

## The QBE Unpredictability Index



## Foreword

If the years since the UK's EU referendum and Trump's election have taught us nothing else, it's that life can be unpredictable. Increasingly the occurrence of unimaginable events is forcing us to reconsider our lives, take a different tack or, for many of us it would seem, close our eyes and hope for the best.

Nassim Taleb<sup>1</sup> calls these types of event Black Swans. Rare, unexpected and startling. A Black Swan is a highly improbable event with three principal characteristics: it is unpredictable, it has a significant impact, and retrospectively people create explanations that make such events seem predictable.

I'm delighted that our new report sheds light on the nature of unpredictability and empirically proves what I think many of us instinctively feel, that the world is becoming more unpredictable. Businesses are operating in

**Only 29% of the businesses we spoke to have risk management plans in place to prepare for unforeseen events.**

uncertain environments while simultaneously having to manage through unexpected events that can disrupt their output.

It's a fascinating subject and while I'm glad to see that overall businesses are upbeat, I am concerned that many are adopting an *it will be alright on the night*

approach. Only 29% of the businesses we spoke to have risk management plans in place to prepare for unforeseen events and even less (17%) carry out stress tests. That is too many companies leaving themselves unnecessarily exposed.

It is also a lot of businesses potentially missing a trick.

Unpredictable events are not by their very nature negative, it is often how businesses are equipped to respond that ultimately defines them as good or bad. It's an important distinction to make and yet another compelling reason for businesses to take action and make preparations.

Our research suggests that periods of instability are getting longer and that we are perhaps seeing a trend emerge. The most unpredictable years in our index were 2010 and

2015, if that means we are on a five year cycle then what will 2020 bring? Some are suggesting another global recession<sup>2</sup>.

Irrespective of what the future brings, there are steps all businesses can and should take to prepare, and partners, like their insurer, who can help. So, as we await clarity of the future trading relationship between the United Kingdom and the rest of Europe, rest assured, whether your business needs to explore new markets, diversify its products or reassess its supply chain, there are insurance products and risk management services to help shoulder the burden while your business focusses on success.



**Jamie Thompson**  
Director of Canada,  
QBE

<sup>1</sup>Nassim Taleb - The Black Swan: The Impact of the Highly Improbably, 2007

<sup>2</sup><https://www.worldfinancialreview.com/the-predicted-2020-global-recession/>



## Introduction

It is often said we live in uncertain times. But was it ever thus? Are we so consumed by the here and now that in our 'always-on' culture and amidst the twitter-storms where the sheer noise of information is deafening that it feels more uncertain than earlier years? Surely our greater ability to measure and analyse means all of life should be far more predictable than ever before?



QBE commissioned a unique programme of research to determine whether levels of unpredictability had changed over the past 30 years, where they might be headed in the next decade and what impact, if any, unpredictability has on businesses.

Our research focussed on five key areas that affect businesses and how they operate: economic change, business change, societal change, political change and environmental change. Technological change is a feature of each pillar to a greater or lesser extent.

As we will see, the pace and scale of change, which can often be in different directions, varies across the five areas we investigate, but each one represents both danger and opportunity. This report, based on primary and secondary research, won't predict the future but will provide you with a way of understanding unpredictability and show how the world has in fact become less predictable. It will show what drives unpredictability and what makes the world today less predictable than the mid-nineties for example. It will also show the attitudes of international business leaders, from various business sizes and industries, and how they perceive the future.

Chapter one will deal with tracking uncertainty and the value that looking back can bring to understand the world we live in. We will see the post cold-war era and how it was a time of unusual certainty and stability, but how events such as 9/11 remind us that anything can happen.

**This report, based on primary and secondary research, won't predict the future but will provide you with a way of understanding unpredictability and show how the world has in fact become less predictable.**

Chapter two will look at the impact that volatility and unpredictable events have had on real businesses,

especially since the 2007/08 financial crisis. Chapters three and four will look at business sentiment about the future and what organisations are doing to prepare.

Throughout, we have drawn on real case studies and provide guidance on best practice. Unpredictable events can't be avoided, however this report aims to be a guide for how to prepare and pitfalls to avoid as each business charts its own course.

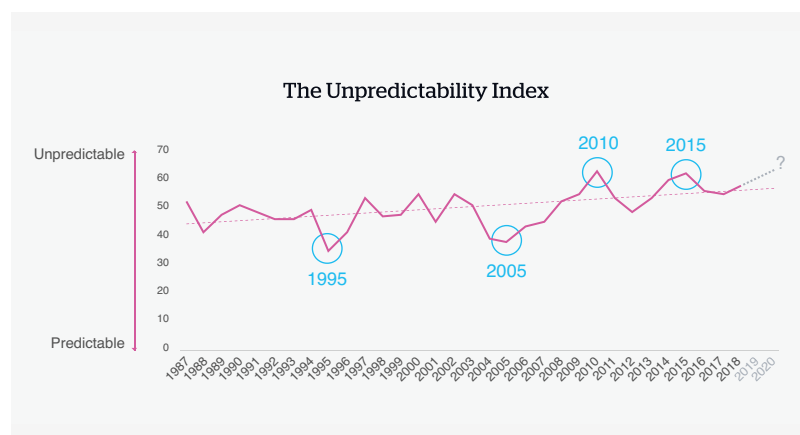
## Chapter 1: Tracking uncertainty

Periods of change can create huge opportunities for businesses. Being able to measure and understand the destabilising factors that make the current commercial landscape such an unpredictable place to operate in is crucial. Our Unpredictability Index aims to do just that.

By combining a range of empirical factors that impact stability, standardised by way of an index, we found that the world has demonstrably become a less predictable and more volatile place. We can now shed light on how and why this has come about.

In an era of shifting political sands, it will not come as a surprise that the vicissitudes of policy and electoral outcomes have helped to make the

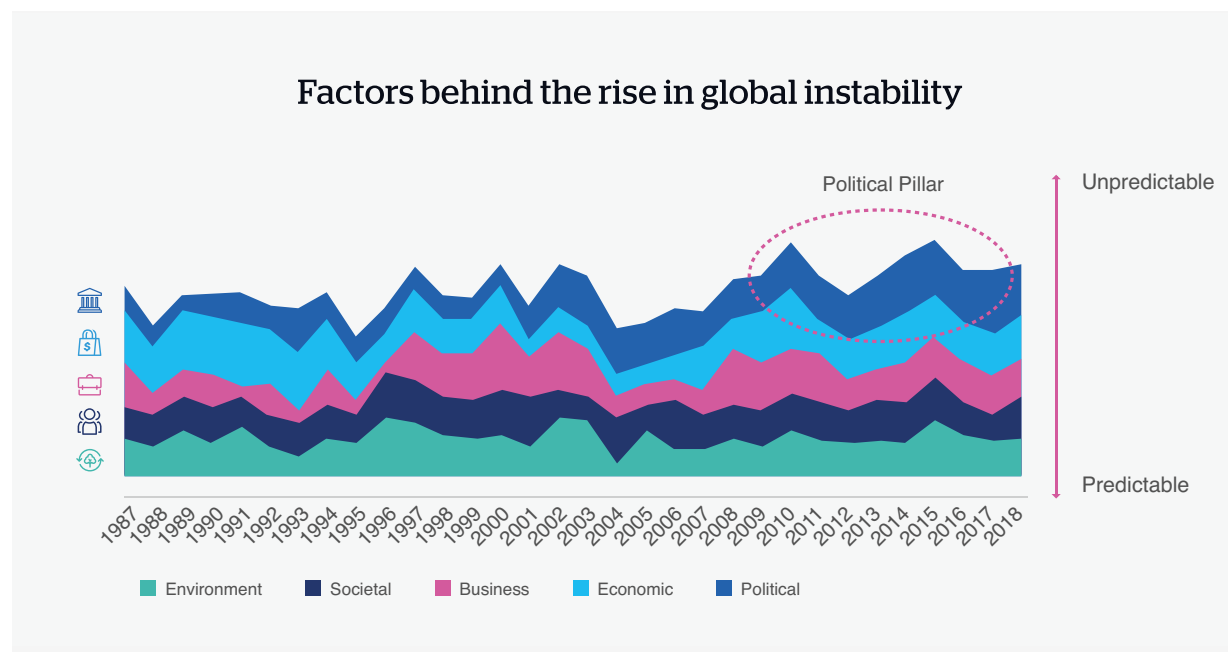
world so much less predictable. Not only has increasing political volatility contributed to unpredictability in recent years, it has driven it. From En Marche! in France to the Five Star Movement in Italy, rising electoral volatility and widening fissures in public discourse have made the policy landscape so much harder for businesses to navigate and tends to foreshadow significant declines in productive output<sup>3</sup>.



<sup>3</sup>[http://www.policyuncertainty.com/media/WUI\\_mimeo\\_10\\_29.pdf](http://www.policyuncertainty.com/media/WUI_mimeo_10_29.pdf) "In a panel vector autoregressive setting, we find that innovations in the WUI foreshadow significant declines in output."

These increasingly unfamiliar voices in governments across the Western world are a product of a far broader trend. Previously it was widely assumed that the government's primary role is to increase prosperity but this decade has seen politics become more about identity than prosperity. Behind all of this is a backdrop of ever wider geopolitical uncertainty, starting with 9/11, but continued by developments such as the European migration crisis and the shifting balance of influence eastwards towards Russia and China.

As detached as these may seem from the day-to-day realities of running a business, they have a very real impact on supply chains and the ability of governments to support businesses as they sell to a global marketplace. Mirroring

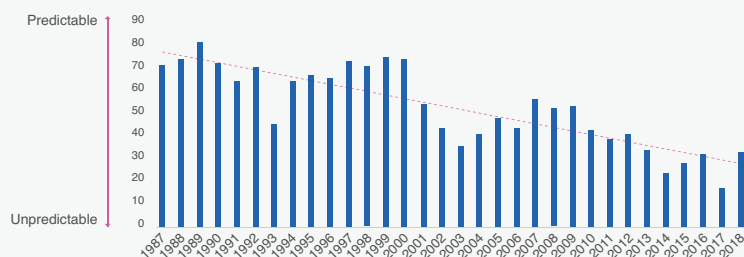


the Index, our survey of business leaders found political risks are of most immediate concern and are perceived as the most unpredictable area at present.

But unpredictability has not been entirely limited to the world of politics. Some of the more familiar challenges to businesses have played their part and these are

often characterised by periods of prosperity and stability followed by bursts of uncertainty.

### Political Unpredictability



The dot-com bubble is a key example. Business was being revolutionised by the internet in the late 1990s, however years of positive growth and investment eventually resulted in excessive stock market speculation and the bursting of the dot-com bubble, with huge implications for internet-based businesses in the early Noughties.

These cycles are common, but the Index suggests the periods of stability are becoming shorter and periods of instability longer. Less than a decade after the dot-com bust, the 'Great Recession' of the late 2000s hit, with crashing stock markets, currencies in flux, and a harsh environment for entrepreneurs where business survival rates were low.

Macro-economic measures have similar cyclical trends. Periods of economic prosperity often go hand in hand with stability, and business confidence relies on expectation of continued growth. As the predictability of key economic measures have declined over the past two decades, business confidence has declined with it. The Index highlights 2005 as one of the most predictable years; a time of sustained economic growth, unemployment was relatively steady, and inflation was continually low. The disruption to this period of stability at the end of the decade has been touched upon, but the continual fall out from it has not. The decade since has not been characterised by a return to stability but inability to correctly forecast economic changes. Since 2008 the European Central Bank has been

**The Index suggests the periods of stability are becoming shorter and periods of instability longer.**

continually unable to accurately predict changes to unemployment across the Eurozone. Insecurity in the labour market in particular has contributed to the economic volatility that companies across the Eurozone have had to face in recent years.

Other factors outside of the day-to-day business environment have their role to play as well, even if it might be hard to discern their impact in any given year. Societal changes are slow and incremental, and often the huge changes that take place are only discernible by

**The interconnectedness of factors is the most striking finding from the Index. Volatility in one area can have repercussions in another, prolonging a period of uncertainty.**

looking back over many years. Even the environment and weather has implications for business. Once again, change here is incremental. But the increased frequency of unusual weather events that might have previously been a once-in-a-generation occurrence have very real costs for businesses.

The interconnectedness of all these factors is the most striking finding from the Index. Volatility in

one area can have repercussions in another, prolonging a period of uncertainty. The Index demonstrates that political volatility has been the single largest contributor to uncertainty in recent years, however this doesn't exist in a vacuum. Vote Leave pipped at the post, and despite losing the popular vote Donald Trump became President, because something far bigger was happening. Societal attitudes were changing, often in conjunction with economic insecurity. The new political landscape has then fed back into the mix, increasing societal divisions and heightening uncertainty for businesses and a changing economy.

With the interplay between the factors also comes the understanding that they change in importance and priority. Our research shows that politics is a key concern for the business community in the short-term, but in the medium-to-long term the wider economic and commercial environment will continue to challenge them.

The Index does not etch each pillar's importance in stone. It tries to understand in which periods we faced the greatest uncertainty and why. The scale of the credit crunch and recession evident across many parts of the world made 2010 the single most unpredictable year recorded, and there has been little improvement since. Not just

because of economic uncertainty but due to the resulting political upheaval that has made the policy landscape so difficult to traverse. The judgement to be made is whether this is a new normal or if we should be looking more broadly for the future challenges to stability.



## Case Study 1: How politics is affecting businesses

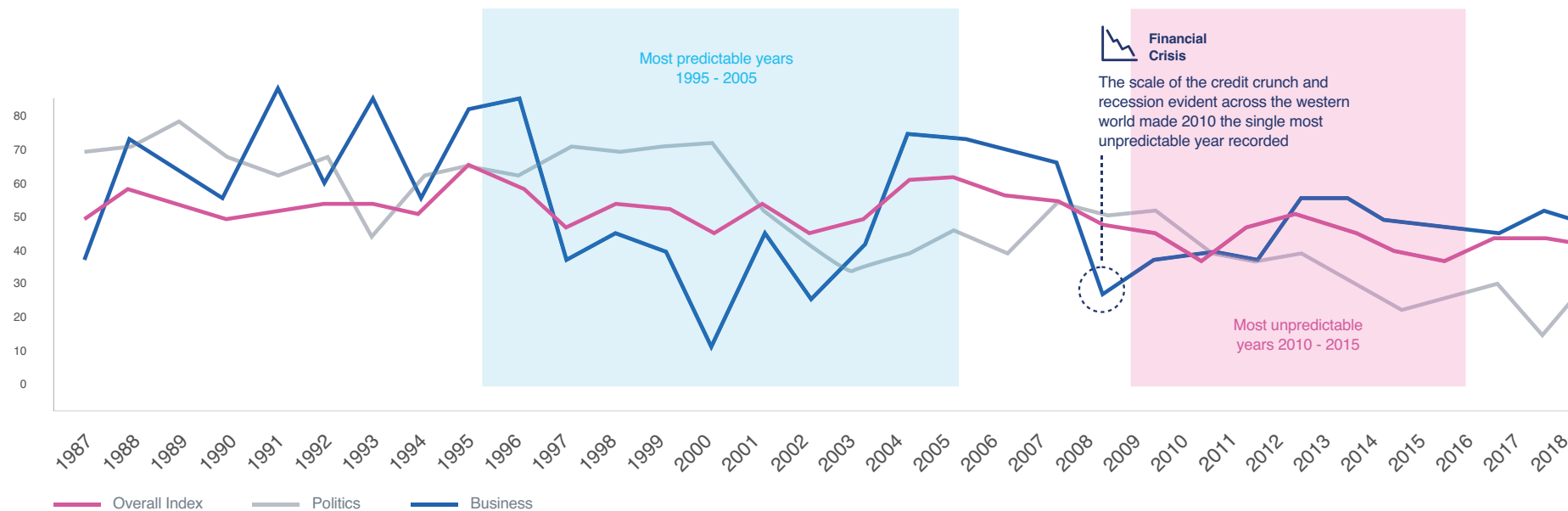
Diversifying supply chains and the customer base is sound advice to avoid being affected by events in any one country. However, events in one market can still significantly affect a business's operations elsewhere.



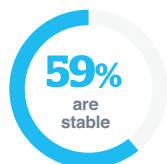
One of our clients, a UK-based manufacturing business, sells the majority of its products to a single customer with sites across Europe. The manufacturer owns production sites in Europe that supply the same customer's factories in nearby regions. In recent years, the customer has ramped up production at its European factories, however has made numerous overt statements of continued commitment to the UK. Until Brexit came along. The customer is now saying it will transfer all of its finished product factories out of the UK if there is an unfavourable Brexit outcome. The UK manufacturer has a serious dilemma; does it start planning now to follow its primary customer or should it continue to operate in the UK and supply from there? As an interim solution the manufacturer

has revised its investment strategy for its own factories in Europe to focus instead on carrying out adjustment that will make it less dependent on components from the UK. With regard to large equipment investments, it has developed a multi-option plan. All the factory layout alternatives, equipment design specs and contracts have been prepared ready for launch either in their UK or European factories, or a combination of both. Given the latest Brexit delay it has had to proceed with some UK investment but the heaviest equipment outlays are being held back until the final Brexit outcome is known. This case highlights the operational challenges associated with uncertainty and that businesses are already feeling the impact of Brexit.

## Predictability over three decades



**Now:** Businesses are stable but cautious,...



Business situation



Business approach

positive and prepared for the short term,...



Feelings on future business success

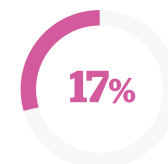


Dealing with unpredictability in 2019

but overly exposed...

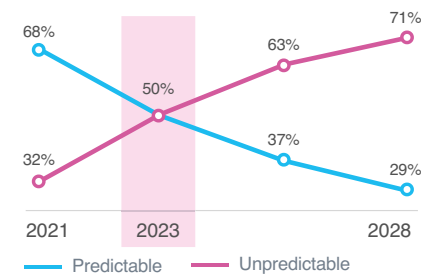


Have risk management plans



Carry out stress test

to an increasingly unpredictable world?



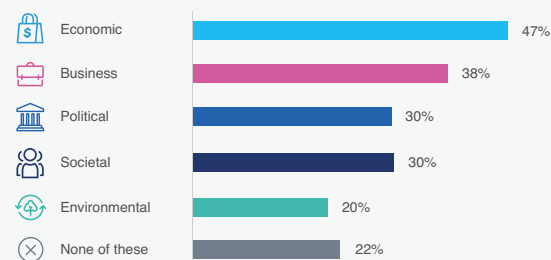
## Chapter 2: Cost of volatility

Unpredictability affects companies differently, varying by size of company, location and sector. Manufacturing companies and retailers, for example, are vulnerable to disruption in trade or their supply chains, while service companies are more likely to be concerned with regulation and cyber security. Many firms are already operating on squeezed margins and are particularly vulnerable to a significant increase in exposure, disruption or volatility.

According to our research, four in five businesses (78%) have been significantly impacted in the last 10 years by the pillars of unpredictability identified in our index. Economic events have significantly impacted businesses the most, particularly as a result of the financial crisis and implications of Brexit.

The smaller businesses in our survey felt much less affected by any of the wider events, while large businesses are affected by them to some degree. Almost half of sole traders (47%) and a third of micro businesses (34%) say none of the five pillars have affected them in the last 10 years. While this may indicate less exposure to risk, it is likely to be due to smaller

Businesses significantly affected by events in the last 10 years





businesses being more recently established and so haven't yet faced as many events facing wider society and business.

Smaller companies may be more nimble and quicker to leverage opportunities, but they are typically less able to absorb shocks than large companies. In contrast, having

been more likely to exist for longer, nine in ten large businesses (89%) have been affected by events in at least one of our pillars. In particular, more than half of large businesses have been significantly affected by economic factors (57%).

While smaller companies indicate less exposure to risk over the time

they have been around, they are still the most vulnerable to periods of unpredictability. They also often lack the experience, resources and influence of large multi-national companies, which are able to invest in business intelligence, sophisticated risk management, scenario planning and business continuity planning.

The most common impacts of unpredictable events are a loss of revenue, unexpected costs and decreased demand – all of which have had a negative effect on businesses. More positively, some businesses have seen their fortunes change as a result of unpredictable events. Around one in seven have seen an increase in their business and revenues and created new opportunities. One in ten have been

# 57%

**of large businesses have been significantly affected by economic factors.**

able to hire more people.

Almost half of larger businesses said they had seen some sort of positive impact from unpredictable events compared to only a quarter of micro businesses and four in ten small and medium sized businesses. In particular, larger businesses are better able to create new opportunities in their markets, increase revenues and increase recruitment. They are also less likely to see decreased demand.

The types of business that are



affected by unpredictable events are varied. Business services, wholesale and retail and construction companies were the most likely to say they had lost revenues and, along with manufacturing companies, to have experienced decreased demand (around a third respectively), reflecting both reduced infrastructure development and consumer spending when there are economic downturns.

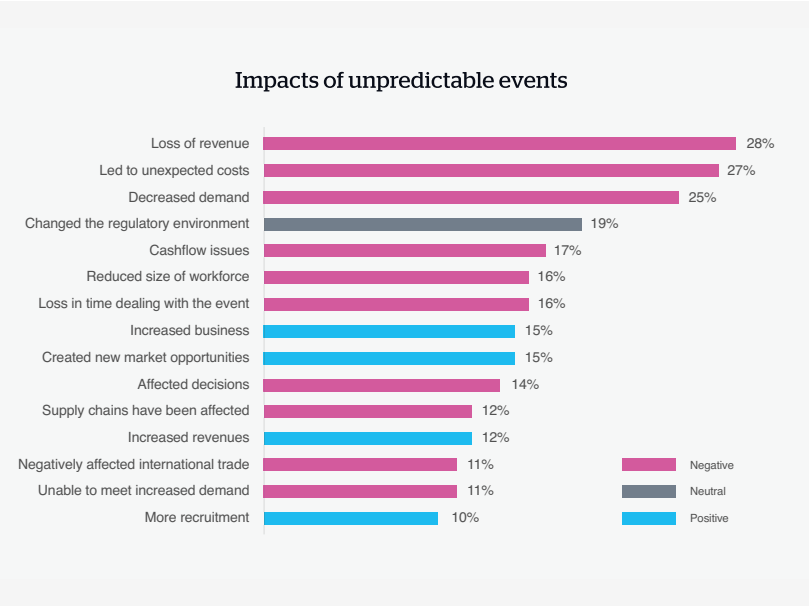
**Almost half of larger businesses said they had seen some sort of positive impact from unpredictable events.**

Manufacturing and wholesale and retail businesses are also far more likely to have had their supply chains affected (23% and 21%

respectively). This could be a result of wider economic factors but is also a result of environmental factors. While environmental change is of overall less concern for businesses, its impact is real and felt.

IT and computing companies, more often known as being agile and adaptable, were most likely to say that they had been able to create new opportunities in the market (25%).

All companies are under increasing pressure to manage or eliminate volatility and be prepared for the unexpected. Uncertainty and volatility increase costs while disruptions to supply chains or changes in consumption make it harder for companies to hit forecasts and meet investor expectations. While larger companies are more globally



linked, those we spoke to seem better able to weather the storms of unpredictability better than their smaller counterparts, although there will always be exceptions to the rule

as shown in the following case study.

## Case Study 2: Unexpected events can critically damage a company's ability to operate.

One manufacturing business with several factories in the UK has been critically dependant on a single ingredient for their final products. Traditionally, only a natural product could be used, and this was only available from two locations in the world.

The supply chain is highly exposed to disruption, so the manufacturer always holds 12-16 weeks of raw material on sites in the UK. Since the turn of the century a man-made material came to the market that could replace the natural material in 80% or more of products and after 15 years of development, the UK manufacturer perfected its final products using the man-made raw material. Several business impact and supplier

impact analysis reviews have been done that verified the supplier of the man-made product in Europe had two factories with more than twelve production lines each, plus the material had become readily available from other sources. This should have meant that the manufacturer had a wider potential supply chain and therefore was less susceptible to risk. However, in 2018 the chosen supplier had a fire that took out the whole

factory that normally supplied the UK manufacturer. Only then did it also come to light that the spec required by the UK manufacturer had become so specialised that in fact, not only could the supplier not easily transfer production to any of their other factories, no other non-certified producer could pick it up quickly either. The UK manufacturer's production dropped to 20%-25% at each of its UK factories. Despite taking

the right approach with regard to conducting the impact analyses, not enough factors were taken into consideration and had more 'what-if' thinking been applied at the scenario planning stage, the situation could have been avoided. In the end it took the manufacturer almost a year to return to 100% output.

## Chapter 3: Delivering on promises

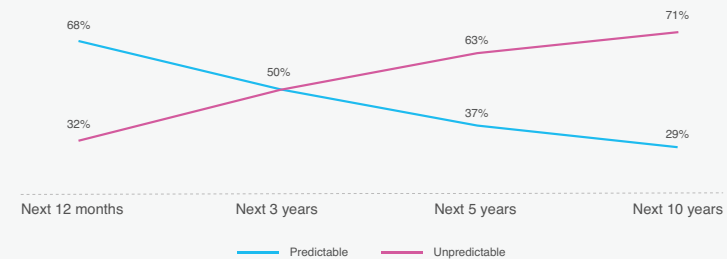
An increase in short-term and long-term unpredictability is problematic for businesses large and small, whether it is setting strategy or delivering on their promises. Boards are under pressure from shareholders to meet targets and reliably deliver against strategy, as well as consider the impact of their business on customers and wider society.

Companies must also meet the expectations of consumers and regulators, which increasingly look to hold companies and their directors to account.

Planning for the future is likely to be more challenging against enhanced levels of unpredictability. Businesses find it more difficult to predict the longer-term future when thinking

about the business landscape. Over two thirds (68%) of those surveyed felt that the next 12 months are predictable, but confidence levels fall to 50% when looking at the next three years, and 29% for the next 10 years. As the graph below shows, businesses feel fairly confident predicting the future up until the next three years, and after this point confidence takes a steep decline.

How predictable do you think the business landscape is for the next...





Within the context of Brexit, our survey found that UK businesses are an anomaly in that they were the only ones to be more likely to say the next 12 months is unpredictable than predictable (58% vs 42% respectively). However, by the time British businesses are thinking of five to 10 years' time, they fall back into line to match the confidence levels of businesses from other countries.

Many businesses have to think five, 10 or more years ahead. Big investments in plant and infrastructure or new markets can take many years to execute and come to fruition. However, companies may have to invest in new business models at a time of fast changing technology and consumer trends. Artificial intelligence and automation, for example, will have huge implications

for the workplace and wider society, while political and environmental factors could lead to big changes in demand for goods and services. Yet predicting the how and when is beyond most companies.

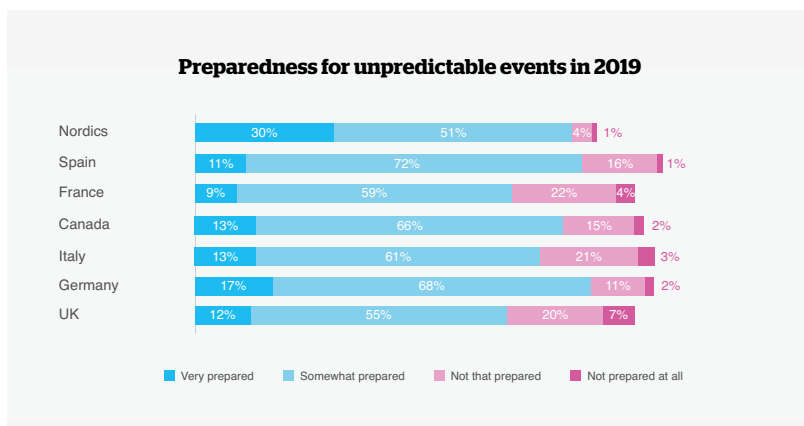
Increased unpredictability compounds the problem of business planning and strategy setting, however organisations would do well to focus on the most critical factors for their business.

There is a lot of noise surrounding important issues like Brexit and global trade disputes, and this is likely to continue for several years to come. Companies should step back from the media headlines and not get bogged down with the issues of the day - there are likely to be long term trends out there that are more relevant to the future success of a business.



## Chapter 4: Creative planning

The antidote to unpredictability is likely to be found in the development of risk management. As the size and complexity of risk grows, risk management and governance frameworks are becoming more sophisticated, and boards are increasingly demanding better information on risk.



Planning and preparing for the future is key to managing unpredictability in the future. Three in four (77%) businesses in our survey felt that they were prepared to deal with unpredictable events in 2019, while one in five (20%) did not feel prepared. Nordic businesses were the most likely to say they felt very prepared (30%). In contrast, UK and French businesses felt the most unprepared (27% and 26% respectively).

The main steps businesses are taking to plan for unforeseen events include putting money aside (34%), diversifying products/services (33%), diversifying client bases (31%) and preparing for multiple

# 77%

**of businesses in our survey felt that they were prepared to deal with unpredictable events in 2019.**

# 29%

**have a formal risk management plan in place.**

Planning for unseen events



outcomes (30%). However, only 29% have a formal risk management plan in place, with large businesses most likely to have a formal plan (45%) compared to just a quarter (25%) of small businesses. In our survey, smaller businesses were more likely to not have made plans. Over a third (35%) of sole traders and 14% of micro businesses are not making any plans for unforeseen events, compared to just 6% of medium-sized and 5% of large businesses. This lack of planning is unnecessarily exposing smaller businesses to the negative impacts of unpredictable events.

**35%**  
**of sole traders and 14% of micro businesses are not making any plans for unforeseen events.**

Organisations that survive and succeed in an environment of enhanced unpredictability will be those that are best prepared.

## Conclusions

Climate is a useful metaphor for thinking about the unpredictability businesses face in the future. We set a course for our companies, negotiating the weather of daily events amidst the slowly adjusting climates of markets and economies. We must react to the former while bearing in mind the latter.

Our research has shown that the main trade winds will be influenced by politics in the short term, and could be impacted by various upcoming political events, especially elections. These are the concerns that business leaders currently have. Economic factors will also play a significant part. The economic crisis, a decade old, still appears to be fresh in the memory and, while optimistic, businesses are cautious of future recessions.

We've focussed this report on the economic, business and political pillars of our index as these are the areas in which companies told us they were most susceptible to unpredictability. Social and environmental factors however should not be ignored. The effects can manifest in the political, economic and business arenas and can impact brand, reputation and financial performance.

2020 could be a pivotal year for many businesses. Some are forecasting Crash 2.0<sup>4</sup> - the next big recession; our trend analysis suggests another year of heightened unpredictability. Social and political activism is likely to gather more momentum, the direction and impact of which difficult to predict. All in all, a potentially heady combination of instability.

Our research suggests that businesses are not facing up to the challenges of the future as much as they should be. Admittedly, most unpredictable events are out of anyone's control but that doesn't mean we can't prepare. Scenario planning should be par for the course for all businesses, however

**Our research suggests that businesses are not facing up to the challenges of the future as much as they should be.**

they need not go this alone. Insurers are perfectly placed to have a global view of company operations and exposures across a multitude of industries and can share best practice risk management techniques. As intangible risks grow it is now as much about how a business manages risk as how it transfers it. The two are not mutually exclusive.

<sup>4</sup><https://www.worldfinancialreview.com/the-predicted-2020-global-recession/>

**Here are some tips:**

1. **Use your imagination** – don't be complacent with the status quo. The world is unpredictable and in the current cycle we find this is unlikely to change. Assume that there will be changes in the spheres that affect your business and plan for them.
2. **Diversify** – look for opportunities to diversify supply chains, your customer base, the markets you operate in and even your employees.
3. **Look through a sustainability lens** – use a framework like the [United Nations Sustainable Development Goals](#) to identify systemic social and environmental issues that may present both risks and opportunities for your business.
4. **Draw upon as much information as possible** – no one can predict the future but using existing knowledge in your business, other data sources and the experiences of others can help to create businesses that better identify weaknesses and mitigate against risks, however unlikely they seem in advance. [Download QBE report: Understanding and Protecting your Supply Chain](#), for practical guidance on how to conduct a business impact analysis, business continuity planning and pitfalls to look out for.
5. **Leverage your partnerships** – chances are your insurer has seen it all before somewhere else. Seek their advice.



## Methodology

The QBE Unpredictability Index was compiled by Opinium using desk research to find out which year over the past three decades was the least predictable. Opinium looked at metrics within five key pillars relevant to QBE's customers, collating sources from across QBE's key markets, with the purpose of pinpointing the most and least predictable years.

### The five pillars and the data included

#### Politics

- Volatility of elections
- Clarity of election outcomes
- Policy uncertainty
- Immigration fear
- Geopolitical uncertainty

#### Economics

- Ability to forecast inflation
- Ability to forecast GDP growth
- Ability to forecast changes in unemployment
- Volatility of core economic measures (e.g. trade, interest rates, GDP, inflation)

#### Business

- Volatility of key stock market indexes by country
- Volatility of currency values
- Survival rates of businesses

#### Environmental

- Volatility of temperature changes
- Volatility of rainfall
- Changing levels of unusual weather activity
- Climate related mortality

#### Societal

- Changes in consumer behaviour
- Changing societal behavior (e.g. marriage rates and births outside of marriage)
- Changing demographic profile of the market (e.g. age and life expectancy)

Opinium also conducted primary research with senior business decision makers. 1,314 interviews were conducted across the UK, France, Germany, Italy, Spain, Canada and the Nordics (Sweden, Finland, Denmark, Norway). Research was carried out online from 21st to 28th January 2019.

## About QBE

QBE is a specialist business insurer and reinsurer. We're big enough to make a difference, small enough to be fleet of foot. We may not be the best known, but a large part of the modern world depends on our cover.

We have clients as varied as bus and coach fleet drivers and major international infrastructure consortiums. For them, we're the buffer between the best-laid plans and uncertain reality. People who deal with us find us professional, pragmatic and reliable – this is one of the reasons we're still here after 130 years.

Our underwriters are empowered to take decisions that are important to you. (Because we know no computer can replace that human ability.) And we don't just cover your risk. We help you manage it, meaning that you're less likely to have to make a claim in the first place.

### Find out more

For more information about how we can help your business, please visit [QBEurope.com](https://www.qbe.com/europe)

### Cover for all your business needs

Our extensive product range includes:

- Accident and health (including commercial PA and business travel)
- After the event insurance
- Commercial (including fleet, haulage, bus and coach, motor trade)
- Commercial combined
- Commercial crime
- Contractor all risks/EAR
- Energy – offshore and onshore
- Entertainment and leisure industry
- Environmental impairment liability
- Financial and professional liability (cyber liability, directors' and officers', professional indemnity)
- General liability (employer's liability, public liability, tradesman)
- Marine
- Motor
- Pharmaceutical and medical
- Political risk and terrorism
- Product guarantee and recall
- Product protection
- Property
- Reinsurance
- Scheme underwriting facility
- Specie
- Surety/bonds
- Trade credit
- Warranty and GAP

## About Opinium

Opinium is an award winning strategic insight agency built on the belief that in a world of uncertainty and complexity, success depends on the ability to stay on the pulse of what people think, feel and do.

Creative and inquisitive, we are passionate about empowering our clients to make the decisions that matter. We work with organisations to define and overcome strategic challenges – helping them to get to grips with the world in which

their brands operate. We use the right approach and methodology to deliver robust insights, strategic counsel and targeted recommendations that generate change and positive outcomes.

## Keep in touch

If you haven't already signed-up to receive the Unpredictability Series you can do so at

**[qbecanada.com](http://qbecanada.com)**

Published September 2019

QBE Services Inc.  
Bay-Adelaide Centre  
333 Bay Street, Suite 520  
Toronto  
Ontario, M5H 2R2  
Canada

T: +1 416 682 5930 | F: +1 416 682 5948

QBE European Operations is a trading name of QBE UK Limited, QBE Underwriting Limited and QBE Europe SA/NV. QBE UK Limited and QBE Underwriting Limited are both authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. QBE Europe SA/NV is authorised by the National Bank of Belgium under licence number 3093. QBE in Canada operates through QBE Services Inc., which is registered in the Province of Ontario Canada No. 002193827 & the Province of British Columbia Canada No. A0076820.