



Suncorp Group
**Corporate Social
Responsibility Update**
September 2012

One Company
Many Brands



“We are always looking for new ways to responsibly deliver **financial and social value** to our key stakeholder communities.”

Economic

The Group's stabilised operating expenses and a reduction in insurance claims expenses combined with a focus on core business have contributed to a significant lift in profit after tax.

Our improved capital position meant we were able to return additional funds to shareholders with a special dividend of 15 cents in addition to the full year ordinary dividend of 40 cents.

15 cents per share
special dividend paid
to shareholders

ECONOMIC	June 2012	June 2011	June 2010
	(\$m)	(\$m)	(\$m)
Revenue	16,034	19,033	15,682
Total expenses	15,071	18,331	14,564
Net profit after tax	724	453	780
Operating expenses	2,601	2,654	2,765
Employee expenses	1,578	1,561	1,506
General insurance claims expenses	7,122	9,331	5,966
Retained profits	1,493	1,306	1,241
Shareholder dividends	511	444	440
Income tax paid	311	176	381

Pictured here is a repair underway in Roma, Queensland following the February 2012 flooding.





Customers

Our Group is improving access to financial products and services, providing value for money and positive experiences for nine million customers in Australia and New Zealand.

In the past year our general insurance brands managed over 146,000 natural hazard claims and expanded RepairLink and SMART centres to reduce the time taken to repair minor damage to customers' cars. These are just some of the reasons we were named 'Claims Service Provider of the Year' at the 2012 Australian Insurance Industry Awards and have received numerous consumer awards.

Suncorp Bank is a leader in customer satisfaction and is proud to have more satisfied customers than the big four banks. We are reaching more customers than ever through our growing branch network, regional road shows and mobile banking applications.

Suncorp Life is supporting customers with \$1.5 million in claims paid every day and \$5 million in pension payments every month. We continue to provide our customers the choice of buying their life insurance and superannuation direct or through financial advisers.

CUSTOMERS (PROMOTERS)*	June 2012	June 2011	June 2010
Suncorp Bank (Qld)	38%	34%	37%
Asteron Life (Adviser)	55%	61%	49%
AAMI – Motor (National)	40%	36%	36%
Apia – Home (50+)	57%	51%	43%
GIO – Motor (NSW/ACT)	32%	38%	29%
Suncorp Insurance – Home (Qld)	40%	47%	26%

** Promoters are the percentage of customers that when asked how likely they would be to recommend our brands on a scale of 0-10, have responded with a 9 or 10.*

Olga Deltiglio, (pictured) of Melbourne was one of many customers who had their claim processed at the Airport West Repairlink Centre.

Employees

We continue to pursue our goal of being THE place to work in Australia and New Zealand.

In 2012, we improved our ability to track key employee metrics, ensuring consistency across Australia and New Zealand for our engagement, enablement and leadership data. Despite falling industry benchmarks our enablement score improved while engagement stabilised.

We achieved our target of 72% in the leadership index, supported by leadership development programs and reducing complexity in our structures to enable clearer accountability.

The proportion of females in senior leadership roles has reached 33%, the target we set to achieve by 2014. Our gender diversity achievements have been recognised by EOWA who this year named Suncorp Group as an Employer of Choice for Women.

Vero New Zealand achieved a top five position in the Kenexa Best Workplaces Survey and was inducted into the Kenexa hall of fame in the five-year league category.

“The Group CEO has set clear expectations and empowers people to make decisions in the interests of the Group and our customers.”

Suncorp employee response to engagement survey

EMPLOYEES	June 2012	June 2011
Total FTE (full time equivalent)	14,890	15,238
Engagement score	63%	63%*
Enablement score	66%	65%*
Leadership index	72%	70%*
Women in senior leadership roles	33%**	31%
Employee initiated turnover	16%*	15.9%*
Lost time injury frequency rate	2.7*	2.3*

* Does not include New Zealand.

** Data correct at 22 August 2012.

Andy Sou, (pictured) is a Suncorp Bank Sales & Services Consultant at Sydney's Haymarket branch and just one of many Suncorp Group employees in Australia and New Zealand.





Community

Suncorp Group's Brighter Futures Community Giving program is improving our ability to capture and promote philanthropic activity across the Group. This has been reflected in this year's community investment total.

We continue to support road safety programs, invest in training apprentices in the smash repair industry and provide funding for State Emergency Service (SES) units in Victoria and New South Wales. Suncorp Bank is a proud foundation partner of the Australian Year of the Farmer, supporting a number of events and activities that assist our agricultural industries and communities.

In 2012, we have continued and extended our support for running festivals. We are a major partner of *The Sunday Mail*/Suncorp Bank Bridge to Brisbane, Blackmores Sydney Running Festival and Gold Coast Airport Marathon.

COMMUNITY	June 2012*	June 2011	June 2010
Cash	5,080,214	4,346,485	3,971,384
Time	702,905	814,380	1,301,849
In-kind support	268,070	517,439	103,029
Management costs	374,566	70,374	419,006
Total investment	6,425,755	5,748,678	5,795,268

* Suncorp Group participates in the London Benchmarking Group (LBG) reporting each year. 2012 data has not yet been officially verified by LBG.

Matt O'Connor, (pictured) is a Director at Inspire, one of Suncorp Group's major charity partners.

Environment

Suncorp Group's electricity consumption has reduced by around 20% over two years. We expect further savings through ongoing development of smarter and more flexible work environments enabling office space consolidation.

Sub-metering continues to identify areas where electricity consumption is high and has allowed us to make changes that have reduced the amount of electricity wasted.

In 2012, we have reduced paper usage to pre-2010 levels. This follows a spike in 2011 which can be attributed to the regulatory requirements associated with implementing our Non Operating Holding Company structure. Significant investment into online channels should assist further reductions.

20% reduction in CO2-e emissions since 2010

ENVIRONMENT*	June 2012	June 2011	June 2010
Scope 1 CO2-e tonnes	6,832	7,443	7,140
Scope 2 CO2-e tonnes	58,616	66,495	71,619
Scope 1 & 2 CO2-e tonnes	65,448	73,938	78,759
Electricity consumption per FTE KWh	4,662	5,134	5,792
Fuel used in company vehicles per FTE litres	222	234	230
Air kilometres travelled per FTE	3,744	3,608	3,752
Paper used for print and office tonnes	1,775	2,358	1,907

** All data for Australian operations only.*

Maria McGarry, (pictured) is leading Suncorp Group's efforts to reduce electricity consumption.



If you have any questions or comments about this update or our approach to Corporate Social Responsibility please email **responsible@suncorp.com.au**.

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