

Target Market Determination

Suncorp Capital Notes 5

Issuer

This Target Market Determination is issued by Suncorp Group Limited ABN 66 145 290 124 (**Suncorp**).

Product

This Target Market Determination applies to Suncorp Capital Notes 5 issued by Suncorp.

Effective date

Start date: 16 April 2024

Status: Current until the issue of Suncorp Capital Notes 5.

Target Market Determination

What is a Target Market Determination?

A Target Market Determination (**TMD**) is a determination that Suncorp has made to:

- (i) describe the class(es) of investors for whom a financial product (which in this TMD, is Suncorp Capital Notes 5) has been designed;
- (ii) specify distribution conditions;
- (iii) specify TMD review periods and triggers; and
- (iv) set out reporting requirements.

This TMD assists Suncorp staff, our distributors and investors in understanding the target market for Suncorp Capital Notes 5. It also describes any conditions around how this product is distributed to retail clients and the events or circumstances where Suncorp will review the TMD. This TMD does not regulate distribution of Suncorp Capital Notes 5 to wholesale clients.

This TMD is not a summary of the features or terms of this product, and is not a substitute for the Suncorp Capital Notes 5 Prospectus dated 16 April 2024 (including any replacement or supplementary prospectus) (**Prospectus**). Before deciding whether to invest in Suncorp Capital Notes 5, investors should read the Prospectus in full.

Why does Suncorp need to have a TMD?

Suncorp is required to have a TMD under law. The purpose of the law is to make sure retail clients are at the centre of Suncorp's approach when designing and distributing its financial products.

Suncorp Capital Notes 5 are complex and involve more risks than a simple debt or ordinary equity security and may not be suitable for all investors. Retail clients who wish to apply for Suncorp Capital Notes 5 must obtain professional advice which considers their particular investment objectives, financial situation and needs. Applications for Suncorp Capital Notes 5, including applications by Eligible Capital Notes 2 Holders (as defined in the Prospectus), can only be made through a Syndicate Broker. No applications can be made directly to Suncorp. For further information, investors should read the Prospectus in full.

Product description

Suncorp Capital Notes 5 are known as hybrid securities as they have debt and equity-like characteristics. Their terms include a number of complex features that the Australian Prudential Regulation Authority (**APRA**) requires for hybrid securities, which are described in detail in the Prospectus.

Key eligibility requirements

Retail clients must:

- (i) be a company or an individual (including as a trustee of a trust) aged 18 years or older; and
- (ii) have an Australian residential address; and
- (iii) have received personal advice from a financial adviser in relation to an investment in Suncorp Capital Notes 5.

Class of investors and key product attributes

Suncorp Capital Notes 5 are designed for a class of investors whose likely objectives, financial situation and needs are aligned with the product's key attributes, as set out in the table below.

Objectives, financial situation and needs	Key product attributes
Suncorp Capital Notes 5 have been designed for investors who:	The key attributes of Suncorp Capital Notes 5 that make this product appropriate for the target market:
Investment objectives	
<ul style="list-style-type: none">– are seeking to acquire an investment product with the ability to generate income;– are not seeking capital growth;	<ul style="list-style-type: none">– Suncorp Capital Notes 5 are scheduled to pay quarterly cash distributions at a floating (variable) rate, based on a pre-determined formula as described in the Prospectus. However, distributions are discretionary and subject to APRA's required payment conditions.– Suncorp Capital Notes 5 are not designed to provide capital growth.
Risk profile and ability to bear loss	
<ul style="list-style-type: none">– are able to bear the risks associated with an investment in Suncorp Capital Notes 5 (in particular, the potential non-payment of distributions, the lack of certainty as to timeframe for repayment of the capital invested, and the potential loss of some or all of the capital invested in Suncorp Capital Notes 5);	<ul style="list-style-type: none">– Suncorp Capital Notes 5 are subject to risks as summarised in the Prospectus. In particular:<ul style="list-style-type: none">- Distributions are discretionary and unpaid distributions do not accumulate. Holders will not have any right to compensation if Suncorp does not pay a distribution.- The return of capital on Suncorp Capital Notes 5 is not guaranteed.- In certain circumstances as described in the Prospectus (including where Suncorp suffers significant losses), Suncorp Capital Notes 5 may be converted into ordinary shares in Suncorp or may be written-off and holders will lose all the value of their investment.
Investment timeframe	
<ul style="list-style-type: none">– are seeking to invest for the long term and do not require certainty as to repayment of their capital invested within a specific timeframe or at all; and	<ul style="list-style-type: none">– Suncorp Capital Notes 5 do not have any fixed maturity date and could remain on issue indefinitely if not redeemed or converted and holders may not be repaid their investment.– In certain circumstances as described in the Prospectus, Suncorp may elect to redeem the Suncorp Capital Notes 5 and repay the face value. However, such redemption is subject to certain conditions (including APRA's prior written approval, which may or may not be given).
Liquidity needs	
<ul style="list-style-type: none">– are seeking to have the ability to sell Suncorp Capital Notes 5 on market at the prevailing market price, if there are buyers offering an acceptable price.	<ul style="list-style-type: none">– Suncorp will apply for Suncorp Capital Notes 5 to be quoted on the ASX. However, there may not be a liquid market for Suncorp Capital Notes 5 and investors who wish to sell their Suncorp Capital Notes 5 may be unable to do so at a price acceptable to them, or at all.

Investors outside the target market

Suncorp Capital Notes 5 are **not suitable** for investors who:

- require certainty of returns and cannot tolerate the risk that distributions may not be paid or may not be paid as scheduled,
- are seeking capital growth,
- require certainty that their investment will be repaid within a specific timeframe,
- cannot tolerate the risk of being unable to sell their investment at their preferred price or time due to low market liquidity, or
- cannot afford to lose some or all of their investment.

Distribution channel and conditions

Distribution channel	Distribution conditions
Suncorp Capital Notes 5 should only be distributed to a retail client by the following means: <ul style="list-style-type: none">By application to:<ul style="list-style-type: none">the arranger, a joint lead manager or co-manager (as specified in the Prospectus) (each, a Manager);members of a Manager's proprietary and affiliated retail distribution networks who are authorised to distribute the Suncorp Capital Notes 5 in accordance with Suncorp's agreement with the Managers; orother third party brokers who are authorised to distribute the Suncorp Capital Notes 5 in accordance with Suncorp's agreement with the Managers, (each, a Syndicate Broker).	Suncorp Capital Notes 5 should only be distributed to a retail client under the following circumstances: <ul style="list-style-type: none">The Syndicate Broker reasonably believes that the retail client meets the key eligibility requirements outlined in this TMD including having received personal advice from a qualified financial adviser in relation to the acquisition of Suncorp Capital Notes 5.The Syndicate Broker or qualified financial adviser associated with the Syndicate Broker is appropriately licensed and experienced and meets the requirements for training, accreditation and distribution of the Suncorp Capital Notes 5 as specified in Suncorp's agreement with the Managers.

Appropriateness of distribution conditions

Suncorp has assessed that the distribution conditions are appropriate and will make it likely that investors who acquire Suncorp Capital Notes 5 are in the target market described above.

TMD Reviews

Specified review dates	Suncorp will conduct an initial review of the appropriateness of the TMD on 8 May 2024, being the last day of the period of 10 business days commencing on the first day of the offer period (Initial Review). Suncorp will conduct a subsequent review on 13 May 2024, being the period of time commencing from the Initial Review to the date falling 1 business day prior to the date of issue of Suncorp Capital Notes 5.
Additional review triggers	In addition, Suncorp will review this TMD if any one of the following triggers occur, which reasonably suggest the TMD is no longer appropriate: Complaints: There is a significant increase beyond expected levels in complaints, or a significant change in the nature of complaints relating to Suncorp Capital Notes 5. Regulator notification: The receipt of a product intervention order or direction from ASIC requiring Suncorp to immediately cease retail product distribution conduct in respect of Suncorp Capital Notes 5 or other statement by a regulator indicating that this TMD may no longer be appropriate. Significant dealing: Suncorp is made aware of a significant dealing in relation to Suncorp Capital Notes 5 that is not consistent with the TMD or any other event occurs or information is received that suggests the TMD is no longer appropriate. Change in law: There is a change in law or its application, or APRA or ASIC policy, or other regulatory guidance that materially affects Suncorp Capital Notes 5. Change in product or distribution: There is a material change to the Suncorp Capital Notes 5 or its distribution, or Suncorp has information about the way in which the Suncorp Capital Notes 5 are being distributed, operating or being used by retail clients that reasonably suggests the TMD is no longer appropriate.

Reporting requirements

The following information must be provided in writing to Suncorp by all regulated persons engaged in retail product distribution conduct of Suncorp Capital Notes 5 in accordance with this TMD, within the required reporting period:

Information type	Description	Reporting period
Complaints	If complaints are received in relation to Suncorp Capital Notes 5, the number of, and substance of, complaints (to the extent permitted under privacy and other laws).	As soon as reasonably practicable prior to the next specified review date, and in any case, no later than 5 business days after the third party receives the complaint.
Regulator feedback	Any significant feedback it receives in writing from a regulator which relates to the suitability of Suncorp Capital Notes 5 or the requirements applying to distribution of Suncorp Capital Notes 5 (to the extent permitted under privacy and other laws).	As soon as reasonably practicable prior to the next specified review date, and in any case, no later than 5 business days after the third party receives the regulator feedback.
Significant dealings	Information relating to any significant dealing in Suncorp Capital Notes 5 that is not consistent with the TMD.	As soon as reasonably practicable prior to the next specified review date, and in any case, no later than 5 business days after the third party becoming aware of the significant dealing.