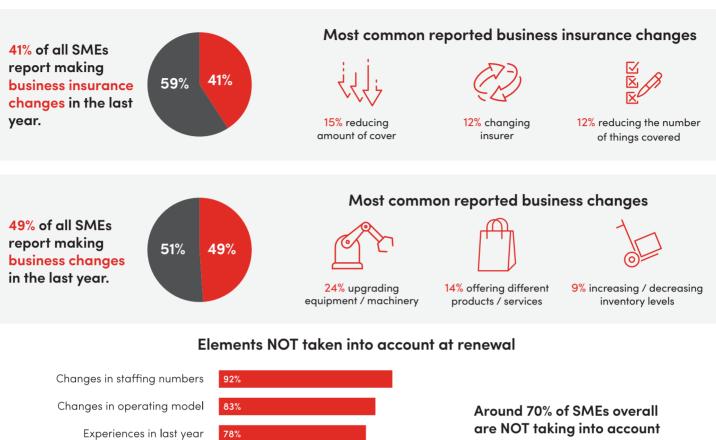
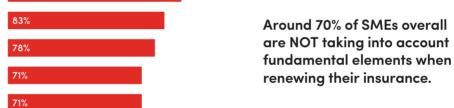
Vero SME Insurance Index 2023: Helping clients make better risk decisions



Increasing costs of replacement Changes in equipment / assets



It is important for brokers to educate clients on core elements that can impact insurance to increase their understanding of their risks and reduce the likelihood of underinsurance.

Perceptions of coverage levels by broker involvement

Clients whose brokers were involved in the Broker involved last renewal	34%	58%	8%
renewal processBroker NOT involvedare more likely toCompletely covconsider themselvesCompletely covcompletely covered.Completely cov	22% vered ■ Mostly c	56% Mostly covered Partially covered	

If a broker was involved last renewal clients were....



7x more likely to take the increasing costs of replacement into account



4x more likely to take experiences in the last year into account

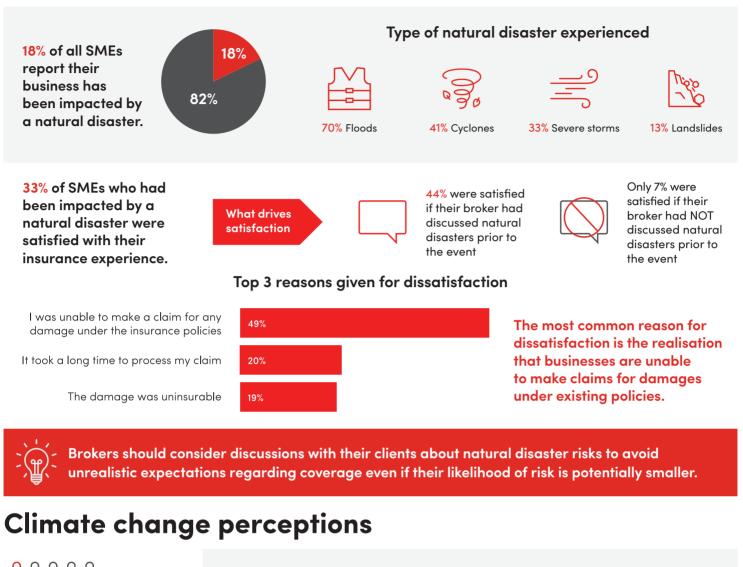


3x more likely to take changes in equipment / assets into account



Brokers' involvement in the renewal process leads to improved outcomes. Clients gain greater confidence in their cover and are more likely to consider important factors affecting their risks. Brokers can engage with clients, discuss their evolving needs, and tailor insurance solutions that address their specific concerns at renewal.

Experiences with natural disasters



Only 37% of SMEs feel prepared to deal with climate change impacts

One in five SMEs express arowing concern about the impacts of climate change.

51% of fa

business

prepared

, er / e				
14%	49%			37%
	Not prepared	Neutral	Prepared	

Top 3 business types that feel prepared to deal with climate change impacts

4		•
	\boxtimes	

rm based	
es feel	
k	



44% of warehouse based businesses feel prepared

40% of office based businesses feel prepared

Levels of preparedness for climate change impacts are not high even amongst business premise types that feel most equipped.



Brokers should consider ways to help clients feel more prepared for climate change risks by providing information, suggesting proactive measures, and offering insurance options that address associated risks.

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Visit vero.co.nz/sme-index to access the full report for more insights.

Disclaimer: The information displayed is based on commissioned research involving 765 owners and decision makers from around New Zealand. The research was conducted during May 2023. Vero Insurance NZ Ltd (Vero) has prepared this material for general information purposes only and it should not be used as the basis for decisions in relation to the acquisition or disposal of insurance products. Vero and its related companies do not assume or accept any liability whatsoever arising out of or relating to the information.