

25 August 2020

Suncorp Group Launches Wholesale Subordinated Notes II Offer

Suncorp Group Limited (**Suncorp**) (ASX: SUN | ADR: SNMCY) today announced the launch of the offer for new Australian dollar denominated floating rate, unsecured, subordinated notes (**Wholesale Subordinated Notes II**).

The Wholesale Subordinated Notes II will be offered to institutional investors and other wholesale investors. Pricing for the Wholesale Subordinated Notes II will be determined by a bookbuild process and is expected to price on 25 August 2020, subject to market conditions.

The Wholesale Subordinated Notes II are being issued as part of Suncorp Group's ongoing funding and capital management strategy, the proceeds of which are expected to be used to fund Tier 2 capital (as described in the Australian Prudential Regulation Authority's (**APRA**) prudential standards) of one or more Regulated Entities within the Suncorp Group and for general funding purposes.

The key features of the Wholesale Subordinated Notes II are as follows:

- term of 15.25 years, with a maturity date in 1 December 2035 and Suncorp's option to redeem in year 5.25 (1 December 2025) and each Interest Payment thereafter, subject to APRA's prior written approval and certain other conditions;
- Suncorp may also redeem Wholesale Subordinated Notes II at any time for certain Tax and Regulatory Events (each subject to APRA's prior written approval and other conditions in clause 5 of the Terms). Holders have no right to request early redemption of the Wholesale Subordinated Notes II;
- optionally deferrable (in certain circumstances), quarterly, cumulative, floating rate interest payable, subject to the satisfaction of the Solvency Condition;
- if APRA determines that a Non-Viability Trigger event has occurred in relation to Suncorp, all (or in certain circumstances, some) Wholesale Subordinated Notes II will be immediately converted into ordinary shares in Suncorp. If conversion cannot be effected for any reason within 5 business days, the Wholesale Subordinated Notes II will be Written-Off; and
- notional face value of \$10,000 per Wholesale Subordinated Notes II, with a minimum subscription amount of \$500,000 or otherwise issued in a manner which does not require disclosure in accordance with Part 6D.2 or Part 7 of the Corporations Act.

Wholesale investors should carefully consider the risks associated with the Wholesale Subordinated Notes II, together with the Terms and other information in the Information Memorandum, before deciding whether to invest in the Wholesale Subordinated Notes II. Wholesale investors should not expect that APRA's approval will be given for any early redemption.

Wholesale Subordinated Notes II are not being offered to retail investors and are not issued under a prospectus.

UBS is acting as Arranger and Joint Lead Manager. Citigroup, National Australia Bank and Westpac are acting as Joint Lead Managers.

Unless otherwise defined, capitalised words used in this announcement have the meaning given to them in the Information Memorandum.

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

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Disclaimer

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities (including Wholesale Subordinated Notes II) in the United States or any other jurisdiction in which such an offer would be illegal. The securities referred to in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities referred to in this announcement may not be offered or sold, directly or indirectly, in the United States unless the securities have been registered under the U.S. Securities Act (which Suncorp is under no obligation to do) or are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

Singapore SFA Product Classification — Pursuant to Section 309B of the Securities and Futures Act (Chapter 289 of Singapore) (the “SFA”), and unless otherwise specified before an offer of Subordinated Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Subordinated Notes are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).