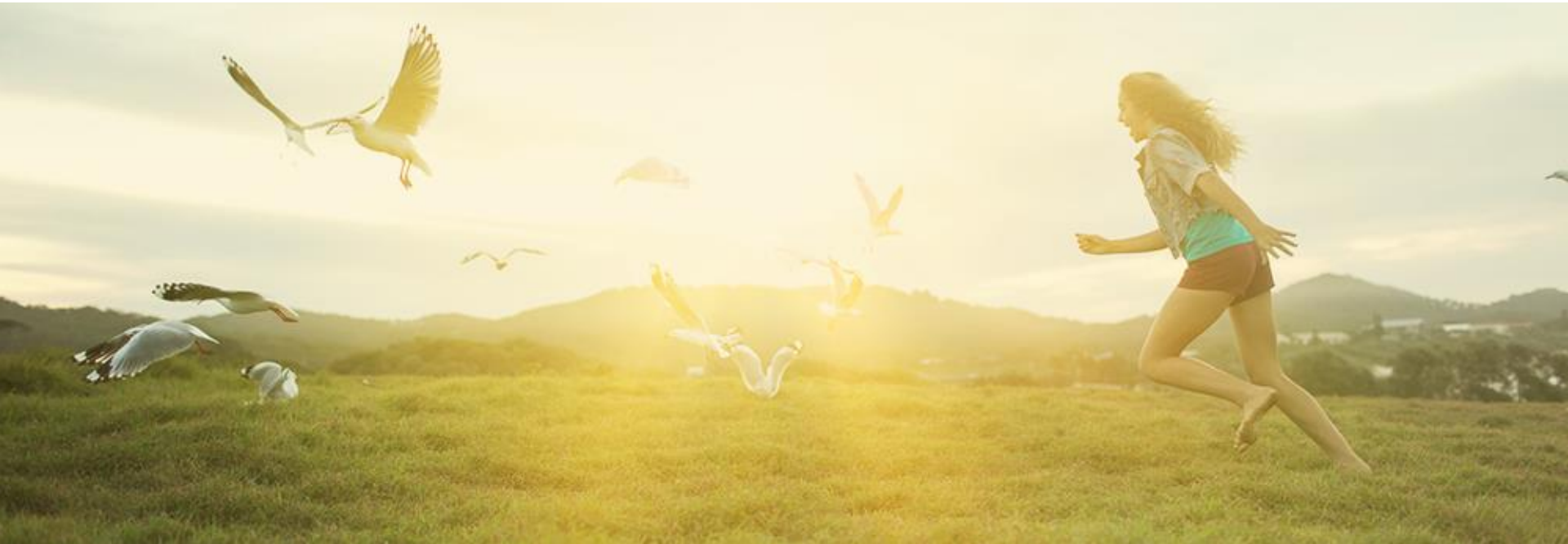


Create a better today

Investor Day | 25 May 2016



Agenda



Speaker

Michael Cameron – Introduction

Mark Reinke – Customer experience

Morning Tea

Gary Dransfield – Customer platforms

Amanda Revis – People experience and interview with Trov and 9 Spokes CEOs

Steve Johnston – Financial implications

Q&A

Michael Cameron – Final remarks

Investor Lunch

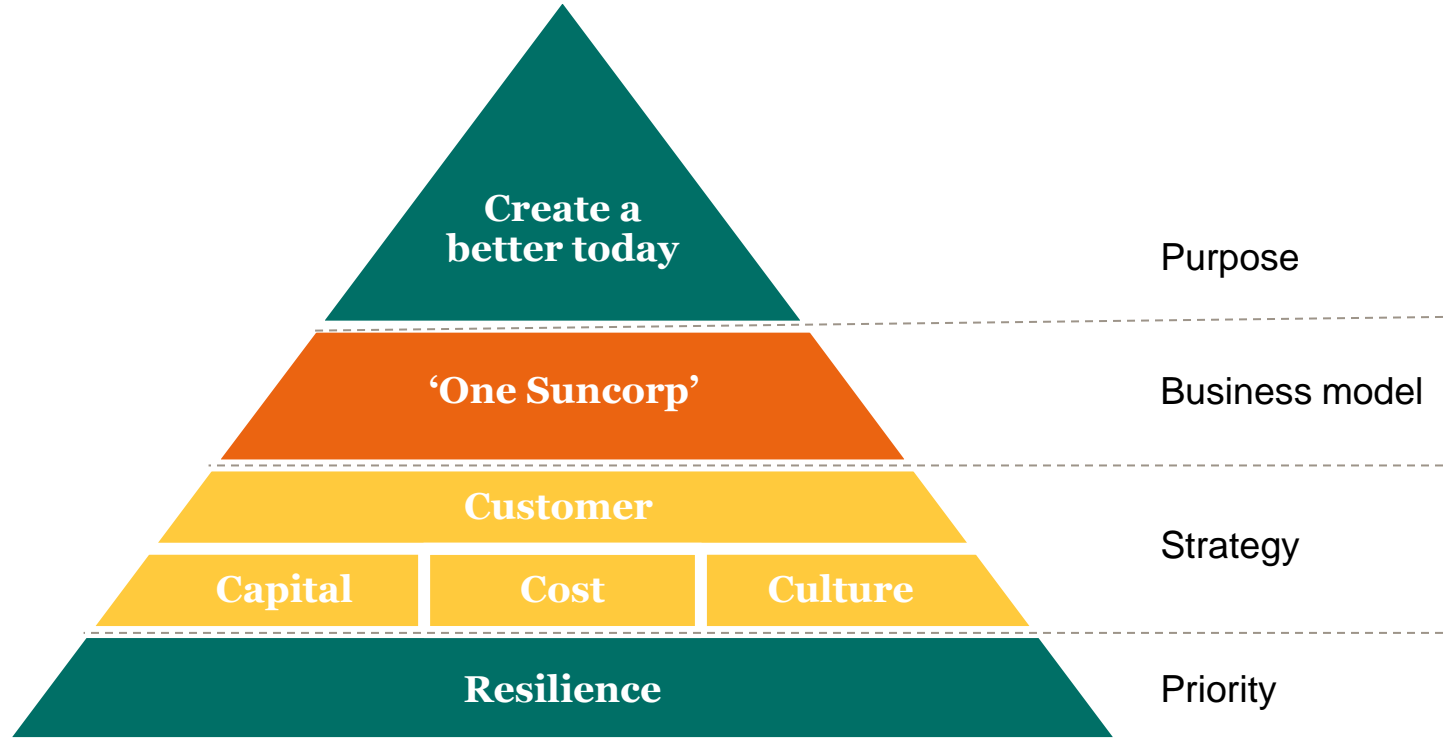


Create a better today

Michael Cameron, Managing Director
& Group Chief Executive Officer

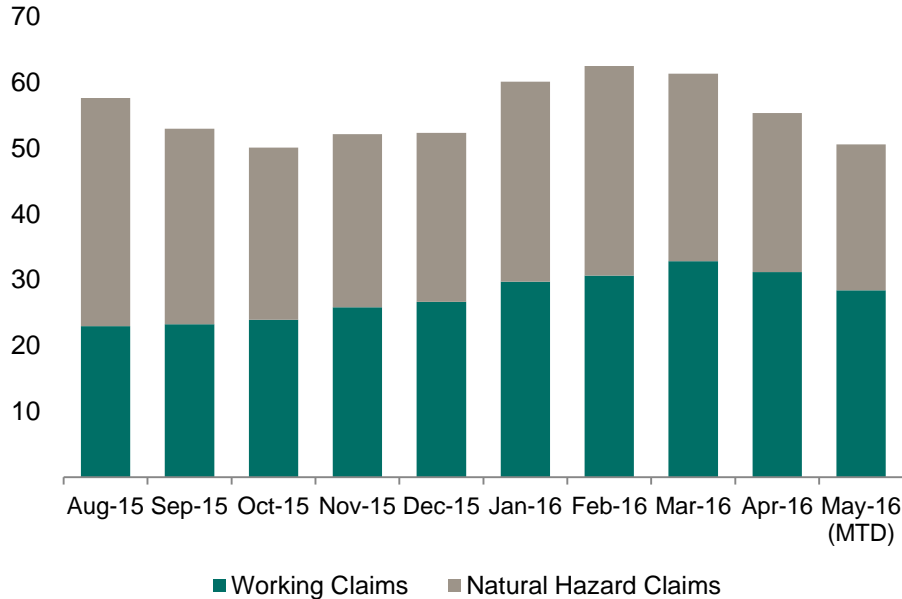


Strategy

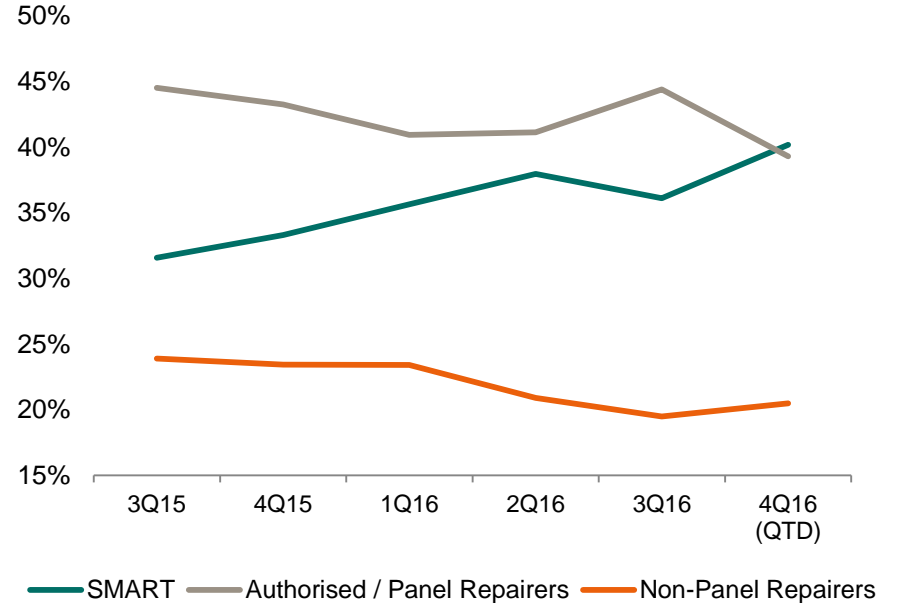


Good progress being made with working claims

Home active claim volumes ('000)



Motor repairs



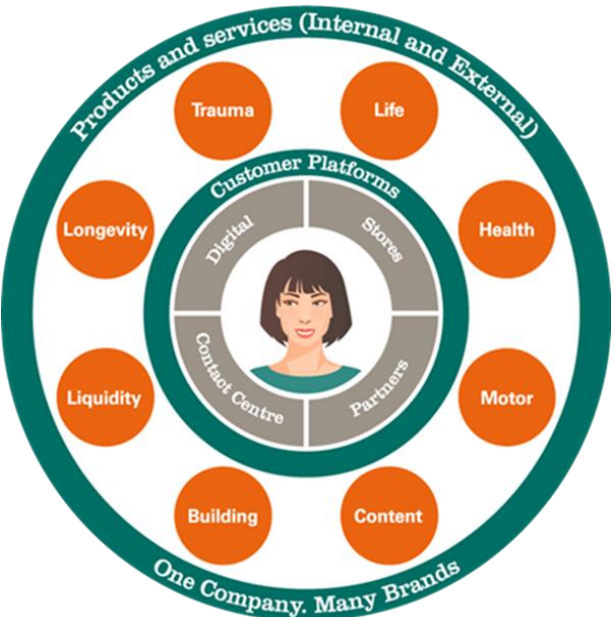
Business in good shape

Expectations for the FY16 result:

- » Low-single digit **GWP growth**
- » Bank APS330 outlined very **strong credit quality** and **growth** in Q4
- » **Stable** Life **lapse** and **claims** environment
- » **Strong capital position** with surplus reflecting:
 - lower investment **yields** increasing Life capital;
 - upfront costs of entry into **SA CTP** market;
 - capitalised **software** costs; and
 - General Insurance **margin**.

Operating model to deliver 'One Suncorp'

Suncorp's 'customer outcomes' approach



Our new operating model



Strategy



Context

- » Simplification created **strong foundations**
- » Market conditions – **increased competition**, regulatory and political uncertainty and low yields
- » Rise of **Fintech** is undermining scale
- » High levels of customer **churn** across industry

Strategy



Evolution

- » Shift to **creating value** for the customer (non-price value)
- » Reorientated from product to **customer outcomes** based operating model
- » Customer platform providing:
 - Easy **access** and **navigation**
 - **Wide range** of products and services

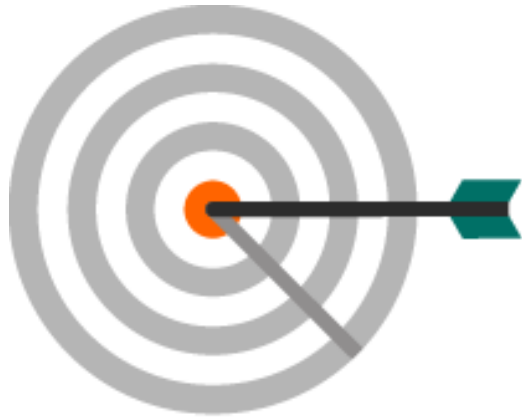
Strategy



Priorities

- » Maintain **momentum** and **stability**
- » Elevate the **customer**
- » **Recalibrate** costs

Strategy



Outcomes

- » Increasing **Connected Customers**:
 - Meeting more customer **needs**
 - Helping **navigate** complexity and make better choices
 - Interact **digitally** and **physically**
 - Integrated **third party** components
- » **Retention and growth**
- » **10% ROE**

Ability to execute the strategy



- » **Large** customer base
- » **Trusted** by customers / brokers / partners
- » **Strong foundations** with significant **scale**
- » **Unique structure** (Insurance / Life / Bank) in stable markets
- » Strong and unified **culture**

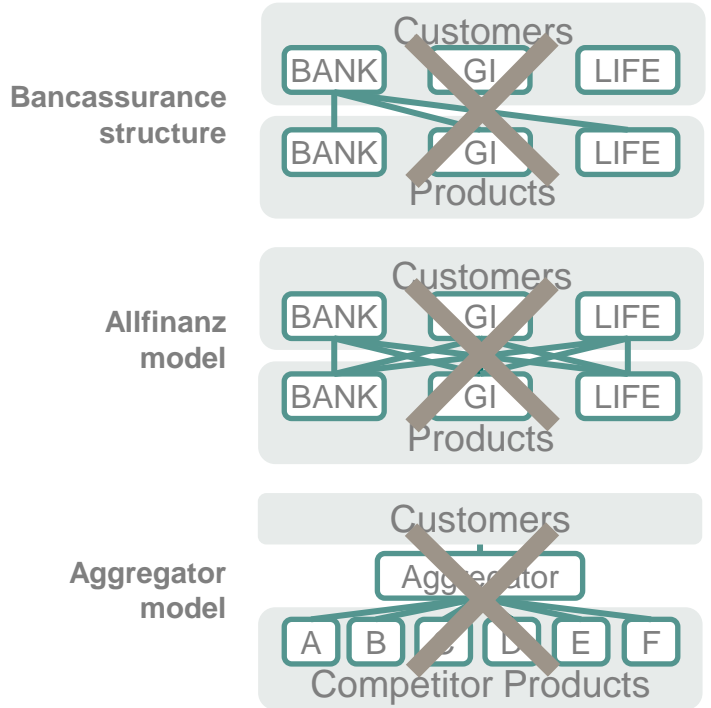
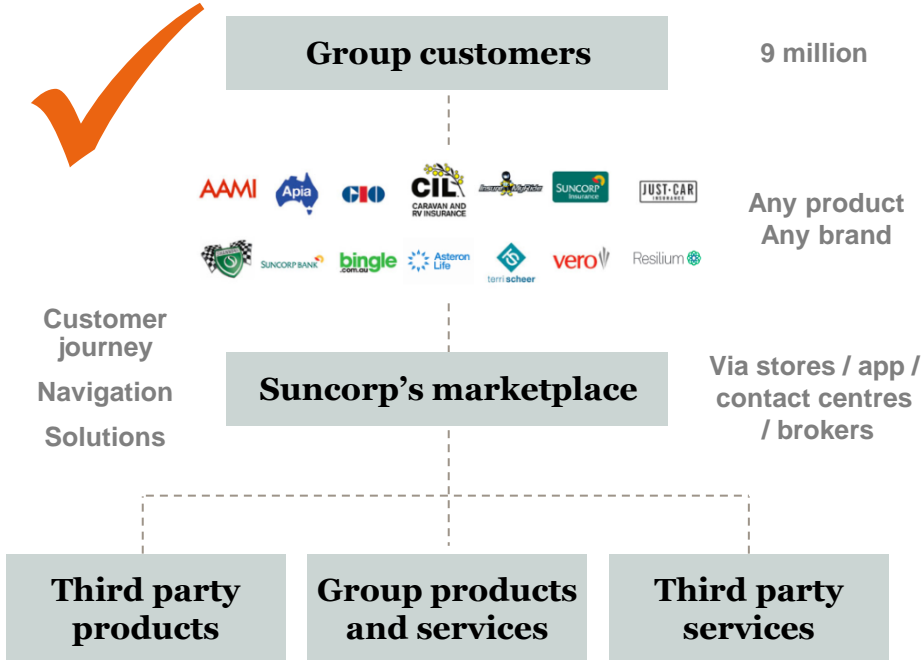
Ability to execute the strategy



- » History of **innovation** and **execution**
- » Customer and marketplace strategy **embraced** by employees
- » Already have **platforms** e.g. Shannons / APIA
- » Aligned **operating model** around the customer
- » **Low risk** - doesn't require large investment program

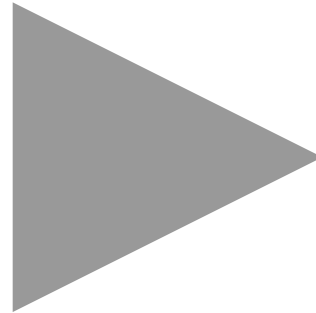
Suncorp's marketplace

Not a Bancassurance, Allfinanz or Aggregator model



Examples

Visualisation showing customer journeys





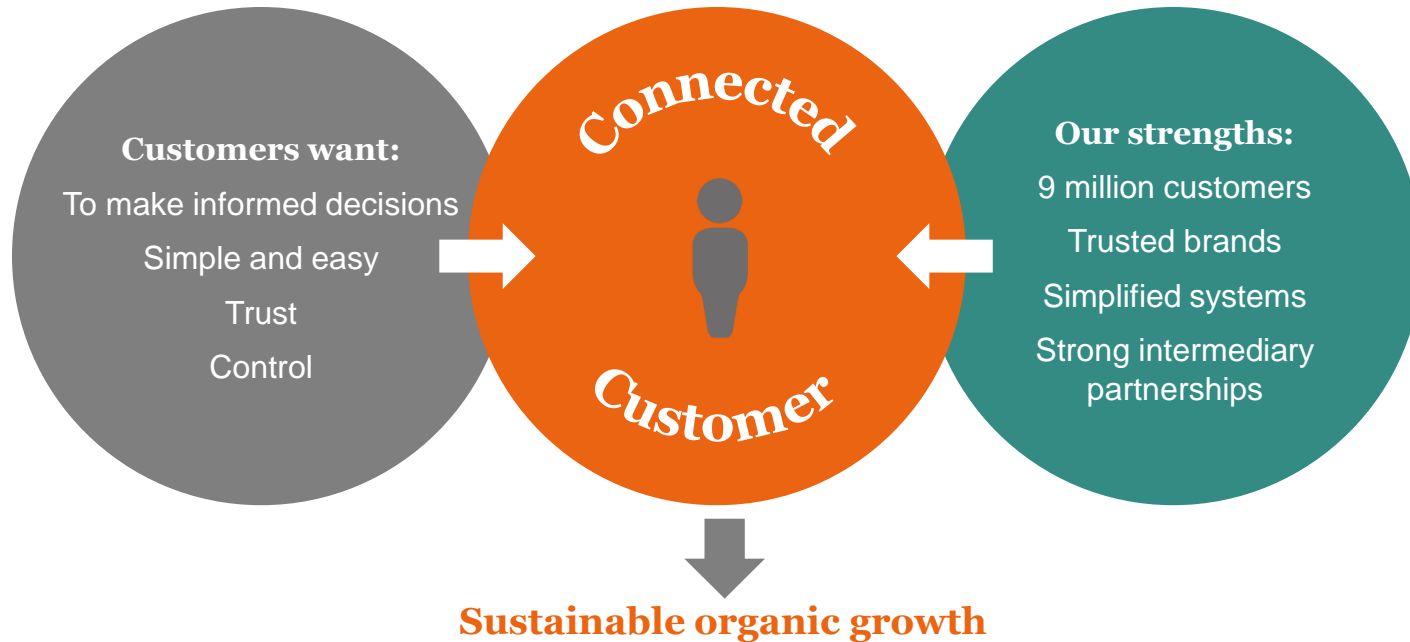
Customer Experience

Mark Reinke, Chief Customer
Experience Officer



Creating a better today

Growing customer connections



Connected Customers

Broadening and deepening customer relationships



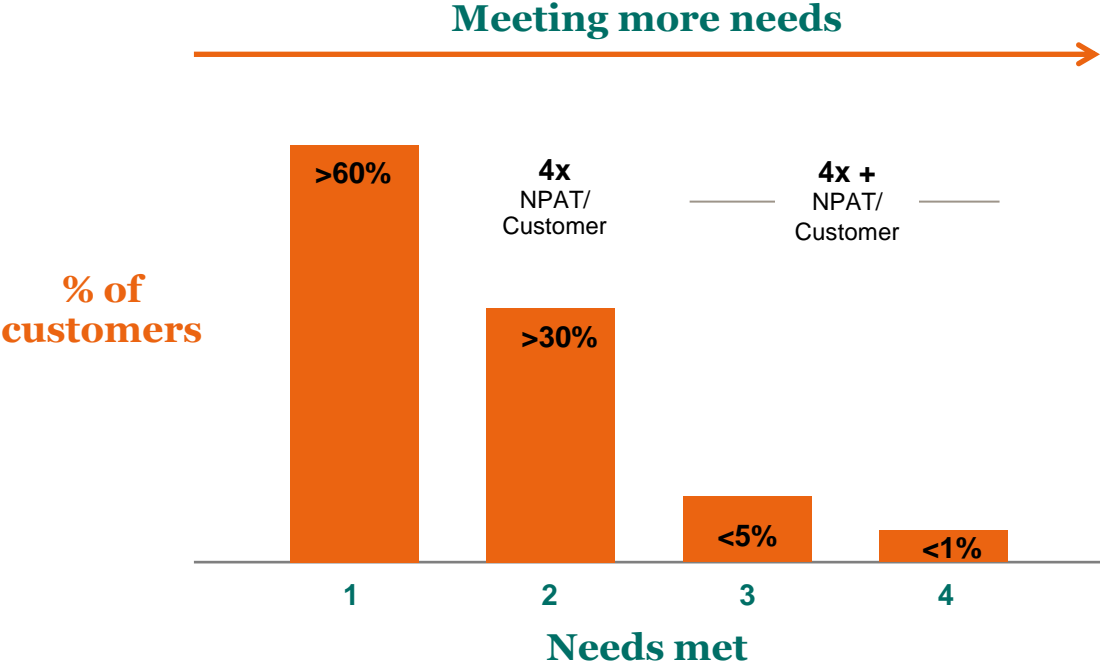
&

Increasing frequency of interactions



Connecting customers creates value

Significant growth opportunity



Our strategy to grow Connected Customers



Customer

Deep insights

Priority segments

New propositions



Marketplace

Curate solutions

Omni-channel

Customer navigation



Experience

Seamless experience

Simplified journeys

Personalised services



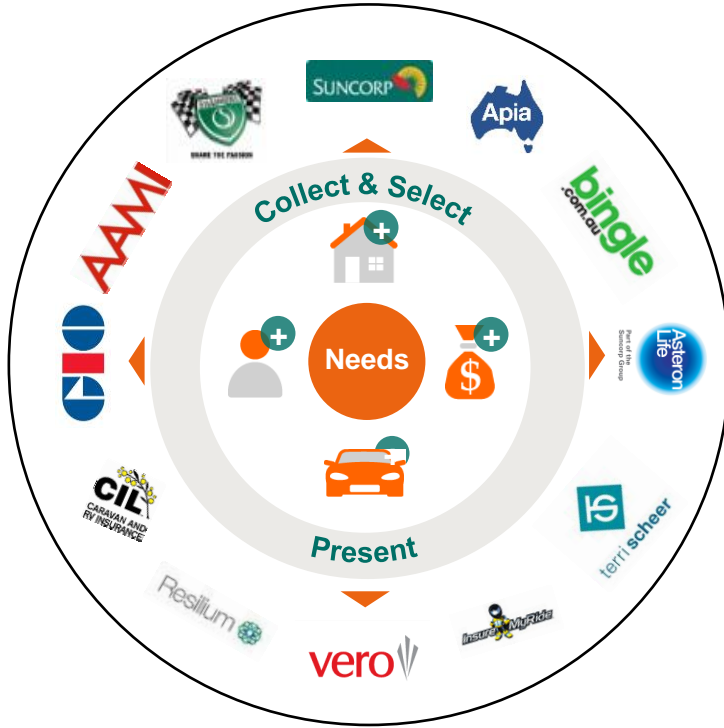
Brands

Reposition master brand

Distinct and complementary

Networked

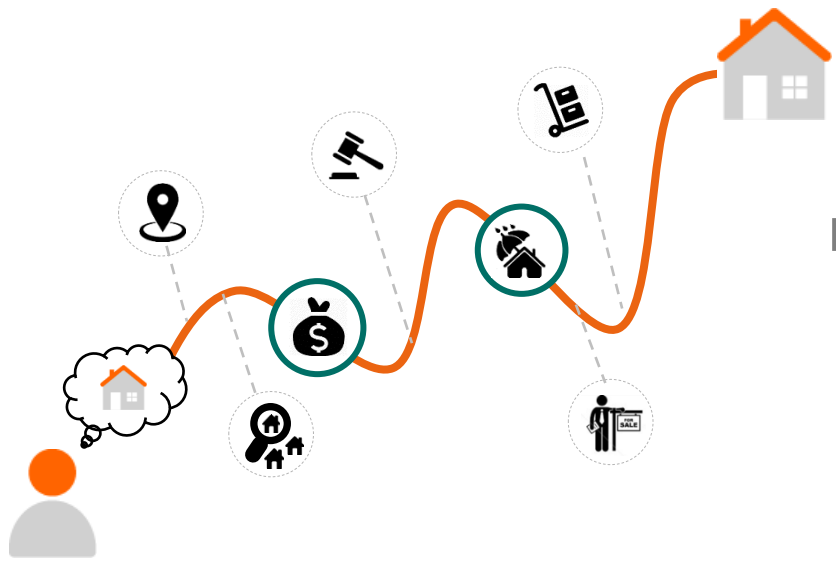
Adopting a marketplace approach



- » **Engaging** customers through omni-channel
- » **Curating** solutions that customers care about
- » **Enabling** customers to navigate and make informed decisions

Reinventing and improving customer journeys

Complex and disconnected



Simplified and connected

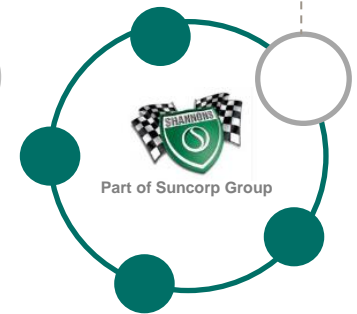
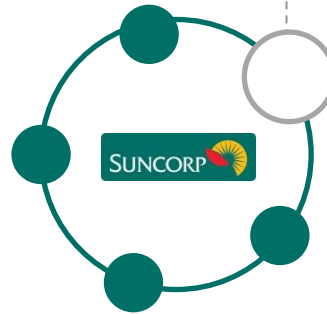
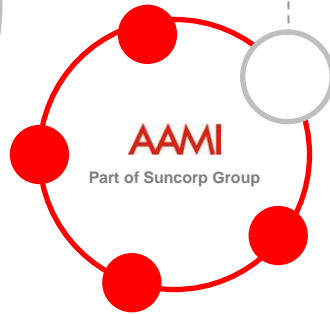


Seamless connected experiences

Collect & Select



Present



Everything in one place

Aggregated information

Decision tools

Access to solutions

Investor Day Showcases



AAMI Hub



**Making informed
decisions**

The logo for trōv, featuring the word 'trōv' in a blue, lowercase, sans-serif font with a horizontal bar over the 'o'.

**On demand
insurance**



Morning Tea

Webcast will resume at 11.10am AEST



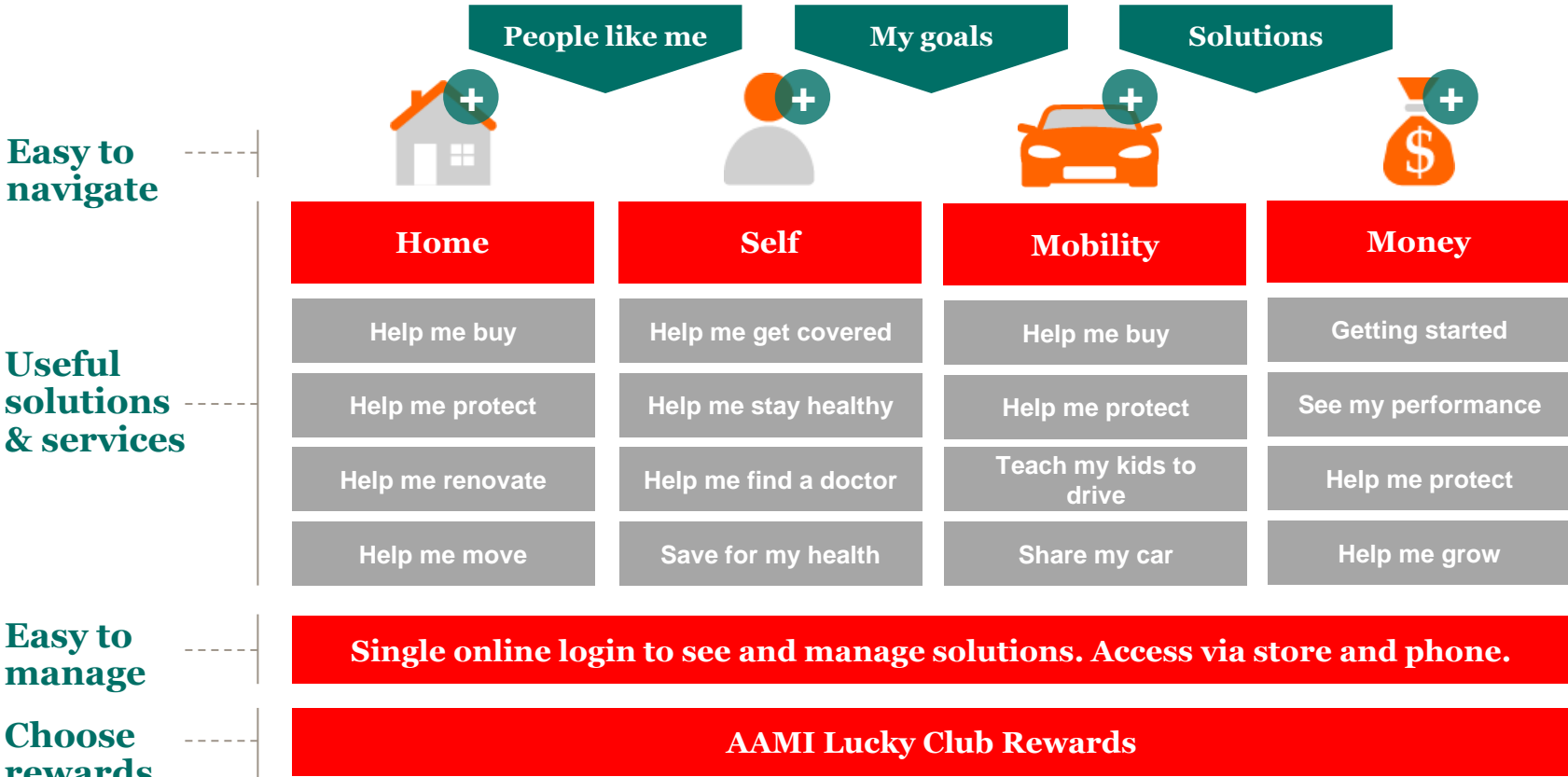


Customer Platforms

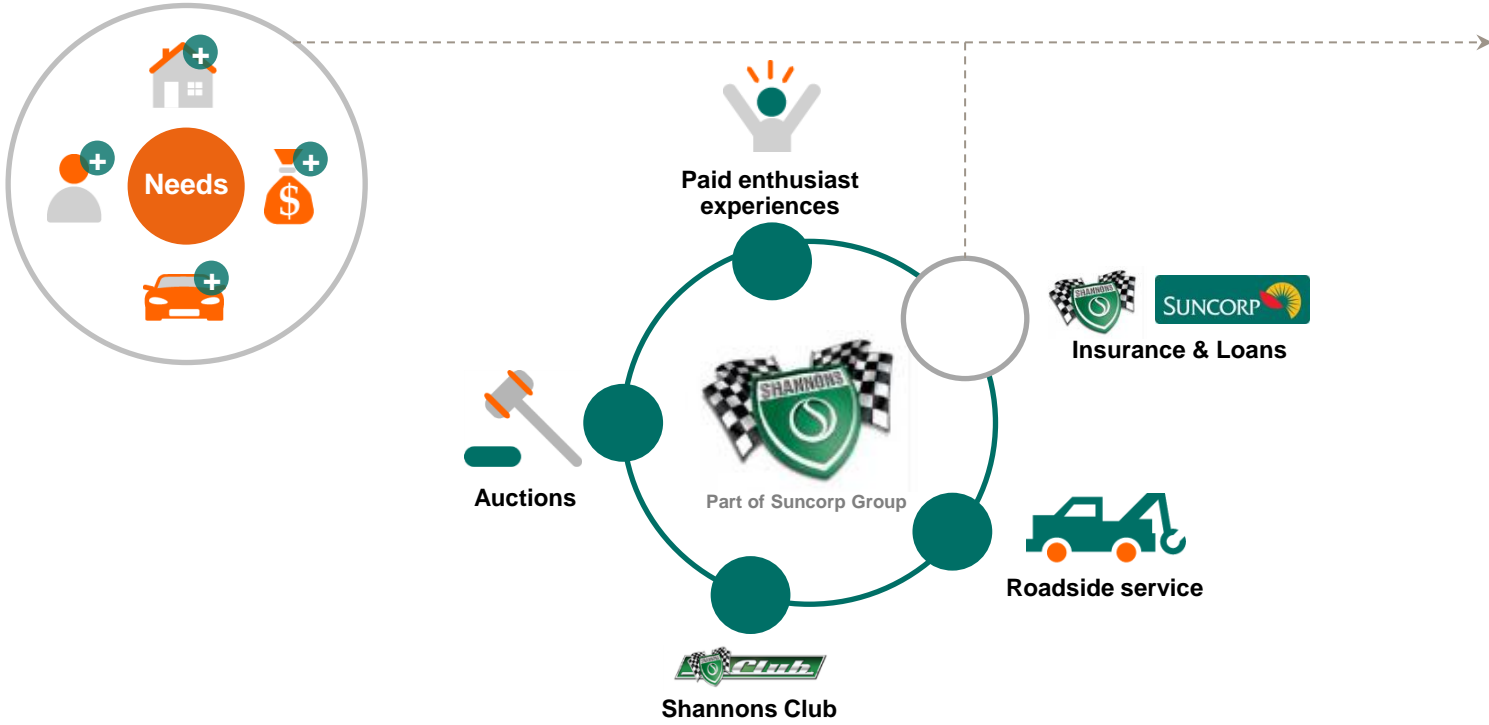
Gary Dransfield, Chief Executive Officer,
Customer Platforms



AAMI marketplace of useful services



Shannons – enabling our customers' passion



New tools to help our SME customers navigate through complexity

Suncorp SME dashboard

powered by  9SPOKES

Easy to navigate

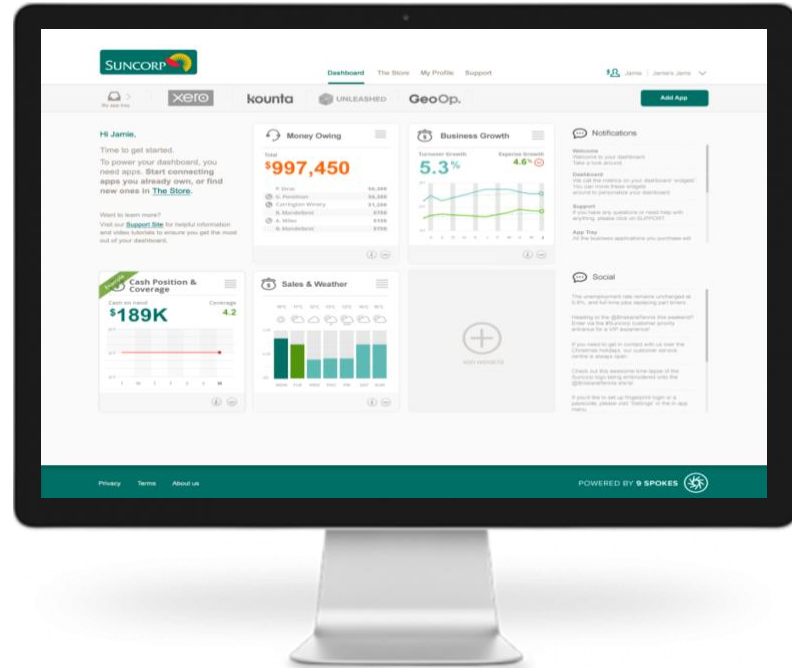
Useful solutions & services

Easy to manage

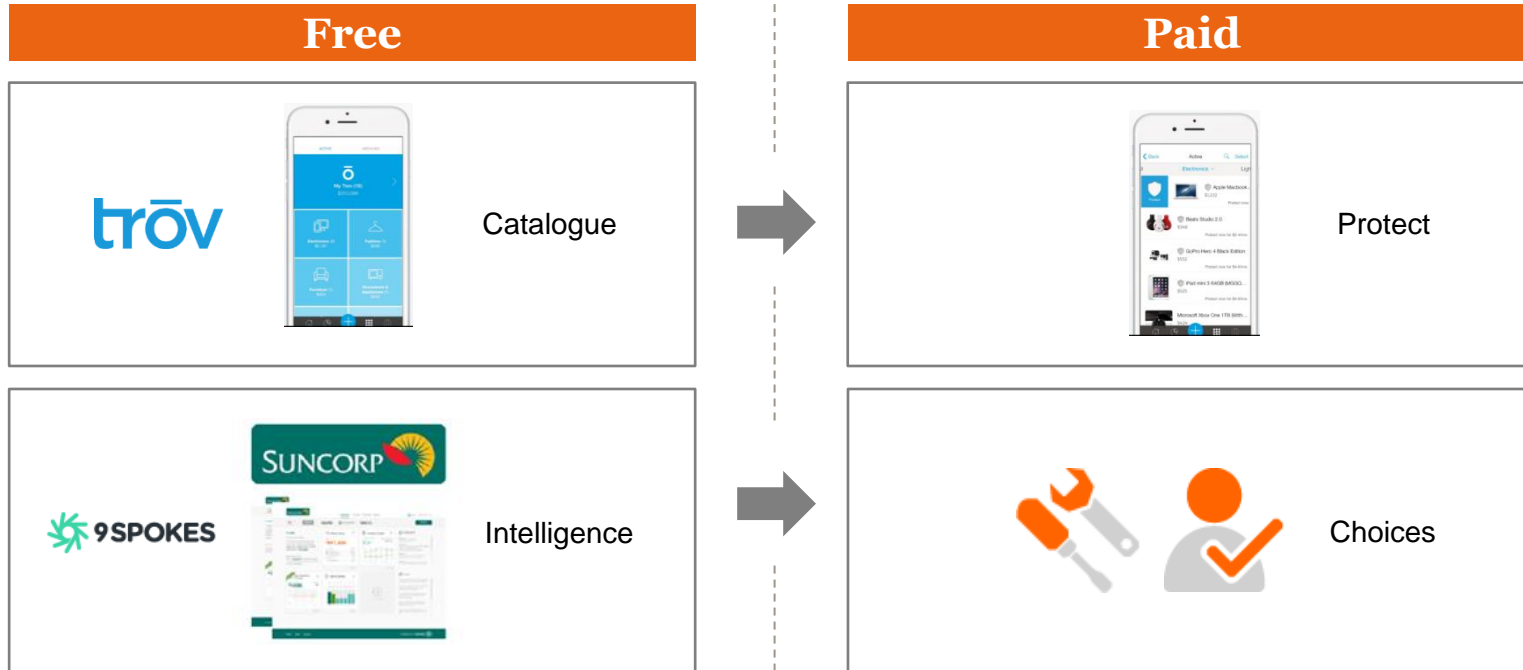
Cash flow	Protection	Operations	Customer	People
Help me manage my business	Help me manage assets	Help me manage jobs	Reward my customers	Manage service delivery
Help me save time	Help me track assets 	Help me manage inventory	Build strong relationships	Help me with payroll
Help me manage money	Help me get covered 	Help me get started	Know my customers	Help me manage staff
Help me grow	Help me protect 	See my performance		

Single online login to see and manage solutions. Access via store and phone.

Customer dashboards



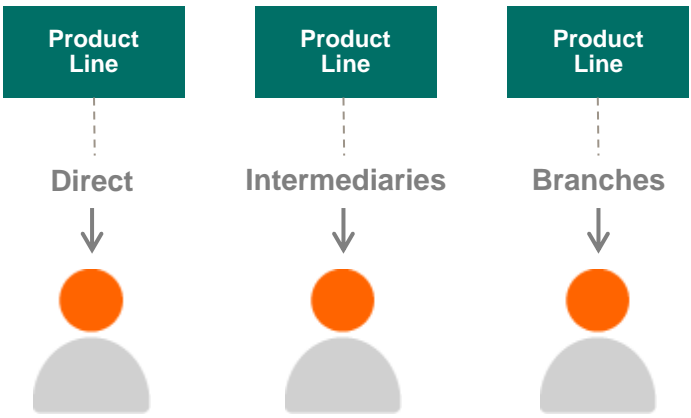
Everyday services – pathway to paid



A new approach to delivering value for customers

Present

Product line distribution model



Going forward

Omni-channel model



Suncorp store



Enabled by business model, data and technology



Customer centric business model

- » Holistic approach to customer
- » Omni-channel
- » Culture

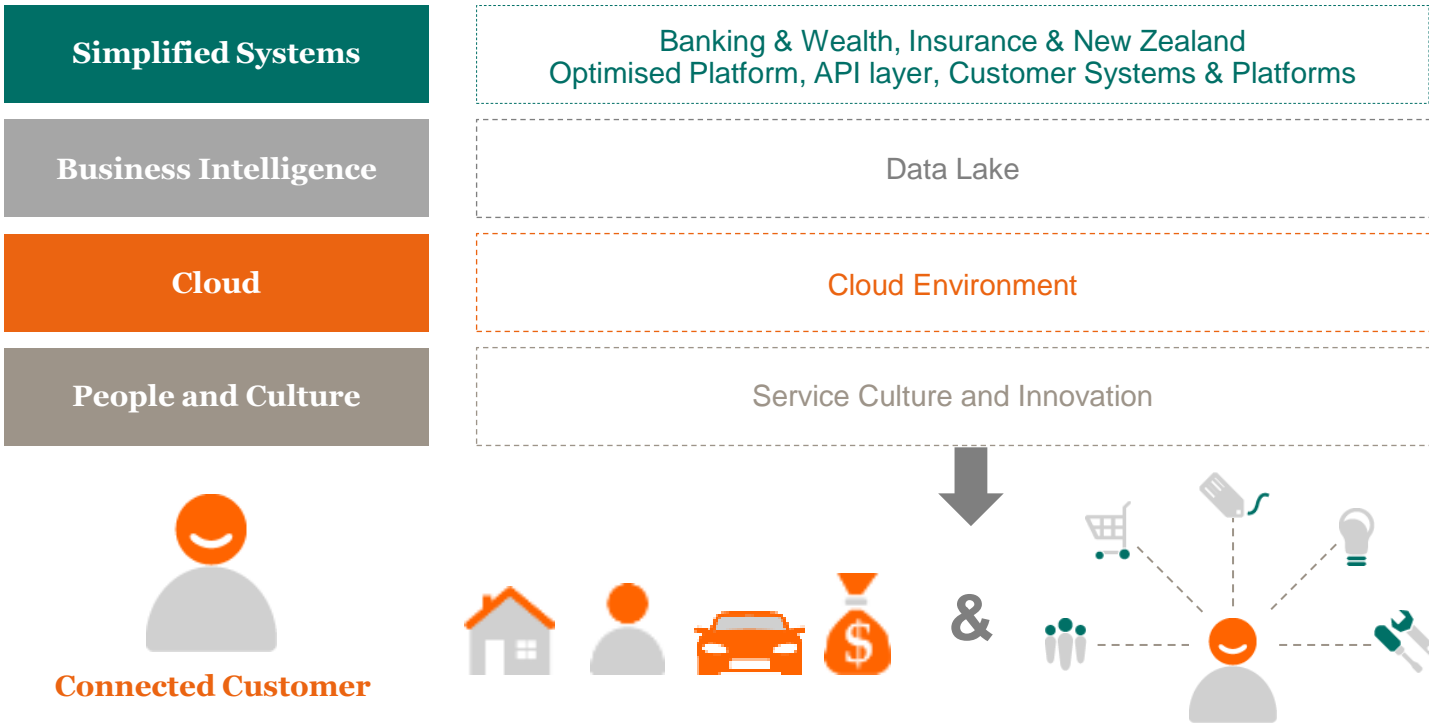
Manufacturing excellence

- » Efficient manufacturing units
- » Product management and development
- » Balance sheet strength

Technology, data & corporate functions in place

- » Modern technology
- » Data infrastructure
- » Efficient corporate functions

Modern technology stack, innovative culture



Pathway to implementation

Old approach

Products and services orientated around business lines



Customer data used in silos

Current activities

Creating new sources of value



Developing new propositions



Identifying new sources of revenue

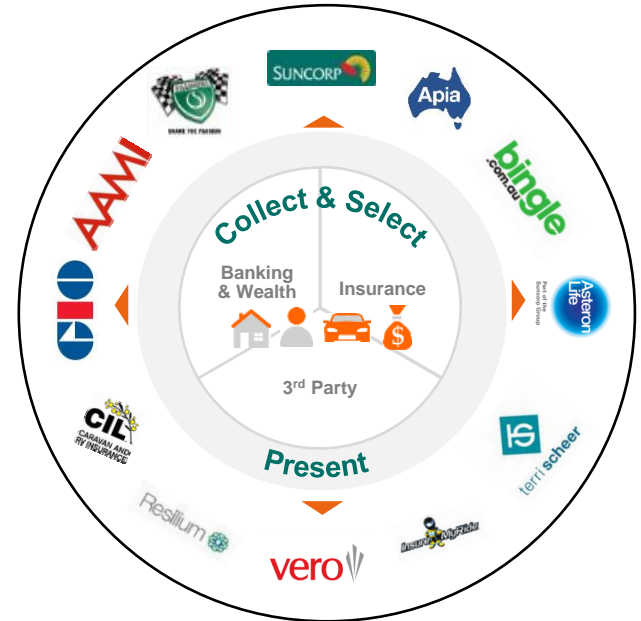


Building new capabilities

Developing commercial framework for marketplace
Building infrastructure and capability

Going forward

Branded marketplaces and seamlessly connecting customers to solutions





People Experience

Amanda Revis, Chief People
Experience Officer



**“Culture eats strategy for
breakfast, lunch and dinner.”**

Peter Drucker

**“Culture eats strategy for
breakfast, lunch and dinner.”**

Peter Drucker

**“I came to see, in my time at IBM, that culture
isn't just one aspect of the game – it is the
game. In the end, an organisation has nothing
more than the collective capacity of its people
to create value.”**

Lou Gerstner

Confidence for the next phase



Track record
of large scale
change

Innovation

Customer
focused
culture

Partners

ThoughtWorks®

IBM

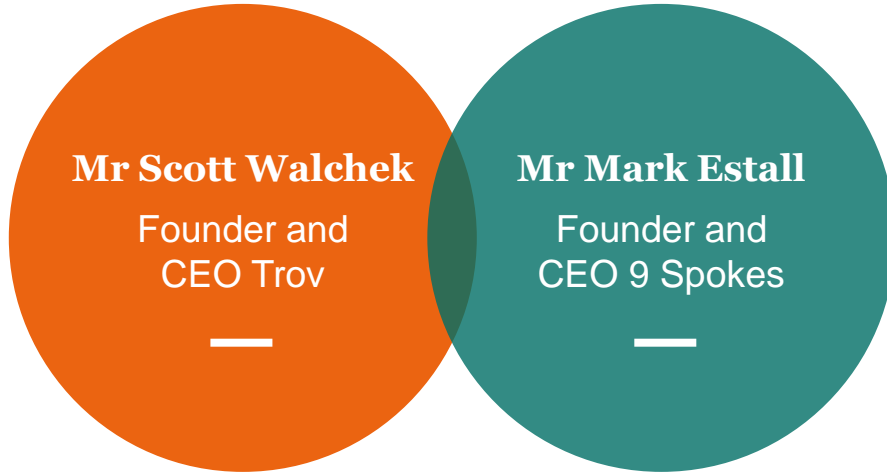
 **WIPRO**
Applying Thought

 **NINE
SPOKES**

trōv

ORACLE®

Partnering Panel





Financial implications

Steve Johnston, Chief Financial Officer



New operating model

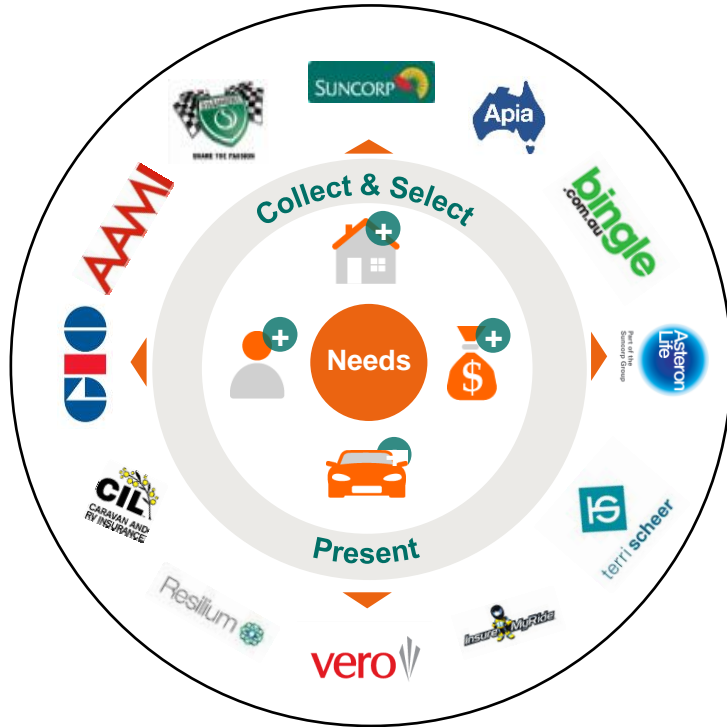
A management structure to deliver a 'One Suncorp' approach



- » **'Elevate the Customer'** building on transformational projects
- » **Centralised** Customer Experience and Customer Platforms functions
- » **Streamlined** corporate functions
- » **Restructuring** completed by end of June 2016
- » Up to pre-tax **\$55 million charge** in FY16
- » **At least** \$80 million p.a. ongoing benefit

Suncorp Marketplace

No major investment program required



- » Building the Marketplace
- » Branding the Marketplace
- » Creating Marketplace propositions
- » Testing the propositions in Labs
- » Accessing the Marketplace via digital, stores and contact centres

Medium term targets

- » **Broadening** of customer relationships
- » **Cost base flat** in FY17 and FY18
- » **Improving** underlying NPAT
- » Sustainable **ROE of at least 10%**, which implies an underlying **ITR of at least 12%**
- » Maintaining a dividend payout ratio of **60% to 80%** of cash earnings
- » **Returning excess capital**



Q&A session

Senior Leadership Team



Key points

- » Business is **well positioned**
- » We're building a financial services **Marketplace**
- » Creating value for **Connected Customers**
- » A '**One Suncorp**' approach
- » **Creating a better today** for everyone



Thank you



Create a better today

For our Customers

Customers with solutions that enable them to enjoy the life they have today and feel secure that good choices are in place for the life they want tomorrow.

For our Shareholders

A resilient business that will continue to deliver strong returns and growth over the long-term.

For our People

Our people are inspired to be innovative, make decisions and behave in ways that contribute to creating a better today for all stakeholders.

For our Communities

We are an integral part of the communities in which we operate. We collaborate to build resilience for today so they can thrive in a changing world.

For our Industry

Our clear focus on providing innovative solutions that meet customer needs raises industry standards and improves public perception.

For our Economy

A stable company that provides financial protection and liquidity so that individuals, businesses and governments can use their capital productively.

Our Strategy



Our Priorities



Our Goals



Important disclaimer

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It is not a recommendation or advice in relation to the Group or any product or service offered by Suncorp or any of its subsidiaries. It is not intended to be relied upon as advice to investors or potential investors, and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.

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The information in this report is for general information only. To the extent that the information may constitute forward-looking statements, the information reflects Suncorp's intent, belief or current expectations with respect to our business and operations, market conditions, results of operations and financial condition, capital adequacy, specific provisions and risk management practices at the date of this report. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks and uncertainties, many of which are beyond Suncorp's control, which may cause actual results to differ materially from those expressed or implied.

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