

SCB16QW: Terminations for misconduct

Answer:

(a) How many employees does the bank have?

As at 31 December 2019, the Suncorp Group employs 13,051 full-time equivalent (FTE) employees. 2,304 FTE employees are engaged within the Banking & Wealth function and report to the CEO Banking & Wealth. The Banking & Wealth function is supported by employees in enabling functions within the Group, including People Experience, Group Legal, Finance & Advice, and Risk.

(b) How do you define employee misconduct?

Conduct falling short of the standards of behaviour set out in the Suncorp Group Values, the Suncorp Suncorp Group's policies and related standards, procedures, and guidelines (including the Suncorp Group Code of Conduct), an employee's contract of employment, or other generally accepted standards of conduct or behaviour.

(c) How many employees have been cautioned for misconduct over the past five years?

Since 1 April 2015, 774 employees received formal written warnings following substantiated misconduct. Disciplinary records for employees prior to 1 April 2015 are not readily accessible

(d) How many employees have had a penalty (such as, but not limited to, loss of bonus) for misconduct over the past five years?

From 1 July 2019, the Suncorp Group implemented short term incentive criteria explicitly linked to compliance with the Suncorp Group's Code of Conduct. Prior to this date, any penalty imposed for misconduct (such as loss of incentive, whether whole or in part) was at leader discretion and centralised records are not available. Since 1 July 2019, 74 employees have engaged in misconduct and will receive a reduced STI for the 2019/2020 financial year.

(e) How many employees have been terminated for misconduct over the past five years?

Since 1 April 2015, 190 employees have been terminated for misconduct. The reason(s) for termination for employees terminated prior to 1 April 2015 are not readily accessible

(f) How many employees have been cautioned for misconduct over the past five years, as a share of all employees over that timeframe?

Based on the records available, 5.94% of all employees (based on an average of 13,041 FTE employees over the past five years) received formal written warnings following substantiated misconduct. This equates to 1.19% of all employees on average each year.

(g) How many employees have had a penalty (such as, but not limited to, loss of bonus) for misconduct over the past five years, as a share of all employees over that timeframe?

Based on the records available, 0.57% of all employees (based on an average of 13,041 FTE employees over the past five years) engaged in misconduct and will receive reduced STI for the 2019/2020 financial year. As noted above in our response for question (d), centralised records are not available for employees who received a penalty for misconduct engaged in prior to 1 July 2019.

(h) How many employees have been terminated for misconduct over the past five years, as a share of all employees over that timeframe?

Based on the records available, 1.46% of all employees (based on an average of 13,041 FTE employees over the past five years) were terminated for misconduct. This equates to 0.29% of all employees on average each year.

(i) What are the processes available for whistle-blowers into misconduct within the bank?

The Suncorp Group is committed to fostering a culture of honest and ethical behaviour, and recognises the importance of ensuring a safe, supportive and confidential environment where people:

- feel confident about reporting wrongdoing, and
- are supported and protected throughout the process.

The Suncorp Group Whistleblower Service is an independent, confidential telephone and email service managed by a third party (Deloitte), which allows the following people to remain anonymous when reporting workplace misconduct:

- Any current or former officers, employees, external workers, auditors, suppliers or associates (within the meaning set out in the Corporations Act) of Suncorp; and
- Relatives of someone referred to above, or a dependent of someone referred to above, or that person's spouse.

The Suncorp Group's Whistleblower Policy encourages, supports and promotes the reporting of issues where corrupt, illegal or undesirable conduct is observed.

Under this Policy, suspected misconduct can be raised by any of the following avenues:

- Via the Suncorp Group Whistleblower Service
- By an employee directly to a leader (including a Function CEO), highlighting that they are raising this as a whistleblower (in which circumstances the leader will refer the employee to the Suncorp Group Whistleblower Service);
- Directly to the Suncorp Group's Whistleblower Protection Officer (currently the Executive Manager Compliance Governance and Reporting or their delegate);
- Directly to the individual holding the following positions:
 - Suncorp Group Head of Tax
 - Suncorp Group Executive General Manager Internal Audit
 - Applicable Suncorp Group Appointed Actuary
 - Office of the Superannuation Trustee (Australia) if the matter relates to superannuation
- Directly to the applicable External Auditor of Suncorp
- Directly to an external legal practitioner for the purpose of obtaining legal advice or legal representation about whistleblower laws.

The Suncorp Group's whistleblower processes ensure that all reasonable steps are taken to protect a whistleblower (and those responsible for the associated investigation and support) from any threatened or actual detrimental conduct or retaliatory action as a result of raising reportable conduct.