

*People and Remuneration Committee  
Charter*

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# Introduction

This is the Charter of the People & Remuneration Committee. The People & Remuneration Committee, appointed by the Board of the Company specified in item 1 of the Schedule also operates as the People & Remuneration Committee for the Group, and performs the functions outlined in this Charter, for each of the entities (if any) specified in item 2 of the Schedule.

The purpose of the People & Remuneration Committee is to assist the Board in fulfilling its responsibilities by ensuring that the people and remuneration framework supports the achievement of the Company's strategic objectives and is fair, transparent and responsible, as expected by our shareholders and the wider community.

## Definitions

The following terms have the following meanings:

**"Accountable Persons"** means person(s) that are accountable persons under the Banking Executive Accountability Regime (**BEAR**), as detailed in Part IIAA of *the Banking Act 1959* (Cth).

**"Board"** means the Board of the Company and the board of each of the entities (if any) specified in item 2 of the Schedule.

**"Company"** means the company specified in item 1 of the Schedule.

**"Company Secretary"** means the company secretary of the Company.

**"EGM"** means Executive General Manager.

**"Group"** means the Company and the entities (if any) specified in item 2 of the Schedule.

**"Group Executives"** means senior executive positions directly reporting to the CEO & Managing Director.

**"Other Responsible Persons"** means person(s) or categories of persons that may be specified by the Australian Prudential Regulation Authority (APRA) from time to time, or any other person(s) who, in the opinion of the Board or the People & Remuneration Committee, can materially affect the financial soundness or operations of the Suncorp Group.

**"People & Remuneration Committee"** means the people and remuneration committee of the Group.

**"Remuneration Policy"** means the remuneration policy set by the Board for the Suncorp Group.

**"Suncorp Group"** shall mean the Suncorp Group Limited group of companies.

## Role

The People & Remuneration Committee is responsible for performing the duties set out in this Charter and assisting the Board in establishing and overseeing appropriate Suncorp Group policies and practices in relation to:

- Remuneration arrangements;
- Retention arrangements of the Group Executives;
- Employee engagement, talent management and employee relations strategies;
- Organisational culture;
- Remuneration of directors;
- Superannuation arrangements; and
- Diversity and inclusion.

Remuneration arrangements include, but are not limited to:

- mix or remuneration components (e.g. fixed pay, short term incentives, long term incentives, cash and equity based benefits, sales and volume based incentives and replacement award provided upon joining Suncorp Group);
- measures of performance;
- performance targets;
- key contract terms;
- timing of payments; and
- eligibility to receive payments, including the application of malus and clawback considerations for the CEO & Managing Director and Group Executives.

## Composition

The People & Remuneration Committee will be appointed by the Board and shall comprise not less than three directors. All members of the People & Remuneration Committee must be non-executive directors, and a majority of members must be independent.

A member of the Risk Committee will be appointed by the Board to be a member of the People & Remuneration Committee.

## Chairman

The Board shall appoint one of the People & Remuneration Committee members, other than the Chairman of the Board or the Chairman of the Risk Committee, to serve as the People & Remuneration Committee Chairman. The People & Remuneration Committee Chairman must be an independent director. The People & Remuneration Committee Chairman and People & Remuneration Committee membership will be confirmed annually.

# Administrative matters and procedures

Meetings shall be held at a frequency determined by the People & Remuneration Committee but not less than three times per year. Special meetings may be convened by the People & Remuneration Committee Chairman as required.

Other non-executive directors of the Board, who are not People & Remuneration Committee members, may attend meetings of the People & Remuneration Committee as observers and receive copies of papers.

Non-committee members, including the CEO & Managing Director, the Chief People Experience Officer, representatives of management or any other person may attend part or all of any meeting of the People & Remuneration Committee at the invitation of the People & Remuneration Committee Chairman.

A quorum of any meeting will be two members or such other number determined by the Board. The agenda and supporting documentation will be circulated to the People & Remuneration Committee members a reasonable period in advance of each meeting.

The secretary of the People & Remuneration Committee will be the Company Secretary, or such other person as nominated by the Board. The secretary of the People & Remuneration Committee will circulate minutes to members of the People & Remuneration Committee and the Board as soon as practicable after each meeting.

## Reporting

The People & Remuneration Committee shall regularly update the Board about People & Remuneration Committee activities and make appropriate recommendations.

The People & Remuneration Committee shall provide reports to the Risk Committee on any information that may be relevant to the Risk Committee's duties and responsibilities, and, in particular, in relation to any material gaps identified in the Suncorp Group's control environment that the Risk Committee may need to consider when assessing the Suncorp Group's risk profile.

The People & Remuneration Committee shall regularly review this Charter and its continuing adequacy, together with an evaluation of the People & Remuneration Committee's performance and the extent to which the People & Remuneration Committee has met the requirements of the Charter.

Specifically, reporting by the People & Remuneration Committee will include:

- recommending any changes in the Charter to the Board;
- self-assessing the effectiveness of the People & Remuneration Committee on a regular basis; and
- regularly reporting to the Board on the activities of the People & Remuneration Committee.

# Duties and Responsibilities

## Remuneration Reporting

The People & Remuneration Committee will:

- oversee the preparation of any relevant remuneration reports required by law or listing rules or requested by the Board, including relevant remuneration sections of Suncorp Group's annual report and other shareholder documents; and
- review, recommend and provide relevant assurances to the Board for approval of the Remuneration Report to be included in the annual Directors' Report.

## Remuneration

The People & Remuneration Committee will review and make recommendations to the Board on:

- the remuneration arrangements of:
  - the CEO & Managing Director;
  - Group Executives;
  - EGM Internal Audit;
- Other Responsible Persons; recruitment, retention, termination and succession planning for senior executives, including the CEO & Managing Director and Group Executives;
- the size of the annual short-term incentive and fixed pay increase pools;
- performance conditions for annual short-term incentive grants for the CEO & Managing Director, Group Executives and the EGM Internal Audit;
- decisions relating to deferral of variable remuneration, malus and / or clawback for the CEO & Managing Director, Group Executives, EGM Internal Audit, Other Responsible Persons, and any other Accountable Persons;
- the remuneration of Suncorp Group non-executive directors, including fees and other benefits; and
- the remuneration structure for the categories of persons covered by the Remuneration Policy.

The People & Remuneration Committee will:

- conduct regular reviews of, and make recommendations to the Board on, the Remuneration Policy, including an assessment of the Remuneration Policy's effectiveness and compliance with laws, regulations and the requirements of APRA's prudential standards;
- review and make recommendations to the Board on the structure and operation of equity-based plans, including any major changes or developments to the plans;

- implement the operation of equity-based plans (including making any changes to them and grants under them) where the Board delegates its powers to the People & Remuneration Committee to do so; and
- annually assess the performance outcomes of the Group Executives and EGM Internal Audit (as recommended by the CEO & Managing Director) and the CEO & Managing Director and make recommendations to the Board on remuneration outcomes.

## **People**

With respect to the 'people' aspects of environmental, social and governance considerations for the Suncorp Group, the People & Remuneration Committee shall:

- review and monitor diversity and inclusion across the Suncorp Group and make recommendations to the Board on measurable objectives for achieving diversity in the composition of the Board, Group Executives and employees generally, and remuneration by gender, and recommend strategies or changes to address any gaps;
- review on behalf of the Board remuneration by gender, and recommend strategies or changes to address any pay gap;
- review executive talent development programs designed for Group Executives, senior management and critical roles;
- review people strategies designed to attract, retain, develop and motivate employees and consider their effectiveness;
- review, approve or vary employee relations strategies, including communication strategies with employee representative groups;
- review engagement results and action plans, and monitor their implementation;
- review and make recommendations to the Board on the policies and practices relating to the retention of Group Executives;
- review reports on culture and make recommendations to the Board on actions that the Committee considers necessary to instill, or reinforce, a positive organisational culture (for risk culture refer to the Board Risk Committee Charter);
- consider any matter relating to:
  - health and safety, as requested by the Board or Board Risk Committee; and
  - culture, as requested by the Board or Board Risk Committee.

The People & Remuneration Committee shall take appropriate action to ensure that the People & Remuneration Committee, the Board and management have available to them sufficient information and external advice to ensure informed decision-making regarding remuneration setting and remuneration and performance assessment outcomes, including obtaining input and reviewing reports from the Risk Committee, as required.

The People & Remuneration Committee shall encourage and facilitate shareholder and other stakeholder engagement in relation to the Company's remuneration policies and practices.

The Chairman of the Board is authorised to approve the appointment or termination of employment of Group Executives where appropriate (that is when Board approval cannot be obtained within the required timeframe) and on the recommendation of the CEO & Managing Director.

## Other Matters

The Chairman of the People & Remuneration Committee will report to the Board, at the Board meeting next following a meeting of the People & Remuneration Committee, on matters considered by the People & Remuneration Committee.

The People & Remuneration Committee shall have free and unfettered access to any personnel (internal or external) in carrying out its duties. If engaging third-party experts, the People & Remuneration Committee may do so in a manner that ensures the engagement and any advice received is independent.

All members of the People & Remuneration Committee must be available to meet with APRA on request.

In respect of Suncorp Portfolio Services Limited (SPSL), the People & Remuneration Committee shall establish and oversee the appropriate policies and annual recommendations in relation to Remuneration, incentives and Superannuation arrangements for the following:

- any category of persons or persons specified by the Australian Prudential Regulation Authority (APRA) and any other person(s) who, in the opinion of the People & Remuneration Committee or the SPSL Board, can affect the financial soundness of SPSL; and
- the SPSL Chairman and Non-executive directors.

## Interaction with other committees

The Chairman of the People & Remuneration Committee will meet with the Chairman of the Audit Committee and the Chairman of the Risk Committee (and other standing committees of the Board as appropriate) to consider and share key information identified by those committees and where appropriate, reporting to the Board for consideration.

## Rights of access and authority

Each member of the People & Remuneration Committee has rights of access to executives of the Group and rights to seek explanations and additional information from management.

# Schedule: People & Remuneration Committee Charter

## Item 1: Name of Company

Suncorp Group Limited

## Item 2: Name of Entities

SBGH Limited, Suncorp Insurance Holdings Limited, Suncorp Life Holdings Limited and all other APRA regulated companies in the Suncorp Group excluding Suncorp Portfolio Services Limited (refer Other Matters).