

SUNCORP



**Building futures
and protecting
what matters**

Tax Transparency Report 2024

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, Suncorp provides insurance products and services through some of Australia and New Zealand's most recognisable brands.

Suncorp's purpose is to build futures and protect what matters every day to deliver valued outcomes for our customers.

On 31 July 2024, Suncorp and ANZ announced the completion of the transaction of the sale of Suncorp Bank to ANZ. Following completion of the sale of Suncorp Bank, Suncorp Group is comprised of three insurance portfolios - Consumer Insurance, Commercial and Personal Injury and Suncorp New Zealand.

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, having received the necessary approvals, completed on 31 January 2025.

The report outlines our tax strategy and the contributions made by Suncorp in Australia and New Zealand during the year and Suncorp affirms the information disclosed in this report meets the requirements of the Australian Board of Taxation's voluntary Tax Transparency Code, which we adopted in 2016.

Suncorp tax strategy

Suncorp's tax strategy is to support sustainable returns to shareholders and to contribute to the community through the payment of taxes, while complying with revenue laws and operating within Suncorp's governance parameters.



Sustainable returns



Contribute to the community through the payment of taxes



Compliance with revenue laws



Operating within Suncorp's governance framework

Basis of preparation

The information provided in this report has been sourced from a combination of lodged income tax returns, financial records, audited financial statements, payroll data and other tax lodgements for Australia and New Zealand.

All data, unless otherwise stated, has been prepared for the year 1 July 2023 to 30 June 2024. Data that relates to taxes paid or collected are reported on an accruals/incurred basis referable to the relevant period.

Total tax contribution data in this report is confined to Suncorp Group Limited, its 100 per cent owned subsidiaries, and the full tax contribution from its controlling interest in AA Insurance Limited in New Zealand.

All payments are reported in Australian dollars, which is Suncorp Group's functional and presentation currency. Payments included in this report have been rounded to the nearest million dollars (\$m). However, payments included in the "State and territory taxes paid" chart on page 6 and the tax contribution charts on page 7 have been rounded to the nearest one-tenth of a million dollars.

Where relevant, any tax payments have been translated from the applicable local currency to Australian dollars at the average exchange rate for the 2024 financial year. Suncorp's exchange rates are calculated from rates published by the Reserve Bank of Australia.

Income tax expense and income tax payable data were sourced from Suncorp's 2024 Financial Statements.

Suncorp's 2024 Financial Statements were prepared in accordance with the requirements of the Corporations Act 2001 (Cth), accounting standards, and interpretations issued by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS).

Income tax paid data for Australia was sourced from the Suncorp Group Limited income tax consolidated group's 2024 income tax return and prior year income tax return amendments (where applicable).

New Zealand income tax paid data included on page 7 of this report is included for Suncorp's New Zealand subsidiaries on the basis of provisional calculations for those entities' 2024 income tax returns (not due for lodgement in New Zealand at the time of publishing this report).

A glossary of definitions is provided on page 12 of this report.



Tax governance

Suncorp’s tolerance for tax risk is managed in accordance with the group’s Risk Appetite Statement (**RAS**), which mandates a balanced and considered approach to risk to achieve business objectives.

The RAS also requires the identification of tax risks, and prescribes the risk tolerance ranges and alert thresholds.

Suncorp targets a minimal tax risk level, with a “low as possible” appetite for risks that deliberately fail to meet policy, legal, customer or community expectations.

Suncorp maintains a Tax Risk Management and Governance Standard which sets out processes, roles, responsibilities and accountabilities to ensure a consistent and compliant approach to all tax matters across Suncorp.

Suncorp’s Tax Risk Management and Governance Standard was prepared with reference to the Australian Tax Office’s best practice framework. The standard is reviewed annually and has been endorsed by the Suncorp Board Audit Committee.

Responsibility for Suncorp’s tax strategy sits with the Board and management. The Board oversees and reviews tax risks, tax compliance and reporting obligations. Management operationalises tax strategy and manages significant tax matters and risks on a day-to-day basis.

Suncorp ensures its tax processes, systems and controls are robust. Suncorp has controls to test the integrity of tax data, a strong focus on technology to support tax compliance, and carries out regular tax due diligence and verification processes.

Key elements of the risk management framework incorporating tax include the following:

- Enterprise Risk Management Framework.



- Risk Appetite Statement.
- Governance over Third Party Data Guideline.
- Tax guidelines relating to taxes, tax concessions and relationships with regulators.
- Tax Risk Management and Governance Standard.
- Significant Transactions Guideline.
- Quarterly tax compliance papers submitted to the Board Audit Committee.

These formal mechanisms are complemented by informal, day-to-day procedures to manage tax risk. These include management obligations to:

- provide an appropriately resourced tax function with experienced professionals who manage tax risks through regular tax reporting and associated internal controls,
- implement mechanisms to measure significant transactions, materiality, and risk,
- provide tax engagement protocols,
- engage external tax advisors where necessary and adhere to Suncorp’s group-wide governance policies, and
- obtain tax rulings from the relevant regulators on complex or uncertain areas of the law.

Relationships with regulators

Suncorp values positive and co-operative relationships with all revenue authorities, including the Australian Tax Office (**ATO**) and New Zealand Inland Revenue (**IR**).

Suncorp has been at the forefront of tax transparency with the ATO, as one of the first adopters of an Annual Compliance Arrangement (**ACA**) in 2011. Suncorp's ACA was a transparent and co-operative tax arrangement with the ATO, where material tax risks were disclosed to the ATO in real time and Suncorp collaborated with the ATO to manage these risks in an effective and timely manner.

Following publication of Suncorp's 2023 Tax Transparency Report, the ATO has completed income tax assurance reviews as part of the ACA for the 2023 year. Suncorp retained high assurance, the highest possible assurance rating, which has been in place since 2018.

The assurance rating means that the ATO obtained sufficient objective evidence to conclude that Suncorp had paid the correct amount of income tax.

The reviews focused on the following four key areas:

- understanding Suncorp's tax governance framework,
- identifying tax risks flagged to the market,
- understanding significant and new transactions, and
- understanding why tax and accounting results vary.

From 2024 onwards, Suncorp will join the ATO's Income Tax Pre-lodgement Compliance Review (**PCR**) framework, following the conclusion of the 2023 ACA.

For further information on Justified Trust, please refer to the ATO's website, [Justified Trust | Australian Taxation Office \(ato.gov.au\)](https://www.ato.gov.au/JustifiedTrust)

In New Zealand, the IR supports the Guidance on tax control frameworks released by the OECD's Forum on Tax Administration.

IR undertakes an annual risk review in which it seeks to maintain its understanding of the New Zealand business and its specific risks to gain comfort that these risks are appropriately managed.

Suncorp ensures its tax processes, systems and controls are effective, and the right amount of tax is paid in each jurisdiction in which Suncorp operates. This is consistent with the ATO's Justified Trust concepts and the OECD recommendations for responsible business conduct.



Effective tax rates

Suncorp’s global effective tax rate for 2024 of 30.5% (2023: 29.8% as restated on adoption of AASB 17¹) is consistent with the Australian corporate tax rate of 30%.

The New Zealand effective tax rate of 27.6% is consistent with the New Zealand corporate tax rate of 28%.

Suncorp’s effective tax rates in Australia and New Zealand for 2024 and 2023 are shown in the following table:

EFFECTIVE TAX RATES

	2024	Restated 2023	2023
Suncorp’s global effective tax rate (%)	30.5	29.8	29.4
Suncorp’s Australian effective tax rate (%)	31.0	30.0	30.0
Suncorp’s NZ effective tax rate (%)	27.6	28.1	23.7

¹ The restatement reflects a change in profit mix on the retrospective application of AASB 17 Insurance Contracts between Australia and New Zealand and interaction of tax laws with the new accounting standards, with effect from 1 July 2023.

Tax collections and contributions

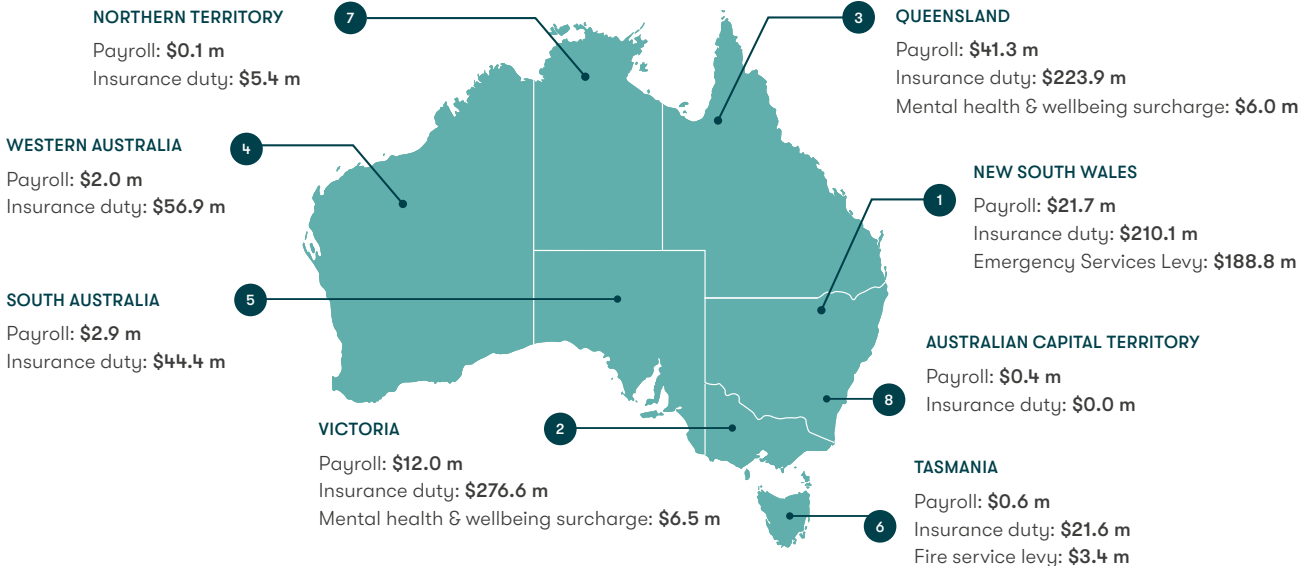
Suncorp collects and pays other taxes in addition to corporate income tax, such as Goods and Services Tax (GST) and Fringe Benefits Tax (FBT). Refer to the Glossary on page 12 for definitions of these taxes.

Suncorp also collects and pays Australian state/territory payroll taxes, duties and levies including the NSW Emergency Services Levy (ESL), the Tasmania fire service levy (FSL), insurance duty, and mental health and wellbeing surcharge. In New Zealand, Suncorp also collects the Earthquake Commission levy and fire service levy.

In addition to insurance duties and levies, Suncorp is responsible for the collection and remittance of GST and withholding taxes to the relevant revenue authorities. Suncorp’s total tax contribution for the financial year ended 30 June 2024 is summarised on page 7.²

² New Zealand taxes collected and paid are represented in AUD.

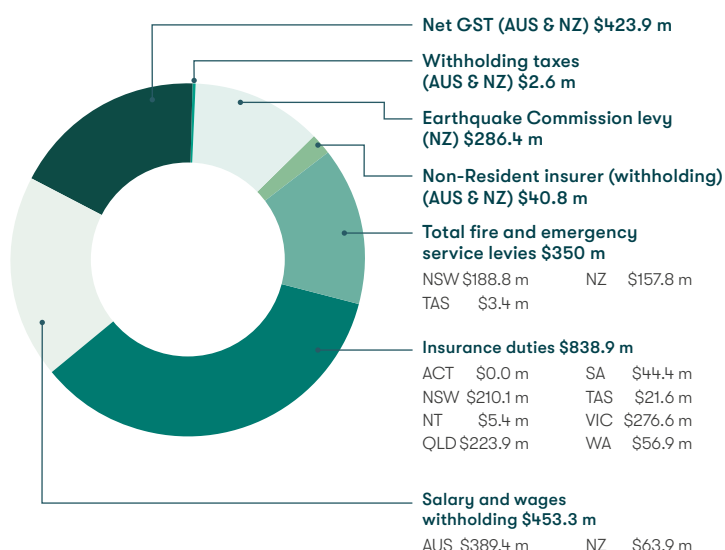
STATE AND TERRITORY TAXES PAID



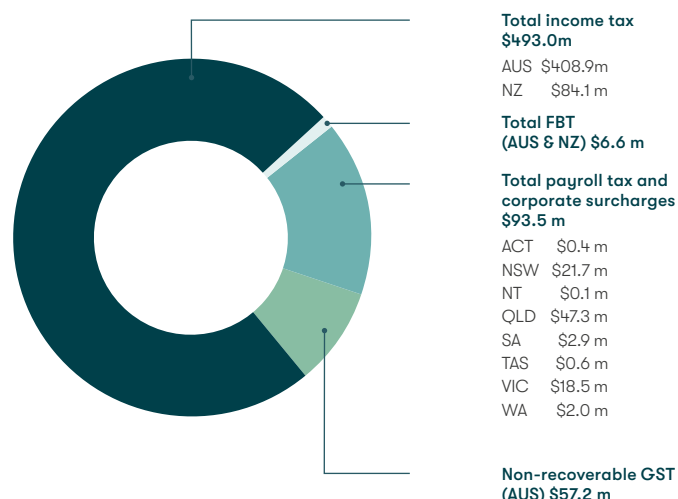
Total tax contribution summary

	2024 Australia (\$m - AUD)	2024 New Zealand (\$m - AUD)	2024 Total (\$m - AUD)
Taxes collected on behalf of others			
Insurance duties and levies	1,031	444	1,475
Employee withholding (PAYG/PAYE)	389	64	453
Net GST paid ³	328	96	424
Other taxes	25	19	44
	1,773	623	2,396
Taxes borne by Suncorp			
Corporate income tax	409	84	493
Fringe benefits tax, payroll tax and corporate surcharges	97	3	100
Non-recoverable GST on expenses ⁴	56	1	57
	562	88	650
Total tax contribution	2,335	711	3,046

TAXES COLLECTED ON BEHALF OF OTHERS \$2,396 M



TAXES BORNE BY SUNCORP \$650 M



³ Includes input tax credits claimed during the 2024 financial year attributable to prior financial years, to the extent credits were claimed through the monthly BAS process.

⁴ The disclosed Non-recoverable GST amount for New Zealand is for the year ended 30 June 2023 as the amount referable to FY24 has not been finalised prior to the publication of this report.

Company tax position

Suncorp's businesses are subject to tax regimes within Australia and New Zealand which have comparable corporate income tax rates of 30% and 28%, respectively.

In Australia, Suncorp Group Limited and its wholly-owned Australian subsidiaries have elected to be taxed as an income tax consolidated group (the **Suncorp TCG**). All members of the Suncorp TCG are taxed as one single entity, at the Australian corporate tax rate of 30 per cent.

In New Zealand, Suncorp entities are taxed at the New Zealand corporate tax rate of 28 per cent. Suncorp Group Holdings (NZ) Limited and its wholly-owned entities have elected to be taxed as an income tax consolidated group. All other New Zealand entities are taxed on a standalone basis.

From 1 July 2024, the OECD's **Pillar Two** initiative introduces a global minimum tax framework aimed at ensuring that multinational enterprises (**MNEs**) are subject to a minimum effective tax rate of 15%. This initiative is expected to be ratified globally and requires countries adopting OECD guidelines into their local tax laws. Both the Australian and New Zealand governments have committed to this reform, aligning their tax laws accordingly. Suncorp assesses that it has a low risk of incurring additional top-up tax liabilities under Pillar Two given the higher tax jurisdictions in which it operates.

Suncorp is also required to lodge corporate "as agent" tax returns in respect of insurance premiums paid to non-resident insurers and reinsurers. This requires Suncorp to withhold tax based on ten per cent of the total premiums paid to non-resident insurers and reinsurers, calculated at the relevant corporate tax rate.

AAI Limited lodges an income tax return in Australia as agent for non-resident insurers. Similarly, Vero Insurance New Zealand Limited and Vero Liability Insurance Limited also lodge separate income tax returns in New Zealand as agents of non-resident insurers.

Suncorp Group Limited is the GST group representative of the Suncorp GST group in Australia, under which all members are treated as a single entity for GST purposes.

Additionally, Vero Insurance New Zealand Limited is the GST group representative of a New Zealand GST Group, which consists of all GST registered wholly-owned entities within the New Zealand Group except for Suncorp New Zealand Services Limited.

A list of subsidiaries of Suncorp Group as at 30 June 2024 is included in our 2024 Annual Report.⁵

⁵ Refer to Suncorp Group's 2024 Annual Report, Consolidated entity disclosure statement.



Reconciliation to ATO public disclosures

The ATO publishes limited Australian tax information in relation to large taxpayers, with the most recent being information released in respect of the **financial year ended 30 June 2023**.

The below tables have been prepared to provide greater understanding of how the ATO's public disclosures reconcile to the income tax paid and income tax payable disclosures in this report:

– **Table 1** is a high-level reconciliation of Suncorp Group's profit before tax in its 2023 Financial Statements to the profit before tax applied in the Suncorp TCG's 2023 income tax return. The Suncorp TCG comprises SGL and SGL's wholly-owned Australian entities but does not include Suncorp Group's New Zealand entities nor some of its investment trusts.

– **Table 2** summarises the Suncorp TCG's 2023 tax return and reconciles this to the ATO's public disclosures for the Suncorp TCG's 2023 tax payable.

The ATO's public disclosures with respect to the Suncorp TCG's 2024 income tax return are expected to be available late 2025 and will be reconciled in Suncorp's 2025 Tax Transparency Report.

TABLE 1 – RECONCILIATION OF PROFIT

	2023 (\$m)
Suncorp Group profit before tax per Financial Statements – as restated under AASB 17	1,541
Profit change from FY23 Financial Statements prepared under AASB 1023	101
Suncorp Group profit before tax per Financial Statements – as prepared under AASB 1023	1,642
Profit from Suncorp Group entities outside the Suncorp TCG	(45)
Profit before tax for the Suncorp TCG's 2023 income tax return – lodged on the basis of AASB 1023	1,597

TABLE 2 – SUMMARY OF INCOME TAX RETURN

Suncorp TCG	2023 (\$m)	ATO Disclosure⁶
Total Income – as prepared under AASB 1023	15,557	15,557
Total Expenses – as prepared under AASB 1023	13,960	
Net profit before tax (refer to Table 1)	1,597	
Book to Tax adjustments:		
Non-temporary differences ⁷	(29)	
Temporary differences ⁸	(325)	
Taxable Income	1,244	1,244
Tax on taxable income at 30% corporate tax rate	373	
Franking and other offsets	(6)	
Tax Payable	367	367

⁶ ATO's public disclosures for the Suncorp TCG for the year ended 30 June 2023. The ATO publishes three amounts for the Suncorp TCG using records held by the ATO as at 1 September 2024: total income, taxable income, and tax payable.

⁷ Material non-temporary differences for the Suncorp TCG's 2023 income tax return include New Zealand dividend income, non-deductible interest expense on convertible instruments, current year rebates and credits, and tax-exempt revenues.

⁸ Material temporary differences for the Suncorp TCG's 2023 income tax return include the movement in the unrealised fair value movements on investments in AAI Limited, accrued expenses in Suncorp Corporate Services Pty Ltd, movement in provision for doubtful debts and the movement in its employee entitlement provisions.

International related party dealings

Suncorp’s businesses in Australia and New Zealand routinely deal with each other when it is in the best interests of Suncorp to do so.

Suncorp undertakes a comprehensive analysis of each related party transaction to ensure they are conducted on terms, including pricing, that are consistent with established arm’s length principles.

By pricing in accordance with arm’s length principles and

methodologies as prescribed by the Australian transfer pricing laws and the OECD guidelines, this allows Suncorp to mitigate the possibility of tax being paid in one country at the expense of another.

SGL is the global parent entity for Suncorp’s Country-by-Country (CbC) Reporting requirements. CbC Reporting is part of a wide range of international measures that seek to promote more comprehensive exchanges of information between countries.

Suncorp Group’s related party revenue from international related party dealings (IRPDs) represented less than 2% of Suncorp Group’s total revenue for the year ended 30 June 2024.

Outlined in the below table are details of the nature of Suncorp’s IRPDs for the year ended 30 June 2024 and the country locations of the counterparties to the transactions.

International related party dealings	Why it is in the best interests of Suncorp
Provision of management and administration services	A number of management and administration functions are performed centrally by Suncorp’s Australian business, for the benefit of both Australia and New Zealand. This is more efficient than if Suncorp New Zealand were to also perform these same functions.
Reinsurance	AAI Limited provides reinsurance to the New Zealand insurance businesses. In addition, Suncorp’s Australian and New Zealand insurance businesses obtain reinsurance from third parties on a collective basis, to maximise cost efficiencies.
Allocation of direct employee costs, software development and investment management charges	A number of shared service functions are performed centrally by Suncorp’s Australian business, for the benefit of both Australia and New Zealand. This is more efficient than if Suncorp New Zealand were to also perform these same functions.
Loans and guarantees	Suncorp’s Australian business has financing-related activities, including guarantees and amounts loaned to New Zealand subsidiaries. Suncorp receives interest income on the amounts loaned in accordance with arm’s length principles.

Income tax expense to tax payable reconciliation

The table below outlines the relationship between accounting profit and income tax expense and reconciles the latter to Suncorp Group's income tax payable for the 2023 and 2024 financial years, respectively.

Income tax expense is calculated in accordance with accounting standards and represents

accounting profit multiplied by Australia's corporate tax rate of 30%, adjusted for what are known as 'non-temporary' differences.

A non-temporary difference arises where a business transaction is treated differently for accounting and tax purposes. Non-temporary differences do not reverse over time.

Income tax expense is not the same as income tax payable due to 'temporary' differences. Temporary differences occur when business transactions are recognised at a different time for accounting purposes than they are for tax purposes.

Reconciliation of Suncorp Group's accounting profit to Suncorp TCG tax payable and Corporate income tax contribution	2024 (\$m - AUD)	Restated 2023 (\$m - AUD)	2023 (\$m - AUD)
Profit before tax	1,768	1,541	1,642
Income tax using the domestic corporation tax rate of 30%	530	462	493
Effect of tax rates in foreign jurisdictions	(6)	(2)	(3)
Non-temporary differences ⁹	15	3	(3)
Income tax expense – current year profit	539	463	487
Income tax expense – prior year adjustments	-	(4)	(4)
Total income tax expense on pre-tax profit	539	459	483
Total deferred tax benefit (expense) ¹⁰	(33)	(106)	(130)
Current tax (expense) benefit related to prior periods	(23)	7	7
Current tax expense of New Zealand subsidiaries – <i>outside Suncorp TCG</i>	(81)	(23)	(23)
Suncorp TCG's tax payable for current year	402	337	337
Suncorp TCG's under provision in Suncorp Group's Financial Statements	7	30	30
Suncorp TCG's tax paid for current year	409	367	367
Adjustment for Suncorp TCG's tax refundable for prior years	-	(51)	(51)
Corporate income tax contribution of New Zealand subsidiaries – <i>outside Suncorp TCG</i>	84	23	23
Suncorp Group's corporate income tax contribution (page 7)	493	339	339

A detailed reconciliation of the Group's accounting profit-to-income tax expense is provided in the tax note in our [2024 Annual Report](#).

⁹ Suncorp Group's material non-temporary differences in FY24 includes utilisation of previously unrecognised capital losses, interest expense relating to certain convertible instruments which is not deductible for income tax purposes, current year rebates and credits, dividend adjustments and tax exempt revenues.

¹⁰ Total deferred tax benefit includes temporary differences related to current year profit, adjustments for prior financial years, and other movements in the tax balance sheet which do not impact current or prior year tax payable. In FY24, the most significant contribution to the difference between income tax expense and tax paid/payable is the movement in unrealised gains/losses on investment assets in AAI Limited.

Glossary

For the purposes of this report, the following terms have the below meaning:

EARTHQUAKE COMMISSION LEVY

The Earthquake Commission (**EQC**) is a New Zealand Crown entity funded by levies applied to certain insurance premiums. EQC provides natural disaster insurance for residential property, administers the New Zealand Natural Disaster Fund, and funds research and education on natural disasters. New Zealand insurance companies collect EQC levies from customers as part of the cost of insurance.

ESL (EMERGENCY SERVICES LEVY) AND FSL (FIRE SERVICE LEVY)

ESL and FSL charges are, where relevant, levied on premiums for insurance policies and are recoverable from insurance companies in the relevant Australian state and territory governments or, in New Zealand, by Fire and Emergency New Zealand. ESL and FSL charges were established to facilitate funding for the corresponding fire and emergency services.

ETR (EFFECTIVE TAX RATE)

This is the rate recognised in the financial statements and is calculated as income tax expense divided by the accounting profit before income tax.

FBT (FRINGE BENEFITS TAX)

FBT is a tax payable by employers on certain fringe benefits provided to employees (or employees' associates) in respect of their employment.

FBT is separate to income tax and is calculated on the grossed-up taxable value of the fringe benefit provided during the FBT year (1 April to 31 March). Australian FBT returns were lodged for the period 1 April 2023 to 31 March 2024.

In New Zealand, FBT returns are submitted quarterly with the March quarter being the final FBT return for the FBT year.

FINANCIAL STATEMENTS

Suncorp Group's Financial Statements included in SGL's annual reports.

GST (GOODS AND SERVICES TAX)

Suncorp remits GST to the ATO and IR in respect of certain taxable products and services provided to customers. Suncorp is entitled to claim input tax credits to recover GST included in costs associated with providing these taxable products and services.

Suncorp is not entitled to recover input tax

credits in respect of costs associated with providing 'input taxed' (Australia) or 'exempt' (New Zealand) products and services (except where entitlement exists under the relevant GST legislation).

INCOME TAX

For Suncorp, income tax is broadly the tax payable at the relevant corporate tax rate on Suncorp's total taxable income in Australia (30%) and New Zealand (28%).

Taxable income is determined annually by calculating assessable income less allowable deductions and can significantly vary from accounting profit due to temporary and non-temporary differences.

Where carried forward tax losses and capital losses can be applied against Suncorp's assessable income, this will reduce the income tax paid in a particular period.

INSURANCE DUTY

Insurance duty is a duty imposed by Australian state and territory governments for certain insurance policies. The types of insurance policies that are subject to duty vary between the states and territories. The rate of duty varies according to the type of insurance and value of the transaction involved and may not be charged on all transactions in every jurisdiction.

MENTAL HEALTH AND WELLBEING SURCHARGE

The mental health and wellbeing surcharge is a payroll tax surcharge that is intended to provide additional funding for Victoria's and Queensland's mental health system. The surcharge is payable on Victorian and Queensland taxable wages paid or payable by an employer or a group of employers where taxable wages exceed prescribed thresholds.

PAYG (PAY AS YOU GO)/PAYE (PAY AS YOU EARN) WITHHOLDING TAX

PAYG (Australia) and PAYE (New Zealand) withholding tax is an amount an employer, like Suncorp, is required to withhold and remit to the relevant tax authority from payments of salary and wages to employees, company directors and certain contractors.

Withholding tax is also required to be deducted from interest, royalties and reinsurance premiums paid to non-residents.

PAYROLL TAX

Payroll tax is a tax imposed by Australian

states and territories on taxable wages paid or payable by an employer to their employees when the total taxable wages (or group taxable wages) exceeds the prescribed threshold. Suncorp employs more than 13,000 people across Australia and is liable for payroll tax in all states and territories. Payroll tax returns were lodged for the period 1 July 2023 to 30 June 2024.

SGL (SUNCORP GROUP LIMITED)

Suncorp Group Limited, head entity of the Suncorp TCG.

SUNCORP GROUP

SGL and its controlled entities (as defined in the Financial Statements).

SUNCORP TCG (SUNCORP GROUP LIMITED'S INCOME TAX CONSOLIDATED GROUP)

SGL and all its Australian wholly-owned entities which are consolidated as a single taxpayer for Australian income tax purposes.

TAX PAID

Tax paid amounts are included in the Total Tax Contribution Summary. For income tax, tax paid represents amounts paid to tax authorities for a tax year according to the relevant income tax returns.

TAX PAYABLE

Tax payable in this report represents the income liability calculated on the basis of current tax expense as reported in Suncorp Group's Financial Statements.

TAX YEAR

Suncorp's annual income tax returns are prepared for the period of twelve months ending 30 June.

TAXES BORNE

Taxes borne in this report represents only those taxes for which Suncorp has the ultimate tax obligation. Income tax paid data is sourced from income tax returns.

Taxes borne are distinguished from Government imposts collected on behalf of others.


TOTAL TAX CONTRIBUTION

Total tax contribution encompasses both taxes borne by Suncorp and taxes remitted to tax authorities that are collected on behalf of employees, customers and business partners.

To see more, go online
suncorpgroup.com.au

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 suncorpgroup.com.au

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