SUNCORP

Building futures and protecting what matters

Climate-related Disclosure Report 2023-24

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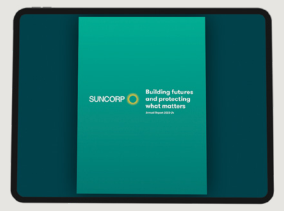
Additional reports

More information on the Group's financial, non-financial, risk and sustainability performance is available online at: suncorpgroup.com.au



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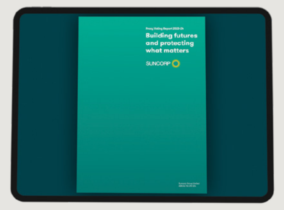

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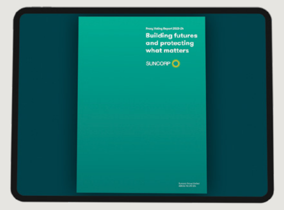

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Acknowledgement of Country

Suncorp acknowledges the Traditional Custodians of the lands on which we operate and pay our respects to Elders past, present and emerging.

Ngā mihi (acknowledgements) to the tangata whenua (people) of this land, Aotearoa. We wish to acknowledge Te Tiriti o Waitangi (the Treaty of Waitangi), the generosity of the rangatira (leaders), the kaumatua (elders) of Aotearoa who all hold the mana whenua (governorship) of this land that we work from.

Tēnei te mihi ki a koutou katoa (acknowledgements to all).

Navigating our report

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Heritage Lanes Suncorp Head Office Brisbane.

Climate statement

Climate change poses a significant risk to our business, customers, and communities. Since FY19, we've recognised it as a strategic risk in our Enterprise Risk Management Framework.

As an insurer, we continue to make progress in assessing and managing climate-related financial risks and opportunities in our insurance businesses. This includes analysing historical extreme weather trends and conducting climate change scenario assessments.

We support globally and regionally consistent sustainability reporting standards and frameworks to enable comparability and transparency across sectors through mandatory climate-related reporting. Australian Sustainability Reporting Standards are expected to be released later this calendar year and we have undertaken gap analyses and maturity assessments in readiness. In addition, our New Zealand businesses[1] will release its first climate disclosure report aligned to mandatory requirements later this calendar year.

To enhance climate literacy across our organisation, we launched Suncorp Climate School.

Suncorp remains committed to understanding the risks of extreme weather and the impacts to our customers through collaborative research partnerships with the international scientific community as well as federal and state emergency agencies.

We continue to advocate publicly for a more resilient Australia, calling for public infrastructure improvements, private dwelling subsidies, improved land use planning laws, and removal of inefficient taxes & charges from insurance premiums.

In FY25, Suncorp will release our first Climate Transition Plan, reinforcing our commitment to playing a proportionate role in supporting Australia and New Zealand's transition to net-zero.

1. Vero Insurance New Zealand Limited and Asteron Life Limited.

Suncorp employee in Suncorp Brisbane Head Office.

Important information

This report contains forward-looking statements in relation to the Group's strategy, business operations and performance, targets and commitments, ambitions and expectations. Forward-looking statements may be identified with words such as 'aim', 'anticipate', 'believe', 'could', 'commit', 'continue', 'estimate', 'expect', 'explore', 'forecast', 'goal', 'intend', 'may', 'plan', 'potential', 'project', 'should', 'target', 'would' and other similar terms and phrases.

The GHG accounting standards and methodologies around the estimation and calculation of GHG emissions continue to develop. Additionally, national and international climate-related standards and frameworks, practices and regulatory requirements are subject to different interpretations at a given point in time.

This report relies on data and methodologies sourced from external providers to assist in the setting of the Group's climate-related ambitions, targets and commitments.

We assess climate change risk using scenario analysis. There are inherent limitations with climate change scenario analysis. It is difficult to predict which, if any, of the scenarios might eventuate. Scenarios do not constitute definitive outcomes or probabilities and scenario analysis relies on assumptions that may or may not be, or prove to be, correct and may or may not eventuate. Scenarios may also be impacted by additional factors to the assumptions disclosed.

Our modelling utilises inputs from current government policies and ambitions when developing our climate strategy. Any change to these conditions may have a material impact on current modelling and our ability to meet net-zero targets.

The Group maintains that undue reliance should not be placed on any forward-looking statements in this report. Actual results, performance and outcomes may differ materially from those expected or targeted in any forward-looking statements. The forward-looking statements in this report does not offer an invitation or solicitation or recommendation to buy, sell or issue securities or other financial products in relation to Suncorp Group Limited or its subsidiaries.

Our Climate-related Disclosure Report 2023-24 includes information on our climate-related performance and activities for the reporting period 1 July 2023 to 30 June 2024.

Assurance approach

Suncorp Group appointed KPMG to undertake limited assurance across select climate metrics which are indicated within the footnotes of this report. The Independent Limited Assurance report has been issued and is located on the Suncorp Group website.

Learn more

In this report

This climate-related disclosure reports on the activities undertaken by Suncorp Group Limited ('Suncorp' or 'the Group' or 'SGL') to incorporate material climate-related risks and opportunities within the business' general operations and as part of underwriting, lending and investment decision-making.

These disclosures have been prepared in accordance with the Financial Stability Board's Task Force on Climate-related Financial Disclosures framework that Suncorp became a signatory to in 2018. The report accompanies the Group's Annual Report and Sustainability Data Pack which includes the basis of preparation (see Reporting Supplement) for climate-related metrics and our performance against climate targets and commitments in FY24.

This report should be read alongside the important information on page 3, and the basis of preparation.

A glossary is included at the end of this disclosure to define key sustainability and climate-related terms used throughout the report.

In this report, our GHG emissions reporting boundary includes activities associated with Suncorp Insurance, Bank and New Zealand operations.

In FY24, the Group has continued the simplification of its portfolio of businesses. The sale of Suncorp Bank to ANZ reached completion on 31 July 2024, and the sale of the Asteron Life business in New Zealand is scheduled for completion in early calendar year 2025, subject to regulatory approval.

Cross-referencing index

Taskforce on Climate-related Disclosures (TCFD)

Our disclosure has considered alignment to the TCFD framework's recommendations. We continue to work towards alignment with the 2021 TCFD Annex supplemental guidance relevant to insurers and asset owners.

Governance

Suncorp Group and Suncorp New Zealand (NZ) Boards and executives are collectively responsible for the governance of climate-related risk and opportunities, jurisdictional compliance with climate-related disclosures, and the oversight of performance against our commitments. Within this FY24 reporting period, Suncorp strengthened climate governance pathways and has taken steps to feature climate on Board and Board committee agendas in Australia and New Zealand on a quarterly basis, at a minimum. Matters presented in FY24 included: insight sessions to supplement directors' knowledge of global climate trends and net-zero target setting standards; oversight of climate change scenario analysis; approval of climate-related disclosures; and progress on the integration of climate change risk into the risk taxonomy.

Board oversight

The SGL Board has oversight of climate-related risks and opportunities. They are accountable for overseeing performance against climate commitments and have accountability for climate-related risk management, including approval of the Group's Climate Change Action Plan and more recently Suncorp's net-zero transition planning. They delegate authority to the Board Risk and Audit Committees for specific climate-related governance activities and receive updates and endorsements from these Committees.

Suncorp New Zealand Boards[1] oversee the management of climate-related risks and opportunities in relation to the Suncorp New Zealand entities. This includes endorsement and oversight of performance against climate-related targets, and oversight of compliance with mandatory climate-related reporting in New Zealand.

Suncorp Group Board Committees

SGL Risk Committee **Board Risk Committee Chairman** Duncan West	Reviews, monitors and challenges the Group's risk profile and actions being taken to manage risk within Suncorp's risk appetite, including climate risks.
SGL Audit Committee **Board Audit Committee Chairman** Ian Hammond	Approves the Group's annual Climate-related Disclosure Report that tracks progress against the Group's climate commitments and targets.

1. Suncorp New Zealand Boards include Vero Insurance New Zealand Limited, Asteron Life Limited and Vero Liability Insurance Limited.

Management oversight

The Suncorp Group Executive Leadership Team (ELT) led by the Group Chief Executive Officer, is accountable for delivering the strategic business plan. The ELT has oversight of progress against climate commitments as they relate to their specific areas of accountability. This includes the consideration and management of risks and opportunities, and the approval and delivery of the Group's commitments and targets including the Climate Change Action Plan and net-zero transition planning.

Executive Leadership Team

Group CEO: Accountable for the delivery of climate risk management within the Group's strategy and business plan.

Group CFO: Accountable for delivering climate change scenario analysis across the business portfolios, and implementing reinsurance and climate commitments and targets for the Group's investment portfolios.

GE People Culture and Advocacy: Accountable for partnering with the business in setting the Group's climate commitments and targets, including delivery of climate-related financial disclosures and emissions accounting and reporting for financed and insurance-associated emissions. Oversees delivery of the Group's resilient Australia advocacy strategy.

CEO Consumer Insurance: Accountable for delivering natural hazard pricing, analytics and implementation of climate commitments and targets for consumer insurance portfolios. Oversees end to end customer experience including consumer home and motor claims response.

Group General Counsel: Accountable for the oversight of legal risk in climate-related financial disclosures.

CEO Commercial & Personal Injury Insurance: Accountable for the implementation of the Group's climate commitments and targets for commercial insurance and personal injury insurance portfolios. Oversees end to end customer experience including commercial and personal injury claims response.

GE Technology and Operations: Accountable for delivering operational Scope 1, 2 & 3 GHG emissions accounting for the Group and oversees performance against the Group's Scope 1 & 2 net-zero and RE100 commitments.

CRO Suncorp Group: Accountable for setting the Group's risk management frameworks. Oversight of the first line of defence on risk management activities, including climate risk, and reporting to the SGL Risk Committee.

CEO Suncorp New Zealand: Accountable for the implementation of climate commitments and targets for underwriting, investments, claims and procurement supply chain, and real estate as it relates to Suncorp New Zealand operations and portfolios.

CEO Suncorp Bank: Accountable for oversight and delivery of the operational aspects of climate-related risk for the Bank. Oversees end to end Bank customer experience.

Executive Leadership Team Sub-committees

Group Asset and Liability Committee **Chairman:** Steve Johnston	Oversight of climate-related financial risk and climate change scenario analysis.
Non-Financial Risk Committee **Chairman:** Steve Johnston	Oversight of non-financial risk management across the Group, including recent approval of climate transition risk into the Group's risk taxonomy and its continued implementation across the business.

Business Committees

Group Sustainability and Diversity Committee: Oversight of progress against climate-related metrics and targets.

Net-Zero Transition Plan Steering Committee: Development of the Group's Climate Transition Plan including climate-related metrics and targets.

Responsible Investment Committee: Oversight of climate-related investment risk management.

New Zealand Mandatory Climate-related Disclosure Reporting Steering Committee: Responsible for reviewing, challenging, and setting the approach to delivery of the mandatory climate disclosure reports by the New Zealand entities.

Board and Executive climate capability

Suncorp manages Board and executive climate capability through the delivery of insight sessions on climate change topics. In FY24, Suncorp Group and New Zealand Boards and executive leadership team sessions canvassed a range of climate change topics including mandatory climate disclosure trends, and net-zero transition planning risk and opportunities, along with annual climate outlook sessions to Group Board.

ESG and sustainability is considered within the Board skills matrix and the annual Board skills self-assessment to ensure the Board has the capability to identify, assess and monitor responses to existing and emerging risks and opportunities arising from environmental and social issues. Refer to our FY24 Corporate Governance Statement in the FY24 Annual Report for more information.

Strategy

Our approach to identifying climate-related risks and opportunities such as mitigation and resilience is outlined in the Group's Climate Change Action Plan that was released in September 2021, with progress updates provided in our annual Climate-related Financial Disclosure.

Our Climate Change Action Plan

The four key pillars of our Climate Change Action Plan are outlined below.

Reducing our climate impact through mitigating the direct impact of our operations. This includes Scope 1 & 2 emissions associated with vehicle fleet and electricity consumption, and Scope 3 emissions associated with our supply chain.

Supporting the net-zero transition by reducing our Scope 3 financed and insurance-associated emissions related to our underwriting and investment activities for the Group.

Partnering with purpose through collaboration with government, industry bodies and climate experts to advocate for customer and community resilience, climate change mitigation and adaptation.

Integrating and lifting capability to assess and uplift our own understanding of climate-related risks and opportunities, manage and integrate climate into risk frameworks, and embed climate considerations across the business.

Climate Change Action Plan

Learn more

80 Ann Street building façade.

Reducing our climate impact

We measure and report on 100% of our Scope 1 & 2 operational emissions for Australia and New Zealand.

Suncorp Group Operations

Our Operations

Scope 1

Direct emissions from our corporate vehicle fleet and stationary fuels

Scope 2

Emissions from purchased electricity

Scope 3

Emissions from our procurement supply chain associated with the day-to-day operating of our business

Claims Supply Chain

Scope 3

Emissions from our claims suppliers generated through claims assessments, repairs, and settlement services across home motor and commercial claims

Our Scope 1 & 2 net-zero progress

	FY20	FY21	FY22	FY23	FY24	FY25	FY30
% Scope 1 & 2 emissions reduction from an FY20 baseline[4]	Baseline 0%[4]	22%	71%	74%	76%[1]	Forecast	Forecast target met
Reducing Scope 1 Decarbonised vehicle fleet	129 (32%) hybrid vehicles	223 (42%) hybrid vehicles	274 (47%) hybrid vehicles	326 (56%) hybrids 6 EVs in fleet (commenced EV trial)	496 (75%) hybrids, 10 EVs in fleet 6 Suncorp EV chargers	Continued EV transition	Purchase high quality carbon removal offsets for the remaining <10% for residual, hard to abate emissions.[3]
Reducing Scope 2 Percentage electricity purchased from renewable sources through LGCs and GreenPower	Energy efficiency program and LED light upgrades	18% for large sites	66% for small and large sites Relocation to 6 Green Star rated Head Office	75% for small and large sites	81%[1] for small and large sites	RE100 target met with 100% electricity sourced for all Suncorp Group sites	

Our Scope 1 & 2 emissions reduction pathway

We continue to reduce GHG emissions associated with Suncorp Group operations through our commitment to Scope 1 & 2 net-zero emissions by 2030.[4]

Suncorp is committed to meet this net-zero emissions target by:

- Scope 1[2]: continuing to integrate hybrid and EVs into our fleet whilst monitoring EV supply challenges, and working with landlords to invest and install EV charging infrastructure.
- Scope 2[2]: implementing energy efficiency initiatives and meeting our RE100 commitment.

As a member of the RE100 renewable energy initiative, we are committed to transition to 100% renewable energy by 1 July 2025.

We will achieve our RE100 commitment by 2025 through the selection of energy efficient buildings via our green leasing strategy, installing rooftop solar in viable locations, and contracting renewable energy certificates and products.[2] In FY24, the majority of our renewable electricity was contracted through a partnership with Sunshine Coast Solar Farm in Valdora, Queensland. We also contracted LGCs from Tasmania and GreenPower at selected landlord sites.

Following the sale of Suncorp Bank, Suncorp's Scope 1 & 2 baseline and target will be revised and disclosed within our FY25 annual reporting suite.

1. Subject to limited independent assurance by KPMG. Please refer to the assurance opinion included on the Suncorp Group website.
2. Further information on our absolute Scope 1, Scope 2 market-based and Scope 2 location-based emissions along with details of our contractual arrangements for purchased renewable electricity can be found in the Environment section and Reporting Supplement within our Sustainability Data Pack.
3. Suncorp's approach to the use of carbon offsets to a net-zero economy for hard to abate emissions is in line with the Oxford Principles for Net Zero Aligned Carbon Offsetting.
4. Our Scope 1 & 2 net-zero FY30 target is set from an FY20 baseline of 18,707 tCO2-e. We measure our progress using Scope 1 & Scope 2 market-based emissions that includes activities associated with Suncorp Insurance, Bank and New Zealand operations.

Reducing our climate impact

Our supply chain consists of operational and claims supply chains. We are progressing emissions measurement across both supply chains for Australia and New Zealand.

Suncorp Group Operations

Our Operations

Scope 1

Direct emissions from our corporate vehicle fleet and stationary fuels

Scope 2

Emissions from purchased electricity

Scope 3

Emissions from our procurement supply chain associated with the day-to-day operating of our business

Claims Supply Chain

Scope 3

Emissions from our claims suppliers generated through claims assessments, repairs, and settlement services across home motor and commercial claims

Our supply chains

This year we analysed aspects of our operational and claims supply chains to understand material areas of focus to decarbonise Scope 3 emissions.

Environmental and social risks are assessed and managed within our supply chain through an ESG criteria that forms part of our Responsible Supply Chain strategy.

Progress in FY24

Procurement Supply Chain

Green Leasing - A key lever used by our real estate team is the use of green leasing to reduce the carbon footprint of buildings, achieve sustainability certifications and optimise operational efficiencies.

Diverting waste from landfill - Suncorp is committed to diverting waste from landfill during its capital works projects acknowledging that not only does this minimise environmental impact but also promotes resource efficiency and circularity.

We successfully diverted 87% of renovation waste from landfill in our 233 Collins Street, Melbourne branch.

For details on our Scope 3 performance for FY24, visit the Metrics and Targets section of this document and our Sustainability Data Pack.

Learn more

Claims Supply Chain

Opportunities within claims supply chain - We progressed our understanding of our home and motor supply chains, and identified opportunities to engage with material suppliers by spend to understand their net-zero maturity. Our observations include:

- The claims supply chain is less mature in its net-zero journey compared to our operations supply chain;
- Severe natural hazard events drive operational pressures and create year-on-year variability, along with supply chain complexities, impacting the potential for driving decarbonisation activities throughout the supply chain.

Expanding our capability - Our motor claims team actively monitors industry trends and participates in industry forums to prepare for the increase of electric vehicles and other future vehicle technologies. This engagement is part of our plan to enhance internal net-zero capabilities and awareness. Key initiatives include:

- Engaging with national repair and supplier performance forums to discuss sustainability, compliance, and future vehicle technology;
- Enhancing our understanding of risks and opportunities related to the evolving motor industry through climate change scenario analysis.

Suncorp Event Assessor with customers discussing a home claim.

Supporting the net-zero transition

Net-zero transition planning in FY24

Alongside our Scope 1 & 2 net-zero commitment, and our developing understanding of our Scope 3 supply chain, we recognise the extent to which our Scope 3 financed emissions associated with our investments & insurance-associated emissions of our underwriting portfolios are influenced by the decarbonisation of the broader economy we operate in.

We will release a Climate Transition Plan in FY25 that will detail our interim 2030 climate commitments for relevant underwriting and investment portfolios, where data and methodology allows.

The core net-zero planning activities include:

Expanded emissions measurement

- Established an emissions baseline for our motor and investment portfolios to support target setting.[1]
- Established a target setting framework to support the development of qualitative and quantitative climate targets.
- Third party limited assurance undertaken on GHG emissions baselines.

Expanding our climate strategy through engagement targets

- Explored setting qualitative engagement targets[2] within our supply chain as a decarbonisation lever.
- To understand our material supply chain emissions, we undertook a desktop assessment to gauge the maturity and alignment of our major suppliers by spend to net-zero target setting frameworks.

Expanding our capability

- To promote climate transition planning and improve climate literacy across the Group, we recently launched Suncorp Climate School. This integrated online learning platform enables our people to deepen their understanding of climate impacts on our business, value chain, and our role in managing climate change risk.

Challenges and limitations

The measurement and disclosure of insurance-associated emissions lag behind investments and some business operation emission categories. Calculating some aspects of insurance-associated emissions faces hurdles in data collection and management as availability, completeness, reliability, and timeliness of source data is a challenge. We anticipate that over time mandatory climate disclosures will address some of these data challenges across Australia and New Zealand.

Reducing our exposure to the fossil fuel sector

Suncorp continues to apply its Sensitive Sector Standard - Fossil Fuels (the Standard) exclusions to limit exposure to thermal coal extraction and generation, and oil & gas exploration and production. To support the transition to a decarbonised economy, the Standard includes an exemption enabling underwriting and investing in companies whose business is consistent with the transition to a net-zero carbon emissions economy by 2050. A framework to govern our selective support of some companies participating in the transition to net-zero will accompany the Group's Climate Transition Plan due to be released in FY25.

See the Metrics and Targets section of this document for our progress in reducing our exposure to thermal coal extraction and generation, and oil & gas exploration and production.

Learn more

1. In line with the Partnership for Carbon Accounting Financial (PCAF) Global GHG Accounting & Reporting Standards for Financed Emissions (Part A) and Insurance-Associated Emissions (Part C).
2. In alignment with the Science-Based Targets initiative's Supplier Engagement Guidance and where data lacked sufficient quality.

Progressing our emissions measurement

As data and methodologies become available we will continue to advance our GHG emissions measurement for the Group and will develop our approach to expanding public disclosures and target setting as data quality improves.

	FY20	FY21	FY22	FY23	FY24
GHG Protocol Scope 3 Supply chain emissions[3]					
Category 1 – Purchased goods and services	Partially	Partially	Partially	Partially	Partially
Category 2 – Capital goods	Methodology available	Methodology available	Partially	Partially	Partially
Category 3 – Fuel and energy related activities	Fully	Fully	Fully	Fully	Fully
Category 4 – Transportation and distribution	Methodology available	Methodology available	Partially	Partially	Partially
Category 5 – Waste generated in operations (AUS only)	Fully	Fully	Fully	Fully	Fully
Category 6 – Business travel	Partially	Partially	Fully	Fully	Fully
Category 7 – Employee commuting (AUS only)	Methodology available [4]	Partially [4]	Fully	Fully	Fully
Category 8 – Upstream leased assets (AUS only)	Methodology available	Methodology available	Partially	Partially	Fully
PCAF – Scope 3 Financed Emissions[6]					
Investments - Listed equities and corporate bonds	Partially	Partially	Partially	Partially	Partially
Investments – Unlisted equity[5]	Methodology available	Methodology available	Methodology available	Methodology available	Methodology available
Investments - Sovereign debt	No methodology	No methodology	In progress	In progress	In progress
Investments – Other fixed income securities	No methodology	No methodology	No methodology	No methodology	No methodology
PCAF – Scope 3 Insurance-Associated Emissions[6]					
Underwriting - Consumer Motor (SGL & SNZ)	No methodology	No methodology	No methodology	In progress	In progress
Underwriting – Compulsory Third Party	No methodology	No methodology	No methodology	No methodology	No methodology
Underwriting - Home	No methodology	No methodology	No methodology	No methodology	No methodology
Underwriting – Commercial Insurance	No methodology	No methodology	No methodology	Methodology available	Methodology available

- Fully measuring and publicly disclosing in annual Climate-related Disclosure Report
- Partially measuring and publicly disclosing (in CDP and/or annual Climate-related Disclosure Report)
- Measuring and approach to publicly disclosing in progress
- Methodology available, approach to measurement in progress
- No methodology established

3. Upstream categories 1 to 8 in this table represents operational supply chain emissions and excludes claims supply chain emissions. We will look to expand this table as our claims supply chain maturity evolves. Downstream categories 9 to 14 are not relevant to Suncorp insurance activities.
4. WFH measured only.
5. This includes unlisted assets such as property and infrastructure.
6. Financed and insurance-associated emissions relate to Scope 3 Category 15 under the GHG Protocol.

Supporting the net-zero transition

Investments

In FY24, we assessed our climate impact through net-zero transition planning within our investment portfolio.

Our plan includes establishing an emissions baseline and target for our listed equities and corporate bond portfolios. These commitments will be detailed in our inaugural Climate Transition Plan, set to release in FY25. Additionally, we're working with external investment managers to deepen our understanding of their decarbonisation strategies.

Low carbon impact investments

Suncorp engages in impact investing through our Responsible Investment Policy. Our objective is to achieve both social or environmental returns alongside financial returns. These environmental & social returns are assessed internally and aligned with the United Nations Sustainability Development Goals.

We've made four impact investments, including low-carbon assets such as renewable energy infrastructure and energy-efficient real estate. For these assets, we consider environmental characteristics including the asset's emissions intensity and National Australian Built Environment Rating Systems.

Additionally, we invest in green bonds to finance environmentally sustainable projects, supporting the transition to a decarbonised economy.

We define Green Bonds as any type of bond instrument where the proceeds will be exclusively applied to (re)finance eligible Green Projects which are aligned to the core components of the Green Bond Principles.

For more information about the performance of our investments see the Metrics and Targets section.

Learn more

Insurance

Building resilience through our four-point plan

Suncorp is committed to building community and household resilience against the impacts of climate change. We will continue to implement and invest in our resilience strategy, partner with key stakeholders, and contribute to national conversations to strengthen community resilience.

In Australia, we continue to do this through our four-point plan that supports:

- Increased government investment in mitigation infrastructure designed to protect communities.
- Government subsidies for homeowners to make their houses more resilient.
- Enhancing building codes and planning laws to ensure new communities aren't placed at risk.
- The removal of unfair and inefficient taxes and charges from insurance policies.

Understanding emerging risks

In FY24, we strengthened our understanding of emerging climate-related risk across our motor, home, commercial and workers compensation portfolios. This was driven by both the bi-monthly meeting of the Insurance Emerging Risk Committee and the FY24 climate change scenario analysis initiatives.

Home and commercial property

We continue to enhance our understanding of changing natural peril risk at an individual address level by improving data quality. This will help customers to make their properties more resilient and refine pricing capabilities within our Customer and Pricing Ecosystem.

Helping our customers build resilient homes

Our Resilience Road and One House consumer campaigns focused on customer education to strengthen household resilience and reduce extreme weather impacts.

Building on our commitment to educate customers on resilience, Suncorp recently launched the My Home tool within the Suncorp Insurance App. This tool encourages homeowners to take proactive steps to strengthen household resilience to natural hazard events like bushfires and storms by providing regular maintenance tips. Since its February 2024 launch, My Home has assisted over 2,500 customers, with 64% of recommended tasks completed.

Suncorp Motor claims assessor inspecting a vehicle.

Motor EV transition

Our motor teams closely monitor the transition impacts of the changing transportation sector and the shift to electric vehicles to ensure our products and services continue to meet customer expectations.

While internal combustion engine vehicles still dominate the market, new EVs and hybrid vehicles are increasing as a percentage of new vehicle sales each quarter.

Refer to page 11 on our approach to collaborating with industry partners.

Partnering with purpose

We continue to influence and participate in broad, national conversations about immediate and long-term initiatives to strengthen community resilience across Australia and New Zealand. The conversation covers topics including: changing the parameters on land development and building codes, relocating communities away from high risk areas and implementing better early warning communications.

Key examples of how we collaborated with industry, government and experts to advance climate-related opportunities and resilience solutions this year:

Flood impacted business in New South Wales.

Collaborating with Government

We welcomed the New South Wales Government's **Emergency Services Levy** proposed reform that ensures a fairer approach to funding the State's critical emergency services. The reform aims to remove the cost and burden away from those living in the most high risk disaster-prone regions in the State.


Supporting the transition to EVs.

Supporting a transitioning repair sector

Suncorp has entered into a partnership with the **Australian Collision Industry Alliance**, a national not-for-profit dedicated to advocating for careers in collision repair to ensure industry sustainability. Its focus is coordinating with industry stakeholders including collision repairers, industry suppliers, insurers, dealer groups and original equipment manufacturers in funding and driving programs for attracting new talent. These efforts are crucial as the sector and its supply chain transitions to EVs.


Improving our understanding of thunderstorm dynamics.

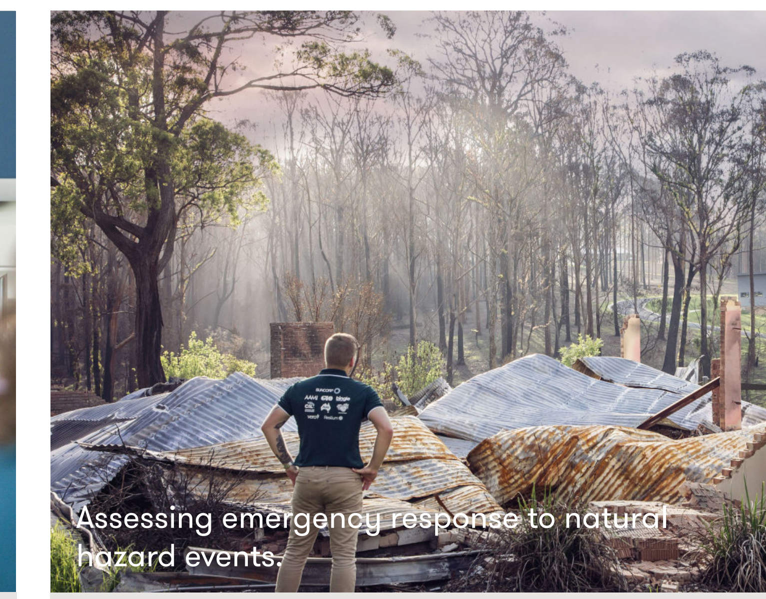
Improving our understanding of severe thunderstorm risk

We are currently engaged with the **Bureau of Meteorology** on a project to improve the understanding of severe thunderstorm risks for Australia. This has resulted in a novel approach of synthesising insurance claims and weather radar information together to build a model that can predict the extent of hail fall and damage. The work has since been published and presented to the international community and has provided an improved understanding of thunderstorm dynamics that better quantifies the risks posed by these systems in Australia.


Suncorp hosting SES partners.

Uplifting customer and community resilience capability

Suncorp is the proud partner of **State Emergency Services** (SES) in Queensland, New South Wales and Victoria. In partnership with these SES organisations, Suncorp has engaged communities across these states to educate customers and their communities on emergency preparedness, home maintenance, and building resilience measures.


Assessing emergency response to natural hazard events.

Collaboration through sharing intelligence

During the year, Suncorp seconded a natural pricing expert to the **National Emergency Management Agency** who is responsible for the coordination and leadership of the Australian Government's emergency management obligations in response, recovery and risk reduction - to provide an overview of insurance pricing principles and how risk reduction can be reflected in insurance premiums.


Brisbane suburb impacted by natural hazard flood risk.

Facilitating conversations across sectors

We facilitated cross-sector conversations throughout the year including hosting a roundtable with **Natural Hazards Research Australia**, Australia's national centre for natural hazard resilience and disaster risk reduction research. The focus of the roundtable discussion was on assisted relocations for households facing high natural hazard risk.

Integrating and lifting capability

Climate Change Scenario Analysis

Climate change scenario analysis (CCSA) identifies climate-related risks and opportunities for Suncorp's business and assesses both physical and transition risks. The analysis across physical and transition risk is theoretical and forward-looking, with a large range of uncertainty around the expected impacts. Each year, we enhance the sophistication of our CCSA modelling and our approach to managing climate change risk.

Physical risks

Suncorp assesses weather-related claims costs as the most material climate physical risk to its insurance business. Using natural peril risk models, we quantify expected physical damage from extreme weather events. This annual modelling exercise helps us understand potential financial losses based on extreme weather events today. Additionally, we apply climate model projections to assess future impacts of climate change on weather perils.

Limitations, assumptions, and uncertainties

When interpreting the results of the physical risk analysis, it is important to remember that each peril is reviewed to incorporate the latest understanding of physical science and the vulnerability of the built environment to the best of our ability and available resources at the time. Variations in year-to-year observations may be dominated by weather cycles such as El Niño-Southern Oscillation and inherent randomness in weather patterns.

Our analysis only projects changes in the behaviour of weather extremes, however many other unmodelled impacts such as future population growth, inflation, improvements in natural hazard mitigation and secondary physical risk impacts such as supply chain disruption, will also impact future claims amounts.

FY24 Physical risk analysis scope

Insurance portfolios included	
Australia	Home, motor and commercial
New Zealand	Home, motor, commercial and life insurance
Scenarios	
Less than 2°C increase by 2100 (RCP2.6)	
2°C-3°C increase by 2100 (RCP4.5)	
3°C-4°C increase by 2100 (RCP6.0)	
Greater than 4°C increase by 2100 (RCP8.5)	
Time frame	
2024-2025 (AU & NZ)	2050s (AU & NZ)
2030s (AU & NZ)	2090s (NZ)
2040s (AU)	
Scope of assessment	
Australia	Tropical cyclone, storm, riverine flood, bushfire and hail
New Zealand	Flood and storm
Asteron Life	Extreme heat

Projected climate change trends for weather perils[1]

Storms

The frequency of storms that normally occur during colder months is projected to decline across southern Australia due to the poleward expansion of the tropics. Potential changes in windspeed remain uncertain, but may increase slightly in New Zealand. Extreme short duration rainfall is projected to increase.

Tropical cyclones

A continued decrease in tropical cyclones frequency of Category 1-3 events in northern Australia is projected, with no change in frequency of high severity (Category 4-5) cyclones. However, damage is exacerbated by the projected increase in extreme rainfall intensity. It is possible that cyclone tracks may expand further southwards.

Hail

Hail frequency projections remain highly uncertain. An increase in atmospheric moisture and more favourable dynamics suggest a potential increase in south-eastern Australia.

Flood

The relationship between extreme rainfall and flood is uncertain as it is a complex interaction of extreme rain, terrain and soil saturation that must align for a flood event to occur. Some small, urbanised catchments are projected to have increased risk in the future driven by increased extreme rainfall. High intensity, short duration rainfall events also contribute to surface water flooding.

Bushfire

Extreme weather conditions (favourable for triggering and sustaining bushfires) are projected to become more frequent and severe. This is in line with rising temperatures and decreasing rainfall for eastern and southern Australia.

Forward-looking climate projections are uncertain. Uncertainty in the accuracy of projections is **very high** for hail and flood, **high** for cyclone and storm, and **moderate** for bushfire.

1. Data sources include: IPCC Fifth Assessment Report (2013), IPCC Sixth Assessment Report (2021), CSIRO and Bureau of Meteorology.

Integrating and lifting capability

Understanding our physical risks

The physical risk analysis considers the direct financial impact of climate change through Suncorp's claims costs, using Average Annual Loss (AAL) gross of reinsurance as the risk metric. The analysis projects future climate impacts for exposures at 30 June 2023 under a range of scenarios, while holding all other assumptions constant (i.e. without anticipating changes in future population or the built environment over time). The projected AAL change by the 2050s represents the average change in AAL from present day to the period between 2040 and 2060. Considerable variation around the long-term AAL is expected year to year due to inter-annual climate variability.

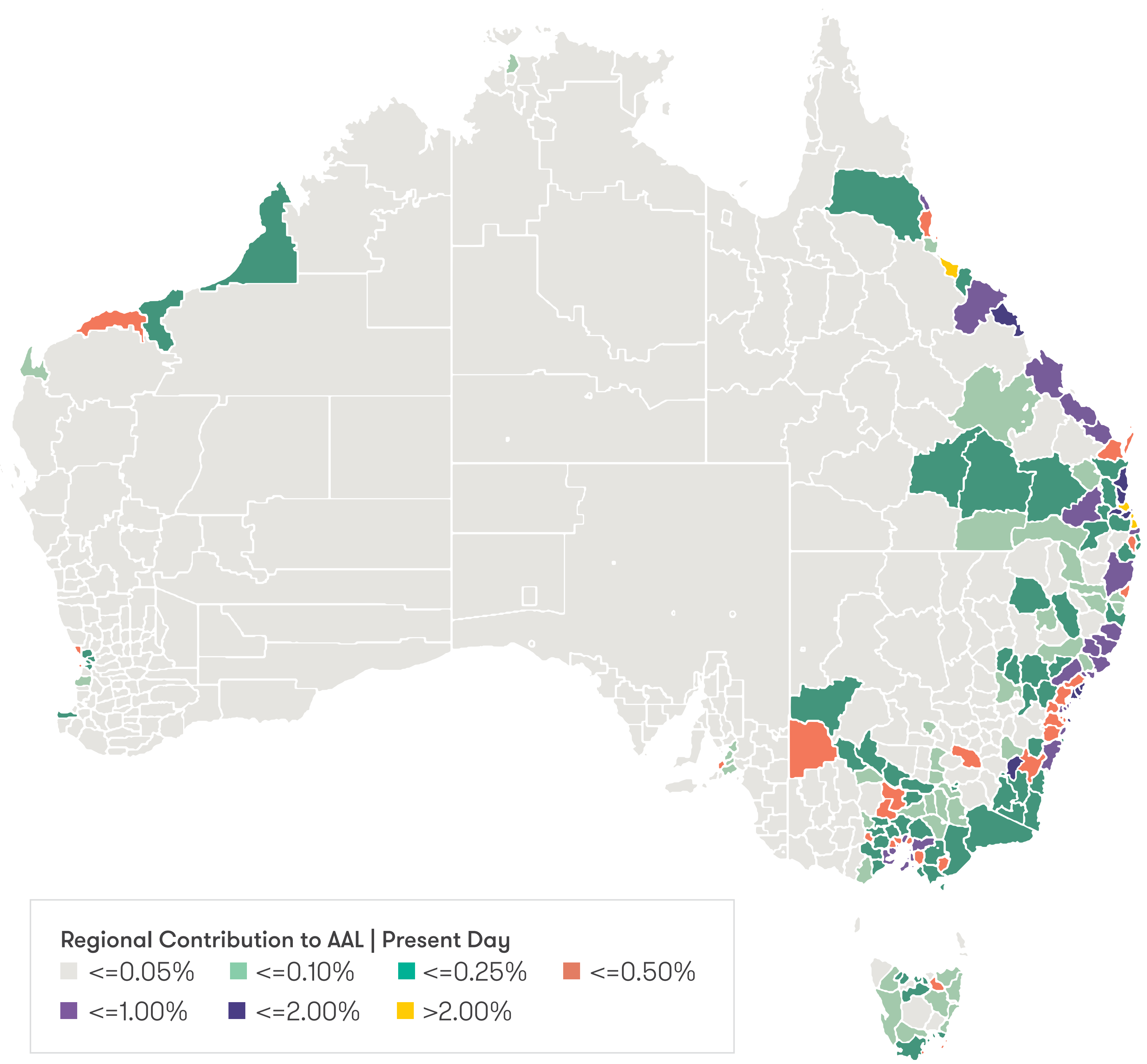
Our analysis shows the change in behaviour of weather perils may have financial impacts on claims cost of approximately 5% under RCP2.6 and approximately 10% under RCP8.5 by the 2050s across Australia and New Zealand on today's portfolio of risks.

There is a wide range of uncertainty around these estimates, and results should be interpreted as indicative of future direction only (see "Important information" on page 3).

Individual customers may experience much greater impacts depending on their location, property characteristics and external factors (such as general economic inflation).

Australia present day risk based on Suncorp's portfolio as at 30 June 2023

Figure 1a: Regional contribution to all-peril AAL by Local Government Area

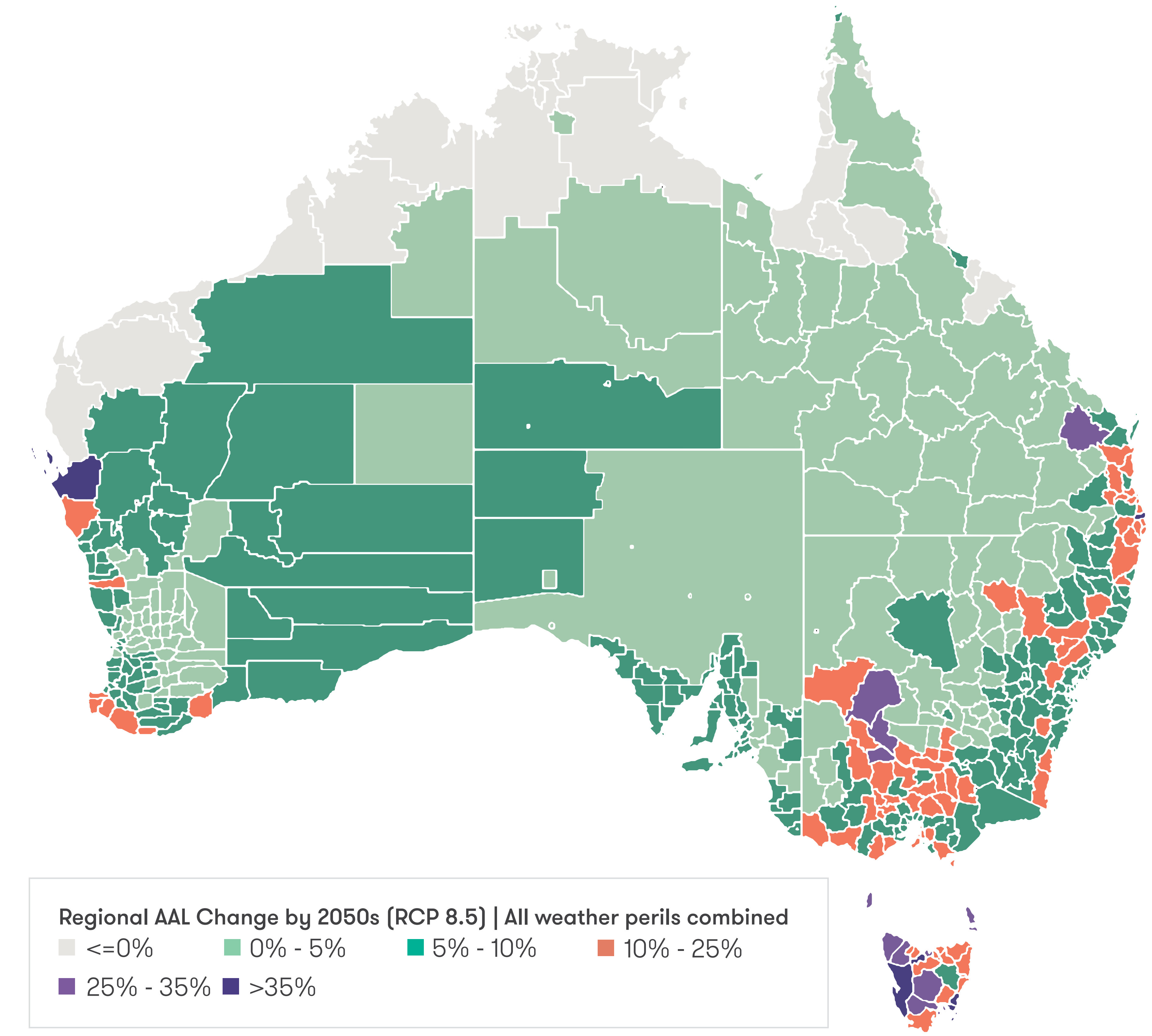


Key insights:

- Most of the AAL is concentrated along the east coast of Australia, largely driven by the geographic distribution of the population.
- Some areas of high hazard have relatively low insured value, such as the Pilbara region of WA (cyclone-exposed) and south-west QLD (flood-exposed).

Australia projected AAL change by the 2050s under the greater than 4°C rise by 2100 scenario

Figure 1b: Projected all-peril AAL change by region



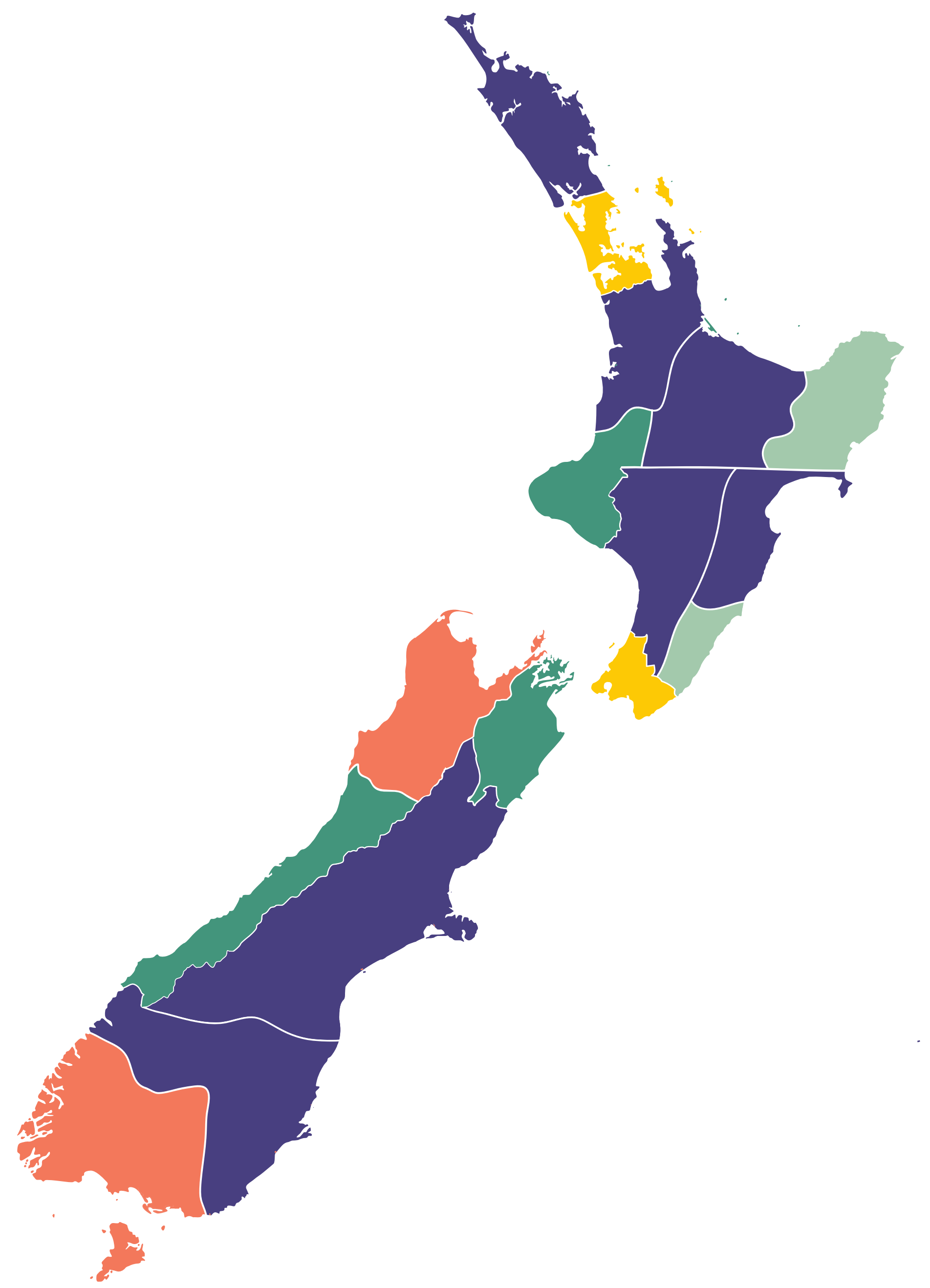
Key insights:

- Projected financial impact is highly regional and peril specific.
- Increased flood risk under climate change is expected to significantly affect river basins in south-west NSW and north-west VIC.

Integrating and lifting capability

New Zealand present day risk based on Suncorp's portfolio as at 30 June 2023

Figure 2a: Regional contribution to all-peril AAL by CRESTA



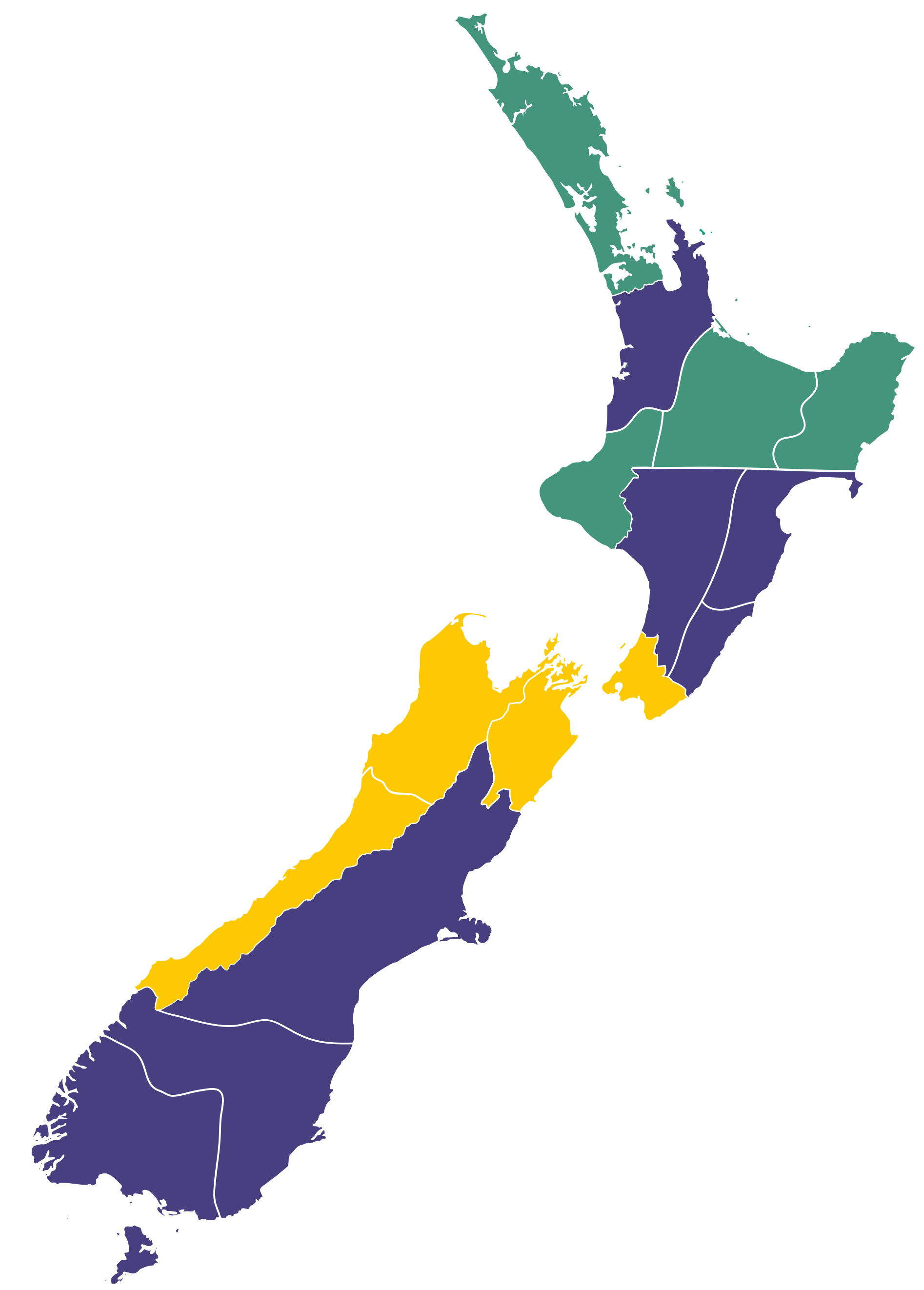
Regional Contribution to AAL | Present Day
<=1% <=2% <=5%
<=10% >10%

Key insights:

- Physical risk exposures continue to be centred around Auckland and Wellington, largely driven by the geographic distribution of the population.
- Some regions of high hazard have relatively low insured value, such as the west coast of the South Island (flood-exposed) and Northland Peninsula of the North Island (storm-exposed).

New Zealand projected AAL change by the 2050s under the greater than 4°C rise by 2100 scenario

Figure 2b: Projected all-peril AAL change by region



Regional AAL Change by 2050s (RCP 8.5) | All weather perils combined
0% - 25% 25% - 35% >35%

Key insights:

- The west coast of the South Island is projected to be exposed to significant increased risk, driven by riverine flood.

This year, we incorporated our Asteron Life business within our climate change scenario analysis. We considered the impacts of climate change on health as a result of extreme heat. The analysis indicated heat-related deaths are likely to increase, of which mental health was noted as a major compounding factor.

Managing physical risk impacts

Our pricing team reviews all weather-related perils that have a material impact on the consumer and commercial portfolios.

We model historical claims experience together with climate, event and engineering information sourced from industry experts. This allows insurance pricing to maintain the most complete and current view of risk each peril poses to the business.

Insurance affordability is an area of continued focus for future CCSA activities. Suncorp is currently participating in APRA's Insurance Climate Vulnerability Assessment which will further explore how household insurance affordability may be impacted to 2050 as insurers respond to changing risk exposure.

Over the medium to long-term, we recognise the importance of supporting community resilience.

Learn more on our approach to climate mitigation, adaptation and resilience within our Partnering with purpose section on page 11.

The impact of physical risk to Suncorp is currently considered manageable due to:

- the short-term nature of general insurance policies (12 months)
- the geographical diversification across a large portfolio, and
- our ability to adjust premiums and products to reflect emerging trends in insured risks.

Integrating and lifting capability

Transition risks

Understanding our transition risks

This year, we explored the transition risk across the insurance value chain using scenarios that capture Australia and New Zealand specific climate transition impacts in a qualitative risk identification and assessment exercise.

FY24 Transition risk analysis scope

Insurance portfolios included	
Australia	Home, motor, commercial and workers compensation
New Zealand	Home, motor, commercial and life insurance
Scenarios	
Australia	Australian stated policies scenario (AUSPS) reflecting implemented actions by Commonwealth and State and Territory governments and expected global industry action to achieve emissions reduction aligned with 2.1°C-3.5°C by 2100 (assuming rest of world follows consistent path). Australian net-zero scenario (AUNZS) which explores pathways to close the emissions gap between AUSPS and net-zero by 2050, assuming a disorderly transition. Aligned with 1.5°C by 2100 assuming rest of world follows consistent path.
New Zealand	Qualitative assessment linked to Insurance Council of New Zealand and Financial Services Council of New Zealand climate scenarios.
Time frame	
Medium: up to 2030	Long: beyond 2030
Scope of assessment	
Australia	Insurance value chain components including pricing, underwriting, product design, claims, marketing and own operations.
New Zealand	Same as Australia, but includes investments.

Assessing transition risk impacts

We identified a list of external changes that had greatest relevance for the in-scope portfolios for the scenarios and time frames assessed (2030 under the AUSPS scenario, and 2040-50 under the AUNZS scenario). We then conducted a risk and opportunity assessment through a series of workshops involving subject matter experts from Suncorp as well as external experts to rate the:

- Likelihood of a risk arising to a portfolio across parts of the insurance value chain, in a scenario where the transition change occurs.
- Impact of the risk should it materialise, across both financial and non-financial measures.
- Adaptive capacity of the business model, including through additional investment.

Under the AUSPS scenario (2030), the highest rated risks (before considering Suncorp's ability to adapt) related to:

- Construction code changes to reduce embodied emissions in construction materials, leading to the possibility of increases in construction costs and therefore claims costs.
- Changes in economic activity by industry sector driven by decarbonisation, leading to possible shifts in commercial insurance premium mix by industry.

Under the AUNZS scenario (2040-50), the highest risks (before considering Suncorp's ability to adapt) related to:

- Changes in economic activity by industry sector driven by decarbonisation, leading to possible shifts in commercial insurance premium mix by industry.
- Increased climate-related litigation driven by increases in disclosure requirements and greenwashing claims, leading to the possibility of claims accumulations in the professional indemnity and directors and officers portfolio (e.g. investigation and defence costs).

After considering Suncorp's ability to adapt, we concluded that while climate transition will create new risks and opportunities for Suncorp, our existing business processes, including claims monitoring, the ability to change pricing and product features and business continuity plans, contributes to Suncorp's resilience.

Risk management

Identifying and assessing climate-related risks and opportunities

Suncorp's Enterprise Risk Management Framework recognises climate change as a strategic risk impacting the Group's operating environment as well as physical, transition and liability risk impacting the Group's business plan.

We use forecasting and scenario analysis to deepen our understanding of impacts and explore potential changes as part of standard risk management practices within the Enterprise Risk Management Framework.

Anticipated climate-related risks in our insurance business environment

Physical	Transition	Liability
Broad impacts / themes		
– Long-term change in climate (chronic risk) as well as changes to frequency and magnitude of extreme weather events (acute risk)	– Policy and regulatory changes – Technology innovation – Changing societal and market expectations	– Regulatory oversight and action increasing – Activist litigants increasingly being heard at court globally
Specific threats / impacts / realised events		
– Expected change in AAL and future natural hazard allocations – Change in future reinsurance costs and capital requirements – Worsening insurance affordability in some locations – Assisted strategic relocations from higher risk zones	– Poor customer experience while adapting to changing market makeup – New supply chains need to be established as new markets emerge – Impacts on pricing and product design – Newer technology tends to be more expensive – impact to business and our customers – Limited supply chain for key components i.e. lithium batteries, EV parts	– Parties who have suffered loss/damage from climate change may seek to recover losses/exposure – Regulator action, including financial penalties – Reputational damage

Climate change time horizons

Short-term (up to 3 years)	Medium to long-term (up to 2030 and beyond)
Our processes for identifying, assessing and managing climate-related risks in the short-term are integrated into the Group's overall risk management through natural peril pricing, natural hazard allowance, access to reinsurance, advocacy and alignment of our business activities to our risk appetite statement.	Climate change scenario analysis is an important risk management tool enabling us to explore how climate physical and transition changes and uncertainties could manifest as risks to our business over the medium and longer term, allowing us to adjust our strategy and improve our control environment. Results from scenario analysis will provide limited insights due to limitations in the scientific understanding of how weather extremes will respond to climate change.

Managing and integrating climate-related risks and opportunities

Suncorp's ESG Risk Theme Standard sets the minimum expectation for our management of ESG risks, including climate change. The standard outlines the requirement to identify, manage and monitor our climate change risks as part of business risk assessments.

In FY24, we updated our risk taxonomy to include short-term climate physical, transition and liability risks as stand-alone risks in our risk system and as part of regular ongoing risk assessment activities.

Physical climate change and climate transition are recognised as risk causes for material risk categories. Training on climate risk in general and the application of these new risks was provided to the risk job family across Australia and New Zealand. Targeted training was also delivered to embed the new risks for materially impacted areas. These risks are now managed in accordance with business-as-usual risk management practices.

Suncorp New Zealand has also developed a Climate Governance and Reporting Framework which describes its internal processes for managing climate-related risks and opportunities.

Risk Appetite Statement and Board tolerance of climate change risk

Climate change risk has a risk tolerance range of moderate within our Risk Appetite Statement (RAS). The RAS requires the business to consider climate change in decision-making around direct investments, financing, underwriting and through the general operations of Suncorp. The RAS also encourages advocacy for action on climate change and a net-zero economy alongside transparent and appropriate reporting and disclosures. The SGL RAS is the Risk Appetite Statement for SGL and its subsidiaries. The New Zealand Risk Appetite Statements contain similar statements on climate.

For more detail on our CCSA outcomes, see our Integrate and lift capability section.

Learn more

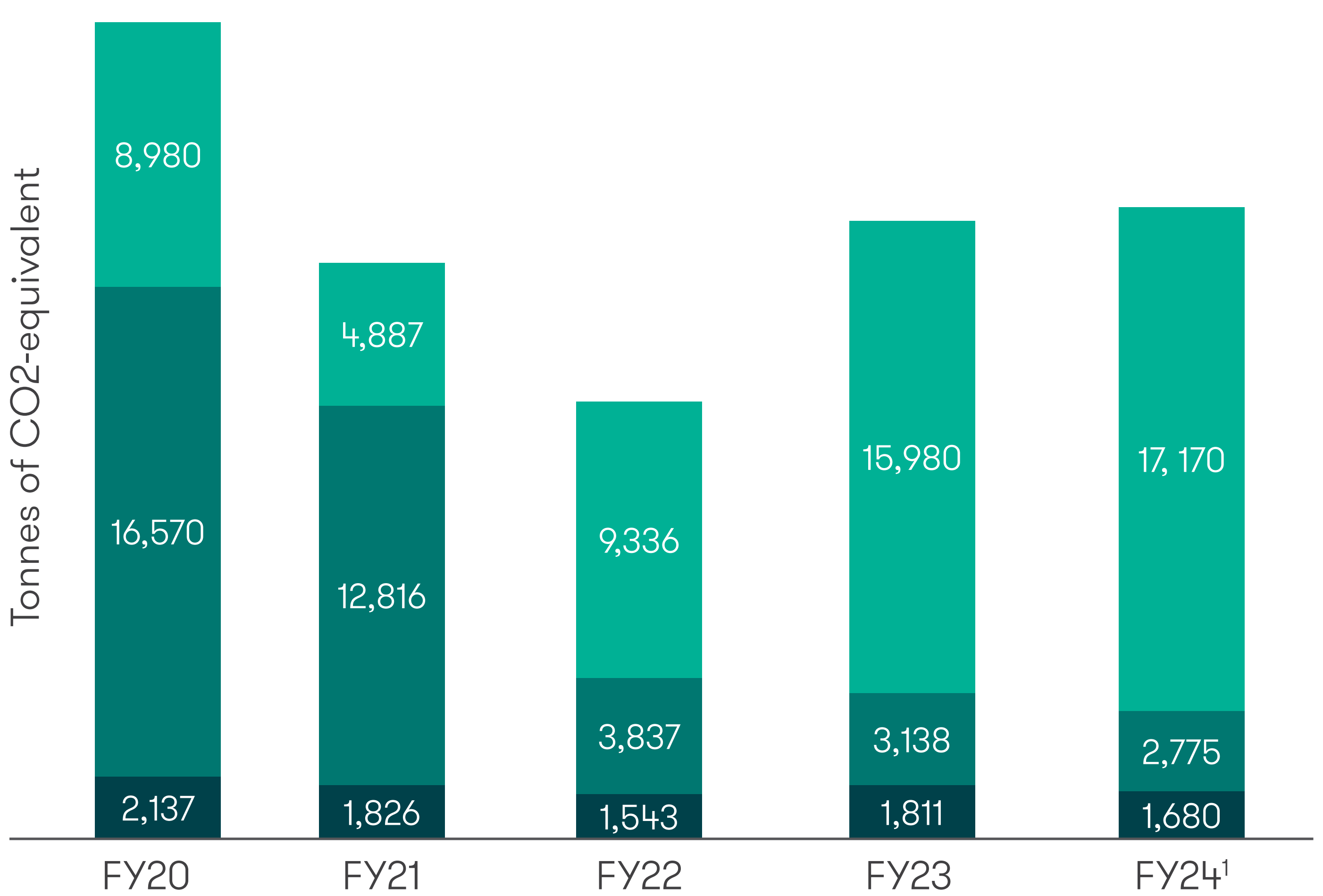
Metrics and targets

Suncorp measures and reports GHG emissions for the Group on an operational control basis. Our climate-related performance measures net-zero Scope 1 & 2 greenhouse gas absolute emissions against an FY20 baseline, along with tracking the performance of our investment portfolio relative to benchmarks.

Emission from our operations

In FY24, we achieved a 10% year-on-year reduction in our Scope 1 & 2 market-based emissions, contributing to a total reduction of 76% from our FY20 net-zero baseline. We are on track to meet our RE100 2025 commitment with 81% of our electricity consumed in FY24 purchased from certified renewable sources.

Operational GHG emissions performance



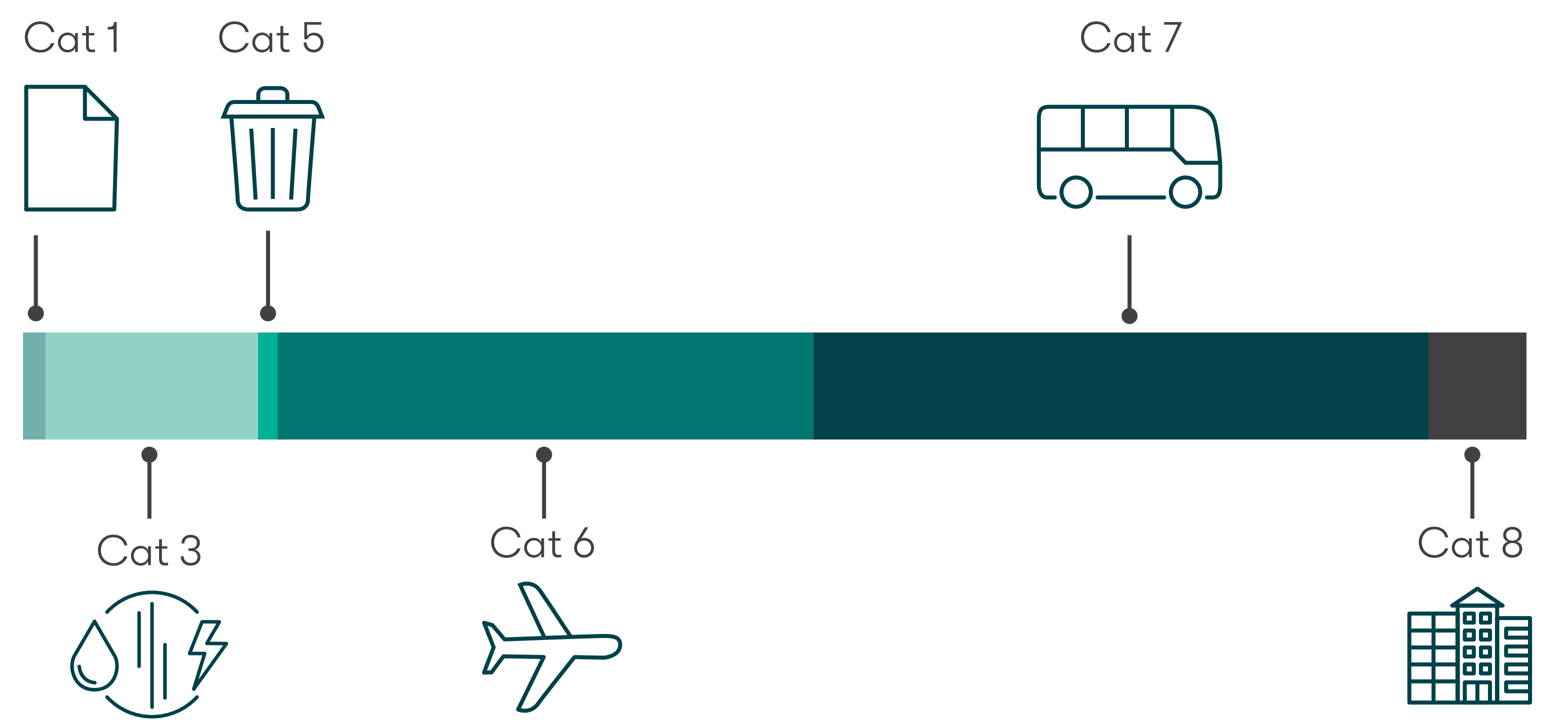
Scope 1 emissions

Scope 2 market-based emissions[2]

Scope 3 operational emissions

Scope 3 emissions from our operations have remained relatively stable, with a 7% year-on-year increase. This rise is driven by an increased emissions reporting boundary to include landlord GHG emissions from the buildings we occupy under the upstream leased assets category. Other contributions also include modest increases in purchased goods and services related to purchased paper and increased emissions from employee commuting associated with an increased frequency of employees returning to the workplace.

FY24 Scope 3 emissions from our operations (tCO2-e)[1]



Cat 1 - Purchased goods and services (Paper only)	267
Cat 3 - Fuel and energy-related activities	2,423
Cat 5 - Waste generated in operations	224
Cat 6 - Business travel	6,120
Cat 7 - Employee commuting and working from home	7,011
Cat 8 - Leased assets	1,125
Total Scope 3	**17,170**

Reducing our underwriting and investments exposure to fossil fuels[3]

The Group monitors our exposure to fossil fuels sectors in line with the Group's Sensitive Sector Standard.[4]

FY24 Progress[1]

	Insurance (Australia)[5]	Insurance (New Zealand)[5]	Investment
Phase out thermal coal extraction and electricity generation by 2025[6]	On track	On track	On track
Phase out oil & gas exploration & production	Phase out by 2025 - On track	Phase out by 2025 - On track	Phase out top 25% emitters[7] by 2025 - On track

To support the transition to a decarbonised economy, the Standard includes an exemption enabling underwriting and investing in companies whose business is consistent with the transition to a net-zero carbon emissions economy by 2050. A framework to govern our selective support of some companies participating in the transition to net-zero will accompany the Group's Climate Transition Plan due to be released in FY25.

Further information on our GHG emissions measurement methodology, details of our contractual arrangements for purchased renewable electricity, and our methodology to reducing our underwriting and investments exposure to fossil fuels can be found in the Reporting Supplement within our Sustainability Data Pack.

Learn more

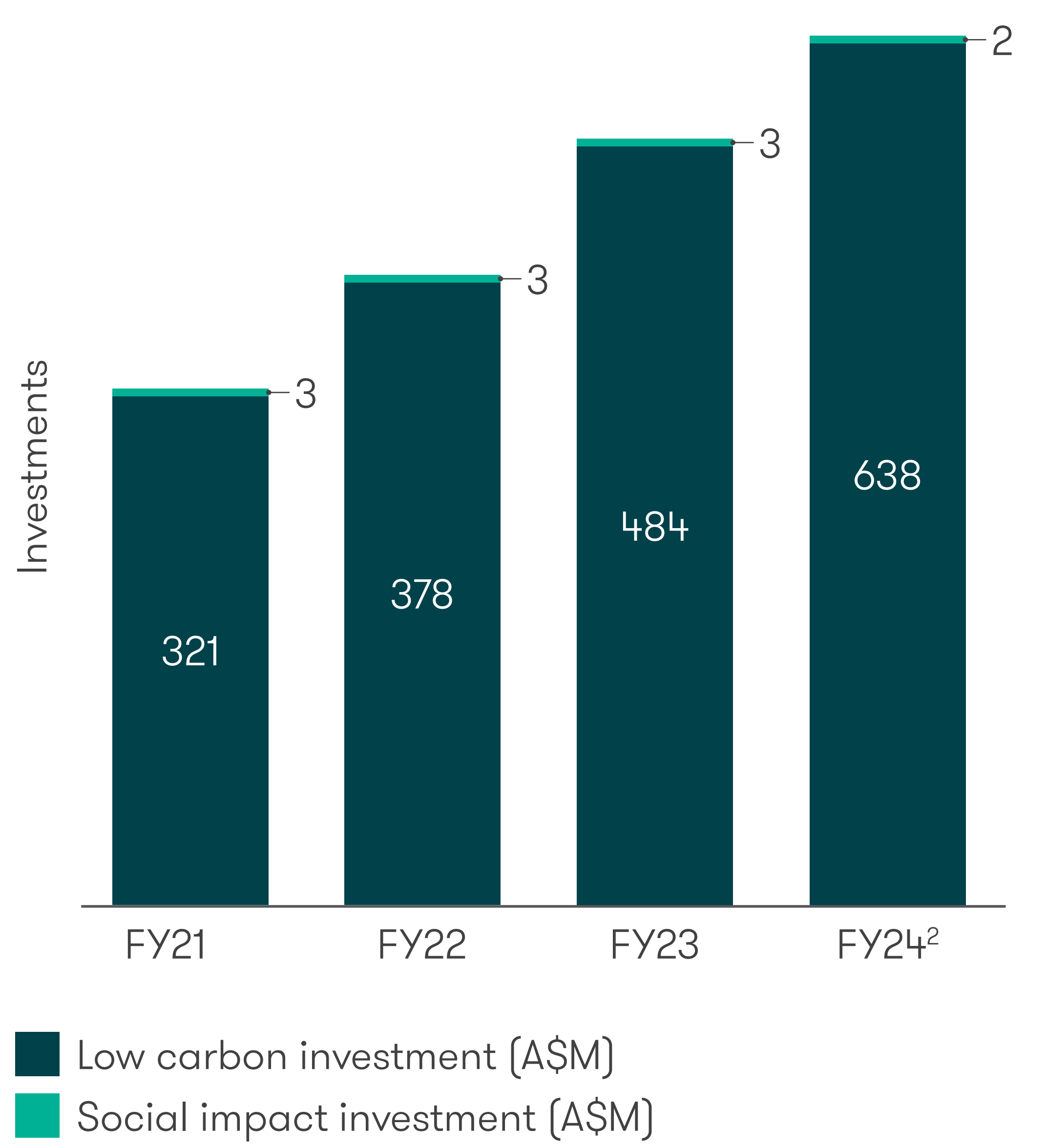
1. Subject to limited independent assurance by KPMG. Please refer to the assurance opinion included on the Suncorp Group website.
2. Further information on our Scope 2 location-based emissions for FY22, FY23 and FY24 can be found in our Sustainability Data Pack.
3. Suncorp Insurance Australia and Investments progress against our Sensitive Sector Standards - fossil fuels is subject to independent assurance by KPMG. Please refer to the assurance opinion included on the Suncorp Group website.
4. This Standard does not apply to mining services companies, such as companies who supply catering services to oil and gas operators, or engineering, consultancy and construction companies who are not directly involved in exploration, extraction, or production.
5. The Standard does not apply to personal and small-to-medium businesses (including non-fleet motor insurance and business packages products) and statutory or compulsory insurance such as workers' compensation, compulsory third-party insurance and Group Life products in New Zealand.
6. This includes mining companies principally involved in (defined as revenue of more than 10%) thermal coal extraction and/or thermal coal electricity generation.
7. Top per cent is limited to the data available through third party data providers and determined by measuring the intensity metric of tonne of CO2 equivalent per million of USD revenue for Scope 1 & 2 emissions, and absolute metric of tonnes of CO2 equivalent for Scope 1 & 2 emissions.

Investment performance

Social and low carbon impact investments

Suncorp has set a target of investing 5 per cent of shareholder funds in social and low carbon impact investments per annum. We continue to perform above our target with the current level of investment at 6.5 per cent.

Total social and low carbon impact investments[1]



Social and low carbon impact investments performance

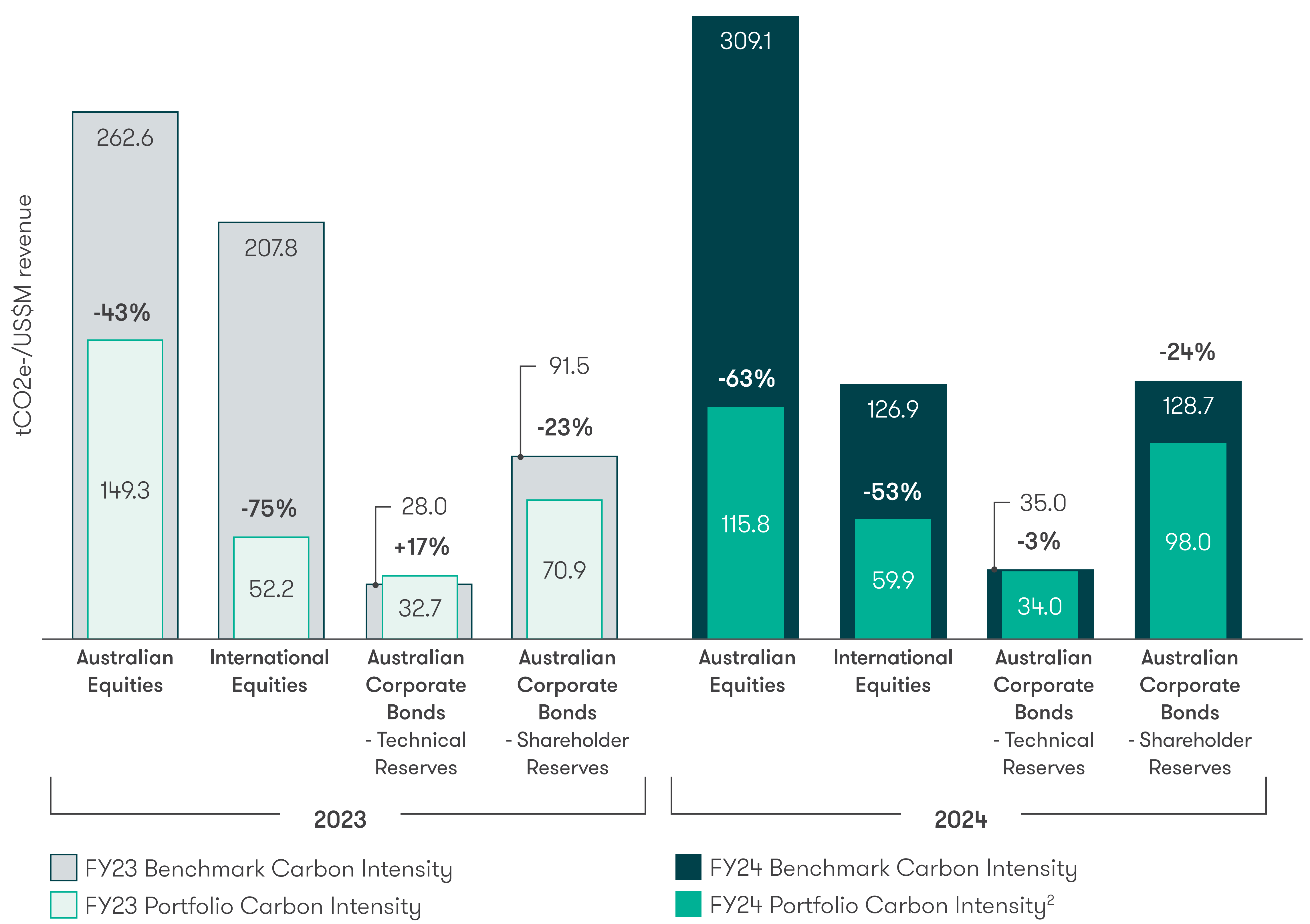
	FY21	FY22	FY23	FY24[2]
Percentage of shareholders' funds in social and low carbon impact investments against our 5% target[3]	6.6%	6.0%	5.6%	6.5%

Emissions intensity of investments against the benchmark

Our listed equities and Australian corporate bond portfolios continue to have a similar or lower emissions intensity versus the relative benchmark from what we can credibly measure based on data sourced from our external ESG data provider that includes available Scope 1 & 2 emissions data for securities within the portfolio.

As part of the Group's Climate Transition Plan due for release in FY25, we will be setting targets against our investment portfolio and will measure our progress from FY25 against a revised and updated methodology.

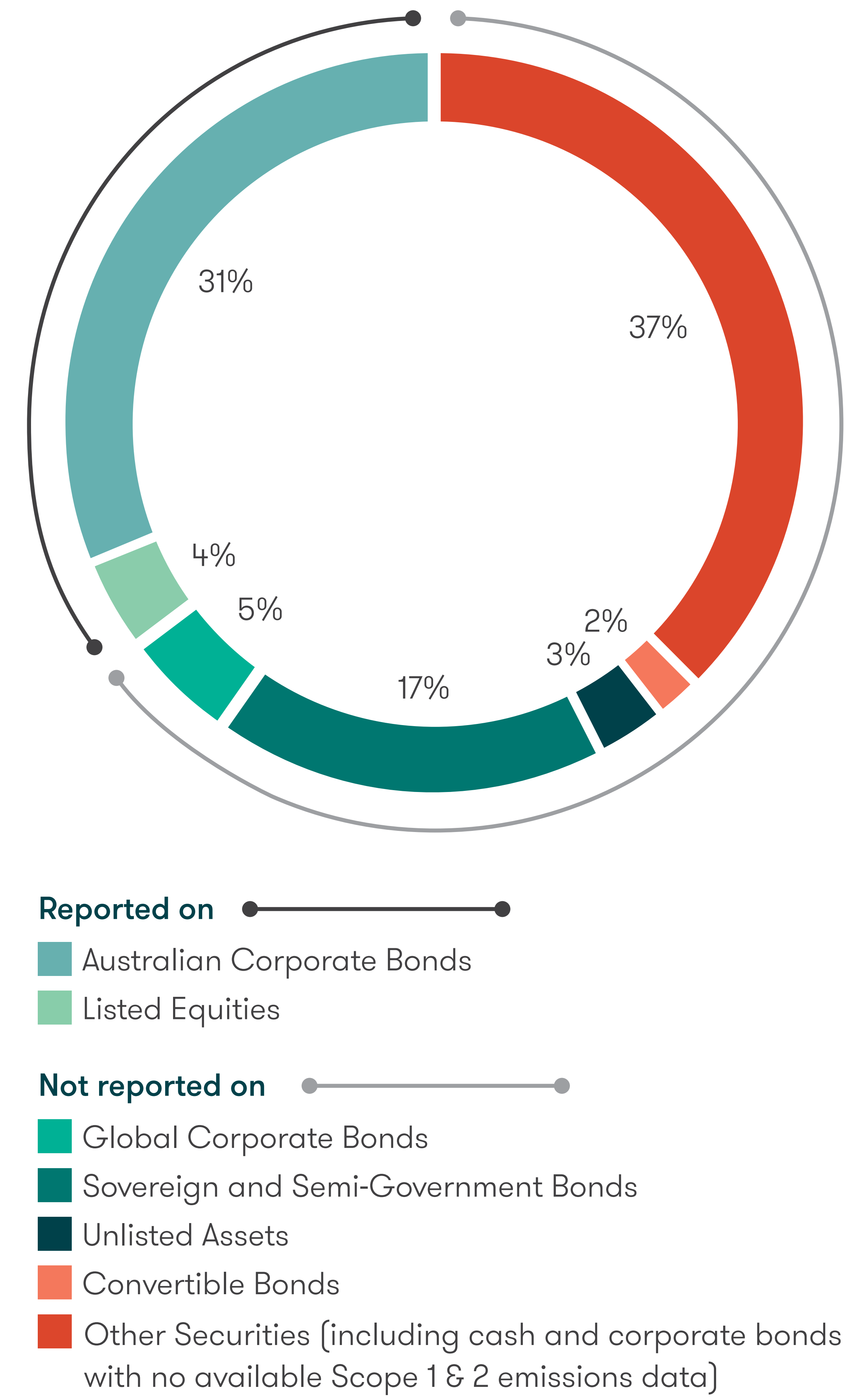
Carbon intensity against the benchmark



Investment portfolio GHG emissions coverage

The below represents the percentage of securities we can report on based on the available Scope 1 & 2 emissions data for securities in the portfolio sourced from our external ESG data provider.

% FUM by asset class in FY24[4]



1. The values reported represent the total value in social and low carbon impact investments within Suncorp Australia's investment portfolio.
2. Subject to limited independent assurance by KPMG. Please refer to the assurance opinion included on the Suncorp Group website.
3. The percentages, including the target, reported for social and low carbon impact investments relate only to AAIL total shareholders' funds.
4. The percentages reported are based on FUM values as at 31 March 2024.

Glossary

Terminology	Description
Absolute reduction	The amount of decrease in GHG emissions, measured in tonnes of CO2 equivalent.
Baseline	The set point or starting year we use to measure our emissions reduction performance over time. The baseline year forms the starting point from which we need to reduce our emissions by at least 90% over a specific period to reach a state of net-zero.
Carbon neutral	Carbon neutral means the equivalent amount of GHG emissions released within a specified period is offset by a combination of emissions reduction activities, avoided emissions i.e. renewable energy and carbon offset purchases.
Carbon Offsets	An offset generally represents 1 tonne of CO2 equivalent, which can be purchased by a company to compensate for their emissions.
Climate Change	A change in the state of the climate that can be identified (e.g. by statistical tests) by changes in the mean and/or variability of its properties, and that persists for an extended period, typically decades or longer.
CO2-e	Carbon dioxide equivalent (CO2-e) is a measurement used to compare emissions from various greenhouse gases based on their global warming potential. Other gas amounts are converted into the equivalent amount of carbon dioxide to provide a single emissions metric. Conversion factors vary based on the underlying assumptions.
Decarbonise/ decarbonisation/ decarbonising	The process of significantly reducing or eliminating the emission of carbon dioxide and other greenhouse gas emissions into the atmosphere.
Emissions intensity	The amount of GHG emissions emitted per unit of measure (e.g. GDP, amount of investment, or number of employees).

Terminology	Description
Emissions factor	A figure provided by a credible third party that provides an estimated amount of CO2 emitted for a specific activity, e.g. emissions per barrel of oil combusted. These can be multiplied with production figures to estimate emissions.
El Niño-Southern Oscillation (ENSO)	El Niño-Southern Oscillation is a recurring climate pattern involving changes in the temperature of waters in the central and eastern tropical Pacific Ocean. On periods ranging from about three to seven years, the surface waters across a large swath of the tropical Pacific Ocean warm or cool by anywhere from 1°C to 3°C, compared to normal.
ESG	ESG, which stands for Environmental, Social, and Governance, is a set of standards that helps stakeholders understand how we are managing risk and opportunities related environmental, social, and governance criteria.
Financed emissions	Emissions that result from activities or entities that are financed by Suncorp through our lending and investment activities as defined by PCAF.
Greenhouse gas (GHG)	Greenhouse gases are both natural and man-made. They act to trap heat within the earth's atmosphere ('greenhouse effect'), maintaining conditions for life on earth. An increase in the concentration of GHGs leads to an enhancement of the greenhouse effect changing the nature of the climate and life on earth. GHGs include water vapour (H2O), carbon dioxide (CO2), nitrous oxide (N2O), methane (CH4) and ozone (O3).
Greenhouse Gas Protocol	Greenhouse Gas Protocol provides standards, guidance, tools and training for business and government to measure and manage climate-warming emissions.
ICA Climate Change Roadmap	An industry-based pathway to help Australian insurers transition to net-zero by 2050.
Indirect emissions	Emissions that are a consequence of the activities of the reporting entity but occur at sources owned or controlled by another entity.

Terminology	Description
Insurance-associated emissions	GHG emissions associated with specific insurance and reinsurance policies as defined by PCAF.
International Energy Agency (IEA)	An intergovernmental organisation promoting secure and sustainable energy supplies for member countries through policy analysis, data collection, and collaboration.
Intergovernmental Panel on Climate Change (IPCC)	The scientific body established by the United Nations Environment Programme and the World Meteorological Organisation which helped inform the science behind the Paris Agreement. The IPCC reviews and objectively assesses the most recent scientific, technical, and socioeconomic work relevant to climate change, but does not carry out its own research.
Large-scale generation certificate (LGCs)	A certificate representing 1 megawatt-hour of renewable energy from a large-scale source (wind farm, solar plant)
Net-zero	Net-zero means direct and indirect GHG emissions are reduced by at least 90% over a specified period from a set baseline year through emission reduction activities and avoided emissions with only the remaining 10% of residual emissions offset by high quality carbon removal offsets.
Operational emissions	Emissions generated from day-to-day operations, including activities that can be accounted for within categories 1 to 14 of the GHG Protocol. Examples include, fuel used in our vehicle fleet, purchased electricity, purchased goods and services, waste generated in our buildings, business travel, and working from home emissions, etc.
Paris Agreement	The Paris Agreement is a legally binding international treaty on climate change, which sets long-term goals to limit global warming to well below 2°C, preferably to 1.5°C compared to pre-industrial levels.

Glossary (continued)

Terminology	Description
Partnership of Carbon Accounting Financials (PCAF)	To help in the setting of a global emissions accounting methodology for underwriting we joined the PCAF. A global partnership of financial institutions that work together to develop and implement a harmonised approach to assess and disclose the GHG emissions associated with their loans and investments.
RE100	RE100 is a global initiative led by the Climate Group and in partnership with the CDP bringing together companies to commit to purchase 100% renewable electricity.
Renewable energy certificates (RECs)	A tradable document representing the environmental benefits of 1 megawatt-hour of renewable electricity.
Resilience	The ability of systems (i.e. Suncorp, customers and communities) to anticipate, absorb, accommodate, or recover from the effects of climate change or natural hazards in a timely and efficient manner.
Scope 1 emissions	Scope 1 emissions are measured from direct fuel combustion represented by fuel used in our owned and operated corporate vehicles and stationary fuels such as diesel generators used in our buildings.
Scope 2 location-based emissions	Scope 2 location-based measures emissions associated with our total electricity consumption using grid average emission factors. This approach does not account for our own renewable energy purchased.
Scope 2 market-based emissions	Scope 2 market-based accounts for emissions associated with electricity purchased from the grid plus emission avoidance through voluntary action such as renewable electricity generation and purchases. We do this in alignment with the GHG Protocol and RE100 Technical Criteria.

Terminology	Description
Scope 3 emissions	Scope 3 are indirect emissions caused by the operations of an organisation not owned or controlled by Suncorp – these include upstream emissions generated by other organisations in the course of Suncorp's business and sale of products and services (e.g. business travel, waste, vehicle parts, employee commuting); as well as downstream emissions that occur in the life cycle of a product/service after the sale (e.g. investments, emissions from sold products, end-of-life treatment). Scope 3 emissions also include financed emissions.
Taskforce on Climate-related Financial Disclosures (TCFD)	An organisation that was established in December 2015 with the goal of developing a set of voluntary climate-related financial risk disclosures. These disclosures would ideally be adopted by companies which would help inform investors and other members of the public about the risks they face related to climate change. Each year since 2018, Suncorp has reported in line with the recommendations of the TCFD.
Underwriting activities	Activities related to the evaluation and analysis of risks involved in insuring people and assets.
Value chain	Value chain includes supply chain, as well as other business operations and downstream impacts which enhances customer, shareholder, or community value, including Suncorp's underwriting, lending and investment portfolios. In climate change terms, value chain links to the measurement and improvement of Scope 1 (direct), and Scopes 2 and 3 (indirect) emissions.


Heritage Lanes, 6 Green Star rated building, Brisbane.

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