

31 July 2024

Suncorp Group completes sale of Bank to ANZ

Suncorp Group (ASX: SUN | ADR: SNMCY) today announced the successful completion of the share sale and purchase agreement with Australia and New Zealand Banking Group Limited (ANZ) to sell its banking business (the Bank), as announced on 18 July 2022.

Suncorp Group Chairman Christine McLoughlin said the completion of the sale of the Bank marked a critical juncture in Suncorp’s history and resulted in Suncorp Group becoming a dedicated Trans-Tasman insurance business, proudly headquartered in Queensland.

“The Board continues to expect the net proceeds from the sale to be around \$4.1 billion. Consistent with the approach taken in previous divestments, it is our intention to return the majority of these net proceeds to shareholders, primarily by way of a capital return and a smaller fully franked special dividend component. We anticipate this will occur around the first quarter of the 2025 calendar year, with timing dependent on receipt of a ruling from the Australian Tax Office and approval from the Australian Prudential Regulation Authority,” Ms McLoughlin said.

“Shareholder approval will also be sought on resolutions pertaining to the sale of the Bank at our 2024 Annual General Meeting to be held in October. This includes the return of capital and consolidation of ordinary shares and the required amendments to the Suncorp Constitution to reflect Suncorp’s commitments to the Queensland Government under the Metway Merger Act.

“I thank our people and shareholders for their patience throughout the extensive process.”

Suncorp Group CEO Steve Johnston said the completion of the sale was a significant strategic milestone and enabled Suncorp as a dedicated insurer to sharpen its focus on the way it delivered insurance to its customers and value for shareholders.

“With a heritage dating back to 1902 as the Queensland Ag Bank, Suncorp Bank has been an important part of the Suncorp Group supporting communities across both Queensland and Australia,” Mr Johnston said.

“I’m pleased the Bank has been handed over in good shape to ANZ, reflecting our clear strategy to improve its overall performance and risk maturity over the past four years, and I wish the team continued success in the future,” he said.

“As a pureplay insurer, Suncorp Group can now look forward to investing in our business and delivering greater value for our customers and communities as well as our shareholders,” he said.

“Our capacity to innovate, further digitise and deliver better customer experiences, as well as tackle critical challenges such as the impacts of climate change will also be significantly enhanced.

“We are also pleased to be able to get on with the important job of delivering on the commitments agreed with the Queensland government as part of this transaction, including investment in a disaster response centre of excellence out of our Brisbane headquarters, and the establishment of a regional hub in Townsville set to employ around 120 people.”

The transaction received approvals from the Australian Competition Tribunal on 20 February 2024 and the Federal Treasurer under the Financial Sector (Shareholdings) Act on 28 June 2024. The Queensland government also passed legislation in June 2024 to amend the Metway Merger Act, which following proclamation has now taken effect.

As previously announced, Suncorp has entered into a Transitional Services Agreement with ANZ to provide a range of services to Suncorp Bank. The majority of transitional business and technology services are planned to be exited within two years and the remainder exited no later than five years post completion.

Authorised for lodgement with the ASX by the Suncorp Group Board.

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