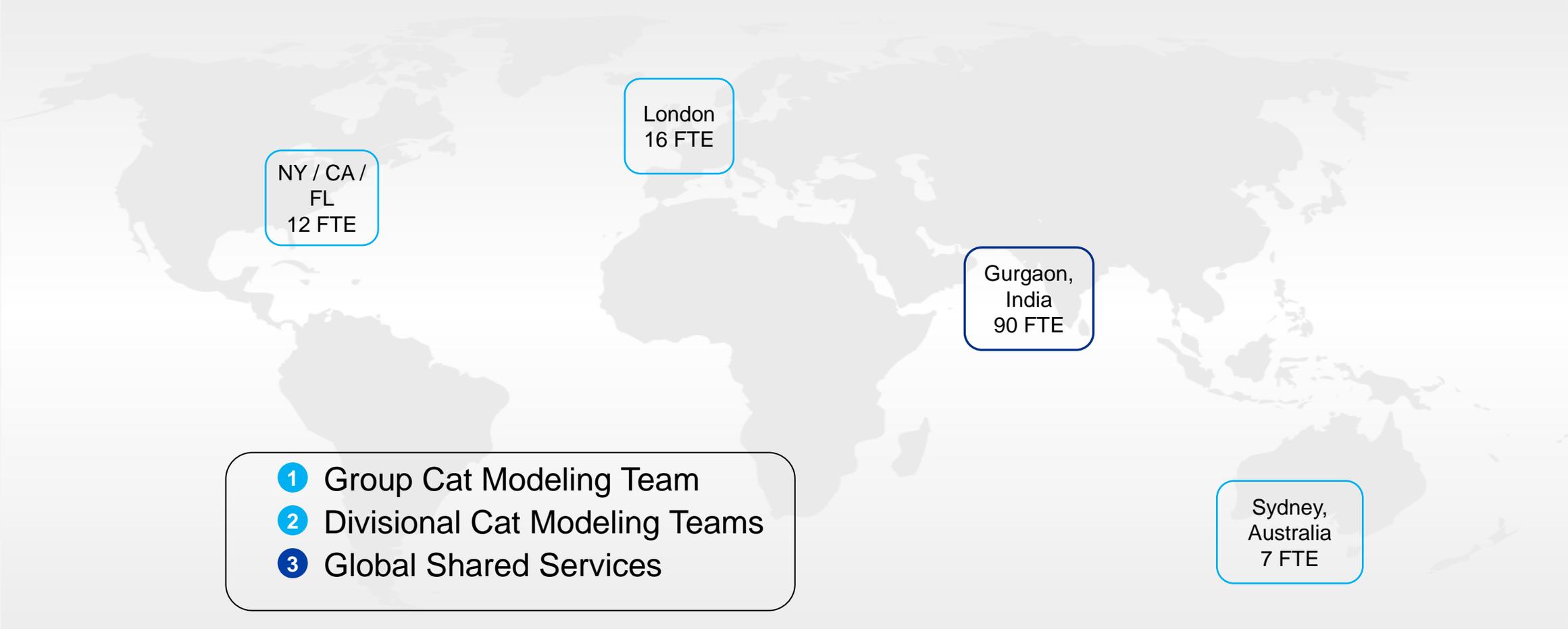
# Accumulation Management



# 01

# Global Accumulation Management Organization

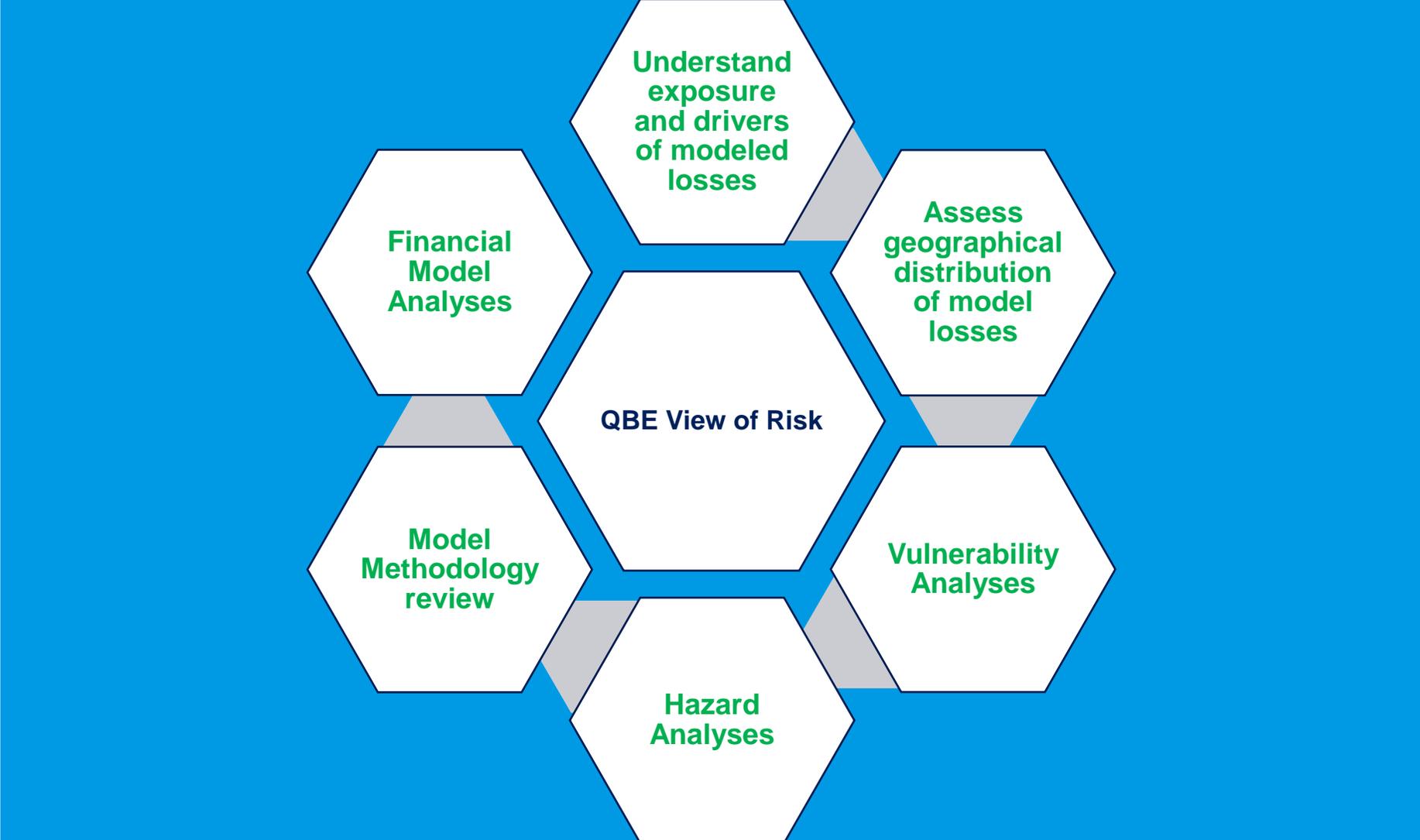
## 120+ FTEs Focused on Cat



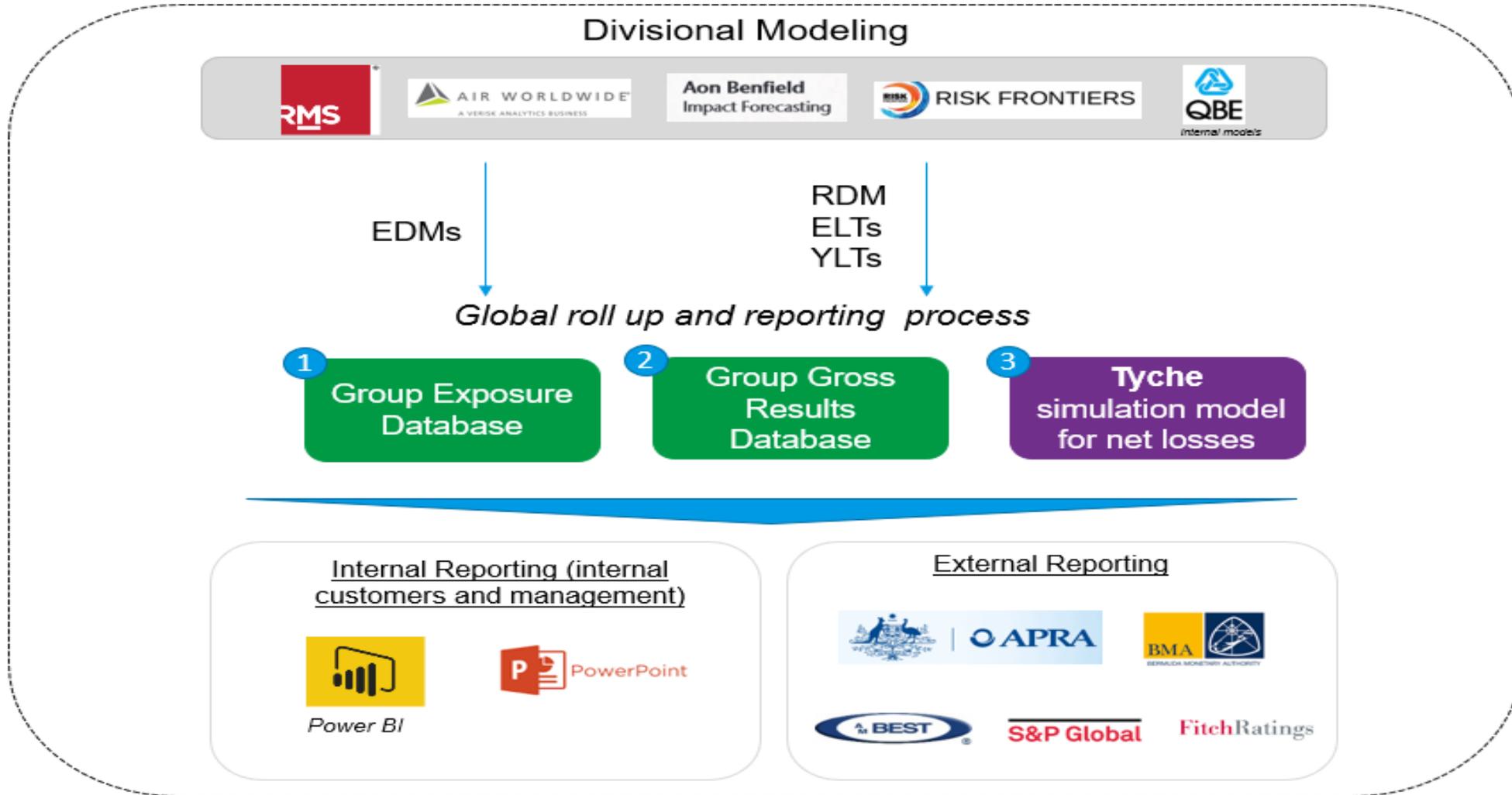
# Models Used: Broad Coverage & Vendor Diversification



# QBE Model Evaluation Process Overview



# Exposure Aggregation and Modeling Process

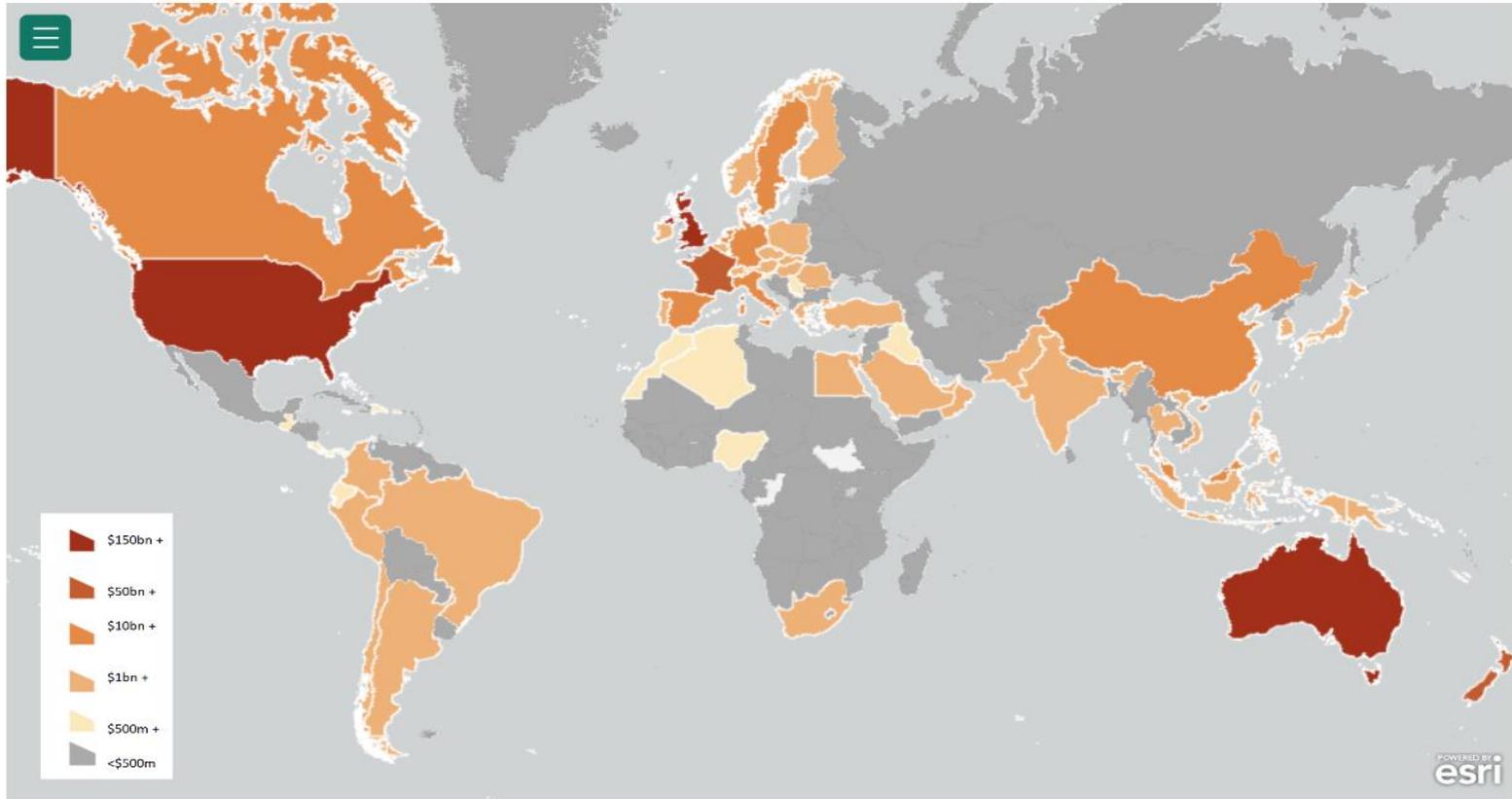


# Comprehensive Exposure Tracking

- Read me
- Group Exposure
- Exposure by Cell
- Exposure by Country
- Trend by Country
- Exposure Trend \$
- Exposure Trend %
- Exposure Trend Avg.
- Exposure Change (deco...
- Primary Characteristics
- Primary Characteristics ...
- Exposure Map**
- US Map
- Data Quality Summary
- Data Quality Trend

## Global Exposure Map

Reporting Date	Division	Peril	Country
2023 (Year) + Q4-2...	All	All Perils	All
Sub-Division	Cell	Portfolio	Region
All	All	All	All



Country Name	Exposed Limit
Australia	878,379M
United States	653,286M
United Kingdom	199,068M
New Zealand	80,794M
France	51,703M
Hong Kong	41,048M
Singapore	34,126M
Germany	29,048M
Sweden	26,363M
Netherlands	25,331M
Canada	23,849M
Italy	20,988M
Spain	17,850M
Malaysia	13,207M
China	12,983M
Mexico	8,688M
South Korea	8,193M
Portugal	7,829M
Ireland	7,487M
Brazil	6,817M
Vietnam	6,672M
New Caledonia	6,487M
Poland	6,382M
India	5,980M
United Arab Emirates	5,355M
Thailand	5,184M
Belgium	5,169M
<b>Total</b>	<b>2,299,250M</b>

# Robust Global Reporting Platform

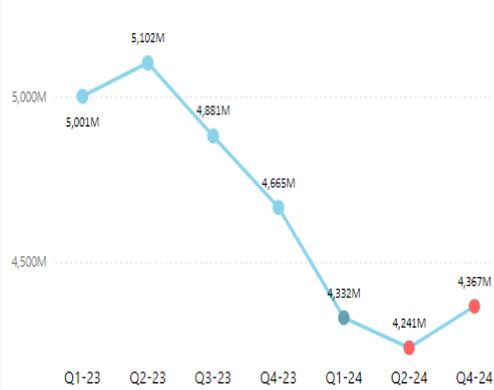
## Gross Modelled Losses

Last Updated: March 8th 2024

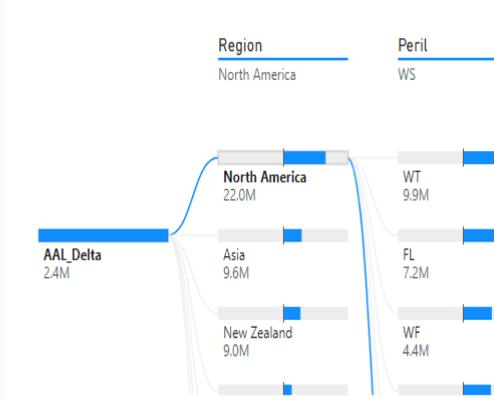
Data as of: Q1 2024

Owner: Stan Gorokhovskiy

Group Modelled Loss



AAL Change Decomposition



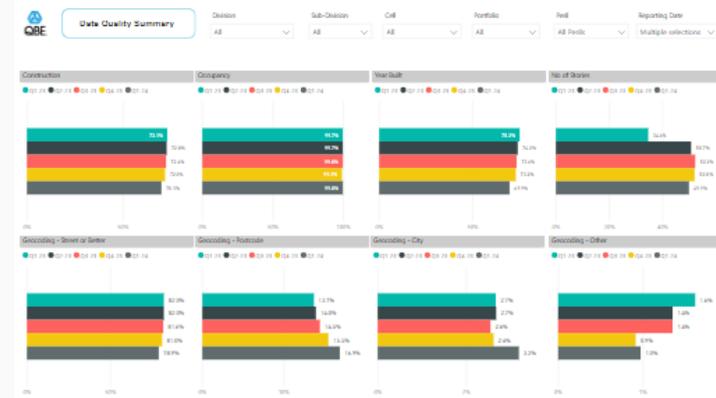
## Property Cat Exposure & Data Quality

Last Updated: March 4th 2024

Data as of: Q1 2024

Owner: Simon Webber

Exposure Dashboard  
DATA QUALITY SUMMARY



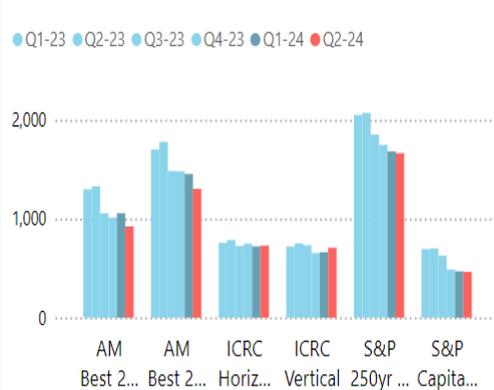
## Net Modelled Losses

Last Updated: March 2024

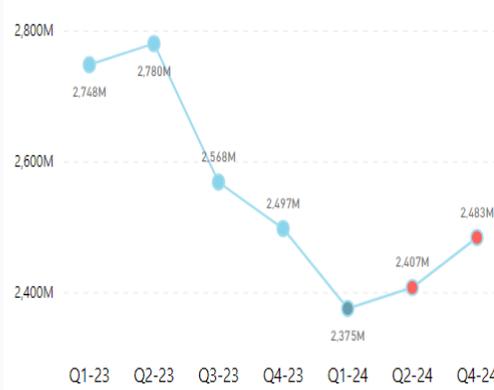
Data as of: Q1 2024

Owner: Stan Gorokhovskiy / Angel Zhou

ICRC / S&P / AM Best



Group Net Modelled Loss



## RDS

Last Updated: 23rd April 2024

Data as of: Q1 2024

Owner: Simon Webber

Top 4 Nat Cat



# Divisional Modelling Process - Pricing

QBE Cat Pricing Tool		Cat Pricing Reference: QBE_46591	
<b>Insured Details</b>		<b>Modelling Details</b>	
Client (Insured Name):	ABC	Date Modelled	2024-05-15
Layer		Currency	EUR
Vendor	All Vendors	Vendor Version	19
Hazard	All Hazards	Cat Modeller	ABC
<b>Brilliant Basics Cat Pricing</b>		<b>Total AAL</b>	
Retained AAL	87,387	Total AAL	101,617
+ Cost of Reinsurance	54,027	Total Modelled AAL	90,139
+ Capital Cost & Cat Profit	12,257	Total REM AAL	11,479
<b>= Total Cat Components</b>	<b>153,671</b>		
Modelled Cat Components	142,192		
REM Cat Components	11,479		
+ Expenses	0.0%		
+ Commission	0.0%		
<b>= Total Cat Pricing</b>	<b>153,671</b>		
Modelled Cat Pricing	142,192		
REM Cat Pricing	11,479		
		<b>QBE Layer Participation</b>	
		<b>100.00%</b>	

Country Code	Country	TIV	Cost of Reinsurance						Total
			EQ	WS	CS	WT	FL	WF	
AT	Austria	###	2,295	0	0	0	0	0	2,295
BE	Belgium	###	0	0	0	0	0	0	0
CH	Switzerland	###	19	1	0	0	0	0	20
CN	China	###	771	0	0	0	0	0	771
DE	Germany	###	1,042	1,071	0	0	4,099	0	6,212
FR	France	###	3,002	186	0	0	0	0	3,187
GB	United Kingd	###	50	523	0	0	28	0	601
IN	India	###	0	0	0	0	0	0	0
IT	Italy	###	712	0	0	0	0	0	712
KR	South Korea	###	1,272	108	0	0	0	0	1,379
NL	Netherlands	###	194	548	0	0	0	0	742
RO	Romania	###	24	0	0	0	0	0	24
SE	Sweden	###	0	0	0	0	0	0	0
SG	Singapore	###	29	0	0	0	0	0	29
TW	Taiwan	###	273	0	0	0	0	0	274
US	United State	###	32,255	5,300	73	129	0	0	37,757
VN	Vietnam	###	24	0	0	0	0	0	24
<b>Total</b>	<b>##</b>	<b>##</b>	<b>41,962</b>	<b>7,736</b>	<b>73</b>	<b>129</b>	<b>4,127</b>	<b>0</b>	<b>54,027</b>

Retained AAL							Cost of Reinsurance						Capital Cost & Cat Profit						Expenses		Commission		Total Cat Premium						
EQ	WS	CS	WT	FL	WF	Total	EQ	WS	CS	WT	FL	WF	Total	EQ	WS	CS	WT	FL	WF	Total	%	%	EQ	WS	CS	WT	FL	WF	Total
1,133	2,093	0	0	#####	0	23,741	920	880	0	0	3,978	0	5,778	83	172	0	0	1,113	0	1,368	0.0%	0.0%	2,135	3,145	0	0	#####	0	30,887
#####	1,173	0	0	0	0	12,519	2,959	170	0	0	0	0	3,129	715	55	0	0	0	0	770	0.0%	0.0%	#####	1,398	0	0	0	0	16,418
6,725	0	3	5	0	0	6,733	#####	0	0	0	0	0	22,505	5,360	0	0	0	0	0	5,360	0.0%	0.0%	#####	0	4	5	0	0	34,597
2,043	0	3	4,713	0	0	6,758	6,836	0	0	93	0	0	6,929	1,628	0	0	123	0	0	1,751	0.0%	0.0%	#####	0	3	4,928	0	0	15,438
3,062	2,697	0	0	0	0	5,759	1,242	104	0	0	0	0	1,346	147	41	0	0	0	0	188	0.0%	0.0%	4,451	2,842	0	0	0	0	7,293
4,794	0	0	0	0	0	4,794	2,295	0	0	0	0	0	2,295	578	0	0	0	0	0	578	0.0%	0.0%	7,667	0	0	0	0	0	7,668
582	1,298	97	933	0	0	2,909	1,946	2,303	4	18	0	0	4,272	463	320	4	24	0	0	812	0.0%	0.0%	2,991	3,921	104	976	0	0	7,992
7	1,143	408	328	0	0	1,885	24	2,029	15	6	0	0	2,074	6	282	16	9	0	0	312	0.0%	0.0%	36	3,453	439	342	0	0	4,270
1,507	255	0	0	0	0	1,762	262	0	0	0	0	0	262	200	6	0	0	0	0	206	0.0%	0.0%	1,970	261	0	0	0	0	2,230
1,373	0	0	0	0	0	1,373	519	0	0	0	0	0	519	75	0	0	0	0	0	75	0.0%	0.0%	1,967	0	0	0	0	0	1,967
174	545	42	33	0	0	793	581	968	2	1	0	0	1,551	138	134	2	1	0	0	275	0.0%	0.0%	893	1,647	45	34	0	0	2,619
1,067	0	0	0	0	0	1,067	459	0	0	0	0	0	459	63	0	0	0	0	0	63	0.0%	0.0%	1,590	0	0	0	0	0	1,590
22	0	789	17	0	0	828	73	0	29	0	0	0	103	17	0	30	0	0	0	48	0.0%	0.0%	112	0	848	18	0	0	979
11	0	622	45	0	0	678	38	0	23	1	0	0	62	9	0	24	1	0	0	34	0.0%	0.0%	59	0	669	47	0	0	775

# Divisional Modelling Process - Portfolio Roll Up

## Catastrophe Modelling Report - Summary

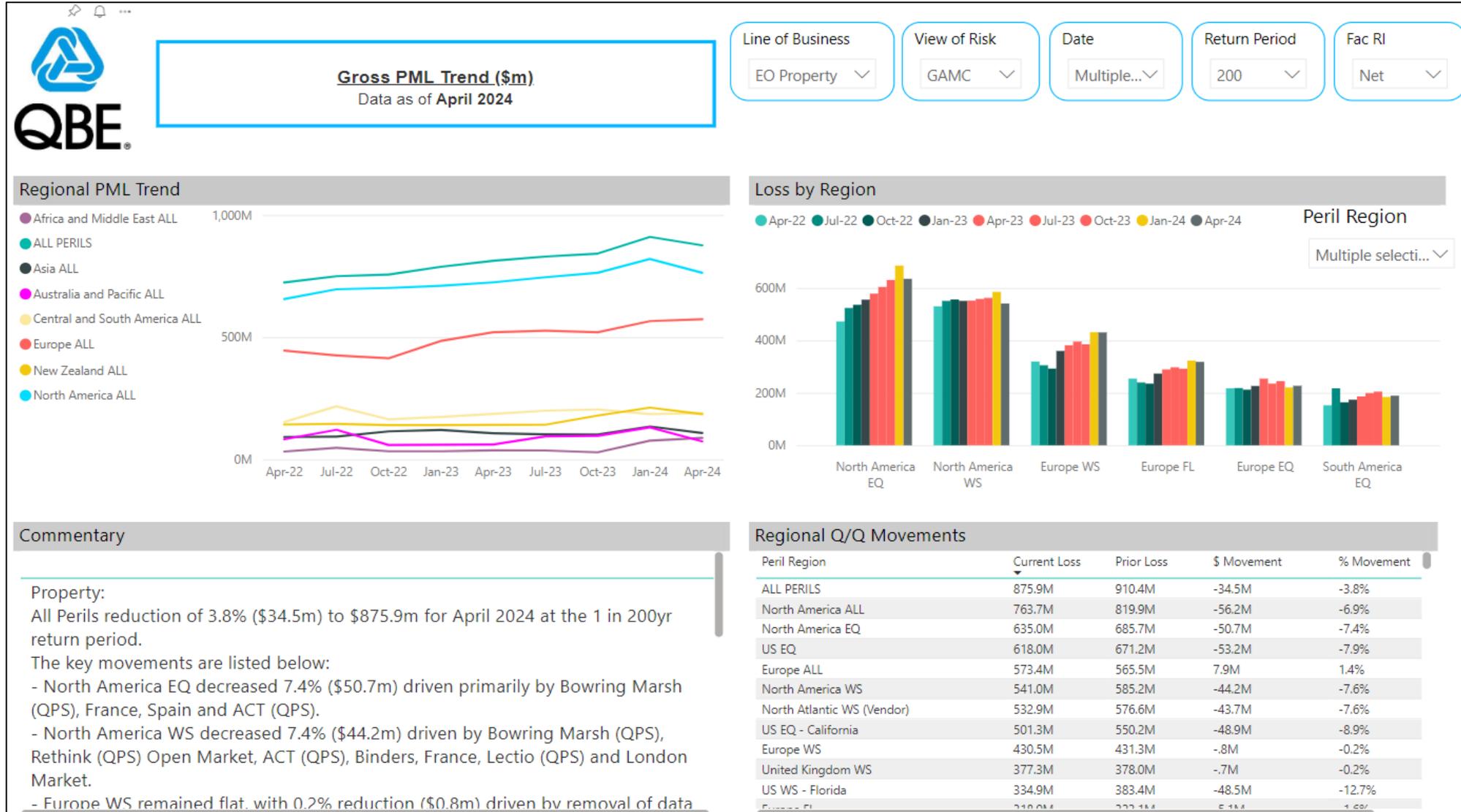
Peril	Exposure				In Force AAL				Forecast AAL			Commentary		
	Mar-2024	Apr-2024	Rel Mvmnt	Abs Mvmnt	Mar-2024	Apr-2024	Rel Mvmnt	Abs Mvmnt	Apr-2024	Oct-2024	Utilisation	Summary	Validated	Uploaded
All Perils	130,689,212,518	131,821,048,748	0.87%	1,131,836,230	39,116,524	39,141,877	0.06%	25,352	39,141,877	43,113,735	90.79%	EP Curves - based on 200Yr.	Yes	Yes
Earthquake	123,072,592,407	124,324,373,346	1.02%	1,251,780,939	5,542,327	5,554,526	0.22%	12,199	5,554,526	6,146,039	90.38%	All Perils: Increased by 1% from \$300.13m to \$302.94m.		
Windstorm	121,424,640,356	122,358,187,181	0.77%	933,546,825	16,929,957	16,987,563	0.34%	57,606	16,987,563	19,100,027	88.94%	Europe EQ: Decreased by 7% from \$46.61m to \$43.38m.		
Flood	108,361,270,666	109,156,896,490	0.73%	795,625,825	15,031,294	15,119,062	0.58%	87,768	15,119,062	16,528,766	91.47%	Europe WS: Increased by 2% from \$226.28m to \$231.72m.		
Convective Storm	3,984,403,728	4,097,119,059	2.83%	112,715,331	997,855	921,343	-7.67%	-76,512	921,343	1,078,473	85.43%	North America EQ: Decreased by 1% from \$33.44m to \$33.15m.		
Winter Storm	3,081,081,715	3,219,934,101	4.51%	138,852,387	552,922	507,515	-8.21%	-45,407	507,515	219,385	231.34%	North Atlantic WS: Decreased by 1% from \$27.33m to \$27.10m.		
Wildfire	4,371,196,320	4,448,807,065	1.78%	77,610,745	62,169	51,867	-16.57%	-10,302	51,867	41,045	126.37%	Data Capture - 100%.		

GroupHazardZone	Exposure				In Force AAL				Forecast AAL			Commentary		
	Mar-2024	Apr-2024	Rel Mvmnt	Abs Mvmnt	Mar-2024	Apr-2024	Rel Mvmnt	Abs Mvmnt	Apr-2024	Oct-2024	Utilisation	Summary	Validated	Uploaded
North America EQ	2,605,660,250	2,830,518,973	8.63%	224,858,723	1,304,215	1,258,232	-3.53%	-45,984	1,258,232	1,330,524	94.57%	Decrease in AAL is due to renewal account 'John Swire_Sons Limited'	Yes	Yes
North America WS	2,427,888,155	2,559,123,707	5.41%	131,235,552	1,766,970	1,718,798	-2.73%	-48,173	1,718,798	1,992,862	86.25%	Decrease in AAL is due to renewal account 'John Swire_Sons Limited'	Yes	Yes
North America FL	2,385,794,311	2,532,260,202	6.14%	146,465,891	1,859,700	2,061,718	10.86%	202,017	2,061,718	2,000,627	103.05%	Increase in AAL is due to renewal account 'Astrazeneca', its contribu	Yes	Yes
North America CS	3,081,081,715	3,219,934,101	4.51%	138,852,387	950,439	864,555	-9.04%	-85,885	864,555	1,013,937	85.27%	Decrease in AAL is due to renewal account 'John Swire_Sons Limited'	Yes	Yes
North America WT	3,081,081,715	3,219,934,101	4.51%	138,852,387	552,661	507,271	-8.21%	-45,390	507,271	219,275	231.34%	Decrease in AAL is due to renewal account 'John Swire_Sons Limited'	Yes	Yes
North America WF	3,008,559,191	3,052,001,407	1.44%	43,442,216	46,142	33,995	-26.33%	-12,147	33,995	31,270	108.72%	Decrease in AAL is due to renewal account 'Astrazeneca', its contribu	Yes	Yes
Europe EQ	115,154,499,344	116,140,981,487	0.86%	986,482,142	2,052,702	2,095,099	2.07%	42,396	2,095,099	2,270,843	92.26%	Increase in AAL is due to renewal account 'Vodafone', its contributio	Yes	Yes
Europe WS	115,664,476,012	116,507,933,880	0.73%	843,457,868	14,380,580	14,496,418	0.81%	115,837	14,496,418	16,238,839	89.27%	Increase in AAL is due to renewal account 'Great Yarmouth Borough	Yes	Yes
Europe FL	103,852,580,800	104,528,616,520	0.65%	676,035,721	12,845,314	12,727,262	-0.92%	-118,052	12,727,262	14,248,726	89.32%	Decrease in AAL is due to renewal account 'Vodafone', its	Yes	Yes

Return Period	Exceedance Probability	All Perils					North America All					Europe All				
		Mar-2024	Apr-2024	Movement	Oct-2024	Utilisation	Mar-2024	Apr-2024	Movement	Oct-2024	Utilisation	Mar-2024	Apr-2024	Movement	Oct-2024	Utilisation
10,000	0.0001	1,030.12	1,102.13	7%	1,252.97	88%	111.97	127.74	14%	124.90	102%	1,060.92	1,056.72	0%	1,191.22	89%
5,000	0.0002	814.35	885.38	9%	990.09	89%	101.39	102.32	1%	97.63	105%	867.84	862.95	-1%	971.44	89%
1,000	0.001	534.98	540.99	1%	584.53	93%	67.99	67.72	0%	71.72	94%	520.98	522.78	0%	571.90	91%
500	0.002	424.23	432.65	2%	460.02	94%	57.28	56.98	-1%	58.85	97%	416.22	419.68	1%	457.71	92%
250	0.004	327.67	332.61	2%	362.85	92%	47.31	46.74	-1%	48.77	96%	324.78	328.12	1%	358.15	92%
200	0.005	300.13	302.94	1%	334.66	91%	44.46	43.72	-2%	45.42	96%	297.02	300.15	1%	328.19	91%
100	0.01	223.78	220.00	-2%	246.03	89%	34.78	34.14	-2%	36.16	94%	216.96	218.98	1%	241.37	91%
50	0.02	154.47	152.37	-1%	171.09	89%	26.10	25.45	-2%	26.75	95%	150.50	151.41	1%	168.11	90%
30	0.03	113.72	113.23	0%	127.01	89%	20.25	20.03	-1%	20.88	96%	111.37	111.75	0%	124.57	90%
10	0.1	51.16	50.49	-1%	56.70	89%	10.63	10.63	0%	10.70	99%	47.45	47.50	0%	53.35	89%
5	0.2	27.00	26.70	-1%	29.83	90%	6.30	6.36	1%	6.55	97%	23.18	23.40	1%	26.00	90%
2	0.5	9.73	9.65	-1%	10.76	90%	2.01	2.03	1%	2.06	99%	7.12	7.10	0%	7.99	89%
AAL		39.12	39.14	0%	43.11	91%	6.48	6.45	0%	6.61	98%	29.28	29.32	0%	32.79	89%

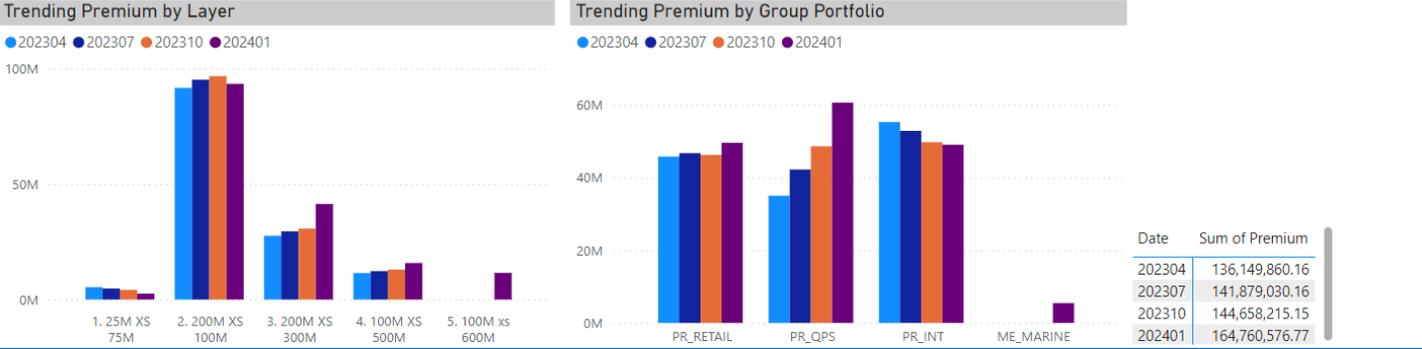
# Divisional Modelling Process - Divisional Roll Up



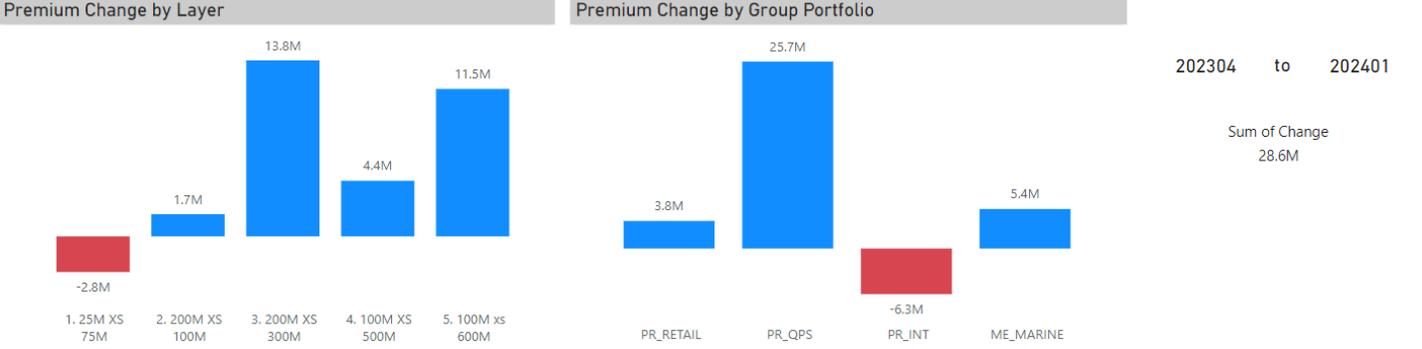
# Divisional Modelling Process - Post Roll Up Analysis

## Trending Reinsurance Premium

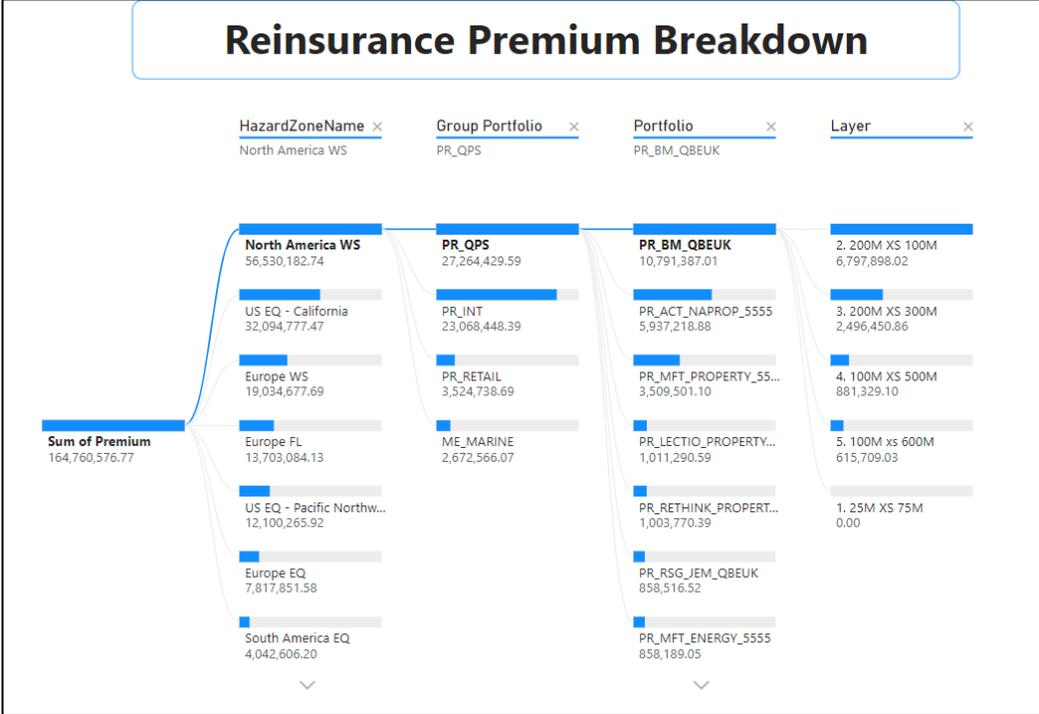
Pick dates for comparison  
Multiple selections



Date	Sum of Premium
202304	136,149,860.16
202307	141,879,030.16
202310	144,658,215.15
202401	164,760,576.77



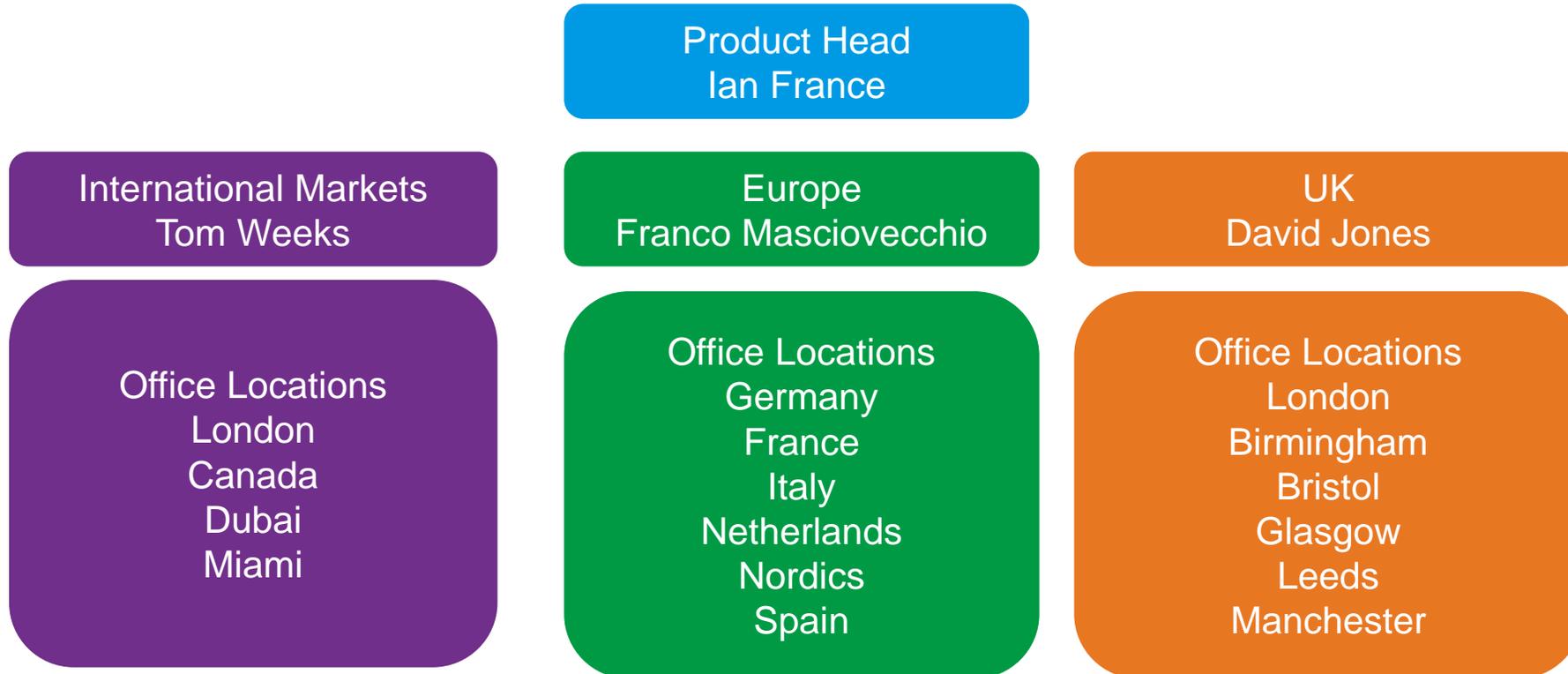
## Reinsurance Premium Breakdown



# UW team & EO Portfolio update

# 02

# EO Property - UW Leadership Team



# EO Property - Business mix



## UK Property & Packages

UK market leader  
Large complex risk to SME  
UK domestic plus  
multinational client base



## International Markets (IM)

Wholesale business written from London, Dubai &  
Miami for Latin America  
Our Canadian retail book is also part of IM



## Europe

Branch network:

France

Germany

Italy

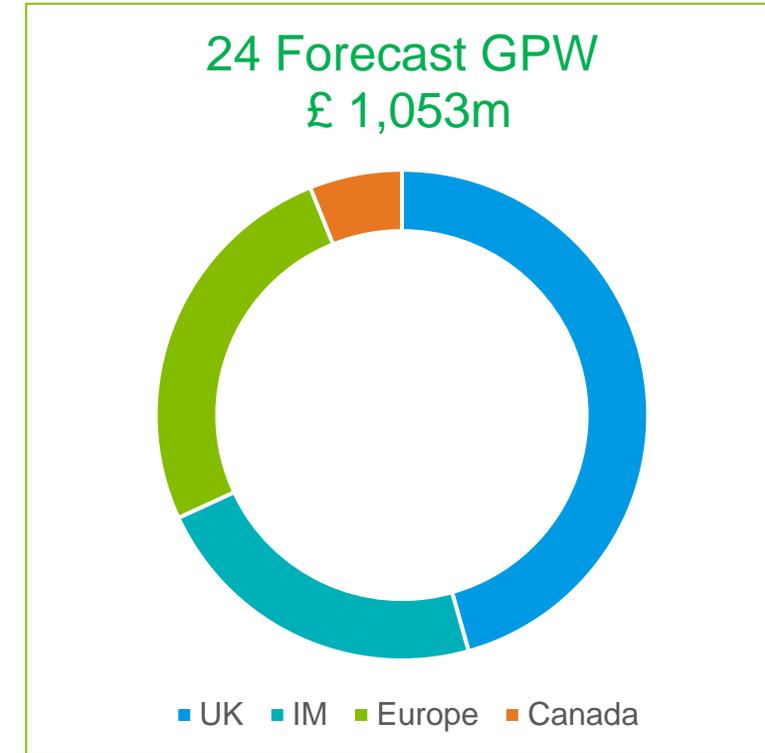
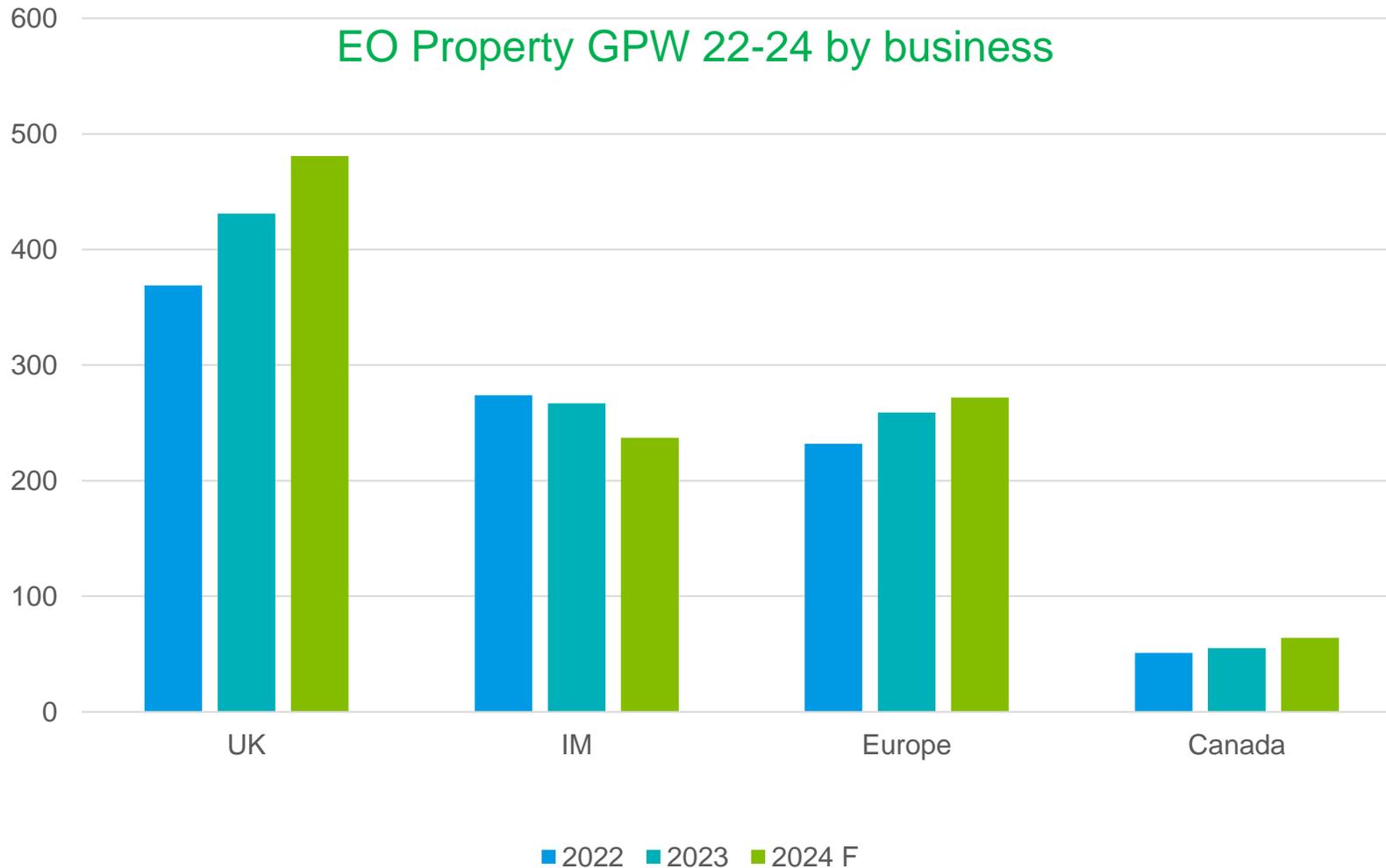
Netherlands

Nordics

Spain

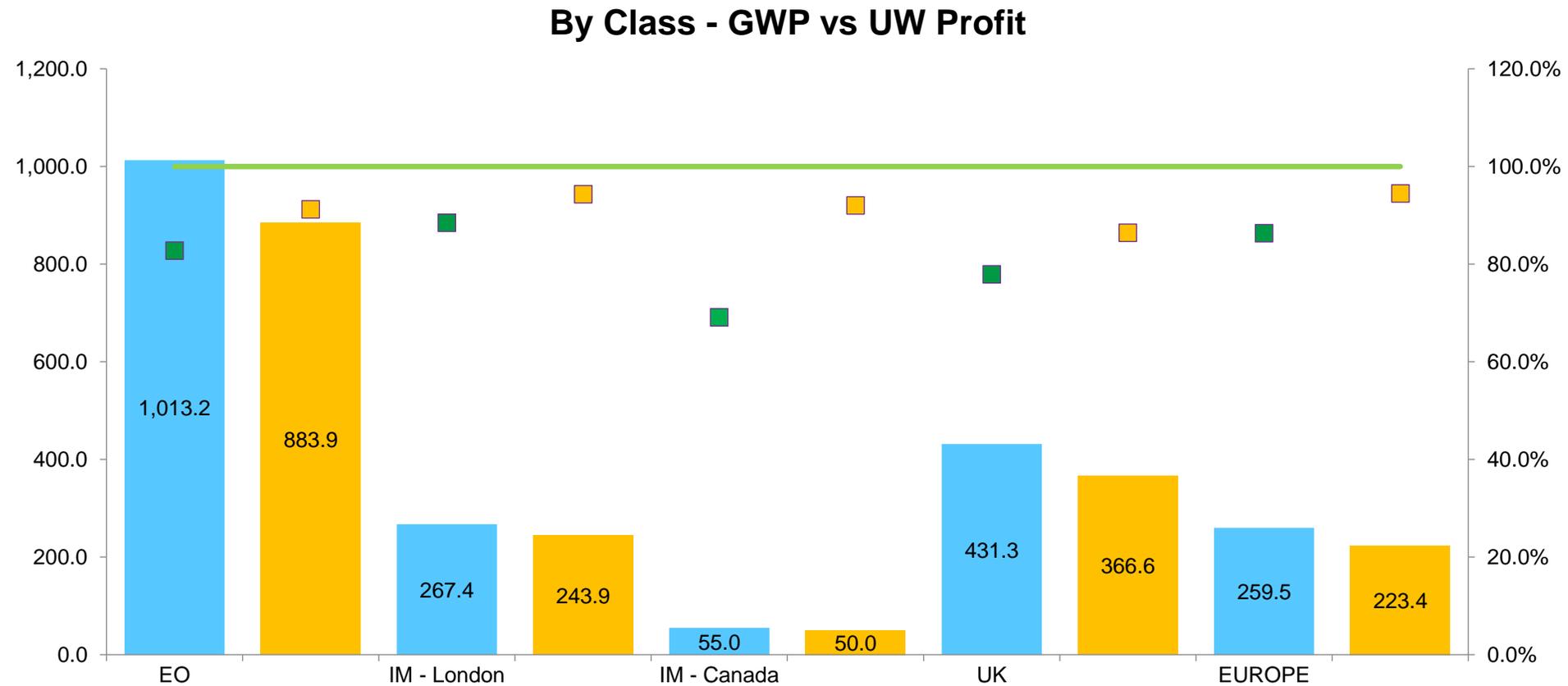
Retail offering in local language to  
meet local market needs

# GPW split by business



# Our UW approach is driving strong performance

## 2023 Results (Financial year)



# EO strategic themes for the future



## Portfolio optimisation

Drive for balanced portfolio by sector, segment & geography

Ensure diversification of CAT risk profile

## Sustainable growth

+35% GPW growth over last three years with £200m net profit

## Cycle management

Common pricing Approach

Maintain healthy rate adequacy

Maintain cover specification improvements

## Innovation

Enhance data science feedback loop into our pricing and risk selection

Location intelligence

Added value services (eg Minds in business)

## UW Talent

Strong team already in place across all business units

Enhanced technical training & development

# Major trends considered in our portfolio management & UW approach



Natural  
Perils



Inflation  
& Valuations

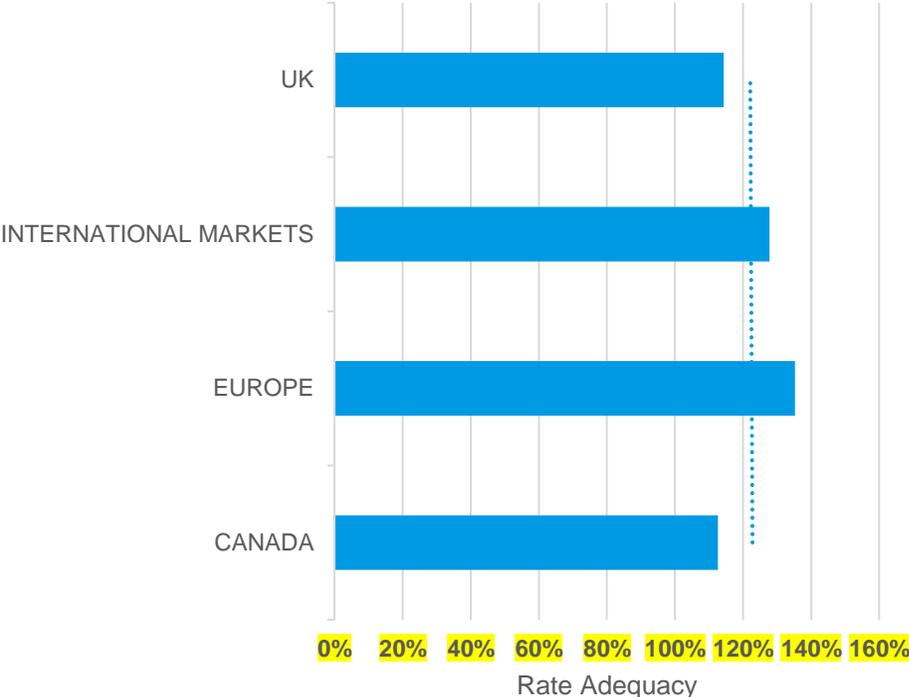


Future  
Focus

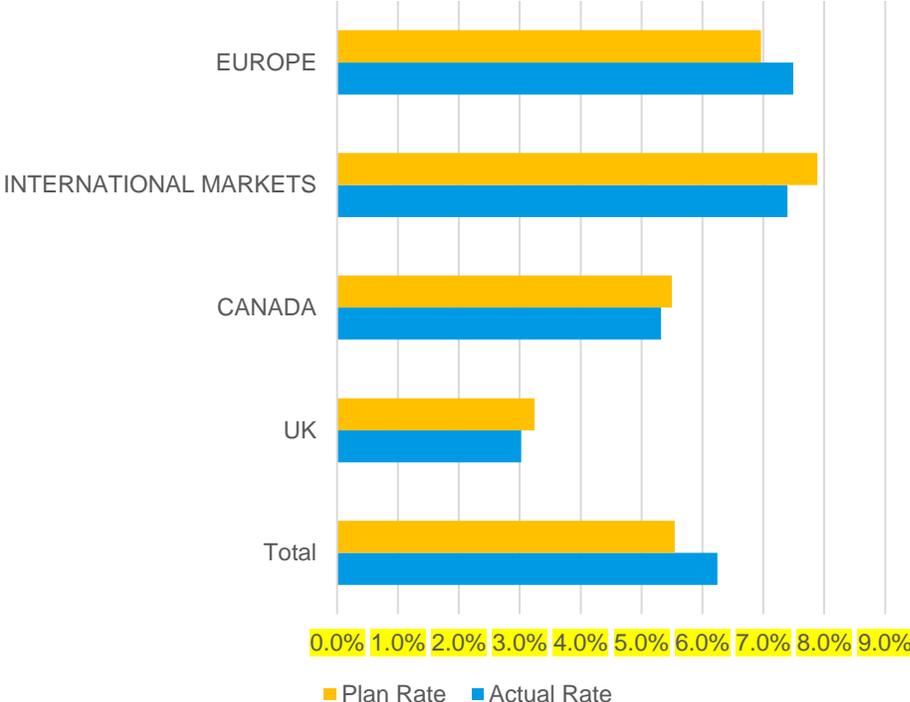
# H1 trading / market environment update

Good technical rate adequacy across the portfolio at **120% Actual Premium v Technical Premium** (April 2024 RAWG data). **Rate change remains positive at +6.2%** (v plan of +5.5%) but levelling off.

Tech Rate Adequacy % by Division



2024 Rate Change (YTD as at April)



# Policy coverage and UW Governance

# 03

# Standard Coverage - PD/BI



Property.  
Giving you  
the advantage

Policy Terms

## Property Damage & Business Interruption coverage



Fire



Lightning



Aircraft



Explosion



Riot (cover varies by geography)



Earthquake



Water damage



Storm & Flood



Accidental  
Damage



BI & CBI

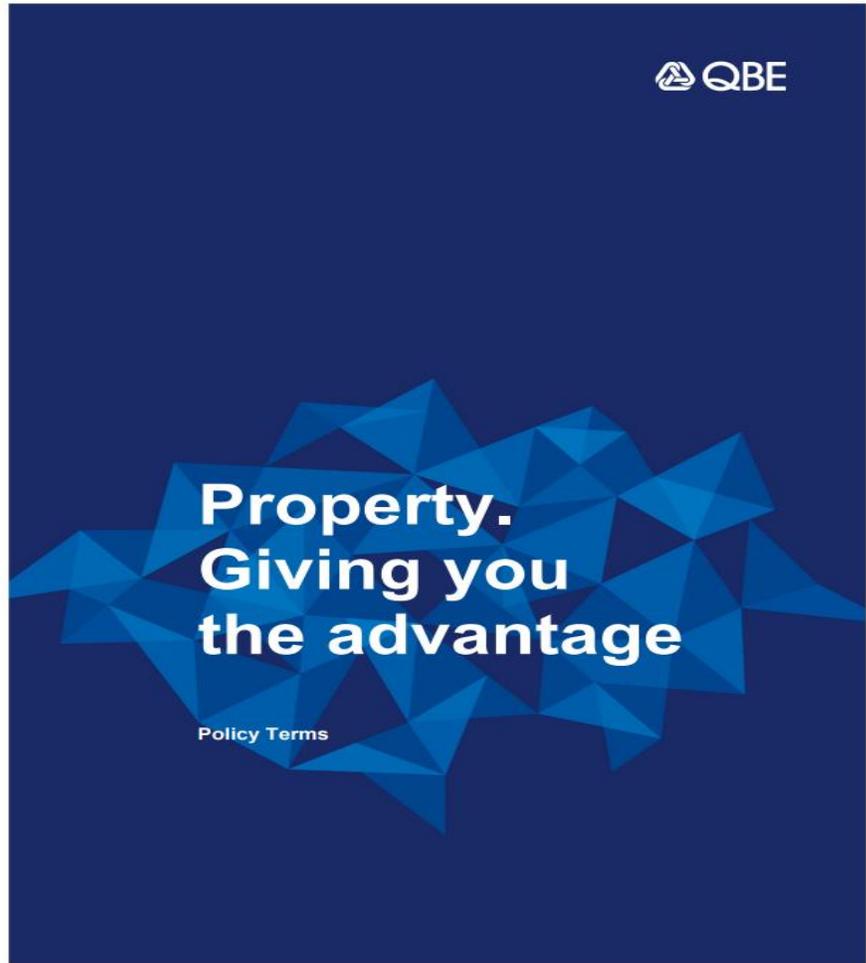


Breakdown (optional)



Minor works (optional)

# PD/BI Standard Exclusions



## Standard Exclusions



War



Nuclear



Wear & tear  
etc



Cyber



Communicable  
Disease



Growing  
crops



Marine risks



Space risks



Liability risks

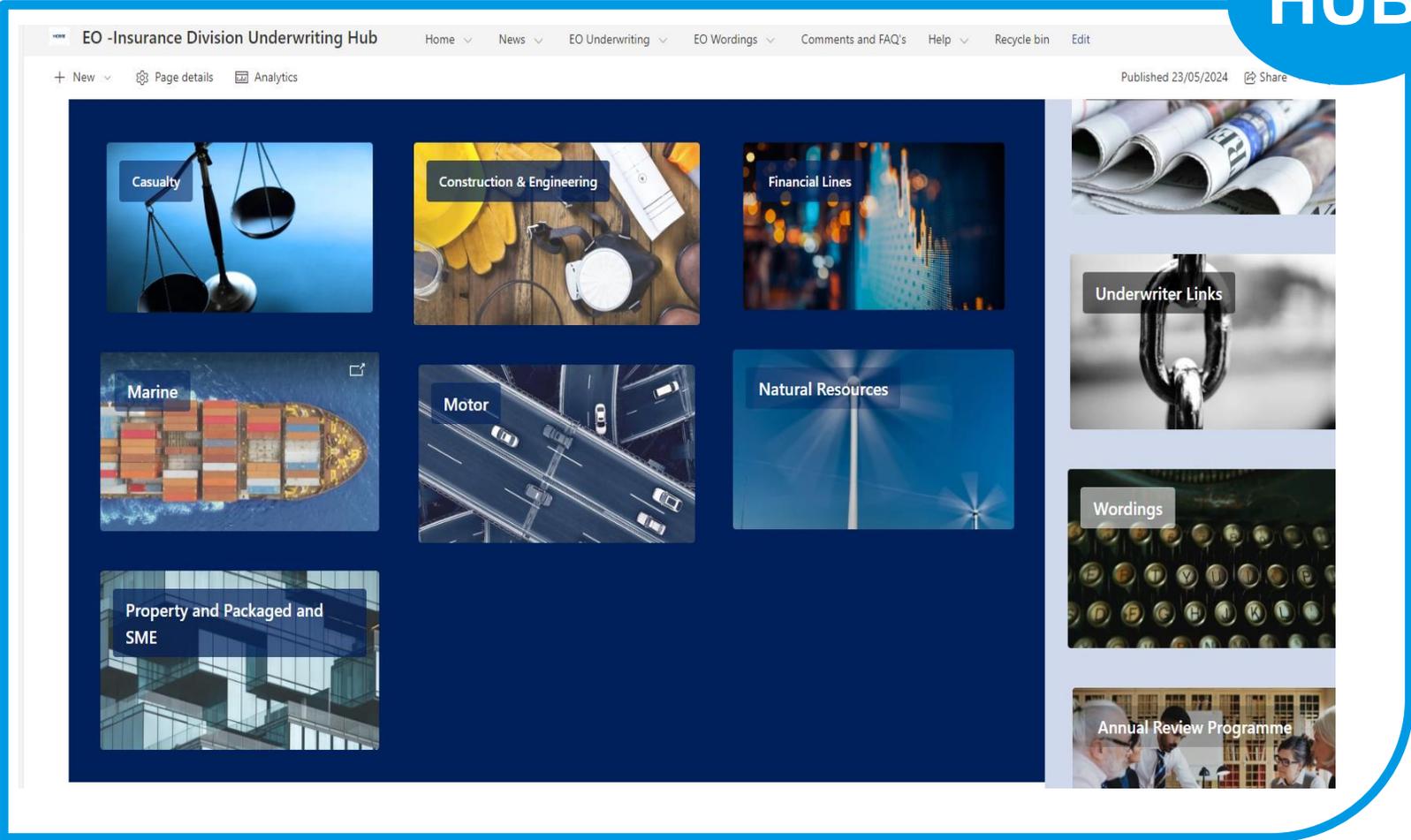


Motor risks

# Improved Communication of strategy & appetite

HUB

Guide



**EO UNDERWRITING GUIDELINES**

## Property Damage/Business Interruption

Reference guide to the risks we will and won't write and associated guidelines. Includes updated product strategy, risk boundaries and due diligence guidelines.  
Effective date: TBC

[Any questions or changes?](#)  
Head of Product – Property – Ian France  
Director of Property UK – David Jones

# Global Product Committee / enterprise approach

The Global Property Product Committee was established by the Group Underwriting Committee (GUC) to support the GUC in reviewing performance and advising on product specific underwriting and pricing strategies.

## Role

The high-level role of the Global Product Committee is to enable **cross-divisional collaboration** and allow QBE to leverage capabilities across product performance and governance.

## Membership

Chair – Stephanie Cryer  
Divisional UW Leaders from: AUSPAC, ASIA, EO, NAO, NZPAC, QBE Re  
Property Pricing Lead  
Accumulation Mgt  
Risk

# Global Product Scope & Responsibilities...



## PRODUCT STRATEGIES

Guidelines, appetite and competition.



## REGULATION

Changes to regulations, wordings and products.



## PRICING

Developing greater capability



## TECHNICAL

Discussion of technical product issues



## EMERGING RISKS

Do we need to change products or approach



## LOSS REVIEWS

Formal discussion of significant losses or potential losses



## CELL REVIEWS & DEEP DIVES

Review and spread of best practice



## PROJECTS

As we deem necessary

# EO Business Unit updates

# 04



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# UK Property

# UK Segmentation approach

## SME

- E traded via Acturis – Small business with a premium <£10k
- Managed CAT risk profile (UK only)
- 7 package products across Property led products (BCC, Office, Property Owners), Casualty led (Tradesmen, Contractors Combined) and Financial Lines (PI Combined, Cyber)
- Growth through preferred broker panel participation
- **Consistent performance with average 3 year NCOR of <80%.**

## Commercial Combined

- Middle market exposure with premiums generally £10k - £250k as a package
- Regionally traded in the general market as well as recognised niche specialisms (education, leisure, charity) and specialised schemes
- Core appetite and rating approach is the same as wider mono-line towers for Property and Casualty
- **Strong track record of growth and profitability. (3 year GWP growth of 98% and average NCOR delivery of 77%)**

## General Property

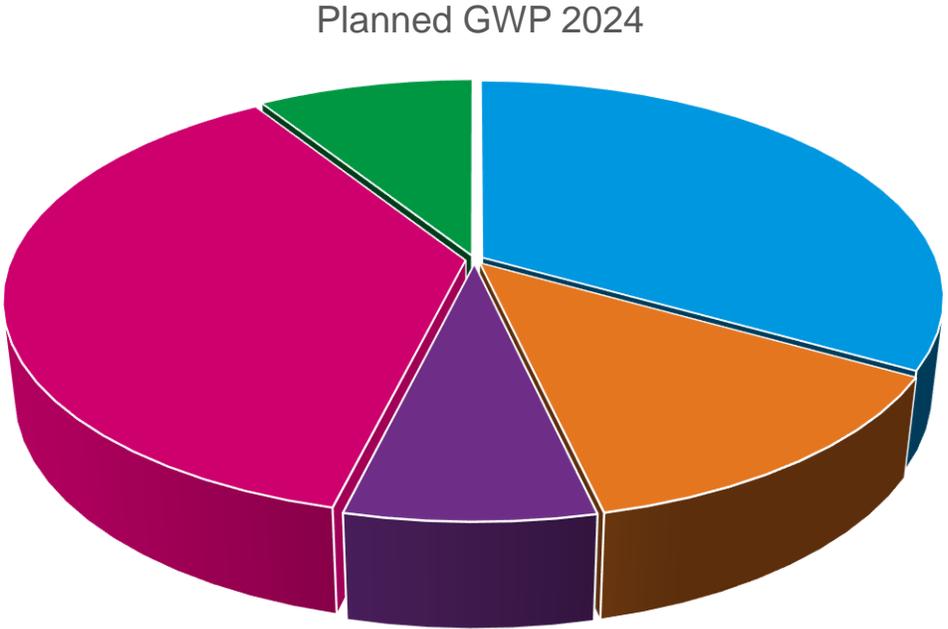
- Varied hazard occupancy but capacity deployment skewed to low/medium risk trades
- Strong rate adequacy given 50%+ compound rate growth since 2019
- Capability includes Real Estate (limited residential appetite) where we have a separate team in London
- Strong growth in Multinational (230% v core property at 69%). £400m fronted gross capacity, but net retained capacity remains in line with existing appetite
- **Strong rate adequacy underpinned by recent performance (3 year NCOR of 72%)**



Consistent management and U/W Guidance  
Consistent core wording and coverage (Advantage policy form)

# UK Property 2024 - GWP split (excl CAR)

Sub Portfolio	Planned GWP 2024	Percentage
COMMERCIAL COMBINED	£ 135,447,512	33%
SME	£ 53,835,192	13%
MULTINATIONAL PRODUCING	£ 30,023,113	7%
PROPERTY	£ 151,599,549	37%
REAL ESTATE	£ 36,679,091	9%
<b>TOTAL</b>	<b>£ 407,584,457</b>	<b>100%</b>



■ COMMERCIAL COMBINED ■ SME ■ MULTINATIONAL PRODUCING ■ PROPERTY ■ REAL ESTATE

# Capacity Approach

- UK portfolio has a clear and well communicated capacity appetite. All trades are hazard assessed (deciles 1-10) in terms occupancy with maximum capacity levels as below;
  - Hazard Grades 1-3 (typical occupancies include office and retail) – Max capacity of £150m**
  - Hazard Grades 2-6 (light process manufacturing, transport, low hazard hospitality) – Max capacity of £150m**
  - Hazard Grades 7-8 (general manufacturing, warehousing, hotels) – Max capacity of £75m**
  - Hazard Grades 9-10 (heavier industry, food, waste) – Max capacity of £50m**
- All business is written to a maximum amount subject (MAS) assessment, including any accumulation rules (currently 30m, or as agreed following risk engineer advice).
- QBE UK deploy capacity within its maximums and manage line size with due consideration of risk quality and construction features.**
- Capacity matrix, as shown, was implemented in January 2020 and remains in place, allowing for conservative line size management. Matrix does not apply to SME / smaller MAS risks.

QBE UK Line Size and Capacity Approach						
Hazard	Heavy Non- Combustible/Light Non-Combustible & Foam Plastic Approved		Mixed construction		Combustible including foam/plastic unapproved	
	% Capacity of MSE (net)	% Line size (net)	% Capacity of MSE (net)	% Line size (net)	% Capacity of MSE (net)	% Line size (net)
<b>1 – 3</b> ENH 1	100%	100%	75%	100%	25%	60%
<b>4 – 6</b> ENH 2	100%	100%	75%	100%	25%	60%
<b>7 &amp; 8</b> ENH 3A	100%	75%	75%	75%	25%	50%
<b>9 &amp; 10</b> ENH 3B	100%	50%	50%	50%	25%	25%

# UK Portfolio Summary

## Property NAICS Dashboard

### Variable Selection

Trapped Exposure ... ▾

### Filters

#### Entity

- QBE Europe
- QBE UK

#### Lead Flag

- no
- YES

#### Branch

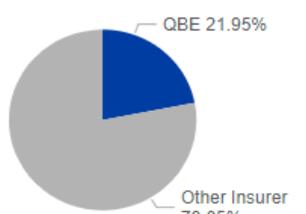
Multiple selections ▾

#### Broker

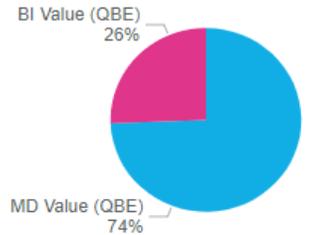
All ▾



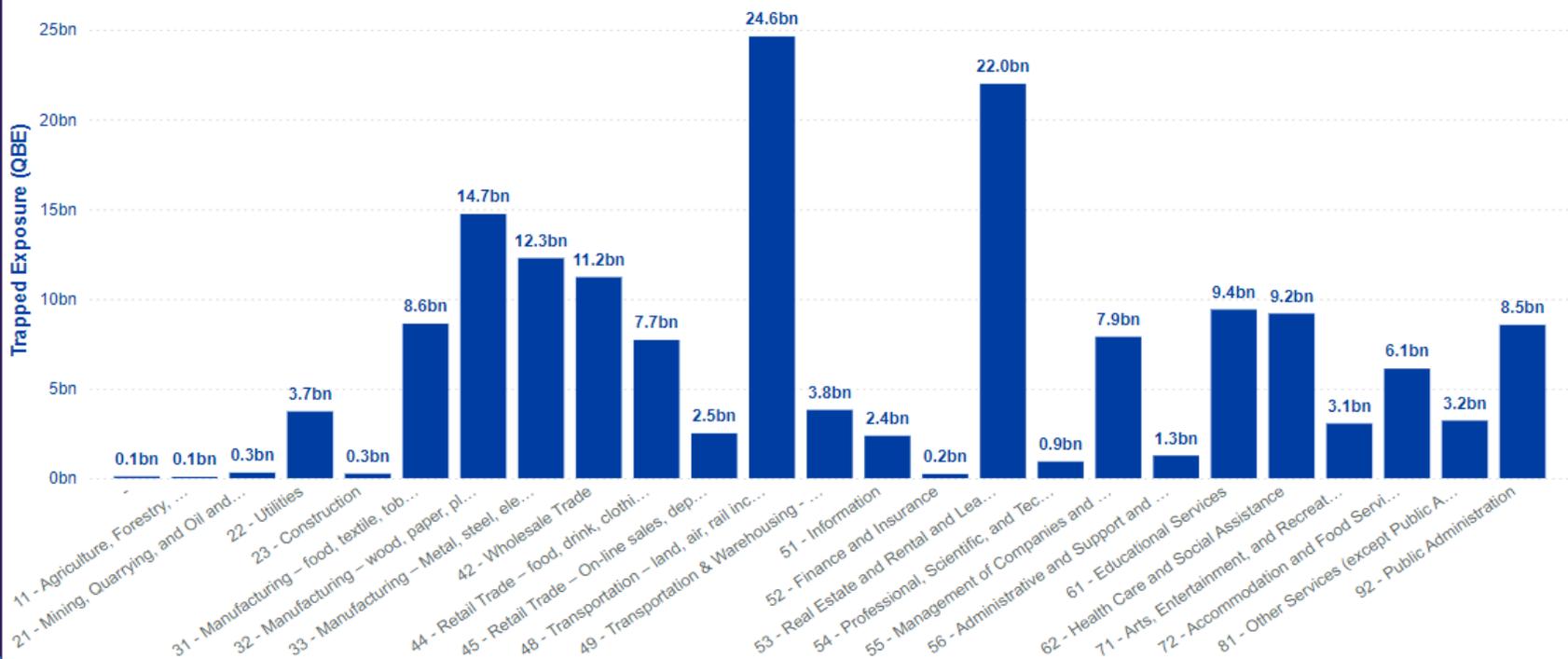
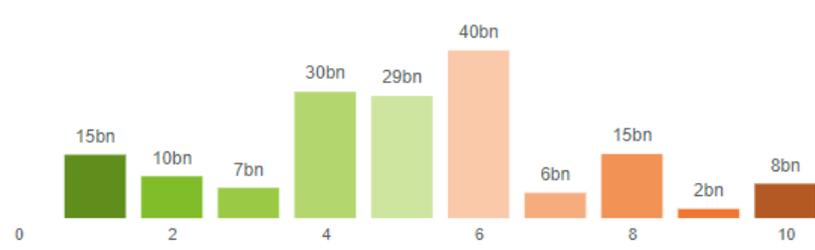
Avg Line Size



Sum Insured Split



Hazard Class



**NOTE**  
UK Retail Portfolio Summary (excl Combined Packages & SME).  
Dashboard contains drill thru capability

# Drill through example

**Property NAICS Dashboard**

Variable Selection  
 Trapped Exposure ...

Filters

Entity  
 QBE Europe  
 QBE UK

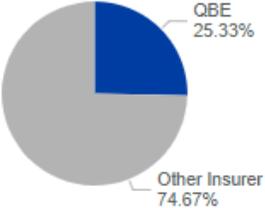
Lead Flag  
 no  
 YES

Branch  
 Multiple selections

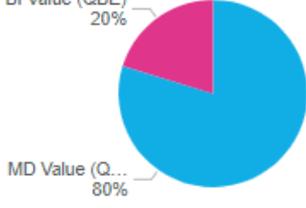
Broker  
 All



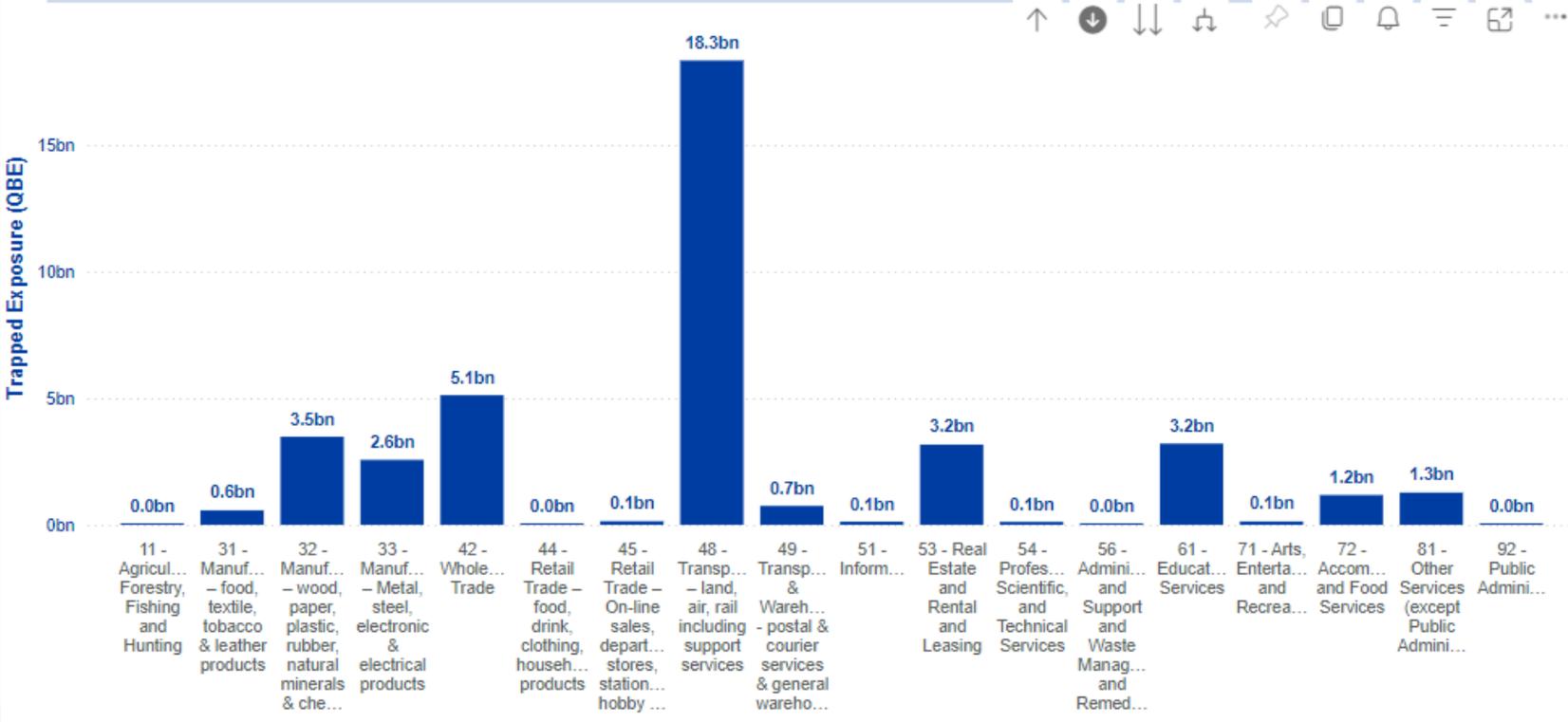
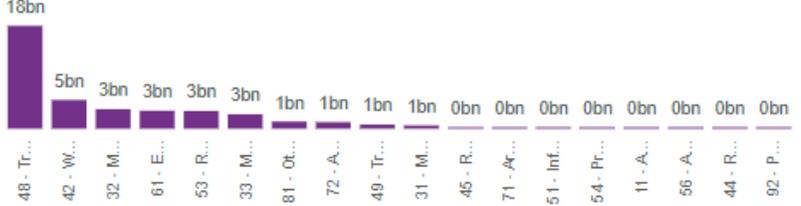
Avg Line Size



Sum Insured Split



Hazard Class



**NOTE**  
 HG6 drill down  
 by way of  
 example

# UK Portfolio Pricing Summary

**Property NAICS Dashboard**

**Filters**

**Entity**

- QBE Europe
- QBE UK

**Lead Flag**

- no
- YES

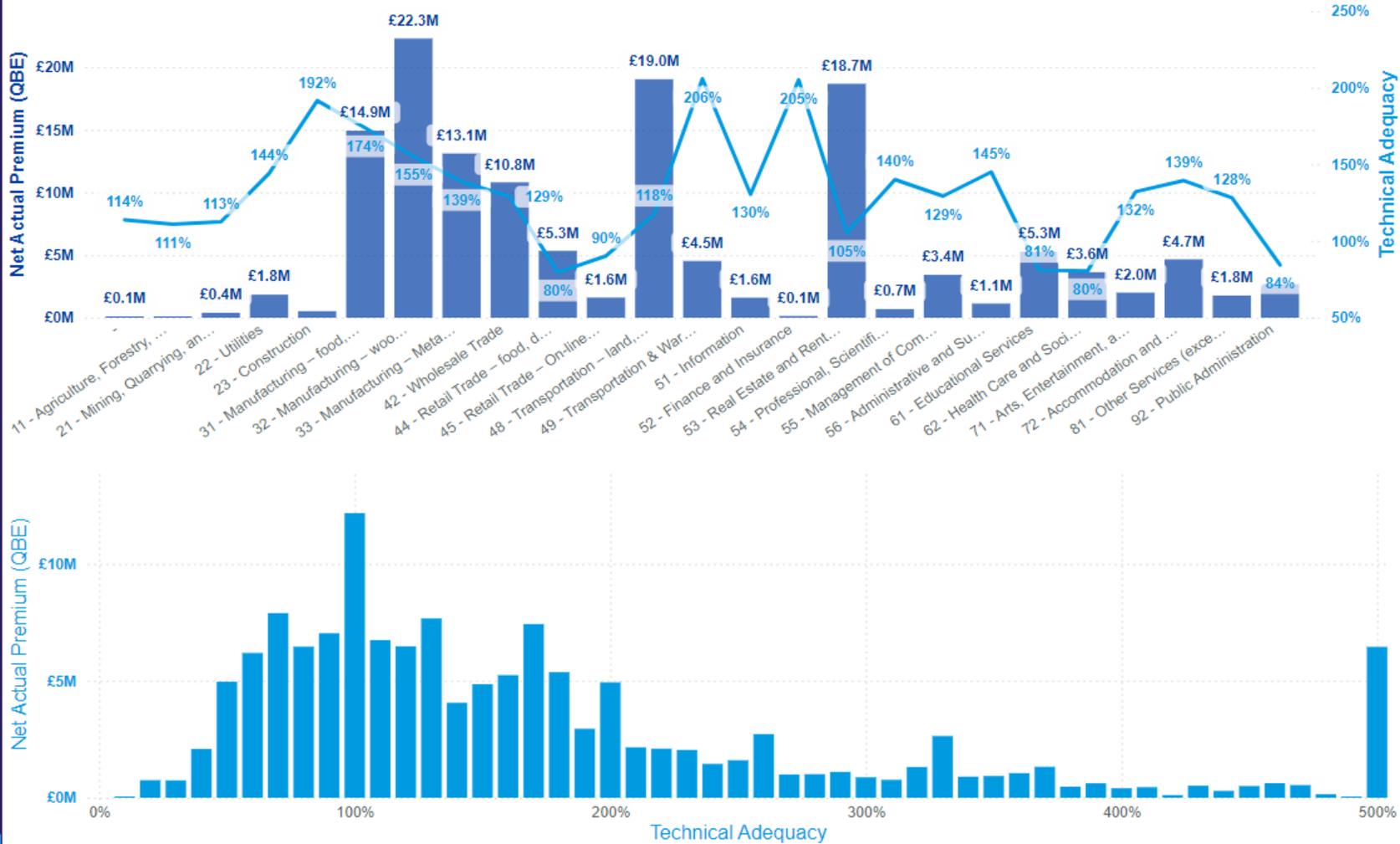
**Branch**

Multiple selections

Search

- Amsterdam
- Belfast
- Birmingham
- Bordeaux
- Bristol
- Copenhagen
- Dusseldorf
- Glasgow

**QBE**



**NOTE**  
Pricing spread by rate adequacy

# UK - limited overseas exposure

Global Exposures

Reporting Date: 2024  
 Division: International  
 Region: All  
 Country: All  
 Sub-Division: EO Property  
 Cell: Multiple selections  
 Portfolio: All

Country	Earthquake	Windstorm	Convective Storm/Winter St...	Flood	Fire	Terrorism	All Perils
United Kingdom	197,803M	197,224M	197,956M	194,337M	144,978M	22,139M	199,670M
Sweden	22,930M	23,002M	22,959M	22,894M	23,079M	0M	23,140M
Netherlands	2,019M	17,960M	17,891M	16,586M	18,150M	1M	18,632M
Italy	2,766M	3,967M	3,974M	3,855M	4,378M	2,442M	4,522M
Ireland	3,935M	3,993M	4,098M	3,907M	3,430M	4M	4,231M
United States	2,744M	2,954M	3,250M	2,493M	4,270M	0M	4,496M
Germany	2,378M	2,208M	2,365M	1,966M	2,852M	0M	3,188M
France	2,230M	2,274M	2,256M	2,136M	2,400M	100M	2,687M
Spain	160M	1,723M	1,743M	1,571M	1,845M	15M	1,913M
Australia	1,151M	1,146M	1,029M	952M	1,474M	0M	1,841M
Poland	1,029M	1,028M	1,091M	966M	1,140M	0M	1,325M
Belgium	876M	898M	970M	693M	1,311M	6M	1,339M
Canada	773M	956M	972M	991M	1,108M		1,230M
China	573M	759M	846M	758M	1,477M	0M	1,478M
Czech Republic	769M	749M	774M	660M	932M	0M	971M

- The vast majority of exposure underwritten in the UK team is domestic.
- Some business included for European Division (predominately Sweden, Netherlands and Italy), where underwritten from London.
- Residual overseas exposure relates to Multinational policyholders, where critical catastrophe exposures are managed through limit and line size.

# UK Underwriting Priorities



Enhance UK proposition from position of strength



Improve UW tools and data science capabilities



Develop Emerging Risks understanding

Our UK priorities are aligned to our broader Group and EO strategies:

**Sustainable Growth Portfolio  
Optimisation  
and Modernisation**

# Enriching the UK Proposition



**Risk  
Solutions**



**Build  
back  
better**



**Minds in  
business**



**Premiums  
for good**

# UW tools in development



AI buildings valuation pilot

Large loss modelling (Non CAT)

Pricing tool upgrade

FullCircle Business Intelligence tool

# Emerging risks considered in UW process



Lithium-ion batteries



Cross Laminated Timber



Solar panels



Geo-political

---

# IM Property

# International Markets - core proposition



**GWP 70%**

## London- D&F/ Binders

- 60:40 – D&F/Binders
- US focussed
- D&F
- Low process risk occupancy profile
- Max line: \$50m
- Ave line: <\$3.0m
- 60:40 – Primary/XS
- Binders
- Personal lines
- SME
- Mid market
- Max line: \$10m
- Ave line <\$500k



**GWP 18%**

## Canada - D&F / Binders

- 50:50 – D&F / Binders
- Canada focus
- D&F
- Manufacturing, Public sector, Commercial real estate occupancy focus.
- Max line: \$50m
- Ave line: <\$8m
- Binders
- SME
- Mid market
- Personal lines



**GWP 7%**

## Miami - Latam D&F

- Caribbean / Central / S.America
- Low process risk occupancy profile
- Modest line structure.
- Max line: \$10m
- Ave line: \$3m



**GWP 5%**

## Dubai - D&F

- M.East only
- Low Cat environment (historically)
- Focussed on commercial properties across UAE, S.Arabia and Qatar
- Limited impact from recent floods – no exposure to Car dealerships

# D&F - London Portfolio overview

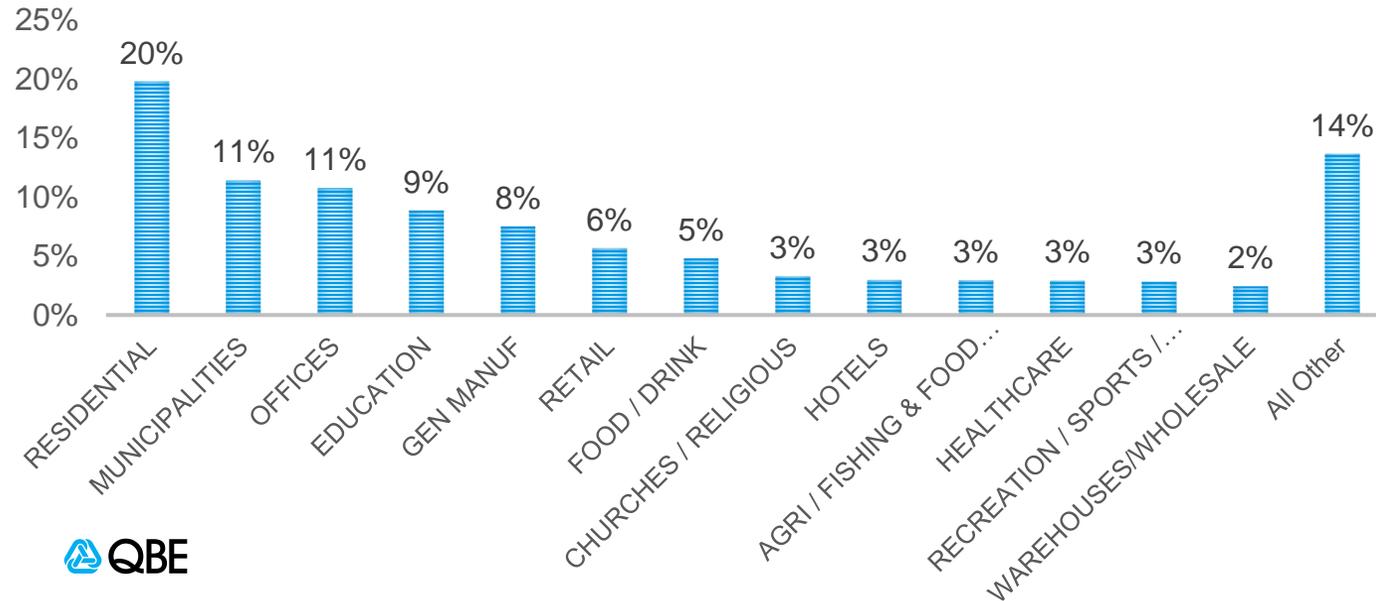
## Post 2017 actions remain in place across the portfolio:

- Materially reduced D&F Cat exposures following HIM and other Cat events (MX Quake / CA Wildfires)
- Managed line size deployment with average line <\$3m – a function of books' exposure to US Cat perils.
- Reduced portfolio exposures to heavy industrial exposures, beachfront hotels.

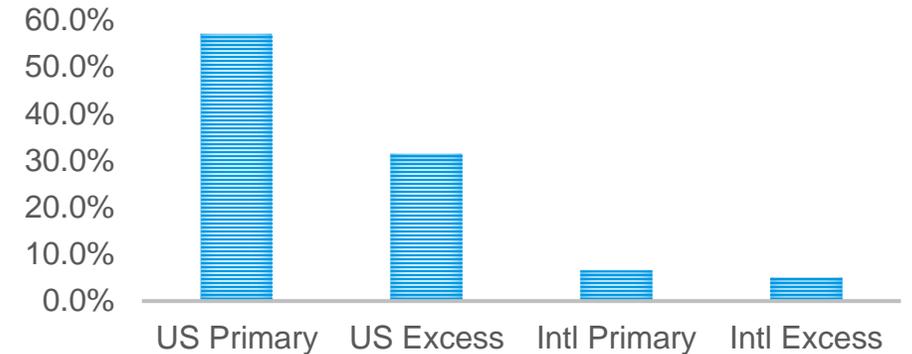
## Current Portfolio strategic focus

- Focussed on low hazard process risks. Commercial residential, Municipalities, Offices, Education, Light manufacturing.
- Increased weighting to excess policies over past 2 year as rate adequacy has improved – reducing attrition and secondary peril losses
- Balancing Cat / Risk profile of portfolio – Constructed to deliver profitable results in active Cat years and outperform in benign.
- Focus on valuation adequacy. Utilisation of QBE data science valuation model.

OCCUPANCY MIX BY GWP



GEOGRAPHY / ATTACHMENT BY GWP



# IM Binders - Current Exposure

- Significant reduction in US Cat profile since July 2022.
- 50% reduction in Windstorm 1/200 and AAL exposures from 1/7/22 to 1/5/24
- Benefitting from market capacity shifting to D&F and challenges in US admitted market environment, supporting favourable conditions.

**1. Personal Lines**

- 27.3%
- Where: coastal states
- QBE Share: up to 100%
- *peak of affordability?*

**2. SME Commercial**

- 17.4%
- Where: coastal states
- QBE Share: max 30%
- + *Attrition low*

**3. Flood**

- 17.0%
- 75:25 Coastal to Inland
- *Coastal clashes wind PMLs*

**4. Quake**

- £10.6m | 10.8%
- 44:66 CA to PNW/NewMadrid
- SME Commercial & Personal

**5. Real Estate & L'lords**

- £5.9m | 6.0%
- Low Wind & Quake
- Portfolios of rental dwellings

**6. Commercial Mid-Mkt**

- £5.7m | 5.8%
- FL, TX, SC etc. Condos, Muni.
- + *SRM: 50%+*

**7. non-USA**

- £5.6m | 5.7%
- Caribb & New Zealand

**8. Builders Risk**

- £5.1m | 5.2%
- Nationwide geography
- Limited tail as 12m periods

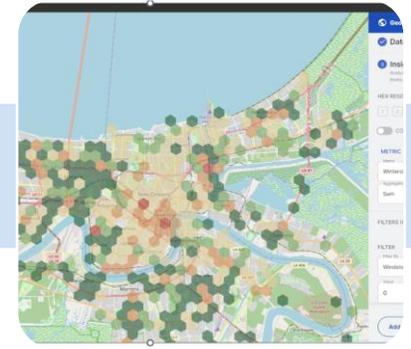
**9. Financial Institutions**

- £4.7m | 4.8%
- Less coastal
- Contingent coverage for Banks



- Top 3:**
- 61.7% GWP
  - SRM: 25.2% (2023)
  - **Geography**
    - 40% Nationwide
    - 20% North East
    - 10% South East
    - 10% Florida
    - 10% Gulf
    - 2% Texas
    - 10% Non-Coastal

# Natural Perils UW approach



## NA Hurricane

Reduced exposure materially to manage volatility

Manage exposures to below annual cat allowance for Cat 4 events, using Gate analysis tools

Reduced primary exposures to attritional cat events

## Convective Storm

Wind / Hail deductible applications

Development and utilisation of Geospatial analysis tool with Data science, overlay of QBE NA crop weather data sets

## Freeze

Application of per location freeze deductible on multi location risks

Application of specific % freeze deductibles

Reduced exposure to primary residential / habitational risks

## Wildfire

Hazard identification utilising range of tools

Enhance data science feedback loop into our pricing and risk selection

## UW Tools

Development of Geospatial tool to review US accumulations

Enables overlay of external data sets at location level

# US Critical CAT management - Windstorms

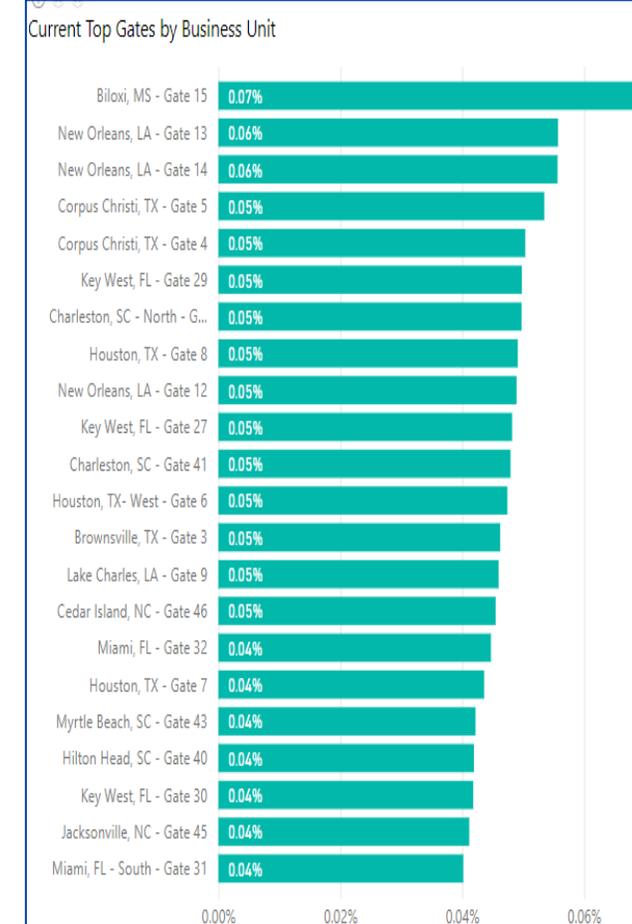
Gate Analysis tool – Models losses for Cat 1 to 5 hurricanes at various landfalls across US, Caribbean region.

Assess Market share.

**Summary**  
Data As Of: Apr-24

- 0 Loss for a specific category & gate implies there are no stochastic events with this specification
- QBE data is updated monthly, all other business segments are updated quarterly
- Experimental layer added for active hurricanes, updated per NHC, enable via layers. More details [here](#)

ENTITY	DATA DATE	GATE ID	GATEDESC	LANDFALL REGION	CAT 1			CAT 2			CAT 3			CAT 4			CAT 5			MAX EXPLOSS	FREQ / 100 Yrs
					LOW	HIGH	EXPLOSS														
PR_OM	Apr-24	2	Brownsville, TX	US	0M	0M	0M	0M	0M	0M	0M	2M	1M	0M	3M	2M	4M	15M	11M	11M	4.21
PR_OM	Apr-24	3	Brownsville, TX	US	0M	0M	0M	0M	1M	0M	0M	3M	1M	0M	3M	3M	1M	14M	12M	12M	3.30
PR_OM	Apr-24	10	Lafayette, LA	US	0M	0M	0M	0M	1M	1M	0M	3M	1M	0M	4M	3M	1M	15M	10M	10M	5.82



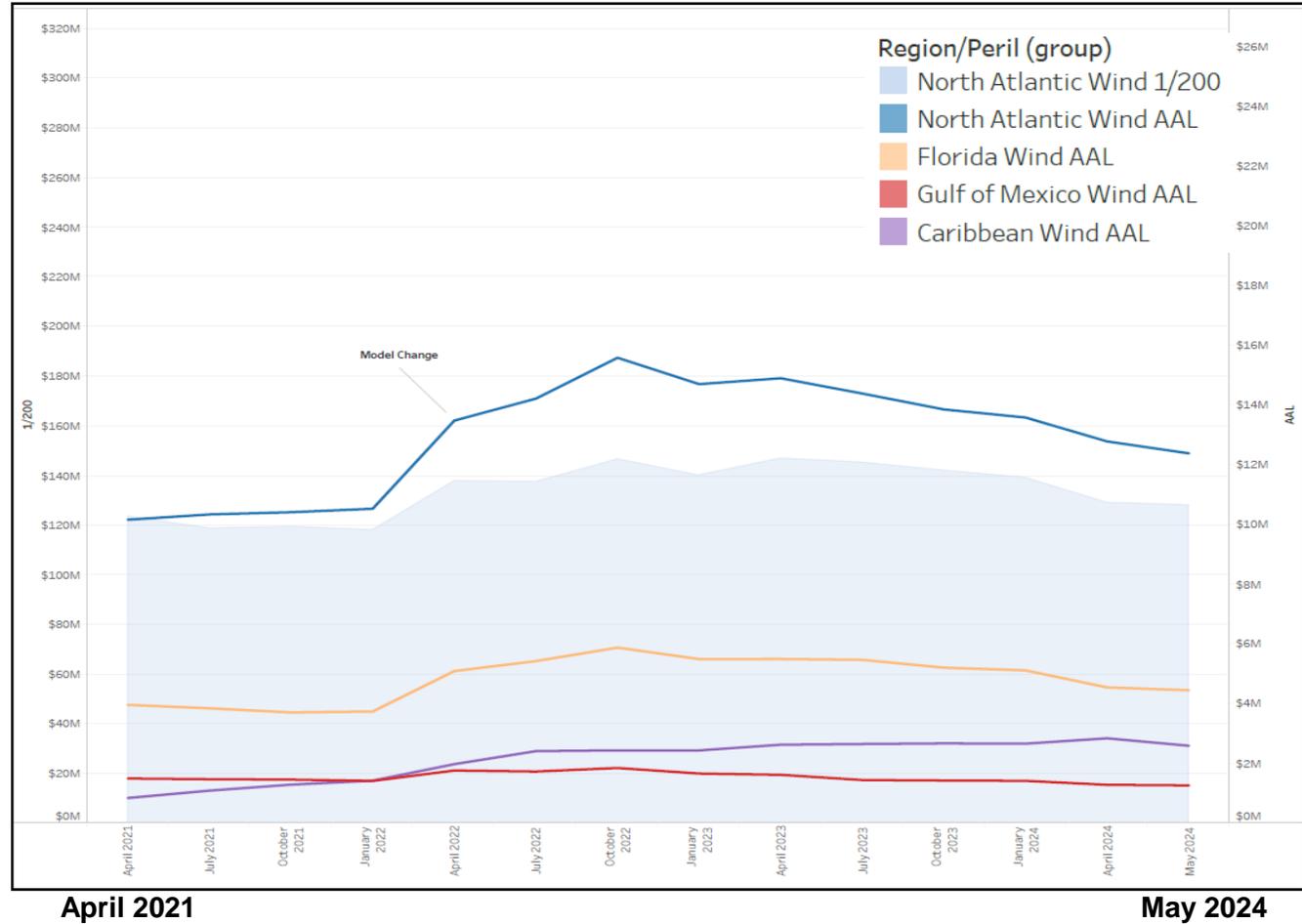
# Reducing exposure to US windstorm risks

## Binders

- 50% reduction in N.Atlantic wind 1/200 and AAL from July 2022 to May 2024

## D&F

- 40% reduction in Wind 1/200 and AAL since 2017. Limited growth in exposure in spite of market conditions to manage volatility



April 2021

May 2024

April 2021

May 2024



# Reduced Exposure whilst maintaining

income



## Exposure, Policy and Risk Count Trending

Region

All

Country

All

US State

All

Division

All

Sub-Division

EO Property

Cell

IM Property

Portfolio

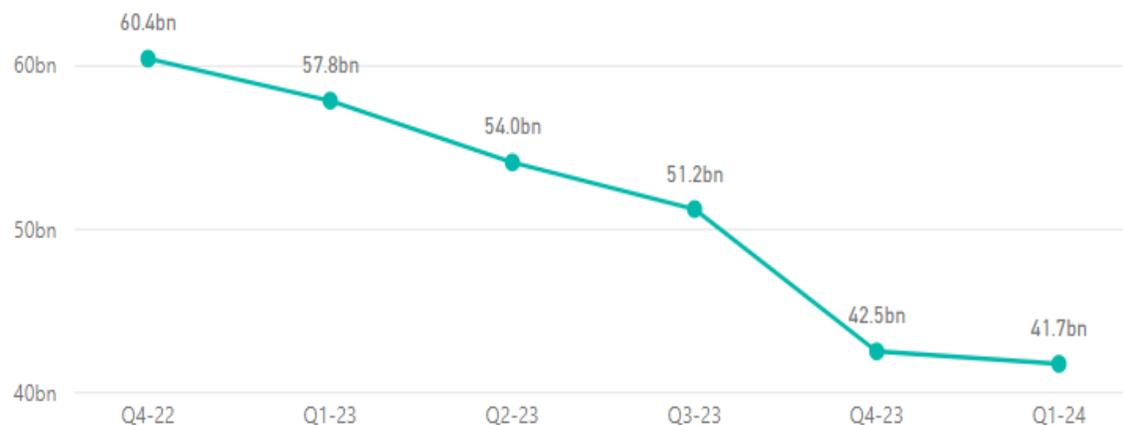
Multiple selections

Peril

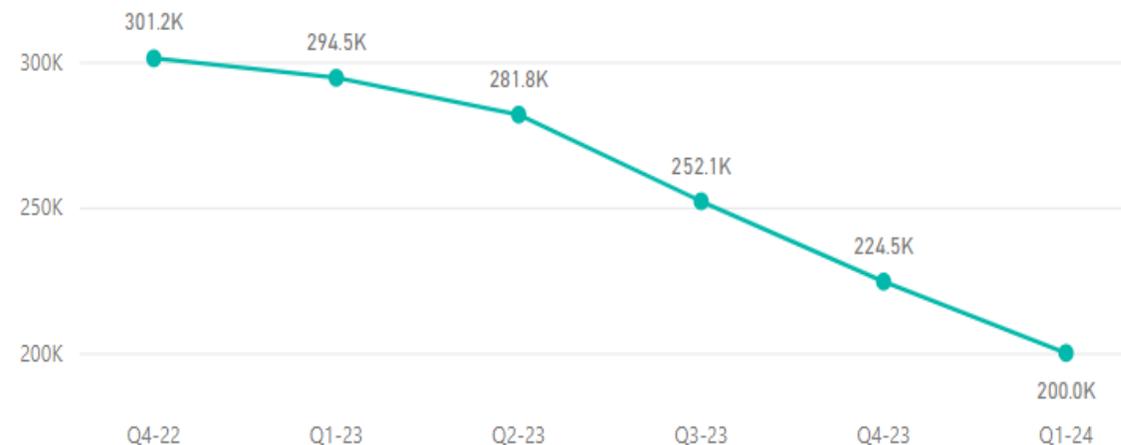
All Perils



### Exposed Limit



### Policy Count



# US Critical CAT management

Geospatial tool in production – providing further insights for global accumulations and assessing new risks against existing exposure. Internally developed tool with Data science team – does not replace RMS modelling but enables overlay of multiple data

QBE D&F convective storm exposures assessment example in Geospatial

The screenshot displays the QBE Geospatial Insights interface. The main map shows a hexagonal grid overlay on a geographical map of the United States, with orange and red markers indicating convective storm exposure. The interface includes a 'Layers' panel on the left, a 'Geospatial Insights' sidebar on the right, and a 'HEX LEVEL FILTER' dialog box in the foreground. The sidebar shows 'HEX RESOLUTION' set to 5, 'COMPLEX RANK' disabled, 'METRIC' set to 'Convective\_Storm\_EXPOSEDLIMIT', and 'Aggregation' set to 'Sum' and 'Ascending'. The 'HEX LEVEL FILTER' dialog box shows a condition of '>' and a value of '2000000'. The 'Add filter' button is visible in the sidebar.

# US Critical CAT management

Current max resolution to Hex 8 provides data far beyond Zip code level. Capability to Hex 14 = 1 square metre!

The screenshot displays the QBE Geospatial Insights interface. The main map shows a hexagonal grid overlaid on a city map of New Orleans, with various colored hexagons representing data points. The control panel on the right includes the following sections:

- Geospatial Insights**
- Data (optional)** (checked)
- Insights** (3): Analyse locations at different HEX resolution levels.
- HEX RESOLUTION**: A row of buttons from 1 to 8, with 8 selected.
- COMPLEX RANK**: A toggle switch (off) and an information icon.
- METRIC** / **ADVANCED METRIC**: A dropdown menu showing 'Winterstorm\_AAL'.
- Aggregation**: A dropdown menu showing 'Sum'.
- Ascending**: A dropdown menu showing 'Ascending'.
- FILTERS (OPTIONAL)**: A section with a minus sign.
- FILTER**: A section with a refresh icon.
- Filter By**: A dropdown menu showing 'Windstorm\_AAL'.
- Condition**: A dropdown menu showing '>'.
- Value**: A text input field containing '0'.
- Add To Map** and **Reset Layer** buttons.

The bottom left corner shows a 'Layers' panel with 'IM D&F LA Wind AAL Hex 8' selected.

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# Europe Property

# Europe Property

## Well positioned for the future

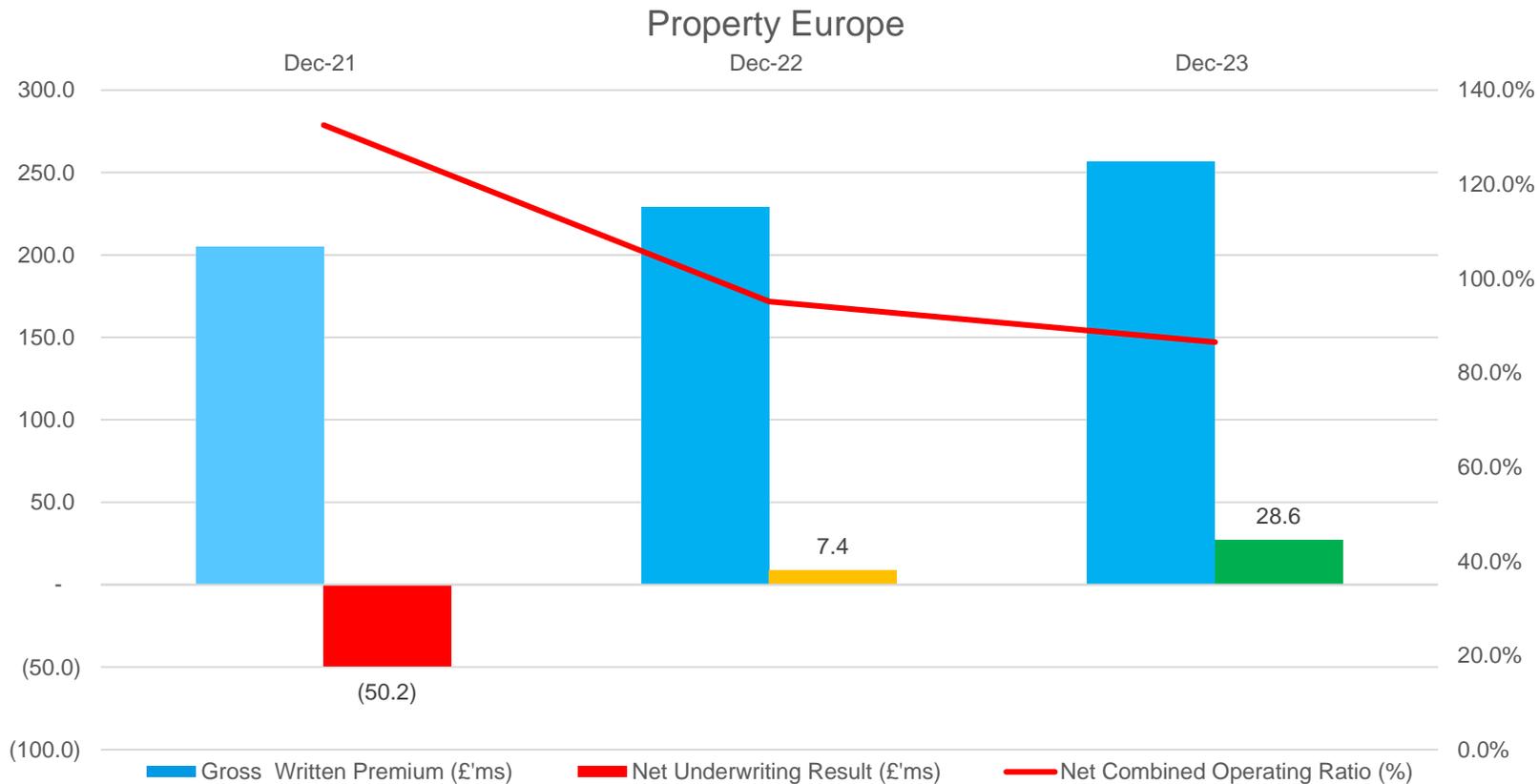
Europe has built a strong foundation for future growth benefiting from rate increases to improve our portfolio technical rate adequacy to a sustainable level.

Our line size strategy has allowed us to proactively manage our Cat exposure profile to reduce the volatility of the book.



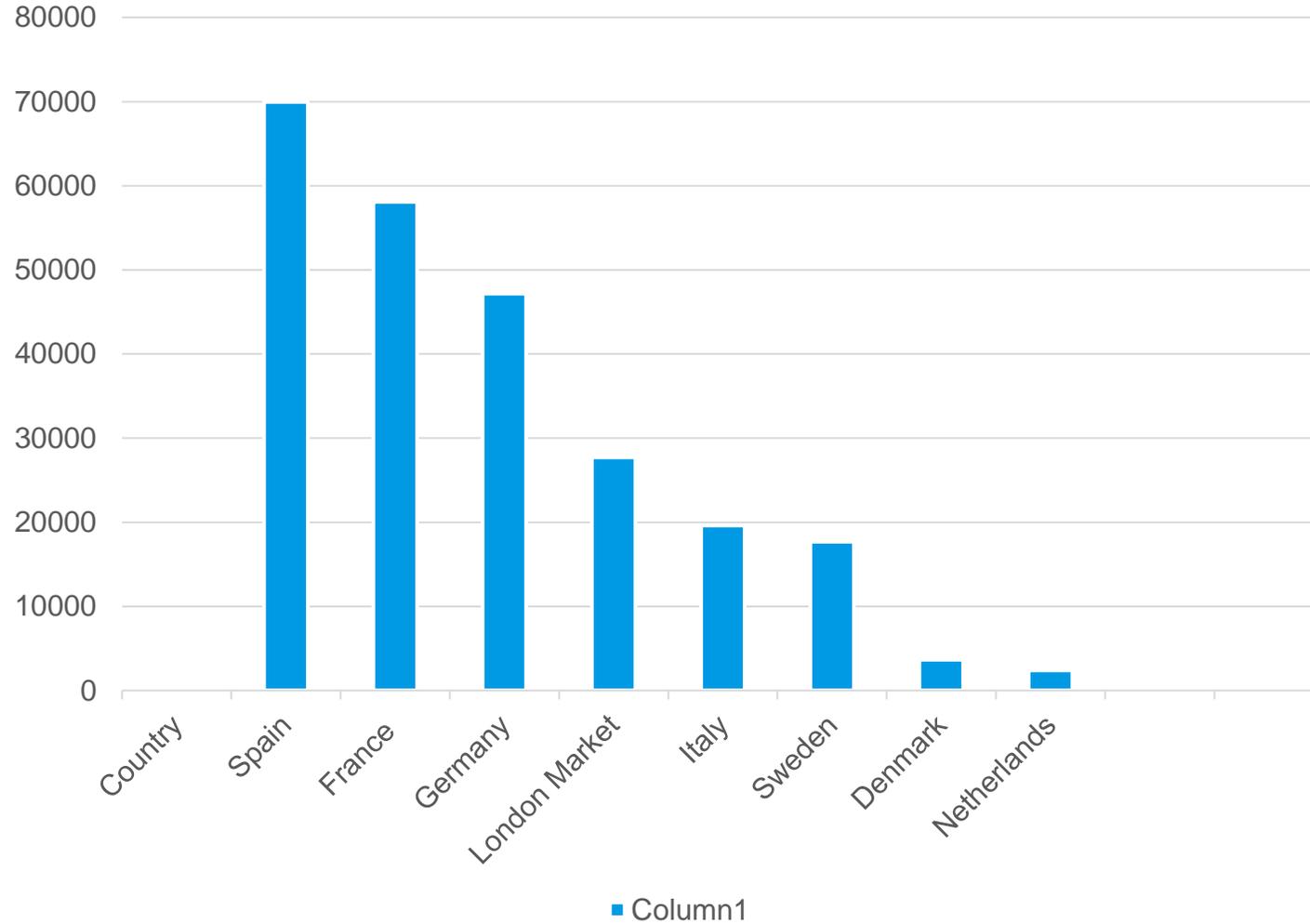
# Europe Property

## Improved performance now being observed



2021 is negatively impacted by Storm Bernd & also includes some Covid BI loss

# Europe Property - GWP by country (2024 RF)



Country	GWP (GBP)
Spain	69,954
France	58,076
Germany	47,185
London Market	27,699
Italy	19,621
Sweden	17,678
Denmark	3,662
Netherlands	2,416

# Europe Portfolio Summary

We have developed a good spread of risk by occupancy hazard

**Property NAICS Dashboard**

Variable Selection  
Trapped Exposure ...

Filters

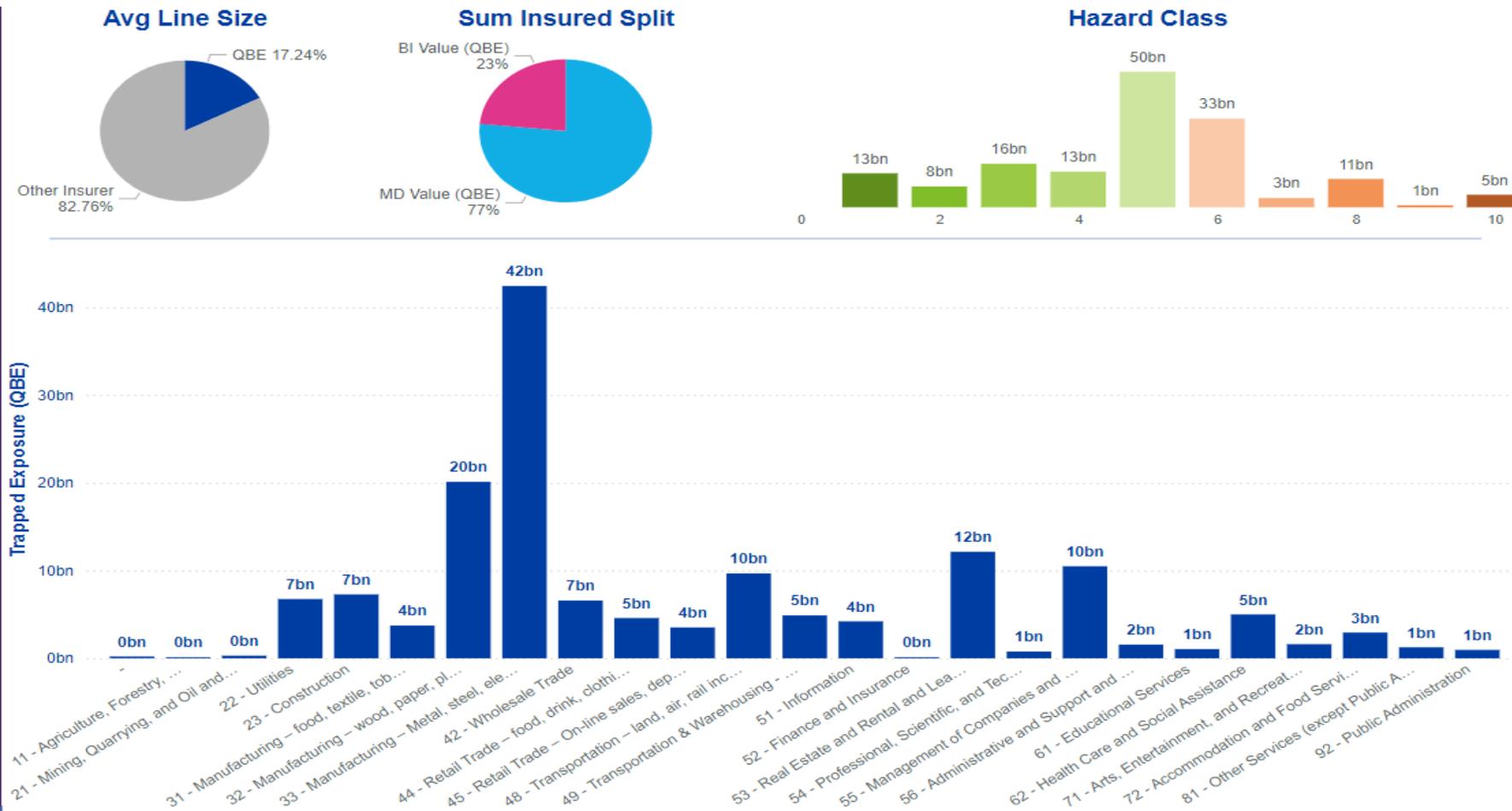
Entity  
QBE Europe  
QBE UK

Lead Flag  
no  
YES

Branch  
Multiple selections

Broker  
All

QBE



# Europe Pricing Distribution

Pricing distribution highlights a strong rate adequacy spread

**Property NAICS Dashboard**

**Filters**

**Entity**

- QBE Europe
- QBE UK

**Lead Flag**

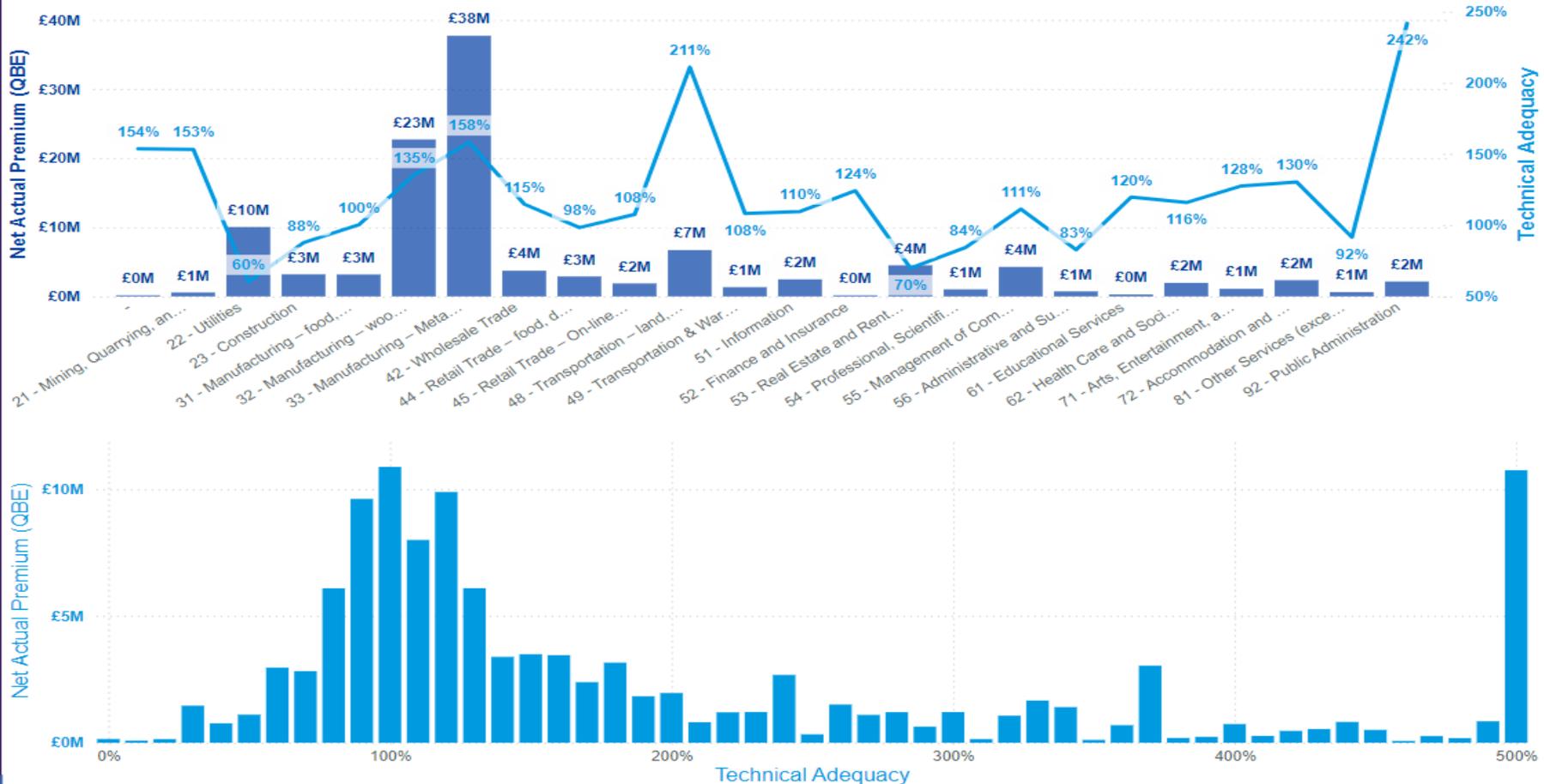
- no
- YES

**Branch**

Multiple selections

**Broker**

All



# Europe Produced Exposure is well diversified

Good mix of exposure by geography with keen focus on ensuring no outsized critical CAT exposure

Global Exposures

Reporting Date: 2024  
 Division: International  
 Region: All  
 Country: All  
 Sub-Division: EO Property  
 Cell: Europe Property  
 Portfolio: All

Country	Earthquake	Windstorm	Convective Storm/Winter St...	Flood	Fire	Terrorism	All Perils
France	42,913M	43,058M	42,898M	42,838M	44,966M	41,624M	45,575M
Spain	0M	11,176M	11,090M	10,967M	12,016M	150M	12,734M
Germany	2,648M	3,608M	3,383M	2,439M	18,105M	135M	18,594M
Italy	5,493M	6,473M	6,497M	5,454M	8,364M	3,934M	9,214M
Portugal	5,414M	4,368M	4,311M	4,352M	5,841M	1,308M	6,561M
United States	1,986M	2,521M	3,047M	1,923M	6,385M	58M	7,368M
United Kingdom	1,938M	2,162M	1,940M	1,894M	3,167M	942M	4,291M
Netherlands	931M	3,113M	2,972M	508M	3,592M	1M	4,091M
Sweden	2,014M	2,761M	1,900M	2,040M	2,604M	203M	3,542M
China	1,038M	1,165M	1,059M	1,048M	3,479M	1M	3,608M
Mexico	1,030M	1,167M	1,146M	1,085M	2,602M	87M	2,796M
Poland	1,049M	1,200M	947M	853M	2,263M	9M	2,634M
Denmark	771M	2,508M	583M	874M	747M	1M	2,679M
Brazil	738M	796M	727M	722M	1,938M	234M	2,271M
Czech Republic	684M	717M	662M	684M	1,995M	1M	2,087M
Austria	615M	717M	684M	573M	2,016M	3M	2,096M
Belgium	601M	675M	627M	480M	1,146M	1M	1,230M
Switzerland	520M	557M	458M	473M	1,239M	1M	1,340M
Canada	569M	631M	493M	558M	906M	1M	1,050M
Hungary	394M	439M	393M	380M	1,032M	1M	1,078M
Slovakia	359M	411M	299M	365M	1,004M	1M	1,125M
Norway	415M	498M	288M	346M	561M	135M	965M

# European Underwriting Priorities



Sustainable growth whilst managing the cycle



Enhance UW tools to support our natural perils approach



Training & development

Our Europe priorities are aligned to our broader Group and EO strategies:

**Sustainable Growth Portfolio Optimisation and Modernisation**

# Tried and tested natural perils approach



Europe follows the same modelling and hazard identification process as already covered herein.

We believe that our downside risk is well managed. By way of example, our gross loss compares favourably to our market share in recent European events:

**Italian SCS – July 2023 Estimated market loss  
US\$ 6bn v QBE US\$ 15m**

**German Flood – July 2021  
Estimated market loss  
US\$ 13bn v QBE US\$ 35m**

We expect this trend to continue with the recent German floods of June 2024.

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# Summary

# To finish - why support EO Property?

## Talented UW team

Empowered local UW teams across UK & Europe plus Canada, Dubai & USA (LatAm focus from Miami)



## Geographic diversity

Our book benefits from a global spread of risk across the globe to help diversify peak peril exposure



## Segmentation

We cover SME to Large complex risk



## Broad mix of Industry

We cover a wide cross section of Industry



## Natural Perils

Robust aggregation management in place to support both our portfolio management and individual risk underwriting



## Managed line size

Less capacity engaged for higher hazard and/or critical CAT exposure



