

Financial Results

For the half year ended 31 December 2025

18 February 2026

SUNCORP GROUP LIMITED
ABN 66 145 290 124



1H26 Overview

Steve Johnston

Chief Executive Officer & Managing Director

Purpose driven, delivering strong outcomes for the long term



Result overview

Cash earnings

\$270m

pcp: \$828m

Underlying ITR

11.7%

pcp: 11.8%

Net investment
returns

\$259m

pcp: \$374m

Natural hazard
experience

\$453m

above 1H allowance

Interim dividend

17 cps

Payout ratio: 68%

Buy-back completed

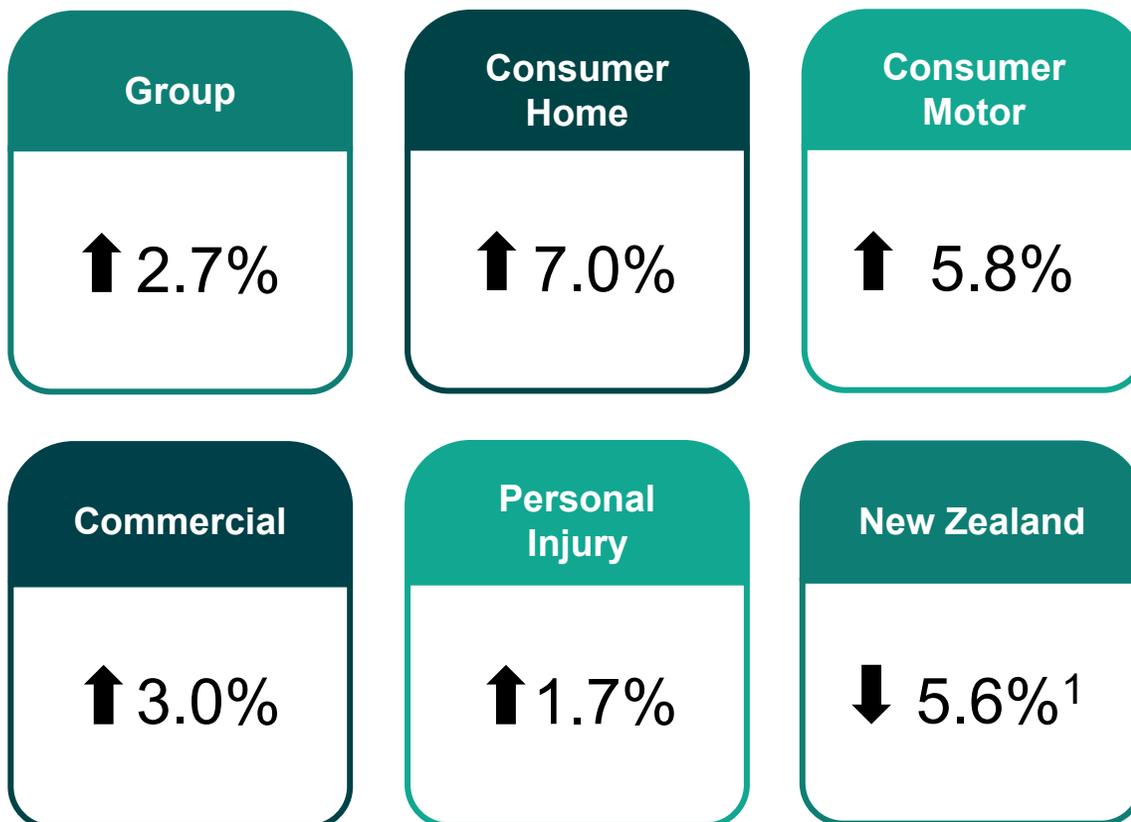
\$168m

FY26 target: \$400m

Underlying business performing well

- ✓ Event response to drive long-term value
- ✓ Strong growth in Consumer portfolio including customer growth
- ✓ Underlying margins in the top end of target range
- ✓ Investment portfolio yielding around 5%
- ✓ Expense ratio improvement
- ✓ Strong balance sheet and buy-back recommenced
- ✓ Digital Insurer and AI to drive further growth
- ✓ Reinsurance optionality

Gross written premium



- Strong GWP growth in Consumer supported by unit growth of 2.0% in Motor and 0.4% in Home with pricing reflecting stickier than expected inflation, particularly in the Motor portfolio
- Enhanced risk selection and pricing capability enabling growth in low risk, target segments
- Commercial growth across both Platforms and Tailored Lines with strong diversification reducing exposure to global capital flows
- Significant and ongoing pricing increases in Qld and NSW CTP in Personal Injury
- New Zealand impacted by soft commercial market cycle and softening prices in the consumer portfolios as claims experience moderates

Note: All movements are 1H26 relative to the prior corresponding period
 1. Presented on a New Zealand dollar basis

Natural hazard experience

Declared events¹

9

Australia: 8 | New Zealand: 1

Natural hazard claims²

71,000

Home: 38,000 | Motor: 18,200
Commercial: 4,600 | NZ: 10,300

Natural hazard costs³

\$1.3bn

Online lodgement⁴

57%

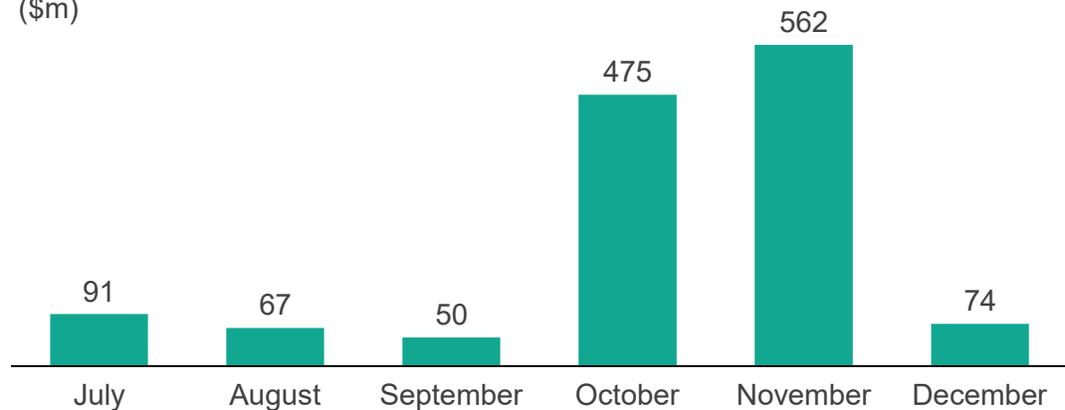
pcp: 51%

TOP EVENT LOSS CAUSES⁵

	Number of claims	Total cost
 Hail	26,400	\$708m
 Rain	5,700	\$91m
 Wind	3,300	\$70m
 Lightning	1,100	\$14m

1H26 NATURAL HAZARDS EXPERIENCE BY MONTH

(\$m)



1. Natural hazard events over \$10 million, net of reinsurance
 2. Includes event and non-event natural hazard claims
 3. Total natural hazard costs net of reinsurance
 4. Online lodgement for natural hazard claims for all Consumer Australia brands (exc. TSI) across Home and Motor products
 5. Based on natural hazard event claims, excluding attritional claims. Total cost excludes claims handling expenses

Leading in extreme weather response

- More than 3,300 welfare calls and 460,000 messages sent to customers providing safety information and guidance on home preparedness
- Engaging customers on the ground with support across 27 affected communities
- Pop-up assessment centre to speed up the motor repair process
- New Black Dog Institute mental health resources



1H26 Financial Results

Jeremy Robson

Chief Financial Officer

Result summary

GROUP P&L^{1,2}

	1H25 (\$m)	1H26 (\$m)
Consumer Insurance	509	(137)
Commercial & Personal Injury	224	204
Suncorp New Zealand	258	258
Insurance trading result³	1,042	345
Investment income from shareholders' funds	223	149
Net financing costs	(33)	(54)
Other profit (loss) before tax	1	(21)
Non-controlling interests	(39)	(38)
Profit before tax	1,194	381
Income tax	(366)	(111)
Cash earnings	828	270
Profit (loss) after tax from discontinued operations	32	-
Profit (loss) from divested operations	247	-
Acquisition amortisation (after tax)	(7)	(7)
Net profit after tax	1,100	263

- Result substantially impacted by natural hazard events, especially in Consumer, with nine separate events over \$10m
- Strong brand portfolio demonstrated by organic unit growth in both the Home and Motor portfolios
- Growth expected to accelerate in second half across most portfolios
- Underlying investment yields remain strong but investment income impacted by mark-to-market movements
- Capital position remains strong with \$700m excess to mid-point of CET1 target range, buy-back to resume post results
- Prior year reserve releases of \$65m or 0.9%, with stronger than expected releases across the C&PI portfolios, partially offset by some strengthening in Home and Motor

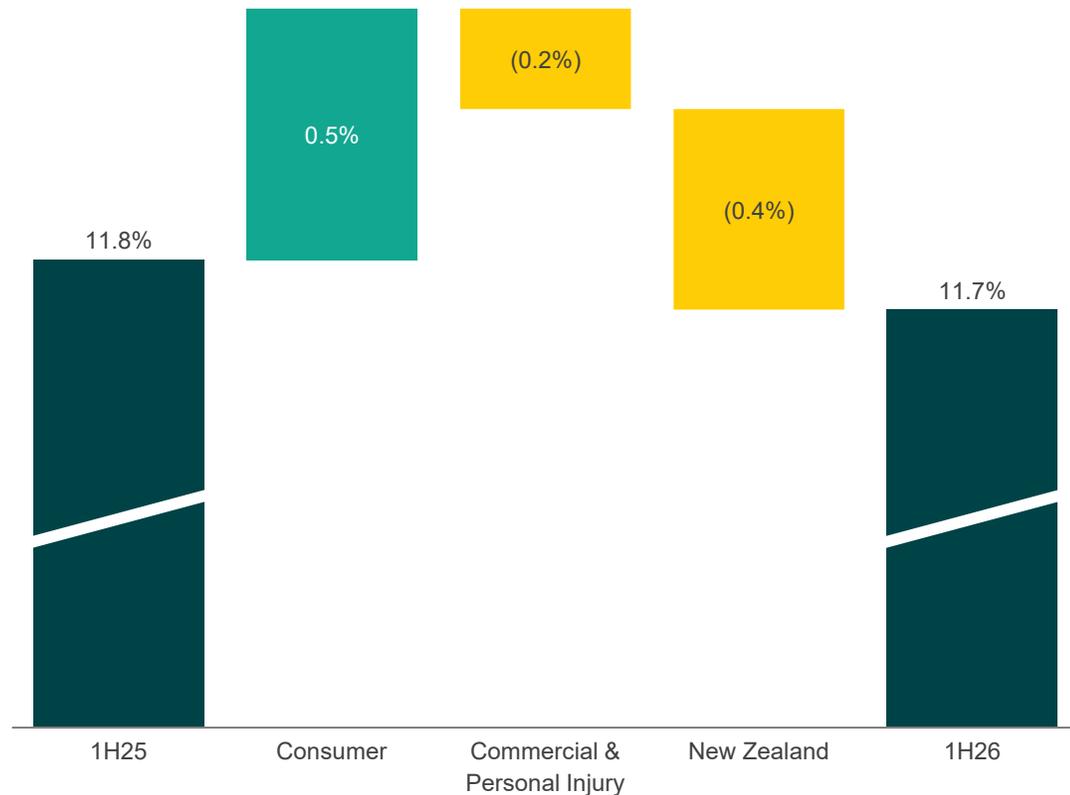
1. Prior period insurance trading result figures by function have been restated to reflect the reclassification of the Residential Strata portfolio from Consumer to Commercial & Personal Injury

2. Changes to the P&L structure reflect the simplification of the business following recent divestments

3. Includes internal reinsurance (1H25: \$51m; 1H26: \$20m)

Underlying margin

UITR CONTRIBUTION BY PORTFOLIO



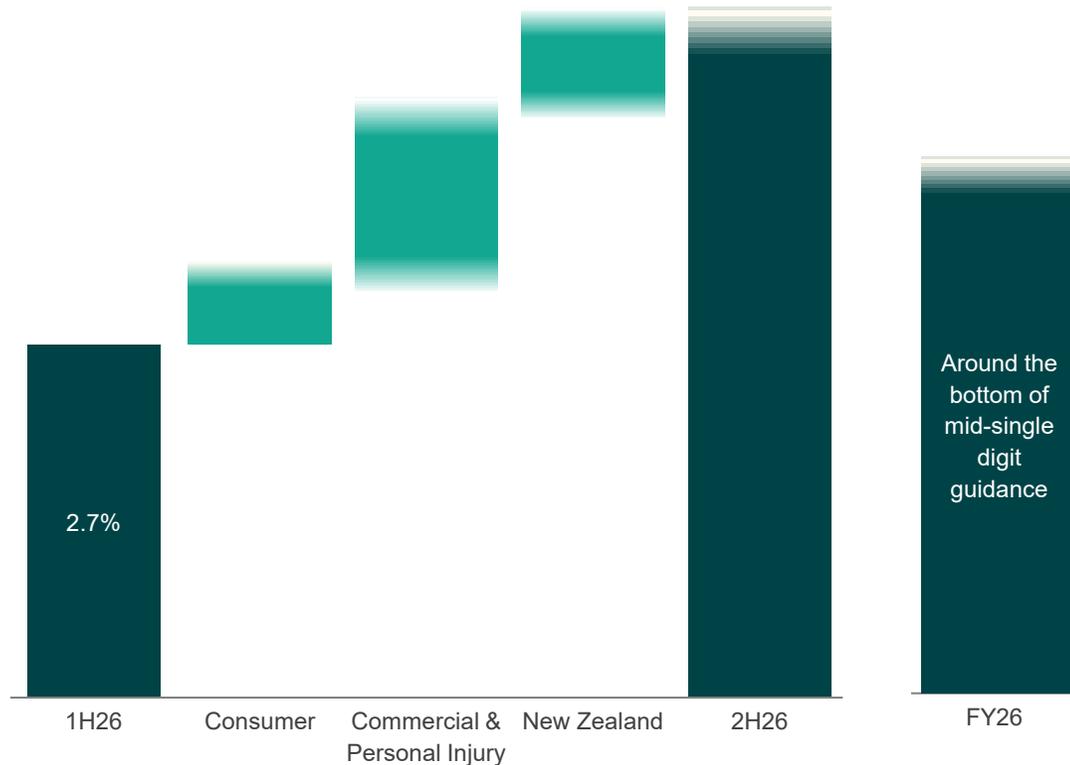
- Suncorp has delivered UITR within 10-12% target for seven consecutive halves, with 1H26 UITR at the top end of range
- Consumer benefited from lower reinsurance costs and the earn through of pricing, partially offset by the natural hazard resilience buffer
- C&PI portfolio impacted by pricing pressure in property and repair costs in fleet, but with pricing driven margin expansion in the CTP portfolios
- New Zealand reduction primarily driven by negative GWP growth in the portfolio. NZ portfolio UITR was up 150 bps

UITR OUTLOOK

Driver	2H26 outlook	Comments
Consumer	Tailwind	Earn through of pricing
C&PI	Tailwind	Earn through of pricing including CTP remediation
New Zealand	Headwind	Earn through of moderating pricing, mix impact of slower growth in portfolio
2H26 UITR		Top half of 10-12% target range

Growth

GWP WALK - 1H26 TO 2H26



1H26

- Strong GWP growth in Consumer including unit growth in both Home and Motor, and in AA Insurance in NZ
- C&PI supported by growth in CTP and Fleet but Workers’ Compensation impacted by lower burner premium adjustments
- Commercial portfolios in Australia and New Zealand impacted by the cycle and competitive pressures, albeit less than market

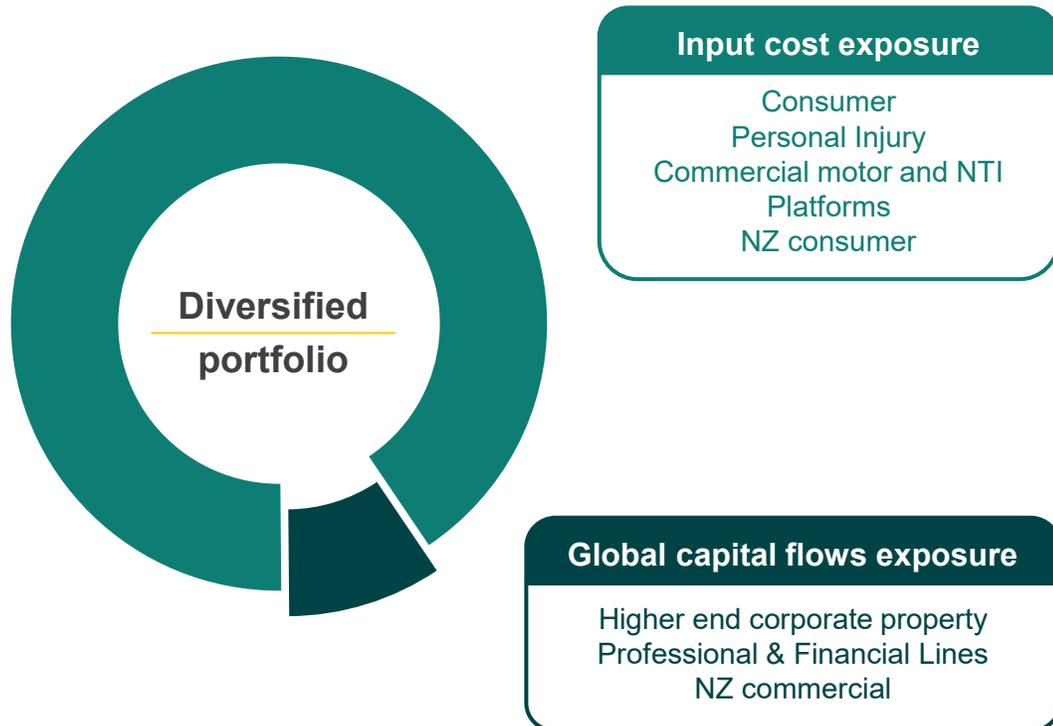
2H26

- Growth in Consumer driven by pricing increases in Motor that reflect ongoing inflationary pressures
- Commercial growth driven by Vero specialty lines launches and rate remediation in Platforms
- CTP pricing in QLD and NSW and increased rate in Workers’ Compensation driving growth in Personal Injury
- NZ to benefit from moderating price decreases and lower pcp comparatives in Commercial, along with growth in AA
- Growth outlook subject to commercial cycle

Insurance cycle and portfolio exposure

SUNCORP PORTFOLIO EXPOSURES

(by GWP)



INPUT COST EXPOSURE

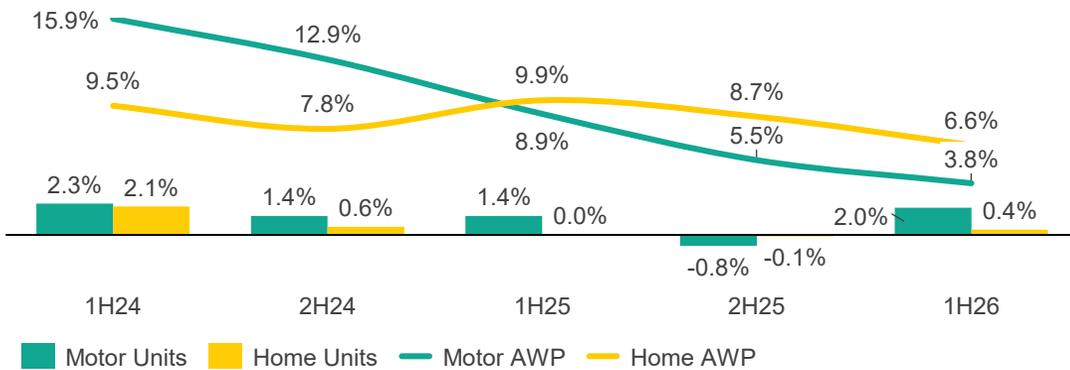
- Portfolios need established supply chains, brand presence and broker relationships
- Consumer portfolios pricing driven by input costs including claims inflation, reinsurance and natural hazards
- Personal injury driven by legislative changes and medical cost inflation
- Commercial motor and NTI cycle linked to motor repair costs
- Platforms and SME driven by broker relationships and input cost inflation

GLOBAL CAPITAL FLOWS EXPOSURE

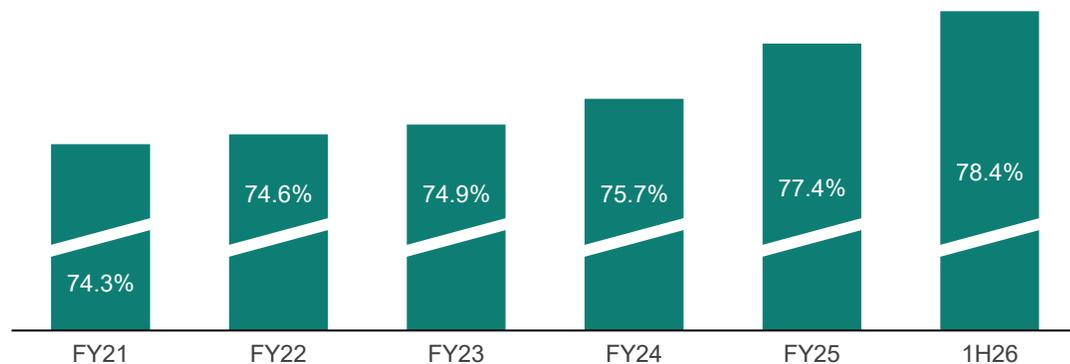
- Portfolios have greater direct exposure to global capital flows
- Exposure to these cycles is largely limited to the higher end corporate portfolios within Commercial, largely in property and professional & financial lines
- The NZ commercial portfolio is more exposed to global capital flows as they operate more in the corporate area of the market

Consumer

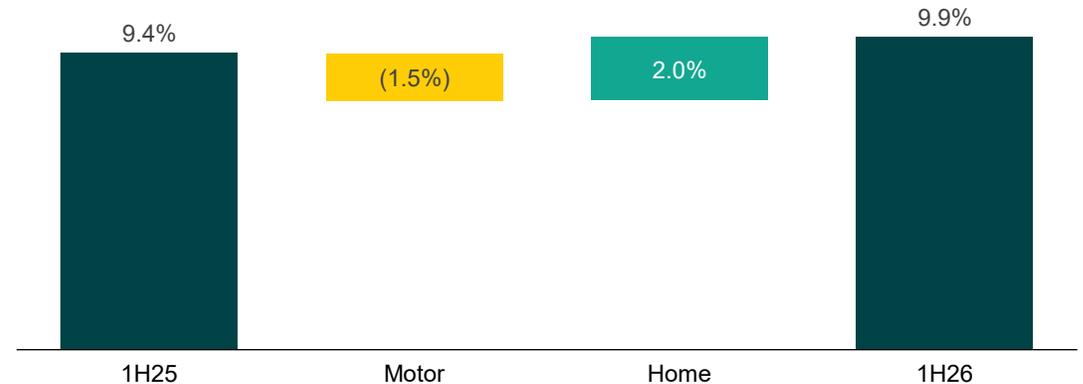
HOME AND MOTOR PORTFOLIO GROWTH



PROPORTION OF LOW NH RISK POLICIES IN HOME



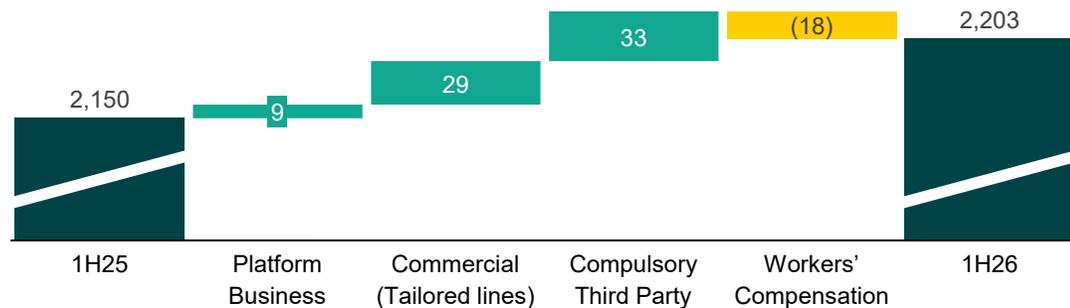
UITR WALK



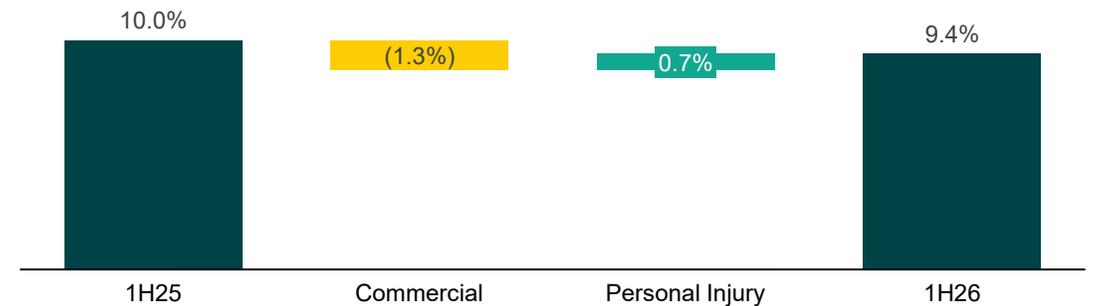
- Unit growth in Motor supported by strong new business and improved renewal rates
- Motor inflation ongoing, particularly repair costs
- Home delivering growth in target, low-risk segments. Pricing reflects higher natural hazard allowance and claims inflation
- Underlying margin improved driven by claims cost management, earn through of pricing increases and lower reinsurance costs

Commercial & Personal Injury

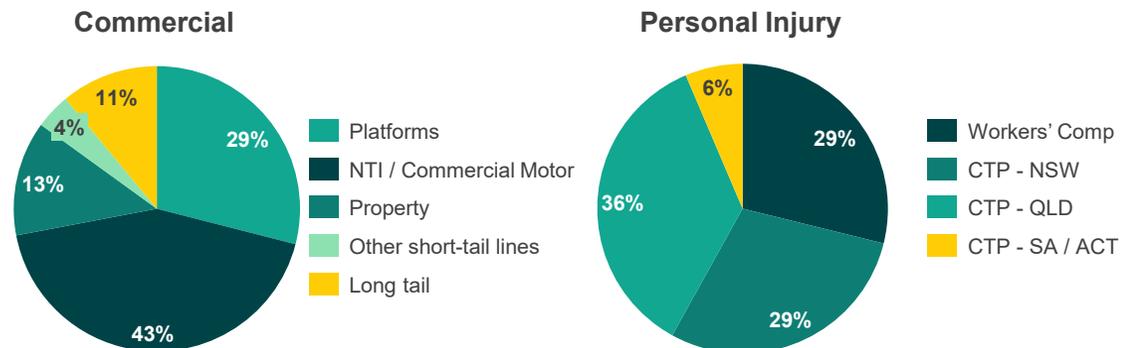
GWP WALK
(\$m)



UITR WALK – PORTFOLIO



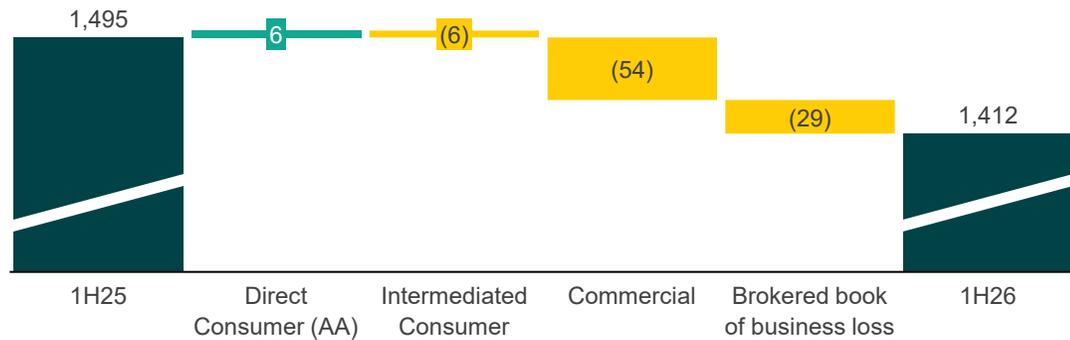
GWP BY PORTFOLIO



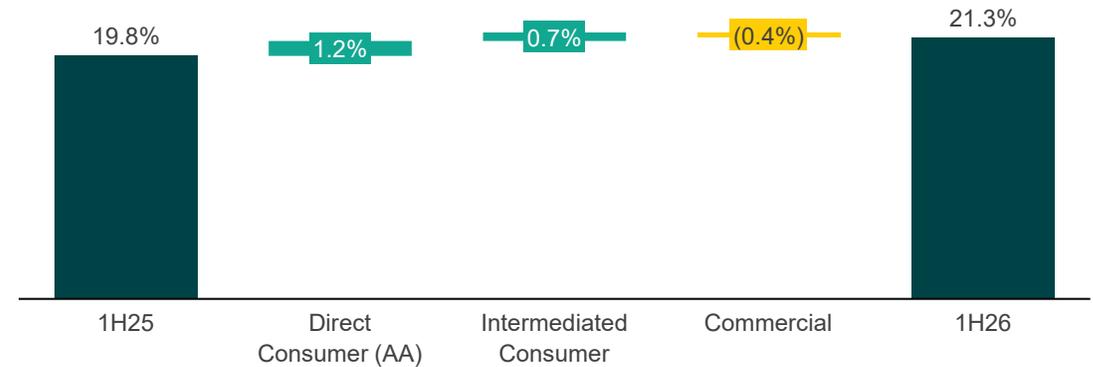
- GWP growth driven by price rises in CTP in NSW and QLD, additional broker connections and strata growth in Platforms, and strong growth in fleet and the launch of Vero Specialty Lines products in Tailored Lines
- Decline in underlying margin predominately driven by competitive pressures in Property, offset by CTP price increases
- QLD CTP pricing ceiling was increased in October, with ongoing constructive engagement with the Government on the scheme

New Zealand

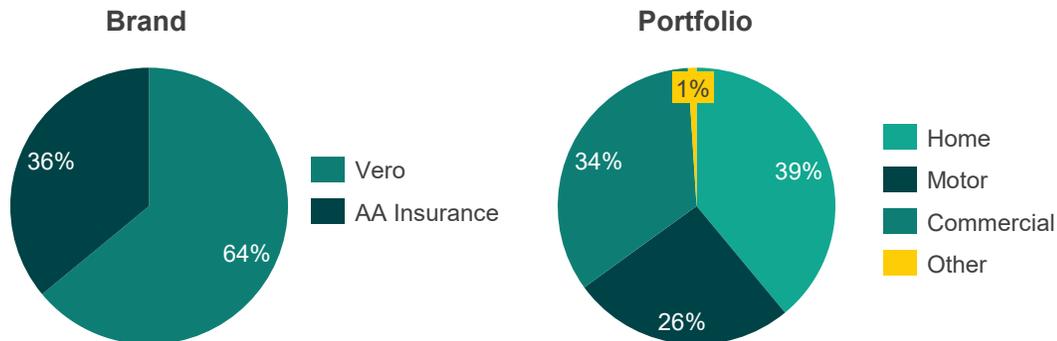
GWP WALK (NZ\$m)



UITR WALK



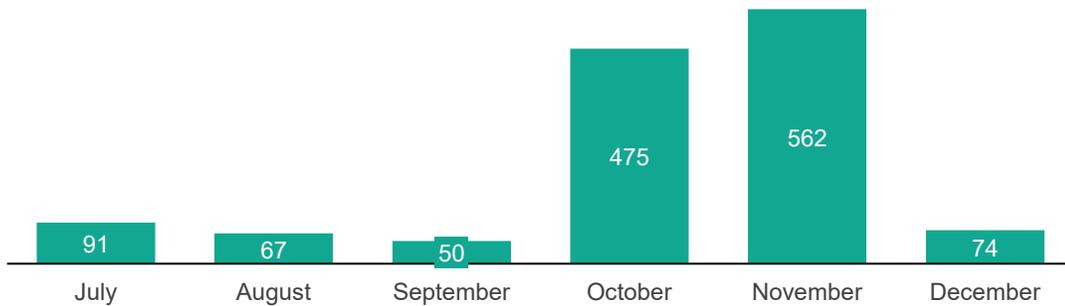
GWP BY BRAND AND PORTFOLIO



- GWP impacted by challenging market conditions in Commercial due to the soft market cycle
- Good unit growth in AA direct consumer business, with rate moderation in line with benign claims experience
- Consumer intermediated growth impacted by a loss of a brokered book of business
- Higher underlying margin reflects moderation in working claims experience and lower reinsurance expenses, expected to moderate to target levels in 2H26 as reduced GWP earns through

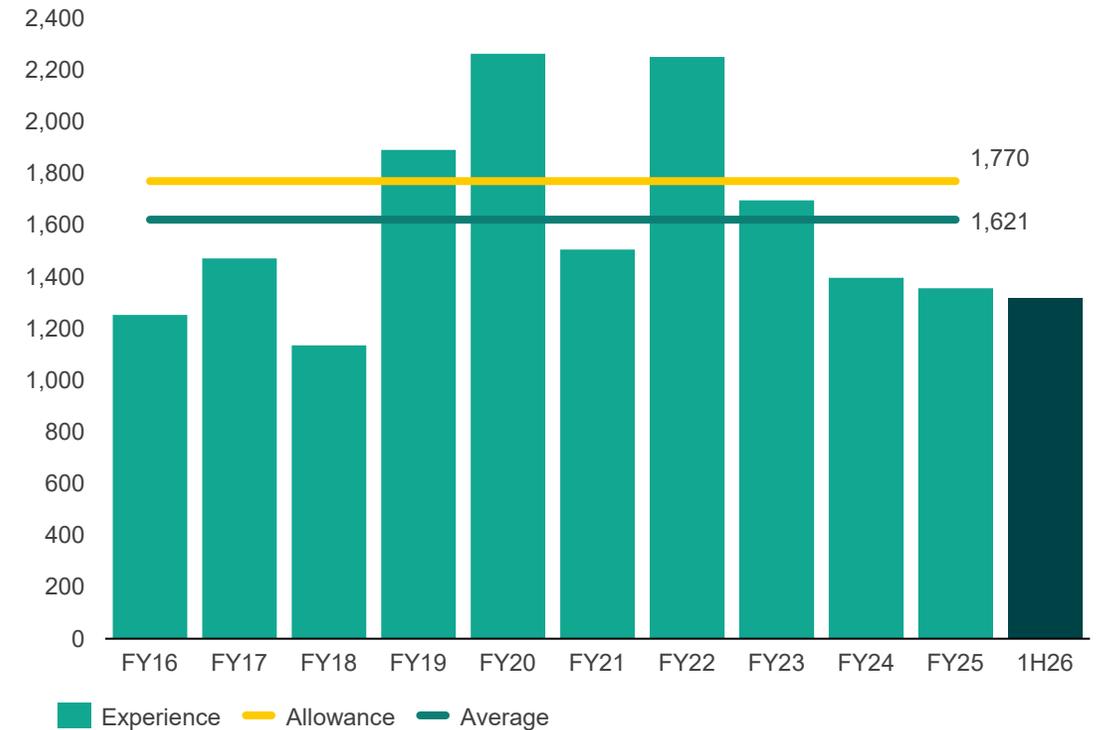
Natural hazards

1H26 NATURAL HAZARDS EXPERIENCE BY MONTH
(\$m)



- Nine natural hazards events, primarily in October and November
- Natural hazard experience for January expected to be within allowance for the month following three confirmed events
- Look back of NH experience shows that the FY26 allowance would be sufficient in seven out of the eleven years including FY26

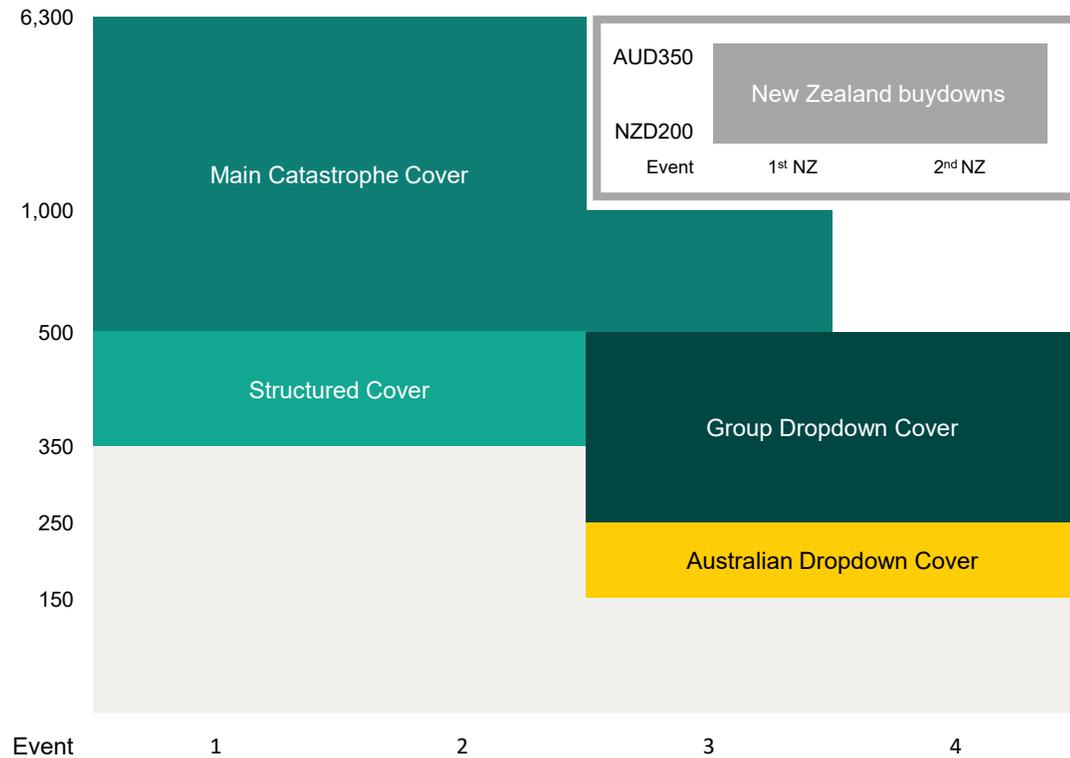
TEN YEAR NH EXPERIENCE LOOKBACK
(\$m)



1. 10-year modelled look-back is calculated by adjusting the natural hazard experience in each year for the current reinsurance program, current portfolio and inflation. Average calculated using experience from FY16-FY25.

Reinsurance

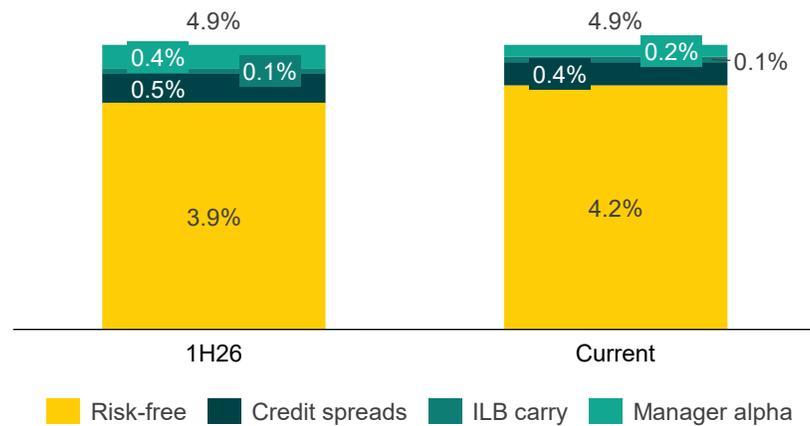
FY26 SUNCORP REINSURANCE PROGRAM



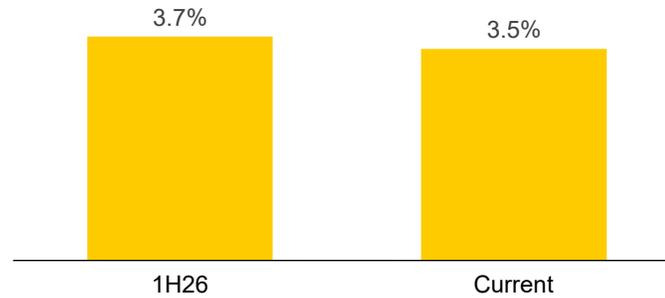
- FY26 program provides strong protection whilst retaining profitable exposures
- We continue to review our program against our reinsurance framework with the key objectives of optimising capital efficiency and managing volatility, with the overarching goal of maximising long term shareholder value creation
- Next event retention limited to \$260m based on current estimates, with a further large event capped at \$150m
- Softening market provides an opportunity to reassess additional covers including aggregate protection

Investment market impacts

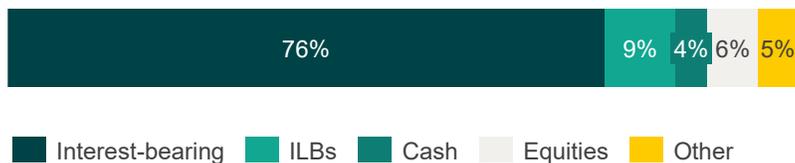
UNDERLYING YIELD (AU INSURANCE FUNDS)



UNDERLYING YIELD (NZ INS. FUNDS)



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



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

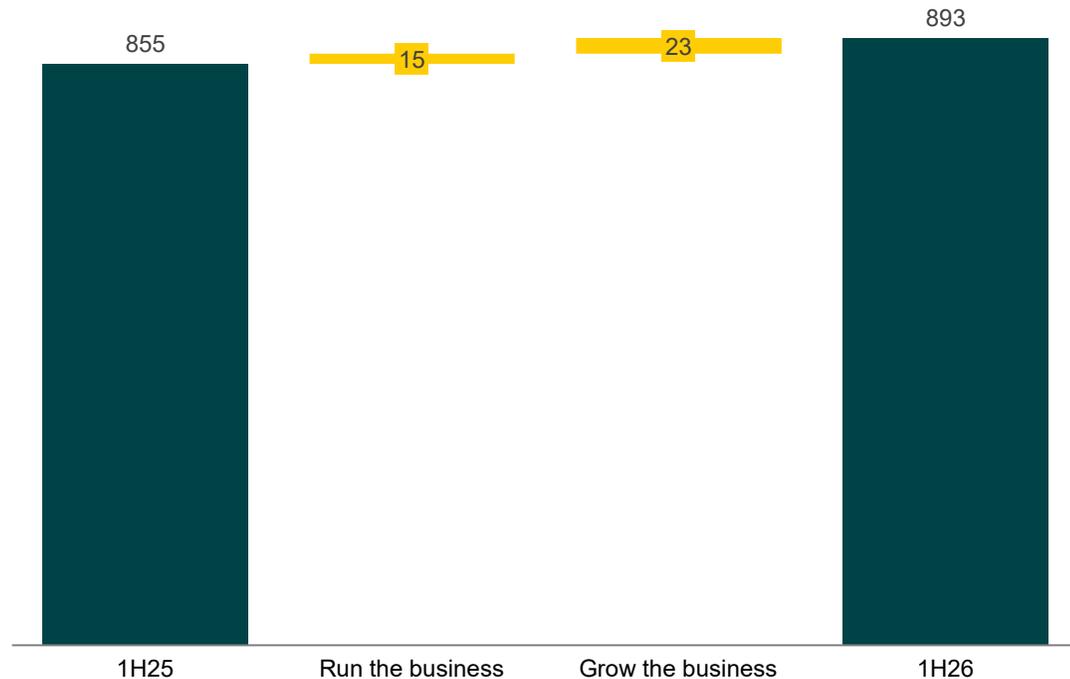


- Underlying investment yields remain strong but investment income impacted by mark-to-market movements
- Moderate decline in Australian underlying yield from pcp primarily due to lower risk-free yield and reduced inflation carry
- Shareholders' fund returns bolstered by strong performance from infrastructure and property
- Reduction in allocation to inflation-linked bonds offset by increase in structured credit, reflecting FY25 strategic asset allocation review

Operating expenses

OPERATING EXPENSES¹

(\$m; excluding restructuring, ESL and TEPL)



- Expense ratio continued to improve with the increase in operating expenses of 4% primarily driven by investment in growing the business
- Grow-the-business expenses increase primarily reflects an increase in discretionary project spend for Digital Insurer program, as well as investment in artificial intelligence and other digitisation initiatives
- Run-the-business expenditure increase driven by ongoing inflationary pressures across personnel and technology related expenditure, partially offset by productivity improvements from strategic investment

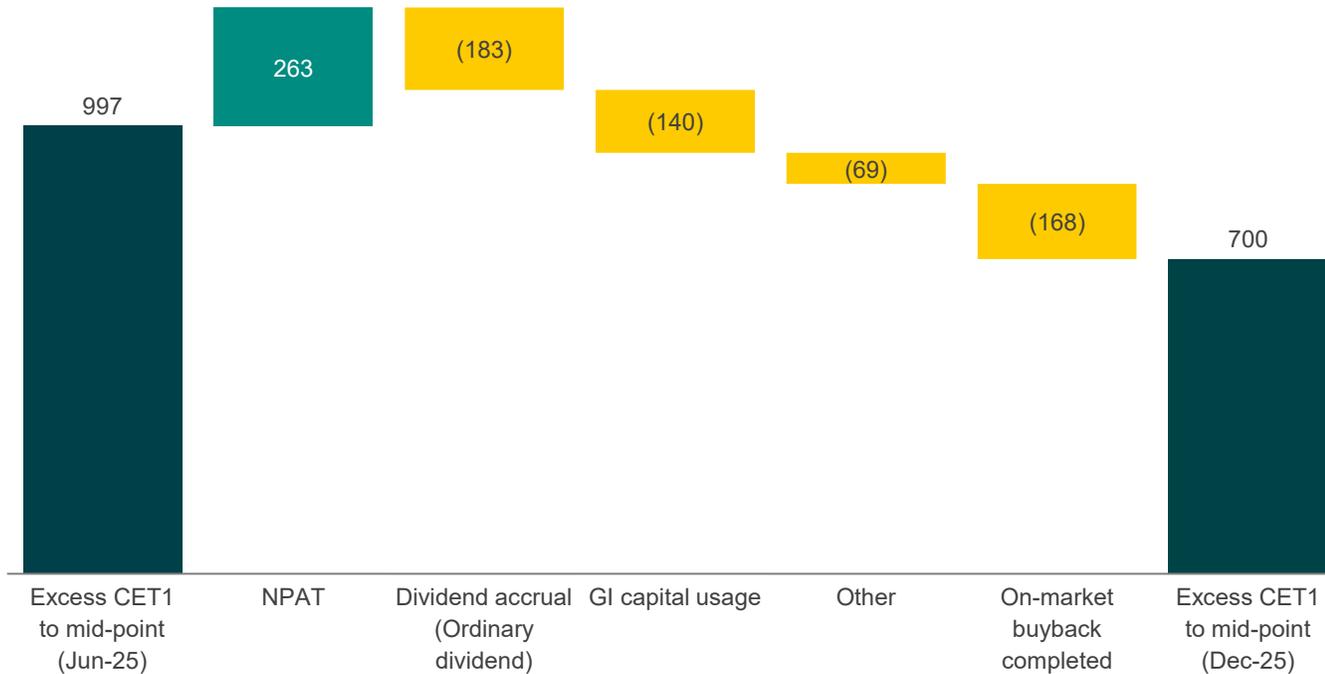
	1H25	1H26
Operating expense ratio	13.1%	12.8%
Commission expense ratio	5.3%	5.2%
Total expense ratio	18.4%	18.0%

1. Includes NDAE (1H25: \$32 million, 1H26: \$18 million)

Capital

EXCESS COMMON EQUITY TIER 1 CAPITAL

(\$m)



- Capital position remains strong with \$700m excess to mid-point of CET1 target range
- Fully franked ordinary dividend in line with policy
- Capital usage in the general insurance business reflects growth in insurance liabilities (particularly due to natural hazards experience) and investment market movements and investment portfolio re-balancing
- Other capital usage is primarily driven by the impact of the foreign currency translation of the New Zealand business
- Completed \$168m on-market share buy-back, with 8.48 million shares cancelled. Buyback to resume post results with \$400m in total targeted to be bought back in FY26
- Excess capital position reflects holding capital in the top half of the range to optimise capital flexibility

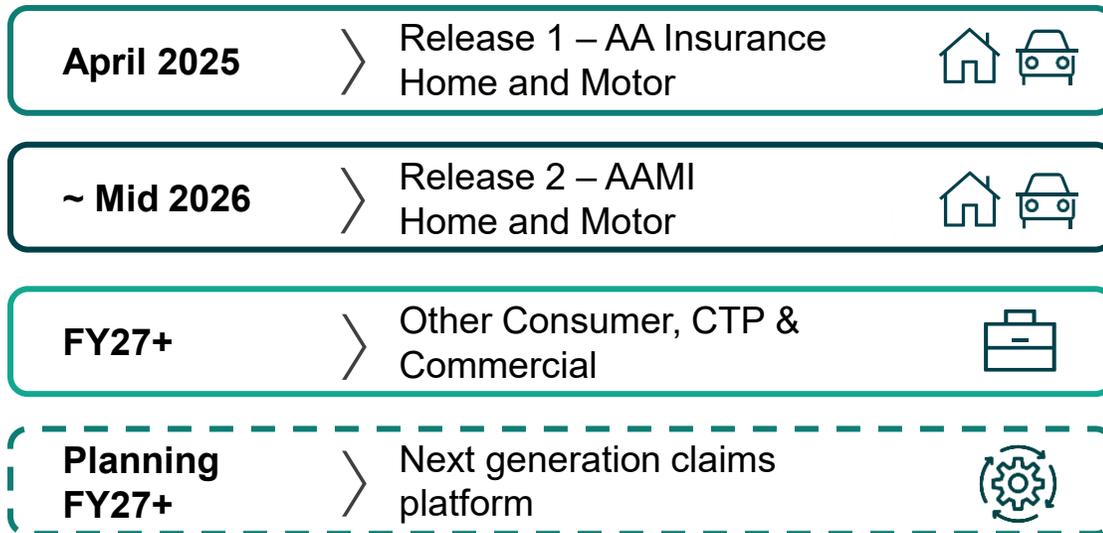
Summary and Outlook

Steve Johnston

Chief Executive Officer & Managing Director

Progress against strategic imperatives

Digital Insurer – AAMI delivery progressing



Release 1 (early) benefits

- Higher digital conversion
- Simplified underwriting
- Lower cost to serve
- Core technology foundations

Pricing – Australia Mass Motor *Complete*

Pricing – Australia Mass Home *Complete*

Pricing – New Zealand *In progress*

Contact centre platform *Complete*

Suncorp's Artificial Intelligence transformation

Strong foundational capabilities

Foundations

- **Proven track record** of digital, tech and AI enabled transformation
- **Stable and highly experienced** Data Science and AI team
- **Strong partnerships** (hyperscalers, AI platforms, ITO / BPO providers)
- **Robust enterprise-wide AI governance** and safety framework

Delivery and scale

- **20+ GenAI use cases** delivered in FY25
- **1.6m customer interactions** handled by 15 AI chatbots in the half, up 28%
- **AI utilities deployed** (e.g. Copilot, Github Copilot) across the enterprise
- **Over 100 AI/ML models** in production
- **Agentic AI program** in full scale delivery

Well positioned to leverage accelerating AI



Brand and market advantage

Leading multi-brand manager with a strong suite of trusted brands, optimising content for “discoverability” within AI tools

Different landscape to traditional aggregators – greater emphasis on value and product quality



Operational scale

Scale manufacturer with established supply chains and repair networks



Platform and AI enabled architecture

Modern, modular, cloud-based platforms designed for hyper personalisation, with embedded AI capabilities



GenAI

Already investing in GenAI enabled distribution and customer service

Platform modernisation – AI capabilities enabled

Customer experience

- Call summarisation
- Real-time agent assist
- Virtual agent (chat and voice)
- Automated quality assurance

 GENESYS™  Adobe



Policy

- Document and e-mail ingestion
- Quote pre-population
- Automated underwriting



Pricing

- Dynamic pricing
- Pricing modelling and simulation



Enterprise

- Employee lifecycle management support
- Self-service reporting and analytics
- Software engineering and testing

 ORACLE

Claims

- Automated accident detection, image capture, claims lodgement, and triage
- Enhanced fraud detection

FY26 Outlook

Gross written premium	GWP growth expected to be around the bottom of the mid-single digit range given the current cycle in Commercial in Australia and New Zealand.
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 in Consumer and C&PI. Offsetting this is the drag from New Zealand on group margins.
Prior year reserves	Releases in CTP expected to be around 0.3% of Group net insurance revenue.
Operating expenses	Expense ratio expected to be approximately 50bps below 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	Disciplined approach to active capital management, with a payout ratio around the mid-point of the 60% - 80% range of cash earnings. An on-market share buy-back of up to \$400 million in total is targeted to be completed by the end of FY26. Suncorp remains committed to returning capital in excess of the needs of the business to shareholders.

UPCOMING EVENTS

30 JUNE 2026

Reinsurance renewal

12 AUGUST 2026

FY26 results

OCTOBER 2026

Investor day – portfolio focus

Summary

- ✓ Elevated natural hazards costs impacted results
- ✓ Strong response to support customers
- ✓ Systematic progress on key strategic imperatives to enable portfolio growth
- ✓ Robust underlying margins reflect continued strategic portfolio optimisation
- ✓ Active capital management to drive shareholder returns
- ✓ Optionality on reinsurance as markets continue to soften

Questions

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Thank you