SUNCORP

Building futures and protecting what matters

FY24 Annual Report

About this report

Our FY24 Annual Report includes information on our financial and non-financial performance for the reporting period 1 July 2023 to 30 June 2024. This report includes performance data for Suncorp Bank, which remained part of the Suncorp Group during the financial year. After the end of the financial year, on 31 July 2024, Suncorp Group announced the completion of the sale of Suncorp Bank to Australia and New Zealand Banking Group (ANZ).

In preparing this report, we have drawn on aspects of the International Integrated Reporting Framework to describe how our business model, strategy, governance and risk management processes help us manage risks and opportunities in our operating environment and deliver value for our stakeholders. We outline our response to external social and environmental challenges, including how we are continuing to support our customers, people and communities as they recover from extreme weather events. We also describe how we are strengthening our approach to managing the impacts of climate change with further details available in our 2023-24 Climate-related Disclosure Report.

The statutory reporting elements of the Directors' Report, including the Operating and Financial Review (OFR), are featured on pages 10 to 31 of this report, along with other sections including How we create value, Financial performance and Corporate governance.

All metrics included in the Directors' Report on pages 43 to 53 have been verified through our internal verification process. KPMG was engaged by Suncorp Group to undertake limited assurance over selected non-financial metrics in Suncorp's FY24 Annual Report. KPMG's independent Limited Assurance Statement to the Board and Management of Suncorp Group is available on the Suncorp Group website. Selected disclosures that have been assured are identified throughout the report via footnotes. The Remuneration Report on pages 54 to 83 and the Financial Statements on pages pages 84 to 165 have been audited by KPMG.

Our approach to sustainability reporting has been developed with reference to the 2021 Global Reporting Initiative (GRI) Standards. For a full list of disclosures referenced in this report, on our website and in the FY24 Sustainability Data Pack, please refer to the GRI Content Index in the FY24 Sustainability Data Pack.

This report forms part of our comprehensive reporting suite, which brings together the Group's financial and sustainability performance for the year, along with other key disclosures.

Learn more

In FY24 Suncorp developed its third Reconciliation Action Plan (RAP). Our Innovate RAP outlines our ongoing commitment to build connections, respect and opportunities to progress reconciliation.

Innovate Reconciliation Action Plan July 2024 – 2026
suncorpgroup.com.au/corporate-responsibility/reports

Learn more

Our reporting suite

Learn more

FY24 Investor Pack
suncorpgroup.com.au/investors

Learn more

Climate-related Disclosure Report
suncorpgroup.com.au/corporate-responsibility/reports

Learn more

Sustainability Data Pack
suncorpgroup.com.au/corporate-responsibility/reports

Learn more

Proxy Voting Report
suncorpgroup.com.au/corporate-responsibility/reports

Learn more

Tax Transparency Report
suncorpgroup.com.au/corporate-responsibility/reports

Learn more

Modern Slavery Statement
suncorpgroup.com.au/corporate-responsibility/reports

Learn more

Gender Pay Gap Report
suncorpgroup.com.au/corporate-responsibility/reports

Acknowledgement of Country

Suncorp acknowledges the Traditional Custodians of the lands on which we operate and pay our respects to Elders past, present and emerging.

Our brands

Australia

AAMI
Apia
bingle
CIL Caravan and RV Insurance
Essentials by AAI
GIO
SUNCORP
vero

New Zealand

AA Insurance
Asteron Life
vero

Suncorp Bank

SUNCORP BANK

On 31 July 2024, Suncorp Group completed the sale of Suncorp Bank to ANZ Banking Group. Read more on page 10.

Performance highlights[1]

$1.20bn
Group net profit after tax

$1.37bn
Group cash earnings[2]

$7.53bn
Consumer GWP[3]

$3.95bn
Commercial & Personal Injury GWP[4]

NZ$2.86bn
New Zealand GWP

$69.93bn
Bank total lending[5]

People

$1.42bn
Employee salaries, super and benefits

16.8%
Gender Pay Gap (GPG)[16]

99.6%
Code of conduct training completion rate[6]

8.4/10
Employee engagement score[6,7]

Customers

$9.7bn
Claims paid

+7.4
Suncorp Group Insurance Net Promoter Score[6,8]

75%
Digital sales up from 67%[9]

99.95%
Internal Dispute Resolution (IDR) complaints resolved in 30 days[10,11]

Community

$360m
Income tax paid

$1.91bn
Suppliers and other fees paid

$10.4m
Total community investment[12]

76%
Reduction in Scope 1 & 2 GHG emissions from a FY20 baseline[6,13]

Shareholders

35%
Total shareholder return[14]

78cps
Total ordinary dividend, fully franked

$1.08
Cash earnings per share[15]

$774m
Dividends paid

1. Additional non-financial metrics, performance against targets and historical data is available in the FY24 Sustainability Data Pack.
2. Cash earnings refers to net profit after tax adjusted for the amortisation of acquisition intangible assets ($14 million after tax) and the loss on divested and/or divesting of operations ($161 million after tax).
3. Consumer includes Home and Motor Insurance in Australia.
4. C&PI includes Commercial and Personal Injury Insurance in Australia.
5. Gross Lending.
6. FY24 figure subject to independent limited assurance by KPMG. Please refer to the limited assurance opinion included on the Suncorp Group website.
7. Employee engagement is measured by Workday Peakon Employee Voice, a product of Workday, an independent company and a separate entity to Suncorp, and is scored out of 10.0. The final reporting period for the financial year spanned from 24 June to 7 July 2024. The engagement platform is live and as at 30 June, the reported engagement result was 8.4. This result was maintained for the remainder of the period.
8. RFI Global - Atlas. Measured as at June each FY on a 6-month rolling average amongst an aggregate of Suncorp Group Australian consumer insurance customers. Net Promoter Score℠ is a trademark of Bain & Co Inc., Satmetrix Systems, Inc., and Mr Frederick Reichheld. FY24 is the first year Suncorp is reporting Group Consumer Insurance NPS.
9. For mass brands, Home and Motor products in Australia.
10. 30 calendar days is the ASIC maximum timeframe for Internal Dispute Resolution (IDR) responses for standard complaints, but different complaint types are subject to different maximum IDR timeframes (see RG 271.58).
11. Based on Insurance (Australia) customers. Excludes personal injury.
12. Community Investment covers cash, time, and in-kind contributions made to community causes. Verified by Business for Societal Impact (B4SI) - see verification certificate on 'B4SI' tab of Sustainability Data Pack.
13. Scope 1 and 2 emissions performance is measured from FY20 baseline of 18,707 tC02-e using the Scope 2 market-based greenhouse gas (GHG) accounting methodology from the GHG Protocol Scope 2 Guidance. We track our emissions aligned to the Science-Based Target initiative (SBTi) Corporate Net-Zero Standard.
14. Total shareholder return represents the return of common stock over the financial year with dividends fully reinvested.
15. Calculated using basic shares.
16. GPG for our Australian and New Zealand combined workforce. We look at base salary only and use the mean (average) as the data point.

Message from the Chairman

Dear Shareholders,

Suncorp Group has reached a critical juncture in its history. Following a two-year process to complete the sale of Suncorp Bank, the Group has emerged as a dedicated Trans-Tasman insurance business, well positioned to invest in our business and deliver greater value for our customers and communities as well as our shareholders.

The increasingly challenging environment in which we operate was a key driver of your Board's decision to sell Suncorp Bank to ANZ Banking Group and become a pure play insurance company at a time when the value of insurance and the need for continued investment in a vibrant private insurance sector has never been greater.

We remain a proudly Queensland headquartered company with a portfolio of leading insurance brands including AAMI, Suncorp Insurance, GIO, Shannons and Vero. As part of the sale process, we have made meaningful commitments to the State of Queensland to deliver more jobs and investment that will support the continued growth of the state.

In addition to a range of complex external approvals, we have undertaken a significant internal program of work required to separate the Bank given the integration of systems, platforms, processes, data and premises. We are immensely proud that the transaction was delivered with minimal impact to our customers.

The Board continues to expect net proceeds from the sale to be around $4.1 billion. Consistent with the approach taken in previous divestments, it is our intention to return the majority of these net proceeds to shareholders, primarily by way of a capital return and a smaller fully franked special dividend component. We anticipate this will occur around the first quarter of the 2025 calendar year, with timing dependent on receipt of a ruling from the Australian Tax Office and approval from the Australian Prudential Regulation Authority.

Shareholder approval of resolutions giving effect to amendments to the Suncorp Constitution and the return of capital and consolidation of ordinary shares will also be sought at our 2024 Annual General Meeting.

A complex external landscape

Against this backdrop, we have continued to operate in an increasingly complex business and regulatory landscape.

Geopolitical tensions continue to escalate and the challenges of the energy transition, climate change and extreme weather events remain.

While the reinsurance market has returned to more stable and predictable outcomes after a significant market reset in 2023, the state of reinsurance markets remains intrinsically linked to material natural hazard event activity, both locally and internationally.

Consumers have continued to be challenged by higher costs of living through high inflation and higher interest rates, driving heightened sensitivity to price and value for goods and services.

Insurers have not been immune, with the rising cost of materials and supply chain constraints leading to insurance premiums rising rapidly. The cost to insure risk has also increased due to the higher frequency of natural hazards.

Your Board remains acutely aware of the pressure households and businesses are under in this environment and is committed to ensuring the ongoing affordability and availability of insurance, which is critical to the health of our economies. While there is no simple solution, reducing or mitigating the underlying risk remains the key to addressing these issues. This is why we continue to advocate with all governments for the need for greater investment in resilience measures to protect people and communities, and reduce the devastating impacts of natural disasters across Australia and New Zealand.

We also acknowledge that driving improved outcomes for our customers is a responsibility for both Suncorp and the broader insurance industry. We continue to pay close attention to the Australian Federal Government's Inquiry into insurers' responses to 2022 major flood claims, as well as the focus by regulators on the handling of claims and complaints.

Your Board remains alert to the rapid technology advancements and cyber threats that continue to grow in sophistication. We understand the sensitivity of information we hold as an insurer and the responsibility we have to our customers to protect their data. Equally, the adoption of generative artificial intelligence is accelerating and proving to be transformational across many industries, including insurance. These technological shifts and the ongoing digitisation of our society are reshaping the way we work and the work we do, and we are making investment decisions with these shifts in mind. This is reflected in Suncorp Group's FY27 strategic plan, which the Board was pleased to approve this year.

New Zealand Life Sale

As the final piece in the simplification of Suncorp Group, in April we announced the sale of our New Zealand Life Insurance business, Asteron Life Limited, to Resolution Life. The sale, which is expected to complete around the end of January 2025, is subject to approval from the Reserve Bank of New Zealand. Approval from the Overseas Investment Office has been obtained and no objections were raised by the New Zealand Commerce Commission.

Our performance and capital position

Pleasingly, FY24 was another year of good growth and returns. Group net profit after tax (NPAT) was up 11.8% to $1,197 million, while cash earnings increased 16.6% to $1,372 million.

The result reflected improved underlying margins in the General Insurance business and positive investment returns, with a 46.6% increase in net investment returns to $661 million.

The Board has determined to pay a fully franked final ordinary dividend of 44 cents per share. This brings total fully franked ordinary dividends for FY24 to 78 cents per share. The Group's full year dividend payout ratio of 72.1% of cash earnings is around the middle of the target payout ratio range of 60% to 80%. Our final FY24 ordinary dividend payment will be made on 25 September 2024.

Appropriate capital buffers have been retained and our disciplined approach to the management of capital will continue with your Board remaining committed to returning capital in excess of the needs of the business to shareholders.

Board renewal

Board renewal is ongoing, with your Board continuing to assess its composition to ensure the appropriate mix of expertise, skills and diversity are maintained. We welcomed Queensland-based Gillian Brown as a non-executive Director in February 2024, following Doug McTaggart's retirement after 12 years of service. We thank Doug for his significant contribution to Suncorp and are pleased to have Gillian join us, bringing extensive experience working across complex, regulated businesses and strong credentials in managing Environmental, Social and Governance initiatives. Gillian will seek election at the upcoming Annual General Meeting (AGM) in October. I will be seeking re-election at the AGM for one final term. I am committed to being part of Suncorp's transition to a pureplay Trans-Tasman general insurer.

Closing

On behalf of the Board, I would like to thank Group CEO Steve Johnston, his leadership team, and Suncorp's employees, who have shown their deep commitment and genuine passion in supporting our customers and communities across Australia and New Zealand. This extends to getting customers back on the road, into their homes, and helping support a return to work and quality of life.

I thank you, our valued shareholders, for your continued support of the Suncorp Group, and our strategic direction. While it is a new era for Suncorp as a pureplay insurer, our purpose to build futures and protect what matters for our people, customers and communities remains unchanged. Your Board is confident that Suncorp remains well positioned to deliver the benefits of being a strong, profitable, reliable and trusted insurer for Australia and New Zealand.

Sincerely,

Christine McLoughlin, AM
Chairman
19 August 2024

Message from the Group CEO and Managing Director

Dear Shareholders,

Suncorp demonstrated the underlying strength and resilience of its business during FY24 to deliver growth and a strong set of results, despite headwinds including higher claims costs due to persistent inflation, and the prolonged bank sale process.

The Group's net profit after tax of $1,197 million and cash earnings of $1,372 million reflects the continued quality of our business and growth of our portfolios. Net investment returns were again a key contributor to the topline earnings and profit, up significantly from $451 million to $661 million. The result also benefitted from the total cost of natural hazard events for the year of $1,235 million, $125 million below the Group's allowance for the year.

Gross Written Premium (GWP), which represents the amount of premiums collected, increased by 13.9% across the General Insurance business, reflecting both growth in the number of policies as well as targeted price increases in response to higher costs from reinsurance and natural hazards and claims inflation. Growth in our core Australian home and motor portfolios, up 10% and 16% respectively, was driven by continued improvements in the customer experience and our leading brands, with three out of four customers now purchasing our insurance products digitally.

The Bank achieved modest home lending growth of $2.2 billion while the Bank's net interest margin (NIM) was 1.82%, down 14 basis points on the prior year, a reflection of the competitive pressures in the industry. I'm pleased the Bank has been handed over in good shape to ANZ, a result of our clear strategy to improve its overall performance and risk maturity over the past four years. Throughout the process, the Bank team maintained its focus, delivering strong direct and broker net promoter scores, improved turnaround times and consistently high employee engagement scores.

Our commitment to our customers

Over the course of FY24, I spent a lot of time visiting customers, employees and government and industry stakeholders across Australia and New Zealand. Most encouragingly, I saw our purpose of building futures and protecting what matters in full swing as I visited areas like Far North Queensland following ex-Tropical Cyclone Jasper, Townsville and surrounds following ex-Tropical Cyclone Kirrily, and parts of South East Queensland impacted by the Christmas and Boxing Day storms. I saw our people rally behind our customers as they had the unfortunate experience of having their lives turned upside down in the aftermath of these events and others – we managed more than 100 000 extreme weather claims across Australia and New Zealand over the year. This is yet another reminder of the valuable role insurance plays in our communities and the positive impacts on our customers when we get it right in their hour of need.

I also spent time this year revisiting several communities impacted by previous extreme weather events, including those devastated by the 2022 major flooding across much of the east coast of Australia. These are communities where a small number of customers remain displaced from their homes and businesses long after the floodwaters have subsided. This is the subject of the ongoing Parliamentary Inquiry into Insurers' responses to the major flooding events of 2022. While in most cases these are very complex claims, we know we can, and must, do better. We have already adopted many of the learnings of the Inquiry and I've seen this firsthand in the events of FY24. You can read more about our response to the Parliamentary Inquiry on page 21.

Delivering better outcomes for our customers and communities was at the heart of our decision to sell Suncorp Bank to become a dedicated Trans-Tasman insurer, proudly headquartered in Queensland. With the sale having completed on 31 July 2024, our full focus and investment of time, resources and capital is now able to be devoted to growing our insurance portfolios, further digitising and innovating across our business and addressing complex issues such as climate change, building greater resilience to extreme weather and improving insurance affordability and accessibility through action and advocacy.

These are pressing issues to address, and we acknowledge it has been a challenging period for our customers amid ongoing cost of living challenges, including rising insurance premiums. Our ability to support our customers and the wider community before, during and after weather events will also be enhanced through our investment in a disaster response centre of excellence based out of our Brisbane headquarters. This and the establishment of a regional hub in Townsville, Queensland are core parts of our commitments as agreed with the Queensland government through the sale of the Bank.

Investing in our communities

Suncorp was proud to invest more than $10 million to support the social, financial and natural hazard resilience of our communities this year. We were also proud to celebrate 30 years as naming rights sponsor of the iconic Suncorp Stadium, one of the longest venue partnerships in Australia's history and a reinforcement of our ongoing commitment to Queensland.

This year Suncorp developed our third Reconciliation Action Plan (RAP). Our Innovate RAP 2024 - 2026 outlines our ongoing commitment to build connections, respect and opportunities and a prosperous, resilient society for all Australians.

In addition, Suncorp developed its first public-facing Human Rights Statement this year, which outlines our approach to respecting human rights and mitigating the risk of harm to people connected to our business activities and relationships.

Our people

During the year, Suncorp evolved its operating model to create end to end leadership accountability for our insurance businesses and better respond to the emerging needs of our customers and the external environment. The operating model organises Suncorp around three core insurance businesses: Consumer Insurance, Commercial and Personal Injury and New Zealand, to better support our future as a Trans-Tasman insurer.

Employee engagement remained strong throughout the year, with a score of 8.4 out of 10, which continues to be within the top quartile of our peer group. You can read more about the work we're doing to create an inclusive and supportive environment for our people where they can do their best work and deliver positive customer outcomes every day on pages 25 – 26.

Looking ahead

We are excited about the opportunities that lie ahead for Suncorp as a pureplay insurer. Our strategic plan, approved by the Board this year, will underpin our future as a dedicated insurance business and see us strive towards our ambition to become the leading Trans-Tasman insurer by FY27. The plan will see us continue to build on the strong fundamentals of our business and the momentum achieved over the past four years to grow our consumer, commercial, personal injury and New Zealand portfolios and digitise our business.

Investment will be focused on modernising our platforms and deploying Artificial Intelligence in a measured way across the organisation, aimed at building greater efficiency and effectiveness in the way we do things, improving products and services for our customers and ultimately delivering a sustainable business and greater value for our shareholders.

Our focus on continuing to improve the customer experience will remain core to our success, while we will look to be a leading voice on advocating for measures that improve resilience to natural hazards to protect people, and address insurance affordability and the important issue of climate change.

Finally, I would like to take this opportunity to thank Fiona Thompson, our Group Executive People, Culture and Advocacy, who will be departing Suncorp later this calendar year after more than 23 years of service. Fiona has made a significant contribution to Suncorp over this time, and I wish her well. Belinda Speirs who has held various leadership roles at Suncorp since 2013, including Group General Legal Counsel and most recently as our Group Executive Completion and Transition of the Bank sale, will commence in the newly created role of Chief Executive People, Legal and Corporate Services.

I thank all of our teams for their ongoing dedication and support of our customers, communities and business, and also extend my appreciation to all of our shareholders for your continued confidence in our company.

Steve Johnston
Group Chief Executive Officer
and Managing Director
19 August 2024

How we create value

About Suncorp Group

Suncorp Group is an ASX-listed Trans–Tasman insurance company, headquartered in Brisbane, Australia. With a heritage dating back more than 100 years, the Group provides insurance products and services through some of Australia and New Zealand's most recognisable brands. A dedicated team of around 10,500* people live Suncorp's purpose of *building futures and protecting what matters* every day to deliver valued outcomes for our customers.

Sale of Suncorp Bank

On 18 July 2022, following a comprehensive strategic review, Suncorp Group announced it had entered into a share sale and purchase agreement to sell Suncorp Bank to Australia and New Zealand Banking Group (ANZ).

Suncorp and ANZ announced the completion of the transaction on 31 July 2024. This followed approvals from the Australian Competition Tribunal on 20 February 2024 and the Federal Treasurer under the Financial Sector (Shareholdings) Act on 28 June 2024. The sale was also subject to the passing of legislation by the Queensland Parliament to amend the Metway Merger Act, which occurred on 14 June 2024. The application of the State Financial Institutions and Metway Merger Act 2024 and its Queensland headquartering requirements shifted from the Bank (Suncorp-Metway Limited) to Suncorp Group as a dedicated insurance business on 31 July 2024.

This forms one part of a package of measures put in place to support our ongoing commitment to our home state of Queensland, including jobs and investment that provide benefits not only for Queensland but across our Australian and New Zealand communities more broadly. Suncorp's commitments, which are underpinned by rigorous reporting obligations, include:

- for ten years after the commencement of the legislation, ensuring the number of its employees servicing the Suncorp Insurance business located in Queensland is greater than the number of employees servicing that business in any other state or territory in Australia;
- ensuring that the number of Suncorp employees performing Suncorp Group Corporate Service Activities located in Queensland is greater than the number of employees performing those roles in any other state or territory in Australia;
- developing a Disaster Response Centre of excellence in Brisbane, employing more than 100 people, supported by an investment of at least $12 million in a market leading Event Control Centre platform;
- within 12 months of the commencement of the legislation, creating and filling a further 20 new full-time employment roles to work on the Event Control Centre platform;
- within 2 years of the commencement of the legislation, increasing the number of Suncorp employees in regional Queensland by 120 people (100 of which are to be employed on a full-time basis). To support this Suncorp must invest in leased premises, fit-out and infrastructure (expected to be in Townsville);
- contributing at least $3 million within 3 years from the commencement of the legislation to community or educational initiatives specified by the State of Queensland, directed at:
  - vocational training for trades to support disaster resilience, as well as trades for the construction of housing in Queensland;
  - supporting First Nations employment pathways; and
  - research, courses, internships and scholarships relevant to disaster resilience and emergency management.

The Suncorp Group Board remains committed to returning to shareholders proceeds that are in excess of the needs of the business. We currently expect the majority of net proceeds will be returned to shareholders around the first quarter of the 2025 calendar year, with timing dependent on receipt of a ruling from the Australian Tax Office and approval from the Australian Prudential Regulation Authority.

Suncorp's insurance operations did not form part of the transaction.

A dedicated Trans-Tasman Insurer

Following completion of the sale of Suncorp Bank, Suncorp Group is comprised of three insurance portfolios as follows:

Consumer Insurance	Commercial & Personal Injury Insurance	Suncorp New Zealand
Provides a suite of home, contents and motor insurance options to the Australian market through its network of brands including AAMI, Suncorp Insurance, GIO, Apia, CIL, Terri Scheer, Shannons and Bingle.	Supports the Commercial Insurance, Workers' Compensation and Compulsory Third Party (CTP) needs of its customers in Australia through brands including Vero, GIO, AAMI, Apia and Suncorp Insurance. The business is structured around four key customer segments: Commercial (Tailored Lines), CTP, Workers' Compensation, and SME and direct customers (Platforms).	Delivers go-to-market general and life insurance products through brands such as Vero Insurance, Asteron Life and AA Insurance, AA Money and AA Life Joint Ventures with the New Zealand Automobile Association. General and Life Insurance is also underwritten and white-labelled via corporate partners.

New Zealand Life sale

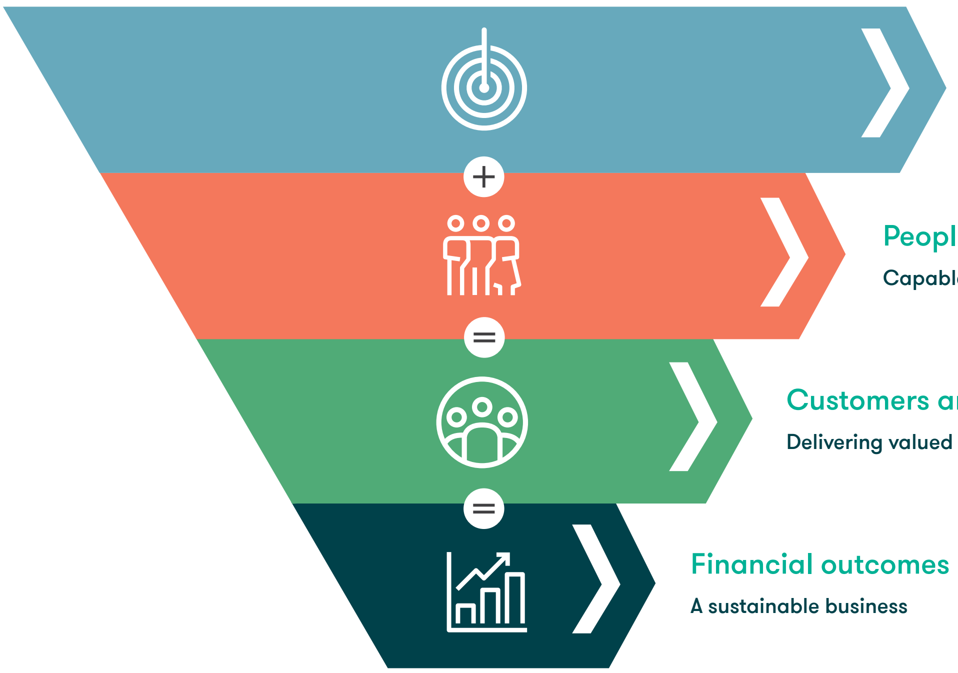
On 4 April 2024, Suncorp Group Limited announced that it had entered into a share sale and purchase agreement with Resolution Life NOHC to sell its New Zealand Life Insurance business, Asteron Life Limited. The sale, which is expected to complete around the end of January 2025, is subject to approval from the Reserve Bank of New Zealand. Approval from the Overseas Investment Office has been obtained and no objections were raised by the New Zealand Commerce Commission.

*This excludes Suncorp Bank employees following the sale of the Bank to ANZ in July 2024.

Our purpose and values

Purpose-driven, creating long-term value

Suncorp is a purpose-driven business. Building futures and protecting what matters sits at the core of everything we do. Our purpose underpins our culture; the work our people do every day and the role we play in communities across Australia and New Zealand. Our capable, engaged, diverse and innovative workforce brings our purpose to life for our customers and the communities we live and work in. The long-term financial outcomes we achieve and the value we create for our shareholders reflects the sum of us getting all this right.



Our purpose
Building futures and protecting what matters

People
Capable, engaged, diverse, innovative

Customers and community
Delivering valued outcomes

Financial outcomes
A sustainable business

Being @ Suncorp Behaviours

Our culture is underpinned by our Being @ Suncorp behaviours. Living by our behaviours every day enables us to deliver on our purpose and strategy by creating a sustainable business that provides valuable outcomes for our stakeholders.

Doing the right thing
We are committed to always doing the right thing, by conducting ourselves honestly and fairly in all situations.

Caring for others
We are genuine, inclusive and we care about our customers, our people and the communities in which we operate.

Being courageous
We strive to be our best, we speak up when it's needed most and take ownership of our actions.

Our strategic priorities

This year, Suncorp Group refreshed its strategic plan to reflect our emergence as a dedicated Trans-Tasman insurer. Our Board-approved strategic priorities for FY27 and beyond build on the strong foundations established over the past four years to become a simplified, investible and resilient business, with strengthened digital and data capability and more efficient, growing business portfolios. With our purpose and people at the core, Suncorp's ambition is to become the leading Trans-Tasman insurer and centres on delivering improved outcomes for our customers, communities and shareholders. Our longer-term vision sees us providing our customers with more personalised insurance coverage that meets their needs and helps them make informed decisions, while also becoming a recognised leader in the claims experience for our customers. The plan is underpinned by key investments in technology, including the modernisation of our platforms and building on our Artificial Intelligence (AI) capabilities to responsibly embed Generative AI, to drive innovation and enable our people to deliver simpler, more valuable outcomes for our customers.

Purpose

Building futures and protecting what matters

Ambition

FY27: To be the leading Trans-Tasman insurer

Portfolios

Consumer		Commercial & Personal Injury		New Zealand
Motor	Home	Commercial	Personal Injury	

Priorities

Best in protection and prevention	Leadership in Claims	Distribution and Innovation	Digital-first	Advocacy

Strategic enablers

Platform Modernisation	AI-enabled Operational Transformation
Developing market leading, innovative and affordable customer products with simplified, modern platforms	Delivering globally recognised processes and customer experiences enabled by artificial intelligence, digitisation and automation supported by partnering

Foundations

Differentiated brands	Fulfill ESG & community commitments	Aligned risk appetite to support strategy	Maintain strong balance sheet	Deliver Bank transitional services

People

Purpose-led, performance driven, solving complex customer problems

Our financial performance

Suncorp Group

Our FY24 result demonstrated an increase in earnings driven by improved underlying margins, positive investment returns and natural hazard costs below allowances.

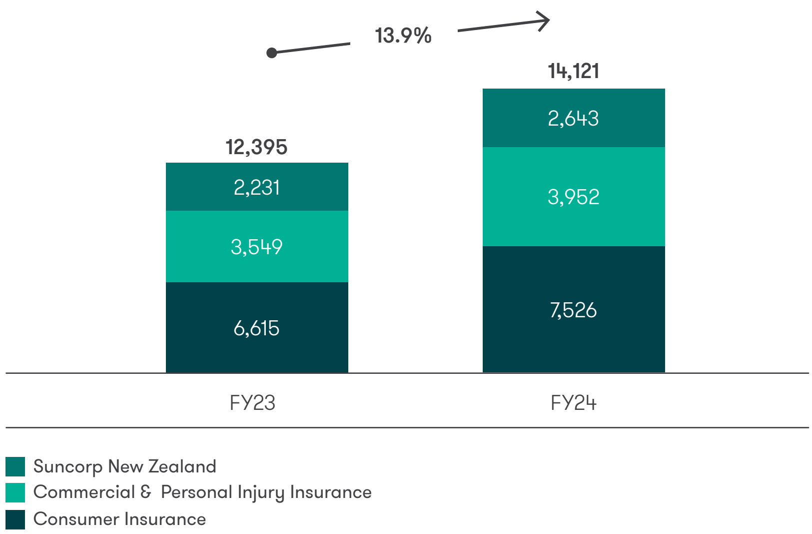
Net Profit After Tax
$1,197m

Group Cash Earnings
$1,372m

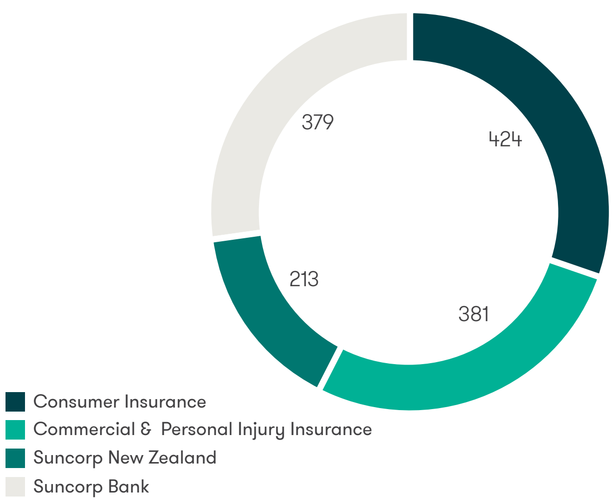
General Insurance GWP
$14,121m

Suncorp Bank Home Lending
$57,012m

General Insurance GWP by portfolio ($m)



Profit after tax from functions ($m)



Group Financial Performance[1]

- Suncorp Group reported FY24 cash earnings of $1,372 million (FY23: $1,177 million) and net profit after tax of $1,197 million (FY23: $1,071 million). The results were reported across the four functions that remained part of the Group during the full financial year: Consumer Insurance, Commercial & Personal Injury Insurance, Suncorp New Zealand and Suncorp Bank.
- Higher net investment income contributed $661 million to the Group's earnings, up from $451 million in FY23, driven by a strong underlying yield on the interest-earning portfolio, and stronger global equity markets.
- Gross Written Premium (GWP) growth in the General Insurance business was 13.9%, reflecting both unit growth and targeted price increases in response to higher input costs of reinsurance, natural hazards and claims inflation.
- The Group underlying insurance trading ratio (UITR) or margin for 2H24 in the General Insurance business increased to 12.0%, with the full year increasing from 10.6% to 11.1%. The increase in margin was driven by revenue growth, the impact on earnings from price increases, and from efficiency gains in the business.
- A final dividend of 44 cents per share (fully franked) brought total ordinary dividends for the year to 78 cents per share, representing a full year payout ratio of 72.1% of cash earnings, around the middle of the target payout ratio range of 60 to 80%. Appropriate capital buffers have been maintained in line with the Group's disciplined approach to active capital management.
- Common Equity Tier 1 (CET1) capital held at Group was $203 million. Suncorp will continue to be disciplined in managing capital and remains committed to returning capital in excess of the needs of the business to shareholders.
- Group operating expenses were $2.5 billion, up 8.5%. The increase in operating expenses largely reflected growth related expenditure, inflationary pressures and an increase in Bank costs.
- The Group incurred Bank separation costs of $151 million after tax through the year.

Capital

The Group's capital management strategy is to optimise shareholder value by managing the level, mix and use of capital resources. The Group will continue to be disciplined about actively managing capital and will balance the needs of the business, the economic outlook, regulatory guidance, and returns. The FY24 dividend payout ratio of 72.1% of cash earnings, around the middle of the target payout ratio range of 60% to 80%, reflects the Group's prudent and disciplined approach to managing capital.

Natural hazards and Reinsurance

Total natural hazard costs to 30 June 2024 were $1,235 million, down from $1,257 million in FY23, and $125 million below the Group's annual allowance of $1,360 million. The Group managed 12 separate weather events in Australia and one event in New Zealand above the $10 million threshold, as well as cyclone related events covered by the Cyclone Reinsurance Pool (CRP).

The Group has increased its natural hazard allowance for FY25 to $1,560 million, reflecting increased unit growth, continued inflationary pressures across the industry, and increased risk retention following changes to the reinsurance program.

1. All percentage movements refer to the prior corresponding period unless otherwise stated. From 1 July 2023, the Group has adopted AASB 17, the new accounting standard for insurance contracts. The prior corresponding period has been restated to reflect this application.

Profit after tax

$424m

GWP

$7.53bn

Digital sales[1]

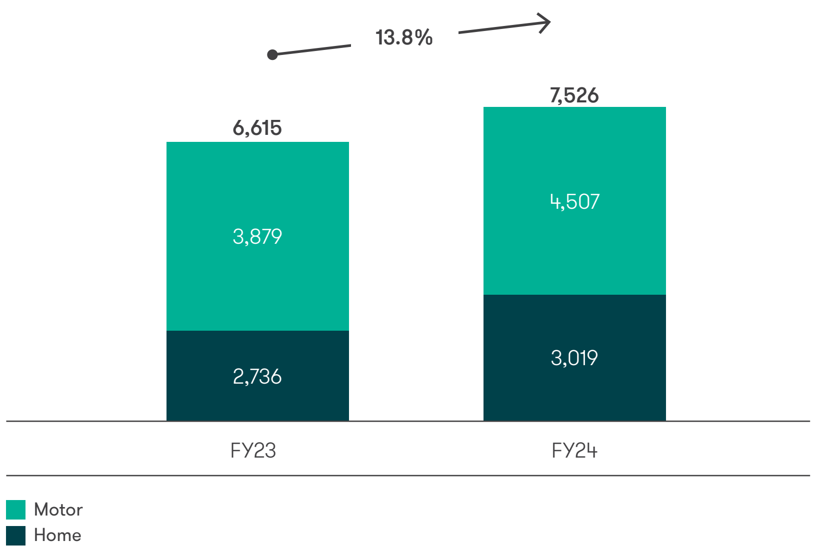
75%

Consumer Insurance

Financial performance

- Consumer insurance delivered profit after tax of $424 million, up from $200 million in FY23, driven by revenue growth and improved margins.
- GWP rose by 13.8% to $7,526 million, driven by growth across Average Written Premium (AWP) and units in Home and Motor. AWP growth reflected the pricing response to higher input costs of reinsurance, natural hazard costs and working claims inflation, partially offset by tight cost management and the impact of the Cyclone Reinsurance Pool.
- Motor delivered growth of 16.2%, reflecting AWP growth of 14.4% and unit growth of 1.8%. Growth was across all brands and supported by investments in marketing activities, coupled with further improvements in digital functionality and product enhancements.
- Home achieved growth of 10.3%, reflecting AWP growth of 8.9% and unit growth of 1.4%. Strong new business volumes and stable renewal rates supported the result.
- Net incurred claims of $4,953 million increased 14.0% reflecting increased exposure from higher units, unfavourable development of prior year claims and ongoing inflationary pressures.
- The total expense ratio improved from 16.9% to 15.4% due to effective cost management, despite inflationary impacts and increased investment in growth related spend.
- The Consumer portfolio continued to make significant progress repairing margins, with the underlying insurance services ratio (UISR), increasing from 3.4% to 6.3%.

Gross written premium ($m)



1. For mass brands across Home and Motor products.

Profit after tax

$381m

GWP

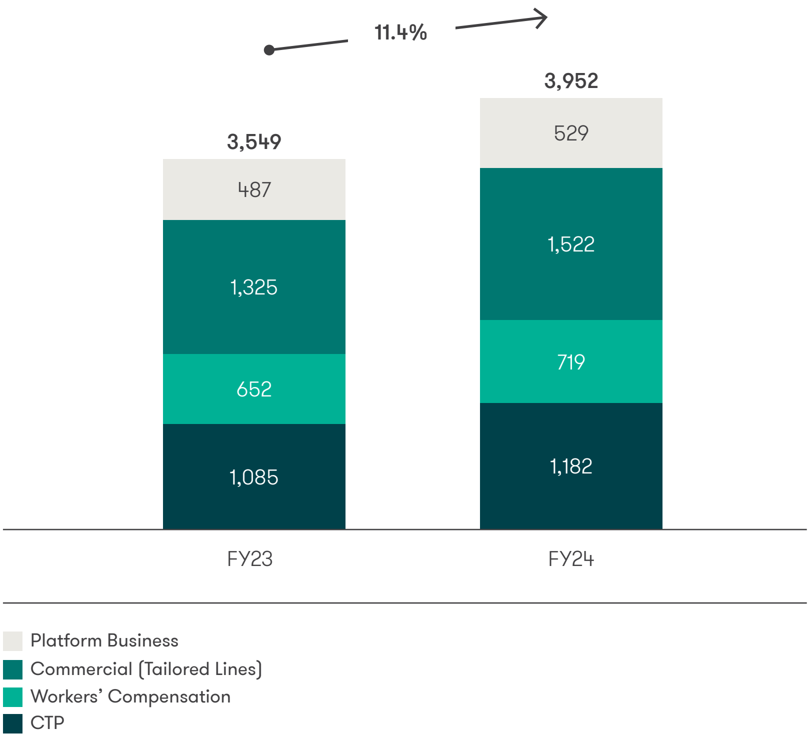
$3.95bn

Commercial & Personal Injury Insurance

Financial performance

- Commercial & Personal Injury profit after tax of $381 million declined $62 million. The prior year result benefited from the release of the COVID-19 related business interruption provision of $124 million. In addition in FY24, there was a reduction in prior year reserve releases in the CTP portfolios. On an underlying basis, which is adjusted for the impact of the business interruption release and normalises for reserve releases, profit after tax increased 11.0%.
- GWP of $3,952 million increased 11.4%, with strong contributions across the portfolio. Growth was particularly robust across the Commercial (Tailored Lines) portfolio which grew 14.9% supported by Fleet and Commercial Property.
- Underlying net incurred claims of $2,338 million increased 13.2%, as claims expense increased in line with strong premium growth and a reduction in prior year reserve releases, which fell to $34 million compared to $210 million previously.
- Commercial & Personal Injury delivered an UISR of 11.7% which decreased from 12.9% predominately due to reduced reserve release assumptions in the CTP portfolio.

Gross written premium ($m)



General Insurance profit after tax

NZ$211m

Life Insurance profit after tax

NZ$19m

GWP

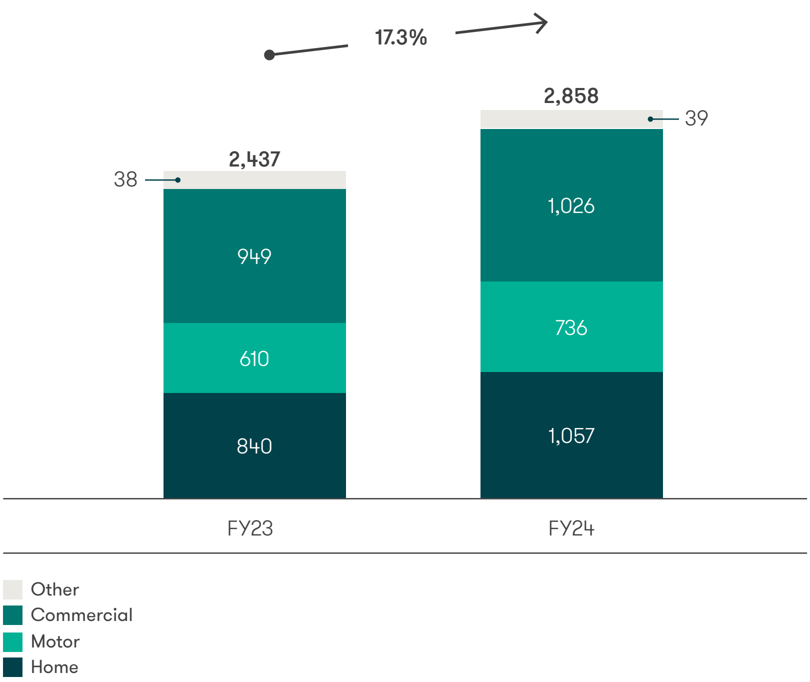
NZ$2.86bn

Suncorp New Zealand

Financial performance

- Suncorp New Zealand profit after tax was NZ$230 million.
- General Insurance profit after tax was NZ$211 million, up from NZ$65 million. The business benefitted from a benign natural hazard claims experience in FY24, with the prior year impacted by significant weather events and additional reinsurance reinstatement premiums following the North Island floods and Cyclone Gabrielle. The business also benefitted from strong top-line growth, a moderation in working claims, and improved investment income.
- GWP increased 17.3% to NZ$2,858 million, with Vero Intermediated and AA Insurance brands recording growth of 14.5% and 23.2% respectively. Growth reflected the pricing response to higher input costs and claims inflation, along with solid unit growth, largely in the Consumer portfolios.
- Net incurred claims grew 0.2% to NZ$1,228 million. Natural hazard costs were lower relative to the prior year; however, working claims were impacted by unit growth and inflationary pressures that have moderated through the year.
- The UISR decreased from 14.1% to 11.2%, impacted by increases in reinsurance costs, higher natural hazard allowance, and a lag in premium earn-through following pricing increases to cover higher input costs. The UISR increased to 13.1% in the second half of the financial year as the earn through of pricing increases drove margin improvement.
- Life insurance profit after tax of NZ$19 million was down 26.9%, with an increase in planned profit margins offset by project costs associated with the transition to a new accounting standard, and unfavourable experience, largely in the second half. Annual in-force premium of NZ$336 million grew 5.3%.

Gross written premium (NZ$m)



Profit after tax

$379m

Total lending

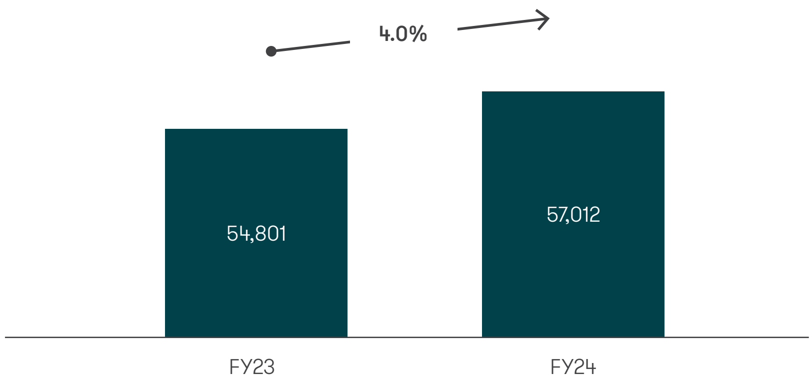
$69.93bn

Suncorp Bank

Financial performance

- Suncorp Bank profit after tax decreased 19.4% to $379 million, impacted by competitive pressures on margin and increased operating expenses.
- Net interest margin (NIM) decreased 14 basis points to 1.82%, driven by a shift in deposit mix towards higher yielding savings products and persistent competition in lending.
- The Bank grew the Home lending portfolio by $2.2 billion or 4.0%. Business lending grew 3.3% to $12.9 billion with growth across all portfolios.
- Home lending 90+ past due loans increased from 0.51% to 0.70% of the portfolio, although this remained below long-term trends demonstrating a high-quality lending portfolio.

Home lending ($m)



Our approach to sustainability

Suncorp is committed to building a resilient and sustainable organisation that values positive stakeholder outcomes. We proactively manage the material environmental, social and governance (ESG) risks and opportunities identified by Suncorp in consultation with our key stakeholders. As we fulfill our purpose and deliver on our strategic priorities, we aim to create long-term value for our people, customers, communities and shareholders.

Engaging our stakeholders

Suncorp collaborates with a broad range of stakeholders to identify and manage business risks and opportunities, advocate for positive outcomes, and ultimately create long-term value. Stakeholder engagement is highly valued by Suncorp as it builds trust and confidence, helps us make informed and balanced decisions, and determines our approach to addressing the topics most material to us and our stakeholders.

We use ongoing formal and informal engagement methods based on principles that ensure we are proactive, respectful, and transparent, upholding the highest ethical standards. Our approach evolves in line with our strategy and emerging trends and issues that may impact our business and the community. We identify key stakeholders – including our customers and communities, our people, government bodies, industry associations, regulators, investors and suppliers – based on their level of interest and impact on our business, as well as the opportunity to collaborate for positive outcomes.

Materiality

Suncorp undertakes regular materiality assessments to identify the topics of most significance for our stakeholders and our business. This helps us to manage risks and opportunities and create value for our stakeholders, now and in the future. This year, an independent review of our most material ESG topics was completed considering emerging trends and key changes in our operating environment over the past year.

Our approach

The process for reviewing our material topics included the following:

- analysis of media and selected peer and industry reports across Australia and New Zealand
- an employee survey to gain insight on what matters most to our people
- engagement with key Suncorp leadership teams to discuss topic movements and emerging themes
- review and assessment of material changes, key drivers and trends.

Key outcomes

Accessibility and affordability of financial services, natural hazard resilience, and climate change response remain the topics of most importance to Suncorp and our stakeholders. This reflects continued cost of living pressures, sustained focus on net-zero transition-planning, and event response following natural disasters.

In addition, the review identified:

- the increasing importance of leading technological advancement and agility and innovation, driven by the rapid pace of technology development and growing use of artificial intelligence (AI) in business operations
- a heightened need for community advocacy and investment in response to the growing risk of under/no insurance, particularly in vulnerable communities
- sustained focus on trust and transparency and delivering a positive customer experience, following recent emphasis on the management and processing of insurance claims across the industry.

New themes that are emerging as important to Suncorp and its stakeholders include:

- Wide-spread use of Generative AI and the governance models required for responsible and ethical use.
- Increasing focus on psychosocial safety as a key theme in the management of workforce wellbeing.
- Government intervention and regulation, particularly in the context of accessibility and affordability of insurance products, and the regulation and scrutiny of sustainability disclosures.
- Growing consideration by government and industry of nature-based solutions to improve natural hazard resilience and reduce disaster risk. Examples include restoring wetlands to protect communities from floods, protecting or restoring coastal habitats to reduce tidal flooding, and using cultural burning practices to manage the landscape and reduce fire risk.

These outcomes continue to inform Suncorp's sustainability program of work and our approach to external reporting. Insights are also shared with strategy and risk teams for consideration in business planning and risk management activity.

Sustainable Development Goals

Suncorp remains committed to driving action in support of the United Nations Sustainable Development Goals (SDGs).

Learn more about our contribution to the SDGs and alignment to our material topics on the website.

SUSTAINABLE DEVELOPMENT GOALS

Learn more

Guiding commitments and frameworks

Suncorp is a signatory or member of a number of programs, which guide our internal practices and help shape our overall approach to sustainability. We take part in a range of external assessments and benchmarking initiatives to help improve our performance and enhance transparency.

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA

Learn more

Our most material topics

Topic description	Read more on our response
Accessibility and affordability	
Ensuring all customers can access affordable financial services that meet their needs.	See pages 21 to 24
Climate change response	
Proactively adapting to and managing the physical and transitional risks and opportunities of climate change for Suncorp's business.	See our Climate-related Disclosure Report
Natural hazard resilience	
Helping customers and communities build resilience to natural hazards including floods, cyclones, storms, earthquakes and bushfires.	See pages 21 to 23
Customer experience	
Developing agile, innovative and accessible solutions and products for customers. Enabling a personalised and seamless end-to-end user experience supported by customer engagement.	See pages 21 to 24
Trust and transparency	
Promoting a culture of trust and integrity through robust and transparent governance and disclosure processes.	See pages 21 to 31
Data privacy and security	
Rapidly adapting to and mitigating evolving data privacy and security threats to protect Suncorp and its customers.	See pages 23 to 24
Workforce planning and retention	
Responding to changing market conditions, technological disruption and demographic shifts impacting the workforce. Embracing new opportunities to attract and retain high-calibre talent with a range of skills, experience and creativity.	See pages 25 to 26
Purposeful and responsible business	
Promoting and integrating Suncorp's purpose into the way it does business. Embedding environmental, social and governance considerations into decision making, including investment, underwriting and lending practices.	See pages 10 to 31
Workforce wellbeing	
Protecting and promoting the wellbeing, health and safety of all Suncorp employees, including contractors.	See pages 25 to 26
Sustainable supply chain	
Championing sustainable supply chains through responsible procurement and working with business partners to minimise negative social, health, safety and environmental impacts. Mapping risks and opportunities that provide resilience against economic, social and environmental supply chain disruptions.	See pages 19 to 27

Our customers and communities

At the heart of building futures and protecting what matters is a focus on delivering positive customer experiences, and identifying where we can improve each part of our customers' journey with us. Also core to Suncorp is strengthening the resilience and preparedness of our customers and communities and being there in times of need.

This year, the Australian House of Representatives Standing Committee on Economics held an inquiry into insurers' responses to the 2022 major floods claims. Group CEO Steve Johnston and CEO of Suncorp Group's Consumer Insurance business Lisa Harrison appeared before the Committee to discuss Suncorp's response, learnings and commitments to natural hazard resilience. The Committee is expected to hand its report to the Australian Government in October 2024.

Read more

Improving the customer experience

Suncorp is committed to acting on feedback and insights from our customers to enhance their experience and address areas for improvement. We acknowledge an increase in complaints volumes and challenging customer satisfaction trends during the year, and have established a significant program to improve the customer claims experience and strengthen alignment to regulator and community expectations.

Suncorp has continued to improve its claims and complaints handling functions in light of ASIC Report 768, industry reviews conducted by the Insurance Council of Australia, the Code Governance Committee and evidence provided during the Australian Government's Parliamentary Flood Inquiry. Suncorp has optimised its program of work to support effective delivery and oversight of these improvement initiatives.

Activities to uplift the customer experience include:

- conducting an end-to-end review of customer correspondence, claims processes and core obligations to identify customer pain points and address feedback from the industry reports
- a focus on workforce models and resourcing to support faster fulfilment
- redesigned visual guides to help our customers better understand their cover, exclusions and obligations
- implementing a capability program to support our customer-facing teams with a model to deliver consistently great customer experiences
- ongoing development and delivery of Vicarious Trauma Training to support our claims handling team members.

Award-winning commercial claims service

Our Vero brand was awarded the Gold Mansfield Award for Commercial Insurance Claims Excellence, marking our fifth consecutive win. This prestigious award is a testament to the hard work and dedication of our team, who continually strive to deliver exceptional claims service.

In commercial claims, an increased use of automation has allowed our claims advisors to provide faster settlements and spend more time on complex claims decisions.

Strengthening our supply chain

Suncorp maintains strong working relationships with our supply chain at both an individual claim level and a performance management perspective. HomeRepair provide guaranteed and exclusive management of around 20,000 repair claims and around 2,000 emergency Home Assist call outs every year. This enables HomeRepair to hold strong working relationships with around 300 trades on the east coast. A new scoping tool has enabled more accurate scope of work through the assessment process and ensures the customer and the trades/suppliers are aligned, minimising complications and disputes. To address motor supply chain challenges, Suncorp has continued to work with our repair partners to improve productivity and reduce time off the road.

We've introduced additional repair partners with national coverage to support areas with capacity constraints and high demand.

Getting customers back on their feet

Through early intervention strategies, industry innovation and award-winning training programs for our claims managers, we have continued to support injured workers to get back to work faster. We are collaborating with industry experts to develop a National Australian Standard for Workplace Injury Management Systems, to provide practical guidance to employers, especially micro and small-medium businesses, on developing effective workplace injury management systems.

Ongoing commitment to natural hazard resilience advocacy

Suncorp continued to proactively engage with government and industry in alignment with our four-point plan to improve resilience and mitigation. Highlights included:

- Suncorp Group and Natural Hazards Research Australia hosted a public policy roundtable and released a discussion paper to drive a national conversation about assisted relocations, giving communities at high-risk of being repeatedly impacted by extreme weather the opportunity to be relocated out of harm's way
- representation at the National Emergency Management Agency's (NEMA) Hazard Insurance Partnership to discuss natural hazard resilience related priorities, including developing a shared understanding of priority natural perils risks and opportunities for risk mitigation including through the Disaster Ready Fund
- ongoing engagement with resilience agencies including NEMA, Queensland Reconstruction Authority, the NSW Reconstruction Authority, and all levels of government, on priority natural perils risks and Suncorp's technology-enabled disaster response capabilities
- following sustained advocacy on tax reform on insurance bills to benefit customers, we welcomed the NSW Government's decision to reform the Emergency Services Levy.

Read more

Supporting customers and communities through natural hazard events

13
declared weather events

89
communities supported virtually through proactive welfare calls

21
communities supported face-to-face through on-the-ground deployment

453,973 proactive SMS

695 customers supported through proactive welfare calls

1,006 customers supported on-the-ground

Supporting customers to increase household resilience

The Group is continuously exploring and developing ways to deliver more affordable and improved products and services for our customers.

Build it Back Better (BiBB) is an additional benefit available to eligible Suncorp branded home insurance customers. This benefit is designed to cover costs associated with the purchase and installation of building enhancements that reduce the risk of damage during future weather events, for example replacing carpet with tiles, installing solid hardwood doors, and raising external services around the home (such as air conditioning units).

Our online Resilience Hub provides information and videos on building for resilience, and this year saw the launch of My Home, a Suncorp Insurance app feature designed to educate homeowners on maintenance habits to build everyday home resilience and better protect and prepare for all types of events. Almost 65% of the app users completed tasks to better prepare and protect their home.

Suncorp was one of two insurers to announce that it would reflect Bushfire Resilience Ratings developed by the Resilient Building Council in insurance premiums, providing a premium discount to customers who obtain a certified rating of 3 or more.

Read more

Contributing our Trans-Tasman experience to protect homes, businesses and communities in New Zealand

Following the devastating impacts of Cyclone Gabrielle and the Auckland floods in New Zealand in January 2023, Suncorp Group has played a leading role in contributing our experience-led insights to discussions on climate risk, resilience and adaptation. Suncorp New Zealand CEO Jimmy Higgins has participated in the insurance sub-committee of the Cyclone Recovery Taskforce and the New Zealand Government's Independent Reference Group on climate adaptation.

Suncorp has provided submissions to government-led inquiries and continues to contribute to the development of fit for purpose regulation for the insurance industry, including through its memberships to the Insurance Council of NZ and Financial Services Council. Our insights and collaboration are contributing to a coordinated, long-term plan for New Zealanders.

Strengthening our natural hazard preparedness and response

Throughout the year Suncorp Group supported customers in the response and recovery of 12 separate weather events in Australia and one event in New Zealand, as well as cyclone related events covered by the Cyclone Reinsurance Pool (CRP). These included bushfires in New South Wales, the impacts of Tropical Cyclone Jasper in Far North Queensland, severe storms along the East Coast of Australia and Cyclone Kirrily which affected the Australian east coast and Northern Territory.

Read more

We expanded our preparation, technology use and communication for major natural hazard events as part of our disaster management strategy in a number of ways:

- Continuing to improve the technology in the Suncorp Control Centre including refining AI models and enhancing the capability to respond to bushfire, cyclones and earthquakes.
- Introducing integrated seasonal outlooks which now include Suncorp's risks and strategies within identified elevated natural hazard threat areas.
- Collaborating with climate scientists within both Suncorp and the Early Warning Network to inform our FY24 simulation scenario.
- Expanding our customer communications and education brochures to help customers through all parts of the claim journey, across more brands. This included a children's activity book, which aims to educate the next generation in the importance of resilience.
- Sending new SMS messages to help our customers prepare for weather events and advise customers of recovery centre details.
- Enhancing technology to enable a more targeted proactive welfare calls, ensuring we contact our customers first that are most in need.

Education and information sharing for community preparedness

Suncorp continued to unite with its partners to educate communities on the value of preparing and increasing resilience.

Suncorp hosted its SES partners and Get Ready Queensland for a discussion on disaster management and community preparedness. Leaders from the Queensland, New South Wales and Victorian State Emergency Services, along with Queensland Police and the Queensland Reconstruction Authority, joined Suncorp's insurance leaders for a wide-ranging discussion that addressed topics from disaster technology to disaster readiness and communications.

Read more

Members of our Customer Support Teams (CST) embarked on a community engagement tour across Queensland, New South Wales and Victoria in collaboration with our SES community partners in those states. CST members attended regional shows and events alongside the SES to engage with local communities on preparedness and resilience measures.

In Queensland, Suncorp continued to partner with the Queensland Reconstruction Authority on the Get Ready Queensland program – a year-round, all-hazards, resilience building initiative to help communities prepare for natural disasters.

Read more

Financial assistance to strengthen communities

Suncorp partnered with the Foundation for Rural and Regional Renewal (FRRR) to offer $300,000 in grants to local not-for-profit organisations in Queensland communities affected by Tropical Cyclones Jasper and Kirrily.

Read more

The Group provided financial assistance immediately following ex-Tropical Cyclone Jasper, contributing $100,000 to the Queensland Premier's Flood Appeal to help Far North Queenslanders recover.

Read more

Our people across Australia and New Zealand once again got behind Spirit to Cure, Suncorp's cancer fundraising challenge. Teams cycled, walked and ran their way to support new cancer treatments, boost diagnosis rates and support those living with cancer and their families, with over $1.77 million donated to cancer charities.

We introduced our refreshed workplace giving program to empower employees to make a difference and choose how they give back. Through 'Collective Giving' employees can donate time, money or skills to the organisations that have meaning to them. Suncorp matches donations (up to $1,000 per financial year for eligible employees) and offers one day of volunteer leave.

Protecting customers experiencing vulnerability

The Group Office of the Customer Advocate (OCA) works with experts and people with lived experience to advise on designing and distributing financial products and services. The Group also participates in the Insurance Council of Australia (ICA) Customer Inclusion Working Group.

Read more

Throughout the year Suncorp Group made a number of enhancements to protect customers from financial abuse and the weaponisation of financial products. These enhancements included:

- Implementing a system improvement to ensure customers who have an indicator of family and domestic violence or elder abuse are referred to a specialised customer care team when they contact Suncorp.
- Introducing clear expectations on best practice (called Customer by Design) for developing products, processes, services and systems to understand downstream impacts and minimise unintended consequences for our customers.
- Working with Uniting Local Area Coordination (LAC), an NDIS support service, to develop a suite of 'Accessibility Awareness and Understanding' training which was completed by our customer-facing Insurance team members. This supports our teams to understand accessibility, disability and inclusion and give them confidence and tools to support customers in an inclusive way.
- Suncorp Group was among the first Australian businesses pledging to promote respect and to protect against financial abuse.

Read more

Digital highlights

53%

of consumer insurance customer interactions were digital; up from 47%

3 out of 4

customers purchased our insurance digitally

Through automation we streamlined 30 million transactions, saving 940,000 hours

AAMI app visits increased 190%, averaging 125,000 customer visits weekly

APIA brand digital growth was 42%; more than 25% of APIA customers purchased their insurance digitally

Insurance customers held 2.4 million 'natural language' conversations through 14 conversational AI chatbots; a 30% uplift on FY23

Data privacy and cyber security

Strengthening our approach to protecting our customers' data remains a priority, including identifying and preparing for potential threats to our business.

Suncorp Group's Security Strategy and Security Policy Framework are based on regulatory obligations and industry frameworks, and our security priorities are regularly reviewed in consideration of the evolving threat landscape, learnings from external breaches and consulting with global experts.

Suncorp has increased the focus on maturing our resilience and recovery capabilities to reduce the potential impact of a significant cyber event. In addition to investment in technology and capabilities, we run regular simulations involving the Board and senior business leaders. These scenarios provide an understanding of where to continue strengthening our capability and support our preparation for the new Operational Risk Management industry standard Australian Prudential Regulation Authority (APRA) CPS230. We have continued to invest in maturing our capability in alignment with our cyber strategy and our security program of work has continued to uplift capability across key areas.

This year, the Group launched our new and improved cloud-based data ecosystem to strengthen the safety and security of our data services now and into the future. The Group also successfully completed the separation of Bank and Insurance customer data. The outcome of this work provides our customers a simpler, safer and more streamlined experience and also prepares our systems for the transition of Suncorp Bank to ANZ.

Solving customer problems through innovation

Our Innovation Studio is helping to innovate products, services and experiences for customers by taking a 'test and learn' approach to developing prototypes to address customer challenges in a quicker way. A Commercial AI project in our SME segment was designed to help customers more easily find the right insurance cover. A second use case involved working with our Data Science team to help customers better understand their Product Disclosure Statement.

A commitment to road safety

Together with the Australian Road Safety Foundation (ARSF) we support extensive research and impactful campaigns aimed at promoting awareness and behaviour change among all road users. We collaborated on initiatives including Fatality Free Friday, Rural Road Safety Month, Christmas Road Safety, and Slow Down Songs, reinforcing our dedication to advancing road safety across the country.

Read more

AAMI Driver Rewards has continued to provide customers with trip insights to help them improve their driving behaviours. More than 270 million kilometres of trip data was analysed and communicated back to participants. By spotting trends and sharing insights to improve, 39% of drivers observed a gradual improvement in their safe driving score. 52% of drivers who started with a score below 85 observed an improvement.

Customers embracing digital-first transactions

Throughout the year, the Group maintained a focus on meeting customers at their channel of choice through digitisation. Digital growth allows our customer teams to focus on more complex queries and save customers' time. 4.7 million service transactions were completed digitally, the 4th consecutive year of double-digit year-on-year growth in digital service uptake. For brokers, we continued to improve connectivity including through the implementation of our commercial motor product on a key strategic broker platform.

Our people

The way we work is transforming faster than ever. Suncorp Group is committed to creating an environment where our people feel supported to make their difference, and preparing our people for the jobs of the future.

Workforce wellbeing

Our workforce wellbeing actions and commitments reflect contemporary social challenges, and provide practical tools and support for our people to thrive.

Suncorp Group's health and wellbeing measure taken from our employee feedback survey consistently sits at a score of 8.7 out of 10, 0.7 above the financial services benchmark.

Fostering wellbeing and psychological health and safety

Suncorp Group's partnership with the Black Dog Institute (BDI) continues to help us develop our leaders to better support mental health at work, and acknowledges the critical role supportive leadership has in fostering wellbeing. Through this learning, participants build awareness of mental health issues and gain confidence and skills to support mentally thriving teams.

Almost 300 leaders received the workplace mental health training, taking the leadership cohort who have completed 'Managing for team wellbeing' to more than 600. Leaders have ongoing access to a dedicated group to continue to provide support, share knowledge and help embed the learning.

Access to mental health modules was expanded to all employees, to increase the reach of the BDI's resources and build awareness of common mental health issues and strategies for our people to take care of themselves and each other.

Financial coaching a sought-after EAP service

Suncorp's Employee Assistance Program (EAP) is a safe and confidential service for our people to receive expert support and guidance on a range of work, health, family, and life areas. Over the past 12 months, our financial coaching and supporting financial literacy resources have been among our most utilised services with over 200 sessions conducted with employees.

Protecting our people

Protecting our people from injuries, external threats, violence and customer aggression remains a priority for Suncorp Group. By preparing for emergencies, we empower our people to take decisive and effective action when critical situations arise. New emergency awareness training was released to all employees and our warden network expanded, providing specialist warden training for more than 400 business leaders.

Respect at work

This year, Suncorp refreshed our commitment to Respect at Work through a Board-endorsed prevention and response plan. The plan will step the Group towards leading practice in promoting a safe, inclusive and respectful workplace and focuses on deepening senior leaders' understanding of the factors that contribute to sexual harassment and accelerating the pace of change through bystander action.

Creating the conditions to thrive

Our people are at their best when we make space for them to be their best selves at work. By fostering an environment of psychological health and safety, we enable our people to drive innovation, helping us better serve the needs of our community and customers.

Deepening our First Nations Reconciliation Awareness

Across the Group, we continued to offer highly popular online workshops facilitated by First Nations spokesperson John Briggs. These discussion-based, open forums were designed to educate on reconciliation and First Nations' histories and cultures, and contribute to an inclusive workplace that respects and values different ways of working.

Strengthening cultural inclusion

A Māori Cultural Advisor | Kaiwhakahaere Māori role was appointed to assist with development and delivery of a strategy/plan/rautaki to weave te ao Māori (Māori worldview) into the Suncorp Aotearoa way of life and business plans.

Ensuring te ao Māori is integral to the way we operate, building knowledge and capability in our people to confidently apply a Māori lens to their work, resulting in better outcomes for our Māori employees and customers, and contributing to an inclusive workplace that respects and values different ways of working.

Recognition for LGBTQ+ inclusion

Suncorp Group was awarded Silver Tier Recognition under the Australian Workplace Equality Index (AWEI), acknowledging our strong commitment to providing an equitable and supportive environment for LGBTQ+ employees.

AWEI is considered the definitive national benchmark on LGBTQ+ workplace inclusion in Australia and drives best practice across all sectors.

Read more

Attracting the best talent

Suncorp Group is driving employment opportunities for First Nations Australians, and Māori and Pasifika peoples in Aotearoa (New Zealand), starting with action at the student level.

Our partnerships with two leading education not-for-profit organisations, TupuToa in New Zealand and Career Trackers in Australia, broadens our access to talented students and future leaders, and increases their visibility of and accessibility to the corporate world.

Read more

Four First Nations 'Career Tracker' interns participated in Suncorp Group's 2024 intern cohort. The Group's internship program was recognised with a Top 20 position on the list of the Top Internship Programs in Australia.

Read more

Employee Resource Groups shaping understanding and inclusivity

Suncorp Group's Employee Resource Groups (ERGs) continue to play an important role in creating a more inclusive and innovative organisation. These voluntary, employee-led groups represent the voices of our diverse workforce. This year, the lived experience shared by our ERGs has directly resulted in:

- an enhanced range of accessible IT equipment, supported by a streamlined request process, to ensure employees with disability can work comfortably, safely, and productively
- the launch of three neurodiversity learning modules (developed by our Infinite Minds ERG) to bridge the gaps in understanding of neurodiversity in the workplace by dispelling myths and articulating neurodiverse strengths to drive innovation and elevate team performance.

Gender Pay Gap (GPG) reporting

This year was the first time GPGs were publicly reported by the Workplace Gender Equality Agency (WGEA) for more than 7,000 organisations across Australia. Suncorp is proud of the work and focus we have dedicated to reducing our GPG and have published our first Gender Pay Gap Report. Our GPG for our combined Australian and New Zealand workforce at the end of FY24 was 16.8%, and while we have made progress, we acknowledge there is more to be done. By participating in WGEA reporting[1], we contribute to a movement towards improving gender equality across the financial and insurance sector.

1. WGEA looks at both base salary and total remuneration and uses the median as the data point. At Suncorp, we look at base salary only and use the mean (average) as the data point.

Read more

Respecting Human Rights

This year Suncorp developed our first public-facing Human Rights Statement. The Statement outlines our approach to respecting human rights and mitigating the risk of harm to people connected to our business activities and relationships. This includes identifying and managing human rights issues and addressing any adverse human rights impacts that we may cause or contribute to.

In managing our impacts, we consider our role as an employer, a provider of financial products and services, an investor, and a procurer of goods and services. To embed our commitment, we aim to incorporate human rights considerations into existing policies, standards, and codes of practice.

We seek to continuously improve our Statement in line with the United Nations Guiding Principles on Business and Human Rights and will review it at least every two years.

Suncorp remains committed to protecting against modern slavery in Australia and globally. Through our Modern Slavery Statement, we report on how we identify and address the risk of modern slavery in our operations and supply chain.

Read more

Empowering people to work together

Technological changes are reshaping the traditional workforce. The way we approach learning, development and collaboration is changing to meet the challenge of our evolving workplaces.

Building capability for the changing world of work

Reskill is a bespoke program supporting our people to retrain and acquire new skills in areas such as data analytics, artificial intelligence, and business process modelling.

Delivered in partnership with the University of NSW, program graduates receive an accredited certification that can be used towards other university level courses in the future. The program is now into its fourth intake and 65% of graduates have secured a new role opportunity within Suncorp Group, alongside their accreditation certification.

Building AI fluency, knowledge and collaboration

Suncorp's people have embraced opportunities to build an understanding of artificial intelligence, including responsible use and governance.

Our AI+U program engaged our people in the Group's AI journey providing knowledge, empowerment, conversation, and collaboration. Employees have enjoyed the opportunity to experiment safely with productivity tools like Microsoft Copilot, and put AI to the test to solve real customer problems through "Hackathons", AI conferences and training programs.

Almost 2,000 of our people signed up for our AI+U virtual conference, which showcased the ways we are already using GenAI to solve customer-centred problems, and provide a skills uplift. It featured sessions with companies like Google, Microsoft, Amazon and CSIRO. In addition, more than 420 employees participated in the AI+U Hackathon, which created opportunities to ideate and develop GenAI ideas in our internal testing environment.

More than 160 of our leaders and decision makers participated in a learning program delivered in partnership with University of Sydney. The course covered how AI functions, its relationship with data, opportunities and risks, and considerations for developing AI strategy within Suncorp. Participants engaged with experts, industry leaders, and completed a fluency project related to Suncorp.

Read more

Suncorp Group's Innovation Academy delivers customer-centred problem solving

Our seven-week Innovation Academy program is designed to train our people in innovation process and practice. Almost 500 of our people participated in project-based learning where participants chose a customer problem to solve, including testing with customers, and pitching their ideas back to leaders.

Climate and environment approach

In our Climate-related Disclosure Report 2023-24, we have considered alignment with the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) framework's recommendations across the four themes of governance, strategy, risk management and metrics and targets.

Read more

Governance

Suncorp Group and Suncorp New Zealand Boards and executives are responsible for the governance of climate-related risks and opportunities.

Our Board skills matrix can be found within our Corporate Governance Statement on page 36.

For governance on climate-related financial risks and opportunities please reference page 5 of our Climate-related Disclosure Report.

Strategy

Our approach to identifying climate related risks and opportunities such as mitigation and resilience is outlined in the Group's Climate Change Action Plan, with progress updates provided in our annual Climate-related Financial Disclosures.

Learn more

The four key pillars of our Climate Change Action Plan

Reducing our climate impact through mitigating the direct impact of our operations. This includes Scope 1 & 2 emissions associated with vehicle fleet and electricity consumption, and Scope 3 emissions associated with our supply chain.

Supporting the net-zero transition by reducing our Scope 3 financed and insurance-associated emissions related to our underwriting and investment activities for the Group.

Partnering with purpose through collaboration with government, industry bodies and climate experts to advocate for customer and community resilience, climate change mitigation and adaptation.

Integrating and lifting capability to assess and uplift our own understanding of climate-related risks and opportunities, manage and integrate climate into risk frameworks, and embed climate considerations across the business.

Risk management

Suncorp's Enterprise Risk Management Framework recognises climate change as a strategic risk impacting the Group's operating environment as well as physical, transition and liability risk impacting the Group's business plan.

Metrics and targets

Suncorp measures and tracks Scope 1 & 2 greenhouse gas absolute emissions against our net-zero target along with tracking the performance of our investment portfolio relative to benchmarks.

The basis of preparation for climate-related metrics, as well as our performance against climate targets and commitments are located within the reporting supplement, the environment, and value chain sections of our Sustainability Data Pack.

Learn more

Our performance

Suncorp assesses performance to a range of non-financial targets, providing a holistic view of outcomes across key stakeholder groups.

Stakeholder	Metric	FY24 Target
Customer	Suncorp Group Insurance Net Promoter Score[1]	Improve year-on-year (FY23: +7.4)
	Suncorp Bank MFI Net Promoter Score[3]	Improve year-on-year (FY23: +11.6)
People	Total workforce diversity	40% women | 40% men | 20% any[4]
	Women in senior leadership	49%
	Women on the Board	40%
	Gender pay gap	5 percentage point reduction[6] from FY21 to FY25
	Mature age employees (55 years and above)	13%
	First Nations employees (Australia)[7]	Minimum: 1.7%
	Indigenous employees (New Zealand)[8]	Minimum: 3.5%
	Employee engagement score[9]	Maintain score in global top quartile in financial services sector[10]
	Code of Conduct training completion rate	98%
	Cultural diversity[11]	Continue to monitor against FY23 baseline
Environment	Scope 1 & 2 greenhouse gas (GHG) emissions[12]	Net-zero emissions by 2030
Value Chain[13]	Payments to small business suppliers within 30 days[14]	95% by FY25
	Procurement spend with Indigenous suppliers[15]	$5m cumulative spend from FY25-FY27
	Diverse supplier engagement	Implement next phase of Responsible Supply Chain Strategy
	Funds invested in social and low carbon impact investments[16]	5% of total shareholders' funds

FY24 Performance		FY25 Targets	
✗	+7.4[2]	>>>	
✓	+16.1[2]		Removed due to sale of Suncorp Bank
✓	60.6% women 39.4% men <1% any[2,5]	>>>	
✓	49.1%[2]	^	50%
✓	40.0%[2]	>>>	
→	3.7pp[2] (GPG: 16.8%)	>>>	
✓	14.2%[2]	>>>	
✓	2.0%[2]	>>>	
✓	4.1%[2]	>>>	
✓	8.4[2]	>>>	
✓	99.6%[2]	>>>	
✓	Completed		Monitor representation rates through the employee lifecycle
→	76% reduction[2]	>>>	
→	96.6%[2]	>>>	
	Not applicable	+	New target
✓	Completed		Completed in FY24
✓	6.5%[2]	>>>	

Read more on our full suite of non-financial metrics in the FY24 Sustainability Data Pack.

→ **Read more**

✓ Target achieved

✗ Target not-achieved

→ Target on track

>>> Target retained

^ Target increased

\+ New target

1. RFI Global - Atlas. Measured as at June each FY on a 6-month rolling average amongst an aggregate of Suncorp Group Australian consumer insurance customers. Net Promoter Score℠ is a trademark of Bain & Co Inc., Satmetrix Systems, Inc., and Mr Frederick Reichheld. FY24 is the first year Suncorp is reporting Group Consumer Insurance NPS
2. FY24 figure subject to independent limited assurance by KPMG. Please refer to the limited assurance opinion included on the Suncorp Group website
3. RFI Global - Atlas. Measured as at June each FY on a 6-month rolling average amongst Suncorp Bank retail MFI customers. Net Promoter Score℠ is a trademark of Bain & Co Inc., Satmetrix Systems, Inc., and Mr Frederick Reichheld
4. "Any" includes women, men, non-binary and gender diverse employees, and those with a trans history or experience
5. Representation rates of non-binary and gender diverse employees, and those with a trans history or experience, remain below 1%
6. From FY20 baseline of 20.5%
7. Data is provided annually on a voluntary basis and disclosure response rates vary across diversity groups. First Nations data refers to employees who are Aboriginal, Torres Strait Islander or Aboriginal & Torres Strait Islander. It includes a subset of employees who identify as 'Other First Nations' and 'Australia' as their place of birth and 'Australian' as their cultural identity. Identity response options are guided from the Australian Bureau of Statistics Classification and Cultural Ethnic Groups (narrow groupings) and with employee input
8. Data is provided annually on a voluntary basis and disclosure response rates vary across diversity groups. Indigenous data refers to Māori and Pasifika (Pacific Islander). It includes a subset of employees who identify as 'Other First Nations' and 'New Zealand' as their place of birth and 'New Zealand' as their cultural identity. Identity response options are guided from the Australian Bureau of Statistics Classification and Cultural Ethnic Groups (narrow groupings) and with employee input
9. Employee engagement is measured by Workday Peakon Employee Voice, a product of Workday, an independent company and a separate entity to Suncorp, and is scored out of 10.0. The final reporting period for the financial year spanned from 24 June to 7 July 2024. The engagement platform is live and as at 30 June, the reported engagement result was 8.4. This result was maintained for the remainder of the period
10. The global top quartile in financial services sector for FY24 was 8.3. The financial services sector benchmark is sourced from Workday Peakon and consists of the average engagement score of all organisations in the industry
11. Employees born outside Australia, Aotearoa (New Zealand) and Britain
12. Scope 1 & 2 emissions performance is measured from FY20 baseline of 18,707 tC02-e using the Scope 2 market-based greenhouse gas (GHG) accounting methodology from the GHG Protocol Scope 2 Guidance. We track our emissions aligned to the Science-Based Target initiative (SBTi) Corporate Net-Zero Standard
13. Excludes New Zealand
14. Calculated with 12 months of reporting January-December. Only includes those entities that are eligible to be included in Payment Times Reporting and have been reported to the regulator. Excludes non-trade credit arrangements and calculated as per the regulator's guidelines. Small business defined by Payment Times Reporting Scheme as a business that has an annual turnover of <$10M
15. Indigenous suppliers defined as Aboriginal and Torres Strait Islander businesses registered with Supply Nation
16. Based on Global Investor Coalition definition

Our approach to risk management

Risk and compliance management drives customer and performance outcomes essential to achieving Suncorp's purpose, strategy, and business plan, and is key to maintaining our social licence to operate.

Suncorp has policies, systems, processes, and people in place to identify, assess, manage, and monitor internal and external sources of material risk. Effective risk and compliance management is supported by:

- An Enterprise Risk Management Framework, through which the Board sets the direction of risk management.
- The Board Risk Committee who provide oversight across the Group for all categories of risk, including the processes used to identify, evaluate, and manage risk.
- A sound risk culture – also supported by Board Risk Committee oversight – that is underpinned by core Suncorp behaviours of Being Courageous, Caring for Others, and Doing the Right Thing.
- A Risk Appetite Statement that is aligned to the Suncorp strategy and sets out the nature and degree of risk the Board is willing to accept in the pursuit of business objectives.
- The Three Lines of Defence Model and clear accountabilities with risk owned in the first line.
- An independent Risk function that oversees and challenges risk management in the business and drives Suncorp's Risk Strategy.

Enterprise Risk Management Framework

Suncorp's Enterprise Risk Management Framework (ERMF) lays the foundation for the Group's approach to risk management. The framework provides a holistic approach to risk management covering all financial, non-financial and strategic risks.

The ERMF sets out accountabilities, governance arrangements and processes for the management of risk within the Three Lines of Defence Model. It evolves with the business strategy and operating environment.

Risk Appetite Statement

Risk appetite is the expression and definition of the risk that Suncorp is willing to accept in the pursuit of strategic objectives.

The Suncorp Group Risk Appetite Statement (RAS) has been set in consideration of Suncorp's strategy. It sets out where the Board wishes to avoid, limit, tolerate, or seek risk. The RAS is an integral component of the strategic business planning cycle and is defined and reviewed in tandem with the review of Suncorp's internal and external operating environment and strategic objectives.

Risk Strategy

Risk and compliance management supports Suncorp in building futures and protecting what matters, through optimised risk taking. The Risk Strategy evolves to meet the changing needs of Suncorp and our customers. Key initiatives in the Risk Strategy relate to simple and effective risk experience, data analytics, enhancing the control environment and risk culture and capabilities. These initiatives take into account business objectives, regulatory requirements, industry events and emerging risks.

Risk governance

Accountability for the governance of risk management exists at two levels. Primary accountability rests with the Board, the Board Risk Committee and the Board Audit Committee; the second rests with the Group CEO and Executive Leadership Team, in the execution of the ERMF and application of the Three Lines of Defence Model.

CRO attendance at Board and management committee meetings is required for committees that monitor and oversee material risks. The CRO team has authority to challenge decisions and may escalate matters through functional reporting lines and to the Board Risk and Audit Committees.

Suncorp's remuneration scorecards consider risk management results and behaviours in performance and remuneration outcomes. More information is available in the Remuneration Report on page 54.

Three Lines of Defence Model

The Three Lines of Defence Model supports our risk taking through clarity of ownership and independent oversight with the clear expectation that:

- All business areas (the First Line of Defence) are responsible for management of their risks. The First Line of Defence own their risks and compliance with policies, frameworks, standards and the RAS.
- The Risk function forms the independent Second Line of Defence team that defines the risk and compliance management approach, policies, frameworks, standards and processes. The Risk function supports the business in our risk-taking through advice, oversight and effective challenge.
- Internal and External Audit are the Third Line of Defence who provide independent reporting to the Board Audit Committee and Board Risk Committee.

Internal Audit

Suncorp's Internal Audit function provides assurance to the Board Audit Committee (and other Board Committees as required) on the quality and effectiveness of Suncorp's risk management framework. Internal Audit's objectives include:

- assessing whether risks are adequately identified and assessed
- assessing whether internal controls are adequately designed and effectively operating to mitigate those risks
- assessing the effectiveness of Second Line of Defence activities
- assessing risk culture through the conduct of audits
- conducting investigations on behalf of the Board Audit committee, senior management and regulators as required.

Key emerging and strategic risks

Identifying and managing emerging and strategic risks is integral to Suncorp's strategy. Strategic risks threaten the viability of Suncorp's business model due to changes in the external business environment, economy, political landscape, regulation, technology and/or community expectations. Suncorp continues to monitor key emerging and strategic risk trends as outlined below.

Emerging and strategic risks	Mitigations
Accelerated evolution of AI AI impacting current value propositions, profitability, the workforce and our relationship with customers.	– We have specific focus in our Strategy on leveraging AI opportunities. – We are uplifting our risk and control systems to manage new and elevated risks due to the evolution of AI. – Suncorp's Data Ethics Commitments are embedded into the assessment of new AI use-cases.
Customer affordability and access Higher premiums resulting from a range of external and internal factors, impacting customers' ability to access adequate insurance coverage.	– We continue to proactively engage with government and industry in alignment with our four-point plan to improve resilience and mitigation. – We have a multi-year investment in modernising our technology platforms to enable us to develop and configure product offers based on customer needs. – We are focused on strengthening our digital capabilities and automating processes to ensure we are running our business as efficiently as possible.
Climate change Continued warming increasing frequency and severity of weather-related Insurance claims, making more property risks uninsurable, with wider associated societal impacts.	– We perform scenario analysis to understand the potential impacts of climate change and manage the associated risks and opportunities. – We advocate for cross-sector collaboration and greater investment in building household and community resilience against natural hazards. – We are committed to reducing our own emissions and supporting an orderly transition to a low-carbon future. – We manage the impact of natural hazards through best-in-class claims processes, sophisticated pricing and underwriting models and a comprehensive reinsurance plan.
Geopolitical risks Ongoing global instability potentially impacting financial markets, supply chains and trade.	– We monitor the risk of systemic shifts in the global environment, such as a prolonged subdued macroeconomy or a global financial crisis-type event that restricts access to capital and/or reinsurance. – We manage our business responsibly, protecting Suncorp's balance sheet and maintaining conservative buffers to address uncertainties and support our customers through high-value products and services. – We work closely with key suppliers to strengthen our supply chain.
New cyber threats Cyber threats continuing to evolve in both frequency and sophistication, with potential customer data and privacy impacts.	– We have integrated cyber risk prevention, monitoring and response measures into our risk framework, to safeguard against threats and ensure a resilient technology environment. – We are investing in data protection and privacy initiatives to further strengthen our capabilities.
Evolving workforce Rapid shifts towards digital/AI and employees increasingly seeking workplaces that reflect their values and provide flexibility. Cost of living concerns and societal prevalence of mental health issues could impact our employees.	– We conduct strategic workforce planning to forecast the impacts of AI and digitisation on employees and provide support to reskill our people where required. – We align our people strategy, employee value proposition and culture to our purpose, to attract and retain talent. We continue to value flexibility at Suncorp, supporting a hybrid working approach. – We continue to invest in a variety of safety and wellbeing options for our people.
Changes in customer behaviour Changes to private vehicles and home maintenance, combined with business model innovation and strategic partnerships, that impact existing industry dynamics.	– Our strategy is customer-led and technology-enabled. – Our business plan responds to changing customer behaviours, including mobility and digital trends. – We are exploring innovative new Insurance propositions and distribution models.
Regulatory change The evolving regulatory and government environment in Australia and New Zealand could impact demand for our products, investment returns and compliance risk.	– We actively and constructively engage with regulators in Australia and New Zealand to deliver the best outcomes for our customers and shareholders. – We participate in industry forums and collaborate with key stakeholders to advocate for a fair and balanced approach to regulatory change. – We maintain strong governance over the implementation and embedding of regulatory change.

FY24 Corporate Governance Statement

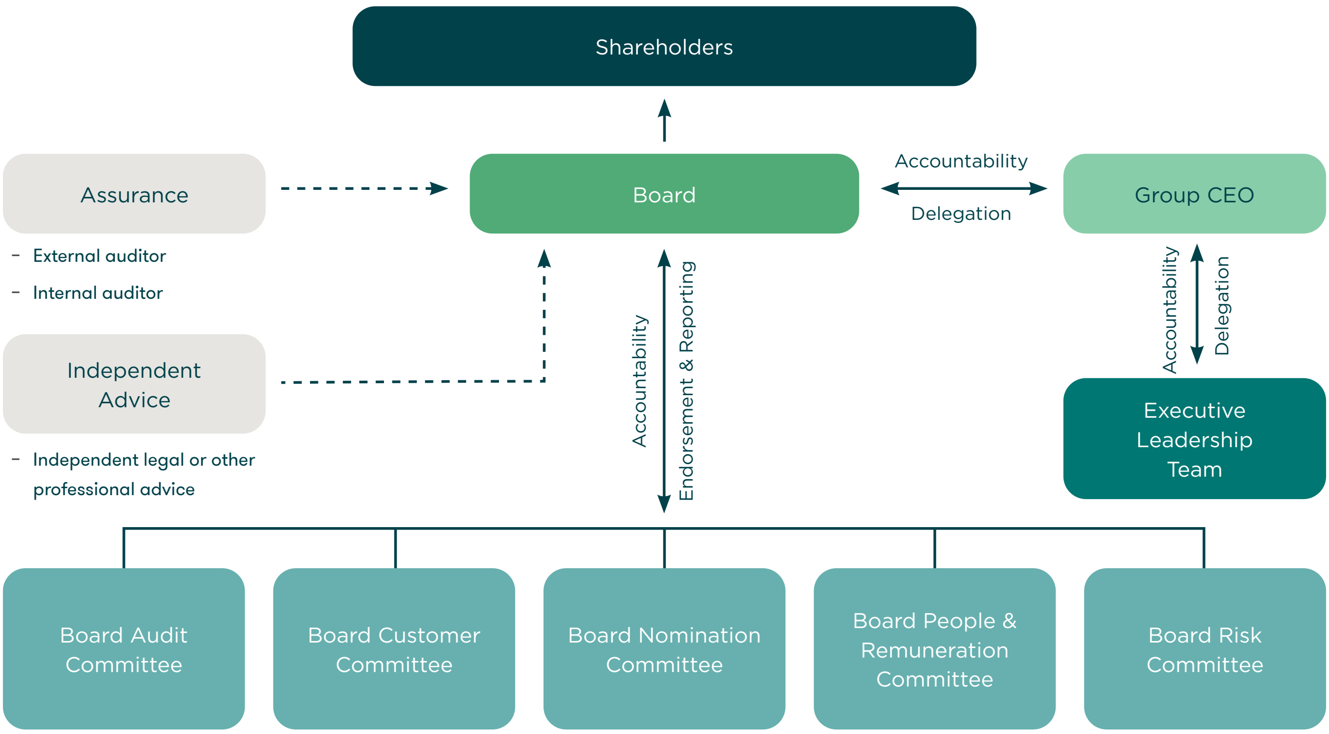
Suncorp's Corporate Governance Statement (Statement) outlines our approach to corporate governance and our principal governance practices.

The Board believes high standards of corporate governance are essential to achieving Suncorp's business objectives, which are aimed at creating value and sustainable outcomes for Suncorp shareholders, customers and the communities in which Suncorp operates.

This Statement:

- has been approved by the Board
- reports Suncorp's compliance with the 4th edition of the ASX Corporate Governance Council's Principles and Recommendations
- is current as at 19 August 2024.

Corporate Governance Framework



The Board's areas of focus during FY24

The Board's FY24 governance activities, both directly and through its Committees, included:

- oversight of the extensive two year process associated with the sale and transition of Suncorp Bank to ANZ, including:
  - participation in the relevant legal, regulatory and government approval processes that culminated in completion of the sale on 31 July 2024
  - management's significant program of work to successfully complete the sale, including complex separation of the Bank and Insurance customer data, and effective management of risks within risk appetite
  - establishing the formal arrangements that underpin the provision of transitional business and technology services to Suncorp Bank for an agreed period following completion
- oversight of management's delivery of its strategic priorities for Suncorp's Insurance and Bank businesses, including a significant technology transformation for the Insurance business
- robust discussion on, and approval of, management's FY25-27 strategic plan, through two dedicated annual sessions, supplemented by additional checkpoint discussions during scheduled Board meetings and information sessions
- continued oversight of management's delivery of its people strategy, including:
  - an evolution in the operating model for Suncorp's Insurance businesses, including enhanced ways of working, so that we can respond quickly to emerging customer needs and the broader external environment
  - ensuring our people continue to build the capabilities they need through learning and development opportunities, particularly as Suncorp embeds more modernised technology
- continued oversight of management's successful implementation of a significant volume of regulatory change initiatives
- ongoing oversight of existing and emerging risks, and activities to enhance Suncorp's risk maturity
- ongoing focus on Board renewal, including the appointment of Gillian Brown as a non-executive director in February 2024. Gillian brings to the Board extensive risk management, legal and regulatory expertise in financial services, as well as strong credentials in managing ESG initiatives
- dedicated sessions to consider Board governance and performance, including the annual Board and Committee appraisal process, which was facilitated by an external consultant, and included consideration of the optimal Board governance structure (including structure and remit of the Board Committees) to support Suncorp's ambition to be the leading Trans-Tasman insurer
- continued focus on Board education and development, including through:
  - site visits and immersion sessions, to gain valuable first-hand insights in relation to Suncorp's businesses, people and key trends impacting Suncorp (including ESG and technology)
  - dedicated sessions to understand the external cyber security environment and oversee the activities being undertaken to continuously mature Suncorp's control environment
  - discussions with external advisers where relevant and necessary
- ongoing engagement with:
  - institutional investors and proxy advisors, including in relation to ESG and remuneration matters
  - retail shareholders including through Suncorp's 2023 Annual General Meeting (AGM), which was again held in a hybrid format enabling shareholders to participate in person or online
  - key regulators, government and industry stakeholders, including our continued advocacy for increased natural hazard mitigation and community resilience measures, and other opportunities to improve insurance affordability.

The Board

Members of the Board

Suncorp's Board currently consists of nine non-executive, independent directors (including Chairman Christine McLoughlin AM) and one executive managing director (Group CEO Steve Johnston).

Biographical details for each director, including their tenure, are disclosed in the Directors' Report on page 47 and on our website.

Learn more[1]

The roles and responsibilities of the Board and management

Suncorp's Constitution states that its business and affairs are to be managed under the Board's direction. The Board Charter:

- states that the Board's role is one of stewardship on behalf of stakeholders, ensuring that Suncorp remains sustainable and effective in the present and for the future
- clearly sets out the Board's responsibilities, powers and duties and describes those matters expressly reserved for the Board's determination and those matters delegated to management.

Other than the responsibilities specifically reserved for the Board and its Committees in their respective Charters, responsibility for management of the day-to-day business activities is delegated to the Group CEO who is accountable to the Board.

The Board regularly reviews the Board Charter and the delegation of Board authority to the Group CEO.

The Suncorp Constitution, and Board and Committee Charters are available in the Governance & policies section of our website.

Learn more[2]

Director independence

The Board Charter requires that the Chairman, and a majority of directors, are independent, non-executive directors.

All Suncorp non-executive directors are expected to bring independent judgement to the Board's deliberations, and to constructively challenge management where required. In addition, the non-executive directors hold regular discussions during scheduled Board and Committee meetings without the Group CEO or other management in attendance.

The Board formally assesses the independence of its directors on appointment, and when reviewing each non-executive director's annual attestation. A register of directors' interests is kept current, to facilitate an ongoing assessment throughout the year.

The Board also gives consideration to a non-executive director's tenure on the Board in assessing independence, but the mere fact that a director has served on the Board for a substantial period does not mean that the director can no longer be considered independent.

Director independence – FY24 assessment

Based on its latest annual assessment, the Board considers that throughout FY24, the Board Chairman and all Suncorp non-executive directors have remained independent and have satisfied the Board's independence criteria (which align with the guidance provided by the ASX and other regulators). The Board's position on certain specific director interests follows:

- Gillian Brown is a non-executive director of QIC Limited (QIC)
- Ian Hammond is a non-executive director of Perpetual Limited (Perpetual)
- Lindsay Tanner is a director of Industry Super Holdings Pty Ltd (ISH) and its related entity IFM Investors Pty Ltd (IFM)
- Duncan West is Chairman of Challenger Limited (Challenger).

QIC, Perpetual, ISH, IFM and Challenger, or their related entities (Entities) may provide asset, investment or fund management services, or trustee services, to Suncorp. In addition, these Entities may hold Suncorp Group Limited securities from time to time. However, none of these Entities currently hold what is considered to be a substantial shareholding under the Corporations Act.

Gillian, Ian, Lindsay and Duncan have each confirmed that as a director of QIC, Perpetual, ISH, IFM or Challenger (as relevant) they have no involvement in, or influence over, any decisions made in relation to any of the above activities.

Ian also receives a fixed post-termination benefit from his former partnership, PricewaterhouseCoopers (PwC) following his retirement in 2015. From time to time, Suncorp engages PwC to provide consulting services, which are not considered material in nature or quantum. Ian does not participate in any decision to engage PwC.

Accordingly, the Board does not believe that the work performed by QIC, Perpetual, PwC, ISH, IFM or Challenger affects the independence of Gillian, Ian, Lindsay or Duncan (as relevant).

However, the Board has robust processes to manage actual, potential or perceived conflicts of interest, as outlined in the following section.

1. suncorpgroup.com.au/about/committees
2. suncorpgroup.com.au/about/corporate-governance

Managing director conflicts of interest

The Constitution, Board Charter and Suncorp Code of Conduct highlight the importance of managing actual, potential or perceived conflicts of interest.

Each director has a continuing obligation to keep the Board advised of any interest that has arisen that could potentially conflict with those of Suncorp.

Where a director has an actual, potential or perceived conflict in relation to a matter being considered by the Board, the director will:

- declare that conflict of interest
- not receive the relevant Board papers
- not be present when the matter is considered during a Board or Committee meeting, and
- not participate in any decision on the matter,

unless the Board Chairman (or if the relevant director is the Board Chairman, either of the Board Audit or Risk Committee Chairmen) determines otherwise.

The Suncorp Code of Conduct is available in the Governance & policies section of our website.

Learn more[1]

Board composition

Suncorp's Constitution and Board Charter require that the Board is comprised of a minimum of five and a maximum of 13 directors.

The composition of the Board reflects the Board's ongoing:

- commitment to ensuring its directors collectively have a sufficient mix of skills, expertise and diversity required for the effective governance of Suncorp as a Trans-Tasman insurer
- objective of maintaining a balance between longer-serving directors with established experience and knowledge of Suncorp's business activities, and new directors who bring fresh perspectives.

Given the average non-executive director tenure is currently six years, the Board intends to:

- seek stability in the composition of the Board through the re-election at the 2024 AGM of Chairman Christine McLoughlin, Sylvia Falzon, Lindsay Tanner and Duncan West (each of whom have served three years since last being re/elected)
- continue to renew the Board in an orderly manner, including through the appointment of Gillian Brown in February 2024. Gillian will also seek election by shareholders at the 2024 AGM.

Board skills matrix

The Board skills matrix sets out the key skills, expertise and qualities that the Board believes are necessary for the effective governance of Suncorp.

During FY24, the Board reviewed and updated the matrix categories, to ensure that they reflect Suncorp's strategic priorities and operating environment, in particular:

- oversight of Suncorp Bank's execution of its strategic priorities, and Suncorp's preparedness for the sale of the Bank to ANZ (which was completed on 31 July 2024)
- oversight of the Insurance business' execution of its strategic priorities
- looking forward, Suncorp's ambition to be the leading Trans-Tasman insurer, including oversight of management's execution of a significant technology transformation, while also providing transitional business and technology services to Suncorp Bank for an agreed period following the sale.

Each director undertakes an annual self-assessment against the skills matrix categories, which are then aggregated and peer-reviewed by the Board.

Suncorp's 2024 Board skills matrix (as shown on the following page):

- demonstrates good alignment between the Board's currently desired and actual range of skills and expertise
- provides a granular view of areas the Board will seek to add to the Board's collective capabilities in the future.

1. suncorpgroup.com.au/about/corporate-governance

2024 Board skills matrix

Category	Description	Director Ratings		
		High competency, knowledge and experience	Practised/direct experience	Awareness
Customer Outcomes	Experience in developing and delivering customer strategies, meeting customer expectations and delivering the right customer outcomes, consistent with Suncorp's focus on customer obsession.	7	3	
Leadership	Experience gained while performing at a senior executive level in an organisation of significant size and complexity. Successful delivery of business outcomes. Promotion of an ethical 'tone from the top'. Driving engagement, enablement and accountability, and leading organisation change.	8	2	
Corporate Strategy	Reviewing, setting and monitoring the effective implementation of organisational strategy, and organic and inorganic growth opportunities.	9	1	
Corporate Governance	Designing and implementing corporate governance frameworks, with a focus on best practice Board governance and the related legal and regulatory frameworks. This includes experience as a director of a listed company or other organisation of significant size and complexity.	8	2	
Risk Management	Identifying, assessing and monitoring responses to existing and emerging financial and non-financial risks, setting risk appetite, building and adapting organisational risk culture, implementing compliance frameworks (including regulatory compliance).	8	2	
Environment and Social	Identifying, assessing and monitoring responses to existing and emerging risks and opportunities arising from environmental and social issues.	3	7	
Stakeholder Engagement and Advocacy	Protecting and enhancing company reputation. Building stakeholder trust and confidence in an organisation. Managing relationships with key stakeholders, including shareholders, government, regulators and leading industry bodies. Advocating for public policy decisions and outcomes that benefit customers and communities.	8	2	
People and Culture	Developing and sustaining the right corporate culture, including strategic workforce planning, and employee diversity, inclusion, health, safety and wellbeing. Experience in attracting and retaining executive talent through disciplined and fair executive remuneration frameworks, and effective succession planning.	8	2	
Financial Acumen	Proficiency in financial management and reporting for organisations of significant size and complexity. Implementing financial and capital management strategies, corporate finance restructuring, capital raisings within risk appetite, taxation and actuarial experience.	7	3	
Technology and Data	Experience in leveraging the use of technology, including implementing technology-led change and data analytics. Understanding of privacy and data regulation. Identifying, assessing and monitoring responses to cyber-security risk.	3	7	
Digital Innovation	Experience in developing and executing digital strategies that transform and enhance the customer experience. Strong understanding of emerging digital technologies.		9	1
General Insurance	Personal and commercial insurance experience, including strong knowledge of the regulatory landscape and competitive environment.	6	3	1
Banking	Domestic and/or international experience in banking, including strong knowledge of the regulatory landscape for Authorised Deposit-taking Institutions.	4	5	1

High competency, knowledge and experience   Practised/direct experience   Awareness

Board renewal

Where the Board has identified the need for a new director, whether as part of its skills matrix review or its ongoing succession planning, the Board Nomination Committee will assist with a candidate search and make a recommendation to the Board. An external consultant may be engaged to support the search process.

A new director is only appointed after the completion of appropriate checks, in accordance with Suncorp's Fit and Proper Policy (which in turn meets the requirements set out in APRA's Prudential Standard CPS 520 Fit and Proper, and also applies to Executive Leadership Team (ELT) appointments). Directors are formally assessed against this policy on appointment, and annually thereafter, to confirm they are of good standing, and that they possess/have maintained the necessary competence, character, diligence, experience and judgement required to fulfil their role.

Suncorp has formal letters of appointment in place with each non-executive director, which set out their appointment terms. The Group CEO has an employment contract.

Any new non-executive director that is appointed by the Board seeks election by shareholders at the AGM following their appointment (consistent with the Corporations Act and the ASX Listing Rules).

Suncorp discloses all information relevant to the election of a new non-executive director in the AGM Notice of Meeting.

Once elected, each continuing non-executive director seeks re-election by shareholders every three years at an AGM, subject to the recommendation of the Nomination Committee and support of the Board. The Board's recommendation in relation to each director seeking re-election is disclosed in the AGM Notice of Meeting.

At the 2024 AGM, one director is seeking election and four directors are seeking re-election.

The Board Renewal Policy is set out in the Board Charter, which is available in the Governance & policies section of our website.

Learn more[1]

Director induction and education

New non-executive directors meet with the Board Chairman, the Group CEO, members of the ELT, other relevant senior managers (including the Suncorp Group Customer Advocate) and the external auditor, to gain knowledge about Suncorp's structure, business activities, strategic priorities and key risks.

Ongoing director education is provided through regular management presentations on key business activities and issues that are topical for Suncorp, including areas that are subject to regulatory or operational change. Directors also engage with, and receive presentations from:

- employees throughout Suncorp, including customer-facing employees
- external experts, where relevant and required.

Directors supplement their understanding, beyond that facilitated by Suncorp, on topical issues of broader significance.

Directors' access to information and independent advice

Directors have full access to Suncorp's internal records, to the ELT and to other relevant senior management.

The Board collectively and each director individually, are entitled to obtain independent professional advice, if considered necessary to fulfil their duties and responsibilities. Where the advice is sought by an individual director, the Chairman's prior approval is required, and a copy of any professional advice received by the director is made available to all other Board members, except where the circumstances would make that inappropriate.

Board performance evaluation

The Board undertakes an annual evaluation of its performance, as well as the performance of its Committees and each director individually, including the Chairman. The Board and Committee Chairmen facilitate group discussions, and the Chairman meets individually with each director. Insights obtained from questionnaires completed by each director and ELT member inform this process. The Board then discusses and considers the outcomes of the evaluation and agrees any necessary recommendations.

In addition, the Board periodically engages the assistance of an external consultant to facilitate the evaluation process, as was the case for the evaluation completed during 2024. During the 2024 review, the external consultant met with each director and member of the ELT to discuss Board performance, interactions with management and continuous improvement opportunities. The Board is progressively addressing the insights obtained.

The above structured evaluation processes supplement an ongoing focus at Board and Committee meetings on continuous improvement opportunities, including in relation to workplans, agendas and materials to support effective meeting discussions between Directors and management.

Board Committee composition and responsibilities

The Board currently has five standing Board Committees to assist it in discharging its responsibilities:

- Audit Committee
- Customer Committee
- Nomination Committee
- People and Remuneration Committee
- Risk Committee.

During FY25, the Board will give consideration to the optimal structure and remit of the Board Committees for Suncorp as a Trans- Tasman insurer.

The Board Committees are comprised of:

- non-executive directors only
- at least three members, a majority of whom must be independent
- a chairman, who must be independent. For all standing Committees other than the Nomination Committee, the Board Chairman does not serve as Committee chairman.

1. suncorpgroup.com.au/about/corporate-governance

Board Committee composition and responsibilities (continued)

The Board, at the Nomination Committee's recommendation, reviews and confirms Board Committee composition at least annually, to ensure that each Committee has the requisite skills and expertise to remain effective in carrying out its role. The Board also has a practice of periodically changing the Chairmen of its Committees.

The Board may also establish other ad-hoc Board Committees as required, to deal with specific matters and for a specific duration of time. For example, during FY24, the Board determined it necessary to hold Board Sub-Committee meetings to supplement the Board's oversight of the sale of Suncorp Bank. Looking forward, it is the Board's current intent to oversee ongoing matters relating to the transition of the Bank directly and through its standing Board Committees.

To ensure directors remain informed in relation to material matters that are discussed at Board Committee meetings:

- there is a standing invitation for directors who do not serve as members of a given Board Committee to attend meetings of that Committee
- copies of Board Committee meeting papers and minutes are provided to all directors, regardless of whether they currently serve as a member of the relevant Committee
- a written report from the Chairman of each Board Committee is submitted to the next Board following the relevant Committee meeting.

A summary of each standing Board Committee's role, as set out in the relevant Committee Charter, follows. Each Committee regularly reviews its Charter, and any proposed enhancements are subsequently approved by the Board.

The number of Board and standing Board Committee meetings held during FY24 (and director attendance at those meetings) is disclosed in the Directors' Report on page 48. Membership of standing Board Committees is detailed in the Director biographies, which are disclosed in the Directors' Report on page 43 and on our website.

Learn more[1]

The standing Board Committee Charters are available in the Governance & policies section of our website.

Learn more[2]

Audit Committee

The Audit Committee assists the Board in its oversight of Suncorp's financial and operational control environment. Specific matters addressed through the year, in accordance with its Charter, include:

- overseeing the integrity of the half-year and annual financial statements prior to consideration by the Board
- overseeing compliance with all disclosure requirements associated with Suncorp's statutory and regulatory financial and taxation reporting, including Australian Accounting Standards, and APRA and the Australian Securities and Investments Commission's requirements
- reviewing related reports from management, the Appointed Actuary, and the external auditor in relation to matters impacting Suncorp's statutory and regulatory financial reporting
- reviewing the appointment, compensation, performance, effectiveness, and independence of the external and internal auditors, including:
  - oversight of annual work plans
  - reviewing the provision of non-audit services by the external auditor to ensure there is no actual or perceived impact on the external auditor's independence
  - discussions with the auditors in the absence of management
- assessing the adequacy of any actions taken by management where the internal or external auditors have identified weaknesses in controls or procedures.

Customer Committee

The Board established the Customer Committee in 2018, following the Financial Services Royal Commission, to assist the Board in promoting its collective vision of Suncorp's customer obsession aspirations and culture. Specific matters addressed through the year, in accordance with its Charter, include:

- oversight of customer complaints, appropriate root cause analysis, and management's actions to address them
- monitoring and guiding management's specific activities to support customers experiencing vulnerability
- receiving regular reports from the Suncorp Group Customer Advocate, including in relation to the effectiveness of Suncorp's engagement with customers and their representatives.

Nomination Committee

The Nomination Committee assists the Board in achieving the optimal composition of the Board and Board Committees, by:

- making recommendations to the Board in relation to:
  - succession planning for non-executive directors, including the consideration of potential new candidates and confirming support for the re-election of non-executive directors
  - the composition of Board Committees
- periodically reviewing the Board skills matrix categories, to ensure that they remain appropriate
- ensuring that appropriate processes are in place to support:
  - director induction and continuing education
  - an annual review of the performance and effectiveness of the Board, its committees and individual directors.

1. suncorpgroup.com.au/about/committees
2. suncorpgroup.com.au/about/corporate-governance

People and Remuneration Committee

The People and Remuneration Committee assists the Board in overseeing that Suncorp's people and remuneration frameworks support the achievement of Suncorp's strategic and cultural objectives and are fair, transparent and responsible. Specific matters addressed through the year, in accordance with its Charter, include:

- reviewing and making recommendations to the Board in relation to:
  - Suncorp's remuneration framework, including an assessment of the effectiveness of the remuneration framework and its compliance with any applicable legal and regulatory requirements
  - the remuneration arrangements and outcomes for the Group CEO, senior executives and other specified roles
  - the structure and operation of equity-based plans, including performance measures and outcomes in relation to short and long-term incentive grants for the Group CEO, senior executives and other accountable persons
  - the size of the annual short-term incentive and fixed pay increase pools across the Group
  - recruitment, retention and termination for senior executives
  - development and succession planning for senior executives
  - decisions relating to deferral of variable remuneration, and application of malus and/or clawback if applicable
  - the remuneration of non-executive directors
  - measurable objectives for achieving diversity in the composition of the Board, senior executives and employees generally
- reviewing management's implementation of organisational culture, diversity and inclusion initiatives
- reviewing management's employee engagement and talent management strategies.

Risk Committee

The Risk Committee assists the Board with oversight across all categories of risk and risk culture. Specific matters addressed throughout the year, in accordance with its Charter, include:

- ensuring that Suncorp's risk and compliance frameworks and management policies remain appropriate to the size, business mix and complexity of Suncorp, and are consistent with Suncorp's business plan
- overseeing management's processes for the identification, assessment and management of financial and non-financial risk and compliance, in accordance with Suncorp's related policies and frameworks
- reviewing, approving and making recommendations to the Board (as appropriate) in relation to Suncorp's risk management strategies, Risk Appetite Statements (RAS), the Enterprise Risk Management Framework (ERMF) and other policies in relation to specific categories of risk
- overseeing management's implementation of the ERMF and adherence to RAS and other internal risk and compliance management policies
- reviewing and considering Suncorp's risk profile, including emerging risks and risk culture, through regular reports from management
- undertaking all risk-related activities required of the Board or Risk Committee by APRA and other regulators.

Company Secretaries

The Company Secretaries provide advice and support, and are directly accountable, to the Board through the Chairman, for all corporate governance matters relating to the Board's efficient functioning. The Company Secretaries are appointed and removed by the Board, and each director can communicate directly with each Company Secretary.

Darren Solomon was appointed by the Board as Company Secretary in 2010. Cassandra Hamlin was appointed by the Board as Company Secretary in 2022. Darren's and Cassandra's biographical details are disclosed in the Directors' Report on page 48.

Suncorp's purpose, values and culture

The Board and management believe that how we achieve our purpose of 'building futures and protecting what matters' is equally as important as the results we deliver.

Our Being @ Suncorp behaviours provide everyone at Suncorp with clear and consistent behavioural expectations that will support the achievement of our desired culture.

Further detail about Suncorp's purpose and values, which work together with our Code of Conduct, are disclosed in our How we create value section on page 11.

Suncorp's alignment of remuneration outcomes with consequence management is disclosed in the Remuneration Report on page 68. Material breaches of the Code are also reported to the Board.

Whistleblower protection

Suncorp supports and promotes a culture where our people feel able to report instances of wrongdoing. Suncorp's Whistleblower Policy describes additional protections and support that are provided to people in circumstances where the nature of the reportable conduct requires it.

A summary of de-identified incidents that are reported under the Whistleblower Policy are disclosed to the Board.

Anti-bribery and corruption policy

Suncorp has zero tolerance for illegal activity and requires compliance with all anti-bribery and corruption laws in all markets and jurisdictions in which we operate or conduct transactions.

Suncorp's Code of Conduct and Anti-Bribery and Corruption Policy prohibit our people from:

- offering, accepting, soliciting or paying any bribe in any form (including facilitating payments)
- engaging in any form of corruption, regardless of the intended beneficiary of the activity.

Any material breaches of the Anti-Bribery and Corruption Policy would be reported to the Board. If evidence of illegality were to be identified, the matter would also be referred to the relevant law enforcement agency.

Political engagement

Suncorp's policy continues to prohibit direct cash donations to political parties or candidates, and any political expenditure reflects a non-partisan approach to political engagement.

Learn more[1]

1. suncorpgroup.com.au/about/corporate-governance

Trading in Suncorp securities

The Corporations Act and Suncorp's Securities Trading Policy prohibit directors, executives and all employees from trading in Suncorp securities at any time while in possession of price sensitive information. In addition:

- directors and prescribed persons are prohibited from trading in Suncorp securities at certain times including prior to the release of Suncorp's half-year and full-year financial results to the ASX, and the AGM
- directors and employees must not enter into a hedging transaction that is designed to limit the economic risk of holding in Suncorp securities.

Continuous disclosure

Suncorp's Disclosure Policy and associated procedures set out Suncorp's approach to ensure awareness of, and compliance with, our legal continuous disclosure obligations. This includes the disclosure of required material information about Suncorp's activities in a timely and balanced manner to all market participants equally, through lodgement with the ASX.

The Group Chief Financial Officer (Group CFO) is Suncorp's Corporate Disclosure Officer. Management's Disclosure Committee assists the Corporate Disclosure Officer with ensuring compliance with Suncorp's continuous disclosure obligations. The Disclosure Committee meets regularly, and is engaged otherwise as required, to consider matters that may require disclosure, and to review and approve the content of proposed material for lodgement with the ASX.

In the case of significant ASX announcements, Board engagement, or where required Board approval, is facilitated (and the Board receives copies of all such announcements).

The Whistleblower, Anti-Bribery and Corruption, Political Engagement, Securities Trading and Disclosure Policies are available in the Governance & policies section of our website.

Learn more[1]

Engaging with our shareholders

Shareholder communication

Copies of all Suncorp ASX announcements are available to all shareholders, and other market participants and interested stakeholders, via the ASX and on our website.

In addition to the specific corporate governance-focused materials that are outlined in this Statement, Suncorp also publishes other relevant information about the Suncorp Group on our website.

We encourage Suncorp shareholders to register to receive shareholder communications electronically, by contacting our share registry, Link Market Services (Link). Link is also available to assist with other shareholder-related matters.

Further, shareholders can subscribe to receive email news updates from Suncorp. Suncorp's Investor Relations team also:

- maintains a list of Frequently Asked Questions on our website
- responds to questions from shareholders that are submitted to the email address on our website.

Learn more[2]

Investor relations program

Suncorp's investor relations program enables ongoing two-way communication with institutional investors, retail shareholders, market analysts and proxy advisors.

Consistent with Suncorp's broader approach to continuous disclosure, when investor presentations are held (including those that accompany the announcement of our half-year and full-year results) the presentation materials are lodged with the ASX prior.

These materials, and access to webcast recordings, are also made available on our website.

Learn more[2]

Suncorp's practice is to implement blackout periods prior to the announcement of our half-year and full-year results, during which time Suncorp does not discuss any non-public financial performance or forecast information with market participants or other external parties.

Annual General Meeting

The AGM is a key two-way engagement opportunity for the Suncorp Board, ELT and our shareholders, particularly our retail shareholders.

An accompanying Notice of Meeting is made available to shareholders at least 28 days prior to each AGM and clearly sets out:

- the ways in which shareholders can participate in the AGM
- the business to be considered and voted on during the AGM
- that voting on each proposed resolution is conducted by poll, rather than by a show of hands.

Suncorp provides a range of means through which shareholders can vote and ask questions, both ahead of and during the AGM, and observe the meeting proceedings.

Since 2022, Suncorp has adopted a hybrid format for its AGMs, to facilitate attendance by shareholders in person and virtually.

For those shareholders and other interested stakeholders who are unable to participate during the live AGM, a webcast recording is made available on our website.

Learn more[3]

Integrity of corporate reporting

Board oversight of Suncorp's financial reporting

The role of the Audit Committee is set out in the Board Committee composition and responsibilities section of this Statement.

The Board has approved an Auditor Independence Policy, which outlines the processes that are in place to ensure that Suncorp's external auditor is independent and is perceived to be independent.

The Auditor Independence Policy is appended to the Audit Committee Charter, which is available in the Governance & policies section page of our website.

Learn more[1]

1. suncorpgroup.com.au/about/corporate-governance
2. suncorpgroup.com.au/investors
3. suncorpgroup.com.au/investors/agm

External audit

KPMG is Suncorp's external auditor and acted in that role throughout FY24.

KPMG's role is to provide an independent opinion that Suncorp's financial reports are true, fair and comply with applicable accounting standards and regulations. KPMG also provides an independent opinion that Suncorp's Remuneration Report complies with the Corporations Act.

The Audit Committee meets regularly with KPMG without management being present.

KPMG's lead audit partner attends each AGM to answer questions from shareholders regarding the conduct of its audit, its audit report and independence, and the accounting policies adopted by Suncorp in preparing its financial statements.

In support of KPMG's independence for FY24, its declaration, together with details of non-audit services provided by KPMG during FY24, are included in the Directors' Report, on page 53 and page 52 respectively.

Supporting declarations from management

In addition, and before the Board approves Suncorp's half-year or full-year financial statements, it receives a declaration from the Group CEO, Group CFO and the Group Chief Risk Officer, that states:

- in their opinion:
  - the financial records of Suncorp have been properly maintained in accordance with the Corporations Act
  - the financial statements comply with applicable accounting standards and give a true and fair view of the financial position and performance of Suncorp
- the above statements are founded on sound systems of risk management and internal control and that the systems are operating effectively in all material respects in relation to financial reporting risks.

As the Group CFO is unavailable to provide this declaration for the FY24 full-year results having undergone a recent minor surgical procedure, it has been provided by the Acting Group CFO as delegate and who, in the Group CFO's absence, is performing the chief financial officer function for the purpose of section 295A of the Corporations Act.

The above declaration is supported by a broader management certification process, where other senior executives provide attestations for their respective areas of responsibility.

Other periodic corporate reports

All Suncorp periodic corporate reports that are lodged with the ASX (including those that are not audited or reviewed by KPMG) are subject to a thorough management review, verification and approval process.

Suncorp's Disclosure Committee reviews the content of all material documents for lodgement with the ASX. The Disclosure Committee in turn relies on a verification process that involves the relevant senior management confirming that the disclosure is accurate, not misleading and is supported by appropriate source documents or personal knowledge and expertise. The verification process for this report (including this Statement) is overseen by a specific management steering committee.

Risk management

Board oversight of Suncorp's risk management framework

The Risk Committee:

- reviews an independent report on the appropriateness, effectiveness and adequacy of Suncorp's ERMF at least every three years, including during FY24
- oversees regular internal reviews of Suncorp's ERMF, including updates during FY24
- endorses for Board approval an annual declaration to APRA in relation to risk management, as required by APRA's Prudential Standard CPS 220 Risk Management.

Further information about Suncorp's approach to risk management, including the structure and objectives of the Internal Audit function, is provided in the risk management section on page 30.

Management of environmental and social risks and sustainability governance

The Board is responsible for approval of the sustainability strategy and policies to address ESG risks and opportunities for Suncorp. This includes new policy development, climate strategy, materiality assessments, key disclosures, and the setting of metrics and targets for non-financial performance reporting.

During FY24, the ESG topics considered by the Board included:

- progress toward development of a Climate Transition Plan, including Scope 3 target setting
- oversight of climate governance pathways
- endorsement of climate-related disclosure planning
- approval of Suncorp's Human Rights Statement for public disclosure
- approval of Suncorp's FY23 Modern Slavery Statement
- oversight of Suncorp's refreshed Innovate Reconciliation Action Plan
- approval of non-financial ESG targets for FY25 and updates to the full suite of non-financial metrics.

Further detail on Suncorp's approach to climate governance is outlined in the 2023-24 Climate-related Disclosure Report.

Further information about Suncorp's sustainability initiatives, including performance against our targets, is provided in the How we create value section of this report, our Climate-related Disclosure Report and the FY24 Sustainability Data Pack.

Learn more[1]

1. suncorpgroup.com.au/corporate-responsibility

Remunerating fairly and responsibly

Board oversight of Suncorp's remuneration framework

As set out in the Board Committee composition and responsibilities section of this Statement, the People and Remuneration Committee's role includes assisting the Board in ensuring that Suncorp's remuneration framework:

- is fair, transparent and responsible
- reinforces executive accountability, as expected by our shareholders, customers, employees and the wider community
- maintains an ongoing focus on the attraction, motivation and retention of key talent to deliver for our shareholders, customers and our people, taking into account the competition for skills and expertise, and talent shortages, across the financial services industry and more broadly.

Further information about Suncorp's remuneration framework, including our policies and practices for remunerating directors and senior executives, and evaluating the performance of executives, is provided in the Remuneration Report on page 54.

Fostering diversity and inclusion

At Suncorp we recognise that each of our employees has a unique experience of intersectional identities, which may include identifying with groups that have been historically marginalised or discriminated against. We therefore place a high priority on diversity, equity and inclusion initiatives and interventions, which includes embedding systems and processes that help to remove bias and ensure a more equitable experience for all staff, regardless of their diverse identities, experiences and requirements. The Suncorp Diversity and Inclusion Policy is available in the Governance & policies section of our website.

Learn more[1]

Gender diversity

Suncorp's commitment to gender equality is reflected in Suncorp's progress towards our gender equality goals.

Suncorp has complied with our 2024 reporting obligations under the Workplace Gender Equality Act.

Learn more[2]

1. suncorpgroup.com.au/about/corporate-governance
2. suncorpgroup.com.au/uploads/Suncorp-Group-WGEA-Questionnaire-2024.pdf

Directors' report

The directors present their report together with the financial report of the Suncorp Group (the Suncorp Group, Suncorp or Group), being Suncorp Group Limited (SGL, the Company) and its subsidiaries, for the financial year ended 30 June 2024 (FY24) and the auditor's report thereon.

Christine McLoughlin, AM
BA, LLB (Hons), FAICD

Non-executive Chairman

Christine McLoughlin, AM has been a director of the Suncorp Group since 2015 and Chairman since September 2018. She is Chairman of the Nomination Committee and an ex-officio member of the Audit, Customer, People and Remuneration, and Risk Committees.

Christine's extensive experience as a director spans boards of ASX Top 50 companies in the financial services, resources, health, medical devices and infrastructure sectors over the past 15 years.

Her executive career was in leadership roles in financial services and telecommunications sectors in ASX Top 20 companies with businesses in the Australian, UK and Southeast Asian markets.

Christine continues to take a proactive interest in technology and climate change with a focus on the impact on customers, creating value for shareholders and the broader economy.

She is also a non-executive director of ASX listed Cochlear Limited (since November 2020) and Co-Founder and Chairman of the Minerva Network, a not-for-profit supporting professional athletes.

Christine was previously the Chancellor of the University of Wollongong, the elected Australian private sector representative to the G20 EMPOWER Council and inaugural Chairman of the Australian Payments Council.

In June 2021, Christine was awarded a Member of the Order of Australia in the Queen's Birthday Honours for her services to business, the not-for-profit sector, and women.

Steve Johnston
BBus (Mgt), BBus (Public Administration)

Group Chief Executive Officer and Managing Director

Steve Johnston was appointed Group Chief Executive Officer (Group CEO) of Suncorp and Managing Director in September 2019.

Steve joined Suncorp in 2006 and has held various executive positions. Prior to his appointment, Steve was the Group Chief Financial Officer (CFO) with responsibility for financial reporting and management, legal and company secretariat, taxation, investor relations, corporate affairs and sustainability.

Steve's previous roles include Deputy CFO and Executive General Manager Investor Relations and Corporate Affairs.

Prior to joining Suncorp, Steve held senior positions at Telstra and the Queensland Government.

Steve is also a Director of the Insurance Council of Australia.

Gillian Brown

LLB (Hons) Grad Dip Applied Finance and Investment

Non-executive director

Gillian Brown was appointed a director of Suncorp Group in February 2024 and is a member of the Audit and Customer Committees.

With a career spanning nearly 40 years, Gillian brings to Suncorp broad skills in financial services law, infrastructure, investments, and finance. Gillian has extensive experience in environmental, social and governance (ESG) initiatives and complex corporate transactions, including mergers and acquisitions, business restructures and disposals and public private partnerships, strategy and risk allocation and workplace health and safety.

In addition to her role at Suncorp, Gillian holds non-executive director positions with the High Speed Rail Authority, Electricity Retained Interest Corporation Ausgrid (ERIC-A) and group entities, QIC Limited, BRIC Housing Limited and Queensland Community Foundation. Her previous board roles include serving as Chairman of Minter Ellison lawyers and as a director of Queensland Treasury Corporation and DBCT Holdings Pty Ltd, a Queensland Government owned lessor of Dalrymple Bay coal export terminal in Mackay. Gillian is also a former director of Australian Rail Track Corporation Limited (ARTC), the owner and operator of Australia's largest rail freight network.

Throughout her career, Gillian has held appointments as Chair of Audit and Risk Committees and member of Environment, Health and Safety Committees.

Sylvia Falzon

MIR (Hons), BBus, FAICD, SFFin

Non-executive director

Sylvia Falzon has been a director of the Group since September 2018. She is Chairman of the People and Remuneration Committee and a member of the Risk Committee.

Sylvia has held senior positions within the financial services sector having worked for major life insurance and asset management organisations over a 30-year career. Through her executive career and now as a non-executive director, she has gained valuable insights working in large consumer-facing and highly regulated businesses within the financial services, healthcare, retail and aged care sectors.

Sylvia is a non-executive director of listed company Premier Investments (since March 2018). Sylvia is also Chairman of the Governing Board of Cabrini Australia Limited, a diversified not-for-profit, health and technology care provider, and a member of the Australian Government Takeovers Panel.

Sylvia was previously a non-executive director of listed companies Perpetual Limited and Regis Healthcare (September 2014 – October 2021), and de-listed company Zebit Inc (August 2020 – March 2022). Sylvia held senior executive roles with Aviva Investors Australia (a wholly owned subsidiary of global insurer Aviva plc), Alpha Investment Management, and major life insurer National Mutual/AXA.

Elmer Funke Kupper
BBA, MBA

Non-executive director

Elmer Funke Kupper has been a director of the Group since January 2020. He is a member of the Audit and People and Remuneration Committees.

Elmer is a respected business leader and company director. He has significant financial services experience and has served as Chief Executive Officer of two listed companies.

Elmer brings to Suncorp significant leadership experience in transforming business models through the adoption of technology and digital services. The companies he led offered their services through retail and wholesale technology platforms, supported by significant data and data analytics capabilities. He brings considerable experience in the management of technology programs and technology risk, including cyber security.

Elmer also brings experience in navigating demanding regulatory environments, and has worked closely with state and federal governments, regulators, customers and shareholders.

Elmer was previously Managing Director and CEO of the Australian Securities Exchange (ASX Limited), and a director of the Business Council of Australia. Prior to that he was Managing Director and CEO of Tabcorp. He held senior executive positions at ANZ Bank over more than 10 years and was a member of its Management Board. He started his career as a management consultant with McKinsey & Company.

Elmer is currently a non-executive director of MYOB Group Co Pty Ltd, the Australian holding company of the MYOB Group.

Ian Hammond
BA (Hons), FCA, FCPA, FAICD

Non-executive director

Ian Hammond has been a director of the Group since October 2018. He is Chairman of the Audit Committee, and a member of the Risk Committee.

Ian brings to Suncorp extensive knowledge of the financial services industry, and expertise in financial reporting and risk management. He has deep experience across the insurance, banking, wealth management and property sectors, and a keen interest in digital and technology trends.

Ian is a non-executive director of listed company Perpetual Limited (since March 2015) where his board roles include Chairman of the Audit, Risk and Compliance Committee. He is also Chairman of Mission Australia.

Previously Ian was a non-executive director of Citigroup Pty Limited and Venues NSW. Ian spent more than 35 years at PwC, including 26 years as a partner. He was lead partner for several of Australia's major financial institutions and was previously a member of the Australian Accounting Standards Board and the International Accounting Standards Board.

Simon Machell
BA (Hons), FCA

Non-executive director

Simon Machell has been a director of the Group since April 2017. He is a member of the Customer and People and Remuneration Committees.

Simon is a non-executive director of Prudential Assurance Company Singapore. He is also Chairman of the Pacific Life Re Limited Australian entity board, and a director of its Bermuda entity boards. As a non-executive director of Tesco Bank and Chairman of Tesco Underwriting in the UK, Simon has considerable insight into changing customer expectations and engaging customers through digital channels.

Simon brings to Suncorp an international perspective on current industry trends in insurance, and insights into the risks and opportunities associated with emerging technologies and new business models. He has deep operational and strategic knowledge of the insurance industry and has planned and delivered significant change programs. In his executive career, Simon spent 10 years in CEO roles at Norwich Union / Aviva and has extensive skills in day to day management of an insurance business. He has expertise in claims management, sales and finance and gained his experience in Asia Pacific and Europe. This domain knowledge allows him to both support and challenge management on all insurance related matters.

Simon's other insurance related roles outside of Australia ensure that the Suncorp approach remains globally competitive and best in class.

Sally Herman, OAM
BA, GAICD

Non-executive director

Sally Herman has been a director of the Group since October 2015. She is Chairman of the Customer Committee and a member of the Risk Committee.

Sally brings to Suncorp strong expertise in running retail banking and insurance products, setting strategy for financial services businesses, and working with customers, shareholders, regulators and government. She has deep executive experience running customer facing financial services businesses in Australia and the United States of America. She has held board positions (including on subsidiary boards) of financial services organisations for over 20 years, with a focus on governance, regulation and compliance.

Sally's current listed company directorships include Breville Group Limited (since March 2013) and Premier Investments Limited (since December 2011). She is also a director of Abacus Property Group. Sally was previously a director of listed company E & P Financial Group Limited (May 2018 – November 2021) and a director of Irongate Funds Management Limited, responsible entity of listed trust Investec Australia Property Fund (July 2013 – July 2022).

During her senior executive career at Westpac, Sally oversaw stakeholder engagement including customers, shareholders, government and regulators. Her Westpac experience also included running the product function of retail and business banking, including general insurance and internet banking.

Lindsay Tanner
BA (Hons), LLB (Hons), MA (Melb)

Non-executive director

Lindsay Tanner has been a director of the Group since January 2018. He is a member of the Risk Committee and is also a director of Suncorp's New Zealand licensed entities.

Lindsay brings to Suncorp an acute appreciation of the technological, regulatory and political changes shaping the financial services industry. He has worked at the highest levels of government and business for over 35 years, including as Minister for Finance and Deregulation from 2007 to 2010, where he played a significant role in regulatory reform in the financial services sector. He also served as Minister for the Future Fund during the Global Financial Crisis.

Lindsay is currently Chairman of AFL Victoria, and a director of Industry Super Holdings Pty Ltd, IFM Investors Pty Ltd and the Future Skills Organisation.

Lindsay is a recognised authority on corporate governance and was a Special Adviser for financial advisory firm Lazard Australia for more than 10 years, where he had extensive involvement in the financial sector and with mergers and acquisitions.

Lindsay was also previously Chairman of Certane Group Pty Ltd and a non-executive director of Covata Limited and Lifebroker, the life insurance broking company. He began his professional career as a lawyer representing consumers in disputed personal injury and motor insurance claims.

Duncan West
BSc (Econ) (Hons), ANZIIF (Snr Assoc), CIP, FCII (UK), GAICD

Non-executive director

Duncan West has been a director of the Group since September 2021. He is Chairman of the Risk Committee and a member of the Audit Committee.

Duncan is a highly experienced company director with 40 years of experience in the general insurance and financial services sectors, in both director and senior executive roles, in Australia and overseas. His financial services expertise spans general and life insurance, banking and wealth management.

Duncan is Chairman of listed company Challenger Limited (since October 2022) and a non-executive director of listed company Helia Group Ltd (since September 2018). He is also a director of Avant Mutual Group Limited (Australia's largest medical indemnity insurer) and Chairman of Habitat for Humanity Australia.

Duncan was previously Chairman and a director of The Hollard Insurance Company Pty Limited and Lawcover Insurance Pty Limited.

Duncan's previous executive roles include CEO of Vero Insurance, CEO of CGU Insurance, and Executive General Manager of Insurance for NAB Wealth and MLC. He also previously worked with Royal Sun Alliance in its UK and Indian operations and is a past President of the Australia and New Zealand Institute of Insurance and Finance.

Doug McTaggart
BEcon (Hons), MA, PhD, DUniv, FAICD, SFFin

Doug McTaggart retired from the Board in December 2023. Mr McTaggart had been a non-executive director of the Group since April 2012.

Directors' meetings

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each director (or former director) of the Company during the financial year ended 30 June 2024 are set out in the table below.

	Board of Directors		Audit Committee		Risk Committee		People and Remuneration Committee		Customer Committee		Nomination Committee	
	A	B	A	B	A	B	A	B	A	B	A	B
C McLoughlin	18	18	6	6	7	7	6	6	2	2	2	2
S Johnston[1]	18	18	6	6	7	7	6	5	3	2	2	2
G Brown	6	6	1	1	-	-	-	-	2	2	1	1
S Falzon	18	18	-	-	7	6	6	6	-	-	2	2
E Funke Kupper	18	18	6	6	-	-	6	6	-	-	2	2
I Hammond	18	18	6	6	7	7	-	-	-	-	2	2
S Herman	18	18	-	-	7	7	-	-	3	3	2	2
S Machell	18	18	5	5	-	-	6	6	1	1	2	2
Dr D McTaggart	9	9	-	-	-	-	-	-	1	1	1	1
L Tanner	18	18	-	-	7	7	-	-	1	1	2	2
D West	18	18	6	6	7	7	-	-	-	-	2	2

A. Number of meetings held during the year while the director was a member of the Board or Committee.

B. Number of meetings attended by the director during the year while the director was a member of the Board or Committee.

All non-executive Directors are members of the Nomination Committee.

1. The Group CEO and Managing Director attends Audit Committee, Risk Committee, Nomination Committee, People Remuneration Committee and Customer Committee meetings at the invitation of those committees. There are no management representatives appointed as members of any Board Committee.

Directors' interests as at 30 June 2024

The Directors' interests as at 30 June 2024 can be found in the Remuneration Report on page 54.

Performance rights and share rights

As at 30 June 2024, there are 1,457,390 performance rights and 2,400,856 share rights outstanding in relation to Suncorp's fully paid ordinary shares. No exercise price is payable for performance rights or share rights. The latest dates for exercise of the performance rights and share rights range between 1 July 2022 and 30 June 2025.

Persons holding performance rights and share rights are not entitled to participate in capital actions by Suncorp (such as rights issues or bonus issues). For the period from 30 June 2024 to 19 August 2024, no fully paid Suncorp ordinary shares were issued as a result of the exercise of a performance right or a share right. For further details on performance and share rights refer to note 30 Share-based payments of the consolidated financial statements on page 133 and the Remuneration Report on page 54.

Company secretaries

Darren Solomon, LLB was appointed Company Secretary in March 2010, having joined Suncorp in 1989 as a senior lawyer in the legal department before moving to Company Secretariat in 2006.

Cassandra Hamlin, BCom, CA, FGIA, Grad Dip (GIA) was appointed Company Secretary in August 2022. She joined Suncorp's Company Secretariat team in 2019 and was previously Group Company Secretary of Qantas and a Senior Company Secretary at AMP. Cassandra completed LLB studies in 2024 (currently awaiting conferral).

Remuneration report

The Remuneration Report can be found on page 54 and forms part of the FY24 Directors' Report.

Principal activities

The principal activities of the Suncorp Group during FY24 were the provision of insurance and banking products and services to retail, corporate and commercial customers in Australia and New Zealand. There were no significant changes in the nature of the Suncorp Group's activities during FY24, other than as set out in the 'Significant changes in Suncorp Group's state of affairs' section below. More detail on the Group's activities is included in the How we create value and Financial performance sections on pages 10 to 31.

Dividends

A fully franked FY23 final ordinary dividend of $342 million (27 cents per share) was paid on 25 September 2023.

A fully franked FY24 interim ordinary dividend of $432 million (34 cents per share) was paid on 11 April 2024. The directors determined a fully franked FY24 final ordinary dividend of $560 million (44 cents per share).

Further details of dividends on ordinary shares provided for or paid are set out in note 14 to the consolidated financial statements.

Operating and Financial Review

The operating and financial review can be found in the 'How We Create Value' section on pages 18 to 41 and Financial Performance section on pages 12 to 17.

Significant changes in Suncorp Group's state of affairs

Sale of Suncorp Bank

On 18 July 2022, following a comprehensive strategic review, the Group announced it had signed a share sale and purchase agreement (SPA) with Australia and New Zealand Banking Group Limited (ANZ) to sell Suncorp Bank. The transaction received approvals from the Australian Competition Tribunal on 20 February 2024 and the Federal Treasurer under the Financial Sector (Shareholdings) Act on 28 June 2024. The Queensland Government also passed legislation in June 2024 to amend the State Financial Institutions and Metway Merger Act (Metway Merger Act), with an effective proclamation upon completion of sale.

The sale of Suncorp Bank to ANZ completed subsequent to end of financial year on 31 July 2024. In accordance with the signed SPA with ANZ, a cash consideration of $6,247 million was paid on 31 July 2024, including a payment of $1,170 million for the internal loan notes issued by Suncorp Bank to Suncorp Group pre-completion. The completion payment is subject to customary adjustments, which are expected to be finalised in the half-year ending 31 December 2024. The transaction is anticipated to result in net proceeds of around $4,100 million and an accounting gain of $235 million to be recognised in the half-year ending 31 December 2024.

Sale of Asteron Life

On 4 April 2024, the Group announced it had signed a SPA with Resolution Life NOHC, Resolution Life Group's holding company in Australia and New Zealand (Resolution Life) to sell its New Zealand life insurance business, Asteron Life Limited (Asteron Life) for a cash consideration of NZ$410 million.

The sale is subject to regulatory approval from the Reserve Bank of New Zealand (RBNZ) and the sale is expected to be complete around the end of January 2025.

Event subsequent to reporting date

The sale of Suncorp Bank to ANZ was completed subsequent to end of financial year on 31 July 2024. In accordance with the signed SPA with ANZ, a cash consideration of $6,247 million was paid on 31 July 2024, including a payment of $1,170 million for the internal loan notes issued by Suncorp Bank to Suncorp Group pre-Completion. The completion payment is subject to customary adjustments, which are expected to be finalised in the half-year ending 31 December 2024. The transaction is anticipated to result in net proceeds of around $4,100 million and an accounting gain of $235 million to be recognised in the half-year ending 31 December 2024.

In the directors' opinion, between the end of the financial year and the date of this report, no other transaction or event of a material and unusual nature has arisen to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Company in future financial years.

Group outlook

Growth: GWP growth is expected to be in the mid to high single digits, primarily driven by increases in AWP albeit with moderating premium rates, as the reinsurance market stabilises and inflationary pressures ease slightly in some portfolios.

Underlying ITR: The Group's underlying ITR is supported by the continued earn through of elevated premium rates as inflation begins to moderate. Investment yields are expected to reduce as market expectations for interest rates decline in anticipation of a stabilisation in inflation. For FY25, prior year reserve releases in CTP are expected to be around 0.4% of Group net insurance revenue, with releases in other portfolios expected to be neutral over the year. An UITR towards the top of the 10% to 12% range is targeted.

Operating expenses: Expense ratios are expected to be broadly flat including the investment required to support strategic investments and continue to grow the business.

Capital: The Group will maintain its disciplined approach to active capital management, with a payout ratio at the mid-point of the 60% to 80% range.

Strategic targets: The Group is focused on delivering a growing business with a sustainable return on equity above the through-the-cycle cost of equity.

Key strategic risks

The effective identification and management of strategic risks is integral to Suncorp's strategy and decision-making process. Further detail on strategic risks is contained in the risk management section on page 30.

Impacts of legislation and other external requirements

Suncorp operates across a number of highly regulated industry sectors. There have been, and continue to be, significant domestic and global legislative and regulatory reforms and proposals, as well as numerous government and regulator consultations, reviews and inquiries which may result in changes that may impact Suncorp Group and its operations in Australia and New Zealand.

There are also various proposals and changes from global regulatory advisory and standard-setting bodies such as the International Association of Insurance Supervisors and the International Organisation of Securities Commissions which, if adopted or followed by domestic regulators, may increase operational and capital costs or requirements.

Suncorp is committed to embracing these regulatory changes and is well placed to respond. Suncorp is taking active steps to implement the changes with a number of improvements already in place. Suncorp is engaging with regulators, the government and industry bodies to provide feedback and guide the policy direction. Suncorp Group and its insurance businesses in Australia and New Zealand are set out below.

Matters which may impact

Suncorp Group

- The Financial Accountability Regime (FAR) replacing the Banking Executive Accountability Regime (BEAR) from March 2024 and applying from March 2025 for General Insurers.
- The Suncorp Group has completed its remediation following the review into pay and leave entitlements in Australia. Remediation payments to all impacted employees were finalised in August 2022. In June 2023, Suncorp concluded an Enforceable Undertaking (EU) with the Fair Work Ombudsman (FWO), which is available on the FWO website. Key terms of the EU include that Suncorp make a $520,000 contrition payment to the Commonwealth consolidated revenue fund, and that Suncorp conduct two external and independent pay and leave audits in 2023 and 2024. The first audit is now complete, and preparations for the second audit are underway. Suncorp also continues to invest in a range of systems enhancements.
- Commencement of substantial changes to obligations on operational risk management and resilience from 1 July 2025 (CPS 230), including for critical operations, business continuity management, and provision of services by external providers.
- Sustained attention from APRA on cyber security and resilience as per CPS 234 requirements.
- ASIC administering its product intervention power, which allows ASIC to temporarily intervene, including to ban financial products when there is a risk of significant consumer detriment.
- ASIC supervising financial product Design and Distribution Obligations (DDO), which require financial product firms to develop products that meet the needs of the consumers in their intended target market.
- Consumer Data Rights which provides individuals and businesses with a right to efficiently and conveniently access specified data in relation to them held by businesses.
- APRA's prudential standards (CPS 190 and CPS 900) on recovery and exit planning and resolution planning which strengthen crisis preparedness, and came into effect on 1 January 2024.
- Increasing expectations from each of APRA and ASIC relating to climate-change risk management and disclosure, along with potential changes proposed by the Australian Accounting Standards Board on disclosure of climate-related information within general financial reporting by companies. The latter is currently under consultation, the outcomes of which remain uncertain.
- Continued monitoring by APRA of the enhanced obligations for remuneration frameworks, practices, and disclosures (CPS 511 & FAR).
- APRA's review of CPS 510 Governance, entailing expectations of boards, which may result in revisions to requirements in 2024.
- APRA's continuing focus on risk culture, including conducting risk culture surveys to benchmark perceived risk behaviours and the effectiveness of risk structures within entities.
- Future legislation resulting from the Quality of Advice Review recommendations, into the accessibility and affordability of quality advice, and particularly how banks and general insurers engage with their customers. The Commonwealth Government provided their final response to the review in December 2023 and the introduction of the Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Bill 2024, which seeks to implement half of the Review recommendations. Further consultation steps will occur on the remaining recommendations.
- Amendments to the Privacy Act 1988 (Cth), following a review and the Commonwealth Government's response in September 2023, likely to result in enhanced transparency and consent obligations, use of personal information needing to be fair and reasonable, new individual data subject rights, and requirements for privacy impact assessments. The full outcome of future amendments remains uncertain. Additionally, penalties have already been substantially increased for a serious or repeated breach of privacy as per the Privacy Legislation Amendment (Enforcement and Other Measures) Act 2022.
- Suncorp Group is currently, and has previously been, subject to other specific regulator activities (including reviews, information requests, investigations, and assistance with inquiries) across its insurance businesses. This is due to the company's diverse offering of financial services products and breadth of operations. It is expected that Suncorp will be involved in a variety of supervisory activities of regulators in future.

Insurance Operations Australia

- ASIC's ongoing focus into complaints handling and associated resourcing, and more specifically, compliance with enforceable paragraphs within Regulatory Guide 271 Internal Dispute Resolution. Along with other industry participants, Suncorp has been subject to end-to-end surveillance of its complaints handling practices.
- Potential new regulatory reforms such as significantly increased data collections, due to the ongoing work across governments of all levels, as well as regulatory agencies such as APRA, ACCC and ASIC, to address the broad issues of availability, affordability and sustainability of general insurance. This includes the modernisation of prudential architecture by APRA with the goal of making data collection clearer, simpler and more adaptable for institutions. The complexity of these changes adds uncertainty to changes which might be needed to Suncorp's operations.
- Oversight by APRA and embeddedness of AASB 17 Insurance Contracts, the accounting standard which requires new measurement models to be applied and introduced significant changes to the presentation and disclosure of insurance contracts.
- The ACCC monitoring of the Cyclone Reinsurance Pool (CRP) effectiveness, and compliance by participants including Suncorp. The ACCC continues to consider insurance prices, costs and profits before and after the introduction of the CRP, and ensure savings are passed through to customers. Suncorp has responded to the ACCC with policy, claims and financial data, and pricing information relating to the relevant insurance products. The ACCC's second annual report was released in December 2023, noting the full effect of the CRP is yet to be realised. The outcomes of these activities remain uncertain.
- Supervision by ASIC of claims handling practices, with assistance from Suncorp on areas of interest.
- Further administration by ASIC of the unfair contract terms legislation for insurance. New reforms commenced on 10 November 2023 and included larger penalties and remedies available, an augmented definition of small business, and a new breach provision.
- Expected recommendations for new legislative reforms which may impact our insurance business, emanating from the House of Representatives Standing Committee on Economics Inquiry into Insurers' responses to 2022 major floods claims. The Inquiry will also consider findings from Deloittes's external review of Insurers' responses to the 2022 floods and ASIC's claims handling review. The Committee report is anticipated on 30 September 2024.

Insurance Operations New Zealand

- Financial Markets (Conduct of Institutions) Amendment Act 2022 requires insurers, banks and non-bank deposit takers be licensed and have a fair conduct program to ensure consumers are treated fairly. Licence applications opened on 25 July 2023 and the Act will come into force on 31 March 2025.
- The Contracts of Insurance Bill has been introduced to Parliament to modernise insurance contracts law and addresses a number of areas including disclosure, unfair contract terms and several technical issues. The Bill is expected to be passed by the end of 2024 and there may be up to three years for implementation.
- Reserve Bank of New Zealand is reviewing the Insurance (Prudential Supervision) Act 2010 (IPSA) and Solvency Standards. An interim solvency standard which takes into account IFRS 17 changes came into effect in January 2023 and is expected to be amended effective from March 2025. An exposure draft of the IPSA Amendment Bill is expected for consultation in the second half of 2025. Proposals being considered include empowering the Reserve Bank to issue standards for outsourcing and connected exposures and concentrated exposures for subsidiaries of an overseas parent group.
- Financial Sector (Climate-related Disclosure and Other Matters) Amendment Act 2021 requires mandatory climate-related financial disclosures for certain entities including large insurers. Disclosures apply to accounting periods starting on or after 1 January 2023.
- The Natural Hazards Insurance Act 2023 comes into force on 1 July 2024 and will replace the current Earthquake Commission Act 1993. The Act aims to reduce the impact of natural hazards on the community by contributing to improving resilience and uptake of insurance, as well as clarifying the nature and extent of cover provided.
- The Fire and Emergency New Zealand levy is increasing by 12.8% across all levied insurance policies for the 2024/25 and 2025/26 financial years, taking effect from 1 July 2024. Government is to make further decisions on levy changes by end of 2024 with changes coming into effect on 1 July 2026.

Environmental reporting

Suncorp conducts business in a way which sustains and protects the environment for both current and future generations. Through transparent environmental performance reporting and target setting we have continued to reduce our environmental impact over the past year. For more information, please refer to the Climent and environment approach section on page 27 and our FY24 Sustainability Data Pack.

Non-audit services

During the year, KPMG, the Company's auditor, performed certain services in addition to the audit and review of the financial statements. The Board has considered the non-audit services provided during the financial year by the auditor and, having received the appropriate confirmations from the Audit Committee, is satisfied the auditor's provision of those non-audit services is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

The amounts paid or due and payable to KPMG and its related practices for non-audit services provided during FY24 (and FY23 are set out below.

Services other than statutory audit

	FY24 $000	FY23 $000
Audit-related fees (regulatory)		
APRA reporting	782	752
Australian financial services licences	66	96
Other regulatory compliance services	1,001	1,157
	1,849	2,005
Audit-related fees (non-regulatory)		
Other assurance services[1]	853	1,063
Other services		
Other non-audit related services[2]	259	115
	2,961	3,183

1. Other assurance services are assurance services other than regulatory assurance services and primarily relate to services for emissions reporting review, Investor Pack review, and external peer reviews.
2. Other non-audit services include advisory services for loan capital issued by the Group and agreed upon procedure engagements.

Indemnification and insurance of officers and directors

Under rule 39 of the Company's Constitution, the Company indemnifies each person who is or has been a director, secretary or officer of the Company (each an officer for the purposes of this section). The indemnity relates to liabilities to the fullest extent permitted by law to another party (other than the Company or a related body corporate) that may arise in connection with the performance of their duties to the Company and its subsidiaries, except where the liability arises out of conduct involving a lack of good faith.

The Constitution stipulates the Company will meet the full amount of such liabilities, including costs and expenses incurred in defending civil or criminal proceedings or in connection with an application, in relation to such proceedings, in which relief is granted under the Corporations Act.

The Company has also executed deeds of access, indemnity and insurance with each officer of the Company's subsidiaries, and deeds of indemnity and insurance with the officers of related bodies corporate and joint venture companies. Those deeds, which are subject to certain conditions and limitations, provide an indemnity to the full extent permitted by law for liabilities incurred by that person as an officer, including reasonable legal costs incurred in respect of certain legal proceedings and an entitlement to directors' and officers' liability insurance. The deeds containing access rights provide access to company records following the cessation of the officer's position with the relevant company.

During FY24 the Company paid insurance premiums in respect of a directors' and officers' liability insurance contract. The contract insures each person who is or has been an officer of the Company against certain liabilities arising in the course of their duties to the Company and its subsidiaries. The directors have not included details of the nature of the liabilities covered by or the amount of the total premium paid in respect of the insurance contract as such disclosure is prohibited under the terms of the contract.

Lead Auditor's Independence Declaration

The Lead Auditor's Independence Declaration can be found on page 53.

Rounding of amounts

As the Company is of a kind referred to in Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' report) Instrument 2016/191, all financial information presented in the Directors' Report and the consolidated financial statements have been rounded to the nearest million dollars, unless otherwise stated.

Lead Auditor's Independence Declaration

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Suncorp Group Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Suncorp Group Limited for the financial year ended 30 June 2024 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Scott Guse

Partner

Brisbane

19 August 2024

Remuneration report

Letter from the Chairman of the Board People and Remuneration Committee

On behalf of the Board, I am pleased to present the 2024 Remuneration Report.

In FY24 we continued to progress the delivery of our People Strategy in support of our ambition to be the leading Trans-Tasman insurer. We also focused on ensuring our people are equipped for a changing way of work with significant investment in learning and development. This saw us continuing our Reskill program which targets people who work in areas likely to be disrupted and gives them the opportunity to be reskilled in capabilities needed in the future.

We recognise the dedication and commitment of our people and the continued high level of employee engagement underpinning our customer obsession culture.

Performance outcomes

Group performance is assessed in a balanced way against both financial and non-financial measures. Both Adjusted Net Profit After Tax (Adjusted NPAT) and Cash Return on Tangible Equity (Cash RoTE) were above FY23 performance levels. Adjusted NPAT was solid at $1,121 million, however was slightly below target in the Short-Term Incentive (STI) Group Scorecard. Cash RoTE was 16.0% and was above target. Total shareholder return was strong over FY24 with Suncorp delivering a 35% return to shareholders, compared to the S&P / ASX 100 of 12% and the S&P / ASX 100 Financials of 29%[1].

Suncorp performed well against its people and culture measures. As measured by Workday Peakon Employee Voice[2], employee engagement is in the top 25% of the Finance industry. This is a pleasing result given the protracted uncertainty around the Suncorp Bank sale to ANZ during the year. Progress and focus are continuing in relation to our workforce for the future as well as reducing our Gender Pay Gap.

Customer outcomes were mixed. Suncorp Bank Main Financial Institution NPS (Consumer) was at target, however the NPS measures across our Consumer Insurance portfolios in Australia and New Zealand were below target.

Despite the Group's continued improvement in its risk and compliance maturity, building a moderate risk environment and enhancing controls, the overall risk outcome was below target. See section 4 of this report for further information on the STI outcomes.

1. Source: Deloitte Touche Tohmatsu.
2. Workday Peakon Employee Voice is a product of Workday, an independent company and separate entity to Suncorp.

Remuneration outcomes

There was no increase in the Group CEO's fixed pay over FY24 and the average increase in fixed pay for the other executives was 3%.

The Group CEO's STI opportunity for FY24 was 120% of target ($2.484 million) including an additional one-off 20% STI opportunity related to the successful execution of the Bank Transition Program. Following the Board's performance assessment, the Group CEO's FY24 STI outcome was $2,028,600. This consisted of 78% relating to overall FY24 performance and 20% related to the Bank Transition Program, being a total of 98% out of the 120% STI opportunity or 82% overall.

The FY24 STI outcomes for the other executives ranged between 50%-82% of target based on business performance. The other executives were also eligible to receive the additional one-off 20% STI opportunity in relation to the successful execution of the Bank Transition Program and the STI outcomes against this measure ranged between 0% and 20% depending upon their individual contribution. Combined, the STI outcome range for the other executives was between 42% and 83% of target inclusive of the additional STI opportunity.

As foreshadowed in the 2023 Remuneration Report, due to the complexities with the expected separation of Suncorp Bank, the FY22 Long-Term Incentive (LTI) performance rights were tested early at 30 June 2022 and 55.5% of the rights met the performance measures at that time. These rights vested and an additional one year holding lock was imposed to incentivise executive stability until 30 June 2025. While the vesting outcomes would have been 27.8% higher at 83.3% if these rights were tested in the normal course at 30 June 2024, the Board upheld the original vesting level of 55.5%.

Also included in the 2023 Remuneration Report were the changes made to the executive remuneration framework in FY24 to ensure compliance with APRA's Remuneration Prudential Standard (CPS 511). These included changes in the Group CEO's remuneration mix and the incorporation of non-financial measures into the LTI plan. See section 2 of this report for further information.

Looking ahead to FY25

The Board increased the Group CEO's fixed pay by 3.5% for FY25 in light of his strong capability and market remuneration levels.

As the Suncorp Bank sale did not complete until early FY25, minimal changes have been made to the executive remuneration structure in FY25. The key change is the LTI performance period will be extended from three years to four years to create alignment between executive reward outcomes and the shareholder experience over a longer period. LTI deferral continues beyond this, with the total Group CEO LTI deferral period being over 4-6 years and the total LTI deferral period for other executives being over 4-5 years, ensuring compliance with CPS 511. It is also worth noting from a regulatory perspective the Board and management will be regulated by the Financial Accountability Regime which takes effect for our insurance business from 15 March 2025.

The Board intends to undertake a review of the existing variable remuneration structure for FY26. This is to ensure the structure best supports Suncorp's strategy as a leading Trans-Tasman insurer as well as continuing to attract, reward and retain our people to successfully execute on our strategy.

Any changes to the remuneration structure will continue to comply with all regulatory requirements.

Non-executive director fees (excluding the legislated increases in the superannuation guarantee contribution) will not be increased. However, shareholder approval will be sought at the 2024 Annual General Meeting (AGM) to increase the aggregate amount of the non-executive director fee pool from $3.5 million to $4.0 million.

The last increase in the fee pool was approved by shareholders 17 years ago at the Company's 2007 Extraordinary General Meeting. Given the average non-executive director tenure post AGM will be 6 years, this increase in the fee pool will provide the necessary flexibility to continue to facilitate Board renewal and Board and Committee composition changes in an orderly manner. Particularly, this flexibility will enable the Board to continue its renewal process to ensure it has the appropriate composition to meet the needs of the business as a leading Trans-Tasman insurer underpinned by technology and transformation capability.

Thank you for the opportunity to present our 2024 Remuneration Report. We value our ongoing engagement with our shareholders and other stakeholders, and we look forward to your feedback ahead of our AGM.

Sylvia Falzon
Chairman of the People and Remuneration Committee
19 August 2024

Executives covered in this report

This report covers the remuneration arrangements of Key Management Personnel (KMP). KMP are the people who have the authority and responsibility for planning, directing and controlling the activities of the Suncorp Group and includes the non-executive directors.

For the purposes of this report, "executive", refers to the Group Chief Executive Officer and Managing Director (Group CEO) and the Executive Leadership Team (Senior Executives). Unless otherwise indicated below, all non-executive directors and executives were KMP over all of FY24.

Non-executive directors	Position	People and Remuneration Committee
Christine McLoughlin, AM	Chairman	Ex officio member
Gillian Brown	Director from 27 February 2024	-
Sylvia Falzon	Director	Chairman
Elmer Funke Kupper	Director	Member
Ian Hammond	Director	-
Sally Herman, OAM	Director	-
Simon Machell	Director	Member
Lindsay Tanner	Director	-
Duncan West	Director	-
Former Non-executive directors		
Douglas McTaggart	Former Director, retired from the Board on 14 December 2023	
Group CEO and Senior Executives		
Steve Johnston	Group CEO	
Adam Bennett	GE Technology & Operations (GE T&O) from 4 September 2023 Previously Chief Information Officer	
Lisa Harrison	CEO Consumer Insurance from 4 September 2023 Previously CEO Insurance Product & Portfolio	
Jimmy Higgins	CEO Suncorp New Zealand (CEO SNZ)	
Bridget Messer	Group Chief Risk Officer (Group CRO)	
Michael Miller	CEO Commercial & Personal Injury Insurance (CEO C&PI) from 4 September 2023	
Jeremy Robson	Group Chief Financial Officer (Group CFO)	
Bruce Rush	CEO Suncorp Bank from 4 December 2023 Mr Rush ceased employment on 31 July 2024 due to the sale of Suncorp Bank.	
Belinda Speirs	Group Executive Completion & Transition (GE C&T)	
Fiona Thompson	Group Executive People, Culture & Advocacy (GE PC&A)	
Former Senior Executives		
Paul Smeaton	Former Chief Operating Officer (COO) – Insurance until 3 September 2023	
Clive van Horen	Former CEO Suncorp Bank until 3 December 2023	

1. Executive remuneration overview

Our Purpose

Building futures and protecting what matters

Our Being @ Suncorp behaviours

Doing the right thing

Caring for others

Being courageous

Our reward principles

- Align to Suncorp's Purpose, strategy and the shareholder experience
- Deliver high performance
- Attract and retain talent
- Promote accountability, doing the right thing and effective risk management
- Reward fairly, competitively and responsibly

Our remuneration structure[1]

Fixed pay

- Consists of base salary, superannuation (or KiwiSaver) and any salary sacrificed benefits.
- Reflects the role scope and individual's capability and is set in the context of internal relativities and external market data.
- External market data is based on a comparator group of selected financial services companies in the S&P / ASX 100 (excluding Real Estate Investment Trusts (REITs)).

Short-term incentive (STI)

- Rewards the achievement of Group, Function and individual performance over a 12-month period.
- Standard target STI opportunity of 100% for the Group CEO and most Senior Executives.[2]
- Delivered as a mix of cash and share rights. Share rights are deferred over a 1-2 year period:
  - Group CEO: 50% cash and 50% share rights
  - Most Senior Executives: 65% cash and 35% share rights.
- Outcomes are based on a scorecard of People & Culture, Customer, Risk and Financial measures, also considering demonstration of the Being @ Suncorp behaviours.
- Outcomes can be scaled down (to nil) if there is not adherence to the Code of Conduct.

Long-term incentive (LTI)

- Rewards the creation of long-term sustainable shareholder value.
- LTI opportunity of 150% of fixed pay for the Group CEO and 100% of fixed pay for most Senior Executives.
- Delivered as performance rights which are tested for performance after a three-year period (after a four-year period for the FY25 award).
- There are four performance measures:
  - Relative total shareholder return (TSR) against S&P / ASX 100 companies (35% weighting)
  - Relative TSR against 15 S&P / ASX 100 financial organisations that are domiciled in Australia (35% weighting)
  - Relative Suncorp Group Insurance Customer NPS (Consumer AU) (20% weighting)
  - Relative Trust and Reputation (10% weighting).
- Total LTI deferral period is 4-6 years for the Group CEO and 4-5 years for eligible Senior Executives.

Risk adjustment

Variable pay is subject to in-year adjustment, malus and clawback criteria if there have been any significant risk or conduct matters. This ensures that remuneration outcomes appropriately reflect risk performance. See section 3 for further detail.

Mandatory shareholding requirement

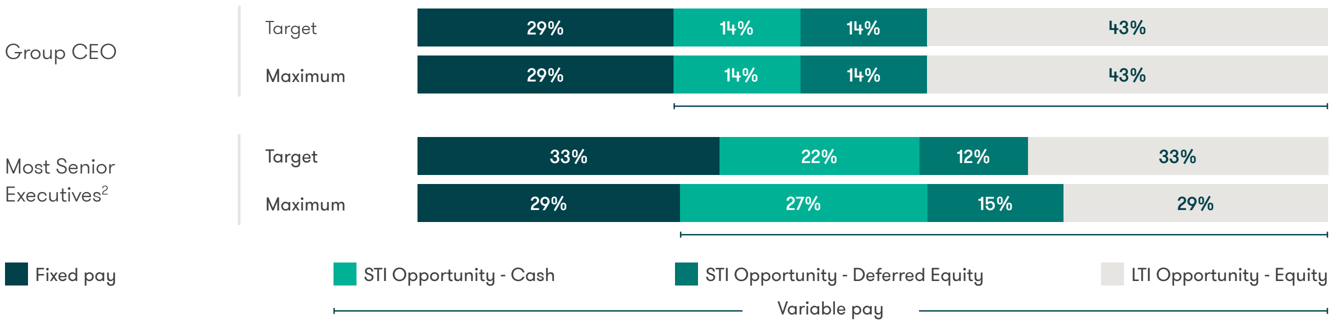
The Group CEO and most Senior Executives are required to hold Suncorp shares at least equivalent to 100% of fixed pay within four years following their appointment. See section 2 for further detail.

1. See section 2 for further detail.
2. For FY24, the target STI opportunity for the Group CEO and Senior Executives was increased by 20% on a one-off basis to achieve performance measures related to the successful execution of the Bank Transition Program. See section 2 for further detail.

1. Executive remuneration overview [continued]

Remuneration mix[1]

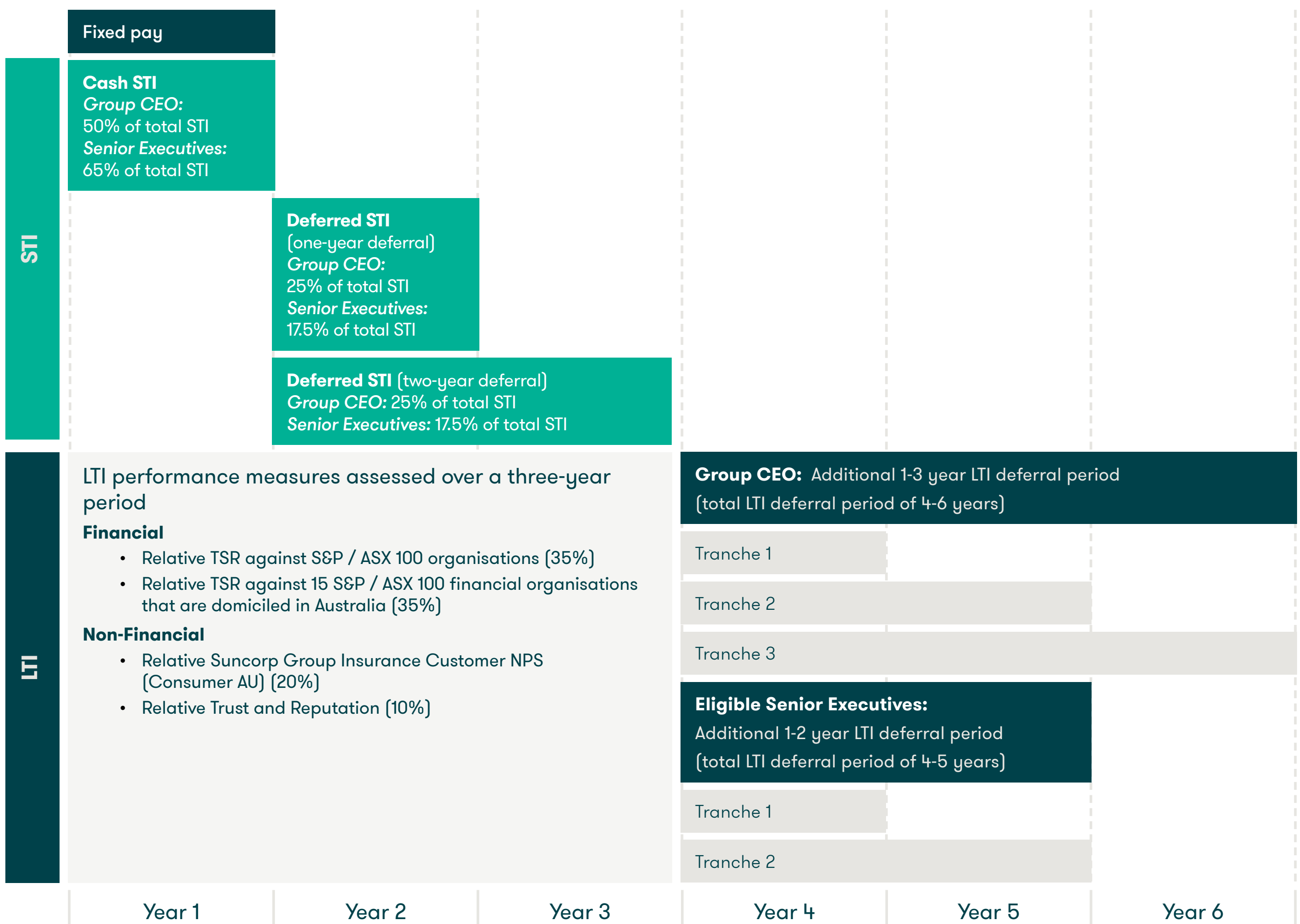
The below diagram shows the strong emphasis placed on variable pay to ensure strong alignment between pay, performance and the shareholder experience. As seen, the Group CEO's remuneration opportunity is the same at target and at maximum. This change was made in FY24 to enable compliance with the deferral requirements under APRA's Remuneration Prudential Standard (CPS 511) through the LTI component.



1. The above remuneration mix reflects the standard remuneration mix for the Group CEO and Senior Executives. See section 2 for details on the additional one-off 20% STI opportunity that was provided related to the successful execution of the Bank Transition Program.
2. The CEO Suncorp Bank, GE C&T and Group CRO have a different remuneration mix. See section 2 for further detail.

Remuneration structure and time horizons

The below diagram shows the long time horizons over which variable pay is determined and deferred as related to FY24 awards. For FY25, the LTI performance measures will be assessed over a four year period, with an additional 1-2 year LTI deferral period for the Group CEO and an additional one-year LTI deferral period for other eligible Senior Executives.



FY24 remuneration outcomes

Fixed pay

0%
Group CEO's fixed pay increase

3%
Average Senior Executive fixed pay increase

STI outcomes[1]

82% of target
Group CEO STI outcome

42% - 83% of target
Range of Senior Executive STI outcomes

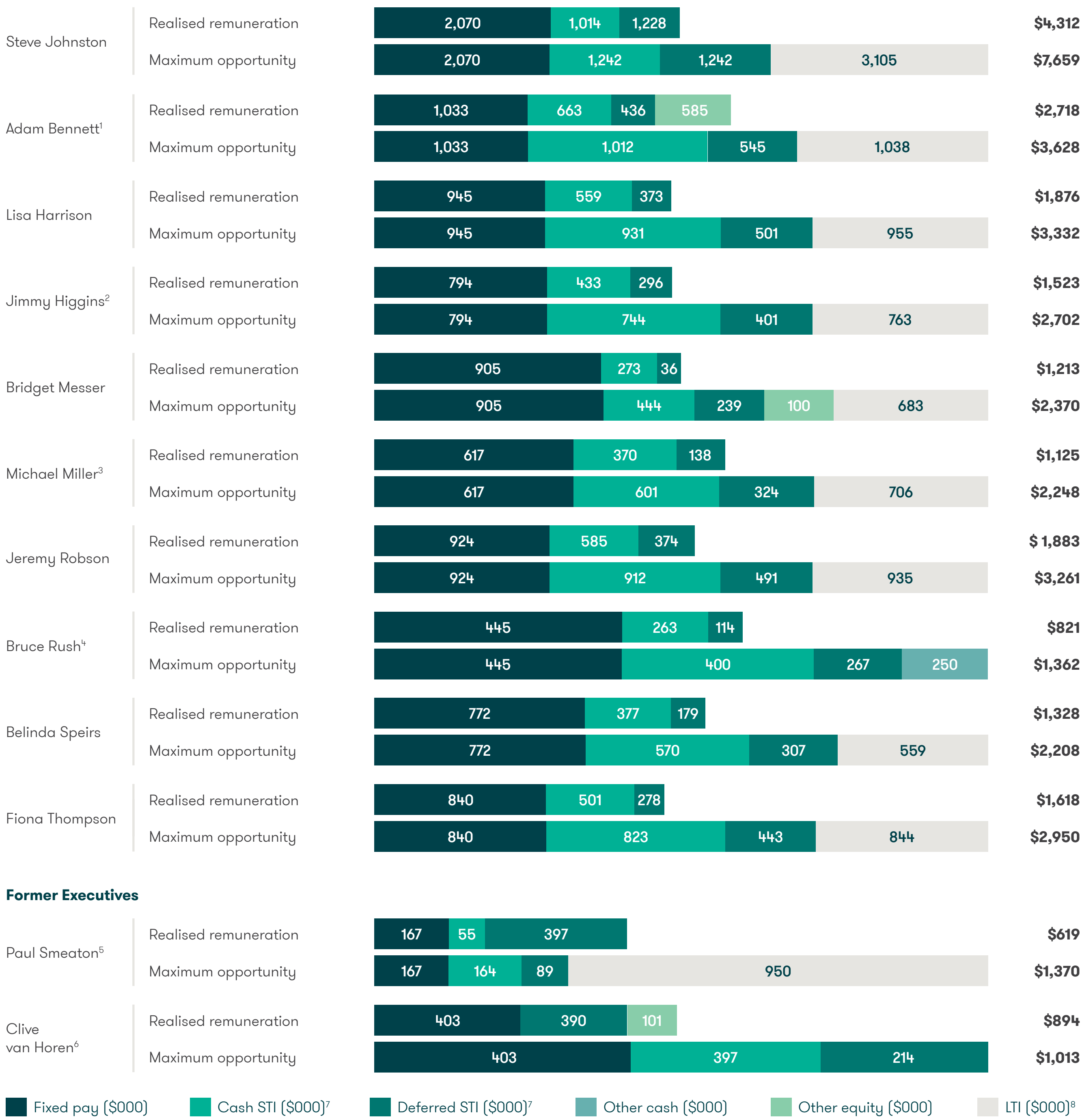
LTI outcomes[2]

55.5%
FY22 LTI reward outcome

1. The STI outcomes and target opportunities are inclusive of the additional one-off 20% STI opportunity related to the successful execution of the Bank Transition Program. Executive incentive outcomes against this additional measure were determined in light of Group performance as well as individual contribution and ranged from 0% to 20%.
2. LTI outcomes are shown for the FY22 LTI rights as these would have ordinarily been tested against the performance measures in the normal course at 30 June 2024. Due to complexities with the Bank sale, these rights were tested early at 30 June 2022 (where the performance outcome was 55.5%). As part of hindsight reflection, the performance of these rights was tested in the ordinary course at 30 June 2024. As at this date 83.3% of the rights had satisfied the performance measures. While testing the FY22 LTI rights in the ordinary course at 30 June 2024 would have resulted in a further 27.8% vesting compared to when the FY22 LTI rights were tested early at 30 June 2022, the Board upheld the original vesting level of 55.5% and this was therefore the reward outcome to the executives. See section 2 for further detail.

1. Executive remuneration overview [continued]

FY24 actual remuneration realised



1. Mr Bennett's other equity relates to a special incentive award for benefits forgone at his prior employer.
2. Mr Higgins' remuneration (paid in New Zealand dollars) has been converted to Australian dollars based on the average exchange rate from 1 July 2023 to 30 June 2024.
3. Mr Miller's remuneration reflects his role as CEO C&PI from 4 September 2023.
4. Mr Rush's remuneration reflects his role as CEO Suncorp Bank from 4 December 2023. Other cash relates to Mr Rush's Bespoke LTI Award granted in FY24.
5. Mr Smeaton's remuneration reflects his role as COO – Insurance up to 3 September 2023. Mr Smeaton's maximum LTI reflects his full LTI allocation. This was pro-rated upon his retirement from Suncorp and may vest in the normal course.
6. Mr van Horen's remuneration reflects his role as CEO Suncorp Bank up to 3 December 2023. Other equity relates to a special incentive award for benefits forgone at his prior employer.
7. The realised Cash STI refers to the actual cash component of the FY24 STI. The realised Deferred STI refers to Deferred STI awards granted in prior years that vested in FY24. The maximum Cash and Deferred STI figures refer to the maximum Cash and Deferred STI opportunities for FY24 and include the additional one-off 20% STI opportunity related to the successful execution of the Bank Transition Program. See section 2 for further detail.
8. No LTI was realised by executives in FY24.

2. Executive remuneration structure

Fixed pay

Structure	Consists of base salary, superannuation (or KiwiSaver) and any salary sacrificed benefits. Reflects the role scope and the individual's capability and is set in the context of internal relativities and external market data. External market data is based on a comparator group of selected financial services companies in the S&P / ASX 100 (excluding REITs).

Short-term incentive

Purpose	To provide a short-term incentive for executives to achieve stretching performance measures aligned with the one-year business plan. The performance measures have been set having regard to Suncorp's diverse stakeholders including shareholders, regulators, customers and our people.

STI opportunity

In FY24, the Group CEO's remuneration mix changed. This enabled compliance with the deferral requirements under CPS 511 through the LTI component.

Executives	Target STI	Maximum STI
Group CEO	100% of fixed pay	100% of fixed pay
Senior Executives (excluding GE C&T and Group CRO)	100% of fixed pay	150% of fixed pay
GE C&T	75% of fixed pay	112.5% of fixed pay
Group CRO	50% of fixed pay	75% of fixed pay

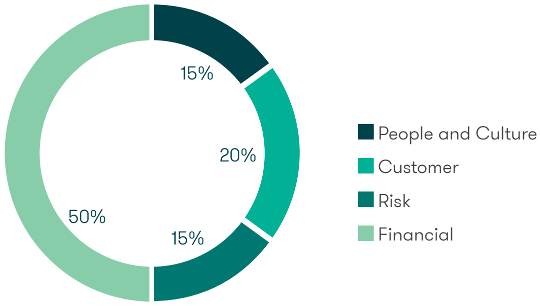
In addition to the opportunities outlined above, all executives received an additional one-off 20% STI opportunity for FY24 related to the successful execution of the Bank Transition Program. Inclusive of the additional one-off 20% STI opportunity, the FY24 Group CEO STI target and maximum opportunities were 120% of fixed pay. The target STI opportunity for most Senior Executives was 120% of fixed pay, excluding the GE C&T and the Group CRO where the target STI opportunity was 90% and 60% of fixed pay respectively. There was no change in the maximum STI opportunity for the Senior Executives.

Performance period

1 July 2023 – 30 June 2024

Performance measures and assessment

Group Scorecard performance measures



Group CEO

The Group CEO is primarily assessed against the Group Scorecard performance measures.

The Group Scorecard is intentionally weighted to incentivise executives to focus on both financial and non-financial measures and this also ensures compliance with CPS 511. Further detail on the Group Scorecard measures is outlined further below.

Senior Executives

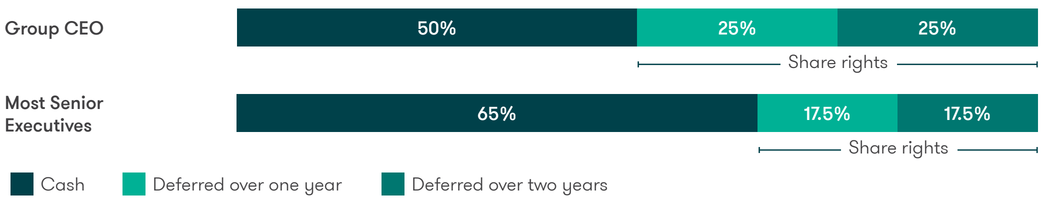
Senior Executive performance outcomes are dependent on the Group Scorecard outcome and their own Function Scorecard outcome.

In addition to the above scorecard measures, all executives were subject to additional measures related to the successful execution of the Bank Transition Program. See further below for detail.

In assessing performance, the Board also considers other relevant factors. These include significant risk matters identified by management's Remuneration Oversight Committee and determined by the Board Risk Committee, the shareholder experience, demonstration of the Being @ Suncorp behaviours and holistic Group and individual performance.

2. Executive remuneration structure [continued]

Short-term incentive [continued]

Gateway and modifier	A STI gateway and modifier linked to the Code of Conduct applies. Where an executive has not adhered to the Code of Conduct, their STI may be reduced (down to nil).
Delivery mechanism	 The CEO Suncorp Bank's STI is delivered 60% as cash and 40% deferred into share rights which vest after four years.
Share rights allocation methodology	The number of share rights is determined by dividing the portion of the STI that is deferred by the volume weighted average price (VWAP) of Suncorp's ordinary shares over the five days preceding the start of the deferral period. A Dividend Equivalent Payment (DEP) is paid on any vested share rights that convert to shares at the end of the relevant deferral period. No DEP is paid on any share rights that lapsed.
Remuneration consequences	The Board has discretion to apply an in-year reduction to STI outcomes to reflect any significant risk or conduct matters. In addition, all share rights are subject to malus and clawback criteria. See section 3 for further detail.
Termination of employment	See section 6 for the treatment of STI awards on termination of employment.

Group Scorecard performance measures

The performance measures are outlined below and the performance outcomes are outlined in section 4.

Scorecard category	Scorecard measure	Weighting	Rationale
People and Culture	Workforce of the Future	15%	The achievement of Suncorp's strategy requires a significant focus on four future workforce shifts related to capacity, composition, capability and culture.
	Gender Pay Gap		The Gender Pay Gap is aligned to Suncorp's desire for a diverse and inclusive workforce and workplace. It is an indicator of equal opportunities and equal pay between the genders. Suncorp's Board has committed to reducing the Gender Pay Gap.
Customer	Suncorp Group Insurance Customer Net Promoter Score (NPS) (Consumer AU)	20%	NPS measures align to Suncorp's Purpose of building futures and protecting what matters and Suncorp's goal to drive customer obsession through a focus on the customer experience. NPS is a standard and accepted market measure used to gauge customer advocacy. It provides insight into the customer experience and is reliably measured through external surveys.
	AU Claims NPS (Home and Motor)		
	SNZ General Insurance Claims NPS		
	Suncorp Bank Main Financial Institution (MFI) NPS (Consumer)		
Risk	Building a moderate risk environment	15%	The three measures support a balanced assessment across the use of risk appetite and maintaining strong core risk and compliance practices. The measures provide insights to the Board on the Group's risk culture, compliance practices, regulatory matters, adherence to Suncorp's Risk Appetite Statement, incidents and the control environment. The assessment incorporates Board Risk Committee feedback.
	Enhancement of controls		
	Operating within risk appetite		
Financial	Adjusted NPAT	25%	Adjusted NPAT provides stakeholders with a clear view of the Group's underlying results. It is a useful measure to shareholders in evaluating the underlying operating performance of the business. The adjustments that applied to Adjusted NPAT in FY24 are outlined in section 4. In FY24, the Adjusted NPAT weighting was reduced from 30% to 25% to place more emphasis on the unadjusted Cash Return on Tangible Equity (Cash RoTE) measure.
	Cash RoTE	25%	Cash RoTE is a measure of Suncorp's overall return to shareholders. It illustrates how effective Suncorp is at turning the cash put into the business into greater gains and growth for the organisation and investors. Compared to Cash Return on Equity, this measure is more relevant for current shareholders and the management team and is more closely aligned to return on incremental capital. It is also a more comparable measure across peers. In FY24, the Cash RoTE weighting was increased from 20% to 25% to place further emphasis on this measure.
	Total	**100%**	

Successful execution of the Bank Transition Program

To provide an additional incentive for the Group CEO and Senior Executives to achieve performance measures related to the succesful execution of the Bank Transition Program, the target STI opportunity for these roles was increased by 20% in FY23. As the completion of the Bank sale did not complete in FY23, this additional incentive opportunity was rolled into FY24 to enable the Board to appropriately assess performance.

The performance measures are outlined below and the performance outcomes are outlined in section 4.

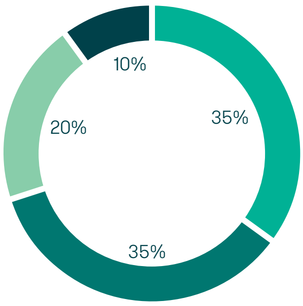
Scorecard category	Scorecard measure	Weighting	Rationale
Successful execution of the Bank Transition Program	**Successful separation of Suncorp Bank** – Obtaining relevant regulatory approvals – Maintenance of Bank employee engagement – Appropriate management of separation costs – Effective management of risks associated with the transition within risk appetite – Smooth transition process and planning leading up to separation – Value of Suncorp prior to, and post, completion.	20%	This additional STI opportunity was provided to: – incentivise executives to collectively drive completion of the Bank Transition Program. This program presented additional complexity and required significant effort in addition to the achievement of the Group and Function Scorecard measures. An example of this is the physical separation that was required of Bank and Insurance customer data to enable both the Bank and Insurance businesses to focus on the longer-term strategic priorities, – assist with executive retention during a period of high uncertainty, and – focus the executives on developing a 3-year plan to set Suncorp up to deliver its FY27 ambition to be a leading Trans-Tasman insurer post-Bank sale.
	Setting the post-Bank sale Group up for success – Development of post-Bank sale 3-year plan – Progress towards resolution of stranded costs.		

2. Executive remuneration structure [continued]

Long-term incentive

<table>
<tr><td>Purpose</td><td colspan="2">To provide executive reward outcomes which align to the creation of long-term sustainable shareholder value. Performance measures consist of relative TSR which is directly aligned to the shareholder experience, along with relative Customer NPS and relative Trust & Reputation which are drivers of long-term sustainable shareholder value. Performance measures have been selected having regard to Suncorp's diverse stakeholders including shareholders, regulators, customers, and community.</td></tr>
<tr><td rowspan="5">Allocation</td><td>Executives</td><td>Allocation</td></tr>
<tr><td>Group CEO</td><td>150% of fixed pay</td></tr>
<tr><td>Senior Executives (excluding GE C&T and Group CRO)</td><td>100% of fixed pay</td></tr>
<tr><td>GE C&T and Group CRO</td><td>75% of fixed pay</td></tr>
<tr><td colspan="2">In light of the expected separation of Suncorp Bank, the CEO Suncorp Bank did not receive a standard LTI allocation. Instead, he received a bespoke LTI award of $250,000. This award was subject to the CEO Suncorp Bank meeting the required performance standards of his role, demonstrating the Being @ Suncorp behaviours, and continued service up to the separation date of Suncorp Bank. As these conditions were satisfied, the award vested on 31 July 2024. 60% of the award was paid at this time, with the remaining 40% payable in two equal tranches after 4 and 5 years from the award date.</td></tr>
<tr><td>Allocation methodology</td><td colspan="2">The LTI allocation is divided by the VWAP of Suncorp's ordinary shares over the five days preceding the start of the performance period. No discount is applied for the probability of achieving the performance measures.</td></tr>
<tr><td>Instrument</td><td colspan="2">Performance rights. If the performance rights achieve the performance measures, they will become vested rights until they convert to shares or are cash settled (in limited circumstances) at the end of the relevant deferral period.</td></tr>
<tr><td>Performance period</td><td colspan="2">Three years from 1 July 2023 - 30 June 2026. A performance period of three years operated in FY24 as this aligned to the business planning process.
From FY25, the performance period will be extended from three years to four years to create alignment between executive reward outcomes and the shareholder experience over a longer period.</td></tr>
<tr><td rowspan="3">Deferral period</td><td>Group CEO</td><td>The LTI rights are allocated in three equal tranches which vest over a 4-6 year deferral period:
Tranche 1: 1 July 2023 – 30 June 2027
Tranche 2: 1 July 2023 – 30 June 2028
Tranche 3: 1 July 2023 – 30 June 2029</td></tr>
<tr><td>Senior Executives</td><td>The LTI rights are allocated in two equal tranches which vest over a 4-5 year deferral period:
Tranche 1: 1 July 2023 – 30 June 2027
Tranche 2: 1 July 2023 – 30 June 2028</td></tr>
<tr><td colspan="2">To more closely align executive reward outcomes with the shareholder experience, a DEP is paid at the end of the relevant deferral period. This DEP is only paid on any vested rights that met the performance measures and service conditions and converted to shares or were cash settled (in limited circumstances). No DEP is paid on any rights that lapsed.</td></tr>
<tr><td>Performance measures</td><td colspan="2">There are four performance measures:
– Relative TSR against S&P / ASX 100 companies (35% weighting)
– Relative TSR against 15 S&P / ASX 100 financial organisations domiciled in Australia (35% weighting)
– Relative Suncorp Group Insurance Customer NPS (Consumer AU) (20% weighting)
– Relative Trust and Reputation (10% weighting)
Detail on these performance measures is outlined over the following page.</td></tr>
<tr><td rowspan="6">Vesting schedule</td><td colspan="2">Each performance measure is subject to the below vesting schedule.</td></tr>
<tr><td>Relative performance outcome</td><td>Percentage of LTI award subject to the relevant performance measure that may vest</td></tr>
<tr><td>Below 50th percentile</td><td>Nil</td></tr>
<tr><td>50th percentile</td><td>50%</td></tr>
<tr><td>Between the 50th and 75th percentiles</td><td>Straight line vesting between 50% and 100%</td></tr>
<tr><td>At or above the 75th percentile</td><td>100%</td></tr>
<tr><td>Remuneration consequences</td><td colspan="2">All performance rights and vested rights are subject to malus and clawback criteria. See section 3 for further detail.</td></tr>
<tr><td>Termination of employment</td><td colspan="2">See section 6 for information on the treatment of LTI awards on termination of employment.</td></tr>
</table>

LTI performance measures



To reward balanced performance and to comply with CPS 511, non-financial measures were incorporated into the FY24 LTI plan with a collective weighting of 30%. Engagement with APRA occurred as part of the process for selecting the non-financial measures. There were no changes to the Relative TSR measures which were in place in FY23, however the weighting on these measures reduced to 70%.

- Relative TSR against S&P / ASX 100 companies
- Relative TSR against 15 S&P / ASX 100 financial organisations that are domiciled in Australia
- Relative Suncorp Group Insurance Customer NPS (Consumer AU)
- Relative Trust and Reputation

Performance measure	Weighting	Rationale
Relative TSR against S&P / ASX 100 companies (broad-based comparator group)	35%	Relative TSR closely aligns LTI outcomes to the shareholder experience. The broad-based comparator group provides a relative indicator of changes in shareholder value by comparing the Company's return to shareholders against the returns of companies of a similar size and investment profile.
Relative TSR against 15 S&P / ASX 100 financial organisations that are domiciled in Australia (customised comparator group)	35%	The customised comparator group provides a relative indicator of changes in shareholder value by comparing the Company's return to shareholders against the returns of large companies in the same industry that are exposed to similar external factors. The customised comparator group consists of AMP Limited, ASX Limited, Australia and New Zealand Banking Group Limited, Bank of Queensland Limited, Bendigo and Adelaide Bank Limited, Challenger Limited, Commonwealth Bank of Australia, Insurance Australia Group, Macquarie Group Limited, Medibank Private Limited, National Australia Bank Limited, NIB Holdings Limited, QBE Insurance Group Limited, Steadfast Group Limited and Westpac Banking Corporation. Performance is assessed based on Suncorp's relative TSR over the performance period.
Relative Suncorp Group Insurance Customer NPS (Consumer AU)	20%	Net Promoter Score (NPS) is a standard and accepted market measure of customer advocacy and provides insight into the customer experience. Suncorp Group's NPS score is the weighted aggregated score across customers of the Australian insurance brands (AAMI, APIA, GIO, Suncorp, Shannons, Bingle, Terri Scheer and CIL Insurance). The weighting is based on contribution of each brand's customers to total Group customers. Performance is assessed based on the absolute change in NPS score against a comparator group of eight insurance brands over the performance period. The comparator group covers the 'autoclub' and 'price challenger' general insurers and consists of Budget Direct, Coles Insurance, NRMA, RACQ, RACV, Woolworths Insurance and Youi, as well as Allianz Australia. The Board believes this measure is robust for inclusion in the LTI plan given: – it is strategically aligned. The measure is consistent with Suncorp's multi-brand strategy and long-term goal to improve customer experiences across all brands against competitor brands. – it is independently sourced and vesting outcomes are verified by Suncorp Internal Audit. – NPS outcomes are objective, quantified and are assessed on a relative basis. – the measure aligns to APRA's principles in respect of prudent risk taking and long-term soundness. This is because any significant risk matter that arises over the performance period is expected to be reflected in customer advocacy and the NPS outcome. In addition, strong customer advocacy is needed to create a sustainable business. – the measure is stretching. Outcomes are based on relative performance and it is challenging to lift NPS scores in the face of current insurance affordability challenges and ongoing inflationary pressures such as rising input costs. NPS scores are currently determined by RFI Global - Atlas through an online survey of customers of each brand. The survey is performed continuously throughout the year enabling regular reporting of outcomes. RFI Global - Atlas uses a representative sample of Australian consumers, weighted against Australian Bureau of Statistic data to provide quality and robust sampling that allows for comparisons at high levels of granularity across state, product, channel and customer demographic profiles.

2. Executive remuneration structure [continued]

Long-term incentive [continued]

Performance measure	Weighting	Rationale
Relative Trust and Reputation	10%	Trust and reputation play a key role in the extent to which a broad range of stakeholders view Suncorp as trustworthy and reliable. Trust and reputation are assessed using the RepTrak methodology which includes the sentiment of customers and non-customers. The Board believes this measure is robust for inclusion in the LTI plan given: – it is strategically aligned and focuses executives on Suncorp's reputation in the community with existing and prospective customers and employees. This drives both customer and employee attraction and retention and, in turn, contributes towards a sustainable business. – the measure is based on a reputation score which is independently assessed by The RepTrak Company. – the reputation score is objective, quantified and assessed on a relative basis. Suncorp's final rank at the end of the performance period is compared against a comparator group of ten Group level or subsidiary companies in the insurance sector that are facing similar external factors, regulatory requirements and / or customer and community expectations. The comparator group is Allianz Australia, Budget Direct, Bupa, HCF, Insurance Australia Group, Medibank Private, NIB Holdings Limited, QBE Insurance Group, Youi and Zurich. – the measure aligns to APRA's principles in respect of prudent risk taking and long-term soundness because sustainable businesses are underpinned by strong trust and reputation. Any significant risk matter that arises over the performance period is expected to be reflected in the reputation score. – the measure is stretching because Suncorp's business model has fundamentally changed following the sale of Suncorp Bank. It is important for Suncorp to maintain and enhance its strong reputation as it cements itself as a stand-alone, leading, Trans-Tasman insurer. The RepTrak score gauges the level of trust, admiration and respect, esteem, and positive sentiment towards a company. A reputation score (between 0 and 100) is calculated based on responses to a survey from a nationally representative sample of Australians aged 18 and over, screened for their level of knowledge about each company before qualifying to participate.

Mandatory shareholding requirement (MSR)

To further align executive interests with those of shareholders and to encourage prudent risk taking, the Group CEO and most Senior Executives are required to have a shareholding in the Company equivalent to at least 100% of fixed pay. The MSR for the GE C&T and Group CRO is at least 75% of fixed pay.

Executives are required to meet the MSR four years from the October following their appointment, with 50% to be achieved after two years. The value of the shares for the purposes of this requirement is the five-day VWAP up to 30 June in the relevant year. The Board has discretion to alter the VWAP in any particular year in light of any business decisions or external factors materially impacting the share price.

Based on their shareholding as at 30 June 2024, all executives have either met their MSR, or are on track to meet this, within the required timeframes. Detailed share ownership information for executives is outlined in section 6.

3. Remuneration governance, risk and consequences

Remuneration governance

The People and Remuneration Committee endorses the Group's people and remuneration frameworks and practices to the Board for approval. It assists the Board in fulfilling its responsibilities by ensuring that frameworks are in place that enable the Group to attract, motivate and retain talent and support the achievement of Suncorp's strategic objectives and cultural aspirations.

Remuneration outcomes for the Group CEO are recommended by the Chairman of the Board, endorsed by the People and Remuneration Committee, and approved by the Board. For Senior Executives, these are recommended by the Group CEO, endorsed by the People and Remuneration Committee, and approved by the Board.

The People and Remuneration Committee receives input from the Remuneration Oversight Committee (ROC), Board Risk Committee (BRC), external advisers and management as illustrated below.

Board

People and Remuneration Committee

The People and Remuneration Committee's members as at 30 June 2024 are:

Chairman	Sylvia Falzon
Members	Elmer Funke Kupper
	Simon Machell
Ex officio member	Christine McLoughlin, AM

The People and Remuneration Committee's responsibilities are outlined in its charter available at suncorpgroup.com.au/about/corporate-governance. The Committee held six meetings during FY24. The biographies of the Committee Chairman and members are outlined in the Directors' Report.

Remuneration Oversight Committee

The ROC is a management committee which consists of the GE PC&A (Chairman), Group CRO and Group CFO. It is responsible for recommending significant risk matters (such as significant risk incidents, breaches and adverse internal audit or regulatory reports) to the BRC which may lead to remuneration consequences.

Board Risk Committee

The BRC considers the matters raised by the ROC and recommends any significant risk matters that should be considered for remuneration consequences to the People and Remuneration Committee.

The BRC Chairman joins the People and Remuneration Committee for discussion on remuneration consequences in light of any significant risk matters.

External advisers

External advisers provide independent advice, as requested, to the People and Remuneration Committee. No remuneration recommendations were made by a remuneration consultant during FY24.

Management

Management advises the People and Remuneration Committee based on specific expertise and business knowledge. Any potential conflicts of interest are appropriately managed.

3. Remuneration governance, risk and consequences [continued]

Alignment of remuneration with risk outcomes

Key elements of how risk and conduct are incorporated into the remuneration framework are outlined below:

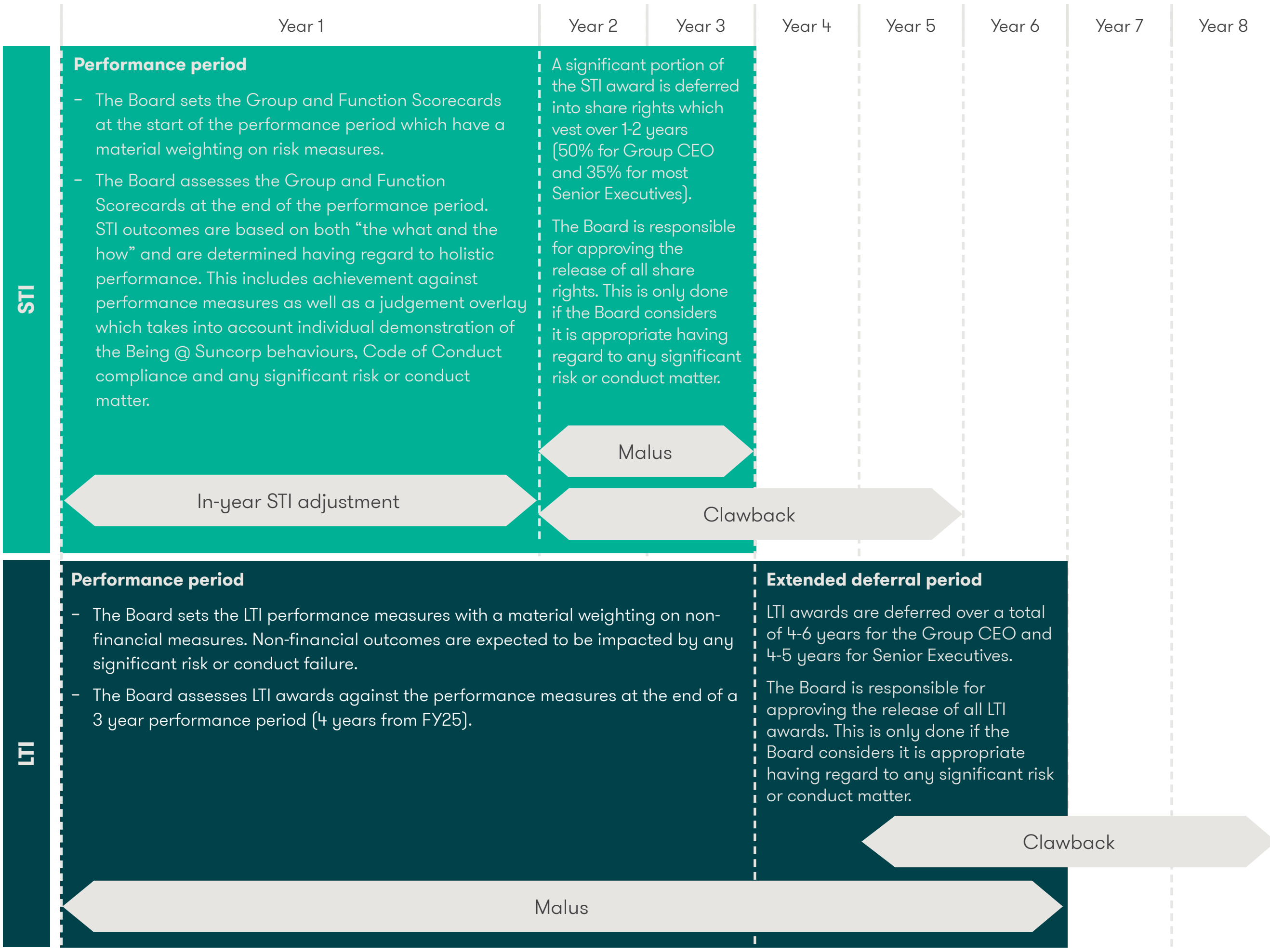
- **The Board approves the Remuneration Policy and is responsible for the effectiveness of the remuneration framework.** The Remuneration Policy is underpinned by a number of Remuneration Standards. The remuneration framework is subject to an annual compliance review and a triennial effectiveness review.
- **The Board has overall discretion over remuneration outcomes.** Board discretion is an important part of the remuneration framework as it ensures that remuneration outcomes reflect the Board's holistic assessment of performance as opposed to a purely formulaic outcome.
- **The Enterprise Risk Management Framework (ERMF) lays the foundation for all Suncorp's risk management processes.** The ERMF seeks to ensure the integration of risk management in the Group's decisions and business processes. Employees are educated on the importance of managing risk and the link between risk management and the outcomes for Suncorp's shareholders, customers and people. Any breaches of risk management processes, including the Code of Conduct, can lead to remuneration consequences.
- **There is a Board approved risk culture target state** which sets out the individual and collective attitudes and behaviours towards risk that Suncorp wishes to foster amongst its people. The remuneration framework is designed to incentivise the desired risk culture which enables Suncorp to deliver better business and customer outcomes.
- **A Consequence Management Guideline ensures that remuneration consequences are determined in a fair and consistent way across the Group.** Remuneration consequences are determined in relation to the below hierarchy:

Nature of risk adjustment tool	Description	Application
In-year STI adjustment	This refers to the Board's ability to scale down STI awards (to nil) before they are paid as a result of a significant risk or conduct matter.	All employees
Malus	This refers to the Board's ability to scale down any unvested equity (to nil) as a result of a significant risk or conduct matter.	Group CEO, Senior Executives and senior employees who receive deferred incentives
Clawback	This refers to the Board's ability to recover in part or in whole variable remuneration that has already been paid or vested for up to two years from the date of payment or vesting. This risk adjustment tool would only be used in exceptional circumstances after the ability to apply an in-year STI adjustment or malus has been exhausted.	Group CEO, Senior Executives and a small number of other senior employees

- **There is a hedging prohibition.** Suncorp Group's Securities Trading Policy regulates dealing by directors, employees and contractors in Suncorp securities and prohibits hedging transactions to limit the economic risk of a holding in the Company's securities including unvested rights. Any subsequent dealing in those shares is subject to the terms of the Securities Trading Policy. Further detail can be found in the 2024 Corporate Governance Statement at suncorpgroup.com.au/about/corporate-governance.

Alignment of remuneration with risk outcomes [continued]

- **Risk and conduct are embedded in the operation of the STI and LTI Plan** as outlined below:



Risk matters considered by the Remuneration Oversight Committee and Board Risk Committee

Over FY24, 59 matters were considered by the ROC. The Board Risk Committee had visibility over all these matters and recommended to the People and Remuneration Committee the significant matters that should be considered for remuneration consequences. 15 matters led to a remuneration consequence recommendation of an in-year STI adjustment. No matters led to a malus or clawback investigation or recommendation.

Conduct matters considered by leaders

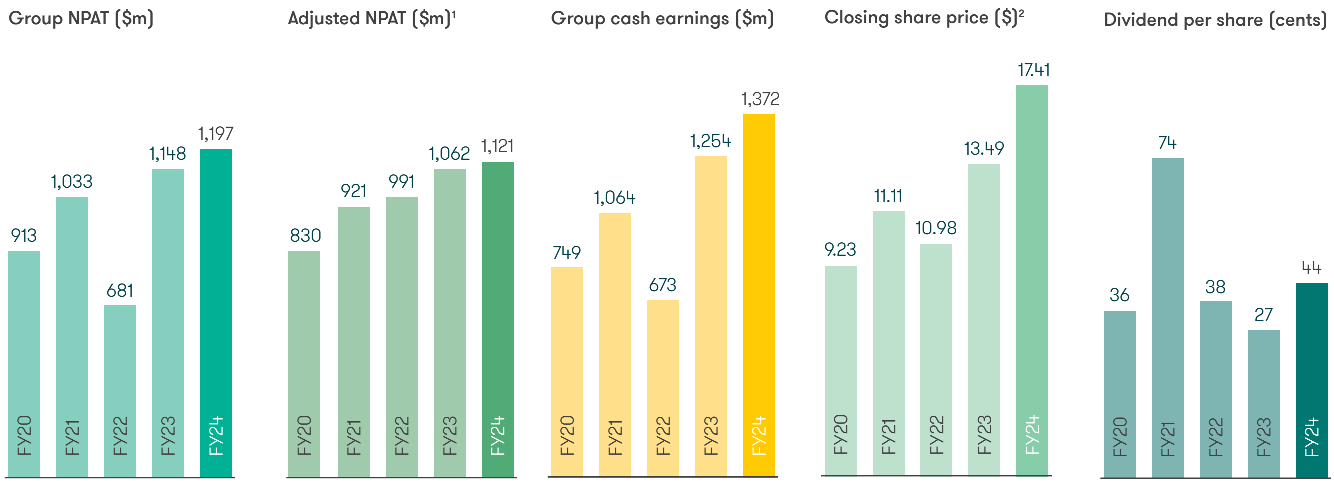
Over FY24, in addition to the matters considered by the ROC, 207 employees breached the Code of Conduct where formal consequences were applied. This included:

- 125 employees leaving Suncorp
- 14 employees[1] receiving nil variable rewards
- 68 employees[1] receiving a minimum 20% reduction in variable rewards.

1. Pending the finalisation of the 2024 Annual Review.

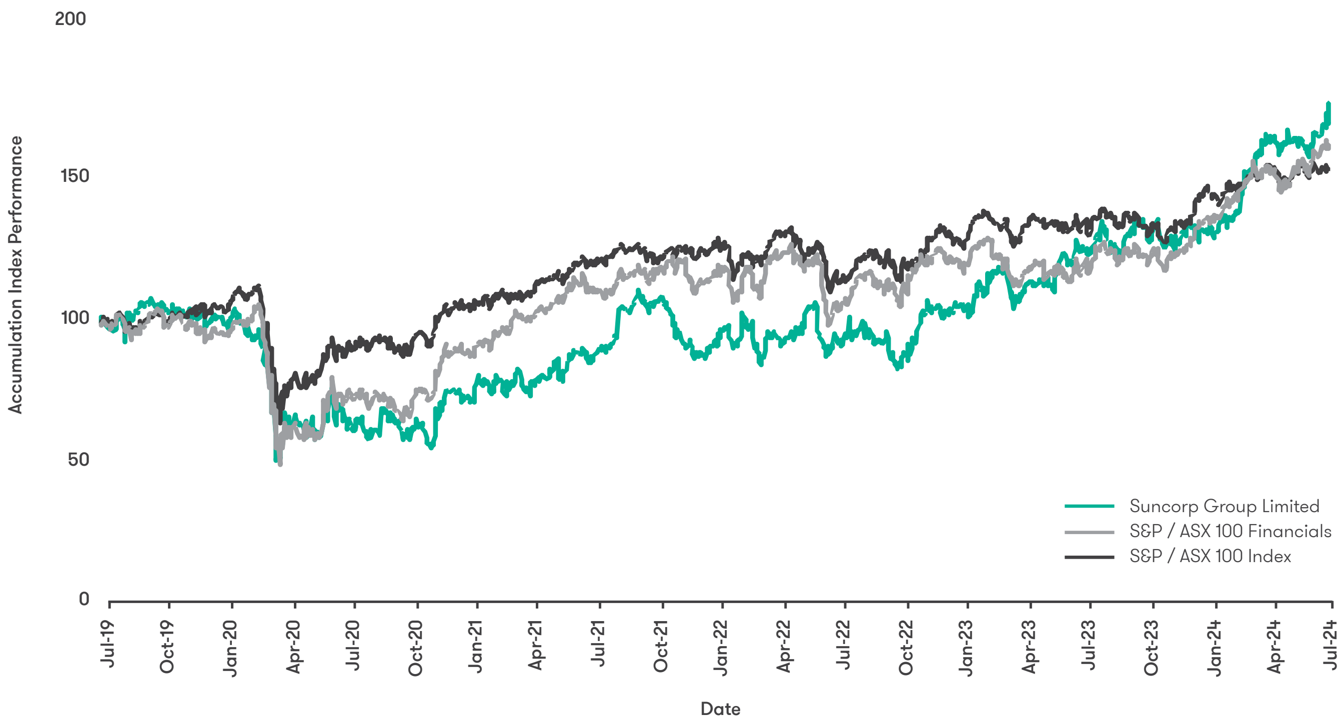
4. Executive remuneration outcomes

Group performance



Suncorp's TSR over the five financial years to 30 June 2024 was 63%. This compares to the S&P / ASX 100 index of 44% and S&P / ASX 100 Financials of 51%[3].

Suncorp Group Limited, S&P/ASX 100 Index and S&P/ASX 100 Financials Total Shareholder Return Performance (based on daily accumulated price) 1 July 2019 - 30 June 2024



Source: Deloitte Touche Tohmatsu

1. Adjusted NPAT is the profitability figure used in the STI plan. See section 2 for further detail.
2. The closing share price is generally at 30 June. Where 30 June falls on an ASX non-trading day, the closing share price of the preceding trading day is used. The opening share price at 1 July 2019 was $13.45.
3. Source: Deloitte Touche Tohmatsu.

Group Scorecard outcomes

Strategic Driver	Measures	Weighting	Actual performance outcome: Below threshold	Threshold to target	Target	Target to stretch	Stretch	FY24 Performance Summary
People and Culture								
Creating the environment for people to thrive while delivering a workforce reimagined	Workforce of the Future	15%				●		Suncorp maintained strong engagement scores throughout FY24 whilst also continuing to evolve its ways of working (including hybrid working), building a strong culture and delivering a variety of capability and reskilling programs.
	Gender Pay Gap			●				Suncorp successfully reduced its Gender Pay Gap from 17.8% to 16.8% during FY24, albeit performance was below the target of 16.5%.
Customer								
Create value for customers	Suncorp Group Insurance Customer NPS (Consumer AU)	20%		●				Suncorp Group Insurance Customer NPS (Consumer AU) was between threshold and target reflecting weaker perceptions of price, claims and loyalty recognition over FY24. A program of work is underway to focus on improving customer retention and communications.
	AU Claims NPS (Home and Motor)		●					AU Claims NPS (Home and Motor) was below threshold. A program of work is underway to reduce the backlog of claims and to deliver a faster customer experience.
	SNZ GI Claims NPS		●					SNZ GI Claims NPS was impacted from unprecedented cost of living issues in New Zealand as well as a program of work which commenced to simplify how SNZ manages large volume claims. While the program of work was expected to place temporary downward pressure on NPS during FY24 implementation, the temporary impact on NPS will yield significant customer benefits once embedded fully from FY25 onwards.
	Relative Suncorp Bank MFI NPS (Consumer)				●			Suncorp Bank MFI NPS (Consumer) was at target. This result was supported by an uplift and consistency in the grade of service and targeted investments in improving technology resilience and digital self-service capability.
Risk								
Manage risk within agreed parameters	Building a moderate risk environment	15%		●				The Group made progress towards building a moderate risk environment and has driven improvements in the enhancement of controls. Performance against operating within risk appetite was impacted by some adverse audit and regulatory reports. Over the year there were many examples of sound risk culture and risk management, including favourable regulatory reviews, robust management of risks relating to the Bank sale and good progress against the Group's Risk Strategy.
	Enhancement of controls							
	Operating within risk appetite							
Financial								
Deliver targeted profit after tax and improve shareholder returns	Adjusted NPAT	25%		●				The Group delivered an Adjusted NPAT result of $1,121 million which was 91% of the target of $1,226 million. The actual Group NPAT was $1,197 million. Adjustments were made for investment market impacts (including GI investment income, Life market adjustments for Suncorp NZ), natural hazard claim costs and associated risk margin and CHE movements, prior year natural hazard and run-off / historical portfolio claims adjustments, impacts of corporate development activities (including a small number of Bank sale related impacts), restructuring costs and IFRS 17 loss component movements beyond budget.
	Cash Return on Tangible Equity	25%				●		While Adjusted NPAT was below target, Cash RoTE was 16.0% being above the target of 15.8%. The strong headline performance was driven by both cash earnings and tangible equity being slightly higher than budget. Higher cash earnings were predominantly driven by natural hazard experience below allowance and higher investment income partially offset by higher reorganisation and remediation costs. Downside from higher net incurred claims was mostly offset by higher net insurance revenue and a higher loss component release. The higher tangible equity is primarily driven by the average equity movement in Bank (reserves movements) and GI (retained profits).
Overall Group Scorecard outcome				●				

4. Executive remuneration outcomes [continued]

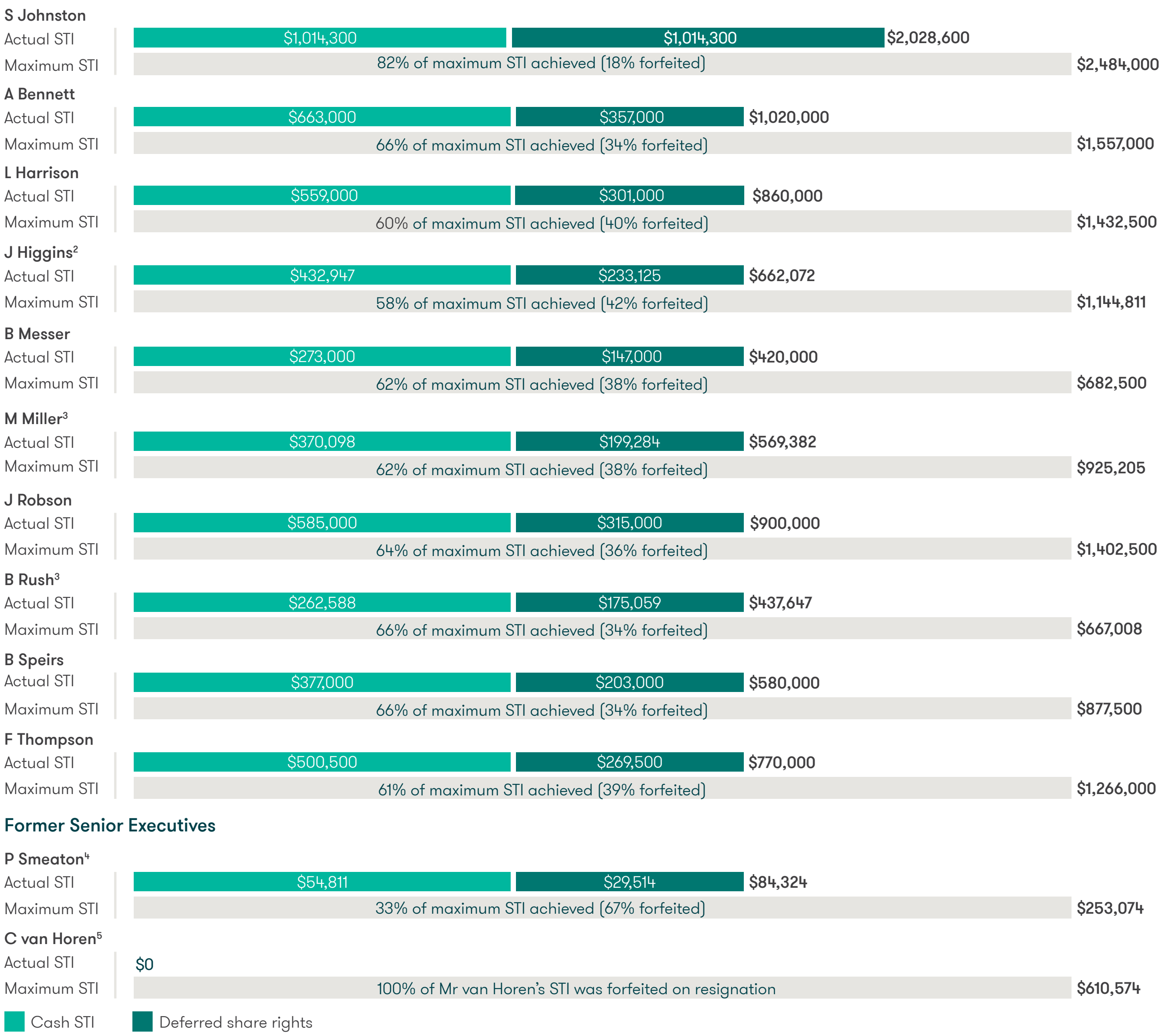
Successful execution of the Bank Transition Program

Strategic Driver	Measures	Weighting	Actual performance outcome: Below threshold	Threshold to target	Target	Target to stretch	Stretch	FY24 Performance Summary
Additional one-off STI opportunity								
Successful execution of the Bank Transition Program	**Successful separation of Suncorp Bank** – Obtaining relevant regulatory approvals – Maintenance of Bank employee engagement – Appropriate management of separation costs – Effective management of risks associated with the transition within risk appetite – Smooth transition process and planning leading up to separation – Value of Suncorp prior to, and post, completion	20%			●			The sale of Suncorp Bank to ANZ was successfully executed and completed on 31 July 2024 following the navigation of a comprehensive regulatory approval process. The Bank Transition Program was oversighted and prioritised by the Group CEO and Senior Executives. It involved a significant program of work focused on the separation of the Bank including data separation, minimising brand uncertainty and customer confusion, maintaining strong employee engagement, as well as implementing tailored change plans for transitioning teams. Engagement levels within Suncorp Bank ended the year at 8.4 out of 10, being in the top 25% of the Finance industry. The complex separation of the Bank and Insurance customer data pre-completion mitigated execution risk and enabled a more seamless customer transition. The establishment of a robust post completion operational management framework will help to preserve deal value and mitigate risks, positioning Suncorp for continued success in the future.
	Setting the post-Bank sale Group up for success – Development of post-Bank sale 3 year plan – Progress towards resolution of stranded costs				●			The FY25-27 plan was developed and approved by the Board in May 2024. It will enable Suncorp to deliver on its FY27 ambition across five portfolios. The plan is centered around Suncorp Group's customers, while at the same time delivering appropriate shareholder returns within a moderate risk environment. Finally, it makes targeted investments particularly in technology, setting Suncorp up for its FY30 ambition. The plan also addresses post-Bank sale stranded costs supported by a more stream-lined business and operational efficiency / transformation investments.
Outcome					●			

Short-term incentive outcomes

The Group CEO's FY24 maximum STI is 120% of the target STI opportunity, whereas the Senior Executives' maximum STI is 150% of their target STI opportunity.

Group CEO and Senior Executives[1]



1. The maximum STI opportunity includes the additional one-off 20% STI opportunity related to the successful execution of the Bank Transition Program. See section 2 for further detail.
2. The above STI figures for Mr Higgins' have been converted to Australian dollars based on the average exchange rate from 1 July 2023 to 30 June 2024.
3. Mr Miller and Mr Rush's STI outcome reflects their time as a KMP from 4 September 2023 and 4 December 2023 respectively.
4. As Mr Smeaton retired, he was eligible to receive a pro-rata STI based on his performance. The above figures reflect his STI up to 3 September 2023.
5. Mr van Horen's maximum STI reflects the maximum STI he could have earned over his FY24 service period of 1 July 2023 - 3 December 2023.

Long-term incentive outcomes

As foreshadowed in the 2023 Remuneration Report, due to complexities with the expected separation of Suncorp Bank, the FY22 LTI rights were tested early at 30 June 2022 compared to their original test date of 30 June 2024. The performance rights that met the performance measures were converted to share rights and a further one-year service condition was also imposed to incentivise stability in the executive team.

Based on performance as at 30 June 2022, 55.5% of FY22 LTI rights had satisfied the performance measures. These rights remain subject to restrictions until 30 June 2025. As part of hindsight reflection, the performance of these FY22 LTI rights was tested in the ordinary course at 30 June 2024. As at this date, 83.3% of the rights had satisfied the performance measures and would have vested. While testing the FY22 LTI rights in the ordinary course at 30 June 2024 would have resulted in a further 27.8% vesting compared to when the FY22 LTI rights were tested early at 30 June 2022, the Board upheld the original vesting level of 55.5%.

5. Non-executive director fees

Remuneration component	Description
Fee structure	Fees are based on a number of factors, including the requirements of the role, the size and complexity of the Suncorp Group and market practice. Non-executive directors receive fixed pay only, paid as director fees, and do not participate in any performance-based incentive plans.
Superannuation	Compulsory superannuation guarantee contributions (SGC) are paid on the director's fee on behalf of all eligible non-executive directors, unless a non-executive director is receiving SGC from more than one employer and has elected to opt out of receiving the contributions. The Company's general practice is to cap SGC at 11% of the Maximum Contribution Base (MCB) (11.5% in FY25). Superannuation in excess of the MCB is delivered in the form of fees, unless the non-executive director has elected to make voluntary additional superannuation contributions. If a non-executive director ceases to be eligible for SGC payments, the equivalent amount is paid in fees.
Aggregate annual fee pool	Non-executive director aggregate fees are within the shareholder-approved maximum aggregate total remuneration pool of $3.5 million including SGC. There was no increase in the FY24 fee pool. An increase in the FY25 fee pool is proposed. See further below.
Mandatory shareholding requirement	Non-executive directors have four years from the October following their appointment to achieve the MSR, equivalent to 100% of their base fees. A 50% shareholding is required to be achieved after two years. Base fees refer to the Board Chairman fee or Board Member fee only (excluding Committee fees and SGC). Based on their shareholding as at 30 June 2024, all non-executive directors have either met, or are on track to meet, the MSR within the required timeframes. Detailed share ownership information for the non-executive directors is outlined in section 6.

Outlined below are the non-executive director fees for FY24. These fees have remained the same since 2016 (excluding any legislated increase in the SGC).

	Chairman ($)[1]		Members ($)	
	Fee excluding SGC	Fee including SGC	Fee excluding SGC	Fee including SGC
Board	600,000	666,000	220,000	244,200
Audit Committee	60,000	66,600	30,000	33,300
Risk Committee	60,000	66,600	30,000	33,300
People and Remuneration Committee	60,000	66,600	30,000	33,300
Customer Committee	40,000	44,400	20,000	22,200

The Board may also establish other ad-hoc Board Committees as required to deal with specific matters and for a specific duration of time. From July 2023 to February 2024, there was a Completion and Separation Board Sub-Committee. This Committee became the Completion and Transition Committee from March 2024. This Committee met regularly to oversee management's program of work and received timely information updates in relation to the sale of Suncorp Bank. There is no Chairman fee and the Member fee is $20,000 excluding SGC and $22,100 including SGC.

Changes for FY25

Non-executive director fees (excluding the legislated increases in the SGC) will not be increased. However, shareholder approval will be sought at the 2024 AGM to increase the aggregate amount of the non-executive director fee pool from $3.5 million to $4.0 million.

The last increase in the fee pool was approved by shareholders 17 years ago at the Company's 2007 Extraordinary General Meeting. Given the average non-executive director tenure post AGM will be 6 years, this increase in the fee pool will provide the necessary flexibility to continue to facilitate Board renewal and Board and Committee composition changes in an orderly manner. Particularly, this flexibility will enable the Board to continue its renewal process to ensure it has the appropriate composition to meet the needs of the business as a leading Trans-Tasman insurer underpinned by technology and transformation capability.

1. The Chairman receives a fee for chairing the Board and is not paid any additional fees for chairing the Nomination Committee and Completion and Transition Committee meetings or attending the Audit, Risk, People and Remuneration, and Customer Committee meetings as an ex officio member.

6. Contractual arrangements and statutory remuneration

Employment agreements and Incentive Plan Rules

A summary of the executive employment agreements, including key terms outlined in relevant Incentive Plan documentation, is outlined below.

	Group CEO	Senior Executives
Notice period	**Termination with notice:** 9 months **Resignation:** 6 months	**Termination with notice:** 9-12 months **Resignation:** 3 months
	Suncorp can immediately terminate the executive's employment in the case of serious misconduct. In this case, the executive would be entitled to fixed pay up to their termination date and their statutory entitlements.	
Treatment of STI cash on termination	**Resignation or immediate dismissal:** No cash STI will be awarded. **Redundancy:** A cash STI award may be awarded, subject to performance, at Board discretion. **All other cases:** Board discretion.	
Treatment of STI deferred share rights on termination	**Resignation or immediate dismissal:** All unvested share rights are forfeited. **Redundancy:** Any unvested share rights will generally remain on-foot and vest at the end of the deferral period and will remain subject to malus and clawback criteria. **All other cases:** Board discretion.	
Treatment of LTI on termination	**Unvested rights:** Unvested rights are ordinarily forfeited on resignation. The Board has discretion to determine that any unvested rights will continue until the relevant vesting dates and remain subject to the performance measures and malus and clawback criteria. All unvested rights are forfeited on immediate dismissal. **Vested rights subject to a holding lock:** Any vested rights will continue beyond cessation of employment and may convert into shares or be cash settled at the end of the original deferral period, subject to malus and clawback criteria. Vested rights are forfeited on immediate dismissal.	
Change of control	Impact of a change of control on remuneration is at Board discretion.	

6. Contractual arrangements and statutory remuneration [continued]

Executive statutory remuneration

	Year	Short-term benefits				Post-employment benefits		Long-term benefits		Share-based payments		Total remuneration	Performance related
		Salary	Cash STI	Non-monetary benefits[1]	Other[2]	Superannuation benefits[3]	Other[4]	Other[5]	Termination benefits	Deferred STI[6]	LTI[7]		
		$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	%
Executive director													
S Johnston *Group CEO*	**2024**	**2,043**	**1,014**	**-**	**21**	**27**	**-**	**30**	**-**	**1,153**	**2,499**	**6,788**	**69%**
	2023	2,026	828	-	(4)	25	-	52	-	982	309	4,218	50%
Senior Executives													
A Bennett *GE T&O*	**2024**	**1,006**	**663**	**-**	**24**	**27**	**-**	**16**	**-**	**397**	**1,113**	**3,247**	**67%**
	2023	984	525	-	1	25	-	17	-	337	243	2,132	52%
L Harrison *CEO Consumer Insurance*	**2024**	**917**	**559**	**5**	**(14)**	**27**	**-**	**27**	**-**	**351**	**898**	**2,771**	**65%**
	2023	873	481	8	(30)	25	-	27	-	298	116	1,798	50%
J Higgins[8] *CEO SNZ*	2024	**731**	**433**	**15**	**(4)**	**62**	**-**	**3**	**-**	**276**	**793**	**2,310**	**65%**
	2023	715	365	15	(1)	60	-	16	-	234	84	1,488	46%
B Messer *Group CRO*	**2024**	**877**	**273**	**-**	**(3)**	**27**	**-**	**14**	**-**	**152**	**467**	**1,807**	**49%**
	2023	854	234	-	8	25	-	14	-	75	243	1,454	38%
M Miller *CEO C&PI*[9]	**2024**	**596**	**370**	**11**	**11**	**21**	**-**	**8**	**-**	**166**	**137**	**1,320**	**51%**
	2023	-	-	-	-	-	-	-	-	-	-	-	-
J Robson *Group CFO*	**2024**	**897**	**585**	**20**	**(32)**	**27**	**-**	**22**	**-**	**358**	**936**	**2,813**	**67%**
	2023	852	463	25	(34)	25	-	20	-	298	105	1,754	49%
B Rush *CEO Suncorp Bank*[10]	**2024**	**426**	**263**	**-**	**13**	**14**	**5**	**5**	**-**	**121**	**-**	**846**	**45%**
	2023	-	-	-	-	-	-	-	-	-	-	-	-
B Speirs *GE C&T*	**2024**	**741**	**377**	**7**	**21**	**27**	**3**	**17**	**-**	**215**	**513**	**1,922**	**57%**
	2023	703	286	11	26	25	3	16	-	154	69	1,294	39%
F Thompson *GE PC&A*	**2024**	**813**	**501**	**5**	**0**	**27**	**-**	**20**	**-**	**312**	**835**	**2,512**	**66%**
	2023	794	426	13	(21)	25	-	24	-	246	103	1,610	48%
Former Senior Executives													
P Smeaton *COO – Insurance*[11]	**2024**	**160**	**55**	**4**	**14**	**7**	**-**	**(22)**	**-**	**259**	**140**	**617**	**74%**
	2023	908	474	20	19	25	-	6	-	308	108	1,869	48%
C van Horen *CEO Suncorp Bank*[12]	**2024**	**384**	**-**	**-**	**(10)**	**16**	**3**	**8**	**-**	**(193)**	**(352)**	**(144)**	**0%**
	2023	902	476	-	502	25	5	16	-	214	128	2,270	36%

1. Non-monetary benefits include costs met by the Suncorp Group for rebates on insurance premiums and tax advice for the executives based overseas.
2. Other short-term benefits refer to movements in annual leave accruals and, where applicable, annual leave loading in the case of Mr Higgins in line with New Zealand legislation.
3. Mr Higgins' superannuation benefits also include KiwiSaver contributions.
4. Other post employment benefits refers to superannuation above the maximum contribution base that was paid in cash.
5. Other long-term benefits refer to movements in long service leave accruals.
6. Deferred STI includes the amortised value of any on-foot share rights that were delivered as part of the STI related to FY24 or prior to this time. FY23 amounts have been restated to reflect the true up of actual amortisation.
7. LTI refers to the amortised value of grants under the LTI Plan. Awards are expensed to the profit & loss statement based on the fair value at grant date over the period from grant date to vesting date. The assumptions underpinning these valuations are set out in note 30 to the financial statements.
8. Mr Higgins' remuneration (paid in New Zealand dollars) has been converted to Australian dollars based on the average exchange rate from 1 July 2023 to 30 June 2024.
9. Mr Miller's FY24 remuneration relates to his role as CEO C&PI from 4 September 2023.
10. Mr Rush's FY24 remuneration relates to his role as CEO Suncorp Bank from 4 December 2023.
11. Mr Smeaton's FY24 remuneration relates to his role as COO – Insurance up to 3 September 2023.
12. Mr van Horen's FY24 remuneration relates to his role as CEO Suncorp Bank up to 3 December 2023.

Movement in awards under employee equity plans

	Employee equity awards granted[1]		Fair value yet to vest					
	Number	Grant date	Min[2]	Max[3]	Market value at date of grant[4]	Vested in year	Forfeited in year	Vested in year
			$	$	$	%	%	Number
Executive director								
S Johnston	77,031	22 October 2020	-	677,873	677,873	-	-	-
	48,738	11 August 2021	-	-	-	100%	-	48,738
	101,038	23 September 2021	-	1,249,840	1,249,840	-	-	-
	42,777	8 August 2022	-	-	-	100%	-	42,777
	42,777	8 August 2022	-	498,352	498,352	-	-	-
	187,152	19 October 2022	-	1,020,914	1,989,426	-	-	-
	230,867	1 July 2023	-	2,203,346	3,114,396	-	-	-
	39,704	10 August 2023	-	545,136	545,136	-	-	-
	39,703	10 August 2023	-	545,122	545,122	-	-	-
	85,398	10 August 2023	-	1,172,515	1,172,515	-	-	-
Senior Executives								
A Bennett	43,399	1 July 2020	-	-	-	100%	-	43,399
	40,655	1 July 2020	-	359,797	359,797	-	-	-
	49,761	1 July 2021	-	546,376	546,376	-	-	-
	17,645	11 August 2021	-	-	-	100%	-	17,645
	14,473	8 August 2022	-	-	-	100%	-	14,473
	14,473	8 August 2022	-	168,610	168,610	-	-	-
	92,039	19 October 2022	-	502,072	978,375	-	-	-
	77,178	1 July 2023	-	736,574	1,041,131	-	-	-
	13,561	10 August 2023	-	186,193	186,193	-	-	-
	13,560	10 August 2023	-	186,179	186,179	-	-	-
	45,071	10 August 2023	-	618,825	618,825	-	-	-
L Harrison	28,886	1 July 2020	-	255,641	255,641	-	-	-
	43,699	1 July 2021	-	479,815	479,815	-	-	-
	14,594	11 August 2021	-	-	-	100%	-	14,594
	12,859	8 August 2022	-	-	-	100%	-	12,859
	12,859	8 August 2022	-	149,807	149,807	-	-	-
	82,274	19 October 2022	-	448,805	874,573	-	-	-
	71,007	1 July 2023	-	677,676	957,884	-	-	-
	12,419	10 August 2023	-	170,513	170,513	-	-	-
	12,419	10 August 2023	-	170,513	170,513	-	-	-
	32,024	10 August 2023	-	439,690	439,690	-	-	-
J Higgins	1,175	19 August 2020	-	-	-	100%	-	1,175
	28,557	15 October 2020	-	255,300	255,300	-	-	-
	36,211	1 July 2021	-	397,597	397,597	-	-	-
	1,446	11 August 2021	-	-	-	100%	-	1,446
	1,446	11 August 2021	-	18,509	18,509	-	-	-
	8,620	11 August 2021	-	-	-	100%	-	8,620
	10,606	8 August 2022	-	-	-	100%	-	10,606
	10,606	8 August 2022	-	123,560	123,560	-	-	-
	65,890	19 October 2022	-	359,430	700,411	-	-	-
	56,047	1 July 2023	-	534,901	756,074	-	-	-
	9,415	10 August 2023	-	129,268	129,268	-	-	-
	9,414	10 August 2023	-	129,254	129,254	-	-	-
	31,660	10 August 2023	-	434,692	434,692	-	-	-

6. Contractual arrangements and statutory remuneration (continued)

Movement in awards under employee equity plans (continued)

	Employee equity awards granted[1]		Fair value yet to vest					
	Number	Grant date	Min[2]	Max[3]	Market value at date of grant[4]	Vested in year	Forfeited in year	Vested in year
			$	$	$	%	%	Number
B Messer	25,874	31 January 2022	-	285,649	285,649	-	-	-
	2,595	8 August 2022	-	-	-	100%	-	2,595
	2,595	8 August 2022	-	30,232	30,232	-	-	-
	60,146	19 October 2022	-	328,096	639,352	-	-	-
	7,435	1 July 2023	-	100,298	100,298	-	-	-
	50,746	1 July 2023	-	484,310	684,564	-	-	-
	6,042	10 August 2023	-	82,957	82,957	-	-	-
	6,041	10 August 2023	-	82,943	82,943	-	-	-
M Miller	1,539	19 August 2020	-	-	-	100%	-	1,539
	4,548	11 August 2021	-	-	-	100%	-	4,548
	4,548	11 August 2021	-	58,169	58,169	-	-	-
	4,219	8 August 2022	-	-	-	100%	-	4,219
	4,217	8 August 2022	-	46,851	46,851	-	-	-
	4,217	8 August 2022	-	46,851	46,851	-	-	-
	52,457	1 July 2023	-	500,638	707,645	-	-	-
	4,353	10 August 2023	-	59,767	59,767	-	-	-
	4,353	10 August 2023	-	59,767	59,767	-	-	-
	4,353	10 August 2023	-	59,767	59,767	-	-	-
J Robson	32,524	1 July 2020	-	287,837	287,837	-	-	-
	3,588	19 August 2020	-	31,036	31,574	-	-	-
	42,940	1 July 2021	-	471,481	471,481	-	-	-
	14,366	11 August 2021	-	-	-	100%	-	14,366
	13,192	8 August 2022	-	-	-	100%	-	13,192
	13,192	8 August 2022	-	153,687	153,687	-	-	-
	80,195	19 October 2022	-	437,464	852,473	-	-	-
	69,520	1 July 2023	-	663,484	937,825	-	-	-
	11,949	10 August 2023	-	164,060	164,060	-	-	-
	11,949	10 August 2023	-	164,060	164,060	-	-	-
	36,057	10 August 2023	-	495,063	495,063	-	-	-
B Rush	1,500	19 August 2020	-	-	-	100%	-	1,500
	3,519	11 August 2021	-	-	-	100%	-	3,519
	3,519	11 August 2021	-	45,008	45,008	-	-	-
	3,471	8 August 2022	-	-	-	100%	-	3,471
	3,469	8 August 2022	-	38,541	38,541	-	-	-
	3,469	8 August 2022	-	38,541	38,541	-	-	-
	2,685	10 August 2023	-	36,865	36,865	-	-	-
	2,685	10 August 2023	-	36,865	36,865	-	-	-
	2,685	10 August 2023	-	36,865	36,865	-	-	-

	Employee equity awards granted[1]		Fair value yet to vest					
	Number	Grant date	Min[2]	Max[3]	Market value at date of grant[4]	Vested in year	Forfeited in year	Vested in year
			$	$	$	%	%	Number
B Speirs	1,287	19 August 2020	-	-	-	100%	-	1,287
	15,971	1 December 2020	-	161,786	161,786	-	-	-
	25,574	1 July 2021	-	280,803	280,803	-	-	-
	2,272	11 August 2021	-	-	-	100%	-	2,272
	2,272	11 August 2021	-	29,082	29,082	-	-	-
	4,305	11 August 2021	-	-	-	100%	-	4,305
	5,390	8 August 2022	-	-	-	100%	-	5,390
	5,389	8 August 2022	-	62,872	62,872	-	-	-
	48,144	19 October 2022	-	262,626	511,771	-	-	-
	41,544	1 July 2023	-	396,486	560,429	-	-	-
	7,385	10 August 2023	-	101,396	101,396	-	-	-
	7,384	10 August 2023	-	101,382	101,382	-	-	-
	17,705	10 August 2023	-	243,090	243,090	-	-	-
F Thompson	27,945	1 July 2020	-	247,313	247,313	-	-	-
	40,415	1 July 2021	-	443,757	443,757	-	-	-
	8,642	11 August 2021	-	-	-	100%	-	8,642
	11,761	8 August 2022	-	-	-	100%	-	11,761
	11,761	8 August 2022	-	137,016	137,016	-	-	-
	74,770	19 October 2022	-	407,870	794,805	-	-	-
	62,754	1 July 2023	-	598,910	846,551	-	-	-
	10,993	10 August 2023	-	150,934	150,934	-	-	-
	10,992	10 August 2023	-	150,920	150,920	-	-	-
	30,980	10 August 2023	-	425,355	425,355	-	-	-
Former Senior Executives								
P Smeaton	36,764	1 July 2020	-	325,361	325,361	-	-	-
	45,972	1 July 2021	-	504,773	504,773	-	-	-
	16,072	11 August 2021	-	-	-	100%	-	16,072
	13,159	8 August 2022	-	-	-	100%	-	13,159
	13,158	8 August 2022	-	153,291	153,291	-	-	-
	85,167	19 October 2022	-	233,135	454,305	-	50%	-
	70,635	1 July 2023	-	113,789	160,828	-	83%	-
	12,235	10 August 2023	-	167,987	167,987	-	-	-
	12,234	10 August 2023	-	167,973	167,973	-	-	-
	40,759	10 August 2023	-	559,621	559,621	-	-	-

6. Contractual arrangements and statutory remuneration (continued)

	Employee equity awards granted[1]		Fair value yet to vest					
	Number	Grant date	Min[2]	Max[3]	Market value at date of grant[4]	Vested in year	Forfeited in year	Vested in year
			$	$	$	%	%	Number
C van Horen	7,132	4 August 2020	-	-	-	100%	-	7,132
	39,099	4 August 2020	-	-	-	-	100%	-
	45,719	1 July 2021	-	-	-	-	100%	-
	14,670	11 August 2021	-	-	-	100%	-	14,670
	14,057	8 August 2022	-	-	-	100%	-	14,057
	14,057	8 August 2022	-	-	-	-	100%	-
	84,625	19 October 2022	-	-	-	-	100%	-
	12,302	10 August 2023	-	-	-	-	100%	-
	12,301	10 August 2023	-	-	-	-	100%	-
	43,347	10 August 2023	-	-	-	-	100%	-

1. Employee equity awards are the remaining rights on foot for each individual at the start of the financial year and include performance rights and share rights. The fair value per right can be found in note 24.2 to the financial statements.
2. The minimum value yet to vest is nil since the service condition or performance measure (as applicable) may not be met and consequently the performance rights or share rights may not vest.
3. The maximum value yet to vest is determined as the fair value at grant date, assuming all performance measures are met.
4. Market value at date of grant is calculated based on the number of securities granted multiplied by the closing share price as traded on the ASX on the date of grant. Where the date of grant falls on an ASX non-trading day, the closing share price of the preceding trading day is used.

Related party transactions

Loans to KMP and their related parties

Loans to KMP and their related parties are secured housing loans and asset lines provided in the ordinary course of the banking business. All loans have normal commercial terms, which may include employee discounts on the same terms available to all employees of the Suncorp Group. No amounts have been written down or recorded as provisions as the balances are considered fully collectable.

Details regarding loans outstanding at the reporting date to KMP and their related parties are outlined below.

	Opening balance	Closing balance	Interest charged[1]	Interest not charged
FY24	$000	$000	$000	$000
Total for KMP and their related parties	1,395	554	48	-

1. The loans may have offset facilities, in which case the interest charged is after the offset.

The closing balance includes loans issued to executives and their related parties.

	Balance 1 July 2023	Balance 30 June 2024	Interest charged[1]	Interest not charged	Highest balance
FY24	$000	$000	$000	$000	$000
Senior Executives					
J Higgins	630	554	41	-	630
Former Senior Executives					
P Smeaton	-	-	-	-	1
C van Horen	765	-	6	-	765

1. The loans may have offset facilities, in which case the interest charged is after the offset.

Movement in securities

The movement during the reporting period in the number of securities in the Company held directly, indirectly or beneficially by each executive, including their related parties, is outlined below.

1 July 2023 – 30 June 2024		Balance 1 July 2023 Number	Received as remuneration Number	Purchases (sales) Number	Other changes[1] Number	Balance 30 June 2024 Number
Executive Director[2]						
S Johnston	Ordinary shares	272,129	91,515	-	-	363,644
	Unvested securities	499,513	395,672	-	(91,515)	803,670
Senior Executives[2]						
A Bennett	Ordinary shares	43,401	75,517	-	-	118,918
	Unvested securities	272,445	149,370	-	(75,517)	346,298
L Harrison	Ordinary shares	92,826	27,453	(77,599)	-	42,680
	Unvested securities	195,171	127,869	-	(27,453)	295,587
J Higgins	Ordinary shares	37,964	21,847	(3,500)	-	56,311
	Unvested securities	164,557	106,536	-	(21,847)	249,246
B Messer	Ordinary shares	-	2,595	-	-	2,595
	Unvested securities	91,210	70,264	-	(2,595)	158,879
M Miller	Ordinary shares	-	10,306	-	-	10,306
	Unvested securities	23,288	65,516	-	(10,306)	78,498
J Robson	Ordinary shares	61,776	27,558	-	-	89,334
	Unvested securities	199,997	129,475	-	(27,558)	301,914
B Rush	Ordinary shares	31,115	8,490	-	-	39,605
	Unvested securities	18,947	8,055	-	(8,490)	18,512
B Speirs	Ordinary shares	31,502	13,254	(42,000)	-	2,756
	Unvested securities	110,604	74,018	-	(13,254)	171,368
F Thompson	Ordinary shares	73,771	20,403	-	-	94,174
	Unvested securities	175,294	115,719	-	(20,403)	270,610
Former Senior Executives[2]						
P Smeaton	Ordinary shares	118,112	29,231	(20,015)	-	127,328
	Unvested securities	210,292	135,863	-	(130,373)	215,782
C van Horen	Ordinary shares	-	35,859	-	(35,859)	-
	Unvested securities	219,359	67,950	-	(287,309)	-

Executives of the Company and their related parties received normal distributions on these securities.

1. Other changes in unvested securities relate to equity awards that vested or were forfeited during FY24.
2. Unvested securities for the Executive Director, Senior Executives and Former Senior Executives refer to the performance rights granted under the LTI Plan and share rights granted as part of the STI award or Share Rights Plan (as applicable). Accordingly, beneficial entitlement of those unvested securities remains subject to satisfaction of specified service conditions and performance measures (as applicable).

6. Contractual arrangements and statutory remuneration (continued)

Non-Executive Director statutory remuneration

	Year	Short-term benefits		Post-employment benefits		Total
		Salary and fees	Non-monetary benefits	Superannuation – Statutory	Superannuation – Other[1]	
		$000	$000	$000	$000	$000
Non-executive directors						
Christine McLoughlin, AM	**2024**	**600**	**-**	**27**	**39**	**666**
Chairman	2023	600	-	25	38	663
Gillian Brown[2]	**2024**	**84**	**-**	**8**	**-**	**92**
Director	2023	-	-	-	-	-
Sylvia Falzon	**2024**	**324**	**-**	**27**	**8**	**359**
Director	2023	324	-	25	9	358
Elmer Funke Kupper	**2024**	**289**	**-**	**27**	**4**	**321**
Director	2023	280	-	25	4	309
Ian Hammond	**2024**	**319**	**-**	**27**	**8**	**354**
Director	2023	310	-	25	7	342
Sally Herman, OAM	**2024**	**302**	**-**	**27**	**6**	**335**
Director	2023	300	-	25	6	331
Simon Machell	**2024**	**279**	**-**	**27**	**3**	**310**
Director	2023	280	-	25	4	310
Lindsay Tanner	**2024**	**345**	**-**	**27**	**12**	**385**
Director	2023	323	-	25	9	357
Duncan West	**2024**	**301**	**-**	**27**	**6**	**334**
Director	2023	280	-	25	4	309
Former Non-executive directors						
Douglas McTaggart[3]	**2024**	**151**	**-**	**4**	**-**	**156**
Director	2023	345	-	25	11	381

1. Superannuation in excess of the MCB is delivered in the form of fees. Non-executive directors may elect to make voluntary additional superannuation contributions.
2. Ms Brown's FY24 fees reflect time served from 27 February 2024.
3. Dr McTaggart's FY24 fees reflect time served up to his retirement on 14 December 2023.

Movement in securities

The movement during the reporting period in the number of securities in the Company held directly, indirectly or beneficially by each non-executive director, including their related parties, is outlined below.

1 July 2023 – 30 June 2024		Balance 1 July 2023 Number	Purchases (sales) Number	Other changes[1] Number	Balance 30 June 2024 Number
Non-executive directors					
C McLoughlin, AM	Ordinary shares	52,550	-	-	52,550
	SUNPH Capital Notes	700	-	-	700
G Brown	Ordinary shares	481	-	-	481[2]
S Falzon	Ordinary shares	31,913	-	379	32,292
E Funke Kupper	Ordinary shares	47,500	-	-	47,500
I Hammond	Ordinary shares	45,574	-	1,935	47,509
S Herman, OAM	Ordinary shares	45,000	-	-	45,000
S Machell	Ordinary shares	60,000	-	-	60,000
L Tanner	Ordinary shares	20,068	-	-	20,068
D West	Ordinary shares	24,680	-	-	24,680
Former Non-executive directors					
D McTaggart	Ordinary shares	46,607	-	(46,607)	N/A

1. Other changes in ordinary shares relate to dividend plan allotments as part of the Dividend Reinvestment Plan during FY24. D McTaggart's balance reduced to nil as a result of his retirement from the Board during the financial year.
2. Ms Brown joined the Board on 27 February 2024 and has two years to acquire a Suncorp shareholding of 50% of her Board Member fee.

Directors and executives of the Company and their related parties received normal distributions on these securities.

Other KMP transactions

Financial instrument transactions

Financial instrument transactions (other than loans and shares disclosed within this report) between the Suncorp Group and executives and their related parties during the financial year were in the nature of normal personal banking, investment and deposit transactions. These transactions were on arm's length terms and conditions no more favourable than those given to other Suncorp Group employees and are deemed trivial or domestic in nature.

Transactions other than financial instrument transactions

No director or Senior Executive has entered into a material contract with the Company or Suncorp Group since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end. Other transactions with executives and their related parties are conducted on arm's length terms and conditions that are no more favourable than those given to other Suncorp Group employees and are deemed trivial or domestic in nature. These transactions are in the nature of personal investment, general insurance and life insurance policies.

Directors' signatures to the Directors' Report

Signed in accordance with a resolution of the Board of Directors:

Christine McLoughlin, AM

Chairman
19 August 2024

Steve Johnston

Group Chief Executive Officer and Managing Director
19 August 2024

Suncorp Group Limited and subsidiaries
ABN 66 145 290 124

Consolidated financial report

For the financial year ended 30 June 2024

Consolidated statement of comprehensive income

For the financial year ended 30 June 2024

	Note	2024 $M	Restated 2023 $M
Insurance revenue	6	**13,697**	12,081
Insurance service expense	8.1.1	**(11,321)**	(11,343)
Reinsurance premium expense	8.1.2	**(1,514)**	(1,422)
Reinsurance recoveries	8.1.2	**135**	1,477
Insurance service result		**997**	793
Insurance investment income	7	**1,024**	608
Insurance finance expense	7	**(373)**	(156)
Reinsurance finance income	7	**58**	31
Net insurance financial result	7	**1,706**	1,276
Net gains on financial assets and liabilities at fair value through profit or loss from non-insurance activities		**10**	1
Fees and other income		**110**	119
Fees, overheads and other expenses		**(190)**	(193)
Amortisation and depreciation expense		**(236)**	(203)
Profit before income tax	3.2	**1,400**	1,000
Income tax expense	4.1	**(429)**	(297)
Profit after tax from continuing operations		**971**	703
Profit after tax from discontinued operation – Suncorp Bank	27.1	**258**	379
Profit for the financial year		**1,229**	1,082
Profit for the financial year attributable to:			
Owners of the Company		**1,197**	1,071
Non-controlling interests		**32**	11
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Net change in fair value of held-for-sale financial assets	13	**77**	(37)
Exchange differences on translation of foreign operations	13	**(6)**	12
Related income tax (expense) benefit		**(23)**	7
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains on defined benefit plans		**6**	4
Net change in equity investments at fair value through other comprehensive income	13	**-**	(6)
Related income tax (expense) benefit		**(2)**	5
Total other comprehensive income (loss)		**52**	(15)
Total comprehensive income for the financial year		**1,281**	1,067
Total comprehensive income for the financial year attributable to:			
Owners of the Company		**1,249**	1,056
Non-controlling interests		**32**	11

Earnings per share		**Cents**	Cents
Basic earnings per share	5	**94.39**	84.82
Diluted earnings per share	5	**93.64**	82.85
Basic earnings per share from continuing operations	5	**74.05**	54.81
Diluted earnings per share from continuing operations	5	**74.05**	54.79

The consolidated statement of comprehensive income is to be read in conjunction with the accompanying notes.

Comparative information has been restated to reflect the Group's adoption of AASB 17 *Insurance Contracts* from 1 July 2023 and adjusted for discontinued operation – Suncorp Bank as detailed in note 2.3 and 27, respectively.

Consolidated statement of financial position

As at 30 June 2024

	Note	2024 $M	Restated 2023 $M	Restated 1 July 2022 $M
Assets				
Cash and cash equivalents		**734**	3,908	1,418
Receivables due from other banks		-	1,788	2,490
Trading securities	9	-	2,218	2,722
Assets held for sale – Suncorp Bank	27.2	**85,166**	-	-
Derivatives	10	**81**	606	741
Investment securities	9	**18,147**	23,049	20,957
Loans and advances		-	67,102	61,856
Insurance contract assets	8.1.1	**180**	180	174
Reinsurance contract assets	8.1.2	**1,158**	1,995	2,525
Property, plant and equipment		**484**	604	712
Deferred tax assets	4.3	**208**	377	592
Goodwill and other intangible assets	21	**5,006**	5,294	5,268
Other assets		**546**	916	749
Total assets		**111,710**	108,037	100,204
Liabilities				
Payables due to other banks		-	121	165
Deposits		-	51,178	47,875
Liabilities directly associated with assets held for sale – Suncorp Bank	27.2	**79,614**	-	-
Derivatives	10	**75**	682	783
Payables and other liabilities		**2,538**	3,071	1,913
Insurance contract liabilities	8.1.1	**12,542**	12,583	12,384
Provisions and employee benefit liabilities	28	**483**	464	537
Deferred tax liabilities	4.3	**49**	51	172
Borrowings		-	24,009	20,910
Loan capital	15	**2,525**	2,544	2,622
Total liabilities		**97,826**	94,703	87,361
Net assets		**13,884**	13,334	12,843
Equity				
Share capital	12	**12,469**	12,384	12,325
Reserves	13	**(11)**	(46)	(28)
Retained profits		**1,386**	962	516
Total equity attributable to owners of the Company		**13,844**	13,300	12,813
Non-controlling interests		**40**	34	30
Total equity		**13,884**	13,334	12,843

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Comparative information has been restated to reflect the Group's adoption of AASB 17 *Insurance Contracts* from 1 July 2023 as detailed in note 2.3. In accordance with AASB 5 *Non-Current Assets Held for Sale and Discontinued Operations*, comparatives have not been restated for the Suncorp Bank sale.

Consolidated statement of changes in equity

For the financial year ended 30 June 2024

		Equity attributable to owners of the Company					
	Note	Share capital $M	Reserves $M	Retained profits $M	Total $M	Non-controlling interests $M	Total equity $M
Balance as at 1 July 2022, as previously reported		12,325	(28)	456	12,753	30	12,783
Adjustment on initial application of AASB 17, net of tax		-	-	60	60	-	60
Restated balance as at 1 July 2022		12,325	(28)	516	12,813	30	12,843
Profit for the financial year		-	-	1,071	1,071	11	1,082
Other comprehensive (loss) income for the financial year		-	(18)	3	(15)	-	(15)
Restated total comprehensive (loss) income for the financial year		-	(18)	1,074	1,056	11	1,067
Transactions with owners, recorded directly in equity							
Dividends paid	14	-	-	(632)	(632)	(7)	(639)
Shares issued	12	48	-	-	48	-	48
Share-based payments	12	10	-	-	10	-	10
Treasury share movements	12	1	-	-	1	-	1
Other movements		-	-	4	4	-	4
Restated balance as at 30 June 2023		12,384	(46)	962	13,300	34	13,334
Profit for the financial year		**-**	**-**	**1,197**	**1,197**	**32**	**1,229**
Other comprehensive income for the financial year		**-**	**48**	**4**	**52**	**-**	**52**
Total comprehensive income for the financial year		**-**	**48**	**1,201**	**1,249**	**32**	**1,281**
Transactions with owners, recorded directly in equity							
Dividends paid	14	**-**	**-**	**(774)**	**(774)**	**(26)**	**(800)**
Shares issued	12	**82**	**-**	**-**	**82**	**-**	**82**
Share-based payments	12	**5**	**-**	**-**	**5**	**-**	**5**
Treasury share movements	12	**(13)**	**-**	**-**	**(13)**	**-**	**(13)**
Transfers		**-**	**(13)**	**13**	**-**	**-**	**-**
Other movements		**11**	**-**	**(16)**	**(5)**	**-**	**(5)**
Balance as at 30 June 2024		**12,469**	**(11)**	**1,386**	**13,844**	**40**	**13,884**

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Comparative information has been restated to reflect the Group's adoption of AASB 17 *Insurance Contracts* from 1 July 2023 as detailed in note 2.3.

Consolidated statement of cash flows

For the financial year ended 30 June 2024

	Note	2024 $M	Restated 2023 $M
Cash flows from operating activities			
Premiums received		**16,233**	14,445
Insurance acquisition costs paid		**(2,223)**	(1,895)
Claims and insurance service expenses paid		**(11,070)**	(10,947)
Interest received		**4,698**	3,353
Interest paid		**(2,838)**	(1,506)
Reinsurance recoveries received		**1,415**	2,239
Reinsurance premiums paid		**(1,814)**	(1,560)
Fees and other operating income received		**318**	281
Dividends and trust distributions received		**57**	46
Fees and operating expenses paid		**(1,945)**	(1,864)
Income tax paid		**(360)**	(333)
Changes in operating assets and liabilities arising from cash flow movements			
Trading securities		**66**	505
Loans and advances		**(2,617)**	(5,192)
Deposits		**2,577**	3,303
Net cash from operating activities	22.1	**2,497**	875
Cash flows used in investing activities			
Proceeds from the sale or maturity of investment securities		**29,954**	19,429
Payments for acquisition of investment securities		**(34,228)**	(20,403)
Payments for other investing activities		**(376)**	(273)
Net cash used in investing activities		**(4,650)**	(1,247)
Cash flows (used in) from financing activities			
Proceeds from borrowings	22.2	**24,259**	20,964
Repayment of borrowings, including transaction costs	22.2	**(23,867)**	(18,185)
Proceeds from issue of loan capital, including transaction costs	22.2	**760**	248
Payment on call of loan capital, including transaction costs	22.2	**(786)**	(330)
Proceeds from other financing activities		**119**	181
Payments for other financing activities		**(126)**	(88)
Dividends paid		**(692)**	(584)
Net cash (used in) from financing activities		**(333)**	2,206
Net (decrease) increase in cash and cash equivalents		**(2,486)**	1,834
Cash and cash equivalents at the beginning of the financial year		**5,575**	3,743
Effect of exchange rate fluctuations on cash held		**8**	(2)
Cash and cash equivalents at the end of the financial year[1]		**3,097**	5,575

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes and is inclusive of cash flows pertaining to discontinued operation – Suncorp Bank (refer to note 27.3).

Comparative information has been re-presented to reflect the Group's adoption of AASB 17 *Insurance Contracts* from 1 July 2023 as detailed in note 2.3.

1. Includes $739 million (2023: $1,788 million) of receivables due from other banks and $118 million (2023: $121 million) of payables due to other banks pertaining to discontinued operation – Suncorp Bank. Current year balances have been classified to held for sale (refer to note 27.2).

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

Overview

Suncorp Group Limited (SGL, the Company) is listed on the Australian Securities Exchange (ASX) and is a for-profit entity. The Company and its subsidiaries (referred to as the "Group" or "Suncorp") offer insurance products and services through some of Australia's and New Zealand's most recognisable brands.

The financial report includes information that is considered most relevant to the users' understanding of the operations, financial position and performance of the Group.

Information in the notes to the consolidated financial statements is only included if it is material and relevant to the understanding of the consolidated financial statements and results of the Group. Information is considered material and relevant if:

- the amount is significant in size or nature
- it is essential to understanding the Group's results
- it is critical in explaining significant changes in the Group's business operations
- it relates to an aspect of the Group's operations that is important to its future performance
- it is required under the relevant reporting and legislative frameworks applied by the Group.

Sale of Suncorp Bank

On 18 July 2022, following a comprehensive strategic review, the Group announced it had signed a share sale and purchase agreement (SPA) with Australia and New Zealand Banking Group Limited (ANZ) to sell Suncorp Bank. The transaction received approvals from the Australian Competition Tribunal on 20 February 2024 and the Federal Treasurer under the Financial Sector (Shareholdings) Act on 28 June 2024. The Queensland Government also passed legislation in June 2024 to amend the State Financial Institutions and Metway Merger Act (Metway Merger Act), with an effective proclamation upon completion of sale.

The sale of Suncorp Bank to ANZ completed subsequent to end of financial year on 31 July 2024. A timeline of the sale of Suncorp Bank and its disclosure in the financial statements has been included in note 27.

On completion date, in accordance with the SPA, related Restructure Agreement and Hardware Purchase Agreement, the Group and Suncorp Bank restructured by transferring certain agreements, securities and assets (collectively referred to as "items") required to complete the sale. The items and the corresponding accounting balances were transferred at their respective carrying values, resulting in nil impact on the net asset position of the Group at the point of transfer.

The items include:

- Suncorp Bank's dedicated software assets, hardware assets, employment agreements and the corresponding liabilities transferred from Suncorp Group to Suncorp Bank; and
- Dormant and non-core entities transferred from Suncorp Bank to Suncorp Group (refer to the consolidated entity disclosure statement).

In connection with the Restructure Agreement, intellectual property rights were assigned to and from Suncorp Group and Suncorp Bank.

In addition to the above, intercompany balances with Suncorp Bank were settled on or immediately prior to completion date (refer to note 27). In accordance with the SPA, ANZ also acquired the internal loan capital from Suncorp Group.

In connection with the sale, Suncorp Group has entered into the following agreements with Suncorp Bank to receive and provide (as specified below) various services and access to trade marks post completion date (collectively referred to as "Service agreements"):

- Transitional services agreement (TSA) (Suncorp Group to provide);
- Transitional trade mark license agreement (Suncorp Group to provide); and
- Banking services agreement (Suncorp Group to receive).

On completion date, Suncorp Bank exited the SGL tax-consolidated group and joined the ANZ tax-consolidated group (refer to note 4).

Sale of Asteron Life

On 4 April 2024, the Group announced it had signed a SPA with Resolution Life NOHC, Resolution Life Group's holding company in Australia and New Zealand (Resolution Life) to sell its New Zealand life insurance business, Asteron Life Limited (Asteron Life) for a cash consideration of NZ$410 million.

The sale is subject to regulatory approval from the Reserve Bank of New Zealand (RBNZ) and the sale is expected to be and the sale is expected to complete around end of January 2025.

In accordance with AASB 5 *Non-Current Assets Held for Sale and Discontinued Operations* (AASB 5), the sale of Asteron Life does not meet the criteria to be classified as held for sale in the consolidated statement of financial position (SoFP) as at 30 June 2024.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

1. Reporting entity

The Company is a public company domiciled in Australia. Its registered office is at Level 23, 80 Ann Street, Brisbane, Qld, 4000.

The consolidated financial statements for the financial year ended 30 June 2024 comprise the Company and its subsidiaries and were authorised for issue by the SGL Board of Directors (the Board) on 19 August 2024.

2. Basis of preparation

The Group's consolidated financial statements have been prepared on a historical cost basis, unless the application of fair value measurements is required by the relevant accounting standards.

These consolidated financial statements are presented in *Australian dollars, which is the Company's functional and presentation currency. As the Company is of a kind referred to in Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/ Directors' report) Instrument 2016/191*, all financial information presented has been rounded to the nearest million dollars, unless otherwise stated.

The consolidated SoFP position is prepared with assets and liabilities presented in the order of liquidity. In the notes to the consolidated financial statements, amounts expected to be recovered or settled no more than 12 months after the reporting period are classified as 'current', otherwise they are classified as 'non-current'.

Where necessary, comparatives have been re-presented to conform to changes in presentation in the current financial year. This includes:

- Changes due to the classification of Suncorp Bank as a discontinued operation and a disposal group held-for-sale in accordance with AASB 5. For details on the sale of the Suncorp Bank, refer to note 27.
  - Consolidated statement of comprehensive income (SoCI): Comparatives are restated to show discontinued operations separately from continuing operations in a separate line item "Profit after tax from discontinued operation – Suncorp Bank".
  - Consolidated SoFP: Comparatives are not restated when a disposal group is classified as held-for-sale.
  - Financial assets disclosed in following notes continue to be measured in accordance with AASB 9 F*inancial Instruments* as required by AASB 5 and are not restated.
    - Trading and investment securities (refer to note 9)
    - Financial instruments (refer to note 9 and note 10)
  - Other disclosures where comparatives have been restated include Note 5 "Earnings per share" and Note 23 "Employee benefits".
- The adoption of AASB 17 *Insurance Contracts* from 1 July 2023 introduced significant changes to the presentation and disclosures of the financial statements. Refer to note 2.3 and the *Insurance activities* section for further details. Comparatives are restated in below financial statements and notes resulting from adoption of the standard.
  - Primary financial statements: SoCI, SoFP and the statement of changes in equity and statement of cash flows.
  - Segment reporting (refer to note 3)
  - Income tax (refer to note 4)
  - Earnings per share (refer to note 5)
  - All notes in the *Insurance activities* section
  - Reserves (refer to note 13)
  - Group capital management (refer to note 16)
  - Credit risk (refer to note 19.1)
  - Goodwill and other intangible assets (refer to note 21)
  - Provision and employee benefit liabilities (refer to note 28)

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

2.1 Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* (Corporations Act). The consolidated financial statements comply with International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board (IASB).

New and amended Australian Accounting Standards adopted during the period that have a material impact on the Group are detailed in note 2.3. All accounting policies applied by the Group in the consolidated financial statements are the same as those applied in its consolidated financial statements for the financial year ended 30 June 2023, unless otherwise stated.

2.2 Foreign currency

Transactions, assets and liabilities denominated in foreign currencies are translated into Australian dollars using the following applicable exchange rates:

Foreign currency	Applicable exchange rate
Transactions	Exchange rate at date of transaction
Monetary assets and liabilities	Exchange rate at reporting date
Non-monetary assets and liabilities measured at historical cost	Exchange rate at date of transaction
Non-monetary assets and liabilities measured at fair value	Exchange rate at date fair value is determined
Assets and liabilities of foreign operations	Exchange rate at reporting date
Income and expenses of foreign operations	Approximate exchange rate applicable at the dates of the transactions

Foreign exchange gains and losses resulting from translation of monetary items are recognised as revenue or expenses, except for qualifying cash flow hedges, which are deferred to equity reserves and are recognised in other comprehensive income (OCI). Foreign exchange differences arising on translation of assets, liabilities, income and expenses of foreign operations are recognised in OCI and presented in the foreign currency translation reserve, part of 'Reserves' in the consolidated SoFP.

2.3 New Australian accounting standards adopted by the Group

As at the date of this financial report, there are several new or revised accounting standards published by the AASB that will be mandatory in future financial years. The new or revised accounting standard that is expected to have a material impact on the Group's consolidated financial statements is set out below.

AASB 17 Insurance contracts

AASB 17 *Insurance Contracts* (AASB 17) is a new accounting standard for all types of insurance contracts and replaces AASB 4 *Insurance Contracts*, AASB 1023 *General Insurance Contracts* (AASB 1023) and AASB 1038 Life *Insurance Contracts* (AASB 1038). AASB 17 is effective for the Group's consolidated financial statements for the reporting period beginning 1 July 2023.

AASB 17 is to be applied retrospectively to all insurance contracts on the transition date unless it is impractical to do so, in which case a modified retrospective or fair value approach may be applied. The Group has applied the full retrospective approach for general insurance contracts and majority of life insurance contracts. Due to the long-term nature of the life insurance business, not all the required information is available to do a full retrospective approach in all circumstances. Accordingly, the Group has used the fair value approach.

The adoption of AASB 17 has resulted in an increase in equity/net assets at 1 July 2022 of $60 million after tax. This amount was recognised as an adjustment to the opening balance of retained profits as shown in the consolidated statement of changes in equity.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

Impact of adopting AASB 17 on the consolidated SoFP as at 1 July 2022

Relevant line items only	AASB 1023/ AASB 1038 $M	Reclassifications[1] $M	Risk adjustment[2] $M	Changes in discounting[3] $M	Loss component[4] $M	Changes in deferred acquisition costs[5] $M	Others[6] $M	Tax impact[7] $M	Life NZ adjustments[8] $M	AASB 17 balance $M
Assets										
Cash and cash equivalents	1,418	-	-	-	-	-	-	-	-	1,418
Receivables due from other banks	2,490	-	-	-	-	-	-	-	-	2,490
Trading securities	2,722	-	-	-	-	-	-	-	-	2,722
Derivatives	741	-	-	-	-	-	-	-	-	741
Investment securities	20,957	-	-	-	-	-	-	-	-	20,957
Premiums outstanding	3,173	(3,172)	-	-	-	-	-	-	(1)	-
Loans and advances	61,856	-	-	-	-	-	-	-	-	61,856
Insurance contract assets	-	-	-	-	-	-	-	-	174	174
Reinsurance contract assets	-	2,353	145	(17)	-	-	(3)	-	47	2,525
Reinsurance and other recoveries	3,212	(3,136)	-	-	-	-	-	-	(76)	-
Deferred reinsurance assets	1,152	(1,152)	-	-	-	-	-	-	-	-
Deferred acquisition costs	796	(796)	-	-	-	-	-	-	-	-
Property, plant and equipment	712	-	-	-	-	-	-	-	-	712
Deferred tax assets	592	-	-	-	-	-	-	-	-	592
Goodwill and other intangible assets	5,282	-	-	-	-	-	(14)	-	-	5,268
Other assets	1,275	(440)	-	-	-	-	-	-	(86)	749
Total assets	**106,378**	**(6,343)**	**145**	**(17)**	**-**	**-**	**(17)**	-	**58**	**100,204**
Liabilities										
Payables due to other banks	165	-	-	-	-	-	-	-	-	165
Deposits	47,875	-	-	-	-	-	-	-	-	47,875
Derivatives	783	-	-	-	-	-	-	-	-	783
Amounts due to reinsurers	1,119	(1,117)	-	-	-	-	-	-	(2)	-
Payables and other liabilities	1,741	26	-	-	-	-	-	-	146	1,913
Insurance contract liabilities	-	12,300	(388)	(65)	55	25	-		457	12,384
Unearned premium liabilities	6,024	(6,023)	-	-	-	-	-	-	(1)	-
Provisions and employee benefit liabilities	537	-	-	-	-	-	-	-	-	537
Outstanding claims liabilities	11,692	(11,529)	-	-	-	-	-	-	(163)	-
Deferred tax liabilities	127	-	-	-	-	-	-	145	(100)	172
Borrowings	20,910	-	-	-	-	-	-	-	-	20,910
Loan capital	2,622	-	-	-	-	-	-	-	-	2,622
Total liabilities	**93,595**	**(6,343)**	**(388)**	**(65)**	**55**	**25**	**-**	**145**	**337**	**87,361**
Net assets	**12,783**	**-**	**533**	**48**	**(55)**	**(25)**	**(17)**	**(145)**	**(279)**	**12,843**

1. The opening balances have been reclassified to comply with the presentation and disclosure requirements of AASB 17.
2. The adjustment represents the net impact from the derecognition of Risk Margin recorded under AASB 1023, which was measured at 90% probability of adequacy (PoA), and the recognition of Risk Adjustment as required by AASB 17 on liabilities for incurred claims and assets for incurred claims measured at 75% PoA.
3. The adjustment is driven by the introduction of 30 basis points of Illiquidity premium as per AASB 17 to the discount rates used for discounting the insurance contract liabilities and reinsurance contract assets.
4. This adjustment includes the recognition of loss component on the onerous contracts and the corresponding loss recovery component from reinsurance contracts. The loss component is computed on the AASB 17 portfolio level.
5. The insurance contract liabilities under AASB 17 are presented net of deferred acquisition costs (DAC). DAC transition impact relates to the exclusion of non-directly attributable expenses (NDAEs) under AASB 17. NDAEs are primarily corporate costs for projects not related to insurance contracts, corporate development, and remediation.
6. Other adjustments represent the derecognition of the Outstanding Claims Liabilities and the customer contract intangible assets at the transition date. These would not have been recognised if AASB 17 was effective at the transition date due to the recognition of non-performance risk as required by AASB 17.
7. Tax impact of all the other measurement related adjustments with corresponding impacts posted to opening deferred tax liabilities.
8. For the New Zealand life insurance business, the impact upon transition is largely driven by accelerated amortisation of DAC and shorter contract boundaries.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

Tax impacts

Current tax law in Australia has been amended during the period to align with AASB 17. As a result, the current tax liability, income tax expense and deferred tax balances are prepared on the basis of the law as enacted as at 30 June 2024.

The current income tax settings in New Zealand (NZ) for insurance have largely not changed for NZ International Financial Reporting Standards 17 (NZ IFRS 17). However, there has been legislative change to align the income tax treatment of outstanding claims reserves to the treatment under NZ IFRS 17. Otherwise, differences between the income tax treatment and NZ IFRS 17 give rise to a temporary difference.

2.4 Use of estimates and judgements

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the amounts reported in the consolidated financial statements.

Significant estimates, judgements and assumptions are included in the following notes:

- Income tax (refer to note 4).
- Measurement of insurance and reinsurance contracts (refer to note 8).
- Valuation of financial instruments carried at fair value (refer to note 11.1).
- Impairment of goodwill and other intangible assets (refer to note 21.1).
- Estimated gain on sale of Suncorp Bank disclosure (refer to note 27).
- Provision for impairment on financial assets from discontinued operation – Suncorp Bank (refer to note 27.4).
- Provisions and employee benefit liabilities (refer to note 28).
- Contingent liabilities (refer to note 29).

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

Financial performance

This section provides an analysis of the Group's financial performance by business segments, its tax breakdown and earnings per share.

The Group comprises three core businesses – Commercial Insurance, Consumer & Personal Injury, and Suncorp New Zealand. The Group earns its revenue from providing a broad range of insurance products and services to retail, corporate and commercial customers in Australia and New Zealand.

3. Segment reporting

Operating segments are identified based on separate financial information which is regularly reviewed by the Group's Chief Operating Decision Maker (CODM), represented by the Group Chief Executive Officer and Managing Director (Group CEO and MD) and his Executive Leadership Team (ELT), in assessing performance and determining the allocation of resources.

3.1 Operating segments

On 9 August 2023, the Group announced changes in the operating model to the market. Effective from September 2023, 'Insurance Australia' was split into two new reportable segments: 'Consumer Insurance' and 'Commercial & Personal Injury'.

Suncorp Bank was classified as a disposal group held for sale and as a discontinued operation effective 30 June 2024 in the current financial year. Refer to note 27 for details on the sale of Suncorp Bank.

The Group comprises the following ongoing operating segments:

Reportable segments	Segment information
Consumer Insurance	– Provision of insurance products to customers in Australia including home and contents, motor and boat.
Commercial & Personal Injury	– Provision of insurance products to customers in Australia including commercial motor, commercial property, marine, industrial special risks, public liability and professional indemnity, workers' compensation and compulsory third party.
Suncorp New Zealand	– Provision of general and life insurance products to customers in New Zealand. – Key products include home and contents, motor, commercial property, public liability and professional indemnity, life, trauma, total and permanent disablement and income protection.
Corporate & Internal Reinsurance	– Investment of the Group's capital, Suncorp Group business strategy activities (including business combinations, divestments and internal reinsurance) and Suncorp Group shared services.

Only profit or loss information is reviewed by the CODM at an operating segment level.

Segment results presented below are measured on a consistent basis to how they are reported to the CODM:

- Revenues and expenses occurring between segments are subject to contractual agreements between the legal entities comprising each segment.
- Inter-segment transactions, which are eliminated on consolidation, are reported on a gross basis. An exception exists for operating expenses incurred by one segment on behalf of another, which are recharged on a cost-recovery basis, and are presented on a net basis (post allocation basis).
- Intra-group dividends are presented net of eliminations.
- Consolidated gain or loss on sale of subsidiaries and joint ventures and any amortisation of material business combination acquired intangible assets are allocated to the corporate segment.
- Amortisation and depreciation expenses relating to the corporate segment's property, plant, equipment and non-business combination acquired intangible assets are allocated to other segments based on their utilisation.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

	Consumer Insurance $M	Commercial & Personal Injury $M	Suncorp Bank (discontinued) $M	Suncorp New Zealand $M	Corporate & Internal Reinsurance $M	Total $M
2024						
External revenue	7,897	4,376	4,384	2,721	40	19,418
Inter-segment revenue	-	-	-	-	112	112
Total segment revenue	7,897	4,376	4,384	2,721	152	19,530
Segment profit (loss) before income tax	605	543	541	292	(213)	1,768
Segment income tax (expense) benefit	(181)	(162)	(162)	(79)	45	(539)
Segment profit (loss) after income tax	424	381	379	213	(168)	1,229
Other segment disclosures						
Interest revenue	268	242	4,207	68	27	4,812
Interest expense	(28)	(25)	(2,839)	(5)	(74)	(2,971)
Amortisation and depreciation expense	(73)	(29)	(57)	(30)	(47)	(236)
Impairment expense on financial assets	-	-	(13)	-	-	(13)
Goodwill	2,287	1,892	262	280	-	4,721
2023 (Restated)[1]						
External revenue	6,797	3,928	3,258	3,551	47	17,581
Inter-segment revenue	-	-	-	19	105	124
Total segment revenue	6,797	3,928	3,258	3,570	152	17,705
Segment profit (loss) before income tax	283	626	671	119	(158)	1,541
Segment income tax (expense) benefit	(83)	(183)	(201)	(37)	45	(459)
Segment profit (loss) after income tax	200	443	470	82	(113)	1,082
Other segment disclosures						
Interest revenue	197	185	3,075	46	22	3,525
Interest expense	(21)	(19)	(1,667)	(4)	(55)	(1,766)
Amortisation and depreciation expense	(62)	(24)	(67)	(24)	(26)	(203)
Impairment expense on financial assets	-	-	(17)	-	-	(17)
Goodwill	2,287	1,892	262	280	-	4,721

1. Comparative information has been restated to reflect the Group's adoption of AASB 17 from 1 July 2023 and the changes in goodwill allocations to reflect the new operating segments.

3.2 Reconciliation of reportable segment revenue and profit before tax

	2024	2023	2024	2023
	Revenue		Profit before income tax	
	$M	$M	$M	$M
Segment total	19,530	17,705	1,768	1,541
Attributable to discontinued operation – Suncorp Bank	(4,384)	(3,258)	(541)	(660)
Inter-segment revenue – Internal reinsurance	(112)	(124)	-	-
Transaction and separation costs – Sale of Suncorp Bank	-	-	173	119
Other consolidation eliminations	-	(6)	-	-
Consolidated total	15,034	14,317	1,400	1,000

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

4. Income tax

4.1 Income tax expense

	2024 $M	Restated 2023 $M
Reconciliation of prima facie to actual income tax expense		
Profit before tax from continuing operations	1,400	1,000
Profit before tax from discontinued operation – Suncorp Bank	368	541
Profit before income tax	1,768	1,541
Prima facie domestic corporate tax rate of 30% (2023: 30%)	530	462
Effect of tax rates in foreign jurisdictions	(6)	(2)
Tax effect of:		
Non-deductible expenses	23	16
Non-deductible expenses – Life companies	-	2
Amortisation of intangible assets	4	4
Dividend adjustments	23	6
Tax exempt revenues	1	(2)
Current year rebates and credits	(27)	(11)
Utilisation of previously unrecognised capital losses	(5)	(12)
Prior year over provision	-	(4)
Other	(4)	-
Total income tax expense on pre-tax profit	539	459
Total income tax expense on pre-tax profit from continuing operations	429	297
Total income tax expense on pre-tax profit from discontinued operation – Suncorp Bank	110	162
Effective tax rate from continuing operations	30.6%	29.7%
Total effective tax rate	30.5%	29.8%
Income tax expense recognised in profit consists of: **Current tax expense (benefit)**		
Current tax movement	510	371
Current year rebates and credits	(27)	(11)
Adjustments for prior financial years	23	(7)
Total current tax expense	506	353
Deferred tax expense (benefit)		
Origination and reversal of temporary differences	56	103
Adjustments for prior financial years	(23)	3
Total deferred tax expense	33	106
Total income tax expense	539	459

The effective tax rate of 30.5% (2023: 29.8%) has increased relative to the prior comparative period and is consistent with the Australian corporate tax rate of 30%.

Several factors contributed to an effective tax rate of 30.6% (2023: 29.7%) from continuing operations. The most significant factor is interest expense relating to certain convertible instruments which is not deductible for income tax purposes.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

New Zealand

In New Zealand, a corporate tax rate of 28% (2023: 28%) applies.

4.2 Current tax receivables and liabilities

	2024 $M	2023 $M
Net current tax receivable at the beginning of the financial year	22	42
Income tax paid net of refunds	360	333
Current year tax on operating profit	(483)	(360)
Adjustment for prior financial years	(23)	7
Net current tax (liability) receivable at the end of the financial year[1]	(124)	22

1. Net current tax (liability) receivable balance comprises of current tax receivable of $7 million (2023: $24 million) and current tax liability of $131 million (2023: $2 million) classified as 'Other assets' and 'Payables and other liabilities' respectively in the consolidated SoFP.

4.3 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Deferred tax assets		Deferred tax liabilities		Net	
	2024 $M	Restated 2023 $M	2024 $M	Restated 2023 $M	2024 $M	Restated 2023 $M
Trading securities and investment securities	-	120	42	2	(42)	118
Property, plant and equipment	16	30	-	-	16	30
Intangible assets	-	-	11	19	(11)	(19)
Provision for impairment on financial assets	3	67	-	-	3	67
Insurance assets and liabilities[1]	130	145	192	229	(62)	(84)
Employee benefits	117	116	-	-	117	116
Other items	139	98	1	-	138	98
Deferred tax assets and liabilities	405	576	246	250	159	326
Set-off of tax	(197)	(199)	(197)	(199)	-	-
Net deferred tax assets and liabilities	208	377	49	51	159	326

1. 'Insurance assets and liabilities' balance includes deferred tax liabilities for AASB 17 transition impact of $122 million (2023: $162 million).

Movement in deferred tax balances during the financial year:

	Deferred tax assets		Deferred tax liabilities	
	2024 $M	Restated 2023 $M	2024 $M	Restated 2023 $M
Balance at the beginning of the financial year	576	669	250	249
Movement recognised in profit or loss	(37)	(104)	(4)	2
Movement recognised in OCI and retained profits	(24)	12	-	-
Acquisition/disposal of subsidiaries	(121)	-	-	-
Foreign currency exchange movement and other	11	(1)	-	(1)
Balance at the end of the financial year	405	576	246	250

Accounting policies

Income tax expense comprises current and deferred tax. This is recognised in the profit or loss, except to the extent that it relates to items recognised in equity or in OCI. Current tax consists of the expected tax payable on the taxable income for the year, after any adjustments in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are offset where they relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities within the same tax consolidated group.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

4.3 Deferred tax assets and liabilities [continued]

Significant estimates, judgements and assumptions

Deferred tax assets are recognised when it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Tax consolidation

The Company is the head entity in the tax consolidated group comprising all the Australian wholly owned subsidiaries. Consequently, all members of the tax-consolidated group are taxed as a single entity.

The members of the tax-consolidated group have entered into a tax sharing agreement and a tax funding agreement. Under the tax funding agreement, the wholly owned entities fully compensate the Company for any current tax payable assumed. The assets and liabilities arising under the tax funding agreement are recognised as intercompany assets and liabilities, at call.

Each member recognises the current and deferred tax amounts applicable to the transactions undertaken by it, reasonably adjusted for certain intra-group transactions, as if it continued to be a separate taxpayer. The Company also recognises the entire tax-consolidated group's current tax liability.

Any differences between the current tax liability and any tax funding arrangement amounts are recognised by the Company as an equity contribution to, or distribution from, the subsidiary.

Suncorp Bank left the SGL tax-consolidated group on completion date. As part of the clear exit process, Suncorp Bank entered into a deed of release from SGL's tax-sharing agreement and tax funding agreement.

5. Earnings per share

	2024 $M	Restated 2023 $M
Profit attributable to ordinary equity holders of the Company:		
Continuing operations	**939**	692
Discontinued operation – Suncorp Bank	**258**	379
Profit attributable to ordinary equity holders of the Company (basic)	**1,197**	1,071
Interest expense on convertible capital and subordinated notes[1]	**73**	54
Profit attributable to ordinary equity holders of the Company (diluted)	**1,270**	1,125
	2024 No. of shares	**2023 No. of shares**
Weighted average number of ordinary shares (basic)	**1,268,120,472**	1,262,641,453
Effect of conversion of convertible capital and subordinated notes[1]	**88,924,017**	95,005,950
Weighted average number of ordinary shares (diluted)	**1,357,044,489**	1,357,647,403

1. Capital notes and the $250 million SGL subordinated notes issued on 1 March 2023 will only be treated as dilutive when their conversion to ordinary shares would decrease earnings per share or increase loss per share as per AASB 133 *Earnings per Share*.

Accounting policies

Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period after eliminating shares held within the Group, known as treasury shares. Diluted EPS is calculated by adjusting the profit or loss attributable to equity holders of the Company and the weighted average number of ordinary shares used in the basic EPS calculation, for the effect of dilutive potential ordinary shares.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

Insurance activities

This section (notes 6 to 8) discloses the general and life insurance activities of the Group.

6. Insurance revenue

	2024 $M	Restated 2023 $M
Insurance revenue from contracts measured under the premium allocation approach	**13,611**	12,000
Insurance revenue from contracts not measured under the premium allocation approach	**86**	81
Total insurance revenue	**13,697**	12,081

Accounting policies

For insurance contracts measured under the premium allocation approach (PAA), the Group recognises insurance revenue based on the passage of time over the insurance coverage period, which is considered to closely approximate the pattern of risks underwritten.

For contracts not measured under the PAA, insurance revenue corresponds to the release of the liability for remaining coverage, depending on the quantity of provided services, and an allocation of insurance acquisition cash flows. The amount of insurance revenue recognised in the reporting period reflects the consideration expected to be received for those services.

Insurance revenue includes any implicit or explicit amounts for transaction-based taxes and levies that Suncorp is required to pay on insurance contracts issued, and excludes transaction-based taxes and levies that are levied on the policyholder and collected by Suncorp on behalf of the relevant government authority.

7. Net insurance financial result

The following table analyses the Group's net insurance financial results in profit or loss.

	2024 $M	Restated 2023 $M
Insurance service result	**997**	793
Insurance investment income:		
Interest income	**578**	429
Dividend and trust distribution income	**57**	46
Net gains on insurance financial assets	**389**	133
Total insurance investment income	**1,024**	608
Insurance finance (expense) income:		
Discount unwind on claims liabilities	**(433)**	(295)
Market rate adjustments on claims liabilities	**44**	146
Other movements[1]	**16**	(7)
Net insurance finance expense	**(373)**	(156)
Reinsurance finance income (expense):		
Discount unwind on claims recoveries	**71**	47
Market rate adjustments on claims recoveries	**(5)**	(19)
Other movements[2]	**(8)**	3
Net reinsurance finance income	**58**	31
Net insurance financial result	**1,706**	1,276

1. Other movements in insurance finance expense include $23 million income (2023: $4 million expense) from changes in the discount rate on contractual service margin of life insurance contracts and a $7 million expense (2023: $3 million expense) from changes in the value of underlying assets of life insurance contracts.
2. Other movements in reinsurance finance income include $10 million expense (2023: $1 million income) from changes in the discount rate on contractual service margin of life insurance contracts and a net $2 million gain (2023: $2 million gain) from foreign exchange movements.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

8. Insurance and reinsurance contracts

	2024 $M	Restated 2023 $M
Liability for remaining coverage	**2,682**	2,567
Liability for incurred claims	**9,881**	10,043
Assets for insurance acquisition cash flows	**(21)**	(27)
Insurance contract liabilities	**12,542**	12,583
Asset for remaining coverage	**(10)**	(13)
Asset for incurred claims	**29**	28
Assets for insurance acquisition cash flows	**(199)**	(195)
Insurance contract assets	**(180)**	(180)
Net insurance contracts liabilities	**12,362**	12,403
Asset for remaining coverage	**13**	(63)
Asset for incurred claims	**1,145**	2,058
Net reinsurance contract assets	**1,158**	1,995

Accounting policies

Measurement of insurance contracts and reinsurance contracts

The Group's insurance and reinsurance contracts are not measured individually but are aggregated into portfolios, each comprising contracts that are of similar risks and managed together. Insurance contracts are measured and presented separately, comprising the following:

- the liability for remaining coverage (LRC) representing coverage for contracts that will be provided after the end of financial year for insured events that have not yet occurred; and
- the liability for incurred claims (LIC) representing claims and expenses for insured events that have already occurred. The LIC relates to claims reported and claims not reported (Incurred But Not Enough Reported, Incurred But Not Reported).

Reinsurance contract assets comprise the following:

- the asset for remaining coverage (ARC) representing the estimated amounts recoverable from reinsurers in relation to future insured claims that have not yet been incurred; and
- the asset for incurred claims (AIC) representing the estimated amounts recoverable from reinsurers in relation to claims that have been incurred on underlying contracts.

Liability for Remaining Coverage (LRC) / Asset for Remaining Coverage (ARC)

AASB 17 features the General Measurement Model (GMM) as its default measurement model but allows a simplified measurement model known as the Premium Allocation Approach (PAA) for contracts with a coverage period of one year or less, or when the LRC/ARC under the PAA does not differ materially from that of the GMM. The Group is required to apply the Variable Fee Approach (VFA) for insurance contracts with direct participation (profit-sharing) features, which represents a small portion of the Group's life insurance contracts.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

(a) Applying PAA

Currently, the Group applies the PAA for all general insurance contracts issued and reinsurance contracts held. The Group applies the PAA to the majority of life insurance contracts issued due to the annual repricing characteristic of these contracts (stepped premiums).

For groups of insurance contracts issued, the LRC is measured as the premiums received less insurance revenue recognised and less acquisition costs deferred. For groups of reinsurance contracts held, ARC is measured as ceding premiums paid less reinsurance expenses recognised for the services received.

When applying the PAA, discounting of LRC and ARC is not required if the time between providing the insurance service and the premium due date is no more than one year. The Group has chosen not to discount the LRC and ARC for contracts measured under the PAA.

Acquisition costs relating to insurance contracts issued to policyholders measured under the PAA can either be immediately expensed or capitalised and amortised over the coverage period. For contracts measured under the PAA, the Group includes acquisition costs in the LRC and amortises them based on the passage of time.

(b) Applying GMM

The carrying amount of the LRC and ARC is measured as the expected cash flows related to future service plus a profit margin known as the contractual service margin (CSM). The expected cash flows are the current estimates of the amounts the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the time value of money and the uncertainty in those amounts. The CSM is recognised in insurance revenue over the coverage period as the Group provides the insurance coverage.

Under the GMM, changes that relates to current or past coverage are recognised in profit or loss. Changes that relate to future coverage are recognised by adjusting the CSM. If the CSM is zero, the changes are recognised in profit or loss.

LRC Loss Component / Loss Recovery Component

AASB 17 requires the identification of groups of onerous contracts issued, with a loss component recognised on initial recognition of the group of contracts and added to the LRC. Under the PAA, the Group assumes that no contracts in the portfolio are potentially onerous at initial recognition unless facts and circumstances indicate otherwise. For contracts not measured under the PAA, an assessment is made at initial recognition to determine if they are onerous.

Where onerous contracts are covered by reinsurance contracts entered into before or at the same time as the onerous contracts, a loss-recovery component representing the reinsurance recoveries attributable to the onerous contract losses is recognised, which reduces ARC and increases reinsurance income. The Group has developed a framework for identifying indicators of possible onerous contracts on recognition and during the life of the contract, using internal information contained in prospective profitability reporting.

The carrying value of loss and corresponding loss-recovery components as at 30 June 2024 are disclosed in note 8.1.

Liability for Incurred Claims (LIC) / Asset for Incurred Claims (AIC)

The LIC comprises discounted estimates of future cash flows for claims incurred, adjusted to account for non-financial risks using risk adjustments. Similarly, the AIC comprise the discounted estimates of future cash flows adjusted to account for non-financial risks being transferred to the reinsurer.

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For the financial year ended 30 June 2024

8.1 Movement in insurance and reinsurance contract assets and liabilities

8.1.1 Insurance contracts analysis by remaining coverage and incurred claims

The table below analyses the movements in liability for remaining coverage and liability for incurred claims for insurance contracts issued.

	Liability for remaining coverage		Liability for incurred claims				
				Contracts under the PAA			
	Excluding loss component $M	Loss component $M	Contracts not under the PAA $M	Present value of future cash flows $M	Risk adjustment $M	Assets for insurance acquisition cash flows $M	Total[1] $M
2024							
Opening insurance contract assets	(13)	-	-	28	-	(195)	(180)
Opening insurance contract liabilities	2,412	155	45	9,312	686	(27)	12,583
Net insurance contract liabilities at 1 July	2,399	155	45	9,340	686	(222)	12,403
Insurance revenue	(13,697)	-	-	-	-	-	(13,697)
Incurred claims and other insurance service expenses	-	(5)	77	9,439	251	-	9,762
Changes that relate to past services	-	-	(1)	(44)	(286)	-	(331)
Losses and (reversals) of losses on onerous contracts	-	(33)	-	-	-	-	(33)
Amortisation of insurance acquisition cash flows	1,886	-	-	-	-	26	1,912
Impairment loss of assets for insurance acquisition cash flows	-	-	-	-	-	11	11
Insurance service expense	1,886	(38)	76	9,395	(35)	37	11,321
Investment components	(7)	-	7	-	-	-	-
Insurance service result[2]	(11,818)	(38)	83	9,395	(35)	37	(2,376)
Insurance finance expense	4	(17)	1	356	29	-	373
Foreign currency translation adjustments[3]	-	-	-	(1)	-	-	(1)
Total changes in comprehensive income	(11,814)	(55)	84	9,750	(6)	37	(2,004)
Cash flows (net of GST):							
Premiums received	13,967	-	-	-	-	-	13,967
Insurance acquisition costs paid	(1,980)	-	-	-	-	(35)	(2,015)
Claims and other insurance service expenses paid	-	-	(74)	(9,915)	-	-	(9,989)
Total cash flows	11,987	-	(74)	(9,915)	-	(35)	1,963
Closing insurance contract assets	(10)	-	-	28	1	(199)	(180)
Closing insurance contract liabilities	2,582	100	55	9,147	679	(21)	12,542
Net insurance contract liabilities at 30 June	2,572	100	55	9,175	680	(220)	12,362

1. The carrying value of contracts not measured under the PAA of $380 million (2023: $375 million) comprises the present value of future cash flows of $157 million (2023: $128 million), a risk adjustment of $43 million (2023: $37 million), and a CSM of $180 million (2023: $210 million).
The movement in insurance contracts reflects $26 million (2023: $3 million) of changes related to future services, $10 million (2023: $24 million) of changes related to current services, and $1 million (2023: $1 million) of changes related to past services.
$112 million (2023: $155 million) of CSM relates to contracts measured under the fair value transition approach. The residual CSM was from other life insurance contracts.
2. Insurance service result excludes NDAEs of $18 million (2023: $21 million), which are classified as 'Fees, overheads and other expenses' in the consolidated SoCI.
3. Foreign currency translation adjustments are recognised in OCI and are therefore excluded from the net insurance financial result disclosed in note 7.

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	Liability for remaining coverage			Liability for incurred claims			
				Contracts under the PAA			
	Excluding loss component $M	Loss component $M	Contracts not under the PAA $M	Present value of future cash flows $M	Risk adjustment $M	Assets for insurance acquisition cash flows $M	Total[1] $M
2023 (Restated)							
Opening insurance contract assets	(13)	-	-	26	-	(187)	(174)
Opening insurance contract liabilities	2,146	115	42	9,404	705	(28)	12,384
Net insurance contract liabilities at 1 July	2,133	115	42	9,430	705	(215)	12,210
Insurance revenue	(12,081)	-	-	-	-	-	(12,081)
Incurred claims and other insurance service expenses	-	(7)	59	9,683	274	-	10,009
Changes that relate to past services	-	-	(1)	(244)	(308)	-	(553)
Losses and (reversals) of losses on onerous contracts	-	46	-	-	-	-	46
Amortisation of insurance acquisition cash flows	1,807	-	-	-	-	34	1,841
Insurance service expense	1,807	39	58	9,439	(34)	34	11,343
Investment components	(6)	-	6	-	-	-	--
Insurance service result[2]	(10,280)	39	64	9,439	(34)	34	(738)
Insurance finance expense	(5)	1	-	147	13	-	156
Foreign currency translation adjustments[3]	12	-	-	6	2	(3)	17
Total changes in comprehensive income	(10,273)	40	64	9,592	(19)	31	(565)
Cash flows (net of GST):							
Premiums received	12,354	-	-	-	-	-	12,354
Insurance acquisition costs paid	(1,815)	-	-	-	-	(38)	(1,853)
Claims and other insurance service expenses paid	-	-	(61)	(9,682)	-	-	(9,743)
Total cash flows	10,539	-	(61)	(9,682)	-	(38)	758
Closing insurance contract assets	(13)	-	-	28	-	(195)	(180)
Closing insurance contract liabilities	2,412	155	45	9,312	686	(27)	12,583
Net insurance contract liabilities at 30 June	2,399	155	45	9,340	686	(222)	12,403

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

8.1 Movement in insurance and reinsurance contract assets and liabilities (continued)

8.1.2 Reinsurance contracts analysis by remaining coverage and incurred claims

The table below analyses the movements in asset for remaining coverage and asset for incurred claims for reinsurance contracts held.

	Asset for remaining coverage			Asset for incurred claims		
				Contracts under the PAA		
	Excluding loss recovery component $M	Loss recovery component $M	Contracts not under the PAA $M	Present value of future cash flows $M	Risk adjustment $M	Total[1] $M
2024 **Opening reinsurance contract assets at 1 July**	(84)	21	72	1,867	119	1,995
Reinsurance premium expense	(1,514)	-	-	-	-	(1,514)
Recoveries of incurred claims and other insurance service expenses	-	(1)	51	258	15	323
Changes that relate to past services	-	-	-	(113)	(71)	(184)
Changes that relate to future services	-	(5)	1	-	-	(4)
Reinsurance recoveries	-	(6)	52	145	(56)	135
Net income (expense) from reinsurance contracts	(1,514)	(6)	52	145	(56)	(1,379)
Effect of changes in non-performance risk of reinsurers	-	-	-	1	-	1
Reinsurance finance income (expense)	(14)	(2)	1	68	5	58
Foreign currency translation adjustments[2]	1	-	-	2	-	3
Total changes in comprehensive income	(1,527)	(8)	53	216	(51)	(1,317)
Cash flows (net of GST):						
Reinsurance premiums paid net of ceding commissions	1,611	-	-	51	-	1,662
Recoveries from reinsurance and other service expenses	-	-	(36)	(1,146)	-	(1,182)
Total cash flows	1,611	-	(36)	(1,095)	-	480
Closing reinsurance contract assets at 30 June	-	13	89	988	68	1,158

1. The carrying value of contracts not measured under the PAA of $59 million (2023: $46 million) comprises the present value of future cash flows of $48 million (2023: $5 million), a risk adjustment of $25 million (2023: $17 million), and a CSM liability of $14 million (2023: $24 million asset).
The movement in reinsurance contracts reflects $5 million (2023: $nil) of changes related to future services, $17 million (2023: $5 million) of changes related to current services, and $1 million (2023: $1 million) of changes related to past services.
$1 million (2023: $30 million) of CSM relates to contracts measured under the fair value transition approach, offset by $15 million (2023: $6 million) of CSM from other life insurance contracts.
2. Foreign currency translation adjustments are recognised in OCI and are therefore excluded from the net reinsurance financial result disclosed in note 7.

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	Asset for remaining coverage			Asset for incurred claims		
				Contracts under the PAA		
	Excluding loss recovery component $M	Loss recovery component $M	Contracts not under the PAA $M	Present value of future cash flows $M	Risk adjustment $M	Total[1] $M
2023 (Restated) **Opening reinsurance contract assets at 1 July**	(65)	19	73	2,352	146	2,525
Reinsurance premium expense	(1,422)	-	-	-	-	(1,422)
Recoveries of incurred claims and other insurance service expenses	-	-	40	1,236	61	1,337
Changes that relate to past services	-	-	(1)	232	(91)	140
Reinsurance recoveries	-	-	39	1,468	(30)	1,477
Net income (expense) from reinsurance contracts	(1,422)	-	39	1,468	(30)	55
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-
Reinsurance finance income (expense)	(4)	2	(1)	31	3	31
Foreign currency translation adjustments[2]	2	-	1	-	-	3
Total changes in comprehensive income	(1,424)	2	39	1,499	(27)	89
Cash flows (net of GST):						
Reinsurance premiums paid net of ceding commissions	1,405	-	-	-	-	1,405
Recoveries from reinsurance and other service expenses	-	-	(40)	(1,984)	-	(2,024)
Total cash flows	1,405	-	(40)	(1,984)	-	(619)
Closing reinsurance contract assets at 30 June	(84)	21	72	1,867	119	1,995

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For the financial year ended 30 June 2024

8.2 General insurance contracts claims development table

The following table presents the net claims development for general insurance claims incurred in the ten most recent accident years before the reporting period.

	Accident Year											
	Prior $M	2015 $M	2016 $M	2017 $M	2018 $M	2019 $M	2020 $M	2021 $M	2022 $M	2023 $M	2024 $M	Total $M
Estimate of undiscounted net ultimate claims cost (long-tail):												
At end of accident year		1,432	1,477	1,588	1,519	1,433	1,386	1,429	1,568	1,673	1,840	
One year later		1,376	1,435	1,503	1,466	1,353	1,267	1,391	1,538	1,657		
Two years later		1,279	1,375	1,412	1,448	1,357	1,249	1,441	1,491			
Three years later		1,196	1,354	1,401	1,464	1,360	1,235	1,443				
Four years later		1,181	1,341	1,399	1,446	1,331	1,237					
Five years later		1,160	1,311	1,414	1,399	1,321						
Six years later		1,160	1,285	1,408	1,400							
Seven years later		1,158	1,273	1,394								
Eight years later		1,152	1,265									
Nine years later		1,156										
Current estimate of cumulative claims cost – long-tail		1,156	1,265	1,394	1,400	1,321	1,237	1,443	1,491	1,657	1,840	**14,204**
Cumulative payments		(1,100)	(1,184)	(1,268)	(1,245)	(1,095)	(940)	(907)	(664)	(408)	(184)	**(8,995)**
Outstanding claims – undiscounted	614	56	81	126	155	226	297	536	827	1,249	1,656	**5,823**
Discount to present value	(165)	(8)	(12)	(17)	(20)	(25)	(29)	(48)	(79)	(136)	(198)	**(737)**
Outstanding claims – long-tail (discount net)	449	48	69	109	135	201	268	488	748	1,113	1,458	**5,086**
Outstanding claims – short-tail												**2,965**
Total discounted net outstanding claims (A)												**8,051**
Claims handling expenses (B)												**417**
Non-reinsurance recoveries on outstanding claims												**902**
Gross risk adjustment (C)												**675**
Reinsurance recoveries on outstanding claims (D)												**843**
Reinsurance risk adjustment (E)												**68**
Other LIC attributable cash flows (F)												**(271)**
Other AIC attributable cash flows (G)												**145**
LIC (A + B + C + D + F)												**9,715**
AIC (D + E + G)												**1,056**
Net outstanding claims (LIC - AIC)												**8,659**

The claims development triangle by accident period for long-tailed claims discloses amounts net of reinsurance and third-party recoveries to give the most meaningful insight into the impact on profit or loss. Short-tail claims are disclosed separately as they are generally subject to less uncertainty since they are normally reported soon after the incident and are generally settled within 12 months following the reported incident.

Under AASB 17, the LIC and AIC contain other elements which are shown below the claims development triangle in order to produce the LIC and AIC. The net outstanding claims is then defined in the table above as LIC less AIC, noting that no such term exists under AASB 17.

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Significant estimates, judgements and assumptions

The estimation of the LIC is based on multiple actuarial techniques that analyse experience, trends and other relevant factors utilising the Group's specific data, relevant industry data and general economic data. Methods undertaken to determine incurred claims liabilities will vary according to the class of business.

The use of multiple actuarial methods assists in providing a greater understanding of the trends inherent in the historical data. The projections obtained from various methods also assist in setting the range of possible outcomes. The most appropriate method or a blend of methods is selected, considering the characteristics of the class of business and the extent of the development of each past accident period.

The Group's estimation of the LIC includes the expected future cost of claims notified to the Group as at reporting date as well as claims incurred but not reported (IBNR), claims incurred but not enough reported (IBNER), gross risk adjustments and other LIC attributable cashflows. Projected payments are discounted to present value and an estimate of direct attributable expenses expected to be incurred in settling these claims is determined.

The Group takes all reasonable steps to ensure that it has appropriate information regarding its LIC, with estimates and judgements continually being evaluated and updated based on historical experience and other factors. However, given the uncertainty in the estimation process, it is likely that the final outcome will prove to be different from the original liability established.

The estimation of claims IBNR and claims IBNER is generally subject to a greater degree of uncertainty with claims often not being adequately reported until many years after the events giving rise to the claims have happened. For this reason, long-tail classes of business will typically display greater variations between initial estimates and final outcomes.

Estimation of AIC is also calculated using the above methods. The recoverability is assessed on a periodic basis, taking into consideration factors such as counterparty and credit risk and any related impairment is recognised through the reinsurance non-performance risk.

The following key assumptions have been made in determining the LIC excluding 'other cashflows':

	2024		2023 (Restated)	
	Australia	New Zealand	Australia	New Zealand
Weighted average term to settlement (years)	**2.6**	**1.0**	2.7	1.0
Weighted average economic inflation rate	**3.6%**	**3.7%**	3.8%	6.2%
Superimposed inflation rate	**1.7%**	**1.0%**	1.7%	1.1%
Discount rate	**4.5%**	**5.2%**	4.4%	5.3%
Claims handling expense ratio	**5.1%**	**7.5%**	5.5%	8.3%
Risk adjustment	**7.3%**	**8.6%**	7.4%	8.5%

Weighted average term to settlement

The weighted average term to settlement is the projected term to final claim payment. The term to settlement is calculated separately by class of business and is based on historical settlement pattern.

Economic and superimposed inflation

Economic inflation is based on economic indicators such as the consumer price index and/or increases in average weekly earnings. Superimposed inflation reflects the tendency for some costs, such as court awards, to increase at levels in excess of economic inflation. Inflation assumptions are set at a class of business level and reflect experience and future expectations.

Claims handling expense ratio

Claims handling expense ratio is calculated with reference to past experience of claims handling costs as a percentage of past payments.

Method of estimating discount rates

To calculate the discount rate, a bottom-up approach is applied, whereby the risk-free yield curve is adjusted to reflect the liquidity characteristics of the insurance cash flows through the addition of an illiquidity premium (ILP) which will increase the discount rate. The derivation of ILP comprises a market ILP and an illiquidity ratio which adjusts the market ILP to reflect the liquidity characteristics of the Group's insurance and reinsurance contracts.

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8.2 General insurance contracts claims development table [continued]

The Group used the following yield curves to discount cash flows:

	1 year %	2 years %	3 years %	4 years %	5+ years %
2024					
Australia	4.6	4.4	4.3	4.3	4.7
New Zealand	5.6	5.2	5.0	4.9	5.1
2023 (Restated)					
Australia	4.6	4.5	4.3	4.2	4.4
New Zealand	5.8	5.6	5.2	5.0	5.1

Method of estimating the risk adjustment

The Group has adopted an approach to calculate the risk adjustment informed by a cost of capital model, which is sensitive to changes in claims mix, discount rate, reinsurance arrangements, and the Group's internal view of the level of capital required in order to meet regulatory requirements and the Group's performance targets. The risk adjustment is then calculated to be the amount that must be added to the central estimate of the insurance liabilities, such that the probability that the actual outcome will be less than the liability (including the risk adjustment). A 75% probability of adequacy is determined by the Group for the risk adjustment as at 30 June 2024, which is similar to the probability of adequacy prescribed by Australian Prudential Regulation Authority (APRA) to meet regulatory capital requirement.

The changes in the risk adjustment due to discount rate effect are disaggregated and presented in 'Insurance finance income / expense' in the consolidated SoCI.

Others

There is a heightened level of price inflation being experienced across the community and there is uncertainty as to the ultimate level of timing for this higher inflation to reduce. As a result of this higher price inflation, there is also a risk of potential flow on to increased wage inflation. Allowance has been made in the valuations for potential inflation; however, the extent of future inflation may be different to that assumed, leading to different outcomes in claims costs for future reporting periods.

In addition to price and wage inflation, allowance is made for superimposed (or social) inflation for long-tail classes of business. This represents the tendency for claims costs to increase faster than normal inflation and can be due to a number of factors, such as changes to court awards and precedents, increased costs of medical treatment, and social and environmental pressures. Superimposed inflation experience can have periods of non-existence followed by periods of high superimposed inflation which can have a significant impact on ultimate cost of claims. As for price and wage inflation, allowance has been made for potential superimposed inflation, but experience may be different to that assumed.

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8.3 Impact of changes in key variables relating to general insurance contracts

The Group conducts sensitivity analyses to quantify the exposure to the risk of changes in the key underlying actuarial assumptions on Gross and Net outstanding claims reserves. A sensitivity analysis is conducted on each variable while holding all other variables constant. The table below describes how a change in each assumption will affect the profit before tax. There is no impact to equity reserves.

		Profit (Loss)			
		Gross		Net	
	Movement in variable[1]	2024 $M	Restated 2023 $M	2024 $M	Restated 2023 $M
Weighted average term to settlement (years)	+0.5 years	**(17)**	(54)	**(17)**	(39)
	-0.5 years	**17**	54	**17**	38
Inflation rate	+100 bps	**(193)**	(195)	**(183)**	(176)
	-100 bps	**184**	186	**174**	167
Discount rate	+100 bps	**179**	180	**170**	162
	-100 bps	**(191)**	(192)	**(181)**	(173)
Claims handling expense ratio	+100 bps	**(88)**	(89)	**(79)**	(71)
	-100 bps	**88**	89	**79**	71
Risk adjustment	+100 bps	**(91)**	(90)	**(83)**	(75)
	-100 bps	**91**	90	**83**	75

1. 1 bps – basis points.

The impact on profit or loss before income tax due to changes in interest rate from investment in interest-bearing securities may partially offset the effect of changes in inflation and discount rates on outstanding claims liabilities. Refer note 19.3(b) for the Group's risk management policies for interest rate risk exposures.

8.4 Maturity profile of insurance contracts

The following table summarises the maturity profile of the Group's insurance contract liabilities based on the present value estimate of future cash flows. Liability and asset for remaining coverage of contracts measured is excluded.

	1 year or less $M	1 to 5 years $M	Over 5 years $M	Total cash flows $M
2024				
Insurance contract liabilities	**4,842**	**4,068**	**971**	**9,881**
2023 (Restated)				
Insurance contract liabilities	5,095	3,986	962	10,043

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Investments and financial instruments

The Group's investment strategy is a key part in achieving an appropriate balance between risk and return. This strategy utilises a diverse range of trading and investment securities. This generates investment income which contributes to the Group's results, assists in meeting the Group's cash flow needs to pay claims (part of insurance activities) and the Group's capital requirements.

Derivatives are used by the Group to manage interest rate and foreign exchange risk exposures.

9. Trading and investment securities

	2024 $M	2023 $M
Trading securities		
Financial assets at FVTPL[1]		
Interest-bearing securities:		
Government securities	**2,154**	2,218
Less: trading securities reclassified to held for sale (refer to note 27.2)	**(2,154)**	-
Total trading securities – current	**-**	2,218
Investment securities		
Financial assets at FVTPL[1]		
Interest-bearing securities	**16,365**	15,026
Equity securities	**701**	575
Unit trusts	**1,081**	1,017
	18,147	16,618
Financial assets at FVOCI[2]		
Interest-bearing securities	**9,849**	6,431
Less: investment securities measured at FVOCI reclassified to held for sale (refer to note 27.2)	**(9,849)**	-
Total investment securities	**18,147**	23,049
Current	**17,298**	17,815
Non-current	**849**	5,234
Total investment securities	**18,147**	23,049

1. Fair value through profit or loss (FVTPL).
2. Fair value through other comprehensive income (FVOCI).

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Accounting policies

The Group determines whether each financial asset's contractual cash flows are solely payments of principal and interest (SPPI) and how the financial asset is managed when classifying financial assets.

Fair value through profit or loss

Financial assets where contractual cash flows are not SPPI will be classified at FVTPL. Assets that are SPPI that are acquired for the purpose of selling in the near term or holds as part of a portfolio that is managed together for short term profit making. These securities are therefore classified as FVTPL. Where financial assets other than FVTPL back liabilities at FVTPL, this would create an accounting mismatch and the financial assets can be designated at FVTPL to remove this mismatch.

Financial assets at FVTPL are initially recognised on trade date at fair value. Transaction costs are recognised in profit or loss as incurred. Subsequently, the assets are measured at fair value on each reporting date and any gains or losses are taken immediately to profit or loss.

The Group has classified financial assets held in portfolios that match the interest rate sensitivity of insurance liabilities, as assets backing general insurance liabilities.

Fair value through other comprehensive income

Debt instruments that are SPPI and are held-to-collect-and-to-sell (regular, but not frequent sales) will be recorded as FVOCI. These will be measured at fair value with subsequent changes going through OCI. On derecognition, the accumulated OCI will be recycled into profit or loss.

10. Derivative financial instruments

	2024		2023	
	Asset $M	Liability $M	Asset $M	Liability $M
Derivatives held for trading				
Interest rate	112	97	131	159
Interest rate and foreign exchange	2	2	4	4
Foreign exchange	28	16	67	34
Equity contracts	-	-	1	-
Credit contracts	1	2	1	2
Less: derivatives held for trading reclassified to held for sale (refer to note 27.2)	(62)	(42)	-	-
	81	75	204	199
Derivatives designated in hedging relationships				
Interest rate:				
Fair value hedge	54	21	64	-
Cash flow hedge	167	241	307	483
Interest rate and foreign exchange:				
Fair value and cash flow hedge	-	-	31	-
Less: derivatives designated in hedging relationships reclassified to held for sale (refer to note 27.2)	(221)	(262)	-	-
	-	-	402	483
Total	81	75	606	682

Derivative financial instruments are contracts whose values are derived from one or more underlying prices, benchmarks or other variables. Derivatives are used by the Group to manage interest rate and foreign exchange risk. Derivatives that are classified as "held for trading" are either not designated in a qualifying hedge accounting relationship, or acquired or incurred principally for the purpose of selling or repurchasing in the near term, or held as part of a portfolio that is managed together for short-term profit or position taking. Hedge accounting derivatives are those derivatives that are designated in a qualifying hedge accounting relationship.

Accounting policies

All derivatives are initially recognised at fair value on trade date and transaction costs are recognised in profit or loss as incurred. Derivatives are classified and measured at FVTPL unless they are being designated as a hedging instrument in an effective hedge relationship under hedge accounting.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

11. Financial instruments, master netting and transfer of financial assets

11.1 Fair value of financial instruments

Fair values are categorised by a three-level hierarchy which identifies the inputs to valuation techniques used to measure fair value:

- Level 1: derived from quoted prices (unadjusted) in active markets for identical financial instruments that the Group can access at the measurement date.
- Level 2: derived from other than quoted prices included within level 1 that are observable for the financial instruments, either directly or indirectly. The valuation techniques include the use of discounted cash flow analysis, option pricing models and other market accepted valuation models.
- Level 3: fair value is determined using valuation techniques which include significant inputs that are unobservable. The valuation techniques include the use of discounted cash flow models for loans and advances. The fair value of investments in infrastructure and property related assets (held via unlisted trusts) are determined based on the Group's share of the net asset value of the unlisted trusts, as advised by the external investment manager. The fair value of other unlisted equity securities is determined as the cost of the investment adjusted for known changes in its fair value as this is considered to be the most reliable measure of fair value.

Financial assets and liabilities measured at fair value categorised by fair value hierarchy

	2024				2023			
	Level 1 $M	Level 2 $M	Level 3 $M	Total $M	Level 1 $M	Level 2 $M	Level 3 $M	Total $M
Financial assets								
Trading securities	-	-	-	-	-	2,218	-	2,218
FVTPL[1]	3,261	14,334	552	18,147	3,015	13,083	520	16,618
FVOCI[1]	-	-	-	-	-	6,431	-	6,431
Derivatives	3	78	-	81	9	597	-	606
Assets held for sale[3]	2	12,284	-	12,286	-	-	-	-
	3,266	26,696	552	30,514	3,024	22,329	520	25,873
Financial liabilities								
FVTPL[2]	-	300	-	300	-	2,700	-	2,700
Derivatives	5	70	-	75	13	669	-	682
Liabilities held for sale[3]	-	304	-	304	-	-	-	-
	5	674	-	679	13	3,369	-	3,382

1. Disclosed within the consolidated SoFP category of 'Investment securities'.
2. Disclosed within the consolidated SoFP category of 'Payables and other liabilities' as $300 million (2023: $181 million) and 'Borrowings' as $nil (2023: $2,519 million).
3. Represent assets and liabilities reclassified to held for sale effective 30 June 2024 in the current financial year (refer to note 27).

There have been no transfers between level 1 and level 2 during the current and prior financial year.

Level 3 financial assets consist of investments in infrastructure assets and property related assets (held via unlisted trusts) of $552 million (2023: $520 million). The fair value of level 3 financial assets (held via unlisted trusts) is based on the Group's share of reported net asset value, as advised by the external investment manager. Infrastructure and property related assets held in the unlisted trusts are independently valued in accordance with AASB 13 *Fair value measurement*.

During the financial year, $35 million additional units of level 3 assets were purchased (2023: $306 million) while there were no redemptions (2023: $nil). Fair value loss of $3 million (2023: $12 million gain) was recognised through 'Insurance investment income' and 'Net gains (losses) on financial assets and liabilities at FVTPL from non-insurance activities' in the consolidated SoCI.

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For the financial year ended 30 June 2024

Financial assets and liabilities not measured at fair value

The following table discloses a comparison of carrying value and fair value of financial assets and liabilities that are not measured at fair value after initial recognition, where their carrying value is not a reasonable approximation of fair value.

			Fair value			
	Note	Carrying value $M	Level 1 $M	Level 2 $M	Level 3 $M	Total $M
2024						
Financial assets						
Loans and advances[1]	27.2	**69,715**	**-**	**-**	**69,621**	**69,621**
		69,715	**-**	**-**	**69,621**	**69,621**
Financial liabilities						
Deposits[1]	27.2	**53,755**	**-**	**53,690**	**-**	**53,690**
Borrowings[1]	27.2	**24,776**	**-**	**24,821**	**-**	**24,821**
Loan capital	15	**2,525**	**1,181**	**1,151**	**-**	**2,332**
		81,056	**1,181**	**79,662**	**-**	**80,843**
2023						
Financial assets						
Loans and advances		67,102	-	-	66,767	66,767
		67,102	-	-	66,767	66,767
Financial liabilities						
Deposits		51,178	-	51,054	-	51,054
Borrowings		21,490	-	21,349	-	21,349
Loan capital	15	2,544	1,183	1,141	-	2,324
		75,212	1,183	73,544	-	74,727

1. Represent assets and liabilities reclassified to held for sale effective 30 June 2024 in the current financial year (refer to note 27).

Accounting policies

Financial assets

The carrying value of loans and advances is net of provisions for expected credit loss (ECL). For variable rate loans, excluding impaired loans, the carrying amount is considered a reasonable estimate of fair value. The fair value for fixed rate loans is calculated by utilising discounted cash flow models to determine the net present value of the portfolio future principal and interest cash flows, based on the interest rate repricing of the loans. The discount rates applied are based on the rates offered by the Group on current products with similar maturity dates.

Financial liabilities

The carrying value for non-interest-bearing, call and variable rate deposits, and fixed rate deposits repricing within six months of origination is considered a reasonable estimate of their fair value. Discounted cash flow models are used to calculate the fair value of other term deposits based upon deposit type and related maturities.

The fair value of borrowings and loan capital is calculated based on either the quoted market prices at reporting date or, where quoted market prices are not available, a discounted cash flow model using an observable yield curve appropriate to the remaining maturity of the instrument.

Significant estimates, judgements and assumptions

The Group continues to monitor valuation inputs when determining fair value of financial instruments. The Group's derivative assets and liabilities, trading and investment securities are valued using inputs from observable market data as shown in the Group fair value hierarchy disclosure.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

11.2 Master netting or similar arrangements

As at 30 June 2024, the Group had $331 million (2023: $604 million) derivative financial assets and $330 million (2023: $655 million) derivative financial liabilities subject to netting or similar arrangements. Of this balance, $281 million derivative financial assets and $283 million derivative financial liabilities have been reclassified to held for sale effective 30 June 2024 in the current financial year (refer to note 27).

Certain derivatives are subject to the International Swaps and Derivative Association (ISDA) Master Agreement and other similar master netting arrangements. These arrangements contractually bind the Group and the counterparty to apply close out netting across all outstanding transactions. If either party defaults or other pre-agreed termination events occur, they do not meet the criteria for offsetting in the consolidated SoFP. The cash collateral pledged or received is subject to the ISDA Credit Support Annex and other standard industry terms. As at 30 June 2024, $37 million (2023: $80 million) derivative financial assets and $56 million (2023: $103 million) derivative financial liabilities were received/pledged as financial collateral in the consolidated SoFP.

11.3 Transfers of financial assets and collateral accepted as security for assets

Transferred financial assets continue to be recognised in the consolidated SoFP if the Group is deemed to have retained substantially all the risks and rewards associated with the financial assets transferred. This arises when the Group enters into repurchase agreements.

Repurchase agreements

The Group enters into repurchase agreements involving the sale of interest-bearing securities and simultaneously agrees to buy them back at a pre-agreed price on a future date. In the consolidated SoFP, the interest-bearing securities transferred are recognised in 'Investment securities', because the Group retains the risks and rewards of ownership. The obligation to repurchase is included in 'Payables and other liabilities'. As at 30 June 2024, the Group held $300 million (2023: $181 million) of repurchase agreements related to the insurance business.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

Capital structure

This section discloses the Group's different sources of funds, such as ordinary shares, retained profits and loan capital. Details of the Group's approach to capital risk management are disclosed in note 16.

12. Share capital

	Number of ordinary shares	Issued capital $M	Share-based payments $M	Treasury shares $M	Total share capital $M
Balance as at 30 June 2022	1,262,604,976	12,321	30	(26)	12,325
Shares issued under DRP[1]	3,937,416	48	-	-	48
Share-based payments	-	-	10	-	10
Treasury share movements	-	-	-	1	1
Balance as at 30 June 2023	1,266,542,392	12,369	40	(25)	12,384
Shares issued under DRP[1]	**5,773,700**	**82**	**-**	**-**	**82**
Share-based payments	**-**	**-**	**5**	**-**	**5**
Treasury share movements	**-**	**-**	**-**	**(13)**	**(13)**
Other movements[2]	**-**	**11**	**-**	**-**	**11**
Balance as at 30 June 2024	**1,272,316,092**	**12,462**	**45**	**(38)**	**12,469**

1. Dividend reinvestment plan (DRP).
2. Other movements represent an $11 million tax adjustment related to share buy-back costs incurred in financial year 2021-22.

Ordinary shares

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid.

Holders of ordinary shares are entitled to receive dividends when declared and are entitled to one vote per share at shareholders' meetings.

In the event of the winding-up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds on liquidation.

Dividend Reinvestment Plan

All eligible shareholders can elect to participate in the DRP to reinvest all or part of their dividends, with no brokerage or transaction costs.

During the current period, the DRP has been satisfied issuing new shares (2023: satisfied issuing new shares).

Share-based payments

Share-based payments represent the cumulative expense and other adjustments recognised in share capital relating to equity-settled share-based payment transactions.

Treasury shares

Treasury shares are deducted from consolidated equity at the amount of the consideration paid. No gain or loss on treasury shares is recognised.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

13. Reserves

	General equity reserve[1] $M	Hedging reserve[2] $M	FVOCI reserve[2] $M	Foreign currency translation reserve[3] $M	Total reserves $M
Balance as at 1 July 2022	76	(100)	(39)	35	(28)
Net change in fair value of financial instruments	-	(47)	4	-	(43)
Income tax benefit (expense)	-	14	(1)	-	13
Exchange differences on translation of foreign operations	-	-	-	12	12
Balance as at 30 June 2023	76	(133)	(36)	47	(46)
Transfer to Retained Profits	-	-	(13)	-	(13)
Net change in fair value of financial instruments	-	106	(29)	-	77
Income tax (expense) benefit	-	(32)	9	-	(23)
Exchange differences on translation of foreign operations	-	-	-	(6)	(6)
Balance as at 30 June 2024	76	(59)	(69)	41	(11)

1. $76 million (2023: $76 million) of the general reserve is associated with Suncorp Bank and will be transferred to retained profits upon completion of sale (refer to note 27).
2. $59 million (2023: $133 million) of the hedging reserve and $45 million (2023: $25 million) of the FVOCI reserve are associated with Suncorp Bank. These reserves will be recycled to profit or loss upon completion of sale (refer to note 27).
3. Comparative information in foreign currency translation reserve has been restated due to the adoption of AASB 17 from 1 July 2023.

Fair value through other comprehensive income reserve

The FVOCI reserve represents the cumulative net changes in the fair value of debt and equity investments classified as FVOCI, until derecognised or impaired.

Foreign currency translation reserve

The foreign currency translation reserve consists of all foreign exchange differences arising from the translation of the financial statements of foreign operations that have a functional currency other than Australian dollars. These foreign exchange differences are net of the effective portion of the cumulative net change in the fair value of hedging instruments used to hedge these operations.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

14. Dividends

	2024		2023	
	Cents per share	$M	Cents per share	$M
Dividend payments on ordinary shares				
2023 final dividend (2023: 2022 final dividend)	**27**	**342**	17	215
2024 interim dividend (2023: 2023 interim dividend)	**34**	**432**	33	417
Dividends paid on treasury shares		**-**		-
Total dividends on ordinary shares paid to owners of the Company	**61**	**774**	50	632
Dividends not recognised in the consolidated SoFP[1]				
Dividends determined since reporting date				
2024 final dividend (2023: 2023 final dividend)	**44**	**560**	27	342
	44	**560**	27	342
Dividend franking account[2]				
Amount of franking credit available for use in subsequent financial years excluding the effects of dividends determined since reporting date		**487**		416

1. The 2024 final dividend determined but not recognised in the consolidated SoFP, is estimated based on the total number of ordinary shares on issue without taking into account treasury shares as at 30 June 2024. The actual amount recognised in the consolidated financial statements for the year ending 30 June 2025 will be based on the actual number of ordinary shares on issue net of treasury shares on the record date.
2. The 2024 final dividend determined is expected to reduce the dividend franking account balance by $240 million (2023: $147 million).

Accounting policies

Dividends on ordinary shares are provided for in the consolidated financial statements once determined, accordingly, the final dividends announced for the current financial year is provided for and paid in the following financial year.

15. Loan capital

The following table shows loan capital at amortised cost and categorised by capital type, class and instrument under APRA's Life and General Insurance Capital (LAGIC) reporting standards. These instruments have been issued by SGL.

	2024 $M	2023 $M
Additional Tier 1 loan capital		
$AUD 375 million SGL Capital Notes 2 (SGL CN2)	**-**	374
$AUD 389 million SGL Capital Notes 3 (SGL CN3)	**387**	385
$AUD 405 million SGL Capital Notes 4 (SGL CN4)	**401**	400
$AUD 360 million SGL Capital Notes 5 (SGL CN5)	**353**	-
Total Additional Tier 1 loan capital	**1,141**	1,159
Tier 2 loan capital		
$AUD 600 million SGL Subordinated Notes (SGL WSN)	**-**	600
$AUD 250 million SGL Subordinated Notes (SGL WSN2)	**250**	249
$AUD 290 million SGL Subordinated Notes (SGL WSN3)	**289**	288
$AUD 250 million SGL Subordinated Notes (SGL WSN4)	**248**	248
$AUD 600 million SGL Subordinated Notes (SGL WSN5)	**597**	-
Total Tier 2 loan capital	**1,384**	1,385
Total non-current loan capital	**2,525**	2,544

Total liability in relation to interest accrued on the loan capital as at the end of the financial year is $8 million (2023: $9 million), disclosed within the consolidated SoFP category of 'Payables and other liabilities'.

Notes to the consolidated financial statements

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15. Loan capital [continued]

Additional Tier 1 Capital

	Margin above 90 day BBSW	Potential scheduled mandatory conversion date	Optional exchange date	Issue date	2024 Number on issue	2023 Number on issue
SGL CN2	365 bps	17 Jun 2026	17 Jun 2024	24 Nov 2017	-	3,750,000
SGL CN3	300 bps	17 Jun 2028	17 Jun 2026	17 Dec 2019	**3,890,000**	3,890,000
SGL CN4	290 bps	17 Dec 2030	17 Jun 2028	23 Sep 2021	**4,050,000**	4,050,000
SGL CN5	280 bps	17 Dec 2032	17 Jun 2030	14 May 2024	**3,600,000**	-

The Group issued $360 million of capital notes (SGL CN5) for $100 per note on 14 May 2024 and redeemed in full $375 million of SGL CN2 on 17 June 2024.

The capital notes are eligible Additional Tier 1 instruments under Basel III and LAGIC rules. They are fully paid, perpetual, subordinated, unsecured securities.

Distributions are discretionary, non-cumulative, floating rate payments. Each capital note is scheduled to pay quarterly distributions which are expected to be fully franked. The Distribution Rate is equal to the sum of the three-month bank bill swap rate (BBSW) plus a fixed margin, adjusted for the corporate tax rate. If a Distribution is not paid, Holders have no right to receive that Distribution at any later time (non-cumulative); however, (subject to certain exceptions), the Company will not be entitled to declare or pay dividends on Ordinary Shares until and including the next Distribution Payment Date.

Subject to certain conditions, including APRA approval, Suncorp has the option to convert, redeem or resell the instruments on the optional exchange date. If still outstanding on the mandatory conversion date, the instruments will mandatorily convert into a variable number of the Company's ordinary shares, subject to certain conditions being satisfied, and calculated in accordance with the conversion mechanics of the note terms.

Conversion may also occur following a regulatory or tax event or potential acquisition event, subject to APRA's prior written approval and certain conditions being fulfilled. If APRA determines that a non-viability event has occurred in relation to the Company, all (or in some circumstances, some) of the instruments will be immediately converted into the Company's ordinary shares or, if conversion cannot be effected for any reason within five business days, immediately and irrevocably terminated. Conversion is calculated according to the conversion mechanics contained within the note terms.

In the event of the winding-up of the Company, the rights of the Holders will rank equally, and in priority to the rights of the ordinary shareholders only.

LAGIC/Basel III fully compliant subordinated notes

	Margin above 90 day BBSW	Maturity date	Holder conversion date	Optional redemption date	Issue date	2024 Number on issue	2023 Number on issue
SGL WSN	215 bps	5 Dec 2028	n/a	5 Dec 2023	5 Sep 2018	-	60,000
SGL WSN2	225 bps	1 Dec 2035	n/a	1 Dec 2025	1 Sep 2020	**25,000**	25,000
SGL WSN3	230 bps	1 Jun 2037	n/a	1 Jun 2027	5 Apr 2022	**29,000**	29,000
SGL WSN4	265 bps	1 Dec 2038	1 Dec 2030	1 Dec 2028	1 Mar 2023	**25,000**	25,000
SGL WSN5	235 bps	27 Jun 2034	n/a	27 Jun 2029	27 Sep 2023	**60,000**	-

The Group issued $600 million of SGL WSN5 on 27 September 2023 and redeemed in full $600 million of SGL WSN on 5 December 2023.

The subordinated notes pay quarterly interest payments at a floating rate equal to the sum of the three-month BBSW and the margin. All note interest payments are subject to the Solvency Condition. For all subordinated notes, except for SGL WSN5, SGL may, on any Optional Interest Payment Date, in its absolute discretion, defer the payment of the interest on the notes which would otherwise be payable on such date and unpaid interest is cumulative. SGL WSN5 interest is non-discretionary and any unpaid interest (i.e. due to the Solvency Condition) is cumulative.

The issuer has the option to redeem or, in the case of SGL WSN4, resell the instruments on the optional redemption date(s), subject to certain conditions, including APRA's prior written approval. A holder conversion option is embedded into the SGL WSN4 terms, which allow the holder to convert the note to ordinary shares at the holder conversion date in line with the conversion mechanics contained within the note terms.

If APRA determines that a non-viability event has occurred in relation to the issuing entity and, where relevant, its parent, all (or in some circumstances, some) of the subordinated notes will be immediately converted into the Company's ordinary shares (or, if conversion cannot be effected for any reason within five business days, written off). Conversion is calculated in line with the mechanics outlined within the note terms. The rights of the holder rank in preference to the rights of the issuer's ordinary share and capital notes holders and rank equally against all other subordinated note holders of the issuer.

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16. Group capital management

The Group's capital management strategy is to optimise shareholder value by managing the level, mix and use of capital resources. The primary objective is to ensure that there are sufficient capital resources to maintain and grow the business, in accordance with the Group's risk appetite. The Group's Internal Capital Adequacy Assessment Process (ICAAP) provides the framework to ensure that the Group and each regulated entity is capitalised to meet internal and external requirements. The Group is subject to, and in compliance with, externally imposed capital requirements set and monitored by APRA and the RBNZ.

In optimising shareholder value and managing the level and mix of capital, the timing of issuance of hybrid capital instruments is driven by a number of factors and in particular expected market conditions.

The ICAAP is reviewed regularly and, where appropriate, adjustments are made to reflect changes in the capital needs and risk profile of the Group. Capital targets are structured according to risk appetite, the regulatory framework and APRA's non-operating holding company (NOHC) conditions. Details relating to the Group's Capital management strategy are provided on page 14 of the *Our financial performance* section.

The Group has been operating under a NOHC structure since 2011, with associated NOHC conditions from APRA.

The NOHC conditions include the following:

- The Group is required to meet, at all times, the Level 3 Prudential Capital Requirement for Eligible Capital (and the Eligible Capital must satisfy certain requirements around the proportion of high-quality capital such as share capital and retained profits).
- Reductions in the Group's capital base require APRA's written approval (for example, planned payment of dividends that exceed the prior 12 months' earnings).
- The NOHC activities of the Company, Suncorp Bank NOHC (SBGH Limited) are limited and defined in scope.
- Compliance with certain APRA Prudential Standards.

The Group has established comprehensive policies and procedures to ensure compliance with the NOHC conditions.

The following table summarises the capital position as at the reporting date.

	2024 $M	Restated 2023 $M
Common Equity Tier 1 Capital	**8,052**	7,601
Additional Tier 1 Capital	**1,154**	1,169
Tier 1 Capital	**9,206**	8,770
Tier 2 Capital	**1,620**	1,611
Total Capital	**10,826**	10,381
Excess Common Equity Tier 1 Capital to target (ex dividends net of DRP)[1]	**251**	165
Excess Total Capital to target (ex dividends net of DRP)[1]	**171**	408

1. Group target represents the sum of the targets for the Bank, General Insurance Group, NZ Life business, and Group NOHC.

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Risk management

The Group applies a consistent and integrated approach to enterprise risk management (ERM).

The Group recognises that a strong risk culture, good governance and effective risk management are essential to achieving the Group's strategy and business plan and maintaining the Group's social licence to operate. The Group has systems, policies, processes and people in place to identify, measure, analyse, monitor, report and control or mitigate internal and external sources of material risk.

17. Risk management

The Board sets risk management direction through Suncorp's purpose and strategy, risk appetite statement, desired risk culture, and associated policies, frameworks and standards. The Enterprise Risk Management Framework (ERMF) describes how risk is managed by the Group. ERMF categorises risks across four material risk categories which are defined below.

Material	Definition
Strategic risk	Suncorp recognises and defines two types of strategic-level risk: – Strategic disruption risk: Risks that could threaten the viability of Suncorp's business model resulting from adverse changes in the external environment, with respect to the economy, political landscape, regulation, technology, climate, customer and social expectations and competitors. Detailed climate change disclosures are included in *Climate and environment approach* on page 27 of the Annual Report. – Strategic execution risk: The risk of failing to achieve strategic business objectives or execution of the business strategy.
Financial risk	Financial risk collectively includes credit, counterparty and contagion risk, market/investment risk, liquidity risk and asset and liability management (ALM) risk. Credit risk is the risk of loss from a debtor being unable to meet the terms of an obligation wherein the outstanding amount is not able to be collected. Counterparty risk is the risk of a debtor being unable to meet its contractual obligations in accordance with agreed terms. Contagion risk is the potential for a credit event of a debtor to impact additional creditors who are then unable to meet their own obligations as debtors. Market/investment risk is the potential for financial impact resulting from exposure to financial market mechanisms. Main risk factors that Group is exposed to from operating within financial markets are foreign exchange rates, interest rates, equity prices, inflation, and credit risk. Liquidity risk is the risk that the Group will be unable to service its cash flow obligations today or in the future. The raising of funds through capital instruments is also an associated consideration reflected as Funding Risk. ALM risk is the risk of exposure to financial markets from a mismatch between assets and liabilities. It includes basis risk which arises when assets and liabilities are not directly offset. Basis risk represents the difference in value / risk profile between assets and liabilities and the potential unequal movements due to changes in underlying risk factors.
Insurance risk	Insurance risk is the risk of financial loss as a result of inadequate or inappropriate product design, pricing, underwriting, reserving, claims management and reinsurance, or because of adverse insurance concentration risk. Product design risk is the risk of unintended claims arising from the product's design, in a change in risk profile of the business insured, or not maintaining appropriate product design principles. Pricing risk is the risk that inadequate pricing will result in unintended loss and may occur where several assumptions arising from the sale of products are inaccurately estimated. Reinsurance risk relates to loss arising from a failure to have appropriate reinsurance arrangements in place, potentially resulting in exposures beyond defined risk tolerance and unacceptable profit volatility with both financial and capital impacts. This includes the risk that the reinsurance program is inadequately designed, and the risk that appropriate cover is unavailable. Underwriting risk is the risk of loss where an underwriting decision is made that inappropriately accepts, or rejects a risk. This includes the risk of lost or missed opportunity arising from inadequate or unprofitable underwriting policies or guidelines and the emergence of unintended adverse concentrations. Reserving risk is the risk that policy reserves (money the Group set aside to service claims) will be insufficient to meet the amount payable (actual claim amounts/settlements) when insurance claim liabilities crystallise.

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Material	Definition
Operational risk	The risk of loss resulting from inadequate or failed internal processes and systems, errors by people or from external events. This includes compliance and legal risk. Operational risk events have the potential to adversely impact achievement of business objectives. The Group uses a risk and control self-assessment process to set the context, identify, assess, manage, and monitor operational risks.

Suncorp Group is exposed to the following categories of market risk:

Categories of market risk	Definition
Foreign exchange risk	The risk of an asset or liability's value changing unfavourably due to changes in currency exchange rates.
Inflation risk	The impact of inflationary movements impacting the value of securities or liability estimation (e.g. reserving).
Interest rate risk	The risk of loss of current and future earnings and unfavourable movements in the value of interest-bearing assets and liabilities from changes in interest rates.
Equity risk	The risk of loss of current and future earnings and unfavourable movement in the value of investment in equity.
Credit spread risk	Credit spread is the difference in yield due to difference in credit quality. This is the risk of loss of current and future earnings and unfavourable movement in the value of investments from changes in the credit spread as determined by capital market sentiment or factors affecting all issuers in the market and not necessarily due to factors specific to an individual issuer.

Further discussions on the application of the Group's risk management practices are presented in note 10 "Derivative financial instruments", note 18 "Insurance risk management" and note 19 "Risk management for financial instruments".

18. Insurance risk management

Insurance risk is managed through risk appetite statements, operation of the ERMF and supporting risk standards where adopted, with oversight from relevant management and Board risk committees in Australia and New Zealand.

The Board receives the Australian General Insurance Financial Condition Report from the Appointed Actuary which reports on a number of areas including the management of insurance risk within the entities. The Boards for the New Zealand General Insurer and Life company receive equivalent reports and advice in respect of obligations imposed by the RBNZ.

18.1 Underwriting risk

Underwriting risk is managed using Delegated Underwriting Authorities, which grant levels of underwriting authority to individuals and are reviewed and monitored regularly. Underwriting guidelines and policy wording design are used for risk assessment as well as past and expected future performance.

18.2 Reinsurance risk

The Group purchases reinsurance as part of its risk mitigation program. Reinsurance is placed on a proportional basis or non-proportional basis through quota share, aggregate stop loss, surplus and excess of loss treaties. Amounts recoverable from reinsurers are estimated in a manner consistent with underlying insurance contract liabilities and in accordance with the reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance held, to the extent that any reinsurer is unable to meet its obligations. The Group's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract.

18.3 Insurance concentration risk

The Group monitors insurance risk exposures by reportable segment.

A range of factors are considered when pricing individual risks, including profit potential, available data, customer impact and reputation impact. Individual risks underwritten are within Risk Net Acceptance Limits and the potential for accumulations are also considered.
The Group mitigates its exposure to concentrations of insurance risk by holding a portfolio that is diversified across classes of business and by using reinsurance. Reinsurance covers insurance concentration risk that arises from natural disasters and other catastrophes.
In determining catastrophe risk accumulation, the Group considers the Insurance Concentration Risk Charge (ICRC), a capital measure under APRA prudential standards. Reinsurers and their relative size within the reinsurance program are considered from a placement perspective and associated risk limits exist to avoid significant concentration to a small number of potential reinsurers. These concentrations are reviewed at least annually as part of the annual review process and on an ad hoc basis when significant business changes occur.

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19. Risk management for financial instruments

19.1 Credit risk

Exposure to credit risk from Group's financial instruments arises primarily from:

- insurance premium receivables;
- reinsurance recoveries; and
- investments in interest-bearing securities and derivatives.

The carrying amount of the relevant asset classes in the consolidated SoFP represents the maximum amount of credit risk exposure at reporting date.

(a) Insurance premium receivables

Credit risk is managed by maintaining debtor control procedures including the monitoring of aged amounts to minimise overdue debts. Credit limits are set and enforced to limit credit exposures from business written through general insurance intermediaries. Where permissible by law, payment default will result in the termination of the insurance contract with the policyowner, eliminating both the credit risk and insurance risk for the unpaid balance. Collateral is not sought on these balances.

The ageing analysis is as follows:

	2024 $M	Restated 2023[1] $M
Neither past due nor impaired	**4,372**	3,741
Past due 0-3 months	**63**	46
Past due >3 months	**32**	78
Impaired	**9**	9
	4,476	3,874

1. Comparative information has been restated to reflect the Group's adoption of AASB 17 from 1 July 2023.

(b) Reinsurance recoveries

Credit risk with respect to reinsurance programs is minimised by placement of cover with a number of reinsurers with A or higher credit ratings. Eligible recoveries under reinsurance arrangements are monitored and managed internally, and by specialised reinsurance brokers operating in the international reinsurance market.

Collateral arrangements exist for non-regulated reinsurers. In certain cases, the Group requires letters of credit or other collateral arrangements to be provided to guarantee the recoverability of the amount involved. The Group holds $253 million (2023: $291 million) in collateral to support reinsurance recoveries on outstanding claims.

The following table provides information regarding credit risk exposure of reinsurance recoveries. The analysis classifies the assets according to Standard & Poor's (S&P) counterparty credit ratings. Credit ratings are sourced from other globally recognised credit agencies, where S&P's ratings are not available. AAA is the highest possible rating. Rated assets falling outside the range of AAA to BBB are classified as non-investment grade.

	2024 $M	Restated 2023[1] $M
AAA	**29**	-
AA	**821**	1,305
A	**257**	686
BBB	**8**	2
Not rated	**14**	4
Total	**1,129**	1,997

1. Comparative information has been restated to reflect the Group's adoption of AASB 17 from 1 July 2023.

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The ageing analysis is as follows:

	2024 $M	Restated 2023[1] $M
Neither past due nor impaired	**1,037**	1,918
Past due 0-3 months	**21**	24
Past due >3 months	**71**	55
	1,129	1,997

1. Comparative information has been restated to reflect the Group's adoption of AASB 17 from 1 July 2023.

(c) Investments in interest-bearing securities and derivatives

Interest-bearing securities are held in accordance with the investment mandates. Credit limits have been established within these guidelines to ensure counterparties have appropriate credit ratings. An investment framework is in place that sets and monitors investment strategies and arrangements.

Certain derivatives issuers have signed ISDA Credit Support Annex documentation to facilitate derivative transactions and manage credit risk (refer to note 11.2). The following table provides information regarding credit risk exposure of investments in interest-bearing securities and derivatives. The analysis classifies the assets according to S&P counterparty credit ratings. Credit ratings are sourced from other globally recognised credit agencies, where S&P ratings are not available.

	2024	2023	2024	2023
	Interest-bearing investment securities		Derivative asset	
	$M	$M	$M	$M
AAA	**6,022**	5,918	**-**	-
AA	**3,972**	3,860	**19**	26
A	**3,754**	2,537	**62**	77
BBB	**2,559**	2,646	**-**	1
Non-investment grade	**58**	64	**-**	-
Not rated	**-**	1	**-**	-
Total	**16,365**	15,026	**81**	104

19.2 Liquidity risk

The key objective of the Group's liquidity and funding management is to ensure that it has sufficient available liquidity to meet the current and future obligations under both normal and stressed liquidity environments, and does not introduce an unacceptable level of funding risk.

The following key facilities and arrangements are in place to mitigate liquidity risks:

- Investment portfolio mandates provide sufficient cash deposits to meet day-to-day obligations.
- Investment funds set aside within the investment portfolios can be realised to meet significant claims payment obligations.
- In the event of a major catastrophe, cash access is available under the terms of reinsurance arrangements.
- Mandated liquidity limits.
- Regularity of premiums received provides substantial liquidity to meet claims payments and associated expenses as they arise.

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For the financial year ended 30 June 2024

19.2 Liquidity Risk [continued]

Maturity analysis

The following table summarises the maturity profile of the Group's financial liabilities based on the remaining undiscounted contractual obligations. For liquidity risk management purposes, the Group's daily liquidity reporting is largely aligned to contractual maturity except where prescribed differently by APRA or where other methods are considered more appropriate. The Group supplements contractual maturity with other metrics including the liquidity coverage ratio and the net stable funding ratio to manage its liquidity risk.

Derivative liabilities designated in a hedging relationship are included according to their contractual maturity. Derivative liabilities which are not hedge accounted, or are in an economic hedge, are not included within the following tables as they are frequently settled and/or managed within the short term (refer to note 10).

	Carrying amount $M	At call $M	1 year or less $M	1 to 5 years $M	Over 5 years $M	Total cash flows $M
2024						
Payables and other liabilities	**1,422**	-	**1,039**	**222**	**161**	**1,422**
Loan capital[1]	**2,525**	-	**733**	**1,459**	**764**	**2,956**
	3,947	-	**1,772**	**1,681**	**925**	**4,378**
Financial liabilities held for sale – Derivatives:						
Contractual amounts receivable (gross settled)	**(1,547)**	-	**(849)**	**(644)**	**(177)**	**(1,670)**
Contractual amounts payable (gross and net settled)	**1,809**	-	**1,016**	**746**	**183**	**1,945**
	262	-	**167**	**102**	**6**	**275**
Off-balance sheet positions:						
Guarantees entered into in the normal course of business	-	**98**	-	-	-	**98**
Commitments to provide loans and advances	-	**11,715**	-	-	-	**11,715**
	-	**11,813**	-	-	-	**11,813**
2023						
Payables due to other banks	121	121	-	-	-	121
Deposits	51,178	37,144	14,339	389	-	51,872
Payables and other liabilities	3,058	-	2,600	259	199	3,058
Borrowings	24,009	-	14,232	11,113	461	25,806
Loan capital[1]	2,544	-	729	1,568	663	2,960
	80,910	37,265	31,900	13,329	1,323	83,817
Derivatives:						
Contractual amounts receivable (gross settled)	(754)	-	(424)	(362)	(11)	(797)
Contractual amounts payable (gross and net settled)	1,237	-	713	577	12	1,302
	483	-	289	215	1	505
Off-balance sheet positions:						
Guarantees entered into in the normal course of business	-	84	-	-	-	84
Commitments to provide loans and advances	-	11,602	-	-	-	11,602
	-	11,686	-	-	-	11,686

1. The cash flows for loan capital have been included at the earlier of optional call/exchange/redemption date and the mandatory conversion/maturity/next call date of each instrument. Cash flows include both principal and associated future interest estimated using estimated forward rates at the reporting date. For loan capital, interest payments for a number of securities are discretionary and/or may be deferred (refer to note 15). For the purposes of the maturity analysis, it is assumed discretionary interest payments are payable and no deferral to occur.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

19.3 Market risk

(a) Foreign exchange risk

The Group's foreign exchange risk exposure mainly arises from investments in overseas assets, including foreign issued interest-bearing securities, global equities and real assets. The exposure is managed via the use of cross currency swaps, forward foreign exchange and futures contracts. The Group also has operations in New Zealand creating an exposure to New Zealand Dollars.

A sensitivity analysis showing the impact on profit or loss for changes in foreign exchange rates for exposure as at the reporting date with all other variables including interest rates remaining constant is shown in the table below. The impact is before the effect of economic hedging which in accordance with the Group's Risk Management policies are designed to largely offset foreign exchange movements. There is no impact on equity reserves.

The movements in foreign exchange rates used in the sensitivity analysis for the current financial year have been revised to reflect an updated assessment of the reasonable possible changes in foreign exchange rates over the next 12 months, taking into account observations and experience in the investment markets during the financial year.

	2024			2023		
	Exposure at 30 June $M	Change in FX rate %	Profit (loss) after tax $M	Exposure at 30 June $M	Change in FX rate %	Profit (loss) after tax $M
USD	971	+8	82	495	+10	35
		-3	(33)		-5	(17)
Other	889	+8	49	732	+5	24
		-3	(20)		-5	(25)

(b) Interest rate risk

Interest rate risk exposure arises mainly from investment in interest-bearing securities and from ongoing valuation of insurance liabilities.

The investment portfolios, which hold significant interest-bearing securities in support of corresponding outstanding insurance liabilities, are invested in a manner consistent with the expected duration of claims payments. Interest rate risk is also managed by maintaining a diversified portfolio of investment securities and the controlled use of interest rate derivative instruments. The below table considers the impact of interest rate risk on the interest-bearing investment securities including derivative financial instruments. The impact of interest rate changes on outstanding claims liabilities will partially offset this effect. Refer to note 8.3 for details of the impact on profit or loss before income tax to changes in key variables relating to outstanding claims liabilities, including movement in inflation and discount rates.

The table below shows the sensitivity of after tax profit or loss due to interest rates movements relating to interest-bearing financial assets held as at the reporting date. The sensitivity analysis assumes that interest rate changes occur at the reporting date and yield curves shift in a parallel manner. The analysis assumes no impact on equity reserves.

The movements in interest rates used in the sensitivity analysis for the current financial year have been revised based on an updated assessment of the reasonable possible changes in interest rates over the next 12 months, taking into account observations and experience in the investment markets during the financial year.

	2024			2023		
	Exposure at 30 June $M	Change in interest rate bps	Profit (loss) after tax $M	Exposure at 30 June $M	Change in interest rate bps	Profit (loss) after tax $M
Interest-bearing investment securities (including derivative financial instruments)	16,355	+15	(37)	14,985	+20	(42)
		-60	147		-100	219
Loan capital	2,544	+15	(2)	2,559	+20	(4)
		-60	10		-100	17

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

19.3 Market risk [continued]

(c) Equity risk

The Group has exposure to equity risk through its investments in international and domestic equities. Equity risk is managed by incorporating a diverse holding of Australian and overseas equities and through the controlled use of derivative financial instruments.

The table below presents a sensitivity analysis showing the impact on profit or loss for price movements for exposures as at the reporting date with all other variables remaining constant. There is no impact on equity reserves.

The movements in equity prices used in the sensitivity analysis for the current financial year have been revised to reflect an updated assessment of the reasonable possible changes in equity prices over the next 12 months, taking into account observations and experience in the investment markets during the financial year.

	2024			2023		
	Exposure at 30 June $M	Change in equity prices %	Profit (loss) after tax $M	Exposure at 30 June $M	Change in equity prices %	Profit (loss) after tax $M
Australian equities and	**1,259**	**+7.5**	**67**	1,181	+7.5	61
unit trusts		**-15**	**(134)**		-15	(123)
International equities and unit trusts	**523**	**+7.5**	**27**	411	+7.5	22
		-15	**(55)**		-15	(43)

(d) Credit spread risk

The Group is exposed to credit spread risk through its investments in non-Australian Government-issued bonds (and other interest-bearing securities). This risk is mitigated by incorporating a diversified investment portfolio, establishing maximum exposure limits for counterparties and minimum limits on credit ratings, and managing to a credit risk diversity score limit.

The table below presents a sensitivity analysis on how credit spread movements could affect profit or loss for the exposure as at the reporting date. There is no impact on equity reserves.

The movements in credit spread used in the sensitivity analysis for the current financial year have been revised based on an updated assessment of the reasonable possible changes in credit spread over the next 12 months, taking into account observations and experience in the investment markets during the financial year.

	2024			2023		
	Exposure at 30 June $M	Change in credit spread bps	Profit (loss) after tax $M	Exposure at 30 June $M	Change in credit spread bps	Profit (loss) after tax $M
Credit exposure[1]	**12,188**	**+40**	**(75)**	10,780	+45	(74)
		-10	**18**		-20	33

1. Includes bonds issued by Australian states and territories, local and international government agencies and owned corporations, and supranational with exposure of $930 million (2023: $829 million). The Group's credit spread risk is managed at aggregate level for non-Australian Government-issued bonds to maintain diverse credit portfolio in line with established risk exposure limits for asset classes, counterparties, and credit ratings.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

Group structure and consolidation

This section provides disclosures on the Company's separate set of financial statements, the Company's interest in subsidiaries, the fiduciary activities carried out by the Group on behalf of the trusts as trustee or custodian and any significant acquisitions or divestments during the year.

20. Parent entity and composition of the Group

20.1 Ultimate parent entity

Company	2024 $M	2023 $M
Results of the Company for the financial year:		
Revenue		
Dividend and interest income from subsidiaries	1,033	543
Interest and trust distribution income on financial assets at FVTPL	151	92
Other income	10	11
Total revenue	1,194	646
Expenses		
Impairment loss on investment in subsidiaries	-	(52)
Interest expense on financial liabilities at amortised cost	(166)	(118)
Operating expenses	(235)	(130)
Total expenses	(401)	(300)
Profit before income tax	793	346
Income tax benefit	53	37
Profit for the financial year	846	383
Total comprehensive income for the financial year	846	383

Company	$M	$M
Financial position of the Company as at the end of the financial year:		
Current assets		
Cash and cash equivalents	100	40
Financial assets designated at FVTPL	447	352
Assets held for sale	5,137	-
Due from subsidiaries	101	73
Other assets	8	11
Total current assets	5,793	476
Non-current assets		
Investment in subsidiaries	8,907	13,445
Due from subsidiaries	817	1,393
Deferred tax assets	49	4
Other assets	38	23
Total non-current assets	9,811	14,865
Total assets	15,604	15,341
Current liabilities		
Payables and other liabilities	22	35
Current tax liabilities	78	3
Due to subsidiaries	90	41
Total current liabilities	190	79
Non-current liabilities		
Loan capital	2,525	2,544
Total non-current liabilities	2,525	2,544
Total liabilities	2,715	2,623
Net assets	12,889	12,718
Equity		
Share capital	12,506	12,407
Retained profits	383	311
Total equity	12,889	12,718

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

20.1 Ultimate parent entity [continued]

Capital and expenditure commitments

There are no capital and expenditure commitments contracted for but not provided in the SoFP of the Company.

Contingent liabilities

The parent entity issued letters of comfort for certain subsidiaries. In this capacity, SGL ensures that subsidiaries continue to meet their obligations and commitments.

Parent entity guarantees

There are no parent entity guarantees in relation to the debts of its subsidiaries.

20.2 Material subsidiaries of Suncorp Group Limited

			2024	2023
			Equity holding	
Material subsidiaries of Suncorp Group Limited	Class of shares	Country of incorporation	%	%
Suncorp Insurance Holdings Limited	Ordinary	Australia	**100**	100
AAI Limited[1]	Ordinary	Australia	**100**	100
Australian Associated Motor Insurers Pty Ltd	Ordinary	Australia	**100**	100
Suncorp Insurance (General Overseas) Pty Ltd	Ordinary	Australia	**100**	100
Suncorp Group Holdings (NZ) Limited	Ordinary	New Zealand	**100**	100
Vero Insurance New Zealand Limited	Ordinary	New Zealand	**100**	100
Vero Liability Insurance Limited	Ordinary	New Zealand	**100**	100
AA Insurance Limited[2]	Ordinary	New Zealand	**68**	68
SBGH Limited[3]	Ordinary	Australia	**100**	100
Suncorp-Metway Limited[3]	Ordinary	Australia	**100**	100
APOLLO Series Trusts (various)[3]	Units	Australia	**100**	100
Suncorp Covered Bond Trust[3]	Units	Australia	**100**	100
Suncorp Life Holdings Limited	Ordinary	Australia	**100**	100
Suncorp Insurance (Life Overseas) Pty Ltd	Ordinary	Australia	**100**	100
Asteron Life Limited	Ordinary	New Zealand	**100**	100
Suncorp Staff Pty Ltd	Ordinary	Australia	**100**	100
Suncorp Corporate Services Pty Ltd	Ordinary	Australia	**100**	100

1. Also registered as an overseas company in New Zealand.
2. The New Zealand Automobile Association Limited holds the remaining shares in AA Insurance Limited.
3. SBGH Limited, Suncorp-Metway Limited and the structured entities (APOLLO Series Trusts and Suncorp Covered Bond Trust), were divested as part of the Suncorp Bank sale. Refer to note 27.

Accounting policies

The Group's consolidated financial statements are the financial statements of the Company and all its subsidiaries, presented as those of a single economic entity. Intra-group transactions and balances are eliminated on consolidation.

Subsidiaries

Subsidiaries are entities controlled by the Group which includes companies, managed funds and trusts. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date when control commences until the date on which control ceases.

Non-controlling interests recognised as equity and managed funds units recognised as a liability arise when the Group does not hold 100% of the shares or units in a subsidiary. They represent the external equity or liability interests in non-wholly owned subsidiaries of the Group.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

21. Goodwill and other intangible assets

	Goodwill $M	Brands $M	Customer contracts & other relationships $M	Software $M	Internally generated software in development $M	Total $M
2024[1]						
Gross carrying amount	5,006	631	609	832	76	7,154
Accumulated amortisation and impairment losses	(547)	(364)	(604)	(633)	-	(2,148)
Balance at the end of the financial year	4,459	267	5	199	76	5,006
Movements in intangible assets						
Balance at the beginning of the financial year	4,721	279	11	164	119	5,294
Acquisitions	-	-	-	-	68	68
Amortisation	-	(12)	(6)	(73)	-	(91)
Transfers[2]	-	-	-	108	(111)	(3)
Transferred to held for sale (refer to note 27)	(262)	-	-	-	-	(262)
Foreign currency exchange movement	-	-	-	-	-	-
Balance at the end of the financial year	4,459	267	5	199	76	5,006
Maximum remaining useful life	Indefinite	33 years	3 years	4 years	n/a	
2023 (Restated)						
Gross carrying amount	5,279	632	618	724	119	7,372
Accumulated amortisation and impairment losses	(558)	(353)	(607)	(560)	-	(2,078)
Balance at the end of the financial year	4,721	279	11	164	119	5,294
Movements in intangible assets						
Balance at the beginning of the financial year	4,719	291	16	108	134	5,268
Acquisitions	-	-	-	-	84	84
Amortisation	-	(12)	(5)	(43)	-	(60)
Transfers	-	-	-	99	(99)	-
Foreign currency exchange movement	2	-	-	-	-	2
Balance at the end of the financial year	4,721	279	11	164	119	5,294
Maximum remaining useful life	Indefinite	34 years	4 years	5 years	n/a	

1. In 2024, the Group reclassified the goodwill, the cost and accumulated amortisation of other intangible assets in relation to the sale of Suncorp Bank to assets held for sale. Refer to note 27.
2. Of the $111 million transferred 'internally generated software in development', $3 million was transferred to 'plant and equipment', which is disclosed within the consolidated SoFP category of 'Property, plant and equipment'.

Notes to the consolidated financial statements

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21.1 Impairment test for cash-generating units containing goodwill

For the purpose of the annual impairment test, goodwill is allocated to groups of cash-generating units (CGU) which represent the Group's operating segments (refer to note 3.1). The carrying amount of each CGU is then compared to its recoverable amount.

The value of goodwill allocated to each group of CGUs is disclosed in note 3.1. The value of goodwill allocated to the Suncorp New Zealand operating segment is not significant in comparison to the Group's total carrying amount of goodwill.

The recoverable amount for the banking CGU is determined based on fair value less cost to sell.

The recoverable amounts for the Consumer Insurance, Commercial & Personal Injury, and Suncorp New Zealand operating segments, are determined based on value in use.

Significant estimates, judgements and assumptions

Value in use for Consumer Insurance and Commercial & Personal Injury

The recoverable amounts of Consumer Insurance and Commercial & Personal Injury CGUs are its value in use and is determined by discounting the future cash flows generated from the continuing use of the unit and are based on the latest three-year business plans projected for years four and five using key assumptions to cover a five-year period. A terminal growth rate of 2.5% (2023: 2.5%) is used to extrapolate cash flows beyond the five-year projections which does not exceed the long-term average growth rate for the industry.

The key assumptions for Consumer Insurance and Commercial & Personal Injury CGUs include gross earned premium growth, projected insurance loss ratios, operating expense growth, and expected operational and regulatory capital levels. The cash flow projections and values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external and internal sources of data.

For Consumer Insurance and Commercial & Personal Injury CGUs, the weighted average cost of capital is used as the post-tax discount rate. The discount rates reflect an equity beta and a market risk premium sourced from observable market inputs.

Discount rates	2024		2023	
	Post-tax %	Pre-tax equivalent %	Post-tax %	Pre-tax equivalent %
Consumer Insurance	7.8	10.3	7.6	10.3
Commercial & Personal Injury	7.8	10.3	7.6	10.3

The Group has considered and assessed reasonably possible changes for above key assumptions and have not identified any instances that could cause the carrying amount of any of the CGUs to exceed its recoverable amount.

Accounting policies

Goodwill is recognised at cost from business combinations and is subsequently measured at cost less accumulated impairment loss. Intangible assets are recognised at cost less any accumulated amortisation and any accumulated impairment losses. Where an intangible asset is acquired in a business combination, the cost of that asset is its fair value at acquisition date.

Internally generated intangible assets such as software are recognised at cost, which comprises all directly attributable costs necessary to purchase, create, produce, and prepare the asset to be capable of operating in the manner intended by management. All other expenditure, including expenditure on software maintenance, research costs and brands is recognised as an expense as incurred.

Amortisation

Intangible assets with finite lives are amortised over the estimated useful lives from the date the asset is available for use. Amortisation is charged to profit or loss in a manner that reflects the pattern in which the asset's future economic benefits are expected to be consumed using straight-line or diminishing balance methods. All intangible assets except goodwill have finite useful lives. The maximum remaining useful lives as outlined in note 21 are reviewed annually.

Intangible assets deemed to have an indefinite useful life are not amortised but are tested for impairment at least annually.

Impairment

Goodwill and other intangible assets are assessed for indicators of impairment at each reporting date. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss (if any).

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (as part of CGU) which may be an individual asset or a group of assets. The recoverable amount is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In assessing fair value less cost to sell, an earnings' multiple applicable to that type of business or actual offer prices less estimated cost of disposal is used.

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Impairment (continued)

Impairment losses are recognised in profit or loss if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses, if any, recognised in respect of the CGU are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss recognised for goodwill is not reversed.

Other disclosures

This section includes other information about the Group's operations that must be disclosed to comply with the Australian Accounting Standards, Corporations Act and ASX Listing Rules. Also set out in this section are details of the employee benefit arrangements including share-based payments, an overview of key management personnel remuneration and related party arrangements.

22. Notes to the consolidated statement of cash flows

22.1 Reconciliation of cash flows from operating activities

	2024 $M	Restated 2023 $M
Profit for the financial year	**1,229**	1,082
Non-cash items		
Impairment expense on financial assets	**13**	17
Impairment loss on property, plant and equipment	**5**	34
Amortisation and depreciation expense	**236**	203
Change in fair value relating to investing and financing activities	**(408)**	(303)
Other non-cash items	**180**	260
Change in operating assets and liabilities		
Decrease in insurance assets and liabilities	**48**	153
Decrease in reinsurance contract assets	**741**	583
Net movement in tax assets and liabilities	**164**	125
Increase in trading securities	**66**	505
Increase in loans and advances	**(2,617)**	(5,192)
Decrease in other assets	**(19)**	(119)
Increase in deposits	**2,577**	3,303
Decrease in payables and other liabilities	**282**	224
Net cash from operating activities	**2,497**	875

Accounting policies

Cash and cash equivalents include cash on hand, cash at branches, cash on deposit, balances with the RBA, highly liquid short-term investments, money at short call, and securities held under reverse repurchase agreements with an original maturity of three months or less. Receivables due from and payables due to other banks are classified as cash equivalents for cash flow purposes. Bank overdrafts are shown within financial liabilities unless there is a right of offset.

Receivables due from and payables due to other banks include collateral posted or received on derivative positions, nostro balances and settlement account balances. They are carried at the gross value of the outstanding balance.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

22.2 Changes in liabilities arising from financing activities

	Borrowings $M	Loan capital $M
Balance as at 1 July 2022	20,910	2,622
Cash flows		
Proceeds	20,964	250
Repayments	(18,176)	(330)
Transaction costs	(9)	(2)
Non-cash changes		
Fair value changes	(4)	-
Foreign exchange movement	108	-
Other movements	216	4
Balance as at 30 June 2023	24,009	2,544
Cash flows		
Proceeds	**24,259**	**760**
Repayments	**(23,856)**	**(775)**
Transaction costs	**(11)**	**(11)**
Non-cash changes		
Fair value changes	**19**	**-**
Foreign exchange movement	**(1)**	**-**
Other movements	**357**	**7**
Balance as at 30 June 2024	**24,776**	**2,525**

23. Employee benefits

The following employee expenses from continuing operations have been included in the consolidated SoCI under the line items: 'Insurance service expense' and 'Fees, overheads and other expenses'.

	2024 $M	Restated 2023 $M
Wages, salaries, share-based payments and other staff costs[1]	**1,293**	1,272
Defined contribution superannuation expenses	**130**	118
Total employee expenses	**1,423**	1,390

1. Includes $21,378,000 (2023: $16,126,000) relating to equity-settled share-based payment transactions.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

24. Share-based payments

Eligible employees of the Group have the right to participate in the Group's share plans. Shares, share rights and performance rights are offered in these share plans and are granted by the Company to eligible employees of the Group.

Shares required for the equity plans are acquired on the ASX by a special purpose trustee. Shares can only be granted or issued under the plans if the number to be granted or issued will not exceed 5% of the Company's total shares on issue when aggregated with the number of shares granted or issued during the previous five years for all share plans operated by the Company.

24.1 Long-term incentives (performance rights)

Long-term incentives (LTI) are performance rights granted to eligible executives. These are equity-settled and in limited circumstances cash-settled at the Board's discretion. The Board determines the value of performance rights granted (offered) based on the executive's LTI opportunity as a percentage of their fixed pay. Vested shares carry full entitlement to dividends from the grant date (less any taxes paid).

The FY24 LTI award only vests if services and performance measures are achieved over a three-year performance period. The performance measures are outlined below:

- **Measure 1:** Relative total shareholder return (TSR) against a broad-based comparator group (35% weighting). The broad-based comparator group comprises the companies within the S&P / ASX 100 index as at 1 July 2023.
- **Measure 2:** Relative TSR against a customised comparator group (35% weighting). The customised comparator group comprises S&P / ASX 100 financial organisations that are domiciled in Australia as at 1 July 2023.
  If a company in either TSR comparator group is suspended or delisted from the ASX during the performance period, it may be removed from the comparator group. There may, therefore, be fewer than 100 companies in the broad-based comparator group and fewer than 15 companies in the customised comparator group for that period.
- **Measure 3 (new to FY24):** Relative Suncorp Group Insurance Customer Net Promoter Score (NPS) (Consumer Australia) against a customised comparator group (20% weighting). The customised comparator group consists of eight insurance brands, covering the 'autoclub' and 'price challenger' general insurers.
- **Measure 4 (new to FY24):** Relative Trust and Reputation against a customised comparator group (10% weighting). The customised comparator group consists of ten insurance entities.

A LTI performance measure will only vest if the Company achieves a relative outcome of 50th percentile (median) or above for that performance measure. Any performance rights not vested at the end of the performance period will lapse. Further details on these performance measures, deferral periods, the vesting schedule and other terms and conditions can be found on page 64 of the Remuneration Report.

The fair value of services received in return for LTI granted is measured by reference to the fair value of the shares granted. Where vesting of the LTI is dependent on meeting market performance criteria based on TSR, the estimate of the fair value of the shares is measured based on a Monte Carlo simulation pricing model. The vesting of the shares is also subject to non-market conditions (such as service conditions, Customer NPS and Trust and Reputation); however, these are not taken into account in the grant date fair value measurement of the services received.

Inputs into the model include expected volatility which is based on the historic volatility of the Company's share price, dividend yield and a risk-free interest rate based on Australian Government bonds. The inputs for measurement of grant date fair value and the number of unvested performance rights at the financial year end are as follows:

						2024	2023
		Inputs for measurement of fair value at grant date					
Grant date	Fair value at grant date	Share price	Expected volatility	Vesting period	Risk-free interest rate	Number of shares unvested	Number of shares unvested
19 October 2022	$4.94	$10.63	29%	3 Years	3.46%	**366,672**	430,200
19 October 2022	$5.97	$10.63	29%	3 Years	3.46%	**366,676**	430,202
18 October 2023	$8.14	$14.14	24%	3 Years	4.03%	**253,416**	-
18 October 2023	$7.60	$14.14	24%	3 Years	4.03%	**253,412**	-
18 October 2023	$14.14	$14.14	-	3 Years	-	**217,214**	-
						1,457,390	860,402

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For the financial year ended 30 June 2024

Accounting policies

The fair value of share-based payments is recognised as an expense on a straight-line basis over the vesting period, with a corresponding increase in equity. The fair value is calculated on grant date as the fair value of each share granted multiplied by the number of shares expected to eventually vest. The fair value of the share-based payments is based on the market price of the shares, dividend entitlements, and market vesting conditions (e.g. share price-related performance criteria) upon which the shares were granted. Non-market vesting conditions (e.g. service conditions, Customer NPS, and Trust and Reputation) are taken into account by adjusting the number of shares which will eventually vest and are not taken into account in the determination of the grant date fair value. On a cumulative basis, no expense is recognised for shares granted that do not vest due to a non-market vesting condition not being satisfied.

24.2 Other equity-settled share plans

The Group operates other equity-settled share plans that are not subject to performance conditions. Key features are set out below:

Equity plans	Suncorp employee share plan (tax exempt)	Suncorp equity participation plan	Short-term incentive (STI) deferred plan	Share rights and special incentives
Eligible plan participant	Eligible employees below Executive General Manager (EGM) level	Employees can elect to participate	Group CEO, ELT, EGM and eligible employees in senior roles	Eligible employees in senior roles
Basis of share grant/issue	Market value of shares up to $1,000 per employee per year may be granted by the Board having regard to the Group's overall performance	Employees fund the acquisition of shares to be held under this Plan from their pre-tax remuneration up to a maximum value of $5,000 per year	A portion of the total STI is delivered as share rights. STI is determined having regard to Group, function and individual performance and determined prior to the ex-dividend date.	Value of grants is based on a percentage of the employee's fixed pay and Board discretion
Vesting	Fully vested, not subject to forfeiture Restricted from sale for a three-year period unless the employee ceases employment with Suncorp within this period	As the acquisition of shares is funded through the employee's remuneration, the shares are fully vested at the date of acquisition	Group CEO and ELT: 50% of the Group CEO's STI, and 35% of the ELT STI is delivered in share rights, with half vesting on each of the first and second anniversaries. EGMs: At least 30% of the STI is delivered in share rights, with one third vesting on each of the first, second and third anniversaries. Eligible employees in senior roles: 15% of the STI is delivered in share rights, with half vesting on each of the first and second anniversaries.	Subject to service and/or performance conditions until the date of vesting
Dividend entitlements	Full entitlement to dividends from when the shares are acquired and held in the Plan	Full entitlement to dividends from when the shares are acquired and held in the Plan	Full entitlement to dividend equivalents paid on any vested shares, equal to the notional net dividends earned on vested shares over the deferral period.	Share rights plan has full entitlement to dividend equivalents paid on any vested shares, equal to the notional net dividends earned on vested shares over the deferral period. Generally, special incentives do not have any entitlements to dividend equivalents.
Fair value	Market value of the shares on the date they were granted	Market value of the shares on the date they were acquired	Discounted cash flow model incorporating the expected share price at vesting date and expected dividend entitlements, discounted from the vesting date to the grant date	Discounted cash flow model incorporating the expected share price at vesting date and expected dividend entitlements, discounted from the vesting date to the grant date

447,666 share rights (2023: 883,762 share rights) at fair value $6,141,585 (2023: $5,397,768) were granted during the financial year.

The total number of shares acquired through the Suncorp Equity Participation Plan was 194,486 (2023: 217,633 shares), with a fair value of $2,801,477 (2023: $2,541,052).

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For the financial year ended 30 June 2024

24.2 Other equity-settled share plans (continued)

The Board approved to grant each eligible employee of ordinary shares of the Company to the value of $750 (2023: $nil) under the Suncorp Employee Share Plan (tax exempt) for the financial year.

Under the STI deferred plan, share rights are offered to eligible employees in August following completion of the performance period. The total number of share rights offered during the financial year was 712,420

(2023: 585,633 shares), at a total fair value of $9,781,527 (2023: $6,822,625). The fair value of the STI deferred plan is expensed from the start of the performance period to the end of the deferral period. Total expense of

$8,189,791 (2023: $7,840,733) relating to the STI deferred plan is included in 'Fees, overheads and other expenses' in the consolidated SoCI.

24.3 Reconciliation of outstanding share plans

LTI, STI deferred plan, share rights and special incentives

The following table summarises the movement and weighted-average fair value at grant date of LTI and other equity-settled share plans with vesting conditions during the year.

	LTI performance rights	STI deferred plan	Share rights and special incentives	Total
Outstanding as at 1 July 2022	2,164,224	822,184	668,835	3,655,243
Granted during the financial year	860,402	585,633	883,762	2,329,797
Vested and allocated during the financial year	-	(391,640)	(237,435)	(629,075)
Forfeited or withdrawn during the financial year	(2,164,224)	(23,108)	(35,185)	(2,222,517)
Outstanding as at 30 June 2023	860,402	993,069	1,279,977	3,133,448
Weighted-average fair value at grant date	$5.46	$11.65	$6.11	
Granted during the financial year	**782,755**	**712,420**	**447,666**	**1,942,841**
Vested and allocated during the financial year	**-**	**(504,715)**	**(222,868)**	**(727,583)**
Forfeited or withdrawn during the financial year	**(185,767)**	**(116,806)**	**(187,887)**	**(490,460)**
Outstanding as at 30 June 2024	**1,457,390**	**1,083,968**	**1,316,888**	**3,858,246**
Weighted-average fair value at grant date	**$9.75**	**$13.73**	**$13.72**	

Suncorp employee share plan (tax exempt)

The following table summarises the shares granted under the Suncorp Employee Share Plan (tax exempt).

Period	Allocation date	Participants	Number of shares allocated per participant	Total number of shares allocated	Issue price $	Total fair value ($000)
2024	**n/a**	**-**	**-**	**-**	**-**	**-**
2023	26 Oct 2022	11,797	46	542,662	10.83	5,879

Suncorp equity participation plan

The following table summarises the shares acquired under the Suncorp Equity Participation Plan.

Period	Participants	Number of shares purchased	Average purchase price $	Total purchase consideration ($000)
2024	**10,525**	**194,486**	**14.40**	**2,801**
2023	9,368	217,633	11.68	2,541

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25. Key management personnel and related party disclosures

25.1 Key management personnel disclosures

Information regarding key management personnel (KMP) remuneration, loans and equity instruments disclosures are included on page 54 of the Remuneration Report.

KMP compensation is included in "Employee benefits" expense (refer to note 23). Its categorisation is as follows:

	2024 $000	2023 $000
Short-term employee benefits	**17,637**	17,747
Long-term employee benefits	**148**	208
Post-employment benefits	**635**	610
Share-based payments	**11,547**	4,655
	29,967	23,220

Loans to KMP and their related parties are secured housing loans and asset lines provided in the ordinary course of business. All loans have normal commercial terms, which may include staff discounts at the same terms available to all employees of the Group. The loans may have offset facilities, in which case the interest charged is after the offset. No amounts have been written down or recorded as specific provisions, as the balances are considered fully collectable.

Details regarding the aggregate of loans made, guaranteed or secured by any entity in the Group to KMP and their related parties are as follows:

	2024		2023	
	Key management personnel $000	Other related parties $000	Key management personnel $000	Other related parties $000
Closing balance	**554**	-	1,394	-
Interest charged	**48**	-	61	-

25.2 Related party transactions with joint venture entities and other related parties

	2024 $000	2023 $000
The aggregate amounts included in the determination of profit before tax that resulted from transactions with related parties are:		
Other income received or due and receivable:		
Joint ventures	**51,551**	57,718
Aggregate amounts receivable from, and payable to, each class of related parties at reporting date:		
Receivables:		
Joint ventures	-	74,060
Payables:		
Joint ventures	**156**	148

Transactions between the Group and joint venture entities consisted of fees received and paid for information technology services, investment management services, overseas management services, property development finance facilities and reinsurance arrangements. All these transactions were on a normal commercial basis.

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26. Commitments

26.1 Credit commitments

In the ordinary course of business, various types of contracts are entered into relating to the financing needs of customers. Commitments to extend credit, letters of credit, guarantees, warranties and indemnities are classed as financial instruments and attract fees in line with market prices for similar arrangements and reflect the probability of default. They are not sold or traded and are not recorded in the consolidated statement of financial position. The Group uses the same credit policies and assessment criteria in making these commitments and conditional obligations as it does for on-balance sheet instruments. These commitments would be classified as loans and advances in the consolidated SoFP on the occurrence of the contingent event.

Detailed below are the notional amounts of credit commitments together with their credit equivalent amounts. Credit equivalent amounts are determined in accordance with the capital adequacy guidelines set out by APRA.

	2024 $M	2023 $M
Notional amounts		
Guarantees entered into in the normal course of business	**98**	84
Commitments to provide loans and advances	**11,715**	11,602
	11,813	11,686
Credit equivalent amounts		
Guarantees entered into in the normal course of business	**98**	84
Commitments to provide loans and advances	**5,877**	5,998
	5,975	6,082

26.2 Other commitments

The Group has lease commitments of $21 million (2023: $28 million) which have not been recognised as lease liabilities in the consolidated SoFP, as the respective lease commencement dates are after the end of the financial year.

Expenditure for the acquisition of property, plant and equipment and other expenditure contracted for but not provided in the consolidated SoFP was $3 million (2023: $6 million).

27. Sale of Suncorp Bank

On 18 July 2022, following a comprehensive strategic review, the Group announced it had signed a SPA with ANZ to sell Suncorp Bank. The transaction received approvals from the Australian Competition Tribunal on 20 February 2024 and the Federal Treasurer under the *Financial Sector (Shareholdings) Act* on 28 June 2024. The Queensland Government also passed legislation in June 2024 to amend the Metway Merger Act, with an effective proclamation upon completion of sale.

In accordance with AASB 5, the assets and liabilities comprising the Suncorp Bank disposal group are classified as held for sale in the statement of financial position and presented as "Assets held for sale – Suncorp Bank" and "Liabilities directly associated with assets held for sale – Suncorp Bank". Comparative balances of these assets and liabilities are not required to be reclassified and the relevant disclosures are included in the respective notes to the financial statements. Suncorp Bank being a major line of business, meets the definition of a discontinued operation as at 30 June 2024. Thus, the financial results of the banking division are disclosed separately on the face of the statement of profit or loss and cash flows, including comparatives.

The sale of Suncorp Bank to ANZ was completed subsequent to end of financial year on 31 July 2024. In accordance with the signed SPA with ANZ, a cash consideration of $6,247 million was paid on 31 July 2024, including a payment of $1,170 million for the internal loan notes issued by Suncorp Bank to Suncorp Group pre-completion. The completion payment is subject to customary adjustments, which are expected to be finalised in the half-year ending 31 December 2024. The transaction is anticipated to result in net proceeds of around $4,100 million and an accounting gain of $235 million to be recognised in the half-year ending 31 December 2024. Completion is a non-adjusting subsequent event.

As part of the sale, Suncorp Group provided warranties and indemnities to ANZ under the SPA and TSA, which are disclosed as contingent liabilities in note 29.2 "Contingent liabilities".

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For the financial year ended 30 June 2024

27.1 Profit from discontinued operation

Suncorp Bank constituted a reportable segment of the Group's business, and it was classified as a discontinued operation in the current financial year. The table below presents the profit from discontinued operation – Suncorp Bank for the financial year ended 30 June 2024 and the comparative period, and is presented separately from the consolidated SoCI.

	2024 $M	2023 $M
Interest income	4,207	3,075
Interest expense	(2,839)	(1,667)
Net interest income	1,368	1,408
Other operating income	(10)	23
Impairment expense on financial assets	(13)	(17)
Operating expenses	(804)	(754)
Net profit before income tax	541	660
Income tax expense	(162)	(198)
Profit after tax – Suncorp Bank	379	462
Transaction and separation costs	(173)	(119)
Income tax benefit	52	36
Profit from discontinued operation – Suncorp Bank	258	379

27.2 Assets and liabilities held for sale

	Note	2024[1] $M
Assets		
Cash and cash equivalents		1,742
Receivables due from other banks		739
Trading securities	9	2,154
Derivatives	10	283
Investment securities designated at FVOCI	9	9,849
Loans and advances		69,715
Property, plant and equipment		56
Deferred tax assets		121
Goodwill and other intangible assets		262
Other assets		245
Total assets held for sale		85,166
Liabilities		
Payables due to other banks		118
Deposits		53,755
Derivatives	10	304
Payables and other liabilities		659
Provisions		2
Borrowings		24,776
Total liabilities held for sale		79,614
Net assets		5,552

1. Amounts are net of intercompany balances.

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Accounting policies

As at 30 June 2024, assets and liabilities held for sale were measured at the lower of Suncorp Bank's carrying amount and fair value less costs to sell. Accounting policies of assets exempt from this requirement are included in the following notes:

- Deferred tax assets (refer to note 4.3).
- Trading securities (refer to note 9).
- Investment securities designated at FVOCI (refer to note 9).
- Derivatives (refer to note 10).
- Loans and advances (refer below).

Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are facilities the Group provides directly to customers or through third party channels.

Financial assets are classified at amortised cost where cash flows are SPPI, and the business model is held-to-collect. Loans and advances are included in this category. They are initially measured at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost less any impairment losses (refer to note 27.4).

27.3 Cash flows from discontinued operation

The table below presents the net cash from (used in) operating, investing and financing activities for discontinued operation – Suncorp Bank for the year ended 30 June 2024 and the comparative period. It includes the cash flows of Suncorp Bank, plus the incurred transaction and separation costs, which are part of the net cash used in investing activities.

	2024 $M	2023 $M
Net cash from (used in) operating activities	611	(818)
Net cash used in investing activities	(3,177)	(271)
Net cash from financing activities	122	2,620
Net cash (outflows) inflows from discontinued operation – Suncorp Bank	(2,444)	1,531

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27.4 Provision for impairment on financial assets from discontinued operation

27.4.1 Reconciliation of provision for impairment on financial assets from discontinued operation

The table below shows the reconciliation of ECL, specific provision (SP) and gross carrying amount for loans and advances (GLA) for the financial year ended 30 June 2024.

	Collective provision									
	Stage 1		Stage 2		Stage 3		Stage 3 SP		Total	
	GLA $M	ECL $M	GLA $M	ECL $M	GLA $M	ECL $M	GLA $M	SP $M	GLA $M	Provision $M
As at 1 July 2022	60,154	88	1,336	63	480	29	103	37	62,073	217
Transfers:										
Transfer to stage 1	601	26	(520)	(23)	(77)	(2)	(4)	(1)	-	-
Transfer to stage 2	(889)	(19)	956	21	(59)	(1)	(8)	(1)	-	-
Transfer to stage 3	(174)	(2)	(111)	(6)	242	6	43	2	-	-
New loans and advances originated	18,849	60	-	-	-	-	-	-	18,849	60
Net increase (release) of ECL/SP	-	(35)	-	34	-	7	-	2	-	8
Loans and advances derecognised	(12,962)	(19)	(409)	(18)	(188)	(19)	(42)	-	(13,601)	(56)
SP written-off	-	-	-	-	-	-	-	(6)	-	(6)
Unwind of discount	-	-	-	-	-	-	-	(4)	-	(4)
As at 1 July 2023	**65,579**	**99**	**1,252**	**71**	**398**	**20**	**92**	**29**	**67,321**	**219**
Transfers:										
Transfer to stage 1	**429**	**17**	**(358)**	**(15)**	**(69)**	**(2)**	**(2)**	**-**	**-**	**-**
Transfer to stage 2[1]	**(8,897)**	**(46)**	**8,970**	**48**	**(70)**	**(2)**	**(3)**	**-**	**-**	**-**
Transfer to stage 3	**(258)**	**(6)**	**(179)**	**(12)**	**414**	**18**	**23**	**-**	**-**	**-**
New loans and advances originated	**16,618**	**52**	**-**	**-**	**-**	**-**	**-**	**-**	**16,618**	**52**
Net increase (release) of ECL/SP	**-**	**(33)**	**-**	**42**	**-**	**1**	**-**	**1**	**-**	**11**
Loans and advances derecognised	**(13,498)**	**(27)**	**(384)**	**(19)**	**(78)**	**(6)**	**(50)**	**-**	**(14,010)**	**(52)**
SP written-off	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(13)**	**-**	**(13)**
Unwind of discount	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3)**	**-**	**(3)**
As at 30 June 2024	**59,973**	**56**	**9,301**	**115**	**595**	**29**	**60**	**14**	**69,929**	**214**
Provision for impairment on:										
Loans and advances	**(49)**		**(108)**		**(29)**		**(14)**		**(200)**	
Commitments & guarantees	**(7)**		**(7)**		**-**		**-**		**(14)**	
Net carrying amount as at 30 June 2024	**59,917**		**9,186**		**566**		**46**		**69,715**	

1. During the year, the Group reviewed its rules and approach to determining Significant Increase in Credit Risk (SICR). This resulted in a higher proportion of exposures allocated to Stage 2 as at 30 June 2024. These exposures remain performing and well secured resulting in a low likelihood of loss. The change did not result in a significant change in total provisioning levels as the Group previously held a lifetime loss provision for exposures which had not yet met the SICR thresholds at the reporting date but which were notionally considered to be in Stage 2 based on the forward looking economic outlook.

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27.4.2 Impairment expense on financial assets from discontinued operation

	2024 $M	2023 $M
Increase in collective provision for impairment[1]	10	11
Increase in specific provision for impairment	1	2
Bad debts written off	3	5
Bad debts recovered	(1)	(1)
Total impairment expense (release) on financial assets	13	17

1. Impairment loss above includes $nil (2023: $1 million) of ECL on investment securities and reverse repurchase agreements.

Accounting policies

By providing loans and advances to customers, the Group is exposed to the risk of customer default. Default occurs when indicators exist that a customer is unable to meet contractual credit obligations to the Group in full, or if the exposure is 90 days past due. Provisions for impairment are recognised to address this risk.

Expected credit loss model

Financial assets that are subject to credit risk are assigned to one of three stages and could be reassigned based on changes in asset quality:

	Asset quality	Provision established to provide for ECL for:
Stage 1	Performing and/or newly originated assets.	A 12-month period.
Stage 2	Have experienced a SICR since origination.	The remaining term of the asset (lifetime ECL).
Stage 3	In default as they are either past due but not impaired or impaired assets.	Lifetime ECL.

The Group has developed the ECL model to estimate the adverse impact on future cash flows for each group of loans with similar credit risk characteristics.

ECL is recorded for all financial assets measured at amortised cost or FVOCI. ECL is calculated as the probability of default (PD) x loss given default (LGD) x exposure at default. The credit models are calibrated to reflect PD and LGD estimates based on historical observed experience, as well as reflecting the influence of unbiased forward-looking views of macroeconomic conditions, through macroeconomic variables that influence credit losses, for example the unemployment rate and changes in property prices.

The economic forecasts underpinning the PD and LGD estimates are reviewed on at least a six-monthly basis, taking into account expert judgement. As at 30 June 2024, management recognised 'out of model' overlays within the ECL where the existing inputs, assumptions and model techniques did not capture all the risk factors relevant to the lending portfolios. Further management overlays have been recognised with respect to specific risks in the Agribusiness portfolio.

Portfolio managed assets in stage 3 (mainly retail lending), will have a collective provision determined by the ECL model. The portfolios are split into pools with homogenous risk profiles and pool estimates of probability of default and loss given default. Some portfolio managed assets are individually covered by a specific provision.

Most relationship managed assets in stage 3 (mainly business lending) will require a specific provision. If it is determined that a collective provision provides a more appropriate estimate, a ratings-based approach is applied using estimates of probability of default and loss given default, at a customer level.

Loans with similar credit risk characteristics are grouped as follows:

- Retail loans, small business and non-credit risk-rated business loans are grouped by product.
- Credit risk-rated business loans are grouped by the industry types, being agribusiness, commercial property, development finance and property investment.

The Business Customer Support and Customer Care teams independently assess the carrying value of impaired loans and factors impacting recoverability. This analysis is reported monthly to the Bank Chief Credit Officer and the Bank Credit Risk Committee.

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Significant increase in credit risk

A SICR event occurs if a loan deteriorates on the master rating scale (MRS) by a defined number of notches since origination or by going into arrears. Loans with a higher MRS at origination (higher risk) require fewer notch movements to trigger a SICR event than loans with a lower MRS at origination (lower risk). From the perspective of arrears, 30 days past due is always considered stage 2. Exposures for which the MRS subsequently improves to below the SICR threshold will move back to stage 1. Loans restructured on commercial terms with a significant modification of their terms and conditions are considered a re-origination and will be moved into stage 1. The incorporation of forward-looking information (e.g. property prices, unemployment rate) within the ECL is designed to capture SICR events that are not yet reflected in observed data (e.g. arrears) at the exposure level.

Specific provisions

A specific provision for impairment is recognised where there is objective evidence of impairment and full recovery of principal and interest is considered doubtful. The present value of the expected future cash flows is compared to the carrying amounts of the loan. All factors that have a bearing on the expected future cash flows are considered, including the business prospects for the customer, the realisable value of collateral, the Group's position relative to other claimants, the reliability of customer information and the likely cost and duration of the work-out process. These judgements can change as new information becomes available and work-out strategies evolve. The asset quality of an exposure carrying a specific provision is rated as stage 3.

The Group's policy requires specific provisions to be reviewed at least quarterly, and more regularly as circumstances require. A forecast for specific provision movements is reviewed monthly at a Business Customer Support portfolio level.

Write-offs

A write-off is made when all practical recovery efforts have concluded and all or part of a financial asset is deemed irrecoverable or forgiven. Write-offs reduce the principal amount of a claim and are charged against previously established ECLs.

27.4.3 Expected credit loss model methodology, estimates and assumptions

Significant estimates, judgements and assumptions

The provision for impairment on financial assets is considered to be a significant accounting estimate and judgement as forecast macroeconomic conditions are a key factor in determining the ECL for loans and advances. The central economic forecast anticipates an increase in the unemployment rate to 4.7% at June 2025 and falling property values over the next two years. There remains a high risk of negative median house prices in the outlook given the tightening of monetary policy to date. For commercial property prices, the outlook remains poor, with falls anticipated given a high incentive environment eroding effective returns and continued low occupancy rates placing pressure on values. For rural, the outlook has improved with better weather conditions but volatile commodity prices and an end to the recent exceptional seasonal conditions contribute to downside risk for rural property prices. The ECL model calibration reflects the uncertain economic outlook.

Reported expected credit loss

The Group calculates the ECL by considering a distribution of economic outcomes around a central underlying scenario, with the distribution of outcomes reflecting the Group's view of the likelihood of more adverse outcomes.

As the negative impact of an economic downturn on credit losses tends to be greater than the positive impact of an economic upturn, AASB 9 *Financial Instruments* (AASB 9) requires the ECL to be a probability weighted outcome based on a range of possible outcomes.

Key assumptions underpinning the Group's reported ECL of $200 million are presented in the table below. As an example of the downside allowance in the model, there is a 20% probability that house price falls will exceed 20% over FY25/FY26 while the weighted average fall is 6.6%.

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	Model assumption %		
	FY25	FY26	FY25/26
Property prices - residential - weighted average annual change	(3.6)	(3.1)	(6.6)
Property prices - commercial office - weighted average annual change	(5.6)	(4.8)	(10.1)
Property prices - rural - weighted average change	(0.1)	(1.8)	(1.9)
Unemployment rate[1]	4.7	4.5	n/a

1. Unemployment rate reflects the forecast rate as at June 2025 and June 2026. The PD is driven by combinations of variables relevant for each portfolio, such as unemployment and property prices. These combinations form an Economic Cycle indicator for which there is a distribution of outcomes. As such, a weighted unemployment rate is not a direct model input.

Downside sensitivity expected credit loss

The ECL calculation relies on multiple variables and is inherently non-linear and portfolio-dependent, signifying no single analysis can fully demonstrate the sensitivity of the ECL to fluctuations in macroeconomic variables. As a result of economic uncertainty and the sensitivity to key macroeconomic variables, significant adjustments to the ECL could occur in future periods. To provide an indication of the impact of changes in key macroeconomic variables, a sensitivity analysis is conducted on the following key macroeconomic drivers to which the ECL is sensitive:

- residential and commercial property prices;
- the unemployment rate; and
- a combination of simultaneous adverse movements in the above variables.

The table below indicates how each of the aforementioned drivers would impact the profit (loss) before tax with a corresponding impact on the ECL at reporting date.

	Downside sensitivity	
	Movement in variable	Pre-tax impact Profit (loss) $M
Movement of variables in isolation		
Property prices – residential	Decrease weighted average ~500 bps over 2 years from a fall of 6.6% to 11.6%	(13)
Property prices – non-residential	Commercial office: Decrease weighted average ~500 bps over 2 years from a fall of 10.1% to 15.1% Rural: Decrease weighted average ~500 bps over 2 years from a fall of 1.9% to 6.9%	(10)
Unemployment rate	Increase ~100 bps over 1 year to forecast rates of 5.7% (CY25) and 5.5% (CY26)	(54)
Movement of variables in combination		
Property prices and unemployment rate all move in combination over the given timeframes	Adverse movements as above	(80)

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

28. Provisions and employee benefit liabilities

Provisions are recognised for present obligations arising from past events where a payment (or other economic transfer) is probable to be necessary to settle the obligation and can be reliably estimated.

	Restated June 2023[1] $M	Additions $M	Amounts used $M	Unused amounts reversed $M	Other[2] $M	June 2024 $M
Annual leave and other employee benefits	241	269	(251)	(2)	(1)	256
Long service leave	118	12	(10)	-	-	120
Pay and leave entitlements review	3	-	(1)	-	-	2
Leaseholds	14	-	(4)	-	(2)	8
Divestments and restructuring	18	21	(23)	(4)	-	12
Compliance and remediation programs[1]	61	57	(41)	-	-	77
Other	9	8	(9)	-	-	8
Total	**464**	**367**	**(339)**	**(6)**	**(3)**	**483**
Current	355					374
Non-current	109					109
Total	**464**					**483**

1. Comparative information has been restated to reflect the Group's adoption of AASB 17 from 1 July 2023.
2. Other movements in leaseholds relate to amounts reclassified to held for sale (refer to note 27.2).

Annual leave, long service leave and other employee benefits

The provision is determined based on expected payments.

Where the payments are expected to be more than one year in the future, these provisions include estimates such as employee service periods, employee turnover rates, future salary increases and mix of leave taken versus paid out. These future obligations are discounted using a market observable rate.

Leaseholds

Leasehold provisions recognised are management's best estimate of the amount required to discharge the Group's contractual make good obligations.

Divestments and restructuring

A divestment provision is recognised in relation to the costs associated with exiting the Australian Wealth business (SPSL). A restructuring provision is recognised in relation to changes in the Group's operating model primarily for redundancy costs.

Compliance and remediation

The requirement for anticipated customer remediation has been assessed across the Group, Bank, Insurance (Australia) and Suncorp New Zealand businesses. Significant resources have been committed to a comprehensive program of work, to ensure that all issues are identified and addressed.

Key remediation programs have been identified and associated provisions estimated. As at 30 June 2024, the remaining provision includes cost estimates for the following:

- Estimated remediation for insurance customers relating to discount entitlements on premiums and claims adjustments.
- Coverage of legal costs for ongoing litigation.
- Matters arising from regulatory and supervisory reviews disclosed in note 29.2 "Contingent liabilities" where the potential impact can be reliably measured.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

Accounting policies

A provision is a liability of uncertain timing or amount which is recognised in the consolidated SoFP when the Group has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and the amount can be reliably estimated.

If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Short-term employee benefits

Liabilities for short-term employee benefits are those expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related services. They are measured at the amounts expected to be paid when the liabilities are settled. Related on-costs such as superannuation, workers' compensation and payroll tax are also included in the liability.

Long service leave and annual leave

The liabilities for long service leave and annual leave are those not expected to be settled wholly before 12 months after the end of the reporting period. They are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using Australian corporate bond rates with terms to maturity that match, as closely as possible, the estimated future cash outflows. Related on-costs such as superannuation, workers' compensation and payroll tax are also included in the liability.

Termination benefits

Termination benefits are recognised as an expense when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructure. Termination benefits for voluntary redundancies are recognised as an expense if the Group can no longer withdraw the offer as an employee has accepted the offer or when a restriction on the Group's ability to withdraw the offer takes effect.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

29. Contingent assets and liabilities

29.1 Contingent assets

Contingent assets are not recognised, but are disclosed in the consolidated financial statements when inflows are probable. If inflows become virtually certain, an asset is recognised.

There are claims and possible claims made by the Group against external parties. Where considered appropriate, privileged legal advice has been obtained. The Group does not consider the outcome of any such claims known to exist at the date of this report, either individually or in aggregate, is likely to have a material effect on its operations or financial position. The Group is of the opinion that receivables are not required in respect of these matters, as the inflow of future economic benefits is probable but not virtually certain.

29.2 Contingent liabilities

Contingent liabilities are not recognised, but are disclosed in the consolidated financial statements, unless the possibility of settlement is remote, in which case no disclosure is made. If settlement becomes probable and the amount can be reliably estimated, a provision is recognised.

There are contingent liabilities facing the Group in respect of the matters below.

Regulatory and internal reviews

Reviews and enquiries from regulators may result in investigation and administrative costs, system changes, litigation, and regulatory enforcement action (and associated legal costs), compensation and/or remediation payments (including interest) or fines and penalties. The Group conducts its own internal reviews of its regulatory compliance, which it may disclose to the regulators in Australia and New Zealand, which may result in similar costs.

In recent periods, a number of regulators in Australia and New Zealand including ASIC, APRA, Australian Competition and Consumer Commission (ACCC), Australian Transaction Reports and Analysis Centre (AUSTRAC), the Australian Taxation Office (ATO), and the RBNZ and Financial Markets Authority (FMA) in New Zealand conducted reviews and made enquiries with the Group. There were a number of non-compliance instances identified and disclosed by the Group to various regulatory authorities including ASIC, APRA, AUSTRAC, the Office of the Australian Information Commissioner (OAIC), the Fair Work Ombudsman (FWO) and FMA.

In FY24, Suncorp-Metway Limited (SML) remained focused on uplifting the maturity of its Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) systems and controls. To ensure a strategic and holistic approach, management established a Financial Crime Compliance Program of Action (FCCPoA). The FCCPoA incorporated the actions arising from AUSTRAC's 2022 AML/CTF Compliance Assessment Report findings in relation to SML's AML Program as well as findings and recommendations from internal assurance and audit work. Management regularly reported to AUSTRAC on progress of the FCCPoA.

As previously disclosed, FMA initiated proceedings against AA Insurance Limited (AAI NZ) relating to multi-policy discount, New Zealand Automobile Association member discount, and no claims bonus (NCB) customer remediation activities, seeking a declaration of contravention of certain sections of the Financial Markets Conduct Act 2013 and a pecuniary penalty. As of 30 June 2024, the scope and quantum of any penalty remain undetermined and subject to a Court ruling. A provision has been made for the potential penalty based on the best estimate.

An assessment of the likely cost to the Group of the above matters has been made on a case-by-case basis but cannot always be reliably estimated. To the extent that the potential impact can be reliably estimated, the amount has been provisioned.

Customer remediation and complaints

The Group is currently undertaking a number of programs of work in both Australia and New Zealand to resolve prior issues that have impacted customers. Contingent liabilities may exist in respect of actual or potential claims, compensation payments and/or remediation payments (including interest) identified as part of existing programs of work or as part of future programs responding to regulatory or internal reviews, which have not been provided for.

The Australian Financial Complaints Authority (AFCA) has the power to award compensation within financial limits prescribed by its rules on complaints raised by customers and investigate matters they consider may be 'systemic'. The Group is working through individual cases that have been referred to AFCA as well as any systemic matters opened by AFCA.

An assessment of the likely cost to the Group of reviews and customer complaints has been made on a case-by-case basis but cannot always be reliably estimated. To the extent that the potential impact can be reliably estimated, the amount has been provisioned.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

Royal Commission

As disclosed previously, the Financial Services Royal Commission recommended establishing a Compensation Scheme of Last Resort (CSLR) to provide compensation to victims of financial misconduct who have won their cases through AFCA but have not been paid due to the insolvency of the involved financial institution.

On 22 June 2023 the Australian Parliament passed legislation establishing the CSLR in Australia. As one of the ten largest financial APRA-regulated banking and insurance organisations in the 2021-22 income year, the Group was required to pay a one-off levy to finance past unpaid Determinations of unrelated insolvent institutions. The one-off levy was provided for in the financial year ended 30 June 2023 and, following ASIC's issue of the invoice in May 2024, was fully paid by end of July 2024.

In addition to the one-off levy, Suncorp Bank is within the financial subsectors required to pay annual levies to the CSLR from July 2025. Following the sale of the Suncorp Bank completed on 31 July 2024, the remainder of the Group is only expected to be exposed to special levies if the CSLR or relevant Minister determines that the Group should contribute at a later time. Potential outflows remain uncertain.

Litigation

As previously disclosed, a class action was filed against AAI Limited and MTAI Pty Ltd on behalf of persons who purchased add-on insurance products sold with the purchase or lease of motor vehicles at car dealerships between 1 May 2006 and 30 June 2018. The Group is defending this matter. The Group has made provision for legal, investigation and other defence costs. It is currently not possible to determine the ultimate financial impact of this matter, if any.

As previously disclosed, various business interruption wordings have been examined through litigation including two significant industry test cases following the onset of the COVID-19 pandemic. The Full Federal Court broadly found in favour of the insurers concluding that, in most instances, the indemnity clauses did not trigger. There are some ongoing business interruption disputes with AAI customers at AFCA and AFCA have indicated that they will apply the test case principles. While settled in the main, there are some class actions with other industry participants, the outcome of which may have broader industry application and impact the Group's future exposure.

The potential impact of these matters is uncertain and has been considered in the recognition of claims provisions and risk margins in the General Insurance contract liabilities as set out in note 8.1.1.

There are other outstanding court proceedings, potential fines, enquiries, industry reviews, claims and possible claims against the Group, the aggregate amount of which cannot be readily quantified. Where considered appropriate, privileged legal advice has been obtained. The Group does not consider the outcome of any such claims known to exist at the date of this report, either individually or in aggregate, likely to have a material effect on its operations or financial position.

An assessment of the likely cost to the Group of these matters has been made on a case-by-case basis but cannot always be reliably estimated. To the extent that the potential impact can be reliably estimated, the amount has been provisioned.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

29.2 Contingent liabilities [continued]

Sale of businesses

As part of the sale of SLSL during the financial year ended 30 June 2019, the Group provided warranties and indemnities to SLSL and TAL Dai-ichi Life Australia Pty Ltd (TAL). Warranties expired on 28 February 2024. Potential outflows relating to indemnities remain uncertain.

As part of the sale of Capital S.M.A.R.T and ACM Parts during the financial year ended 30 June 2020, the Group provided warranties in the respective Share Sale and Purchase Agreements entered into with AMA Group Limited (AMA). As at 30 June 2024, no claims are outstanding and the period within which claims may be commenced has expired, except for tax warranties. The period to commence tax warranty claims expires in October 2026. Any potential outflows remain uncertain.

As part of the sale of Resilium during the financial year ended 30 June 2019, the Group provided certain tax warranties in the Sale and Purchase Agreement entered into with the Resilium management team. These warranties expired on 31 May 2024.

As part of the sale of SPSL to LGIAsuper during the financial year ended 30 June 2022, Suncorp Life Holdings Limited provided warranties and indemnities to LGIA Trustee, as trustee of LGIAsuper. These included warranties, indemnities, and remediation obligations regarding the provision of services and products in accordance with the terms and conditions of the contractual arrangements. Any outflows relating to the warranties and indemnities remain uncertain.

As part of the sale of Suncorp's 50% stake in RACT Insurance to Royal Automobile Club of Tasmania during the financial year ended 30 June 2022, the Group provided certain warranties relating to title and capacity and a tax indemnity as part of the Share Purchase Agreement. Any potential outflows relating to the indemnity remain uncertain.

AA Finance, a 50 : 50 joint venture between Suncorp and the New Zealand Automobile Association, sold its motor vehicle loan book to UDC Finance in October 2023. As part of the sale, AA Finance provided certain warranties in relation to the loan book in the Sale and Purchase Agreement with both Suncorp and the New Zealand Automobile Association acting as a guarantor. Any potential outflow in relation to the warranties remain uncertain.

As disclosed in the Subsequent events, the sale of the Suncorp Bank to ANZ was completed on 31 July 2024. As part of the sale, the Group provided warranties and indemnities to ANZ for certain pre-Completion matters including breaches of AML and CTF laws, certain litigation and regulatory matters and other market standard warranties and indemnities. The Group also provided warranties and indemnities concerning the transitional services to be provided to ANZ under the TSA. Any potential outflows in relation to the warranties and indemnities remain uncertain.

Other

Under the terms of its contracts with New Zealand life insurance advisers, the Group could potentially acquire the entitlement of individual advisers to future income streams from life insurance renewal commission for business in-force as at 16 April 2021, should the advisers themselves be unable to find an approved buyer within six months of the date that the agreement ends. For in-force business written since 16 April 2021, the entitlement of individual advisers to future income streams from renewal commission if an approved buyer is not found within six months of the date that the agreement ends, is ceded to the Company at no cost. The liability for future renewal commission is contained in the Group's policy liabilities, and therefore these potential transactions do not result in any change to the Group's net assets or profit or loss. In practice, these transactions are not frequent, and management do not consider the consequent acceleration of the timing of underlying cash flows to be material.

Certain subsidiaries act as trustee for various trusts. In this capacity, the subsidiaries are liable for the debts of the trusts and are entitled to be indemnified out of the trust assets for all liabilities incurred on behalf of the trusts.

Some companies in the Group, apart from the Company, also provide financial guarantees to external parties and may be exposed to contingent liabilities.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

30. Auditors' remuneration

	2024	2023	2024	2023
	KPMG Australia		Overseas KPMG firms	
	$000	$000	$000	$000
Audit and review services				
Audit and review of financial reports	**4,428**	3,544	**1,323**	1,273
	4,428	3,544	**1,323**	1,273
Assurance services				
Regulatory assurance services	**1,448**	1,598	**401**	407
Other assurance services[1]	**845**	1,056	**8**	7
	2,293	2,654	**409**	414
Other services				
Other non-audit services[2]	**259**	115	**-**	-
Total auditors' remuneration	**6,980**	6,313	**1,732**	1,687

1. Other assurance services are assurance services other than Regulatory assurance services and primarily relate to services for emissions reporting, Investor Pack review, and external peer reviews.
2. Other non-audit services include advisory services for loan capital issued by the Group and agreed upon procedure engagements.

31. Subsequent events

The sale of Suncorp Bank to ANZ was completed subsequent to end of financial year on 31 July 2024. The details of the financial impact of the transaction are included in note 27. Completion is a non-adjusting subsequent event.

In the directors' opinion, between the end of the financial year and the date of this report, no other transaction or event of a material and unusual nature has arisen to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Company in future financial years.

Consolidated entity disclosure statement

As at 30 June 2024

Entity name	Entity type	Place incorporated/ formed	Equity holding %	Tax residency[5]
Suncorp Group Limited (the Company)	Body corporate	Australia	100	Australia
Suncorp Insurance Holdings Limited	Body corporate	Australia	100	Australia
AAI Limited	Body corporate	Australia	100	Australia
Australian Associated Motor Insurers Pty Limited	Body corporate	Australia	100	Australia
Australian Pensioners Insurance Agency Pty Limited	Body corporate	Australia	100	Australia
GIO Australia Pty Limited	Body corporate	Australia	100	Australia
GIO General Pty Limited	Body corporate	Australia	100	Australia
GIO Insurance Investment Holdings A Pty Limited	Body corporate	Australia	100	Australia
MTA Insurance Pty Ltd	Body corporate	Australia	100	Australia
Shannons Auctions Pty Limited	Body corporate	Australia	100	Australia
Shannons Pty Limited	Body corporate	Australia	100	Australia
Suncorp Metway Insurance Pty Limited	Body corporate	Australia	100	Australia
Suncorp Partner Holdings Pty Ltd	Body corporate	Australia	100	Australia
Platform Ventures Pty Ltd	Body corporate	Australia	100	Australia
Platform CoVentures Pty Ltd	Body corporate	Australia	100	Australia
Terri Scheer Insurance Pty Ltd	Body corporate	Australia	100	Australia
VSPL Pty Ltd	Body corporate	Australia	100	Australia
New Zealand Surety Corporation Limited	Body corporate	New Zealand	100	New Zealand
Suncorp Insurance Services Limited	Body corporate	Australia	100	Australia
Suncorp Legal Pty Ltd	Body corporate	Australia	100	Australia
Suncorp Insurance Ventures Pty Ltd	Body corporate	Australia	100	Australia
Home Repair.net.au Pty Ltd	Body corporate	Australia	100	Australia
Repair Methods Australia Pty Ltd	Body corporate	Australia	100	Australia
Suncorp Insurance (General Overseas) Pty Ltd	Body corporate	Australia	100	Australia
Suncorp Group Holdings (NZ) Limited	Body corporate	New Zealand	100	New Zealand
Suncorp NZ Employees Limited	Body corporate	New Zealand	100	New Zealand
Suncorp New Zealand Services Limited	Body corporate	New Zealand	100	New Zealand
Vero Insurance New Zealand Limited[2]	Body corporate	New Zealand	100	New Zealand
Vero Liability Insurance Limited	Body corporate	New Zealand	100	New Zealand
AA Insurance Limited	Body corporate	New Zealand	68	New Zealand
VL Limited	Body corporate	New Zealand	100	New Zealand
SBGH Limited[3]	Body corporate	Australia	100	Australia
Suncorp-Metway Limited[3]	Body corporate	Australia	100	Australia
APOLLO Series 2008-1R Trust[3]	Trust	Australia	N/A	Australia
APOLLO Series 2015-1 Trust[3]	Trust	Australia	N/A	Australia
APOLLO Series 2017-1 Trust[3]	Trust	Australia	N/A	Australia
APOLLO Series 2017-2 Trust[3]	Trust	Australia	N/A	Australia
APOLLO Series 2018-1 Trust[3]	Trust	Australia	N/A	Australia
APOLLO Series 2022-1 Trust[3]	Trust	Australia	N/A	Australia

Consolidated entity disclosure statement

As at 30 June 2024

Entity name	Entity type	Place incorporated/ formed	Equity holding %	Tax residency[5]
APOLLO Series 2023-1 Trust[3]	Trust	Australia	N/A	Australia
APOLLO Series 2024-1 Trust[3]	Trust	Australia	N/A	Australia
APOLLO Warehouse Trust No. 2[3]	Trust	Australia	N/A	Australia
Suncorp Covered Bond Trust[3]	Trust	Australia	N/A	Australia
National Finance Network Pty Limited[4]	Body corporate	Australia	100	Australia
QIDC Pty Limited[4]	Body corporate	Australia	100	Australia
Suncorp Finance Pty Limited[4]	Body corporate	Australia	100	Australia
SPDEF #2 Pty Ltd[1,4]	Body corporate	Australia	100	Australia
Suncorp Property Development Equity Fund #2 Unit Trust[4]	Trust	Australia	N/A	Australia
SME Management Pty Limited[3]	Body corporate	Australia	100	Australia
Suncorp Metway Advances Corporation Pty Ltd[3]	Body corporate	Australia	100	Australia
SSSL Pty Ltd[4]	Body corporate	Australia	100	Australia
Suncorp Life Holdings Limited	Body corporate	Australia	100	Australia
Guardian Financial Planning Pty Limited	Body corporate	Australia	100	Australia
GuardianFP Pty Limited	Body corporate	Australia	100	Australia
Suncorp Financial Services Pty Ltd	Body corporate	Australia	100	Australia
Suncorp Funds Pty Ltd	Body corporate	Australia	100	Australia
Suncorp Wealth Services Pty Ltd	Body corporate	Australia	100	Australia
Suncorp Insurance (Life Overseas) Pty Ltd	Body corporate	Australia	100	Australia
Suncorp Group Services NZ Limited	Body corporate	New Zealand	100	New Zealand
Suncorp Group New Zealand Limited	Body corporate	New Zealand	100	New Zealand
Asteron Life Limited	Body corporate	New Zealand	100	New Zealand
Suncorp Group Employee Incentive Plan Trust	Trust	Australia	N/A	Australia
Suncorp Staff Pty Ltd	Body corporate	Australia	100	Australia
Suncorp Corporate Services Pty Ltd	Body corporate	Australia	100	Australia

1. Trustee of Suncorp Property Development Equity Fund #2 Unit Trust which is consolidated in the consolidated financial statements.
2. Participant in the AA Insurance Limited joint venture which is consolidated in the consolidated financial statements.
3. Entity was divested as part of the Suncorp Bank sale on completion date (refer to note 27 in the consolidated financial statements).
4. Entity was transferred from Suncorp Bank to Suncorp Group Limited in accordance with the Restructure Agreement (refer to Overview section in the consolidated financial statements).
5. Entities disclosed with a tax residency of "Australia" are Australian residents at reporting date within the meaning of the *Income Tax Assessment Act 1997*. For foreign resident entities (within the meaning of the *Income Tax Assessment Act 1997*), the respective foreign jurisdiction is indicated in which the entity was, at reporting date, a resident for the purposes of the law of the foreign jurisdiction relating to foreign income tax.

Consolidated entity disclosure statement

As at 30 June 2024

Key assumptions and judgements

Determination of Tax Residency

Subsection 295(3A) of the *Corporations Act 2001* requires that the tax residency of each entity which is included in the 'Consolidated entity disclosure statement' be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining residency, the consolidated entity has applied the following interpretations:

- **Australian tax residency**
  The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in *Taxation Ruling TR 2018/5*.
- **Foreign tax residency**
  The consolidated entity has applied current legislation and, where available, judicial precedent in the determination of foreign tax residency.

Trusts

Australian tax law does not contain specific residency tests for trusts. Generally, trusts are taxed on a flow-through basis so there is no need for a general residence test. There are some provisions which treat trusts as residents for certain purposes, but this does not mean the trust itself is an entity that is subject to tax.

Directors' Declaration

1. The directors of Suncorp Group Limited (the **Company**) declare that in their opinion:
    a. The consolidated financial statements and notes, and the Remuneration Report in the Directors' Report, set out on pages 54 to 149, are in accordance with the *Corporations Act 2001* (Corporations Act), including:
        i. giving a true and fair view of the Suncorp Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
        ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001.*
    b. The consolidated entity disclosure statement required by section 295(3A) of the Corporations Act and included on pages 150 to 152 of the Annual Report is true and correct; and
    c. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The directors have been given the declarations required by section 295A of the Corporations Act from the Group Chief Executive Officer and Managing Director and the Acting Group Chief Financial Officer for the financial year ended 30 June 2024.
3. The directors draw attention to note 2.1 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.
    As the Group Chief Financial Officer is unavailable to provide this declaration for the FY24 full-year results having undergone a recent minor surgical procedure, it has been provided by the Acting Group Chief Financial Officer as delegate and who, in the Group Chief Financial Officer's absence, is performing the chief financial officer function for the purpose of section 295A of the Corporations Act.

Signed in accordance with a resolution of the directors:

Christine McLoughlin

Christine McLoughlin, AM

Chairman
19 August 2024

Steve Johnston

Group Chief Executive Officer and Managing Director
19 August 2024

Independent Auditor's Report to the shareholders of Suncorp Group Limited

KPMG

Independent Auditor's Report

To the shareholders of Suncorp Group Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Suncorp Group Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001,* in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2024
- Consolidated statement of comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2024
- Notes, including material accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

KPMG

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Initial adoption of AASB 17 *Insurance Contracts*;
- Valuation of Insurance Contract Liabilities and Reinsurance Contract Assets;
- Valuation of goodwill;
- Assets held for sale;
- Provisions for impairment on financial assets – loans and advances; and
- Information Technology (IT) systems and controls

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Initial adoption of AASB 17 *Insurance Contracts*

Refer to Note 2.3 to the Financial Report

The key audit matter	How the matter was addressed in our audit
On 1 July 2023, the Group transitioned to reporting under the new accounting standard AASB 17 *Insurance Contracts* ("AASB 17") which replaced AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts* The initial adoption of AASB 17 is a key audit matter due to the inherent complexity of adopting this standard for the first time. The standard introduces new approaches for the accounting for insurance and reinsurance contracts, increasing the need for interpretation, judgement and audit effort. We focused on: • the Group's new accounting processes, policies and controls in response to the AASB 17 requirements; • the Group's transition approach applied retrospectively to the insurance and	Our procedures included: • consideration of the Group's new accounting policies and practices against the requirements of the accounting standard and our understanding of the business and industry practice; • obtaining an understanding of the Group's new processes used to measure the insurance contract liabilities and retained earnings adjustment; • assessing the transition approach and checking that the transition adjustments and restatements are accurately reflected in the financial statements; • working together with our actuarial specialist, we evaluated the Group's measurement of the Liability for Remaining Coverage (LRC) and Liability for Incurred Claims (LIC) as at the transition date by checking if the present value

Independent Auditor's Report to the shareholders of Suncorp Group Limited

KPMG

reinsurance contracts as at 1 July 2022; • changes made to the measurement of liabilities and the impact on revenue recognition and overall financial statement presentation; • the judgement used for relevant assumptions used in the measurement of insurance contract liabilities and onerous contracts; and • the adequacy and completeness of disclosures related to the adoption of AASB 17. We involved our senior audit team members in assessing this key audit matter, along with actuarial specialists.	for future cashflows, risk adjustment, contractual service margin (where applicable) and loss component have been measured in compliance with the requirements of AASB 17; and • assessing the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standard and industry practice.

Valuation of Insurance Contract Liabilities and Reinsurance Contract Assets (Insurance Contract Liabilities AUD 12,362 million, Reinsurance Contract Assets AUD 1,158 million)

Refer to Note 8 to the Financial Report

The key audit matter	How the matter was addressed in our audit
The valuation of insurance contract liabilities and reinsurance contract assets is a key audit matter. It involves significant judgement to be applied by the Group and by us given the high degree of uncertainty inherent in challenging the estimation of the liability of incurred claims (LIC) and asset for incurred claims (AIC), comprising of the present value of future cashflows related to past services provided and a risk adjustment. In particular, we focused on the Group's: • estimation of future payments for claims incurred at the reporting date which have been reported, but also those claims which have not yet been reported to the Group as it may take many years to notify a claim, and the ultimate cost may be influenced by factors unknown at 30 June 2024 or outside of the control of the Group. • application of historical experience of	Working with our actuarial specialists, our procedures included: • assessing the appropriateness of the Group's selection of actuarial methods against the requirements of the accounting standards, actuarial standards, the methods applied in the prior periods and by industry. • testing key IT controls in relation to the claim payments. This included relevant associated IT general and application controls, such as system enforced segregation of duties. We involved our IT specialists in testing the IT controls. • testing key actuarial controls including the reconciliations of key data related to claims payments and case estimates, and the Group's oversight of the liability for incurred claims. • testing a sample of claim payments and case estimates to underlying third party

claims development to determine current estimates, including the variability between the original estimation and the ultimate settlement of claims where there is a long time delay between the claim being incurred and the ultimate settlement such as Compulsory Third Party and Worker's Compensation. This includes assessing key assumptions for significant classes of business which are forward-looking and tend to be prone to greater risk for potential bias, such assumptions include discount rate, claims handling expense ratio, economic and superimposed inflation applied and risk adjustment. • valuation of the assets for incurred claims within reinsurance contract assets involves a high degree of judgement due to the implicit dependence on the estimate of gross outstanding claims and the complexity of significant contracts such as coverage for natural hazards and catastrophes. • the identification and estimation of those classes of business that are classified as onerous As the auditor, challenging the Group's valuation process requires deep understanding of the industry and specialist actuarial knowledge.	evidence such as invoices, expert reports, legal advice and bank statements. This was performed to test the accuracy of the claims information used within the estimation of the liability for incurred claims. • performing our own re-estimation of a sample of significant classes of business liability for incurred claims to compare and challenge the Group's liability for incurred claims using industry accepted actuarial methods. To do this, we used the information on the Group's claims payments and case estimation data, understood the facts and circumstances of the claims through our sample testing and developed our own estimation of expected future payments on the liability for incurred claims. Exercising our judgement, our procedures included using our understanding of relevant class of business and the macroeconomic environment and comparing data and assumptions used by the Group in estimating expected future payments to comparable industry data. • for selected significant classes of business, and consideration of claims relating to natural hazard events, we have performed an assessment of the: — accuracy of previous estimates including comparison of the prior year liabilities against current year actual experience of costs and claims; and — key assumptions used such as discount rate, claims handling expense ratio, economic, superimposed inflation applied and risk adjustment, by comparing to Suncorp internal data and relevant industry data. • considering evidence of management bias, we evaluated the key assumptions and selection of methods against the Group's historical experience and industry trends. • for reinsurance recoveries, we checked a sample of the underlying claims data to the terms of the reinsurance contract

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	coverage for consistency in recognising the amount in the year. In addition, we incorporated the assets for incurred claims into our procedures performed in respect of the gross liability for incurred claims described above. • Assessing the onerous contract assessment and testing the loss component applied in the liability for remaining coverage, including evaluating the significant assumptions against relevant supporting information. • assessing the appropriateness of the related disclosures in the financial report using our understanding obtained from procedures described above and the requirements of the accounting standards.

Valuation of goodwill (AUD 4,459 million)	
Refer to Note 21 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
A key audit matter for us was the Group's annual testing of goodwill for impairment, given the high level of judgement required by us in assessing the significant forward-looking assumptions the Group applied in their valuation models for each Cash Generating Unit (CGU) using a value-in-use method, including: • forecast cash flows, growth rates and terminal growth rates. The current and expected uncertain economic conditions increase the inherent uncertainty of the forecasts, the probability of a wider range of possible outcomes and the possibility of goodwill being impaired. • discount rates. These are complicated in nature and vary according to the conditions and environment the specific CGU is subject to from time to time. The Group engaged an external expert to assist in determining the discount rates. The Group uses	Working with our valuation specialists, our procedures included: • considering the appropriateness of the valuation methods applied by the Group to each CGU to perform the annual test of goodwill for impairment against the requirements of the accounting standards. • analysing the reorganised segments and the Group's internal reporting to assess the Group's monitoring and management of activities, and the consistency of the allocation of goodwill to CGUs • assessing the accuracy of previous Group forecasts to inform our evaluation of forecasts incorporated in the models. • checking the consistency of the growth rates to the Group's stated plan and strategy, past performance of the Group, and our experience regarding the feasibility of these in the industry and/or economic environment in which they

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complex models to perform their annual testing of goodwill for impairment. The models are largely manually developed and use a range of internal and external sources as inputs to the assumptions. Complex modelling, particularly those containing highly judgemental allocations of corporate assets and costs to CGUs, using forward-looking assumptions tend to be prone to greater risk for potential bias, error and inconsistent application. These conditions necessitate additional scrutiny by us, in particular to address the objectivity of sources used for assumptions, and their consistent application. In addition to the above, during the year the Group reorganised its segments, based on the management and monitoring of the business. This restructure necessitated our consideration of the Group's reallocation of goodwill to their respective CGUs. The recoverable amount of the Banking CGU was determined based on fair value less cost to sell. We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.	operate. • challenging the Group's forecast cash flow and growth assumptions in light of the economic uncertainties. We compared the forecast cash flows contained in the value in use models and compared the key events to the Board approved plan. We compared the forecast growth rates and terminal growth rates to published studies of industry trends and expectations, and considered differences for the Group's operations. We used our knowledge of the Group, their past performance, business and customers, and our industry experience. • independently developing a discount rate range considered comparable to the CGUs using publicly available market data for comparable entities, adjusted by risk factors specific to the CGUs, Group and the industry it operates in. • assessing the sensitivity of the models by varying key assumptions, such as forecast growth rates, terminal growth rates and discount rates within a reasonably possible range. We did this to identify those CGUs at higher risk of impairment and those assumptions at higher risk of bias or inconsistency in application and to focus our further procedures. • assessing the scope, competency and objectivity of the Group's external expert. • assessing the recoverable value of the Bank CGU recorded by the Group against the terms and conditions of the signed Share Sale and Purchase Agreement. • assessing the disclosures in the financial report using our understanding of the issue obtained from our testing and against the requirements of the accounting standards.

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Assets held for sale	
Refer to the Note 27 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
On 18 July 2022, the Group signed a share sale and purchase agreement with Australia and New Zealand Banking Group Limited (ANZ) to sell its banking business, Suncorp Metway-Limited ("SML"). The sale transaction was completed subsequent to balance date, on 31 July 2024. At reporting date, SML was classified as held for sale and a discontinued operation in accordance with AASB 5 *Assets held for sale*. This is considered to be a key audit matter due the judgements made by the Group in: • in determining whether SML meets the criteria to be classified as held for sale in line with the accounting standards; • determining the assets and liabilities were measured at the lower of the carrying value and fair value less costs to sell.	Our procedures included: • inspecting the underlying share sale agreement (SPA) to develop an understanding of the terms and conditions of the sale. • assessing whether the requirements of accounting standards have been met regarding classification and presentation of SML as held of sale and a discontinued operation. • Assessing on a sample basis, whether the assets and liabilities were measured at the lower of the carrying value and fair value less costs to sell. • Assessing the adequacy and appropriateness of related disclosures against the requirements of accounting standards.

Provision for impairment on financial assets – loans and advances (AUD 214 million)	
Refer to Note 27.4.1 to the Financial Report, as Provision for impairment on financial assets now forms part of the Sale of Suncorp Bank note	
The key audit matter	**How the matter was addressed in our audit**
Expected credit loss (ECL) provisions for loans and advances held at amortised cost are a key audit matter due to the significance of the balance of loans and advances held at amortised cost to the financial statements and the inherent complexity of the Group's ECL models. AASB 9 Financial Instruments (AASB 9) requires significant judgement to estimate ECLs. The ECL provision is a forward-looking probability weighted estimate reflecting a range of assumptions affecting the performance of loans and advances and the specific	Our procedures included: Testing key controls relating to: • reconciliation of relevant data used in the ECL models and specific provisioning assessments to gross balances recorded within the general ledger as well as source systems; • the onboarding of new lending facilities, including quality checks on key loan information (such as borrower type and security details) used in the measurement

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circumstances of those individual exposures. The Group's model to estimate the ECL includes critical assumptions to determine when a significant increase in credit risk (SICR) has occurred, estimating forward looking macro-economic assumptions and judgemental post-model adjustments. At balance date, economic uncertainty remained heightened. Given the range of potential economic outcomes and impacts, significant judgement continues to be exercised by the Group in developing forward-looking macro-economic scenarios to estimate future credit losses. The Group calculates the ECL utilising a distribution model which estimates economic outcomes around a weighted underlying forward-looking macro-economic scenario. Post-model adjustments to the ECL results are also made by the Group to address known ECL model limitations or emerging trends in the loan portfolios. For credit-impaired loans, it is the Group's policy to identify specific ECLs (specific provisions) based on the Group's judgement. This focuses on estimating when an impairment event has occurred and the present value of expected future cash flows, which have high estimation uncertainty. This is due to the forecast cash flows being dependent on future and uncertain events, for example, the timing and proceeds from the future sale of collateral, which are inherently challenging to predict. These features resulted in significant audit effort to address the risks of loan recoverability and the determination of related ECLs, hence considering this to be a key audit matter.	of ECL provisions; • assessment of the credit quality of business lending counterparties; • systems recording retail loans lending arrears; • the Group's monitoring mechanisms to identify loans experiencing signs of stress, including a Significant Increase in Credit Risk (SICR) or default event; • the Group's ECL model governance, model performance monitoring and model validation processes; and • the Group's assessment and approval of the ECL provisions estimate, application of forward-looking macroeconomic assumptions, and post-model adjustments. In addition to controls testing, our procedures included: • testing the accuracy of a sample of critical data elements used within ECL models, such as checking year end loan balances, repayment history and risk ratings to source systems. • working with our credit risk specialists: — we reperformed the key components of the Group's model validation processes over key ECL models; and — we assessed the accuracy of the Group's ECL model estimates by re-performing the calculation for a sample of ECL models using the Group's provisioning methodology and relevant data used within the ECL models. We compared our results to the amount recorded by the Group. • working with our economic specialists, we challenged the assumptions made in the Group's central case forward-looking macro-economic scenario incorporated into the ECL models. Examples include comparing the Group's forecasts with those of KPMG's economist, and with published data provided by reputable property data and analytics providers.

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	• assessing the post-model adjustments applied by the Group to the ECL provisions. We challenged the basis for the adjustments and compared the loan portfolios' underlying performance and characteristics to current market conditions, emerging risks and trends, using our knowledge of the industry . • re-performing credit assessments of a sample of loans controlled by the Group's specialist workout and recovery team assessed as of higher risk or impaired (specific provisions). We challenged the Group's risk grading of the loan, staging and SICR treatment and assessment of loan recoverability. • For a sample of loans we took into consideration the Group's qualitative and quantitative risk rating criteria and compared the adopted risk ratings, staging and SICR status of these accounts with our expectation. • as part of assessing recoverability including for individually provisioned exposures, we evaluated the valuation and timing of collateral realisation and compared data and assumptions used by the Group to the Group's externally sourced evidence for valuations of collateral held. We compared inputs utilised in the valuation reports relied upon by the Group with more recent evidence such as median property prices published by reputable property data and analytics providers and recent valuations of comparable properties completed by certified practicing valuers. • assessing the appropriateness of the Group's disclosures using our understanding obtained from our testing and against the requirements of the accounting standards.

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Information Technology (IT) systems and controls	
Refer to the basis of preparation in Note 2 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
The Group's businesses utilise a number of interdependent IT systems to process and record a high volume of financial transactions. Controls for access and changes to relevant IT systems are critical to the recording of financial information and the preparation of a financial report which provides a true and fair view of the Group's financial position and performance. The IT systems and controls, as they impact the financial recording and reporting of transactions, is a key audit matter and our audit approach could significantly differ depending on the effective operation of the Group's IT controls. KPMG IT specialists were used throughout the engagement as a core part of our audit team.	Working with our IT specialists, we obtained an understanding of the Group's IT environment and risk assessment processes, for how the Group uses IT as part of financial reporting. We evaluated the risks to the Group's current year financial statements resulting from, among other things, unauthorised access to financial reporting systems, including IT applications, databases, and operating systems. We tested key systems, automated controls and the control environments underlying the relevant financial preparation processes. Our procedures included: • testing controls relevant to the governance of access rights given to employees, contractors and privileged users by checking them to approved records, and inspecting the reports regarding the granting and removal of access rights. We also tested controls related to monitoring of access rights. • testing controls used to request, document, develop, test and authorise changes to the functionality and configuration of core systems relevant to in-scope automated controls. This also included controls related to the appropriateness of users with access to request, authorise, and release changes into the production environment of core systems relevant to financial reporting. • testing the operating effectiveness of automated controls key to our audit testing in relation to system calculations, the generation of reports, and operation of system enforced access controls. We tested mitigating controls where we noted design or operating effectiveness deficiencies relating to IT system or application controls relevant to our audit. We also raised these matters with the Group.

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Other Information

Other Information is financial and non-financial information in Suncorp Group Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the

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Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Suncorp Group Limited for the year ended 30 June 2024, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 54 to 83 of the Directors' report for the year ended 30 June 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

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Scott Guse

Scott Guse

Partner

Brisbane

19 August 2024

Shareholder information

Suncorp Group Limited is a publicly-listed company limited by shares and incorporated in Australia.

Suncorp Group Limited shares are listed on the Australian Securities Exchange (ASX).

Stock exchange information

The number of securities as at 19 July 2024 and the respective codes for all securities are set out below.

Suncorp Group Limited

ASX Security code	Number of securities
SUN	1,272,316,092 ordinary shares
SUNPH	3,890,000 capital notes
SUNPI	4,050,000 capital notes
SUNPJ	3,600,000 capital notes

American depository receipts (ADR) program

ADRs are securities issued in the United States which replicate locally issued ordinary shares that are denominated and pay dividends in US dollars.

Suncorp Group Limited ADRs are negotiable certificates issued by Deutsche Bank AG, with one ADR representing one Suncorp Group Limited ordinary share. They are traded under the symbol SNMCY and are classified as sponsored Level 1.

Five-year summary statistics

		FY24	FY23	FY22	FY21	FY20
Ordinary share price at end of year	($)	17.41	13.49	10.98	11.11	9.23
Number ordinary shares on issue at end of period	(million)	1,272	1,267	1,263	1,283	1,280
Market capitalisation[1]	($million)	22,151	17,086	13,863	14,254	11,811
Dividend per ordinary share, fully franked	(cents)	78	60	40	74	36
– Interim		34	33	23	26	26
– Final		44	27	17	40	10
– Special		-	-	-	8	-

Note: the information above is as at 30 June.

1. Market capitalisation calculated using total shares which includes Treasury shares. This also reflects capital management initiatives completed during the performance period.

SUNCORP GROUP LIMITED ORDINARY SHARES (ASX: SUN)

The table below shows the top 20 Suncorp ordinary shareholders, including shareholders that may hold shares for the benefit of third parties. This information is current as at 19 July 2024.

Top 20 holders

Name	Number of securities	% issued capital
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	394,878,972	31.04%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	207,387,157	16.30%
CITICORP NOMINEES PTY LIMITED	157,658,945	12.39%
BNP PARIBAS NOMINEES PTY LTD (AGENCY LENDING A/C)	40,865,797	3.21%
NATIONAL NOMINEES LIMITED	36,722,977	2.89%
BNP PARIBAS NOMS PTY LTD	19,746,576	1.55%
CITICORP NOMINEES PTY LIMITED (COLONIAL FIRST STATE INV A/C)	15,292,678	1.20%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED (NT-COMNWLTH SUPER CORP A/C)	9,199,956	0.72%
ARGO INVESTMENTS LIMITED	7,496,097	0.59%
PACIFIC CUSTODIANS PTY LIMITED (EPS CTRL A/C)	6,320,541	0.50%
BNP PARIBAS NOMINEES PTY LTD (HUB24 CUSTODIAL SERV LTD)	3,852,797	0.30%
UBS NOMINEES PTY LTD	3,786,355	0.30%
WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED	3,356,493	0.26%
PACIFIC CUSTODIANS PTY LIMITED (EIP TST A/C)	2,625,834	0.21%
NETWEALTH INVESTMENTS LIMITED (WRAP SERVICES A/C)	2,523,035	0.20%
BNP PARIBAS NOMS (NZ) LTD	2,450,097	0.19%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,358,015	0.19%
CITICORP NOMINEES PTY LIMITED (143212 NMMT LTD A/C)	1,735,194	0.14%
BKI INVESTMENT COMPANY LIMITED	1,531,408	0.12%
PALM BEACH NOMINEES PTY LIMITED	1,422,746	0.11%

Distribution/analysis by range of holdings

Range	Number of investors	Number of securities	% issued capital
1 to 1,000	78,082	33,012,941	2.59
1,001 to 5,000	58,089	128,377,674	10.09
5,001 to 10,000	8,743	61,389,284	4.83
10,001 to 100,000	4,908	100,827,789	7.93
100,001 and over	114	948,708,404	74.57

The number of investors holding less than a marketable parcel of 30 securities (less than $500 based on a market price of $16.96 on 19 July 2024) is 3,626 and they hold a total of 40,159 securities.

Voting rights

Fully paid ordinary shareholders are entitled to vote at any meeting of members of the Company in person or by proxy and their voting rights are:

- on a show of hands – one vote per shareholder
- on a poll – one vote per fully paid ordinary share.

Substantial shareholders

A person has a 'substantial holding' of a company's shares within the meaning of the Corporations Act if the total votes attached to their voting shares (in which they or their associates have relevant interests) is 5% or more of any class of voting shares. As at 19 July 2024 the following substantial shareholdings were recorded in the Company's register of substantial shareholdings:

Substantial shareholder	Number of ordinary shares	% issued capital
BlackRock Group[1]	85,140,477	6.69
State Street Corporation[2]	84,534,057	6.64
The Vanguard Group, Inc.[3]	73,694,431	5.79

1. Substantial shareholder notice dated 21 July 2017.
2. Substantial shareholder notice dated 4 November 2021.
3. Substantial shareholder notice dated 28 June 2022.

Dividend Reinvestment Plan

Suncorp's Dividend Reinvestment Plan (DRP) allows eligible shareholders to reinvest all or part of their ordinary dividends in the Company's shares, with no brokerage or transaction costs.

Shareholders wishing to join the DRP for future dividends should advise our share registry, Link Market Services, by updating their preferences online or contacting the registry via phone by no later than 5pm on the business day following the record date for each dividend payment.

Shareholders may vary their participation or withdraw from the DRP at any time. Further information is available on the Suncorp Group website or by contacting Link Market Services.

SUNCORP GROUP LIMITED CAPITAL NOTES 3 (SUNPH)

Top 20 holders

	As at 19 July 2024	
Name	Number of securities	% issued capital
BNP PARIBAS NOMINEES PTY LTD (HUB24 CUSTODIAL SERV LTD)	252,468	6.49%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	144,448	3.71%
BNP PARIBAS NOMINEES PTY LTD (PITCHER PARTNERS)	106,525	2.74%
MUTUAL TRUST PTY LTD	92,723	2.38%
NETWEALTH INVESTMENTS LIMITED (WRAP SERVICES A/C)	55,584	1.43%
JOHN E GILL TRADING PTY LTD	44,992	1.16%
FEDERATION UNIVERSITY AUSTRALIA	39,841	1.02%
BNP PARIBAS NOMINEES PTY LTD (IB AU NOMS RETAILCLIENT)	34,753	0.89%
NATIONAL NOMINEES LIMITED	31,353	0.81%
EASTCOTE PTY LTD (THE VAN-LIESHOUT FAMILY A/C)	29,000	0.75%
INVIA CUSTODIAN PTY LIMITED (A/M UNIT A/C)	26,150	0.67%
FOPAR NOMINEES PTY LTD	25,000	0.64%
IOOF INVESTMENT SERVICES LIMITED (IPS SUPERFUND A/C)	21,052	0.54%
INVIA CUSTODIAN PTY LIMITED (BAPTISTCARE LONG TERM A/C)	19,200	0.49%
IOOF INVESTMENT SERVICES LIMITED (IOOF IDPS A/C)	15,965	0.41%
CORP OF THE TSTEES OF THE ROMAN CATH ARC	15,000	0.39%
CAVILLWOOD INVESTMENTS PTY LTD	14,670	0.38%
CITICORP NOMINEES PTY LIMITED	14,222	0.37%
IOOF INVESTMENT SERVICES LIMITED (IISL NAL ISMA 2 A/C)	13,748	0.35%
JOHNSON'S HARDWARE PTY LTD	10,400	0.27%

Distribution/analysis by range of holdings

Range	Number of investors	Number of securities	% issued capital
1 to 1,000	5,439	1,628,052	41.85
1,001 to 5,000	458	955,123	24.55
5,001 to 10,000	41	299,731	7.71
10,001 to 100,000	17	503,653	12.95
100,001 and over	3	503,441	12.94

The number of investors holding less than a marketable parcel of five securities (less than $500 based on a market price of $102.87 on 19 July 2024) is four and they hold a total of four securities.

Voting rights

Capital note holders have no voting rights at general meetings of members of the Company.

SUNCORP GROUP LIMITED CAPITAL NOTES 4 (SUNPI)

Top 20 holders

	19 July 2024	
Name	Number of securities	% issued capital
CITICORP NOMINEES PTY LIMITED	199,124	4.92%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	153,393	3.79%
BNP PARIBAS NOMINEES PTY LTD (HUB24 CUSTODIAL SERV LTD)	151,723	3.75%
BNP PARIBAS NOMINEES PTY LTD (PITCHER PARTNERS)	137,785	3.40%
NETWEALTH INVESTMENTS LIMITED (WRAP SERVICES A/C)	123,138	3.04%
LEDA HOLDINGS PTY LTD	60,000	1.48%
DIMBULU PTY LTD	50,000	1.23%
NATIONAL NOMINEES LIMITED	47,679	1.18%
BNP PARIBAS NOMINEES PTY LTD (IB AU NOMS RETAILCLIENT)	46,869	1.16%
MUTUAL TRUST PTY LTD	37,836	0.93%
IOOF INVESTMENT SERVICES LIMITED IPS SUPERFUND A/C	35,353	0.87%
NETWEALTH INVESTMENTS LIMITED (SUPER SERVICES A/C)	24,000	0.59%
TERESINA PTY LTD (BAROB PTY LTD SUPER A/C)	22,830	0.56%
ANGLICARE SA LTD	20,000	0.49%
THE TRUST COMPANY (AUSTRALIA) LIMITED (WCCTFI A/C)	20,000	0.49%
IOOF INVESTMENT SERVICES LIMITED (IOOF IDPS A/C)	19,939	0.49%
IOOF INVESTMENT SERVICES LIMITED (IISL NAL ISMA 2 A/C)	13,851	0.34%
PREMIUM CAPITAL (AUST) PTY LTD	13,050	0.32%
RAFFY HOLDINGS PTY LTD (RAFFY A/C)	12,239	0.30%
MARK BOWDEN (PASTORAL GROUP) PTY LTD (THE BOWDEN PASTORAL A/C)	10,120	0.25%

Distribution/analysis by range of holdings

Range	Number of investors	Number of securities	% issued capital
1 to 1,000	4,799	1,599,872	39.50
1,001 to 5,000	493	1,078,136	26.62
5,001 to 10,000	22	173,063	4.27
10,001 to 100,000	15	433,766	10.71
100,001 and over	5	765,163	18.89

The number of investors holding less than a marketable parcel of five securities (less than $500 based on a market price of $103.95 on 19 July 2024) is three and they hold a total of four securities.

Voting rights

Capital note holders have no voting rights at general meetings of members of the Company.

SUNCORP GROUP LIMITED CAPITAL NOTES 5 (SUNPJ)

Top 20 holders

	19 July 2024	
Name	Number of securities	% issued capital
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	182,418	5.07%
CITICORP NOMINEES PTY LIMITED	146,230	4.06%
BNP PARIBAS NOMINEES PTY LTD (HUB24 CUSTODIAL SERV LTD)	89,808	2.49%
DIMBULU PTY LTD	80,000	2.22%
NETWEALTH INVESTMENTS LIMITED (WRAP SERVICES A/C)	72,505	2.01%
BNP PARIBAS NOMINEES PTY LTD (PITCHER PARTNERS)	56,754	1.58%
FORCE 1 PTY LTD (THE VAN LIESHOUT S/FUND A/C)	47,000	1.31%
NATIONAL NOMINEES LIMITED	41,591	1.16%
EASTCOTE PTY LTD (THE VAN-LIESHOUT FAMILY A/C)	33,000	0.92%
INVIA CUSTODIAN PTY LIMITED (A/M UNIT A/C)	27,083	0.75%
INVIA CUSTODIAN PTY LIMITED (WEHI - INVESTMENT POOL A/C)	23,955	0.67%
MUTUAL TRUST PTY LTD	22,750	0.63%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	17,475	0.49%
THE TRUST COMPANY (AUSTRALIA) LIMITED (WCCTFI A/C)	13,112	0.36%
PDC 2018 PTY LIMITED (PDC A/C)	12,300	0.34%
BNP PARIBAS NOMINEES PTY LTD (IB AU NOMS RETAILCLIENT)	12,004	0.33%
IOOF INVESTMENT SERVICES LIMITED (IPS SUPERFUND A/C)	11,670	0.32%
IOOF INVESTMENT SERVICES LIMITED (IISL NAL ISMA 2 A/C)	11,223	0.31%
FIBORA PTY LTD	10,550	0.29%
NETWEALTH INVESTMENTS LIMITED (SUPER SERVICES A/C)	10,327	0.29%

Distribution/analysis by range of holdings

Range	Number of investors	Number of securities	% issued capital
1 to 1,000	4,462	1,388,619	38.57
1,001 to 5,000	455	984,259	27.34
5,001 to 10,000	40	295,089	8.20
10,001 to 100,000	19	603,385	16.76
100,001 and over	2	328,648	9.13

The number of investors holding less than a marketable parcel of five securities (less than $500 based on a market price of $103.05 on 19 July 2024) is one and they hold a total of four securities.

Voting rights

Capital note holders have no voting rights at general meetings of members of the Company.

Unquoted Securities

The number of unquoted securities as at 19 July 2024 and the respective codes for these securities are set out below.

ASX Security code	Number of securities	Number of holders
SUNAB	2,388,435 share rights	153
SUNAD	1,457,390 performance rights	10

Voting rights

Unquoted security holders have no voting rights at general meetings of members of the Company.

Financial calendar and key payment dates

The financial calendar below may be updated throughout the year. Please refer to suncorpgroup.com.au for up-to-date details. Dividend and distribution dates set out below may be subject to change.

Suncorp considers the payment of ordinary dividends as part of the process of preparing half and full year accounts, taking into consideration the Company's capital position, the outlook for the operating environment and guidance from regulators. Suncorp generally pays a dividend on its ordinary shares twice a year following the interim and final results announcements and the proposed dates for the next 12 months are set out below.

Suncorp Group Limited (SUN)

Full year results and final dividend announcement	**19 August 2024**
Final ordinary dividend ex-dividend date	22 August 2024
Final ordinary dividend record date	23 August 2024
Final ordinary dividend payment date	25 September 2024
Annual General Meeting	**22 October 2024**
Half year results and interim dividend announcement	**12 February 2025**
Interim ordinary dividend ex-dividend date	17 February 2025
Interim ordinary dividend record date	18 February 2025
Interim ordinary dividend payment date	31 March 2025

Suncorp Group Limited Capital Notes 3 (SUNPH)

Ex-distribution date	2 September 2024
Distribution payment date	17 September 2024
Ex-distribution date	2 December 2024
Distribution payment date	17 December 2024
Ex-distribution date	28 February 2025
Distribution payment date	17 March 2025
Ex-distribution date	30 May 2025
Distribution payment date	17 June 2025

Suncorp Group Limited Capital Notes 4 (SUNPI)

Ex-distribution date	2 September 2024
Distribution payment date	17 September 2024
Ex-distribution date	2 December 2024
Distribution payment date	17 December 2024
Ex-distribution date	28 February 2025
Distribution payment date	17 March 2025
Ex-distribution date	30 May 2025
Distribution payment date	17 June 2025

Suncorp Group Limited Capital Notes 5 (SUNPJ)

Ex-distribution date	2 September 2024
Distribution payment date	17 September 2024
Ex-distribution date	2 December 2024
Distribution payment date	17 December 2024
Ex-distribution date	28 February 2025
Distribution payment date	17 March 2025
Ex-distribution date	30 May 2025
Distribution payment date	17 June 2025

How to contact us

Registered office

Level 23
Heritage Lanes
80 Ann Street
Brisbane, Qld 4000

Company Secretaries

Darren Solomon
Cassandra Hamlin

Auditors

KPMG
Heritage Lanes
Level 11, 80 Ann Street
Brisbane, Queensland, 4000

Share registry contact details

Link Market Services Limited
PO Box A50
Sydney South, NSW 1235
Australia
suncorp@linkmarketservices.com.au
linkmarketservices.com.au
1300 882 012 (inside Australia) or
+61 2 8767 1219 (outside Australia)

Managing your shareholding

Shareholders can go to the Link Market Services Investor Centre website to:

- update personal details
- view details of holding(s) such as your holding balance
- view notices of shareholder meetings, financial reports and other registry communications such as dividend statements
- register an email address for payment advices and registry communications
- obtain and complete forms to have payments made directly to their Australian or New Zealand bank, building society or credit union account
- elect to participate in, vary or withdraw from the DRP.

For assistance with the above or any other administrative questions regarding your holding please contact Link Market Services using the contact details provided above.
In all communications with the Share Registry, please ensure you quote your Securityholder Reference Number (SRN), or in case of broker sponsored shareholders, your Holder Identification Number (HIN).

Suncorp Investor Centre

The Suncorp Group website has a dedicated section for investors: suncorpgroup.com.au/investors.

Investors can access current and historic Company announcements, results announcement materials, the full suite of Suncorp reports and our latest financial calendar and key payment dates for all securities.

Investors can also subscribe to receive regular email updates on the latest Suncorp news and announcements via our Suncorp Group website.

For any other investor queries please contact the Suncorp Investor Relations team by email to investor.relations@suncorp.com.au.

Customer Relations

If you have a complaint, compliment or suggestion, please contact our Customer Relations Team via:

Phone: 1800 689 762 (Mon–Fri 9am–5pm AEST)

Mail:
Suncorp
Customer Relations – RE058
Reply Paid 1453
BRISBANE QLD 4001

Email: customer.relations@suncorp.com.au

In person: Visit your nearest branch

For other enquires

For any other customer or general queries please visit suncorpgroup.com.au/contact

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SUNCORP

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