

6 November 2020

Natural hazard update

Suncorp (ASX: SUN | ADR: SNMCY) today provided an update on the expected financial impact from the QLD NSW Hail event on 31 October 2020 and the total expected natural hazard costs during the first four months of the financial year.

As of 6 November, Suncorp had received around 6,400 claims related to the QLD NSW Hail event, comprising approximately 3,300 motor claims, 2,800 home claims and 300 commercial claims. Claims numbers are expected to increase, as customers continue to lodge their claims.

Including the QLD NSW Hail event, Suncorp currently estimates total natural hazard costs across Australia and New Zealand for the four-month period to 31 October 2020, will be \$348 - \$408 million. These estimates exclude any associated risk margin or claims handling expenses. Details of event costs during the period have been provided below.

Date	Event	Net costs pre-tax ¹ \$M
Jul-20	NSW QLD Low	24
Jul-20	NZ North Island Flooding	12
Aug-20	NSW ACT VIC Storms	11
Aug-20	Melbourne Eastern Suburbs Wind and Rain	15
Oct-20	NZ South Island Lake Ohau Bushfire	5
Oct-20	Eastern States Storms	30 – 50
Oct-20	QLD NSW Hail	180 – 220
Total events over \$5 million		277 – 337
Other natural hazard attritional claims		71
Total natural hazard costs as at 31 October 2020		348 – 408

Suncorp's FY21 natural hazard allowance is \$950 million. The allowance is divided equally between the first and second halves of the financial year.

Suncorp has a comprehensive reinsurance program in place for the FY21 financial year. The program is strengthened by an Aggregate Excess of Loss (AXL) protection, which provides \$400 million of cover in excess of a retention of \$650 million with an event deductible of \$5 million. The inclusion of the event deductible means Suncorp will retain the first \$5 million of each event. The maximum retention for a single event in Australia is \$250 million under Suncorp's main catastrophe program. Full details of the Group's reinsurance program are provided in the Suncorp FY20 Results Investor Pack.

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

ENDS

¹ Current estimate of natural hazard costs, subject to final actuarial and audit review

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