

23 August 2022

## 2022 Notice of Annual General Meeting

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Suncorp (ASX: SUN | ADR: SNMCY) has today released its 2022 Notice of Annual General Meeting (AGM).

Suncorp's 2022 AGM will be held on Thursday 22 September 2022, as a hybrid meeting. Shareholders will have the opportunity to attend the AGM in person, at Sofitel Brisbane Central, or participate online. More information is available in the Notice of AGM or on the [Suncorp Group website](#).

Authorised for lodgement with the ASX by the Company Secretary.

**ENDS**

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**SUNCORP**



**Building futures and  
protecting what matters**

**Notice of 2022  
Annual General Meeting**

Suncorp Group Limited  
ABN 66 145 290 124

# Notice of 2022 Annual General Meeting

The Annual General Meeting (AGM) of Suncorp Group Limited (Suncorp, or the Company) will be held on:

**Date** Thursday, 22 September 2022

**Time** 11.00am Australian Eastern Standard Time (AEST)

**Where** **In person**

Ballroom, Sofitel Brisbane Central  
249 Turbot Street, Brisbane, Queensland  
Shareholder registration will be available from 10.00am AEST

**Online**

Online shareholder registration will be available from 10.30am AEST



# Message from our Chairman

Dear Shareholder,

It is my pleasure to invite you to Suncorp's 2022 Annual General Meeting (AGM) to be held on Thursday, 22 September at 11.00am AEST.

This year's AGM will be held as a hybrid meeting. For the first time since 2019, shareholders will again have the opportunity to attend the AGM in person, at Sofitel Brisbane Central. Please be assured that your health and safety, along with that of our people and suppliers, remain our top priority. Suncorp will reassess physical AGM attendance in light of prevailing government advice and restrictions in relation to gatherings while the COVID-19 pandemic continues. If Suncorp is required to adjust our planned approach, we will announce it via the ASX and also publish it on our website at [suncorpgroup.com.au/investors/AGM](https://suncorpgroup.com.au/investors/AGM).

If you prefer to participate online, you will find further information on the next two pages of this Notice of Meeting. For those who are less familiar with participating online, a detailed guide and a list of frequently asked questions are available on our website at [suncorpgroup.com.au/investors/AGM](https://suncorpgroup.com.au/investors/AGM).

## Business of the AGM

The Notice of Meeting also sets out the business of the AGM. You may be aware of the recent announcement that Suncorp has entered into an agreement to sell Suncorp Bank to the Australia and New Zealand Banking Group (ANZ). We appreciate that some shareholders may have questions or comments about the transaction. We welcome the opportunity to address related questions during the AGM.

With the Board's endorsement, we will be seeking your vote on the following resolutions, as explained on the following pages:

- 2021-22 Remuneration Report
- Proposed approval of the Suncorp Group Equity Incentive Plan and modifications to performance rights given the announced sale of Suncorp Bank
- Grant of performance rights to the Group CEO & Managing Director (Group CEO), with performance measures modified on a one off basis to take account of the announced sale of Suncorp Bank
- Re-election of Ian Hammond and Sally Herman as directors. Ian and Sally are required to stand for re-election this year as they were last elected or re-elected by shareholders in September 2019
- Proposed renewal of current proportional takeover provisions in the Suncorp Constitution (a **special** resolution).

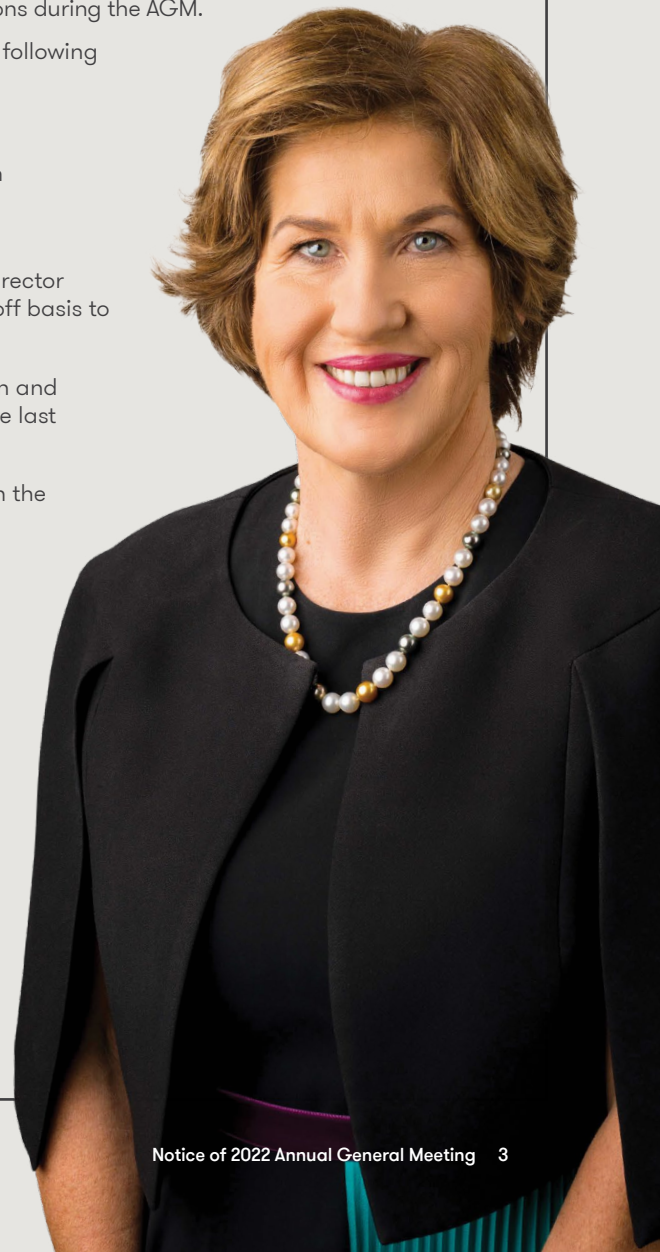
Your Board appreciates your ongoing support, and we look forward to engaging with you, whether physically or online, on Thursday, 22 September.

Yours faithfully,



Christine McLoughlin, AM

Chairman  
23 August 2022



## How to participate in the AGM

1



### In person

In the Ballroom, Sofitel Brisbane Central, 249 Turbot Street, Brisbane, Queensland, subject to any prevailing COVID-19 restrictions that may be in place

Shareholder registration will be available from 10.00am AEST

2



### Online - AGM platform

Shareholders will be able to observe the AGM proceedings, vote online, as well as ask questions online or via phone

Further information is provided to the right and on the following page. A detailed guide on how to participate and a list of frequently asked questions are available on our website at [suncorpgroup.com.au/investors/AGM](https://suncorpgroup.com.au/investors/AGM)

3



### Webcast

Shareholders will be able to observe the AGM proceedings, either live or at a later time of their choosing, via the Suncorp Group website at [suncorpgroup.com.au/investors/AGM](https://suncorpgroup.com.au/investors/AGM)

## To participate online in the AGM

1



### What you will need

A computer, tablet or mobile device with internet access – please note that a desktop or laptop computer will provide the best viewing experience

2



### Before the AGM

Ensure your browser is compatible with the online AGM platform

3



### On the day of the AGM

Go to [meetings.linkgroup.com/suncorp22](https://meetings.linkgroup.com/suncorp22) then enter the requested details to access the online AGM platform

4



Online shareholder registration will be available from 10.30am AEST



### Proxyholders

If you have appointed a proxyholder to vote, ask questions or make comments on your behalf online during the AGM, your proxy will need a proxy number, so they can obtain access to the online voting and question facilities (once they have accessed the online AGM platform using the instructions above). Link will provide the proxy number via email no later than 24 hours prior to the AGM. Alternatively, proxyholders can call Link on 1300 882 012 (inside Australia) or +61 2 8767 1219 (outside Australia) no earlier than Wednesday, 21 September 2022 to request confirmation of the proxy number. Please follow the additional process outlined on the following page if your proxy is to ask a question or make a comment via phone

## To vote online before or during the AGM

Please read this Notice of Meeting in full before voting or appointing a proxy

### Before the AGM



You can vote or appoint a proxy online at [linkmarketservices.com.au](https://linkmarketservices.com.au) – you will need your Shareholder Number\* and postcode for your shareholding (or country, if you are located outside Australia)



or  
If you have received this Notice of Meeting by email, you can vote or appoint a proxy online using the personalised voting instructions included in the email



Please note, if you are voting before the AGM or appointing a proxy, your directions must be received by Link (Suncorp's share registry) by no later than 11.00am AEST on Tuesday, 20 September 2022 to be valid

### During the AGM



Visit [meetings.linkgroup.com/suncorp22](https://meetings.linkgroup.com/suncorp22) then enter the requested details to access the online AGM platform



Click on the 'Get a Voting Card' box



Enter your Shareholder Number\* and postcode/country, then complete and submit your vote



Detailed instructions are included in the Online AGM Guide that is available on the Suncorp Group website at: [suncorpgroup.com.au/investors/AGM](https://suncorpgroup.com.au/investors/AGM)

## To ask questions or make comments before or during the AGM

### Before the AGM (online)



Select the 'Ask Question' option when voting or appointing a proxy online at [linkmarketservices.com.au](https://linkmarketservices.com.au) (see instructions to the left)

or



Email your question or comment to [investor.relations@suncorp.com.au](mailto:investor.relations@suncorp.com.au)



If you are submitting a question or comment before the AGM, please ensure that it is received by 11.00am AEST on Tuesday, 20 September 2022

### During the AGM (online or via phone)



Visit [meetings.linkgroup.com/suncorp22](https://meetings.linkgroup.com/suncorp22) and follow the instructions to the left to access the online AGM platform



Click on the 'Ask a Question' box



If you have voted before the AGM and have therefore not already entered your Shareholder Number\* and postcode/country to obtain a voting card on the online AGM platform, you will be prompted to enter those details before you may ask a question or make a comment

If you wish to ask a question or make a comment orally rather than via the online AGM platform, a questions and comments phone line will be available during the AGM. To utilise the questions and comments line, please call Link on 1800 990 363 (inside Australia) or +61 1800 990 363 (outside Australia) by no later than Wednesday, 21 September 2022, to register your participation and obtain the required access code

\* Securityholder Reference Number (SRN) or Holder Identification Number (HIN)

# Notice of 2022 Annual General Meeting

## Business

### Financial and other matters

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the Company and its controlled entities for the financial year ended 30 June 2022 (2021-22 or FY22).

To receive questions and comments in relation to the management of the Company and the performance of the Company generally, including the announced sale of Suncorp Bank to ANZ.

**NOTE:** THERE IS NO REQUIREMENT FOR SHAREHOLDERS TO APPROVE THESE REPORTS.

### Resolution 1

#### Remuneration Report

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

To adopt the Remuneration Report for the financial year ended 30 June 2022.

**NOTE:** THIS RESOLUTION IS ADVISORY ONLY AND DOES NOT BIND THE COMPANY OR DIRECTORS.

### Resolution 2

#### Approval of the Suncorp Group Equity Incentive Plan and modifications to performance rights given the announced sale of Suncorp Bank

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That approval is given for:

- a) the Suncorp Group Equity Incentive Plan, and
- b) the modifications to the terms of certain performance rights that are necessary to give effect to the proposed treatment of performance rights,

for the purposes of ASX Listing Rule 6.23.4 and for all other purposes, as set out in the Explanatory Memorandum.

### Resolution 3

#### Grant of performance rights to the Group Chief Executive Officer & Managing Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That approval is given for the grant of 187,152 performance rights under the Suncorp Group Equity Incentive Plan, to the Group Chief Executive Officer & Managing Director, Mr Steven Johnston, as set out in the Explanatory Memorandum.

### Resolution 4

#### Re-election of directors

To consider and, if thought fit, pass each of the following resolutions as separate ordinary resolutions:

- a) That Mr Ian Hammond be re-elected as a director of the Company in accordance with the Company's Constitution.
- b) That Ms Sally Herman be re-elected as a director of the Company in accordance with the Company's Constitution.

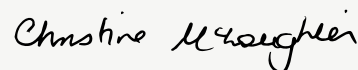
### Resolution 5

#### Renewal of proportional takeover provisions in the Constitution

To consider and, if thought fit, pass the following resolution as a **special** resolution:

That the proportional takeover provisions in Rule 41 of the Company's Constitution be renewed for a further period of three years commencing from the date of this Annual General Meeting.

By Order of the Board



Christine McLoughlin, AM

Chairman  
23 August 2022

AN EXPLANATORY MEMORANDUM ACCOMPANIES AND FORMS PART OF THIS NOTICE OF MEETING. SHAREHOLDERS SHOULD READ THESE DOCUMENTS IN FULL.

# Important information for shareholders

## Voting

### 1. Entitlement to vote

To be eligible to vote and ask questions at the AGM, you must be a registered holder of ordinary shares in Suncorp as at 7.00pm AEST on Tuesday, 20 September 2022.

Eligible holders of ordinary shares in Suncorp may vote on all resolutions, subject to the voting information described in sections 2-7 below.

### 2. How to vote

Eligible shareholders (as set out in 1. above) can choose to vote in one of four ways.

#### a) Lodge a direct vote before the AGM by:

- completing a shareholder voting form online at [linkmarketservices.com.au](https://linkmarketservices.com.au)
- using the personalised voting instructions provided to you via email (if you received this Notice of Meeting by email) to vote online at [linkmarketservices.com.au](https://linkmarketservices.com.au), or
- using your printed personalised voting form (if you elected to receive printed AGM materials).

To be considered valid, shareholder voting forms must be received by Link (Suncorp's share registry) by **11.00am AEST on Tuesday, 20 September 2022** (being 48 hours before the commencement of the AGM).

#### b) Attend the AGM and vote, either in person (or by proxy), or in the case of corporate shareholders, by corporate representative.

#### c) Lodge a vote online during the AGM by:

- logging onto the online AGM platform at [meetings.linkgroup.com/suncorp22](https://meetings.linkgroup.com/suncorp22), and entering the requested details
- clicking on 'Get a voting card'
- entering your Shareholder Number and postcode for your shareholding (or country, if outside Australia)
- completing and submitting your vote.

#### d) Appoint a proxy before the AGM, to vote on your behalf during the AGM, either online or in person

You may appoint a proxy by completing a shareholder voting form – **see 2a) above for further details on how to access a form.**

If your proxyholder is to vote or ask questions on your behalf online during the AGM, they will need a proxy number, so they can obtain access to the online voting and question facilities. Link will provide the proxy number via email no later than 24 hours prior to the AGM. Alternatively, proxyholders can call Link on 1300 882 012 (inside Australia) or +61 2 8767 1219 (outside Australia) no earlier than Wednesday, 21 September 2022 to request confirmation of the proxy number. Please see the Questions and Comments section on page 9 if your proxyholder is to ask a question or make a comment via phone.

A shareholder who is entitled to cast two or more votes may appoint up to two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no number or proportion is specified, each proxy will be entitled to cast 50% of the votes.

Any person appointed as a proxy does not need to be a shareholder, and a shareholder can appoint an individual or a body corporate as a proxy. A body corporate appointed as a proxy must also lodge a Certificate of Appointment of Corporate Representative (Certificate). A Certificate for completion can be obtained by calling Link on 1300 882 012 (within Australia) or +61 2 8767 1219 (outside Australia) or online at [linkmarketservices.com.au](https://linkmarketservices.com.au). Completed Certificates must be received by Link by **11.00am on Tuesday, 20 September 2022.**

If a shareholder who has lodged a direct vote or appointed a proxy prior to the AGM then chooses to vote online or in person during the AGM, the previous voting instructions will be automatically cancelled.

### 3. Appointing the Chairman of the AGM as your proxy

You may appoint the Chairman of the AGM as your proxy. If you direct the Chairman of the AGM how to vote on a resolution, your vote will be cast in accordance with your direction.

If you do not name a proxy, or you appoint a proxy (other than the Chairman of the AGM) and your proxy is either not recorded as attending the AGM or does not vote on a resolution, the Chairman of the AGM will, before voting on the resolution closes, be taken to have been appointed as your proxy for the purposes of voting.

If you do not direct the Chairman of the AGM how to vote on a resolution, or the Chairman of the AGM becomes your proxy by default and you have not directed your proxy how to vote, then by completing and submitting your shareholder voting form you will be expressly authorising the Chairman of the AGM to exercise your undirected proxy on a resolution even though it may be directly or indirectly connected with the remuneration of a member of the Key Management Personnel (KMP).

The Chairman of the AGM intends to vote any undirected proxies given by shareholders to her in favour of Resolutions 1–5 and those shareholders will be taken to have expressly authorised the Chairman of the AGM to exercise the proxy as she sees fit.



## 4. Voting restrictions

### Resolution 1 – Remuneration Report

The Company will disregard any votes cast on Resolution 1 by, or on behalf of:

- a member of the KMP whose remuneration details are included in the 2021-22 Remuneration Report, or their closely related parties (regardless of the capacity in which the vote is cast), or
- by any member of the KMP as at the date of the AGM, or their closely related parties, as proxy for another shareholder.

The above votes will not be disregarded if they are cast as a proxy for a shareholder who is entitled to vote:

- in accordance with the directions on the shareholder voting form, or
- by the Chairman of the AGM, as the shareholder voting form expressly authorises the Chairman of the AGM to exercise the proxy even though these resolutions are connected with the remuneration of the KMP.

### Resolution 2 – Approval of the Suncorp Group Equity Incentive Plan and modifications to performance rights given the announced sale of Suncorp Bank

The Company will disregard any votes cast:

- in favour of Resolution 2 by, or on behalf of, any person eligible to participate in the Suncorp Group Equity Incentive Plan (including, for the avoidance of doubt, any person who at the date of this AGM holds performance rights granted under the terms of that Plan) or any associate of those persons (regardless of the capacity in which the vote is cast), or
- any member of the KMP as at the date of the AGM or their closely related parties, as proxy for another shareholder.

The above votes will not be disregarded if they are cast:

- as proxy or attorney for a shareholder who is entitled to vote:
  - in accordance with directions to the proxy or attorney to vote on the resolution that way, or
  - by the Chairman of the AGM, as the shareholder voting form expressly authorises the Chairman of the AGM to exercise the proxy even though this resolution is connected with the remuneration of the KMP, or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 2, and
  - the holder votes on Resolution 2 in accordance with directions given by the beneficiary to the holder to vote in that way.

### Resolution 3 – Grant of performance rights to the Group Chief Executive Officer & Managing Director

The Company will disregard any votes cast:

- in favour of Resolution 3 by, or on behalf of, Mr Steven Johnston, or any of his associates (regardless of the capacity in which the vote is cast), or
- by any member of the KMP as at the date of the AGM, or their closely related parties, as proxy for another shareholder.

The above votes will not be disregarded if they are cast:

- as a proxy or attorney for a shareholder who is entitled to vote:
  - in accordance with the directions to the proxy or attorney to vote on the resolution that way, or
  - by the Chairman of the AGM, as the shareholder voting form expressly authorises the Chairman of the AGM to exercise the proxy even though these resolutions are connected with the remuneration of the KMP.
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 3, and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

For the purposes of the voting restrictions set out in this section:

- closely related party is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a member of the KMP
- associate is defined in the ASX Listing Rules and includes a spouse, child, and certain other close family members, as well as any companies controlled by a person (unless the contrary is established).

## 5. Voting procedure

Voting on all resolutions for consideration at the AGM will be conducted by poll.

## 6. Conduct of the meeting

Technical difficulties may arise during the course of the AGM. The Chairman of the meeting has discretion as to whether and how the AGM should proceed in the event that a technical difficulty arises. In exercising their discretion, the Chairman of the meeting will have regard to the number of shareholders impacted and the extent to which participation in the business of the meeting is affected. Where they consider it appropriate, the Chairman of the meeting may continue to hold the AGM and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to lodge a vote or appoint a proxy before the AGM as set out in section 2 on page 7, even if they plan to attend the AGM online/in person.

## 7. For more information

Please read the:

- Shareholder Voting Form
- Online AGM Guide, and
- Online AGM FAQs,

which are available on the Suncorp Group website at [suncorpgroup.com.au/investors/AGM](https://suncorpgroup.com.au/investors/AGM).

## 8. Copies of information

Shareholders who wish to obtain a copy of the Company's 2021–22 Annual Report or Constitution (free of charge), may contact Link by email at [suncorp@linkmarketservices.com.au](mailto:suncorp@linkmarketservices.com.au), or by phone on:

- 1300 882 012 (inside Australia) or
- +61 2 8767 1219 (outside Australia).

# Questions and comments

The Chairman of the AGM will provide shareholders with a reasonable opportunity to ask relevant questions or make relevant comments as each item of business is considered, including relevant questions about the announced sale of Suncorp Bank.

Shareholders will also be given an opportunity to ask relevant questions of the Company's auditor, KPMG, who will be in attendance at the AGM [see page 10 for further details].

Shareholders are encouraged to submit their questions or comments in advance of the AGM, by:

- selecting the 'Ask Question' option when voting or appointing a proxy online at [linkmarketservices.com.au](https://linkmarketservices.com.au) (see section 2 on page 7 for further details), or
- emailing your question or comment to [investor.relations@suncorp.com.au](mailto:investor.relations@suncorp.com.au).

If you are submitting a question or comment before the AGM, please ensure it is received by **11.00am AEST on Tuesday, 20 September 2022**.

Shareholders will also have an opportunity to ask questions during the AGM, either in person or online, by:

- logging onto the online AGM platform at [meetings.linkgroup.com/suncorp22](https://meetings.linkgroup.com/suncorp22), and entering the requested details, then
- clicking on the 'Ask a Question' box
- if you have voted before the AGM and have therefore not already entered your Shareholder Number and postcode/country to obtain a voting card on the online AGM platform, you will be prompted to enter those details before you may ask a question or make a comment.

For those shareholders or proxyholders participating online who prefer to ask a question or make a comment orally rather than via the AGM platform, a questions and comments phone line will be available during the AGM. To utilise the questions and comments line, please call Link on 1800 990 363 (inside Australia) or +61 1800 990 363 (outside Australia) by no later than Wednesday, 21 September 2022, to register your participation and obtain the required access code.

In the interests of all participating shareholders as a whole:

- please ensure that your question or comment relates to an item of business. Questions will also be taken on the announced sale of Suncorp Bank to ANZ. If you have a customer-related question or comment, please contact our Customer Relations team using the contact details on the last page of this Notice of Meeting. Customer-related questions that are asked during the AGM will be referred to our Customer Relations team for response.
- where similar questions are received from different shareholders, the Chairman of the AGM will provide a single response, in order to streamline the conduct of the AGM.

Following the AGM Suncorp will publish a summary of questions asked and answers provided on the Suncorp Group website at [suncorpgroup.com.au/investors/AGM](https://suncorpgroup.com.au/investors/AGM).

# Explanatory memorandum

This Explanatory Memorandum accompanies and forms part of the Notice of Meeting for the Company's AGM to be held on Thursday, 22 September 2022 at 11.00am AEST. It contains information relevant to the business to be considered at the AGM and shareholders should read this section in full.

## Business

### Financial and other matters

The Chairman of the AGM will provide shareholders with a reasonable opportunity to ask questions concerning the Company's 2021-22 Financial Report, Directors' Report and Auditor's Report (which are contained in the 2021-22 Annual Report), and the Company's performance generally.

There is no requirement for shareholders to approve these reports.

For those shareholders who did not elect to receive a printed copy or electronic notification, the 2021-22 Annual Report is available on the Suncorp Group website at [suncorpgroup.com.au/investors/reports](https://suncorpgroup.com.au/investors/reports).

The Chairman of the AGM will also provide shareholders with an opportunity to ask the Company's auditor (KPMG) questions relevant to:

- the conduct of the audit
- the preparation and content of the Auditor's Report
- the accounting policies adopted by the Company in relation to the preparation of the financial statements, and
- the independence of the auditor.

The Chairman of the AGM will provide shareholders with a reasonable opportunity to ask questions concerning the announced sale of Suncorp Bank to ANZ. The transaction is subject to a range of regulatory and government approvals. The targeted timeframe for completion is the second half of the calendar year 2023.

The ways in which shareholders can ask questions or make comments are outlined on page 9 of this Notice of Meeting.

### Resolution 1

#### Remuneration Report

The Remuneration Report, as contained in the Company's 2021-22 Directors' Report, has been submitted to shareholders for consideration and adoption. Shareholders will be given an opportunity at the AGM to ask questions about, or comment on, the Remuneration Report which provides information on:

- the remuneration principles, framework and approach adopted by the Board for FY22 in determining the nature and amount of remuneration of directors and senior executives
- the operation of incentive plans, including the performance measures that apply to the different components of the remuneration framework, why those performance measures were chosen and the performance outcomes
- remuneration governance and the proposed approach to the treatment of incentives given the announcement of the sale of Suncorp Bank
- remuneration alignment with risk and conduct, and
- remuneration details for directors and senior executives.

The Board believes the remuneration arrangements, as outlined in the Remuneration Report, are strategically aligned. However, in light of the announced sale of Suncorp Bank to ANZ, the Board will increase the frequency with which it reviews the appropriateness of Suncorp's remuneration arrangements to ensure they:

- address Suncorp's transition to be a leading Trans-Tasman insurer upon completion of the sale of Suncorp Bank
- are compliant with APRA's Remuneration Prudential Standard CPS 511 and the Financial Accountability Regime, when these take effect, and
- maintain an ongoing focus of key senior executives to deliver value for our shareholders, customers and people. Further considerations are the prevailing tight labour market, elevated levels of employee initiated turnover and a workforce emerging from COVID-19 that is seeking greater flexibility.

Any material changes will be disclosed in that year's Remuneration Report and, where required by law, presented at a future AGM.

Shareholders should note the vote on the Remuneration Report is advisory only and does not bind the Company or its directors. However, the Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the AGM when reviewing the Company's remuneration policies.

#### Board recommendation

Noting each director has a personal interest in their own remuneration from the Company, as described in the Remuneration Report, the Board recommends shareholders vote in favour of the resolution to adopt the Remuneration Report.

## Resolution 2

### Approval of the Suncorp Group Equity Incentive Plan and modifications to performance rights given the announced sale of Suncorp Bank

The Board has considered the impact of the sale of Suncorp Bank on unvested equity incentives granted under the existing Suncorp Group Equity Incentive Plan (SGEIP). The proposed treatment of performance rights under the SGEIP reflects the need to ensure the ongoing focus of senior executives following the announcement of the sale of Suncorp Bank.

The proposed treatment recognises the disruption and uncertainty caused by the transition during a time when there is an extremely competitive environment for talent. Maintaining stability in the senior executive team and momentum in the delivery of strategic initiatives in all areas of the business is critical to both the completion of the transaction and the successful transition of the Company to being a leading Trans-Tasman insurer.

The Board is seeking shareholder approval of the SGEIP. The SGEIP contains the framework terms and conditions that underpin grants of performance rights, share rights and restricted shares by the Company.

#### Why is the Board seeking approval of the SGEIP?

The purpose of seeking approval of the SGEIP at this time is to disclose to shareholders more fully the terms and conditions of the SGEIP. Seeking approval is considered appropriate at this time as the Board will be relying on the terms and conditions of the SGEIP (including discretions available to the Board under the SGEIP) to give effect to the proposed treatment of the FY21 and FY22 performance rights as set out below.

The Board is also seeking approval for the use of such discretions in relation to future equity grants (for example, for corporate actions or capital reconstructions that may arise, including the announced sale of Suncorp Bank). A summary of the SGEIP Rules, including the discretions, is set out in **Attachment A**. Any material exercise of discretion will be disclosed in the relevant year's Remuneration Report.

#### What are the proposed modifications to the operation of the FY21 and FY22 performance rights?

The key proposed modifications to the operation of the performance rights are:

##### FY21 Performance rights

- Performance would be tested as at 30 June 2022.  
At this date:
  - 80.2% of the performance rights would have achieved the relative Total Shareholder Return (TSR) (broad-based) performance measure against the largest 50 companies in the S&P/ASX 100 index excluding real estate investment trusts and resources companies
  - 0% of the performance rights would have achieved the Cash Return on Equity (Cash ROE) performance measure.
- Given the equal weighting between the two measures, 40.1% of the total FY21 performance rights would have achieved the performance measures.

- The Board intends to waive the performance conditions on the 40.1% of performance rights that would have achieved the performance measures and impose an additional one-year service condition on these rights such that they would now vest at the end of the original deferral period being 30 June 2024, subject to continuity of employment. Under the current plan operation, if an executive resigned between Year 3 (30 June 2023) and Year 4 (30 June 2024), any vested rights would remain on-foot and vest or be forfeited in the normal course. If the above changes are made, the rights that are retained after the performance testing as at 30 June 2022 would be forfeited if resignation occurs before 30 June 2024.
- As this award remains in equity, there is ongoing shareholder alignment as ultimate awards realised are dependent upon the Suncorp share price at the end of the deferral period.
- The remaining 59.9% of the performance rights would lapse.

##### FY22 Performance rights

- Performance would be tested as at 30 June 2022.  
At this date:
  - 83.2% of the performance rights would have achieved the relative TSR (broad-based) performance measure as described above
  - 83.2% of the performance rights would have achieved the relative TSR (customised) performance measure against 12 ASX 100 financial organisations with banking and/or insurance operations
  - 0% of the performance rights would have achieved the Cash Return on Tangible Equity (Cash RoTE) performance measure.
- Given the equal weighting between the three measures, 55.5% of the total FY22 performance rights would have achieved the performance measures.
- The Board intends to waive the performance conditions on the 55.5% of performance rights that would have achieved the performance measures and impose an additional one-year service condition on these rights such that they would now vest at the end of the original deferral period being 30 June 2025, subject to continuity of employment. Under the current plan operation, if an executive resigned between Year 3 (30 June 2024) and Year 4 (30 June 2025), any vested rights would remain on-foot and vest or be forfeited in the normal course. If the above changes are made, the rights that are retained after the performance testing as at 30 June 2022 would be forfeited if resignation occurs before 30 June 2025.
- As this award remains in equity, there is ongoing shareholder alignment as ultimate awards realised are dependent upon the Suncorp share price at the end of the deferral period.
- The remaining 44.5% of the performance rights would lapse.

## Resolution 2 (continued)

### What factors did the Board consider in determining that the above proposed modifications are appropriate?

The following principles guided the Board's decision making:

- Employees should be focused on, and rewarded for, successfully completing the sale of Suncorp Bank while at the same time effectively transitioning the Company to being a leading Trans-Tasman insurer
- Be fair and equitable in the treatment of unvested equity for continuing employees and those who will cease employment with Suncorp as part of the sale of Suncorp Bank
- There should be continued focus on business performance and clear alignment over the long-term with shareholders.

The Board evaluated a number of alternatives with reference to the above guiding principles, including an alternative to forfeit the current awards that have not yet vested and grant a fresh award subject to continuity of employment. The Board concluded that the proposed treatment of performance rights set out above was the optimal alternative for both executives and shareholders. This is because:

- the awards continue to be structured as equity which ensures ongoing alignment with the shareholder experience
- the performance rights remain performance-aligned as they are tested based on performance as at 30 June 2022, being shortly before the announcement of the sale of Suncorp Bank. In this way, the performance measures are not impacted by the sale announcement. If the performance measures were to continue as currently structured, the Cash RoTE measure would be particularly challenging to assess given the impact on earnings and equity as a result of the sale. It is for this reason that the Group CEO's FY23 LTI award is proposed to be assessed against relative TSR only (see **Resolution 3**)
- the proposed treatment incentivises continued service with Suncorp, is simple and understandable for participants and is consistent with the guiding principles.

### Can the terms of existing performance rights be modified?

Under ASX Listing Rule 6.23.4, the terms of existing performance rights can be modified if the modifications are not prohibited by ASX Listing Rule 6.23.3 and shareholders approve the modification. To the extent that the proposed treatment of the performance rights set out above is considered to change the terms of those performance rights, shareholder approval of this Resolution would be sufficient for the purposes of ASX Listing Rule 6.23.4 for the Company to give effect to the proposed treatment.

In addition to obtaining shareholder approval, the Company is also seeking participant consent for the changes. This is because the portion of the performance rights that met the performance conditions at 30 June 2022 could be lower than if performance was tested in the normal course. Consent is also being sought because participants are also required to remain employed with Suncorp for an additional one-year period in order for their rights to vest.

### Are the awards equity-based?

Yes. As set out above, one of the key principles that the Board set in determining the proposed modifications is to ensure continued focus on business performance and clear alignment over the long-term with shareholders. Performance would have an effective testing date of 30 June 2022, at which time the performance rights convert into share rights. The ultimate value that executives will realise from the share rights is dependent upon the Suncorp share price at the end of the original four-year deferral period.

### What happens upon cessation of employment?

Unvested share rights will lapse if the executive resigns or their employment is terminated at the initiative of the Group (other than retrenchment) before the end of the four-year deferral period. Under the current plan operation, if resignation or termination at the initiative of the Company (other than retrenchment) occurred between Year 3 and Year 4, the vested rights would ordinarily remain on-foot and vest at the end of the four-year deferral period, subject to malus and clawback criteria.

If an executive's employment is terminated for any other reason, the unvested share rights will continue beyond cessation of employment and will vest at the end of the four-year deferral period, subject to malus and clawback criteria. Any vested rights will convert into shares (or be settled as a cash payment) in the normal course.

### What happens if the sale of Suncorp Bank does not occur?

As set out above, one of the key reasons the Board is requesting shareholder approval for the revised operation of the FY21 and FY22 performance rights is to ensure senior executives remain focused and rewarded to successfully complete the sale of Suncorp Bank and transition the Company to being a leading Trans-Tasman insurer. Accordingly, the proposed treatment of the relevant performance rights will occur shortly following this AGM. If the sale of Suncorp Bank does not occur, there will be no further modifications to the operation of the FY21 and FY22 performance rights. That is, the performance rights will continue to be treated as proposed in this Explanatory Memorandum.

### **Why are these modifications applying to all senior executives?**

All senior executives, being the Group CEO and Executive Leadership Team, currently participate in the LTI plan. All these executives will be materially impacted by the transaction and will be individually and collectively focused on successfully completing the Suncorp Bank sale while at the same time effectively transitioning the Company to being a leading Trans-Tasman insurer. Given this, it is critical for the Board to incentivise the senior executives to deliver over this timeframe and to align their rewards with those of shareholders.

As a result of the proposed modifications, senior executives will have greater certainty over the number of LTI awards that may vest, however these LTI awards would only vest following an additional one-year service requirement.

### **Are any modifications proposed to other unvested awards?**

No. The Board is not proposing any modifications to other awards that have been granted but have not yet vested. The Board is also not proposing any additional awards in lieu of the awards proposed to be forfeited that did not meet the performance conditions as at 30 June 2022.

### **What happens if this Resolution is approved?**

The Board intends to give effect to the proposed treatment of the relevant performance rights, as set out above as soon as practicable following the AGM.

### **What happens if this Resolution is not approved?**

The Company will not be restricted from making further grants of performance rights, share rights or restricted shares under the SGEIP subject to the requirements of the ASX Listing Rules and the Corporations Act 2001.

The Company may not be able to give effect to the proposed treatment of the performance rights set above, however reserves the right to give effect to an alternative treatment for the relevant performance rights that the Board considers appropriate at the relevant time.

### **What happens with any FY23 LTI grants that Suncorp is going to make?**

The key terms of the FY23 LTI grant to the Group CEO is outlined in **Resolution 3**. The operation of the FY23 LTI plan is the same as for all other senior executives.

### **Board recommendation**

The Group CEO is a participant under the SGEIP, and each of the non-executive directors are potential participants under the SGEIP (through potentially sacrificing a portion of their fees into shares). Therefore, in the interests of good governance, the Board makes no recommendation in relation to this resolution.

## **Resolution 3**

### **Grant of performance rights to the Group Chief Executive Officer & Managing Director**

The Board is seeking the approval of shareholders for the grant of 187,152 performance rights under the SGEIP to the Group CEO, Mr Steven Johnston. This grant constitutes Mr Johnston's long-term incentive (LTI) opportunity for FY23.

Shareholder approval under ASX Listing Rule 10.14 is not required in relation to this grant as any shares allocated to Mr Johnston as an LTI award under the SGEIP will not be issued by the Company but will be acquired on market. However, the Board wishes to seek shareholder approval of this grant in recognition of the importance of shareholder engagement on key remuneration issues, such as the remuneration of the Group CEO.

If shareholders do not approve the grant of these performance rights at the AGM, it is intended that an equivalent LTI award will be provided to Mr Johnston in cash, subject to the same performance and service conditions outlined below.

Under the SGEIP, a performance right will become a vested right following a three-year deferral and performance period, subject to the satisfaction of performance measures and service conditions. A vested right is subject to a deferral period for an additional one year and entitles the participant, at the end of the total four-year deferral period, to be allocated one fully paid ordinary share in the Company (or under limited circumstances, a cash payment in lieu of an allocation of ordinary shares) at no cost.

Excluding the limited circumstances where vested rights may be cash settled, at the end of the deferral period vested rights are converted to shares and a payment equal to the notional dividends earned on those shares during the performance period and deferral period is paid, less any applicable superannuation and taxes (dividend equivalent payment). The dividend equivalent payment aligns the Group CEO reward to the shareholder experience. If a performance right does not vest, no dividend equivalent payment will be made.

Under the SGEIP, the Board may in its discretion make adjustments to the terms of Mr Johnston's performance rights when assessing performance against the applicable performance measures and the value Mr Johnston will ultimately derive from this grant. The Board reserves the right to make adjustments having regard to the impact of the Suncorp Bank transaction. Any such exercise of discretion in respect of these performance rights would be disclosed in the relevant year's Remuneration Report.

If there are any other corporate actions or capital reconstructions by the Company, the Board has a discretion, where it considers it appropriate, to make adjustments to the terms of the performance rights, to eliminate any material advantage or disadvantage to the Group CEO.

## Resolution 3 (continued)

### Group CEO's remuneration

Mr Johnston's FY23 remuneration consists of:

- Fixed pay of \$2.07 million.
- Target short-term incentive (STI) opportunity of 120% of fixed pay. Mr Johnston's target STI increased from 100% to 120% of fixed pay for FY23 to provide an appropriate incentive to complete the sale of Suncorp Bank. There is no change to Mr Johnston's maximum STI opportunity which remains at 150% of fixed pay.
- Target LTI opportunity of 100% of fixed pay.

### Face value of performance rights

The Board has endorsed an award of performance rights with a face value of \$2.07 million (Group CEO's performance rights) as Mr Johnston's FY23 LTI opportunity.

The purpose of the LTI opportunity is to focus the Group CEO on the Company's long-term business strategy, align his interests with those of shareholders and support the creation of long-term shareholder value.

The face value of the Group CEO's performance rights takes into account a number of factors, including the size of the role and the extent to which total target pay is market competitive when compared with a peer group of companies.

Subject to shareholder approval, the Group CEO's performance rights will be granted to Mr Johnston as soon as practicable after the AGM and in any event, no later than 12 months after the date of the AGM. The grant of performance rights under the SGEIP will, subject to the terms and conditions described below, allow Mr Johnston to obtain ordinary shares in the Company.

### Number of performance rights

Mr Johnston will be allocated 187,152 performance rights. The number of performance rights to be granted to Mr Johnston has been calculated by dividing the Group CEO's FY23 LTI opportunity (\$2.07 million) by the face value of a performance right (\$11.0605), then rounding down to the nearest whole number.

The face value of a performance right for this purpose is the volume weighted average price (VWAP) of the Company's ordinary shares on the ASX over the five trading days leading up to 1 July 2022, being the start of the performance period.

Performance rights are provided because they create share price alignment between executives and ordinary shareholders but do not provide the executives with the full benefits of share ownership (such as dividend and voting rights) unless and until the performance rights vest and shares are allocated on any vested rights.

### Performance period

The performance period will begin on 1 July 2022 and end on 30 June 2025. This aligns to the Company's business planning process and with all other FY23 LTI offers for senior executives.

### Deferral period

The deferral period will begin on 1 July 2022 and end on 30 June 2026. A four-year deferral period further aligns the interests of executives and shareholders and ensures compliance with the Banking Executive Accountability Regime (BEAR) and incoming Financial Accountability Regime (FAR). This aligns with all other FY23 LTI offers for senior executives.

### FY23 LTI performance measures considering the announced sale of Suncorp Bank

The Board has continued to consider the appropriateness of all remuneration arrangements in the context of the announced sale of Suncorp Bank. Given the impact of a sale on Suncorp's earnings and equity, and in light of the proposed modifications to the FY21 and FY22 performance rights as outlined in **Resolution 2**, the Board has determined the most appropriate performance measure for the FY23 LTI offer is to retain the two existing external market measures based on relative total shareholder return (TSR) and remove the Cash Return on Tangible Equity internal measure.

There are two performance measures for the FY23 LTI offer being relative TSR assessed against a broad-based peer group and relative TSR assessed against a customised peer group. Both performance measures are weighted 50% each. Detail on these performance measures is below.

The Board will review the performance measures for future LTI offers following completion of the announced sale of Suncorp Bank. If any changes are made, they will be disclosed in subsequent applicable Remuneration Reports. Shareholder approval will continue to be sought for future LTI offers to the Group CEO.

#### Relative TSR

Performance is measured by ranking the Company's TSR against the relevant Peer Comparator Group.

TSR is a method of calculating the return shareholders would earn if they held a notional number of shares over a period of time. TSR measures the growth in the Company's share price together with the value of dividends received during the performance period, assuming that all of those dividends are reinvested into new shares. TSR will vary over time but reflects the market perception of the Company's overall performance relative to the relevant Peer Comparator Group.

Relative TSR has been chosen as the LTI performance measure because it provides alignment between shareholder returns and reward outcomes for the Group CEO over the long term. It also minimises the impact market cycles may have when measuring shareholder returns.

#### Relative TSR broad-based peer group (50% weighting)

Given the announced sale of Suncorp Bank, the Peer Comparator Group for the broad-based peer group has changed from the FY22 offer to now be based on companies in the S&P/ASX 100 index at the beginning of the performance period. Following sale completion, Suncorp's ASX rank is expected to be around the middle of this peer group. If the sale of Suncorp Bank does not complete, the peer group will remain based on companies in the S&P/ASX 100 index.

The ranking of the Company's TSR at the end of the performance period determines the extent to which performance rights vest, in accordance with the vesting schedule shown in the following table:

Relative TSR performance outcome	Percentage of performance rights subject to the relative TSR broad-based peer group that may vest
Below the 50th percentile (below median performance)	0%
At the 50th percentile (median performance)	50%
Between the 50th and 75th percentiles	50% plus 2% for each percentile above the 50th percentile
At or above the 75th percentile	100%

There will be no re-testing of relative TSR performance after the end of the performance period. Where the relative TSR performance condition for the broad-based peer group is not met, the applicable number of performance rights lapse.

The broad-based peer group has been chosen as it offers a relative measure 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 customised peer group (50% weighting)

The Peer Comparator Group for the customised peer group has been slightly expanded from the FY22 offer to now include all ASX 100 financial organisations that are domiciled in Australia at the beginning of the performance period.

This Peer Comparator Group has been chosen because it is more balanced, with less emphasis on companies with banking operations. It compares the Company's return to shareholders against the returns of large companies in the financial sector that are exposed to similar external factors.

The Peer Comparator Group comprises the following 14 ASX 100 financial organisations: AMP Limited, Australia and New Zealand Banking Group Limited, ASX Limited, Bank of Queensland Limited, Bendigo and Adelaide Bank Limited, Commonwealth Bank of Australia, Challenger Limited, Insurance Australia Group Limited, Macquarie Group Limited, Medibank Private Limited, National Australia Bank Limited, QBE Insurance Group Limited, Steadfast Group Limited, and Westpac Banking Corporation.

The ranking of the Company's TSR at the end of the performance period determines the extent to which performance rights vest, in accordance with the vesting schedule shown in the following table:

Relative TSR performance outcome	Percentage of performance rights subject to the relative TSR customised peer group that may vest
Below the 50th percentile (below median performance)	0%
At the 50th percentile (median performance)	50%
Between the 50th and 75th percentiles	50% plus 2% for each percentile above the 50th percentile
At or above the 75th percentile	100%

There will be no re-testing of relative TSR performance after the end of the performance period. Where the relative TSR performance condition for this customised peer group is not met, the applicable number of performance rights lapse.

#### Disclosure

The Board will set out how Suncorp has performed against all performance measures in the 2024–25 Remuneration Report.

#### Malus and clawback criteria

Malus and clawback criteria will apply to any performance rights or vested rights (deferred incentive) awarded as part of the Group CEO's LTI opportunity under the SGEIP. Malus means an adjustment to reduce the value of all or part of a deferred incentive before it has vested. Clawback means the recovery of some or all of the deferred incentive that has been paid or vested. In exercising its discretion, the Board will consider whether applying malus or clawback is necessary to protect the Group's financial soundness or to respond to unforeseen circumstances.

#### Treatment of Group CEO's performance rights on cessation of employment

Unvested performance rights will generally lapse if Mr Johnston resigns or he is summarily dismissed.

If Mr Johnston's employment is terminated for any other reason, the unvested performance rights will continue beyond cessation of employment and will vest or lapse depending on whether the performance measures are achieved, subject to malus and clawback criteria. In each case, the Board has discretion to determine otherwise.

Any vested rights will continue beyond cessation of employment and convert into shares (or be settled as a cash payment) in the normal course, subject to malus and clawback criteria.



## Resolution 3 (continued)

### Trading of shares

Shares allocated upon conversion of any vested performance rights under the SGEIP are subject to the Suncorp Group Securities Trading Policy.

### Hedging prohibition

Executives and employees of the Suncorp Group who receive equity or equity-linked deferred remuneration are prohibited from hedging their economic exposures before the equity or equity-linked remuneration is fully vested and converted into shares. In the event of a breach, the individual's entitlement to performance rights or securities is forfeited with immediate effect.

### Other information

Since being appointed to Group CEO, Mr Johnston has been granted 507,590 performance rights as an LTI award at no cost under the SGEIP. These performance rights were approved by shareholders at the 2019, 2020 and 2021 AGMs. Further detail on these grants can be found in section 7 of the 2021-22 Remuneration Report.

There is no loan provided to the Group CEO in connection with the SGEIP.

If approved by shareholders, details of the performance rights granted to Mr Johnston under this resolution will be published in the Group's 2022-23 Remuneration Report. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in the LTI offer under the SGEIP after shareholder approval of this resolution and who were not named in this Notice of Meeting will not be made an award under the SGEIP until approval is obtained.

### Board recommendation

The Board, with Mr Johnston abstaining, recommends shareholders vote in favour of the resolution to grant performance rights under the SGEIP to the Group CEO on the terms set out above.

## Resolution 4

### Re-election of directors

The Company's Constitution requires that no non-executive director may retain office for more than three years or until the third AGM following that director's appointment and the Company must hold an election of directors each year. Accordingly, Mr Ian Hammond and Ms Sally Herman each retire and submit themselves for re-election by shareholders, having previously been elected or re-elected (as relevant) by shareholders in September 2019.

The Board, with the assistance of the Nomination Committee, has reviewed the performance of Mr Hammond and Ms Herman, and is satisfied:

- as to each person's confirmation that they will continue to have sufficient time to fulfil their duties as non-executive directors of the Company, and
- that they each continue to bring diligence, commitment, valuable expertise and experience to the deliberations of the Board and its Committees. Further commentary specific to Mr Hammond and Ms Herman, in support of their re-election as a director, follows.



## Ian Hammond

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**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 and Nomination Committees.

Mr Hammond 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.

Mr Hammond is a non-executive director of listed company Perpetual Limited where his board roles include Chairman of the Audit, Risk and Compliance Committee. He is also a director of Venues NSW, and serves on the boards of several not-for-profits including Mission Australia and Chris O'Brien Lifehouse.

Previously Mr Hammond was a non-executive director of Citigroup Pty Limited. Mr Hammond 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.

### **Board recommendation**

The Board considers that Mr Hammond's extensive knowledge of the financial services industry, as well as expertise in financial report and risk management, brings great value to the deliberations of the Board and Risk Committees, and to his role as Chairman of the Audit Committee in particular.

Mr Hammond is considered by the Board to be an independent, non-executive director of the Company.

The Board, with Mr Hammond abstaining, recommends shareholders vote in favour of the re-election of Mr Hammond as a director of the Company.

## Sally Herman

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**BA, GAICD**  
**Non-executive director**

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

Ms Herman 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.

Ms Herman's current listed company directorships include Breville Group Limited and Premier Investments Limited. She was previously a director of listed company E & P Financial Group Limited and a director of Irongate Funds Management Limited, responsible entity of listed trust Investec Australia Property Fund.

During her senior executive career at Westpac, Ms Herman 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.

### **Board recommendation**

The Board considers that Ms Herman's strong expertise in running retail banking and insurance products, setting strategy for financial services businesses, and working with customers, shareholders, regulators and government, brings great value to the deliberations of the Board and Customer Committee, and to her role as Chairman of the Risk Committee in particular.

Ms Herman is considered by the Board to be an independent, non-executive director of the Company.

The Board, with Ms Herman abstaining, recommends shareholders vote in favour of the re-election of Ms Herman as a director of the Company.

## Resolution 5

### Renewal of proportional takeover provisions in the constitution

Rule 41 of the Company's Constitution currently contains provisions dealing with proportional takeover bids for the Company's shares in accordance with the Corporations Act. The provisions prohibit the transfer of shares under a proportional takeover bid unless a proportional takeover bid resolution is passed by the shareholders in a general meeting approving the offer.

Under the Corporations Act and Rule 41.4 of the Company's Constitution, these provisions must be renewed every three years or they cease to have effect. The provisions were inserted into the Company's Constitution at the 2013 AGM, and were subsequently renewed/reinserted for a further three years at the 2016 and 2019 AGMs.

Given that the existing Rule 41 will expire on 26 September 2022, this resolution is a special resolution to renew the proportional takeover provisions in Rule 41 of the Constitution, to operate for a further three years from the date of the 2022 AGM.

If renewed, the provisions contained in Rule 41 will operate on the same basis as previously, for three years from the date of the 2022 AGM.

### Why are the provisions needed?

The directors consider that shareholders should continue to have the opportunity to vote on any proportional takeover bid for the Company.

Without the provisions, a bid may enable control of the Company to pass without shareholders having the chance to sell all their shares to the bidder. Shareholders, therefore, may be exposed to the risk of being left as a minority in the Company and of the bidder taking control of the Company without paying an adequate premium for gaining control.

The directors also consider that the provisions may avoid shareholders feeling pressured to accept a bid even if they do not want it to succeed.

### What is the effect of the provisions?

If the provisions are renewed and a bid is made, the directors will be required to seek the approval of shareholders for that bid more than 14 days before the bid period closes.

The resolution is decided on a simple majority. Each shareholder who, as at the end of the day on which the first offer under the bid was made, held bid class securities is entitled to vote. The bidder and their associates are not allowed to vote on the resolution.

If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn. If the resolution is approved (or taken to have been approved), the transfers must be registered if they comply with the Corporations Act and the Company's Constitution.

The bid will be taken to have been approved if the resolution is not voted on within the deadline specified in the Corporations Act. However, the directors will breach the Corporations Act if they fail to ensure the resolution is voted on.

The provisions do not apply to full takeover bids, and will only apply until 22 September 2025, unless again renewed by a special resolution passed by shareholders.

### Potential advantages and disadvantages of the provisions

While the renewal of the provisions contained in Rule 41 will allow the directors to ascertain shareholders' views on a proportional takeover bid, the directors consider that the provisions do not otherwise offer any advantage or disadvantage to the directors who remain free to make their own recommendation to the shareholders of the Company as to whether the bid should be accepted.

### The potential advantages of the provisions for shareholders include:

- that all shareholders have an opportunity to consider a proportional takeover bid and vote on the resolution at a general meeting which may assist in ensuring that any bid is attractive to a majority of shareholders
- it increases shareholders' bargaining power and may assist in ensuring that any proportional takeover bid is appropriately priced
- knowing the view of the majority of shareholders may help each individual shareholder assess the likely outcome of the bid when determining whether to accept or reject the offer, and
- that the provisions may help shareholders avoid being locked in as a minority and avoid the bidder acquiring control of the Company without paying an adequate control premium.

**The potential disadvantages of the provisions for shareholders include that the provisions:**

- may discourage proportional takeover bids
- may reduce the likelihood of a proportional takeover bid being successful
- may reduce any speculative element in the market price of the Company's shares arising from the possibility of a proportional takeover bid being made, and
- may be considered to constitute an unwarranted additional restriction of the ability of shareholders to freely deal with their shares.

The Board considers that the potential advantages for shareholders of the provisions outweigh the potential disadvantages for shareholders.

**Review of advantages and disadvantages of the provisions**

There have been no full or proportional takeover bids for the Company while the provisions have been in operation.

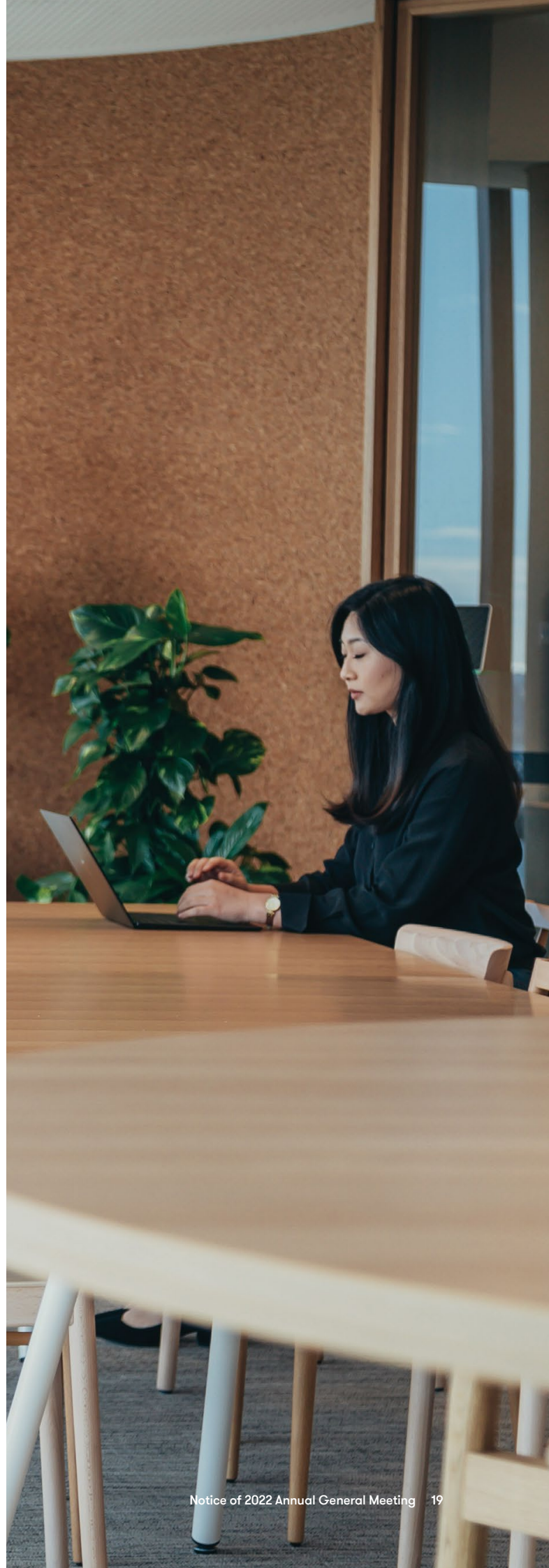
Accordingly, there is no example against which the advantages or disadvantages of the provisions for the directors and the shareholders may be assessed. However, the directors consider that there have been no disadvantages to the shareholders arising from inclusion of the provisions in the Constitution and believe that the potential advantages of the provisions operating for the next three years outweigh the possible disadvantages.

**No awareness of any proposal to acquire or to increase the extent of a substantial interest in the Company**

As at the date on which this Explanatory Memorandum was prepared, no director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

**Board recommendation**

The Board recommends that shareholders vote in favour of the special resolution to renew the proportional takeover provisions in Rule 41 of the Company's Constitution.



# Attachment A

## Summary of the key terms of the Suncorp Group Equity Incentive Plan

### Purpose

The purpose of the Suncorp Group Equity Incentive Plan (SGEIP) is to allow the Board to make offers to eligible participants to acquire equity securities in Suncorp Group Limited (the Company) and to otherwise incentivise those participants.

### Eligibility

Offers may be made at the Board's discretion to employees of the Company or its related bodies corporate (including a Director employed in an executive capacity), non-executive directors of the Company or any other person who is declared by the Board to be eligible to receive a grant under the SGEIP.

### Types of securities

The rules of the SGEIP (Rules) provide flexibility for the Company to grant one or more of the following securities as incentives, subject to the terms of individual offers:

1. performance rights and share rights (together, Rights),
  2. options, or
  3. restricted shares,
- (each an Incentive Security).

Options are an entitlement to receive a Share upon satisfaction of applicable conditions and payment of an applicable exercise price. Rights are an entitlement to receive a Share for no consideration upon satisfaction of applicable conditions. Restricted shares are Shares subject to restrictions on dealing or other benefits, which may be released over time or on meeting conditions.

If a participant is a director of the Company, any Shares to be delivered under the SGEIP to that director upon vesting and (if applicable) exercise of a Right or option must be acquired on-market, unless shareholder approval is not required under the ASX Listing Rules, or shareholder approval has been obtained under the ASX Listing Rules.

Unless otherwise specified in the offer document, the Board has the discretion to settle Rights or options with a cash equivalent payment.

### Offers under the SGEIP

The Board may make offers at its discretion and any offer documents must contain the information required by the Rules. The Board has the discretion to set the terms and conditions on which it will offer Rights, options and restricted shares in individual offer documents.

### Issue price

Unless the Board determines otherwise, no payment is required for a grant of a Right, option or restricted share under the SGEIP.

### Voting and dividend rights

Options and Rights will not carry voting or dividend rights. However, the Board may incorporate dividend equivalent payments within the terms of those options or Rights.

Shares issued, allocated or transferred to (or on behalf of) participants under the SGEIP will carry the same rights and entitlements as other ordinary shares on issue in the capital in the Company, including as to voting and dividends.

### Vesting

Vesting of Rights, options and restricted shares under the SGEIP is subject to any vesting or performance conditions determined by the Board and specified in the offer documents.

Options must be exercised by the employee and the employee is required to pay the exercise price before Shares are allocated. Subject to the Rules and the terms of the specific offer document, any Rights, options or restricted shares will either lapse or be forfeited if the relevant vesting and performance conditions are not satisfied or otherwise waived.

### Restrictions

Any dealing in respect of an unvested and (if applicable) unexercised Incentive Security is prohibited unless:

1. the Board determines otherwise,
2. the dealing is required by law, or
3. in accordance with the Rules or specified in an offer document.

The Board may, at its discretion, impose restrictions on dealing in respect of any Shares allocated upon vesting or exercise under the SGEIP and may implement any procedure it considers appropriate to enforce such restrictions.

Any dealing in any Company shares is also subject to the Suncorp Group Securities Trading Policy.

### Cessation of employment

Under the Rules, the Board has a broad discretion in relation to the treatment of Incentive Securities and Shares on cessation of employment. It is intended that individual offer documents will provide more specific information on how the entitlements will be treated if the participating employee ceases employment.

The Rules also provide the Board with certain discretions in relation to the treatment of Incentive Securities, Shares and cash paid to participants under the SGEIP in certain situations post-employment (including where the participant has breached a post cessation covenant or the participant's circumstances have changed such that it would no longer be appropriate for them to retain benefits received under the SGEIP).

### **Clawback and preventing inappropriate benefits**

Malus and clawback criteria will apply to any Incentive Securities granted under the SGEIP. Malus criteria enable the Board in its absolute discretion and subject to compliance with the law, to determine that Incentive Securities should be adjusted downwards (including to zero). Clawback criteria enable the Board to recover cash, options, rights or shares that have vested and have been received. In exercising its discretion, the Board will consider whether applying malus or clawback is desirable to protect the Group's financial soundness or to respond to unforeseen circumstances.

### **Discretions**

Under the SGEIP, the Board has both broad and specific discretions available to it when administering the SGEIP and the Incentive Securities granted under it. These discretions include (without limitation) the ability to:

- waive in whole or in part any terms and conditions of the SGEIP insofar as they apply to any Incentive Securities or Shares (including any performance conditions, service conditions or other vesting conditions or any restrictions on dealing) applicable to those Incentive Securities or Shares
- waive, amend or replace any vesting condition attaching to an Incentive Security if it considers that the original vesting condition is no longer appropriate or applicable, provided the relevant participants' interests are not materially prejudiced or advantaged relative to the position reasonably anticipated at the time of grant.

The Board may exercise a discretion in relation to a particular participant or in relation to participants generally. It is noted that the Board intends to use the discretions available to it under the SGEIP to give effect to the proposed treatment of performance rights as set out under Resolution 2 in the Explanatory Memorandum. The Board may also use its discretion (including in the context of the impact of the sale of Suncorp Bank) to make adjustments to the terms of equity incentives issued under the SGEIP in the future when assessing performance against the applicable performance measures and the value that the holders of those equity incentives will ultimately derive from their grants.

### **Adjustments**

Prior to the allocation of shares to a participant upon vesting (and if applicable, exercise) of options or Rights issued under the SGEIP, the Board may grant additional options or Rights or make any adjustments it considers appropriate to the terms of the options or Rights in order to minimise or eliminate any material advantage or disadvantage to a participant resulting from a corporate action or capital reconstruction in relation to the Company.

### **Change of Control**

Where there is a 'Change of Control Event', the Board has broad discretion to determine the manner in which Incentive Securities will be dealt with.

A Change of Control Event includes without limitation where a takeover bid for Shares in the Company is made and any other transaction, event or state of affairs that in the Board's opinion, is likely to result in or should otherwise be treated as, a change in 'control' of the Company for the purposes of the SGEIP.

### **Rights issues and other corporation actions**

The Rules include specific provisions dealing with rights issues, bonus issues and other capital reorganisations. These provisions are intended to ensure that there is no material advantage or disadvantage to the participant in respect of their incentives as a result of such corporate actions.

Participants holding Awards are not entitled to participate in new issues or pro rata issues of securities by the Company in respect of those Awards. In the event of a bonus issue, Awards will be adjusted in the manner allowed or required by the Listing Rules.

### **Trust arrangement**

The Company may operate an employee share trust (Trust) for the purposes of holding and/or delivering Shares under the SGEIP.

Participants that have shares held in a Trust on an allocated basis are entitled to dividends paid on those Shares and are also entitled to instruct the trustee how to exercise votes attaching to those shares.

### **Other terms**

The Rules contains customary and usual terms having regard to Australian law and the Listing Rules for dealing with the administration, variation and termination of any incentive plan.

## Further Information on Suncorp Group

Suncorp's 2021-22 Annual Report is available on the Suncorp Group website at [suncorpgroup.com.au/investors/reports](https://suncorpgroup.com.au/investors/reports).

You can obtain a copy on request by contacting our share registry, Link Market Services (see the shareholder enquiries contact details below).

To see more, go online  
**[suncorpgroup.com.au](https://suncorpgroup.com.au)**

### Registered office

Level 23  
Heritage Lanes  
80 Ann Street  
Brisbane, Qld 4000

### Shareholder enquiries

[suncorp@linkmarketservices.com.au](mailto:suncorp@linkmarketservices.com.au)  
1300 882 012 (inside Australia) or  
+61 2 8767 1219 (outside Australia)

### Investors

[investor.relations@suncorp.com.au](mailto:investor.relations@suncorp.com.au)

### Corporate Responsibility

[suncorpcorporateresponsibility@suncorp.com.au](mailto:suncorpcorporateresponsibility@suncorp.com.au)

### General product enquiries

13 11 55

### Customer Relations

By email [customer.relations@suncorp.com.au](mailto:customer.relations@suncorp.com.au)

By phone 1800 689 762 (Mon–Fri 9am–5pm AEST)

### In writing

Suncorp  
Customer Relations – RE058  
Reply Paid 1453  
BRISBANE QLD 4001









Notice of 2022  
Annual General Meeting

Suncorp Group Limited  
ABN 66 145 290 124

## LODGE YOUR VOTE

**ONLINE**  
www.linkmarketservices.com.au

**BY EMAIL**  
vote@linkmarketservices.com.au

**BY MAIL**  
Suncorp Group Limited  
C/- Link Market Services Limited  
PO Box A50  
Sydney South NSW 1235 Australia

**BY FAX**  
+61 2 9287 0309

**BY HAND\***  
Link Market Services Limited  
Parramatta Square, Level 22, Tower 6,  
10 Darcy Street, Parramatta NSW 2150; or  
Level 12, 680 George Street, Sydney NSW 2000

**ALL ENQUIRIES TO**  
Telephone: 1300 882 012  
Outside Australia: +61 2 8767 1219

## VOTING FORM

I/We being a member(s) of Suncorp Group Limited and entitled to attend and vote hereby appoint:

**STEP 1** Please mark either A or B

### A VOTE DIRECTLY

elect to lodge my/our vote(s) directly (mark box)

in relation to the Annual General Meeting of the Company to be held at **11:00am (AEST) on Thursday, 22 September 2022**, and at any adjournment or postponement of the Meeting.

### OR B APPOINT A PROXY

appoint the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit), subject to any applicable voting exclusion(s) at the Annual General Meeting of the Company to be held at **11:00am (AEST) on Thursday, 22 September 2022 at The Ballroom, Sofitel Brisbane Central, 249 Turbot Street, Brisbane (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a hybrid meeting and you can participate by attending in person or by logging in online at <https://meetings.linkgroup.com/Suncorp22> (refer to details in the Annual General Meeting Online Guide and Notice of Meeting).

**Important for Resolutions 1, 2 & 3:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 2 & 3, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

## VOTING DIRECTIONS

Voting directions will only be valid and accepted by the Company if they are signed and received no later than 11:00am (AEST) on Tuesday, 20 September 2022, being not later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with

**STEP 2**

Items	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4a Re-election of director – Mr Ian Hammond	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval of the Suncorp Group Equity Incentive Plan and modifications to performance rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4b Re-election of director – Ms Sally Herman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Grant of performance rights to the Group Executive Officer & Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Renewal of proportional takeover provisions in the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\* If you mark the Abstain box for a particular item, your direct vote will not be counted in computing the required majority if you are voting under Box A, or if you are voting under Box B, you are directing your proxy not to vote on your behalf and your votes will similarly not be counted in computing the required majority.

**STEP 3**

## SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)  Joint Shareholder 2 (Individual)  Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary  Director/Company Secretary (Delete one)  Director

This form must be signed by the shareholder. In the case of a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the Power of Attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



## HOW TO COMPLETE THIS VOTING FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make handwritten corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### VOTING UNDER BOX A – VOTING DIRECTLY

If you ticked the box under Box A you are indicating that you wish to vote directly. You may vote by marking one of the boxes opposite each resolution. If you do not mark any of the boxes opposite a resolution, your vote will be invalid for that resolution.

Custodians and nominees may, with the share registry's consent, identify on this form the total number of votes in each of the categories "For" and "Against" and their votes will be valid.

If you have lodged a direct vote, and then you attend the Meeting, and vote during the Meeting, your vote during the Meeting will cancel your direct vote.

The Chairman's decision as to whether a direct vote is valid is conclusive.

### VOTING UNDER BOX B – APPOINTMENT OF PROXY

If you wish to appoint the Chairman as your proxy, mark the box in Step B. If you wish to appoint someone other than the Chairman as your proxy, please write the name and email address of that individual or body corporate in the box provided at Step B. A proxy need not be a shareholder of the Company.

If you complete both Box A and Box B, or neither of Box A or Box B, this form will be deemed to be an appointment of proxy to the Chairman.

### DEFAULT TO CHAIRMAN

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each resolution. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the proportion or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution then, subject to the rest of this section and the restrictions in the Notice of Meeting, your proxy may vote as he or she chooses.

If the Chairman is your proxy (either by appointment or default), and you do not complete any of the boxes by marking "For", "Against" or "Abstain" opposite a resolution on this form, the Chairman intends to exercise your vote in favour of each resolution. If you wish to appoint the Chairman as your proxy with a direction to vote against, or to abstain from voting on a resolution, you should specify this by marking the "Against" or "Abstain" boxes opposite the resolution on this form.

If you mark more than one box on a resolution your vote on that resolution will be invalid.

### APPOINTMENT OF A SECOND PROXY

If you are entitled to cast two or more votes, you may appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional voting form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first voting form and the second voting form state the proportion of your voting rights or number of shares applicable to that form. If the appointments do not specify the proportion or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both voting forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the shareholder must sign.

**Joint Holding:** where the holding is in more than one name, any one joint shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form and return both documents by mail or by hand. By signing this form you declare that you have not received any notice of revocation of your appointment as attorney.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of a corporate shareholder or proxy is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### HOW TO LODGE THIS VOTING FORM

This Voting Form (and any Power of Attorney under which it is signed) must be received at any address listed below by **11:00am (AEST) on Tuesday, 20 September 2022**, being not later than 48 hours before the commencement of the Meeting. Any Voting Form received after that time will not be valid for the scheduled Meeting.

Voting Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Voting Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Voting Form).



#### BY EMAIL

[vote@linkmarketservices.com.au](mailto:vote@linkmarketservices.com.au)



#### BY MAIL

Suncorp Group Limited  
C/- Link Market Services Limited  
PO Box A50  
Sydney South NSW 1235 Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

Deliver to Link Market Services Limited\*  
Parramatta Square  
Level 22, Tower 6  
10 Darcy Street  
Parramatta NSW 2150

or

Level 12  
680 George Street  
Sydney NSW 2000

\* During business hours (Monday to Friday, 9:00am–5:00pm) and subject to any COVID-19 public health orders and restrictions