

# Modern Slavery Statement 2021-22

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Building futures and protecting what matters

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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.

# Statement from Steve Johnston

Group Chief Executive Officer and Managing Director, Suncorp Group

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As a large financial services organisation, Suncorp recognises the important role we play in respecting human rights and protecting people against modern slavery in Australia and globally.

Our purpose of **building futures and protecting what matters** guides everything we do and is why we believe in advancing human rights and protecting against slavery-like working conditions. This is Suncorp Group's third Modern Slavery Statement and details our progress in managing the risk of modern slavery in our operations and supply chain for the financial year ending 30 June 2022.

This year, we have matured our approach to assessing modern slavery risks and have reflected on our potential to cause, contribute to, or be directly linked to modern slavery throughout our operations and supply chain. We are pleased with our progress but acknowledge there is further work to do to ensure we continue to manage these risks as our depth of understanding grows.

In FY22, Suncorp worked with the Insurance Council of Australia (ICA) to establish and chair an industry-level modern slavery working group. We believe that collaborating as an industry to reduce the likelihood and impacts of modern slavery is essential and look forward to continuing to work with our peers throughout FY23 and beyond.

We also welcome the Australian Government's continued commitment to tackling modern slavery and look forward to the outcomes from the review of the Commonwealth Modern Slavery Act 2018.

I'd like to thank the individuals and organisations who have helped us improve our skills and processes this year, and to our Suncorp people for being our crucial first line of defence.

I look forward to seeing what we can collectively achieve this year in line with the strong focus from our Board and I to deliver on our ongoing commitments to address modern slavery risk.



**Steve Johnston**

Group Chief Executive Officer and Managing Director  
Suncorp Group

# About Suncorp Group

## Statement overview

Suncorp’s purpose is building futures and protecting what matters, which has been the focus of our company for over 100 years.

Suncorp recognises that we have an important role to play in respecting and advancing human rights and protecting against modern slavery in Australia and globally. We take a Group-wide approach to modern slavery across our insurance and banking operations and throughout our supply chain.

Suncorp is a signatory to the United Nations Global Compact, which commits to supporting and protecting human rights, eliminating all forms of forced and compulsory labour and the effective abolition of child labour.

Suncorp offers insurance and banking products and services through some of Australia and New Zealand’s most recognised financial brands.

### AUSTRALIA



### NEW ZEALAND



## Reporting entities

This statement covers Suncorp Group Limited (the ultimate holding company in the Suncorp Group) and the following Suncorp Group reporting entities (together referred to as we, our, or Suncorp).

**Suncorp Group Limited**  
ABN 66 145 290 124

**SBGH Limited**  
ABN 83 145 980 838

**Suncorp Insurance Holdings Limited**  
ABN 99 123 023 334

**Suncorp-Metway Limited**  
ABN 66 010 831 722

**AAI Limited**  
ABN 48 005 297 807

**Suncorp Life Holdings Limited**  
ABN 87 064 490 795

**Suncorp Insurance (General Overseas) Pty Ltd**  
ABN 49 102 606 708

**Suncorp Insurance (Life Overseas) Pty Ltd**  
ABN 66 114 577 418

Other than these eight entities, no other Suncorp Group controlled entity meets the reporting entity criteria under the *Modern Slavery Act 2018 (Cth)*.

This Statement has been prepared to meet the mandatory criteria structure as outlined in the Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities.

## Overview of our operations

Suncorp is a financial services organisation, operating across Australia and New Zealand.

### Insurance (Australia)

Provides consumer, commercial and personal injury products to the Australian market. Suncorp Group is one of Australia's largest general insurers by gross written premium and the country's largest compulsory third party insurer. These products are offered direct to customers and through brokers and intermediaries.

Our claims and operations teams have responsibility for all aspects of claims management and operations including claims and non-claims procurement, and real estate. A national network of motor and property repairers enables our customers to get back in their homes, businesses and cars after an accident or weather event. HomeRepair, a wholly owned subsidiary of Suncorp Group, provides home repair services in Australia to our Home Claims team.

### Suncorp Bank

Provides services and products relating to lending, deposit gathering and transaction account services to personal, small and medium enterprise (SME), commercial and agribusiness customers. These products are offered through our branch network, contact centres, business centres, our broker network and online.\*

### Investments

Suncorp Corporate Services (SCS) forms part of the Suncorp Group and functions as an internal investment manager. SCS provides specialist investment solutions, including portfolio construction, asset allocation and the establishment of agreements with external investment managers across a range of asset classes. In FY22 SCS invested \$381 million in social impact and low carbon investments.

### Suncorp New Zealand

Delivers financial services to New Zealanders through Suncorp's go-to-market general and life insurance brands, including Vero Insurance, Asteron Life and AA Insurance, AA Money and AA Life joint ventures with the New Zealand Automobile Association (NZAA).

Suncorp Group has a joint venture interest in AA Insurance Limited in New Zealand which offers a range of personal and small business insurance products. This is considered a controlled entity of Suncorp Group according to the *Modern Slavery Act 2018 (Cth)*, however the Group does not have full operational control. Suncorp continued to consult with AA Insurance Limited NZ during the period covered by this Statement in relation to the identification and management of potential modern slavery risks in its operations and supply chain.



#### Suncorp's workforce

**~14,000** Team members directly employed by Suncorp Group across Australia and New Zealand.

**~400** Contractors engaged through labour hire and professional services in FY22.



#### Suncorp's strategic partners

**10** Strategic partners engaged over FY22 to drive innovation and growth to create a competitive advantage in the market.



**3,100** Strategic partner employees. Strategic partners mainly provide business process and information technology outsourcing services.

Majority located: Philippines, India and Australia.

\*Following a comprehensive strategic review, on 18 July 2022, we announced a share sale and purchase agreement with Australia and New Zealand Banking Group Limited (ANZ), to sell our banking business. The transaction is subject to a range of regulatory and government approvals. The targeted timeframe for completion is the second half of the calendar year 2023. Until this time we will continue to own and run the Bank.




Note: Suncorp Group completed the sale of our Wealth business, Suncorp Portfolio Limited (SPSL) to LGIAsuper on 1 April 2022.

## Overview of our supply chain

Suncorp is committed to maintaining a sustainable and responsible supply chain by actively managing environmental, social and governance (ESG) risks with suppliers providing goods and services to, or on behalf of, Suncorp. The standards expected of our suppliers are aligned to Suncorp’s Code of Conduct and detailed in our Supplier Code of Practice. Our Supplier Code of Practice sets out the expectations we have of our suppliers to respect human rights and provide safe workplaces for their employees.

In FY22, Suncorp’s contracted corporate procurement spend was ~\$1.1 billion to support the operations of our business. Our contracted claims procurement spend was ~\$1.6 billion to support the operations of the insurance business, including claims fulfilment.

Supply chain sectors that Suncorp procured goods and services from included:

 <p><b>Information and communication technology</b></p>	 <p><b>Property services</b> (including facilities management, utilities, cleaning, waste management and security)</p>	 <p><b>Offshore business processing</b></p>	 <p><b>Logistics and correspondence</b></p>
 <p><b>Marketing</b></p>	 <p><b>Consulting services</b></p>	 <p><b>Print and promotional goods and services</b> (including corporate clothing)</p>	 <p><b>Office supplies</b></p>
 <p><b>Fleet management</b></p>	 <p><b>Insurance claims fulfilment</b> (including goods and services)</p>	 <p><b>Investment management, administration and custody</b></p>	



**Contracted suppliers**  
**~1,200** Contracted suppliers used during FY22.

# Modern slavery risks

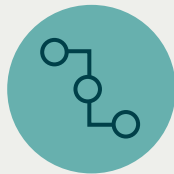
Over FY22, Suncorp has matured our understanding of modern slavery risks and how we could be causing, contributing to or be directly linked to modern slavery practices.

Based on our understanding of the United Nations Guiding Principles on Business and Human Rights and Modern Slavery Act 2018 (Cth) Guidance for Reporting Entities, we could potentially:



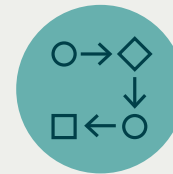
### Cause

modern slavery through our own acts or omissions in our operations.



### Contribute

to modern slavery in our operations and/or supply chain through acts or omissions that may facilitate or incentivise modern slavery.



### Be directly linked

to modern slavery through a business relationship with another entity that engages in modern slavery.

Our FY22 Modern Slavery Statement includes more information and examples of modern slavery risks across our operations:



Insurance



Banking



Investments



Our workforce



Labour hire & professional services



Strategic partners

## Modern slavery risks in our operations



### Insurance

Suncorp’s insurance products are predominantly provided to individual and business customers in Australia & New Zealand.

Based on the UN Guiding Principles and Modern Slavery Act 2018 (Cth) Guidance, Suncorp has the potential to be *directly linked* to modern slavery through our commercial insurance customers, who operate across a range of sectors.

Suncorp continued to review our commercial insurance portfolio in Australia for high-risk sectors in FY22. The assessment analysed nine industries identified as having the highest potential exposure to modern slavery based on the Global Slavery Index<sup>1</sup>, UN Principles for Sustainable Insurance and UN Principles for Responsible Banking. The assessment identified that less than 15% of our commercial insurance portfolio in Australia is exposed to high-risk sectors. Suncorp’s exposure is mainly through the construction sector which makes up ~11% of our commercial portfolio. There is less than 4% of our commercial portfolio in the following sectors which are also considered high-risk: cleaning, automotive body, paint and repair, meat, seafood and poultry processing, agriculture, fishing, labour hire, and shipping.

Suncorp and our insurance brands utilise third party repairers across motor and home claims fulfillment. Further details on the potential modern slavery risks is included in the supply chain section on page 14.



1 Walk Free Foundation, The Global Slavery Index 2018, The Minderoo Foundation Pty Ltd, 2018





## Banking

Suncorp's banking products are predominantly provided to individual and business customers in Australia.

Based on the UN Guiding Principles and Modern Slavery Act 2018 (Cth) Guidance, Suncorp has the potential to be *directly linked* to modern slavery where our customers could be *causing* or *contributing* to modern slavery within their business operations.

In FY22 Suncorp Bank conducted a modern slavery risk assessment across our banking operations. A program of work conducted across the Bank's business functions included analysis of product, risk, and customer facing teams to understand the inherent risk and the effectiveness of controls.

The Bank analysed its business lending portfolio against a list of sectors included in the Typologies and Indicators of Modern Slavery Paper<sup>2</sup>, produced by KPMG and the Australian Banking Association (ABA). The analysis determined that 5% of Suncorp Bank's business lending is potentially exposed to high-risk of modern slavery, a further 37% has low-risk, and the remaining portfolio has negligible risk.

The sectors in our lending portfolio with the highest potential risk of modern slavery are fruit and nut growing and the construction sector. These areas are deemed high-risk due to potential large scale offshoring and outsourcing practices, seasonal workforce and the use of low skilled labour.

To manage these risks, Suncorp has existing transaction monitoring systems and processes to assist in identifying potential cases of modern slavery and labour exploitation. This includes applying additional due diligence if customers related to a transaction monitoring alert are in the agriculture or construction sector. This process also ensures further reviews of the business are undertaken during the investigation, including the location where the business is based and any adverse media the business has received.

Any suspicious matter that results from this investigation is referred to AUSTRAC via a Suspicious Matter Report. This is part of Suncorp Bank's existing obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act) to report to AUSTRAC any suspicious activity that may be linked to illegal behaviour.



Suncorp engaged a sample of customers in the fruit and nut growing and construction sectors to discuss their understanding of modern slavery risks within their businesses. Customer responses ranged from a mature understanding with processes in place, to an immature understanding with a lower awareness of the risks. Further engagement with customers is required to increase the understanding of modern slavery risks within these sectors.

<sup>2</sup> KPMG and ABA, Typologies and Indicators of Modern Slavery Paper, Working Paper, Edition 1, ABA members only version, March 2022



## Investments

Suncorp has exposure to approximately 1000 corporate issuers of debt or equity securities across our portfolio. Suncorp directly engages a number of external professional service providers, including 24 external investment managers to manage and provide oversight of our investment portfolio.

Based on the UN Guiding Principles and Modern Slavery Act 2018 (Cth) Guidance, Suncorp has potential to be *directly linked* to modern slavery through our relationship with investee companies. Suncorp may invest in some high-risk geographies and industries through our portfolio, however our external investment managers (EIMs) ensure correct due-diligence is completed to lower this risk.

Suncorp also has the potential to be *directly linked* to modern slavery through our business relationships with EIMs who manage these assets on our behalf. This risk is considered low due to the jurisdictions our EIMs operate in, which have strong regulatory requirements. In addition, the role of EIMs is not considered low-skilled work, as employees of investment management firms are required to be suitably qualified and skilled to perform their role.

A number of measures are in place to manage these potential risks, including:

### Investment assets

- EIMs are responsible for reviewing and providing Suncorp with in-depth due diligence for potential investment assets.
- Suncorp assesses the extent to which ESG considerations are integrated into EIM research and management. This process includes the EIM's review of the possibility, and likelihood of modern slavery in the operations of the assets they invest in on our behalf, and the supply chains relating to those assets.

- EIM's assess modern slavery risks with awareness to the markets and sectors the asset operates in through various means including, engagement and research provided by specialist ESG providers.

### Relationships with external investment managers (EIMs)

- A risk assessment is performed prior to selection of an EIM and inception of an investment management agreement.
- Modern slavery is specifically targeted in an annual EIM operational survey, where EIM's Modern Slavery Statements are reviewed. Where statements are not available, specific attestations are requested.
- Suncorp asks its EIM's to keep records and provide evidence to demonstrate what reasonable steps have been taken to ensure there is no known modern slavery in their operations or supply chains. This requirement is included in Suncorp's standard Investment Management Agreement and records are provided to Suncorp as requested.

### Other

- Non-EIM relationships such as custody, systems and data providers are assessed in a similar way, specifically at inception, where Suncorp's risk assessment process for the appointment of vendors and significant relationships is followed.



In FY22, **99%** of Suncorp's investment assets were managed by signatories of the United Nations Principles for Responsible Investment.

The first principle states: *we will incorporate ESG issues into investment analysis and decision-making processes.*



## Our workforce

Suncorp's direct workforce in Australia and New Zealand is employed by subsidiaries of Suncorp Group across our Insurance and Banking functions. Our direct workforce is largely located onshore in Australia and New Zealand.

Based on the UN Guiding Principles and Modern Slavery Act 2018 (Cth) Guidance, Suncorp has the potential to *cause* modern slavery through our employment practices.

This risk has been assessed as low in our direct workforce due to the strong risk control frameworks and processes in place, including:

- The majority of Suncorp's workforce is directly employed in Australia and New Zealand, which are considered low-risk geographies due to the strong employment and workplace legislation in place, including the *Fair Work Act 2009* (Australia) and *Employment Relations Act 2000* (New Zealand).
- Suncorp has robust systems and processes, including pre-employment and visa checks, which ensure that our workers are engaged on a proper and lawful basis, along with minimum terms and conditions that apply to all employees.

Suncorp also adheres to all legislative requirements across Australia and New Zealand relating to employees:

- Suncorp's wages are subject to the Suncorp Remuneration Policy, which requires benchmarking of remuneration, overseen by the People & Remuneration Committee. Wages of all employees in Australia and New Zealand are regularly reviewed to ensure that they meet or exceed the required legislative and/or agreement amounts.
- In Australia, Suncorp has an Enterprise Agreement that sets the minimum terms and conditions for employees. Employment contracts are in place that comply with the *Fair Work Act 2009*.
- In New Zealand, our people are employed under either an Individual Employment Agreement or Collective Agreement that meet the requirements of the *Employment Relations Act 2000*.

There are also a number of processes in place to reduce modern slavery risks including:

- During recruitment, we ensure 'checks of eligibility to work' are completed, including age checks, which mitigate the risk of forced labour and child labour in our direct workforce.
- During onboarding, we set clear expectations that our people comply with the Suncorp Code of Conduct, which reinforces our commitment to providing fair working conditions.
- Suncorp's employees have a number of confidential avenues to raise concerns in relation to their treatment in the workplace.
- Suncorp has appropriate governance, oversight and compliance controls in place to ensure that our workplaces are safe and that work is performed safely.



Suncorp Group recently completed a comprehensive pay and leave entitlements review, to ensure historical compliance with pay and leave obligations for employees in Australia and New Zealand, and to mitigate the risk of future non-compliance.



### Labour hire & professional services

Suncorp uses labour hire & professional services in relevant jurisdictions and undergoes a validation process when engaging external workers.

Based on the UN Guiding Principles and Modern Slavery Act 2018 (Cth) Guidance, Suncorp has the potential to *contribute to* or be *directly linked* to modern slavery through engagement and management of employees hired through labour hire or professional service organisations.

Suncorp has assessed the risk in the sourcing and use of external workers such as contractors, subcontractors, consultants, and contingent workers and acknowledges:

- use of labour hire and other labour providers is considered a high-risk labour model;
- workers are engaged under different arrangements and have different obligations to Suncorp's own employees;
- Suncorp has limited visibility of the terms and conditions external workers are subject to as this is defined by their direct employer.

Suncorp mitigates these risks by performing risk assessments on providers. Suncorp also includes standard contract clauses requiring compliance with our Supplier Code of Practice, which includes providing fair working conditions for their employees, including acceptable maximum working hours, adequate rest periods, and sufficient leave.



### Strategic partners

Suncorp engages with strategic partners for the provision of services that have been identified as 'outsourcing' to a third party.

Based on the UN Guiding Principles and Modern Slavery Act 2018 (Cth) Guidance, Suncorp has the potential to *contribute to* or be *directly linked* to modern slavery through the engagement and management of strategic partner employees.

Suncorp has reviewed the risk and acknowledges:

- Outsourcing is considered a higher risk business model as it may add complexity and reduces visibility of the physical workplace.
- Our strategic partners' employees are primarily located in India and the Philippines, which are considered high-risk countries. India and the Philippines were in the top 10 countries according to the GSI 2018<sup>3</sup>, with the largest estimated number of modern slavery cases. Our strategic partners' also have employees located in Australia, which is classified as a low-risk country.

Suncorp mitigates these risks with contractual requirements detailing obligations for minimum skills and education requirements for partner employees, and the work undertaken by these partners is not considered low-skilled work. Our strategic partners are also required to adhere to Suncorp's policies and frameworks, including our Supplier Code of Practice, which includes ensuring that no forced labour, child labour or involuntary labour is used.

3 op. cit. The Global Slavery Index 2018

## Modern slavery risks in our supply chain



### Our supply chain

Suncorp has a diverse supply chain that ranges from home and motor repairers for insurance claims to apparel suppliers for our Bank branch staff.

Based on the UN Guiding Principles and Modern Slavery Act 2018 (Cth) Guidance, Suncorp has the potential to be *directly linked* to modern slavery through our supply chain. We also acknowledge we have the potential to be *contributing to* modern slavery if we were to request unrealistic pricing for goods or services from our suppliers.

Due to the complex nature of supply chains across our business, we acknowledge there are modern slavery risks that exist. Our suppliers have off-shore facilities in high-risk geographies across our value chain, and due to the nature of the goods and services we procure, our suppliers could be importing materials from high-risk geographies and linked to high-risk sectors according to the GSI<sup>4</sup>.

To manage these risks, Suncorp monitors 500 suppliers through FRDM (supply chain risk mitigation software), which make up 39% of Suncorp's contracted suppliers. A project is currently underway to increase the number of monitored suppliers to 100% of contracted suppliers in FY23.

To mitigate the risk of potentially *contributing to* modern slavery, our procurement category managers conduct market analysis and research when engaging a third party for goods or services. This market analysis ensures fair, competitive and reasonable costs of goods or services are negotiated with our suppliers.



Suncorp has been recognised since 2019 on the Chartered Institute of Procurement and Supply (CIPS) Global Corporate Ethical Register for our commitment to safeguarding against unethical conduct in procurement.

### Key areas in our supply chain with higher risks include:

**Property, motor and construction:** building and repair materials and labour used in property and motor claims.

**Facilities management:** outsourced real estate requirements including utilities, cleaning, waste management and security services.

**Technology and electronic equipment:** used for our operations including laptops, computers and mobile phones.

**Apparel and promotional merchandise:** items for our brands and uniforms for our people.

**Taxi and travel services:** used by our people and customers.

4 op. cit. The Global Slavery Index 2018

## Our supply chain



### Repairer supply network

Suncorp and our insurance brands utilise third party repairers for both motor and home claims fulfilment purposes across Australia and New Zealand.

Based on the UN Guiding Principles and Modern Slavery Act 2018 (Cth) Guidance, Suncorp has the potential to be *directly linked* to modern slavery through our repair supplier network.

Suncorp's claims fulfilment processes require engagement with a large repairer network to complete repairs to our customers' homes, vehicles and businesses. These repairers engage with the construction and manufacturing sectors, which are included in the top five sectors contributing to the highest instances of adult forced labour according to Global Estimates of Modern Slavery Forced Labour and Forced Marriage<sup>5</sup>.

Suncorp mitigates these risks across our repairer supply network by:

- In FY22, Suncorp renewed our home repair supplier contracts with contract negotiations including discussions around modern slavery clauses. Suncorp will monitor our risks within the home repairer network during FY23 by requesting a modern slavery questionnaire be completed to ensure our suppliers are actively reviewing modern slavery risks in their operations and supply chains.

- We continued to work closely with HomeRepair to ensure awareness of modern slavery through the repairer network. HomeRepair will broaden the assessment of modern slavery in FY23 to its operations and supply chain.
- A number of Suncorp's motor supplier contracts were renewed in FY22, with contract negotiations including discussions around modern slavery clauses. In FY23 we will meet with and conduct site visits with our motor repairers. Further resources will be developed to support the identification and reporting of potential modern slavery risks for Suncorp's repairer managers.



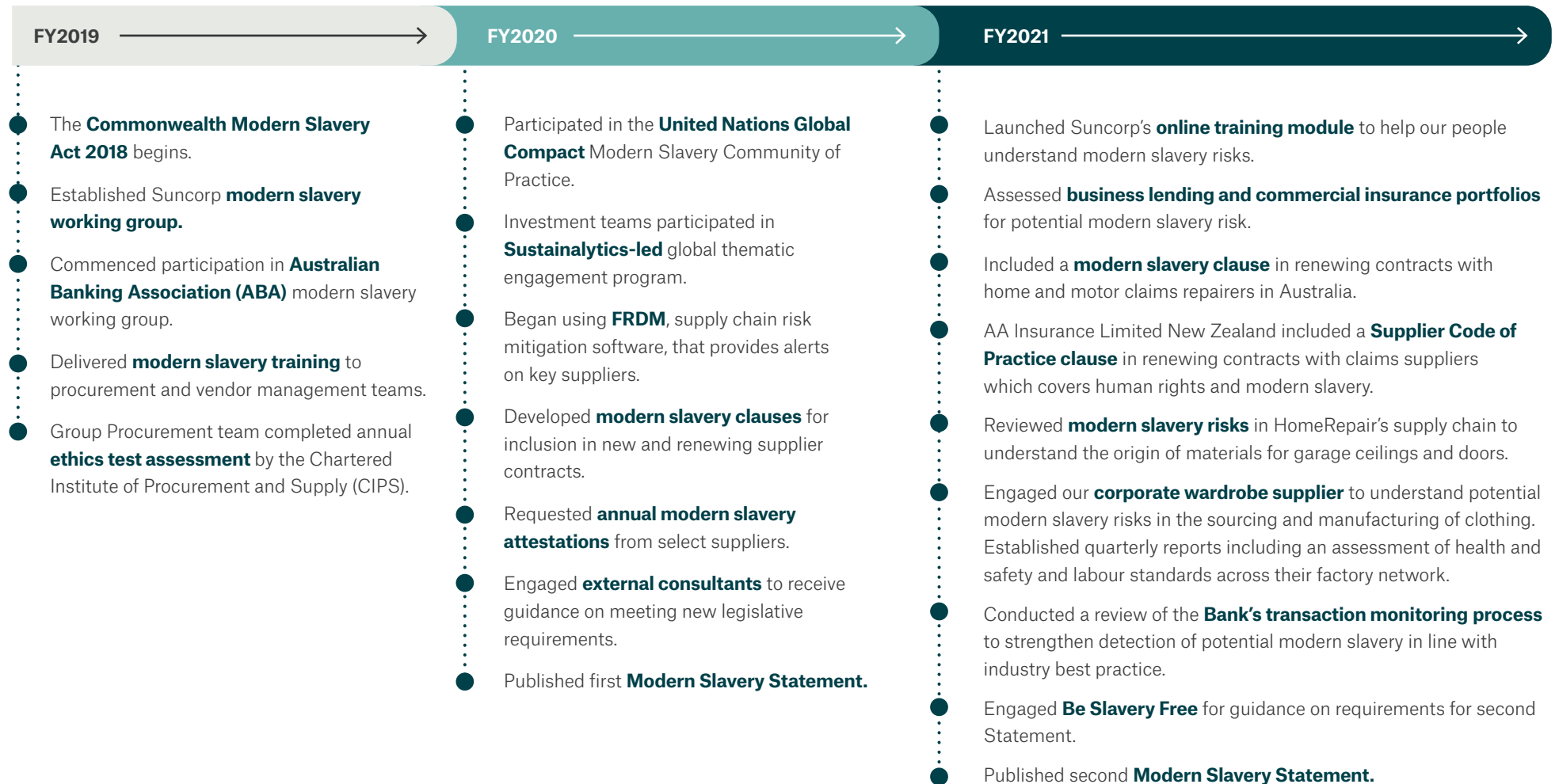
The majority of contracts for our home and motor repairers include obligations to ensure reasonable enquiries and due diligence occurs to review modern slavery risks in their operations and supply chains.

This also includes confirmation that the organisation, or any of its subcontractors, have not been or are not the subject of any investigation, inquiry or enforcement proceeding in relation to a modern slavery case.

<sup>5</sup> International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM), Global Estimates of Modern Slavery Forced Labour and Forced Marriage, September 2022

# Taking action to address risks

## Building on our foundations



## Actions taken in FY22

Suncorp understands the important role the financial services industry can play in managing the potential risk of modern slavery and reducing the harm to people. We continue to look for ways to mature our understanding of risk in our operations and supply chain. In FY22 this was done by specific actions including:

- Improved understanding of modern slavery risks in Suncorp Bank, including an in-depth risk assessment of banking operations and portfolios completed.
- Held risk sessions with Investment, Direct Workforce and Partnering teams to identify key processes and policies in place to assess and manage the risk of modern slavery throughout our operations.
- Developed a Responsible Supply Chain Strategy to ensure ESG risks, including modern slavery, are a key consideration in contract renewals. The strategy also includes standards around data integrity and increasing the education of our supplier network. The strategy will be implemented over a three-year period, commencing in FY23.
- Commenced a review of data provided by Suncorp’s contracted suppliers, including country of origin, to ensure areas at high-risk of modern slavery incorporated into FRDM (supply chain risk mitigation software).
- Continued to discuss modern slavery contract clauses in new supplier contracts.

- Suncorp Bank’s ESG Portfolio review included analysis for exposure to sectors with a high-risk of modern slavery using the Typology Paper <sup>6</sup>, with further analysis on key gaps and recommended uplift from the modern slavery risk assessment documented.
- Our Bank continued to monitor customer transactions and profiles to identify potential cases of modern slavery and labour exploitation. Any potential cases were referred to AUSTRAC via Suspicious Matter Reports.

### Industry collaboration

- Suncorp chairs the Insurance Council of Australia’s modern slavery working group. The group’s vision is to ensure the insurance industry plays its part in reducing modern slavery risk to people, by effectively mitigating the risk in global and domestic operations and supply chains.
- Continued to collaborate on the Australian Banking Association’s modern slavery working group, which has evolved to a Human Rights working group, contributing to an industry approach on reducing modern slavery risks.
- Participated in a collaborative engagement program identifying and addressing actual incidences of modern slavery and human rights issues in investee companies. This engagement is conducted by a third party research provider on behalf of participating investors.

- Suncorp Group, including AA Insurance, collaborated on an industry submission with the Insurance Council of New Zealand on *A Legislative Response to Modern Slavery and Worker Exploitation*. The submission encouraged alignment to the Australian Act and was supportive of New Zealand developing legislative requirements to combat modern slavery.

Suncorp is a signatory to international frameworks committed to driving sustainable practices across the finance sector including:



United Nations Global Compact (UNGC)



United Nations Environment Programme Finance Initiative (UNEP FI)



Principles for Sustainable Insurance (PSI)



Principles for Responsible Banking (PRB)



Principles for Responsible Investment (PRI)

6 op. cit. Typologies and Indicators of Modern Slavery Paper



## Policies and commitments

Suncorp Group policies and commitments that address human rights include:

The **Responsible Banking and Insurance Policy** includes commitments to regularly assess portfolio-level ESG risks and opportunities, including modern slavery.



**Responsible Banking & Insurance policy**

The **Supplier Code of Practice** in both Australia and New Zealand includes the standards expected of our suppliers to ensure they uphold human rights and workplace conditions.



**Supplier Code of Practice**

Suncorp's **Code of Conduct** outlines the expectations of our people, which includes respecting each individual's human rights and treating everyone fairly and without unlawful discrimination. The Code extends to our business partners who interact with others on behalf of Suncorp including agents, brokers and consultants.



**Code of Conduct**

**Procurement and Outsourcing Policies** and guidelines include respecting and protecting human rights including reducing the risk of modern slavery.

The **Anti-Money Laundering and Counter Terrorism Financing and Sanctions Policy** states that Suncorp must perform appropriate scrutiny and monitoring of transactions, account activity and customers, to identify and report matters where there is suspicion that a person is involved in illegal activity or a breach of law. This may include human trafficking and child exploitation.

## Remediation - receiving and responding to concerns

Suncorp continues to review and improve how we receive and respond to modern slavery concerns.

There are a number of mechanisms our people, partners and suppliers can use to report a potential incident of modern slavery. Suncorp supports and promotes a culture where our people are able to report instances of wrongdoing via the following channels.



### Internal leader discussions

Suncorp's employees are empowered to discuss concerns with their leader.



### Discussions with risk team

Suncorp has risk teams embedded in all functions who can discuss and provide advice on incident management processes for our employees.



### Report through the Whistleblower channel

Our confidential Whistleblower Service is available to all our employees, suppliers and external workers in Australia, New Zealand and employees of our strategic overseas partners.



**Access Suncorp's Whistleblower policy**

### Whistleblower protection

Suncorp's Whistleblower service provides a channel to speak up confidentially about reportable conduct.

Reportable conduct may be raised, on an anonymous basis if desired, by any current or former:

- Officer, employee, external worker, auditor, work experience participant, supplier, employee of a supplier or associate of Suncorp; and
- Relatives, dependents or spouse of someone referred to above.

The Whistleblower service is managed by Deloitte. All matters assessed as Reportable Conduct are independently and formally investigated.

A summary of incidents that are reported under the Whistleblower Policy are reported to the Board, and Whistleblower reporting metrics are disclosed annually in our Sustainability Data Pack, available on our Group website.

# Assessing the effectiveness of our actions

Human rights are universal and fundamental rights that preserve the inherent freedom, dignity and equality of all human beings. Suncorp respects human rights and invests in the wellbeing and resilience of our people and communities.

Suncorp is continuing to review the processes in place to assess the effectiveness of our actions to ensure we manage our modern slavery risks and meet our regulatory and legislative obligations.

## Due diligence overview

### Managing risk

The Board and management recognise a strong risk culture, good governance and effective risk management are essential to achieving Suncorp's strategy and maintaining our social licence to operate.

Suncorp has policies, systems, processes, and people in place to identify, assess, manage and monitor internal and external sources of material risk that have potential to prevent Suncorp meeting customer and performance objectives.

Effective risk and compliance management is supported by:

- an Enterprise Risk Management Framework, through which the Board sets the direction of risk management
- a sound risk culture, aligned to Suncorp's broader culture
- a Risk Appetite Statement that is aligned to the Suncorp strategy and sets out the nature and degree of risk the Board is willing to accept in the pursuit of business objectives
- the three lines of defence model and clear accountabilities with risk owned in the first line
- an independent Risk function that oversees and challenges the business in our risk taking, and drives Suncorp's Risk Strategy
- the Board Risk Committee, which monitors management of existing and emerging risks to the business.



In FY22:

- **99%** of our employees completed our Code of Conduct compliance module, which includes specific expectations on team members regarding respecting each individual's human rights.
- **100%** of our suppliers with spend over \$500k accepted our Supplier Code of Practice, which includes specific obligations to comply with human rights and fair employment practices in accordance with the International Bill of Human Rights.

## Governance

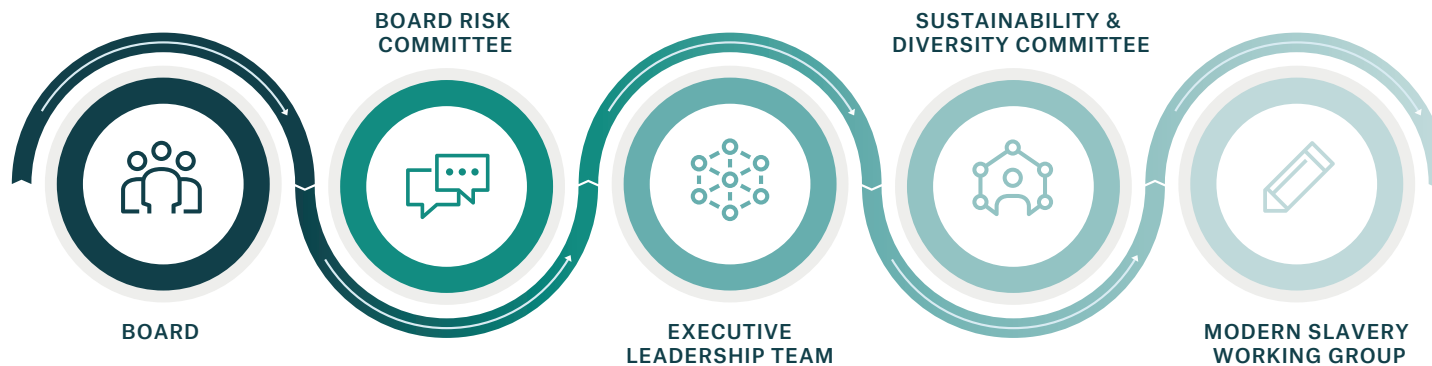
Formal governance oversight across Suncorp is undertaken by the Board Risk Committee and through the Executive Leadership Team, Sustainability & Diversity Committee and the Modern Slavery Working Group.

Suncorp’s Group Executive, People, Culture & Advocacy has responsibility for the functions of People & Culture, Corporate & Regulatory Affairs, and Customer Advocate. This role is accountable for ESG strategy and governance and developing and maintaining a Modern Slavery Statement supports this accountability.

Suncorp’s Modern Slavery Statement is reviewed by a number of key committees to ensure awareness and accountabilities across the Group. Oversight of modern slavery considers the adequacy and effectiveness of processes that support the identification, monitoring and management of risks, as well as areas of continuous improvement.

The Statement is also reviewed by third party experts, Be Slavery Free, to ensure meaningful actions and compliance with the *Commonwealth Modern Slavery Act 2018*.

### Modern slavery governance structure



## Continuing to improve our approach

Over the past year, Suncorp has made the following progress on the commitments made in our FY21 Modern Slavery Statement.

	Commitment	Update
IN PROGRESS	Strengthen mitigation and remediation practices.	Discussions have commenced through industry bodies on best practice mitigation and remediation practices and will continue in FY23.
COMPLETED	Perform internal audit review to consider adequacy and effectiveness of modern slavery risk management.	Suncorp's Internal Audit team completed a review in May 2022. Commitments and actions from the audit are being completed across the business to strengthen our response to modern slavery risks and processes within our business.
IN PROGRESS	Evolve approach to assessing risk to determine future program of work.	We evolved our risk through the lens of risk to people and how we may <i>cause, contribute to or be directly linked</i> to modern slavery. Workshops have been held with relevant teams to assess and document the risk of modern slavery, current mitigants and controls in place, and where uplift is required.
COMPLETED	Further strengthen awareness and training for relevant team members and teams.	The modern slavery training module continues to be promoted to our people to increase their understanding of modern slavery and how it impacts our business.
IN PROGRESS	Work with the Insurance Council of Australia (ICA) to pursue opportunities for industry collaboration to improve our response to modern slavery risk.	Suncorp chairs the ICA's modern slavery working group to ensure cross-industry collaboration.
DELAYED	In New Zealand, review supply chain for potential modern slavery risk and raise awareness of modern slavery risks among suppliers.	This action was delayed in FY22. A roadmap has been developed to commence this work in FY23.

## Our future commitments

Suncorp is continuously reviewing our approach to modern slavery to ensure the management of risk to people is at the centre of our actions and plans.

We continue to build on our foundations to improve our approach to modern slavery and broader human rights issues.

In FY23 and beyond, we are committing to:

Develop a Human Rights Policy to centralise our commitment to respecting human rights in our business activities.

Refresh the desktop review of Suncorp's contracted suppliers to improve visibility and monitoring of our supply chain.

Explore external assurance for Suncorp's FY23 Modern Slavery Statement to ensure the ongoing improvement and maturity of our Statements.

Continue assessment of modern slavery risk across our Group to identify gaps and opportunities for improvement.

Suncorp looks forward to continuing to work with our industry bodies and peers across Australia and New Zealand to collaborate on reducing the risks of modern slavery practices throughout the financial services sector and our supply chains.

Through findings from an internal audit process, over FY23 Suncorp will also:

- Review Suncorp's current modern slavery training module and measure employee understanding of modern slavery risks for our business.
- Develop a roadmap outlining Suncorp's approach to managing modern slavery through our external network.
- Develop and implement Board level risk reporting over modern slavery risks and controls to improve the Board's visibility over the adequacy of the control environment.
- Define standardised modern slavery incident identification and resolution processes for our people and suppliers.

# Consultation & approval

## Consultation process

Each of Suncorp Group's reporting entities (as detailed on page 4) are involved directly or through subsidiaries in the operations of our insurance or banking businesses. Each of these businesses has representation on Suncorp's modern slavery working group, which meets regularly to discuss policies and procedures, updates from industry forums and other external developments. The working group is also actively involved in the preparation and approval of this Statement to ensure accuracy of statements made in the document.

## Statement approval

This Modern Slavery Statement was approved by the principal governing body of Suncorp Group as defined by the *Modern Slavery Act 2018 (Cth)* ("the Act") on 25 November 2022. This Modern Slavery Statement is signed by a responsible member of Suncorp Group as defined by the Act.



### Steve Johnston

Group Chief Executive Officer and Managing Director  
Suncorp Group

# Statement annexure



## Mandatory criteria

The table below provides reference page/s for the mandatory criteria of the *Commonwealth Modern Slavery Act 2018*.

Mandatory criteria	Page number/s
a) Identify the reporting entity.	4
b) Describe the reporting entity's structure, operations and supply chains.	5-6
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	7-14
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	15-18
e) Describe how the reporting entity assesses the effectiveness of these actions.	19-21
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	23



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