

3 July 2026

FY27 Reinsurance Program Update and FY26 Outlook

Suncorp (ASX: SUN | ADR: SNMCY) today provides an update on the successful placement of its FY27 reinsurance program and FY26 outlook.

FY27 reinsurance program update

Suncorp Acting CEO Jeremy Robson said the renewal reflected continued discipline in the Group's reinsurance strategy, maintaining an appropriate balance between cost, earnings volatility and capital efficiency.

"The FY27 reinsurance program demonstrates our focus on optimising returns while ensuring appropriate protection for our customers and shareholders."

"While the cost of reinsurance remains an important input to insurance pricing, it is pleasing to see improved market conditions reflected in the pricing of our comprehensive main catastrophe program, now complemented by the addition of aggregate protection to further enhance resilience and reduce volatility."

FY27 program structure

As previously announced on 24 April 2026, Suncorp has entered a 5-year aggregate reinsurance arrangement which commenced on 30 June 2026. The aggregate cover provides \$800 million of protection annually, up to \$2.4 billion in total, over the 5-year period. The FY27 attachment point for the aggregate cover is \$1,850 million.

Suncorp has now successfully placed its main catastrophe program for FY27, which maintains the maximum event retention of \$350 million for a first and second large event.

The main catastrophe program covers the Home, Motor and Commercial property portfolios across Australia and New Zealand. The cover provides protection for losses between \$500 million and \$6.4 billion and includes one full prepaid reinstatement.

The structured, multi-year reinsurance arrangement announced in July 2025 remains in place, providing protection for losses between \$350 million and \$500 million in relation to the first and second large event.

Group dropdown covers for losses between \$350 million and \$500 million have been purchased in relation to a third and fourth event. Combined with the dropdown cover included within the aggregate reinsurance cover, the retention for a third and fourth event in Australia is reduced to \$150 million.

Buydown cover in New Zealand also remains in place through the aggregate reinsurance cover, providing protection between NZ\$200 million and the Group's maximum event retention.

FY27 natural hazard allowance

Suncorp reaffirms its natural hazard allowance (NHA) for FY27 is \$1,800 million, excluding claims handling expenses and profit commission.

The aggregate cover is expected to cap natural hazard costs at \$1,850 million for FY27 in approximately 90% of scenarios.

Impact of FY27 reinsurance renewal and aggregate cover

Total reinsurance costs in FY27 are expected to be above FY26, reflecting the inclusion of the aggregate reinsurance cover and exposure growth partly offset by improved pricing in the main catastrophe program.

In addition to the one-off capital release of approximately \$100 million through lower capital targets announced on 24 April 2026, we expect the aggregate cover will also allow for a reduction in the amount of excess capital Suncorp has traditionally chosen to hold above the midpoint of its target range. Further details will be provided at the FY26 results.

FY26 outlook and results briefing

Ahead of its FY26 financial results release, Suncorp also provides an update on the following items for FY26:

- **Underlying ITR:** Suncorp reaffirms Underlying ITR is expected to be towards the upper end of the 10-12% range.
- **GWP growth:** Expected to be approximately 2.7%. GWP expectations have been impacted by an ongoing weak economy and soft commercial market in New Zealand, as well as a marginal reduction in demand in Australia.
- **Investment Income:** Total investment income is expected to be between \$750 million to \$800 million as outlined in the table below. The lower investment income relative to FY25 is predominately driven by rising bond yields resulting in mark-to-market losses in both insurance funds and shareholders' funds. The below does not include discount unwind and rate adjustments on claims liabilities.

\$ million	FY26	FY25
Investment income on insurance funds	~440 – 450	741
Investment income on shareholders' funds	~310 – 350	486
Total investment income	~750 – 800	1,227

The exit yield on Insurance Funds as at 30 June was approximately 5.2%.

- **Natural hazard experience:** Expected to be approximately \$250 million above the FY26 allowance of \$1,770 million. There were 18 separate events above \$10 million during the period which are outlined in the table below.

Date	Event	Net estimated costs A\$ million
Jul-25	Eastern States Coastal Low	16
Oct-25	Fraser Coast Hail	56
Oct-25	NSW and QLD Hail and Storms	25
Oct-25	Eastern States Severe Thunderstorms	234
Oct-25	NZ Storm Wind and Rain	33
Nov-25	S-E QLD Spring Storms and Hail	135
Nov-25	Eastern Australia storms	22
Nov-25	S-E QLD Hail	350
Nov-25	S-E Aus Wind and Storms	35
Jan-26	Vic Bushfires	~70
Jan-26	Sydney Flash Floods	~40
Jan-26	NZ North Island Wind and Rain	~20
Feb-26	NZ South Island Wind and Rain	~30
Mar-26	Burnett River Rain and Floods	~20
Mar-26	Penrith Thunderstorms and Hail	~30
Apr-26	NZ Storm Wind and Rain	~30
May-26	East Coast Late Autumn Heavy Rain	~20
Jun-26	Southern and Western States Winter Storms	~50
Total events' costs		~1,215
Other natural hazards (attritional and CHE)		~805
Estimated total FY26 natural hazards		~2,020
FY26 natural hazard allowance		1,770
Estimated natural hazards costs above allowance		~250

There is no other change to the FY26 outlook previously provided.

Suncorp's FY26 results briefing will be held on Wednesday, 12 August 2026 at 10:00 am, and a live video webcast will be available through the [Suncorp Group website](https://www.suncorpgroup.com.au).

CEO update

Suncorp is pleased to announce Steve Johnston will be returning from medical leave effective Monday 6 July 2026. Jeremy Robson, who has been Acting CEO, will return to his substantive role as CFO and Neil Wesley, who has been Acting CFO, will also be returning to his substantive role.

ENDS

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

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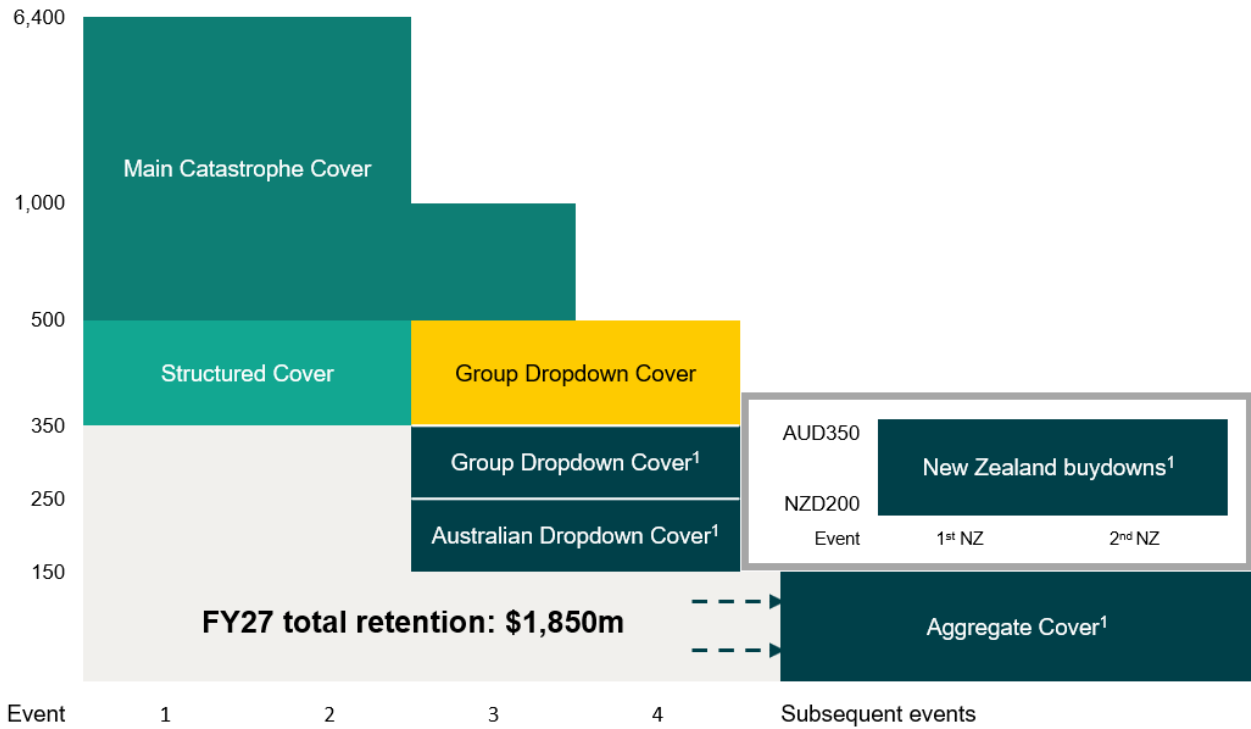
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Appendix

FY27 reinsurance program



Notes:

1: Included as part of the 5-year aggregate reinsurance cover which provides up to \$800 million of cover in FY27 across the Aggregate Cover, Group Dropdown Cover below \$350 million, Australian Dropdown Cover and the New Zealand buydowns.