

# “Actuaries Leading The Way”

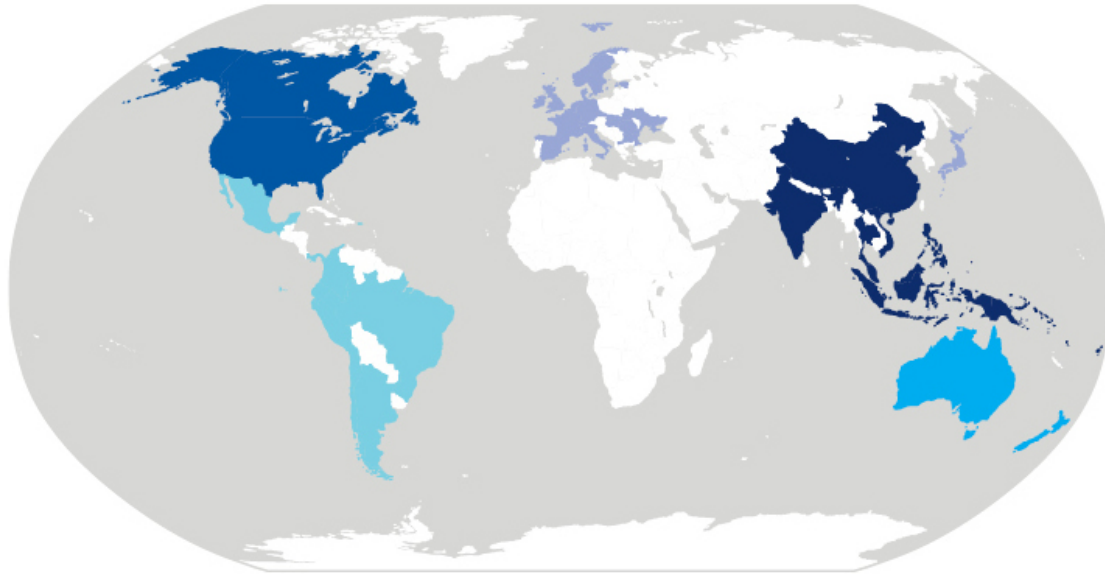
Institute of Actuaries of Australia

*Jenni Smith, Group Executive Officer People & Communications*

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# Who is QBE?



**17,000** employees

**43** countries

**5** divisions

**\$18 billion** in gross written premiums

# Our Value Creation Model – Performance and Change



# Our Performance

## Results

- Net profit before amortisation and tax \$797M (2012 \$1,348M)
- Net loss after tax of \$254M (2012 profit of \$761M)
- Cash profit \$761M (2012 \$1,042M)
- Insurance profit margin 5.5% (2012 8.0%)

## Underlying insurance business

- Underlying 2013 insurance profit margin 10 - 11%
- 2013 accident year central estimate COR 92.5%
- Attritional claims ratio (ex crop/FPS) 48.2% (2012 49.8%)
- Large individual risk and catastrophe claims of 9.7%
- Prior accident year central estimate development \$621M(1)

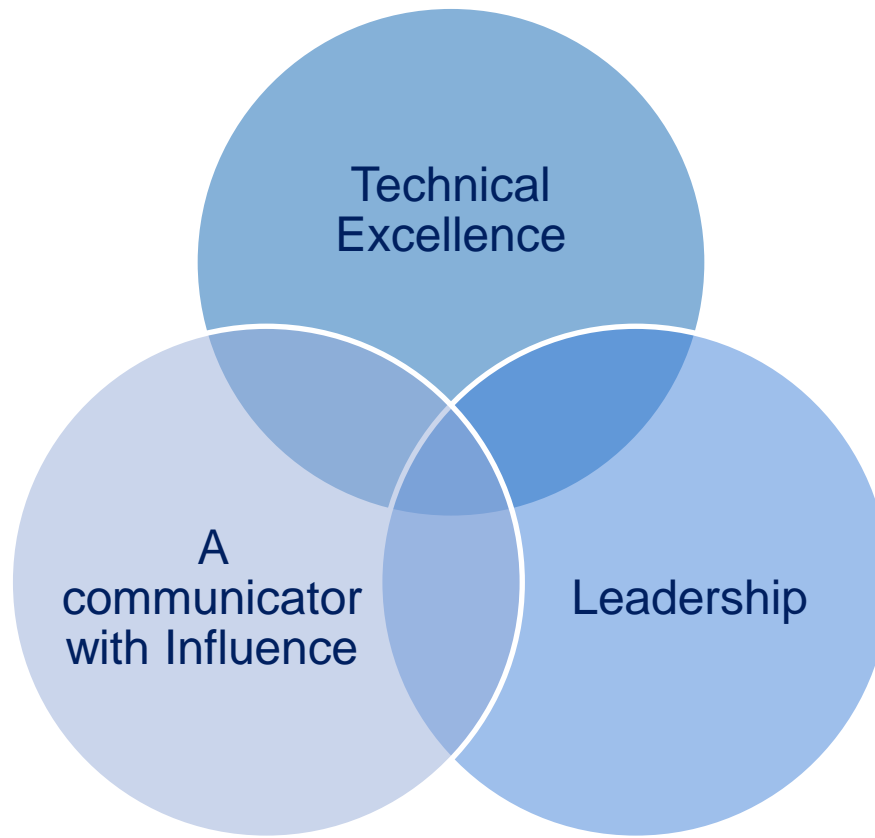
## Capital position

- Net tangible assets \$5,923M up 10% from 2012
- Prescribed Capital Amount (PCA) multiple 1.59x (2012 1.57x)
- CET1(2) ratio 114% (2012 112%) or 1.9x required minimum

## Dividend

- Final dividend 12 Australian cents per share, fully franked
- Full year dividend 32 Australian cents per share
- Cash payout ratio of around 50%

# Building rounded Actuaries



# Developing our Actuaries

## Talent at QBE

QBE defines '**Talent**' as strong performers with the potential to '**do more**' and seeks to differentiate on the basis of those individuals who may develop into **broader leadership roles** and those who are more likely to develop their **technical expertise** or progress within their functional area.



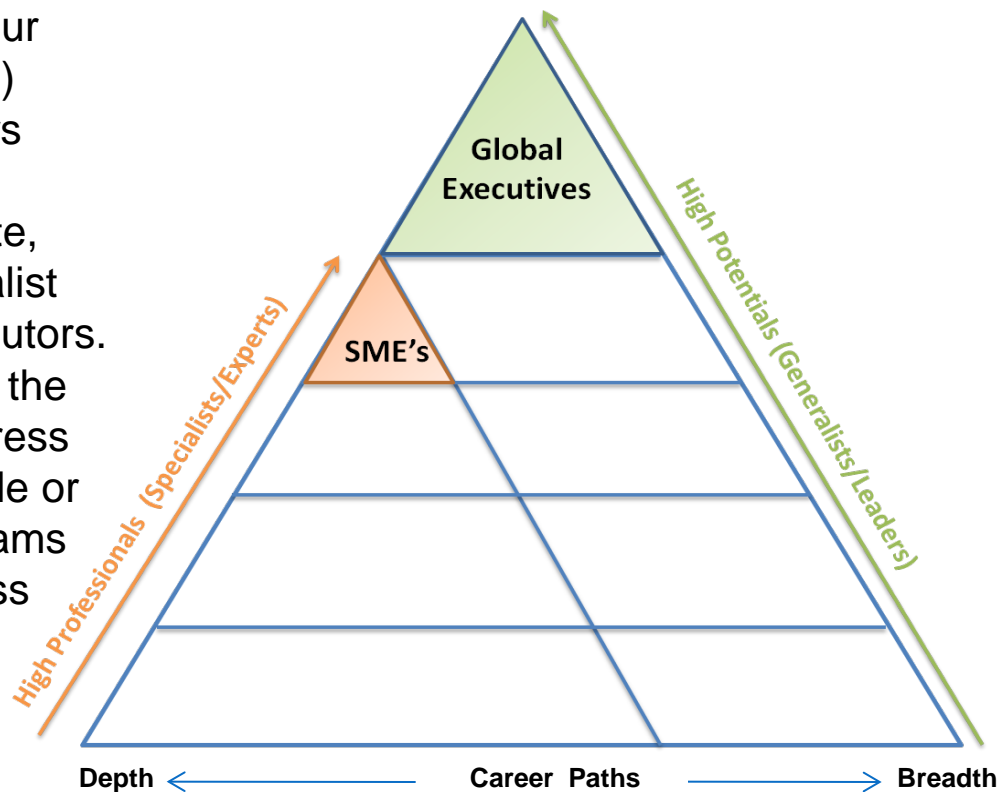
**High Potential** talent are typically those people who demonstrate **breadth** and can apply their knowledge and expertise to a variety of roles and functions.



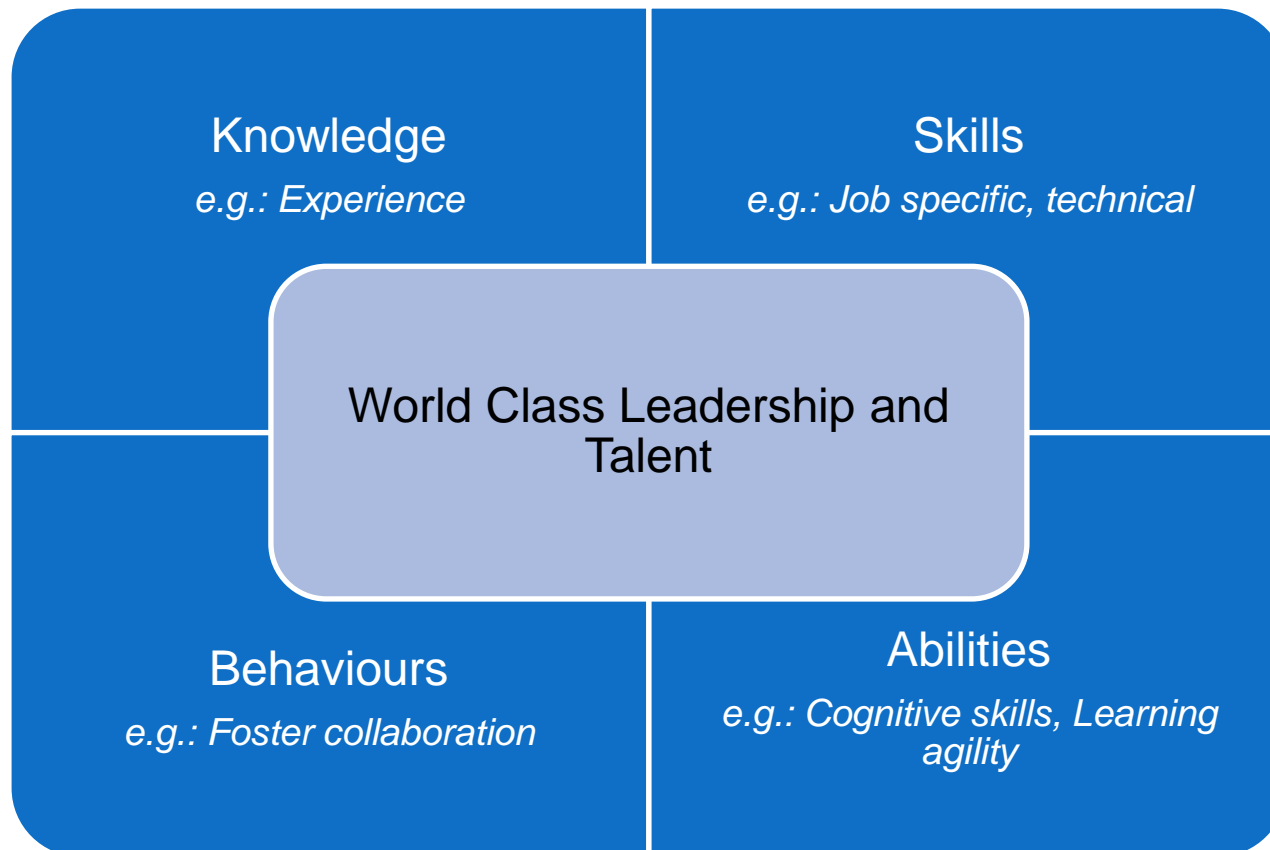
**High Professional** talent are typically subject matter experts who demonstrate **in-depth** knowledge within their area of specialism.

# Differentiating Talent at QBE

The majority of our Actuaries (not all) build their careers along the High Professional route, remaining specialist individual contributors. Those who have the potential to progress into a broader role or desire to lead teams may move across and up the High Potential route.



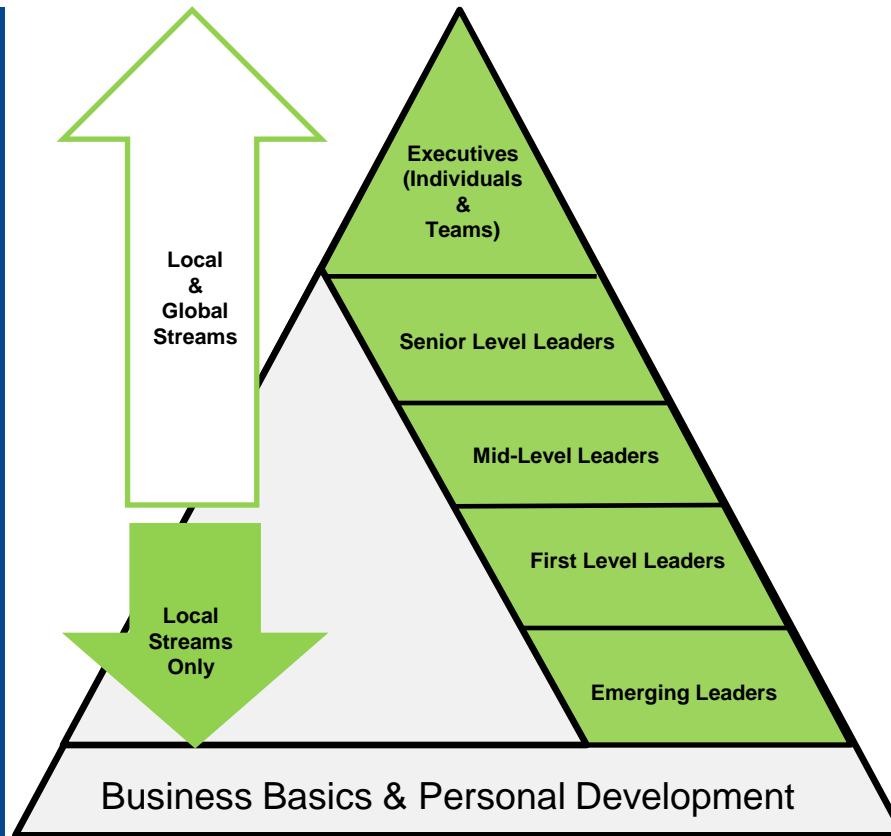
# Developing Talent at QBE





# QBE's Leadership Academy

Provides a level-by-level journey of experiences, exposure and education, that will develop our people leaders from 'Good to Great' at each stage of their career from Emerging Leader to CEO. . .



....so that our people leaders are equipped with the Leadership Essentials that they need today to support the value creation model and deliver on our strategic levers to achieve our ONE QBE Vision.

# Technical Academies



# Technical Academies

Level		Target Level (Development Solutions)	Examples from the Actuarial Competency Framework (currently being developed)
4	Technical Expert	Advanced	<ul style="list-style-type: none"> <li>•Decision making &amp; Critical Thinking</li> <li>•Effective communications</li> <li>•Organisational Leadership</li> <li>•Insurance Finance &amp; Actuarial Concepts</li> <li>•Risk Analysis and Selection</li> <li>•Pricing</li> <li>•Loss control/ risk engineering</li> <li>•Insurance Policy Management</li> </ul>
3	In-depth Knowledge	Intermediate	
2	Working knowledge	Foundation	
1	Basic Awareness		

# QBE Integrated Career Development Model

Core Business/  
Personal /  
Professional/  
Technical  
Skills & Formal  
Qualifications

Leadership  
Development  
Programmes

'Emerging to  
Executive'

Talent  
Initiatives & 1:1  
Activities

'High Potentials'  
'High Professionals'

Key Role	Emergency Replacement	Succession Candidates (within 3 years)

LEARNING



LEADERSHIP



TALENT



SUCCESSION

# Conclusion

