

SUNCORP 

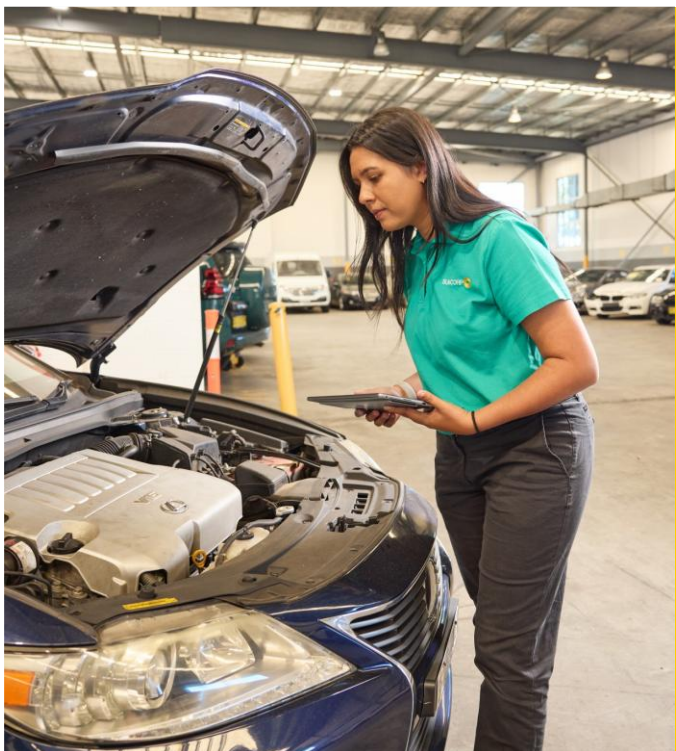
Financial Results

For the year ended 30 June 2025

14 August 2025

SUNCORP GROUP LIMITED
ABN 66 145 290 124





SUNCORP 

FY25 Overview

Steve Johnston
Chief Executive Officer

Good morning and welcome.

For those joining us in the office, if there is a need to evacuate, please follow the instructions of our team.

Let me begin by acknowledging the traditional owners of the lands on which we meet and pay our respects to Elders – past and present.

Today, I am joined by our CFO, Jeremy Robson to present our financial results for FY25. The other members of our leadership team will join Jeremy and I for the Q&A session that follows.

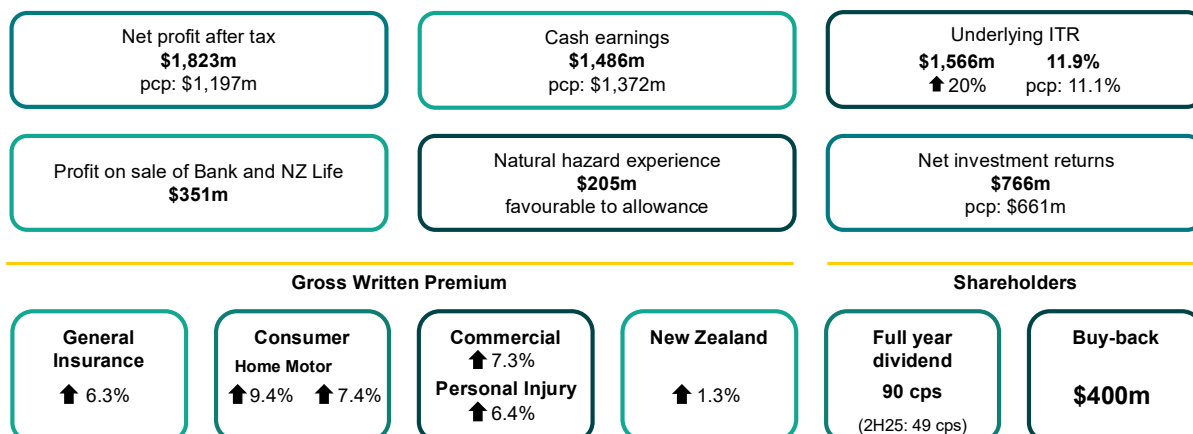
Purpose driven, delivering strong outcomes for the long term



This is a slide I always start with – it's what we refer to as our value creation framework. It shows why grounding our organisation through purpose is so important to us.

Our purpose, delivered through our people, to support our customers and the community, in that order, will always lead to financial outcomes for our shareholders.

Result snapshot



Note: All movements are FY25 relative to the prior corresponding period

On this slide I have captured the key numbers from the full year result. Net profit after tax of \$1.823 billion was supported by the one-off profit on sale from the Suncorp Bank and New Zealand Life operations. Cash earnings, which backs out these numbers, was \$1.486 billion.

The underlying performance of the business is best reflected in the underlying insurance trading result which has increased by 20% to \$1.566 billion, or on a ratio basis to 11.9%.

Natural hazard costs of \$1.355 billion were \$205 million below our allowance. Investment returns were again a significant contributor to the result, continuing to demonstrate the resilience of investment markets and the outperformance of our manager panel.

On the bottom left of the slide, I've included the high-level GWP results where we have landed largely as guided. The premium moderation reflects lower input costs, more benign inflation and the outworkings of a competitive market. Our approach at this point of the cycle is to manage price and volume to optimise margin, while maintaining appropriate levels of growth across the portfolio. We remain very confident that the strength of our brands and the quality of our underwriting will allow us to achieve these dual objectives.

And finally, the Board has declared a final ordinary dividend of 49 cents per share, bringing the full year dividend to 90 cents per share.

We are also announcing a \$400m buy-back which is the maximum possible for FY26 given trading windows, blackout periods and average daily volumes. Jeremy will provide more detail on capital and I will come back to this in my outlook comments.

Our impact – delivering for stakeholders

CUSTOMERS

\$9.8bn

total claims paid

17 natural hazard events¹

~123k natural hazard claims managed

Average customer life of claim time reduced:

Home down by 9 days

Motor down by 13 days

COMMUNITIES

\$11.2m

total community investment²

Additional \$3m invested into community resilience research over the next three years

\$2.1bn suppliers and other fees paid

TAXES

\$541m

corporate income tax paid in FY25

FY24: \$3.0bn taxes paid to or collected on behalf of government



Disaster ready

- State-of-the-art Disaster Management Centre to coordinate national response efforts
- Five Mobile Disaster Response Hubs to support customers in weather-impacted communities
- Townsville Regional Hub will allow for greater insights and communication with local customers and stakeholders during severe weather events

1. Events over \$10m

2. Community investment covers cash, time, and in-kind contributions made to community causes

Of course our business is about far more than just the headline financial metrics.

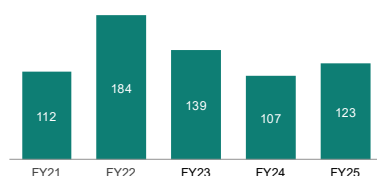
I've spent a lot of time this year visiting customers, communities and industry stakeholders across Australia and New Zealand, talking about the important role insurance plays in our society and advocating for an increased focus on risk reduction, resilience and mitigation. At each and every customer visit I am reminded of the crucial role we play in our customers lives, and the difference we make when we get it right, as we do in the vast majority of cases. Equally, I understand the impacts if we get it wrong.

This year we've responded to more than 120,000 natural hazard claims from extreme weather events across Australia and New Zealand and paid out \$9.8 billion across all categories of claims.

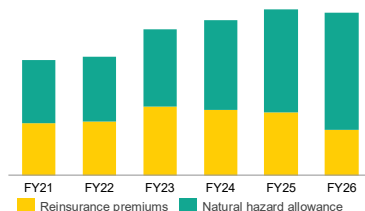
Our ability to support customers and the wider community during these events has been enhanced through our investment in a disaster response centre based out of our Brisbane headquarters, which I know many of you have been able to visit. This, and the establishment of a regional hub in Townsville, are core parts of our commitments as agreed with the QLD government through the sale of the Bank. These facilities ensure we're better prepared to respond – before, during and after disaster strikes.

Factors driving insurance pricing

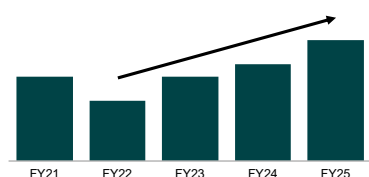
NUMBER OF NATURAL HAZARD CLAIMS
(‘000s)



COST OF NATURAL HAZARDS



HOME COST PER POLICY INFLATION



MOTOR COST PER POLICY INFLATION



1. Suncorp HomeRepair Study, May 2025
2. Source: CHOICE, 2023

NOTES

- Managed around 660k natural hazard claims over the last five years
- \$820m increase in natural hazard allowance from FY21 to FY26
- Moderating reinsurance costs reflecting improved reinsurance loss ratios and greater capacity in the market
- Motor premium increases moderating in line with claims inflation
- Sticky Home inflation with increased severity in fire and water claims

FLEXI-HOSES AND LITHIUM-ION BATTERIES

- HomeRepair trial inspected 1,800 flexi-hose pipes / water pressure tests in 650 homes¹
- 30% of flexi-hoses replaced / water pressure devices installed in 60% of homes
- Average Australian home will possess 33 lithium-ion devices by 2026²
- Suncorp review from 250 claims of \$500k+ found the proportion of lithium-ion related ignition has doubled from 9% to 18% over the last five years

Insurance affordability has remained a topic of interest over the course of FY25. Here is an update of a slide I have used at the last couple of result presentations, detailing the factors that have driven insurance pricing over the past five years.

On the top left of the slide, I've shown the absolute number of natural hazard claims by year. Even though we have landed below our allowances in FY25 the absolute number of natural hazard claims remains in line with most recent trends.

To the top right is the good news. After a multi-year price and capacity reset, reinsurance markets have stabilised, with combined reinsurance and natural hazard costs slightly lower in FY26 than FY25. This will take pressure off premiums, particularly in the Home insurance portfolio.

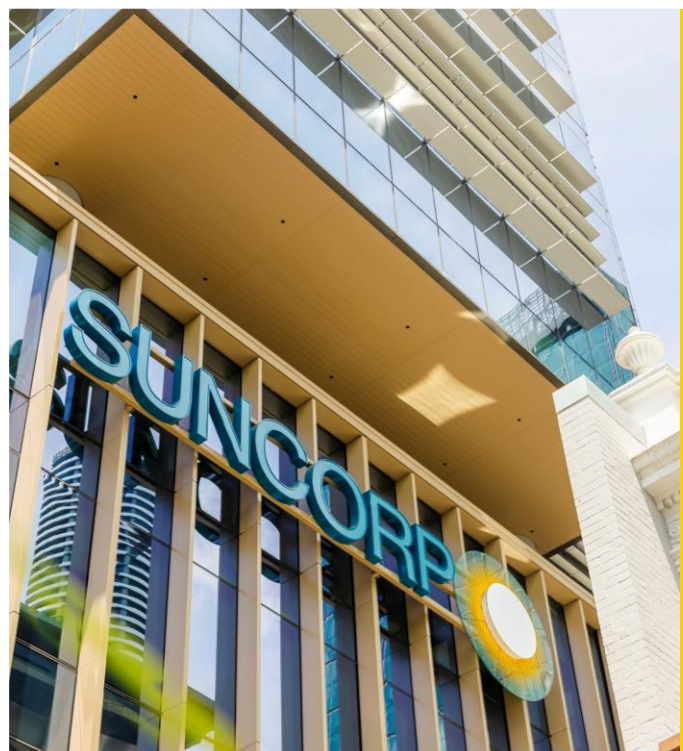
On the bottom of the slide, I've plotted cost per policy annual inflation for both Home and Motor. In Motor, the good news is that repair capacity has been restored and supply chain inflation has continued to moderate.

It's a slightly different story in Home, with reductions in reinsurance costs being offset by the emergence of two key risk factors inside the Home – flexi pipes and lithium batteries driving escape of liquid and large loss fire claims. I've included some detail on the slide and am happy to discuss this in more detail in the QnA.



FY25 Financial Results

Jeremy Robson
Chief Financial Officer



Result summary

GROUP P&L

	FY24 (\$m)	FY25 (\$m)	Change (%)
Consumer Insurance	424	686	61.8
Commercial & Personal Injury	381	422	10.8
Suncorp New Zealand	195	362	85.6
General insurance profit after tax¹	1,078	1,542	43.0
Other profit (loss) after tax	(66)	(90)	(36.4)
Cash earnings from continuing operations	1,012	1,452	43.5
Suncorp Bank profit after tax	379	18	(95.3)
Life insurance profit after tax	18	19	5.6
Other profit (loss) from discontinuing operations	(37)	(3)	91.9
Cash earnings	1,372	1,486	8.3
Net profit (loss) from divested operations	(161)	351	n/a
Acquisition amortisation (after tax)	(14)	(14)	—
Net profit after tax	1,197	1,823	52.3

1. Includes internal reinsurance (FY25: \$72m; FY24: \$78m)

2. Earnings per share has been restated to reflect the share consolidation in February 2025. The weighted average number of ordinary shares have been retrospectively adjusted, effective 1 July 2023, for the share consolidation with no change to earnings reported in prior comparative periods.

3. Dividends per share are presented on the basis on which they were reported, calculated using the number of shares on issue on the record date. The FY25 interim ordinary dividend of 41 cents per share (and the special dividend of 22 cents per share) reflects the share count prior to the consolidation associated with the Bank capital return and have not been restated. The FY25 final ordinary dividend of 49 cents per share is calculated using the post-consolidation share count.

4. Includes a fully franked special dividend of 22 cents per share.

SHAREHOLDER RETURNS

\$1.37 Cash earnings per basic share ²	\$0.90 Total ordinary dividend per share, fully franked ³	\$3.22 Capital returned per share from Bank sale ⁴	33.3% Total shareholder return
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NOTES

- Strong underlying profit growth also supported by one-off profit from sales of Suncorp Bank and NZ Life, strong investment returns and favourable natural hazards experience
- Total shareholder returns driven by improved return on capital and strong distributions
- Total ordinary dividend payout ratio for the year of 71% of cash earnings, in line with guidance

Thanks Steve and good morning everyone.

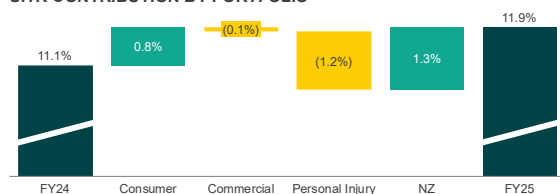
Well Steve's already touched on the group highlights, but I'd just like to reinforce a few key points. Notwithstanding our net profit was up 52% to \$1.8bn, assisted by the gain on sale of the Bank and NZ Life, as well as favourable investment markets, Natural Hazards and PYRR, our underlying insurance profit was also up a healthy 20%.

And it was pleasing to deliver another rewarding year for our shareholders:

- We returned a total of \$4.1b of capital from the sale of the Bank.
- We achieved a total shareholder return of 33% for the year.
- The full year dividend is 90cps, fully franked.
- And we have today announced a \$400m buyback to be executed over FY26, with a residually strong balance sheet.

General Insurance – underlying margin

UITR CONTRIBUTION BY PORTFOLIO



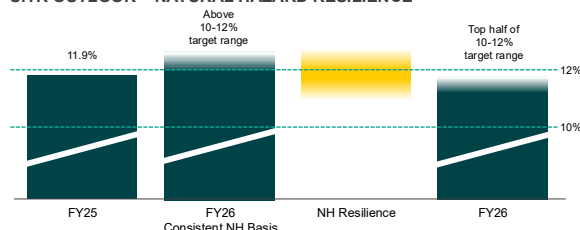
NOTES

- Margin improvement driven by the earn through of price increases that reflected inflation and a higher natural hazards allowance, especially in Consumer and New Zealand
- Personal injury impacted by higher loss ratios in Queensland and New South Wales CTP and a reduction in the reserve release assumption
- Margin improvement expected as pricing continues to earn through, including increases in the key CTP portfolios
- Further investment in the natural hazard allowance to improve resilience of margin

UITR OUTLOOK KEY DRIVERS

Driver	FY26 outlook	Comments
Pricing, claims, expenses	Tailwind	Earn through of pricing increases in prior periods, future CTP pricing impacts
Net investments and PV	Headwind	Lower exit yield, ILB returns moderating in line with inflation
Reinsurance	Tailwind	Rate savings on FY26 renewal
Natural hazard allowance	Headwind	Additional resilience built into allowance
FY26 UITR	Top half of 10-12% target range	

UITR OUTLOOK – NATURAL HAZARD RESILIENCE



So now let's get into the results in a bit more detail, starting with underlying margin.

The UITR improved by 80bps to 11.9%, with 12% for the 2H, at the top end of our 10-12% range. This reflected the earn through of pricing and moderating input costs, but with some headwinds from lower investment returns and PYRR.

On a portfolio basis, the increase was driven by Motor and New Zealand, where inflation has eased significantly, offset by deteriorating loss ratios in both the QLD and NSW CTP portfolios and elevated fire and water claims in Home.

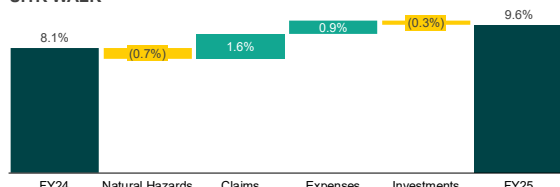
Looking forward, we expect the FY26 margin to continue to be in the top half of the range.

Importantly, with a favourable FY26 reinsurance renewal, we've also further strengthened the sufficiency of our NHA, now at \$1.77bn for FY26. On a like for like basis, the underlying margin outlook would have been above the top end of our target range. And we believe this adds resilience and quality to our underlying ITR.

Within this margin outlook, we are also continuing to focus on organic growth, as well as investment in our key strategic imperatives of platform modernisation and operational transformation. And the PYRR assumption is now down to just 30 basis points.

Consumer

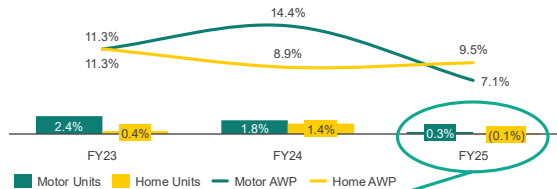
UITR WALK



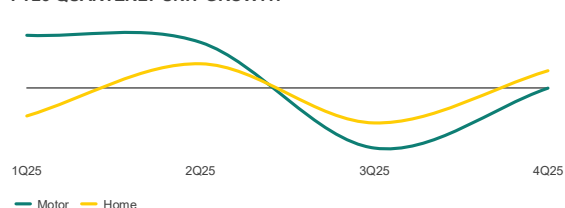
NOTES

- AWP reflects inflation trends in Home and Motor, unit growth trends positive into FY26
- Unit growth in Q3 impacted by disciplined approach to pricing in Motor
- Broadly flat unit growth in Home
- Sticky Home claims inflation primarily due to fire and water severity
- Margins overall are now within the target range reflecting the earn-through of pricing changes and an improved underlying net loss ratio

HOME AND MOTOR PORTFOLIO GROWTH



FY25 QUARTERLY UNIT GROWTH



I'll now move to the divisional results starting with Consumer.

In Motor, GWP increased 7%, reflecting the impact of moderating inflationary pressures.

As expected, unit growth was softer in Q3 as we maintained a disciplined approach to pricing for inflation. Pricing and marketing changes were implemented in Q3 giving an improved position for renewals and strike rates in Q4 and then into FY26.

In Home, GWP grew by 9% as we continued to price for a higher natural hazard allowance.

A broader market contraction contributed to flat unit growth in Home for the year, although we also saw improved momentum in Q4 and into FY26.

UITR for Consumer improved from 8.1% to 9.6%.

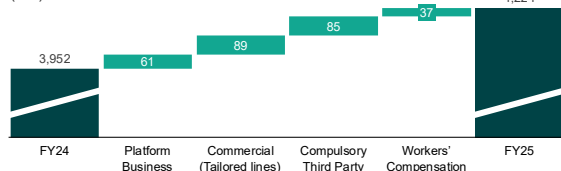
In Home, whilst the higher NHA has been priced for, we experienced elevated severity in both Fire and Water claims.

In Motor, claims inflation continued to moderate with easing supply chain constraints improving repair capacity.

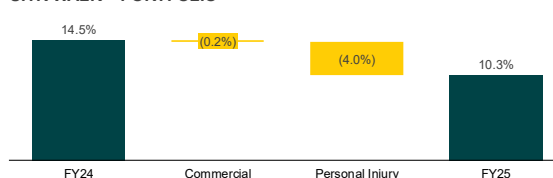
Looking forwards, we expect margins in Home to continue to improve and Motor to moderate both towards their respective target levels.

Commercial & Personal Injury

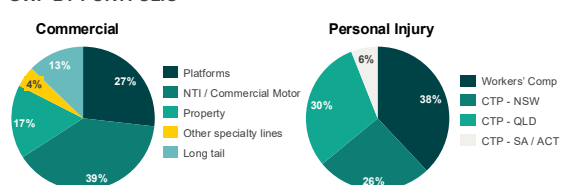
GWP WALK (\$m)



UITR WALK – PORTFOLIO



GWP BY PORTFOLIO



NOTES

- C&PI NPAT up 10.8% driven by the earn through of rate increases, favourable prior year reserve movements and investment income
- Decline in underlying margin predominately driven by higher loss ratios in Queensland and New South Wales CTP and a reduction in the Group's reserve release assumption from 0.7% to 0.4%
- Price increases in NSW CTP in January addressed higher claims frequency
- Queensland CTP remains onerous but the pricing ceiling is expected to increase from October, with ongoing, constructive engagement with the Government on the sustainability of the scheme

Next then to Commercial and Personal Injury.

GWP growth of 7% was across most portfolios.

Now an important feature of our Commercial business is the portfolio diversification – which you can see in the pie chart on the slide. Whilst market rates are under pressure for top end property and financial lines, these are a relatively smaller part of our portfolio. We've seen very strong growth in platforms with improved broker connectivity, as well as good growth in our fleet and heavy motor portfolios.

UITR in Commercial was largely flat across the year and remains strong, albeit with some ongoing price remediation across the packages portfolio.

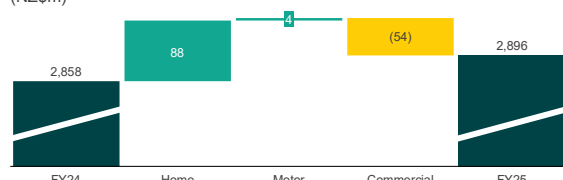
The UITR for Personal Injury is below target and has been impacted by:

- Weaker industry loss ratios in CTP in Qld and NSW
- Lower investment income with a reduced ILB carry
- And lower expected PYRR, as we've been flagging

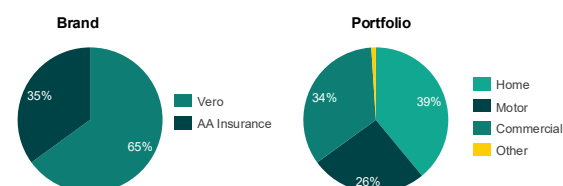
UITR for Personal Injury is, however, expected to improve strongly following pricing changes in NSW CTP in January and announced and expected price increases for Qld CTP. We're continuing to engage constructively with the Queensland government for scheme reform, which is also expected to continue to improve returns to sustainable levels over time.

New Zealand

GWP WALK
(NZ\$m)



GWP BY BRAND AND PORTFOLIO



UITR WALK



NOTES

- Growth driven by unit and pricing increases in Consumer, partially offset by a contraction in Commercial reflecting a softer market and competition
- Higher underlying margin reflects earn through of price increases, lower reinsurance costs and moderation in working claims experience
- Underlying margin reduced in 2H25 in line with easing price increases, margins to continue to moderate towards target levels in FY26
- Completed the sale of Asteron Life Limited on 31 January 2025

Turning then to New Zealand.

The standout feature was the 19% UITR, with the earn through of the rapid pricing response to significant increases in input costs in recent periods, with current period claims inflation and reinsurance costs moderating significantly.

The NZ business is also diversified and GWP growth of just over 1% was mixed across our portfolios.

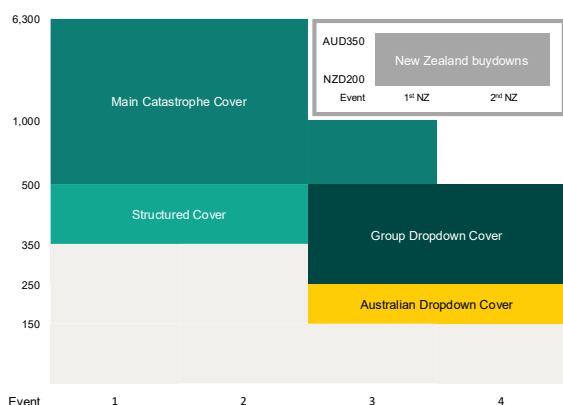
In Consumer, Home growth continued to be strong, with both AWP and unit growth. And in Motor we saw ongoing unit growth, albeit with reducing premiums reflective of the strong margin position.

GWP growth for Commercial in New Zealand has been impacted by the softer competitive market conditions as well as clients shifting to higher risk retentions.

Going forwards, we continue to expect margins to normalise towards the top end of the target range for New Zealand in FY26 as price increases have now moderated in line with inflation.

Reinsurance

FY26 REINSURANCE PROGRAM



STRATEGIC REVIEW

- A strategic review of reinsurance structures explored a range of markets and both traditional and alternative reinsurance structures, including whole of account quota shares and aggregate cover programs
- Key objectives included optimising return on equity and managing earnings volatility whilst retaining profitable exposures, with the overarching objective of maximising long-term shareholder value
- Suncorp engaged with several strategic partners and global experts in carrying out the review

NOTES

- Placement benefitted from improved capacity in the reinsurance market, cost expected to be below FY25
- Two speed market – main cat constructive; aggregate covers remain expensive
- Changes made to the structure of the program to optimise coverage under current market conditions

Moving to reinsurance.

As previously flagged, we undertook a comprehensive strategic review of reinsurance last year.

We engaged with a broad range of strategic partners and global experts, and we explored all reinsurance markets, both traditional and alternative – including WAQS and aggregate covers.

Our key objectives were to optimise capital efficiency relative to our cost of equity and manage volatility, all with the overarching objective of maximising long term shareholder value creation.

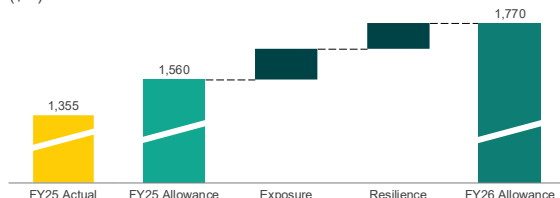
Our review emphatically concluded that the comprehensive programme finalised for FY26 best met these objectives. We are confident in our underwriting capabilities and our ability to identify and retain profitable exposures for our shareholders.

The programme sees improved efficiency with some changes from the FY25 programme, achieving a very similar level of risk retention, but at a significantly lower cost.

Now whilst favourable rates were achieved on the main Cat programme and this market remains very constructive, the market for aggregate covers is markedly different and remains more constrained and expensive.

Natural hazards

FY25 NATURAL HAZARDS VS ALLOWANCE
(\$m)



NOTES

- FY25 natural hazards experience 13% below allowance driven by favourability in Australia, and to a lesser extent, New Zealand
- FY26 allowance of \$1,770m reflects portfolio growth and additional resilience built into the allowance

NATURAL HAZARDS RESILIENCE

- FY26 reinsurance program and NHA was modelled against natural hazard experience from the last 10 years

Seven out of the last 10 years would have been favourable to allowance¹

Cumulative favourability to allowance:
5 years ~\$650m
10 years ~\$1.5b

100% of net favourability would have been retained by Suncorp shareholders

1. 10-year modelled look-back is calculated by adjusting the natural hazard experience in each year for the current reinsurance program, current natural hazard allowance, current portfolio and inflation

Now to natural hazards.

Having increased the NHA from \$1.36bn to \$1.56bn in FY25, our natural hazards costs for the year were below the allowance by \$205m.

This result reflects favourable experience, particularly in the first half – and the impact of the ground up cover from the Cyclone Reinsurance Pool.

The cost of attritional events has increased with additional claims management resourcing following the Parliamentary Flood Inquiry and ongoing investment in our NH claims management capability.

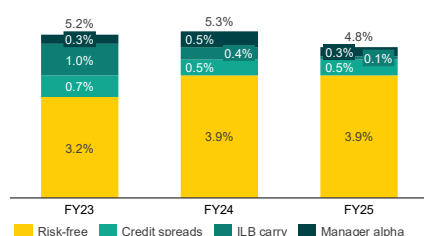
The allowance for FY26 will increase further to \$1.77b. About half of the increase relates to portfolio growth and inflation; and the other half relates to an investment in the level of sufficiency and resilience of our NHA.

To put this into context, our modelling shows that, based on the current reinsurance program and current exposures and costs on a like for like basis, the FY26 allowance would have been sufficient in seven of the last ten years and four out of the last five years.

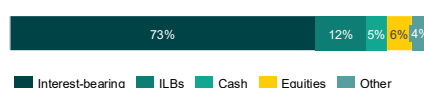
And over the 10 period we would have cumulatively been below the allowance by around \$1.5b. That is profit that would have been retained by Suncorp shareholders and not paid out to third parties.

Investment market impacts

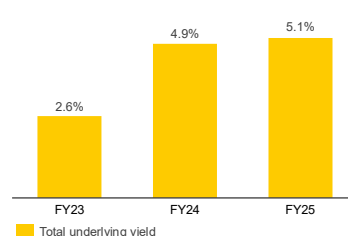
UNDERLYING YIELD (AU INSURANCE FUNDS)



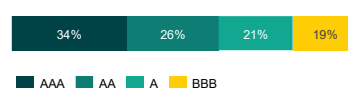
PORTFOLIO ASSET ALLOCATION (GROUP)
(% of total investment assets)



UNDERLYING YIELD (NZ INS. FUNDS)



INVESTMENT GRADE (GROUP)
(% of total fixed income; includes ILBs)



NOTES

- Higher investment income driven by positive mark-to-market movements and shareholders' funds
- Moderation in underlying yield primarily due to lower ILB carry
- Shareholders' fund returns supported by strong equity and infrastructure performance
- High quality portfolio well matched to insurance liabilities

SAA REVIEW

	FY25	FY26
Ins. Funds	<ul style="list-style-type: none"> ILBs Fixed income Cash Convertibles Other assets 	<ul style="list-style-type: none"> ILBs Structured credit Cash Infrastructure Property
SH funds		

On to investment performance.

The average underlying yield on insurance funds was lower reflecting risk-free returns in line with the prior year, but with a lower ILB carry.

And our investment managers continue to perform strongly across both funds, albeit at a lower level.

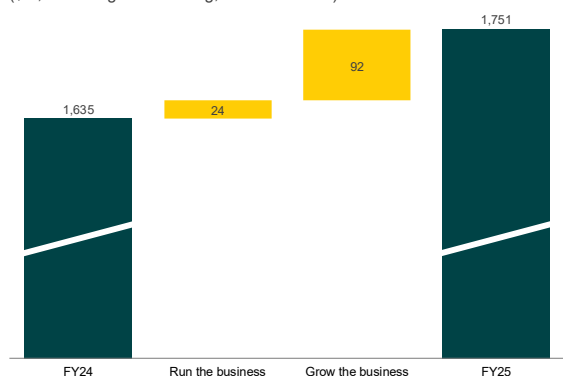
You will see that we have made some changes to our investment allocations over FY25, with a reduced allocation to ILBs in Insurance funds and some rebalancing from cash and convertible notes across other asset classes in shareholder funds.

Going forwards, we'll continue to adjust the investment allocations to achieve a closer match to our latest Strategic Asset Allocation. We expect an ongoing reduction in exposure to ILBs and a modest allocation to structured credit in Insurance Funds. And a further reallocation from cash to infrastructure and property in shareholders' funds as suitable opportunities arise.

And finally, our insurance funds remain well matched to the underlying claims and the investment portfolios continue to be high quality.

Operating expenses

GENERAL INSURANCE OPERATING EXPENSES¹ (\$m; excluding restructuring, ESL and TEPL)



¹ General Insurance operating expenses include NDAE (FY25: \$61 million, FY24: \$56 million)

NOTES

- Grow the business increase primarily reflects investment in digital transformation, including most notably the Digital Insurer program
- Run the business expenditure increase driven by industry-wide inflationary pressures partially offset by operational efficiencies from technology cost optimisation
- General Insurance expense ratio improved 100bps to 18.6%

GI Ratios	FY24	FY25
Opex	13.9%	13.3%
Commission	5.7%	5.3%
Expense	19.6%	18.6%

Turning then to expenses, and I've focussed here on General Insurance operating expenses given the changes to the group.

Operating expenses increased by 7%.

This was largely in our growth-related costs, driven by investment in the Digital Insurer policy admin system, which is now live in AA in NZ, a new People enterprise system and investment in AI capability and use cases.

We also increased our spend on marketing, particularly Search Engine Marketing in Q4.

Run the business expenses increased modestly, as productivity improvements continue to help offset wage and technology inflation.

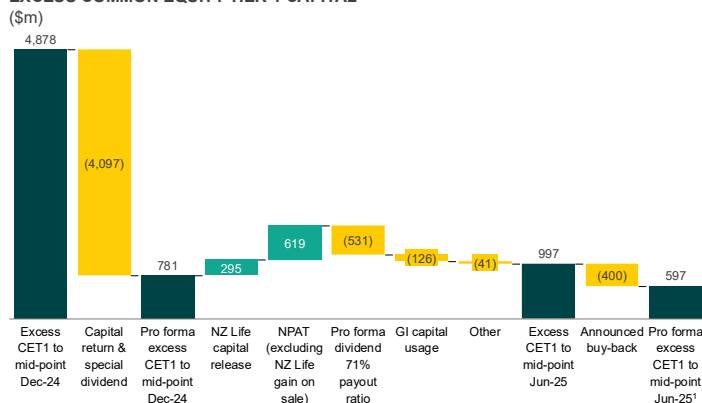
And our total expense ratio reduced by 100bp to 18.6%, slightly better than the guidance provided at the first half.

Going forwards, we continue to aim to keep our run costs as low as possible through operational efficiencies, as we continue to invest in our key strategic priorities of platform modernisation and operational transformation, including AI.

For FY26, we expect our total expense ratio to remain largely consistent with FY25.

Capital

EXCESS COMMON EQUITY TIER 1 CAPITAL



1. The closing excess CET1 to the mid-point of the target range includes \$145m of NZ Life sale proceeds

NOTES

- Capital position supported by strong organic generation, and capital released from the sale of the New Zealand life business
- Fully franked ordinary dividend in line with policy
- Capital usage in the general insurance business primarily for higher natural hazard allowance (net of lower reinsurance costs), business growth, and changes to strategic asset allocation
- Announced \$400m buy-back demonstrates disciplined capital management and strong capital position
- The pro forma excess CET1 includes \$145m of deferred New Zealand life sale proceeds
- Excess capital position reflects holding capital in the top half of target range to optimise capital flexibility

Now to Capital.

Following capital generation over recent periods as we completed the Bank sale, we now retain a very strong capital position, with CET1 of \$997m above the midpoint of our target. This has been generated over recent periods by the sale of NZ Life, ongoing organic generation and capital target changes.

I'll just make a few comments on the usual capital walk on the slide.

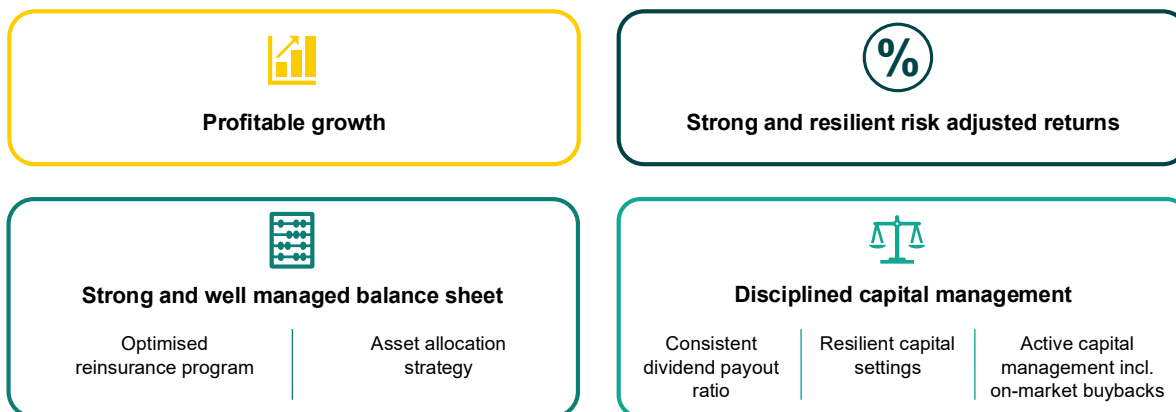
- The Bank capital return of \$4.1bn was completed in March.
- The Life capital release is now \$295m, noting that \$145m of this amount will become available when the second tranche is received in July 2026.
- The final dividend of 49cps represents a full year payout ratio of 71%, around the midpoint of our target range.
- And then, the GI Capital usage was largely from the higher FY26 natural hazard allowance (net of lower reinsurance costs), business growth and changes to strategic asset allocation.

Now having completed the Bank capital return in the first half, we have announced today a \$400m buyback to be completed over the course of FY26, commencing in September. I would also make the point that a \$400m buyback is our estimate of what can be efficiently achieved over a 12-month period.

Going forwards, capital excess to our needs is expected to be returned to shareholders in the form of ongoing buybacks. I also note that we have a preference for managing our capital in the top half of the range as opposed to hard on the mid-point in order to optimise ongoing capital flexibility.

Investment thesis

Financial settings for long-term value creation



And I'll finish by quickly touching on the financial settings that we believe will drive long term value creation at Suncorp.

Firstly, we're committed to profitable and sustainable growth. We've demonstrated this in our disciplined approach to motor pricing, as well as our approach to the current softer rate cycle in Commercial. We've good growth opportunity across all portfolios, but particularly in Commercial. And our focus on platform modernisation and operational transformation is designed to deliver leading customer experience and competitive pricing both to drive growth.

Secondly, we deliver strong and resilient risk adjusted returns. Our UITR targets now include even more resilience to NH risk, as well as the inclusion of a sustainable investment programme to support our growth aspirations, and significantly reduced reliance on PYRR.

Thirdly, we have a disciplined approach to capital management. As evidenced by the Bank sale capital return, being the same amount as committed to back in June 2022, today's announcement of the \$400m buyback for FY26 and our long-term shareholder value approach to the FY26 reinsurance renewal.

And finally, we have a strong and well managed balance sheet, providing significant flexibility. We maintain an appropriately high-quality investment portfolio, a comprehensive reinsurance programme and a very robust capital position and target framework.

We continue to believe this is a compelling framework for Suncorp to deliver superior shareholder value.

And with that, I'll hand you back to Steve.

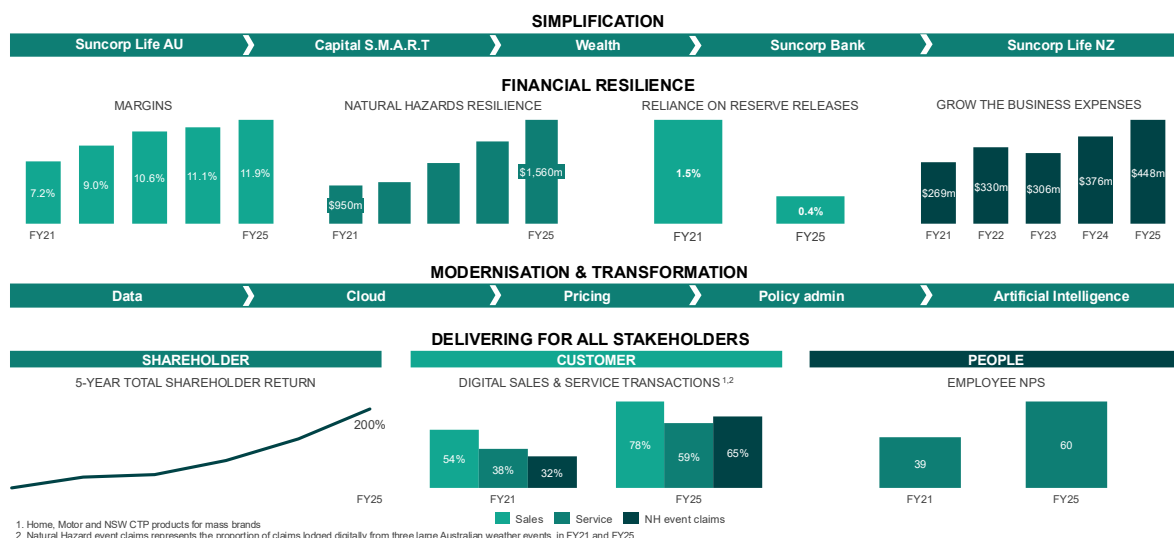


SUNCORP 

Strategic Outlook

Steve Johnston
Chief Executive Officer

Our transformation journey



Thanks Jeremy.

Five years ago we reset our strategy and set an ambition to build a simplified, resilient and growing Suncorp that delivers for all stakeholders.

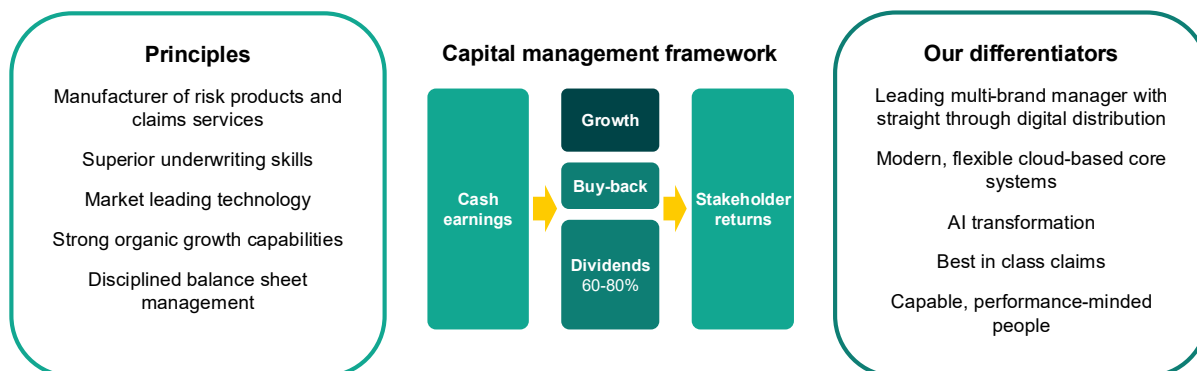
This slide is a summary of our progress over the past five years against those four objectives. It's reasonably self-explanatory.

The sale of Asteron Life in New Zealand brings to an end the simplification journey and has seen the emergence of Suncorp as a pure play insurer. Given the complexities, the simplification program alone would constitute a significant achievement.

However, alongside simplification we have built significant resilience into our BAU financial metrics. We are now consistently delivering margin to the top end of our guidance range, with that margin inclusive of a material reset in natural hazard allowances and record investment in the business, with the key programs of work that will completely transform our business, captured in the middle of the slide.

Settings

Trans-Tasman general insurer with core insurance capabilities and disciplined balance sheet management



With the simplification complete, our business financially resilient and the platform build well underway the question inevitably turns to what's next?

Let's me start with some high-level strategic principles.

We see ourselves as a skilled manufacturer of risk products, with superior underwriting capabilities enhanced by technology. Hence our bias is to leverage that capability for our shareholders rather than the shareholders of others in the insurance value chain.

Thats not to say we won't look for opportunities to utilise other's balance sheets where we can achieve superior returns on capital and reduced volatility. But I apply the caveat that anything fitting into this category has to be sustainable longer term and with trusted counterparties.

Our preference is for organic growth, albeit we recognise there may be opportunities to supplement our footprint as we move deeper into the current insurance cycle and assets become challenged.

We will always retain a disciplined approach to our balance sheet and capital levels - holding adequate buffers, paying to the mid-point of our payout range and using a perpetual buyback facility to return excess capital to shareholders. All along creating long term shareholder value. I've mapped this in the middle of the slide.

To the right of the slide, I've given you our five key differentiators which I will expand upon now ahead of our Investor Day in late October where we will cover in detail.

Best in class brands

Differentiated brand propositions supported by digital fulfilment

BRAND POSITIONING



1. Source: Ipsos Personal Insurance Brand Health tracking (based on 12-month moving average)

NOTES

- Differentiated brand value propositions with tailored products and experiences to target different market segments
- ~60% of Australians consider one of the Suncorp brands in their top two choices¹
- Delivering simple, digital first customer experiences including enhanced digital distribution capabilities

In distribution, our multi brand strategy remains a key differentiator - allowing us to access a broader customer base than any of our market competitors. We will continue to optimise our brand reach and market segmentation, reducing brand overlap and specifically focussing in on geographies where we see material growth opportunities.

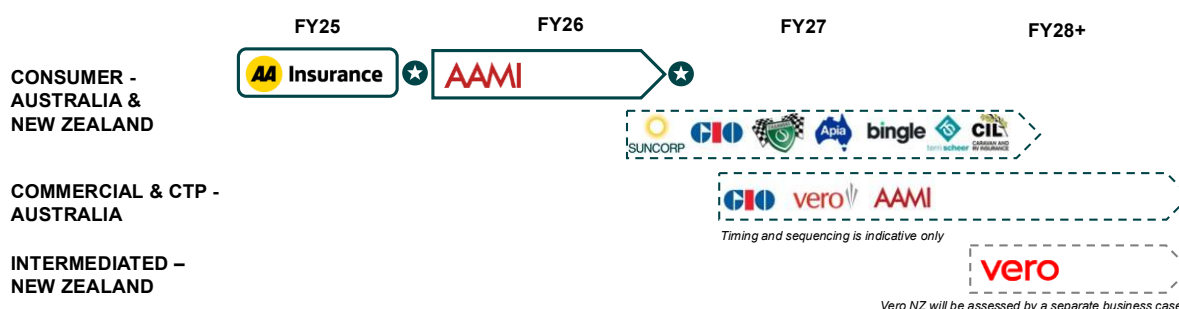
Digital remains our preferred method for routine sales, service and claims lodgement. However, as we build out our platforms and continue to invest in AI we see an opportunity for straight through processing and fulfilment of more complex processes, with limited - to no - human intervention.

Platform modernisation

Developing market leading, innovative customer products through simplified, modern platforms



POLICY ADMINISTRATION FLIGHT PLAN



At the core of our strategy is our platform modernisation and operational transformation programs of work.

Platform modernisation is the single most important investment in Suncorp's future. It started with data - which is now fully cloud based across Australia and New Zealand. Our broader public cloud footprint now represents 93% of all our technology workloads, which enabled us to completely exit our legacy data centres over the past year.

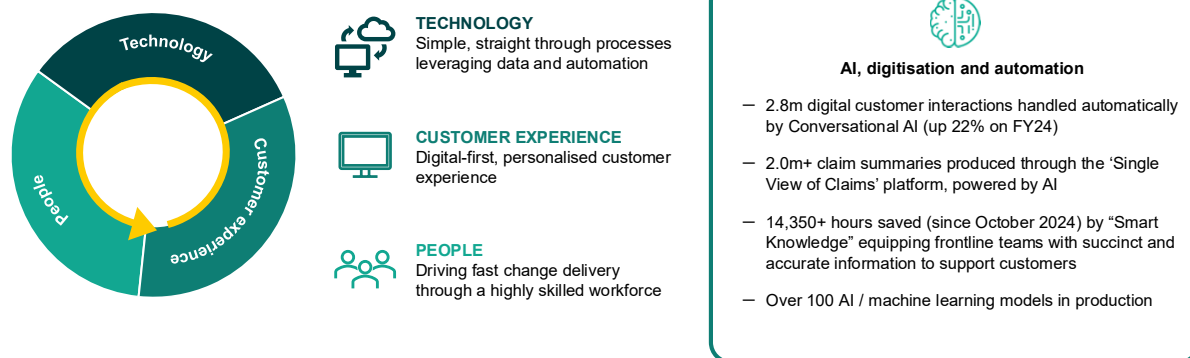
We then moved to pricing which is in place across Australia home and motor and is soon to be deployed across the Vero New Zealand business.

Our multi-year investment in policy administration is the centrepiece of any modern insurance platform. We will have more to say about this at investor day having already gone live with the Duck Creek PAS in our NZ JV partner AAI and now deep in delivery across our AAMI brand in Australia.

I'm pleased to say that what we've already seen in AAI has reinforced our business case and the benefits that we expect will be realised over time.

Operational transformation

Delivering seamless, digital-first customer experiences enabled by AI, digitisation and automation



At the heart of our operational transformation has been the emergence of AI. It works hand in glove with our digitisation, automation, partnering, and best in class claims programs to deliver business improvements through the lens of the customer. That's because we know that if we improve and automate processes, and use AI tools, we will have the dual effect of improving customer outcomes and making our business more efficient.

At our last investor day, we described our adoption of AI through a mix of:

- third-party AI utilities,
- AI capabilities embedded in our core systems, and
- our own deep AI capability and partnerships.

Almost 12 months on and the program of work is really taking shape. As you can see from the slide, we already have over 100 AI and machine learning models currently in production, with many new AI use cases planned to progressively find their way into our business over the next 12 months.

As I said, we will update you on all of this at our investor day in late October.



FY26 Outlook



Gross written premium	GWP growth expected to be in the mid-single digits as pricing moderates in line with easing inflationary pressures in some portfolios.
Underlying insurance trading ratio	Expected to be in the top half of the 10% to 12% range supported by the continued earn-through of higher premium rates from prior periods and improved reinsurance market conditions. Offsetting this is an increase in the natural hazard allowance sufficiency to improve margin resilience.
Prior year reserves	Releases in CTP expected to be around 0.3% of Group net insurance revenue.
Operating expenses	Ratio expected to be broadly in line with FY25 with an increasing proportion allocated to growing the business.
Strategic targets	Delivering a growing business with a sustainable return on equity expected to be above the through-the-cycle cost of equity.
Capital management	<p>Disciplined approach to active capital management, with a payout ratio at the mid-point of the 60% - 80% range of cash earnings weighted to the 2H of the financial year.</p> <p>An on-market share buy-back of up to \$400m will be in place from September 2025 through to the end of FY26.</p> <p>Suncorp remains committed to returning capital in excess of the needs of the business to shareholders.</p>

Finally, before we move to Q&A, I'd like to turn to the outlook.

GWP growth is expected to be in the mid-single digits as pricing moderates in line with easing inflationary pressures in some portfolios.

The underlying ITR is expected to be in the top half of the 10-12% range, inclusive of the additional resilience buffer we have incorporated into the natural hazard allowance.

Prior year reserve releases in CTP are expected to be around 0.3% of Group net insurance revenue.

The operating expense ratio is expected to be broadly in line with FY25 with an increasing proportion allocated to growing the business.

And finally, we will maintain our disciplined approach to the balance sheet, targeting a payout ratio at the mid-point of the 60-80% range of cash earnings, weighted as usual to the second half of the financial year.

The announced buy-back will proceed through FY26, with the \$400m reflecting the maximum practically possible given trading blackouts and daily volumes. Given our pro forma capital position post the buyback remains very strong, and subject to any extraordinary events, we would expect the buy-back facility to continue into FY27.

With that, we will take your questions.

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Questions



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