

16 March 2022

Update on East Coast Rain and Floods

Suncorp (ASX: SUN | ADR: SNMCY) today provided a further update on the flood recovery in Queensland and New South Wales.

As at 14 March 2022, Suncorp had received more than 34,000 claims with around 60% in Queensland and around 40% in NSW. Over 80% of total claims relate to home damage.

The severe weather was over a period of 15 consecutive days through late February and early March and has resulted in four separate natural hazard events being recognised. Based on early provisional forecasts, Suncorp's net retained loss from these events has remained unchanged at around \$75 million, with recoveries being triggered under a combination of Suncorp's various reinsurance covers including Aggregate Excess of Loss (AXL) treaty, dropdown covers, main catastrophe program and the quota share arrangement in the Queensland home portfolio. Following these events, Suncorp remains well protected for the remainder of the year.

Given the recent events, but reflecting the strength of the remaining reinsurance cover, the Group's latest estimate of natural hazard costs for the full year has increased to around \$1.1 billion (previously \$1,075 million).

Suncorp Group CEO Steve Johnston said the business's ability to respond to this significant and devastating event has been enhanced by recent strategic initiatives across the Group.

"I have spent time with our teams and customers on the ground in Gympie, Lismore and around south-east Queensland. It's some of the most widespread devastation I have witnessed, and it is a tragedy for so many Australians. I am very proud of how our people have responded when our customers need us most," Mr Johnston said.

"Customer Support Teams continue to be deployed in the hardest hit regions, providing face-to-face claims support. Our assessors and builders are working around the clock inspecting the damage, and we thank all our customers for their patience as we work as fast as we can."

Suncorp's dedicated flood response and recovery team is using aerial imagery, real-time data and on the ground insights to help understand impacts to customers and direct support where it is needed.

"Our ongoing focus on the digital experience resulted in around 70% of claims lodged online. This allowed us to quickly understand the scale of the event, deploy resources and support our customers faster than ever before. We have also sent more than 1.1 million digital messages to promote online lodgement and provide information on the claims process," Mr Johnston said.

Mr Johnston said the Group had recently finalised a new national panel of builders to enhance repair quality, capacity, and costs, and this is being fully utilised to respond to this event.

"Our national panel of builders has given us increased capacity to respond to significant extreme weather events in addition to our everyday working claims. Given the scale of this event, we have worked to secure additional builder capacity and have enacted project management capability for specific regions," he said.

"This will be a major rebuilding effort, across multiple regions, that will take many months. We are currently prioritising our most impacted customers, but we know every claim is important.

“The floods came after a six-month period where we had already received more than 50,000 natural hazard claims, so we are currently recruiting more people to help us move as quickly as we can to support our customers.”

In addition to the Group’s claims response, a \$1 million support package has been announced to help the long-term recovery efforts of flood-impacted communities in Queensland and New South Wales.

Teleconference Details

CEO Steve Johnston and members of the Executive Leadership Team will host a teleconference this morning, Wednesday 16 March at 10.00am AEDT.

Please register via the following link to access the teleconference dial-in details:
<https://s1.c-conf.com/diamondpass/10020631-4hl2m1.html>

Authorised for lodgement with the ASX by the Suncorp Disclosure Committee.

ENDS

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A photograph of a modern multi-story building with a glass facade and a brick base. The word "SUNCORP" is displayed in large, teal, 3D letters on the upper part of the glass facade. The building has a mix of materials, including wood paneling, glass, and brick. There are some plants on the upper levels. The image is overlaid with a dark teal gradient.

SUNCORP

Suncorp Natural Hazards Investor Update

March 2022

SUNCORP GROUP LIMITED
ABN 66 145 290 124

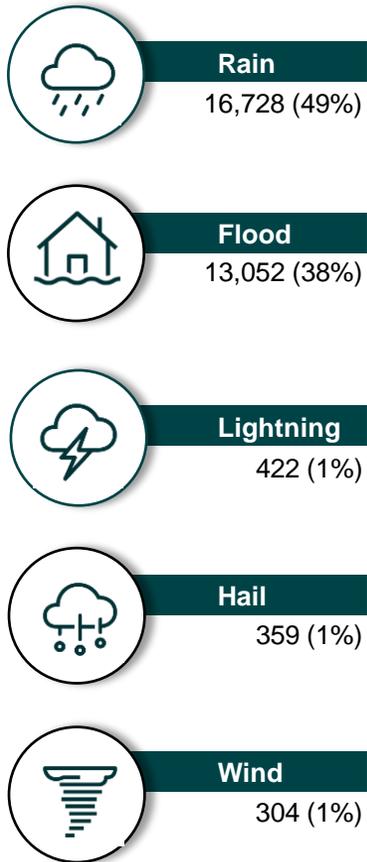
SUNCORP 

Rallying around our purpose



Recent flooding and storm events in numbers

Top Event Loss Causes



Actual Claims* (Recent Events)	Projected Claims (Recent Events)	Total YTD Actual Event Claims*
34,083	44,750	96,930
Home: 26,543 Motor: 5,996 Commercial: 1,544	Home: 35,200 Motor: 7,500 Commercial: 2,050	Home: 68,092 Motor: 23,445 Commercial: 5,393

Most Impacted Postcodes*

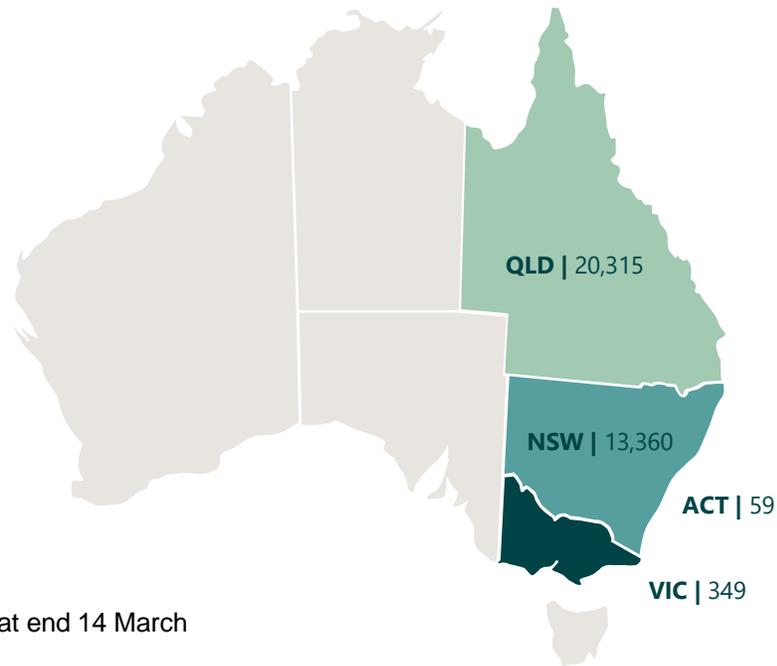
NSW

2480	South Lismore	984
2487	Chinderah	603
2484	Murwillumbah	522
2483	South Golden Beach	438
2478	West Ballina	426

Queensland

4017	Deagon	772
4034	Aspley	477
4053	Everton Park	422
4075	Oxley	393
4510	Caboolture	357

Actual Event Claims by State



* Data as at end 14 March

* Defined as postcodes with the highest volume of claims

Robust reinsurance in place

Overview

- Strong reinsurance protection in place – additional AXL purchased in 1H22
- Recent weather between 23 Feb and 9 Mar comprised 4 events for reinsurance purposes
- Post these events, strong reinsurance cover remaining across all programs:
 - Horizontal: c\$450m of cover across our AXL and dropdowns plus additional 50% placement of \$150m AXL layer
 - Main Cat: 3 full layers \$250m x \$250m and 2 full layers from \$500m to \$6.5bn
 - Qld Quota Share: 30% on Qld home
 - The ultimate costs for these events continue to develop and the above estimates may be adjusted accordingly
- Main cat \$500m x \$500m reinstatement – premium not expected to be material, linked to the utilisation of this layer
- FY22 Natural Hazard cost now expected to be around \$1.1bn

Recent Events and Claims Data

Event	Date	Actual Claims	Projected Claims
East Coast Flooding	23 Feb – 1 Mar	24,762	31,100
NSW East Coast Low	2 – 4 Mar	2,355	3,100
QLD Storms	2 – 4 Mar	1,182	1,600
March Storms & Flooding	5 – 9 Mar	5,784	8,950

Data as at end 14 March

Using capability delivered through Best in Class Claims to support our customers

Digital lodgement and tracking

- Strong online claims lodgement results

Market leadership in Natural Hazards

- Geospatial technology and satellite imagery informing our response
- Customer Support Team deployed across Queensland & NSW
- Home assessors on the ground
- Dedicated triage site for flood damaged motor vehicles in Brisbane

Supply chain optimisation

- Home Repair Panel capacity secured and retained
- Additional Home builder and project management capacity secured
- Allocation of work and cost control managed using In4mo and ICBM systems
- First salvage auction for damaged vehicles to be held later this week



Other strategic priorities are helping to mitigate impacts

Reinvigorated brands with a strong presence



During Event

- We have upweighted communications with our customers with weather support and claim messaging
 - Over 1m SMS and 2m emails sent
 - Paid media (TV, radio, digital, social and outdoor)
- \$1m community support package

Optimised Pricing & Risk Selection

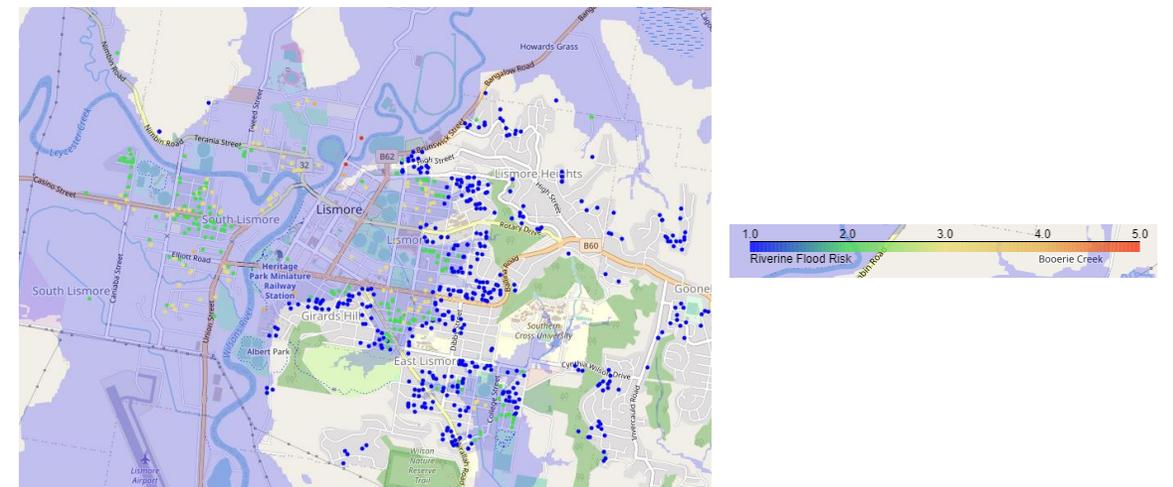
Portfolio management

- Significant re-pricing of Home portfolio commenced in mid 2020.
 - Home AWP growth for H1 was 7.5% normalised for portfolio exits
 - Portfolio exits for Vero consumer lines (broker and corporate partner)

Pricing Tools and Models

- CaPE was deployed for mass Home in Oct/Nov 21
- Natural hazard models were updated when CaPE deployed
- Our risks in force is lower in high flood areas relative to market share

Lismore Riverine Flood Rating and Flood Extent



Resilience & Mitigation – Four Point Plan

Suncorp has developed a four point plan for a more resilient Australia and will continue to advocate for action

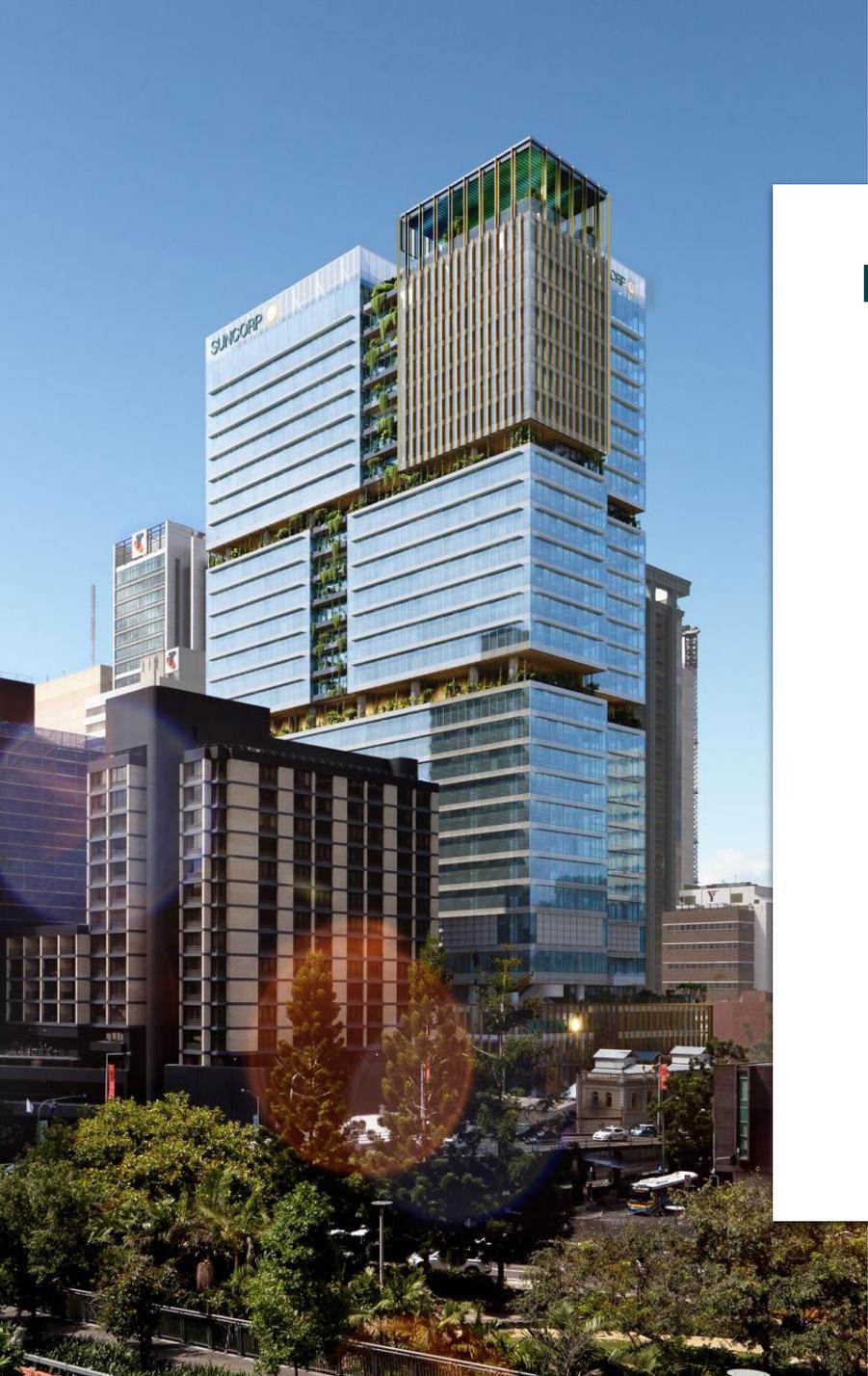
① Improve public infrastructure

② Provide subsidies to improve the resilience of private dwellings



③ Address inadequate planning laws and approval processes

④ Remove inefficient taxes and charges from insurance premiums



Important disclaimer

This presentation contains general information which is current as at 15 March 2022. It is information given in summary form and does not purport to be complete.

It is not a recommendation or advice in relation to the Group or any product or service offered by Suncorp or any of its subsidiaries. It is not intended to be relied upon as advice to investors or potential investors, and does not take into account the investment objectives, financial situation or needs of any particular investor. These factors should be considered, with or without professional advice, when deciding if an investment is appropriate.

This presentation should be read in conjunction with all other information concerning Suncorp filed with the Australian Securities Exchange (ASX).

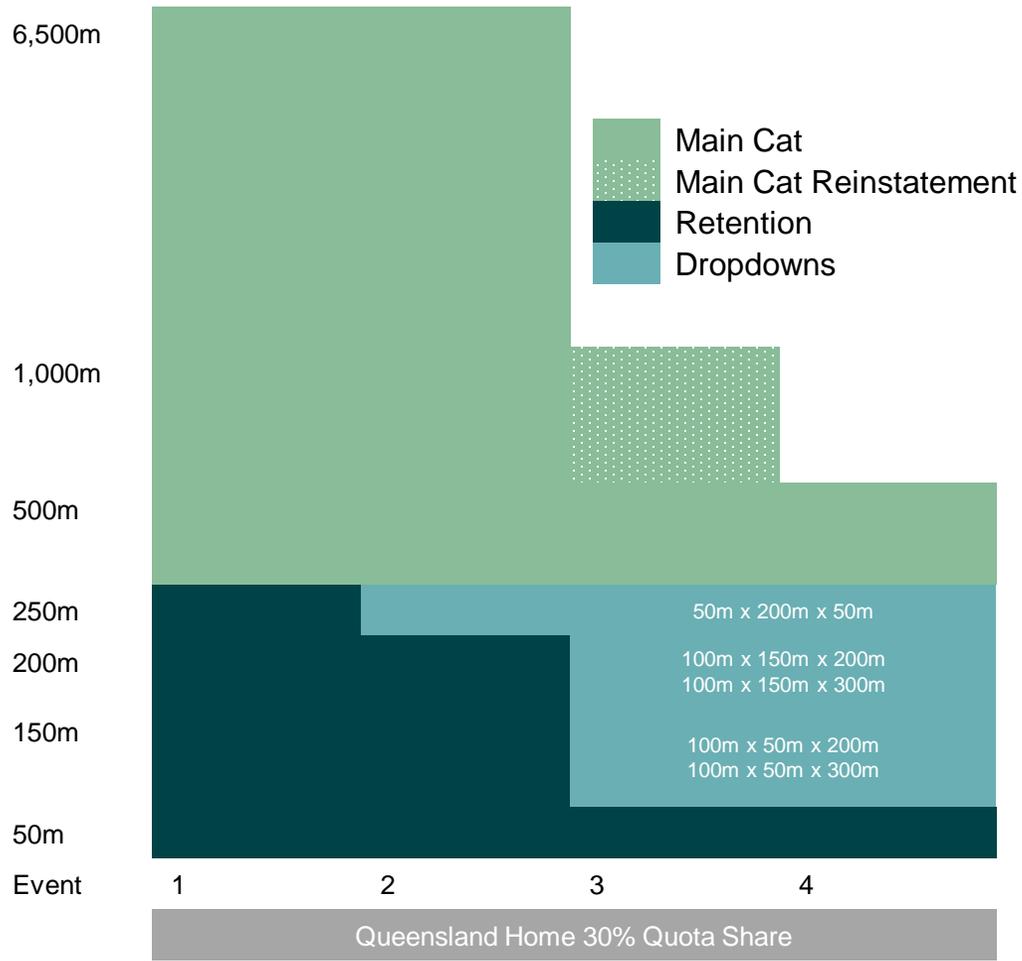
The information in this presentation is for general information only. To the extent that the information is or is deemed to constitute forward-looking statements, the information reflects Suncorp's intent, belief or current expectations with respect to our business and operations, market conditions, results of operations and financial condition, capital adequacy, specific provisions and risk management practices at the date of this presentation. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks and uncertainties, many of which are beyond Suncorp's control, which may cause actual results to differ materially from those expressed or implied. There can be no assurance that actual outcomes will not differ materially from these forward- looking statements.

There are a number of other important factors which could cause actual results to differ materially from those set out in this presentation.

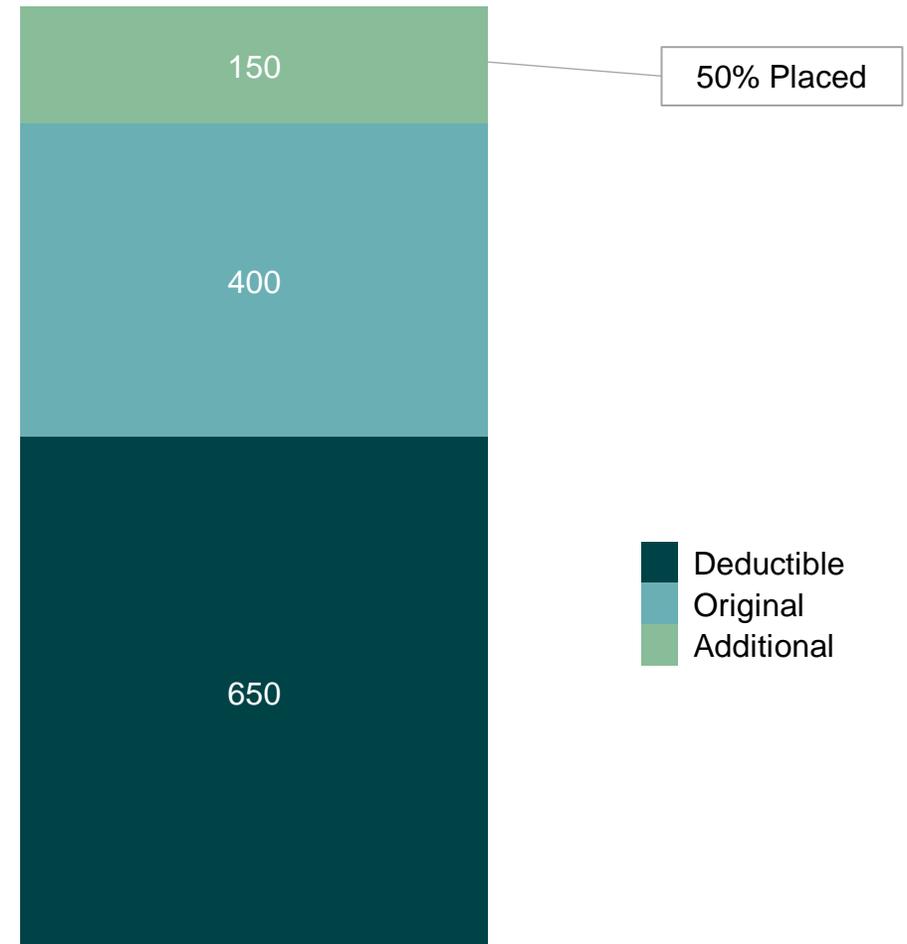
Suncorp undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this presentation (subject to ASX disclosure requirements).

Appendix: Reinsurance Cover

Main Catastrophe and Dropdown Cover



Aggregate Excess of Loss



Appendix: Natural Hazards Events

Date	Event	\$M	Date	Event	\$M
Jul-21	WA Cold Front	12	Nov-21	NSW QLD Rain & Floods	6
Jul-21	Southern Australia Low	7	Nov-21	Eastern States Rain & Floods	24
Jul-21	NZ Heavy Rain	32	Dec-21	December Rain & Storms	16
Aug-21	Eastern States Winter Winds	8	Dec-21	North Island Storms	5
Aug-21	North Island Storm	14	Dec-21	South Eastern Wind & Storms	14
Sep-21	NZ Spring Storm	10	Jan-22	January Hail & Storms	57
Sep-21	Mansfield Earthquake	56	Jan-22	Ex TC Seth	8
Sep-21	Eastern Australia Storms	18	Jan-22	Eastern States Rain & Storms	21
Oct-21	Eastern Australia Complex Low	44	Jan-22	VIC Rain & Storms	40
Oct-21	QLD Storms	17	Feb-22	Buller Heavy Rain	9
Oct-21	Coffs Harbour Hail	78	Feb-22	Western Sydney Hail & Storms	15
Oct-21	Thirlmere Hail	27	Feb-22	East Coast Flooding	60
Oct-21	Adelaide Hail	170	Mar-22	NSW East Coast Low	5
Nov-21	VIC Rain	10	Mar-22	QLD Storms	5
Nov-21	November Rain	10	Mar-22	March Storms & Flooding	5
Total events over \$5 million (as at end Mar 14)					803
Other natural hazards (as at Feb 28)					155
Total					958