



United Nations Principles for Responsible Banking Self-Assessment 2021-22

Building futures and protecting what matters



Suncorp Group Limited

ABN 66 145 290 124

Suncorp Bank became a founding signatory to the United Nations' Principles for Responsible Banking in 2019, signalling our commitment to drive an inclusive, fair and sustainable banking sector that contributes positively to customers and their communities.

The Principles for Responsible Banking provide a framework for a sustainable banking system into the future. The Principles align the banking industry with society's goals as expressed in the United Nations Sustainable Development Goals and the Paris Climate Agreement.



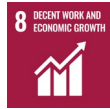





This Self-Assessment forms part of Suncorp's Bank's requirements as a signatory to report on:

- our impact,
- how we are implementing the Principles,
- the targets we have set, and
- the progress we have made.

Founding Signatory of:



PRINCIPLES FOR
RESPONSIBLE
BANKING



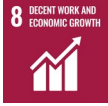



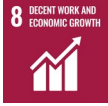



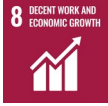

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>Principle 1: Alignment</p> <p>We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</p>		
<p>1.1 Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>In line with Suncorp's two prior United Nations Principles for Responsible Banking (UN PRB) Self-Assessments and the Annual Report 2021-22, Suncorp continues to offer insurance and banking products and services through some of Australia's and New Zealand's most recognisable brands. Suncorp finalised the sale of the Australian Wealth business during FY22.</p> <p>Suncorp-Metway Limited (the Bank) is a wholly owned subsidiary of Suncorp Group Limited (SGL). On 18 July 2022, SGL announced a share sale and purchase agreement with Australia and New Zealand Banking Group Limited (ANZ) to sell the Bank. The transaction is subject to a range of regulatory approvals. The targeted timeframe for completion is approximately 12 months, during which time SGL will continue to own and run the Bank. Details of the Group's material related entities is available in the FY22 Annual Report.</p> <p>Suncorp Bank is focused on lending, deposit gathering and transaction account services to personal, small and medium enterprise (SME), commercial and agribusiness customers. The Bank supports families, individuals, businesses and farmers in realising their dreams, big or small, by helping them plan for the future and providing solutions to help them grow their personal wealth. Housing loans currently represent over two-thirds of Suncorp Bank's total lending assets, followed by commercial and SME (14%) and agribusiness (8%) lending.</p>	<p>Suncorp's United Nations Principles for Responsible Banking (UN PRB) Self-Assessment FY20 (p3)</p> <p>Suncorp's United Nations Principles for Responsible Banking (UN PRB) Self-Assessment FY21 (p3)</p> <p>'About Suncorp Group' Annual Report 2021-22 (p4)</p> <p>'Our Business' Annual Report 2021-22 (p11)</p>
<p>1.2 Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks</p>	<p>The Annual Report 2021-22 affirms Suncorp Group's commitment to building futures and protecting what matters. During FY22, Suncorp Bank declared its ambition to Create a Brighter Future through a customer promise of Banking You Can Feel Good About. The Bank's ability to deliver this ambition is built on strategic pillars of sustainability and wellbeing, mirroring the Bank's two priority impact areas of Climate and Inclusive, Healthy Economies respectively.</p> <p>A comprehensive, independent assessment of Suncorp Group's most material environmental, social and governance (ESG) topics was completed and disclosed in Suncorp's 2020-21 Annual Report. In FY22, the outcomes of this assessment were refreshed based on megatrend analysis and key developments over the past year. Suncorp remains committed to driving awareness and action in support of the SDGs. The eight goals with most relevance to Suncorp's business activity are outlined below.</p> <div data-bbox="507 1574 1050 1805" style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="text-align: center;"> 5 GENDER EQUALITY</div> <div style="text-align: center;"> 7 AFFORDABLE AND CLEAN ENERGY</div> <div style="text-align: center;"> 8 DECENT WORK AND ECONOMIC GROWTH</div> <div style="text-align: center;"> 10 REDUCED INEQUALITIES</div> <div style="text-align: center;"> 11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div style="text-align: center;"> 12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div style="text-align: center;"> 13 CLIMATE ACTION</div> <div style="text-align: center;"> 17 PARTNERSHIPS FOR THE GOALS</div> </div>	<p>'Our Business and Strategy' Annual Report 2021-22 (p10)</p> <p>'Understanding our most material topics' Annual Report 2021-22 (p20-21)</p> <p>'ESG Materiality Assessment' Annual Report 2020-21 (p40)</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
	<p>FY22 saw the Bank progress actions to become carbon neutral with Australian certifier Climate Active. Carbon neutral certification is awarded to an organisation when they demonstrate a commitment to reduce emissions by supporting environmental projects to effectively reduce and offset their greenhouse gas emissions during an agreed time period. To achieve this, emissions attributed to the Bank's operations and transaction services (Scope 1, 2 and limited Scope 3) were accounted for in partnership with carbon and energy management specialist Pangolin Associates, and the resulting 17,987 tonnes CO₂ equivalent (tCO₂e) were offset through the purchase and retirement of nature-based carbon removal offsets. Nature-based carbon removal projects protect, transform or restore ecosystems which over time absorb more CO₂ equivalent emissions from the atmosphere.</p> <p>In 2021, Suncorp Group's revised Climate Change Action Plan (CCAP) was published. This Plan outlines key targets and actions to transition to net-zero emissions. Under this Plan, Suncorp Group set the following targets:</p> <ul style="list-style-type: none"> — 51% reduction, based on FY18 baseline, by 2030 and net-zero by 2050 for Scope 1 and 2 greenhouse gas emissions. — Source 100% of electricity from renewable sources by 2025. — Phase out exposure to thermal coal and oil & gas extraction and electricity generation by 2025 (oil and gas investments by 2040). Suncorp Bank's commercial lending portfolio already has no exposure to fossil fuels via either extraction or power generation. <p>In 2022, the Suncorp Group strengthened its Scope 1 and 2 commitments to net-zero by 2030, which will be achieved through a combination of renewable electricity purchase, vehicle fleet optimisation and other energy, water, and waste efficiency improvements. In 2023, Suncorp Bank plans to account for Scope 3 emissions from its operations and lending portfolio in line with the Partnership for Carbon Accounting Financials (PCAF) standard to enable further target setting and reduction strategies.</p>	<p>'Climate Strategy' Annual Report 2021-22 (p34)</p> <p>Climate Change Action Plan September 2021</p>

Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

<p>2.1 Impact Analysis:</p> <p>Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:</p> <p>a) Scope: The bank's core business areas, products/ services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.</p>	<p>The Bank's three core portfolios include home loans, business loans, and transaction/saving account services. The Bank's lending exposure as at 30 April 2022 was 78% Home Lending, followed by agribusiness (8%), commercial real estate (6%), construction (2%), and the remainder across diverse SME industries (6%).</p> <p>The portfolios are 100% domiciled within Australia, with an overrepresentation in Queensland due to the Bank's history and physical presence in its home state. The Bank's limited security brokerage and foreign exchange services were descope in the FY22 Portfolio Impact Analysis (PIA) due to relatively low volume of customers and an immaterial contribution to the Bank's revenue. During FY21 the Bank announced it would cease to offer personal lending products. Diminishing customer volume as the personal loan portfolio closes drove the decision to descope this portfolio for the FY22 PIA. In FY23 the Bank will strive to expand the scope of PIA to include Business Deposit Accounts and Treasury Debt Issuances.</p>	
---	--	--

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information									
<p>b) Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</p> <p>c) Context & Relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.</p> <p>d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.</p> <p>(your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))</p> <p>Show that building on this analysis, the bank has</p> <ul style="list-style-type: none"> — Identified and disclosed its areas of most significant (potential) positive and negative impact — Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts 	<p>PIA is conducted as part of the Bank's annual ESG Portfolio Review. In FY22 the Bank adopted UNEP FI's PIA for Banks (v2.0). Suncorp determined country needs for Australia utilising UN criteria and sources, supplemented by additional internal research and external consultation on country needs analysis. Results of the country needs analysis were applied to the Bank's portfolios to determine where areas of high need in Australia are also areas of high potential impact for the Bank.</p> <p>Outputs from the PIA in FY22 are mostly consistent with FY21 and FY20 results and are summarised below.</p> <table border="1" data-bbox="509 607 1152 1279"> <thead> <tr> <th data-bbox="513 613 635 696">Priority Impact Area</th> <th data-bbox="635 613 1018 696">Justification</th> <th data-bbox="1018 613 1147 696">Relevant Priority SDG</th> </tr> </thead> <tbody> <tr> <td data-bbox="513 703 635 947">Climate</td> <td data-bbox="635 703 1018 947">The Bank's Home Lending and Business Banking Lending portfolios both have high potential negative exposure to climate through property consumption and customer activity. Climate is currently a priority issue for Australia and therefore a clear priority impact area for the Bank.</td> <td data-bbox="1018 703 1147 947">   </td> </tr> <tr> <td data-bbox="513 954 635 1272">Inclusive, Healthy Economies</td> <td data-bbox="635 954 1018 1272">While the PIA tool did not identify Inclusive, Healthy Economies as a high need in Australia, engagement with the Bank's community partner, Financial Basics Foundation, provided important Australian context considerations and supported this as a relevant impact area for the Bank. In addition, all of the Bank's portfolios have inherent positive and negative impacts on Inclusive, Healthy Economies and therefore it was reaffirmed as a priority impact area based on our ability to affect change.</td> <td data-bbox="1018 954 1147 1272">   </td> </tr> </tbody> </table>	Priority Impact Area	Justification	Relevant Priority SDG	Climate	The Bank's Home Lending and Business Banking Lending portfolios both have high potential negative exposure to climate through property consumption and customer activity. Climate is currently a priority issue for Australia and therefore a clear priority impact area for the Bank.	 	Inclusive, Healthy Economies	While the PIA tool did not identify Inclusive, Healthy Economies as a high need in Australia, engagement with the Bank's community partner, Financial Basics Foundation, provided important Australian context considerations and supported this as a relevant impact area for the Bank. In addition, all of the Bank's portfolios have inherent positive and negative impacts on Inclusive, Healthy Economies and therefore it was reaffirmed as a priority impact area based on our ability to affect change.	 	
Priority Impact Area	Justification	Relevant Priority SDG									
Climate	The Bank's Home Lending and Business Banking Lending portfolios both have high potential negative exposure to climate through property consumption and customer activity. Climate is currently a priority issue for Australia and therefore a clear priority impact area for the Bank.	 									
Inclusive, Healthy Economies	While the PIA tool did not identify Inclusive, Healthy Economies as a high need in Australia, engagement with the Bank's community partner, Financial Basics Foundation, provided important Australian context considerations and supported this as a relevant impact area for the Bank. In addition, all of the Bank's portfolios have inherent positive and negative impacts on Inclusive, Healthy Economies and therefore it was reaffirmed as a priority impact area based on our ability to affect change.	 									

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
	<p>In FY21 the PIA identified Resources Efficiency as a significant impact area for the Bank. During FY22, this has been replaced with Biodiversity & Ecosystems following updates to UNEP FI's PIA tool, as both the Country Need and Impact Associations within the tool now weight Biodiversity & Ecosystems more highly. The updated tool also elevated Housing to be a significant impact area for the Bank given levels of housing unaffordability in Australia partnered with extremely high influence to drive positive impact via Home Lending and Everyday Banking products.</p> <p>To support the determination of Biodiversity & Ecosystems as the Bank's next significant impact area, expert consultation enabled application of the Natural Capital Finance Alliance's Exploring Natural Capital Opportunities, Risks, and Exposure (ENCORE) tool to the Home and Business lending portfolios. This analysis demonstrated high proportions of the Business Banking and Home lending portfolio which have potential negative impact on Biodiversity & Ecosystems. This exposure is paired with a significant need to invest in biodiversity in Australia, informed by industry engagement.</p> <p>The prioritisation of Biodiversity & Ecosystems over Housing was supported by UN guidance on the prioritisation of the SDGs; Housing is considered a society impact area that is extremely reliant on the biosphere impact areas, illustrated in the below figure.</p> <div data-bbox="512 987 1145 1451" data-label="Diagram"> </div> <p>All the higher-order SDGs rely on biosphere, and consequently the review has determined that Biodiversity & Ecosystems should be prioritised in order to enable later focus on societal impact areas.</p> <p>In FY22, Suncorp Bank improved the accuracy of data inputs into the PIA Tool and will continue to drive data enhancements in FY23 as follows:</p> <ul style="list-style-type: none"> — Home Lending – engagement with data providers to understand property-specific impact measurement data availability for the Bank's priority impact areas. — Business Banking – continued exploration of impact-related data collected at origination and throughout the life of the loan with support from external expertise. 	<p>The SDGs wedding cake¹ Stockholm Resilience Centre</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
	<p>As noted earlier, the Bank has embedded the two priority impact areas of Climate and Inclusive, Healthy Economies into its strategy and continues to drive its ambition to Create a Brighter Future through sustainability and wellbeing. The Bank has delivered strategic business outcomes promoting impact-driven innovation and growth in each of its retail portfolios during FY22:</p> <ul style="list-style-type: none"> — The Home Lending portfolio launched the Solar Home Bonus and the Green Upgrades Equity Home Loan. The Solar Home Bonus included a loyalty offering for existing Suncorp banking customers who met eligibility criteria relating to solar installations in their home (\$500 cashback), and a new-to-bank offer which rewarded customers for purchasing or refinancing a home which met the same eligibility criteria (\$3,000 cashback) which continued into FY23. The Green Upgrades Equity Home Loan was launched in June 2022 and continues to be offered, supporting home lending customers transition to a low-carbon future through offering lower-rate finance for energy and water efficiency upgrades to their homes. — To help customers reduce their environmental impact, all new Suncorp Bank Visa Debit and eftpos cards are now manufactured from 82% recycled material collected and re-purposed from post-industrial sources, and designed with special features to assist customers living with visual impairments. During FY22, the portfolio team have invested in innovation beyond the existing Everyday Essentials Account, engaging with current and potential customers to understand what they want and expect from sustainable products and services and what support they desire to make more climate-informed decisions. This engagement was key in the Bank's decision to pursue carbon neutral certification for both the organisation and transaction service and fuelled further innovation to support customers to make climate-driven decisions. <p>Stakeholder engagement is highly valued by Suncorp as an important means of building trust and confidence. Regular proactive engagement with a range of stakeholders enables considered and balanced decision making. Key stakeholders are identified and selected based on the level of interest and impact they have in and on the business, and the opportunity to collaborate for improved outcomes.</p> <p>Engagement is ongoing, both formal and informal, proactive, respectful, transparent and focused on upholding the highest ethical standards. Specific stakeholder engagements informed the FY21 materiality assessment which allowed the Bank to identify and prioritise the ESG topics of most significance for the business. In FY22 the Group refreshed the outcomes of this assessment based on megatrend analysis and key developments over the past year. The materiality refresh highlighted that the most material topics for Suncorp and its stakeholders continue to be natural hazard resilience, climate change response, accessibility and affordability, customer experience, and data privacy and security.</p> <p>This year, to supplement the Group's Materiality Assessment refresh, and meet double materiality (impact) expectations associated with the UN PRBs, Suncorp Bank engaged additional internal teams and relevant stakeholder groups from civil society aligned with material portfolios and priority impact areas in validating the Bank ESG Portfolio Review and PIA. This engagement is summarised below.</p>	<p>‘Supporting the net-zero transition’ Annual Report 2021-22 (p36)</p> <p>‘Understanding our most material topics’ Annual Report 2021-22 (p20-21)</p> <p>‘ESG Materiality Assessment’ Annual Report 2020-21 (p40)</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
	<p>Financial Basics Foundation</p> <p>The Financial Basics Foundation (FBF) are one of the Bank's two community partners and are a trusted non-profit organisation who provide free financial literacy resources to educators around Australia. Since 2016, Suncorp has partnered with FBF to create 'ESSI Money', a game that helps students to understand the fundamentals of Earning, Saving, Spending, and Investing. FBF reviewed the PIA and reaffirmed that Inclusive, Healthy Economies remains a priority impact area for the Bank. This was based on additional considerations for need in Australia including rural customers with restricted access to physical banking, customers for whom English is not their first language, and customers who may not understand the financial products they have access to, due to low levels of financial literacy and capability. This commentary and perspective on the Australian context was incorporated into the priority impact areas decision. FBF support the Bank's commitment to baseline, benchmark and target set on a Financial Health Measure for use in disclosures.</p> <p>Sustainable Blue Economy Finance Initiative</p> <p>The United Nations Sustainable Blue Economy Finance Initiative (UN SBE FI) is a UN-convened global community focused on the intersection between private finance and ocean health, supporting the implementation of the Sustainable Blue Economy Finance Principles. Consultation with the UN SBE FI was undertaken to better understand the Bank's impact on Blue Economy and how this informs Biodiversity & Ecosystems becoming the Bank's next significant impact area. SBE FI supported the materiality approach and provided key guidance on indirect materiality measurement which included exposure to coastal agriculture, construction, and residential properties.</p> <p>Earthwatch Institute</p> <p>Earthwatch is an international environmental non-profit organisation that connects people with scientists worldwide to conduct environmental research and empowers them with the knowledge they need to conserve the planet. Suncorp engaged Earthwatch for review and input on the portfolio impact analysis, specifically nature-based impacts and Blue Economy sections. Earthwatch advised that portfolio impacts on wetlands should be explicitly considered, specifically the Daintree and Ramsar which are internationally significant ecosystems due to their high biodiversity value and threatened status. Earthwatch also provided key insight into prioritising Biodiversity & Ecosystems over Housing as the Bank's next significant impact area, including introduction of the UN SDG prioritisation of biosphere as an enabler of higher-order SDGs, and the dependence of Housing on resilient Biodiversity & Ecosystems. Finally, Earthwatch provided an industry view of the upcoming expectations for natural capital disclosures in Europe which may impact Australia, as well as the substantial opportunities to invest in the biodiversity sector.</p>	<p>'About Financial Basics Foundation' Financial Basics Foundation Website</p> <p>'Secondary schools urged to introduce financial literacy as standalone course as traditional maths approach failing young Aussies' Suncorp Website</p> <p>'Financial Basics Foundation' Suncorp Website</p> <p>'Sustainable Blue Finance' Sustainable Blue Economy Finance Initiative Website</p> <p>'What we do' Earthwatch Australia website</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
	<p>University of Queensland School of Earth & Environmental Sciences</p> <p>Consultation with a PhD candidate of the University of Queensland (UQ) School of Earth & Environmental Sciences supported the nature-based impacts and Blue Economy sections of the ESG Portfolio review. Within the PIA, consultation supported the view that Home Lending products do have a high potential negative impact on Biodiversity & Ecosystems, primarily through construction (land use change) and ongoing activity (noise, light, and physical pollution). The high country need in Australia was also supported by the consultation, and supported Biodiversity & Ecosystems as the Bank's next most significant impact area due to Australia's unique biodiversity, the types of threats it faces, and the Bank's lending portfolio. Consultation included advice on best use of the ENCORE tool. Supporting the view of SBE FI, consultation supported the Blue Economy materiality and provided guidance on biodiversity impacts of agricultural, commercial, and residential customers, including the continued relevance of customers on ocean health even several kilometres inland. The Bank have engaged the UQ PhD candidate to support further analysis of biodiversity impact within the Home Lending portfolio in FY23.</p> <p>GreenCollar</p> <p>GreenCollar is Australia's largest environmental markets investor and project developer. They help farmers, graziers, traditional owners and other land managers to identify and create commercial opportunities through nature-based projects that enhance their productive agricultural enterprise while caring for the environment and delivering tangible social and economic benefits. To inform Everyday Banking and Business Banking portfolio innovation several carbon projects were visited during the year with GreenCollar. This enabled the Bank to better understand its own carbon offset purchases and explore ways to assist business customers seeking to diversify their operations to include carbon farming.</p>	<p>'School of Earth and Environmental Sciences' University of Queensland Website</p> <p>'About Us' GreenCollar website</p>

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.

The Bank will continue to refine portfolio impact analysis across banking portfolios and report on the outcomes in future reporting on the Suncorp Group website.

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>2.2 Target Setting</p> <p>Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.</p> <p>Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</p> <p>Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/ climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>	<p>After refreshing the CCAP in FY21, Suncorp refreshed the Financial Inclusion Action Plan (FIAP) in FY22. Suncorp is the first financial services organisation to publish a Build FIAP affirming the Group's commitment to leadership in financial inclusion and wellbeing of our people, customers and communities through longer-term commitments to action. These targets and commitments reflect the Bank's strategic commitment to improve impact in both its two priority impact areas:</p> <ul style="list-style-type: none"> — Climate - As disclosed in the Annual Report 2021-22, in 2022, Suncorp Group strengthened its Scope 1 and 2 commitments to be net-zero by 2030 . These accelerated Scope 1 and 2 Net-Zero Targets are aligned to the Science-Based Target initiative Corporate Net-Zero Standard and set from an FY2020 Baseline. — Inclusive, Healthy Economies – As part of the new FIAP, the Bank committed to baseline, benchmark and target set on a Financial Health Measure during FY23. <p>In order to set meaningful targets and establish effective actions plans, the Bank must first undertake baseline measurement of actual portfolio level impact in the priority impact areas. In 2023, Suncorp Bank plans to fully account for Scope 3 emissions from its operations and lending portfolio to enable target setting and reduction strategies. Approaches to the completion of baselining, target setting and refinement of action plans in FY23 have been approved by the Bank ESG and Create a Brighter Future Committee (ECO), chaired by CEO, Suncorp Bank.</p> <p>Baselining of actual impact measurement for these impact areas is underway and will be followed by target setting, both activities are on track to be completed during FY23:</p> <ul style="list-style-type: none"> — The target for Climate will be aligned with UNEP FI's Guidelines for Climate Target Setting for Banks. As such, the intention is to set a science-based Scope 3 Greenhouse Gas (GHG) financed emissions reduction target following completion of baseline measurement. This baseline of the Scope 3 GHG financed emissions indicator is being completed in collaboration with carbon accountants in line with the PCAF methodology and will be subject to assurance. — The target for Inclusive, Healthy Economies will be informed by a benchmarked Financial Health indicator. As a founding signatory to the UNEP FI's Commitment to Financial Health & Inclusion during FY22, the Bank is represented on UNEP FI's Financial Health & Inclusion working group where common indicators are being selected. In addition, the Bank's ongoing partnership with FBF will ensure civil society input and support towards the development of indicators, metrics, and targets. <p>Targets, success metrics and action plans will be approved by the ECO in due course.</p>	<p>'Responding to Climate Change' Suncorp Website</p> <p>Climate Change Action Plan 2021 (p4)</p> <p>'Suncorp announces new commitment to financial inclusion' Suncorp Website</p> <p>Financial Inclusion Action Plan 2022-25 (p19)</p> <p>Guidelines for Climate Target Setting for Banks</p>

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.

In addition to operational targets which exist within Suncorp's public action plans, the Bank will continue to explore availability of data to support setting of portfolio level science based performance targets addressing our areas of most significant impact.

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>2.3 Plans for Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent</p>	<p>As noted above, Suncorp's CCAP was refreshed in 2021 followed by the FIAP in FY22. These action plans remain active at an operational level.</p> <p>Relevant to Climate, progress towards the following CCAP actions will continue to be progressed by the Bank in FY23:</p> <ul style="list-style-type: none"> — Inform and encourage our people, customers and suppliers to transition their households, businesses, communities and industries to a net-zero emissions economy. Share their stories of progress to celebrate and inspire action. Support and collaborate with Suncorp Bank's agribusiness customer to enhance their climate adaptation efforts and revenue streams. — Create opportunities for our people to engage and contribute to our climate response. — Introduce more products and services that incentivise resilience or facilitate the transition to a net-zero emissions economy. — Explore Scope 3 emissions measurement and pathways to further decarbonise our business, including revising our carbon budget and measuring portfolio emissions intensity. — Continue against our commitment to ensure no direct exposure to thermal coal, oil and gas sectors in the Bank's lending portfolios. — Collaborate with the banking industry, through industry associations, to ensure the Australian banking sector is contributing and advocating effectively to the economy-wide changes needed in response to climate change. — Review and continue to embed climate governance across our business. — Review emerging science, international scenario guidance, and further business insight needs to identify and create a roadmap for future climate change scenario analysis. <p>Relevant to Inclusive, Healthy Economies, the Bank committed to the following FIAP actions in FY22:</p> <ul style="list-style-type: none"> — Improve the accessibility of our customer communications (March 2024 ongoing) — Ensure digital services are accessible and recognise when customers may need support online (milestones in June 2022, March 2025) — Offer an enhanced suite of accessible and affordable personal banking products and services (milestones in March 2023, December 2023). — Offer a new suite of accessible and affordable micro-finance and small business banking products and services (March 2025). — Continue to understand the role Bank can play in addressing problematic gambling (milestones in March 2024, December 2024). — Incentivise customers to improve their financial capability and resilience through banking products and services (June 2023). — Contribute to a knowledge base to help consumers make better financial decisions (June 2023). — Improve employee capability to support customers experiencing vulnerability (Ongoing). — Enable frontline teams to identify vulnerability early to better support customers (Ongoing). 	<p>Climate Change Action Plan 2021 (p4)</p> <p>Financial Inclusion Action Plan 2022-25 (pp14-23)</p> <p>'Climate Strategy' Annual Report 2021-22 (p34)</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
	<p>To complement the FIAP, Suncorp will shortly refresh commitments to action with a third Reconciliation Action Plan (RAP).</p> <p>In FY22, Suncorp established the Sustainability & Diversity Committee (chaired by the Group CEO & Managing Director and Group Executive People, Culture, and Advocacy). This Committee oversees progress towards delivery of CCAP, FIAP & RAP commitments as well as all material ESG risks and opportunities across the Group. Subsidiary to this Committee Bank is represented in several Group-wide committees monitoring action plan delivery: CCAP, FIAP, RAP, Modern Slavery and Community Investment Working Groups. CCAP, FIAP & RAP progress is reported annually via the Annual Report.</p> <p>As another subsidiary to the Sustainability & Diversity Committee, Bank established the ECO during FY22. ECO meets monthly to oversee delivery of the Create a Brighter Future program as well as all material ESG risks and opportunities across the Bank. Relevant CCAP, FIAP & RAP commitments are captured within the Bank's Create a Brighter Future program. Several forums monitor delivery of initiatives within the Create a Brighter Future program across each Bank portfolio and progress is consolidated and reported monthly to the ECO.</p>	<p>Innovate Reconciliation Action Plan November 2020 - November 2022 (pp22-26)</p> <p>'Climate Governance' Annual Report 2021-22 (p33)</p>

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring

The Bank's Create a Brighter Future program is impact-led and captures setting of portfolio level performance targets and action plans addressing priority impact areas. Delivery of the program is overseen by the Bank's CEO and Leadership Team.

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>2.4 Progress on Implementing Targets</p> <p>For each target separately: Show that your bank has implemented the actions it had previously defined to meet the set target.</p> <p>Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.</p> <p>Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)</p>	<p>Progress towards implementing Suncorp's CCAP & RAP have been disclosed in Suncorp's Annual Report 2021-22 and Task Force for Climate-related Financial Disclosures. As disclosed in section 2.2, while the Bank has not yet set portfolio levels targets associated with priority impact areas, progress was made in identifying what those targets will be and the baseline from which they will be set.</p> <p>Climate</p> <p>In June 2022, Suncorp Group became a signatory to the PCAF, demonstrating the Bank's commitment to measuring actual impact in this area and driving informed change. The PCAF methodology is a key support to the Bank completing its Scope 3 GHG financed emissions baseline and subsequent science-based target setting.</p> <p>Relevant to Climate, the Bank progressed and delivered the following CCAP actions in FY22:</p> <ul style="list-style-type: none"> — Developed carbon inventory and mapped material emissions for Suncorp Bank's controlled operations and transaction services. — Identified material emissions sources to inform future decarbonisation initiatives through supplier and landlord engagement. — Hybrid input-output analysis pilot to measure real estate operations' Scope 3 footprint. — From 1 July 2021, sourced renewable energy certificates linked to Queensland-based Sunshine Coast Solar Farm and Reedy Creek Renewable Energy Facility for large sites. <p>The Bank also contributed to government and industry engagement through Australian Banking Association meetings, submissions and inquiries, government advisory panel briefings, correspondence, annual prudential consultations, site visits, industry reviews and information requests.</p>	<p>'Our approach to environment and climate change' Annual Report 2021-22 (pp32-47)</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
	<p>Inclusive, Healthy Economies</p> <p>In December 2021, the Bank became a founding signatory to the UN Commitment to Financial Health and Inclusion, affirming the Bank's commitment to progressing the Inclusive, Healthy Economies impact area prioritised through prior years' impact analyses. The associated UNEP FI Financial Health & Inclusion working group will be a key support to developing benchmarked measures for target setting in this impact area.</p> <p>Relevant to Inclusive, Healthy Economies, the Bank progressed and delivered the following actions in FY22:</p> <ul style="list-style-type: none"> — Improved complaints management Suncorp has implemented new processes to identify, validate, action and report on customer pain points identified through complaints, and drive meaningful improvements. A new Fair, Action Orientated, In Line, and Responsible (FAIR) decision-making guide was introduced to all customer-facing teams to empower delivery of better customer outcomes. — Customer Committee In September 2021, Suncorp established an Executive Leadership Team Customer Committee to complement the existing Board Customer Committee. This Committee allows senior executives to stand in the shoes of customers, challenge how Suncorp is tracking to its aspiration of shaping a customer centric culture and drive decisions that lead to better customer outcomes and address customer pain points, complaint trends and remediation. Subsidiary to this committee, the Bank established the Bank Customer Obsession Forum, chaired by the Bank CEO, which meets monthly to drive action towards improving customer experience by focusing on customer pain points and quality of service. — Customers experiencing vulnerability An important part of Suncorp's strategy to support customers experiencing vulnerability is ensuring the voice of those with lived experience is incorporated into solutions design. Suncorp's annual Consumer Advocate Day provides us with the opportunity to gain valuable insights from consumer advocates, industry regulators and those with lived experience. As part of Suncorp's commitment to financial inclusion and wellbeing, community services provider, Uniting, was engaged to assess maturity and highlight opportunities to better support customers experiencing financial hardship and vulnerability. While there are still opportunities to improve, the results were very positive, with Uniting describing the shift since 2018 as a 'transformational change.' Suncorp also engaged not-for-profit disability services provider, Scope, to conduct an accessibility review of products and services. Many recommendations have already been considered and commitments on these topics are reflected in the new FIAP. 	<p>'Delivering better customer outcomes' Annual Report 2021-22 (p25)</p>

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets
Bank governance mechanisms exist to monitor and manage actions aligned with agreed targets.

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>Principle 3: Clients and Customers</p> <p>We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.</p>		
<p>3.1 Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</p>	<p>As disclosed in the Bank's first UN PRB Self-Assessment, Suncorp's Responsible Banking & Insurance Policy guides how Suncorp:</p> <ul style="list-style-type: none"> — Aligns our business strategy to be consistent with and contribute to customers' needs and society's goals, as expressed in the United Nations Sustainable Development Goals, the Paris Agreement and relevant national and regional frameworks, — embeds in our decision-making ESG issues relevant to our banking business, — works together with our clients and business partners to raise awareness and promote action on ESG issues, manage risk and develop solutions, — focuses our efforts where we have the most significant impact - demonstrates accountability and transparency in regularly disclosing our progress publicly. <p>Suncorp Group has published three Sensitive Sector Standards which prohibit the Bank from lending to entities engaged in Fossil Fuel mining and exploration, Tobacco & Recreational Cannabis, or manufacture or sale of Controversial Weapons. The FY22 ESG Portfolio Review included a screen of the Bank's current lending exposures which validated that there is currently zero exposure to any of these sectors.</p> <p>Suncorp Bank continues to take its responsibility as an essential services provider seriously and the responsible financial service foundations disclosed within the Bank's first UN PRB Self-Assessment remain unchanged.</p>	<p>Responsible Banking and Insurance Policy</p> <p>'Responsible Underwriting, Lending and Investing'</p> <p>Suncorp's United Nations Principles for Responsible Banking (UN PRB) Self-Assessment FY20 (p8)</p>
<p>3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/ implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p>The Annual Report 2021-22 details types of daily interactions with customers via contact centres, intermediaries, branches, customer surveys, dispute resolution processes and dealings with the Suncorp Group Customer Advocate. The scope of these interactions is broad, offering support for customers impacted by natural disasters and customers experiencing vulnerability, financial resilience, customer experience, cyber and data security, scam and fraud awareness and support, digital capability and innovation.</p> <p>In response to increasing demand for digital banking services in FY22, the Bank continued to invest in digital customer channels and deliver solutions to improve accessibility and affordability, support customers experiencing vulnerability and the customer experience including debit cards with tactile indicators, braille on ATMs, and increased access to interpreter services in branch and via the contact centre for both retail and business customers.</p> <p>FY22 also saw valuable engagement with customers rewarding and encouraging sustainability in the home. Over the period of the Solar Home Bonus loyalty campaign, 2,539 customers were rewarded with \$500 cashback for demonstrating they had a solar energy system installed on their home. The new to bank Solar Home Bonus offer remains available in market, and during FY22 510 customers were rewarded with \$3,000 cashback for demonstrating that a new to bank home has a solar energy system installed. In June 2022 the Bank engaged its employees and customers to understand their appetite to invest in the sustainability of their home. In the first month the Bank engaged over 60 customers to offer discounted financing to improve the energy and water efficiency of their home.</p>	<p>'Delivering better customer outcomes' Annual Report 2021-22 (p25)</p> <p>'Rewarding your clean energy commitment' Banking You Can Feel Good About</p> <p>'Climate Strategy' Annual Report 2021-22 (p34)</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
	<p>To inform product innovation within the Everyday Banking portfolio, the Bank engaged current and prospective customers to understand their perception of sustainability and what they would expect from a bank offering sustainable products. This engagement was influential in transaction account product innovation which will continue through FY23. This engagement also informed the Bank's investment in progressing carbon neutral certifications for both its organisation and its transaction account services.</p> <p>In partnership with sustainability Fintech startup Cogo, further analysis on greenhouse gas emissions included a study of over 46 million debit card transactions over January – March 2021 analysing the carbon footprint of everyday customer purchases. This study revealed that customers' largest footprint is in transport and groceries. Detailed information was shared with customers to help them make climate-informed purchases. To further engage customers on the learnings from this study, Suncorp worked with OzHarvest, Australia's leading food rescue organisation who are committed to reducing food waste – a major contributor to global greenhouse gases.</p> <p>Suncorp Bank committed to donating 25 meals to OzHarvest on behalf of every customer who opened an award-winning Suncorp Everyday Account and made a minimum of 5 purchases with their Visa debit card totalling greater than \$250 at supermarkets and grocery stores. In recognition of the loyalty of existing Bank customers, the Bank also donated 100,000 meals to OzHarvest to kickstart the offer. This initiative gave the Bank an excellent platform to engage with customers by sharing OzHarvest's mission to fight food waste and feed people in need, and raise awareness of the environmental impact of food waste on the planet.</p> <p>Within the branch network, the Bank facilitated several sustainability initiatives including an electronic waste drive that educated customers on the environmental impact of electronic waste and provided free e-waste recycling for any customer visiting a branch in April 2022. This program diverted over 200kg of electronic waste from landfill and raised awareness of the critical role recycling electronic waste can have. The Bank will consider further customer engagement and initiatives to support Resources Efficiency in FY23.</p>	<p>'Let's recycle IT' Suncorp Website</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
Principle 4: Stakeholders		
We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.		
<p>4.1 Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.</p>	<p>The Annual Report 2021-22 summarises regular interactions with various stakeholders: community, employees, investors, government and suppliers alike; key topics heard and Suncorp's responses. It also presents outcomes from the FY22 Materiality refresh.</p> <p>A comprehensive, independent assessment of Suncorp's most material ESG topics was completed and disclosed in the 2020-21 Annual Report. It considered internal inputs (corporate strategy, risk framework, policies and commitments and internal interviews) as well as external inputs (peer review, global megatrends, media review, industry research, employee and stakeholder surveys, external interviews). The process included engagement with the Bank's intermediated broker distribution network and key suppliers.</p> <p>In FY22, outcomes of this assessment were refreshed based on megatrend analysis and key developments over the past year.</p> <p>For the Bank's PIA, consultation was undertaken with each of the Bank's primary portfolio areas and their identified sustainability leads. As outlined in section 2.1 above, external consultation was undertaken with the UN SBE FI, Earthwatch Institute, FBF, and a PhD candidate from the UQ School of Earth & Environmental Sciences to gain expert insights on the impact areas of Climate, Inclusive, Healthy Economies, and Biodiversity & Ecosystems. This consultation was crucial in determining Biodiversity & Ecosystems as the next significant impact area, especially in the context of the Bank's geography, and the salience of indirect impacts from the Bank's portfolio, which were contrary to the PIA results.</p>	<p>'Understanding our most material topics' Annual Report 2021-22 (p20-21)</p> <p>'ESG Materiality Assessment' Annual Report 2020-21 (p40)</p>
Principle 5: Governance & Culture		
We will implement our commitment to these Principles through effective governance and a culture of responsible banking.		
<p>5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>The Board-approved Corporate Sustainability Principles continue to guide Suncorp's approach to governance and risk management, strategy and policy development, business decision making, and disclosure of non-financial performance. Aligned with the Corporate Sustainability Principles, Suncorp's Responsible Banking and Insurance Policy is implemented and outlines how the Group integrates ESG considerations across the business.</p> <p>FY22 saw the retirement of Suncorp Group's Corporate Responsibility Council and establishment of the new Sustainability & Diversity Committee. As noted above, this committee is jointly chaired by the CEO & Managing Director and the Group Executive for People Culture & Advocacy, and meets every two months to oversight sustainability and diversity risks and opportunities across the Group.</p> <p>The ECO was established to oversight the broad program of work addressing ESG risks and opportunities for the Bank, taking those responsibilities from the Bank Non-Financial Risk Committee. The ECO is chaired by the Bank CEO and meets monthly. During FY22, ECO endorsed the Bank's FY23 Create a Brighter Future program which focuses on product innovation, customer engagement, and enhanced ESG risk management. Monthly forums monitor delivery of the Program and progress is reported back to the Sustainability & Diversity Committee twice yearly.</p>	<p>'Climate Governance' Annual Report 2021-22. (p33)</p> <p>'Sustainable Business' Suncorp Website</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>FY22 saw Suncorp Group move its head office to the newly built Heritage Lane building at 80 Ann Street, Brisbane. Heritage Lanes, being a six-star green star-designed building with five-star energy ratings, marks a significant step in reducing Suncorp Group's environmental footprint. Employee engagement on the sustainability of the move and the building was encouraged through guided sustainability tours and frequent engagement via the Feel Good Hub and CEO webcasts.</p> <p>FY22 also saw the Bank launch its new ambition to Create a Brighter Future and customer promise to deliver Banking You Can Feel Good About. This ambition and customer promise led to the establishment of the Create a Brighter Future program of strategic initiatives and has been supported by continuous engagement with employees via webcasts, weekly 'Feel Good Friday' news posts, and new learning resources for employees to familiarise themselves with the pillars of sustainability and wellbeing underlying the ambition via the Feel Good Hub intranet site. The Bank CEO has driven engagement with leaders and employees through business leadership series, communications and site visits.</p> <p>Employees have had the opportunity to participate in several of the Bank's sustainability initiatives, including providing information on their own carbon footprint when commuting and working from home, which informed the Bank's carbon account for the purpose of the inaugural Carbon Neutral certification with Climate Active.</p> <p>A comprehensive ESG Learning Development Plan has been established to support Bank employees building core skills and knowledge required to embed sustainability. This capability initiative has been targeted to equip individuals with what ESG means for themselves, for Suncorp Bank and for customers to ensure teams are supported to confidently deliver excellent sustainability driven outcomes for customers.</p> <p>Sustainability is directly connected to performance through the FY23 Create a Brighter Future program which focuses on driving impact-driven innovation and growth in each of the Bank's portfolios.</p>	<p>'Banking you can feel good about' Suncorp Website</p> <p>'Suncorp names new Brisbane HQ' Suncorp Website</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>5.3 Governance Structure for Implementation of the Principles</p> <p>Show that your bank has a governance structure in place for the implementation of the PRB, including:</p> <ul style="list-style-type: none"> a) target-setting and actions to achieve targets set b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected. 	<p>As outlined in sections 2.2, 2.3 and 5.1, Suncorp has implemented a Responsible Banking & Insurance Policy overseen by the Sustainability & Diversity Committee and the Bank ECO.</p> <p>Suncorp Bank's ECO oversees broader programs of work to address sustainability-related risk and opportunities at an operational level. During FY22 the Committee endorsed the Create a Brighter Future program which documents the Bank's focus on product innovation, customer engagement, and enhanced ESG risk management. This program also explicitly documents the Bank's ongoing commitments to UN PRB target setting and action plan monitoring. A monthly forum monitors delivery and progress is reported back to the Sustainability & Diversity Committee twice yearly.</p> <p>Suncorp manages risk using the three lines of defence model. The above activities performed by the first line of defence are oversighted by the operationally independent second line of defence who provided challenge and guided improvement in the execution and governance of the UN PRBs.</p> <p>In May 2022 the second line of defence conducted a full review of ESG governance across the Bank and presented their eight priority areas of uplift to the ECO which informed priorities for the Create a Brighter Future program approved later that year. The second line of defence also provided constructive support during the development of the program, ensuring it included the UN PRB target setting, the ESG capability plan captured in 5.2, and internal ESG risk assessments including climate change scenario analysis.</p> <p>Engagement with the Group's second line of defence over FY22 saw progress on integrating ESG into the Group's Enterprise Risk Management Framework as a risk theme and driver of other material risk categories, shaping the way the Group thinks about sustainability risk. These concepts are intended to be delivered through FY23-4 to uplift sustainability risk maturity across the organisation.</p>	<p>Responsible Banking and Insurance Policy</p> <p>'Climate Governance' Annual Report 2021-22, [p33]</p>

Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.

Suncorp has a robust governance model to meet current and future challenges in a sustainable way.

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
Principle 6: Transparency & Accountability		
We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.		
<p>6.1 Progress on Implementing the Principles</p> <p>Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).</p> <p>Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.</p> <p>Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.</p>	<p>Described below is a summary of the progress Suncorp has made implementing the Principles during FY22:</p> <p>Alignment</p> <p>Suncorp Bank's ECO established the Create a Brighter Future program; a whole of Bank, impact-led program that embeds the UN PRB commitment and priority impact areas within the Bank's key strategic deliverables.</p> <p>Impact and Target Setting</p> <p>In addition to Co-Chairing UNEP FI's Taskforce reviewing the Principles for Responsible Banking where common climate indicators were identified, during FY22 Suncorp joined the UNEP FI Climate Target Setting and Financial Health & Inclusion working groups to collaborate with UNEP FI and other banks in identifying common impact indicators to be used in the development of robust targets supported by appropriate action plans.</p> <p>Clients and customers</p> <p>For the fifth year running, Suncorp Bank was named Money magazine's Bank of the Year and Business Bank of the Year and was commended for work it is doing to help vulnerable customers - those who are going through financial stress or hardship due to COVID or natural disasters, such as bushfires.</p> <p>The shift in the Bank's strategic focus and delivery was also recognised in FY22 when Suncorp Bank was named runner up for Finder's Green Bank of the Year.</p> <p>In addition to initiatives to improve accessibility and affordability, supporting customers experiencing vulnerability and the customer experience listed in the Suncorp Annual Report 2021-22, the Bank's 'Learn About' online resources continue to be regularly updated offering content regarding mental, physical and financial wellbeing. These resources supplement insights from the Bank's nation-wide annual Cost of Food research survey and Dollar Tracker feature within the Suncorp App.</p> <p>Stakeholders</p> <p>As outlined in section 2.1, the ESG Portfolio Review greatly leveraged stakeholder engagement to ensure that the PIA was accurate and relevant for the Australian context and the Bank's portfolio. This engagement included the UN SBE FI, Earthwatch Institute, FBF, and a PhD candidate from the UQ School of Earth & Environmental Sciences.</p> <p>As outlined in section 2.1, to support product innovation and strategic sustainability deliverables, the Bank engaged with GreenCollar to better understand carbon farming operations from both a customer and organisational perspective. This engagement informed the Bank's own carbon offset purchase and future support for customers wanting to diversify their business through carbon farming.</p>	<p>'Banking you can feel good about' Suncorp Website</p> <p>'Suncorp named Money's Bank of the Year for 2022' Money Magazine</p> <p>'Finder Green Awards 2022: Winners and finalists' finder website</p> <p>'Learn about' Suncorp website</p>

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
	<p>In addition to stakeholder engagement to support the materiality assessment, Suncorp continues to invest in strategic partnerships benefiting Bank customers with:</p> <ul style="list-style-type: none"> — The Smith Family to bridge the digital divide for vulnerable families within the Learning for Life program during COVID-19 isolation periods; — Uniting to expand the community service organisation's CareRing referral service to all customers in need; — Multicultural Australia to deliver community events as well as culturally adapted financial capability and natural hazard resilience programs and job readiness training, career mentoring and capability building initiatives for employees; — Wesley Mission in development of an ongoing adapted financial literacy program, delivered by Youngcare, for people living with a disability; and — the ongoing operation of the Suncorp Community Cafe in Pitt Street NSW (in partnership with Darcy Street Project). <p>Suncorp Group engages several other partners to enable customer engagement, detailed on the Group website.</p> <p>Governance and culture</p> <p>As outlined in section 5.3, FY22 saw the establishment of both the Sustainability & Diversity Committee to oversight sustainability and diversity risks and opportunities across Suncorp Group, and the ECO to oversight ESG deliverables across the Bank.</p> <p>During FY22 the ECO endorsed the Bank's FY23 Create a Brighter Future program which focuses on product innovation, customer engagement, and enhanced ESG risk management. A monthly forum monitors delivery and progress is reported back to the Committee twice yearly.</p> <p>Activities which support the culture change associated with the Bank's new ambition to Create a Brighter Future continues to include continuous engagement with employees via webcasts, weekly internal news posts, and new learning resources for employees to familiarise themselves with the pillars of sustainability and wellbeing underlying the ambition via the Feel Good Hub. The Bank CEO continues to drive engagement with leaders and employees through business leadership series, communications and site visits.</p>	<p>'Suncorp Group's donation to help vulnerable kids stay connected with schools' Suncorp website</p> <p>'Building Financial Resilience' Suncorp website</p> <p>'Suncorp celebrates multicultural mentoring' Insurance News</p> <p>'Wesley Mission, Suncorp and Darcy St Project brew up employment opportunities' Wesley Mission Group website</p>

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking

In its third year, the Bank has continued to make further progress implementing the Principles by operationalising the impact-led Create a Brighter Future program.

Annex: Definitions

- a) **Impact:** An impact is commonly understood as being a change in outcome for a stakeholder. In the context of these Principles this means (aligned with GRI definition) the effect a bank has on people/the society, the economy and the environment and with that on sustainable development. Impacts may be positive or negative, direct or indirect, actual or potential, intended or unintended, short-term or long-term.
- b) **Significant Impact:** Impact that in terms of scale and/or intensity/salience results in a particularly strong/relevant change in outcome for a stakeholder. In the context of these Principles, the concept of significant impact is used to ensure banks focus where their actions/business (can) matter most for people, economy and environment and to provide a reasonable and practical threshold for what issues need to be considered/included, similar to the concept of "materiality".



Independent Limited Assurance Report to the Directors of Suncorp-Metway Limited on Selected Responses within Suncorp-Metway Limited's Principles for Responsible Banking Self-Assessment 2021-22

Conclusion

Based on the evidence we obtained from the procedures we performed, we are not aware of any material misstatements in the Selected Responses within Suncorp-Metway Limited's Principles for Responsible Banking Reporting Self-Assessment 2021-22, which has been prepared by Suncorp-Metway Limited in accordance with the UNEP Finance Initiative's Principles for Responsible Banking framework for the year ended 30 June 2022.

Information Subject to Assurance

The information subject to assurance comprises Selected Responses included within Suncorp-Metway Limited's Principles for Responsible Banking Self-Assessment 2021-22 which is available on Suncorp's website at: <https://www.suncorpgroup.com.au/corporate-responsibility/reports>

The Report includes information relating to Suncorp-Metway Limited (ABN 66 010 831 722) together with its subsidiaries for the year ended 30 June 2022. The Selected Responses subject to assurance are the responses to the UNEP Finance Initiative's PRB Reporting and Self-Assessment Template questions as described in the table below:

Principle 1.1 Describe (high level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.
Principle 1.2 Describe (high level) how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.
Principle 2.1 Impact Analysis: Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements: a) Scope: The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis. b) Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies. c) Context & Relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.

d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.

(your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))

Show that building on this analysis, the bank has:

- Identified and disclosed its areas of most significant (potential) positive and negative impact
- Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts

Principle 2.2

Target Setting: Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.

Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.

Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.

Principle 2.3

Plans for Target Implementation and Monitoring: Show that your bank has defined actions and milestones to meet the set targets.

Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.

Principle 2.4

Progress on Implementing Targets: For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.

Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)

Principle 3.1

Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.



Principle 3.2

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.

Principle 4.1

Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.

Principle 5.1

Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.

Principle 5.2

Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.

5.3 Governance Structure for Implementation of the Principles: Show that your bank has a governance structure in place for the implementation of the PRB, including:

- a) target-setting and actions to achieve targets set
- b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.

6.1 Progress on Implementing the Principles for Responsible Banking: Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).

Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.

Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.



Criteria Used as the Basis of Reporting

The Information Subject to Assurance has been prepared by Suncorp-Metway Limited in accordance with the UNEP Finance Initiative's Principles for Responsible Banking Self-Assessment Template and Guidance Document published by UNEP FI on their website: <https://www.unepfi.org/prb-reporting-and-self-assessment-template/> (together the "Principles for Responsible Banking Framework").

Basis for Conclusion

We performed our limited assurance engagement in accordance with the Australian Standard on Assurance Engagements ASAE 3000 (Standard). In accordance with the Standard we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Information Subject to Assurance, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- enquiries with relevant Suncorp-Metway Limited personnel to understand the internal controls, governance structure and reporting process relevant to the preparation and disclosure of the Information Subject to Assurance;
- evaluating the appropriate application of the Principles for Responsible Banking Framework with respect to the Information Subject to Assurance;
- reviews of relevant documentation, including measurement criteria and supporting process documents;
- perform walkthroughs of the processes used to prepare the Information Subject to Assurance;
- agreeing significant claims made within the Information Subject to Assurance to source documentation on a sample basis; and
- reviewing Suncorp-Metway Limited's Principles for Responsible Banking Self-Assessment 2021-22 in its entirety to ensure it is consistent with our overall knowledge of assurance engagement.

How the Standard Defines Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, within the Suncorp-Metway Limited's Information Subject to Assurance are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Suncorp-Metway Limited.



Use of this Assurance Report

This report has been prepared for Suncorp-Metway Limited and its Directors for the purpose of providing an assurance conclusion on the Selected Responses within Suncorp-Metway Limited's Principles for Responsible Banking Reporting Self-Assessment 2021-22 and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Suncorp-Metway Limited Directors, or for any other purpose than that for which it was prepared.

Suncorp-Metway Limited's responsibility

Suncorp-Metway Limited is responsible for:

- determining that the PRB framework is appropriate to meet their needs;
- preparing and presenting the Information Subject to Assurance and Suncorp-Metway Limited's Principles for Responsible Banking Self-Assessment 2021-22 in accordance with the Principles for Responsible Banking Framework;
- establishing and maintaining internal controls that enable the preparation and presentation of Suncorp-Metway Limited's Principles for Responsible Banking Self-Assessment 2021-22 that is free from material misstatement, whether due to fraud or error;
- inform of any known and/or contentious issues relating to the Information Subject to Assurance.

KPMG

Sydney
08 August 2022

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Information Subject to Assurance for the year ended 30 June 2022, and to issue an assurance report that includes our conclusion to the Directors of Suncorp-Metway Limited.

Our Independence and Quality Control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.