

7 November 2022

## Natural hazard update

Suncorp (ASX: SUN | ADR: SNMCY) today provided an update on the financial impact from natural hazard claims incurred over the period 1 July 2022 to 31 October 2022.

There had been five declared natural hazard events across Australia and New Zealand since the start of this financial year, resulting in a total of more than 13,000 claims as at 31 October. The total cost of these events to Suncorp is expected to be in the range of \$350 million to \$410 million, noting the extent of damage is still unfolding, with flood peaks still to be reached in some areas of regional NSW. Preliminary ranges are being provided based on lodgement patterns and historical average claims costs.

Suncorp Group CEO, Steve Johnston said the prevailing La Nina weather pattern had seen some areas of Victoria record their worst flooding in more than 100 years. This event has seen a higher proportion of large losses given the level of inundation.

“Our Customer Support Teams and assessors have been deployed to the hardest-hit areas of Maribyrnong, Rochester and Shepperton to provide on-the-ground support to our impacted customers,” Mr Johnston said.

“We’ve received approximately 4,600 claims off the back of these events in October and continue to urge those that can do so to lodge their claim online so we can get the recovery process underway as quickly as possible,” he said.

“Our current priority is assessing the damage, scoping out the works needed and starting repairs as quickly as we can. With some communities still hard to access, we are also using digital platforms and virtual assessment technology where we can, to proactively assist customers.”

The current estimate of natural hazard costs, including attritional claims, for the financial year to 31 October is outlined in the table below. These estimates exclude any associated risk margin or claims handling expenses.

Date	Event	Net estimated costs
		\$million
Jul-22	Sydney East Coast Low	90
Aug-22	Southern Australia Winds and Storms	20
Aug-22	NZ North Island and Top of South Island storm	20
Oct-22	Victoria Rain and Floods	180 – 220
Oct-22	NSW/VIC Rain and Floods	40-60
<b>Total events over \$10 million</b>		<b>350 – 410</b>
Other natural hazard attritional claims (below \$10 million)		120
<b>Total natural hazards from 1 July 2022 - 31 October 2022</b>		<b>470 – 530</b>

Suncorp’s natural hazard allowance for FY23 is \$1,160 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 major events. The maximum event retention on the main catastrophe program is \$250 million. There is also dropdown aggregate protection and aggregate excess of loss protection which provides additional cover for small and medium events. The full limits remain available on all of the Group’s reinsurance covers. Full details of the current reinsurance program are outlined in Suncorp’s FY22 Results Investor Pack.

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

**ENDS**

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