

Board Charter



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Introduction

This is the Board Charter of the company specified in item 1 of the Schedule and each of the entities (if any) specified in item 2 of the Schedule, except where the entity specified in item 2 of the Schedule has adopted its own Charter.

The Board Charter outlines the role, responsibilities, structure and processes of the Board, within the context of all applicable laws, ASX principles of good corporate governance and ethical standards.

Definitions

The following terms have the following meanings:

'Board Renewal Policy' means the policy set out in Part B of the Board Charter.

'Company' means the company specified in item 1 of the Schedule.

'Group' means the company specified in item 1 of the Schedule and the entities (if any) specified in item 2 of the Schedule.

'Suncorp Group' means the Suncorp Group Limited group of companies.

Role

The Board is ultimately responsible for the sound and prudent management of the Group. As such, the role of the Board is to provide effective governance to ensure that systems and processes are in place and maintained to achieve business objectives, ensure compliance with applicable laws, manage risks and protect the interests of shareholders and other stakeholders, including customers, employees, suppliers and the local communities in which the Suncorp Group operates.

Composition

The Board shall comprise no more than thirteen directors and no less than five directors, or such other numbers as the constitution of the Company allows, of whom a majority must be independent, non-executive directors as defined in accordance with the Board policy on director independence.

Chairman

The Chairman of the Board:

- shall be elected by directors
- shall be a non-executive director; and
- shall be independent.

The role of the Chairman is to lead and facilitate effective discussions at Board meetings and to oversee the process to evaluate the performance of the Board, its committees and individual directors.

Company Secretary

The Company Secretary is accountable directly to the Board, through the Chairman, for all governance matters that relate to the Board's proper functioning. All directors have direct access to the Company Secretary.

Meetings

The Board shall meet as often as deemed necessary by the directors in order to fulfil their duties and responsibilities as directors and as dictated by the needs of the business. It is expected that under normal circumstances the Board will meet at least once each month.

A meeting of the Board can be convened by the Chairman, the Chief Executive Officer and Managing Director (CEO & Managing Director) or a majority of the directors.

The non-executive directors of the Board shall meet together without the presence of executive directors at least four times per year to discuss matters in relation to the Company's executive management.

A quorum shall consist of a majority of directors unless the Board comprises an even number of directors, in which case the quorum shall be half that number or such other numbers as allowed by the Company's constitution.

Conflict of Interest

The Board has adopted the following procedures to ensure the appropriate management of any actual, potential or perceived conflict of interest:

- Directors have a continuing obligation to advise the Board of any interest that could potentially conflict with those of the Suncorp Group.
- Where a director has an actual, potential or perceived conflict in a matter being considered by the Board, the director shall:
 - declare that conflict of interest
 - not receive the relevant Board papers
 - not be present at the meeting when the matter is considered; and
 - not participate in any decision on the matter,

unless the Board Chairman (or if the relevant director is the Board Chairman, either the Board Risk Committee Chairman or the Board Audit Committee Chairman) determines otherwise. However, in the case of a material personal interest, the level of involvement of the relevant director shall be determined by the Board (excluding the relevant director).

Confidentiality

All proceedings of the Board, including papers submitted and presentations made to the Board, shall be kept confidential and shall not be disclosed or released to any person other than Board members, except as required by law or as agreed by the Board.

Access

The Board shall have full and free access to executives and other employees of the Group.

The Company has entered into an agreement with each director which gives them the right to access any Board papers made available to them during their tenure as a director of the Company, after their retirement from the Board.

Professional Advice

The Board collectively and each director individually, is entitled to engage independent professional advice, at the Company's expense, if considered necessary to fulfil their duties and responsibilities. Individual Board members seeking independent advice must obtain the prior approval of the Chairman (which may not be unreasonably withheld) and the advice will be made available to all Board members as appropriate.

Code of Conduct

Each member of the Board shall abide by the terms of the Suncorp Group Code of Conduct in all dealings with and on behalf of the Suncorp Group.

Duties and Responsibilities

Corporate governance

- Conduct the meetings of the Board and the Board committees and the affairs of the Group, having regard to corporate governance practices, including the 'Other Matters' specified in item 3 of the Schedule.
- Approve and oversee the process developed by executive management to implement and maintain a system of good corporate governance, including the adoption of the Suncorp Group Code of Conduct applicable to all employees of the Suncorp Group, including directors, temporary workers and other independent contractors and consultants when engaged by or otherwise representing the Suncorp Group and its interests.
- Monitor management's implementation of, and compliance with, corporate governance principles and practices, having regard to the economic, social, ethical and environmental impact of the Suncorp Group's activities and monitoring compliance with corporate responsibility and sustainability policies and practices.

The Board

- Propose, for approval by shareholders, appropriate persons for election to the Board, including directors retiring by rotation. In the event that there are two or more directors that have been in office for an equal amount of time, and an agreement cannot be reached between those directors as to who will retire, the director or directors who will retire will be determined in any manner determined by the Chairman. If the Chairman is not able and/or willing to determine who should retire, the deputy chairman (if any), or otherwise the Chairman of the Audit Committee, shall make the decision.
- Fill casual vacancies in Board positions.
- Manage the succession of Board members in accordance with the Board Renewal Policy, with a focus on the appointment of new directors that will support a diverse composition of non-executive directors.
- Monitor the performance of the Board and Board committees collectively and directors individually.

Chief Executive Officer & Managing Director and executives

- Appoint and remove the CEO & Managing Director and approve the appointment and removal of Senior Executives reporting directly to the CEO & Managing Director (Group Executives). In doing so, the Board will ensure that it has the full range of skills and attributes needed for the effective and prudent management of the Suncorp Group.
- Approve the remuneration arrangements of the CEO & Managing Director and Group Executives, including performance measures and performance targets, and manage succession plans for the CEO & Managing Director.
- Assess the performance of the CEO & Managing Director and approve the CEO & Managing Director's assessment of the performance of each Group Executive.
- Monitor executive succession plans.

Corporate strategy and performance

- Approve the strategic direction and related objectives for the Group.
- Consider and approve the Group's annual budget including revenue, profit, capital expenditure and cash flows, as proposed by management, ensuring appropriate resources are available to achieve the business objectives.
- Monitor the Suncorp Group's strategic priorities, with a focus on elevating customers and improving the experience and outcomes for all stakeholders.
- Monitor executive management's performance in the implementation and achievement of the Suncorp Group's business objectives and strategies.

Acquisitions and divestments

- Review and approve management proposals regarding acquisitions or divestments of companies, businesses and functions, when such acquisition or divestment would have a material effect on the assets, profit or operations of the Suncorp Group.

Capital management

- Review and approve capital management policies and plans within the context of applicable liquidity and capital adequacy regulatory requirements.

Culture

- Monitor and influence the culture of the Suncorp Group, in the areas of risk, customer and employee experience and business performance, to maintain a culture that supports the Suncorp Group's ability to operate effectively and consistently within its risk appetite and deliver fair and balanced outcomes for its stakeholders.

Risk management and internal control

- Approve and oversee the process developed by management to ensure business risks are accurately identified, analysed and assessed.
- Approve systems of risk management, risk appetite, regulatory compliance and control and associated Group policies to manage those risks.
- Review and approve systems of workplace health and safety.
- Monitor management's implementation of, and compliance with, these systems and controls.

Financial reporting

- Approve (subject to shareholder endorsement) the appointment of the external auditor.
- Review and approve the Group's half-yearly and annual financial statements and other financial information.
- Determine, declare and approve dividends to be paid to shareholders.

Approval authorities

- Determine and approve the level of authority to be delegated to the CEO & Managing Director in respect of operating expenditures, capital expenditures, credit facilities and risk-taking, and approve the further delegation of those authorities to management by the CEO & Managing Director.
- Approve operating and capital expenditure, credit facilities and risk-taking authorities in excess of the limits delegated to management.

Board committees

- The various powers, duties and responsibilities of the Board set out herein may be delegated to one or more Board committees.
- All Board committees shall have a Charter approved by the Board, setting out the composition, duties and responsibilities of that committee.
- Minutes of all Board committee meetings shall be maintained and copies of those minutes shall be made available to all directors.

Schedule: Board Charter

PART A: Role of the Board

Item 1: Name of Company

Suncorp Group Limited

Item 2: Name of Entities

SBGH Limited, Suncorp Insurance Holdings Limited, Suncorp Life Holdings Limited and all other APRA-regulated companies in the Suncorp Group, except superannuation entities regulated by APRA

PART B: Board Renewal Policy

The Board is committed to ensuring that it has a relevant mix of skills, experience, expertise and diversity.

In consideration of an appointment or composition of the Board, the Nomination Committee will look for those who are best able to discharge the responsibilities and make effective contributions to the Board, and take into account:

- the size, composition and diversity of the existing Board
- the Suncorp Group Board Skills Matrix, which sets out the mix of qualities, expertise and skills held by existing directors
- how the candidate's attributes will balance and complement qualities and expertise needed on the Board in the future
- the need to maintain the highest standard of corporate governance, and in this context also the factors that may impact a director's independence
- the culture 'fit' with existing Board members within the context of the Suncorp Group culture
- the nature of the Suncorp Group business, the environment in which it operates and the challenges and opportunities ahead.

The Nomination Committee may engage recruitment consultants, or independent experts, to research or assess candidates for new positions on the Board, when necessary to carry out its duties and responsibilities to the Board.

Item 3: Other Matters

The table below sets out the key matters to be considered by each Board and to the extent commercially and legally required.

Key matters for the Boards to consider	Group NOHC (Suncorp Group Ltd)	General Insurance NOHC (Suncorp Insurance Holdings Ltd) and APRA authorised General Insurance entities	Bank NOHC (SBGH Ltd) and Suncorp-Metway Limited	Life NOHC (Suncorp Life Holdings Ltd) and APRA regulated Life Insurers
ASX Corporate Governance Principles and Recommendations	✓	✓	✓	✓
The best interests of the Suncorp Group as a whole	✓	✓	✓	✓
APRA Prudential Standards applicable to General Insurers	✓	✓		
APRA Authorisation Conditions General Insurance entities	✓	✓		
APRA Prudential Standards made under the Banking Act 1959	✓		✓	
APRA Authorisation Conditions Suncorp Bank	✓		✓	
Banking Act 1959 Consideration of the Interest of Depositors	✓		✓	
APRA Prudential Standards applicable to Life Insurers	✓			✓
APRA Authorisation Conditions Authorised Life Insurance entities	✓			✓

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Interests of policy holders in accordance with s 48 of the Life Insurance Act 1995	✓			✓
The policies and procedures of the Suncorp Group	✓	✓	✓	✓

In the event that there are conflicting or inconsistent matters that need to be considered, each Board must, where relevant, and to the extent legally required, consider the relevant APRA Prudential Standards, APRA Authorisation Conditions and the interest of policy holders or depositors (where applicable) in priority to other considerations.

