

## C0. Introduction

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### C0.1

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#### **(C0.1) Give a general description and introduction to your organization.**

Suncorp Group Limited is a leading financial services provider in Australia and New Zealand, enabling more than nine million customers to better protect and enhance their financial wellbeing.

With a heritage dating back to 1902, we have grown to become a top-20 ASX-listed company with more than 13,000 people and \$96 billion in assets. We offer banking, wealth management and insurance products and services through our well-recognised brands including Suncorp, AAMI, GIO, Apia, Shannons and Vero, as well as those from our partners.

Suncorp's purpose is to create a better today for our customers. By living our purpose, our decisions and actions help empower customers to secure their financial future with confidence.

Our vision is to be the destination for the moments that matter. We will continue to demonstrate our unique culture by doing the right thing and being there for our customers and communities when they need us most.

Our strategy aims to build sustainable competitive advantage across four strategic capabilities: brilliant customer experience; digital; product innovation; and engaged and enabled people. We are focused on strengthening our core businesses by concentrating on our customers, products and brands while building on our strong digital foundations.

Suncorp believes in conducting business in a way that protects and sustains the environment for current and future generations. We have a responsibility to continue to reduce our environmental impact and be transparent about our environmental performance.

Climate change presents strategic and financial risks and opportunities for our organisation and our community. Suncorp is committed to playing our part in reducing carbon emissions, as well as preparing for the physical impacts of climate change and the transition to an economy that achieves net-zero emissions by 2050.

We are responding to climate-related risks and opportunities, including natural hazard resilience building, through the implementation of our Climate Change Action Plan and Environmental Performance Plan.

### C0.2

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**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	July 1 2017	June 30 2018	No	<Not Applicable>

**C0.3**

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**(C0.3) Select the countries/regions for which you will be supplying data.**

Australia  
New Zealand

**C0.4**

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**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

AUD

**C0.5**

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**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.**

Operational control

**C1. Governance**

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**C1.1**

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**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

**C1.1a**

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**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board-level committee	Governance of climate change at Suncorp is the responsibility of Suncorp Group Limited Board and Suncorp New Zealand Boards, which oversee the response to climate change risks and opportunities through their Board Risk Committees. Key strategic and financial risks are identified during the annual business planning process and mitigation activity is considered at least on a quarterly basis through reporting to Board Committees. Suncorp's central framework to manage its response to climate change is the Board-approved Climate Change Action Plan (CCAP), which was published in April 2018. The CCAP aligns with the framework published by the TCFD and forms the basis for the maturing of Suncorp's assessment, management, and disclosure of climate change risks and opportunities. Suncorp's CCAP and full TCFD Disclosures are available at: <a href="http://www.suncorpgroup.com.au/corporate-responsibility">www.suncorpgroup.com.au/corporate-responsibility</a>
Chief Executive Officer (CEO)	Suncorp's CEO and Senior Leadership Team is accountable for Suncorp's actions and commitments to embed climate change into risk management, business strategy, business planning and budgeting processes and frameworks, as outlined in the Climate Change Action Plan. Emerging risks, including those related to climate change are monitored regularly by management committees, with material changes escalated to the Board as required.
Other, please specify (Climate Change Leadership Group)	Suncorp's Climate Change Leadership Group and functional teams are responsible for delivering Suncorp's commitments under the Climate Change Action Plan and report into Suncorp's Corporate Responsibility Council and Senior Leadership Team. Numerous other subject matter experts from across Suncorp are engaged through specialist Working Groups that feed into the Climate Change Leadership Group.
Other, please specify (Executive committees)	Suncorp's Responsible Investment Committee governs the application of the Responsible Investment Policy, which includes the application of a shadow carbon price to the analysis of investment opportunities to manage risk as we transition to a net-zero emissions economy. Suncorp's Banking and Wealth Risk Committees and Insurance Risk Committee govern the implementation of our new Responsible Banking and Insurance Policy in Australia, which establishes an organisational-wide approach for managing environmental and social outcomes from our products and portfolios.

**C1.1b**

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**(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	Governance of climate change at Suncorp is the responsibility of Suncorp Group Limited Board and Suncorp New Zealand Boards, which oversee the response to climate change risks and opportunities through their Board Risk Committees. Key strategic and financial risks are identified during the annual business planning process and mitigation activity is considered at least on a quarterly basis through reporting to Board Committees. Suncorp’s central framework to manage its response to climate change is the Board-approved Climate Change Action Plan (CCAP), which was published in April 2018. The CCAP aligns with the framework published by the TCFD and forms the basis for the maturing of Suncorp’s assessment, management, and disclosure of climate change risks and opportunities. Suncorp’s CCAP is available at: <a href="http://www.suncorpgroup.com.au/corporate-responsibility">www.suncorpgroup.com.au/corporate-responsibility</a>

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Chief Risks Officer (CRO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Risk committee	Both assessing and managing climate-related risks and opportunities	Quarterly
Other, please specify (Corporate Responsibility Council)	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly
Business unit manager	Both assessing and managing climate-related risks and opportunities	Quarterly
Public affairs manager	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly
Risk manager	Both assessing and managing climate-related risks and opportunities	Quarterly
Chief Financial Officer (CFO)	Both assessing and managing climate-related risks and opportunities	Quarterly

## C1.2a

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**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

Suncorp's CEO and Senior Leadership Team is accountable for Suncorp's actions and commitments to embed climate change into risk management, business strategy, business planning and budgeting processes and frameworks, as outlined in Suncorp's Climate Change Action Plan (CCAP) and Environmental Performance Plan (EPP). Emerging risks, including those related to climate change are monitored regularly by management committees, with material changes escalated to the Boards as required.

Suncorp's Climate Change Leadership Group and functional teams are responsible for delivering Suncorp's commitments under the CCAP and EPP and report into Suncorp's Corporate Responsibility Council and Senior Leadership Team. Numerous other subject matter experts from across Suncorp are engaged through specialist Working Groups that feed into the Climate Change Leadership Group.

Suncorp's Responsible Investment Committee governs the application of the Responsible Investment Policy, which includes the application of a shadow carbon price to the analysis of investment opportunities to manage risk as we transition to a net-zero emissions economy.

Suncorp's Banking and Wealth Risk Committees and Insurance Risk Committee govern the implementation of our new Responsible Banking & Insurance Policy in Australia, which establishes an organisational-wide approach for managing environmental and social outcomes from our products and portfolios.

Suncorp also ensures strong governance of procurement activities and is committed to actively managing the environmental and social risks and opportunities in our supply chain through our Procurement Policy and Supplier Code of Practice for our Australian operations.

## C1.3

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**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

Yes

## C1.3a

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**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

**Who is entitled to benefit from these incentives?**

Corporate executive team

**Types of incentives**

Monetary reward

**Activity incentivized**

Other, please specify (Risk)

**Comment**

The CEO & Managing Director and Senior Executives are assessed on their individual and their function's contribution towards the achievement of the Group Scorecard. Climate change, as one of Suncorp's seven strategic risks, is a key consideration in assessment of performance. Short Term Incentive outcomes for the CEO & Managing Director and Senior Executives are influenced by the Board's consideration of profit and financials, customer value, risk management, and organisational culture.

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## C2. Risks and opportunities

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### C2.1

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**(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.**

	From (years)	To (years)	Comment
Short-term	0	3	Risk assessments have direct relevance to our business planning. These timeframes correspond to our business planning horizons. As climate change risks emerge over a longer timeframe, they are considered strategic risks as they are likely to cause structural shifts over a longer period of time.
Medium-term	3	10	
Long-term	10	30	

### C2.2

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**(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.**

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

### C2.2a

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**(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.**

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. Climate Change and Resilience is identified as one of seven strategic risks faced by Suncorp. Management reports to the Group Board Risk Committee quarterly on the risk of climate change and biannually on the ongoing implementation of Suncorp's Climate Change Action Plan as the overarching framework for the monitoring and mitigation of climate change as a strategic risk. Risks associated with climate change and natural perils are considered in Business Plans and Risk Appetite Statements, as a fundamental part of pricing our portfolios. Suncorp addresses insurance risk dynamically and monitors it through day-to-day management and monitoring by executive risk committees on an ongoing basis.

**C2.2b**

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## **(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.**

### ENTERPRISE RISK MANAGEMENT FRAMEWORK AND BUSINESS PLAN

Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. This is further addressed at a more granular level in Suncorp's Insurance Risk Standard, which focusses on insurance product design, pricing, underwriting, claims management and reinsurance within the Insurance business. Suncorp's Bank Credit Risk Management Policy focusses on governing, assessing and approving credit risk exposures. While Suncorp Bank does not currently integrate climate change considerations into residential lending risk assessments, the application of lenders' mortgage insurance provides some protection from potential falls in collateral values that could occur from climate change risks. Long-term average rainfall patterns and volatility are key risk characteristics used in the assessment of agribusiness lending.

Suncorp addresses strategic risks, insurance risks and credit risks in our annual Business Planning process, and risk monitoring and mitigation activity is undertaken regularly with reporting to the Insurance Risk Committees, Banking and Wealth Risk Committees, and Board Risk Committee occurring on a regular basis. These Suncorp Group policies, procedures and guidelines are reviewed at least every two years. Further detail on our Enterprise Risk Management Framework can be found in our 2018–19 Annual Report.

Climate Change and Resilience is identified in our Group Business Plan as one of seven strategic risks faced by Suncorp and is incorporated in its Enterprise Risk Management Framework. Suncorp management reports to the Group Board Risk Committee each quarter on the risk of climate change and every six months on the ongoing implementation of Suncorp's CCAP as the overarching framework for the monitoring and mitigation of climate change as a strategic risk.

Insurance risks associated with climate change and natural perils are also considered in the Insurance Australia and New Zealand Business Plans and the Insurance Risk Appetite Statement, as a fundamental part of pricing our portfolios. Suncorp addresses insurance risk dynamically and monitors it through day-to-day management and the Insurance Risk Committees on an ongoing basis.

Similarly, bank credit risks are addressed in the Banking and Wealth Business Plan, managed within the parameters of the Risk Appetite Statement and monitored by the Banking and Wealth Risk Committees on an ongoing basis.

### CLIMATE CHANGE HIGH-LEVEL RISK AND OPPORTUNITY ASSESSMENT

To understand the impact of climate change across multiple portfolios and business operations, in 2018–19 Suncorp undertook a qualitative high-level assessment of climate-related risks and opportunities, the first major milestone in the delivery of Suncorp's CCAP. The findings of the assessment form the basis for Suncorp's climate scenario analysis to be conducted in 2019–20.

Through the high-level risk and opportunity assessment, Suncorp developed processes to: consider how climate change may act as an amplifier of existing risks we are already managing; explicitly articulate climate change causes associated with these existing risks; and identify risks that might not have been considered as part of current risk assessments.

Through this process Suncorp developed a variable climate change 'velocity' factor to prioritise those identified risks. By considering the velocity of climate change (which may vary under different global warming scenarios) Suncorp will be able to assess the outcomes of climate change scenarios and develop appropriate management actions to respond to potential operational and strategic risks.

## **C2.2c**

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**(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. Policy & legal risks are explicitly considered in Suncorp's Climate Change High-Level Risk and Opportunity Assessment.
Emerging regulation	Relevant, always included	Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. Policy & legal risks are explicitly considered in Suncorp's Climate Change High-Level Risk and Opportunity Assessment.
Technology	Relevant, always included	Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. Technology risks are explicitly considered in Suncorp's Climate Change High-Level Risk and Opportunity Assessment.
Legal	Relevant, always included	Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. Policy & legal risks are explicitly considered in Suncorp's Climate Change High-Level Risk and Opportunity Assessment.
Market	Relevant, always included	Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. Market risks are explicitly considered in Suncorp's Climate Change High-Level Risk and Opportunity Assessment.
Reputation	Relevant, always included	Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. Reputation risks are explicitly considered in Suncorp's Climate Change High-Level Risk and Opportunity Assessment. Our risk assessment methodology considers reputation risk as a consequence of other risks.
Acute physical	Relevant, always included	Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. Acute physical risks are explicitly considered in Suncorp's Climate Change High-Level Risk and Opportunity Assessment, and addressed at a more granular level in Suncorp's Insurance Risk Standard, which focusses on insurance product design, pricing, underwriting, claims management and reinsurance within the Insurance business. Suncorp's Bank Credit Risk Management Policy focusses on governing, assessing and approving credit risk exposures. While Suncorp Bank does not currently integrate climate change considerations into residential lending risk assessments, the application of lenders' mortgage insurance provides some protection from potential falls in collateral values that could occur from climate change risks. Long-term average rainfall patterns and volatility are key risk characteristics used in the assessment of agribusiness lending.
Chronic physical	Relevant, always included	Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. Chronic physical risks are explicitly considered in Suncorp's Climate Change High-Level Risk and Opportunity Assessment, and addressed at a more granular level in Suncorp's Insurance Risk Standard, which focusses on insurance product design, pricing, underwriting, claims management and reinsurance within the Insurance business. Suncorp's Bank Credit Risk Management Policy focusses on governing, assessing and approving credit risk exposures. While Suncorp Bank does not currently integrate climate change considerations into residential lending risk assessments, the application of lenders' mortgage insurance provides some protection from potential falls in collateral values that could occur from climate change risks. Long-term average rainfall patterns and volatility are key risk characteristics used in the assessment of agribusiness lending.
Upstream	Relevant, always included	Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. Suncorp ensures strong governance of procurement activities and manages environmental and social risks and opportunities in our supply chain through our Procurement Policy and Supplier Code of Practice for our Australian operations.
Downstream	Relevant, always included	Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. Suncorp ensures strong governance of procurement activities and manages environmental and social risks and opportunities in our supply chain through our Procurement Policy and Supplier Code of Practice for our Australian operations.

**C2.2d**

## **(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.**

### ENTERPRISE RISK MANAGEMENT FRAMEWORK AND BUSINESS PLAN

Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. This is further addressed at a more granular level in Suncorp's Insurance Risk Standard, which focusses on insurance product design, pricing, underwriting, claims management and reinsurance within the Insurance business. Suncorp's Bank Credit Risk Management Policy focusses on governing, assessing and approving credit risk exposures. While Suncorp Bank does not currently integrate climate change considerations into residential lending risk assessments, the application of lenders' mortgage insurance provides some protection from potential falls in collateral values that could occur from climate change risks. Long-term average rainfall patterns and volatility are key risk characteristics used in the assessment of agribusiness lending.

Suncorp addresses strategic risks, insurance risks and credit risks in our annual Business Planning process, and risk monitoring and mitigation activity is undertaken regularly with reporting to the Insurance Risk Committees, Banking and Wealth Risk Committees, and Board Risk Committee occurring on a regular basis. These Suncorp Group policies, procedures and guidelines are reviewed at least every two years. Further detail on our Enterprise Risk Management Framework can be found in our 2018–19 Annual Report.

Climate Change and Resilience is identified in our Group Business Plan as one of seven strategic risks faced by Suncorp and is incorporated in its Enterprise Risk Management Framework. Suncorp management reports to the Group Board Risk Committee each quarter on the risk of climate change and every six months on the ongoing implementation of Suncorp's CCAP as the overarching framework for the monitoring and mitigation of climate change as a strategic risk.

Insurance risks associated with climate change and natural perils are also considered in the Insurance Australia and New Zealand Business Plans and the Insurance Risk Appetite Statement, as a fundamental part of pricing our portfolios. Suncorp addresses insurance risk dynamically and monitors it through day-to-day management and the Insurance Risk Committees on an ongoing basis.

Similarly, bank credit risks are addressed in the Banking and Wealth Business Plan, managed within the parameters of the Risk Appetite Statement and monitored by the Banking and Wealth Risk Committees on an ongoing basis.

### CLIMATE CHANGE HIGH-LEVEL RISK AND OPPORTUNITY ASSESSMENT

To understand the impact of climate change across multiple portfolios and business operations, in 2018–19 Suncorp undertook a qualitative high-level assessment of climate-related risks and opportunities, the first major milestone in the delivery of Suncorp's CCAP. The findings of the assessment form the basis for Suncorp's climate scenario analysis to be conducted in 2019–20.

Through the high-level risk and opportunity assessment, Suncorp developed processes to: consider how climate change may act as an amplifier of existing risks we are already managing; explicitly articulate climate change causes associated with these existing risks; and identify risks that might not have been considered as part of current risk assessments.

Through this process Suncorp developed a variable climate change 'velocity' factor to prioritise those identified risks. By considering the velocity of climate change (which may vary under different global warming scenarios) Suncorp will be able to assess the outcomes of climate change scenarios and develop appropriate management actions to respond to potential operational and strategic risks.

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## **C2.3**

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

C2.3a

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**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type**

Transition risk

**Primary climate-related risk driver**

Technology: Other

**Type of financial impact**

Other, please specify (Integrated financial impacts.)

**Company- specific description**

Explicit impacts from climate change on technology risk are considered to be within the Group's appetite. Annual business planning processes at Suncorp incorporate consideration of technology developments including the development and use of emerging technologies such as renewable energy, battery storage and energy efficiency.

**Time horizon**

Current

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Explicit impacts from climate change on technology risk are considered to be within the Group's appetite.

**Management method**

Annual business planning processes at Suncorp incorporate consideration of technology developments including the development and use of emerging technologies such as renewable energy, battery storage and energy efficiency. Suncorp will assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20.

**Cost of management**

0

**Comment**

-

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**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type**

Transition risk

**Primary climate-related risk driver**

Market: Other

**Type of financial impact**

Other, please specify (Integrated financial impacts.)

**Company- specific description**

Market risks (i.e. shifts in supply and demand for commodities, products and services due to climate change) are considered to be within the Group's appetite. Pricing uncertainty may impact Suncorp's ability to generate stable income over medium and long-term horizons without mitigation – this includes investment market uncertainty, complexity with implementing product price changes, retaining risks at a low cost of capital, and market pressures. Impacts on Suncorp's operational expenses due to the transition to a low carbon emissions economy are not considered material but will be managed in the course of normal operations.

**Time horizon**

Current

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Market risks (i.e. shifts in supply and demand for commodities, products and services due to climate change) are considered to be within the Group's appetite. Pricing uncertainty may impact Suncorp's ability to generate stable income over medium and long-term horizons without mitigation – this includes investment market uncertainty, complexity with implementing product price changes, retaining risks at a low cost of capital, and market pressures. Impacts on Suncorp's operational expenses due to the transition to a low carbon emissions economy are not considered material but will be managed in the course of normal operations.

**Management method**

Market risks are considered to be within the Group's appetite and managed in the course of normal operations. Suncorp will assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20.

**Cost of management**

0

**Comment**

Costs of managing risk absorbed into existing operating budgets

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**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type**

Transition risk

**Primary climate-related risk driver**

Policy and legal: Other

**Type of financial impact**

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Other, please specify (Integrated financial impacts.)

**Company- specific description**

Policy and legal risks are considered to be the risk category that Suncorp has the least ability to control, specifically with respect to ongoing policy uncertainty at a global, national and state level.

**Time horizon**

Current

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Policy and legal risks are considered to be the risk category that Suncorp has the least ability to control, specifically with respect to ongoing policy uncertainty at a global, national and state level.

**Management method**

Suncorp factors has dedicated teams that monitor regulatory change and engage in public policy debates on behalf of the business and customers. Suncorp will assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20.

**Cost of management**

0

**Comment**

Costs of managing risk absorbed into existing operating budgets

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**Identifier**

Risk 4

**Where in the value chain does the risk driver occur?**

Customer

**Risk type**

Transition risk

**Primary climate-related risk driver**

Reputation: Other

**Type of financial impact**

Other, please specify (Integrated financial impacts.)

**Company- specific description**

Our risk assessment methodology considers reputation risk as a consequence of other risks. Suncorp has a robust control environment for responsive reputation management, and monitors reputation risk when managing technology risk, market risk, and policy and legal risk.

**Time horizon**

Current

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium-low

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**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Our risk assessment methodology considers reputation risk as a consequence of other risks.

**Management method**

Suncorp monitors and responds to stakeholder and community sentiment and is conscious of climate change concerns. Suncorp has a robust control environment for responsive reputation management, and monitors reputation risk when managing technology risk, market risk, and policy and legal risk. Suncorp will assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20.

**Cost of management**

0

**Comment**

Monitoring stakeholder and community sentiment for input into decision making is factored into operational budgets

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**Identifier**

Risk 5

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type**

Physical risk

**Primary climate-related risk driver**

Acute: Increased severity of extreme weather events such as cyclones and floods

**Type of financial impact**

Other, please specify (Integrated financial impacts.)

**Company- specific description**

Acute physical risks are actively managed by Suncorp through risk-based pricing, risk accumulation monitoring, annual pricing reviews, and capital and risk transfer solutions (e.g. reinsurance, lenders' mortgage insurance). Further work will need to be undertaken to understand the influence of climate change. Some risks are routinely addressed through existing business processes, primarily in the Insurance business.

**Time horizon**

Current

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

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Further work will need to be undertaken to understand the influence of climate change. Some risks are routinely addressed through existing business processes, primarily in the Insurance business.

**Management method**

Acute physical risks are actively managed by Suncorp through risk-based pricing, risk accumulation monitoring, annual pricing reviews, and capital and risk transfer solutions (e.g. reinsurance, lenders' mortgage insurance). Suncorp will assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20.

**Cost of management**

0

**Comment**

The costs associated with pricing and risk management practices are managed within operational budgets.

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**Identifier**

Risk 6

**Where in the value chain does the risk driver occur?**

Customer

**Risk type**

Physical risk

**Primary climate-related risk driver**

Chronic: Other

**Type of financial impact**

Other, please specify (Integrated financial impacts.)

**Company- specific description**

Given the long timeframe associated with chronic physical risks, the risks in this category present the most uncertainty. Most risks identified in this category need further work to better understand potential impacts. Risks that require action are integrated with the transition risks in the policy and legal risk category.

**Time horizon**

Long-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Given the long timeframe associated with chronic physical risks, the risks in this category present the most uncertainty. Most risks identified in this category need further work to better understand potential impacts.

**Management method**

Risks that require action are integrated with the transition risks in the policy and legal risk category. Suncorp will assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20.

**Cost of management**

0

**Comment**

The costs associated with pricing and risk management practices are managed within operational budgets.

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## C2.4

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**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.4a

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**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Other

**Type of financial impact**

Other, please specify (Integrated financial impacts.)

**Company-specific description**

Resource efficiency and resilience through continued real estate, supply chain and operational efficiency actions represent an opportunity to reduce overall operational costs.

**Time horizon**

Current

**Likelihood**

Virtually certain

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Resource efficiency and resilience through continued real estate, supply chain and operational efficiency actions represent an opportunity to reduce overall operational costs.

**Strategy to realize opportunity**

Suncorp's Environmental Performance Plan, Carbon Budget, and science-based target provide a framework for reducing current and future operational costs.

**Cost to realize opportunity**

0

**Comment**

Costs are factored into operational budgets

---



**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Energy source

**Primary climate-related opportunity driver**

Other

**Type of financial impact**

Other, please specify (Integrated financial impacts.)

**Company-specific description**

Exploration of lower-emissions sources of energy and use of new technology represents an opportunity to reduce operational costs and exposure to potential future energy disruption. Renewable energy and power purchasing agreements are becoming more accessible.

**Time horizon**

Current

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Exploration of lower-emissions sources of energy and use of new technology represents an opportunity to reduce operational costs and exposure to potential future energy disruption. Renewable energy and power purchasing agreements are becoming more accessible.

**Strategy to realize opportunity**

Suncorp's Environmental Performance Plan, Carbon Budget, and science-based target provide a framework for reducing current and future operational costs.

**Cost to realize opportunity**

0

**Comment**

Evaluation of renewable energy opportunities are factored into operating budgets.

---

**Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Customer

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Other

**Type of financial impact**

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

---

**Company-specific description**

Exploration of low-emission products and services in line with consumer preferences offers an opportunity to differentiate customer and employee propositions, strengthen relationships with customers and employees, and provide potential new sources of revenue. Further exploration is needed ahead of investment.

**Time horizon**

Current

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Exploration of low-emission products and services in line with consumer preferences offers an opportunity to differentiate customer and employee propositions, strengthen relationships with customers and employees, and provide potential new sources of revenue. Further exploration is needed ahead of investment.

**Strategy to realize opportunity**

Suncorp's Climate Change Action Plan includes a commitment to explore the development of new products and services which help customers and staff reduce their carbon intensity.

**Cost to realize opportunity**

0

**Comment**

Factored into operational budgets

---

**Identifier**

Opp4

**Where in the value chain does the opportunity occur?**

Investment chain

**Opportunity type**

Markets

**Primary climate-related opportunity driver**

Other

**Type of financial impact**

Other, please specify (Integrated financial impacts.)

**Company-specific description**

Opportunities to invest in new markets, including green bonds and renewable energy infrastructure financing are increasing, providing Suncorp with the opportunity to increase diversification of financial assets in line with the global transition to a net-zero emissions economy.

**Time horizon**

Current

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

310000000

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact figure**

As at 30 June 2019 low-carbon investment totalled \$310 million, including: - Green bonds (\$256 million, up from \$0 million in 2017–18). Green bonds are used to finance environmentally sustainable projects which facilitate the transition to a low carbon economy. - Other low-carbon assets (\$54 million, up from \$36 million in 2017–18). This includes renewable energy infrastructure, renewable energy credit and equity securities, and energy efficient real estate.

**Strategy to realize opportunity**

The transition to a net-zero emissions economy offers increased opportunity for low-carbon investment. This is managed by Suncorp's Responsible Investment Committee which governs the application of the Responsible Investment Policy, which includes active consideration of green bonds, listed and unlisted renewable energy infrastructure and climate change adaptation and mitigation innovations.

**Cost to realize opportunity**

0

**Comment**

Costs to pursue opportunity is factored into operational budgets.

**C2.5****(C2.5) Describe where and how the identified risks and opportunities have impacted your business.**

	Impact	Description
Products and services	Not yet impacted	In line with Suncorp's Board-approved Climate Change Action Plan, Suncorp will further assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20. This work will inform a roadmap of activity to assess short, medium and long-term climate related risks and opportunities, including the actual and potential impacts of those risks and opportunities on Suncorp's business, strategy, and financial planning.
Supply chain and/or value chain	Not yet impacted	Suncorp ensures strong governance of procurement activities and is committed to actively managing the environmental and social risks and opportunities in our supply chain through our Procurement Policy and Supplier Code of Practice for our Australian operations.
Adaptation and mitigation activities	Impacted	Adaptation: Through our Natural Hazard Resilience Strategy we will explore the expansion of Suncorp's Protecting the North program to include other perils risk in Australia and New Zealand; and use these solutions to engage with stakeholders in different communities and advocate for greater investment in climate adaptation and resilience building by both the private and public sectors. Suncorp is working to help reduce the damage cyclones can cause to houses through its Suncorp's Protecting the North program, as well as making insurance more accessible with new, innovative products and features. Suncorp is working with experts to better understand cyclone vulnerabilities in homes to help develop a comprehensive retrofit program to strengthen older homes. Our research shows that simple, low-cost mitigation can pay for itself after just one cyclone. Nine in 10 cyclone claims involve damage that is largely preventable by proper planning. In line with Suncorp's Board-approved Climate Change Action Plan, Suncorp will further assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20. This work will inform a roadmap of activity to assess short, medium and long-term climate related risks and opportunities, including the actual and potential impacts of those risks and opportunities on Suncorp's business, strategy, and financial planning. Mitigation: Suncorp has achieved cost savings by reduced carbon emissions, waste and travel.
Investment in R&D	Impacted	Suncorp has partnered with James Cook University, Urbis and Deloitte Access Economics and provided funding for further research options to retrofit buildings so they are more resilient to cyclone. Suncorp is a corporate sponsor of Risk Frontiers, a natural hazards research centre. Suncorp also sources data from Risk Frontiers, Deloitte, The Bureau of Meteorology, PSMA Australia, and other actuarial and analytical firms like Guy Carpenter and Willis to help natural perils pricing analysts better understand location data. Suncorp also invests time and resources better understand the drivers behind natural disasters to ensure pricing models are sophisticated and accurate.
Operations	Impacted	Suncorp's Environmental Performance Plan, Carbon Budget, and science-based target provide a framework for reducing current and future operational costs.
Other, please specify	Impacted	Investment: Suncorp has the potential to realise investment opportunities and investment risk reduction through application of its Responsible Investment (RI) Policy including the application of a shadow carbon price. The Policy sets out Suncorp's approach to ensuring the long-term sustainability of investment returns and the management of ESG risks and opportunities in our investment portfolios. The RI Policy gives Suncorp the mandate to begin investing in Green Bonds and other renewable energy infrastructure projects.

## C2.6

### (C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Not evaluated	In line with Suncorp's Board-approved Climate Change Action Plan, Suncorp will further assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20. This work will inform a roadmap of activity to assess short, medium and long-term climate related risks and opportunities, including the actual and potential impacts of those risks and opportunities on Suncorp's business, strategy, and financial planning.
Operating costs	Impacted	Cost savings in real estate from real estate consolidations, less energy consumption and less air travel.
Capital expenditures / capital allocation	Impacted	Suncorp has begun to explore ways to expand use of Geospatial Information System technology more broadly across the Group to support climate risk scenario analysis. In line with Suncorp's Board-approved Climate Change Action Plan, Suncorp will further assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20. This work will inform a roadmap of activity to assess short, medium and long-term climate related risks and opportunities, including the actual and potential impacts of those risks and opportunities on Suncorp's business, strategy, and financial planning.
Acquisitions and divestments	Impacted	Suncorp's Responsible Investment team manages the environmental, social and governance (ESG) risks and opportunities in Suncorp's investment portfolios. It ensures ESG considerations are factored into investment manager selection and the evaluation of investment risks and opportunities. A shadow carbon price is applied to manage the risk of stranded assets in the transition to a net-zero emissions economy. The shadow carbon price is reviewed every year with reference to the objectives of the Paris Agreement on Climate Change. The criteria for screening potential and existing investments is outlined in Suncorp's Responsible Investment Policy. As at 30 June 2019 fossil fuel exposure is less than 0.5% of insurance and shareholder investment assets, and less than 1.5% of total investment assets under management (i.e. inclusive of wealth and investment assets managed on behalf of third-parties). The transition to a net-zero emissions economy offers increased opportunity for low carbon investment. During 2018–19 Suncorp's low carbon investments increased to \$310 million. This includes an additional \$128 million allocation to green bonds and a \$15 million commitment to renewable energy infrastructure investment.
Access to capital	Not yet impacted	We note comments by the regulator APRA in relation to climate change risk and the potential for changes in regulatory risk capital requirements as a result at some point in the future.
Assets	Impacted	Suncorp's Bank Credit Risk Management Policy focusses on governing, assessing and approving credit risk exposures. While Suncorp Bank does not currently integrate climate change considerations into residential lending risk assessments, the application of lenders' mortgage insurance provides some protection from potential falls in collateral values that could occur from climate change risks. Long-term average rainfall patterns and volatility are key risk characteristics used in the assessment of agribusiness lending. Opportunities to invest in new markets, including green bonds and renewable energy infrastructure financing are increasing, providing Suncorp with the opportunity to increase diversification of financial assets in line with the global transition to a net-zero emissions economy. Suncorp has also measured the degree to which its equity and credit portfolios are aligned with a less than 2 degrees Celsius global warming objective, in association with the 2-degree investing initiative (2dii). We aim to use this analysis to further minimise our exposure to stranded asset risk and those industries highly impacted by a climate-related economic transition. On an ongoing basis, in association with ESG research firm Sustainalytics, Suncorp measures and monitors the carbon intensity of individual securities as well as aggregate portfolios based on relative investment share. Overall, Suncorp's portfolios are less carbon intensive than the benchmark. In line with Suncorp's Board-approved Climate Change Action Plan, Suncorp will further assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20. This work will inform a roadmap of activity to assess short, medium and long-term climate related risks and opportunities, including the actual and potential impacts of those risks and opportunities on Suncorp's business, strategy, and financial planning.
Liabilities	Impacted for some suppliers, facilities, or product lines	In line with Suncorp's Board-approved Climate Change Action Plan, Suncorp will further assess potential consequences from physical and transition risks by conducting scenario analysis in 2019–20. This work will inform a roadmap of activity to assess short, medium and long-term climate related risks and opportunities, including the actual and potential impacts of those risks and opportunities on Suncorp's business, strategy, and financial planning.
Other	Please select	

## C3. Business Strategy

### C3.1

#### (C3.1) Are climate-related issues integrated into your business strategy?

Yes

## C3.1a

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### **(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?**

No, but we anticipate doing so in the next two years

## C3.1c

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### **(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.**

#### ENTERPRISE RISK MANAGEMENT FRAMEWORK AND BUSINESS PLAN

Suncorp's Enterprise Risk Management Framework governs the identification, management, control and monitoring of risks, including risks presented by climate change. This is further addressed at a more granular level in Suncorp's Insurance Risk Standard, which focusses on insurance product design, pricing, underwriting, claims management and reinsurance within the Insurance business. Suncorp's Bank Credit Risk Management Policy focusses on governing, assessing and approving credit risk exposures. While Suncorp Bank does not currently integrate climate change considerations into residential lending risk assessments, the application of lenders' mortgage insurance provides some protection from potential falls in collateral values that could occur from climate change risks. Long-term average rainfall patterns and volatility are key risk characteristics used in the assessment of agribusiness lending.

Suncorp addresses strategic risks, insurance risks and credit risks in our annual Business Planning process, and risk monitoring and mitigation activity is undertaken regularly with reporting to the Insurance Risk Committees, Banking and Wealth Risk Committees, and Board Risk Committee occurring on a regular basis. These Suncorp Group policies, procedures and guidelines are reviewed at least every two years. Further detail on our Enterprise Risk Management Framework can be found in our 2018–19 Annual Report.

Climate Change and Resilience is identified in our Group Business Plan as one of seven strategic risks faced by Suncorp and is incorporated in its Enterprise Risk Management Framework. Suncorp management reports to the Group Board Risk Committee each quarter on the risk of climate change and every six months on the ongoing implementation of Suncorp's CCAP as the overarching framework for the monitoring and mitigation of climate change as a strategic risk.

Insurance risks associated with climate change and natural perils are also considered in the Insurance Australia and New Zealand Business Plans and the Insurance Risk Appetite Statement, as a fundamental part of pricing our portfolios. Suncorp addresses insurance risk dynamically and monitors it through day-to-day management and the Insurance Risk Committees on an ongoing basis.

Similarly, bank credit risks are addressed in the Banking and Wealth Business Plan, managed within the parameters of the Risk Appetite Statement and monitored by the Banking and Wealth Risk Committees on an ongoing basis.

#### CLIMATE CHANGE ACTION PLAN

Suncorp's Climate Change Action Plan (CCAP) was approved by the Suncorp Board and Senior Leadership Team in March 2018. It forms the basis for maturing Suncorp's assessment, management and disclosure of climate change risks and opportunities using the framework published by the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD).

It demonstrates how Suncorp will work with its customers and communities to support a transition to a net-zero emissions economy by 2050.

In 2018–19 we have made significant progress on fulfilling our commitments under our CCAP to:

- 1. Strengthen our governance processes (including assessment of climate risk)*
- 2. Reduce our environmental footprint*
- 3. Increase community resilience*
- 4. Accelerate emerging opportunities and climate-related innovation*
- 5. Track and openly disclose our climate-related performance.*

#### GREENHOUSE GAS EMISSIONS

Each year, Suncorp reports greenhouse gas emissions and energy consumption in Australia, under the National Greenhouse Emissions Reporting (NGER) Act 2007. The Group has matured its reporting systems and continues to reduce emissions year-on-year. As a leading company in Australia and New Zealand, Suncorp believes it needs to minimise the potential impacts it has on the natural environment to protect it for future generations.

#### ENVIRONMENTAL REGULATIONS, STANDARDS AND REPORTING

Environmental regulation and compliance is monitored through the Group's internal due diligence process which is used for all laws, rules, regulations, standards and codes, internal policies and procedures. It requires management to report any breach or potential breach on a monthly basis.

### C3.1g

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### **(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?**

Suncorp will conduct scenario analysis in 2019-20.

Scenario analysis is further to the completion of a qualitative climate change High-Level Risk and Opportunity Assessment of portfolios and business operations in 2018–19, the first major milestone in the delivery of Suncorp's CCAP.

#### **OUR APPROACH TO SCENARIO ANALYSIS**

Suncorp's approach to scenario analysis will begin implementation in 2019–20 and will be based on the risks identified in our high-level assessment of climate-related risks and opportunities. The findings of our scenario analysis will be disclosed at the end of 2019–20.

Results from the scenario analysis are not intended to reflect Suncorp's views of future outcomes, but to assess potential consequences from physical and transition risks and help Suncorp better understand its strategic resilience to climate change. Scenario analysis outcomes will be considered material findings if they indicate impact which may require market disclosure and/or require change to Suncorp's strategic approach in the short (0–3 years), medium (3–10 years) or long term (10+years).

#### **SUNCORP'S SCENARIO DESIGN PRINCIPLES**

Suncorp will ensure our scenario analysis is: plausible and distinctive and assesses areas of material business or strategic importance which can lead to greater understanding of uncertain risks and impacts; technically credible and consistent with clear assumptions, science-based methodologies and articulated limitations; relevant and challenging to provide strategic insight and potential competitive advantage; and useful for stakeholder engagement and understanding of climate-related risk and potential actions to address risk.

#### ***PRIORITY AREA: PHYSICAL IMPACTS OF EXTREME WEATHER ON UNDERWRITING, LENDING AND INVESTMENT PORTFOLIOS (INCLUDING INSURANCE AFFORDABILITY)***

This analysis will seek to assess potential changes in the frequency and severity of a number of natural perils under different climate change scenarios, and the actual or potential implications for Suncorp's underwriting, lending and investment portfolios and its customers. The work is planned to examine scenarios against a current baseline, including a 2 degrees Celsius scenario and a greater than 4 degrees Celsius scenario.

#### ***PRIORITY AREA: TRANSITION RISK AND STRATEGIC PORTFOLIO EXPOSURES***

This analysis will seek to assess Suncorp's group-wide exposures to industries that are expected to benefit from or be disadvantaged by a transition to a low-carbon and climate-resilient future. The work is planned to examine scenarios against a current baseline, including a 1.5 degrees Celsius scenario and a 3 degrees Celsius scenario. Transition risk scenarios take a view of the short term and medium term, recognising that transition risks are more likely to materialise over this timeframe.

## **C4. Targets and performance**

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### **C4.1**

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**(C4.1) Did you have an emissions target that was active in the reporting year?**

No target

**C4.1c**

**(C4.1c) Explain why you do not have emissions target and forecast how your emissions will change over the next five years.**

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	Suncorp changed the boundaries of its reporting in 2016-17 to include emissions from Suncorp Insurance Ventures (SIV), which includes Capital SMART, ACM Parts and Home Repair and in 2017-18 to include emissions from New Zealand. This led to an increase in reported emissions but also allowed for FY18 to represent an operational control based GHG emission baseline for the development of targets. Over the next five years, Suncorp expects to continue to reduce Scope 1 and 2 emissions within the core Australian business through consolidation of the real estate footprint, implementation of energy efficient technologies, deployment and increased procurement of renewable energy. By 2023 Suncorp aims to reduce Scope 1 and 2 emissions from corporate operations by 26% from a 2017-18 baseline (approximately 21,250 t CO <sub>2</sub> e). By 2023 Suncorp aims to reduce the intensity of industrial operations by 28% compared to a 2017-18 baseline (equivalent to a 9% reduction in absolute industrial emissions).	(i) Suncorp has published our CCAP which includes a commitment to set and publish targets to reduce Scope 1 and Scope 2 GHG emissions by August 2019. These targets will be science-based but not verified until after the release of the Science Based Targets initiative guidance for financial services industries in 2020. (ii) Suncorp continues to mature its data management systems and processes, which enable the Group to accurately measure its environmental impacts and understand where emissions are generated. Suncorp has implemented initial improvements and has a pipeline of other initiatives that will further reduce its environmental impacts.

**C4.2**

**(C4.2) Provide details of other key climate-related targets not already reported in question C4.1a/b.**

**C4.3**

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO<sub>2</sub>e savings.**

	Number of initiatives	Total estimated annual CO <sub>2</sub> e savings in metric tonnes CO <sub>2</sub> e (only for rows marked *)
Under investigation	15	
To be implemented*	5	1206.12
Implementation commenced*	4	1709.5
Implemented*	4	1322.17
Not to be implemented	2	0

**C4.3b**

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative type**

Other, please specify (Real Estate Consolidation)



**Description of initiative**

<Not Applicable>

**Estimated annual CO2e savings (metric tonnes CO2e)**

1173.5

**Scope**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

216641

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

<1 year

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Site consolidation

---

**Initiative type**

Energy efficiency: Processes

**Description of initiative**

Cooling technology

**Estimated annual CO2e savings (metric tonnes CO2e)**

122

**Scope**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

44159

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

No payback

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Layout changes to optimise cooling

---

**Initiative type**

Low-carbon energy purchase

**Description of initiative**

Solar PV

**Estimated annual CO2e savings (metric tonnes CO2e)**

26.67

**Scope**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

3394

**Investment required (unit currency – as specified in C0.4)**

4000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

Solar PV

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**C4.3c**

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**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Compliance with regulatory requirements/standards	Building Code Australia determines the minimum standards required to be updated in building fit-out designs
Employee engagement	Flexible working practices are being supported by leaders across the organisation to improve productivity and reduce Suncorp's environmental footprint. Learning tools are made available via building specific guides, online training and orientation and induction workshops.
Financial optimization calculations	Suncorp's environmental data management software tracks building energy usage patterns and captures inefficiencies. Analysis and recommendations for improved performance are presented through a business case model inclusive of ROI.

**C4.5**

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**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

**C4.5a**

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**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

**Level of aggregation**

Product

**Description of product/Group of products**

Home insurance benefits

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify (CDP guidance)

**% revenue from low carbon product(s) in the reporting year**

**Comment**

Suncorp provides cover for costs associated with the purchase and installation of environmental improvements at the insured address such as a rainwater tank, solar system or compost equipment when all of the following apply: (i) Suncorp has accepted a claim for an insured event that has caused loss or damage worth more than 80% of the sum insured; and (ii) the home does not already have the relevant environmental equipment; and (iii) Suncorp is authorising or arranging the repairs to the home; and (iv) the customer has sought Suncorp's agreement prior to purchasing or installing the relevant environmental equipment. 2. When Suncorp has accepted a claim for loss or damage to a home, if any alternative green energy generation equipment was lost or damaged by the same insured event and is unable to supply power, Suncorp will cover: (i) any additional electricity costs incurred as a result of green energy generation equipment being unable to supply power, where a customer is living in their home; or (ii) their electricity bill during the time they are in temporary accommodation. 3. Damaged refrigerators, freezers, dishwashers, air conditioners, washing machines and dryers are replaced with minimum three star energy rated goods.

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## C5. Emissions methodology

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### C5.1

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**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

**Scope 1**

**Base year start**

July 1 2009

**Base year end**

June 30 2010

**Base year emissions (metric tons CO2e)**

7140

**Comment**

**Scope 2 (location-based)**

**Base year start**

July 1 2009

**Base year end**

June 30 2010

**Base year emissions (metric tons CO2e)**

71619

**Comment**

**Scope 2 (market-based)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**C5.2**

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**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

**C6. Emissions data**

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**C6.1**

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**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**

8646

**Start date**

July 1 2017

**End date**

June 30 2018

**Comment**

Inclusion of Suncorp Insurance Ventures within operational control since the 2016-17 financial year. This includes Capital SMART (AU operations), ACM Parts and HomeRepair. Scope 1 emissions (Australian core operations): 4210 (metric tons CO2e) Scope 1 emissions (Suncorp Insurance Ventures AU operations): 3692 (metric tons CO2e). For FY18 Suncorp NZ & Capital SMART NZ emissions were captured for the first time. Scope 1 emissions (Suncorp NZ operations): 566 (metric tons CO2e) Scope 1 emissions (Capital SMART NZ operations): 178 (metric tons CO2e)

**C6.2**

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**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

**Comment**

**C6.3**

---

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**

**Reporting year**

**Scope 2, location-based**

33136

**Scope 2, market-based (if applicable)**

<Not Applicable>

**Start date**

July 1 2017

**End date**

June 30 2018

**Comment**

Inclusion of Suncorp Insurance Ventures within operational control since 2016-17 financial year. This includes Capital SMART, ACM Parts and HomeRepair. Scope 2 emissions (Australian core operations): 23,741 (metric tons CO2e) Scope 2 emissions (Suncorp Insurance Ventures AU operations): 9,107 (metric tons CO2e) For FY18 Suncorp NZ & Capital SMART NZ emissions were captured for the first time. Scope 2 emissions (Suncorp NZ operations): 214 (metric tons CO2e) Scope 2 emissions (Capital SMART NZ operations): 74 (metric tons CO2e).

**C6.4**

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**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

## C6.5

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**(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.**

### **Purchased goods and services**

**Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

670.79

**Emissions calculation methodology**

GREENHOUSE GAS EMISSION FACTORS FOR OFFICE COPY PAPER, Environmental Protection Agency Victoria, 2013

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

99.9

**Explanation**

Office Paper and marketing material emissions. 0.1% of paper emissions were estimated for when no actual data was available

### **Capital goods**

**Evaluation status**

Not evaluated

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Explanation**

### **Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

3997.94

**Emissions calculation methodology**

Australian Government Department of Climate Change (August 2017) National Greenhouse Accounts (NGA) Factors

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

**Explanation**

Transmission and Distribution losses for electricity and natural gas. Extraction losses for stationary and transport fuels.

## Upstream transportation and distribution

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

## Waste generated in operations

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

513.84

### Emissions calculation methodology

Australian Government Department of Climate Change (August 2017) National Greenhouse Accounts (NGA) Factors

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Explanation

Captures Suncorp AU and SIV landfill emissions. Suncorp NZ has not been included as the data was not available. 1% of emissions were resulting from estimates for where actual data was not available.

## Business travel

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

7779.12

### Emissions calculation methodology

DEFRA 2018 with Radiative Forcing and WTT (Well To Tank) emission factors.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Explanation

Captures Suncorp AU and NZ air travel emissions. The emissions were calculated using the DEFRA 2017 emission factors that includes RF and WTT emission factors.

## Employee commuting

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

## Upstream leased assets

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

## Downstream transportation and distribution

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

## Processing of sold products

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

## Use of sold products

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation



## End of life treatment of sold products

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

## Downstream leased assets

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

## Franchises

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

## Investments

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Explanation

**Other (upstream)**

**Evaluation status**

Not evaluated

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Explanation**

**Other (downstream)**

**Evaluation status**

Not evaluated

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Explanation**

**C6.7**

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**(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?**

No

**C6.10**

---

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.000002704

**Metric numerator (Gross global combined Scope 1 and 2 emissions)**

41782

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

15452000000

**Scope 2 figure used**

Location-based

**% change from previous year**

5

**Direction of change**

Decreased

**Reason for change**

Suncorp NZ is included for the first time in 2017-18 financial year. This has increased both the emissions and the revenue reported. In addition to the increase in reported emissions from including NZ operations, there has been significant efforts to reduce emissions via real estate consolidations, implementation of energy efficiency measures, and efforts to improve transport fleet efficiency.

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## C7. Emissions breakdowns

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### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

### C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	8589	Other, please specify (National Greenhouse and Energy Reporting)
CH4	8	Other, please specify (National Greenhouse and Energy Reporting)
N2O	36	Other, please specify (National Greenhouse and Energy Reporting)
HFCs	13	Other, please specify (National Greenhouse and Energy Reporting)

---

### C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
Australia	7902
New Zealand	744

**C7.3**

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By business division

By activity

**C7.3a**

**(C7.3a) Break down your total gross global Scope 1 emissions by business division.**

Business division	Scope 1 emissions (metric ton CO2e)
Suncorp Corporate Services Pty Ltd	4769
Suncorp Metway Ltd	2
Suncorp Insurance Holdings Limited (includes Suncorp Insurance Ventures – SIV)	3875

**C7.3c**

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO2e)
Suncorp Corporate Services - Banking	1106
Suncorp Corporate Services - Insurance	3664
Suncorp-Metway Ltd	2
ACM Parts	1704
Capital S.M.A.R.T. Repairs Australia	2007
Home Repair.net.au	158
AAI Limited (Australian Associated Motor Insurers Pty Limited)	5

**C7.5**

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Australia	32848	0	0	0
New Zealand	288	0	0	0

**C7.6**

---

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By business division

By activity

**C7.6a**

---

**(C7.6a) Break down your total gross global Scope 2 emissions by business division.**

Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Suncorp Insurance Holdings Limited (includes Suncorp Insurance Ventures – SIV)	10993	0
Suncorp Corporate Services Pty Ltd	17436	0
Suncorp-Metway Ltd	4707	0

**C7.6c**

---

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Suncorp Corporate Services - Banking	9264	0
Suncorp Corporate Services - Insurance	8172	0
AAI Limited (Australian Associated Motor Insurers Pty Limited)	1812	0
Suncorp-Metway Limited	4707	0
ACM Parts	751	0
Capital S.M.A.R.T. Repairs Australia	8311	0
Home Repair.net.au	119	0

**C7.9**

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**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Increased

**C7.9a**

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**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	26.67	Decreased	0.1	
Other emissions reduction activities	461.83	Decreased	1.1	Data centre energy efficiency improvements, vehicle fleet efficiency, LED lighting upgrades and BMS improvements
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology	764	Increased	1.8	Restatement of scope 1 emissions to capture recycled fuel use across operations.
Change in boundary	1032	Increased	2.5	Inclusion of Suncorp NZ and SIV NZ for 2017-18 financial year.
Change in physical operating conditions	1173.5	Decreased	2.8	Real Estate site consolidations.
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

## C8.2a

### (C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	23.99	36913.38	36937.37
Consumption of purchased or acquired electricity	<Not Applicable>	9024.99	32576.46	41601.46
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	9048.98	69489.84	78538.83

## C8.2b

### (C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

## C8.2c

### (C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

#### Fuels (excluding feedstocks)

Acetylene

#### Heating value

HHV (higher heating value)

#### Total fuel MWh consumed by the organization

0.02

#### MWh fuel consumed for self-generation of electricity

0

#### MWh fuel consumed for self-generation of heat

0

#### MWh fuel consumed for self-generation of steam

<Not Applicable>

#### MWh fuel consumed for self-generation of cooling

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

8243.14

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**Fuels (excluding feedstocks)**

Motor Gasoline

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

18819.69

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**Fuels (excluding feedstocks)**

Liquefied Petroleum Gas (LPG)

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

6999.42

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

---



0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**Fuels (excluding feedstocks)**

Natural Gas

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

2851.11

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**Fuels (excluding feedstocks)**

Bioethanol

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

23.99

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

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C8.2d

---

**(C8.2d) List the average emission factors of the fuels reported in C8.2c.**

**Acetylene**

**Emission factor**

51.53

**Unit**

kg CO2e per GJ

**Emission factor source**

National Greenhouse Accounts (NGA) Factor - August 2017

**Comment**

**Bioethanol**

**Emission factor**

0.4

**Unit**

kg CO2e per GJ

**Emission factor source**

National Greenhouse Accounts (NGA) Factor - August 2017

**Comment**

**Diesel**

**Emission factor**

70.5

**Unit**

kg CO2e per GJ

**Emission factor source**

National Greenhouse Accounts (NGA) Factor - August 2017

**Comment**

**Liquefied Petroleum Gas (LPG)**

**Emission factor**

60.6

**Unit**

kg CO2e per GJ

**Emission factor source**

National Greenhouse Accounts (NGA) Factor - August 2017

**Comment**

**Motor Gasoline**

**Emission factor**

67.6

**Unit**

kg CO2e per GJ

**Emission factor source**

National Greenhouse Accounts (NGA) Factor - August 2017

**Comment**

## Natural Gas

### Emission factor

51.5

### Unit

kg CO2e per GJ

### Emission factor source

National Greenhouse Accounts (NGA) Factor - August 2017

### Comment

## C8.2f

---

**(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.**

## C9. Additional metrics

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### C9.1

---

**(C9.1) Provide any additional climate-related metrics relevant to your business.**

#### Description

Energy usage

#### Metric value

2329

#### Metric numerator

Electricity consumed (kWh)

#### Metric denominator (intensity metric only)

Headcount (full-time equivalent)

#### % change from previous year

8.4

#### Direction of change

Decreased

#### Please explain

Australian core operations

---

#### Description

Energy usage

#### Metric value

145

#### Metric numerator

Litres of fuel used in company vehicles

#### Metric denominator (intensity metric only)

Headcount (full-time equivalent)

#### % change from previous year

7.64

#### Direction of change

---

Decreased

**Please explain**

Australian core operations

---

**Description**

Energy usage

**Metric value**

2228

**Metric numerator**

Air travel distance (km)

**Metric denominator (intensity metric only)**

Headcount (full-time equivalent)

**% change from previous year**

25.02

**Direction of change**

Decreased

**Please explain**

Australian core operations. Reduction is due to a change in travel policy.

---

**Description**

Waste

**Metric value**

618

**Metric numerator**

Paper weight (tonnes)

**Metric denominator (intensity metric only)**

n/a

**% change from previous year**

6.19

**Direction of change**

Decreased

**Please explain**

Paper used for print and offices. Australian core operations

---

**Description**

Waste

**Metric value**

51

**Metric numerator**

% waste diverted from landfill

**Metric denominator (intensity metric only)**

n/a

**% change from previous year**

0

**Direction of change**

No change

**Please explain**

Proportion of office waste diverted from landfill. Australian core operations

---

**Description**

---

Energy usage

**Metric value**

2190

**Metric numerator**

Electricity consumed (kWh)

**Metric denominator (intensity metric only)**

Headcount (full-time equivalent)

**% change from previous year**

0

**Direction of change**

No change

**Please explain**

New Zealand core operations. Financial year 2017-18 was the first year this NZ data was captured.

---

**Description**

Energy usage

**Metric value**

8197

**Metric numerator**

Electricity consumed (kWh)

**Metric denominator (intensity metric only)**

Headcount (full-time equivalent)

**% change from previous year**

0

**Direction of change**

No change

**Please explain**

Suncorp Insurance Ventures. Financial year 2017-18 was the first year this SIV metric was captured.

---

**Description**

Energy usage

**Metric value**

3038

**Metric numerator**

Air Travel distance (km)

**Metric denominator (intensity metric only)**

Headcount (full-time equivalent)

**% change from previous year**

0

**Direction of change**

No change

**Please explain**

New Zealand core operations. First year of inclusion

---

**Description**

Waste

**Metric value**

71

**Metric numerator**

Paper Weight (tonnes)

---

**Metric denominator (intensity metric only)**

n/a

**% change from previous year**

0

**Direction of change**

No change

**Please explain**

Paper used for print and offices. New Zealand core operations. Financial year 2017-18 was the first year this NZ data was captured.

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**C10. Verification**

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**C10.1**

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**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

**C10.1a**

---

**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.**

**Scope**

Scope 1

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

FY18 NGER Limited Assurance Report.pdf

**Page/ section reference**

Page 1

**Relevant standard**

Australian National GHG emission regulation (NGER)

**Proportion of reported emissions verified (%)**

91

---

**Scope**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

FY18 NGER Limited Assurance Report.pdf

**Page/ section reference**

Page 1

**Relevant standard**

Australian National GHG emission regulation (NGER)

**Proportion of reported emissions verified (%)**

98

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## C10.2

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**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, but we are actively considering verifying within the next two years

## C11. Carbon pricing

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### C11.1

---

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**  
No, and we do not anticipate being regulated in the next three years

## C11.2

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**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**  
No

## C11.3

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**(C11.3) Does your organization use an internal price on carbon?**  
Yes

## C11.3a

---

**(C11.3a) Provide details of how your organization uses an internal price on carbon.**

**Objective for implementing an internal carbon price**

Drive low-carbon investment  
Stress test investments  
Supplier engagement

**GHG Scope**

Scope 3

**Application**

The investment assessment of individual securities or assets as investment opportunities is the responsibility of external managers appointed by Suncorp. Our Responsible Investment Policy ensures ESG considerations are factored into investment manager selection and the evaluation of investment risks and opportunities. A shadow carbon price is applied to manage the risk of stranded assets in the transition to a net-zero emissions economy.

**Actual price(s) used (Currency /metric ton)**

25

**Variance of price(s) used**

The shadow carbon price is reviewed every year with reference to the objectives of the Paris Agreement on Climate Change. The price is presented in USD.

**Type of internal carbon price**

Shadow price

**Impact & implication**

The objective of the shadow carbon price is to reduce exposure to companies with a high probability of having values materially and permanently impaired by the transition to a low carbon economy. Suncorp has measured the degree to which its equity and credit portfolios are aligned with a less than 2 degrees Celsius global warming objective, in association with the 2-degree investing initiative (2dii). We aim to use this analysis to further minimise our exposure to stranded asset risk and those industries highly impacted by a climate-related economic transition. On an ongoing basis, in association with ESG research firm Sustainalytics, Suncorp measures and monitors the carbon intensity of individual securities as well as aggregate portfolios based on relative investment share. Overall, Suncorp's portfolios are less carbon intensive than the benchmark. Fossil fuel exposure is less than 0.5% of insurance and shareholder investment assets, and less than 1.5% of total investment assets under management (i.e. inclusive of wealth and investment assets managed on behalf of third-parties).

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## C12. Engagement

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## C12.1

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### (C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

## C12.1a

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### (C12.1a) Provide details of your climate-related supplier engagement strategy.

#### Type of engagement

Compliance & onboarding

#### Details of engagement

Included climate change in supplier selection / management mechanism

#### % of suppliers by number

100

#### % total procurement spend (direct and indirect)

#### % Scope 3 emissions as reported in C6.5

#### Rationale for the coverage of your engagement

#### Impact of engagement, including measures of success

#### Comment

We are continuing to implement improvements to our procurement services that will improve the Group's view of suppliers and standards. We capture waste data from most of our major commercial tenancies (>2000m<sup>2</sup>), with remaining data difficult to obtain due to landlord controlled sites. Disposal of technology equipment is recorded by items reused, recycled or sent to landfill. Suncorp is committed to assessing the environmental, social and governance risks and opportunities throughout its business and value chain. This includes introducing both a Responsible Investment Policy and an updated Supplier Code of Practice in 2018. The updated Code, introduced in 2018, is available at: [suncorpgroup.com.au/about-us/what-we-do/procurement](http://suncorpgroup.com.au/about-us/what-we-do/procurement)

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## C12.1b

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**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

**Type of engagement**

Other, please specify (Cyclone Resilience Benefit)

**Details of engagement**

<Not Applicable>

**% of customers by number**

100

**% Scope 3 emissions as reported in C6.5**

0

**Please explain the rationale for selecting this group of customers and scope of engagement**

100% of eligible Suncorp Insurance customers who have reported mitigation measures recognised within the Cyclone Resilience Benefit have received a reduction in their premium. Suncorp launched our Cyclone Resilience Benefit in 2016. Our Cyclone Resilience Benefit recognises specific property features and mitigation measures which can help reduce damage to a property during a cyclone, as well as the likelihood of making a claim. Eligible customers whose properties have these features and measures receive a reduction to their premium compared to what they would pay if they did not have the features or mitigation measures. Our Cyclone Resilience Benefit was developed using extensive claims analysis and research in partnership with the Cyclone Testing Station (CTS) at James Cook University (JCU).

**Impact of engagement, including measures of success**

More than 40,000 Suncorp customers in north Queensland customers are currently receiving insurance premium reductions of up to 20 per cent through the Cyclone Resilience Benefit. As of November 2018, almost 3,000 homeowners who qualified for the highest level of Cyclone Resilience Benefit had upgraded their pre-1980s roofs and were, on average, saving more than \$300 a year. Those receiving smaller premium reductions had done minor improvements to newer homes.

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**C12.3**

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**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

- Direct engagement with policy makers
- Trade associations
- Funding research organizations

**C12.3a**

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**(C12.3a) On what issues have you been engaging directly with policy makers?**

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Adaptation or resilience	Support	Suncorp has been a leading advocate of the need for natural disaster resilience since 2011. Suncorp continues to lobby governments at all levels to increase the level of funding allocated to adaptation activity. Suncorp has commissioned research that proves the economic and social benefits associated with better protecting communities from natural disasters, as well as fill knowledge gaps around understanding the physical impacts of cyclones. Two key Suncorp-funded research studies were completed and published in the 2018-19 financial year - an Advance Queensland Research Fellowship (to examine the behavioural drivers for cyclone preparedness and develop a prototype of a digital risk awareness tool), and industry research into cyclone water impacts on strata properties in North Queensland. The latter report has triggered improvements to the National Construction Code, strengthening requirements for roof fixings and flashings to reduce water entry into homes during storms. Suncorp has developed partnerships with key stakeholders in vulnerable areas and conducts regular site visits to improve its understanding of local issues. Suncorp continues to contribute to the policy debate through government inquiries including its major submission to the first interim report to the Australian Government's ACCC Inquiry into Northern Australia Insurance ( <a href="https://www.suncorpgroup.com.au/uploads/Suncorp-submission-ACCC-Northern-Australia-Insurance-Inquiry-Interim-Report.pdf">https://www.suncorpgroup.com.au/uploads/Suncorp-submission-ACCC-Northern-Australia-Insurance-Inquiry-Interim-Report.pdf</a> ) Suncorp is a member of the Queensland Government's Queensland Climate Adaptation Strategy Partner Group, which includes representatives of local government, business, industry and community, as well as environmental stewards. The group identifies climate change risks and collaborates to increase Queensland's resilience and adaptation to the effects of climate change. Suncorp continued to be involved in the development of the Australian Government's National Disaster Risk Reduction Framework in April 2019. The framework outlines the key national policy efforts to prepare Australia for growing disaster risk and climate change impacts.	Climate change impacts are perhaps the biggest threat to insurance affordability in vulnerable communities. Increasingly intense weather, sustained economic growth, urbanisation and population shifts towards coastal regions have combined to increase exposure to natural hazard risks throughout Australia. To date, the policy responses to these changes have been insufficient. Suncorp believes that improved natural disaster risk management is crucial to safeguarding the Australian community from the devastating emotional, social and economic impacts of extreme weather. Suncorp continues to advocate for meaningful reforms that could help to lower risk and alleviate pressures on insurance premiums in northern Australia. This includes increased funding towards natural disaster resilience infrastructure and development, land use planning, building code improvements and adaptation infrastructure where appropriate. To this end, Suncorp welcomed the Queensland Government's Household Resilience Program which was launched in 2018. The program funded a range of cyclone mitigation measures up to 75% of the cost (mitigation measures covered under the program were based on Suncorp-funded research). Suncorp was encouraged by the take up and believes the program demonstrates the importance of building climate change resilience. Suncorp believes all levels of Government have a role to play in protecting communities, however other sectors including the finance sector, need to continue to invest in responses that encourage and foster climate adaptation initiatives.
Climate finance	Support	As above, Suncorp continued to be involved in the development of the Australian Government's National Disaster Risk Reduction Framework, which was finalised in April 2019. The framework outlines the key national policy efforts to prepare Australia for growing disaster risk and climate change impacts – and climate finance is an area identified as a key driver for action. Suncorp, is founding member and core partner of ClimateKIC Australia along with the NSW, Victorian, South Australian and Queensland Governments. Suncorp will work with ClimateKIC and other core partners to explore and pursue tangible climate change mitigation and adaptation initiatives together.	Suncorp would support policy responses from the Australian Government that encourage and facilitate greater opportunities for the finance sector to finance climate adaptation initiatives.

**C12.3b**

**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

**C12.3c**

**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

**Trade association**

Insurance Council of Australia (ICA)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

The Insurance Council of Australia's (ICA) position is to identify regulatory, community and insurance industry initiatives to prepare for a future where weather becomes more extreme. Using the industry's expertise in the pricing, transfer and management of risk, the following activities being undertaken by the industry are intended to assist policy-makers and communities to address the implications of climate change: • Maintain strong prudential foundations. • Manage the commercial, individual and community-level risks posed by climate change via innovative risk-transfer solutions. • Ensure that risk-transfer solutions deliver competitive price signals, through risk based pricing, that assist communities and decision makers to recognise and adapt to current and emerging

extreme weather risks. • Increase community resilience over time by sharing industry expertise that will help policy decision makers and the community to: (i) Reduce exposures by making development control decisions for exposed locations that are appropriate for both the location and the planned life cycle of the development, accounting for the increased risk posed by the changing climate. (ii) Reduce vulnerability to natural disasters by implementing localised defensive infrastructure where necessary to achieve an acceptable residual risk of damage to an exposed community. (iii) Reduce vulnerability to natural disasters by improving building codes to ensure that built structures remain viable following predictable events over their planned life cycle, accounting for the increased risk posed by the changing climate. • Assist policy-makers to understand the long term economic implications of climate change, as well as the benefits of any appropriate emission mitigation schemes.

#### **How have you influenced, or are you attempting to influence their position?**

As one of the largest insurers in Australia, Suncorp continues to play an important and influential role on the ICA Board with our CEO Insurance acting as ICA Board Deputy President. In addition, senior Suncorp staff participate in a range of ICA working groups to contribute to the development of positions at an industry level. Suncorp was an active contributor to the ICA's Climate Change Policy, which was approved by the ICA Board in 2016 and updated in 2019. Suncorp was also instrumental in setting up a dedicated ICA working group on climate change, as well as the establishment of the ICA's Climate Change Action Committee in January 2019.

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#### **Trade association**

Carbon Market Institute (CMI)

#### **Is your position on climate change consistent with theirs?**

Consistent

#### **Please explain the trade association's position**

The Carbon Market Institute (CMI) is dedicated to helping business seize opportunities in rapidly evolving carbon markets. Independent and non-partisan, the CMI is the peak industry body for climate change and business. The CMI believes that market-based solutions are the most efficient policy mechanism to address the challenge of climate change. The CMI shares knowledge and facilitates connections between business, policy makers and thought leaders to drive the evolution of carbon markets towards a significant and positive impact on climate change. Engaging leaders, shaping policy and driving action, the CMI connects insights and catalysing opportunities in the transition to a zero-emissions economy. The CMI is committed to: - Being an impartial and independent voice on market-based climate policy and industry views. - Developing realistic and long term carbon market solutions in conjunction with business leaders and policy makers. - Aligning, connecting and informing today's decision makers and educating tomorrow's leaders. - Researching and analysing the impact of global carbon market developments on Australian business. - Providing insights on global market trends and bringing international expertise to Australian business. - Working with the government of the day to develop and implement effective market-based climate policy.

#### **How have you influenced, or are you attempting to influence their position?**

Suncorp is an active member of the CMI and participates in policy and market working groups hosted by the CMI with other corporate members, industry events, and has commercial interaction with other members.

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#### **Trade association**

Australian Banking Association (ABA)

#### **Is your position on climate change consistent with theirs?**

Consistent

#### **Please explain the trade association's position**

The Australian Banking Association (ABA) accepts the broad scientific and economic consensus that global warming resulting from greenhouse gas (GHG) emissions from human activities is contributing to changes in our climate. Failure to reduce GHG emissions and stabilise the world's climate will have widespread implications for Australia – not just for our environment, but for our economy, national security and public policy. Climate change and the observable effects of global warming are widely recognised by the scientific community with expected impacts including: increases in global average air and ocean temperatures, widespread melting of snow and ice and rising global average sea levels 1. Climate change is also predicted to have a devastating impact on the global economy, and more broadly society, with hundreds of millions of people suffering coastal flooding, hunger, water shortages, displacement and exposure to diseases 2. The science and economics of climate change are converging. Governments, businesses and the community need to manage and adjust to the changes that are inevitable and mitigate the effects that are not yet a reality, with changes in behaviour, a reduction in GHG emissions and a stabilisation of climate.

#### **How have you influenced, or are you attempting to influence their position?**

As one of the larger regional – or non-major banks - Suncorp is an influential member of the ABA and sits on multiple working groups including the newly formed Corporate Responsibility and Sustainability Working Group. Suncorp's Banking and Wealth CEO is the Deputy Chairman of the ABA's Council.

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#### **Trade association**

Business Council of Australia (BCA)

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**Is your position on climate change consistent with theirs?**

Mixed

**Please explain the trade association's position**

The Business Council supports the development of an integrated, national and bipartisan energy and climate change policy framework that can deliver the following four key goals: • Secure and reliable energy supply • Affordable energy supply • Strong, internationally competitive economy • Meet current and future absolute emission reduction targets. The Council believes that to achieve our emissions reduction goals, Australia will need a suite of durable climate change policies that are integrated with broader energy policy and are capable of delivering Australia's emission reduction targets, at lowest possible cost, while maintaining competitiveness and growing Australia's future economy.

**How have you influenced, or are you attempting to influence their position?**

Suncorp is a member of the BCA's Energy and Climate Change Working Party and meets with representatives to discuss policy issues as appropriate.

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C12.3d

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**(C12.3d) Do you publicly disclose a list of all research organizations that you fund?**

No

C12.3f

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**(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

The Climate Change Action Plan includes a commitment to increasing community resilience by helping our communities reduce climate change risk, adapt and build resilience through our products, advocacy and collaboration with key industry, government and climate stakeholders. Our dedicated Government Relations team provides expert advice and stakeholder mapping to help Suncorp:

- Work with government to improve the environmental impact of procurement and the resilience of Suncorp's supply chain.
- Explore opportunities with government to improve the sustainability and carbon intensity of Suncorp's supply chain.
- Continue to work with government and industry groups to support cross industry collaboration and action on climate change issues.

C12.4

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**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

FY18-Suncorp-Annual-Review.pdf

**Page/Section reference**

- Message from Chairman - Resilience for tomorrow - Sustainable growth - Performance summary

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Other metrics

**Comment**

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

Suncorp\_Climate Change Action Plan\_2018.pdf

**Page/Section reference**

Entire document describes Suncorp's response to climate change and GHG emissions performance.

**Content elements**

Governance

Strategy

Risks & opportunities

**Comment**

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

Suncorp Responsible Investment Policy V1.pdf

**Page/Section reference**

The entire document describes Suncorp's approach to responsible investment.

**Content elements**

Governance

Strategy

**Comment**

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

Suncorp Environmental Performance Plan\_2018.pdf

**Page/Section reference**

The document describes the measures put in place to ensure Suncorp meets its emission reduction goals.

**Content elements**

Strategy

**Comment**

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## C14. Signoff

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### C-FI

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**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

## C14.1

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**(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	Manager, Corporate Responsibility - Product & Environment	Environment/Sustainability manager

## Submit your response

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**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	Public or Non-Public Submission	I am submitting to
I am submitting my response	Public	Investors

**Please confirm below**

I have read and accept the applicable Terms