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6 September 2021

The Manager
Market Announcements Office
ASX Limited
Level 4
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

QBE PRICING ANNOUNCEMENT IN RELATION TO GBP400,000,000 OF FIXED RATE RESETTING SUBORDINATED NOTES DUE 2038

Please see the attached market release.

This release has been authorised by the QBE Board of Directors.

Yours faithfully



Carolyn Scobie
Company Secretary

Attachment

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MARKET RELEASE

6 September 2021

QBE PRICING ANNOUNCEMENT IN RELATION TO GBP400,000,000 OF FIXED RATE RESETTING SUBORDINATED NOTES DUE 2038

Further to our market release on 1 September 2021, QBE announces that it has priced the issue of GBP400,000,000 of Fixed Rate Resetting Subordinated Notes ("**Subordinated Notes**") under its USD4,000,000,000 Note Issuance Programme to wholesale investors.

The Subordinated Notes will be eligible as Tier 2 Capital of QBE under the Australian Prudential Regulation Authority's ("**APRA**") capital adequacy framework. Subordinated Notes are required to be converted into ordinary shares in QBE or written-off in whole or in part if APRA determines QBE is or would become non-viable.

The Subordinated Notes will have a term of 17 years (maturing 13 September 2038) and are scheduled to pay interest semi-annually in arrear.

Interest will initially be paid at a fixed rate of 2.5% per annum until 13 September 2028 (the first reset date). The interest rate will be reset on that date (and every 5 years after that date) to a rate equal to the then prevailing 5-Year Gilt Rate plus a spread of 2.061% per annum.

The Subordinated Notes are callable by QBE with APRA's prior written approval on any business day within the 6-month period up to and including the first reset date, and on each 5th anniversary of that date (and if certain tax or regulatory events occur).

Following settlement of the Subordinated Notes, QBE intends in due course to give a notice of redemption in respect of its outstanding GBP327,186,000 6.115% fixed rate subordinated notes due 2042 (ISIN: XS1419859142) ("**2042 Subordinated Notes**") in accordance with their terms and conditions.

For further information, please contact:

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DISCLAIMER
This market release does not constitute an offer or invitation for the Subordinated Notes for issue or sale in Australia or any other jurisdiction. Subordinated Notes are only available for sale to persons in Australia in circumstances where disclosure is not required in accordance with Part 6D.2 or Chapter 7 of the Corporations Act 2001 (Cth).

This market release may not be distributed or released in the United States. This market release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would

be illegal. The securities referenced herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state or other jurisdiction of the United States. The securities discussed in this market release may not be offered or sold, directly or indirectly, within the United States or to or for the account or benefit of U.S. persons (as defined in Rule 902(k) under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

This market release does not, and is not intended to, constitute a notice of redemption in respect of the outstanding 2042 Subordinated Notes, including for the purposes of their terms and conditions.

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