

19 September 2024

## 2024 Notice of Annual General Meeting

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Suncorp (ASX: SUN | ADR: SNMCY) today has released its 2024 Notice of Annual General Meeting (AGM). Suncorp's 2024 AGM will be held on Tuesday, 22 October 2024, as a hybrid meeting. Shareholders will have the opportunity to attend the AGM in person, at the Brisbane Convention & Exhibition Centre, or participate online. More information is available in the Notice of AGM and 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 2024 Annual General Meeting

Suncorp Group Limited  
ABN 66 145 290 124

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# Chairman's message

Dear Shareholder

It is my pleasure to invite you to Suncorp's 2024 Annual General Meeting (AGM) to be held on Tuesday 22 October 2024, at 10.00am AEST.

Consistent with the format we have been adopting for the past two years, this year's AGM will be held as a hybrid meeting. Shareholders will have the opportunity to attend the AGM in person, at the Brisbane Convention & Exhibition Centre, or online. You will find further information on how to participate on pages 4 and 5 of this Notice of Meeting (Notice).

## Strategic context

Suncorp has reached a critical juncture in its history. Your Board is pleased the sale of Suncorp Bank to Australia and New Zealand Banking Group (ANZ) (Bank Sale) completed successfully on 31 July 2024, following a two-year process. We expect the announced sale of our New Zealand life insurance business, Asteron Life, will complete around the end of January 2025. Your Board believes these transactions have compelling strategic rationale, including completion of our simplification strategy. Suncorp is well positioned, as a dedicated Trans-Tasman insurer, to invest in our business and deliver greater value for our customers and communities as well as our shareholders.

## Business of the AGM

We are seeking your vote on the following eight items of business at this year's AGM. Brief context and rationale for each proposed resolution is included below, however I encourage you to read the full Notice for further details.

### Resolutions relating to the sale of Suncorp Bank

#### Return of capital to our ordinary shareholders (Resolution 1) and consolidation of the ordinary shares (Resolution 2) (Capital Initiative)

##### Why are these resolutions being proposed?

Subject to the conditions outlined in this Notice, Suncorp plans to return to shareholders proceeds from the Bank Sale in excess of the needs of the business of up to \$4.1 billion (Return of Proceeds). We anticipate the Return of Proceeds will consist of two components: the payment of a special dividend and a cash payment for a portion of your shareholding (the second component will be referred to as a Return of Capital). That is, the Return of Proceeds is the Return of Capital plus the special dividend.

It is important to note, that as the value of the special dividend is not yet determined, we are seeking shareholder approval for a Return of Capital of up to \$4.1 billion. The Return of Capital component will form the majority of the Return of Proceeds. The amount of the Return of Capital component will be reduced by an amount equivalent to the special dividend component (once the special dividend is determined). Other factors that may influence the final amount are outlined in the Explanatory Memorandum section of the Notice.

To support keeping the share price steady, after the Return of Capital, we plan to proportionately reduce the total number of ordinary shares, known as a Share Consolidation.

Shareholder approval is required for the Return of Capital (Resolution 1) and Share Consolidation (Resolution 2). We refer to the Return of Capital and Share Consolidation together as the Capital Initiative. These resolutions are interdependent, and one cannot be passed without the other.

While the regulatory completion of the Bank Sale took place on 31 July 2024 further steps must be taken before the Capital Initiative can proceed. Additional steps include: approval of Resolutions 1 and 2 by shareholders, finalising the Bank Sale completion accounts, obtaining a draft class ruling from the Australian Tax Office (ATO), and obtaining Australian Prudential Regulation Authority (APRA) approval. Therefore, we estimate the payment of the special dividend (subject to approval by the Board) and the Return of Capital will occur in the first quarter of calendar year 2025.

#### A special resolution to make required amendments to the Suncorp Constitution to reflect the commitments to the Queensland Government, as contained in the amended State Financial Institutions and Metway Merger Act (Metway Merger Act) (Resolution 3)

##### Why is this resolution being proposed?

The changes to the Metway Merger Act were a condition precedent to the Bank Sale and shift the obligations, which include commitments to Suncorp's Queensland headquarters and staffing, from the Bank (Suncorp-Metway Limited) to Suncorp.

### Resolutions relating to Board composition and renewal

#### Election and re-election of directors (Resolution 4)

##### Why is this resolution being proposed?

Your Board continually assesses the skills and expertise needed to effectively govern Suncorp, including as it transitions to becoming a pure Trans-Tasman insurer.

Board renewal is ongoing, with the two most recent appointments to your Board – Duncan West and Gillian Brown – adding further depth to the insurance and ESG expertise on your Board, as well as bringing general business and additional governance experience. Gillian Brown is seeking election following her appointment by the Board in February this year, while Duncan West is seeking re-election for his second three year term.

Sylvia Falzon, Lindsay Tanner and myself are also seeking re-election for our final term.

## Increase in the maximum aggregate non-executive director fee pool from \$3.5M to \$4M per annum (Resolution 5)

### Why is this resolution being proposed?

Your Board is not increasing the non-executive director fees (excluding the legislated increases in the Superannuation Guarantee Contribution).

The last increase in the fee pool was approved by shareholders 17 years ago at Suncorp's 2007 Extraordinary General Meeting. Given the average non-executive director tenure post the AGM will be 6 years, this increase in the fee pool will provide the necessary flexibility to continue to facilitate Board renewal and Board and Committee composition changes in an orderly manner.

## Special resolution relating to proportional takeover provisions in the Suncorp Constitution (Resolution 6)

### Why is this resolution being proposed?

This resolution, if approved, will retain the current proportional takeover provisions in the Constitution for a further three years.

## Resolutions relating to annual remuneration matters

### Adoption of the 2023-24 Remuneration Report (Resolution 7)

As shareholders will be aware, this is an annual requirement for Suncorp and all companies listed on the Australian Securities Exchange (ASX).

### Grant of performance rights to the Chief Executive Officer & Managing Director (CEO) (Resolution 8)

This proposed grant represents the CEO's annual long-term incentive and if approved, is subject to the performance measures outlined in this Notice.

Your Board appreciates your ongoing support, and we look forward to engaging with you, whether in person or online, on Tuesday 22 October.

Yours faithfully,

### Christine McLoughlin, AM

Chairman

19 September 2024

## Notice of 2024 Annual General Meeting

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

- Date** Tuesday 22 October 2024
- Time** 10.00am Australian Eastern Standard Time (AEST)
- Where** **In person**  
Boulevard Auditorium,  
Brisbane Convention & Exhibition Centre  
(Best entry to the Auditorium is via Grey Street)  
South Bank, Brisbane  
Shareholder registration will be available  
from 9.00am AEST
- Online**  
Online shareholder registration will be available  
from 9.30am AEST

See pages 4 and 5 of this Notice for further information on how to participate



## To participate in the AGM

1



### In person

In the Boulevard Auditorium of the Brisbane Convention & Exhibition Centre, Southbank. Best entry to the Auditorium is via the entry on Grey Street. A map and directions are included on this page.

Registration for shareholders attending in person will be available from 9.00am AEST. Please note, shareholders and visitors will be asked to produce a valid form of identification before being admitted to the AGM.

If you plan to vote during the AGM, you can lodge your vote using the LinkVote+ app on your mobile or tablet device. The LinkVote+ app is available for download prior to the AGM, from the Apple app store or Google Play.

### Accessibility

Every effort will be taken to ensure those attending the AGM can participate fully. For further information on BCEC's accessibility facilities please refer to their comprehensive site: <https://bcec.com.au/visit/accessibility/>

If you have special requirements or accessibility accommodations please pre-register and provide these during registration.

2



### Online – AGM platform

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

3



### Webcast

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

## Further Information

See this page and 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)



Bus



Train



Parking



CityCat

## 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/suncorp24](https://meetings.linkgroup.com/suncorp24), then enter the requested details to access the online AGM platform.

4



Online shareholder registration will be available from 9.30am AEST.

## To vote online before or during the AGM

Please read this Notice 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 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 5.00pm AEST on Friday 18 October 2024 to be valid

### During the AGM



Visit [meetings.linkgroup.com/suncorp24](https://meetings.linkgroup.com/suncorp24) 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)

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



### 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 Monday 21 October 2024 to request confirmation of the proxy number. Please follow the additional process outlined above if your proxy is to ask a question or make a comment via phone.

## 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 it is received by 5.00pm AEST on Friday 18 October 2024 (or by 5.00pm AEST on Tuesday 15 October 2024, if your question is for the auditor – see page 10 for further details)

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



Visit [meetings.linkgroup.com/suncorp24](https://meetings.linkgroup.com/suncorp24) 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 Monday 21 October 2024, to register your participation and obtain the required access code.

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# 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 2024 (2023-24 or FY24).

**Note:** there is no requirement for shareholders to approve these reports.

To receive questions and comments in relation to the management of the Company and the performance of the Company generally.

## Resolution 1

### Return of capital to ordinary shareholders

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

That, subject to and conditional on:

1. Resolution 2 being passed; and
2. the satisfaction of the conditions outlined in the Explanatory Memorandum,

approval is given for the ordinary share capital of the Company to be reduced by an amount to be determined by the Board of up to \$4.1 billion. The reduction of ordinary capital is to be effected by way of an equal capital reduction and in proportion to the number of ordinary shares held by each shareholder.

The equal capital reduction will be calculated by dividing the amount of the return (as determined by the Board) by the aggregate number of ordinary shares in the Company at the record date (to be determined by the Board). The amount will be paid to each registered holder of ordinary shares in the Company at the record date and in accordance with the timetable in the Explanatory Memorandum.

Shareholders note that Suncorp will make its final decision on the amount to be paid to shareholders under this Capital Initiative when the Board determines the Capital Return Confirmation. The Capital Return Confirmation and record date will be announced on the ASX.

**Note:** this proposed capital return is a mechanism to return proceeds from the Bank Sale. The final amount is subject to several factors as outlined in the Explanatory Memorandum including, among other things, having regard to the final bank sale completion accounts, the special dividend amount, and the financial and capital needs of the business at the time of making the final determination.

## Resolution 2

### Consolidation of ordinary shares

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

That, subject to and conditional on:

1. Resolution 1 being passed; and
2. the satisfaction of the conditions outlined in the Explanatory Memorandum,

approval is given for the share capital of the Company to be consolidated through the conversion of each ordinary share in the Company held at the record date to be determined by the Board, into a lesser number of ordinary shares in the Company. This will take effect from the date to be determined by the Board and in accordance with the timetable in the Explanatory Memorandum, and will be calculated as set out in the Explanatory Memorandum.

## Resolution 3

### Amendment to the Constitution following the sale of Suncorp Bank

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

That Rule 27(b) and Rule 33 of the Company's Constitution be amended as set out in the Explanatory Memorandum.

## Resolution 4

### Election/re-election of directors

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

- a. That Ms Gillian Brown be elected as a director of the Company in accordance with the Company's Constitution.
- b. That Ms Sylvia Falzon be re-elected as a director of the Company in accordance with the Company's Constitution.
- c. That Ms Christine McLoughlin be re-elected as a director of the Company in accordance with the Company's Constitution.
- d. That Mr Lindsay Tanner be re-elected as a director of the Company in accordance with the Company's Constitution.
- e. That Mr Duncan West be re-elected as a director of the Company in accordance with the Company's Constitution.

## Resolution 5

### Non-executive director fee pool

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

That the maximum aggregate non-executive director fee pool of the Company be increased from \$3,500,000 to \$4,000,000 per annum, under and for the purpose of ASX Listing Rule 10.17.

## Resolution 6

### 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.

## Resolution 7

### 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 2024.

**Note:** this resolution is advisory only and does not bind the Company or directors.


## Resolution 8

### Grant of performance rights to the 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 188,624 performance rights under the Suncorp Group Equity Incentive Plan, to the Chief Executive Officer & Managing Director, Mr Steven Johnston, as set out in the Explanatory Memorandum.

By Order of the Board



### Christine McLoughlin, AM

Chairman  
19 September 2024

An Explanatory Memorandum accompanies and forms part of this Notice. 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 10.00am AEST on Sunday 20 October 2024.

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:

- using the personalised voting instructions provided to you via email (if you received this Notice 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), or
- completing a shareholder voting form online at [linkmarketservices.com.au](https://linkmarketservices.com.au).

To be considered valid, shareholder voting forms must be received by Link (Suncorp's share registry) by **5.00pm AEST on Friday 18 October 2024**.

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

- using the LinkVote+ app on your mobile or tablet device. The LinkVote+ app is available for download prior to the AGM, from the Apple app store or Google Play. Link representatives will be available at the AGM to assist shareholders and proxyholders with any questions they may have in relation to using the LinkVote+ app, or
- for those shareholders and proxyholders who prefer, paper voting cards will be available at the AGM.

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

- logging onto the online AGM platform at [meetings.linkgroup.com/suncorp24](https://meetings.linkgroup.com/suncorp24), 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 Monday 21 October 2024 to request confirmation of the proxy number.

Please see the Questions and Comments section on page 10 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 **5.00pm AEST on Friday 18 October 2024**.

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 them in favour of Resolutions 1-8 and those shareholders will be taken to have expressly authorised the Chairman of the AGM to exercise the proxy as they see fit.

### 4. Voting restrictions

#### Resolution 5 – Non-Executive Director Fee Pool

The Company will disregard any votes cast in favour of Resolution 5:

- by, or on behalf of a non-executive director of the Company, or any of their 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.

However, votes will not be disregarded if they are cast in favour of Resolution 5 by:

- a person as a proxy or attorney for a shareholder who is entitled to vote on Resolution 5, in accordance with a direction given to the proxy or attorney to vote on Resolution 5 in that way, or
- the Chairman of the AGM as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with a direction given in the shareholder voting form to vote on the resolution as the Chairman of the AGM decides, even though Resolution 5 is connected with the remuneration of a 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 5, and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### Resolution 7 – Remuneration Report

The Company will disregard any votes cast on Resolution 7:

- by, or on behalf of, a member of the KMP whose remuneration details are included in the 2023-24 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.

However, votes will not be disregarded if they are cast on Resolution 7 by:

- a person as proxy or attorney for a shareholder entitled to vote on Resolution 7, in accordance with a direction on the shareholder voting form to vote in that way, or
- the Chairman of the AGM, as proxy or attorney for a person who is entitled to vote on Resolution 7, in accordance with an express authorisation in the shareholder voting form to exercise the proxy even though Resolution 7 is connected with the remuneration of KMP.

### Resolution 8 – Grant of performance rights to Chief Executive Officer & Managing Director

The Company will disregard any votes cast in favour of Resolution 8:

- 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.

However, votes will not be disregarded if they are cast in favour of Resolution 8 by:

- a person as a proxy or attorney for a shareholder who is entitled to vote on Resolution 8, in accordance with a direction given to the proxy or attorney to vote on Resolution 8 in that way, or
- the Chairman of the AGM as proxy or attorney for a person who is entitled to vote on Resolution 8, in accordance with a direction given in the shareholder voting form to vote on the resolution as the Chairman of the AGM decides, even though Resolution 8 is connected with the remuneration of a 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 8, 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 of a member of the KMP is defined in the *Corporations Act 2001 (Cth)* (**Corporations Act**) and includes a spouse, child or dependant of the member (or a child or dependant of the member's spouse) 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 a technical difficulty arises. In exercising their discretion, the Chairman of the AGM 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 AGM 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 8, 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 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 2023-24 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.

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 11 for details of questions that may be addressed to the auditor).

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 8 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 5.00pm AEST on Friday 18 October 2024 or by 5.00pm AEST on Tuesday 15 October 2024 if your question is for the auditor.

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/suncorp24](https://meetings.linkgroup.com/suncorp24), 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 Monday, 21 October 2024, 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. If you have a question or comment that relates to:
  - your shareholding, or if you require further information in relation to the capital return, please contact Link using the contact details on the last page of this Notice. Link and Suncorp representatives will also be available at the AGM venue to provide assistance.
  - a customer matter, 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.
- the Chairman of the AGM will retain full authority to conduct the AGM in the interests of all participating shareholders as a whole. In particular:
  - questions or comments that are offensive in any way will be taken as being out of order and will not be acknowledged at all, during or following the AGM, and
  - other offensive or disruptive conduct, by those who are participating in person during the AGM, will also be taken as being out of order, and the relevant participant/s will be asked to leave the AGM.

# Explanatory Memorandum

This Explanatory Memorandum accompanies and forms part of the Notice of Meeting for the Company's AGM to be held on Tuesday, 22 October 2024 at 10.00am 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 an opportunity to ask questions concerning the Company's 2023-24 Financial Report, Directors' Report and Auditor's Report (which are contained in the 2023-24 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 2023-24 Annual Report is available on the Suncorp 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 ways in which shareholders can ask questions or make comments are outlined on page 10 of this Notice of Meeting.

### Resolution 1 (Return of Capital to Ordinary Shareholders) and Resolution 2 (Consolidation of Ordinary Shares) (together, Capital Initiative)

#### Background

Suncorp completed the Bank Sale, on 31 July 2024. Subject to certain conditions outlined below, the Board plans to return net sale proceeds that are in excess of the needs of the business of up to \$4.1 billion, to ordinary shareholders (**Return of Proceeds**).

The Return of Proceeds is expected to take two forms:

- a special dividend with the amount to be determined by the Board, and
- a cash payment to shareholders (**Return of Capital**), followed by a pro-rata share consolidation (**Share Consolidation**) (together, **Capital Initiative**).

A special dividend, which will be a smaller part of the overall Return of Proceeds, is a simple way to return proceeds and allows Suncorp to pass on franking credits to shareholders. The special dividend is subject to (among other things) Suncorp obtaining a draft class ruling from the ATO confirming the tax outcomes in a form that is acceptable to the Board. No shareholder approval is required for the special dividend component.

The Corporations Act requires Suncorp seek shareholder approval for the Capital Initiative. As these involve two separate steps, two Resolutions are required (Resolution 1 and Resolution 2). These Resolutions are interdependent, which means one cannot happen without the approval of the other.

Suncorp evaluated various options for returning excess capital to ordinary shareholders and determined the Capital Initiative was the optimal method because:

- subject to rounding, the Capital Initiative applies equally to all ordinary shareholders and proportionate interests in the Company remain unchanged. This means it will not affect any shareholder's percentage shareholding in Suncorp, nor will it affect the control of the Company.
- the Return of Capital is immediate, compared to an on-market share buy-back which could take many years to complete given the potential amount to be returned.
- the Share Consolidation seeks to neutralise any potential share price reduction from the Return of Capital.
- the combination of the Return of Capital and Share Consolidation will enable Suncorp to provide an Earnings Per Share (**EPS**) outcome similar to a share buy-back.
- an off-market buyback does not provide the opportunity for all shareholders to participate equally.
- a payment of the full amount of the Return of Proceeds via a special dividend is not practical for several reasons, including the erosion of the franking account.

## What are the conditions for the Capital Initiative?

Several steps need to occur before the form and value of the Return of Proceeds, including the Capital Initiative, are decided. The most material are:

- shareholder approval of both Resolution 1 and Resolution 2 at the AGM
- the completion accounts for the Bank Sale need to be confirmed with ANZ. This determines the final sale proceeds which, along with other financial and capital considerations, inform the Board of the Return of Proceeds amount available to return to Shareholders.
- APRA approval is required for the Return of Capital
- the Company obtaining a draft class ruling from the ATO confirming the tax outcomes in a form that is acceptable to the Board
- the Board will then make a final determination to proceed with the Capital Initiative,

(each a **Condition** and together the **Conditions**).

The Capital Initiative cannot proceed if any of the above Conditions are not satisfied.

## When and how will I receive payment and am I eligible to participate?

The timing for the proposed Return of Capital is the first quarter of 2025 (subject to change) with further details provided in the timetable below.

If shareholders approve Resolutions 1 and 2 and the other Conditions are satisfied, payments will be made to eligible shareholders on the payment date as follows:

- by direct credit to the bank, building society or credit union account in either Australia or New Zealand nominated by each shareholder for receipt of dividends, or
- in the case of employees whose ordinary shares are held in trust as restricted shares under an employee share scheme, as a cash payment to the trustee, to be dealt with in accordance with the terms of the relevant share plan and trust deed.

Shareholders can update their payment details via the Link website at [linkmarketservices.com.au](http://linkmarketservices.com.au), or by contacting Link, before the proposed record date to be determined by the Board.

Subject to the Conditions described above, **Ordinary Shareholders on the register at 7.00pm (AEST) on the record date are eligible to receive the Return of Capital amount.** The record date is to be determined by the Board.

## How does a Return of Capital work (Resolution 1)?

Subject to shareholders approving Resolutions 1 and 2 and the satisfaction of each other Condition outlined above, Suncorp proposes a Return of Capital to shareholders via a cash payment of up to \$4.1 billion. The amount returned to ordinary shareholders per share is the Capital Return Per Share that may be reduced by:

- a. impacts of the final completion accounts from the Bank Sale
- b. changes in forecast capital requirements of the business
- c. any special dividend ultimately determined by the Board, and
- d. any other impacts due to the Conditions outlined above.

The decision to proceed with the Capital Initiative and the final amount to be returned to Shareholders will be confirmed by the Board (**Capital Return Confirmation**).

The Capital Return Per Share is calculated by taking the total Return of Capital and dividing by the number of ordinary shares on issue.

Expressed as a formula:

$$\frac{\text{Return of Capital}}{\text{Number of ordinary shares on issue}} = \text{Capital Return Per Share}$$

Attachment A of this Explanatory Memorandum contains Worked Example 1, which illustrates how to apply this calculation to two Return of Capital scenarios, and the impact on a holding of 100 ordinary shares. The example demonstrates that for the same Return of Proceeds amount, the total payment received is the same regardless of how the Return of Proceeds is split between the Return of Capital and special dividend.

## Why is Suncorp proposing a Share Consolidation and what is it (Resolution 2)?

Because the Return of Capital ultimately reduces Suncorp's shareholders equity, a proportionate reduction in the share price is likely to occur following the return. The Share Consolidation aims to neutralise the potential reduction in the share price by proportionately reducing the number of ordinary shares using a Share Consolidation Ratio (defined below).

As the Share Consolidation applies equally to all holders of ordinary shares, your holding will still represent the same percentage of Suncorp's issued capital held as prior to the Share Consolidation (subject to the treatment of fractions described below which are not considered material).

Under section 254H of the Corporations Act, a company may consolidate its shares if the consolidation is approved by an ordinary resolution of shareholders at a general meeting. As outlined above, Resolution 1 and Resolution 2 are interdependent and one cannot be passed without the other.

The Share Consolidation Ratio expressed as a formula is:

$$\frac{\text{[Consolidation VWAP}^1 \text{ - Capital Return Per Share}^2\text{]}}{\text{Consolidation VWAP}} = \text{Share Consolidation Ratio}$$

<sup>1</sup>**Consolidation VWAP:** Suncorp's five-day volume weighted average price (VWAP) (excluding some special trades) up to and including the second business day prior to the Capital Return Confirmation.

<sup>2</sup>**Capital Return Per Share:** Return of Capital amount in dollars divided by the total number of ordinary shares on issue.

Attachment A Worked Example 2 illustrates how to apply the Share Consolidation Ratio for two Return of Proceeds scenarios, and the impact to a holding of 100 ordinary shares.

Attachment A Worked Example 3 illustrates the impact of the Share Consolidation on the share price immediately after the Return of Capital.

### What does this mean for me?

Attachment A Worked Example 4 summarises the impact of two Return of Proceeds scenarios presented and illustrates that provided the Return of Proceeds amount is the same, the shareholder receives the same value post this Capital Initiative, regardless of the split between the Return of Capital and special dividend amounts (subject to calculation and rounding to be applied which is considered immaterial).

### Calculation and rounding

Unless otherwise specified:

- all calculations in respect of the Capital Initiative will be rounded to the nearest four decimal places
- for the purpose of making a payment to a shareholder in respect of the shareholder's aggregate holding, any fraction of a cent will be disregarded
- where the consolidation of a holding results in an entitlement to a fraction of a share, the fraction will be rounded up to the next whole number of ordinary shares.

If Suncorp is of the view a shareholder has been a party to the division of a shareholding in an attempt to obtain an advantage from this treatment of fractions, Suncorp will take appropriate action, having regard to the terms of Suncorp's Constitution and the ASX Listing Rules. In particular, Suncorp reserves the right to disregard the division of the shareholding for the purpose of dealing with fractions.

### What is the timing for the Capital Initiative?

After the Conditions outlined above have been met, the Board will make its final determination as to whether the proposed Capital Initiative is still in the best interests of the Company and its shareholders. The Board will then confirm the Return of Capital and Share Consolidation for the purposes of Resolution 1 and Resolution 2 (**Capital Return Confirmation**).

A proposed timetable (which is **indicative only**) is set out below, providing an indicative date of by 31 March 2025 for payment of the Return of Capital. Suncorp will make its final decision on the amount to be paid to shareholders and the relevant record date under this Capital Initiative when the Board determines the Capital Return Confirmation. The Capital Return Confirmation and record date will be announced on the ASX. Shareholders will be notified and provided with details of the final timetable via an ASX announcement and the Suncorp website at [suncorpgroup.com.au](http://suncorpgroup.com.au).

Event	Indicative Timing
Suncorp AGM and potential shareholder approval	22 October 2024
Finalisation of the completion accounts for the sale of Suncorp Bank to ANZ	December 2024
Suncorp obtaining approval for the Capital Initiative from APRA	December 2024
Suncorp obtaining a draft class ruling from the ATO confirming the tax outcomes in a form acceptable to the Suncorp Board	December 2024
The Suncorp Board making a final determination to proceed with the Capital Initiative (Capital Return Confirmation)	12 February 2025
Record date	February/March 2025
Payment date for the Return of Capital to ordinary shareholders	by 31 March 2025
Share consolidation	by 31 March 2025

### Will the Capital Initiative impact other Suncorp securities?

There are several outstanding debt and hybrid instruments issued by the Company and its subsidiaries. The holders of these instruments are not eligible for participation in the Capital Initiative and there is no adjustment to the terms of these securities for the Capital Initiative.

### What are the tax implications of the Capital Initiative?

The Company is in the process of seeking a draft class ruling from the ATO to confirm the Australian income tax consequences of the Capital Initiative for certain classes of ordinary shareholders in the Company.

The Company anticipates the final class ruling to be issued by the ATO after payment of the Return of Capital. A link to the ruling will be made available on the Suncorp website at [suncorpgroup.com.au](http://suncorpgroup.com.au).

As outlined above, it is a Condition of the Capital Initiative process that the Company obtains a draft of the class ruling prior to final approval of the Capital Initiative.

All shareholders should seek their own taxation advice in respect of the taxation consequences of the proposed Capital Initiative.

## What are the legal requirements for a Return of Capital?

The following summarises the legal requirements, with reference to the Corporations Act.

Requirement	How is the requirement satisfied?
The proposed Return of Capital must constitute an equal reduction of Suncorp's share capital.	The Capital Initiative applies to each holder of ordinary shares in the Company in proportion to the number of ordinary shares they hold, and the terms of the return are the same for each ordinary shareholder.
The reduction must be fair and reasonable to the Company's shareholders as a whole.	The Board considers the Return of Capital is fair and reasonable to Suncorp's shareholders as a whole because: <ul style="list-style-type: none"> <li>– it will be available to all holders of ordinary shares</li> <li>– the overall amount received by each holder of ordinary shares will be proportionate to the number of shares they hold, and</li> <li>– the same rate of Return of Capital per ordinary share will apply to each ordinary shareholder.</li> </ul>
The reduction must not materially prejudice the Company's ability to pay its creditors.	The Board has reviewed Suncorp's business plan including assets, liabilities and expected cash position, and is of the view the Return of Capital will not materially prejudice the Company's ability to pay its creditors. The Board has also satisfied itself as to the solvency of Suncorp following the Return of Capital.
The reduction must be approved by shareholders under section 256C of the Corporations Act.	Shareholder approval is being sought at this AGM for the purposes of complying with the Corporations Act requirements. The Return of Capital must be approved by an ordinary resolution of Suncorp shareholders. In accordance with section 256C(5) of the Corporations Act, a copy of this Notice of Meeting (including the Explanatory Memorandum) has been lodged with the Australian Securities & Investments Commission.

## What is the effect of the Return of Capital on the Company?

A number of financial and non-financial impacts as a result the Return of Capital have been considered and are summarised below:

### Financial impacts

#### Impact on financial position

The Capital Return will be funded from the proceeds of the sale of Suncorp Bank, to ANZ. If the Capital Return proceeds, the Company's share capital will be reduced by up to \$4.1 billion.

#### Effect on the Company and Suncorp's capital position

Capital can be considered a measure of the financial cushion available to an institution to absorb any unexpected losses it experiences in running its business. Suncorp is subject to, and complies with, external capital requirements set and monitored by APRA and the Reserve Bank of New Zealand.

APRA approval is one of the Conditions to be met before the Return of Capital can occur. One of the prudential requirements of this approval is that Suncorp must satisfy APRA that its capital base remains adequate for its future needs after the Return of Capital, including the special dividend.

### Other considerations

#### Impact on growth strategies

Having regard to Suncorp's current financial position, earnings growth, and capacity to raise additional funds from well-established funding sources (if required), the Board is of the opinion the Return of Capital will not materially prejudice Suncorp's ability to actively pursue its growth strategy.

#### Dividends

Under Suncorp's current dividend policy, Suncorp aims to pay annual dividends based on a target payout ratio of 60% to 80% of cash earnings. It is the Board's current intention for this policy to continue if the Return of Capital proceeds.

As the Return of Capital is not a dividend payment, the Dividend Reinvestment Plan does not apply to it.

#### Credit rating

In determining whether to implement the Return of Capital, the Board has considered any potential impacts on Suncorp's credit rating and has determined the Return of Capital will not affect Suncorp's credit rating.

#### Tax implications of the Return of Capital for the Company

No adverse tax consequences are expected to arise for Suncorp as a consequence of the Return of Capital.

## What is the impact on incentive plans and directors' interests?

The Return of Capital and Share Consolidation do not apply to performance rights allocated to senior executives under any performance or incentive plan, or unvested shares allocated to employees and held in trust under the Company's various plans. No adjustments to the number of performance rights allocated is proposed as a consequence of the Capital Initiative.

### Directors' interests

The number of Suncorp securities in which each current director has a relevant interest as at 5 September 2024 is set out in the table below.

	Shares
Ms Christine McLoughlin	52,550
Mr Steve Johnston	608,554
Ms Gillian Brown	481
Ms Sylvia Falzon	32,292
Mr Elmer Funke Kupper	47,500
Mr Ian Hammond	47,509
Ms Sally Herman	45,000
Mr Simon Machell	60,000
Mr Lindsay Tanner	20,068
Mr Duncan West	24,680

Ms Christine McLoughlin also holds 700 SUNPH (Capital Notes 3).

Ms Gillian Brown also holds 196 SUNPJ (Capital Notes 5).

Mr Steve Johnston also holds 618,306 Share Rights and Performance Rights.

### Board recommendation

The Board recommends shareholders vote in favour of the resolution to approve the proposed Return of Capital (Resolution 1) and the resolution to approve the proposed Share Consolidation (Resolution 2).

## Resolution 3

### Amendment to the Constitution following the sale of Suncorp Bank

It is proposed Rule 27(b) and Rule 33 of the Constitution be amended as follows:

- omit the text in Rule 27(b) (relating to where the Managing Director is ordinarily resident) and insert "Deleted"; and
- omit the text in Rule 33 (titled Head Office, Local Boards and Branch Offices) and insert the following:
  - The registered office of the Company must at all times be located in Queensland.
  - At least 1 member of the Board of the Company must at all times be ordinarily resident in Queensland.
  - The head office of the Company must at all times be located in Queensland.
  - For the purposes of rule 33(c), the head office of the Company is located in Queensland only if:
    - the principal operational office of the chief executive officer is located in Queensland and the chief executive officer performs their role primarily in Queensland; and
    - the chairperson has an office in Queensland; and
    - each group corporate services activity is wholly or partly performed in Queensland; and
    - the usual location for the holding of Company Board meetings is in Queensland.
- For the purposes of rule 33(d)(iii), 'group corporate services activity' means each of the following activities, however described, carried out in relation to the insurance business carried on in Australia by the Company or a related body corporate of the Company, other than the offering or underwriting of insurance outside Australia:
  - activities of the chief executive's office;
  - financial reporting, business development (including in relation to supporting mergers and acquisitions) and management of capital, investments and financial performance;
  - risk management and compliance;
  - legal and company secretariat;
  - internal audit;
  - technology and transformation strategy and management, including data analytics, digital enablement, cloud services, and information technology infrastructure and security;
  - human resources;
  - corporate affairs and government relations.



## Why are the rules being amended?

The Company's Constitution is being amended to reflect amendments to section 64 of the State Financial Institutions and Metway Merger Act 1996 (Qld) (**Metway Merger Act**). The amendments to the Metway Merger Act were a condition precedent to the Bank Sale.

The Company's Constitution currently contains provisions mandating:

- a Managing Director must ordinarily be resident in Queensland (Rule 27(b)), and
- the head office of the Company must at all times be located in Queensland (Rule 33).

These provisions reflect the mandatory constitutional provisions that were contained in section 64 of the Metway Merger Act, prior to it being amended by the State Financial Institutions and Metway Merger Amendment Act 2024 (Qld) (**MMA Amending Act**) in June 2024.

Section 64 of the Metway Merger Act as amended by the MMA Amending Act states as follows:

### 64 Suncorp's constitution to include particular provisions

1. The constitution of Suncorp must at all times require —
  - a. the registered office of Suncorp to be located in Queensland; and
  - b. at least 1 member of the board of directors to be ordinarily resident in Queensland; and
  - c. the head office of Suncorp to be located in Queensland.
2. For subsection (1)(c) and the constitution, the head office of Suncorp is located in Queensland only if —
  - a. the principal operational office of the chief executive officer is located in Queensland and the chief executive officer performs their role primarily in Queensland; and
  - b. the chairperson has an office in Queensland; and
  - c. each group corporate services activity is wholly or partly performed in Queensland; and
  - d. the usual location for the holding of Suncorp board meetings is in Queensland.
3. In this section — group corporate services activity means each of the following activities, however described, carried out in relation to Suncorp's Australian business —
  - a. activities of the chief executive's office;
  - b. financial reporting, business development (including in relation to supporting mergers and acquisitions) and management of capital, investments and financial performance;
  - c. risk management and compliance;
  - d. legal and company secretariat;
  - e. internal audit;
  - f. technology and transformation strategy and management, including data analytics, digital enablement, cloud services, and information technology infrastructure and security;
  - g. human resources;
  - h. corporate affairs and government relations.

## What will be the effect of the amended rules?

The Company's Constitution presently requires the Company to have:

- a Managing Director ordinarily resident in Queensland, and
- its head office at all times in Queensland.

Following the proposed amendment of the Constitution to align with the Company's obligations pursuant to section 64 of the Metway Merger Act, the Company's Constitution will require:

- the registered office of the Company be located in Queensland
- at least 1 member of the board of directors be ordinarily resident in Queensland, and
- the head office of the Company be located in Queensland.

The manner in which the head office of the Company is determined will also be amended, such that:

- certain Company officeholders and executives (chief financial officer and chief operating officer) do not have to maintain a principal operational office in Queensland, and
- certain Company services do not have to maintain principal operational offices in Queensland, but rather must be performed wholly or partly in Queensland.

## What would be the effect of not amending the rules?

Pursuant to section 76 of the Metway Merger Act, the Company is obliged to comply with the obligations in section 64 of the Metway Merger Act within 6 months after the amendments came into force (i.e., by 3 February 2025). This means the Constitution of the Company must contain the particular provisions specified in section 64 of the Metway Merger Act, as amended by the MMA Amending Act, by that date.

If the Company does not comply with the obligations in the amended section 64 of the Metway Merger Act:

- in accordance with section 69C of the Metway Merger Act, the Company must immediately give the Treasurer written notice of the act or omission or of the proposed act or omission, and
- the Supreme Court of Queensland may, on the application of the Queensland Treasurer, grant an injunction restraining the Company from engaging in the conduct and, if the court considers it appropriate, requiring the Company to do something (e.g. comply with its obligations under section 64 of the Metway Merger Act).

In any event, pursuant to section 69A of the Metway Merger Act, the Company must at all times act in a manner that is consistent with the mandatory constitution provisions, whether or not the Company has modified the Constitution of the Company to include the mandatory constitution provisions.

Consistent with the new requirements under sections 64 and 76 of the Metway Merger Act, the Board is seeking shareholder approval to amend the Constitution in accordance with Resolution 3 (**the Proposed Constitution Amendments**).

This is a special resolution and, to pass, requires at least 75% of the votes cast to be in favour of the resolution.

## Board recommendation

The Board recommends shareholders vote in favour of the special resolution to approve the Proposed Constitution Amendments.

## Resolution 4

### Election and Re-election of Directors

The Company's Constitution requires a non-executive director who is appointed by the Board to seek election by shareholders at the next AGM following that director's appointment. Accordingly, Ms Gillian Brown, whose appointment was announced by the Company on 29 November 2023 and became effective 27 February 2024, submits herself for election by shareholders.

The Company's Constitution also requires no non-executive director retain office for more than three years or until the third AGM following that director's appointment. In addition, the Company must hold an election of directors each year.

Accordingly, the following directors each retire and submit themselves for re-election by shareholders, having previously been elected or re-elected (as relevant) by shareholders in September 2021:

- Ms Sylvia Falzon
- Ms Christine McLoughlin, AM
- Mr Lindsay Tanner
- Mr Duncan West.

The Board has continued its renewal in recent years having regard to the necessary capabilities and skills required to effectively govern the Company. Recent changes include the:

- retirement of Dr Doug McTaggart, who served as a director from 2012 to 2023, and
- appointment of Mr Duncan West (in 2021) and Ms Gillian Brown (in 2024), both of whom have enhanced the skills and experience of the Board as outlined below.

Future appointments will likely focus on continuing to strengthen the Board's international general insurance and technology and transformation expertise.

It is the Board's view that stability in the composition of the Board, including through the election or re-election of the above directors, will best support the Board in overseeing the Company's transition to a pure Trans-Tasman insurer. This will encompass a period of change as Suncorp executes a significant technology transformation while also providing significant transitional services in connection with the sale of Suncorp Bank to ANZ.

The Board has reviewed the candidacy of Ms Gillian Brown and performance of the above directors seeking re-election, and is satisfied:

- that comprehensive background checks have been undertaken in connection with Ms Gillian Brown's appointment, in accordance with Suncorp's Fit and Proper Policy (which in turn meets APRA's requirements), and no matters of concern have been identified.
- as to each person's confirmation they will continue to have sufficient time to fulfil their duties as non-executive directors of the Company.
- they each bring/continue to bring diligence, commitment, valuable expertise and experience to the deliberations of the Board and its Committees.
- they each satisfy the Board's independence criteria, which align with the guidance provided by the ASX and other regulators. In addition, the Board has robust processes to manage actual, potential or perceived conflicts of interest, as outlined in Suncorp's FY24 Corporate Governance Statement.

Further commentary specific to each director, in support of their election or re-election as a director, follows.



**Gillian Brown**  
LLB (Hons) Grad Dip Applied Finance and Investment  
Non-executive director

Gillian Brown was appointed a director of the Company in February 2024. She is a Queensland resident, and is a member of the Audit, Customer and Nomination Committees.

With a career spanning nearly 40 years, Gillian brings to Suncorp broad skills in financial services law, infrastructure, investments, and finance. Gillian has extensive experience in environmental, social and governance (ESG) initiatives and complex corporate transactions, including mergers and acquisitions, business restructures and disposals and public private partnerships, strategy and risk allocation and workplace health and safety.

In addition to her role at Suncorp, Gillian holds non-executive director positions with the High Speed Rail Authority, Electricity Retained Interest Corporation Ausgrid (and a number of its group entities), OIC Limited, BRIC Housing Limited and Queensland Community Foundation. Her previous board roles include serving as Chairman of Minter Ellison lawyers and as a director of Queensland Treasury Corporation and DBCT Holdings Pty Ltd (a Queensland Government owned lessor of Dalrymple Bay coal export terminal in Mackay). Gillian is also a former director of Australian Rail Track Corporation Limited, the owner and operator of Australia's largest rail freight network.

Throughout her career, Gillian has held appointments as Chair of audit and risk committees and as a member of environment, health and safety committees.

#### Board recommendation

The Board considers that Ms Brown has made a strong contribution to the Board's deliberations since joining in February 2024, particularly through her experience and knowledge in ESG initiatives including energy transition and decarbonisation, climate related reporting and disclosure, social impact investing and workplace health and safety.

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

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



### Sylvia Falzon

MIR (Hons), BBus, FAICD, SFFin

**Non-executive director**

Sylvia Falzon has been a director of the Company since September 2018. She is Chairman of the People and Remuneration Committee and a member of the Risk and Nomination Committees.

Sylvia has held senior positions within the financial services sector having worked for major life insurance and asset management organisations over a 30-year career. Through her executive career and now as a non-executive director, she has gained valuable insights working in large consumer-facing and highly regulated businesses within the financial services, healthcare, retail and aged care sectors.

Sylvia is a non-executive director of listed company Premier Investments. Sylvia is also Chairman of the Governing Board of Cabrini Australia Limited, a diversified not-for-profit, health and technology care provider, and a member of the Australian Government Takeovers Panel.

Sylvia was previously a non-executive director of listed companies Perpetual Limited and Regis Healthcare, and de-listed company Zebit Inc. Sylvia held senior executive roles with Aviva Investors Australia (a wholly owned subsidiary of global insurer Aviva plc), Alpha Investment Management, and major life insurer National Mutual/AXA.

#### Board recommendation

The Board considers Ms Falzon's extensive financial services, asset management and people leadership experience brings great value to the deliberations of the Board and Risk Committees, and that she has made a significant contribution to the work of the People and Remuneration Committee since becoming Chairman of that Committee in 2021.

Ms Falzon is considered by the Board to be an independent, non-executive director of the Company. She is seeking re-election for her third and final term.

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



### Christine McLoughlin, AM

BA, LLB (Hons), FAICD

**Chairman & Non-executive director**

Christine McLoughlin, AM has been a director of the Company since 2015 and Chairman since September 2018. She is Chairman of the Nomination Committee and an ex-officio member of the Audit, Customer, People and Remuneration, and Risk Committees.

Christine's extensive experience as a director spans boards of ASX Top 50 companies in the financial services, resources, health, medical devices and infrastructure sectors over the past 15 years.

Her executive career was in leadership roles in financial services and telecommunications sectors in ASX Top 20 companies with businesses in the Australian, UK and Southeast Asian markets.

Christine continues to take a proactive interest in technology and climate change with a focus on the impact on customers, creating value for shareholders and the broader economy.

Christine will join the board of Aware Super as Chairman, with effect from 1 October 2024.

She is also a non-executive director of ASX listed Cochlear Limited and Co-Founder and Chairman of the Minerva Network, a not-for-profit supporting professional athletes.

Christine was previously the Chancellor of the University of Wollongong, the elected Australian private sector representative to the G20 EMPOWER Council and inaugural Chairman of the Australian Payments Council.

In June 2021, Christine was awarded a Member of the Order of Australia in the Queen's Birthday Honours for her services to business, the not-for-profit sector, and women.

#### Board recommendation

The Board considers Ms McLoughlin's extensive experience, both as a director and executive, in financial services and more broadly, has enabled her to make a strong contribution as Suncorp's Chairman, and to the deliberations of the Board and its Committees generally.

Ms McLoughlin is considered by the Board to be an independent, non-executive director of the Company. She is seeking re-election for her fourth and final term.

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



### Lindsay Tanner

BA (Hons), LLB (Hons), MA (Melb)

**Non-executive director**

Lindsay Tanner has been a director of the Company since January 2018. He is a member of the Risk and Nomination Committees, and is also a director of Suncorp's New Zealand licensed entities.

Lindsay brings to Suncorp an acute appreciation of the technological, regulatory and political changes shaping the financial services industry. He has worked at the highest levels of government and business for over 35 years, including as Minister for Finance and Deregulation from 2007 to 2010, where he played a significant role in regulatory reform in the financial services sector. He also served as Minister for the Future Fund during the Global Financial Crisis.

Lindsay is currently Chairman of AFL Victoria, and a director of Industry Super Holdings Pty Ltd, IFM Investors Pty Ltd and the Future Skills Organisation.

Lindsay is a recognised authority on corporate governance and was a Special Adviser for financial advisory firm Lazard Australia for more than 10 years, where he had extensive involvement in the financial sector and with mergers and acquisitions.

Lindsay was also previously Chairman of Certane Group Pty Ltd and a non-executive director of Covata Limited and Lifebroker, the life insurance broking company. He began his professional career as a lawyer representing consumers in disputed personal injury and motor insurance claims.

#### **Board recommendation**

The Board considers Mr Tanner's considerable skills and experience have brought a unique perspective to the deliberations of the Board and Risk Committee, and that he has made a valued contribution to Suncorp's New Zealand licensed entities.

Mr Tanner is considered by the Board to be an independent, non-executive director of the Company. He is seeking re-election for his third and final term.

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



### Duncan West

BSc (Econ) (Hons), ANZIIF (Snr Assoc), CIP, FCII (UK), GAICD

**Non-executive director**

Duncan West has been a director of the Company since September 2021. He is Chairman of the Risk Committee and a member of the Audit and Nomination Committees.

Duncan is a highly experienced company director with 40 years of experience in the general insurance and financial services sectors, in both director and senior executive roles, in Australia and overseas. His financial services expertise spans general and life insurance, banking and wealth management.

Duncan is Chairman of listed company Challenger Limited and a non-executive director of listed company Helia Group Ltd. He is also a director of Avant Mutual Group Limited (Australia's largest medical indemnity insurer) and Chairman of Habitat for Humanity Australia.

Duncan was previously Chairman and a director of The Hollard Insurance Company Pty Limited and Lawcover Insurance Pty Limited.

Duncan's previous executive roles include CEO of Vero Insurance, CEO of CGU Insurance, and Executive General Manager of Insurance for NAB Wealth and MLC. He also previously worked with Royal Sun Alliance in its UK and Indian operations and is a past President of the Australia and New Zealand Institute of Insurance and Finance.

#### **Board recommendation**

The Board considers Mr West's strong insurance expertise, including significant experience as an executive leading general insurance businesses, has strengthened the Board's existing strong insurance skillset, and that he has made a significant contribution to the outputs of the Risk Committee since becoming Chairman of that Committee in 2023.

Mr West is considered by the Board to be an independent, non-executive director of the Company. He is seeking re-election for his second term.

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

## Resolution 5

### Non-Executive Director Fee Pool

In accordance with ASX Listing Rule 10.17, the Board is seeking shareholder approval to increase the maximum aggregate non-executive director fee pool under Rule 29.1 of the Company's Constitution by \$500,000, from \$3,500,000 to \$4,000,000 per annum.

The current fee pool of \$3,500,000 was approved by shareholders at the Company's 2007 Extraordinary General Meeting.

As required by ASX Listing Rule 10.17, the fee pool includes:

- all Board and Board Committee fees
- all fees for serving on any subsidiary boards and board committees (as is the case for non-executive director Mr Lindsay Tanner, who is a director of Suncorp's New Zealand licensed subsidiaries), and
- statutory superannuation contributions, paid to, or made on behalf of, the Company's non-executive directors.

For FY24, the total amount of fees and superannuation paid to the Company's non-executive directors totalled \$3,312,000 (as set out in section 6 of the 2023-24 Remuneration Report).

The Board is not increasing the fees paid to non-executive directors in FY25 (excluding the legislated increases in the Superannuation Guarantee Contribution).

Given the average non-executive director tenure post the AGM will be 6 years, the requested increase in the fee pool will provide the necessary flexibility to continue to facilitate Board renewal and Board and Committee composition changes in an orderly manner, while maintaining appropriate continuity. This will ensure the Board has the required flexibility as it continues to build the necessary skills and experience to govern Suncorp as a leading Trans-Tasman insurer.

No securities have been issued to the Company's non-executive directors under ASX Listing Rules 10.11 or 10.14 at any time within the preceding three years.

Given each non-executive director of the Company has an interest in this resolution, the Board makes no recommendation in relation to this resolution.

## Resolution 6

### 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, 2019 and 2022 AGMs.

Given the existing Rule 41 will expire on 23 September 2025, 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 2024 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 2024 AGM.

#### Why are the provisions needed?

The directors consider 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 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 October 2027, 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 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:

- 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 any bid is attractive to a majority of shareholders
- it increases shareholders' bargaining power and may assist in ensuring 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
- 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 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 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 there have been no disadvantages to the shareholders arising from inclusion of the provisions in the Constitution and believe 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.

This is a special resolution and, to pass, requires at least 75% of the votes cast to be in favour of the resolution.

### Board recommendation

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

## Resolution 7

### Remuneration Report

The Remuneration Report, as contained in the Company's 2023-24 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 FY24 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 variable remuneration framework, why those performance measures were chosen and the performance outcomes
- remuneration governance, risk and consequences, and
- remuneration details for directors and senior executives.

The Board believes the remuneration arrangements, as outlined in the Remuneration Report, are strategically aligned and drive high performance.

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 approach to remuneration.

### 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 8

### Grant of Performance Rights to the Chief Executive Officer & Managing Director

The Board is seeking the approval of shareholders for the grant of 188,624 performance rights under the Suncorp Group Equity Incentive Plan (SGEIP) to the CEO, Mr Steven Johnston. This grant constitutes Mr Johnston's long-term incentive (LTI) opportunity for FY25.

The purpose of the LTI opportunity is to provide the CEO with a component of his remuneration which supports the creation of long-term sustainable shareholder value, and which is aligned to the shareholder experience.

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 (as permitted under the SGEIP).

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 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, for the CEO, there is a four-year performance period and a 4-6 year deferral period. A performance right will become a vested right following a four-year performance period, subject to the satisfaction of performance measures and service conditions. Vested rights entitle the participant to 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. For the CEO, one-third of any vested rights will be converted to fully paid ordinary shares shortly after the end of 4, 5 and 6 years from the start of the performance period.

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 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.

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 CEO.

#### CEO's remuneration

Mr Johnston's FY25 remuneration consists of:

- Fixed pay of \$2.142 million
- Short-term incentive (STI) opportunity of 100% of fixed pay
- LTI opportunity of 150% of fixed pay.

#### Face value and number of performance rights

The Board has endorsed an award of performance rights with a face value of \$3.213 million (CEO's performance rights) as Mr Johnston's FY25 LTI opportunity.

The face value of the CEO's performance rights takes into account a number of factors, including the size of the role, and the extent to which his total remuneration package (including his incentive opportunities) is market competitive when compared with a comparator group of companies.

The face value of a performance right is the VWAP of the Company's ordinary shares on the ASX over the five trading days leading up to 1 July 2024, being the start of the performance period.

As a consequence, Mr Johnston will be allocated 188,624 performance rights. The number of performance rights to be granted to Mr Johnston has been calculated by dividing the CEO's FY25 LTI opportunity (\$3.213 million) by the face value of a performance right (\$17.0338), then rounding down to the nearest whole number.

Performance rights are provided because they create share price alignment between executives and 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.

#### Allocation

Subject to shareholder approval, the CEO's performance rights will be granted to Mr Johnston as soon as practicable after the AGM and 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.

## Performance and deferral period

The four year performance period will begin on 1 July 2024 and end on 30 June 2028. This aligns to all other FY25 LTI offers for senior executives.

The deferral period for the CEO is 4-6 years, commencing on 1 July 2024. One-third of any vested rights are converted to fully paid ordinary shares after 4, 5 and 6 years. Specifically, the conversion date will be when the Closed Period under Suncorp's Security Trading Policy lifts following the end of FY28, FY29 and FY30. This is expected to be in August 2028, August 2029 and August 2030 respectively.

## Performance measures

The Board has determined the most appropriate performance measures for the FY25 LTI opportunity are:

- two market measures based on Relative Total Shareholder Return (TSR), each weighted at 35%, and
- two non-financial measures, Relative Suncorp Customer Net Promoter Score (NPS) (Consumer Australia) weighted at 20% and Relative Trust and Reputation weighted at 10%.

These measures are consistent with those in the FY24 LTI plan and the material weighting on non-financial measures ensures compliance with APRA's Remuneration Prudential Standard (CPS 511).

Each performance measure is subject to the following vesting schedule:

Performance level	Percentage of performance rights that may vest subject to achievement of the relevant performance measure
Below the 50th percentile	0%
At the 50th percentile	50%
Between the 50th and 75th percentiles	Straight line vesting between 50% and 100%
At or above the 75th percentile	100%

Where the relevant performance measure is not met, the applicable number of performance rights lapse.

Detail on each performance measure is below.

## Relative TSR

Relative TSR closely aligns the CEO's LTI outcome to the shareholder experience. 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 all of those dividends are reinvested into additional shares. TSR will vary over time but reflects the market perception of the Company's overall performance relative to the relevant Comparator Group.

Performance is measured by ranking the Company's TSR against the relevant Comparator Groups outlined below.

## Relative TSR Broad-Based Comparator Group (35% weighting)

The Broad-Based Comparator Group is based on entities in the S&P/ASX 100 index at the beginning of the performance period.

The Broad-Based Comparator Group has been chosen as it provides a relative indicator 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.

The ranking of the Company's TSR at the end of the performance period determines the extent to which performance rights may vest, in accordance with the vesting schedule outlined above.

## Relative TSR Customised Comparator Group (35% weighting)

The Customised Comparator Group is based on selected S&P/ASX 100 financial organisations domiciled in Australia at the beginning of the performance period.

This Comparator Group has been chosen as it provides a relative indicator of changes in shareholder value by comparing the Company's return to shareholders against the returns of large companies in the same industry that are exposed to similar external factors.

The Comparator Group comprises the following 15 S&P/ASX 100 financial organisations: AMP Limited, ASX Limited, Australia and New Zealand Banking Group Limited, Bank of Queensland Limited, Bendigo and Adelaide Bank Limited, Challenger Limited, Commonwealth Bank of Australia, Insurance Australia Group Limited, Macquarie Group Limited, Medibank Private Limited, National Australia Bank Limited, NIB Holdings 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 outlined above.



## Relative Suncorp Customer NPS (Consumer Australia) (20% weighting)

NPS is a standard and accepted market measure of customer advocacy and provides insight into the customer experience.

Suncorp's NPS score is the weighted aggregated score across customers of its Australian insurance brands being AAMI, APIA, GIO, Suncorp, Shannons, Bingle, Terri Scheer and CIL Insurance. The weighting is based on the contribution of each brand's customers to total customers. Performance is assessed based on the absolute change in NPS score against a Comparator Group of eight insurance brands over the performance period. This aligns to Suncorp's strategy to convert customers to advocates at a higher rate than the Comparator Group. The Comparator Group covers the 'autoclub' and 'price challenger' general insurers and consists of Budget Direct, Coles Insurance, NRMA, RACQ, RACV, Woolworths Insurance, and Youi, as well as Allianz Australia.

The Board believes this measure is robust for inclusion in the LTI plan given:

- it is strategically aligned. The measure is consistent with Suncorp's multi-brand strategy and long-term goal to improve customer experiences across all brands against competitor brands.
- it is independently sourced and vesting outcomes are verified by Suncorp Internal Audit.
- NPS outcomes are objective, quantified and assessed on a relative basis.
- the measure aligns to APRA's principles in respect of prudent risk taking and long-term soundness. This is because it incentivises strong customer outcomes and any significant risk matter that arises over the performance period is expected to be reflected in customer advocacy and the NPS outcome. In addition, strong customer advocacy is needed to create a sustainable business.
- the measure is stretching. Outcomes are based on relative performance and it is challenging to lift NPS scores in the face of current insurance affordability challenges and ongoing inflationary pressures such as rising input costs.

NPS scores are currently determined by RFI Global - Atlas through an online survey of customers of each brand. The survey is performed continuously throughout the year enabling regular reporting of outcomes.

RFI Global - Atlas uses a representative sample of Australian consumers, weighted against Australian Bureau of Statistics data to provide quality and robust sampling that allows for comparisons at high levels of granularity across state, product, channel and customer demographic profiles.

## Relative Trust and Reputation (10% weighting)

Trust and Reputation plays a key role in the extent to which a broad range of stakeholders view Suncorp as trustworthy and credible.

Trust and Reputation are assessed using the RepTrak methodology which includes the sentiment of customers and non-customers.

The Board believes this measure is robust for inclusion in the LTI plan given:

- it is strategically aligned and focuses senior executives on Suncorp's reputation in the community with existing and prospective customers and employees. This drives both customer and employee attraction and retention and, in turn, contributes towards a sustainable business.
- the measure is based on a reputation score which is independently assessed by The RepTrak Company.
- the reputation score is objective, quantified and assessed on a relative basis. Suncorp's final rank at the end of the performance period is compared against a comparator group of ten group level or subsidiary companies in the insurance sector that are facing similar external factors, regulatory requirements and/or customer and community expectations. The comparator group is Allianz Australia, Budget Direct, Bupa, HCF, Insurance Australia Group, Medibank Private, NIB Holdings Limited, QBE Insurance Group, Youi and Zurich.
- the measure aligns to APRA's principles in respect of prudent risk taking and long-term soundness because sustainable businesses are underpinned by strong trust and reputation. In addition, the measure incentivises decisions to be made having regard to Suncorp's diverse stakeholders and because any significant risk matter that arises over the performance period is expected to be reflected in the reputation score.
- the measure is stretching because Suncorp's business model has fundamentally changed following the sale of Suncorp Bank. It is important for Suncorp to maintain and enhance its strong reputation as it cements itself as a stand-alone, leading, Trans-Tasman insurer.

The RepTrak score gauges the level of trust, admiration and respect, esteem, and positive sentiment towards a company. A reputation score (between 0 and 100) is calculated based on responses to a survey from a nationally representative sample of Australians aged 18 and over, screened for their level of knowledge about each company before qualifying to participate.

## Disclosure

The Board will set out how Suncorp has performed against all performance measures in the 2027-28 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 CEO's LTI opportunity under the SGEIP. Malus refers to the Board's ability to scale down any deferred incentive (to nil) before it has vested as a result of a significant risk or conduct matter. Clawback refers to the Board's ability to recover in part or in whole any deferred incentive that has already been paid or vested for up to two years from the date of payment or vesting. Clawback would only be used in exceptional circumstances.

In considering whether malus or clawback should apply, the Board will consider the severity of the matter against a range of criteria including:

- where the participant has engaged in misconduct (such as acting fraudulently or dishonestly) which has led to termination or significant adverse outcomes
- where the participant is accountable for a significant failure of financial or non-financial risk management
- where there has been a significant failure or breach of accountability, fitness and propriety or compliance obligations
- the participant's deferred incentive was determined based on a significant error or a significant misstatement
- the participant acted (or failed to act) in a manner which contributed to significantly adversely impacting a Suncorp company, customers, counterparties, shareholders and/or the reputation of Suncorp, and
- any other reasonable considerations, including where a participant is responsible for other individuals or teams that have met the above criteria.

As required, the Board will take reasonable steps to appropriately adjust deferred incentives downwards. The downward adjustment will be done in a proportionate way to reflect the severity of the risk and conduct outcome.

## Treatment of 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 be pro-rated for the time worked as a percentage of the performance period and 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.

## Trading of shares

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

## Hedging prohibition

Executives and employees of Suncorp 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 CEO, Mr Johnston has been granted 925,609 performance rights as an LTI award at no cost under the SGEIP. There are 418,019 performance rights remaining on foot. These performance rights were approved by shareholders at the 2020, 2021, 2022 and 2023 AGMs. Further detail on these grants can be found in section 6 of the 2023-24 Remuneration Report.

There is no loan provided to the 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 Suncorp's 2024-25 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 CEO on the terms set out above.

## Attachment A

### Worked Examples for the Capital Return and Share Consolidation (Capital Initiative)

Suncorp will make its final decision on the amount to be paid to shareholders under this Capital Initiative when the Board determines the Capital Return Confirmation. The Capital Return Confirmation and record date will be announced on the ASX. All amounts and worked examples are indicative only. The following worked examples provide two scenarios for potential Return of Capital and special dividend amounts. These scenarios balance to a total Return of Proceeds of \$4.1 billion for comparability.

The assumptions and scenarios used for the worked examples are:

	Scenario 1	Scenario 2
Return of Capital	\$4.1 billion	\$3.7 billion
Special dividend <sup>1</sup>	\$0	\$400 million
Return of Proceeds	\$4.1 billion	\$4.1 billion
Number of ordinary shares on issue	1,272,316,092	1,272,316,092
Number of ordinary shares you hold	100	100
Consolidation VWAP <sup>2</sup>	\$17.50	\$17.50

1. In practice, the Return of Proceeds will consist of a Return of Capital and special dividend component. This special dividend is illustrative only to balance the Return of Proceeds to \$4.1 billion, to ensure scenario 1 and scenario 2 remain comparable for this worked example.

2. The actual VWAP may be different and will be determined at the time.

### Worked Example 1: Calculating the total Capital Return Per Share and impact to a holding of 100 ordinary shares

The Capital Return Per Share is calculated by taking the total Return of Capital and dividing by the number of ordinary shares on issue. Expressed as a formula:

$$\frac{\text{Return of Capital}}{\text{Number of ordinary shares on issue}} = \text{Capital Return Per Share}$$

The Capital Return Per Share calculation is demonstrated below using the assumptions from scenario 1 and scenario 2 above. It illustrates that where the total Return of Proceeds is the same, shareholders will receive the same total payment, regardless of the proportion returned via special dividend and Return of Capital.

Scenario	Return of Capital A	Number of ordinary shares on issue <sup>1</sup> B	Capital Return Per Share <sup>2</sup> A ÷ B=C	Special dividend per share <sup>3</sup> D	Total amount per share C+D=E	Total payment if you hold 100 shares E x 100=F <sup>4</sup>
1	\$4.1 billion	1,272 million	\$3.2225	\$0	\$3.2225	\$322.25
2	\$3.7 billion	1,272 million	\$2.9081	\$0.3144	\$3.2225	\$322.25

1. Being 1,272,316,092 shares on issue.

2. The Capital Return Per Share will be rounded to the nearest 4 decimal places.

3. The special dividend per share is calculated as the special dividend divided by the Number of ordinary shares on issue. In practice Suncorp has announced special dividends rounded to the nearest whole cent per share.

4. The final payment will be based on a shareholder's total ordinary shareholding and any fraction of a cent will be disregarded.

### Worked Example 2: Calculating the Share Consolidation Ratio and impact to a holding of 100 ordinary shares

The Share Consolidation Ratio expressed as a formula is:

$$\frac{[\text{Consolidation VWAP}^1 - \text{Capital Return Per Share}^2]}{\text{Consolidation VWAP}} = \text{Share Consolidation Ratio}$$

<sup>1</sup>Consolidation VWAP: Suncorp's five-day VWAP (excluding some special trades) up to and including the second business day prior to the Capital Return Confirmation.

<sup>2</sup>Capital Return Per Share: Return of Capital amount in dollars divided by the total number of ordinary shares on issue. (see also Worked Example 1 above)

The Share Consolidation calculation is illustrated below continuing the assumptions from scenario 1 and scenario 2 above.

Scenario	Consolidation VWAP <sup>1</sup> A	Capital Return Per Share <sup>2</sup> B	Share Consolidation Ratio <sup>3</sup> (A-B) ÷ A=C	Number of ordinary shares on issue pre Share Consolidation <sup>4</sup> D	Number of ordinary shares on issue post Share Consolidation Cx D=E	New share count if you hold 100 shares <sup>5</sup> Cx100 = F
1	\$17.50	\$3.2225	0.8159	1,272 million	1,038 million	82
2	\$17.50	\$2.9081	0.8338	1,272 million	1,061 million	84

1. The consolidation VWAP is illustrative only and will be determined prior to the Capital Return Confirmation.

2. Per Worked Example 1

3. Rounded to the nearest 4 decimal points

4. Being 1,272,316,092 shares on issue.

5. Rounded up to the nearest whole share once the total shareholding is considered.

### Worked Example 3: Impact on the share price immediately after the Capital Initiative

Scenario	Pre Capital Initiative			Post Capital Initiative				
	Consolidation VWAP A	Number of shares on issue <sup>1</sup> B	Market capitalisation A x B = C	Return of Capital D	Residual market capitalisation C-D=E	Share Consolidation Ratio F	Shares on issue <sup>2</sup> B x F =G	Share price E ÷ G=H
1	\$17.50	1,272 million	\$22.27 billion	\$4.1 billion	\$18.17 billion	0.8159	1,038 million	\$17.50
2	\$17.50	1,272 million	\$22.27 billion	\$3.7 billion	\$18.57 billion	0.8338	1,061 million	\$17.50

1. Being 1,272,316,092 shares on issue

2. Being 1,038,082,699 shares on issue (scenario 1) and 1,060,857,158 shares on issue (scenario 2)

Extending the above example for scenario 2, the theoretical share price would then be adjusted for the impact of the special dividend as follows:

Special dividend I	Residual market capitalisation (ex special dividend) E-I=J	Shares on issue post Share Consolidation (per G above)	Share price post Capital Initiative and special dividend J ÷ G=K
\$400 million	\$18.17 billion	1,061 million	\$17.12 <sup>1</sup>

1. Disregarding any fraction of a cent

### Worked example 4: Bringing it all together

The following table brings together the worked examples above, and illustrates that for a Return of Proceeds of \$4.1 billion:

- In theory, the before tax value remains the same before and after the Capital Initiative and special dividend
- regardless of how the Return of Proceeds is split between the Return of Capital and special dividend:
  - shareholders will receive the same total payment, and
  - will in theory hold the same value of shares post consolidation.

	Scenario 1	Scenario 2
Return of Capital	\$4.1 billion	\$3.7 billion
Special dividend	\$0	\$400 million
<b>Total Return of Proceeds</b>	<b>\$4.1 billion</b>	<b>\$4.1 billion</b>
<i>Before the Capital Initiative</i>		
Number of shares I hold	100	100
Share price	\$17.50	\$17.50
<b>Current value of 100 shares</b>	<b>\$1,750</b>	<b>\$1,750</b>
<i>After the Capital Initiative and special dividend payment<sup>1</sup></i>		
Capital Return received	\$322	\$291
Special dividend received	\$0	\$31
<b>Total payment received</b>	<b>\$322</b>	<b>\$322</b>
<i>Number of shares post consolidation<sup>2</sup></i>		
Number of shares post consolidation <sup>2</sup>	81.6	83.4
Share price post consolidation (ex div)	\$17.50	\$17.12
Theoretical value of my shares post consolidation <sup>2</sup>	\$1,428	\$1,428
<b>Total value received post Return of Proceeds (value of shares plus payments received)</b>	<b>\$1,750</b>	<b>\$1,750</b>

1. This example has rounded payment values to the nearest dollar for simplicity. In practice, the amount received will be subject to the calculation and rounding conventions (outlined in the Explanatory Memorandum).

2. In practice, the total number of shares post consolidation will be rounded up to the next whole share. Therefore the total value of shares will be slightly higher than illustrated above.

## Further Information on Suncorp

Suncorp's 2023-24 Annual Report is available on the Suncorp 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

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### Shareholder enquiries

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### Investors

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### Customer Relations

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**SUNCORP** 

Suncorp Group Limited  
ABN 66 145 290 124

\* Link Market Services (part of Link Group) was acquired by Mitsubishi UFJ Trust & Banking Corporation, a consolidated subsidiary of Mitsubishi UFJ Financial Group, Inc. (MUFG) on 16 May 2024. Link Group is now known as MUFG Pension & Market Services. Mailing and contact information are currently unchanged. Over the coming months, Link Market Services will also progressively rebrand to its new name MUFG Corporate Markets, a division of MUFG Pension & Market Services