

25 June 2021

## Business Interruption Insurance Update

Suncorp (ASX: SUN | ADR: SNMCY) today provided an update on the High Court of Australia’s notification that special leave to appeal will not be granted for the Insurance Council of Australia (ICA) first industry test case. This test case relates to the application of the Quarantine Act exclusion to Business Interruption (BI) policies.

The High Court of Australia’s decision upholds the NSW Court of Appeal’s November 2020 judgment. This means certain policy exclusions referencing the “Quarantine Act and subsequent amendments” cannot be read as references to the Biosecurity Act, and therefore cannot be relied on in relation to COVID-19 BI claims. The decision does not mean that policies referencing the Quarantine Act will automatically respond to COVID-19 related claims.

Suncorp continues to monitor legal developments in relation to business interruption, including the second ICA BI industry test case which is due to be heard later in the 2021 calendar year.

Suncorp recommends that customers lodge any COVID-19 business interruption claims they may have. Claims lodged with Quarantine Act exclusions will be assessed as expeditiously as possible and in accordance with the policy terms and circumstances.

The Group’s provision for potential business interruption claims related to COVID-19 is \$214 million, as reported in the Group’s interim results in February this year. This provision amount is not expected to be impacted as a result of today’s decision from the High Court. The Group will complete a full review of its provisions as part of its normal processes to prepare the FY21 results.

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

**ENDS**

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