ASX Announcement

Bendigo Bank

2025 Annual Financial Report

25 August 2025

Bendigo and Adelaide Bank Limited (ASX:BEN) advises that its 2025 Annual Financial Report is enclosed.
The 2025 Annual Financial Report, together with the Bank's Sustainability Report, is also available on the website at https://bendigoadelaide.com.au/investor-centre/reports.

Approved for release by: Bendigo and Adelaide Bank Board

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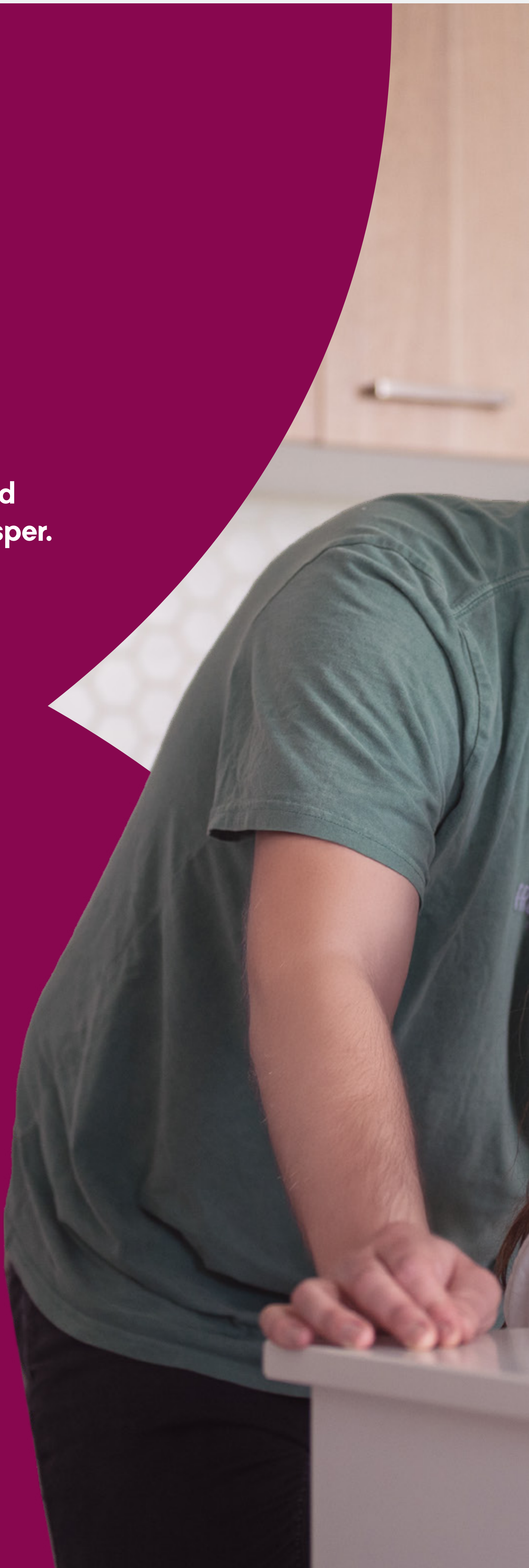
ANNUAL REPORT 2025

Bendigo Bank
The better big bank

We're the better big bank.

We achieve this by helping our customers and the communities in which we operate to prosper. We lead by example, placing our people, customers, communities and shareholders at the centre of everything we do.



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Acknowledgement of Country

Bendigo Bank acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of this nation and the Traditional Custodians of the land where we live, learn and work. We pay our respects to Elders past and present as it is their knowledge and experience that holds the key to the success of future generations. Our head office is located on Dja Dja Wurrung land.

Artwork by Troy Firebrace, Yorta Yorta and Dja Dja Wurrung artist and educator.

About this report

Our Annual Report includes information on Bendigo and Adelaide Bank Limited's strategic priorities, risk management and corporate governance, as well as our financial and non-financial performance.

Where reference is made to 2025, we are referring to the 2025 Financial Year (1 July 2024 – 30 June 2025).

Where reference is made to 'the Bank', 'we', 'our' or 'us', we are referring to Bendigo and Adelaide Bank Limited and its wholly owned and controlled subsidiaries, unless otherwise specified.

Bendigo and Adelaide Bank Limited partners with Community Bank companies, which are not wholly-owned nor controlled by Bendigo and Adelaide Bank Limited and the Bank does not have the power to govern their decision making.

For completeness, the Sustainability Report and Climate Disclosure contain the sustainability and climate performance of Community Bank companies that disclose their activity to us.

Our reporting suite

- **Annual Financial Report**
  - Directors' Report
  - Statutory Financial Reporting
  - Sustainability Report
  - Remuneration Report
  - Tax Contribution Report
- **Corporate Governance Statement**
- **Climate Disclosure**
- **ESG Data Summary**

Access our full reporting suite at bendigoadelaide.com.au/investor-centre

Letter from our Chair and CEO and MD

Successful execution of our strategy will ensure Bendigo Bank can deliver on its purpose for generations to come.

The conclusion of the financial year presents an opportunity to reflect on what we have achieved and to focus on our aspirations for the future. Over the last 12 months we have continued the important foundational work that is setting us up for sustained success.

We have continued to simplify and modernise our business and are on track to reach our target state of one core banking system by the end of the calendar year and now have just two main customer-facing brands, following the ongoing migration and retirement of the Rural Bank and Adelaide Bank systems and brands.

The completion of the final phase of our transformation program which began in 2018 paves the way for our new strategy, anchored in our unique strengths and accelerated by new ways of working, to drive improved returns for shareholders.

Our purpose of feeding into the prosperity of our customers and the community remains. After several years of hard work to reduce complexity, build capability and tell our story to more Australians than ever before, we are ready to lift our sights and focus on the next horizon.

Our 2030 strategy is underpinned by the following five pillars: 1) Make life easy with digital, 2) Operate simply and efficiently, 3) Deepen customer relationships, 4) Set the benchmark for trust and societal impact, and 5) Reinvent banking for a new generation with Up.

These areas of focus will be supported by our key enablers, including uplifting our risk management capabilities, streamlining our technology foundations, and strengthening our performance culture through an operating model that aligns with our objectives.

Our ability to deliver on the strategy will be supported by a heightened focus on innovation and execution. We have established a Strategic Execution Office to coordinate our approach, track our progress and ensure accountability. We look forward to sharing our progress with you over time.

Our customer numbers have seen strong growth over the year, rising 11%, to 2.9 million customers as of 30 June 2025. Demand for our lending and deposit products continued to grow over the year, increasing 6.3% and 6.6% respectively.

Customers are attracted to our quality products, personal service and unique purpose. Our high standing with our customers is reflected in our Net Promoter Score (**NPS**) which pleasingly remains strong at +28.0 points, well above the industry average.

In Financial Year 2025, we reported cash earnings of $514.6 million. Our Net Interest Margin (**NIM**) for the full year was 1.88% as we actively managed the margin impact of two successive reductions to the official cash rate from the Reserve Bank of Australia (**RBA**) in the second half.

The Bank is required to test the carrying value of its goodwill every year. Following a review, the Bank has determined it will record an impairment to the carrying value of its goodwill by $539.5 million.

The impairment has been significantly driven by heightened levels of global uncertainty and the outlook for longer term rates. The decision does not impact the Bank's ability to pay a dividend nor its regulatory capital levels.

Our Common Equity Tier 1 ratio is 11.00% as of 30 June 2025 and remains well above the Australian Prudential Regulation Authority's (**APRA's**) definition of unquestionably strong.

Vicki Carter
Chair, Bendigo Bank

Richard Fennell
CEO and MD, Bendigo Bank

As you may know, your Board determined to pay a fully franked dividend of 33.0 cents per share for the second half, taking the full year dividend to 63.0 cents per share. Your Board always strives to balance the needs and interests of all our stakeholders in declaring a dividend.

We continued to deliver important community dividends as well, with our unique Community Bank model returning $50.2 million in contributions to the community over the year and $416 million since inception.

Another way we deliver for our communities is with our scholarship program, which remains one of the largest in Australia. Almost 350 students will benefit from scholarships awarded in Financial Year 2025 valued at $1.1 million, funded by our contributions and those of our Community Bank partners.

Since 2017, the program has supported 2,304 students with scholarships valued at more than $15 million. The program is overseen by our charitable arm, the Community Enterprise Foundation, with Bendigo Bank Directors contributing a portion of the funding for Bendigo and Adelaide Bank scholarships.

We remain committed to supporting our customers and communities and continue to think deeply about how best to align our charitable and community-focused initiatives with our business for greater societal impact and sustainability.

Our work to protect customers and the community from scams and fraud is ongoing, and we are pleased to report over 36% fall in customer losses in Financial Year 2025 following a 34% fall in the financial year prior.

Payee Check, our confirmation of payee solution, is now helping all 2.9 million Bendigo Bank customers to verify the likelihood that the account name they enter is genuine when making payments. Banking Safely Online, our face-to-face education program designed to build confidence in transacting online, continues to be popular.

Over 260 sessions, helping thousands of Australians, have now been held around the country since the program commenced.

Cyber fraud remains a complex, evolving, and ongoing challenge. We continue to work closely with our peers in the financial sector, government, regulators, law enforcement agencies and others to detect, prevent, and respond to cyber fraud.

The Board of Directors was pleased to appoint Richard as Chief Executive Officer and Managing Director from 31 August 2024 following a comprehensive external search. The composition of both the Board and Executive team has evolved throughout the year as we considered the mix of experience and expertise required to ensure the success of your Bank.

Career banker and experienced Non-Executive Director Daryl Johnson was appointed to the Board in September 2024 and Agribusiness Executive and Deputy Chair of Lifeline Australia Travis Dillon was appointed in February 2025. Their reflections and contributions to our discussions have been most valuable.

Our Executive leadership team has been finalised with the addition of Fiona Thompson as Chief People Officer in December 2024, Kerrie Noonan as Chief Risk Officer in February 2025 and Kieran O'Meara as Chief Technology Officer in April 2025.

These additions complement earlier internal appointments of Taso Corolis as Chief Customer Officer, Consumer Banking, Sarah Bateson as Chief Marketing Officer, and Xavier Shay as Chief Digital Officer, in addition to his existing role as CEO of Up, in September 2024.

We are fortunate to attract such high-quality leaders with deep expertise and experience.

Your Bank remains well capitalised and stands ready to support customers who need our help. After several years of increasing cost of living pressure, we have been pleased to offer many homeowners interest rate relief in the face of global economic uncertainty.

We are confident we have the right strategy, leadership and the capabilities in place to leverage what makes Bendigo Bank unique, ensuring it can continue delivering on its purpose of feeding into the prosperity of its customers and the community.

On behalf of the Board and Executive, we would like to thank our many talented and dedicated team members for their hard work and commitment, and our shareholders, for your ongoing support, as we continue to sharpen our focus on driving value and sustainable returns.

$514.6 million
Reported cash earnings

1.88%
Net interest margin

11.00%
Common Equity Tier 1 ratio

About us

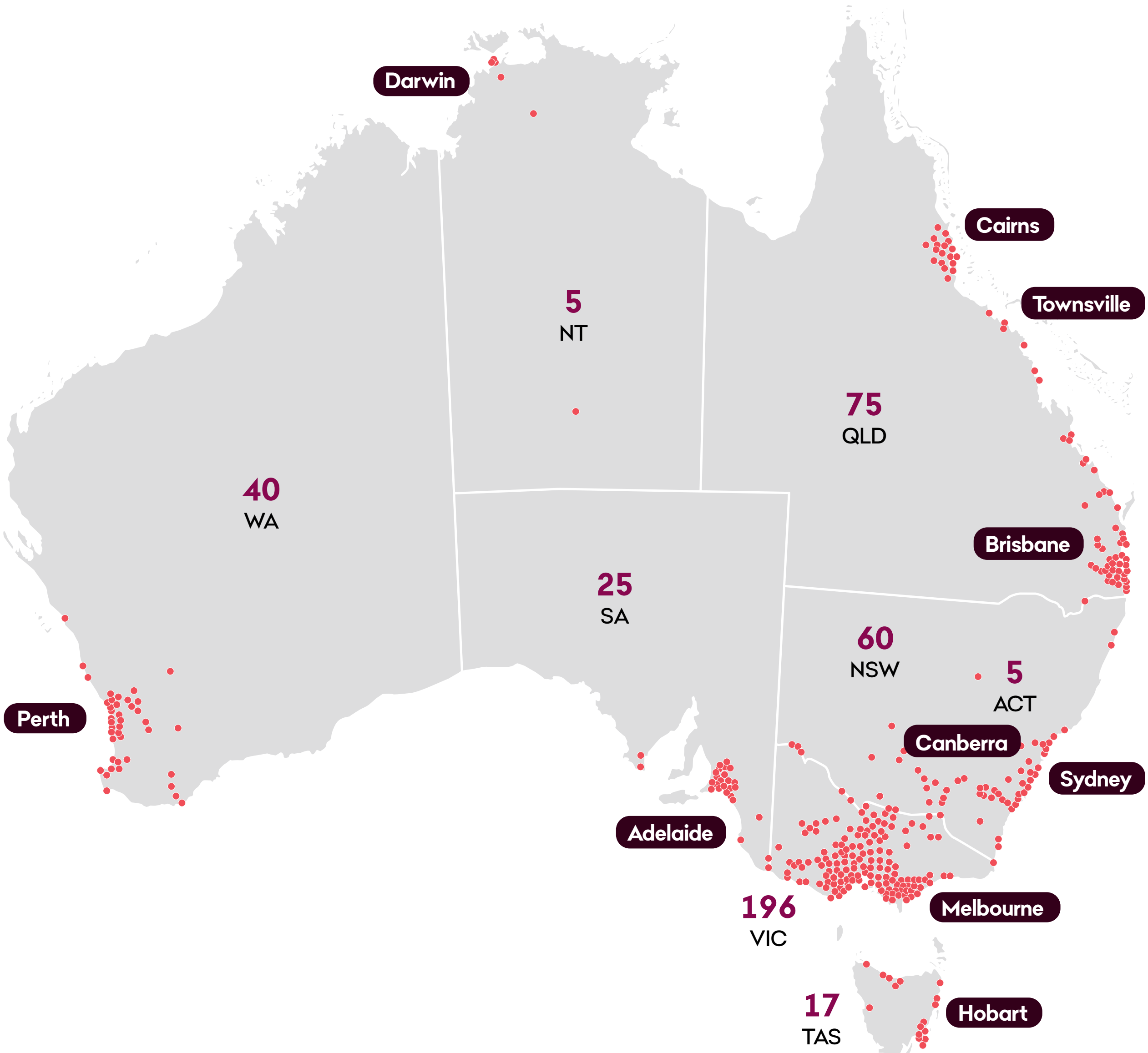
Founded on the Victorian goldfields in 1858, we have grown into a national organisation and are the only ASX 100 company headquartered in regional Australia.

It is simple. We provide banking and financial services to Australians to deliver on our purpose: to feed into the prosperity of our customers and communities. We are one of Australia's most trusted brands, and for 167 years we have delivered for our customers and the communities in which they operate.

Relationships are at our core. We have more branches per customer than any other bank and our digital bank Up has grown to 1.2 million customers since its inception in 2018. We drive impact through our unique Community Bank model, with $416 million delivered back to Australian communities since its inception in 1998.

Our reach

Bendigo Bank's national reach through our physical network [1].



1. Branch network at 25 August 2025.

Customer service team member, Amy at Strath Hill branch in Bendigo, Victoria

Creating value in 2025

Our value drivers

Sustainability and impact focused delivering positive and sustainable outcomes for our shareholders, people, customers and communities

A relationship-driven bank driving positive customer experiences with community at the heart of who we are and why we exist

Diverse, engaged and empowered team who are performance, impact and outcomes-focused

Simplified operating model supported by our digital transformation agenda

Strong balance sheet and risk management enabling profitable and sustainable growth

Our core businesses

Bendigo Bank

Delivers banking products and services to our Consumer, Business and Agribusiness customers via a national network of branches, Community Banks, relationship managers and third party distribution partners

up

A mobile only bank creating financial freedom through technology, innovation and creativity

What makes us unique

Community
With our purpose to feed into prosperity, we seek to build more capable, resilient and self-determining communities through models like our Community Bank model

Regional
As the only regionally headquartered ASX 100 company, our heart and soul and our values remain firmly rooted in regional and rural Australia, where relationships are built on trust, care and a strong sense of community

Trust
Being one of Australia's most trusted brands and maintaining our sustained reputational strength is integral to our Bank's success and sustainability

Our purpose: To feed into the prosperity of our customers and the community

Sustainability-related material topics

Climate change
Pages 87, 96

Customer experience and wellbeing
Pages 81 - 84

Data privacy and security
Pages 84

Financial crime risk
Pages 83, 95

Governance, conduct and ethics
Pages 83, 94

Thriving communities
Pages 85 - 90

Value created

Shareholders

- Paid **$356.2 million in dividends** to over **100,000** shareholders
- **$514.6 million** cash earnings after tax
- **7.34%** Return on Equity
- Contributed **$519.4 million** in total tax

Our people

- **74%** employee engagement
- **59.2%** female gender diversity
- Average gender pay gap of **25.2%** at 31 March 2025
- **Achieved Gold Tier Status** on the Australian Workplace Equality Index (AWEI)

Customers

- One of Australia's most trusted brands
- **2.9 million** customers
- Up recognised as **Bank of the Year** – Digital[1]
- **Blocked $47 million in fraud** or scam transactions
- Bendigo Bank continues to have the highest home loan customer satisfaction rate at **87.7%**[2]
- Retired Rural Bank brand and migrated customers to Bendigo Bank Agribusiness

Communities

- **$50.2 million** invested back into communities through our Community Bank model
- **17%** Community Bank companies certified as social enterprises
- **38** Banking Safely Online sessions
- **$266,000** raised through natural disaster appeals

Environment

- Reduced Scope 1 & Scope 2 emissions by **92.9%** from 2020 baseline
- Maintained CDP (formerly Carbon Disclosure Project) score of B
- Completed Transition Risk Scenario Analysis
- Bendigo Bank Green Personal Loan awarded Canstar's Outstanding Value Green Car Loan Award

Our values: Make a difference | Be better together | Own it | Find the right way

1. Money's Bank of the Year – Digital, 2025 Consumer Finance Awards, 1 July 2025.
2. Roy Morgan, Home Loan Satisfaction Rankings, 14 March 2025.

Our strategy

Through 2018 to now, we have been laying important foundations to better support our customers now and into the future.

Our strategic imperatives have underpinned our vision, with our investors, customers, people and communities at the forefront of our decision making. In pursuit of our vision, we have greatly simplified our organisation, we have developed and sourced significant capability improvements for our customers and people, we have built simplified and stronger infrastructure and uplifted our unique strengths that set us apart.

This has been achieved through careful planning, disciplined execution and adhering to, and delivering on, our strategy. Most importantly through this time, we have maintained what is fundamental to our organisation: our regional heritage and values, commitment to local communities and our strong reputation as one of Australia's most trusted brands.

Some of the key highlights and milestones have been:

Reduce complexity

- Reduced our core banking systems from 8 to 2, consolidated our brands from 13 to 3 (2 main customer-facing brands) and reduced our IT applications from 650 to 317
- Simplified our organisational structure, through integration of business units to reduce costs and process duplication
- Partnered with other organisations to deliver a better experience for our customers, such as our agreement for merchant facilities with Tyro
- Divested or restructured businesses that created complexity for the organisation, including Homesafe and our superannuation business, Bendigo Super.

Invest in capability

- Powered Up from 500 customers in 2018 to 1.2 million customers, winning 2025 Bank of the Year - Digital[1], and with the #1 rated banking App in Australia
- Developed our innovative lending platform, reducing assessment times and improving time-to-decision for our home lending customers
- Built the foundations of a sustainable business and agribusiness bank through policy and process improvements, investment in a market-leading Customer Relationship Management (**CRM**) and origination platform with the migration of the Rural Bank system and retirement of the Rural Bank brand
- Invested in building the capability of our people through updated learning tools, leadership development programs and risk capability uplift.

Our new office at 555 Collins St in Melbourne, Victoria opened in June 2025.

1. Money's Bank of the Year – Digital, 2025 Consumer Finance Awards, 1 July 2025.

Tell our story

- Invested $416 million back into the community through our unique Community Bank model since 1998
- Supported our customers when they needed us the most, including making available our Natural Disaster Assistance Package for customers impacted by the increasing numbers of natural disasters
- Developed and delivered on our Climate & Nature Action Plan (**CNAP**), improving the sustainability of our organisation and our customers
- Building on the success of our 'better big bank' positioning, we launched our 'Bigger for You' campaign to demonstrate that Bendigo Bank has the capability of the big four banks, but with the human values and care that we are known for
- Maintained our position as one of the most trusted brands in Australia.

Over the last 12 months, we have reflected on our successes and taken learnings from our challenges. We have focused on our strategic priorities, reviewed our position in market and contemplated our unique organisational traits.

Ultimately, we have recognised the need for a bolder future for Bendigo Bank now that we have strengthened our foundations. From 2026, we will take a refreshed view on our areas of focus and strategic priorities but will remain true to what makes our organisation unique.

Community Bank Samford in Samford, Queensland is proud to support Blind Bats' Beeping Cricket Balls initiative - an innovative and inclusive project that breaks down barriers and promotes equal participation by making cricket more accessible for players who are blind or vision-impaired. It is a great example of the kind of small idea with big impact that our grant programs are designed to support, reflecting our commitment to inclusion, accessibility, and building a more connected, equitable community through the joy of sport.

Our strategy: looking forward

Throughout our history, Bendigo Bank has innovated by putting customers and communities first.

We innovated with our unique Community Bank model and have more branches per customer than any other bank in Australia. We have also returned $416 million to communities nationwide since the inception of the Community Bank model. We developed Up, Australia's first fully digital bank. Over the 12 months, 17.8% of total mortgages were originated through digital channels. These aren't isolated successes – they reflect our fundamental approach to banking: listening to customers, understanding their needs and having the courage to take a different path.

It is this track record and commitment to ongoing innovation that underpins our new strategy.

Our strategy has five key pillars:

1. **Make life easy with digital:** We will improve our processes for our customers, people and partners by implementing end-to-end digital experiences. We will free our people from manual processes to focus on valuable customer conversations, while creating digital journeys that better meet customer needs and provide them with the flexibility to self-serve.
2. **Operate simply and efficiently:** We will embrace Artificial Intelligence (**AI**) and automation to transform how we work, reducing wasteful tasks and simplifying processes so we can better align our efforts and reinvest back into the business. We will pursue strategic partnerships that allow us to focus our energy where we can truly differentiate while leveraging specialist expertise to help serve our customers better.
3. **Deepen customer relationships:** We will take a whole-of-customer approach, understanding and meeting the holistic needs of our customers. Using data responsibly, we will provide more relevant, personalised services.
4. **Set the benchmark for trust and societal impact:** We will continue to play our part in communities across Australia as we evolve the Community Bank model for the future. We will further embed impact principles into product development and will support our customers to decarbonise in line with BEN 1.5°C, our evolved climate approach.
5. **Reinvent banking for a new generation with Up:** We will continue to innovate through Up, creating experiences that bridge traditional banking strengths with cutting-edge digital capabilities. We will apply lessons from Up's agile approach more broadly across the organisation.

We will deliver on this by future-proofing our risk management capabilities, streamlining our technology foundations and building a performance culture and operating model that supports our aspiration.

Our Strategy

Building scale through innovation

OUR PURPOSE	**To feed into the prosperity of our customers and communities**
OUR CUSTOMERS	**We are deepening our focus on our target customer segments**

OUR STRATEGIC PILLARS

- **1 Make life easy with digital**
- **2 Operate simply and efficiently**
- **3 Deepen customer relationships**
- **4 Set the benchmark for trust and societal impact**
- **5 Reinvent banking for a new generation of Australians with Up**

OUR ENABLERS

- **Futureproof our risk management capabilities**
- **Streamline our technology foundations**
- **Build a performance-based culture and operating model**

What does the future hold?

For **our shareholders**, we aim to deliver consistent and improving returns through sustainable growth across both sides of the balance sheet.

For **our people**, processes will support more productive ways of working. They will be empowered to innovate, knowing that learning from both successes and setbacks is valued.

For **our customers**, we will provide seamless banking experiences across all channels. They will feel understood as individuals, with solutions that anticipate their needs.

For **our communities**, we will continue to feed into their prosperity through supporting their local banking needs, while evolving how we create impact. We will support our Community Bank partners to operate more efficiently, while maintaining their local connections.

For **our partners**, we will build more strategic relationships that enable us to innovate faster than we could alone. By combining our deep customer understanding with our partners' specialised capabilities, we will accelerate our innovation journey and deliver solutions that create more value than any organisation could achieve alone.

2026 will be the start of our refreshed strategy, ensuring we can continue to deliver on our purpose to feed into the prosperity of our customers and communities.

Our Executive

Richard Fennell
CEO and MD
Non-Independent

BEc, FCA, MAICD.

Richard Fennell lives on the traditional Country of the Kaurna people of the Adelaide Plains.

Richard was appointed Chief Executive Officer and Managing Director in August 2024 and has been with the Bank since 2007. Richard led the Bank's Consumer Banking Division from 2018.

Prior to this, Richard was the Bank's Chief Financial Officer between 2009 and 2018 and Executive Group Strategy between 2007 and 2009. Richard spent the early part of his career in finance and consulting, primarily with PwC in Australia and Asia.

Richard is also the Bank's Reconciliation Action Plan (**RAP**) Executive Sponsor, supporting our reconciliation efforts and ensuring the Bank delivers the outcomes identified in our RAP.

A keen supporter of sport and the arts in South Australia, Richard has been a Director of the Adelaide Football Club since 2017.

Kerrie Noonan
Chief Risk Officer

BCom, AIAA, G FIN, GAICD.

Kerrie Noonan lives on the lands of the Wurundjeri Woi-wurrung and Bunurong Boon Wurrung Peoples of the Eastern Kulin.

Appointed Chief Risk Officer in February 2025, Kerrie brings over 30 years of experience in the banking and financial sector.

A risk management and banking specialist, Kerrie has held senior positions in Australia and the UK, including NAB and IAG. She has led transformational initiatives, uplifting and embedding risk management capability, creating sustainable outcomes and improved customer experiences.

Kerrie is an Actuary, has a Bachelor of Commerce from the University of Melbourne and has completed the Executive Development Program at The Wharton School.

Andrew Morgan
Chief Financial Officer

BCom, FCPA, GAICD.

Andrew Morgan lives on the lands of the Darramurragal people.

Joining the Bank in 2022, Andrew brings over 30 years' experience in global financial services.

Andrew is responsible for the group's finance, treasury, tax, investor relations and ESG, procurement and property functions. Previous appointments include CFO with Colonial First State, CFO and Acting MD with MLC Wealth, and nine years at CommBank including four years as CFO Business & Private Banking and Bankwest.

Andrew has a long track record in financial services and has demonstrated the ability to transform, simplify and create value for the businesses with whom he has been involved.

A strong advocate for accessibility and inclusion, Andrew is the Bank's Executive Sponsor for Accessibility.

Taso Corolis

Chief Customer Officer, Consumer Banking

BEc, BCom, Grad Dip App Fin & Invest.

Taso Corolis lives on lands of the Kaurna people of the Adelaide Plains.

With more than 25 years' experience in financial services, Taso upholds a strong connection with the customer.

Prior to his current role, he held the position of Group Chief Risk Officer since early 2018. He joined the Bendigo Bank Group from Rural Bank in 2011, where he served as the Executive in charge of Risk for a number of years.

Taso holds degrees in Economics and Commerce, with postgraduate qualifications in Finance and investments. He's also a Non-Executive Director of not-for-profit Workskil Australia.

Taso is the Executive Sponsor of the Bank's Multicultural@BEN employee network group which aims to educate, advocate and celebrate cultural diversity and inclusion at Bendigo Bank.

Fiona Thompson

Chief People Officer

BEc, LLB, GAICD.

Fiona Thompson lives on the lands of the Dharug people.

Fiona was appointed as Chief People Officer in 2024. With 30 years' experience in financial services (including roles at Suncorp and AMP), Fiona is adept at implementing strategy, fostering positive work environments, driving innovation and championing employee growth.

Fiona has a passion for providing others with the incentive and opportunity to pursue rewarding careers in the financial services industry.

She holds degrees in Economics and Law from Macquarie University and is a dedicated member of several industry organisations, including Chief Executive Women (**CEW**).

Adam Rowse

Chief Customer Officer, Business and Agribusiness

MBA.

Adam Rowse lives on the lands of the Wurundjeri Woi Wurrung and Bunurong Boon Wurrung peoples of the Eastern Kulin.

Joining the Bank in 2022, Adam brings with him decades of industry expertise with a strong focus on customer support, experience and growth.

Adam spent 14 years at Barclays Bank in the UK, where he held numerous senior roles culminating in his appointment to Head of Business Banking. During this time he helped establish Barclays as the number one business and agribusiness bank.

Raised on a farm in Gippsland, Victoria, Adam is based in Melbourne.

Our Executive

Kieran O'Meara
Chief Technology Officer

BSc, PgDip, MAICD.

Kieran O'Meara lives on the land of the Dja Dja Wurrung people of the Kulin Nation.

Appointed Chief Technology Officer in April 2025, Kieran brings over 25 years' experience in software engineering, digital transformation and technology.

His most recent role prior to joining the Bank was Chief Information Officer and Head of Software Engineering & IT at Telstra Group. He has also held a number of tech executive and consulting roles in the UK and Australia.

Kieran holds a degree in Management Science (Technology) and has postgraduate qualifications in Information Technology, specialising in Object Oriented Software Engineering and AI.

Bruce Speirs
Chief Operating Officer

B.Com, FCA, MBA, GAICD.

Bruce Speirs lives on the lands of the Kaurna people of the Adelaide Plains.

As Chief Operating Officer, Bruce is focussed on improving efficiency, reducing complexity, and strengthening our processes.

His background includes over 9 years working for Ernst & Young in the UK, USA and Australia before joining the Bank in 2004. During this time Bruce has held various senior leadership roles in finance and business, including Executive Partner Connection (responsible for third-party banking) and Executive Business Banking (2018).

Bruce is the Executive Sponsor of the Bank's Women@BEN employee network group, supporting the Bank to advocate for the female experience, empower our female workforce and shine a light on leadership capability.

Bruce is a Chartered Accountant, MBA and AICD Graduate.

Sarah Bateson
Chief Marketing Officer

BBus, GAICD.

Sarah Bateson lives on the land of the Dja Dja Wurrung people of the Kulin Nation.

Joining the Bank in 2020, Sarah leads our Brand, Marketing and Communications division.

A customer-obsessed marketing and communications specialist, she brings over 20 years' experience working across multiple industries in Australia the UK and Ireland. Sarah has a proven track record of developing high-performing teams, building multi-discipline alignment, and delivering business growth.

Executive sponsor of the BEN Pride Committee, Sarah is passionate about diversity and inclusion in the workplace.

Xavier Shay

Chief Digital Officer and Chief Executive Officer of Up

BInfTech.

Xavier lives on the land of the Wurundjeri Woi Wurrung people of the Kulin Nation.

Working with the Bank since 2019, Xavier brings a deep understanding of fintech and industry disruption. He was an early employee at multiple startups in Australia including The Conversation, Clear Grain, and Redbubble, before spending nearly seven years at Square in the US, holding senior leadership roles across Platform and Payments Engineering. He later consulted to executive teams in San Francisco.

Xavier is instrumental in building and scaling our digital capabilities as well as leading Up.

Bendigo Bank debit and credit cards

Directors' Report

The Directors of Bendigo and Adelaide Bank Limited (Bendigo Bank) present their report together with the financial report of Bendigo Bank and its controlled entities (the Group) for the year ended 30 June 2025.

Directors' Information

The names and details of the Directors in office as at the date of this report are as follows:

Vicki Carter

Independent Chair

BA (Social Sciences), Dip Mgt, Certificate in Executive Coaching, GAICD, 61 years

Vicki lives, works and learns on the land of the Bunurong people of the Kulin Nation and was appointed Chair in May 2024. Vicki joined the Board in September 2018 and is also a member of the Board Risk Committee and the Board People and Culture Committee.

With more than 30 years' experience in the financial services and telecommunications sectors, Vicki has held executive roles in distribution, strategy, operations, human resources and transformation. Her extensive skills in large-scale people leadership, product, sales management, transformation delivery and risk management have been, and continue to be, valuable and contemporary contributions to the Board.

Vicki's former roles include Executive Director, Transformation Delivery at Telstra, Executive General Manager Retail Bank at NAB, Executive General Manager Business Operations and General Manager People and Culture also at NAB, as well as senior leadership roles at MLC, ING and Prudential Assurance Co Ltd.

Other director and memberships: [1]

- Non-Executive Director of ASX Limited (ASX:ASX) (Feb 2023 to present)
- Non-Executive Director of IPH Limited (ASX:IPH) (Oct 2022 to present)

Richard Fennell

CEO and MD

BEc, FCA, MAICD, 56 years

Richard lives, works and learns on the land of the Kaurna people of the Adelaide Plains and was appointed Chief Executive Officer and Managing Director in August 2024.

Having been with the Bank since 2007, Richard formerly led the Bank's Consumer Banking Division from 2018 to 2024, which focused on the delivery of products and services through the Bank's company-owned and Community Bank branches and through a range of partner organisations including mortgage brokers and financial advisors.

Richard was also formerly the Bank's Chief Financial Officer, from 2009 to 2018, and Chief General Manager, Group Strategy between 2007 and 2009. Richard spent the early part of his career in finance and consulting, primarily with PwC in Australia and Asia.

Other director and memberships: [1]

- Director of the Adelaide Football Club (April 2017 to present)

Abi Cleland

Independent

MBA, BCom/BA, 51 years

Abi lives, works and learns on the land of the Wurundjeri Woi Wurrung people of the Kulin Nation and joined the Board in April 2024.

Abi is Chair of the Board People and Culture Committee and a member of the Board Technology and Transformation Committee.

With global expertise in strategy, digital, supply chain, M&A and operations, Abi has held senior corporate roles with Amcor, Incitec Pivot, ANZ, 333 Management and Caltex after starting her career at BHP. From 2012 to 2017, Abi established and ran an advisory and management business, Absolute Partners, focused on strategy, innovation, and disruption.

Abi was previously a Non-Executive Director of Orora Limited (ASX:ORA) from February 2014 to September 2024, a Non-Executive Director of Sydney Airport Corporation, Chair of Planwise AU, a Non-Executive Director of Swimming Australia and on the Lazard PE Fund Advisory Committee.

Other director and memberships: [1]

- Non-Executive Director of Coles Limited (ASX:COL) (Nov 2018 to present)
- Non-Executive Director of Computershare Limited (ASX:CPU) (Feb 2018 to present)

1. Including other listed companies for the previous three years.

Richard Deutsch

Independent

BE, FCA, 58 years

Richard lives, works and learns on the land of the Bidjigal and Gadigal people of the Eora Nation and joined the Board in September 2021.

Richard is Chair of the Board Audit Committee and a member of the Board Technology and Transformation Committee.

Bringing extensive experience delivering complex audit and advisory services to Australia's leading public, private, government and not-for-profit organisations, Richard most recently served as CEO of Deloitte Australia, the Managing Partner of the Audit and Advisory Practice and a member of the Global Audit and Advisory leadership team.

Richard is passionate about supporting organisations that have a positive impact in the community. He is the current Chair of the Movember Foundation, former Chair of OzHarvest and a former Non-Executive Director of Adara Group, a charitable organisation focusing on international development in emerging economies. Richard was also formerly President and Chair of the Institute of Chartered Accountants Australia (now Chartered Accountants Australia and New Zealand) and was formerly a member of the Business Council of Australia (**BCA**).

Other director and memberships:[1]

- Chair of Movember Foundation (Oct 2022 to present)
- Non-Executive Director of AUB Group Limited (ASX:AUB) (Dec 2022 to present)
- Non-Executive Director of Hollard Holdings Australia Pty Ltd (July 2024 to present)

Daryl Johnson

Independent

MBA, BBus (FinEc), GAICD, 62 years

Daryl lives, works and learns on the land of the Wurundjeri Woi-wurrung and Bunurong Boon Wurrung Peoples of the Eastern Kulin Nation and joined the Board in September 2024.

Daryl is a member of the Board Audit Committee and the Board Risk Committee.

With more than 40 years' banking and finance experience in Australia, Asia and New Zealand, Daryl's most recent executive role was as CEO of Rabobank New Zealand, which he held from June 2016 to December 2017. Prior to that Daryl was CEO of NAB Asia, Executive General Manager of NAB Business and General Manager of Corporate Banking.

Daryl was previously a Non-Executive Director of Beyond Bank Australia, Cuscal and CG Spectrum Institute.

Other director and memberships:[1]

- Non-Executive Director of Credit Corp PNG (June 2022 to present)

Travis Dillon

Independent

MBA, MAICD, 52 years

Travis lives, works and learns on the land of the Kaurna people of the Adelaide Plains and joined the Board in February 2025.

Travis is a member of the Board Audit Committee and the Board Risk Committee.

With extensive commercial and strategic experience, expertise in business strategy, change management, operational management and equity capital markets and decades of experience in Australian agriculture and agribusiness, Travis was CEO and Managing Director at Ruralco Holdings Limited (ASX:RHL) from 2015 to 2019.

Travis is an experienced Non-Executive Director and was previously the Chair of Clean Seas Seafood Limited (ASX:CSS) from October 2020 until November 2024. Travis was formerly Deputy Chair of Lifeline Australia (November 2017 to 20 August 2025).

Other director and memberships:[1]

- Chair of Select Harvests Limited (ASX:SVH) (Nov 2021 to present)
- Chair of Australian Grain Technologies (Jan 2024 to present)

1. Including other listed companies for the previous three years.

Alistair Muir

Independent

Dip. Comp Sci, BSC (Hons), MAICD, 44 years

Alistair lives, works and learns on the land of the Bidjigal and Gadigal people of the Eora Nation and joined the Board in September 2022.

Alistair is Chair of the Board Technology and Transformation Committee and a member of the Board People and Culture Committee.

An experienced digital executive and entrepreneur with more than 20 years' experience working in financial services and technology, Alistair is currently the Managing Director of advisory business Vanteum and has helped a number of ASX50 and Fortune 500 companies to launch and scale new digital products and ventures, as well as advising several government departments in Australia and internationally on Fintech, innovation and emerging technologies such as AI.

Alistair holds a first-class honours degree in computer science and postgraduate qualifications from both Harvard Business School and Massachusetts Institute of Technology.

Alistair was previously Non-Executive Director and Chair of the Technology Board Committee at Humm Group Limited (ASX:HUM) from March 2021 to June 2022.

Other director and memberships:[1]

- Non-Executive Director of Helia Group Limited (formerly Genworth Mortgage Insurance Australia Limited) (ASX:HLI) (Dec 2021 to present)
- Advisor to CSIRO on the commercialisation of science and technology (Jun 2016 to present)
- Member of ASIC's Consultative Panel (Jun 2023 to present)

(Patricia) Margaret Payn

Independent

B.A (Hons) French and Pure Mathematics, ICAEW Fellow (FCA), 65 years

Margaret lives, works and learns on the land of the Kaurna people of the Adelaide Plains and joined the Board in September 2023.

Margaret is a member of the Board Risk Committee and the Board Technology and Transformation Committee.

Margaret has extensive global experience across the financial services industry (banking and wealth management). Her experience covers roles in finance, strategy, operations, product and risk. She has worked for large publicly listed companies and their subsidiaries in the UK, Asia and Australia.

Margaret was most recently Chief Financial Officer of AMP Capital (at the time, a large public and private markets investment manager) and formerly held roles as Group Managing Director of Strategy and Marketing at ANZ Group Holdings Limited (ASX:ANZ), senior finance roles at Westpac Banking Group (ASX:WBC) and Citigroup Australia as well as senior finance and risk roles in Schroders.

Margaret was a Non-Executive Director of two investment companies listed in the UK, serving as the Chair of the Audit and Risk Committees of each company (JP Morgan Mid Cap Investment Trust until February 2024 and Albion Technology & General VCT until December 2024).

Other director and memberships:[1]

- Chair of Sandhurst Trustees Limited (Aug 2024 to present)

Victoria Weekes

Independent

BCom (UNSW) LLB (UNSW), FAICD, 63 years

Victoria lives, works and learns on the land of the Wangal people of the Eora Nation and joined the Board in February 2022.

Victoria is Chair of the Board Risk Committee and a member of the Board People and Culture Committee.

With more than 35 years' experience in financial services, Victoria has held executive roles with major Australian listed companies and multinationals including Westpac Banking Group Limited (ASX:WBC), Citi, Allens and Jarden Morgan (now CS First Boston).

Victoria is a senior fellow and past president of professional standards body FINSIA, a chartered banker and was previously the Chair of the Australian Gender Equality Council. Victoria is a former Non-Executive Director of URB Investments Limited (ASX:URB), a former Non-Executive Director of Alcidion Group Limited (ASX:ALC) and former Chair of NSW Treasury Audit and Risk Committee.

Other director and memberships:[1]

- Member of State Library of NSW Council (Mar 2014 to present)
- Member of ASIC Markets Disciplinary Panel (July 2011 to present)
- Deputy Chair of ASIC Markets Disciplinary Panel (Sept 2021 to present)
- Treasurer of the Australian Gender Equality Council (Dec 2016 to present)
- Independent Chair of Pinnacle Housing Partnerships Limited (Sept 2023 to present)
- Independent Chair of Pinnacle Housing VIC No.1 Pty Ltd (May 2025 to present)

1. Including other listed companies for the previous three years.

Company Secretary

Belinda Donaldson (BCom(Economics), LLB) was appointed as Company Secretary of the Bank on 9 January 2023. She is an experienced corporate lawyer and governance professional with extensive experience assisting listed, non-listed and not-for-profit organisations in mergers and acquisitions, commercial law, corporate governance and advisory matters.

Principal activities

The principal activities of the Group during the financial year were the provision of a broad range of banking and other financial services including consumer, residential, business, rural and commercial lending, deposit-taking, payments services, wealth management, margin lending, treasury, and foreign exchange services.

Operating and financial review

The Group's statutory profit after tax for the financial year ended 30 June 2025 decreased to a loss of $97.1 million (FY24: $545.0 million profit). This was driven by:

- An impairment of goodwill attributed to the Consumer Cash Generating Unit of $539.5 million.
- A small increase in net interest income due to an increase in interest earning assets, partly offset by the impact of margin pressures in the first half of the year.
- A decrease in other income mainly from the one-off benefit in FY24 of changes in valuation and methodology assumptions and a restructure of the Homesafe operations.
- An increase in operating costs due to planned increase in investment spend on our transformation agenda to support long term growth and simplification benefits.

  In addition, increased costs reflected a combination of inflationary pressures and higher software and amortisation charges.
- A decrease in credit expenses, reflecting a reduction in collective provision overlays for events that have now transpired and updated macroeconomic outlook assumptions. The second half benefited from the resolution of a specific provision-related matter. Credit performance remains resilient.

Further information on the Group's operating results for the financial year is contained in the Operating and Financial Review section of this report.

Dividends and distributions

The Directors announced on 25 August 2025 a fully franked dividend of 33.0 cents per fully paid ordinary share. The final dividend is payable on 30 September 2025. The proposed payment is expected to total $186.1 million. The following fully franked dividends were paid by the Bank during the year on fully paid ordinary shares:

- a final dividend for FY24 of 33.0 cents per share, paid on 30 September 2024 (amount paid: $186.5 million)
- an interim dividend for FY25 of 30.0 cents per share, paid on 31 March 2025 (amount paid: $169.7 million).

Further details on dividends provided for or paid during FY25 on the Bank's ordinary and preference shares are provided at Note 8 Dividends of the Financial Report.

Review of operations

An analysis of the Group's operations for the financial year and the results of those operations, including the financial position, business priorities and prospects, is presented in the Operating and Financial Review section of this report.

Remuneration Report

Refer to page 100 for the Remuneration Report. The Remuneration Report has been prepared and audited in accordance with section 300A of the *Corporations Act 2001* and the Corporations Regulations 2001. The report forms part of the Directors' Report.

State of affairs

There were changes made to the composition of the Board and the Executive team during the financial year, specifically:

Directors

1. Marnie Baker retired as Chief Executive Officer and Managing Director on 30 August 2024.
2. Richard Fennell was appointed Chief Executive Officer and Managing Director on 31 August 2024.
3. Daryl Johnson was appointed as a Non-Executive Director on 30 September 2024 and elected by shareholders on 7 November 2024.
4. Travis Dillon was appointed as a Non-Executive Director on 21 February 2025 and will stand for election at the AGM on 21 October 2025.
5. David Matthews retired as a Non-Executive Director at the AGM on 7 November 2024.
6. David Foster resigned as a Non-Executive Director on 23 September 2024 (while on a Leave of Absence).

Executives

1. Sarah Bateson was appointed Chief Marketing Officer on 2 September 2024.
2. Xavier Shay was appointed Chief Digital Officer on 2 September 2024.
3. Louise Tebbutt resigned as Chief People Officer on 6 September 2024.
4. Taso Corolis ceased accountabilities as Chief Risk Officer, and commenced as Chief Customer Officer, Consumer on 7 October 2024.
5. Fiona Thompson was appointed Chief People Officer on 2 December 2024.
6. Kerrie Noonan was appointed Chief Risk Officer on 20 February 2025.
7. Kieran O'Meara was appointed Chief Technology Officer on 1 April 2025.
8. Ryan Brosnahan retired as Chief Transformation Officer on 30 June 2025.

In the opinion of the Directors there have been no other significant changes in the state of affairs of the Group during the financial year. Further information on events and matters that affected the Group's state of affairs is presented in the Chair's and Managing Director's message and the Operating and Financial Review section of this report.

Events after reporting date

The Directors are not aware of any other matter or circumstance which has arisen since the end of the financial year to the date of this report that has significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

Rounding of amounts

In accordance with Australian Securities and Investments Commission (**ASIC**) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, amounts in the Directors' Report and Financial Report have been rounded to the nearest million Australian dollars unless otherwise indicated.

Meetings of Directors

The Board met 17 times (scheduled and unscheduled meetings) in the financial year ended 30 June 2025. The following table includes:

- Names of the Directors holding office at any time during, or since the end of, the financial year
- The number of Board and Board Committee meetings which each Director was eligible to attend
- The number of meetings attended by each Director.

All Directors may attend Board Committee meetings even if they are not a member of a Committee. The table below excludes the attendance of those Directors who attended meetings of Board Committees of which they are not a member.

	Board		Audit		Financial Risk*		Risk		People and Culture		Technology and Transformation	
Directors	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Vicki Carter	17	17					7	7	7	7	2	2
Richard Fennell [1]	14	14										
Richard Deutsch	17	17	6	6	4	4					2	2
Victoria Weekes	17	16	4	4			7	7	2	2		
Alistair Muir	17	16					4	4	7	7	4	4
Margaret Payn	17	14	6	6	4	4					2	2
Abi Cleland	17	16					4	4	7	7	4	4
Daryl Johnson [2]	13	13	2	2	3	3	5	5				
Travis Dillon [3]	5	5	2	2			3	3				
Marnie Baker [4]	3	3										
David Foster [5]	0	0			0	0			0	0		
David Matthews [6]	6	5	2	2	2	2						

* The Board Financial Risk Committee was retired effective 28 February 2025.
A = Number eligible to attend | B = Number attended

1. Richard Fennell – Appointed CEO and MD effective 31 August 2024.
2. Daryl Johnson – Appointed 30 September 2024.
3. Travis Dillon – Appointed 21 February 2025.
4. Marnie Baker – Retired 30 August 2024.
5. David Foster – Resigned effective 23 September 2024 (whilst on Leave of Absence).
6. David Matthews – Retired at AGM 7 November 2024.

Board Committee composition

Non-Executive Directors	Audit	Risk	People and Culture	Technology and Transformation
Vicki Carter (Chair)		Member	Member	
Richard Deutsch	Chair			Member
Victoria Weekes		Chair	Member	
Abi Cleland			Chair	Member
Alistair Muir			Member	Chair
Margaret Payn		Member		Member
Daryl Johnson	Member	Member		
Travis Dillon	Member	Member		

Directors' interests in equity

The relevant interest of each Director in shares in the Bank and in units of registered schemes made available by a related body corporate at the date of this report are provided in the Remuneration Report section of this report.

Director tenure

Director	Last election / re-election at an AGM	Due date for next election / re-election at an AGM [1]	Date appointed
Vicki Carter	2024	2027	04/09/2018
Richard Deutsch	2024	2027	20/09/2021
Victoria Weekes	2022	2025 (next AGM)	15/02/2022
Alistair Muir	2022	2025 (next AGM)	12/09/2022
Margaret Payn	2023	2026	14/09/2023
Abi Cleland	2024	2027	30/04/2024
Daryl Johnson	2024	2027	30/09/2024
Travis Dillon	Next AGM	2025 (next AGM)	21/02/2025

1. BEN Constitution Clause 72.2 - A Director (exempting the Managing Director) may not hold office for a continuous period in excess of three years or past the third annual general meeting following the Director's appointment, whichever is the longer, without submitting for election or re-election.

Performance and Deferred Share Rights

Rights to ordinary shares in the Bank (Rights) are issued by the Bank to employees under the Performance Rights Plan and Deferred Share Rights Plans and these plans are governed by the Bank's Omnibus Plan Rules. Each right represents an entitlement to one fully paid ordinary share in the Bank, subject to certain conditions.

During or since the end of the financial year the Bank granted rights of 2,986,403 (2024: 4,701,550). This included 450,000 rights granted to Key Management Personnel (**KMP**).

As at the date of this report there are 5,221,515 rights that are exercisable or may become exercisable at a future date under the plans. The last date for the exercise of existing rights awards that may vest is 1 September 2030.

During or since the end of the financial year 3,422,621 rights vested (2024: 523,499) and no new fully paid ordinary shares were awarded by the Bank during or since the end of the financial year resulting from rights being exercised.

During or since the end of the financial year, 614,117 rights have lapsed.

There were no options over unissued ordinary shares at the start of the financial year and no options to acquire ordinary shares in the Bank were issued during or since the end of the financial year.

Further details of KMP equity holdings during the financial year are detailed in the Remuneration Report.

Corporate governance

An overview of the Bank's corporate governance structures and practices, including the Board Skills Matrix, is presented in the 2025 Corporate Governance Statement available from the Bank's website at: www.bendigoadelaide.com.au/esg/governance/

The Bank confirms it has followed the ASX Corporate Governance Principles and Recommendations (4th edition) during FY25.

Environmental regulation

The Bank's operations are not subject to any significant environmental regulations under a law of the Commonwealth or of an Australian state or territory.

For information about our approach to climate change, greenhouse gas emissions and environmental footprint, carbon neutral certification and progress against our environmental targets, see our Sustainability Report in our 2025 Annual Financial Report.

Indemnification of Officers

The Bank's constitution provides that the Bank is to indemnify, to the extent permitted by law, each Officer of the Bank against any liability including, in particular, legal costs incurred in defending any proceedings or appearing before any court, tribunal, government authority or other body, incurred by an Officer in or arising out of the conduct of the business of the Bank or arising out of the discharge of the Officer's duties.

As permitted by the Bank's constitution, the Bank has entered into deeds providing for indemnity, insurance and access to documents for each of its Directors.

The deeds require the Bank to indemnify, to the extent permitted by law, the Directors for all liabilities incurred in their capacity as Directors.

Indemnification of Auditor

To the extent permitted by law and professional regulations, the Bank has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against all claims by third parties and resulting liabilities, losses, damages, costs and expenses (including reasonable external legal costs) arising from the audit engagement including any negligent, wrongful or wilful act or omission by the Bank.

The indemnity does not apply to any loss resulting from Ernst & Young's negligent, wrongful or wilful acts or omissions. No payment has been made under this indemnity to Ernst & Young during or since the financial year end.

Insurance of Directors and Officers

During or since the financial year end, the Bank has paid a premium to insure certain Officers of the Bank and its related corporate bodies. The Officers of the Bank covered by the insurance policy include the Directors, the Company Secretary, and Directors and Company Secretaries of controlled entities, who are not Directors or Company Secretaries of the Bank. The policy also covers Officers who accept external directorships as part of their responsibilities with the Bank. The insurance does not provide cover for the External Auditor of the Bank.

Disclosure of the nature of the liabilities covered and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance.

Declarations to Board

The Chief Executive Officer and Managing Director, and the Chief Financial Officer have provided the required declarations to the Board in accordance with section 295A of the Corporations Act and recommendation 4.2 of the ASX Corporate Governance Principles and Recommendations in relation to the financial records and financial statements for the year ended 30 June 2025.

The Chief Executive Officer and Managing Director, and the Chief Financial Officer also provided declarations to the Board, consistent with the declarations under section 295A of the Corporations Act and recommendation 4.2 of the ASX Corporate Governance Principles and Recommendations, in relation to the financial statements for the half year ended 31 December 2024.

To support the declarations, formal risk management and financial statement due diligence and verification processes, including attestations from senior management, were undertaken. This assurance is provided every six months in conjunction with the Bank's half year and full year financial reporting obligations.

The financial statements are made on the basis that they provide a reasonable but not absolute level of assurance and do not imply a guarantee against adverse circumstances that may arise in future periods.

Non-audit services

The Board Audit Committee has assessed the independence of the Group's external auditor, Ernst & Young, for the year ended 30 June 2025. The assessment was conducted in accordance with the Group's External Audit Independence Policy and the requirements of the Corporations Act. The assessment included a review of non-audit services provided by the auditor and an assessment of the independence declaration issued by the external auditor for the year ended 30 June 2025.

Non-audit services are those services paid or payable to Ernst & Young which do not relate to Group statutory audit engagements. In its capacity as the Group's external auditor, Ernst & Young is periodically engaged to provide assurance services to the Group in accordance with Australian Auditing Standards. All assignments are subject to engagement letters in accordance with Australian Auditing Standards.

The Board Audit Committee has reviewed the nature and scope of the above non-audit services provided by Ernst & Young. This assessment was made on the basis that the non-audit services performed did not represent the performance of management functions or the making of management decisions, nor were the dollar amounts of the non-audit fees considered sufficient to impair the external auditor's independence. The Board Audit Committee has confirmed that the provision of those services is consistent with the Group's External Audit Independence Policy and compatible with the general standard of independence for auditors imposed by the Corporations Act. This confirmation was provided to, and accepted by, the full Board.

Details of the fees paid or payable to Ernst & Young for audit, review, assurance and non-audit services provided during the year are contained in Note 38 Remuneration of Auditor of the Financial Report.

Auditor's Independence Declaration

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Directors of Bendigo and Adelaide Bank Limited

As lead auditor for the audit of the financial report of Bendigo and Adelaide Bank for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Bendigo and Adelaide Bank Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Clare Sporle
Partner
25 August 2025

Operating and Financial Review

The FY25 results reflect a continued focus on strategic investment to deliver our transformation program, with the benefit of robust lending and deposit growth impacted by margin pressure from a competitive market and higher funding costs.

Operating and Financial Review

1.1 GROUP PERFORMANCE SUMMARY

Our business performance

Cash earnings after tax were $514.6 million, an 8.4% decrease on the prior year. Cash earnings per share of 91.0 cents decreased 8.3 cents on the prior year, return on equity decreased 84 basis points to 7.34%, and the cost to income ratio increased to 62.1%.

Second half cash earnings after tax were $249.4 million, a decrease of 6.0% on the prior half. NIM was flat over the half and operating expenses excluding investment spend were well below inflation.

The Board has determined to pay a fully franked final dividend of 33.0 cents per share, and a total dividend of 63.0 cents per share for the year, while maintaining a strong capital position and delivering shareholder returns.

FY25 Income of $1,946.6 million was 0.4% lower than the prior year, with an increase in net interest income driven by higher lending balances, offset by competitive margin pressure, reduced account fees, and lower Homesafe profit on completions.

Total assets exceeded $103.0 billion during the year, with lending growth of 6.3% driven by residential lending which increased 7.6% or 1.4 times system growth. Lending growth moderated in the second half, reflecting targeted pricing and margin management.

Customer deposits also experienced strong growth on the prior year, up 6.6% with savings accounts including offset accounts growing 11.7%. There was continued growth in savings accounts in the second half, partly offset by a slight decline in term deposits. The deposit to loan ratio was sustained at 73%, consistent with FY24 levels.

NIM declined 2 basis points on the prior year to 1.88%, reflecting the impact of falling cash rates and an increased cost of wholesale funding. NIM was flat over the second half at 1.88%, with active management of Consumer product pricing offsetting the impact of competitive pricing in Business and Agribusiness lending, and a reduced cash rate.

Expenses of $1,209.4 million increased 7.7% on the prior year reflecting a combination of inflationary pressures, higher software and amortisation charges, and continued transformation investment. Excluding investment spend, business as usual expenses contributed 5.4% of the increase.

Over the year, we continued to improve our digital capability with the roll-out of the Bendigo Lending Platform to our broker partners and to our mobile relationship managers in our retail network. We have reduced the number of core banking systems from eight to two, further simplifying our business and technology platforms.

The platform accounted for approximately one third of total mortgage settlements in the last half.

We also reduced complexity in our business model. We completed the migration of the Rural Bank customers to our Bendigo core banking system and retired the Rural Bank brand and product offerings with the sale of Bendigo Superannuation.

Digital direct channels, including Up, represented 17.8% of the total mortgages settled over the past 12 months. Digital deposit momentum continues, driven by our eBanking functionality for existing customers. Digital deposits grew 44% over the year and represented 35% of total deposit growth for the year.

A net credit write-back of $14.7 million relates to a reduction in collective provision overlays for events that have now transpired and updated macroeconomic outlook assumptions. The second half benefited from resolution of a specific provision-related matter. Credit performance remains resilient with a reduction in impaired assets of 4.6% to $129.5 million, representing 0.15% of loans outstanding.

Total customer numbers increased by 11% in the year to 2.9 million customers. The Up customer base grew by 29% to 1.2 million customers. Our Bendigo NPS[1] increased to +28 over the year, which is 36.4 points above the industry average, reinforcing the strength of our connection to customers and communities.

Our balance sheet is strong, with healthy levels of capital, funding, liquidity and collective provisions. We are well-positioned to focus on our strategic goals having largely completed our system consolidation.

We will continue to invest the capital required to support our 2030 strategic initiatives and to grow sustainably, while delivering improved returns to shareholders.

1. Roy Morgan Net Promoter Score Roy Morgan Research, 6 month rolling averages, comparing Bendigo Bank to the industry average as of June 2025. Industry includes: ANZ, BOM, BOQ, Bank SA, Bankwest, CBA, ING, NAB, St. George, Suncorp & WBC. Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.

Operating and Financial Review

1.2 GROUP PERFORMANCE COMMENTARY

Cash Earnings After Tax

$514.6 million

FY24 $562.0 million

Down 8.4% from FY24

Statutory (Loss)/Earnings After Tax

($97.1) million

FY24 $545.0 million

Down 117.8% from FY24

Dividends

63.0 cents

FY24 63.0 cents

The Board has determined to pay a fully franked final dividend of 33.0 cents per share (FY24 final dividend 33.0 cents per share). This brings aggregate dividends for the year to 63.0 cents per share which reflects a full year payout ratio of 69.2%. The final dividend per share increased 10% on the prior half and remained consistent with the prior comparative period.

The Group has in place a Dividend Reinvestment Plan (**DRP**) which provides shareholders with the opportunity to receive their entitlement to a dividend in shares.

Income

Income (Cash Basis)

$1,946.6 million

FY24 $1,954.2 million

Net Interest Margin [1]

1.88%

FY24 1.90%

Total income (cash basis) decreased 0.4% to $1,946.6 million on the prior year (FY24 $1,954.2 million), with an increase in net interest income of $12.6 million offset by a decrease in other income of $20.2 million.

Net interest income (cash basis) increased 0.8% to $1,678.8 million on the prior year (FY24: $1,666.2 million). This was driven by a 1.7% or $1.5 billion increase in average interest earning assets partly offset by a 2 basis point decrease in NIM to 1.88% (FY24: 1.90%). Notably, NIM across the two halves in FY25 was stable at 1.88%.

NIM decreased due to competitive pressures in lending and term deposit markets impacting new business margins compared to the overall portfolio. Funding costs increased, particularly in the first half, a result of a customer-driven mix shift to higher rate saving and offset accounts, away from lower customer rate transaction accounts. The increase in weighted average wholesale funding costs reflects the full repayment of the RBA term funding facility in 2H24. Revenue share payments reduced on the prior year, mostly reflecting reduced deposit margins.

Other operating income (cash basis) decreased 7.0% to $267.8 million (FY24: $288.0 million). This was mostly driven by a decrease in Homesafe realised income with a lower volume of completed contracts. Net card income was impacted by higher scheme fees, whilst deposit fees were reduced or removed. Additionally, income was impacted following divestment of BSPL and the retirement of Sandhurst Trustee Limited as the responsible entity for the managed funds.

1. Net interest margin represents the return on average interest earning assets less the costs of funding these assets. Net interest margin is calculated including the impact of any revenue share arrangements with partners.

Operating and Financial Review

1.2 GROUP PERFORMANCE COMMENTARY continued

Operating expenses

Operating Expenses (Cash Basis)

$1,209.4 million

FY24 $1,122.8 million

Cost to Income Ratio

62.1%

FY24 57.5%

Operating expenses (cash basis) increased 7.7% to $1,209.4 million as we continued to invest in our strategic priorities. The planned increase in investment spend contributed 2.3% of the 7.7% increase. Business as usual expenses contributed 5.4% to the overall cost increase, driven by higher staff costs, technology costs and software amortisation. Staff costs reflected higher average wage inflation and one-off benefits in FY24. Our continued focus on productivity and cost management activities contributed a reduction of 0.8% to our total cost growth.

Non-lending losses reduced $17.0 million to $23.2 million, reflecting lower remediation costs and reduced customer related fraud losses following investment in scam and fraud detection technology, education and resources.

Credit expenses and provisions

Credit (Reversals)/Expenses

($14.7) million

FY24 $9.9 million

Total Provisions

$362.1 million

FY24 $381.2 million

A **total net credit release** of $14.7 million (FY24: $9.9 million net expense) is a $24.6 million reduction on the prior year. This mostly reflected a decrease in collective provision overlays relating to events that have now transpired and updates to macroeconomic outlook assumptions. Stronger house price and commercial property price growth assumptions led to a decrease in the modelled results. This was partially offset by increased probability to the downside scenarios, reflecting the current geopolitical risks.

Specific impairment charges decreased from $1.9 million to a $3.5 million release in FY25 due to a write-back of an Agribusiness provision. Credit performance remains resilient with a reduction in impaired assets of 4.6% to $129.5 million (FY24: $135.7 million).

Provision levels remain appropriate given the current economic environment. Total provisions and equity reserve for credit losses (ERCL) decreased year on year to $362.1 million (FY24: $381.2 million) representing 0.42% of gross lending.

Operating and Financial Review

1.2 GROUP PERFORMANCE COMMENTARY continued

Capital and liquidity

Common Equity Tier 1 Ratio

11.00%

FY24 11.32%

Liquidity Coverage Ratio

132.3%

FY24 137.8%

Net Stable Funding Ratio

115.9%

FY24 116.4%

The Common Equity Tier 1 (**CET1**) ratio decreased by 32 basis points over the year to 11.00% (FY24 11.32%). The reduction reflects the net effect of dividend payments, capitalised expenses and risk weighted asset growth which more than offset earnings and the impact of divestments. Our continued strong capital position reflects a well-managed balance sheet and strong risk management. It provides flexibility to continue to invest in the business.

Under APRA's Basel III capital framework, the Board has set a CET1 target of > 10%.

The CET1 ratio measures the amount of Common Equity Tier 1 capital as a percentage of total Risk Weighted Assets.

The average Liquidity Coverage Ratio (**LCR**) for the quarter ended 30 June 2025 was 132.3% (June 2024 Qty average: 137.8%) exceeding the regulatory minimum of 100%. The LCR represents the proportion of high-quality liquid assets (**HQLA**) held by the Bank to meet short-term obligations under stressed conditions.

The Net Stable Funding Ratio (**NSFR**) as at 30 June 2025 was 115.9% (June 2024: 116.4%), exceeding the regulatory minimum of 100%. NSFR measures the amount of available stable funding to the amount of required stable funding as prescribed by APRA.

Lending

Total lending

$85.9 billion

FY24 $80.8 billion

Up 6.3% from FY24

Gross loan balances by product[1]

Residential	Business	Agribusiness	Margin Loans	Personal Loans & Cards
$66.6 billion	$9.8 billion	$7.3 billion	$1.6 billion	$0.6 billion
FY24 $61.9 billion	FY24 $9.5 billion	FY24 $7.1 billion	FY24 $1.7 billion	FY24 $0.6 billion
Up 7.6% from FY24	Up 2.7% from FY24	Up 3.7% from FY24	Down 8.0% from FY24	Up 3.2% from FY24

Refer to Section 1.4.9 - Lending for further details.

Total gross loans increased 6.3% to $85.9 billion over the year (FY24: $80.8 billion).

Residential lending increased 7.6% to $66.6 billion over the year (FY24: $61.9 billion) with strong growth driven through our new Bendigo Lending Platform in Broker channels, increased customer demand for digital mortgages and improved contributions from our proprietary and Community Bank branch network.

Business lending increased 2.7% over the year to $9.8 billion (FY24: $9.5 billion), reflecting restrained growth in Portfolio Funding. Agribusiness lending increased 3.7% over the year, with strong seasonal inflows in 2H25 (up 9.1% half on half) partly offset by seasonal run-off in the portfolio in 1H25.

Margin lending decreased 8% to $1.6 billion mainly due to the higher-interest rate environment and share market volatility influencing customers' gearing strategies. Clients have employed conservative gearing levels, currently at 27%, which provides significant opportunity to leverage facilities.

1. In FY25 the Group has adopted a revised approach to the disclosure of lending balances. Historically, lending has been disclosed by reference to the purpose of the underlying lending. The Group's lending balances are now disclosed by reference to the underlying product type. Comparative balances have been restated.

Operating and Financial Review

1.2 GROUP PERFORMANCE COMMENTARY continued

Funding (including deposits)

Total funding

$95.1 billion

FY24: $89.6 billion

Up 6.1% from FY24

Customer deposits	Short-term wholesale funding [1]	Long-term wholesale funding [2]	Loan capital [3]
$72.9 billion	$11.6 billion	$9.3 billion	$1.4 billion
FY24 $68.3 billion	FY24 $11.2 billion	FY24 $8.7 billion	FY24 $1.4 billion
Up 6.6% from FY24	Up 3.4% from FY24	Up 6.7% from FY24	Up 0.2% from FY24

Refer to Section 1.4.10 – Funding for further details.

Total funding including deposits increased 6.1% to $95.1 billion (FY24: $89.6 billion).

The Group's principal source of funding is customer deposits, representing 76.6% (FY24: 76.2%) of the Group's total funding requirements. Customer deposits increased $4.5 billion or 6.6% on FY24, demonstrating the strength of our distribution franchise. Customer deposits are sourced mainly through the retail network and include amounts sourced from small business and corporate customers.

Our wholesale funding strategy provides diversification through investor mix, extension of funding duration and geographic exposure. Wholesale funding (including securitisation and loan capital) decreased to 23.4% of total funding (FY24: 23.8%).

1. Short-term wholesale funding includes deposits from wholesale customers, and other wholesale borrowings which have a maturity at inception of less than or equal to 12 months.
2. Long-term wholesale funding relates to debt issues which have a maturity at inception of greater than 12 months including covered bonds, securitisation and senior unsecured notes.
3. Loan Capital includes subordinated debt and capital notes.

Operating and Financial Review

1.3 GROUP FINANCIAL RESULTS

	Full year ended			Half year ended		
	30 Jun 25 $m	30 Jun 24 $m	Change Jun 25 vs Jun 24 %	30 Jun 25 $m	31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Net interest income	1,678.8	1,666.2	0.8	844.1	834.7	1.1
Other operating income	267.8	288.0	(7.0)	130.1	137.7	(5.5)
Total income	1,946.6	1,954.2	(0.4)	974.2	972.4	0.2
Operating expenses	(1,209.4)	(1,122.8)	(7.7)	(611.0)	(598.4)	(2.1)
Operating performance	737.2	831.4	(11.3)	363.2	374.0	(2.9)
Credit reversals/(expenses)	14.7	(9.9)	large	4.2	10.5	(60.0)
Cash earnings before tax	751.9	821.5	(8.5)	367.4	384.5	(4.4)
Income tax expense	(237.3)	(259.5)	8.6	(118.0)	(119.3)	1.1
Cash earnings after tax	514.6	562.0	(8.4)	249.4	265.2	(6.0)
Non-cash items after tax	(611.7)	(17.0)	large	(563.3)	(48.4)	large
Statutory (loss)/earnings after tax	(97.1)	545.0	(117.8)	(313.9)	216.8	large

Financial performance ratios [1]

		Full year ended			Half year ended		
		30 Jun 25	30 Jun 24	Change Jun 25 vs Jun 24	30 Jun 25	31 Dec 24	Change Jun 25 vs Dec 24
Cash earnings per ordinary share	¢	91.0	99.3	(8.3)	44.1	46.9	(2.8)
Statutory earnings per ordinary share	¢	(17.2)	96.3	(113.5)	(55.5)	38.3	(93.8)
Diluted statutory earnings per ordinary share	¢	(17.2)	87.3	(104.5)	(55.5)	36.5	(92.0)
Franked dividends per share	¢	63.0	63.0	—	33.0	30.0	3.0
Return on average ordinary equity	%	7.34	8.18	(84) bps	7.13	7.55	(42) bps
Return on average tangible equity	%	10.01	11.12	(111) bps	9.69	10.32	(63) bps
Return on average assets	%	0.55	0.61	(6) bps	0.53	0.57	(4) bps
Cost to income ratio	%	62.1	57.5	460 bps	62.7	61.5	120 bps
Net interest margin before revenue share arrangements	%	2.30	2.33	(3) bps	2.29	2.31	(2) bps
Net interest margin after revenue share arrangements	%	1.88	1.90	(2) bps	1.88	1.88	—
Average interest earning assets	$m	89,378	87,888	1.7%	90,716	88,047	3.0%
Market share [2]							
Residential lending	%	2.77	2.72	5 bps	2.77	2.79	(2) bps
Business lending	%	1.30	1.40	(10) bps	1.30	1.28	2 bps
Deposits	%	2.35	2.38	(3) bps	2.35	2.42	(7) bps
Capital management							
Common Equity Tier 1	%	11.00	11.32	(32) bps	11.00	11.17	(17) bps
Credit risk-weighted assets	$m	36,410	35,274	3.2%	36,410	35,976	1.2%
Total risk-weighted assets	$m	39,305	38,005	3.4%	39,305	38,871	1.1%
Liquidity risk							
Liquidity Coverage Ratio (LCR) [3]	%	132.3	137.8	large	132.3	135.2	(290) bps
Net Stable Funding Ratio (NSFR)	%	115.9	116.4	(50) bps	115.9	118.0	(210) bps

1. Performance ratios prepared on a cash basis except where otherwise indicated.
2. Calculated using APRA's Monthly Authorised Deposit-taking Institution Statistics publication.
3. Represents quarterly average LCR.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS

1.4.1 Net interest income

		Full year ended			Half year ended		
		30 Jun 25 $m	30 Jun 24 $m	Change Jun 25 vs Jun 24 %	**30 Jun 25 $m**	31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Net interest income (cash basis)		1,678.8	1,666.2	0.8	844.1	834.7	1.1
Non-cash net interest income items							
• Homesafe funding costs – unrealised		(35.8)	(34.9)	(2.6)	(17.4)	(18.4)	5.4
• Homesafe funding costs – realised		13.4	13.3	0.8	6.6	6.8	(2.9)
• Fair value adjustments – interest expense		(8.5)	(8.5)	—	(4.2)	(4.3)	2.3
Total non-cash net interest income items		(30.9)	(30.1)	(2.7)	(15.0)	(15.9)	5.7
Total net interest income (statutory basis)		1,647.9	1,636.1	0.7	829.1	818.8	1.3
Total gross loans [1]	$m	85,924	80,801	6.3	85,924	83,573	2.8
• Residential	$m	66,644	61,925	7.6	66,644	65,202	2.2
• Business	$m	9,768	9,508	2.7	9,768	9,422	3.7
• Agribusiness	$m	7,335	7,074	3.7	7,335	6,724	9.1
Customer deposits	$m	72,851	68,333	6.6	72,851	72,004	1.2
Average interest earning assets	$m	89,378	87,888	1.7	90,716	88,047	3.0
Net interest margin after revenue share [2]	%	1.88	1.90	(2) bps	1.88	1.88	—
Net interest margin before revenue share [2]	%	2.30	2.33	(3) bps	2.29	2.31	(2) bps

1. Balances have been restated by reference to the underlying product type rather than the purpose of the advance, refer to section 1.4.9 for further detail.
2. Further information related to the Net Interest Margin breakdown is provided as part of the Average Balance Sheet disclosure (refer section 1.4.7 Average Balance Sheet).

1.4.2 Other income

	Full year ended			Half year ended		
	30 Jun 25 $m	30 Jun 24 $m	Change Jun 25 vs Jun 24 %	**30 Jun 25 $m**	31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Other income						
Fee income	120.8	131.1	(7.9)	60.0	60.8	(1.3)
Commissions and management fees	65.5	62.4	5.0	32.3	33.2	(2.7)
Foreign exchange income	27.4	28.4	(3.5)	12.5	14.9	(16.1)
Homesafe realised income	39.9	48.4	(17.6)	19.7	20.2	(2.5)
Other	14.2	17.7	(19.8)	5.6	8.6	(34.9)
Total other income (cash basis)	267.8	288.0	(7.0)	130.1	137.7	(5.5)
Non-cash other income items						
• Homesafe revaluation gain / (loss)	39.2	162.4	(75.9)	44.3	(5.1)	large
• Homesafe realised income	(39.9)	(48.4)	17.6	(19.7)	(20.2)	2.5
• Other non-cash income items	24.7	(4.8)	large	6.9	17.8	(61.2)
Total non-cash other income items	24.0	109.2	(78.0)	31.5	(7.5)	large
Total other income (statutory basis)	291.8	397.2	(26.5)	161.6	130.2	24.1

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.3 Homesafe income

	Full year ended			Half year ended		
	30 Jun 25 $m	30 Jun 24 $m	Change Jun 25 vs Jun 24 %	**30 Jun 25 $m**	31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Homesafe income – realised	39.9	48.4	(17.6)	19.7	20.2	(2.5)
Funding costs – realised	(13.4)	(13.3)	(0.8)	(6.6)	(6.8)	2.9
Total Homesafe income (cash basis)	26.5	35.1	(24.5)	13.1	13.4	(2.2)
Non-cash items						
• Homesafe income – realised [1]	(39.9)	(48.4)	17.6	(19.7)	(20.2)	2.5
• Discount unwind [2]	20.2	23.9	(15.5)	9.8	10.4	(5.8)
• Profit on sale [3]	3.6	7.7	(53.2)	2.0	1.6	25.0
• Property revaluations [4]	15.4	130.8	(88.2)	32.5	(17.1)	large
• Funding costs – realised [5]	13.4	13.3	0.8	6.6	6.8	(2.9)
• Funding costs – unrealised [6]	(35.8)	(34.9)	(2.6)	(17.4)	(18.4)	5.4
Total non-cash Homesafe income items	(23.1)	92.4	(125.0)	13.8	(36.9)	137.4
Total Homesafe income (statutory basis)	3.4	127.5	(97.3)	26.9	(23.5)	large

1. **Homesafe income realised** – The difference between cash received on completion and the initial funds advanced (inclusive of capitalised costs).
2. **Discount unwind** – The unwind of the discount priced into the contract at inception.
3. **Profit on sale** – The difference between cash received on completion and the carrying value at the time of completion.
4. **Property revaluations** – This includes the impact of monthly movements in market indices of property values (CoreLogic Hedonic Home Value Index) and changes to property appreciation rate assumptions adopted by the Group. See further detail below.
5. **Funding costs realised** – Accumulated interest expense on completed contracts since initial funding.
6. **Funding costs unrealised** – Interest expense on existing contracts.

Homesafe net realised income (cash basis) reduced 24.5% from FY24 due to lower completions. Homesafe property revaluation income/(loss) has reduced by $115.4 million to a $15.4 million gain (FY24: $130.8 million gain). FY24 property revaluations were elevated due to methodology and assumption changes, in addition to a restructure of the Homesafe operations. Details on the FY24 one-off revaluation gains are outlined further below. 1H25 property revaluation decrements were driven by negative index movements over the half, predominantly in Melbourne. These were more than offset in 2H25 as property prices rebounded in both Sydney and Melbourne.

FY24 non-recurring revaluation gains include:

- **A restructure of Homesafe operations in December 2023 and June 2024**. The restructure resulted in the extinguishment of future fees otherwise payable under the previous Homesafe Trust structure. These fees were previously considered a deduction (fee deduction) from the portfolio value. Fees paid were capitalised into the funded balance, with the balance of the fee deduction taken through the property revaluation balance as a one-off revaluation gain of $35.3 million.
- **CoreLogic Home Value Index Methodology Change.** In October 2023, CoreLogic updated their Home Value Index Methodology, including moving to a revisionary index whereby historic indices may be adjusted each month with updated information. This resulted in a one-off revaluation gain of $35.6 million.

Portfolio balance	**As at 30 Jun 25 $m**	As at 30 Jun 24 $m	Change Jun 25 vs Jun 24 %	**As at 30 Jun 25 $m**	As at 31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Funded balance [1]	578.9	611.5	(5.3)	578.9	595.2	(2.7)
Property revaluation balance	530.0	528.7	0.2	530.0	504.4	5.1
Total investment portfolio balance	1,108.9	1,140.2	(2.7)	1,108.9	1,099.6	0.8

1. Funded balance includes capitalisation of certain restructuring costs. Refer to Note 25 in the financial statements for further information.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.3 Homesafe income continued

For the purpose of calculating capital ratios, the property revaluation balance is deducted from retained earnings, and is treated as a CET1 deduction. The funded balance is included in the calculation of risk-weighted assets with a risk weight of 100%.

Contract summary (number)	30 Jun 25	31 Dec 24	30 Jun 24
Opening number of contracts	3,906	4,009	4,000
New contracts funded	—	—	168
Completed contracts	(103)	(103)	(159)
Closing number of contracts	3,803	3,906	4,009

1.4.4 Operating expenses

	Full year ended			Half year ended		
	30 Jun 25 $m	30 Jun 24 $m	Change Jun 25 vs Jun 24 %	30 Jun 25 $m	31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Staff and related costs	652.0	600.2	8.6	322.2	329.8	(2.3)
Occupancy costs	70.7	72.6	(2.6)	35.1	35.6	(1.4)
Information technology costs	130.1	110.4	17.8	66.8	63.3	5.5
Amortisation of software intangibles	54.6	41.8	30.6	27.5	27.1	1.5
Property, plant and equipment costs	16.3	17.6	(7.4)	7.7	8.6	(10.5)
Fees and commissions	13.0	16.7	(22.2)	6.5	6.5	—
Communications, postage and stationery	28.4	29.3	(3.1)	13.9	14.5	(4.1)
Advertising and promotion	22.7	22.3	1.8	12.4	10.3	20.4
Other product and services delivery costs	16.6	15.7	5.7	8.1	8.5	(4.7)
Non-lending losses [1]	23.2	40.2	(42.3)	9.6	13.6	(29.4)
Other administration expenses	60.8	61.4	(1.0)	35.3	25.5	38.4
Total operating expenses before investment spend (cash basis)	1,088.4	1,028.2	5.9	545.1	543.3	0.3
Investment spend [2]	121.0	94.6	27.9	65.9	55.1	19.6
Total operating expenses (cash basis)	1,209.4	1,122.8	7.7	611.0	598.4	2.1
Non-cash expense items						
• Amortisation of acquired intangibles	5.0	5.1	(2.0)	2.5	2.5	—
• Impairment – goodwill	539.5	—	100.0	539.5	—	100.0
• Other non-cash expense items	17.8	41.1	(56.7)	13.4	4.4	large
• Expensed investment spend	77.4	57.2	35.3	34.6	42.8	(19.2)
Total non-cash expense items	639.7	103.4	large	590.0	49.7	large
Total operating expenses (statutory basis)	1,849.1	1,226.2	50.8	1,201.0	648.1	85.3

		30 Jun 25	30 Jun 24	Change %	30 Jun 25	31 Dec 24	Change %
Cost to income ratio [3]	%	62.1	57.5	460 bps	62.7	61.5	120 bps
Expenses to average assets	%	1.29	1.22	7 bps	1.30	1.29	1 bps
Staff and related costs to income [3,4]	%	33.1	30.3	280 bps	32.8	33.4	(60) bps
Number of staff (full-time equivalent)	FTE	4,762	4,777	(0.3)	4,762	4,812	(1.0)

1. Non-lending losses include remediation expenses of $6.3 million (FY24: $21.2 million).
2. Investment spend reflects the operating expenses incurred as part of the transformation agenda and includes staff costs, IT costs and external consultancy costs. Refer to 1.4.5 for further details.
3. Expenses used in the above ratios are expenses less non-cash expense items.
4. Income used in the above ratios is income less non-cash net interest income items and other non-cash income items. This ratio has been adjusted to exclude the impact of redundancy costs before tax (FY25: $8.0 million, FY24: $7.8 million, 2H25: $2.5 million, 1H25: $5.5 million).

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.5 Investment spend

	Full year ended			Half year ended		
	30 Jun 25 $m	30 Jun 24 $m	Change Jun 25 vs Jun 24 %	**30 Jun 25 $m**	31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Expensed investment spend	121.0	94.6	27.9	65.9	55.1	19.6
Capitalised investment spend	109.8	121.5	(9.6)	53.1	56.7	(6.3)
Total investment spend (cash basis)	230.8	216.1	6.8	119.0	111.8	6.4
Comprising:						
Risk and compliance	75.7	57.8	31.0	39.7	36.0	10.3
Foundational technology	94.0	112.8	(16.7)	41.4	52.6	(21.3)
Growth and productivity	37.9	38.2	(0.8)	24.0	13.9	72.7
Asset lifecycle management	23.2	7.3	large	13.9	9.3	49.5
Total investment spend (cash basis)	230.8	216.1	6.8	119.0	111.8	6.4
Expensed investment spend (non-cash) [1]	77.4	57.2	35.3	34.6	42.8	(19.2)
Total investment spend (statutory basis)	308.2	273.3	12.8	153.6	154.6	(0.6)
	%	%	Change	**%**	%	Change
Total Investment spend expensed % (statutory basis) [2]	64.4	55.5	large	65.4	63.3	210 bps
Total Investment spend expensed % (cash basis) [3]	52.4	43.8	large	55.4	49.3	large

1. Expensed investment spend (non-cash) includes costs relating to changes to the Business and Agribusiness operating model, productivity initiatives and migration costs associated with the consolidation of Adelaide Bank customers and accounts onto one platform and brand. Non-cash items are classified in line with the Group Accounting Guidance Note on Cash Earnings Adjustments, which is approved by the Board Audit Committee.
2. Calculated as expensed investment spend (statutory basis) as a percentage of total investment spend (statutory basis).
3. Calculated as expensed investment spend (cash basis) as a percentage of total investment spend (cash basis).

Total investment spend (cash basis) increased $14.7 million (6.8%) on the prior year. This reflects the Group's continued focus on delivering on our transformation agenda to support long-term growth and simplification benefits.

Expensed investment spend (cash basis) increased $26.4 million (27.9%) on the prior year, reflecting increased spend on risk, compliance, and asset lifecycle management.

Risk and compliance spend increased by $17.9 million (31.0%) on the prior year, reflecting ongoing regulatory requirements, and a greater focus on fraud reduction, anti-money laundering and information security programs.

Foundational technology spend decreased by $18.8 million (16.7%) on the prior year with several programs including Customer Identity Migration and Behavioural Biometrics completing in FY24, and the Bendigo Lending Platform nearing completion. The initial FY24 spend was mostly concentrated in building the platform for the Broker channel, whilst FY25 spend focused on adding the Retail and White Label channels.

Growth and productivity spend is broadly flat on the prior year, with the focus on delivering digital capabilities, productivity and operating model improvement initiatives.

Asset lifecycle management spend increased by $15.9 million (217.8%) on the prior year to ensure key systems are supported and up to date, including the commencement of data centre consolidation works.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.6 Cash earnings reconciliation

For the year ended 30 June 2025

		Cash earnings adjustments											
		Note 1	Note 2	Note 3	Note 4	Note 5				Note 6	Note 7	Note 8	
	Cash earnings $m	Fair value $m	Homesafe un-realised $m	Hedging reval'n $m	Sale of BSPL and RE retire-ment $m	Home-safe re-structure costs $m	ANZ acquist'n $m	Re-structure costs $m	Elders contract termin-ation costs $m	Impair-ment charges $m	Amort'n of acquired intang-ibles $m	Home-safe realised income $m	Statutory loss $m
Net interest income	1,678.8	(8.5)	(35.8)	—	—	—	—	—	—	—	—	13.4	1,647.9
Other operating income	267.8	—	39.2	12.9	11.8	—	—	—	—	—	—	(39.9)	291.8
Total income	1,946.6	(8.5)	3.4	12.9	11.8	—	—	—	—	—	—	(26.5)	1,939.7
Operating expenses	(1,088.4)	—	—	—	(3.1)	—	—	(14.7)	—	(539.5)	(5.0)	—	(1,650.7)
Investment spend	(121.0)	—	—	—	—	—	—	(77.4)	—	—	—	—	(198.4)
Operating Performance	737.2	(8.5)	3.4	12.9	8.7	—	—	(92.1)	—	(539.5)	(5.0)	(26.5)	90.6
Credit reversal	14.7	—	—	—	—	—	—	—	—	—	—	—	14.7
Earnings before tax	751.9	(8.5)	3.4	12.9	8.7	—	—	(92.1)	—	(539.5)	(5.0)	(26.5)	105.3
Income tax expense	(237.3)	2.6	(1.0)	(3.9)	0.3	—	—	27.5	—	—	1.5	7.9	(202.4)
Earnings/(loss) after tax	514.6	(5.9)	2.4	9.0	9.0	—	—	(64.6)	—	(539.5)	(3.5)	(18.6)	(97.1)

For the year ended 30 June 2024

		Cash earnings adjustments											
	Cash earnings $m	Fair value $m	Homesafe un-realised $m	Hedging reval'n $m	Sale of BSPL and RE retire-ment $m	Home-safe re-structure costs $m	ANZ acquist'n $m	Re-structure costs $m	Elders contract termin-ation costs $m	Impair-ment charges $m	Amort'n of acquired intang-ibles $m	Home-safe realised income $m	Statutory earnings $m
Net interest income	1,666.2	(8.5)	(34.9)	—	—	—	—	—	—	—	—	13.3	1,636.1
Other operating income	288.0	—	162.4	(4.8)	—	—	—	—	—	—	—	(48.4)	397.2
Total income	1,954.2	(8.5)	127.5	(4.8)	—	—	—	—	—	—	—	(35.1)	2,033.3
Operating expenses	(1,028.2)	—	—	—	—	(6.4)	(0.9)	(17.0)	(16.8)	—	(5.1)	—	(1,074.4)
Investment spend	(94.6)	—	—	—	—	—	—	(57.2)	—	—	—	—	(151.8)
Operating Performance	831.4	(8.5)	127.5	(4.8)	—	(6.4)	(0.9)	(74.2)	(16.8)	—	(5.1)	(35.1)	807.1
Credit expenses	(9.9)	—	—	—	—	—	—	—	—	—	—	—	(9.9)
Earnings before tax	821.5	(8.5)	127.5	(4.8)	—	(6.4)	(0.9)	(74.2)	(16.8)	—	(5.1)	(35.1)	797.2
Income tax expense	(259.5)	2.6	(38.3)	1.4	—	1.9	0.3	22.4	5.0	—	1.5	10.5	(252.2)
Earnings after tax	562.0	(5.9)	89.2	(3.4)	—	(4.5)	(0.6)	(51.8)	(11.8)	—	(3.6)	(24.6)	545.0

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.6 Cash earnings reconciliation continued

For the half year ended 30 June 2025

		Cash earnings adjustments								
		Note 1	Note 2	Note 3	Note 4	Note 5	Note 6	Note 7	Note 8	
	Cash earnings $m	Fair value $m	Homesafe un-realised $m	Hedging reval'n $m	Sale of BSPL and RE retirement $m	Re-structure costs $m	Impairment charges $m	Amort'n of acquired intang-ibles $m	Homesafe realised income $m	Statutory loss $m
Net interest income	844.1	(4.2)	(17.4)	—	—	—	—	—	6.6	829.1
Other operating income	130.1	—	44.3	6.9	—	—	—	—	(19.7)	161.6
Total income	974.2	(4.2)	26.9	6.9	—	—	—	—	(13.1)	990.7
Operating expenses	(545.1)	—	—	—	(0.5)	(12.9)	(539.5)	(2.5)	—	(1,100.5)
Investment spend	(65.9)	—	—	—	—	(34.6)	—	—	—	(100.5)
Operating performance	363.2	(4.2)	26.9	6.9	(0.5)	(47.5)	(539.5)	(2.5)	(13.1)	(210.3)
Credit reversals	4.2	—	—	—	—	—	—	—	—	4.2
Earnings/(loss) before tax	367.4	(4.2)	26.9	6.9	(0.5)	(47.5)	(539.5)	(2.5)	(13.1)	(206.1)
Income tax expense	(118.0)	1.3	(8.1)	(2.1)	0.2	14.3	—	0.7	3.9	(107.8)
Earnings/(loss) after tax	249.4	(2.9)	18.8	4.8	(0.3)	(33.2)	(539.5)	(1.8)	(9.2)	(313.9)

For the half year ended 31 December 2024

		Cash earnings adjustments								
	Cash earnings $m	Fair value $m	Homesafe un-realised $m	Hedging reval'n $m	Sale of BSPL and RE retirement $m	Re-structure costs $m	Impairment charges $m	Amort'n of acquired intang-ibles $m	Homesafe realised income $m	Statutory earnings $m
Net interest income	834.7	(4.3)	(18.4)	—	—	—	—	—	6.8	818.8
Other operating income	137.7	—	(5.1)	6.0	11.8	—	—	—	(20.2)	130.2
Total income	972.4	(4.3)	(23.5)	6.0	11.8	—	—	—	(13.4)	949.0
Operating expenses	(543.3)	—	—	—	(2.6)	(1.8)	—	(2.5)	—	(550.2)
Investment spend	(55.1)	—	—	—	—	(42.8)	—	—	—	(97.9)
Operating performance	374.0	(4.3)	(23.5)	6.0	9.2	(44.6)	—	(2.5)	(13.4)	300.9
Credit reversals	10.5	—	—	—	—	—	—	—	—	10.5
Earnings before tax	384.5	(4.3)	(23.5)	6.0	9.2	(44.6)	—	(2.5)	(13.4)	311.4
Income tax expense	(119.3)	1.3	7.1	(1.8)	0.1	13.2	—	0.8	4.0	(94.6)
Earnings after tax	265.2	(3.0)	(16.4)	4.2	9.3	(31.4)	—	(1.7)	(9.4)	216.8

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.6 Cash earnings reconciliation continued

Non-cash interest income items

Note 1 – Fair value adjustments. The acquisition of the ANZ Investment Lending portfolio in April 2023 resulted in the recognition of fair value adjustments on the loans acquired. These fair value adjustments are amortised over the behavioural term of the underlying loans.

Note 2 – Homesafe funding costs. Represents interest expense incurred on existing contracts for the current year.

Non-cash other income items

Note 2 – Homesafe revaluation gain/(loss). Represents the valuation movements of the investment property held.

Note 3 – Revaluation gains/(losses) on economic hedges. Represents unrealised gains/(losses) from changes in the fair value of economic hedges. These movements represent timing differences that will reverse through earnings in the future.

Note 4: Sale of Bendigo Superannuation Pty Ltd (BSPL) and Responsible Entity (RE) retirement. On 1 September 2024, BSPL was sold to Betashares Australia Holdings Pty Ltd. The sale resulted in a $11.8 million pre-tax gain on sale ($11.0 million post-tax, including a $2.7 million tax credit from a previously unrecognised deferred tax asset relating to capital tax losses). On 28 November 2024, eight Bendigo Bank Managed Funds resolved to appoint Betashares Capital Limited as the new RE. There has been $3.1 million of pre-tax costs associated with the sale of BSPL and the transfer of the RE, which have been classified as non-cash items.

Non-cash operating expense items

Note 5 – Restructure costs. In FY25, these represent costs relating to changes to the Business and Agribusiness operating model and structure, and migration costs associated with the consolidation of Adelaide Bank customers and accounts onto one platform and brand. It also includes costs associated with the implementation of various cost and productivity initiatives through business simplification and restructuring activities.

Note 6 – Impairment charges. Represents an impairment of goodwill relating to the Consumer Cash Generating Unit. Refer to Note 26 of the Financial Report fo further information.

Note 7 – Amortisation of acquired intangibles. Represents the amortisation of intangible assets acquired by the Group including customer lists and acquired software.

Other adjustments to statutory earnings

Note 8 – Homesafe realised income. Represents funds received on completion, being the difference between the cash received on completion less the initial funds advanced.

Note 8 – Homesafe realised funding costs. Represents accumulated interest expense on completed contracts since contract initiation. These costs have previously been excluded from cash earnings during the financial year they were incurred. These adjustments align the realised income and funding costs within the same period.

Refer to 1H25 Appendix 4D and FY24 Annual Report for details of prior period non-cash items and other adjustments.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.7 Average balance sheet

For the years ended June 2025 and June 2024

	30 Jun 25			30 Jun 24		
	Average Balance $m	Interest 12 mths $m	Average Rate %	Average Balance $m	Interest 12 mths $m	Average Rate %
Average balances and rates [1]						
Interest earning assets						
Cash and investments	14,454.1	619.0	4.28	16,919.0	725.2	4.29
Loans and other receivables [2,3]	74,924.1	4,400.8	5.87	70,969.4	4,043.7	5.70
Total interest earning assets	89,378.2	5,019.8	5.62	87,888.4	4,768.9	5.43
Non-interest earning assets						
Credit provisions	(278.4)			(290.0)		
Other assets	4,315.3			4,161.0		
Total non-interest earning assets	4,036.9			3,871.0		
Total assets (average balance)	93,415.1			91,759.4		
Interest bearing liabilities						
Deposits	73,602.7	(2,736.3)	(3.72)	71,032.4	(2,573.7)	(3.62)
Wholesale borrowings						
• Repurchase agreements	22.9	(0.9)	(3.93)	2,751.8	(3.1)	(0.11)
• Notes payable	2,127.6	(113.9)	(5.35)	2,556.9	(139.2)	(5.44)
• Other wholesale borrowings	7,805.5	(403.2)	(5.17)	5,731.0	(294.8)	(5.14)
Lease liability	76.5	(2.6)	(3.40)	101.4	(3.3)	(3.25)
Loan capital	1,373.1	(84.1)	(6.12)	1,410.9	(88.6)	(6.28)
Total interest bearing liabilities	85,008.3	(3,341.0)	(3.93)	83,584.4	(3,102.7)	(3.71)
Non-interest bearing liabilities and equity						
Other liabilities	1,370.5			1,246.6		
Equity	7,036.3			6,928.4		
Total non-interest bearing liabilities and equity	8,406.8			8,175.0		
Total liabilities and equity (average balance)	93,415.1			91,759.4		
Interest margin and interest spread						
Interest earning assets	89,378.2	5,019.8	5.62	87,888.4	4,768.9	5.43
Interest bearing liabilities	(85,008.3)	(3,341.0)	(3.93)	(83,584.4)	(3,102.7)	(3.71)
Net interest income and interest spread [4]		1,678.8	1.69		1,666.2	1.72
Benefit of net free liabilities, provisions and equity			0.19			0.18
Net interest margin [5]			1.88			1.90
Add: impact of revenue share arrangements			0.42			0.43
Net interest margin before revenue share arrangements			2.30			2.33

1. Average balance is based on monthly closing balances.
2. Offset products have been reclassified from deposits and netted against the corresponding loan balance (FY25: $8,542.1 million; FY24: $7,731.7 million).
3. Interest relating to Loans and other receivables has been adjusted for the Homesafe unrealised and realised funding costs for the period. Refer to 1.4.6 for further details.
4. Interest spread is the difference between the average interest rate earned on assets and the average interest rate paid on liabilities.
5. Net interest margin represents the return on average interest earning assets less the costs of funding these assets. Net interest margin is calculated including the impact of any revenue share arrangements with partners.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.7 Average balance sheet continued

For the six months ended June 2025 and December 2024

	30 Jun 25			31 Dec 24		
	Average Balance $m	Interest 6 mths $m	Average Rate %	Average Balance $m	Interest 6 mths $m	Average Rate %
Average balances and rates [1]						
Interest earning assets						
Cash and investments	14,540.5	302.5	4.20	14,402.3	316.5	4.36
Loans and other receivables [2,3]	76,175.8	2,195.7	5.81	73,644.2	2,205.1	5.94
Total interest earning assets	90,716.3	2,498.2	5.55	88,046.5	2,521.6	5.68
Non-interest earning assets						
Credit provisions	(272.8)			(283.1)		
Other assets	4,517.2			4,326.9		
Total non-interest earning assets	4,244.4			4,043.8		
Total assets (average balance)	94,960.7			92,090.3		
Interest bearing liabilities						
Deposits	74,552.4	(1,349.6)	(3.65)	72,671.6	(1,386.7)	(3.79)
Wholesale borrowings						
• Repurchase agreements	42.6	(0.9)	(4.26)	—	—	—
• Notes payable	2,139.1	(56.0)	(5.28)	2,087.9	(57.9)	(5.50)
• Other wholesale borrowings	8,128.7	(205.1)	(5.09)	7,553.2	(198.1)	(5.20)
Lease liability	72.3	(1.3)	(3.63)	79.9	(1.3)	(3.23)
Loan capital	1,373.7	(41.2)	(6.05)	1,372.5	(42.9)	(6.20)
Total interest bearing liabilities	86,308.8	(1,654.1)	(3.86)	83,765.1	(1,686.9)	(3.99)
Non-interest bearing liabilities and equity						
Other liabilities	1,598.8			1,303.3		
Equity	7,053.1			7,021.9		
Total non-interest bearing liabilities and equity	8,651.9			8,325.2		
Total liabilities and equity (average balance)	94,960.7			92,090.3		
Interest margin and interest spread						
Interest earning assets	90,716.3	2,498.2	5.55	88,046.5	2,521.6	5.68
Interest bearing liabilities	(86,308.8)	(1,654.1)	(3.86)	(83,765.1)	(1,686.9)	(3.99)
Net interest income and interest spread [4]		844.1	1.69		834.7	1.69
Benefit of net free liabilities, provisions and equity			0.19			0.19
Net interest margin [5]			1.88			1.88
Add: impact of revenue share arrangements			0.41			0.43
Net interest margin before revenue share arrangements			2.29			2.31

1. Average balance is based on monthly closing balances.
2. Offset products have been reclassified from deposits and netted against the corresponding loan balance (2H25: $8,811.4 million; 1H25: $8,305.1 million).
3. Interest relating to Loans and other receivables has been adjusted for the Homesafe unrealised and realised funding costs for the period. Refer to 1.4.6 for further details.
4. Interest spread is the difference between the average interest rate earned on assets and the average interest rate paid on liabilities.
5. Net interest margin represents the return on average interest earning assets less the costs of funding these assets. Net interest margin is calculated including the impact of any revenue share arrangements with partners.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.8 Segment results

Change to operating segments

Changes to the management structure of the Group can cause the Group's operating segments to change. Where this occurs, prior period segment results are restated.

In September 2024, the Group announced several structural and Executive changes including:

- The establishment of the Brand, Marketing and Communications Division and the appointment of Sarah Bateson as the Chief Marketing Officer
- The appointment of Xavier Shay as the Group's Chief Digital Officer. Xavier has oversight of the Bank's digital capabilities and will be responsible for driving greater penetration of our digital offerings across the Bendigo and Up brands.

The Bendigo Digital team has been re-segmented to form part of the Consumer segment (formerly Corporate). The Brand Marketing and Communications Division is now reported as part of Corporate (formerly Consumer), and the Cards and Payments Division is now reported as part of Consumer (formerly, Corporate).

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.8 Segment results continued

Consumer

The Consumer segment encompasses the Retail network (including Community Banks and Up), third-party channels, wealth services, Homesafe, cards and payments and customer support.

	Full year ended			Half year ended		
	30 Jun 25 $m	30 Jun 24 $m	Change Jun 25 vs Jun 24 %	30 Jun 25 $m	31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Net interest income	962.5	937.3	2.7	479.1	483.4	(0.9)
Other operating Income	204.8	218.4	(6.2)	101.8	103.0	(1.2)
Total segment income	1,167.3	1,155.7	1.0	580.9	586.4	(0.9)
Staff and related costs	(251.7)	(247.0)	(1.9)	(124.0)	(127.7)	2.9
Operating expenses	(133.2)	(120.9)	(10.2)	(65.1)	(68.1)	4.4
Investment spend	(3.4)	—	—	(3.4)	—	—
Total segment expenses	(388.3)	(367.9)	(5.5)	(192.5)	(195.8)	1.7
Operating performance	779.0	787.8	(1.1)	388.4	390.6	(0.6)
Credit (expenses)/reversals	(0.3)	(10.1)	97.0	(1.6)	1.3	large
Cash earnings before tax	778.7	777.7	0.1	386.8	391.9	(1.3)
Income tax expense	(246.8)	(247.2)	0.2	(125.1)	(121.7)	(2.8)
Cash earnings after tax	531.9	530.5	0.3	261.7	270.2	(3.1)
Non-cash net interest income items	(21.6)	(21.1)	(2.4)	(10.5)	(11.1)	5.4
Non-cash other income items	10.5	79.9	(86.9)	17.2	(6.7)	large
Non-cash operating expense items	(544.8)	(9.1)	large	(541.3)	(3.5)	large
Statutory (loss)/earnings after tax	(24.0)	580.2	(104.1)	(272.9)	248.9	large

Key metrics		30 Jun 25	30 Jun 24	Change %	30 Jun 25	31 Dec 24	Change %
Net interest margin before revenue share	%	2.19	2.29	(10) bps	2.15	2.23	(8) bps
Net interest margin after revenue share	%	1.75	1.80	(5) bps	1.72	1.77	(5) bps
Cost to income ratio	%	33.3	31.8	150 bps	33.1	33.4	(30) bps
Number of staff (full-time equivalent)	FTE	2,145	2,212	(3.0)	2,145	2,210	(2.9)

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.8 Segment results continued

Consumer continued

Balance Sheet	As at 30 Jun 25 $m	As at 30 Jun 24 $m	Change Jun 25 vs Jun 24 %	As at 30 Jun 25 $m	As at 31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Lending						
• Residential lending	62,889.8	58,190.3	8.1	62,889.8	61,629.1	2.0
• Business lending	48.7	54.3	(10.3)	48.7	48.2	1.0
• Margin lending	1,574.6	1,710.9	(8.0)	1,574.6	1,637.4	(3.8)
• Personal loans & credit cards	566.3	546.8	3.6	566.3	555.4	2.0
Total lending	65,079.4	60,502.3	7.6	65,079.4	63,870.1	1.9
Other assets	1,108.9	1,140.2	(2.7)	1,108.9	1,099.6	0.8
Total reportable segment assets	66,188.3	61,642.5	7.4	66,188.3	64,969.7	1.9
Deposits						
• Transaction accounts	4,687.2	4,436.2	5.7	4,687.2	4,749.1	(1.3)
• At call savings	29,238.4	25,506.2	14.6	29,238.4	28,201.0	3.7
• Term deposits	14,616.0	14,280.4	2.4	14,616.0	14,653.2	(0.3)
Total customer deposits	48,541.6	44,222.8	9.8	48,541.6	47,603.3	2.0
Wholesale deposits	842.2	633.8	32.9	842.2	790.7	6.5
Total deposits	49,383.8	44,856.6	10.1	49,383.8	48,394.0	2.0
Total reportable segment liabilities	49,383.8	44,856.6	10.1	49,383.8	48,394.0	2.0

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.8 Segment results continued

Consumer continued

Cash earnings after tax have increased 0.3% to $531.9 million

FY24 $530.5 million

Net Interest Income

Net interest income (**NII**) was $962.5 million, an increase of $25.2 million or 2.7% on the prior year. Strong growth in both lending and deposits was partly offset by a 5 basis points decrease in NIM after revenue share.

Lending balances increased $4.6 billion or 7.6% for the year, mostly from growth in residential lending. Focused lender activity supported growth in proprietary and Community Banking channels, and the rollout of the new lending platform contributed to growth in third party channels. Up volumes continued to grow strongly, with the book increasing 194.4% on the prior year. Margin lending declined 8.0% on the prior year as interest rates and share market volatility continued to outpace market returns.

Customer deposit balances increased $4.3 billion or 9.8% for the year reflecting strong growth in savings (including offsets) and term deposit accounts.

Net interest margin after revenue share decreased 5 basis points, reflecting a combination of increased competition in term deposits, new business variable residential lending pricing lower than the portfolio, and deposit mix switch to higher yielding deposits.

Revenue share payments were $9 million lower than the prior year reflecting lower lending and deposit margins.

Other Operating Income

Other income was $204.8 million, a decrease of $13.6 million or 6.2% on the prior year. The decline was driven by a reduction of $8.5 million in Homesafe realised income with a lower volume of completed contracts. The removal and reduction of deposit fees impacted other income, partly offset by higher wealth management fund performance fees.

Operating Expenses

Operating expenses were $388.3 million, an increase of $20.4 million or 5.5% on the prior year. This increase was driven by inflation, higher software amortisation and higher investment spend. This was partly offset by productivity initiatives including workforce optimisation.

Credit Expenses

Total credit expenses of $0.3 million (FY24: $10.1 million) reduced $9.8 million on the prior year. This mostly reflected a decrease in the collective provision, due to updated macroeconomic outlook assumptions.

Non-cash Items

Non-cash items of ($555.9) million after tax for the year includes the following:

- A $539.5 million impairment of the goodwill attributed to the Consumer Cash Generating Unit. Refer to Note 26 of the Financial Statements for further information.
- Homesafe property revaluation reduced by $115.4 million to a $15.4 million gain (FY24: $130.8 million gain). FY24 property revaluations were elevated due to methodology and assumption changes, in addition to a restructure of the Homesafe operations.
- Refer to section 1.4.3 for further information on Homesafe income and portfolio movements.
- The sale of Bendigo Superannuation Pty Ltd contributed $8.7 million to non-cash items. This includes an $11.8 million pre-tax gain on sale, partly offset by $3.1 million in pre-tax costs relating to both the sale of BSPL and the retirement of Sandhurst Trustee Limited as the responsible entity for the managed funds.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.8 Segment results continued

Business and Agribusiness

Bendigo Bank's Business and Agribusiness segment offers business banking, portfolio funding, and dedicated services to regional communities and agricultural clients.

	Full year ended			Half year ended		
	30 Jun 25 $m	30 Jun 24 $m	Change Jun 25 vs Jun 24 %	**30 Jun 25 $m**	31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Net interest income	638.8	687.0	(7.0)	311.8	327.0	(4.6)
Other operating Income	59.9	67.2	(10.9)	26.5	33.4	(20.7)
Total segment income	698.7	754.2	(7.4)	338.3	360.4	(6.1)
Staff and related costs	(109.3)	(101.5)	(7.7)	(54.3)	(55.0)	1.3
Operating expenses	(58.7)	(61.2)	4.1	(31.1)	(27.6)	(12.7)
Total segment expenses	(168.0)	(162.7)	(3.3)	(85.4)	(82.6)	(3.4)
Operating performance	530.7	591.5	(10.3)	252.9	277.8	(9.0)
Credit reversals/(expenses)	6.3	9.3	(32.3)	11.3	(5.0)	large
Cash earnings before tax	537.0	600.8	(10.6)	264.2	272.8	(3.2)
Income tax expense	(168.5)	(190.0)	11.3	(85.7)	(82.8)	(3.5)
Cash earnings after tax	368.5	410.8	(10.3)	178.5	190.0	(6.1)
Non-cash other income items	(0.2)	(0.1)	(100.0)	(0.2)	—	—
Non-cash operating expense items	(0.4)	(0.6)	33.3	(0.2)	(0.2)	—
Statutory earnings after tax	367.9	410.1	(10.3)	178.1	189.8	(6.2)

Key metrics		**30 Jun 25**	30 Jun 24	Change %	**30 Jun 25**	31 Dec 24	Change %
Net interest margin before revenue share	%	3.80	4.23	(43) bps	3.73	3.89	(16) bps
Net interest margin after revenue share	%	3.17	3.57	(40) bps	3.10	3.25	(15) bps
Cost to income ratio	%	24.0	21.6	240 bps	25.2	22.9	230 bps
Number of staff (full-time equivalent)	FTE	701	731	(4.1)	701	711	(1.4)

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.8 Segment results continued

Business and Agribusiness continued

Balance Sheet	As at 30 Jun 25 $m	As at 30 Jun 24 $m	Change Jun 25 vs Jun 24 %	As at 30 Jun 25 $m	As at 31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Lending						
• Residential lending	3,727.2	3,708.0	0.5	3,727.2	3,541.3	5.2
• Business lending	9,719.5	9,453.6	2.8	9,719.5	9,373.3	3.7
• Agribusiness lending	7,334.5	7,073.7	3.7	7,334.5	6,723.6	9.1
• Personal loans & credit cards	36.2	36.8	(1.6)	36.2	33.2	9.0
Total lending	20,817.4	20,272.1	2.7	20,817.4	19,671.4	5.8
Other assets	365.9	311.7	17.4	365.9	371.2	(1.4)
Total reportable segment assets	21,183.3	20,583.8	2.9	21,183.3	20,042.6	5.7
Deposits						
• Transaction accounts	5,281.2	5,514.4	(4.2)	5,281.2	5,299.1	(0.3)
• At call savings	7,413.0	7,363.4	0.7	7,413.0	7,307.0	1.5
• Term deposits	8,651.7	8,562.6	1.0	8,651.7	8,773.7	(1.4)
Total customer deposits	21,345.9	21,440.4	(0.4)	21,345.9	21,379.8	(0.2)
Wholesale deposits	165.6	81.8	102.4	165.6	96.1	72.3
Total deposits	21,511.5	21,522.2	—	21,511.5	21,475.9	0.2
Total reportable segment liabilities	21,511.5	21,522.2	—	21,511.5	21,475.9	0.2

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.8 Segment results continued

Business and Agribusiness continued

Cash earnings after tax have decreased 10.3% to $368.5 billion

FY24 $410.8 million

Net Interest Income

NII was $638.8 million, a decrease of $48.2 million or 7% on the prior year. Modest growth in lending of 2.7% was offset by a 40 basis points decrease in NIM after revenue share.

Lending balances increased $0.5 billion or 2.7% on the prior year, with modest growth in Agribusiness lending of 3.7% and Business lending of 2.8%. Portfolio Funding lending growth of 8.7% provided the majority of business lending growth. Agribusiness grew strongly in the second half, reflecting seasonal drawdowns of lending facilities.

Customer deposit balances decreased $0.1 billion or 0.4% against the prior year, mostly in transaction deposits in Business Banking (Business Direct) & Agribusiness term deposits. This was partly offset by an increase in at-call savings accounts in Business Direct and an increase in term deposits in Specialist[1] business and business banking.

Net interest margin after revenue share decreased 40 basis points, reflecting a higher cost of wholesale funding, retention-based pricing in business lending and adverse deposits mix. In deposits, product and portfolio profitability decreased due to a shift in mix to higher yielding deposits as customers optimise for yield and increased competition in term deposits markets.

Other Operating Income

Other Income was $59.9 million, a decrease of $7.3 million or 10.9% on the prior year. Fee revenue reduced with Agribusiness clients moving to lower fee accounts as part of the Rural Bank migration, and reduced income from Government assistance schemes with fewer weather events in the year.

Operating Expenses

Operating expenses were $168.0 million, an increase of $5.3 million or 3.3% on the prior year. The increase reflects higher staff costs due to investment in business relationship management capacity, inflation and higher management fees, partly offset by lower remediation costs and prudent management of external services.

Credit Expenses

A credit reversal of $6.3 million was $3.0 million unfavourable on the prior year. The release of collective provision in FY25 was due to improvement in macro-economic outlook assumptions and updated economic view on commercial property prices. A specific provision release of $5.5 million related to the recovery of a large Agribusiness exposure in 2H25.

1. Our Specialist business banking offers various products, including equipment finance, transactional banking, debtor finance and foreign exchange services.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.8 Segment results continued

Corporate

The Corporate segment includes the results of the Group's support functions including treasury, technology and transformation, property services, strategy, finance, risk, compliance, legal, human resources, investor relations and brand, marketing and communications.

		Full year ended			Half year ended		
		30 Jun 25 $m	30 Jun 24 $m	Change Jun 25 vs Jun 24 %	**30 Jun 25 $m**	31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Net interest income		77.5	41.9	85.0	53.2	24.3	118.9
Other operating Income		3.1	2.4	29.2	1.8	1.3	38.5
Total segment income		80.6	44.3	81.9	55.0	25.6	114.8
Staff and related costs		(291.0)	(251.6)	(15.7)	(143.9)	(147.1)	2.2
Operating expenses		(244.5)	(246.0)	0.6	(126.7)	(117.8)	(7.6)
Investment spend		(117.6)	(94.6)	(24.3)	(62.5)	(55.1)	(13.4)
Total segment expenses		(653.1)	(592.2)	(10.3)	(333.1)	(320.0)	(4.1)
Operating performance		(572.5)	(547.9)	(4.5)	(278.1)	(294.4)	5.5
Credit reversals/(expenses)		8.7	(9.1)	large	(5.5)	14.2	(138.7)
Cash (loss) before tax		(563.8)	(557.0)	(1.2)	(283.6)	(280.2)	(1.2)
Income tax benefit		178.0	177.7	0.2	92.8	85.2	8.9
Cash (loss) after tax		(385.8)	(379.3)	(1.7)	(190.8)	(195.0)	2.2
Non-cash other income items		9.2	(3.3)	large	4.9	4.3	14.0
Non-cash operating expense items		(64.4)	(62.7)	(2.7)	(33.2)	(31.2)	(6.4)
Statutory (loss) after tax		(441.0)	(445.3)	1.0	(219.1)	(221.9)	1.3
Key metrics		**As at 30 Jun 25**	As at 20 Jun 24	Change %	**As at 30 Jun 25**	As at 31 Dec 24	Change %
Number of staff (full-time equivalent)	FTE	1,916	1,834	4.5	1,916	1,891	1.3
Balance Sheet		**$m**	$m	%	**$m**	$m	%
Reportable segment assets [1]		15,847.3	15,961.6	(0.7)	15,847.3	17,157.4	(7.6)
Reportable segment liabilities [2]		25,653.3	24,775.1	3.5	25,653.3	25,206.7	1.8

1. Reportable segment assets mainly comprise the Group's liquid asset portfolio, managed by Group Treasury.
2. Reportable segment liabilities include the Treasury wholesale funding portfolio. This includes loan capital, covered bonds, senior unsecured notes and other debt issuances, in addition to wholesale deposits managed by Group Treasury.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.8 Segment results continued

Corporate continued

Cash earnings after tax have deteriorated 1.7% to a $385.8 million loss

FY24 $379.3 million loss

Net Interest Income

NII was $77.5 million, an increase of $35.6 million on the prior year, with an increase in underlying swap rates driving favourable returns on capital replicating portfolio positions, partly offset by an increase in hedging expense.

Other Operating Income

Other Income was $3.1 million, an increase of $0.7 million on the prior year, related to an increase in Community Enterprise Foundation funding and the associated administration fee income.

Operating Expenses

Operating expenses were $653.1 million, an increase of $60.9 million on the prior year. Higher software licensing, cloud costs and amortisation, an uplift in investment spend and increased staff to strengthen cyber, fraud risk and security capabilities contributed to the increased costs.

Credit Expenses

Credit reversals of $8.7 million were a decrease of $17.8 million on the prior year driven by a reduction in collective provision overlays.

Non-Cash Items

Non-cash items include investment spend (after tax) of $54.1 million and restructuring costs of $10.3 million, partly offset by hedging revaluation income of $9.2 million.

Non-cash investment spend includes:

- Costs associated with structural changes to the Business and Agribusiness operating model, and migration costs associated with the consolidation of Adelaide and Rural Bank customers onto one platform and brand
- Costs associated with the implementation of various cost and productivity initiatives through business simplification and restructuring activities.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.9 Lending

	Full year ended			Half year ended		
Lending by product	**As at 30 Jun 25 $m**	As at 30 Jun 24 $m	Change Jun 25 vs Jun 24 %	**As at 30 Jun 25 $m**	As at 31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Residential lending	66,644.4	61,925.0	7.6	66,644.4	65,201.5	2.2
Personal loans and credit cards	602.5	583.6	3.2	602.5	588.6	2.4
Margin lending	1,574.6	1,710.9	(8.0)	1,574.6	1,637.4	(3.8)
Business lending	9,768.2	9,507.9	2.7	9,768.2	9,421.5	3.7
Agribusiness lending	7,334.5	7,073.7	3.7	7,334.5	6,723.6	9.1
Total gross loans[1]	85,924.2	80,801.1	6.3	85,924.2	83,572.6	2.8
Individually assessed provision	(31.3)	(39.6)	21.0	(31.3)	(36.8)	14.9
Collectively assessed provision	(235.6)	(246.4)	4.4	(235.6)	(236.5)	0.4
Unearned income	(111.8)	(105.8)	(5.7)	(111.8)	(109.0)	(2.6)
Total provisions and unearned income	(378.7)	(391.8)	3.3	(378.7)	(382.3)	0.9
Deferred costs paid[2]	162.9	158.3	2.9	162.9	166.5	(2.2)
Net loans and other receivables	85,708.4	80,567.6	6.4	85,708.4	83,356.8	2.8

1. From 1 July 2024, the Group adopted a revised approach to the disclosure of lending balances. Historically, lending has been disclosed by reference to the purpose of the underlying lending.
2. Deferred costs paid include costs associated with the acquisition, origination or securitisation of loan portfolios. These costs are amortised through the Consolidated Income Statement over the average life of the loans in these portfolios.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.10 Funding

	As at 30 Jun 25 $m	As at 30 Jun 24 $m	Change Jun 25 vs Jun 24 %	As at 30 Jun 25 $m	As at 31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Deposits						
• Customer deposits	72,850.8	68,332.5	6.6	72,850.8	72,004.0	1.2
• Wholesale deposits	10,992.1	10,654.0	3.2	10,992.1	10,496.4	4.7
Total deposits	83,842.9	78,986.5	6.1	83,842.9	82,500.4	1.6
Wholesale borrowings	9,920.2	9,287.6	6.8	9,920.2	10,232.6	(3.1)
Loan capital	1,374.6	1,372.4	0.2	1,374.6	1,373.8	0.1
Total funding	95,137.7	89,646.5	6.1	95,137.7	94,106.8	1.1

Funding dissection	%	%	%	%
Customer deposits	76.6	76.2	76.6	76.6
Wholesale deposits	11.6	11.9	11.6	11.2
Wholesale borrowings	10.4	10.4	10.4	10.9
Loan capital	1.4	1.5	1.4	1.3
Total funding	100.0	100.0	100.0	100.0

Customer deposits represents the sum of interest bearing, non-interest bearing and term deposits from retail and corporate customers.

1.4.11 Capital

	As at 30 Jun 25 $m	As at 30 Jun 24 $m	Change Jun 25 vs Jun 24 %	As at 31 Dec 24 $m	Change Jun 25 vs Dec 24 %
Group assets	103,218.9	98,187.9	5.1	102,169.7	1.0
Capital adequacy	$m	$m	%	$m	%
Total regulatory capital	5,987.3	5,983.7	0.1	6,018.6	(0.5)
Risk-weighted assets					
• Credit Risk	36,410.1	35,273.6	3.2	35,976.3	1.2
• Market Risk	0.7	0.5	40.0	0.9	(22.2)
• Operational Risk	2,893.7	2,731.1	6.0	2,893.7	—
Total risk-weighted assets	39,304.5	38,005.2	3.4	38,870.9	1.1
Capital adequacy ratios	%	%	bps	%	bps
Common Equity Tier 1 [1]	11.00	11.32	(32) bps	11.17	(17) bps
Tier 1	13.04	13.43	(39) bps	13.24	(20) bps
Tier 2	2.19	2.31	(12) bps	2.24	(5) bps
Total capital ratio	15.23	15.74	(51) bps	15.48	(25) bps

1. Under APRA's Basel III capital framework, the Board has set a CET1 target of > 10%.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.11 Capital continued

Regulatory capital	30 Jun 25 $m	31 Dec 24 $m	30 Jun 24 $m
Common Equity Tier 1			
Contributed capital	5,203.4	5,234.8	5,231.3
Retained profits and reserves	935.9	1,441.2	1,377.2
Accumulated other comprehensive income (and other reserves)	43.5	(48.7)	(54.5)
Less:			
Intangible assets, cash flow hedges and capitalised expenses	1,694.2	2,119.7	2,033.3
Net deferred tax assets	143.4	138.9	147.3
Equity exposures	21.7	25.4	71.1
Total Common Equity Tier 1 capital	4,323.5	4,343.3	4,302.3
Additional Tier 1 capital instruments	802.4	802.4	802.4
Total Tier 1 capital	5,125.9	5,145.7	5,104.7
Tier 2			
Tier 2 capital instruments	575.0	575.0	575.0
Provisions eligible for inclusion in Tier 2 capital	286.4	297.9	304.0
Total Tier 2 capital	861.4	872.9	879.0
Total regulatory capital	5,987.3	6,018.6	5,983.7
Total risk-weighted assets	39,304.5	38,870.9	38,005.2

Key movements in FY25 period include:

Total regulatory capital

Total regulatory capital increased by $3.6 million primarily due to:

- an increase in retained earnings net of dividends of $98.2 million.[1]
- an increase in accumulated other comprehensive income (and other reserves) of $98.0 million.
- an increase in intangibles assets, cash flow hedge and capitalised expenses of $200.4 million.[1]
- a decrease in equity exposure of $49.4 million is predominately due to divestment of equity investments in Cuscal Limited and Bendigo Superannuation Pty Ltd.
- offset by a combination of other smaller movements.

Risk-weighted assets

Total risk-weighted assets increased $1,299.3 million during the period as a result of:

- Credit risk-weighted assets increasing due to strong growth in residential lending volumes.
- Operational risk-weighted assets increasing predominately due to an increase in the overall book size leading to higher interest income.

Pillar 3 Disclosures

Details on the market disclosures required under Pillar 3, per prudential standard APS 330 *Public Disclosure*, are provided on the Group's website at: https://www.bendigoadelaide.com.au/investor-centre/regulatory-disclosures/

1. Retained earnings and deductions for intangibles is impacted by impairment of goodwill amounting to $539.5 million which is net neutral to CET1 and other capital ratios.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.12 Shareholder returns and dividends

	Full year ended			Half year ended		
Reconciliation of earnings used in the calculation of (loss)/earnings per ordinary share (EPS)	**30 Jun 25 $m**	30 Jun 24 $m	Change Jun 25 vs Jun 24 %	**30 Jun 25 $m**	31 Dec 24 $m	Change Jun 25 vs Dec 24 %
(Loss)/earnings used in calculating basic earnings per ordinary share	(97.1)	545.0	large	(313.9)	216.8	large
Amortisation of acquired intangibles (after tax)	3.5	3.6	(2.8)	1.8	1.7	5.9
Non-cash income and expense items (after tax)	589.6	(11.2)	large	552.3	37.3	large
Homesafe net realised income (after tax)	18.6	24.6	(24.4)	9.2	9.4	(2.1)
Total cash earnings	514.6	562.0	(8.4)	249.4	265.2	(6.0)

Weighted average number of ordinary shares used in the calculation of EPS	**30 Jun 25 000's**	30 Jun 24 000's	Change %	**30 Jun 25 000's**	31 Dec 24 000's	Change %
Weighted average number of ordinary shares – used in basic and cash basis EPS calculations	565,648	565,819	—	565,689	565,607	—
Weighted average number of ordinary shares – used in diluted EPS calculations [1]	565,648	662,913	(14.7)	565,689	636,450	(11.1)

Reconciliation of equity used in the calculation of Return on Equity (ROE)	**30 Jun 25 $m**	30 Jun 24 $m	Change %	**30 Jun 25 $m**	31 Dec 24 $m	Change %
Ordinary issued capital	5,205.0	5,233.2	(0.5)	5,205.0	5,236.5	(0.6)
Retained earnings	1,328.2	1,762.0	(24.6)	1,328.2	1,811.8	(26.7)
Total ordinary equity	6,533.2	6,995.2	(6.6)	6,533.2	7,048.3	(7.3)
Average ordinary equity	7,008.2	6,870.0	2.0	7,053.1	6,963.3	1.3
Average intangible assets	1,895.4	1,876.4	1.0	1,874.7	1,922.4	(2.5)
Average tangible equity	5,142.9	5,055.5	1.7	5,190.4	5,095.4	1.9

1. For FY25 and 2H25, the weighted average number of shares used in basic and diluted Earnings Per Share calculation is the same, as the effect of share rights and loan capital instruments are anti-dilutive and therefore excluded from the dilutive calculation in accordance with the requirements of AASB 133 *Earnings Per Share*.

Operating and Financial Review

1.4 GROUP PERFORMANCE ANALYSIS continued

1.4.12 Shareholder returns and dividends continued

		Full year ended			Half year ended		
		30 Jun 25	30 Jun 24	Change Jun 25 vs Jun 24 %	30 Jun 25	31 Dec 24	Change Jun 25 vs Dec 24 %
Cash earnings per share	¢	91.0	99.3	(8.4)	44.1	46.9	(6.0)
Dividend per share	¢	63.0	63.0	—	33.0	30.0	10.0
Dividend amount payable/paid	$m	355.8	356.4	(0.2)	186.1	169.7	9.7
Payout ratio – statutory earnings per ordinary share [1]	%	(366.3)	65.4	large	(59.5)	78.3	large
Payout ratio – cash earnings per ordinary share [1]	%	69.2	63.4	large	74.8	64.0	large

1. Payout ratio is calculated as dividend per share divided by the applicable earnings per ordinary share.

Dividend Reinvestment Plan

The DRP provides shareholders with the opportunity to receive their entitlement to a dividend in shares. The issue price of the shares is equal to the volume weighted average share price of Bendigo and Adelaide Bank Limited shares traded on the Australian Securities Exchange over the 10 trading days commencing 9 September 2025. Shares issued under this Plan rank equally with all other ordinary shares.

The last date for the receipt of an election notice for participation in the DRP for the 2025 final dividend is 4 September 2025.

1.4.13 Net tangible assets per ordinary share

	Full year ended			Half year ended		
	30 Jun 25	30 Jun 24	Change Jun 25 vs Jun 24 %	30 Jun 25	31 Dec 24	Change Jun 25 vs Dec 24 %
Net assets per ordinary share [1]	$11.83	$12.44	(4.9)	$11.83	$12.52	(5.5)
Net tangible assets per ordinary share [2]	$9.29	$9.06	2.5	$9.29	$9.10	2.1
Net tangible assets	$m	$m	%	$m	$m	%
Net assets	6,670.3	7,034.0	(5.2)	6,670.3	7,093.1	(6.0)
Intangible assets	(1,430.1)	(1,909.8)	25.1	(1,430.1)	(1,939.2)	26.3
Net tangible assets attributable to ordinary shareholders	5,240.2	5,124.2	2.3	5,240.2	5,153.9	1.7
Number of fully paid ordinary shares on issue (000's)	563,867	565,315	(0.3)	563,867	566,543	(0.5)

1. Net assets per ordinary share is calculated using the closing number of ordinary shares on issue.
2. Net tangible assets per ordinary share is calculated as net assets less goodwill and other intangible assets, and is calculated using the closing number of ordinary shares on issue.

Operating and Financial Review

Risk Management Framework, material risk and business uncertainty

The Group operates in a complex and changing environment. Our Group Risk Management Strategy (**GRMS**), framework and practices support the Group to navigate such challenges and achieve its strategic objectives.

Risk Management Framework

The Group Risk Management Framework (**GRMF**) comprises the structures, policies, processes, systems, and people the Group use as our consistent approach to managing material risks. Our framework components include:

- Our Risk Management Strategy
- Our risk appetite
- Our risk management approach of Identify, Assess, Act and Monitor.

Our GRMS is enabled by:

- Risk culture, roles and governance
- Risk policies, processes and systems.

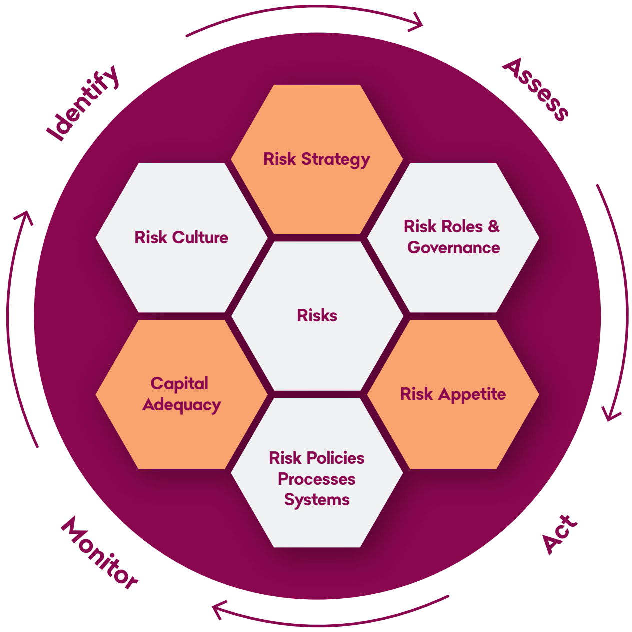


Figure 1: The Group's Risk Management Strategy

Risk Management Strategy

At least annually the Board and management identify and consider material risks, emerging risks and capital adequacy as part of the strategic and business planning processes. This includes annual approval of the GRMS to confirm it is appropriate to the size, business mix and complexity of the Group.

Internal Capital Adequacy Assessment Process (ICAAP)

The ICAAP is a part of our risk management strategy and capital management. It is an assessment of the appropriate level of capital that the Group should hold in relation to its material risks. The Group prepares an ICAAP Statement that summarises the Group's capital assessment and management process, including the ICAAP Report which serves as the key internal assessment of capital adequacy for the Group.

Emerging Risks

The Group has an emerging risk process that enables the consideration of emerging risks in the development and implementation of strategy and business decisions. Emerging risk discussions are embedded in various divisional, management, and Board committees across the organisation. The outcomes of the emerging risks review feed into various other processes, including strategy planning, the review of the Group's material risks, risk assessments, and internal stress test planning.

Risk Management Review and Declaration

The Board submits an annual Risk Management Declaration (**RMD**) to APRA on the effectiveness of the GRMF.

The RMD process involves demonstrating how the GRMF meets the RMD statements prescribed by APRA and reviewing the outcomes of management self assessments and other risk, governance and assurance processes. This is followed by a process of management and Board review and approval.

Operating and Financial Review

Risk appetite

Risk appetite is the amount of risk the Board is willing to accept in pursuit of the Group's strategic objectives and business plans, considering the interests of customers and shareholders. The Board sets and approves the Group's risk appetite annually as part of its overall Group Strategy. The GRMS, risk appetite, ICAAP and Group Business Plan (known as the Three-year Group Strategic Plan) are integrated processes that are completed at a similar point each year.

The Board's risk appetite for its material risks is documented in the Group's Risk Appetite Statement (**RAS**). Risk appetite is set at a Group level, and is operationalised by management through settings, indicators, policies, frameworks, processes, and procedures.

The Risk Appetite Methodology (**RAM**) documents the Group's approach to setting risk appetite and enables management of material risks within a defined context, which is then aligned with the Group Strategy and business objectives.

Risk management approach

The Group adopts a consistent risk management approach of Identify, Assess, Act and Monitor. This sets the Board and the Executive's expectations regarding the Group's approach to managing risk and the key elements of the GRMF that support this approach. Our risk management approach is enabled through the following:

- Risk culture, roles and governance
- Risk policies, processes and systems.

Risk culture

A sound risk culture is foundational to effective risk management and decision-making. It shapes how people across the Group identify, assess, act and monitor risk in line with the Group's risk appetite.

The Group aims to foster a risk-aware culture that supports accountability, encourages speaking up, and enables sound judgement. Our Code of Conduct sets clear behavioural expectations and is a key mechanism to embed risk-aware decision-making into the way we do business.

The Board and Executive play a key role in setting the tone from the top, overseeing our risk culture, and identifying areas of strategic focus.

We monitor and strengthen our risk culture through a combination of enablement and oversight activities. Our approach both supports management in building a strong risk culture, and provides independent oversight and challenge where our culture may not support the Group's risk appetite. This dual focus is embedded through leadership engagement, feedback mechanisms, and ongoing measurement and reporting. Insights from internal and external reviews and regulatory guidance inform our approach and support continuous improvement in how we manage risk in a dynamic environment.

Operating and Financial Review

Risk capabilities, skills, and behavioural expectations

To enable and support a strong risk culture, it is important that our people model expected organisational behaviours and continually develop their risk capabilities and skills.

Our Code of Conduct and organisational values guide our understanding of the behavioural expectations of our people. These values, underpinned by our critical few behaviours and leadership behaviours, provide clarity on day-to-day decision making and actions to help us execute our strategy whilst managing risk. Adherence to these behaviours is reviewed as part of the performance management cycle.

The People Capability Framework has a risk capability category called 'risk acumen' to reflect that risk management should be foundational and is everyone's responsibility across the Group. Risk acumen is a key pillar in both recruitment and ongoing performance management to ensure employees have the right capability and skills to manage risk.

Risk skills are the knowledge and expertise relating to the risk function, risk tools, or risk outcomes. Investment in risk skills are required to achieve better work outcomes, as current skills could become obsolete over time.

Roles

Role of the Board

The Board is ultimately accountable for the risk management of the Group. The role of the Board is to promote the Group's values, purpose, strategy, vision, Code of Conduct and the GRMS (including the risk appetite), taking into consideration customers, employees, communities, and shareholders. The Board's key responsibilities are to oversight management's operation of the risk management framework, approving the GRMS, risk appetite, setting the tone for risk culture, and engaging with regulators. The Board and Board Committees provide constructive review on and challenge to the management of the Group's risks.

Role of management

The role of management is to embed the Group's risk management frameworks, policies and standards in its processes. Management are responsible for the risk management of the Group including overseeing, monitoring and reviewing enterprise-wide financial, non-financial, and strategic risks. They are required at least annually to attest that key risks have been identified and are adequately controlled across their division(s).

Three Lines of Defence

The Three Lines of Defence is a model that defines roles and responsibilities for risk management across the Group.

Three Lines of Defence is important because it:

- helps to define responsibilities for risk activities across the Group
- provides robust risk management and culture with capable resources
- helps to deliver strong, integrated Group-wide assurance activities
- considers Group's Accountability Framework.

Under our 'Three Lines of Defence' model, management has primary risk ownership responsibility, and the oversight and assurance are functionally independent.

Operating and Financial Review

Line of Defence	Role	Responsibility
First Line of Defence (**1LoD**) Management accountability	Embed GRMF, policies and standards in its processes. Undertake risk based decisions after consideration of risk information, risk appetite and risk profiles. Reports on how it manages its risks to Divisional Risk Committees and Group Risk Committees. Accountable Executives manage their risks within appetite and ensure their employees have sufficient risk capability to complete their day-to-day roles. 1LoD Risk and Compliance support the Divisions with their risk activities.	Ownership of risks arising from business strategy and processes, and must manage risks and obligations, within risk appetite.
Second Line of Defence (**2LoD**) Challenge and oversight	Establishing the GRMF and policies for managing risk. The 2LoD structure under the Chief Risk Officer (CRO) has an operationally independent reporting line to the Chief Executive Officer and Managing Director. 2LoD is made up of specialised risk, compliance, and subject matter expert resources, responsible for the development of risk frameworks and policies. They provide advice, oversight and challenge of 1LoD risk practices. Responsible for setting and monitoring adherence with frameworks and policies. Reports to committees and Board on effectiveness of risk management and tools.	Ownership of the design and oversight of the GRMF and the extent to which it is fit-for-purpose to enable the business to manage risk.
Third Line of Defence (**3LoD**) Independent assurance	3LoD comprises Group Internal Audit (**GIA**) and provides independent assurance to the Board on the internal risk and control environment of the Group. 3LoD are independent of 1LoD and 2LoD management, with a direct reporting line to the Board Audit Committee (**BAC**). External audit fulfils a 3LoD role by nature but is independent from GIA.	Ownership of execution of the BAC approved Strategic Audit Plan.

Accountability Framework

The Financial Accountability Regime (**FAR**) imposes accountability, deferred remuneration, key personnel, and notification obligations on the Group, its Significant Related Entities (**SREs**) and persons in Director and senior Executive roles. FAR provides APRA and ASIC (the Regulators) with powers to investigate potential breaches of the FAR.

Individuals on whom personal obligations are imposed under FAR are known as 'Accountable Persons'. For the Group this includes all members of the Board (Directors), all Executives, and the General Manager, GIA.

FAR imposes accountability obligations on both Bendigo and Adelaide Bank Limited, as an Accountable Entity (and its SREs) as well as the Accountable Persons.

The Group has an Accountability Framework that sets out how the Bendigo and Adelaide Bank Limited, its SREs and its Accountable Persons meet their obligations under the regime.

Operating and Financial Review

Governance

Risk governance is the process of setting strategy and frameworks for managing risk across the organisation, and ensuring those frameworks are consistently applied. Our corporate governance structure supports risk governance by providing oversight. This extends to both Board delegated responsibilities and Management's responsibilities under FAR.

Our governance structures support the effective oversight and management of risk, including the execution of our strategic objectives, issue escalations, including consideration of prioritisation and sequencing of initiatives.

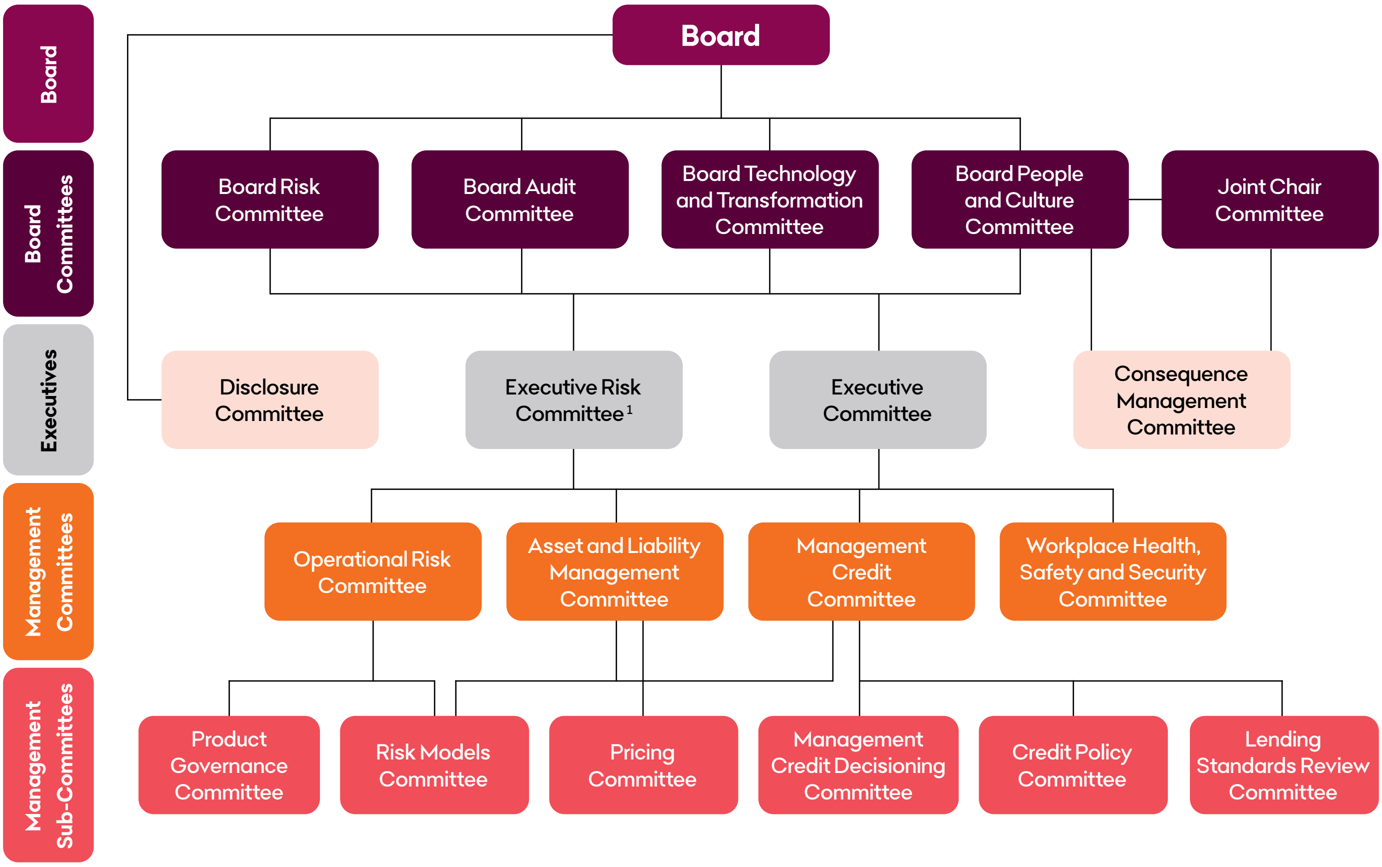
Committee structure

The below table outlines the Board, Executive, and Management Committee structure for the Group. Each Committee has its own responsibilities that have been delegated from the Board. The key risk governance committees are:

Governance Committee	Summary of responsibilities
Board	Ultimately accountable for the GRMS and responsible for the oversight of its operation by management. With assistance from the BAC and the Board Risk Committee (**BRC**), Board responsibilities including but not limited to: • Approve the GRMS and policies for managing risk that require Board approval. • Form a view of the risk culture in the Group, and the extent which that culture supports the ability of the Group to operate consistently within its risk appetite. • Approve the risk appetite within which it expects management to operate. • Monitor the effectiveness of risk management, including satisfying itself that appropriate internal control mechanisms are in place and implemented.
Board Risk Committee	Assists the Board by providing objective Non-Executive oversight of the Group's risk profile and operation of the GRMS with responsibilities including but not limited to: • Advising and providing recommendations to the Board on the current and future risk appetite and GRMS. • Oversight of an enterprise-wide view of the current and future risk position relative to the risk appetite, capital strength and resilience. • Oversight of the implementation of the Board approved risk appetite and the GRMS, including with respect to service provider arrangements. • Providing constructive challenge of proposals and decisions on all aspects of risk management.
Executive Risk Committee	Overseeing the Group's enterprise-wide risk profile, including regular reporting and monitoring on: • Risk culture. • Risk management framework effectiveness. • Significant regulatory and prudential matters.
Management Risk Committees	Management Risk Committees provide consistent business challenge, direction and escalation of items regarding the management and mitigation of their in-scope material risk(s). The management committees consist of: • Operational Risk Committee (**ORC**), including all non-financial risks; • Asset & Liability Management Committee (**ALMAC**), including capital, liquidity, and market risks; and • Management Credit Committee (**MCC**) covering credit risk.
Divisional Risk Committees	Monitor the divisional risk profile in accordance with the Operational Risk Management Framework (**ORMF**), RAS and risk culture. Ensure the timely management of operational risk related activities under the ORMF. Review, and where appropriate support the Accountable Executive report items for escalation to the ORC and/or Executive Risk Committee (**ERC**) as required.

Operating and Financial Review

The below figure represents the Committee structure of the Group.



Policies, processes and systems

Policies and processes

The Internal Document Architecture Policy (**IDAP**) outlines the Group's document hierarchy to categorise document types and their governance lifecycle requirements, including policies and processes. This provides a standardised and consistent approach across the group to our documentation.

The IDAP requires that our documents have clear roles and responsibilities to embed ownership across the three lines of defence. The Responsible, Accountable, Support, Consulted, and Informed (**RASCI**) matrix template is an effective way of embedding roles and responsibilities.

Our risk policies follow the risk management approach of Identify, Assess, Act and Monitor to apply the risk management framework components.

Systems

The Group utilises a number of key risk management information systems to manage material risks, supported by data management and governance through the Business System Ownership Policy. All risk management information systems (**MIS**) are recorded through the Group's Business Systems Register.

1. The Executive Risk Committee commenced 1 July 2025.

Operating and Financial Review

Risks

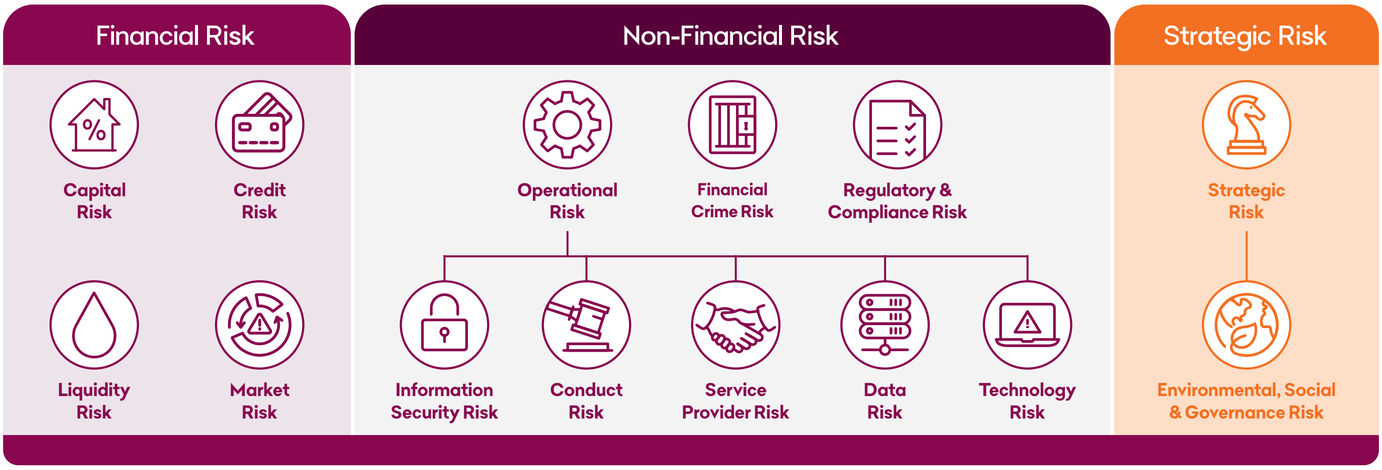
Material risks

Our business is exposed to, and we regularly assess, a broad range of risks that could impact the Group's strategic objectives.

Those risks that could have a significant adverse impact on the Group are known as material risks.

We have identified fourteen material risk categories that have the greatest potential to impact the Group. These risks are represented across three risk types: financial risk, non-financial risk and strategic risk and outlined below.

For each material risk category, the Board establishes a risk appetite which is outlined in the RAS. The RAS lists our material risks, along with the measures and tolerances used to monitor each risk.



Operating and Financial Review

Financial risks

Financial risks arise from the Group's risk-taking activities that are reflected in the Group's financial position and balance sheet.

1. Capital risk	Capital risk is the risk of holding insufficient capital to absorb unexpected losses. The amount of capital held by the Group is informed by the ICAAP, which assesses the level of (and appetite for) risk and ensures that the level and quality of capital held is appropriate for the Group's risk profile, including under stressed conditions. Group Treasury is responsible for managing capital risk. Group Treasury produces the Capital Management Plan annually, which outlines the Group's planned capital management activities, mix, and objectives over a three-year horizon. The Capital Management Plan reflects any expected changes to the Group's strategy, business activity, operating environment, or other factors arising out of the Group's business plans that may impact the Group's risk profile or capital requirements. Capital management strategies are developed to support these requirements while ensuring capital levels remain above Board and regulatory minimums. The Group sets capital ratio targets above regulatory minimums which incorporate buffers designed to ensure the Group can absorb the impact of losses and continue to lend during periods of stress and protect the interests of depositors. Compliance with capital targets and regulatory requirements is continuously monitored. Stress testing and scenario analysis inform capital management decision-making, and the calibration of Board and Management targets. The Group's strategic planning process requires that appropriate levels of capital, neither insufficient nor excessive, are maintained to support strategic execution.
2. Market risk	Market risk comprises traded market risk and Interest Rate Risk in the Banking Book (**IRRBB**). Traded market risk is the risk of losses in the Group's Trading Book owing to changes in the general level of market prices, including interest rates and foreign exchange rates. IRRBB is the risk of loss in earnings or in the economic value of the Banking Book due to movements in interest rates. Traded market risk arises from positions held in the Group's Trading Book, including securities held for both trading and liquidity management and foreign exchange trading. Foreign exchange trading is undertaken primarily for the purpose of providing the Group's customers with access to foreign exchange markets. Trading book positions include approved financial instruments, both physical and derivatives. The Group takes a prudent approach to the management of IRRBB, balancing earnings and economic value within a Board-approved risk appetite. Measurement of IRRBB includes credit spread risk, associated principally with the Group's holdings of liquid assets.

Operating and Financial Review

Financial risks (continued)

3. Liquidity risk	Liquidity risk is the inability to access funds, both anticipated and unforeseen, which may lead to the Group being unable to meet its obligations in an orderly manner as they arise. Liquidity risk is managed in accordance with the Board-approved RAS, Group Funding Strategy and Group Liquidity Risk Management Policy, to ensure that all cash flow commitments are met in a timely manner and prudential requirements are satisfied. The Group maintains a portfolio of High-Quality Liquid Assets (HQLA) to cover projected net cash outflows over a 30-day period under the stress scenario assumptions prescribed by the LCR in APRA Prudential Standard 210. The Group also monitors the stability and composition of its funding profile, including compliance with APRA's NSFR minimum requirement. A trigger framework supports the liquidity risk management process, identifying emerging risks or vulnerabilities in the Group's liquidity position. The Group undertakes stress testing and scenario analysis to evaluate the Group's ability to withstand stressed conditions across a variety of durations and severities.
4. Credit risk	Credit risk includes credit risk and counterparty credit risk. The Group is predominantly exposed to credit risk as a result of its lending activities. Credit risk is defined as the risk of loss of principal, interest and/or fees and charges resulting from a borrower failing to meet a credit commitment. The Group maintains a Credit Risk Management Framework and supporting policies to ensure and facilitate effective management of credit risk and the maintenance of acceptable asset quality. The Board has set a risk appetite for the maximum amount of credit risk that it is willing to take, based on a percentage of the Group's capital that has been allocated to credit risk. Credit risk appetite is reviewed and recommended by the MCC and ultimately approved by the BRC and/or Board. Stress testing is also undertaken on key portfolios to support prudent management of credit risks. Authority to officers to approve credit risk exposures is provided via a Delegated Lending Authority. The Group utilises models to support the management of credit risk. Governance of risk models is overseen by the Risk Models Committee (**RMC**) and credit risk models are approved by the Group's MCC. Counterparty credit risk is the risk that a counterparty may default before the final settlement of the transaction's cash flows. This risk is primarily related to the Group's derivatives exposures. Counterparty credit risk is mitigated using margining and central clearing. Financial Risk & Modelling is responsible for monitoring Treasury counterparty credit limits in line with the Group's Counterparty Credit Limit Framework. Regular reporting provides confirmation of the effectiveness of processes and highlights any trends or deterioration which require attention. This enables portfolio monitoring by all levels of management and the Board. Regular reporting is provided to the Group's MCC, and BRC, as well as at relevant Divisional Risk Committees.

Operating and Financial Review

Non-financial risks

Non-financial risks arise from the Group's risk taking activities across processes or systems, people, and external events.

5. Operational risk	Operational risk is the risk of impact on objectives or the risk of loss resulting from inadequate or failed internal processes or systems, the actions or inactions of people, or from external events. Operational risk is inherent in all Bank products, services, activities, processes and systems. Operational risk is managed in accordance with the ORMF to identify, assess, act and monitor risks, including important activities to ensure we manage and minimise our risks, such as: • evaluating our environment for threats and challenges, as we strive to achieve our strategic objectives • identifying different types of operational risks, to which we are exposed, or what can go wrong with our products, services and processes • assessing the potential impact to our customers, staff, shareholders, and community if risks materialise • introducing controls or processes to prevent risks from occurring or reduce the impact if they do occur • proactively improving our products, services and processes when there are changes to regulations • closely managing the resilience of our critical operations to avoid or minimise disruptions • when things do go wrong, investigating what happened to understand why errors occurred, and how our customers, staff, shareholders, and community are impacted so that we can learn from our mistakes and prevent recurrences • monitoring and reporting risk information to Executive Management and the Group's Board, to enable them to make risk informed decisions, and ensure we remain adequately capitalised and can absorb unexpected losses.
6. Conduct risk	Conduct risk is the risk of failing to: • deliver fair outcomes for our customers whilst balancing the outcomes for our shareholders and the communities in which we operate (incl. partners and regulators) • uphold our Code of Conduct • protect market integrity. We are committed to the management of conduct risks throughout our business practices, and we do this through applying the Conduct Principles. The Conduct Risk Policy and Principles set the minimum expectations, are relevant to and apply to each employee and, where there is exposure to conduct risk, must be incorporated into business-owned mechanisms. Key drivers of conduct risk include: • product & service design and distribution processes • customer service failure • firm-level decision making • employee standards and behaviours • market integrity. Conduct risk utilises the core Operational Risk Management processes and procedures outlined in the Operational Risk Management Policy (**ORMP**) to identify, assess, action and monitor conduct risks. Identifying conduct risks include through conduct risk related events and systemic complaint themes. Assessment of conduct risks include use of the operational risk consequence table, particularly customer impact (number of customers and financial impact) and reputational impact. Whether assessment of the impact results in unbalanced outcomes across our customers, shareholders and communities, and number and category of complaints will inform actions. Actions can include reducing the risk exposure by reducing the likelihood and/or consequence of the risk using controls and/or governance mechanisms; where appropriate, customer remediation programs are undertaken and root cause analysis undertaken to identify appropriate actions and learnings. The Group must have in place appropriate business-owned mechanisms in order to manage and mitigate their conduct risks, for example, policies, procedures. 2LoD conduct risk is responsible for independently oversighting and monitoring the existence and performance of these mechanisms in adequately managing the conduct risks associated with the business area. Conduct risk reporting is provided to management, relevant governance committees, and the Board under the ORMP.

Operating and Financial Review

Non-financial risks (continued)

7. Data risk	Data risk is the potential for business loss arising from failure to appropriately govern, manage and maintain the Group's data. This includes but is not limited to customer data, staff data, and the Group's proprietary data. The Group proactively scans internal and external environments to identify current, evolving, and emerging data risks. Data risk utilises the core Operational Risk Management processes and procedures outlined in the ORMP to identify, assess, action and monitor data risks. Risk identification methods include monitoring industry developments, regulatory changes, control assessments, incident and breach reviews, and stakeholder feedback. Data risks are assessed based on their potential impact on the Group's strategic objectives. Key inputs into this assessment include data criticality, applicable internal policies and data standards, compliance requirements, regulatory expectations (for example, CPS 230 Operational Risk Management, CPS 234 Information Security, CPG 235 Managing Data Risk), and control effectiveness. Assessments are informed by data classification, quality assessments, and system dependencies. Actions to manage data risk include applying the Group's Data Risk Management Framework, enforcing data-related policies and standards, implementing control measures, remediating data quality issues, and defining data ownership and accountability. Where risks cannot be fully mitigated, formal risk acceptance processes are followed in accordance with the ORMF. Ongoing oversight is maintained through regular monitoring activities such as control testing, internal audits, and risk reporting.
8. Technology risk	Technology risk refers to the potential for loss resulting from the failure, misuse, or inadequacy of technology, which could adversely impact the risk associated to any technology that negatively impacts the Group's operations, services, or strategic objectives. This includes risks associated with applications, systems, infrastructure, cyber threats, change management, and third-party technology services. The Group identifies current, emerging, and evolving risks by actively monitoring internal systems and the external technology environment. Technology risk utilises the core Operational Risk Management processes and procedures outlined in the ORMP to identify, assess, action and monitor technology risks. Risk identification is supported through incident management, control testing, vulnerability assessments, audit findings, and intelligence from technology partners and regulators. Technology risks are assessed against potential business impact and likelihood, informed by internal policies, technology architecture, dependency mapping, and compliance with regulatory obligations (for example, CPS 234 Information Security). This includes evaluating risks of system availability, confidentiality, integrity, and third-party technology dependencies. Technology risk is managed through the ORMF, which outlines responsibilities, controls, and escalation protocols. The Group applies risk mitigation strategies including architecture reviews, resilience planning, penetration testing, security controls, and change governance. Where residual risks remain, formal risk acceptance processes are applied in line with the ORMF. Ongoing oversight includes regular monitoring of technology health indicators, control effectiveness, and incidents. Risk reporting is integrated into governance forums including the ORC, BRC, and Divisional Risk Committees, and is supported by defined Technology Risk Appetite Statements and associated indicators.

Operating and Financial Review

Non-financial risks (continued)

9. Information security risk	Information security risk comprises the potential impacts to the Group, our customers and stakeholders arising from the threats and vulnerabilities related to the operation and use of information systems and the environments in which those systems operate. This includes risks of unauthorised access, data breaches, and compromise of sensitive or critical information assets. The Group identifies the current, evolving and emerging information security risks by actively monitoring the internal and external threat landscape. Information security risk utilises the core Operational Risk Management processes and procedures outlined in the ORMP to identify, assess, action and monitor information security risks. Threat intelligence, incident data, vulnerability assessments, and regulatory developments are key inputs used to detect and evaluate risk exposures. Risks are assessed based on potential impact to confidentiality, integrity, and availability of data and systems. Assessments are informed by defined security policies, risk and control assessments, data classification, and alignment with regulatory requirements, including CPS 234 Information Security. Information security risk is managed through the Group's Information Security Policy and related standards, and procedures. Controls are implemented to protect systems and data, including network security, encryption, access management, and security awareness. Risk acceptance and treatment processes are followed where applicable. Ongoing monitoring includes security event logging, control testing, penetration testing, and incident response. Information security risks and incidents are reported through established governance forums, including the ORC, BRC, BTTC and Technology & Transformation Divisional Risk Committees, ensuring transparency and accountability.
10. Service provider risk	Service provider risk is the risk of failing to manage service provider relationships and risks appropriately; for example, by not taking appropriate steps to identify and mitigate additional operational risks resulting from the outsourcing and procurement of services or functions. Service provider risk utilises the core Operational Risk Management processes and procedures outlined in the ORMP to identify, assess, action and monitor service provider risks. The Group has a Service Provider Policy which provides the required steps to manage material service providers including sourcing, onboarding, ongoing monitoring and oversight, and the assessment and treatment of supplier risk. In addition, the Group has a Service Provider Standard which outlines the principles and practices to effectively manage risks arising from the outsourcing of its business activities and functions. The Procurement Standard provides the required steps to manage non-material service providers. The Enterprise Procurement function provides advice, support, and oversight throughout the procurement process as well as monitoring and oversight of material service providers, manage policies, procedures, and tools. Regular service provider risk reporting follows the ORMF and is provided to ORC, BRC and Divisional Risk Committees. Key drivers of service provider risk include inappropriate selection (including due diligence), inappropriate contract (including regulatory non-compliance), service provider performance management and loss of supplier.

Operating and Financial Review

Non-financial risks (continued)

11. Regulatory and compliance risk	Regulatory and compliance risk is the risk of adverse customer impact, financial loss or regulatory penalty. It may occur because of inadequate or failed internal processes, people, systems or controls and results in a failure to comply with regulatory obligations or compliance arrangements. Regulatory and compliance risk utilises the core Operational Risk Management processes and procedures outlined in the ORMP to identify, assess, action and monitor regulatory and compliance risks. Our focus is on managing compliance obligations, which includes monitoring, oversight and reporting. It also includes maintaining transparent regulator relationships supported by complete, timely and accurate engagement and breach reporting. Key drivers include non-compliance with our obligations, timely management of breaches and response to regulatory change and regulator requests or expectations.
12. Financial crime risk	Financial crime risk is the risk of facilitation of money laundering, sanctions violations, bribery or corruption, and fraud. Financial crime risk utilises the core Operational Risk Management processes and procedures outlined in the ORMP to identify, assess, action and monitor financial crime risks. Financial crime risk is an inherent risk within financial services, given the ability for staff and external parties to obtain financial advantage for themselves or others. An inherent risk also exists due to systems and internal controls failing to prevent or detect all instances of financial crime. The Group has established techniques and capabilities to detect and prevent financial crime and comply with legislation. A specialist Financial Crime Risk function is responsible for delivering an overarching framework of programs, policies, and controls to support the organisation in the management of the risk of financial crime. The function includes providing independent advice and oversight across the Group.

Operating and Financial Review

Strategic risks

Strategic risks arise from the Group's ability to deliver expected Strategic outcomes.

13. Strategic risk	Strategic risk is the risk that either business decisions or ineffective or inappropriate business plans fail to respond to changes in the environment or fail to appropriately execute strategic initiatives, which impacts our ability to meet our strategic objectives. Our focus is on execution of strategic objectives, including consideration of prioritisation and sequencing of initiatives, monitoring delivery against financial and non-financial metrics, and management of investment spend. Key drivers of strategic risk management include the Group Risk involvement in strategy setting, the use of the annual emerging risk process and stress testing outcomes, as well as the Risk Appetite Indicators and strategic Key Performance Indicators (KPIs).
14. Environmental, Social, and Governance (ESG) risk	ESG risk is defined as the risk of failure to appropriately identify and manage material environmental, social and governance risks and opportunities: • Environmental risk considers the opportunities and financial risks of climate change by setting strategy to achieve transitional and sustainable outcomes. • Social risk considers risks associated with our activities which could lead to adverse outcomes for individuals, communities or society, including the potential result of financial loss, reputational harm, legal liability, or regulatory penalties. • Governance risk considers the risk of weaknesses or failures in corporate governance practices, including leadership, decision-making, oversight, conduct, and accountability, and how they could potentially lead to financial loss, reputational harm, strategic failure, legal liability, or regulatory penalties. An example is that our risk appetite excludes lending exposure to coal, coal seam gas, crude oil, natural gas, and native forest logging projects. The Group has adopted an approach to assess its most material ESG issues. This approach assesses a range of factors to test and validate our approach and Business Plan on an ongoing basis. This includes: the regulatory environment; monitoring external ESG and sustainability assessments of the Group; monitoring developments in relevant international frameworks and national industry bodies; reviewing customer complaints; updating the Group's Social Issues Register; reviewing ESG and sustainability themes emerging from banking sector Annual General Meetings; and conducting the Group's annual materiality process. The approach has informed the transition of the Group's inaugural ESG Framework to an enterprise-wide ESG and Sustainability Business Plan. This Business Plan provides detail on ESG initiatives, provides clarity on accountabilities, and includes public commitments to help us measure our performance. The Business Plan demonstrates alignment to the Group's vision, purpose, and strategic imperatives, but also identifies how ESG and sustainability risks are managed, and which policies and positions guide our approach. The Business Plan reflects that climate change and its impacts will increasingly play a role across our environment, social and governance programs and therefore identifies a climate change approach as a point of risk and opportunity for the Group. It also identifies programs of work to manage our environment, social and governance approaches. This is how we maintain our social licence to operate and ensures the Group remains a responsible and ethical business.

Operating and Financial Review

Business uncertainties

The Group's financial performance is significantly influenced by its business operations and interactions with both internal and external factors. The Group manages these uncertainties through the Group Risk Management Framework.

Risk derived from internal environment

The internal environment may lead to different risks for the business in the event of deficient systems, lack of proper risk management, inadequate internal controls or ineffective decision-making.

Partner risk

The Group has Community Bank branches operating in all Australian states and territories and deals with intermediaries through its Third-Party Banking business. The Community Bank branches are operated by companies that have entered into franchise and management agreements with the Group to manage and operate a Community Bank branch. Intermediary agreements are also entered into for all Third-Party Banking intermediaries. The Group carefully assesses and monitors the progress of the franchisees and intermediaries although there can be no guarantee of their success.

The Community Bank branch network and the Group's dealings with intermediaries through its Third-Party Banking business, presents risk that may develop over time and may adversely impact the Group's financial results. These risks include the actions of intermediaries adversely affecting the Group's reputation, loss of customers, and regulatory investigations, enforcement actions, fines, penalties or litigation or other actions brought by third parties (including class actions) all of which, individually or in combination, could adversely affect the Group's business, financial performance, or financial condition.

Litigation and contingent liabilities risk

From time to time, the Group may be subject to material litigation, regulatory actions, legal or arbitration proceedings and other contingent liabilities which, if they materialise, may adversely affect the Group's results. The Group may be exposed to risks relating to the provision of advice, recommendations or guidance about financial products and services, or behaviours which do not appropriately consider the interests of consumers, the integrity of the financial markets and the expectations of the community, in the course of its business activities.

In recent years, there have been significant increases in the nature and scale of regulatory investigations and reviews, enforcement actions (whether by court action or otherwise) and the quantum of fines issued by regulators, particularly against financial institutions both in Australia and globally. The nature of those investigations, reviews and enforcement actions can be wide-ranging and, for example, currently include a range of matters across the financial services industry including responsible lending practices, product suitability, wealth advice and conduct in financial markets and capital markets transactions.

Regulatory investigations, fines, other penalties or regulator-imposed conditions could adversely affect the Group's reputation; prospects; financial performance and position; and capital condition. There is a risk that these contingent liabilities may be larger than anticipated or that additional litigation or other contingent liabilities may arise.

Operating and Financial Review

Risk derived from internal environment continued

Contagion risk

The Group includes a number of subsidiaries that are trading entities and holders of Australian Financial Services Licences or Australian Credit Licences. Dealings and exposures between the Group and its subsidiaries principally arise from the provision of administrative, corporate, distribution and general banking services. The majority of subsidiary resourcing and infrastructure is provided by the Group's centralised back-office functions. Other dealings arise from the provision of funding and equity contributions. The Group is exposed to risks through such dealings, including risks relating to credit, liquidity, and funding. The Group has subsidiaries (whether partially or wholly owned) which, through their normal dealings and exposures may not be able to meet financial obligations as and when they fall due, or may become subject to regulatory scrutiny or penalties. This in turn may have an adverse impact on the Group's reputation, business, growth prospects, engagement with regulators, financial performance, or financial condition.

Risk of ineffective risk management

The Risk Management Framework is designed to enable the management of risk from identification through to measurement, management, reporting and maintaining a robust control framework. There is a risk that the Risk Management Framework may be inadequate due to changes in the risk environment, inadequacy of design, or ineffectiveness of processes, controls, people, or technology. This could lead to higher risk exposure than the intended risk appetite settings, which in turn could lead to increased regulatory focus, breaches of obligations, losses, or reputational damage.

People retention risk

Key Executives, employees and Directors play an integral role in the operation of the Group's business and its pursuit of its strategic objectives. The unexpected departure of an individual in a key role, or the Group's failure to recruit and retain appropriately skilled and qualified persons into these roles, could each have an adverse effect on the Group's business, prospects, reputation and financial performance and position.

Operating and Financial Review

Risk derived from external environment

The external operating environment can at times be subject to volatility. The external environment and emerging trends are considered as part of the strategic planning process and through the risk management framework. Uncertainties remain and risks arising from the external environment need to be managed on an ongoing basis.

Economic conditions risk

The Group's revenues and earnings are dependent on economic activity and the level of financial services its customers require. In particular, lending is dependent on customer and investor confidence, the state of the economy, the residential lending market and prevailing market interest rates in Australia. These factors are, in turn, impacted by both domestic and international economic and political events, natural disasters (including pandemics and epidemics), cyber attacks and the general state of the global economy (including the current complex global trade environment). A future downturn in the Australian economy or disruption to Australian or global markets could cause a reduction in demand for the Group's products and an increase in customer defaults, which may ultimately adversely impact the Group's operations, liquidity, capital resources and financial performance and position. Additionally, these events may undermine confidence in the financial system and further reduce liquidity and impair access to funding, which may adversely affect the Group's customers and counterparties, and ultimately, the Group's financial position.

Changes in investment markets, including changes in interest rates, foreign currency exchange rates and returns from equity, property and other investments, will affect the financial performance of the Group through its operations and investments held in financial services and associated businesses. Losses arising from these risks may have an adverse effect on Group's business, operations and financial performance and position.

The unique nature of the current geopolitical environment and associated trade tensions is a source of possible economic risk, including Australia's trade relationship with the United States (US). Policy uncertainty may weigh on global demand and could disrupt certain supply chains, especially with geopolitical tensions already being at an elevated level.

While Australia's economy is forecast to expand modestly in FY26, and real household disposable income is likely to steadily recover through the next few years amid lower inflation and RBA rate cuts, this process will take time to unwind the impact of the inflation shock of the last few years, which may affect the ability of borrowers to service mortgage loans. Similarly, businesses face challenges overcoming the recent period of lower demand from households domestically, and potentially from offshore as trade tensions or commodity prices adversely impact international trade.

Due to the economic relationship between Australia and China, particularly in the mining, resources and agricultural sectors, a slowdown in China's economic growth (for example from US tariffs) could negatively impact the Australian economy. This could result in a reduced demand for the Group's products and services and affect supply chains, the level of economic activity and the ability of its borrowers to repay their loans.

All these factors could adversely affect the Group's business, prospects, financial performance or financial condition. The nature and consequences of any such event are difficult to predict and there is a risk that the Group's response may be ineffective.

Operating and Financial Review

Risk derived from external environment continued

Competition risk

The markets in which the Group operates are highly competitive and will continue to be competitive as digital disruption continues to evolve. The increasing prevalence of digital banking and the growing use of AI has increased the degree of competition in the industry through an increased focus on data and analytics capabilities, and by creating unique and seamless customer experiences. The inability to keep up with this evolution in digital banking and the effects of operating in this increased competitive environment could adversely affect the Group's ability to compete and achieve its growth prospects.

Competitors may not be subject to the same capital and regulatory requirements and therefore may be able to operate more efficiently. If the Group is unable to compete effectively in its various businesses and markets, its market share may decline. Increased competition may also adversely affect the Group by diverting business to its competitors or creating pressure on NIM. These risks are not specific to the Group and instead represent challenges across the industry; however, the impact of these occurring could result in adverse effects on the Group's business, prospects and financial performance.

The Australian Government in conjunction with the Council of Financial Regulators (**CFR**) and the Australian Competition and Consumer Commission (**ACCC**) has conducted a review into small and medium sized banks, including the role they play and challenges they face in providing competition in the banking industry. The recommendations made, may have the effect of changing the competitive position of some smaller banking institutions, increasing their ability to compete with the Group.

The Group relies on retail deposits to fund a significant portion of its balance sheet, and these deposits have been a relatively stable source of funding. The Group competes with banks and other financial services firms for such deposits. To the extent that it is not able to successfully compete for deposits, the Group would be forced to rely more heavily on more expensive or less stable forms of funding, or reduce its lending activities. This may in turn have a negative impact on the Group's business, business model, operations, reputation, prospects, capital resources, financial performance and financial condition.

Changes in monetary policy

RBA sets official interest rates to affect the demand for money and credit in Australia. The cash rate influences other interest rates in the economy which then affect the level of economic activity.

Movements in the cash rate impact our cost of funds for lending and investing, and the return earned on these loans and investments, and these can impact our NIM.

Changes in monetary policy can also affect the behaviour of borrowers and depositors, such as potentially increasing the risk that borrowers may fail to repay their loans, or repay their loans in advance, and in the case of depositors, potentially increasing the risk that they may seek returns in other asset classes.

Credit ratings risks

External credit ratings have a significant impact on both our access to, and the cost of, capital and wholesale funding. Credit ratings may be withdrawn, made subject to qualifications, revised, or suspended by a credit rating agency at any time. The methodologies by which they are determined may also be revised. A downgrade or potential downgrade to our rating may reduce access to capital and wholesale debt markets, potentially leading to an increase in funding costs, and affect the willingness of counterparties to transact with the Group.

Operating and Financial Review

Risk derived from external environment continued

Sovereign risk

Sovereign risk is the risk that governments will default on their debt obligations, will be unable to refinance their debts as they fall due, or will nationalise parts of their economy including assets of financial institutions such as the Group. Sovereign defaults could negatively impact the value of the Group's HQLA holdings. There may also be a cascading effect to other markets and countries, the consequences of which, while difficult to predict, could be similar to or worse than those experienced during the Global Financial Crisis. Such an event could destabilise global financial markets, adversely affecting the Group's liquidity, financial performance and position.

Changes in accounting policies and critical estimates

The Group is required to adhere to accounting standards which set out how the financial performance and position of the Group is recorded and reported. These financial reports, along with the associated processes, are audited annually.

The Group needs to make assumptions and judgements when executing accounting processes, particularly when determining valuations and computing accounting provisions. These assumptions and judgements could change based on new information, new interpretations, or a change in circumstances, which could lead to the Group incurring higher than expected losses or needing to take higher provisions than originally anticipated.

The Group is also exposed to the risk of the introduction or amendment of accounting standards or interpretations. New or changed accounting requirements could result in higher losses or higher provisions.

Financial crime risk

Financial crime risk is the risk of facilitation of money laundering, sanctions violations, bribery or corruption, and fraud. The Group is subject to a wide range of financial crimes regulations, such as anti-money laundering and counter-terrorism financing laws, anti-bribery and corruption laws and sanctions laws. As a result of the ongoing conflicts and geopolitical tensions globally, there is an unprecedented volume of sanctions being applied by regulators. While regulatory sanctions across the US, Europe and Australia are largely united, the nuances and specific restrictions are not fully aligned. As a result, the Group is subject to heightened operational and compliance risks in navigating transactions and dealings that may be affected by these additional sanctions laws. This heightened risk is expected to continue and increase as the conflict in the region persists.

While the Group has policies, systems and controls in place that are designed to manage its financial crime obligations (including its reporting obligations in respect of matters such as International Funds Transfer Instructions, Threshold Transaction Reports and Suspicious Matter Reports), these may not always be effective.

To the extent that the Group is found to have failed, or in the future fails, to comply with its obligations under these laws, the Group may face regulatory enforcement action or other sanctions including litigation, fines, civil and criminal penalties, customer compensation obligations and enforceable undertakings. Non-compliance with these obligations could also lead to litigation commenced by third parties (including class action proceedings), regulatory action and sanctions imposed by regulators, as well as adverse media coverage, all of which may also result in reputational damage.

In addition, due to the large volume of transactions that the Group processes, an undetected failure or the ineffective implementation, monitoring or remediation of a policy, system or control has the potential to result in multiple breaches of the Group's obligations under these laws which, in turn, could give rise to significant monetary penalties for the Group.

These actions and events could, either individually or in aggregate, adversely affect the Group's business, prospects, reputation and financial performance and position.

Operating and Financial Review

Risk derived from external environment continued

Regulatory risk

The Group operates in an environment where there is ongoing scrutiny of financial services providers. The Group and its businesses are subject to extensive regulation in Australia and by multiple regulatory bodies including ASIC, APRA, the Australian Transaction Reports and Analysis Centre (**AUSTRAC**), the RBA as well as by other regulators in jurisdictions in which the Group operates or obtains funding.

A failure to comply with any standards, laws, regulations or policies in any of these jurisdictions could result in sanctions by these or other regulatory agencies, the exercise of any discretionary powers that the regulators hold or compensatory action by affected persons, which may in turn cause substantial damage to the Group's reputation. To the extent that these regulatory requirements limit the Group's operations or flexibility, they could adversely impact the Group's profitability.

The current political and regulatory environment in which the Group operates has also seen (and may continue to see) the expansion of powers of regulators along with materially increased civil penalties for corporate and financial sector misconduct or non-compliance. This could increase the prospect of adverse regulatory action being brought against the Group and lead to significant financial and other penalties.

Regulatory and other governmental agencies (including courts, revenue and tax authorities) frequently review banking and tax laws, regulations, codes of practice and policies. Changes to laws, regulations, codes of practice or policies, including changes in interpretation or implementation of laws, regulations, codes of practice or policies, could affect the Group in substantial and unpredictable ways.

These may include increasing required levels of bank liquidity and capital adequacy, limiting the types of financial services and products the Group can offer and the revenues it can earn, or increasing the ability of non-banks to offer competing financial services or products, as well as introducing changes to accounting standards, taxation laws and prudential requirements.

Recently, policy makers and regulators have developed and implemented a range of regulations that affect how the Group provides products and services to its customers. New laws have been introduced that further regulate its ability to provide products and services to certain customers and that require the Group to alter its product and service offerings. The Group's ability to set prices for certain products and services may also be impacted by future regulation. The competitive landscape may also be altered by new laws affecting banks and financial services companies, or the Group's agents, authorised representatives and external service providers.

There are numerous sources of regulatory change that could affect the Group's business. In some cases, changes to regulation are driven by international bodies, such as the Basel Committee on Banking Supervision. Regulatory change may also flow from reviews and inquiries commissioned by governments or regulators. These reviews and commissions of inquiry may lead to substantial regulatory change or investigations.

Any such changes may adversely affect the Group's business, operations and financial performance and position. The changes may cause the Group to, among other things, change its business mix, incur additional costs as a result of increased management attention, raise additional amounts of capital and hold significant levels of additional liquid assets, and change its funding profile.

The nature, timing and impact of future regulatory reforms or changes are not predictable and are beyond the Group's control. Regulatory compliance and the management of regulatory change is an increasingly important part of the Group's strategic planning. Regulatory change may also impact the Group's operations by requiring it to have higher levels and better quality of capital, place restrictions on the businesses it operates, or require the Group to alter its product or service offerings. If regulatory change has any such effect, it could adversely affect one or more of the Group's businesses, restrict its flexibility, require it to incur substantial costs and impact the profitability of one or more of the Group's businesses. Any such costs or restrictions could adversely affect the Group's business, prospects, reputation, financial performance or position.

Operating and Financial Review

Risk derived from external environment continued

Fraud and scams risk

The Group is exposed to the risk of fraud, both internal and external (including fraudulent applications for loans, or from incorrect or fraudulent payments and settlements). The Group also runs the risk that staff, contractor and external service provider misconduct could occur. For instance, fraudulent conduct can also arise from external parties seeking to access the Group's systems or customer accounts. All actual or alleged fraud is investigated under the authority of the Group's Financial Crimes unit. It is not always possible to deter or prevent misconduct and the precautions taken by the staff to prevent and detect such activity may not be effective in all cases, which could result in financial losses, regulatory intervention, and reputational damage.

In February 2025 the Australian Government passed legislation regarding the Scams Prevention Framework (**SPF**). The SPF itself represents a significant beginning of the scams regulatory framework for Australian industries, including banks, certain digital platforms and telecommunications, aiming to bolster the resilience at a network level. This framework underscores the need for continued improvements to internal controls and risk management practices across the entire banking sector. For the Group, this translates into a sustained need for sophisticated scam detection systems, data analytics capabilities, and cybersecurity infrastructure. Ongoing investment in these areas will ultimately lead to a more secure and efficient operation, reducing exposure to fraud-related losses.

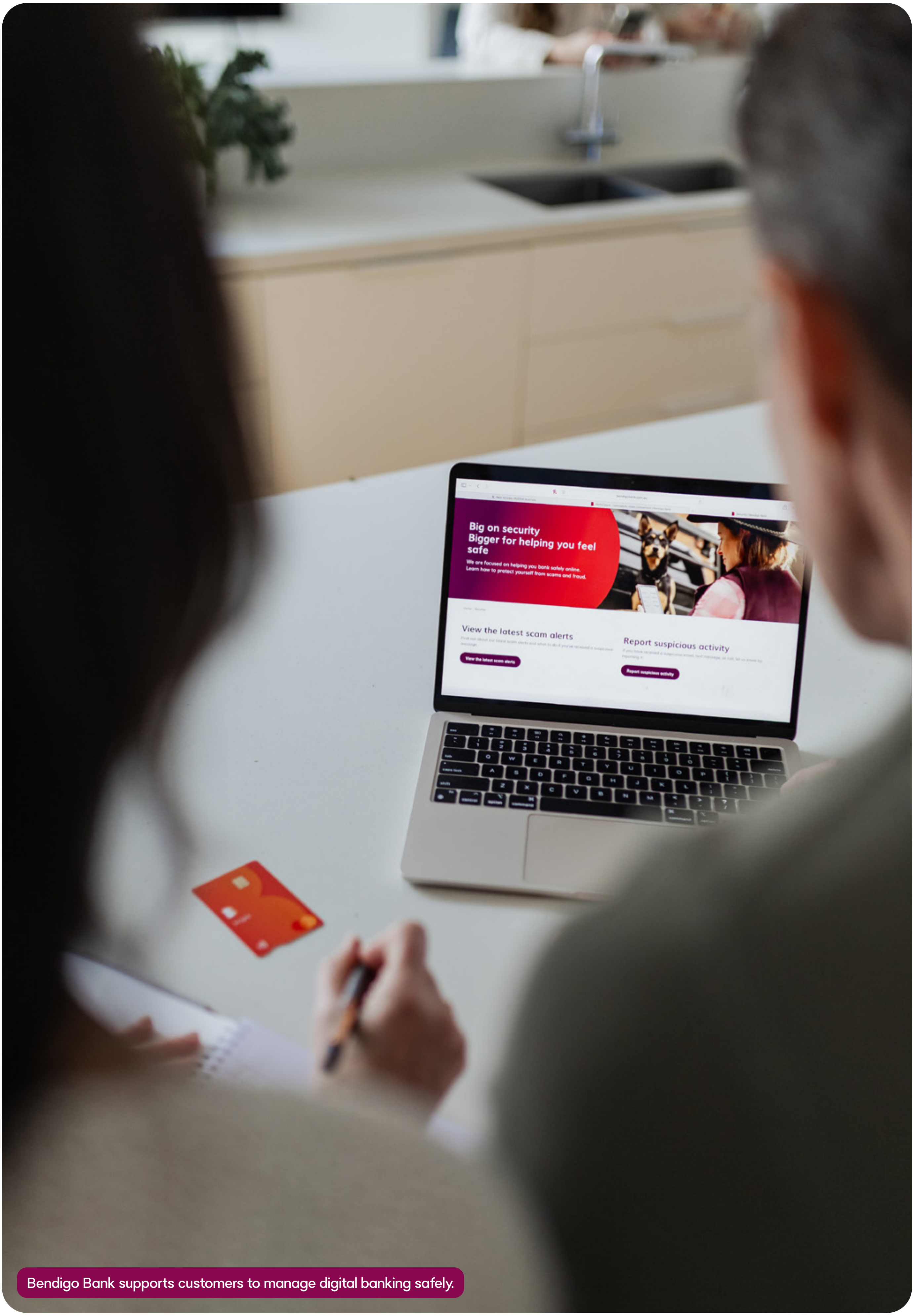
The enhanced regulatory environment, with its increased focus on transparency and accountability, fosters a more secure operating landscape. The onus on regulated industries to adhere to these standards is essential for managing customer losses, liability and applying penalties for non-compliance. Additional expenditure by the Group to strengthen and adapt to the changing financial crime landscape is essential for our sustainability. In FY25 the Group reduced year-on-year customer losses by over 36% and stopped $47 million of potential scam payments amounting to $128,000 per day, as a result of our ongoing investment towards customer protection.

Cyber security risk

The Group processes, stores, and transmits large amounts of personal and confidential information through its technology systems and networks and the technology systems and networks of its external service providers. Threats to information security are constantly evolving and techniques used to perpetrate cyber attacks are increasingly sophisticated. In addition, the number, nature and resources of adverse actors that could pose a cyber threat to the Group is growing, including individual cybercriminals, criminal, or terrorist syndicate networks and large sophisticated foreign governments with significant resources and capabilities.

Although the Group invests in protecting the confidentiality, integrity, and availability of this information, the Group may not always be able to anticipate a security threat, or be able to implement effective information security policies, procedures and controls to prevent or minimise the resulting damage. The Group may also inadvertently retain information which is not specifically required or is not permitted by legislation, thus increasing the impact of a potential data breach or non-compliance. Additionally, the Group uses select external providers (in Australia and overseas) to process and store confidential data and to develop and provide its technology services, including the increasing use of cloud infrastructure. While the Group negotiates comprehensive risk-based controls with its service providers, it is limited in its ability to monitor and control the security protocols that service providers implement on a day-to-day basis. The Group may also submit confidential information to its key regulators under a legal obligation and as part of regulatory reporting.

A breach of security at any of these external providers, regulators or within the Group may result in operational disruption, theft or loss of customer or employee data, a breach of privacy laws, regulatory enforcement actions, customer or employee redress, litigation, financial losses, or loss of market share, property or information. This may be wholly or partially beyond the control of the Group and may adversely impact its financial performance and position and reputation. Any such event may also give rise to increased regulatory scrutiny or adversely affect the view of ratings agencies.



Bendigo Bank supports customers to manage digital banking safely.

Sustainability Report

Transparent disclosure

Global Reporting Initiative (GRI)

This report has been prepared with reference to the GRI Standards. A 2025 GRI Index can be found in the ESG Data Summary.

Australian Sustainability Reporting Standards (AASB) S2

Bendigo Bank has monitored the emergence of AASB S2 Climate-related Disclosures. Our 2025 sustainability reporting suite has been developed with reference to this guidance.

Taskforce on Climate-related Financial Disclosures (TCFD)

The Bank's Sustainability Report and Climate Disclosure shows our 2025 climate-related performance and has been developed with reference to the TCFD.

Business for Societal Impact (B4SI)

As members of the B4SI network we measure our community investment in alignment with B4SI methodology.

Sustainability governance

Sustainability is governed at the Bank from the Board through to management with actions to manage sustainability related risks and opportunities embedded throughout our business. For more detail, please refer to the Corporate Governance Statement.

Sustainability performance

CDP	B (maintained)
MSCI	A (maintained)
Sustainalytics	Risk Rating 20.8 (2024: 19.8)
S&P Global	Scored 58 (2024: 46)

The BEN Pride Employee Network Group features members from across our business, including people who identify as LGBTIQ+ as well as proud allies of the LGBTIQ+ community.

Sustainability strategy

Our sustainability related risks and opportunities are managed through the Bank's strategy and ESG & Sustainability Business Plan.

ESG & Sustainability Business Plan

Our Purpose
To feed into the prosperity of our customers and communities

Bendigo Bank Strategy

ESG and Sustainability Risk Management, Policies and Positions

ESG & Sustainability Business Plan
Ambition: To drive action towards a resilient and sustainable future to grow the prosperity of our customers, communities, shareholders and our people

Climate Change
Supporting our customers, communities, our people and business to prepare for and adapt to the impacts and opportunities of climate change

Environment

Understanding and reducing environmental impacts and improving nature and biodiversity related outcomes throughout our value chain

Social

Identifying and managing issues and opportunities on a range of social topics impacting and shaping customers, communities and our people

Governance

Being a responsible and ethical business by ensuring high standards of corporate governance

The Business Plan is enabled through prioritisation, robust ESG and sustainability governance, measurement of our performance, and maintenance of our trust and engagement through our actions and transparency.

Materiality

Information on how the Bank's material risks and opportunities are identified through our materiality assessment, as well as our material issue definitions, are included in our ESG Data Summary.

Climate change	Customer experience & wellbeing	Data privacy & security	Financial crime risk	Governance, conduct & ethics	Thriving communities
United Nations Sustainable Development Goals (SDG) Alignment					
11, 13	10, 11, 13	11	11	8, 10, 11	8, 11, 10, 13
Disclosure & Page Number					
Sustainability Report: 87, 96 ESG Data Summary: Customers tab	Sustainability Report: 81 - 84 ESG Data Summary: Climate & environment tab Climate Disclosure	Sustainability Report: 84	Sustainability Report: 83, 95	Sustainability Report: 83, 94 ESG Data Summary: Customers & Governance tabs Climate Disclosure Corporate Governance Statement	Sustainability Report: 85 - 90 ESG Data Summary: Communities tab Climate Disclosure

Our sustainability ambition

Driving action towards a resilient and sustainable future to grow the prosperity of our people, our customers, our communities and the environment.

Human rights

Through our dynamic materiality approach Bendigo Bank considers our impact on human rights across our activities and business relationships. This is guided by our Human Rights Position, our business-wide commitment to identify, prevent, mitigate and account for human rights principles, and remedy harm when it occurs. We embed this commitment into our operations and engagement activities to ensure we are holding ourselves to the same standards we expect of our stakeholders.

How we engage our stakeholders

Customers	Communities	People	Investors	Government
• Materiality assessment • Contact centres • Branch services • Mobile and relationship bankers • Social media, email and mail • Customer Advocate • Handling complaints and third-party dispute resolution	• Digital literacy sessions • Financial results • Conferences, including Community Bank National Conference • Events we host, sponsor, or partner	• Surveys, including on employee experience and demographic • Viva Engage, newsletters, videos, town hall meetings • Offsites and strategy days • Materiality assessment • Whistleblower concerns • Learning and development	• Financial Results • ASX engagement • Annual General Meeting • Briefings and meetings • Conferences • Investor assessments and investor analysis	• Submissions • Member of Parliament meetings and briefings • Industry bodies, including the Australian Banking Association (**ABA**) and BCA

Customers

Financial inclusion

Customers experiencing vulnerability

To make sure we are continuing to deliver on our purpose, this year we announced our partnership with Thriving Communities Australia, a not-for-profit dedicated to improving access to financial services for all Australians, particularly those facing hardship. This partnership, aligned with our Financial Inclusion Action Plan (**FIAP**) and Vulnerability Framework, will strengthen referral pathways and break down barriers to essential services.

We have made significant strides to improve financial inclusion for our customers, communities and people, successfully delivering 100% of the actions set out in the FIAP. This year, nearing the close of our first FIAP, we developed a strategic Vulnerability Framework. This Framework aligns with the ABA's Customer Vulnerability Guidance, providing a structured approach to identifying, supporting and protecting customers experiencing vulnerability across the Bank.

The Vulnerability Framework outlines actions designed to uplift our capability to support customers experiencing vulnerability, including specialised training for our staff, enhanced policies and processes, improved performance indicators and accessibility and financial literacy support for our customers. We recognise that a whole-of-organisation approach is required to meaningfully support customers experiencing vulnerability.

As part of our commitment to providing holistic care and addressing financial inclusion challenges, we implemented new procedures this year to remove barriers and enhance support for customers working with financial counsellors, young people in care, and incarcerated customers, ultimately creating more inclusive and positive experiences.

Financial abuse

We are committed to supporting all customers experiencing vulnerability, including those impacted by financial abuse. In July 2024, we provided input into the *Parliamentary Joint Committee on Corporations and Financial Services'* inquiry into the financial services' regulatory framework and financial abuse.

We have introduced new measures to better protect our customers. These include updating our Terms and Conditions, which allows the Bank to suspend, cancel or deny individuals' access to products or services if we identify them as engaging in financial abuse. These changes align with our commitment to the Respect and Protect initiative, which encourages businesses to protect customers and communities against financial abuse.

We take our people's feedback seriously. They told us that they wanted to be better equipped to help customers experiencing family violence and financial abuse. This year, we worked with WIRE (formerly the Women's Information and Referral Exchange) to roll out Bank-specific Family Violence and Financial Abuse training to our frontline. WIRE works with organisations to support them in their journey towards gender equality, economic equity and social justice. Over four sessions, 842 staff attended. We have also rolled out Trauma Informed Practice training, enabling better support and ultimately improved outcomes.

842

of our people

participated in Family Violence and Financial Abuse training

In August our Business and Agribusiness leaders participated in our Leader Alignment Conference. The conference invested in our leaders to inspire, equip and elevate them to drive change.

Lower-cost banking

This year, in line with industry peers and after careful analysis of customer needs, we made changes to some account and transaction fees to ensure a more equitable experience for our customers. We removed a $6 monthly service fee charged to Bendigo Everyday Account customers and introduced a $2.50 fee only on over the counter cash withdrawals (excluding identified vulnerable customers), while maintaining free of charge cash withdrawals from our extensive ATM Network.

In 2025, the Mortgage Help Centre saw hardship applications increase by 87%. Increased Expenses and Cost of Living is increasingly being cited as a reason for hardship, increasing by 113% in 2025. During the year we improved our identification of customers experiencing hardship and introduced a number of changes to our hardship processes to ensure we respond appropriately to all customers in need.

This change allows us to support all customers struggling with the cost of living and ensure continued high levels of service. Shifting to a lower monthly account fee has resulted in largely positive customer feedback.

We have also:

- Improved our processes for existing customers to automatically detect and offer to convert eligible customers to a Concession Account.
- Updated the eligibility criteria for our Concession Account to include ongoing government pension or allowance payments.
- Expanded eligible payment types to include Australian Government and Department of Veterans Affairs concession payments.

First Nations customers

We have responded to ASIC on their *Better banking for Indigenous consumers* report. First Nations Community Identification cards have also been added as acceptable identity documentation at the Bank to increase the ways our Aboriginal and Torres Strait Islander customers can access services. We undertook an extensive research project with IPS Management Consultants, a Supply Nation certified business to better service our First Nations customers.

Regional presence

Bendigo Bank proudly has the second largest regional branch network of any Australian bank. Our regional and rural network offer services which maintain our high levels of trust to customers in regional Australia.

Where we have made decisions to close Branches or Agency arrangements, we have done so after careful consideration of the impact, and where alternative arrangements are available to customers, such as Bank at Post, we have supported our customers to access alternatives.

Transformation

Rural Bank migration

In March 2025, we transitioned 24,182 Rural Bank customers to the Bendigo Bank core banking system and product suite. The decision to no longer offer banking products through the Rural Bank brand is key to our simplification program as we work towards one core banking system and two customer-facing brands. While this migration required significant investment in time, resources and funding, it will enable Bendigo Bank Agribusiness customers to have a better customer experience with full access to the Bendigo Bank product suite, a single e-banking platform and access to Open Banking features.

Simplified our product offering and transitioned

24,182

Rural Bank customers to Bendigo Bank Agribusiness.

Bendigo Lending Platform

Since rolling out the Bendigo Lending Platform to the broker market last year, we have helped 15,000 customers on their journey towards home ownership. The Platform enables customer-centred conversations, provides better access to our products and services, and reduces the assessment time.

The average time for initial credit decisions is 5 minutes and our broker customers are receiving 'time to yes' for formal approval in 4 business days. This year, taking a phased approach, we started to roll out the platform to Retail and our White Label strategic partners, with teams testing key areas of the customer and lending experience.

Bendigo Bank

continues to have the highest home loan customer satisfaction rate at

87.7%[1]

Business ethics

Banking Code of Practice

Bendigo Bank is a signatory to the Banking Code of Practice (**BCoP**), a set of standards that outlines expectations of practice and service for banks in their dealings with retail customers and small businesses. The Code provides customers with additional safeguards and protections beyond what is required by law and promotes best practice within the banking industry.

The BCoP was updated in February 2025, enhancing protections for customers with changes including:

- Expanding the definition of a small business from $3 million in aggregate borrowings to $5 million.
- A new vulnerable customer definition, acknowledging anyone can become vulnerable at any time.
- Improved inclusivity and accessibility for customers, including via interpreter services.
- New provisions for deceased estates.
- Enhanced protections for loan guarantors.

The updated expectations of the BCoP have been successfully implemented across the Bank.

Artificial intelligence

Artificial intelligence (**AI**) is an enabler that will drive productivity and support delivery of Bendigo Bank's strategic objectives.

For more than five years, we have been leveraging machine learning to proactively engage customers and identify new business opportunities that better meet customer needs. This includes:

- **Home Loan and Deposit Acquisition –** predicting customers in need of additional banking products and proactively engaging with them through personalised, timely and automated outbound communications.
- **Home Loan Retention –** mitigating churn risk by proactively identifying home loan customers considering alternative banking solutions to develop tailored strategies to retain customers.
- **Customer Care and Service –** identifying customers who might require additional assistance. For example during the COVID-19 lockdowns we were able to identify customers who had lost income allowing us to offer them greater support.

Our foundational capabilities and guardrails have matured through our iterative AI Strategy, governed by our Responsible AI Standard and overseen by the Bank's AI Council.

In 2025 we started to advance our AI use to better prepare us for the future. We have been trialling Generative AI across the Bank to ensure we are effectively managing the critical dependencies to work towards scale. After a six-month pilot and engagement with a third-party provider, the Bank has introduced Generative AI for the enterprise, known as ChatBEN. To prioritise data privacy and minimise risk, ChatBEN is being rolled out to the organisation in phases and sensitive data is prohibited from being accessed. Our responsible AI practices will continue to evolve, and we will promote fairness, transparency and security throughout.

Fraud and scams

Protecting our customers from the impacts of fraud and scams remains a key focus. The Bank tracks suspicious activity on an ongoing basis as the threat environment continues to rapidly evolve. This year, aligned with our peers, we enhanced measures to address mule accounts and card fraud to continue to protect our customers and the community from the impacts of financial crime. Customer losses declined by over 36% which is consistent with the overall trend in the banking sector as identified in the Australian Competition and Consumer Commission's *Targeting Scams Report 2024*.

We are continuing to deliver against commitments from the ABA's Safe Scams Accord and are working with industry to make sure we are complying with regulatory changes following the passing of the Scam Prevention Framework Legislation in February 2025.

For more information on how we are managing financial crime risk, refer to the People section in the Sustainability Report.

1. Roy Morgan surveyed 45,000 customers from the 10 largest Australian banks.

Information privacy and data security

Protecting our customers' privacy is an integral part of the Bank's overall risk management practice. The Board is ultimately accountable for ensuring information security is appropriately managed, which includes endorsing the Bank's Cyber Security Strategy. Executive, senior leader and individual staff accountabilities are defined and documented as part of the Group Accountability Framework. The Board, Board Risk Committee and Executive Committee receive regular updates on cyber risks.

The Bank's Technology and Cyber Risk appetite is defined and measured through a suite of Operational Risk Appetite Settings in the Group's Risk Appetite Statement.

Annual cyber security maturity assessments, regular security penetration testing and security design reviews are conducted. This is particularly critical considering the *Government's Privacy Act Tranche 1 Reform*, ensuring we meet regulatory expectations and safeguard customer information effectively. For any new project or business process change, we conduct thorough Privacy Impact Assessments to ensure customer privacy is protected throughout the development lifecycle.

In 2025, we strengthened our information security approach through:

- Improved security processes and password management practices to meet regulatory compliance obligations and performed penetration testing on our high value assets.
- Strengthened workforce identity Management to ensure secure access control.
- Preventing data loss through stronger controls to prevent exfiltration of sensitive and customer data.
- Conducting regular phishing drills and rolled out security training modules to all staff members, fostering a culture of cybersecurity awareness.
- Leveraging automation to improve cyber incident detection, monitoring and response capabilities.
- Strengthened cloud security posture management across our cloud infrastructure to ensure the confidentiality, integrity and availability of data stored in the cloud.

Complaints

Key developments include embedding the Internal Dispute Resolutions (**IDR**) and External Dispute Resolution (**EDR**) into the Customer Resolution team. We have updated our Customer Complaints Policy and Standard, developed a centralised Quality Assurance framework and uplifted complaints reporting. Further support of our ongoing capability uplift has been delivered via the new Complaints Hub, which provides our people with clear guidelines and tools to resolve complaints even more effectively.

Our heightened vigilance about complaint capture has resulted in increased complaint volumes. This reflects better complaint detection and governance and should not be seen as a deterioration in customer service. This is supported by the reduction in matters that were escalated to the Australian Financial Complaints Authority (**AFCA**) by customers. During the year our Customer Advocate Office has leveraged our enhanced insights and complaints capability to inform the development of the Bank's vulnerability framework, while working with our Customer Resolutions team to use insights from complaints and other feedback to drive customer centric decision making across the business.

This approach sets a new benchmark for how complaints are delivered across Bendigo Bank and responds to the need to be constantly enhancing our complaints processes to meet the evolving expectations of our customers, regulators, shareholders and community.

Customer complaints in 2025		AFCA Complaints 2025	
59,331 received, a 14.4% increase on 2024		901 received, a 25.1% decrease on 2024	
Top complaints 2025		**Top complaints 2024**	
Technical problems	22%	Service complaints in relation to our Customer Contact Centre	19%
Commercial practice or policy	18%	Service complaints in relation to our Retail Banking Network	15%
General service delay	12%	Technical problems with eBanking (including outages)	14%
Other service-related issues	12%	Scam / Fraud-related complaints	11%

83%
complaints resolved
at first point of contact.

Communities

We support meaningful, sustainable social impact while also delivering value for our business. Our strategic approach to creating societal impact is driven by our Social Purpose Agenda. The three areas where the bank has determined it is best placed to make a meaningful contribution are:

Bendigo Bank's strategy for social change

Where we play

The 'outcomes' we are targeting

The 'activities' we undertake each year to deliver these outcomes

Connected and Empowered Communities

Outcome Targeted: Communities that are empowered to address local social issues.

Financial and Digital Inclusion

Outcome Targeted: Customers and communities that are financially literate, digitally connected and can access relevant financial services.

Climate and Disaster Resilience

Outcome Targeted: Customers and communities that are prepared for climate change and disasters.

Grant Turner, Elisha Barker, Kathryn Davies and Bruce Berruti at the Bendigo Bank Agribusiness stall at the Rotary Far North Field Days in Mareeba Queensland in May.

A $31,500 grant from Community Bank Braidwood & Districts meant that Braidwood Central School in New South Wales was able to purchase a new tractor for its agriculture students.

Connected and empowered communities

Alongside the work of our Bank, the Community Enterprise Foundation and our extensive Community Bank network both play a key role delivering the outcomes targeted through the Social Purpose Agenda.

71% of our branch network is Community Bank branches, run by Community Bank companies that are independently governed, community-oriented enterprises. We partner with those Community Banks to generate value that is reinvested back into their local communities.

Our Community Bank network is a critical part of our infrastructure, allowing us to support growth in communities across Australia.

The Bank's philanthropic arm, the Community Enterprise Foundation, plays a key role in how the Bank delivers community impact, managing the Bank's scholarship program and supporting community recovery and building resilience to natural disasters through appeals. The Foundation also plays a vital role supporting our Community Bank network, facilitating grants and scholarships on behalf of partners and sharing their deep knowledge and experience.

In 2025, the Foundation facilitated 42 sessions supporting Community Banks to develop Community Plans to drive lasting impact in their community. At 30 June 2025, the Foundation had a corpus of $110 million following a $29 million increase in donations in the 2025 financial year.

$416 million

distributed to communities through the Community Bank model since its inception.

Community Impact Hub

The Community Impact Hub centralises community investment management, impact reporting, and grant administration for Bendigo Bank and its Community Bank partners.

Key achievements include onboarding 78% of the Community Bank network by 30 June 2025, enabling quantification of community investment scale, and successfully administering the Victorian Government's Farm Drought Support Grants program under the Victorian State Government's Rural Finance brand. This demonstrates the Hub's crucial role in tracking and amplifying the Bank's positive community impact.

Facilitated

$10.1 million

of the Victorian Government's Farm Drought Support Grants program to support farmers to build their drought resilience.

The Community Impact Hub supports Bendigo Bank and Community Banks by:

- Reducing time and costs spent on administrative tasks.
- Supporting Community Banks to spend more time engaging with community partners.
- Disclosing community impact metrics with greater rigour and alignment alongside enhanced governance.
- Supporting real-time self-serving.
- Meaningfully demonstrating social impact to investors, customers and the broader community.

The Community Impact Hub captures community investments across all our social impact investment types – grants, scholarships, sponsorships and donations. By assessing the target outcomes of Community Bank funded grants, we have identified four primary themes: Resilience, Inclusion, Health and Wellbeing, and Prosperity.

Aligned to the Bank's Social Purpose Agenda, in 2025 the Community Bank network has delivered grants that invest in the following outcomes:

Resilience	Inclusion	Health & Wellbeing	Prosperity
Building resilient and future-ready communities by creating connected and inclusive places where people can learn, innovate and adapt to sustain prosperity.	Strengthening social connections and inclusion by creating strong inclusive connections where people feel valued and connected.	Promoting health and wellbeing, ensuring that people can be physically and psychologically healthy so they can thrive.	Enhancing financial well-being and supporting the local economy by empowering individuals and communities to participate fully in society, invest in their futures, and build lasting prosperity.
Percentage of community investment against targeted outcome areas[1]			
22%	**38%**	**25%**	**15%**

This year we supported Victorian farmers, including our agribusiness customers, impacted by drought through delivering the Victorian Government's Farm Drought Support Grants program.

1. The percentages reflect the frequency with which corresponding outcomes were selected by applicants for grants only. Due to the nature of outcomes, they are only selected on grant applications, and not scholarships, sponsorships or donations. Applicants can select more than one outcome per application. Percentages reported are based on actual data (July 2024 – February 2025).

Community Bank Beaufort in Victoria provided fifty laptops to Beaufort Primary School students to enhance their access to new technology and learning platforms that support educational development without adding extra financial pressure on families.

Social enterprise certification

Increasingly, our Community Bank companies see the benefit of social enterprise certification. Social enterprises are for-profit organisations that are social, cultural or environment-first, which facilitates different and purpose-aligned streams of investment. Certification is a key differentiator for our Community Banks and their individual community companies and it reinforces our commitment to purpose-driven banking. At 30 June 2025 17% of the Community Bank network were certified as social enterprises by Social Traders.

Financial and digital inclusion

Banking Safely Online

During 2025, we scaled up our Banking Safely Online sessions by releasing three new versions for different audiences – General, Student and Business – ensuring audiences receive targeted information relevant to them. In total, we have delivered 38 in-person sessions to communities across the country this year.

To make it easier for frontline team members to deliver digital literacy initiatives, we launched an internal Digital Community Education Hub. We have also enhanced our data capture and reporting, so our frontline team members can address the real challenges facing our customers, outline the value of the program to prospective participants and encourage attendance across our Bendigo Bank and Community Bank branches.

Banking Safely Online educates communities across Australia,

reducing the number of customers who fall victim to fraud or scams, and improving customer uptake of digital products and services.

Good Things Foundation

We have also continued our partnership with the Good Things Foundation to support their mission to bridge the digital divide in Australian communities. This year 56 of our branches, including 14 Community Banks, delivered the Good Things Digital Literacy Program to local customers and members of the community.

We continued to invest in Get Online Week in October 2024 to support people to be more confident online. Many of our branches participated or hosted an event. Around 20,000 people attended more than 1,000 events during the week with 97% of participants surveyed declaring they learned something new and 96% were encouraged to keep learning.

Scholarships

In partnership with the Community Bank network, our annual scholarship program is one of the largest privately funded scholarship programs in Australia. Our passion for supporting education in our communities is matched by our community partners. We are committed to helping more Australians access the education they need to build stronger and more prosperous communities.

In 2025, we awarded 348 scholarships to first year scholars to the value of $1.1 million. Continuing to deliver on an action in our Reconciliation Action Plan (RAP), this year we received 29 First Nations scholarship applications.

Types of scholarships awarded in 2025

Primary School / Other Scholarships
10

Secondary School
54

TAFE
40

Tertiary School
244

Since the inception of the program over **2,300 students** have received financial assistance of over **$15 million**.

Our work to quantify the social value of our scholarships in partnership with the Australian Social Value Bank and Our Community has produced its first year of data. Data shows us that recipients found the scholarships helped build financial resilience and supported students to make ends meet while studying.

The North Queensland floods in January and February impacted thousands. The Community Enterprise Foundation raised money through disaster appeals to support those communities. We also supported our customers through our Natural Disaster Assistance Package.

Natural disasters

Communities are increasingly feeling the impacts of a changing climate. This year, we continued to offer support to customers through our Natural Disaster Assistance Package. Customers impacted by Ex-Tropical Cyclone Alfred and Queensland floods were able to access relief on home, personal and business loans, discounted interest rates, deferral of repayments and waived fees.

Our people also have access to paid Natural Disaster Leave. When natural peril events did occur, we closed offices and branches that were at-risk or impacted to prioritise the safety of our people and customers.

Our Community Enterprise Foundation plays a vital role in supporting communities to both recover and build resilience to natural disasters.

$266,000
raised through disaster appeals

$1.3 million
distributed in disaster grants

More information on how we are responding to climate change is contained in the Environment section of this Report and in the Bank's Climate Disclosure.

Supply chain

Third-party risk management

Bendigo Bank is developing new sourcing templates to run more efficient procurement processes and make sure the Bank's risk appetite is integrated into proposals. Information Security, ESG and Financial Crime Risk screens, balanced alongside risk, commercial and legal considerations, will allow us to conduct a more rigorous assessment of potential solutions and vendors.

The Bank's new BENBuy platform has become a key part of our operational uplift in line with requirements under the APRA Cross-industry Prudential Standard (**CPS**) 230 – Operational Risk Management.

Launched in May 2025, BENBuy is a Source to Pay system that is enhancing end-to-end control of service provider activities, including risk, governance, contract visibility, spend controls, invoicing with payment terms and real-time visibility of spend data. This means greater automation with no more manual invoicing, and built-in policy compliance checks. In 2025, 93.1% of small business suppliers were paid within 30 days, which is a 1.1% improvement on 2024 performance.

In addition to stronger governance, the platform is also assisting us to uplift our Social Procurement activities, allowing us to better prioritise Indigenous-owned suppliers and social enterprises.

Modern slavery

This year we rolled out our second Modern Slavery Roadmap, which has a greater focus on accountability and due diligence. The implementation of our new procurement system, BENBuy and more rigorous procurement processes will support delivery of our Modern Slavery Roadmap. We are well prepared for any future Government legislative changes.

In November 2024, our 2023 Modern Slavery Statement maintained an A rating from the Monash University's Modern Slavery Disclosure Quality Ratings. The Bank's 2025 Modern Slavery Statement will be published on the Bendigo Bank website by January 2026.

Bendigo Bank is a Gold Member of the Australian Disability Network and this year our people attended the awards to acknowledge disability leadership. Bendigo Bank came 6th overall in the Access and Inclusion Index and second in the Finance and Insurance Industry. Additionally, the Bank ranked 1st place for the Premises section of the Index.

People

Values and behaviours

WHAT WE EXPECT OF EVERY TEAM MEMBER

Our Values

Make a difference
We create a positive impact for our customers, communities, shareholders and each other, we genuinely care.

Be better together
We are empowered, we speak up and together we continuously improve, learn and grow.

Own it
We take initiative and commit to our decisions to deliver better outcomes.

Find the right way
We make balanced decisions by considering the risk and reward of any given situation and a diverse range of perspectives.

Our Critical Few Behaviours

Move fast to help customers achieve their goals
We work collaboratively and efficiently, to deliver sustainable outcomes.

Actively challenge the status quo
We seek better ways of doing things and work together to create positive change.

Recognise people for their impact
We acknowledge when we can do better and celebrate when we've done well.

Act commercially
We create opportunities for growth and embrace risk as part of all our roles.

Our Code of Conduct:
Sets the standards and core expectations of employees to do the right thing by our customers, community, each other, stakeholders and our business.

Belonging at BEN

Everyone benefits from Bendigo Bank being a diverse and inclusive organisation. Since 2023 our Belonging at BEN Strategy has been informed by the voices of our people, embedded across the Bank with inclusion recognised as a key driver of employee engagement, supported by active Employee Network Groups (**ENGs**).

We successfully completed our first Reflect RAP in 2024. We continue to operate in line with the RAP's objectives and we are working towards developing an Innovate RAP to expand our reconciliation efforts and commitments.

Reconciliation remains important to us with delivery of 100% of the actions outlined in our Reflect RAP.

We hosted thought leaders and experts from the Diversity Council of Australia, Reconciliation Australia and the Australian Human Rights Commission, as well as expert investment analysts, economists and diversity and inclusion specialists at a two-day diversity and inclusion (**D&I**) conference in February 2025. Around 200 senior leaders and ENG members from across the business participated in the conference, designed to uplift D&I capability and understanding across our business.

Insights will inform the Belonging at BEN 2026-2028 strategy.

Our annual demographic survey found the Bank is moving towards Australian Workforce Averages. Data points collected from the survey are disclosed in the Bank's ESG Data Summary.

This year Bendigo Bank's Women@BEN employee network group continued its work in supporting women across the Bank. Women@BEN nominated a range of talented women in the Women in Banking and Finance Awards, with five Bendigo Bank finalists announced. Brooke Pettit, Head of ESG & Sustainability was awarded the 2024 ESG & Sustainability Initiative of the Year award.

Gender equality

Gender equality remains an important area of focus for the Bank. Management at a divisional level and increased transparency in reporting gender metrics throughout 2025 allowed the Bank to meet the 40:40:20 gender diversity targets at most levels of the organisation. Going forward we are focused on growing female representation in our Senior Leader Group cohorts and will report this performance on an ongoing basis.

The Bank's 2025 gender pay gap is disclosed in the ESG Data Summary, and the Corporate Governance Statement.

In 2026 we will focus on delivering our refreshed Gender Equality Roadmap which includes:

- Continued focus on achieving 40:40:20 gender diversity in our Senior Leader Group cohorts.
- Improved data so leaders can make better informed decisions.
- Funding to rectify any like-for-like gender pay equity pay gaps.
- Continued work towards our HESTA targets.

Bendigo Bank's gender pay gap performance is disclosed in the Bank's Remuneration Report and ESG Data Summary.

For more information on our approach to gender equality, diversity and inclusion, please see the ESG Data Summary, and the Corporate Governance Statement.

Measurable objectives

To focus on what matters most, this year we reviewed and updated our measurable objectives tied to the delivery of our Belonging at BEN Strategy and our public commitments. The updated measurable objectives are:

- **Inclusion index:** Maintain 80% and target year-on-year improvement.
- **Workforce representation:** Maintain baseline and target year-on-year improvement.
- **Gender diversity:** 40:40:20 (40% female, 40% male and 20% any gender representation) across Enterprise, Board, Executive and Senior Leader Group by 2028.

17% increased participation
in the annual demographic survey (61% in 2025, up from 44% in 2024)

100% delivery of the actions
outlined in our Reflect RAP

Human capital

Employee experience

This year we embedded our refreshed Employee Value Proposition (**EVP**). To support this, candidate experience (Net Promoter Score or NPS) surveys were implemented to track the experience of both internal and external candidates in the Bank's recruitment process. Administration and management of the surveys are handled internally, meaning low cost and low effort with uplifted feedback informing our continuous improvement approach to our employer brand, EVP and employee experience. In 2025, candidate experience NPS scores placed us in the top 25% globally (Starred Candidate Experience Benchmark Report 2024), with our NPS at +98 for successful candidates and +80 for unsuccessful candidates (from interview onwards).

We also evolved our approach to our employee experience survey to ensure we remain focused on our key priorities (requesting feedback from our people in one survey and two check-ins). To measure employee perceptions of the alignment of our sustainability approach to our purpose, we introduced a sustainability-specific question:

72%

of staff believe

that the Bank's approach to sustainability[1] helps us to feed into prosperity of customers and communities.

This year our Agribusiness Graduate Program welcomed Harry Hamilton from Ballarat, Victoria, Jacob de Klerk from Cairns, Queensland and Paige Gaynor and Anna Wilson from Bendigo, Victoria. Photographer: Cherry Moroney.

Recruitment and retention

Acknowledging that employment can support someone to obtain economic independence, this year we announced our partnership with the Peter MacCallum Cancer Centre to help cancer patients re-enter the workforce. We continue to offer internships through LaTrobe University's Industry Based Learning program and in 2025, we hosted seven interns (we have hosted 155 interns since inception in 1995). While the formation of partnerships can be labour intensive this is being managed through business sponsorship and investment.

To continually attract the best talent, we refreshed our 2025 Agribusiness Graduate Program and employed four graduates.

The new program is streamlined, allowing graduates to excel at a faster rate to maximise time and resources. We have achieved this by condensing the program from 18 to 12 months, allowing for in-person and virtual rotations on the same rotation schedule, and creating a dedicated graduate scorecard. Completing graduates are allocated a role in Agribusiness, providing them with access to frontline opportunities when they arise.

> "The Bank is building a strong, sustainable pipeline of future leaders. Our Agribusiness Graduate Program equips early talent with the skills, mindset, and values needed to lead with impact – for our business, our customers, and our communities which is why we are looking to expand this program into Business Banking in future years."
>
> **Adam Rowse,**
> Chief Customer Officer | Business and Agribusiness

1. Data is based on the 86% participation rate. We provided the following definition for 'sustainability': 'environmental, social and governance risks and opportunities – e.g. how we respond to climate change, diversity and inclusion, social impact, modern slavery.'

This year, Bendigo Bank sponsored Lifeline Loddon Mallee Walkathon with dozens of our people participating or donating. Lifeline Loddon Mallee offers an important, dedicated service for those in the Loddon Mallee region who need support and connection during crisis.

Health and safety

We work to support psychological health and prevent harm through our health and safety approach. Our focus in 2025 has been on identifying the lead indicators of potential psychosocial hazards, engaging our leaders in workplace health and safety psychosocial hazard assessments and building the capability to report and respond. Taking short, medium and long-term effects into consideration, psychosocial hazards have been considered for each division and risk assessments have been developed to target the most material risks.

Understanding our frontline team members may be exposed to a higher degree of risk, in 2025, we continued to invest in enhancing branch security and strengthening our unacceptable customer behaviour risk assessment approach.

We have also updated our Rehabilitation, Suitable Employment and Injury Management Policy to ensure we are complying with legislative requirements and to provide better support for injured or ill employees to remain at or return to work.

Our external whistleblower complaints decreased by 17% this year with most cases raised in relation to bullying.

This year we have enhanced our conduct and consequence reporting capabilities to enable early identification of emerging enterprise and divisional trends or thematics, allowing for earlier investigation and intervention. This capability will continue to mature and develop in 2026.

Risk management

Capability uplift

This year we continued to advance our Senior Leader Risk Capability Learning series, targeted at Executives and Senior Leaders, and available to all. The program is focused on uplifting interconnected thinking, recognising and evaluating risks throughout the entire value chain, predicting unintended outcomes of decisions and taking steps to mitigate risk impacts.

The four-part Risk Capability Learning Series consisted of live virtual events hosted for all Senior Leaders, all of which are now available to all staff, and addressed the following:

- **Risk Simulation on Data Loss:** focused on uplifting risk acumen.
- **Risk Trends:** deep dives into Climate Risk and Data Risk.
- **Risk Panel Debate:** discussed continuous improvement and a proactive risk culture.
- **Interconnected Thinking Masterclass:** explored systems thinking, value chains and root cause analysis.

From October 2024, we have been rolling out our Risk Management Fundamentals workshops, a foundational risk management course, to all employees across the Bank with around 40% of employees attending in 2025. The learning has received positive feedback with 92% of attendees indicating they have a clearer understanding of our 3 Lines of Defence risk model. For more information on risk and governance, please refer to our Corporate Governance Statement.

Financial crime risk

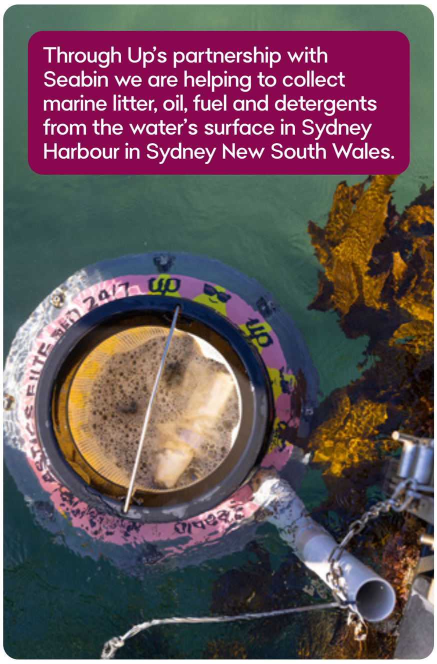
Bribery, corruption and money laundering present a critical risk to our operations, so we manage it accordingly. It is mandatory for all staff to complete an annual Anti-Money Laundering and Counter-Terrorism Financing (**AML/CTF**) training module, as well as training on detecting and preventing tax evasion. In 2025 98% of all employees completed this training.

We provide our people with practical, written guidance to help them identify and report suspected money laundering or suspicious transactions. For example, if an employee suspects transaction activity that falls outside the customer's usual business or profile, they will submit an Unusual Activity Report for investigation internally or by an external regulator.

With the *Anti-Money Laundering and Counter-Terrorism Financing Amendment Act* (Cth) coming into effect on 31 March 2026, we have conducted an initial impact assessment to identify gaps in our approach. We identified short and medium-term opportunities, which will primarily be addressed through an AML Uplift Program with allocated funding. While non-compliance would risk regulatory action through fines and enforceable undertakings, we are managing these risks through streamlined due diligence practices and prioritising an outcomes-focused, risk-based approach.

Bendigo Bank ATM. Photographer: Joseph Mayers

Environment



BEN 1.5°C

Climate change remains a material risk and opportunity for our business. We are committed to playing our part in a 1.5˚C world, which means continuing to support our customers, communities, our people and business to prepare for and adapt to the impacts and opportunities of climate change. To ensure we are continuing to do this, we have developed a set of intensity-based 1.5˚C targets which are aligned to the Paris Agreement and Science Based Targets Initiative (**SBTi**) to measure the performance of our most material cohorts of financed emissions. For more information, please refer to our Climate Disclosure.

An estimated
155,176 plastic items and 69,610 microplastics
have been successfully captured and removed from Sydney Harbour.

Climate & Nature Action Plan (CNAP)

The second year of the Bank's CNAP (2024-2026) has focused on embedding climate and nature risk management across the business to deliver the following outcomes:

Reduced scope 1 and 2 emissions (market-based) by 92.9% since baseline (FY25 Scope 1: 960 tCo2e, FY25 Scope 2: 0 tCO2e) in line with the Bank's commitments.

Bendigo Bank Green Personal Loan was awarded the **Canstar's Outstanding Value Green Car Loan Award** for the second year running.

Installed five Electric Vehicle (EV) Chargers across our Head Offices, to make it easier for our people to reduce their emissions and encourage EV uptake.

Achieved commitment to purchase 100% renewable energy by 2025. This is supported by our commitment to making sure all future Head Offices have a minimum 6-star Green Star Buildings rating.

Integrating climate in site selection processes: The Bank's Site Selection Framework considers renewable energy access, waste management and potential climate impacts to minimise operational risks and environmental impact to future Corporate Offices, Regional Offices and Retail Branches.

Commenced development of a Nature Risk Strategy, aligned with the Group Risk Management Framework which builds on the nature risk assessment completed in 2024 using the Locate Evaluate Assess Plan (**LEAP**) framework.

Through Up's partnership with Seabin, we have supported Seabin to filter **261 million litres of seawater** and successfully captured & removed an estimated **155,176 plastic items and 69,610** microplastics from Sydney Harbour.

Management of climate-related risks and opportunities

For an understanding on how we have uplifted the management of climate-related risks and opportunities in 2025, please refer to the Bank's Climate Disclosure.

Assurance Statement

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Independent Limited Assurance Report to the Management and Directors of Bendigo and Adelaide Bank

Our Conclusion:

Ernst & Young ('EY', 'we') were engaged by Bendigo and Adelaide Bank ('the Bank') to undertake a limited assurance engagement as defined by Australian Auditing Standards, hereafter referred to as a 'review', over the Subject Matter defined below which is presented in the Bank's Annual Report and the ESG Data Summary workbook for the year ended 30 June 2025. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe the Subject Matter has not been prepared, in all material respects, in accordance with the Criteria defined below.

What our review covered

We reviewed the following Subject Matter for the year ended 30 June 2025, which was prepared using the following Criteria:

- The preparation and disclosure of material sustainability-related risks and opportunities aligned to The Global Reporting Initiative (GRI) Standard 3: Material Topics 2021
- Selected performance metric as described in the table below:

Subject Matter		Location	Criteria
Community	Community Bank investment (cash contributions)	ESG Data Summary	The Bank's own criteria
Climate	Scope 1 GHG emissions	Annual Report, Page 96 Climate Disclosure Report, Page 25 ESG Data Summary	The Bank's own criteria
	Scope 2 GHG emissions (market-based)	Annual Report, Page 96 Climate Disclosure Report, Page 25 ESG Data Summary	

Other than as described in the preceding paragraphs, which set out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Annual Report and ESG Data Summary (together, the Reports) and accordingly, we do not express an opinion or conclusion on this information.

Assurance Statement

Key responsibilities

Bendigo and Adelaide Bank's responsibility

The Bank's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibility and independence

Our responsibility is to express a conclusion on the Subject Matter based on our review.

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our approach to conducting the review

We conducted this review in accordance with the Australian Auditing and Assurance Standards Board's *Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE3000') and the terms of reference for this engagement as agreed with the Bank in the signed engagement letter dated 12 May 2025. That standard requires that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria, and to issue a report.

Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other review procedures.

The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. The procedures we performed included, but were not limited to:

- Conducted interviews with personnel to understand the business and reporting process
- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- Assessed the Bank's materiality process and conducted checks such as a media review and peer review to support alignment with the GRI Standards materiality principle
- Assessed the annual financial report for disclosure and coverage of materiality process and identified material issues in line with the GRI standards materiality principle
- Conducting limited assurance procedures over the performance metrics and disclosures in the Reports, including:
  - Assessed that the calculations undertaken in preparing the selected performance metrics have been applied in accordance with the Criteria
  - Assessed the clerical accuracy of input data utilised to calculate selected performance metrics
  - Performed analytical procedures to support the reasonableness of selected performance metrics
  - Assessed the accuracy and balance of statements associated with the selected performance metrics

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our review conclusion.

Assurance Statement

Inherent limitations

Procedures performed in a review engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a review engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to assessing aggregation or calculation of data within IT systems.

Other matters

We have not performed assurance procedures in respect of any information relating to prior reporting periods, including those presented in the Subject Matter. Our report does not extend to any disclosures or assertions made by the Bank relating to future performance plans and/or strategies disclosed in the Bank's Annual Report and ESG Data Summary.

Use of our Assurance Report

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Bendigo and Adelaide Bank, or for any purpose other than that for which it was prepared.

Ernst & Young

Ernst & Young
Melbourne, Australia
25 August 2025

Remuneration Report

Abi Cleland

Chair of the People and Culture Committee

To our shareholders

On behalf of your Board, as Chair of the People and Culture Committee (the Committee), I am pleased to present the Bank's Remuneration Report for the financial year ended 30 June 2025 (FY25).

The Remuneration Report provides information on the remuneration arrangements for our Key Management Personnel (KMP), which include the Managing Director and Chief Executive Officer (CEO), other Executive KMP and Non-executive Directors of the Bank.

Remuneration framework

The Bank's reward framework is designed to attract, motivate and retain the talent needed to make the bank better for all and to create long-term value for shareholders. The remuneration framework helps drive strategy execution and prudent management of risks, generates shareholder returns and promotes the prosperity of our customers and communities. It comprises Fixed Remuneration, Short term incentives and Long term incentives.

Performance overview

Leadership renewal

This year marks a pivotal transition for the Bank as we welcomed new leadership and continued our strategic transformation.

Richard Fennell was appointed CEO in August 2024 and brought together a new leadership team, with the expertise and experience to deliver the next phase of our evolution.

Simplification and digitisation

Over the year, we accelerated our investment to simplify the Bank and continued to uplift our digital capability with the rollout of the Bendigo lending platform to our broker partners and to mobile relationship managers in our retail network. The number of core banking systems has continued to reduce and will be down to one by the end of the calendar year.

More recently, we completed the migration of Rural Bank customers and retirement of the Rural Bank brand, integrating these customers into the Bendigo Bank system. We also reduced complexity in our organisational structure with the completion of the sale of Bendigo Superannuation.

The success of our digital bank, Up, continues with customer numbers now 1.2 million representing a 29% increase since last year. Up has been recognised as Bank of the Year - Digital[1].

Significant work was done throughout the year to refresh our strategy to 2030 which will be launched to market at our results presentation in August.

Financial performance

Our financial results over the past year have been below expectations. The Bank experienced significantly increased demand for lending products, especially in the first half, which while positive, impacted our margin. While growth has moderated to more sustainable levels in the second half, our earnings were challenged for the full year on the income line. Expenses were also higher over the year reflecting a combination of inflationary pressures, higher software and amortisation charges as well as an increase in investment spend. The Group also recognised an impairment of goodwill attributed to the Consumer Cash Generating Unit of $539.5 million.

Below are the year on year results:

- **Cash Earnings** of $514.6 million was down 8.4%.
- **Statutory net profit/(loss) after tax** of ($97.1) million was down 117.8%.
- **Net Interest Margin** of 1.88% was down 2 basis points.
- **Cost to Income (CTI)** of 62.1% was up 460 basis points.
- **Return on Equity** of 7.34% was down 84 basis points.
- **Total Shareholder Return (TSR)** of 15.49% was down from 40.60%.
- **Aggregate full year Dividends** of 63 cents was flat.

1. Money's Bank of the Year - Digital, 2025 Consumer Finance Awards, 1 July 2025.

Non-financial performance

As a Community focused bank our non-financial performance plays a key role in driving positive outcomes for our stakeholders and differentiating us from our competitors while also enabling sustainable financial results.

Our commitment to our customers is evident in our strong Net Promoter Score (NPS) 36.4 points above the industry average and our customer numbers grew to 2.9 million.

Our employee engagement score was 74% and will remain an area of focus as we continue to connect our people with the important role they play in realising the strategic objectives of the Bank. We reached gender diversity targets at senior levels and we are continuing to deliver our Belonging@BEN Strategy, ensuring that our people feel included, valued and can reach their full potential.

Risk maturity remains a key area of focus and while there is more work to be done, our risk maturity improved through continued focus on uplifting risk capability and risk culture, recognising positive risk behaviours and applying consequences when our standards were not met.

Our direct community investment increased to $50.2m, delivering significant value to local communities.

Governance and accountability

The Board has maintained a strong focus on governance, risk oversight and accountability.

Our internal governance and accountability frameworks have strengthened, as we mature our approach to consequence management and APRA's Prudential Standard CPS 511 requirements.

The Board realigned its sub-committees in FY25 to streamline governance and sharpen focus on key strategic priorities. The Board Financial Risk Committee was integrated into the Board Risk Committee and the Board People, Culture & Transformation Committee was separated into the Board, People & Culture Committee and Board Technology & Transformation Committee.

Executive remuneration outcomes for the year

The Board approved materially lower short term incentive outcomes for senior Executives in 2025 compared to previous years, reflecting the Bank's below expectation performance against financial targets and our commitment to ensuring that remuneration outcomes are aligned with shareholder interests and community expectations.

Fixed Remuneration (FR) – With a number of Executive movements and appointments occurring throughout the year, the focus has been on ensuring that Fixed Remuneration for each Executive appropriately reflects the role, responsibility and experience.

Short-Term Incentive (STI) – the FY25 Group STI Scorecard outcome was 28% of maximum (37.5% of target). Individual modifiers for Executive KMP ranged from 90%–100%. Refer to section 3.3 for a summary of the outcomes.

Long-Term Incentive (LTI) – vested at 88.96%, reflecting the Bank's Relative TSR performance against the ASX100 over FY22–FY25 with the percentile ranking being 68.10%. Refer to section 3.4 for more detail.

The impairment of goodwill had no impact on the LTI vesting outcomes for FY25. The Board will consider the implications of the impairment on existing LTI awards as part of its pre-vesting assessment process to ensure outcomes remain appropriate.

Loan Funded Share Plan (LFSP) – the FY22 LFSP restriction period ended in FY25 and will vest in September, with CTI, Cash Earnings and Relative NPS targets previously met in FY23. The Market Growth target was not met and the tranche lapsed in FY23.

Looking ahead

The CEO and Executive team have introduced a refreshed 2030 strategy to position the Bank as we continue to focus on scaling our business through sustainable growth and productivity improvements. We will continue to review the remuneration framework to ensure that it supports the delivery of the 2030 strategy and continues to attract, motivate and retain the talent needed to make the bank better for all and to create long-term value for shareholders.

As part of this evolution, for FY26 we have replaced the STI modifier for Executives with individual scorecards that contain a combination of group and individual measures. The new approach is designed to support the achievement of collective outcomes while enhancing Executive accountability and aligning performance with our new strategic priorities. We have also adjusted the composition of customer measures in the STI Scorecard to further differentiate these from the LTI performance measures.

On behalf of the Board, I would like to extend our thanks to all our people for their contributions in FY25.

SECTION 1: INTRODUCTION TO THE REMUNERATION REPORT

This Remuneration Report is for the financial year FY25. The Report has been prepared and audited in accordance with section 300A of the *Corporations Act 2001* and the Corporations Regulations 2001.

Structure of the Remuneration Report

Key Management Personnel (KMP)

This report covers the KMP of Bendigo Bank who have the authority and responsibility for planning, directing, and controlling the activities of the Group either directly or indirectly. This includes both Executive KMP and Non-executive Directors. The following Executive KMP and Non-executive Directors are covered in this report.

Individual	Position	Term
Current Executive KMP		
Richard Fennell	Managing Director & Chief Executive Officer (CEO) (from 31 August 2024) Chief Customer Officer, Consumer (to 30 August 2024)	Full Year
Ryan Brosnahan [1]	Chief Transformation Officer (CTO)(Transformation)	Full Year
Taso Corolis	Chief Customer Officer, Consumer (CCO, Consumer) (from 7 October 2024) Chief Risk Officer (to 4 October 2024)	Full Year
Andrew Morgan	Chief Financial Officer (CFO)	Full Year
Kerrie Noonan	Chief Risk Officer (CRO)	Part Year (commencing 20 February 2025)
Kieran O'Meara	Chief Technology Officer (CTO)(Technology)	Part Year (commencing 1 April 2025)
Adam Rowse	Chief Customer Officer, Business & Agribusiness (CCO, Bus & Agri)	Full Year
Bruce Speirs	Chief Operating Officer (COO)	Full Year
Former Executive KMP		
Marnie Baker [2]	Managing Director & Chief Executive Officer	Ceased as KMP 30 August 2024
Current Non-executive Directors KMP		
Vicki Carter	Chair	Full Year
Abi Cleland	Non-executive Director	Full Year
Richard Deutsch	Non-executive Director	Full Year
Travis Dillon	Non-executive Director	Part Year (commencing 21 February 2025)
Daryl Johnson	Non-executive Director	Part Year (commencing 30 September 2024)
Alistair Muir	Non-executive Director	Full Year
Margaret Payn	Non-executive Director	Full Year
Victoria Weekes	Non-executive Director	Full Year
Former Non-executive Directors KMP		
David Foster	Non-executive Director	Ceased as KMP 23 September 2024
David Matthews	Non-executive Director	Ceased as KMP 7 November 2024

1. Ryan Brosnahan ceased employment effective 30 June 2025. No further appointments were made to the role of Chief Transformation Officer.
2. Marnie Baker ceased the KMP role of Managing Director & Chief Executive Officer on 30 August 2024 and acted as an advisor to the Group for the period 31 August 2024 to 30 November 2024. During this period she was not considered to be a member of KMP.

SECTION 2: EXECUTIVE REMUNERATION FRAMEWORK

2.1 Remuneration strategy, principles and objectives

The Bank's reward approach is designed to attract, motivate and retain the talent needed to make the bank better for all and to create long-term value for shareholders. The remuneration framework helps drive strategy execution and prudent management of risks, generates shareholder returns and promotes the prosperity of our customers and communities. It comprises Fixed Remuneration, Short term incentives and Long term incentives.

Purpose

To feed into the prosperity of our customers and communities

Our Values

Make a difference | Be better together | Own it | Find the right way

Remuneration Principles and Objectives

Strategy led reward | Reward balanced outcomes | Recognise people for their impact | Transparent and simple measures | Embedded risk management

Fixed Remuneration (FR)

Comprises cash salary and superannuation contributions.

- Set with reference to role size, role complexity, individual responsibilities, experience, performance and criticality to delivering the Bank's strategy.
- External market benchmarking includes comparable roles in the banking sector and companies of a similar size, complexity and performance outlook.

Variable Reward

Short-term Incentive (STI)

- STI opportunity of FR:
  - CEO 50% target and 70% maximum
  - Executives 37.5%-45% target and 50%-60% maximum
- Motivates and rewards exceptional Group and individual performance.
- 50% financial measures: Cash Earnings, Profit after capital charge (PACC), Cost to Income (CTI) and Absolute cost growth, and 50% non-financial measures: Risk, Customer & Community and People & Planet.
- Individual modifier: may modify individual STI outcomes by 0-120%. Based on rigorous assessment of individual performance.
- 50% in cash and 50% rights deferred for one year.
- Annual performance period.

Long-term Incentive (LTI)

- LTI opportunity of FR:
  - CEO 105%
  - Executives 40%
- Rewards long-term shareholder value creation and aligns the experience of Executives and shareholders.
- 65% financial measures: Relative Total Shareholder Return (rTSR) and Return on Equity (ROE), and 35% non-financial measures: Relative Customer Net Promoter Score (NPS) and Relative Reputation (RepTrak).
- 100% in performance rights.
- Four-year performance period, with additional deferral to meet CPS 511 requirements.

Risk and Compliance Gateway

Participation in variable reward is subject to meeting risk, compliance and conduct standards. These standards must be maintained for payment and vesting.

Board Discretion

Underpinning all Executive reward decisions is the application of Board discretion, ensuring reward outcomes align to financial performance, intended results, and the interests of shareholders, customers, and the broader community.

Consequence Management Policy (CMP)

The CMP and the Consequence Management Committee (CMC) provides the Board with a framework to consider and apply financial and non-financial consequences where our people, including Executives, have accountability for adverse risk and personal conduct matters.

Minimum Shareholding Policy (MSP)

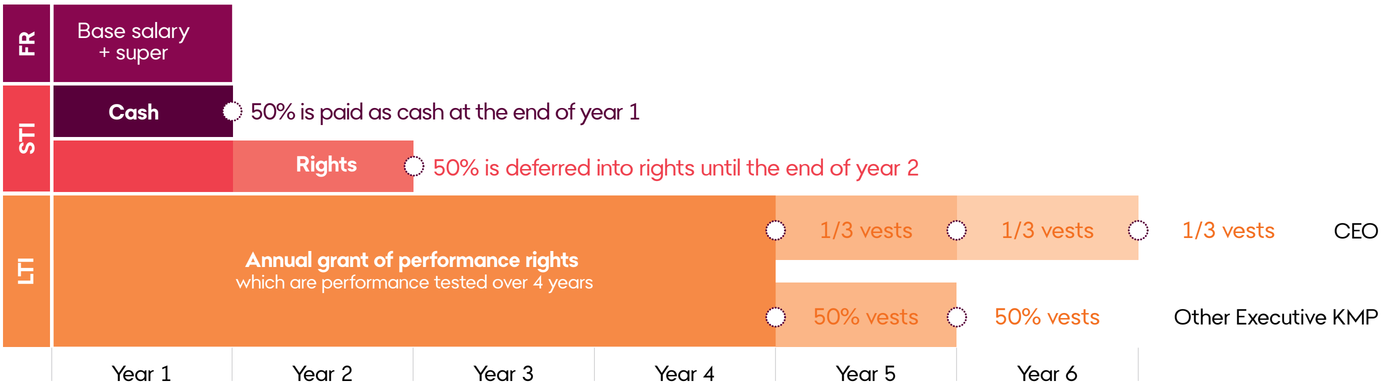
Executives and Non-executive Directors are expected to build a minimum shareholding in BEN shares and maintain it during their tenure. The MSP requires the CEO to accumulate shares equal to 150% of FR, Executive KMP to accumulate shares equal to 75% of FR and Non-executive Directors to accumulate shares equal to 100% of their annual Base Board fee. The requirement must be met within a five-year period. See Section 3.5 for the status of each Executive.

SECTION 2: EXECUTIVE REMUNERATION FRAMEWORK continued

2.2 Executive remuneration framework

The following provides an illustration of how remuneration is delivered to the CEO and other Executive KMP.

CEO and other Executive KMP



Executive pay mix at target and maximum remuneration opportunity

Pay mix is tailored to reflect individual responsibility for Group strategy. The CRO has less variable reward, reflecting accountability for management of Group risk performance.

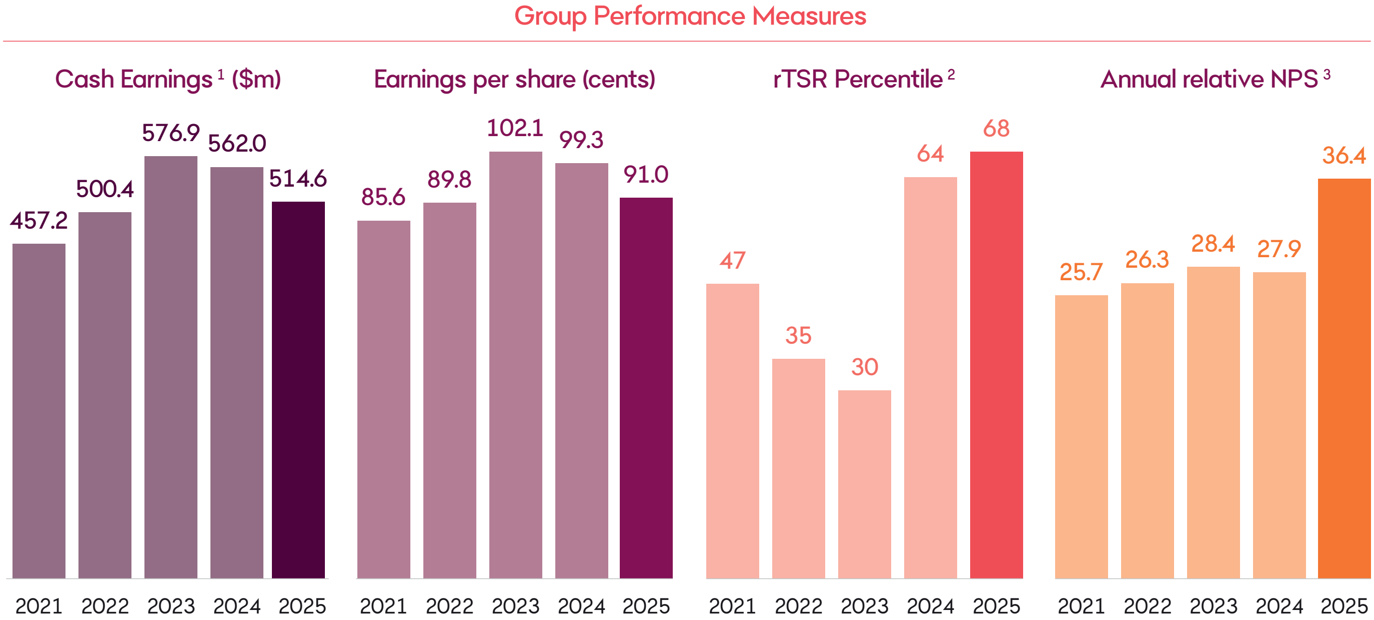
	Target FR	Target STI	Target LTI	Max FR	Max STI	Max LTI
CEO (Richard Fennell)	39%	20%	41%	36%	26%	38%
CTO (Transformation) (Ryan Brosnahan)	54%	24%	22%	50%	30%	20%
CCO, Consumer (Taso Corolis)	54%	24%	22%	50%	30%	20%
CFO (Andrew Morgan)	54%	24%	22%	50%	30%	20%
CRO (Kerrie Noonan)	56%	21%	23%	53%	26%	21%
CTO (Technology) (Kieran O'Meara)	54%	24%	22%	50%	30%	20%
CCO, Bus & Agri (Adam Rowse)	54%	24%	22%	50%	30%	20%
COO (Bruce Speirs)	54%	24%	22%	50%	30%	20%

● FR ● STI ● LTI

SECTION 3: PERFORMANCE AND REWARD OUTCOMES

3.1 Group financial performance

The level of variable remuneration outcomes reflects the Bank's performance as presented in this five-year snapshot of key measures.



1. Cash Earnings is an unaudited, non-International Financial Reporting Standards (IFRS) financial measure.
2. Relative TSR percentile rank versus ASX comparator group tested at the conclusion of each respective performance period (3 years: 2021 & 2022, 4 years: 2023 – 2025).
3. Roy Morgan Net Promoter Score – Roy Morgan Research, 6 month rolling averages, comparing BEN to the industry average as of June. Industry includes: ANZ, BOM, BOQ, Bank SA, Bankwest, CBA, ING, NAB, St. George, Suncorp & WBC. Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.

Below is a summary of additional key performance measures for the previous five years, including FY25.

	Financial year				
Group Performance Measures	2021	2022	2023	2024	**2025**
Statutory net profit/(loss) after tax ($m)	524.0	488.1	497.0	545.0	(97.1)[1]
Statutory earnings/(loss) per share (cents)	98.1	87.5	87.9	96.3	(17.2)
Share price at close on 30 June ($) [2]	10.49	9.07	8.59	11.49	12.64
Dividends paid and payable (cents per share)	50.0	53.0	61.0	63.0	63.0
Total shareholder return (annual) (%)	55.45	(6.80)	0.77	40.60	15.49

1. Reflects the recognition of an impairment of goodwill of $539.5 million.
2. BEN opening share price on 1 July 2020 was $7.05.

	Financial year				
Variable Reward Outcomes for Executives	2021	2022	2023	2024	**2025**
CEO – STI as a % of target opportunity	N/A	N/A	110%	65%	34%
Other Executive KMP – Average STI as a % of target opportunity	N/A	N/A	117%	70%	35%
LTI vesting	35%	35%	35%	82.40%	88.96%[1]

1. Vesting outcome for FY22 LTI testing outcome, refer to section 3.4 for further information.

SECTION 3: PERFORMANCE AND REWARD OUTCOMES continued

3.2 FY25 Group STI scorecard outcomes

In FY25, the Board assessed the Group STI outcome as being 37.5% of target. Below is an overview of the outcomes of each measure, including performance commentary.

Scorecard measures	Weight	Below Threshold	Threshold	Target	Stretch	Outcome	FY25 Outcome / Performance commentary
Financial							
Cash Earnings	20%	●	$562m	$580m	$603m	0%	• Cash Earnings was down 8.4% • Cash Earnings of $514.6m was below the threshold of $562m. Performance was mostly impacted by higher funding costs resulting in margin pressure.
Profit after capital charge	10%	●	($131m)	($122m)	($105m)	0%	• PACC was down 49% • PACC of ($186.2m) was below the threshold target of ($131m) as a result of weaker cash earnings.
Cost to income	10%	●	58.2%	57.2%	56.1%	0%	• CTI was up 460 basis points • CTI of 62.1% was above the threshold of 58.2% impacted by costs growing faster than income.
Absolute cost growth	10%	●	5.4%	4.7%	3.9%	0%	• Absolute cost growth of 7.7% was above the threshold of 5.4% reflecting increased costs relating to higher staff, technology, software amortisation and inflationary pressures.
Risk							
Uplifting risk capabilities and risk culture	20%		Improvement from FY24 ●	Overall rating green	Board discretion	10%	• Risk maturity has improved compared to FY24 baseline but progress in enhancing risk capabilities was slower than expected.
Customer & Community							
Increase in measures over period:			3 out of 5	4 out of 5	5 out of 5		
BEN NPS Ease of Use Responsiveness Customer Satisfaction Up NPS	15%			●		15%	• The Bank's customer focus is demonstrated by year on year improvement in four of five measures, helping to contribute to strong customer growth: – BEN NPS increased by 6 points – Responsiveness increased by 1.2% – Customer Satisfaction increased by 1.7% – Up NPS increased by 2.1 points. • However, Ease of Use did not meet the target of year on year improvement and was down 4.8%.
Social Impact Performance – Community Bank Contribution	5%		$40.3m	>$42m ●	Board discretion	5%	• Community Bank contributions exceeded the target of $42m, strengthening local communities and creating a greater societal impact.
People & Planet							
Employee Engagement Index	10%	●	77%	=>80%	=>83%	0%	• While participation rates improved, employee engagement index of 74% was below threshold of 77% reflecting a significant volume of organisational change.
Gender Diversity • Executives and senior leaders			36.3%	40% ●	Board Discretion	5%	Strong progress was made against our Belonging@BEN Strategy with gender diversity targets achieved: • Executive and senior leaders reflected 41.2% female and 58.8% male representation
• Other staff				40:40:20 ●	Board Discretion		• All staff levels of 59.4% female and 40.4% male representation to achieve target.
Delivery of FY25 Climate & Nature Action Plan goals			80%	90% ●	100%	2.5%	• In FY25 92% of actions in the Bank's Climate & Nature Action Plan were completed demonstrating maturity in climate risk management across Bendigo Bank.

Scorecard outcome		
	% of target	37.5%
	% of maximum	28%

SECTION 3: PERFORMANCE AND REWARD OUTCOMES continued

3.3 FY25 STI outcomes

Following the Group STI Scorecard outcome, the assessment of each Executive's individual performance for FY25 is overlayed with an Individual Modifier. Individual Modifier outcomes take into account the contribution of the Executive and their respective division to overall Group performance.

This year performance outcomes for Executives are largely reflective of their individual contribution to the financial outcomes, the execution of strategic objectives and the progress against risk maturity targets. As outlined below, Individual Modifiers ranged from 90% – 100%, with no Executive KMP being assessed as having outperformed against expectations. There were no risk or behavioural related adjustments for the CEO or other Executive KMP.

	STI Opportunity		STI Outcome [1]					
Name	Max $'000	Target $'000	STI Individual Modifier %	FY25 Outcome $'000	Cash [2] $'000	Deferred [3] $'000	Outcome as a % of max opp. %	Outcome as a % of target opp. %
CEO (Richard Fennell) [4]	965	693	90	234	117	117	24.2	33.8
CTO (Transformation) (Ryan Brosnahan)	485	364	90	123	61	61	25.3	33.8
CCO, Consumer (Taso Corolis) [4]	489	367	95	131	65	65	26.7	35.6
CFO (Andrew Morgan)	545	409	95	146	73	73	26.7	35.6
CRO (Kerrie Noonan) [5]	134	100	100	38	19	19	28.3	37.7
CTO (Technology) (Kieran O'Meara) [6]	—	—	—	—	—	—	—	—
CCO, Bus & Agri (Adam Rowse)	473	354	90	120	60	60	25.3	33.8
COO (Bruce Speirs)	456	342	90	115	58	58	25.3	33.8
Former CEO (Marnie Baker) [7]	—	—	—	—	—	—	—	—

1. The individual STI Outcome is calculated on Group Scorecard Outcome of 37.5%.
2. Cash amounts will be paid in September 2025.
3. Equity awards will be granted in September 2025.
4. Pro-rated FY25 STI awards for R Fennell and T Corolis to reflect intra-year change in FR and STI opportunity due to change in role.
5. Pro-rated FY25 STI award for K Noonan from commencement of employment on 20 February 2025.
6. K O'Meara was not eligible for FY25 STI award due to commencement of employment on 1 April 2025.
7. M Baker was not eligible for FY25 STI award due to cessation of employment on 30 November 2024 at the completion of the period of time as an advisor to the Group.

3.4 FY25 LTI outcomes

The FY22 LTI grant awarded to the CEO and Executives (including the current CEO) reached the conclusion of its four-year performance period on 30 June 2025. rTSR against the ASX100 (excluding resources and property trusts) was the only performance measure. The award does not have any additional holding lock period. From 2023 the LTI program changed to the performance measures outlined in section 4.2. Details of the FY22 LTI grant terms are set out in the Remuneration Report for that year.

Results for the FY22 LTI grant is detailed below.

Grant	Grant Date	Test Date	Hurdle	Weighting	Performance result	Vesting outcome
FY22 LTI	16 November 2021	30 June 2025	TSR	100%	68.10% percentile	88.96%

SECTION 3: PERFORMANCE AND REWARD OUTCOMES continued

3.5 Executive pay and performance outcomes

Below is the actual remuneration amounts received by the current Executive KMP for FY25 including the value of any equity awarded in prior years that vested during this financial year and excluding any STI equity awarded in 2025. Also included below is each Executive KMP's progress towards meeting the requirement under the Minimum Shareholding Policy (MSP).

Richard Fennell
CEO

2025 Realised Remuneration: $2.407


2024 Realised Remuneration: $2,439


Term as KMP: Full year
MSP: Met

Ryan Brosnahan
CTO (Transformation)

2025 Realised Remuneration: $1,237


2024 Realised Remuneration: $2,047


Term as KMP: Full year
MSP: Met

Taso Corolis
CCO, Consumer

2025 Realised Remuneration: $1,389


2024 Realised Remuneration: $1,737


Term as KMP: Full year
MSP: Met

Andrew Morgan
CFO

2025 Realised Remuneration: $1,135


2024 Realised Remuneration: $1,318


Term as KMP: Full year
MSP: On Track

Adam Rowse
CCO, Bus & Agri

2025 Realised Remuneration: $997


2024 Realised Remuneration: $1.097


Term as KMP: Full year
MSP: On Track

Bruce Speirs
COO

2025 Realised Remuneration: $1,210


2024 Realised Remuneration: $1,618


Term as KMP: Full year
MSP: Met

New Executives – Part year

Kerrie Noonan
CRO

2025 Realised Remuneration: $314


Term as KMP: Part year
MSP: On Track

Kieran O'Meara
CTO (Technology)

2025 Realised Remuneration: $218


Term as KMP: Part year
MSP: Met

Remuneration element	Description
● **FR**	Comprises base salary, superannuation and benefits.
● **STI Cash**	Cash portion of the FY25 STI award.
● **STI Equity**	Reflects the equity portion of the FY24 STI award.
● **LTI**	Reflects the FY22 LTI award for which the performance period ended in FY25.
● **LFSP**	Reflects the FY22 LFSP, which was tested in FY23 with restriction ending in FY25. This is the net value of the loan. Grants under this incentive plan ceased in FY22.
● **Transformation**	Reflects the FY21 Transformation Rights for one KMP for which the performance period ended in FY24.
Total Realised Remuneration	Reflects the sum of all the above components.

SECTION 3: PERFORMANCE AND REWARD OUTCOMES continued

3.5 Executive pay and performance outcomes continued

Overview of realised pay remuneration elements

The table below provides the value of the Performance Rights and STI Share Rights held by current Executive KMP that were subject to testing, and achieved, on 30 June 2025.

	Test year	FY22 Performance rights value [1] $'000	FY24 STI right value [2] $'000	Total value of tested outcomes $'000	Equity forfeited/ lapsed $'000
Executive					
CEO (Richard Fennell)	2025	140	160	300	17
Group Executives					
CTO (Transformation) (Ryan Brosnahan)	2025	122	124	246	15
CCO, Consumer (Taso Corolis)	2025	107	115	222	13
CFO (Andrew Morgan)	2025	0	139	139	0
CRO (Kerrie Noonan)	2025	0	0	0	0
CTO (Technology) (Kieran O'Meara)	2025	0	0	0	0
CCO, Bus & Agri (Adam Rowse)	2025	0	120	120	0
COO (Bruce Speirs)	2025	97	137	234	12

1. LTI Performance rights awarded to the Executive KMP in FY22 were tested on 30 June 2025, measured for the period 1 July 2021 – 30 June 2025 and resulted in the TSR hurdle vesting at 88.96%. Values shown in the table above are calculated using the 30 June 2025 closing price. For further details on testing outcomes, refer to Section 3.4.
2. STI Share Rights awarded to the Executive KMP in FY24 were tested on 30 June 2025, and will vest in September following completion of the Service Period. Values shown in the table above are calculated using the 30 June 2025 closing price.

SECTION 4: REMUNERATION STRUCTURE IN DETAIL

4.1 Fixed remuneration

FR comprises base salary and superannuation contributions. FR is delivered in accordance with contractual terms and conditions of employment and is reviewed annually. FR levels are set with reference to benchmarks of comparable companies and roles, role accountability and criticality to strategy, experience and individual performance.

4.2 Short-term incentive and Long-term incentive

Features	STI	LTI
Purpose	STI rewards the CEO and Executives for the delivery of annual Group objectives and individual performance. Financial measures promote sustainable earnings growth and effective management of costs and capital, which provides a foundation for longer-term returns. There is a material weighting towards non-financial measures (50%), adhering to APRA's CPS 511 requirements. Non-financial measures drive positive customer, people and societal outcomes, with a significant emphasis on risk management. Targets are set with sufficient challenge, aligned to our performance orientation.	LTI drives the focus of the CEO and Executives to make decisions and implement strategy that generate long-term shareholder value. Performance measures promote sustainable financial returns, positive customer outcomes and maintain our reputation relative to competitors. There is a material weighting towards non-financial measures (35%), adhering to APRA's CPS 511 requirements. There is no overlap with non-financial measures in the STI and LTI, with customer measures being absolute in the STI and relative in the LTI.
Opportunity (% of fixed remuneration)	**CEO:** • Target – 50% • Maximum – 70% **Executives:** • Target – 45% and CRO – 37.5% • Maximum – 60% and CRO – 50%	**CEO:** • 105% **Executives:** • 40%
Instrument	Cash (50%) and deferred rights (50%). Each deferred share right and performance right represents the right to receive one share subject to the satisfaction of any vesting and performance conditions. Rights are granted at no cost, and the exercise price is nil.	Performance rights (100%).
Performance period	Performance is assessed over a one-year period, being 1 July 2024 to 30 June 2025. See below for details on performance measures and rationale.	Performance is assessed over a four-year period, being 1 July 2024 to 30 June 2028. See below for details on performance measures and rationale.
Vesting period	Rights are deferred for one year following the conclusion of the performance period.	Rights are deferred up to six years for the CEO and five years for Executives. Following the four-year performance period, there will be an additional holding period on a portion of the performance rights for one year for Executives and for one and two years for the CEO. Refer to section 2.2 for details.
Eligibility	To be eligible to participate in the STI and LTI, Executives must meet the Risk and Compliance Gateway, which sets risk, compliance and conduct standards.	

SECTION 4: REMUNERATION STRUCTURE IN DETAIL continued

4.2 Short-term incentive and Long-term incentive continued

Features	STI	LTI
Individual modifier	An individual modifier of 0-120% is applied to the Group STI scorecard outcome. This provides a mechanism to reward exceptional performance and meaningfully differentiate for individual accountability for risk and strategy outcomes. The Board can adjust individual outcomes down to zero based on: • Individual risk performance. Each Executive has a Risk Scorecard, where individual and Business Unit risk performance is assessed in areas including compliance, audit matters, risk event timeliness and control effectiveness. • Delivery of individual measures and key strategic objectives. • Broader values and cultural considerations.	N/A
How awards are determined	The total value of the STI award is calculated as follows: STI award value ($) = Fixed Remuneration ($) x STI Target Opportunity (%) x Group STI Outcome (%) x Individual modifier (%)	The value of the LTI award is calculated as follows: LTI award value ($) = Fixed Remuneration ($) x LTI Target Opportunity (%)
How the number of rights is calculated	The number of rights granted is calculated as a fixed dollar value in Australian dollars divided by the five-day volume weighted average closing share price (VWAP) preceding the start of the performance period, rounded down to the nearest whole number of rights.	
Retesting	N/A	LTI grants are tested at the conclusion of the performance period for each award.
Dividends	Prior to vesting, Share Rights and/or Performance Rights do not carry dividends or voting rights, or the right to participate in the issue of new shares (such as rights or bonus issues). Once the performance and service conditions have been met and the Share Rights and/or Performance Rights convert into BEN Shares, the shares are eligible to receive dividends.	
Cessation of employment	Unless otherwise determined by the Board: • In the event of resignation or termination for cause, prior to the end of the restriction and service period, all unvested Share Rights will lapse on the last day of the Executive's employment. • In the event of retirement, redundancy, total permanent disability, death or any other reason determined by the Board, all unvested Share Rights will remain on foot and continue to be held subject to the Plan Rules and the terms and conditions of the award. The Board may consider the portion of the vesting period remaining when determining the treatment.	
Board discretion and consequence management	The Board applies judgement when assessing outcomes to ensure they are appropriate and aligned to the shareholder experience, and broader factors outside of the scorecard. The CMP provides the Board with the ability to apply adjustments, including to zero, for adverse risk and personal conduct matters. This includes application to in-year, deferred and vested awards (i.e. reduction in opportunity, malus and clawback). Refer to Section 5.2 which explains the features of the CMP.	

SECTION 4: REMUNERATION STRUCTURE IN DETAIL continued

4.2 Short-term incentive and Long-term incentive continued

Performance measures and rationale

Scorecard category	Weighting	Scorecard measures	Rationale
STI			
Financial	20%	Cash Earnings	Cash Earnings is an indicator of the Bank's financial strength and ability to generate sustainable cash flow. Its inclusion in the STI ensures incentive outcomes are aligned with the Bank's underlying financial performance and ability to fund operations, investments and shareholder returns.
	10%	PACC	Profit after capital charge reflects the Bank's profitability based on returns in excess of capital utilised in generating those returns. Including this measure in the STI ensures Executives are focused on creating long-term value that exceeds the cost of capital, supports sustainable value creation and financial stability.
	10%	CTI	Cost to income promotes operational efficiency while maintaining revenue growth for long term profitability. Including this metric in the STI framework supports a focus on sustainable profitability and building scale.
	10%	Absolute cost growth	Monitoring absolute cost growth ensures accountability for cost management. This measure in the STI encourages disciplined cost management and supports balanced financial performance.
Risk	20%	Uplifting risk capabilities and risk culture	Strengthening risk capabilities and fostering a sound risk culture are essential to ensuring sustainable performance, proactive risk management and effective decision-making. Including this measure in the STI promotes Executive accountability for prudent risk behaviours, improving risk awareness and supporting long-term performance of the Bank.
Customer & community	15%	We consider a range of customer measures to ensure we have a comprehensive view of the experience of the Group's customers.	
		BEN NPS	NPS is used to assess the delivery of the Bank's customer experience initiatives on a short-term basis. Including the measure in the STI encourages the Bank to build loyalty and trust that extend to promote long-term value creation and loyalty. BEN NPS is measured on an absolute basis.
		Ease of use	Ease of use allows the Bank to focus on delivering products and services that reduce complexity and are designed to be simple, intuitive and easy to use for all customers. Including this measure in STI ensures we maintain a customer-centric mindset in the design and delivery of our products.
		Responsiveness	Responsiveness measures the Bank's ability to quickly and effectively address customer needs and concerns, directly impacting their experience and trust. Its inclusion in the STI promotes a culture of agility, prioritising service quality and accountability.
		Customer satisfaction	Customer satisfaction is pivotal for understanding how well the Bank is meeting customer expectations. Embedding this in STI reinforces our focus on delivering quality products and services.
		Up NPS	The Up brand's NPS reflects the success of our digital brand to deliver innovative and customer-focused products. Including this measure in the STI reinforces the importance of the Up brand, its customer satisfaction and brand differentiation.
	5%	Social impact performance – Community Bank investment	The Community Bank measure reinforces the Bank's purpose and position as a community-focused organisation with a commitment to help strengthen local communities and build long-term relationships.
People & Planet	10%	Employee engagement index	The employee engagement index provides valuable insight into how connected and motivated our employees are. Including this measure in the STI framework reinforces the importance of fostering an engaged and high-performing workforce and a positive workplace culture.
		Gender diversity (Executives and senior leaders and other staff)	Gender diversity reflects the Bank's commitment to a diverse, inclusive and equitable workplace. Embedding this in the STI framework encourages senior leadership accountability in building diverse teams, and attracting and retaining top talent.
		Climate & Nature Action Plan Goals	Including climate and nature action plan goals in the STI framework reflects the Bank's commitment to long-term sustainability and responsible business practices.
Total	100%		

SECTION 4: REMUNERATION STRUCTURE IN DETAIL continued

4.2 Short-term incentive and Long-term incentive continued

Performance measures & rationale continued

Scorecard category	Weighting	Scorecard measures	Rationale
LTI			
Financial	40%	rTSR	• rTSR has been included in the LTI to ensure long-term incentives are directly tied to delivering strong returns for shareholders compared to market peers. Relative TSR neutralises the impact of market volatility and focuses on the Bank delivering long-term value. • rTSR is measured by taking into account the increase in the Bank's share price over the four-year performance period, plus the dividends paid on shares over that period (on the assumption that they are reinvested in shares). • rTSR is measured against ASX100 financial companies (excluding resources and property trusts) including AMP Limited, Australia & New Zealand Banking Group Ltd, ASX Limited, Bank of Queensland Limited, Commonwealth Bank of Australia, Challenger Limited, Insurance Australia Group Limited, Medibank Private Limited, Macquarie Group Limited, National Australia Bank Limited, NIB Holdings Limited, QBE Insurance Group Limited, Steadfast Group Limited, Suncorp Group Limited and Westpac Banking Corporation. • rTSR performance over the performance period is subject to the following vesting schedule: – 50th percentile or less: 0% – At 50.1th percentile: 50% – Between 50.1th percentile and 75th percentile: Straight-line vesting between 50% and 100% – Above 75th percentile: 100%
	25%	Absolute ROE	• Absolute ROE demonstrates the Bank's ability to generate profits from shareholder capital, reflecting financial discipline and long-term value creation. • An Absolute ROE measure has been included in the LTI to encourage long-term performance and sustainable growth. • The measure is based on the Group's Absolute ROE performance in the final year of performance period, with the vesting outcome as below: – Below 10%: 0% – At 10.1%: 50% – Between 10.1% and 10.5%: Straight-line vesting between 50% and 100% – At or above 10.5%: 100%

SECTION 4: REMUNERATION STRUCTURE IN DETAIL continued

4.2 Short-term incentive and Long-term incentive continued

Performance measures & rationale continued

Scorecard category	Weighting	Scorecard measures	Rationale
Non-Financial	20%	Relative Customer NPS	• NPS is a standard and accepted market measure of customer advocacy and provides insight into the customer experience. Including this measure in the LTI aligns with the Bank's purpose to support customers and long-term value creation by capturing sustained customer sentiment and loyalty over time. • NPS aligns with APRA's principles as it encourages prudent risk management and long-term soundness, given significant risk matters that arise over the performance period can be reflected in customer advocacy and NPS outcome. In addition, strong customer advocacy is needed to create a sustainable business. • NPS is measured against retail bank peers including Australia & New Zealand Banking Group Ltd, Commonwealth Bank of Australia, National Australia Bank Limited, Westpac Banking Corporation, Bank SA, BankWest, Bank of Melbourne, Bank of Queensland Limited, ING and St George. • This is measured as the Bank's average NPS over the performance period. The target for NPS is to achieve 20 points above the average NPS of the peer group, measured over the performance period (using six-month rolling averages). The vesting outcome is below: – Below 20 points: 0% – At or above 20 points: 100%
	15%	Relative Reputation (RepTrak)	• The RepTrak score is an indicator of a strong reputation, reflected by sustainable business practices and customer loyalty and trust. Including this measure in the LTI reinforces the importance of trust, transparency and confidence to deliver long-term value creation. • The measure is assessed externally by the RepTrak Company using their methodology. • The measure aligns to APRA's principles in respect of prudent risk taking and long-term soundness because sustainable businesses are underpinned by strong trust and reputation. Any significant risk matter that arises over the performance period is expected to be reflected in the reputation score. • RepTrak reputation index is measured against financial services peers including AMP Limited, Australia & New Zealand Banking Group Ltd, Australian Retirement Trust, Australian Super, Bank of Queensland Limited, Commonwealth Bank of Australia, Insurance Australia Group Limited, ING, Medibank Private Limited, National Australia Bank Limited, QBE Insurance Group Limited, Suncorp Group Limited, and Westpac Banking Corporation. • Threshold performance for Reputation is to maintain an average gap of eight points above the average of the Big 4 Banks (ANZ, CBA, NAB, WBC) measured quarterly over the performance period. Relative Reputation against a broad financial services peer group determines performance above threshold. The vesting outcome as below: – Below threshold: 0% – Meet threshold: 50% – Meet threshold and between 50.1th percentile and 75th percentile: Straight-line vesting between 50% and 100% – Meet threshold and above the 75th percentile: 100%

SECTION 5: REMUNERATION GOVERNANCE

5.1 Remuneration governance

The People and Culture Committee (**BPCC**) assists the Board to discharge its responsibilities in relation to the Bank's strategies, policies and practices relating to remuneration, people and culture. The current members of the Committee are independent Non-executive Directors:

a) Abi Cleland (Chair)
b) Vicki Carter
c) Alistair Muir
d) Victoria Weekes

The BPCC's remuneration responsibilities include overseeing the design, operation, monitoring and reporting of the Bank's remuneration framework and the Committee Charter is available at www.bendigoadelaide.com.au/governance. The BPCC is also responsible for making recommendations to the Board on:

- the remuneration strategy and policy aligned with the Group's objectives, risk management framework and regulatory requirements
- the remuneration arrangements, performance objectives and outcomes for the CEO
- the remuneration arrangements and outcomes for Executives and Specified Roles as defined under APRA's Prudential Standard CPS 511 Remuneration (CPS 511)[1]
- the annual bonus pool for employees and Executives
- the application of Board discretion to adjust performance-based remuneration.

The BPCC consults with the Chairs of the Risk Committee, Audit Committee and Technology & Transformation Committee and Chief Risk Officer to ensure risk matters are appropriately considered in reward outcomes. To support this consultation, the CMC provides an overview of risk and personal conduct matters considered during the year. The CMC is a management committee which consists of the CEO, CRO, CFO and Chief People Officer (CPO). It is responsible for recommending significant risk matters and personal conduct matters to the BPCC which may lead to remuneration consequences for Specified Roles. In the event one or more CMC members are subject to or part of an investigation under the CMP, that member will be relieved of their responsibilities until the investigation is complete.

The BPCC may consult a professional adviser or expert, at the cost of the Bank, if the BPCC considers it necessary to carry out its duties and responsibilities. During the FY25 process, the BPCC considered remuneration data, trends and assistance with other ad-hoc tax, governance and legal matters from experienced remuneration consultations. No remuneration recommendations as defined in the Corporations Act were provided to the BPCC during FY25.

1. Roles are designated as Senior Managers, Material Risk Takers or Risk and Financial Control Personnel as defined under CPS 511.

SECTION 5: REMUNERATION GOVERNANCE continued

5.2 Risk and accountability in reward

Consequence Management Policy

An important component of driving stronger risk performance is holding people accountable for adverse risk and personal conduct matters, as well as recognising behaviours that contribute to a positive risk culture. The Bank is committed to maintaining a robust and effective Consequence Management Policy (**CMP**), which helps strengthen the Bank's risk culture. Below is an overview of the CMP.

Principles that underpin the CMP

- Decisions under the policy should be underpinned by the Bank's strategy, culture, and values.
- Consequences should be consistently applied in similar cases and reflect procedural fairness.
- Consequences should be proportionate and linked to the severity of the matter.
- Consequences should be determined at the earliest opportunity.
- Positive risk role models and events should be acknowledged and recognised.

Scope

- All employees are in scope.
- Financial adjustments include in-year bonus, malus and clawback.
- Non-financial consequences include increased supervision, training, verbal / written warning and termination.

Assessment and application process

- Assessments occur throughout the year.
- The People and Culture team will advise and provide recommendations as required to People Leaders on consequence outcomes for personal conduct matters.
- The CMC, Chaired by the CEO and including the CRO, CPO and CFO assesses personal conduct matters and material risk matters.
- At the end of the financial year the Joint Chair Committee (JCC) confirms completeness of matters considered by the CMC and the BPCC endorses remuneration outcomes for Specified Roles to the Board for approval.

Trigger events

Examples include:

- fraud, dishonesty, failure or breach of accountability, compliance obligations.
- serious misconduct.
- significant failure of financial or non-financial risk management.
- significant adverse outcomes for customers and other stakeholders.
- material reputational damage.

Consequence Management Matrix

GREATER LEVELS OF ACCOUNTABILITY

INCREASING SEVERITY OF IMPACT

SEVERITY OF IMPACT / ACCOUNTABILITY	Low	Medium	High
Very high	Category B		Category A
High	Category C	Category B	
Medium	Category D	Category C	Category B
Low	Category E	Category D	Category C

SECTION 5: REMUNERATION GOVERNANCE continued

5.2 Risk and accountability in reward continued

Consequence Management Policy continued

Sequencing of remuneration adjustment tools

Sequence of application	Adjustment Tool	Outline of adjustment tool
1	In-year reduction	Reduction including down to zero of in-year variable reward (e.g. STI).
2	Malus	Reduction including down to zero of variable reward that has been granted but not yet vested due to service or performance conditions to be met (e.g. deferred STI, LTI); and
3	Clawback	Repayment of vested and paid awards from the previous 2 financial years (Specified Roles only).

FY25 CMC outcomes.

- The CMC convened on six occasions, three of which were ad-hoc sessions.
- 30 matters were discussed, two related to personal conduct matters connected to an individual in a Specified Role and the remaining were risk matters.
- Six individuals (two in Specified Roles) received a remuneration consequence all of which were in-year adjustments to variable remuneration. There were no remuneration consequences applied for the CEO and Executive KMP.

Personal conduct matters

- 318 allegations of inappropriate personal conduct were investigated.
- 246 cases were substantiated and a consequence applied in line with the CMP.

  Of the 246 substantiated cases:
  - 40 resulted in dismissal
  - 28 employees resigned during the investigation
  - 70 written warnings were issued
  - 108 verbal warnings were applied with remedial actions such as additional training and supervision.

SECTION 6: EXECUTIVE STATUTORY REMUNERATION

6.1 Statutory remuneration details

The following table sets out the statutory Executive remuneration disclosures which have been prepared in accordance with the Corporations Act and the Australian Accounting Standards.

		Short-term benefits			Post-employment benefits			Share-based payments[7]		
Executive KMP		Cash salary[1] $'000	Cash STI[2] $'000	Non-monetary[3] $'000	Superannuation benefits[4] $'000	Long-term benefits[5] $'000	Termination benefits[6] $'000	Rights $'000	Loan Funded Shares $'000	Total $'000
CEO (Richard Fennell)	2025	1,381	117	70	32	140	–	511	72	2,323
	2024	888	146	2	29	(2)	–	295	114	1,472
CTO (Transformation) (Ryan Brosnahan)	2025	786	61	(37)	28	(58)	–	359	41	1,180
	2024	719	113	(2)	26	13	–	247	66	1,182
CCO, Consumer (Taso Corolis)	2025	826	65	(13)	32	52	–	249	40	1,251
	2024	753	105	46	29	19	–	181	64	1,197
CFO (Andrew Morgan)	2025	882	73	(4)	28	16	–	355	–	1,350
	2024	839	127	23	26	14	–	335	–	1,364
CRO[8] (Kerrie Noonan)	2025	258	19	20	13	4	–	41	–	355
	2024	–	–	–	–	–	–	–	–	–
CTO[8] (Technology) (Kieran O'Meara)	2025	193	–	15	7	3	–	114	–	332
	2024	–	–	–	–	–	–	–	–	–
CCO, Bus & Agri (Adam Rowse)	2025	753	60	21	29	14	–	267	–	1,144
	2024	709	110	(11)	26	12	–	250	–	1,096
COO (Bruce Speirs)	2025	726	58	8	31	(35)	–	254	36	1,078
	2024	676	125	12	29	17	–	195	58	1,112
Former Executive KMP										
Former CEO[8] (Marnie Baker)	2025	270	–	22	11	4	153	588	141	1,189
	2024	1,564	260	(7)	31	(101)	–	694	223	2,664
Totals	2025	6,075	453	102	211	140	153	2,738	330	10,202
	2024	6,148	986	63	196	(28)	–	2,197	525	10,087

1. 2024 and 2025 cash salary amounts exclude net movement in annual leave accrual for both years.
2. Cash STI for FY25 reflects the STI award outcome for the performance year for Executive KMP.
3. Non-monetary relates to annual leave accrual and sacrifice components of salary such as motor vehicle costs.
4. Company superannuation contributions form part of fixed remuneration and are paid up to the statutory maximum contribution base.
5. The amounts relate to movements in long service leave accruals.
6. Termination benefits include payments for the balance of notice period paid out at cessation.
7. The values in the table reflect the current year expense for all awards outstanding at any point during the year. The expense is inclusive of adjustments that may be made in the current period in relation to unvested awards. The fair value of the awards as at the grant date has been calculated under AASB 2 Share-based Payment applying a Black-Scholes-Merton valuation method incorporating a Monte Carlo simulation option pricing model to estimate the probability of achieving the TSR hurdle and the number of securities that are expected to vest. Values for Ryan Brosnahan and Marnie Baker reflect amortisation expense brought forward for retained unvested equity up to the end of each performance period due to cessation of employment. Whilst the full value is accrued in FY25, the awards may or may not vest subject to performance conditions.
8. Values reflect time as KMP. For Kerrie Noonan commencing from 21 February 2025, for Kieran O'Meara commencing from 1 April 2025 and for Marnie Baker from 1 July 2024 to 30 August 2024.

SECTION 6: EXECUTIVE STATUTORY REMUNERATION continued

6.2 Movements in Executive KMP equity holdings

Executive KMP	Equity Instrument	Balance on 1 July 2024 [1]	Granted	Vested/ released [2,3,4]	Lapsed/ forfeited [5]	Net change other [6]	Balance on 30 June 2025
CEO (Richard Fennell)	Ordinary shares	113,583	—	40,497	—	(24,683)	129,397
	Loan Funded Shares	298,226	—	(192,222)	—	—	106,004
	Restricted shares	—	—	192,222	—	—	192,222
	Performance rights	111,321	136,718	(15,251)	(3,258)	—	229,530
	Share rights	25,246	12,638	(25,246)	—	—	12,638
CTO (Transformation) (Ryan Brosnahan)	Ordinary shares	9,715	—	56,735	—	(60,000)	6,450
	Loan Funded shares	172,385	—	(111,111)	—	—	61,274
	Restricted shares	—	—	111,111	—	—	111,111
	Performance rights	125,229	28,072	(41,753)	(50,439)	—	61,109
	Share rights	14,982	9,775	(14,982)	—	—	9,775
CCO, Consumer (Taso Corolis)	Ordinary shares	78,610	—	23,894	—	5,865	108,369
	Loan Funded Shares	166,868	—	(107,555)	—	—	59,313
	Restricted shares	—	—	107,555	—	—	107,555
	Performance rights	90,900	29,861	(11,636)	(2,486)	—	106,639
	Share rights	12,258	9,077	(12,258)	—	—	9,077
CFO (Andrew Morgan)	Ordinary shares	40,133	—	25,246	—	(65,379)	—
	Performance rights	69,038	31,536	—	—	—	100,574
	Alignment rights	18,824	—	—	—	—	18,824
	Deferred share rights	26,755	—	—	—	—	26,755
	Share rights	25,246	10,981	(25,246)	—	—	10,981
CRO [7] (Kerrie Noonan)	Performance rights	—	21,867	—	—	—	21,867
	Deferred share rights	—	17,743	—	—	—	17,743
CTO [7] (Technology) (Kieran O'Meara)	Deferred share rights	—	67,674	—	—	—	67,674
CCO, Bus & Agri (Adam Rowse)	Ordinary shares	—	—	21,889	—	639	22,528
	Performance rights	59,860	27,343	—	—	—	87,203
	Alignment rights	16,322	—	—	—	—	16,322
	Share rights	21,889	9,521	(21,889)	—	—	9,521
COO (Bruce Speirs)	Ordinary shares	30,036	—	25,754	—	(30,036)	25,754
	Loan Funded Shares	151,698	—	(97,777)	—	—	53,921
	Restricted shares	—	—	97,777	—	(97,777)	—
	Performance rights	83,272	26,378	(10,578)	(2,260)	—	96,812
	Share rights	15,176	10,816	(15,176)	—	—	10,816
Former CEO (Marnie Baker)[7]	Ordinary shares	891,190	—	—	—	—	N/A
	Preference shares	50	—	—	—	—	N/A
	Loan Funded shares	586,110	—	(377,777)	—	—	N/A
	Restricted shares	—	—	377,777	—	—	N/A
	Performance rights	253,025	—	—	—	—	N/A
	Share rights	46,698	—	—	—	—	N/A

1. From FY25, equity movements reflect transactions that occur within the reporting period. Previously, transactions tested on 30 June and vested after year end on or around September were included. The balance at 1 July 2024 has been restated for the change in approach and transactions that occurred after 1 July 2024 and were previously reported in the 2024 Remuneration Report are reflected in the table above.
2. Performance rights awarded to the Executive KMP in FY21 were tested on 30 June 2024, measured for the period 1 July 2020-30 June 2024 and resulted in the TSR hurdle vesting at 82.40%. Please refer to the 2024 Remuneration Report for further details on testing outcomes. All rights that vest are automatically exercised.
3. Loan Funded Shares awarded to the Executive KMP in FY21 vested in July 2024 having completed the vesting period. The shares are held under restrictions until the loan has been repaid in full. Participants have 2 years from vesting date to repay the loan.
4. STI Share Rights awarded to the Executive KMP in FY23 vested in September 2024 following completion of the Service Period. All rights that vest are automatically exercised.
5. Performance rights awarded to the Executive KMP in FY21 were tested on 30 June 2024, measured for the period 1 July 2020-30 June 2024 and resulted in the TSR hurdle vesting at 82.40%. The lapsed number of units is shown in the above table. Performance rights lapsed due to cessation for Ryan Brosnahan are also shown in the above table.
6. Net Change may include shares allocated under the Dividend Reinvestment Plan (DRP), an on market purchase or sale or Related Party holdings.
7. The information relates to time in role as KMP and reflects transactions that occurred during the KMP period. For Kerrie Noonan the opening balance is at 20 February 2025 and for Kieran O'Meara the opening balance is at 1 April 2025. For Marnie Baker the period is from 1 July 2024 to 30 August 2024.

SECTION 6: EXECUTIVE STATUTORY REMUNERATION continued

6.3 Details of awards granted, vested, lapsed

Executive KMP [1]	Equity Instrument	Grant date	Units granted	Value at grant [2] $	Units vested/ released [3,4,5]	Value at vest [6] $	Units forfeited/ lapsed [7]	Forfeited/ lapse value [8] $
CEO (Richard Fennell)	Loan Funded Shares	4/11/2020	—	—	192,222	359,455	—	—
	Performance Rights	4/11/2020	—	—	15,251	33,400	3,258	7,135
	Performance Rights	25/11/2024	45,527	364,671	—	—	—	—
	Performance Rights	25/11/2024	45,527	342,363	—	—	—	—
	Performance Rights	25/11/2024	45,664	331,977	—	—	—	—
	Share Rights	29/09/2023	—	—	25,246	211,561	—	—
	Share Rights	7/10/2024	12,638	139,271	—	—	—	—
CTO (Transformation) (Ryan Brosnahan)	Loan Funded Shares	4/11/2020	—	—	111,111	207,778	—	—
	Performance Rights	4/11/2020	—	—	13,223	28,958	2,825	6,187
	Performance Rights	4/11/2020	—	—	28,530	163,762	—	—
	Performance Rights	14/11/2022	—	—	—	—	4,190	15,252
	Performance Rights	14/11/2022	—	—	—	—	4,190	13,995
	Performance Rights	20/11/2023	—	—	—	—	9,080	35,140
	Performance Rights	20/11/2023	—	—	—	—	9,080	31,598
	Performance Rights	25/11/2024	14,036	112,428	—	—	10,537	84,401
	Performance Rights	25/11/2024	14,036	105,551	—	—	10,537	79,238
	Share Rights	29/09/2023	—	—	14,982	125,549	—	—
	Share Rights	7/10/2024	9,775	107,721	—	—	—	—
CCO, Consumer (Taso Corolis)	Loan Funded Shares	4/11/2020	—	—	107,555	201,128	—	—
	Performance Rights	4/11/2020	—	—	11,636	25,483	2,486	5,444
	Performance Rights	25/11/2024	14,931	119,597	—	—	—	—
	Performance Rights	25/11/2024	14,930	112,274	—	—	—	—
	Share Rights	29/09/2023	—	—	12,258	102,722	—	—
	Share Rights	7/10/2024	9,077	100,029	—	—	—	—
CFO (Andrew Morgan)	Performance Rights	25/11/2024	15,768	126,302	—	—	—	—
	Performance Rights	25/11/2024	15,768	118,575	—	—	—	—
	Share Rights	29/09/2023	—	—	25,246	211,561	—	—
	Share Rights	7/10/2024	10,981	121,011	—	—	—	—
CRO (Kerrie Noonan)	Performance Rights	20/02/2025	10,934	61,340	—	—	—	—
	Performance Rights	20/02/2025	10,933	58,492	—	—	—	—
	Share Rights	20/02/2025	10,645	110,389	—	—	—	—
	Share Rights	20/02/2025	3,549	30,983	—	—	—	—
	Share Rights	20/02/2025	3,549	29,244	—	—	—	—

SECTION 6: EXECUTIVE STATUTORY REMUNERATION continued

6.3 Details of awards granted, vested, lapsed continued

Executive KMP[1]	Equity Instrument	Grant date	Units granted	Value at grant[2] $	Units vested/ released[3,4,5]	Value at vest[6] $	Units forfeited/ lapsed[7]	Forfeited/ lapse value[8] $
CTO (Technology) (Kieran O'Meara)	Share Rights	1/04/2025	40,604	406,040	—	—	—	—
	Share Rights	1/04/2025	13,535	113,288	—	—	—	—
	Share Rights	1/04/2025	13,535	106,656	—	—	—	—
CCO, Bus & Agri (Adam Rowse)	Performance Rights	25/11/2024	13,672	109,513	—	—	—	—
	Performance Rights	25/11/2024	13,671	102,806	—	—	—	—
	Share Rights	29/09/2023	—	—	21,889	183,430	—	—
	Share Rights	7/10/2024	9,521	104,921	—	—	—	—
COO (Bruce Speirs)	Loan Funded Shares	4/11/2020	—	—	97,777	182,843	—	
	Performance Rights	4/11/2020	—	—	10,578	23,166	2,260	4,949
	Performance Rights	25/11/2024	13,189	105,644	—	—	—	—
	Performance Rights	25/11/2024	13,189	99,181	—	—	—	—
	Share Rights	29/09/2023	—	—	15,176	127,175	—	—
	Share Rights	7/10/2024	10,816	119,192	—	—	—	—
Former Executive KMP								
Former CEO (Marnie Baker)[9]	Loan Funded Shares	4/11/2020	—	—	377,777	706,443	—	—
	Performance Rights	4/11/2020	—	—	—	—	—	—
	Performance Rights	14/11/2022	—	—	—	—	—	—
	Performance Rights	14/11/2022	—	—	—	—	—	—
	Performance Rights	14/11/2022	—	—	—	—	—	—
	Performance Rights	20/11/2023	—	—	—	—	—	—
	Performance Rights	20/11/2023	—	—	—	—	—	—
	Performance Rights	20/11/2023	—	—	—	—	—	—
	Share Rights	29/09/2023	—	—	—	—	—	—
	Share Rights	7/10/2024	—	—	—	—	—	—

1. From FY25, equity movements reflect transactions that occur within the reporting period. Previously, transactions tested on 30 June and vested on or around September were included. Transactions that occurred after 1 July 2024 and were previously reported in the 2024 Remuneration Report are reflected in the table above.
2. The price used to calculate the award value at the time of grant is the fair value on the date of grant. Refer to Section 6.4 for further details. The minimum number and value of the grants for future financial years is zero if the equity is forfeited or lapsed and an estimate of the maximum possible total value in future financial years is the number of units granted at the fair value, as shown above.
3. Performance rights awarded to the Executive KMP in FY21 were tested on 30 June 2024, measured for the period 1 July 2020-30 June 2024 and resulted in the TSR hurdle vesting at 82.40%.
4. Loan Funded Shares awarded to the Executive KMP in FY21 vested in July 2024 having completed the vesting period.
5. STI Share Rights awarded to the Executive KMP in FY23 vested in September 2024 following completion of the Service Period.
6. The value of each award on the date it vests is calculated using the fair value on the date of grant. Refer to Section 6.4 for further details.
7. Performance rights awarded to the Executive KMP in FY21 were tested on 30 June 2024, measured for the period 1 July 2020-30 June 2024 and resulted in the TSR hurdle vesting at 82.40%. The lapsed number of units is shown in the above table.
8. The value of lapsed awards is calculated using the fair value on the date of grant. Refer to Section 6.4 for further details.
9. The information relates to time in role as KMP up to 30 August 2024 and reflects transactions that occurred during this period.

SECTION 6: EXECUTIVE STATUTORY REMUNERATION continued

6.4 Equity plan valuation inputs

Performance Rights

Equity Instrument	Grant date	Fair value[1,2] Financial $	Fair value[1,2] Non-financial $	Share price at grant date $	Risk free interest rate %	Dividend yield %	Expected volatility %	Expected life	Performance period end[3]	Vest date
FY21 Performance Rights	04.11.2020	2.19	—	6.83	0.19	4.54	29.21	4 years	30.06.2024	01.09.2024
FY21 Transformation Rights	04.11.2020	—	5.74	6.83	0.19	4.54	29.21	4 years	30.06.2024	01.09.2024
FY22 Performance Rights	16.11.2021	3.42	—	9.06	1.23	6.02	30.85	4 years	30.06.2025	01.09.2025
FY23 Performance Rights Tranche 1	14.11.2022	3.64	7.01	8.84	3.34	6.00	31.72	4 years	30.06.2026	30.09.2026
FY23 Performance Rights Tranche 2	14.11.2022	3.34	6.60	8.84	3.42	6.00	29.65	5 years	30.06.2026	30.09.2027
FY23 Performance Rights Tranche 3 (CEO)	14.11.2022	3.14	6.21	8.84	3.49	6.00	28.56	6 years	30.06.2026	30.09.2028
FY23 Alignment Rights Tranche 1	14.11.2022	—	7.01	8.84	3.34	6.00	31.72	4 years	30.09.2026	30.09.2026
FY23 Alignment Rights Tranche 2	14.11.2022	—	6.60	8.84	3.42	6.00	29.65	5 years	30.09.2027	30.09.2027
FY24 Performance Rights Tranche 1	20.11.2023	3.87	6.65	8.71	4.15	7.00	31.89	4 years	30.06.2027	30.09.2027
FY24 Performance Rights Tranche 2	20.11.2023	3.48	6.19	8.71	4.18	7.00	29.65	5 years	30.06.2027	30.09.2028
FY24 Performance Rights Tranche 3 (CEO)	20.11.2023	3.28	5.78	8.71	4.24	7.00	28.23	6 years	30.06.2027	30.09.2029
FY25 Performance Rights Tranche 1	25.11.2024	8.01	11.20	13.37	4.07	4.71	22.08	4 years	30.06.2028	01.09.2028
FY25 Performance Rights Tranche 2	25.11.2024	7.52	10.68	13.37	4.11	4.71	29.69	5 years	30.06.2028	01.09.2029
FY25 Performance Rights Tranche 3 (CEO)	25.11.2024	7.27	10.19	13.37	4.17	4.71	28.02	6 years	30.06.2028	01.09.2030
FY25 Performance Rights Tranche 1	20.02.2025	5.61	10.15	12.20	3.45	5.16	23.03	4 years	30.06.2028	20.02.2029
FY25 Performance Rights Tranche 2	20.02.2025	5.35	9.64	12.20	3.56	5.16	24.03	5 years	30.06.2028	20.02.2030

Valuation assumptions and inputs for each grant

1. The fair value is calculated as at grant date in accordance with AASB 2 Share-based Payment using an independent valuation. Rights granted during FY25 were granted at no cost to the participant and have a zero exercise price. No options have been granted during the year.
2. Awards subject to financial performance measures have been independently valued using the Monte Carlo simulation using the Black-Scholes framework. Awards subject to non-financial performance measures have been valued using a Black-Scholes option pricing model.
3. The Board will test the performance condition as soon as practical after the performance period has been reached. Any performance rights that do not vest will lapse following Board determination of the vesting outcome of the grant.

SECTION 6: EXECUTIVE STATUTORY REMUNERATION continued

6.4 Equity plan valuation inputs continued

Deferred Share Rights

Valuation assumptions and inputs for each grant

Executives	Equity Instrument	Grant date	Issue price / fair value[1] $	Share price at grant date $	Restriction period end / test date	Vest / expiry date
Andrew Morgan[2] (sign-on)	Deferred Share Rights – T2	24.06.2022	7.06	9.06	30.09.2026	30.09.2026
Executives	FY23 STI	29.09.2023	8.38	8.93	01.09.2024	01.09.2024
CEO	FY23 STI T2 (CEO)	29.09.2023	6.83	8.93	01.09.2027	01.09.2027
CEO	FY23 STI T3 (CEO)	29.09.2023	6.38	8.93	01.09.2028	01.09.2028
CEO	FY23 STI T4 (CEO)	29.09.2023	5.96	8.93	01.09.2029	01.09.2029
CEO and Executives	FY24 STI	07.10.2024	11.02	11.57	01.09.2025	01.09.2025
Kerrie Noonan (sign-on)[3]	Deferred Share Rights – T1	20.02.2025	10.37	10.98	20.02.2026	20.02.2026
Kerrie Noonan (sign-on)	Deferred Share Rights – T2	20.02.2025	8.73	10.98	20.02.2029	20.02.2029
Kerrie Noonan (sign-on)	Deferred Share Rights – T3	20.02.2025	8.24	10.98	20.02.2030	20.02.2030
Kieran O'Meara (sign-on)[3]	Deferred Share Rights – T1	01.04.2025	10	10.61	01.04.2026	01.04.2026
Kieran O'Meara (sign-on)	Deferred Share Rights – T2	01.04.2025	8.37	10.61	01.04.2029	01.04.2029
Kieran O'Meara (sign-on)	Deferred Share Rights – T3	01.04.2025	7.88	10.61	01.04.2030	01.04.2030

1. The fair value is calculated on the grant date in accordance with AASB 2 Share-based Payment using an independent valuation. Rights granted during FY25 were granted at no cost to the participant and have a zero exercise price. No options have been granted during the year.
2. Andrew Morgan received a sign-on equity award delivered in deferred share rights, vesting in two tranches over four years to replace incentive arrangements that were foregone with his previous employer.
3. Kerrie Noonan and Kieran O'Meara received sign-on equity awards delivered in deferred share rights, vesting in three tranches over five years to replace incentive arrangements that were foregone from their previous employers.

Loan Funded Share Plan

Valuation assumptions and inputs for each grant

Executives	Equity Instrument	Grant date	Fair value $	Share price at grant date $	Loan value per share $	Risk free interest rate	Dividend yield	Expected volatility	Expected life	Performance/ Vest schedule
CEO and Executives	FY21 Loan Funded Share Plan	04.11.2020	1.87	6.83	6.75	0.26%	0.00%	27.92%	4 – 6 years	30.06.2022 (perf.) 30.06.2024 (vesting) 30.06.2026 (expiry)
CEO and Executives	FY22 Loan Funded Share Plan[1]	16.11.2021	2.70	9.06	9.18	1.44%	0.00%	28.93%	4 – 6 years	30.06.2023 (perf.) 30.06.2025 (vesting) 30.06.2027 (expiry)

1. The restriction period for the FY22 Loan Funded Share Plan ended on 30 June 2025 and will vest in September 2025. There have been no further awards issued under this plan since 2021.

SECTION 6: EXECUTIVE STATUTORY REMUNERATION continued

6.5 Details of untested awards

The following summary details the current plans that remain on-foot, are untested and are not eligible for vesting. All plans are subject to the application of malus and clawback as per the CMP and Board discretion.

Performance Rights

Grant	Grant Date	Performance Period
2025 LTI – CEO & Executive	**25.11.2024 & 20.02.2025**	**01.07.2024 – 30.06.2028**

Measure, Weighting and Vesting Condition

Relative TSR: 40%
Compared to peer group of ASX100 financial companies (excluding resources and property trusts) over performance period:
- 50th percentile or less: 0%
- At 50.1th percentile: 50%
- Between 50.1th percentile and 75th percentile: Straight-line vesting between 50% and 100%
- Above 75th percentile: 100%

Absolute ROE: 25%
Based on the Bank's Absolute ROE performance in final year of performance period:
- Below 10%: 0%
- 10.1%: 50%
- Between 10.1% and 10.5%: Straight-line vesting between 50% and 100%
- 10.5%: 100%

Relative Customer NPS: 20%
BEN's average NPS achieving 20 points above the average NPS of the peer group, measured over the performance period (using 6-month rolling averages):
- Below 20 points: 0%
- At or above 20 points: 100%

Relative Reputation: 15%
Threshold performance for Reputation is to maintain an average gap of 8 points above the average of the Big 4 Banks (ANZ, CBA, NAB, WBC) measured quarterly over the performance period. Relative Reputation against a broad financial services peer group determines performance above threshold. The vesting outcome as below:
- Below threshold: 0%
- Meet threshold: 50%
- Meet threshold and between 50.1th percentile and 75th percentile: Straight-line vesting between 50% and 100%
- Meet threshold and above the 75th percentile: 100%

Grant	Grant Date	Performance Period
2024 LTI – CEO & Executive	**20.11.2023**	**01.07.2023 – 30.06.2027**

Measure, Weighting and Vesting Condition

Relative TSR: 40%
Compared to peer group of ASX100 financial companies (excluding resources and property trusts) over performance period:
- 50th percentile or less: 0%
- At 50.1th percentile: 50%
- Between 50.1th percentile and 75th percentile: Straight-line vesting between 50% and 100%
- Above 75th percentile: 100%

Absolute ROE: 25%
Based on the Bank's Absolute ROE performance in final year of performance period:
- Below 10%: 0%
- 10.1%: 50%
- Between 10.1% and 10.5%: Straight-line vesting between 50% and 100%
- 10.5%: 100%

Relative Customer NPS: 20%
BEN's average NPS achieving 20 points above the average NPS of the peer group, measured over the performance period (using 6-month rolling averages):
- Below 20 points: 0%
- At or above 20 points: 100%

Relative Reputation: 15%
Threshold performance for Reputation is to maintain an average gap of 8 points above the average of the Big 4 Banks (ANZ, CBA, NAB, WBC) measured quarterly over the performance period. Relative Reputation against a broad financial services peer group determines performance above threshold. The vesting outcome as below:
- Below threshold: 0%
- Meet threshold: 50%
- Meet threshold and between 50.1th percentile and 75th percentile: Straight-line vesting between 50% and 100%
- Meet threshold and above the 75th percentile: 100%

SECTION 6: EXECUTIVE STATUTORY REMUNERATION continued

6.5 Details of untested awards continued

Performance Rights continued

Grant	Grant Date	Performance Period
2023 LTI – CEO & Executive	**14.11.2022**	**01.07.2022 – 30.06.2026**

Measure, Weighting and Vesting Condition

Relative TSR: 40%
Compared to peer group of ASX100 financial companies (excluding resources and property trusts) over performance period:
- 50th percentile or less: 0%
- At 50.1th percentile: 50%
- Between 50.1th percentile and 75th percentile: Straight-line vesting between 50% and 100%
- Above 75th percentile: 100%

Absolute ROE: 25%
Based on the Bank's Absolute ROE performance in final year of performance period:
- Below 10%: 0%
- 10.1%: 50%
- Between 10.1% and 10.43%: Straight-line vesting between 50% and 100%
- 10.43%: 100%

Relative Customer NPS: 20%
BEN's average NPS achieving 20 points above the average NPS of the peer group, measured over the performance period (using 6-month rolling averages):
- Below 20 points: 0%
- At or above 20 points: 100%

Relative Reputation: 15%
Threshold performance for Reputation is to maintain an average gap of 8 points above the average of the Big 4 Banks (ANZ, CBA, NAB, WBC) measured quarterly over the performance period. Relative Reputation against a broad financial services peer group determines performance above threshold. The vesting outcome as below:
- Below threshold: 0%
- Meet threshold: 50%
- Meet threshold and between 50.1th percentile and 75th percentile: Straight-line vesting between 50% and 100%
- Meet threshold and above the 75th percentile: 100%

Deferred share rights

Grant	Grant Date	Measures	Weighting	Performance Period	Vesting Condition
Sign-on Award (A Morgan)	24.06.2022	Service	100%	24.06.2022-30.09.2026	100% subject to: • Remaining employed by the Bank for the duration of the Service Period.
FY23 Alignment rights (T1)[1]	14.11.2022	Service	100%	01.07.2022-30.09.2026	
FY23 Alignment rights (T2)[1]	14.11.2022	Service	100%	01.07.2022-30.09.2027	
FY23 STI – CEO (T2)	29.09.2023	Service	100%	01.07.2023-01.09.2027	
FY23 STI – CEO (T3)	29.09.2023	Service	100%	01.07.2023-01.09.2028	
FY23 STI – CEO (T4)	29.09.2023	Service	100%	01.07.2023-01.09.2029	
FY24 STI	07.10.2024	Service	100%	01.07.2024-01.09.2025	
Sign-on Award (K Noonan)	20.02.2025	Service	100%	T1: 20.02.2025-20.02.2026 T2: 20.02.2025-20.02.2029 T3: 20.02.2025-20.02.2030	
Sign-on Award (K O'Meara)	01.04.2025	Service	100%	T1: 01.04.2025-01.04.2026 T2: 01.04.2025-01.04.2029 T3: 01.04.2025-01.04.2030	

1. Alignment Rights were awarded to Andrew Morgan and Adam Rowse as part of their contracted long-term incentive.

SECTION 7: NON-EXECUTIVE DIRECTOR ARRANGEMENTS

7.1 Non-executive Director fees

The People and Culture Committee (Committee) is responsible for reviewing Non-executive Director fees for the Bank and its main subsidiaries. In reviewing these fees, the Committee has regard to a range of factors including:

- the scope of responsibilities of Non-executive Directors and time commitments
- fees paid by peer companies, companies of similar market capitalisation and complexity, and in the banking and finance sector
- attracting and retaining high calibre Non-executive Directors who are equipped with the diverse skills needed to oversee all functions of the Bank in an increasingly complex environment.

There is no direct link between Non-executive Director fees and the annual results of the Group. Non-executive Directors do not receive cash or equity bonuses or any other incentive payments.

Shareholders approved an aggregate fee pool for Non-executive Directors of $3,000,000 at the 2024 Annual General Meeting. This fee pool covers payments (including superannuation) for the main Board and Committees and payments to the Bank's Non-executive Directors appointed to subsidiary boards and the Community Bank National Council. The aggregate Non-executive Director fees paid for FY25 was $1,997,736 which represents 67% of the $3,000,000 fee cap approved by shareholders.

Non-executive Directors' fees are inclusive of superannuation contributions at 11.5%. In relation to the superannuation contributions, Non-executive Directors can elect to receive amounts above the maximum contributions limit as cash.

The Directors contribute $5,000 per annum each year to the Bank's scholarship program. The program was established to assist disadvantaged students from rural and regional areas to meet their tertiary education, accommodation, and direct study costs. The contributions are deducted from base Board fees.

The following table shows the annual fees in FY25 for the Board and committees (inclusive of statutory superannuation contributions). Additional fees are paid to Non-executive Directors appointed to the Community Bank National Council and subsidiary companies.

	Fee schedule	
Board/Committee	Chair [1] $	Member $
Board	479,230	165,000
Committees	40,000	20,000

1. Chair fees are all inclusive i.e. a separate committee member fee is not paid.

In May 2025, following a benchmarking exercise which compared the Bank's Board fees against organisations of a similar size and other comparable financial services organisations, the Board approved an increase of $20,000 to $185,000 per year to the Board member fee for FY26.

7.2 Rights to Shares Plan

A fee sacrifice Rights to Shares Plan was introduced in FY21 for Non-executive Directors, to be offered annually, on an opt-in basis under the terms of the Bank's Omnibus Equity Plan. Participants can nominate to sacrifice a minimum of $10,000 of fees, up to a maximum of 100%, to be issued as Rights to Shares. The Rights to Shares are allocated after the announcement of the year-end results and the filing of the Appendix 4E announcement with the ASX. The number of Rights to Shares is allocated on a face value methodology, with the nominated fee sacrificed amount divided by the five-day closing volume weighted average price (VWAP) from the date of the Appendix 4E announcement to the ASX for that plan year.

The Rights to Shares are allocated in two tranches, with the first tranche vesting after that plan year's Appendix 4D announcement and the second tranche vesting post the Appendix 4E announcement for the following financial year. Vested shares must be held for the earlier of 15 years or the Non-executive Director's retirement from the Board. In FY25 two non-executive directors participated in the plan.

SECTION 7: NON-EXECUTIVE DIRECTOR ARRANGEMENTS continued

7.3 Non-executive Director statutory remuneration

		Short-term benefits			Post-employment benefits	
	Year	Fees [1] $'000	Rights to Shares Plan [2] (salary sacrifice) $'000	Non-monetary benefits [3] $'000	Superannuation contributions $'000	Total $'000
Non-executive Director						
V Carter (Chair) [4]	2025	458	–	–	29	487
	2024	338	–	–	27	365
A Cleland	2025	234	–	–	–	234
	2024 (part year)	30	–	–	3	33
R Deutsch	2025	167	30	–	23	220
	2024	154	39	–	22	215
T Dillon	2025 (part year)	65	–	–	7	72
	2024	–	–	–	–	–
D Johnson	2025 (part year)	135	–	–	16	151
	2024	–	–	–	–	–
A Muir	2025	209	–	–	25	234
	2024	180	–	–	20	200
M Payn [5]	2025	274	–	–	28	302
	2024 (part year)	154	–	–	17	171
V Weekes	2025	157	40	–	23	220
	2024	154	39	–	22	215
Former Non-executive Director						
D Foster	2024 (part year)	276	–	–	23	299
D Matthews [6]	2025 (part year)	66	–	2	8	76
	2024	184	–	6	22	212
J Hazel	2024 (part year)	57	–	–	6	63
J Hey	2024 (part year)	141	–	–	11	152
Aggregate totals [7]	**2025**	**1,765**	**70**	**2**	**159**	**1,996**
	2024	1,668	78	6	173	1,925

1. Fee amounts exclude the $5,000 Director contribution to the Bank's scholarship program.
2. Includes fee sacrifice component of the base Board fee sacrificed as part of the FY25 Non-executive Director Rights to Shares Plan. The values contained in the table above are calculated using the grant price multiplied by the total units granted. For FY25 the grant price was $12.31.
3. Includes fee sacrifice component of the base Board fee paid as superannuation.
4. Fees paid to Vicki Carter include the Sandhurst Trustees Limited Chair fee up to 15 August 2024.
5. Fees paid to Margaret Payn include the Sandhurst Trustees Limited Chair fee from 15 August 2024 and Community Bank National Council member fee from 1 March 2025.
6. Fees paid to David Matthews include the Community Bank National Council member fee up to 7 November 2024.
7. D Foster, J Hazel and J Hey did not receive any remuneration in FY25 and have been included due to remuneration received in FY24 and comparison in the year on year totals.

SECTION 7: NON-EXECUTIVE DIRECTOR ARRANGEMENTS continued

7.4 Shares and other securities held by Non-executive Directors

	Equity Instrument	Balance on 1/07/2024	Granted during the year [1]	Vested or released [2]	Lapsed or expired	Net change other [3]	Balance on 30/06/2025
Non-executive Director							
V Carter	Ordinary shares	24,850	–	–	–	9,066	33,916
	Rights to Shares	–	–	–	–	–	–
A Cleland	Ordinary shares	11,000	–	–	–	–	11,000
	Rights to Shares	–	–	–	–	–	–
R Deutsch	Ordinary shares	10,391	–	3,426	–	–	13,817
	Rights to Shares	2,207	2,437	(3,426)	–	–	1,218
T Dillon	Ordinary shares	–	–	–	–	11,910	11,910
	Rights to Shares	–	–	–	–	–	–
D Johnson	Ordinary shares	–	–	–	–	8,500	8,500
	Rights to Shares	–	–	–	–	–	–
A Muir	Ordinary shares	1,043	–	–	–	–	1,043
	Rights to Shares	–	–	–	–	–	–
M Payn	Ordinary shares	10,000	–	–	–	14,000	24,000
	Rights to Shares	–	–	–	–	–	–
V Weekes	Ordinary shares	11,901	–	3,832	–	–	15,733
	Rights to Shares	2,207	3,249	(3,832)	–	–	1,624
Former Non-executive Director							
D Foster [4]	Ordinary shares	15,253	–	–	–	–	N/A
	Rights to Shares	–	–	–	–	–	N/A
D Matthews [4]	Ordinary shares	50,495	–	–	–	–	N/A
	Rights to Shares	–	–	–	–	–	N/A

1. Mr Deutsch and Ms Weekes elected to participate in the FY25 Rights to Shares Plan. Rights to Shares were allocated in two tranches on 27 August 2024 using a VWAP of $12.31.
2. The FY24 Rights to Shares Plan (tranche 2) granted to Mr Deutsch and Ms Weekes vested on 30 August 2024, coinciding with the Bank's full year results. The FY25 Rights to Shares Plan (tranche 1) granted to Mr Deutsch and Ms Weekes vested on 24 February 2025, coinciding with the Bank's half year results. All rights that vest are automatically exercised.
3. Net Change may include shares allocated under the Dividend Reinvestment Plan (DRP), an on-market purchase/sale or Related Party holdings.
4. The information relates to time in role as KMP and reflects transactions that occurred during the KMP period. For David Foster the period is from 1 July 2024 to 23 September 2024 and for David Matthews the period is from 1 July 2024 to 7 November 2024.

SECTION 8: CONTRACTS, EXECUTIVE KMP LOANS AND HEDGING

8.1 Executive employment arrangements

The remuneration and other terms of employment for Executives are contained in formal employment contracts. The material terms of the Executive contracts at the date of this report are set out below.

Issue	Description	Applies to
What is the duration of the contracts?	Ongoing until notice is given by either party.	All Executives
What notice must be provided by an Executive to end the contract without cause? [1]	Between 6 and 12 months' notice.	All Executives
What notice must be provided by the Bank to end the contract without cause?	6 months' notice or payment in lieu.[1]	• Ryan Brosnahan • Taso Corolis • Andrew Morgan • Kerrie Noonan • Kieran O'Meara • Adam Rowse
	12 months' notice or payment in lieu.	• Bruce Speirs • Richard Fennell
What payments must be made by the Bank for ending the contract without cause?	Payment of gross salary in lieu of period of notice (including payment of accrued / unused leave entitlements calculated to end of relevant notice period).	All Executives
What are notice and payment requirements if the Bank ends the contract for cause?	Termination by way of summary dismissal does not require a notice period. Payment of pro-rata gross salary and benefits (including payment of accrued / unused leave entitlements) is required to date of termination.	All Executives
Are there any post-employment restraints?	12-month non-competition and non-solicitation (employees, customers and suppliers) restriction.	CEO
	12-month non-solicitation (employees, customers and suppliers) restriction.	Other Executives

1. A review of the Executive employment contract was completed in 2019, taking market practices into account. Changes to the contract included reducing the relevant notice period from 12 months to 6 months. The 12-month notice period for the existing Executive KMP has been grandfathered.

SECTION 8: CONTRACTS, EXECUTIVE KMP LOANS AND HEDGING continued

8.2 Loans and other transactions

Details on the aggregate loans provided to Executive KMP and Non-executive Directors and their related parties are provided below. The loans occur within a normal employee, customer or supplier relationship on terms and conditions no more favourable than those that it is reasonable to expect the Bank would have adopted if dealing at arms-length with an unrelated person.

2025	Balance at start of year $'000	Interest charged [1] $'000	Interest not charged $'000	Write-off $'000	Balance at end of year $'000	Number at year end
Non-executive Directors	3,037	99	—	—	1	3
Executive KMP	6,095	145	—	—	3,565	6
Total Directors and Executives	**9,132**	**244**	**—**	**—**	**3,566**	**9**

Details of Executive KMP (including their related parties) with an aggregate of loans above $100,000 in the reporting period are as follows:

2025	Balance at start of year $'000	Interest charged [1] $'000	Interest not charged $'000	Write-off $'000	Balance at end of year $'000	Highest owing in period [2] $'000
Non-executive Directors						
D Matthews [3]	3,034	99	—	—	N/A	3,042
Executive KMP						
R Fennell	1,891	62	—	—	1,517	1,895
A Morgan	1,670	10	—	—	367	1,681
A Rowse	1,684	52	—	—	1,615	1,692
M Baker [4]	822	18	—	—	N/A	826

1. Interest charged may include the impact of interest off-set facility.
2. Represents aggregate highest indebtedness of the Executive KMP and Non-executive Directors during the financial year. All other items in the table includes their related parties.
3. D Matthews ceased as a KMP on 7 November 2024 and amounts shown reflect the period up to the quarter ended 31 December 2024.
4. M Baker ceased as a KMP on 30 August 2024 and amounts shown reflect the period up to the quarter ended 30 September 2024.

8.3 Hedging and margin loan restrictions

The Remuneration Policy mandates that Executives, and their closely related parties, may not enter into a transaction designed to remove the at-risk element of equity-based pay before it has vested, or while it is subject to a trading restriction. The restriction is contained in the Remuneration Policy. The Bank requires on an annual basis Executive KMP confirm they have complied with the restriction. If the restriction is breached, the Executive will forfeit all equity-based remuneration that is subject to the prohibition at the time of the breach.

The Bank's Trading Policy also prohibits Executive KMP from using the Bank's securities as collateral in any margin loan arrangements.

Financial Highlights

The following table provides a summary of the last five years' key metrics. Note some of the key indicators in the table below are non-IFRS measures and are unaudited.

		Group				
Financial performance		**June 2025**	June 2024	June 2023	June 2022	June 2021
Net interest income	($m)	1,647.9	1,636.1	1,640.8	1,412.8	1,422.5
Other revenue	($m)	291.8	397.2	279.5	282.8	382.9
Operating expenses	($m)	(1,849.1)	(1,226.2)	(1,161.9)	(1,021.4)	(1,033.7)
Credit reversals/(expenses)	($m)	14.7	(9.9)	(33.6)	27.2	(18.0)
Income tax expense	($m)	(202.4)	(252.2)	(227.8)	(213.3)	(229.7)
Statutory (loss)/earnings attributable to owners of the Bank	($m)	(97.1)	545.0	497.0	488.1	524.0
Add back: total non-cash items and other adjustments [1]	($m)	611.7	17.0	79.9	12.3	(66.8)
Cash earnings after income tax [2]	($m)	514.6	562.0	576.9	500.4	457.2
Financial position						
Net loans and other receivables	($m)	85,708.4	80,567.6	78,526.3	77,610.4	71,920.6
Total assets	($m)	103,218.9	98,187.9	98,479.7	95,239.6	86,577.2
Deposits	($m)	83,842.9	78,986.5	77,310.8	74,583.9	66,217.1
Total liabilities	($m)	96,548.6	91,153.9	91,629.0	88,527.7	80,223.7
Total equity	($m)	6,670.3	7,034.0	6,850.7	6,711.9	6,353.5
Risk-weighted assets	($m)	39,304.5	38,005.2	37,900.3	42,197.9	40,469.3
Common Equity Tier 1 capital ratio	(%)	11.00	11.32	11.25	9.68	9.57
Total capital ratio	(%)	15.23	15.74	15.63	13.60	13.81
Share information (per ordinary share)						
Net tangible assets	($)	9.29	9.06	8.85	8.71	8.66
(Loss)/earnings per share (statutory basis)	(¢)	(17.2)	96.3	87.9	87.5	98.1
Earnings per share (cash basis) [2]	(¢)	91.0	99.3	102.1	89.8	85.6
Total fully franked dividend	(¢)	63.0	63.0	61.0	53.0	50.0
Shareholder ratios						
Return on average tangible equity (cash basis) [2]	(%)	10.01	11.12	11.63	10.28	10.27
Return on average assets (cash basis) [2]	(%)	0.55	0.61	0.65	0.59	0.60
Return on average ordinary equity (cash basis) [2]	(%)	7.34	8.18	8.62	7.72	7.67
Return on average ordinary equity (statutory basis)	(%)	(1.38)	7.91	7.42	7.53	8.79
Other information						
Number of staff (excluding Community Banks)	(FTE)	4,762	4,777	4,726	4,652	4,483
Assets per staff member	($m)	21.7	20.6	20.8	20.5	19.3
Asset quality						
Impaired loans	($m)	129.5	135.7	113.9	133.1	208.8
Individually assessed provisions	($m)	(31.3)	(38.5)	(46.2)	(57.1)	(93.0)
Net impaired loans	($m)	98.2	97.2	67.7	76.0	115.8
Net impaired loans % of gross loans	(%)	0.11	0.12	0.09	0.10	0.16
Individually assessed provision for impairment	($m)	31.3	39.6	47.8	58.1	94.3
Individually assessed provision % of gross loans	(%)	0.04	0.05	0.06	0.07	0.13
Collectively assessed provision	($m)	235.6	246.4	238.5	225.7	246.7
Equity reserve for credit losses (ERCL)	($m)	95.2	95.2	95.2	87.8	104.7
Collectively assessed provision & ERCL % of risk-weighted assets	(%)	0.84	0.90	0.88	0.74	0.87

1. Non-cash items are those items that are deemed to be outside of the Group's core activities and hence these items are not considered to be representative of the Group's ongoing financial performance. For further details relating to non-cash items refer to the Operating and Financial Review section of this report.
2. Cash earnings is an unaudited, non-IFRS financial measure. It is considered by management to be a key indicator of the underlying performance of the core business activities of the Group. The basis for determining cash earnings is net profit after tax, adjusted for non-cash items, amortisation on acquired intangibles and Homesafe net realised income. All adjustments are net of tax.

Financial Report

Primary Statements

INCOME STATEMENTS

For the year ended 30 June 2025

		Group		Bank	
	Note	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Net interest income					
Interest income		4,988.9	4,738.7	4,836.3	4,604.5
Interest expense		(3,341.0)	(3,102.6)	(3,227.2)	(2,963.4)
Total net interest income	3	1,647.9	1,636.1	1,609.1	1,641.1
Other revenue					
Fees		120.8	131.1	106.9	116.7
Commissions and management fees		65.5	62.4	17.7	16.7
Other income		105.5	203.7	123.3	163.6
Total other revenue	3	291.8	397.2	247.9	297.0
Total income		1,939.7	2,033.3	1,857.0	1,938.1
Credit expenses					
Credit reversals/(expenses)		12.7	(13.4)	13.0	18.5
Bad and doubtful debts recovered		2.0	3.5	2.0	3.4
Total credit reversals/(expenses)	11	14.7	(9.9)	15.0	21.9
Operating expenses					
Staff and related costs		(804.7)	(694.5)	(789.2)	(677.2)
Occupancy costs		(70.7)	(72.6)	(70.7)	(72.6)
Amortisation and depreciation costs		(76.3)	(64.5)	(76.3)	(64.4)
Fees and commissions		(13.0)	(16.7)	(5.1)	(4.3)
Impairment of goodwill	26	(539.5)	—	(539.5)	—
Other operating expenses		(344.9)	(377.9)	(341.2)	(374.5)
Total operating expenses	4	(1,849.1)	(1,226.2)	(1,822.0)	(1,193.0)
Profit before income tax expense		105.3	797.2	50.0	767.0
Income tax expense	5	(202.4)	(252.2)	(179.7)	(229.7)
Net (loss)/profit attributable to owners of the Bank		(97.1)	545.0	(129.7)	537.3

Earnings/(loss) per share		cents	cents
Basic	7	(17.2)	96.3
Diluted	7	(17.2)	87.3

Primary Statements

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 30 June 2025

	Note	Group June 2025 $m	Group June 2024 $m	Bank June 2025 $m	Bank June 2024 $m
(Loss)/profit for the year		(97.1)	545.0	(129.7)	537.3
Items which may be reclassified subsequently to profit or loss:					
Revaluation gain/(loss) on debt securities at FVOCI [1] with recycling	23	114.9	(36.3)	109.1	38.0
Net gain on cash flow hedges taken to equity	23	33.4	5.4	33.4	5.4
Tax effect on items taken directly to or transferred from equity	23	(44.5)	9.3	(42.7)	(13.0)
Total items that may be reclassified to profit or loss		103.8	(21.6)	99.8	30.4
Items which will not be reclassified subsequently to profit or loss:					
Revaluation gain on equity investments at FVOCI	23	9.7	0.2	9.7	0.2
Tax effect on items taken directly to or transferred from equity	23	(3.0)	(0.1)	(3.0)	(0.1)
Total items that will not be reclassified to profit or loss		6.7	0.1	6.7	0.1
Total comprehensive income/(loss) for the year		13.4	523.5	(23.2)	567.8
Total comprehensive income/(loss) for the year attributable to:					
Owners of the Bank		13.4	523.5	(23.2)	567.8

1. Financial assets measured at fair value through other comprehensive income. See Glossary for more context.

Primary Statements

BALANCE SHEETS

As at 30 June 2025

	Note	Group June 2025 $m	Group June 2024 $m	Bank June 2025 $m	Bank June 2024 $m
Assets					
Cash and cash equivalents	9	3,400.6	1,964.5	3,289.1	1,699.2
Due from other financial institutions	9	167.0	282.9	167.0	282.9
Financial assets at fair value through profit or loss (FVTPL)	12	8.7	16.9	3.2	7.5
Financial assets at amortised cost	13	1,813.8	1,001.2	6,852.0	5,031.2
Financial assets at fair value through other comprehensive income (FVOCI)	14	8,633.4	10,561.5	14,961.3	18,703.8
Income tax receivable	5	10.8	16.5	10.8	16.5
Derivatives	19	118.9	5.9	118.9	5.9
Net loans and other receivables	10	85,708.4	80,567.6	84,127.9	78,842.1
Investments accounted for using the equity method		8.4	9.7	8.4	9.7
Shares in controlled entities	32	—	—	91.1	100.7
Property, plant and equipment		133.5	141.8	133.5	141.8
Assets held for sale		—	10.2	—	—
Deferred tax assets	5	—	17.8	64.0	133.4
Investment property	25	1,108.9	1,140.2	1,108.9	1,140.2
Goodwill and other intangible assets	26	1,430.1	1,909.8	1,364.7	1,844.3
Other assets	28	676.4	541.4	1,596.5	1,511.5
Total Assets		103,218.9	98,187.9	113,897.3	109,470.7
Liabilities					
Due to other financial institutions	9	281.3	309.5	281.3	309.5
Deposits	15	83,842.9	78,986.5	83,982.8	78,962.5
Other borrowings	16	9,920.2	9,287.6	7,484.6	7,079.7
Derivatives	19	16.8	13.3	16.8	13.3
Amounts payable to controlled entities		—	4.9	13,568.5	14,036.8
Provisions	30	117.9	114.2	88.7	84.2
Liabilities held for sale		—	0.3	—	—
Deferred tax liabilities	5	43.8	—	—	—
Other payables	29	951.1	1,065.2	915.6	1,027.6
Loan capital	17	1,374.6	1,372.4	1,374.6	1,372.4
Total Liabilities		96,548.6	91,153.9	107,712.9	102,886.0
Net Assets		6,670.3	7,034.0	6,184.4	6,584.7
Equity					
Share capital	22	5,203.4	5,231.3	5,203.4	5,231.3
Reserves	23	138.7	40.7	167.0	73.0
Retained earnings	23	1,328.2	1,762.0	814.0	1,280.4
Total Equity		6,670.3	7,034.0	6,184.4	6,584.7

Primary Statements

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2025

	Group				
	Attributable to owners of Bendigo and Adelaide Bank Limited				
For the year ended 30 June 2025	**Issued ordinary capital [1] $m**	**Other issued capital [1] $m**	**Retained earnings [2] $m**	**Reserves [2] $m**	**Total equity $m**
Opening balance at 1 July 2024	5,233.2	(1.9)	1,762.0	40.7	7,034.0
Comprehensive income					
Loss for the year	—	—	(97.1)	—	(97.1)
Other comprehensive income	—	—	—	110.5	110.5
Total comprehensive income/(loss) for the year	—	—	(97.1)	110.5	13.4
Transactions with owners in their capacity as owners:					
Movement in treasury shares	(16.7)	—	—	—	(16.7)
Movement in executive share plans	(11.5)	—	—	—	(11.5)
Reduction in employee share ownership plan (ESOP) shares	—	0.3	—	—	0.3
Share-based payment	—	—	0.1	6.9	7.0
Transfer from reserves	—	—	19.4	(19.4)	—
Dividends paid on ordinary shares	—	—	(356.2)	—	(356.2)
Closing balance at 30 June 2025	5,205.0	(1.6)	1,328.2	138.7	6,670.3

	Group				
	Attributable to owners of Bendigo and Adelaide Bank Limited				
For the year ended 30 June 2024	**Issued ordinary capital [1] $m**	**Other issued capital [1] $m**	**Retained earnings [2] $m**	**Reserves [2] $m**	**Total equity $m**
Opening balance at 1 July 2023	5,242.9	(2.4)	1,567.3	42.9	6,850.7
Comprehensive income					
Profit for the year	—	—	545.0	—	545.0
Other comprehensive loss	—	—	—	(21.5)	(21.5)
Total comprehensive income for the year	—	—	545.0	(21.5)	523.5
Transactions with owners in their capacity as owners:					
Movement in treasury shares	(9.3)	—	—	—	(9.3)
Movement in executive share plans	(0.4)	—	—	—	(0.4)
Reduction in employee share ownership plan (ESOP) shares	—	0.5	—	—	0.5
Share-based payment	—	—	0.6	19.4	20.0
Transfer from reserves	—	—	0.1	(0.1)	—
Dividends paid on ordinary shares	—	—	(351.0)	—	(351.0)
Closing balance at 30 June 2024	5,233.2	(1.9)	1,762.0	40.7	7,034.0

1. Refer to Note 22 for further details.
2. Refer to Note 23 for further details.

Primary Statements

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2025

	Bank				
	Attributable to owners of Bendigo and Adelaide Bank Limited				
For the year ended 30 June 2025	**Issued ordinary capital [1] $m**	**Other issued capital [1] $m**	**Retained earnings [2] $m**	**Reserves [2] $m**	**Total equity $m**
Opening balance at 1 July 2024	5,233.2	(1.9)	1,280.4	73.0	6,584.7
Comprehensive income					
Loss for the year	—	—	(129.7)	—	(129.7)
Other comprehensive income	—	—	—	106.5	106.5
Total comprehensive income/(loss) for the year	—	—	(129.7)	106.5	(23.2)
Transactions with owners in their capacity as owners:					
Movement in treasury shares	(16.7)	—	—	—	(16.7)
Movement in executive share plans	(11.5)	—	—	—	(11.5)
Reduction in employee share ownership plan (ESOP) shares	—	0.3	—	—	0.3
Share-based payment	—	—	0.1	6.9	7.0
Transfer from reserves	—	—	19.4	(19.4)	—
Dividends paid on ordinary shares	—	—	(356.2)	—	(356.2)
Closing balance at 30 June 2025	5,205.0	(1.6)	814.0	167.0	6,184.4

	Bank				
	Attributable to owners of Bendigo and Adelaide Bank Limited				
For the year ended 30 June 2024	Issued ordinary capital [1] $m	Other issued capital [1] $m	Retained earnings [2] $m	Reserves [2] $m	Total equity $m
Opening balance at 1 July 2023	5,242.9	(2.4)	1,092.9	23.2	6,356.6
Opening balance restatement	—	—	0.5	—	0.5
Comprehensive income					
Profit for the year	—	—	537.3	—	537.3
Other comprehensive income	—	—	—	30.5	30.5
Total comprehensive income for the year	—	—	537.3	30.5	567.8
Transactions with owners in their capacity as owners:					
Movement in treasury shares	(9.3)	—	—	—	(9.3)
Movement in executive share plans	(0.4)	—	—	—	(0.4)
Reduction in employee share ownership plan (ESOP) shares	—	0.5	—	—	0.5
Share-based payment	—	—	0.6	19.4	20.0
Transfer from reserves	—	—	0.1	(0.1)	—
Dividends paid on ordinary shares	—	—	(351.0)	—	(351.0)
Closing balance at 30 June 2024	5,233.2	(1.9)	1,280.4	73.0	6,584.7

1. Refer to Note 22 for further details.
2. Refer to Note 23 for further details.

Primary Statements

CASH FLOW STATEMENTS

For the year ended 30 June 2025

	Note	Group June 2025 $m	Group June 2024 $m	Bank June 2025 $m	Bank June 2024 $m
Cash flows from operating activities					
Interest and other items of a similar nature received		4,780.9	4,462.5	4,405.0	4,137.2
Interest and other costs of finance paid		(3,229.1)	(2,652.7)	(2,985.1)	(2,419.0)
Receipts from customers (excluding effective interest)		234.4	250.9	259.1	251.7
Payments to suppliers and employees		(1,471.4)	(978.4)	(1,386.2)	(901.8)
Income taxes paid		(174.4)	(247.9)	(160.1)	(193.6)
Cash flows from operating activities before changes in operating assets and liabilities		140.4	834.4	132.7	874.5
(Increase)/decrease in operating assets					
Net increase in balance of loans and other receivables		(5,123.2)	(2,059.6)	(5,713.6)	(4,091.4)
Proceeds from other financial assets		5,795.3	554.2	7,600.4	3,033.2
Purchases of other financial assets		(4,592.1)	(4,369.4)	(5,600.4)	(5,439.7)
Increase/(decrease) in operating liabilities					
Net increase in balance of retail deposits		4,768.4	2,442.9	4,932.4	2,413.5
Net increase/(decrease) in balance of wholesale deposits		88.0	(767.3)	88.0	(767.3)
Proceeds from other financial liabilities		1,418.3	2,140.2	1,190.7	2,141.2
Repayments of other financial liabilities		(798.0)	(4,691.9)	(798.0)	(4,007.2)
Gross cash flows from/(used in) operating activities	31	1,697.1	(5,916.5)	1,832.2	(5,843.2)
Cash flows related to investing activities					
Cash paid for purchases of property, plant and equipment		(18.3)	(27.2)	(18.3)	(27.2)
Cash paid for purchases of investment property		—	(67.4)	—	—
Cash proceeds from sale of investment property		66.9	77.7	66.9	50.2
Cash proceeds from sale of equity investments		44.0	0.2	44.0	0.2
Cash proceeds from dividends from JV partners		3.1	4.5	21.8	56.3
Cash received from sale of Bendigo Superannuation		15.8	—	15.8	—
Cash paid for Homesafe portfolio		—	(39.9)	—	(39.9)
Net cash flows from/(used in) investing activities		111.5	(52.1)	130.2	39.6
Cash flows from financing activities					
Repayment of preference shares		—	(321.6)	—	(321.6)
Cash paid for purchases of treasury shares		(58.3)	(10.8)	(58.3)	(10.8)
Proceeds from issuance of capital notes		—	300.0	—	300.0
Payment of loan capital issue costs		—	(4.0)	—	(4.0)
Proceeds from issuance of subordinated debt		—	300.0	—	300.0
Repayment of subordinated debt		—	(275.0)	—	(275.0)
Equity dividends paid		(356.2)	(351.0)	(356.2)	(351.0)
Repayment of lease liabilities		(46.0)	(49.4)	(46.0)	(49.4)
Repayment from employees for ESOP shares		0.3	0.5	0.3	0.5
Net cash flows used in financing activities		(460.2)	(411.3)	(460.2)	(411.3)
Net increase/(decrease) in cash and cash equivalents		1,348.4	(6,379.9)	1,502.2	(6,214.9)
Cash and cash equivalents at the beginning of year		1,937.9	8,317.8	1,672.6	7,887.5
Cash and cash equivalents at the end of year	9	3,286.3	1,937.9	3,174.8	1,672.6

Notes to the financial statements

1. CORPORATE INFORMATION

The financial report of Bendigo and Adelaide Bank Limited ('the Bank') and its controlled entities ('the Group') for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the Board of Directors on 22 August 2025. The Directors have the power to amend and reissue the financial statements.

Bendigo and Adelaide Bank Limited is a company limited by shares incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange.

The domicile of Bendigo and Adelaide Bank Limited is Australia.

The registered office of the company is:
The Bendigo Centre, 22 – 44 Bath Lane Bendigo, Victoria, 3550, Australia.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Basis of preparation

The financial report of Bendigo and Adelaide Bank Limited:

- Is a general purpose financial report
- Has been prepared in accordance with Australian Accounting Standards along with interpretations issued by the Australian Accounting Standards Board (**AASB**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**)
- Has been prepared in accordance with the requirements of the *Corporations Act 2001*
- Has been prepared in accordance with the requirements for an authorised deposit-taking institution under the *Banking Act 1959* (as amended)
- Has been presented in Australian dollars, which is the functional presentation currency of the Bank and each of its subsidiaries, with all values rounded to the nearest hundred thousand dollars ($'00,000) in accordance with *ASIC Corporations (rounding in Financial/Directors' Reports) Instrument 2016-191*, unless otherwise stated
- Includes foreign currency transactions that are translated into the functional currency using exchange rates at the date of the transaction
- Where necessary, presents reclassified comparatives for consistency with current year disclosures.

Basis of measurement and presentation

The consolidated financial statements have been prepared on a historical cost basis except for the following material items that are measured at fair value in the Balance Sheet:

- Financial assets and liabilities at FVTPL
- Derivative financial instruments
- Debt and equity instruments measured FVOCI
- Investment property.

The Financial Report presents assets and liabilities on the face of the Balance Sheets in decreasing order of liquidity.

Notes to the financial statements

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Material accounting judgements, estimates and assumptions

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, revenues, expenses and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis.

Further information on the judgements, estimates and assumptions that are considered material to the financial statements have been included within the following notes:

- Note 11 – Impairment of loans and advances;
- Note 25 – Investment property; and
- Note 26 – Goodwill and other intangible assets

Events subsequent to reporting date

No matters or circumstances have arisen since the end of the full year to the date of this report which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

Changes in accounting policies

New and amended standards and interpretations

A number of new and amended standards and interpretations issued by the AASB and the IASB became effective for the financial year ended 30 June 2025.

These did not result in material changes to the Group's accounting policies.

Recently issued or amended standards not yet effective

A number of new standards, amendments to standards and interpretations have been published but are not mandatory for the financial statements for the year ended 30 June 2025. These have not been applied by the Group in preparing these financial statements. Unless otherwise indicated below, these are not expected to have a material impact on the Group's financial statements.

AASB 18 *Presentation and Disclosure in Financial Statements*

AASB 18 *Presentation and Disclosure in Financial Statements* was issued in June 2024 and will be effective for the Group on 1 July 2027. AASB 18 replaces AASB 101 *Presentation of Financial Statements* as the standard describing financial statements and setting out requirements for the presentation and disclosure of information in financial statements. Amongst other changes, it introduces the concept of the 'management-defined performance measures' to financial statements and requires the classification of transactions presented within the statement of profit or loss within one of five categories – operating, investing, financing, income taxes, and discontinued operations. Although the new Standard is not expected to have a material impact on the recognition or measurement policies of the Group, it is expected to have an impact on how the Group presents and discloses financial performance in its financial statements.

Financial performance

3 INCOME

	Note	Group June 2025 $m	Group June 2024 $m	Bank June 2025 $m	Bank June 2024 $m
Interest income					
Effective interest income					
Cash and cash equivalents		63.7	203.2	44.3	178.2
Assets held at FVOCI		444.8	397.1	834.4	901.8
Assets held at amortised cost		29.5	33.5	246.9	192.0
Reverse repurchase agreements		81.0	87.3	81.0	87.3
Loans and other receivables		4,369.9	4,013.5	3,629.7	3,241.1
Other interest income					
Assets held at FVTPL		—	4.1	—	4.1
Total interest income		4,988.9	4,738.7	4,836.3	4,604.5
Interest expense					
Deposits		(2,736.3)	(2,573.6)	(2,736.4)	(2,573.7)
Wholesale borrowings					
• Wholesale borrowings – domestic		(334.6)	(258.7)	(334.6)	(258.7)
• Wholesale borrowings – overseas		(68.6)	(36.1)	(68.6)	(36.1)
• Notes payable		(113.9)	(139.2)	—	—
• Repurchase agreements		(0.9)	(3.1)	(0.9)	(3.1)
Lease liability		(2.6)	(3.3)	(2.6)	(3.3)
Loan capital		(84.1)	(88.6)	(84.1)	(88.5)
Total interest expense		(3,341.0)	(3,102.6)	(3,227.2)	(2,963.4)
Total net interest income		1,647.9	1,636.1	1,609.1	1,641.1
Other revenue					
Fee income					
Assets		61.7	63.1	51.6	52.7
Liabilities and other products		53.2	62.7	53.0	62.5
Trustee, management and other services		5.9	5.3	2.3	1.5
Total fee income		120.8	131.1	106.9	116.7
Commissions and management fees		65.5	62.4	17.7	16.7
Total revenue from contracts with customers		186.3	193.5	124.6	133.4
Other income					
Foreign exchange income		27.4	28.4	27.4	28.4
Homesafe revaluation gain	25	39.2	162.4	39.2	72.1
Dividend income		1.7	1.5	21.7	54.0
Other		37.2	11.4	35.0	9.1
Total other income		105.5	203.7	123.3	163.6
Total other revenue		291.8	397.2	247.9	297.0
Total income		1,939.7	2,033.3	1,857.0	1,938.1

Financial performance

3 INCOME continued

Recognition and measurement

Interest income or expense on financial instruments that are recognised at amortised cost or fair value through other comprehensive income are measured using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial instrument. Calculation of the effective interest rate takes into account fees receivable (i.e. origination and application fees) or payable that are an integral part of the instrument's yield, premiums or discounts on acquisition or issue, early redemption fees and transaction costs. All contractual terms of a financial instrument are considered when estimating future cash flows. Where the Group acts as a lessee, and a lease liability has been recognised, the interest expense associated with the lease liability is recognised as interest expense.

Fees, commissions and management fees are earned by the Group from a diverse range of financial services provided to customers. Fees, commissions and management fees are recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for providing the services. The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract. When the Group provides a service to its customers, consideration is invoiced and generally due immediately upon satisfaction of a service provided at a point in time or over the contract period for a service provided over time.

Dividend income is recognised by the Group when the right to receive a payment is established.

Homesafe revaluation gain reflects the gains arising from changes in the fair value of investment property and are recognised in the year in which they arise. Refer to Note 25 for further information.

Financial performance

4 OPERATING EXPENSES

	Note	Group June 2025 $m	Group June 2024 $m	Bank June 2025 $m	Bank June 2024 $m
Staff and related costs					
Salaries, wages and incentives		693.8	595.5	680.9	580.9
Superannuation contributions		65.6	58.7	64.0	57.1
Other staff-related costs		45.3	40.3	44.3	39.2
Total staff and related costs		804.7	694.5	789.2	677.2
Occupancy costs					
Operating lease rentals		4.9	4.7	4.9	4.7
Depreciation of leasehold improvements		8.1	9.3	8.1	9.3
Depreciation of Right of Use Assets (ROUA)	27	36.1	38.0	36.1	38.0
Other occupancy costs		21.6	20.6	21.6	20.6
Total occupancy costs		70.7	72.6	70.7	72.6
Amortisation and depreciation					
Amortisation of acquired intangibles	26	5.0	5.1	5.0	5.0
Amortisation of software intangibles	26	54.6	41.8	54.6	41.8
Depreciation of plant and equipment		16.7	17.6	16.7	17.6
Total amortisation and depreciation costs		76.3	64.5	76.3	64.4
Fees and commission expense		13.0	16.7	5.1	4.3
Impairment of goodwill	26	539.5	—	539.5	—
Other operating expenses					
Communications, postage and stationery		28.7	29.4	28.6	29.3
Computer systems and software costs		139.0	122.2	137.6	120.9
Advertising and promotion		23.3	24.0	23.2	23.8
Other product and services delivery costs		16.6	15.7	16.6	15.7
Consultancy fees		79.0	77.4	78.9	76.2
Non-credit losses		10.8	14.2	10.8	14.2
Insurance costs		7.9	9.0	7.9	9.0
Legal expenses		5.0	7.1	4.8	5.0
Remediation expenses		6.3	21.2	6.3	21.2
Other expenses		28.3	57.7	26.5	59.2
Total other operating expenses		344.9	377.9	341.2	374.5
Total operating expenses		1,849.1	1,226.2	1,822.0	1,193.0

Financial performance

4 OPERATING EXPENSES continued

Recognition and measurement

Operating expenses are recognised as the relevant service is rendered, or once a liability is incurred.

Staff and related costs are recognised over the period in which the employees provide service.

Refer to Note 30 for more information relating to provisions for employee entitlements.

Incentive payments are recognised to the extent that the Group has a present obligation. Refer to Note 36 for further information on share-based payments.

Superannuation contributions are made to an employee accumulation fund and are expensed when they become payable.

Occupancy costs include operating lease expenses relating to low value assets and short-term leases, being leases with a term of 12 months or less, in addition to depreciation expenses associated with operating leases on properties which are recognised as Right of Use Assets (**ROUA**).

Amortisation and impairment of intangibles

Refer to Note 26 for information on the amortisation of intangibles.

Depreciation of Property, Plant and Equipment includes depreciation expenses associated with operating leases (excluding property leases), which are recognised as ROUA. Refer to Note 27 for further information on the depreciation of leased assets.

Goods and services tax (**GST**)

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from or payable to the taxation authority is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST component of cash flows arising from investing and financing activities, which are recoverable from or payable to the taxation authority, are classified as operating cash flows.

Financial performance

5 INCOME TAX EXPENSE

Major components of income tax expense are:

Income Statement	Group June 2025 $m	Group June 2024 $m	Bank June 2025 $m	Bank June 2024 $m
Current income tax				
Current income tax charge	(186.9)	(198.6)	(155.3)	(179.8)
Franking credits	0.7	1.5	0.7	1.5
Adjustments in respect of current income tax of previous years	5.6	6.9	6.2	5.6
Deferred income tax				
Adjustments in respect of deferred income tax of previous years	(0.6)	(4.9)	(1.2)	(3.7)
Relating to origination and reversal of temporary differences	(21.2)	(57.1)	(30.1)	(53.3)
Income tax expense reported in the Income Statement	(202.4)	(252.2)	(179.7)	(229.7)

Statement of changes in equity	$m	$m	$m	$m
Deferred income tax related to items charged or credited directly in equity				
Net gain on cash flow hedges	(10.0)	(1.6)	(10.0)	(1.6)
Net (gain)/loss on financial assets at FVOCI	(29.0)	10.8	(27.2)	(11.5)
Income tax (charged)/credited in equity	(39.0)	9.2	(37.2)	(13.1)

A reconciliation between income tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:

	$m	$m	$m	$m
Accounting profit before income tax	105.3	797.2	50.0	767.0
Income tax expense comprises amounts set aside as:				
Provision attributable to current year at statutory rate, being:				
Prima facie tax on accounting profit before tax	(31.6)	(239.2)	(15.0)	(230.1)
Over provision in prior years	5.0	2.0	5.0	1.9
Expenditure not allowable for income tax purposes	(13.7)	(14.5)	(13.6)	(16.8)
Impairment charges – Goodwill	(161.9)	—	(161.9)	—
Dividends received	—	—	6.0	15.8
Other	(0.2)	(0.5)	(0.2)	(0.5)
Income tax expense reported in the Income Statement	(202.4)	(252.2)	(179.7)	(229.7)

Financial performance

5 INCOME TAX EXPENSE continued

Deferred income tax

Deferred income tax at 30 June relates to the following:

	Group		Bank	
Gross deferred tax assets	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Derivatives	36.0	33.2	36.0	33.2
Employee benefits	24.7	25.2	16.0	16.2
Provisions	90.7	93.4	90.5	93.3
Lease liability	23.0	26.4	23.0	26.4
Financial assets at FVOCI	6.6	35.3	—	21.8
Other	23.3	24.4	23.3	24.8
Gross deferred tax assets	204.3	237.9	188.8	215.7
Set-off of deferred tax assets and deferred tax liabilities	(204.3)	(220.1)	(124.8)	(82.3)
Net deferred tax assets	—	17.8	64.0	133.4

	Group		Bank	
Gross deferred tax liabilities	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Derivatives	54.8	29.7	54.8	29.7
Intangible assets	25.2	10.5	25.2	10.5
Investment property	159.0	158.6	30.4	20.8
Other	9.1	21.3	14.4	21.3
Gross deferred tax liability	248.1	220.1	124.8	82.3
Set-off of deferred tax assets and deferred tax liabilities	(204.3)	(220.1)	(124.8)	(82.3)
Net deferred tax liabilities	43.8	—	—	—

Income tax payable	$m	$m	$m	$m
Tax refundable attributable to members of the tax consolidated group	10.8	16.5	10.8	16.5
	10.8	16.5	10.8	16.5

As at 30 June 2025, there is no unrecognised deferred income tax liability (June 2024: Nil) for taxes that would be payable on the unremitted earnings of certain subsidiaries or joint ventures of the Group, as the Group has no liability for additional taxation should such amounts be remitted.

Financial performance

5 INCOME TAX EXPENSE continued

Recognition and measurement

Current taxes

The income tax for the period is the tax payable on the current period's taxable income based on the national income tax rate, adjusted for changes in deferred tax assets and liabilities and unused tax losses.

Deferred taxes

The Group has adopted the Balance Sheet liability method of tax effect accounting, which focuses on the tax effects of transactions and other events that affect amounts recognised in either the Balance Sheet or a tax-based Balance Sheet.

Deferred tax assets and liabilities are recognised for temporary differences, except where the deferred tax asset/liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

For amounts directly recognised in equity, the associated current and deferred tax balances are also recognised directly in equity.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred tax balances are reviewed annually to determine whether they should be recognised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

Tax consolidation

Bendigo and Adelaide Bank Limited and its 100% owned subsidiaries form the tax consolidated Group. Members of the Group entered into a tax sharing agreement to allocate income tax liabilities to the wholly-owned subsidiaries should the head entity default on its tax payment obligations. At the balance date, the possibility of default is remote. The head entity of the tax consolidated Group is Bendigo and Adelaide Bank Limited.

Members of the tax consolidated Group have entered into a tax funding agreement. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated Group on a group allocation method based on a notional stand alone calculation, while deferred taxes are calculated by members of the tax consolidated Group in accordance with AASB 112 *Income Taxes*.

International Tax Reform – Pillar Two Model Rules

In September 2023, the Australian Accounting Standards Board issued International Tax Reform – Pillar Two Model Rules – Amendments to AASB 112 which clarify that AASB 112 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements Qualified Domestic Minimum Top-up Taxes. The Group has adopted these amendments. However, they are not applicable for the current reporting year as the Group does not have at least one entity or permanent establishment in a jurisdiction that is not the jurisdiction of the ultimate parent entity.

Financial performance

6 SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses. Segment reporting reflects the information that is used by the Managing Director for the purposes of resource allocation and performance assessment, hence it is consistent with the internal reporting provided to the Managing Director and the Executive Team.

Changes to the management structure of the Group can cause the Group's operating segments to change. Where this occurs, prior period segment results are restated.

In September 2024, the Group announced several structural and Executive changes including:

- The establishment of the Brand, Marketing and Communications Division and the appointment of Sarah Bateson as the Chief Marketing Officer; and
- The appointment of Xavier Shay as the Group's Chief Digital Officer. Xavier has oversight of the Bank's digital capabilities and will be responsible for driving greater penetration of our digital offerings across the Bendigo and Up brands.

The Bendigo digital team has been re-segmented to form part of the Consumer segment (formerly, Corporate). The Brand, Marketing and Communications Division is now reported as part of Corporate (formerly, Consumer), and the Cards and Payments Division is now reported as part of Consumer (formerly, Corporate).

The Group's reportable segments are as follows:

Consumer

The Consumer division focuses on engaging with and servicing our consumer customers and includes the branch network (including Community Banks), Up digital bank, mobile relationship managers, third party banking channels, wealth services, cards and payments, Homesafe and customer support functions.

Business and Agribusiness

The Business and Agribusiness segment focuses on servicing business customers and includes Business Banking, Portfolio Funding, and Agribusiness which encompasses all banking services provided to our agribusiness and farming customers.

Corporate

Corporate includes the results of the Group's support functions including treasury, technology, property services, strategy, finance, risk, compliance, legal, human resources, and investor relations.

Accounting policies and inter-segment transactions

Measurement of segmental assets, liabilities, income and expenses is in accordance with the Group's accounting policies. Segment results are determined by including all revenue and expenses associated with each business. Transactions between business segments are conducted at arm's length, and are eliminated on consolidation.

Segment net interest income is recognised based on an internally set funds transfer pricing policy, based on pre-determined market rates of return on the assets and liabilities of the segment.

Major customers

No individual customer revenues amount to greater than 10% of the Group's revenue.

Geographic information

The allocation of revenue and assets is based on the geographic location of the customer. The Group operates in all Australian states and territories, providing banking and other financial services.

Financial performance

6 SEGMENT REPORTING continued

	30 June 2025			
	Consumer $m	Business and Agribusiness $m	Corporate $m	Total $m
Net interest income	962.5	638.8	77.5	1,678.8
Other income	204.8	59.9	3.1	267.8
Total segment income	1,167.3	698.7	80.6	1,946.6
Staff and related costs	(251.7)	(109.3)	(291.0)	(652.0)
Operating expenses	(133.2)	(58.7)	(244.5)	(436.4)
Investment spend	(3.4)	—	(117.6)	(121.0)
Credit (expenses)/reversals	(0.3)	6.3	8.7	14.7
Total segment expenses	(388.6)	(161.7)	(644.4)	(1,194.7)
Net profit/(loss) before income tax expense (cash basis)	778.7	537.0	(563.8)	751.9
Income tax (expense)/benefit	(246.8)	(168.5)	178.0	(237.3)
Net profit/(loss) after income tax expense (cash basis)	531.9	368.5	(385.8)	514.6
Non-cash net interest income items	(21.6)	—	—	(21.6)
Non-cash other income items	10.5	(0.2)	9.2	19.5
Non-cash operating expense items	(544.8)	(0.4)	(64.4)	(609.6)
Net (loss)/profit after income tax expense (statutory basis)	(24.0)	367.9	(441.0)	(97.1)
Balance Sheet	$m	$m	$m	$m
Reportable segment assets	66,188.3	21,183.3	15,847.3	103,218.9
Reportable segment liabilities	49,383.8	21,511.5	25,653.3	96,548.6

	30 June 2024			
	Consumer $m	Business and Agribusiness $m	Corporate $m	Total $m
Net interest income	937.3	687.0	41.9	1,666.2
Other income	218.4	67.2	2.4	288.0
Total segment income	1,155.7	754.2	44.3	1,954.2
Staff and related costs	(247.0)	(101.5)	(251.6)	(600.1)
Operating expenses	(120.9)	(61.2)	(246.0)	(428.1)
Investment spend	—	—	(94.6)	(94.6)
Credit (expenses)/reversals	(10.1)	9.3	(9.1)	(9.9)
Total segment expenses	(378.0)	(153.4)	(601.3)	(1,132.7)
Net profit/(loss) before income tax expense (cash basis)	777.7	600.8	(557.0)	821.5
Income tax (expense)/benefit	(247.2)	(190.0)	177.7	(259.5)
Net profit/(loss) after income tax expense (cash basis)	530.5	410.8	(379.3)	562.0
Non-cash net interest income items	(21.1)	—	—	(21.1)
Non-cash other income items	79.9	(0.1)	(3.3)	76.5
Non-cash operating expense items	(9.1)	(0.6)	(62.7)	(72.4)
Net profit/(loss) after income tax expense (statutory basis)	580.2	410.1	(445.3)	545.0
Balance Sheet	$m	$m	$m	$m
Reportable segment assets	61,642.5	20,583.8	15,961.6	98,187.9
Reportable segment liabilities	44,856.6	21,522.2	24,775.1	91,153.9

Financial performance

7 EARNINGS PER ORDINARY SHARE

(Loss)/earnings per ordinary share	Group June 2025 cents	Group June 2024 cents
Basic	(17.2)	96.3
Diluted	(17.2)	87.3

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings/(loss) per share (EPS) are as follows:

Reconciliation of (loss)/earnings used in calculation of earnings per ordinary share	June 2025 $m	June 2024 $m
Net (loss)/profit after tax	(97.1)	545.0
Total statutory (loss)/earnings	(97.1)	545.0
(Loss)/earnings used in calculating statutory earnings per ordinary share	(97.1)	545.0
Add back: dividends accrued and/or paid on dilutive loan capital instruments [1]	–	33.4
Total diluted (loss)/earnings	(97.1)	578.4

Reconciliation of weighted average number of ordinary shares (WANOS) used in earnings/(loss) per share calculations	June 2025 No. of shares	June 2024 No. of shares
WANOS used in the calculation of basic earnings per share	565,647,846	565,818,752
Effect of dilutive instruments – executive share plans and convertible loan capital instruments [1]	–	97,093,818
WANOS used in the calculation of diluted earnings/(loss) per share	565,647,846	662,912,570

1. For the year ended 30 June 2025, the weighted average number of shares used in the basic and diluted Earnings Per Share calculation is the same, as the effect of share rights and loan capital instruments are anti-dilutive and therefore excluded from the dilutive calculation in accordance with the requirements of AASB 133 *Earnings Per Share.*

Recognition and measurement

Basic EPS is calculated as net profit/(loss) after tax attributable to ordinary shareholders, divided by the weighted average number of ordinary shares outstanding during the year excluding treasury shares held.

Diluted EPS is calculated as net profit/(loss) after tax attributable to ordinary shareholders, adjusted for the effect of dividends on dilutive loan capital instruments, divided by the weighted average number of ordinary shares outstanding during the year adjusted for the effects of potentially dilutive ordinary shares, including loan capital instruments and shares issuable as part of Group's share-based payment plans.

Where these instruments are considered anti-dilutive, these are excluded from the dilutive earnings per share calculation.

Financial performance

8 DIVIDENDS

Ordinary shares (ASX:BEN)

Group						Bank					
Date paid	Cents per share ¢	Total amount $m	Date paid	Cents per share ¢	Total amount $m	Date paid	Cents per share ¢	Total amount $m	Date paid	Cents per share ¢	Total amount $m
June 2024 final dividend			June 2023 final dividend			**June 2024 final dividend**			June 2023 final dividend		
Sep 2024	33.0	186.5	Sep 2023	32.0	181.1	Sep 2024	33.0	186.5	Sep 2023	32.0	181.1
December 24 interim dividend			December 23 interim dividend			**December 24 interim dividend**			December 23 interim dividend		
Mar 2025	30.0	169.7	Mar 2024	30.0	169.9	Mar 2025	30.0	169.7	Mar 2024	30.0	169.9
	63.0	356.2		62.0	351.0		63.0	356.2		62.0	351.0

All dividends paid were fully franked at 30% either from existing franking credits or from franking credits arising from payment of income tax provided for in the financial statements for the year ended 30 June 2025.

Final dividend June 2025

Dividends determined by the Board of Directors after the reporting date, and not recognised as a liability:

Group			Bank		
Date payable	¢	$m	Date payable	¢	$m
Sep 2025	33.0	186.1	Sep 2025	33.0	186.1

Financial performance

8 DIVIDENDS continued

Preference shares and Capital notes

Group						Bank					
June 2025			June 2024			June 2025			June 2024		
Date paid	Cents per share ¢	Total amount $m	Date paid	Cents per share ¢	Total amount $m	Date paid	Cents per share ¢	Total amount $m	Date paid	Cents per share ¢	Total amount $m
Converting preference shares (CPS4) (recorded as debt instruments) (ASX: BENPG)[1]											
			Sep 2023	140.56	4.5				Sep 2023	140.56	4.5
			Dec 2023	137.28	4.4				Dec 2023	137.28	4.4
			Mar 2024	160.15	5.2				Mar 2024	160.15	5.2
			Jun 2024	124.24	1.7				Jun 2024	124.24	1.7
				562.23	15.8					562.23	15.8
Capital notes (recorded as debt instruments) (ASX: BENPH)[2]											
Sep 2024	142.60	7.2	Sep 2023	141.79	7.1	Sep 2024	142.60	7.2	Sep 2023	141.79	7.1
Dec 2024	143.39	7.2	Dec 2023	138.35	7.0	Dec 2024	143.39	7.2	Dec 2023	138.35	7.0
Mar 2025	144.15	7.2	Mar 2024	142.23	7.1	Mar 2025	144.15	7.2	Mar 2024	142.23	7.1
Jun 2025	138.11	6.9	Jun 2024	146.83	7.4	Jun 2025	138.11	6.9	Jun 2024	146.83	7.4
	568.25	28.5		569.20	28.6		568.25	28.5		569.20	28.6
Capital notes (recorded as debt instruments) (ASX: BENPI)[3]											
Sep 2024	133.49	4.0	Jun 2024	115.89	3.5	Sep 2024	133.49	4.0	Jun 2024	115.89	3.5
Dec 2024	133.06	4.0				Dec 2024	133.06	4.0			
Mar 2025	132.22	4.0				Mar 2025	132.22	4.0			
Jun 2025	129.13	3.9				Jun 2025	129.13	3.9			
	527.90	15.9		115.89	3.5		527.90	15.9		115.89	3.5

1. Converting preference shares (CPS 4, ASX:BENPG) were issued in December 2017 and redeemed in June 2024.
2. Capital notes (ASX: BENPH) were issued in November 2020.
3. Capital notes (ASX: BENPI) were issued in March 2024.

Financial performance

8 DIVIDENDS continued

Dividend franking account

The franking credits available to the Group as at 30 June 2025, after allowing for income tax payable in respect of the current and prior reporting period's profit, are estimated to be $791.9 million (30 June 2024: $784.3 million).

Ordinary share dividends paid

Dividends paid by cash or satisfied by the issue of shares under the DRP during the year were as follows:

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Dividend paid – cash component [1]	312.4	306.2	312.4	306.2
Dividend paid – Dividend Reinvestment Plan [2]	43.8	44.8	43.8	44.8
Total dividends paid	356.2	351.0	356.2	351.0

1. Refers to cash paid directly to shareholders.
2. Refers to cash paid to acquire shares on-market to satisfy shareholders who have elected to receive shares under the Dividend Reinvestment Plan.

Dividend Reinvestment Plan

The DRP provides shareholders with the opportunity to receive their entitlement to a dividend in shares.

The issue price of the shares is equal to the volume weighted average share price of Bendigo and Adelaide Bank shares traded on the Australian Securities Exchange over the ten trading days commencing 9 September 2025. Shares issued under this Plan rank equally with all other ordinary shares.

The last date for the receipt of an election notice for participation in the DRP for the 2025 final dividend is 4 September 2025.

Financial instruments

Initial recognition and measurement

Financial assets and liabilities are initially recognised on the date on which the Group becomes a party to the contractual provisions of the instrument, or, in the case of loans and advances, when funds are transferred to the customer's account.

At initial recognition, the Group measures a financial instrument at its fair value plus or minus transaction costs that are incremental and directly attributable to the acquisition or issue of the financial instrument, such as fees and commissions. Transaction costs of financial instruments carried at FVTPL are expensed in profit or loss.

Classification of financial assets

Subsequent to initial recognition, the measurement of the Group's financial assets is dependent on the business model in which it is managed and the contractual cash flow characteristics. There are four measurement classifications, being:

- Amortised cost
- FVOCI with recycling
- FVOCI without recycling
- FVTPL

The Group measures financial assets at amortised cost if the financial asset is held within a business model with the objective of holding financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (**SPPI**) on the principal amount outstanding, unless the financial asset has been designated as FVTPL. The details of these conditions are outlined below.

Financial assets with contractual terms that meet the SPPI test and that are held within a business model where the objective is to both collect contractual cash flows and sell the financial assets are measured at FVOCI with subsequent reclassification to the Income Statement, unless the financial asset has been designated as FVTPL. Non-traded equity instruments have been designated at FVOCI with no subsequent reclassification to the Income Statement. All other assets are measured at FVTPL.

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objectives.

While judgement is used in determining the business model, consideration is given to relevant, objective evidence including:

- The business purpose of the portfolio;
- The risks that affect the performance and the way those risks are managed;
- The basis on which the performance of the portfolio is evaluated; and
- The frequency and significance of sales activity.

If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test

The Group assesses financial assets to evaluate if their contractual cash flows are comprised of the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). 'Interest' for the purpose of this test is defined as the consideration for the time value of money and credit risk, which are the most significant elements of interest within a lending arrangement. Principal amounts include repayments of lending and financing arrangements, and interest primarily relates to basic lending returns, including compensation for credit risk and the time value of money associated with the principal amount outstanding. In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding.

Financial instruments

9 CASH AND CASH EQUIVALENTS

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Notes and coins	128.7	117.6	128.7	117.6
Cash at bank	778.0	1,479.0	666.5	1,213.7
Reverse repurchase agreements	2,493.9	367.9	2,493.9	367.9
Total cash and cash equivalents	3,400.6	1,964.5	3,289.1	1,699.2

Reconciliation of cash and cash equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents includes:

	$m	$m	$m	$m
Cash and cash equivalents	3,400.6	1,964.5	3,289.1	1,699.2
Due from other financial institutions	167.0	282.9	167.0	282.9
Due to other financial institutions	(281.3)	(309.5)	(281.3)	(309.5)
	3,286.3	1,937.9	3,174.8	1,672.6

Recognition and measurement

Cash and cash equivalents include notes and coins at branches, unrestricted balances held with other financial institutions, reverse repurchase agreements and highly liquid financial assets with original maturities of three months or less and are subject to an insignificant risk of changes in their fair value. These assets are generally used by the Group in managing its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the Balance Sheet.

Cash at bank earns interest at variable rates based on daily bank and short-term deposit rates. Interest is recognised in the Income Statement using the effective interest method.

Financial instruments

10 LOANS AND OTHER RECEIVABLES

	Note	Group June 2025 $m	Group June 2024 $m	Bank June 2025 $m	Bank June 2024 $m
Overdrafts		1,886.8	941.6	1,886.7	941.5
Credit cards		308.6	315.6	308.6	315.6
Term loans		81,112.0	77,004.0	81,112.0	77,004.1
Margin lending		1,574.6	1,710.9	—	—
Lease receivables		735.4	713.8	735.4	713.7
Other		306.8	115.2	306.8	115.2
Gross loans and other receivables		85,924.2	80,801.1	84,349.5	79,090.1
Individually assessed provision	11	(31.3)	(39.6)	(31.3)	(39.6)
Collectively assessed provision	11	(235.6)	(246.4)	(235.1)	(246.0)
Unearned income		(111.8)	(105.8)	(111.8)	(105.8)
Total provisions and unearned income		(378.7)	(391.8)	(378.2)	(391.4)
Deferred costs paid		162.9	158.3	156.6	143.4
Net loans and other receivables		85,708.4	80,567.6	84,127.9	78,842.1

Maturity analysis [1]	Group $m	Group $m	Bank $m	Bank $m
At call/overdrafts	3,772.4	3,993.4	2,197.8	2,282.5
Not longer than 3 months	1,125.8	759.1	1,125.8	759.1
Longer than 3 and not longer than 12 months	2,607.8	3,694.1	2,607.8	3,694.1
Longer than 1 and not longer than 5 years	10,693.8	9,702.8	10,693.8	9,702.8
Longer than 5 years	67,724.4	62,651.7	67,724.3	62,651.6
Gross loans and other receivables	85,924.2	80,801.1	84,349.5	79,090.1

1. Balances exclude individually assessed and collectively assessed provisions, unearned revenue, and deferred costs and are categorised by the contracted maturity date of each loan facility.

Recognition and measurement

Loans and other receivables are debt instruments recognised initially at fair value, which represent the cash advanced to the borrower plus direct and incremental transaction costs on settlement date, when funding is advanced to the customer. Loans are subsequently measured in accordance with the Group's Classification of financial assets policy. Most loans are carried at amortised cost, which represents the gross carrying amount less allowances for credit losses. Interest on loans is recognised using the effective interest method. The estimated future cash flows used in the calculation of the effective interest rate include those determined by the contractual term of the asset, and includes all fees, transaction costs and all other premiums or discounts.

For loans carried at amortised cost, impairment losses are recognised in accordance with the three-stage expected credit loss (**ECL**) impairment model outlined in Note 11.

Finance leases, where the Group acts as lessor, are included in loans and other receivables. Finance leases are those where substantially all the risks and rewards of ownership of the asset have been transferred to the lessee. Lease receivables are recognised at an amount equal to the net investment in the lease.

Unearned income on the Group's personal lending and leasing portfolios is brought to account over the life of the contracts on an actuarial basis.

Financial instruments

11 IMPAIRMENT OF LOANS AND ADVANCES

	Group		Bank	
Credit expenses	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Individually assessed provision	(3.5)	1.9	(3.8)	(30.6)
Collectively assessed provision	(11.0)	9.1	(10.9)	9.8
Bad debts written off	1.8	2.4	1.7	2.3
Bad debts recovered	(2.0)	(3.5)	(2.0)	(3.4)
Total credit (reversals)/expenses	(14.7)	9.9	(15.0)	(21.9)
Summary of impaired financial assets	$m	$m	$m	$m
Impaired loans				
Loans – without individually assessed provisions	10.5	8.7	10.5	8.7
Loans – with individually assessed provisions	42.8	57.9	42.8	57.9
Restructured loans	76.2	69.1	76.2	69.1
Gross impaired loans	129.5	135.7	129.5	135.7
Less: individually assessed provisions	(31.3)	(38.5)	(31.3)	(38.5)
Net impaired loans	98.2	97.2	98.2	97.2
Portfolio facilities – past due 90 days, not well secured	—	2.2	—	2.2
Less: individually assessed provisions	—	(1.1)	—	(1.1)
Net portfolio facilities	—	1.1	—	1.1
Loans past due 90 days	$m	$m	$m	$m
Accruing loans past due 90 days, with adequate security balance	296.1	273.4	296.1	273.4
Net fair value of properties acquired through the enforcement of security	27.0	13.4	27.0	13.4
Ratios	%	%	%	%
Net impaired loans to gross loans	0.11	0.12	0.12	0.12
Total impaired loans to gross loans	0.15	0.17	0.15	0.17
Total impaired loans to total assets	0.13	0.14	0.11	0.12

Recognition and measurement

A facility is classified as impaired regardless of whether it is 90 days or more past due (arrears) when there is doubt as to whether the full amounts due (interest and principal) will be received in a timely manner. This is the case even if the full extent of the loss cannot be clearly determined.

Impairment losses that are calculated on individual loans, or on groups of loans assessed collectively, are recorded in the Income Statement.

Impairment losses are calculated by discounting the expected future cash flows of a loan, which includes expected future receipts of contractual interest, at the loan's original effective interest rate, and comparing the resultant present value with the loan's current carrying amount.

Financial instruments

11 IMPAIRMENT OF LOANS AND ADVANCES continued

	Group					
	Stage 1	Stage 2	Stage 3			
Movements in provisions and reserves	12 month ECL $m	Lifetime ECL $m	Collectively assessed – Lifetime ECL $m	Individually assessed – Lifetime ECL $m	Equity reserve for credit losses $m	Total $m
Balance as at 1 July 2024	116.3	92.5	37.6	39.6	95.2	381.2
Transfers to/(from) during the year:						
Stage 1	1.6	(1.5)	(0.1)	–	–	–
Stage 2	(19.9)	20.7	(0.8)	–	–	–
Stage 3	(14.9)	(11.8)	26.7	–	–	–
Transfer from collectively assessed to individually assessed provision	–	(0.2)	(2.4)	2.6	–	–
New/increased provisions	17.0	3.7	1.2	–	–	21.9
Write-back of provisions no longer required	(9.3)	(10.0)	(9.5)	(6.3)	–	(35.1)
Change in balances	18.4	(11.4)	(8.3)	–	–	(1.3)
Bad debts written off previously provided for	–	–	–	(4.6)	–	(4.6)
Total provision for doubtful debts as at 30 June 2025	109.2	82.0	44.4	31.3	95.2	362.1

	$m	$m	$m	$m	$m	$m
Balance as at 1 July 2023	115.2	75.3	48.0	47.8	95.2	381.5
Transfers to/(from) during the year:						
Stage 1	1.7	(1.6)	(0.1)	–	–	–
Stage 2	(23.9)	24.6	(0.7)	–	–	–
Stage 3	(8.0)	(9.3)	17.3	–	–	–
Transfer from collectively assessed to individually assessed provision	–	(0.4)	(4.0)	4.4	–	–
New/increased provisions	21.1	3.5	2.5	–	–	27.1
Write-back of provisions no longer required	(9.5)	(11.0)	(15.4)	(2.5)	–	(38.4)
Change in balances	19.7	11.4	(10.0)	–	–	21.1
Bad debts written off previously provided for	–	–	–	(10.1)	–	(10.1)
Total provision for doubtful debts as at 30 June 2024	116.3	92.5	37.6	39.6	95.2	381.2

Financial instruments

11 IMPAIRMENT OF LOANS AND ADVANCES continued

	Bank					
	Stage 1	Stage 2	Stage 3			
Movements in provisions and reserves	12 month ECL $m	Lifetime ECL $m	Collectively assessed – Lifetime ECL $m	Individually assessed – Lifetime ECL $m	Equity reserve for credit losses $m	Total $m
Balance as at 1 July 2024	116.0	92.5	37.5	39.6	95.2	380.8
Transfers to/(from) during the year:						
Stage 1	1.5	(1.5)	–	–	–	–
Stage 2	(19.9)	20.7	(0.8)	–	–	–
Stage 3	(14.9)	(11.8)	26.7	–	–	–
Transfer from collectively assessed to individually assessed provision	–	(0.2)	(2.4)	2.6	–	–
New/increased provisions	17.0	3.7	1.2	–	–	21.9
Write-back of provisions no longer required	(9.3)	(10.0)	(9.5)	(6.3)	–	(35.1)
Change in balances	18.3	(11.4)	(8.3)	–	–	(1.4)
Bad debts written off previously provided for	–	–	–	(4.6)	–	(4.6)
Total provision for doubtful debts as at 30 June 2025	108.7	82.0	44.4	31.3	95.2	361.6

	$m	$m	$m	$m	$m	$m
Balance as at 1 July 2023	114.1	75.3	48.0	80.2	95.2	412.8
Transfers to/(from) during the year:						
Stage 1	1.7	(1.6)	(0.1)	–	–	–
Stage 2	(23.9)	24.6	(0.7)	–	–	–
Stage 3	(8.0)	(9.3)	17.3	–	–	–
Transfer from collectively assessed to individually assessed provision	–	(0.4)	(4.0)	4.4	–	–
New/increased provisions	21.2	3.5	2.5	–	–	27.2
Write-back of provisions no longer required	(9.5)	(11.0)	(15.4)	(34.9)	–	(70.8)
Change in balances	20.4	11.4	(10.1)	–	–	21.7
Bad debts written off previously provided for	–	–	–	(10.1)	–	(10.1)
Total provision for doubtful debts as at 30 June 2024	116.0	92.5	37.5	39.6	95.2	380.8

Financial instruments

11 IMPAIRMENT OF LOANS AND ADVANCES continued

Summary of provisions and reserves	Group June 2025 $m	Group June 2024 $m	Bank June 2025 $m	Bank June 2024 $m
Individually assessed provision				
Opening balance	39.6	47.8	39.6	80.2
Bad debts written off previously provided for	(4.6)	(10.1)	(4.6)	(10.1)
Charged to Income Statement	2.6	4.4	2.6	4.4
Write back of provisions no longer required	(6.3)	(2.5)	(6.3)	(34.9)
Closing balance individually assessed provision	31.3	39.6	31.3	39.6
Collectively assessed provision				
Opening balance	246.4	238.5	246.0	237.4
Charged to Income Statement	(10.8)	7.9	(10.9)	8.6
Closing balance collectively assessed provision	235.6	246.4	235.1	246.0
Equity reserve for credit losses (ERCL)				
Opening balance	95.2	95.2	95.2	95.2
Closing balance ERCL	95.2	95.2	95.2	95.2
Total provisions and reserves	362.1	381.2	361.6	380.8

Ratios		
Individually assessed provision to gross loans	0.04%	0.05%
Total provisions and reserves to gross loans	0.42%	0.47%
Collectively assessed provision and ERCL to risk-weighted assets	0.87%	0.90%
Provision coverage [1]	279.61%	280.91%

1. Provision coverage is calculated as total provisions and reserves for doubtful debts divided by total gross impaired assets.

Financial instruments

11 IMPAIRMENT OF LOANS AND ADVANCES continued

Recognition and measurement

Scope

The Group applies a three-stage approach to measure the allowance for ECLs for the following categories of financial assets that are not measured at FVTPL:

- Amortised cost financial assets
- Debt securities at FVOCI
- Off-Balance Sheet loan commitments
- Financial guarantee contracts

ECL impairment model

The Group's allowance for credit loss calculations are outputs of credit risk models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The ECL impairment model reflects the present value of all cash shortfalls related to default events either (i) over the following twelve months or (ii) over the expected life of a financial asset depending on credit deterioration from inception.

The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple economic scenarios based on reasonable and supportable forecasts.

This impairment model measures credit loss allowances using a three-stage approach based on the extent of credit deterioration since origination:

- **Stage 1 –** Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial asset, an amount equal to 12 months ECL is recorded. The ECL is computed using a probability of default occurring over the next 12 months. For those assets with a remaining maturity of less than 12 months, a probability of default (PD) corresponding to the remaining term to maturity is used.
- **Stage 2 –** When a financial asset experiences a SICR subsequent to origination but is not considered to be in default, it is included in Stage 2. This requires the computation of ECL based on the PD over the remaining estimated life of the financial asset.
- **Stage 3 –** Financial assets that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime ECLs.

Interest income is recognised on gross carrying amounts for financial assets in Stage 1 and Stage 2, and gross carrying value net of provisions for financial assets in Stage 3.

Financial assets in Stage 1 and Stage 2 are assessed for impairment collectively, whilst those in Stage 3 are subjected to either a collective or individual impairment assessment. The Group uses the following collective provisioning models for the purpose of calculating ECL:

- Retail lending: residential mortgages model, personal loans model, credit cards model, retail small and medium enterprise (SME) model;
- Non-retail lending: non-retail model and agribusiness model.

Financial instruments

11 IMPAIRMENT OF LOANS AND ADVANCES continued

Recognition and measurement continued

Measurement of ECL

The PD, exposure at default (EAD), and loss given default (LGD) inputs used to estimate ECLs are modelled based on macroeconomic variables that are correlated with credit losses in the relevant portfolio.

Details of these statistical parameters/inputs are as follows:

- **PD –** The PD is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the remaining estimated life, if the facility has not been previously derecognised and is still in the portfolio.
- **EAD –** The exposure at default is an estimate of the exposure at the point of default, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- **LGD –** The loss given default is an estimate of the expected loss arising in the case where a default occurs. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Forward-looking information

The estimation of ECLs for each stage and the assessment of significant increases in credit risk consider information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information may require significant judgement, particularly during periods of economic uncertainty. In assessing the forward-looking information, the Group has considered the significant increase in uncertainty related to trade policies, constrained private sector investment, a tight labour market and a slowing in domestic GDP growth. The Group's expectations of future events have been based on a range of plausible scenarios and are believed to be reasonable and supportable. Under the circumstances, however, it is recognised that uncertainty still exists and actual results may differ from those estimates.

Macroeconomic factors

In its models, the Group relies on a broad range of forward-looking economic information as inputs, such as: Gross Domestic Product (GDP) growth, unemployment rates, central-bank interest rates, and house-price growth. The inputs and models used for calculating ECLs may not always capture all characteristics and available data of the market at the date of the financial statements. To reflect this, qualitative adjustments or management overlays may be made using expert credit judgement.

The Group's Economic Outlook Workgroup (**EOW**) is responsible for reviewing and formulating the macroeconomic forecasts. The base economic scenario, upside and downside scenarios are approved by the Management Credit Committee (MCC). Any management overlays or adjustments required to account for identified risks that have not been considered in the modelling process are determined after consultation with respective business representatives and subject matter experts within Group Risk. At each reporting period the modelled outcomes and any key areas of judgement are reported to the Group's Board Audit Committee.

Financial instruments

11 IMPAIRMENT OF LOANS AND ADVANCES continued

Recognition and measurement continued

Multiple forward-looking scenarios

The Group determines its allowance for credit losses using five probability-weighted forward-looking scenarios and considers both internal and external sources of information and data to determine projections and forecasts.

The forecasts are based on consensus forecasts and expert judgment to formulate a 'base case' view of the most probable future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. The process involves the development of four additional economic scenarios and consideration of the relative probabilities of each outcome. The 'base case' represents the most likely outcome and is generally aligned with information used by the Group for other purposes such as strategic planning and budgeting. Two downside and two upside scenarios are generated in addition to the base case. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macroeconomic variables, credit risk and credit losses.

The Group's base case economic forecast used for the collective provision assessment as at 30 June 2025 reflects a slowing in domestic GDP growth and a rise in the unemployment rate. Annual GDP growth is forecast to be below 2% for most of 2025, with growth above 2.5% only returning by 2027.

Interest rates are forecast to reduce to 3.1% by March 2026, while the unemployment rate is expected to gradually increase, peaking at 5.2% in June 2026. Limited growth is forecast for house prices during 2025 before returning to average growth rates, while commercial property prices are expected to recover except for CBD retail, where negative growth is still expected for the first half of 2025.

In the significant deterioration scenario, the country is forecast to go into a recession with annual GDP growth declining to a low point of -2.6% in June 2026, while the unemployment rate peaks at 10.3% by March 2027. House prices are assumed to fall by 16% from December 2024 levels and commercial property prices by 17%. For the mild deterioration scenario, annual GDP growth declines to 0.73% by June 2026 and the unemployment rate peaks at 7.2%, house prices fall by 1.0% from December 2024 levels by the end of 2025 with limited growth in commercial property prices until the end of 2028.

The table below illustrates the weightings applied to the scenarios for the purpose of calculating the collectively assessed provisions which reflect an increased bias to the downside.

Weightings	30 June 2025	30 June 2024
Base scenario	50.0%	50.0%
Significant improvement	1.0%	0.0%
Mild improvement	4.0%	5.0%
Mild deterioration	33.0%	30.0%
Significant deterioration	12.0%	15.0%

The table below discloses the collectively assessed provision outcomes assuming a 100% weighting is applied to the relevant scenario, with all other assumptions constant.

Scenario Outcomes [1]	30 June 2025	30 June 2024
100% Base scenario	$ 182.0 m	$ 197.8 m
100% Significant improvement	$ 170.1 m	$ 187.2 m
100% Mild improvement	$ 173.9 m	$ 195.9 m
100% Mild deterioration	$ 263.8 m	$ 252.8 m
100% Significant deterioration	$ 407.6 m	$ 412.0 m

1. These outcomes exclude the equity reserve for credit losses (ERCL).

Financial instruments

11 IMPAIRMENT OF LOANS AND ADVANCES continued

Recognition and measurement continued

Assessment of significant increase in credit risk (SICR)

The Group assesses whether there has been a SICR for exposures since initial recognition by comparing the current PD and the PD at the date of initial recognition. The assessment also considers borrower-specific quantitative and qualitative information including arrears status and hardship arrangements.

Quantitative models may not always be able to capture all reasonable and supportable information that may indicate a SICR. Qualitative factors may be assessed to supplement the gap. Examples of situations include changes in adjudication criteria for a particular group of borrowers; changes in portfolio composition; and natural disasters impacting certain portfolios. With regards to delinquency and monitoring, there is a rebuttable presumption that the credit risk of the financial instrument has increased since initial recognition when contractual payments are more than 30 days overdue.

For retail portfolios, a 50 basis point increase in PDs combined with a doubling of the PD since origination will result in a loan transitioning to Stage 2.

The Group uses an internal rating system for its non-retail exposures. All non-retail exposures have a rating assigned that reflects the PD of the borrower. SICR is evaluated based on the movement in the ratings of customers, i.e. a two notch downgrade in the internal rating since origination will trigger a transfer to Stage 2.

The thresholds used for PD migration are reviewed and assessed at least annually unless there is a significant change in credit risk management practices in which case the review is brought forward.

Expected life

When measuring ECL, the Group considers the maximum contractual period over which the Group is exposed to credit risk. All contractual terms are considered when determining the expected life, including prepayment, and extension and rollover options. For certain revolving credit facilities, such as credit cards, the expected life is estimated based on the period over which the Group is exposed to credit risk and how the credit losses are mitigated by management actions.

Presentation of allowance for credit losses in the Balance Sheet

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the financial assets;
- Debt instruments measured at fair value through other comprehensive income: no allowance is recognised in the Balance Sheet because the carrying value of these assets is their fair value. However, the allowance determined is presented in the accumulated other comprehensive income;
- Off-Balance Sheet credit risks include undrawn lending commitments, letters of credit and letters of guarantee as a provision in other liabilities.

Definition of default

The definition of default used in measuring ECL is aligned to the definition used for internal credit risk management and regulatory purposes.

The Group considers a financial instrument to be in default as a result of one or more loss events that occurred after the date of initial recognition of the instrument and the loss event has a negative impact on the estimated future cash flows of the instrument that can be reliably estimated. This includes events that indicate:

- significant financial difficulty of the borrower
- default or delinquency in interest or principal payments
- high probability of the borrower entering a phase of bankruptcy or a financial reorganisation
- measurable decrease in the estimated future cash flows from the loan or the underlying assets that back the loan.

The Group considers that default has occurred when a financial asset is more than 90 days past due, unless reasonable and supportable information demonstrates that a more lagging default criterion is appropriate. Impairment is recognised when it is determined that all principal and interest amounts which are due are unlikely to actually be fully recovered.

Financial instruments

11 IMPAIRMENT OF LOANS AND ADVANCES continued

Recognition and measurement continued

Write-off policy

The Group writes off an impaired financial asset (and the related impairment allowance), either partially or in full, when there is no realistic prospect of recovery. Where financial assets are secured, write-off is generally after receipt of any proceeds from the realisation of security. In circumstances where the net realisable value of any collateral has been determined and there is no reasonable expectation of further recovery, write-off may be earlier. In subsequent periods, any recoveries of amounts previously written off are credited to the provision for credit losses in the Income Statement.

Modified financial assets

If the terms of a financial asset are modified or an existing financial asset is replaced with a new one, an assessment is made to determine if the existing financial asset should be derecognised. Where a modification does not result in derecognition, the date of origination continues to be used to determine SICR. Where a modification results in derecognition, the new financial asset is recognised at its fair value on the modification date. The modification date is also the date of origination for this new asset.

The Group may modify the contractual terms of loans for either commercial or credit reasons. The terms of a loan in good standing may be modified for commercial reasons to provide competitive pricing to borrowers. Loans are also modified for credit reasons where the contractual terms are modified to grant a concession to a borrower that may be experiencing financial difficulty.

For all financial assets modifications of the contractual terms may result in derecognition of the original asset when the changes to the terms of the loans are considered substantial. These terms include interest rate, authorised amount, term, or type of underlying collateral. The original loan is derecognised and the new loan is recognised at its fair value. The difference between the carrying value of the derecognised asset and the fair value of the new asset is recognised in the Income Statement.

For all loans, performing and credit-impaired, where the modification of terms did not result in the derecognition of the loan, the gross carrying amount of the modified loan is recalculated based on the present value of the modified cash flows discounted at the original effective interest rate, and any gain or loss from the modification is recorded in the provision for credit losses line in the Income Statement.

Purchased loans

All purchased loans are initially measured at fair value on the date of acquisition. As a result no allowance for credit losses would be recorded in the Balance Sheet on the date of acquisition. Purchased loans may fit into either of the two categories: Performing loans or Purchased Credit Impaired (**PCI**) loans.

Purchased performing loans follow the same accounting as originated performing loans and are reflected in Stage 1 on the date of the acquisition. They will be subject to a 12-month allowance for credit losses which is recorded as a provision for credit losses in the Income Statement. The fair value adjustment set up for these loans on the date of acquisition is amortised into interest income over the life of these loans.

PCI loans are reflected in Stage 3 and are always subject to lifetime allowance for credit losses. Any changes in the expected cash flows since the date of acquisition are recorded as a charge/recovery in the provision for credit losses in the Income Statement at the end of all reporting periods subsequent to the date of acquisition.

Equity reserve for credit losses

The equity reserve for credit losses was initially established to meet the requirements of APRA Prudential Standard, APS 220 *Credit Quality*, which required a reserve to be held to recognise estimated future credit losses which may arise over the life of the Group's lending portfolio. This requirement was removed from 1 January 2022, however, the Group has prudently maintained the reserve.

Financial instruments

12 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Unlisted Managed Fund investments	8.7	16.9	3.2	7.5
Total financial assets at fair value through profit or loss	8.7	16.9	3.2	7.5

Maturity analysis	$m	$m	$m	$m
Non-maturing	8.7	16.9	3.2	7.5
Total financial assets at fair value through profit or loss	8.7	16.9	3.2	7.5

Recognition and measurement

Financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These financial instruments are recorded in the Balance Sheet at fair value with revaluation gains or losses being recognised in the Income Statement. Interest earned is accrued in interest income, taking into account any discount or premium and qualifying transaction costs being an integral part of the instrument. Dividend income is recognised in the Income Statement unless the dividend represents a recovery of part of the cost of the investment. Fair value measurement is outlined in Note 20.

Financial instruments

13 FINANCIAL ASSETS AT AMORTISED COST

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Collateral and security deposits	453.6	426.7	189.9	162.5
Other deposits	9.5	8.2	—	—
Bonds	434.5	374.7	434.5	374.7
Loans receivable from controlled entities	—	—	5,311.4	4,302.4
Reverse repurchase agreements [1]	916.2	191.6	916.2	191.6
Total financial assets at amortised cost	1,813.8	1,001.2	6,852.0	5,031.2
Maturity analysis	$m	$m	$m	$m
Not longer than 3 months [2]	994.4	296.9	3,501.5	2,548.9
Longer than 3 and not longer than 12 months	103.6	19.9	556.6	19.9
Longer than 1 and not longer than 5 years	318.2	301.9	2,660.0	2,344.2
Longer than 5 years	397.6	382.5	133.9	118.2
Total financial assets at amortised cost	1,813.8	1,001.2	6,852.0	5,031.2

1. Reverse repurchase agreements have an original maturity date of greater than 90 days.
2. Represents the demand component of loans receivable from controlled entities.

Classification and measurement

A financial asset is measured at amortised cost only if both of the following conditions are met:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The carrying amount of these assets is adjusted by any ECL allowance recognised and measured as described in Note 11.

Interest income from these financial assets is included in interest income using the effective interest rate method.

Financial instruments

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Debt securities (with recycling)				
Floating rate notes	1,104.5	1,058.7	1,104.5	1,058.7
Government securities	7,527.3	9,466.9	7,527.3	9,466.9
Mortgage-backed securities	—	—	6,327.9	8,142.3
Other debt securities	0.5	0.5	0.5	0.5
Total debt securities (with recycling)	8,632.3	10,526.1	14,960.2	18,668.4
Equity investments (without recycling)				
Listed share investments	0.2	0.2	0.2	0.2
Unlisted share investments	0.9	35.2	0.9	35.2
Total equity investments (without recycling)	1.1	35.4	1.1	35.4
Total financial assets at fair value through other comprehensive income	8,633.4	10,561.5	14,961.3	18,703.8

Maturity analysis	$m	$m	$m	$m
Not longer than 3 months	686.3	5,379.5	857.2	5,555.4
Longer than 3 and not longer than 12 months	1,634.5	1,367.2	1,634.5	1,367.2
Longer than 1 and not longer than 5 years	3,492.0	1,083.3	3,492.0	1,083.3
Longer than 5 years	2,819.5	2,696.1	8,976.5	10,662.5
Non-maturing	1.1	35.4	1.1	35.4
Total financial assets at fair value through other comprehensive income	8,633.4	10,561.5	14,961.3	18,703.8

Recognition and measurement

A financial asset will be measured at fair value through other comprehensive income if:

- The Group's intent is to hold the asset in order to collect contractual cash flows and to sell the asset; and
- The cash flows solely represent principal and interest.

Debt instruments

These assets are initially recognised at fair value including directly attributable transaction costs. Subsequent measurement is at fair value with any revaluation gains or losses being included in other comprehensive income. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is transferred to the Income Statement.

Equity instruments

The Group has irrevocably elected to measure all equity investments that are not held for trading at fair value through other comprehensive income.

Subsequent changes to the fair value are recognised in other comprehensive income and are not transferred to the Income Statement, including upon disposal. Dividend income is recognised in the Income Statement unless the dividend represents a recovery of part of the cost of the investment.

Financial liabilities

Classification and measurement of financial liabilities

Financial liabilities are classified into one of the following measurement categories:

- FVTPL
- Amortised cost
- Designated at FVTPL.

Financial liabilities measured at FVTPL

Financial liabilities measured at FVTPL are held principally for the purpose of repurchasing in the near term, or form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Financial liabilities are recognised on a trade date basis and are accounted for at fair value, with changes in fair value and any gains or losses recognised in the Income Statement as part of the non-interest income. Transaction costs are expensed as incurred.

Financial liabilities measured at amortised cost

Deposits, subordinated notes and capital notes are accounted for at amortised cost. Interest on deposits, calculated using the effective interest rate method, is recognised as interest expense. Interest on subordinated notes and capital notes, including capitalised transaction costs, is recognised using the effective interest rate method as interest expense.

Financial liabilities designated at FVTPL

Financial liabilities classified in this category are those that have been designated by the Group upon initial recognition, and once designated, the designation is irrevocable. The FVTPL designation is available only for those financial liabilities for which a reliable estimate of fair value can be obtained.

Financial liabilities are designated at FVTPL when one of the following criteria is met:

- The designation eliminates or significantly reduces an accounting mismatch which would otherwise arise; or
- A group of financial liabilities are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy; or
- The financial liability contains one or more embedded derivatives which significantly modify the cash flows otherwise required.

Financial liabilities designated at FVTPL are recorded in the Balance Sheet at fair value. Any changes in fair value are recognised in non-interest income in the Income Statement, except for changes in fair value arising from changes in the Group's own credit risk which are recognised in other comprehensive income. Changes in fair value due to changes in the Group's own credit risk are not subsequently reclassified to the Income Statement upon derecognition/extinguishment of the liabilities.

Financial instruments

15 DEPOSITS

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
At call	48,036.3	44,039.2	48,176.2	44,015.2
Term	28,230.4	27,895.7	28,230.4	27,895.7
Certificates of Deposit	7,576.2	7,051.6	7,576.2	7,051.6
Total deposits	83,842.9	78,986.5	83,982.8	78,962.5
Concentration of deposits	$m	$m	$m	$m
Customer deposits [1]	72,850.8	68,332.5	72,990.7	68,308.5
Wholesale deposits [2]	10,992.1	10,654.0	10,992.1	10,654.0
Total deposits	83,842.9	78,986.5	83,982.8	78,962.5

1. Customer deposits represent the sum of interest bearing, non-interest bearing and term deposits from retail and corporate customers.
2. Wholesale deposits represent the sum of interest bearing, non-interest bearing and term deposits from Other Financial Institutions and certificates of deposit.

Deposits by geographic location	$m	$m	$m	$m
Victoria	43,031.3	40,496.7	43,206.6	40,507.5
New South Wales	12,479.9	12,078.7	12,462.5	12,063.0
Queensland	10,598.7	9,696.1	10,591.2	9,689.3
South Australia/Northern Territory	6,729.7	6,622.1	6,727.0	6,619.8
Western Australia	7,076.4	6,061.6	7,071.0	6,053.7
Australian Capital Territory	1,445.2	1,752.1	1,444.7	1,751.9
Tasmania	1,671.7	1,597.2	1,671.5	1,597.1
Overseas/other	810.0	682.0	808.3	680.2
Total deposits	83,842.9	78,986.5	83,982.8	78,962.5

Recognition and measurement

All deposits are initially recognised at cost, being the fair value of the consideration received net of issue costs. Subsequent to initial recognition, interest-bearing borrowings are measured at amortised cost using the effective interest method. Amortised cost includes any issue costs and any discount or premium on settlement.

For liabilities carried at amortised cost, gains and losses are recognised in the Income Statement when the liabilities are de-recognised.

Financial instruments

16 OTHER BORROWINGS

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Covered bonds	2,892.9	2,037.6	2,892.9	2,037.6
Medium-term notes	3,997.0	4,795.1	3,997.0	4,795.1
Commercial paper	594.7	247.0	594.7	247.0
Notes payable	2,435.6	2,207.9	—	—
Total other borrowings	9,920.2	9,287.6	7,484.6	7,079.7

Covered bonds

The Group established its Covered Bond Programme (**CBP**) in October 2022. The covered bonds issued by the Bank constitute wholesale debt instruments that offer investors dual recourse to the issuing Authorised Deposit Taking Institution (ADI) and a bankruptcy-remote Special Purpose Entity (**SPE**) associated with the CBP. As at 30 June 2025, the Group's CBP held EUR 500 million (June 2024: EUR 500 million) in foreign currencies . All other balances are denominated in Australian dollars.

Medium-term notes

The Group's medium-term notes include fixed and floating rate notes issued under the AUD7.5 billion Debt Instrument Programme.

Commercial paper

Commercial Paper includes unsubordinated and unsecured obligations issued under the Euro-Commercial Paper (ECP) Programme. These instruments may be issued at a discount or bear interest on a fixed or floating basis and may be issued in Australian dollars or foreign currencies.

Notes payable

The Group conducts an asset securitisation program through which it packages and sells asset-backed securities to investors. Notes payable are mainly interest-bearing financial instruments issued through these securitisation programs. The notes are initially recognised at fair value less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method. The associated interest expense is recognised in the Income Statement.

Repurchase agreements

Securities sold under agreement to repurchase are retained on Balance Sheet given that the majority of the risks and rewards of ownership remain with the Group. The counterparty liability included as a separate Balance Sheet item when cash consideration is received.

Financial instruments

17 LOAN CAPITAL

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Tier 1 loan capital	795.6	793.5	795.6	793.5
Tier 2 loan capital	579.0	578.9	579.0	578.9
Total loan capital	1,374.6	1,372.4	1,374.6	1,372.4

Tier 1 loan capital instruments

	$m	$m	$m	$m
Capital notes				
November 2020: 5,024,446 fully paid $100 Capital notes (ASX Code: BENPH)	502.4	502.4	502.4	502.4
March 2024: 3,000,000 fully paid $100 Capital notes (ASX Code: BENPI)	300.0	300.0	300.0	300.0
Closing balance capital notes	802.4	802.4	802.4	802.4
Total Additional Tier 1 regulatory capital	802.4	802.4	802.4	802.4
Unamortised issue costs	(6.8)	(8.9)	(6.8)	(8.9)
Total Tier 1 loan capital	795.6	793.5	795.6	793.5

Nature of Tier 1 capital instruments

In accordance with APRA's Basel III capital adequacy framework, these instruments form part of the Group's Additional Tier 1 capital.

Tier 1 loan capital instruments are long-term in nature and are perpetual, hence they do not have a fixed maturity date. The instruments may be redeemed at the discretion of the Group for a price per security on the redemption date. Any securities not already converted will be converted into ordinary shares on the mandatory conversion date specified in the issue's prospectus located at https://www.bendigoadelaide.com.au/investor-centre/prospectus/

If the Group is unable to pay a dividend/distribution because of insufficient profits, the dividend/distribution is non-cumulative. The securities rank ahead of ordinary shares in the event of liquidation. Under certain circumstances, the ranking of the securities may be affected resulting in the securities converting to ordinary shares or the securities being written off.

Recognition and measurement

Tier 1 loan capital instruments are classified as debt within the Balance Sheet and dividends/distributions are treated as interest expense in the Income Statement.

These instruments are initially recognised at fair value less costs associated with the issue of the instrument. They are subsequently measured at amortised cost using the effective interest rate method.

The preference shares carry a dividend which is determined semi-annually or quarterly and payable half yearly or quarterly in arrears. The dividend rate is the floating Bank Bill Rate plus the initial fixed margin, adjusted for franking credits.

The capital notes carry a discretionary distribution which is determined and payable quarterly in arrears. The distribution rate is based on the floating Bank Bill Swap Rate.

Financial instruments

17 LOAN CAPITAL continued

Tier 2 loan capital instruments

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Floating rate subordinated notes	575.0	575.0	575.0	575.0
Total Tier 2 capital instruments	575.0	575.0	575.0	575.0
Accrued interest	5.5	6.1	5.5	6.1
Unamortised issue costs	(1.5)	(2.2)	(1.5)	(2.2)
Total Tier 2 loan capital	579.0	578.9	579.0	578.9

Nature of Tier 2 capital instruments

In accordance with APRA's Basel III capital adequacy framework, these instruments form part of the Group's Tier 2 capital. Tier 2 capital instruments rank ahead of Additional Tier 1 capital instruments.

Recognition and measurement

These instruments are classified as debt within the Balance Sheet and the interest expense is recorded in the Income Statement. Tier 2 loan capital instruments are initially recognised at fair value less charges associated with the issue of the instrument. They are subsequently measured at amortised cost using the effective interest rate method.

Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses are recognised in the Income Statement when the liabilities are derecognised.

Transactions denominated in foreign currencies are translated into Australian dollars at the end of each month at the spot foreign exchange rate at that date. Foreign exchange differences arising on translation are recognised in the Income Statement.

	Group		Bank	
Maturity analysis [1]	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Longer than 1 and not longer than 5 years	500.0	502.4	500.0	502.4
Over 5 years	874.6	870.0	874.6	870.0
Total loan capital	1,374.6	1,372.4	1,374.6	1,372.4

1. Based on the final maturity date or, in the case of Additional Tier 1 capital securities, the optional exchange date (if any).

Financial instruments

18 SECURITISATION AND TRANSFERRED ASSETS

In the normal course of business the Group enters into transactions by which it transfers financial assets to counterparties or directly to Special Purpose Entities (**SPEs**). These transfers do not give rise to derecognition of those financial assets for the Group.

At the Balance Sheet date, transferred financial assets that did not qualify for derecognition and their associated liabilities are as follows:

	Group			
	Covered Bonds		Securitisation	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Carrying amount of transferred assets [1]	5,170.0	4,210.0	2,396.5	2,197.6
Carrying amount of associated liabilities [2]	2,893.0	2,031.2	2,435.6	2,207.9
Fair value of transferred assets			2,395.8	2,192.1
Fair value of associated liabilities			2,434.9	2,202.6
Net position			(39.1)	(10.5)

	Bank			
	Covered Bonds		Securitisation	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Carrying amount of transferred assets [1,3]	5,170.0	4,210.0	8,089.3	9,670.4
Carrying amount of associated liabilities [4]	2,893.0	2,031.2	8,552.1	10,128.1
Fair value of transferred assets			8,086.3	9,647.9
Fair value of associated liabilities			8,591.9	10,169.0
Net position			(505.6)	(521.1)

1. Represents the carrying value of the loans transferred to the trust.
2. Securitisation liabilities of the Group include RMBS notes issued by the SPEs and held by external parties.
3. Securitisation assets include assets where the Bank holds all the issued instruments of the SPE.
4. Securitisation liabilities of the Bank include borrowings from SPEs including the SPEs that issue internally held notes for repurchase with central banks, recognised on transfer of residential mortgages by the Bank.

Financial instruments

18 SECURITISATION AND TRANSFERRED ASSETS continued

Covered bonds

The Group established its Covered Bond Programme (**CBP**) in October 2022. The Bank has established a SPE to which a cover pool of specific residential mortgages has been assigned. In the event the Bank is unable to fulfil its obligations owing to the covered bond holders, the SPE's assets are available for distribution thereby providing investors with a dual layer of protection. The Group is entitled to any residual income after all payments due to covered bonds investors have been met. The Group retains all of the risks and rewards associated with the residential mortgages.

Securitisation programs

The Group uses SPEs to securitise customer loans and advances that it has originated in order to source funding and/or for capital efficiency purposes. The loans are transferred by the Group to the SPEs, which in turn issue debt to investors. This transfer does not give rise to the de-recognition of those financial assets for the Group. The Group holds income and capital units in the SPEs which entitles the Group to any residual income after all payments to investors and costs have been met. Trust investors have no recourse against the Group if cash flows from the securitised loans are inadequate to service the trust obligations. Liabilities associated with the SPEs are accounted for at amortised cost using the effective interest rate method.

Consolidation

SPEs are consolidated by the Group where the Group has the power to govern directly or indirectly decision-making in relation to financial and operational policies and receives the majority of the residual income or is exposed to the majority of the residual risks associated with the SPEs. The Group enters into interest rate swaps and liquidity facilities with the SPEs on an arm's length basis.

Securitised and sold loans

The Group securitised loans totalling $2,730.6 million (June 2024: $1,738.6 million) during the financial year. The Group invests in some of its own securitisation programs by holding A and B class notes equivalent to $11,598.9 million as at 30 June 2025 (June 2024: $12,398.5 million).

Financial instruments

19 DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments primarily to manage risk, including interest rate risk and foreign currency rate risk. Note 21 outlines the Risk Management Framework that the Group applies.

Derivative instruments are contracts whose value is derived from interest rates, foreign exchange rates, commodities, equity prices or other financial variables. Most derivative instruments can be characterised as interest rate contracts, foreign exchange contracts, commodity contracts, equity contracts or credit contracts. Derivative instruments are either exchange-traded contracts or negotiated over-the-counter contracts. Negotiated over-the-counter contracts include swaps, forwards and options.

The Group enters into these derivative contracts for trading purposes, as well as to hedge its risk exposures (i.e. to manage the Group's non-trading interest rate, foreign currency and other exposures). Trading activities are undertaken to meet the needs of the Group's customers, as well as for the Group's own account to generate income from trading operations.

All derivatives are recorded at fair value in the Balance Sheet. The determination of the fair value of derivatives includes consideration of credit risk, estimated funding costs and ongoing direct costs over the life of the instruments. Inception gains or losses on derivatives are only recognised where the valuation is dependent only on observable market data, otherwise, they are deferred and amortised over the life of the related contract, or until the valuation inputs become observable. Derivative financial instruments, with the exception of future exchange contracts, are valued in accordance with Level 2 of the fair value hierarchy, as outlined in Note 20. Future contracts are valued in accordance with Level 1 of the fair value hierarchy.

Changes in the fair value of derivatives that are not designated in hedge accounting relationships, and of derivatives that are designated in fair value hedge accounting relationships, are recorded in the Income Statement in Other revenue.

Changes in the fair value of derivatives that are designated in cash flow hedge relationships are recorded in the Statement of Comprehensive Income for the effective portion and the Income Statement in Other revenue for the ineffective portion.

Cash flow hedges include interest rate swaps that are used to protect against exposures to movements in future interest cash flows on assets and liabilities which bear interest at variable rates. In addition, cash flow hedges include cross currency swaps and FX swaps that are used to protect against exposures to movements in future cash flows relating to foreign exchange risk on foreign currency liabilities.

Financial instruments

19 DERIVATIVE FINANCIAL INSTRUMENTS continued

The following tables provide the fair value and notional value of derivatives held by the Group and the Bank:

	Group							
	June 2025				June 2024			
Derivative category	Notional amount $m	Fair value assets $m	Fair value liabilities $m	Net fair value $m	Notional amount $m	Fair value assets $m	Fair value liabilities $m	Net fair value $m
Not designated in a hedge accounting relationship								
Interest rate swaps	33,507.1	4.0	(3.2)	0.8	29,348.0	4.7	(3.7)	1.0
Foreign exchange contracts	842.2	1.9	(6.6)	(4.7)	411.5	0.8	(1.1)	(0.3)
	34,349.3	5.9	(9.8)	(3.9)	29,759.5	5.5	(4.8)	0.7
Designated in a hedge accounting relationship								
Interest rate swaps	40,340.8	—	—	—	38,630.9	—	(1.0)	(1.0)
Cross currency swaps	826.9	99.1	—	99.1	826.9	—	(5.1)	(5.1)
FX Swaps	493.6	13.9	(7.0)	6.9	330.5	0.4	(2.4)	(2.0)
	41,661.3	113.0	(7.0)	106.0	39,788.3	0.4	(8.5)	(8.1)
Total derivatives	76,010.6	118.9	(16.8)	102.1	69,547.8	5.9	(13.3)	(7.4)

	Bank							
	June 2025				June 2024			
Derivative category	$m	$m	$m	$m	$m	$m	$m	$m
Not designated in a hedge accounting relationship								
Interest rate swaps	33,507.1	4.0	(3.2)	0.8	29,348.0	4.7	(3.7)	1.0
Foreign exchange contracts	842.2	1.9	(6.6)	(4.7)	411.5	0.8	(1.1)	(0.3)
	34,349.3	5.9	(9.8)	(3.9)	29,759.5	5.5	(4.8)	0.7
Designated in a hedge accounting relationship								
Interest rate swaps	40,340.8	—	—	—	38,630.9	—	(1.0)	(1.0)
Cross currency swaps	826.9	99.1	—	99.1	826.9	—	(5.1)	(5.1)
FX Swaps	493.6	13.9	(7.0)	6.9	330.5	0.4	(2.4)	(2.0)
	41,661.3	113.0	(7.0)	106.0	39,788.3	0.4	(8.5)	(8.1)
Total derivatives	76,010.6	118.9	(16.8)	102.1	69,547.8	5.9	(13.3)	(7.4)

Variation margin is paid or received on the daily mark to market movements on the interest rate swaps that are settled through the central clearing body, London Clearing House, with this payment being offset against the fair value of the swap. The market valuation for the centrally cleared derivatives totalled $273.0 million and $269.8 million was received as variation margin as at 30 June 2025. The difference represented variable margin payable to London Clearing House as at 30 June 2025, which is classified as Due to other financial institutions in the Balance Sheet. The total notional value of the centrally cleared derivatives as at 30 June 2025 is $73.23 billion (June 2024: $67.13 billion).

Financial instruments

19 DERIVATIVE FINANCIAL INSTRUMENTS continued

The following table shows the notional value and maturity profile of derivatives designated in hedge accounting relationships:

	Group			
	June 2025			
	Within 1 year $m	1 to 5 years $m	Greater than 5 years $m	Total $m
Interest rate swaps	23,951.0	13,310.8	3,079.0	40,340.8
Foreign exchange contracts	493.6	—	—	493.6
Cross-currency swaps – interest and currency	—	826.9	—	826.9
	June 2024			
	$m	$m	$m	$m
Interest rate swaps	22,704.2	13,097.7	2,829.0	38,630.9
Foreign exchange contracts	330.5	—	—	330.5
Cross-currency swaps – interest and currency	—	826.9	—	826.9

	Bank			
	June 2025			
	Within 1 year $m	1 to 5 years $m	Greater than 5 years $m	Total $m
Interest rate swaps	23,951.0	13,310.8	3,079.0	40,340.8
Foreign exchange contracts	493.6	—	—	493.6
Cross-currency swaps – interest and currency	—	826.9	—	826.9
	June 2024			
	$m	$m	$m	$m
Interest rate swaps	22,704.2	13,097.7	2,829.0	38,630.9
Foreign exchange contracts	330.5	—	—	330.5
Cross-currency swaps – interest and currency	—	826.9	—	826.9

The following table shows the revaluation gains/(losses) recognised in the Income Statement arising from derivative financial instruments.

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Gain/(loss) on derivatives	13.0	(4.9)	13.0	(4.9)

Financial instruments

19 DERIVATIVE FINANCIAL INSTRUMENTS continued

The average rate for major currencies for the final exchange of cross-currency swaps designated in hedge accounting relationships is as follows:

	Group		Bank	
	June 2025	June 2024	**June 2025**	June 2024
EUR:AUD	1.65	1.65	1.65	1.65

The executed rates for interest rate swaps designated in cashflow hedge relationships for major currencies is as follows:

	Group		Bank	
	June 2025 %	June 2024 %	**June 2025 %**	June 2024 %
AUD interest rates	0.25 to 6.26	1.50 to 6.26	0.25 to 6.26	1.50 to 6.26

Financial instruments

19 DERIVATIVE FINANCIAL INSTRUMENTS continued

Offsetting financial assets and financial liabilities

Non-centrally cleared derivatives

Derivative financial instruments entered into by the Group are subject to International Swaps and Derivatives Association (ISDA) master netting agreements and other similar master netting arrangements. These arrangements do not meet the criteria for offsetting in the Balance Sheet. This is because the right of set-off is only enforceable by the parties to the agreement following an event of default, insolvency or bankruptcy of the Group, or the counterparties, or following other predetermined events. In addition, the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Centrally cleared derivatives

Derivative amounts are only offset on the Balance Sheet where the Group has a legally enforceable right to offset in all circumstances and there is an intention to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously. The Group has applied offsetting to centrally cleared derivatives and their associated collateral amounts which were deemed to satisfy the AASB 132 *Financial Instruments: Presentation* requirements.

The following table identifies amounts that have been offset on the Balance Sheet and amounts covered by enforceable netting arrangements.

Subject to enforceable master netting or similar agreements

	Balance Sheet			Non-qualifying offsets				
	Gross amount	Qualifying offsets [1]	Net amounts recognised	Financial instruments	Financial collateral (received)/ pledged [2]	Net amount recognised plus non qualifying offsets	Not subject to netting agreements	Total Balance Sheet amount
Group								
June 2025	$m	$m	$m	$m	$m	$m	$m	$m
Derivative assets	531.4	(415.6)	115.8	(9.4)	(104.0)	2.4	3.1	118.9
Derivative liabilities	(159.3)	142.6	(16.7)	9.4	6.5	(0.8)	(0.1)	(16.8)
June 2024								
Derivative assets	373.8	(368.1)	5.7	(4.1)	—	1.6	0.2	5.9
Derivative liabilities	(134.3)	123.3	(11.0)	4.1	6.8	(0.1)	(2.3)	(13.3)
Bank								
June 2025	$m	$m	$m	$m	$m	$m	$m	$m
Derivative assets	531.4	(415.6)	115.8	(9.4)	(104.0)	2.4	3.1	118.9
Derivative liabilities	(159.3)	142.6	(16.7)	9.4	6.5	(0.8)	(0.1)	(16.8)
June 2024								
Derivative assets	373.8	(368.1)	5.7	(4.1)	—	1.6	0.2	5.9
Derivative liabilities	(134.3)	123.3	(11.0)	4.1	6.8	(0.1)	(2.3)	(13.3)

1. The net offset balance of $273.0 million represents variation margin received $269.8 million and variation margin receivable of $3.2 million (June 2024: variation margin received $247.0 million less variation margin payable of $2.2 million). The variation margin receivable is reflected in Due from other financial institutions in the Balance Sheet.
2. For the purpose of this disclosure, financial collateral not set off in the Balance Sheet has been capped by relevant netting agreements so as not to exceed the net amounts of financial assets/(liabilities) reported in the Balance Sheet (i.e. over-collateralisation, where it exists, is not reflected in the tables).

Financial instruments

20 FAIR VALUE OF FINANCIAL INSTRUMENTS

All financial instruments are initially recognised at fair value on the date of initial recognition depending on the classification of the asset and liability.

a) Measurement basis of financial assets and liabilities

The following table details the carrying amount of the financial assets and liabilities by classification in the Balance Sheet.

	Group			
	June 2025			
	Fair value through profit or loss $m	Fair value through other comprehensive income $m	Amortised cost $m	Total $m
Financial assets				
Cash and cash equivalents	—	—	3,400.6	3,400.6
Due from other financial institutions	—	—	167.0	167.0
Financial assets fair value through profit or loss (FVTPL)	8.7	—	—	8.7
Financial assets amortised cost	—	—	1,813.8	1,813.8
Financial assets fair value through other comprehensive income (FVOCI)	—	8,633.4	—	8,633.4
Net loans and other receivables	—	—	85,708.4	85,708.4
Derivatives – designated as hedging instruments	113.0	—	—	113.0
Derivatives – not designated as hedging instruments	5.9	—	—	5.9
Total financial assets	127.6	8,633.4	91,089.8	99,850.8
Financial liabilities				
Due to other financial institutions	—	—	281.3	281.3
Deposits	—	—	83,842.9	83,842.9
Wholesale borrowings	—	—	9,920.2	9,920.2
Derivatives – designated as hedging instruments	7.0	—	—	7.0
Derivatives – not designated as hedging instruments	9.8	—	—	9.8
Loan capital	—	—	1,374.6	1,374.6
Total financial liabilities	16.8	—	95,419.0	95,435.8
	June 2024			
	$m	$m	$m	$m
Financial assets				
Cash and cash equivalents	—	—	1,964.5	1,964.5
Due from other financial institutions	—	—	282.9	282.9
Financial assets fair value through profit or loss (FVTPL)	16.9	—	—	16.9
Financial assets amortised cost	—	—	1,001.2	1,001.2
Financial assets fair value through other comprehensive income (FVOCI)	—	10,561.5	—	10,561.5
Net Loans and other receivables	—	—	80,567.6	80,567.6
Derivatives – designated as hedging instruments	0.4	—	—	0.4
Derivatives – not designated as hedging instruments	5.5	—	—	5.5
Total financial assets	22.8	10,561.5	83,816.2	94,400.5
Financial liabilities				
Due to other financial institutions	—	—	309.5	309.5
Deposits	—	—	78,986.5	78,986.5
Wholesale borrowings	—	—	9,287.6	9,287.6
Derivatives – designated as hedging instruments	8.5	—	—	8.5
Derivatives – not designated as hedging instruments	4.8	—	—	4.8
Loan capital	—	—	1,372.4	1,372.4
Total financial liabilities	13.3	—	89,956.0	89,969.3

Financial instruments

20 FAIR VALUE OF FINANCIAL INSTRUMENTS continued

a) Measurement basis of financial assets and liabilities continued

	Bank			
	June 2025			
	Fair value through profit or loss $m	Fair value through other comprehensive income $m	Amortised cost $m	Total $m
Financial assets				
Cash and cash equivalents	–	–	3,289.1	3,289.1
Due from other financial institutions	–	–	167.0	167.0
Financial assets fair value through profit or loss (FVTPL)	3.2	–	–	3.2
Financial assets amortised cost	–	–	6,852.0	6,852.0
Financial assets fair value through other comprehensive income (FVOCI)	–	14,961.3	–	14,961.3
Net loans and other receivables	–	–	84,127.9	84,127.9
Derivatives – designated as hedging instruments	113.0	–	–	113.0
Derivatives – not designated as hedging instruments	5.9	–	–	5.9
Total financial assets	122.1	14,961.3	94,436.0	109,519.4
Financial liabilities				
Due to other financial institutions	–	–	281.3	281.3
Deposits	–	–	83,982.8	83,982.8
Wholesale borrowings	–	–	7,484.6	7,484.6
Derivatives – designated as hedging instruments	7.0	–	–	7.0
Derivatives – not designated as hedging instruments	9.8	–	–	9.8
Loan capital	–	–	1,374.6	1,374.6
Total financial liabilities	16.8	–	93,123.3	93,140.1
	June 2024			
	$m	$m	$m	$m
Financial assets				
Cash and cash equivalents	–	–	1,699.2	1,699.2
Due from other financial institutions	–	–	282.9	282.9
Financial assets fair value through profit or loss (FVTPL)	7.5	–	–	7.5
Financial assets amortised cost	–	–	5,031.2	5,031.2
Financial assets fair value through other comprehensive income (FVOCI)	–	18,703.8	–	18,703.8
Net Loans and other receivables	–	–	78,842.1	78,842.1
Derivatives – designated as hedging instruments	0.4	–	–	0.4
Derivatives – not designated as hedging instruments	5.5	–	–	5.5
Total financial assets	13.4	18,703.8	85,855.4	104,572.6
Financial liabilities				
Due to other financial institutions	–	–	309.5	309.5
Deposits	–	–	78,962.5	78,962.5
Wholesale borrowings	–	–	7,079.7	7,079.7
Derivatives – designated as hedging instruments	8.5	–	–	8.5
Derivatives – not designated as hedging instruments	4.8	–	–	4.8
Loan capital	–	–	1,372.4	1,372.4
Total financial liabilities	13.3	–	87,724.1	87,737.4

Financial instruments

20 FAIR VALUE OF FINANCIAL INSTRUMENTS continued

b) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Wherever possible, fair values have been calculated using unadjusted quoted market prices in active markets for identical instruments. A quoted market price in an active market provides the most reliable evidence of fair value. For all other financial instruments, the fair value is determined by using other valuation techniques.

Valuation of financial assets and liabilities

Various valuation techniques are used to measure the fair value of financial instruments. The technique adopted is dependent upon the inputs available.

As part of the fair value measurement, the Group classifies its assets and liabilities according to a hierarchy that reflects the observability of significant market inputs. The three levels of the hierarchy are defined as follows:

Level 1 – Quoted market prices

Financial instruments that have been valued by reference to unadjusted quoted prices for identical financial assets in active markets. Government bonds issued by the Commonwealth of Australia have been included in this category.

Level 2 – Valuation technique using observable inputs

The fair value is determined using models whose inputs are observable in an active market.

Level 3 – Valuation technique using significant unobservable inputs

The fair value is calculated using significant inputs that are not based on observable market data but that are most reflective of the market conditions at the measurement date.

Financial assets and liabilities carried at fair value

The table below details financial instruments carried at fair value, by Balance Sheet classification and hierarchy level:

	Group				
	June 2025				
	Level 1 $m	Level 2 $m	Level 3 $m	Total fair value $m	Total carrying value $m
Financial assets					
Financial assets FVTPL	–	8.7	–	8.7	8.7
Financial assets FVOCI	2,805.5	5,826.4	1.5	8,633.4	8,633.4
Derivatives	–	118.9	–	118.9	118.9
Financial liabilities					
Derivatives	–	16.8	–	16.8	16.8
	June 2024				
	$m	$m	$m	$m	$m
Financial assets					
Financial assets FVTPL	–	16.9	–	16.9	16.9
Financial assets FVOCI	6,183.8	4,341.8	35.9	10,561.5	10,561.5
Derivatives	–	5.9	–	5.9	5.9
Financial liabilities					
Derivatives	–	13.3	–	13.3	13.3

Financial instruments

20 FAIR VALUE OF FINANCIAL INSTRUMENTS continued

b) Fair value measurement continued

	Bank				
	June 2025				
	Level 1 $m	Level 2 $m	Level 3 $m	Total fair value $m	Total carrying value $m
Financial assets					
Financial assets FVTPL	—	3.2	—	3.2	3.2
Financial assets FVOCI	2,805.5	12,154.3	1.5	14,961.3	14,961.3
Derivatives	—	118.9	—	118.9	118.9
Financial liabilities					
Derivatives	—	16.8	—	16.8	16.8
	June 2024				
	$m	$m	$m	$m	$m
Financial assets					
Financial assets FVTPL	—	7.5	—	7.5	7.5
Financial assets FVOCI	6,183.8	12,484.1	35.9	18,703.8	18,703.8
Derivatives	—	5.9	—	5.9	5.9
Financial liabilities					
Derivatives	—	13.3	—	13.3	13.3

Transfers between levels are deemed to have occurred at the beginning of the reporting period in which instruments are transferred. There were no transfers between levels during the year for the Group or Bank.

Valuation methodology

Financial instruments – debt securities

Each month, independent valuations are determined by the Group's Financial Risk & Modelling function. This involves an analysis of independently sourced data that is deemed most representative of the market. From this independent data which is made available by other financial institutions, market average valuations are calculated, and the value of debt securities are updated.

Financial instruments – equity investments

Level 1 – Listed investments relates to equities held that are on listed exchanges.

Level 2 – Unlisted investments are equity holdings in unlisted managed investment schemes. For managed scheme investments the most recent prices provided by the fund manager are used.

Level 3 – Unlisted investments are equity holdings in small unlisted entities. Given there are no quoted market prices and no observable inputs, assumptions reflective of market conditions at the measurement date are used to approximate fair value.

Derivatives

Where the Group's derivative assets and liabilities are not traded on an exchange, they are valued using valuation methodologies, including discounted cash flow and option pricing models as appropriate. The most significant inputs into the valuations are interest rate yields which are developed from publicly quoted rates.

Financial instruments

20 FAIR VALUE OF FINANCIAL INSTRUMENTS continued

b) Fair value measurement continued

Movements in Level 3 portfolio

The following table provides a reconciliation from the beginning balances to the ending balances for financial instruments which are classified as Level 3:

	Group		Bank	
Financial assets – equity investments	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Opening balance	35.2	35.6	35.2	35.6
Sales	(34.3)	(0.4)	(34.3)	(0.4)
Closing balance	0.9	35.2	0.9	35.2

Financial assets and liabilities carried at amortised cost

Valuation hierarchy

The table below details financial instruments carried at amortised cost, by Balance Sheet classification and hierarchy level:

	Group				
	June 2025				
	Level 1 $m	Level 2 $m	Level 3 $m	Total fair value $m	Total carrying amount $m
Cash and cash equivalents [1]	—	3,271.9	—	3,271.9	3,271.9
Due from other financial institutions	—	167.0	—	167.0	167.0
Financial assets amortised cost	—	1,813.8	—	1,813.8	1,813.8
Net loans and other receivables	—	—	85,732.1	85,732.1	85,708.4
Total financial assets at amortised cost	—	5,252.7	85,732.1	90,984.8	90,961.1
Due to other financial institutions	—	281.3	—	281.3	281.3
Deposits	—	84,718.5	—	84,718.5	83,842.9
Wholesale borrowings	—	9,953.9	—	9,953.9	9,920.2
Loan capital	817.6	579.1	—	1,396.7	1,374.6
Total financial liabilities at amortised cost	817.6	95,532.8	—	96,350.4	95,419.0
	June 2024				
	$m	$m	$m	$m	$m
Cash and cash equivalents [1]	—	1,846.9	—	1,846.9	1,846.9
Due from other financial institutions	—	282.9	—	282.9	282.9
Financial assets amortised cost	—	1,001.2	—	1,001.2	1,001.2
Net loans and other receivables	—	—	80,465.8	80,465.8	80,567.6
Total financial assets at amortised cost	—	3,131.0	80,465.8	83,596.8	83,698.6
Due to other financial institutions	—	309.5	—	309.5	309.5
Deposits	—	79,946.0	—	79,946.0	78,986.5
Wholesale borrowings	—	9,293.1	—	9,293.1	9,287.6
Loan capital	826.0	578.9	—	1,404.9	1,372.4
Total financial liabilities at amortised cost	826.0	90,127.5	—	90,953.5	89,956.0

1. Cash and cash equivalents excludes the balance of Notes and Coins.

Financial instruments

20 FAIR VALUE OF FINANCIAL INSTRUMENTS continued

Financial assets and liabilities carried at amortised cost continued

Valuation hierarchy continued

	Bank				
	June 2025				
	Level 1 $m	Level 2 $m	Level 3 $m	Total fair value $m	Total carrying amount $m
Cash and cash equivalents [1]	—	3,160.4	—	3,160.4	3,160.4
Due from other financial institutions	—	167.0	—	167.0	167.0
Financial assets amortised cost	—	6,052.0	802.0	6,854.0	6,852.0
Net loans and other receivables	—	—	84,151.6	84,151.6	84,127.9
Total financial assets at amortised cost	—	9,379.4	84,953.6	94,333.0	94,307.3
Due to other financial institutions	—	281.3	—	281.3	281.3
Deposits	—	84,858.4	—	84,858.4	83,982.8
Wholesale borrowings	—	7,518.9	—	7,518.9	7,484.6
Loan capital	817.6	579.1	—	1,396.7	1,374.6
Total financial liabilities at amortised cost	817.6	93,237.7	—	94,055.3	93,123.3

	June 2024				
	Level 1 $m	Level 2 $m	Level 3 $m	Total fair value $m	Total carrying amount $m
Cash and cash equivalents [1]	—	1,581.6	—	1,581.6	1,581.6
Due from other financial institutions	—	282.9	—	282.9	282.9
Financial assets amortised cost	—	4,481.2	552.2	5,033.4	5,031.2
Net loans and other receivables	—	—	78,740.3	78,740.3	78,842.1
Total financial assets at amortised cost	—	6,345.7	79,292.5	85,638.2	85,737.8
Due to other financial institutions	—	309.5	—	309.5	309.5
Deposits	—	79,922.0	—	79,922.0	78,962.5
Wholesale borrowings	—	7,080.0	—	7,080.0	7,079.7
Loan capital	826.0	578.9	—	1,404.9	1,372.4
Total financial liabilities at amortised cost	826.0	87,890.4	—	88,716.4	87,724.1

1. Cash and cash equivalents excludes the balance of Notes and Coins.

Transfers between levels are deemed to have occurred at the beginning of the reporting period in which instruments are transferred. There were no significant transfers between levels during the year for the Group or Bank.

Financial instruments

20 FAIR VALUE OF FINANCIAL INSTRUMENTS continued

Valuation methodology

Cash and cash equivalents, due from/to other financial institutions

The carrying value for these assets and liabilities are a reasonable approximation of fair value.

Financial assets amortised cost

The fair values of financial assets held to maturity are measured at amortised cost which approximates their fair value given they are predominantly short-term in nature or have interest rates which reprice frequently.

Net loans and other receivables

The carrying value of loans and other receivables is net of individual and collective provisions. For variable rate loans, excluding impaired loans, the carrying amount is a reasonable estimate of fair value.

The fair value for fixed loans is calculated by utilising discounted cash flow models, based on the maturity of the loans. The discount rates used represent the rate the market is willing to offer at arm's length for customers of similar credit quality. The net fair value of impaired loans is calculated by discounting expected cash flows using these rates.

Deposits

The carrying value of deposits at call is considered to represent fair value given they are short-term in nature. The fair value for all term deposits is calculated using a discounted cash flow model applying market rates, or current rates for deposits of similar maturities.

Wholesale borrowings

The fair value for all wholesale borrowings is calculated using a discounted cash flow model applying independent market rates and margins for similar financial instruments.

Loan capital

The fair value of preference shares and capital notes is based on quoted market rates for the issue concerned as at year end.

The fair value of subordinated debt is calculated based on quoted market prices. For those debt issues where quoted market prices were not available, a discounted cash flow model using a yield curve appropriate to the remaining maturity of the instrument is used.

Financial instruments

21 RISK MANAGEMENT

Nature of risk

Our business is exposed to a broad range of financial and non-financial risks arising from our operations.

The Group has identified the following material financial risks, which are reflected in the Group's financial position and balance sheet and result from the Group's risk-taking activities:

- Credit risk
- Capital risk
- Liquidity risk
- Market risk.

Non-financial risks arises from the Group's risk-taking activities across processes or systems, people, and external events which includes operational risk, financial crime risk, regulatory & compliance risk and strategic risk (including ESG risk). Further details regarding the Group's material risks including our strategic approach to their management is contained within the *Risk Management Framework, material risks and business uncertainties* section of the 2025 Annual Financial Report.

The Group Risk Management Framework (**GRMF**) comprises the structures, policies, processes, systems and people the Group use as our consistent approach to managing material risks. Our framework components include:

- Our Risk Management Strategy
- Our risk appetite
- Our risk management approach of identify, assess, act and monitor.

Our Group Risk Management Strategy (**GRMS**) is enabled by:

- Risk culture, roles and governance
- Risk policies, processes and systems.

The Board's role is supported by various Risk governance Committees including:

- Board Risk Committee (**BRC**)
- Executive Risk Committee
- Operational Risk Committee (**ORC**)
- Asset and Liability Management Committee (**ALMAC**)
- Management Credit Committee (**MCC**) and
- Divisional Risk Committees.

Our Board committee charters are available on our website.

Credit risk

Credit risk includes credit risk and counterparty credit risk.

The Group is predominantly exposed to credit risk as a result of its lending activities. Credit risk is defined as the risk of loss of principal, interest and/or fees and charges resulting from a borrower failing to meet a credit commitment.

The Group maintains a Credit Risk Management Framework and supporting policies to ensure and facilitate effective management of credit risk and the maintenance of acceptable asset quality. The Board has set a risk appetite for the maximum amount of credit risk that it is willing to take, based on a percentage of the Group's capital that has been allocated to credit risk. Credit risk appetite is reviewed and recommended by the MCC and ultimately approved by the BRC and/or Board. Stress testing is also undertaken on key portfolios to support prudent management of credit risks.

Authority to officers to approve credit risk exposures is provided via a Delegated Lending Authority. The Group utilises models to support the management of credit risk. Governance of risk models is overseen by the Risk Models Committee (**RMC**) and credit risk models are approved by the Group's MCC.

Counterparty credit risk is the risk that a counterparty may default before the final settlement of the transaction's cash flows. This risk is primarily related to the Group's derivatives exposures. Counterparty credit risk is mitigated using margining and central clearing. Financial Risk & Modelling is responsible for monitoring Treasury counterparty credit limits in line with the Group's Counterparty Credit Limit Framework.

Regular reporting provides confirmation of the effectiveness of processes and highlights any trends or deterioration which require attention. This enables portfolio monitoring by all levels of management and the Board. Regular reporting is provided to the Group's MCC, and BRC, as well as at relevant Divisional Risk Committees.

Financial instruments

21 RISK MANAGEMENT continued

Credit risk continued

Maximum exposure to credit risk

The table below presents the maximum exposure to credit risk arising from on-Balance Sheet and off-Balance Sheet financial instruments. The exposure is shown gross before taking into account any master netting, collateral agreements or other credit enhancements.

	Group			
	June 2025			
Gross maximum exposure	**Stage 1 $m**	**Stage 2 $m**	**Stage 3 $m**	**Total $m**
Credit risk exposures relating to on-balance sheet assets				
Cash and cash equivalents [1]	3,271.9	–	–	3,271.9
Due from other financial institutions	167.0	–	–	167.0
Financial assets fair value through profit or loss (FVTPL)	8.7	–	–	8.7
Financial assets amortised cost	1,813.8	–	–	1,813.8
Financial assets fair value through other comprehensive income (FVOCI)	8,633.4	–	–	8,633.4
Other assets	553.4	–	–	553.4
Derivative assets	118.9	–	–	118.9
Gross loans and other receivables	77,709.2	7,154.0	1,061.0	85,924.2
Total financial assets	92,276.3	7,154.0	1,061.0	100,491.3
Credit risk exposures relating to off-balance sheet assets				
Commitments and contingencies	11,595.2	–	–	11,595.2
Total credit risk exposure	103,871.5	7,154.0	1,061.0	112,086.5
	June 2024			
	$m	$m	$m	$m
Credit risk exposures relating to on-balance sheet assets				
Cash and cash equivalents [1]	1,846.9	–	–	1,846.9
Due from other financial institutions	282.9	–	–	282.9
Financial assets fair value through profit or loss (FVTPL)	16.9	–	–	16.9
Financial assets amortised cost	1,001.2	–	–	1,001.2
Financial assets fair value through other comprehensive income (FVOCI)	10,561.5	–	–	10,561.5
Other assets	428.0	–	–	428.0
Derivative assets	5.9	–	–	5.9
Gross loans and other receivables	72,765.1	7,214.4	821.6	80,801.1
Total financial assets	86,908.4	7,214.4	821.6	94,944.4
Credit risk exposures relating to off-balance sheet assets				
Commitments and contingencies	11,666.0	–	–	11,666.0
Total credit risk exposure	98,574.4	7,214.4	821.6	106,610.4

1. Cash and cash equivalents excludes notes and coins as they do not give rise to credit risk.

Financial instruments

21 RISK MANAGEMENT continued

Credit risk continued

Maximum exposure to credit risk continued

Gross maximum exposure	Bank June 2025 Stage 1 $m	Stage 2 $m	Stage 3 $m	Total $m
Credit risk exposures relating to on-balance sheet assets				
Cash and cash equivalents [1]	3,160.4	–	–	3,160.4
Due from other financial institutions	167.0	–	–	167.0
Financial assets fair value through profit or loss (FVTPL)	3.2	–	–	3.2
Financial assets amortised cost [2]	1,540.6	–	–	1,540.6
Financial assets fair value through other comprehensive income (FVOCI)	14,961.3	–	–	14,961.3
Other assets	1,475.1	–	–	1,475.1
Derivative assets	118.9	–	–	118.9
Gross loans and other receivables	76,134.5	7,154.0	1,061.0	84,349.5
Total financial assets	97,561.0	7,154.0	1,061.0	105,776.0
Credit risk exposures relating to off-balance sheet assets				
Commitments and contingencies	9,471.6	–	–	9,471.6
Total credit risk exposure	107,032.6	7,154.0	1,061.0	115,247.6

	June 2024 $m	$m	$m	$m
Credit risk exposures relating to on-balance sheet assets				
Cash and cash equivalents [1]	1,581.6	–	–	1,581.6
Due from other financial institutions	282.9	–	–	282.9
Financial assets fair value through profit or loss (FVTPL)	7.5	–	–	7.5
Financial assets amortised cost [2]	728.8	–	–	728.8
Financial assets fair value through other comprehensive income (FVOCI)	18,703.8	–	–	18,703.8
Other assets	1,401.4	–	–	1,401.4
Derivative assets	5.9	–	–	5.9
Gross loans and other receivables	71,054.1	7,214.4	821.6	79,090.1
Total financial assets	93,766.0	7,214.4	821.6	101,802.0
Credit risk exposures relating to off-balance sheet assets				
Commitments and contingencies	9,595.1	–	–	9,595.1
Total credit risk exposure	103,361.1	7,214.4	821.6	111,397.1

1. Cash and cash equivalents excludes notes and coins as they do not give rise to credit risk.
2. Financial assets at amortised cost exclude loans receivable from the Bendigo and Adelaide Bank Covered Bond Trust, which do not give rise to a distinct credit risk to the underlying cover pool assets.

Where financial instruments are recorded at fair value the amounts shown above represent the current credit risk exposure but not the maximum risk exposure that could arise in the future as a result of changes in values.

For financial assets recognised in the Balance Sheet, the maximum exposure to credit risk equals their carrying amount. For contingent liabilities including financial guarantees granted, it is the maximum amount that the Group would have to pay if the guarantees were called upon. For loan commitments and other credit-related commitments, it is generally the full amount of the committed facilities.

Financial instruments

21 RISK MANAGEMENT continued

Credit risk continued

Concentration of credit risk

Concentration risk is managed by client or counterparty, by geographical region, by industry sector, by exposure type or by risk features. The Group implements certain exposure and concentration limits in order to mitigate concentration risk.

The gross maximum credit exposure to any client or counterparty (excluding sovereign/government exposures) as at 30 June 2025 was $397.7 million (June 2024: $455.5 million) before taking to account collateral or other credit enhancements.

Geographic – based on the location of the counterparty or customer.

The table below presents the maximum exposure to credit risk categorised by geographical region. The exposures are shown gross before taking into account any collateral held or other credit enhancements.

	Group		Bank	
Geographic concentration[1]	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Victoria	41,694.4	38,750.9	41,330.6	38,678.1
New South Wales	27,517.0	24,759.3	28,306.5	25,720.7
Queensland	15,536.9	13,569.9	14,901.6	12,838.7
South Australia/Northern Territory	9,581.7	9,294.4	13,534.2	14,530.0
Western Australia	10,299.1	9,455.5	9,978.1	9,098.4
Australian Capital Territory	4,749.9	8,080.6	4,615.5	7,935.8
Tasmania	1,874.1	1,811.9	1,800.2	1,765.5
Overseas/other	833.4	887.9	780.9	829.9
Total credit risk exposure	112,086.5	106,610.4	115,247.6	111,397.1

1. Disclosures reconcile to definitions applied for regulatory reporting purposes.

Financial instruments

21 RISK MANAGEMENT continued

Credit risk continued

Concentration of credit risk continued

Industry Sector – is based on the industry in which the customer or counterparty are engaged.

The table below presents the maximum exposure to credit risk categorised by industry sector. The exposures are shown gross before taking into account any collateral held or other credit enhancements.

	Group		Bank	
Industry concentration [1]	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Accommodation and food services	219.3	224.7	214.9	220.2
Administrative and support services	31.7	39.3	31.1	38.5
Agriculture, forestry and fishing	8,441.8	8,160.3	8,274.1	7,996.6
Arts and recreation services	57.9	56.2	56.8	55.1
Construction	649.4	688.8	636.8	675.3
Education and training	56.2	57.0	55.1	55.9
Electricity, gas, water and waste services	20.8	24.4	20.4	23.9
Financial and insurance services [2]	15,200.6	11,220.3	21,975.6	19,709.8
Health care and social assistance	340.6	355.3	333.8	348.2
Information media and telecommunications	14.0	16.2	13.8	15.9
Manufacturing	194.6	219.9	190.9	215.6
Margin lending	1,786.8	1,957.6	—	—
Mining	16.5	11.8	16.2	11.5
Other	340.0	334.7	339.9	333.0
Other services	207.3	201.0	203.2	197.0
Professional, scientific and technical services	225.7	230.4	221.2	225.8
Public administration and safety [2]	2,832.5	6,203.0	2,832.3	6,202.4
Rental, hiring and real estate services	4,922.7	4,909.3	4,824.6	4,810.6
Residential/consumer	75,887.7	71,049.8	74,378.9	69,624.2
Retail trade	298.7	318.4	292.8	312.1
Transport, postal and warehousing	195.9	175.4	192.2	172.0
Wholesale trade	145.8	156.6	143.0	153.5
Total credit risk exposure	112,086.5	106,610.4	115,247.6	111,397.1

1. Disclosures reconcile to definitions applied for regulatory reporting purposes.
2. The increase in credit risk in 'financial and insurance services' is driven by increases in reverse repurchase agreements and bonds, partially offset by a reduction in the exchange settlement account. 'Public administration and safety' reductions are driven by reduction in Treasury note assets.

Financial instruments

21 RISK MANAGEMENT continued

Credit risk continued

Credit quality

The table below discloses the effect of movements in the gross carrying value of loans and other receivables, other financial assets held at amortised cost and contingent liabilities issued by the Group on behalf of customers, to the different stages of the ECL model:

	Group				
	Stage 1	Stage 2	Stage 3	Stage 3	
	Collectively assessed provisions			Individually assessed provisions	Total
	$m	$m	$m	$m	$m
Gross carrying amount as at 1 July 2024	87,679.7	7,214.4	729.7	91.9	95,715.7
Transfers to/(from) during the year:					
Stage 1	2,276.3	(2,216.2)	(60.1)	—	—
Stage 2	(3,745.2)	3,874.3	(129.1)	—	—
Stage 3	(335.1)	(363.4)	698.5	—	—
Transfer from collectively assessed to individually assessed provisions	(2.9)	(7.3)	(12.5)	22.7	—
New financial assets originated or purchased	20,690.0	502.9	27.2	—	21,220.1
Financial assets derecognised or repaid	(11,129.8)	(1,683.7)	(270.0)	—	(13,083.5)
Change in balances	(747.2)	(167.0)	(3.8)	(28.9)	(946.9)
Amounts written off against provisions	—	—	—	(4.6)	(4.6)
Gross carrying amount as at 30 June 2025	94,685.8	7,154.0	979.9	81.1	102,900.8

	$m	$m	$m	$m	$m
Gross carrying amount as at 1 July 2023	93,117.5	7,052.1	657.2	106.4	100,933.2
Transfers to/(from) during the year:					
Stage 1	2,275.1	(2,227.4)	(47.7)	—	—
Stage 2	(3,988.7)	4,077.5	(88.8)	—	—
Stage 3	(239.6)	(268.6)	508.2	—	—
Transfer from collectively assessed to individually assessed provisions	(6.1)	(13.8)	(21.5)	41.4	—
New financial assets originated or purchased	16,475.5	466.1	20.3	—	16,961.9
Financial assets derecognised or repaid	(11,808.5)	(1,743.6)	(291.4)	—	(13,843.5)
Change in balances	(8,145.5)	(127.9)	(6.6)	(45.8)	(8,325.8)
Amounts written off against provisions	—	—	—	(10.1)	(10.1)
Gross carrying amount as at 30 June 2024	87,679.7	7,214.4	729.7	91.9	95,715.7

Financial instruments

21 RISK MANAGEMENT continued

Credit risk continued

Credit quality continued

	Bank				
	Stage 1	Stage 2	Stage 3	Stage 3	
	Collectively assessed provisions			Individually assessed provisions	Total
	$m	$m	$m	$m	$m
Gross carrying amount as at 1 July 2024	87,662.5	7,214.4	729.7	91.9	95,698.5
Transfers to/(from) during the year:					
Stage 1	2,276.3	(2,216.2)	(60.1)	—	—
Stage 2	(3,745.2)	3,874.3	(129.1)	—	—
Stage 3	(335.1)	(363.4)	698.5	—	—
Transfer from collectively assessed to individually assessed provisions	(2.9)	(7.3)	(12.5)	22.7	—
New financial assets originated or purchased	20,690.0	502.9	27.2	—	21,220.1
Financial assets derecognised or repaid	(11,129.8)	(1,683.7)	(270.0)	—	(13,083.5)
Change in balances	498.4	(167.0)	(3.8)	(28.9)	298.7
Amounts written off against provisions	—	—	—	(4.6)	(4.6)
Gross carrying amount as at 30 June 2025	95,914.2	7,154.0	979.9	81.1	104,129.2
	$m	$m	$m	$m	$m
Gross carrying amount as at 1 July 2023	91,703.6	7,052.1	657.2	1,126.4	100,539.3
Transfers to/(from) during the year:					
Stage 1	2,275.1	(2,227.4)	(47.7)	—	—
Stage 2	(3,988.7)	4,077.5	(88.8)	—	—
Stage 3	(239.6)	(268.6)	508.2	—	—
Transfer from collectively assessed to individually assessed provisions	(6.1)	(13.8)	(21.5)	41.4	—
New financial assets originated or purchased	16,475.5	466.1	20.3	—	16,961.9
Financial assets derecognised or repaid	(10,788.9)	(1,743.6)	(291.4)	(1,020.0)	(13,843.9)
Change in balances	(7,768.4)	(127.9)	(6.6)	(45.8)	(7,948.7)
Amounts written off against provisions	—	—	—	(10.1)	(10.1)
Gross carrying amount as at 30 June 2024	87,662.5	7,214.4	729.7	91.9	95,698.5

Financial instruments

21 RISK MANAGEMENT continued

Credit risk continued

Credit quality continued

The table below discloses information about the credit quality of financial assets measured at amortised cost without taking into account collateral or other credit enhancement. Unless specifically indicated, the amounts in the table represent gross carrying amounts.

	Group				
	Stage 1	Stage 2	Stage 3	Stage 3	
	Collectively assessed provisions			Individually assessed provisions	Total
	$m	$m	$m	$m	$m
Neither past due nor impaired					
• High grade	64,322.3	647.5	3.6	—	64,973.4
• Standard grade	29,184.2	4,234.5	61.3	—	33,480.0
• Sub-standard grade	1,381.1	1,206.6	93.5	—	2,681.2
• Unrated	8,346.2	30.2	36.5	—	8,412.9
Past due or impaired	630.4	1,042.5	785.0	81.1	2,539.0
Gross carrying amount as at 30 June 2025	103,864.2	7,161.3	979.9	81.1	112,086.5
	$m	$m	$m	$m	$m
Neither past due nor impaired					
• High grade	62,489.2	460.5	0.4	—	62,950.1
• Standard grade	29,215.9	3,659.6	7.7	—	32,883.2
• Sub-standard grade	866.7	1,241.2	24.3	—	2,132.2
• Unrated	5,120.2	83.4	2.5	—	5,206.1
Past due or impaired	1,150.0	1,502.1	694.8	91.9	3,438.8
Gross carrying amount as at 30 June 2024	98,842.0	6,946.8	729.7	91.9	106,610.4

Financial instruments

21 RISK MANAGEMENT continued

Credit risk continued

Credit quality continued

	Bank				
	Stage 1	Stage 2	Stage 3	Stage 3	
	Collectively assessed provisions			Individually assessed provisions	Total
	$m	$m	$m	$m	$m
Neither past due nor impaired					
• High grade	67,536.7	647.6	3.6	—	68,187.9
• Standard grade	29,130.8	4,234.5	61.3	—	33,426.6
• Sub-standard grade	1,076.4	1,206.6	93.5	—	2,376.5
• Unrated	8,346.2	30.2	36.5	—	8,412.9
Past due or impaired	942.6	940.8	879.2	81.1	2,843.7
Gross carrying amount as at 30 June 2025	107,032.7	7,059.7	1,074.1	81.1	115,247.6
	$m	$m	$m	$m	$m
Neither past due nor impaired					
• High grade	67,275.8	460.6	0.4	—	67,736.8
• Standard grade	29,215.9	3,659.6	7.7	—	32,883.2
• Sub-standard grade	866.7	1,241.2	24.3	—	2,132.2
• Unrated	5,120.2	83.4	2.5	—	5,206.1
Past due or impaired	1,150.1	1,502.0	694.8	91.9	3,438.8
Gross carrying amount as at 30 June 2024	103,628.7	6,946.8	729.7	91.9	111,397.1

The credit ratings range from high grade where there is a very low likelihood of default and/or high likelihood of the debt being recovered in full to sub-standard grade where there is concern over the obligor's ability to make payments when due and/or the likely recovery of the debt.

Credit risk stress testing is performed to assess the likelihood of loan default under various macroeconomic conditions, to examine the financial strength of borrowers and counterparties including their ability to meet commitments under changing scenarios and to assess the exposure and extent of loss should default actually occur both at a counterparty and portfolio level.

Ageing

The following table presents the ageing analysis of past due but not impaired loans and other receivables. Loans and receivables which are 90 or more days past due are not classified as impaired assets where the estimated net realisable value of the collateral/security is sufficient to cover the repayment of all principal and interest amounts due. The exposures are shown net after taking into account any collateral held or other credit enhancements.

	Group					
	Less than 30 days $m	31 to 60 days $m	61 to 90 days $m	More than 91 days $m	Total $m	Fair value of collateral $m
June 2025	1,142.8	343.3	249.8	722.0	2,457.9	8,860.0
June 2024	1,623.8	299.1	192.0	531.2	2,646.1	7,686.7

	Bank					
June 2025	1,142.8	343.3	249.8	722.0	2,457.9	8,860.0
June 2024	1,623.8	299.1	192.0	531.2	2,646.1	7,686.7

Financial instruments

21 RISK MANAGEMENT continued

Climate change risk

Climate change risk includes physical risks from changing climate conditions and extreme weather events, and transition risks related to the evolving regulatory landscape, adapting to new technology, and shifting stakeholder expectations. The Group is predominantly exposed to climate change risk through its lending activities, and we also have exposures through our supply chains and assets such as branches and offices.

The process to identify, assess, manage and review climate-related risks is integrated into our enterprise-wide risk management approach, starting with our Group Risk Management Strategy (**GRMS**). The Board has ultimate oversight of the GRMS, its associated framework and risk appetite.

The Board is also the final decision-making and approval body for the Group's Climate and Nature Action Plan 2024–2026 (**CNAP**), the Group's climate action strategy driving enterprise-wide climate-related action. The Executive Committee is accountable for implementing the CNAP and each Executive has specific accountabilities for delivering actions relevant to them.

The Group continues to evolve its approach to mitigating and adapting to climate change risk. For progress to date, please refer to the Sustainability Report section of this Report and the separate Climate Disclosure.

Liquidity risk

Liquidity risk is defined as the risk that the Group is unable to access funds, both anticipated and unforeseen, which may lead to the Group being unable to meet its obligations in an orderly manner as they arise or forgoing investment opportunities.

Liquidity risk is managed in line with the Board approved Risk Appetite Statement and Group Liquidity Risk Management Policy. to ensure that cash flow commitments are met in a timely manner and prudential requirements are satisfied.

The Group manages a portfolio of HQLA to cover projected net cash outflows over a 30-day period under the stress scenario assumptions prescribed by the LCR in APRA Prudential Standard 210 *Liquidity*. APRA requires LCR ADIs to maintain a minimum 100% LCR. The Group also monitors the stability and composition of funding, including the calculation of the NSFR, which APRA also requires LCR ADIs to maintain at a minimum of 100%.

The Group manages liquidity holdings in line with the Board approved Funding Strategy, ensuring adequate levels of HQLA and diversified sources of funding.

The Group has established a trigger framework to support the liquidity risk management process, in particular, to alert management of emerging or increased risk or vulnerability in its liquidity position. This framework incorporates limits, early warning indicators and monitoring and escalation processes to ensure that sufficient liquidity is maintained.

The Group undertakes stress testing to evaluate its liquidity position under a range of scenario severities. In addition, the Group's Contingency Funding Plan (**CFP**) outlines specific actions to deal with a liquidity related event. Regular reporting is provided to ALMAC and BRC.

Analysis of financial liabilities by remaining contractual maturities

The table below categorises the Group's financial liabilities into relevant maturity periods based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table represent all cash flows, on an undiscounted basis, including all future coupon payments, both principal and interest, and therefore may not reconcile with the amounts disclosed in the Balance Sheet.

For foreign exchange derivatives and cross currency interest rate swaps, the amounts disclosed are the gross contractual cash flows to be paid. For interest rate swaps, the cash flows are the net amounts to be paid, and have been estimated using forward interest rates applicable at the reporting date.

Financial instruments

21 RISK MANAGEMENT continued

Liquidity risk continued

Analysis of financial liabilities by remaining contractual maturities continued

	Group					
	June 2025					
	At call $m	Not longer than 3 months $m	3 to 12 months $m	1 to 5 years $m	Longer than 5 years $m	Total $m
Due to other financial institutions	281.3	—	—	—	—	281.3
Deposits	48,041.6	16,959.4	19,799.8	306.8	—	85,107.6
Other borrowings	—	298.6	3,301.2	6,078.2	748.1	10,426.1
Derivatives – net settled	—	2.9	(2.0)	(0.8)	—	0.1
Derivatives – gross settled						
• Outflows	—	757.3	186.1	—	—	943.4
• Inflows	—	(746.8)	(184.2)	—	—	(931.0)
Other payables	425.5	3.8	13.7	53.5	1.1	497.6
Loan capital	—	22.8	51.7	747.6	947.3	1,769.4
Total financial liabilities	48,748.4	17,298.0	23,166.3	7,185.3	1,696.5	98,094.5
Commitments and contingent liabilities	11,595.2	—	—	—	—	11,595.2
Total contingent liabilities and commitments	11,595.2	—	—	—	—	11,595.2

	June 2024					
	At call $m	Not longer than 3 months $m	3 to 12 months $m	1 to 5 years $m	Longer than 5 years $m	Total $m
Due to other financial institutions	309.5	—	—	—	—	309.5
Deposits	43,025.9	13,735.1	22,038.7	1,502.4	105.3	80,407.4
Other borrowings	—	617.8	1,513.6	7,052.3	781.4	9,965.1
Derivatives – net settled	—	4.5	(0.7)	1.5	—	5.3
Derivatives – gross settled						
• Outflows	—	56.5	242.3	894.3	—	1,193.1
• Inflows	—	(45.3)	(239.1)	(871.9)	—	(1,156.3)
Other payables	503.4	1.3	4.5	84.9	2.0	596.1
Loan capital	—	24.8	0.4	710.9	863.9	1,600.0
Total financial liabilities	43,838.8	14,394.7	23,559.7	9,374.4	1,752.6	92,920.2
Commitments and contingent liabilities	11,666.0	—	—	—	—	11,666.0
Total contingent liabilities and commitments	11,666.0	—	—	—	—	11,666.0

Financial instruments

21 RISK MANAGEMENT continued

Liquidity risk continued

Analysis of financial liabilities by remaining contractual maturities continued

	Bank					
	June 2025					
	At call $m	Not longer than 3 months $m	3 to 12 months $m	1 to 5 years $m	Longer than 5 years $m	Total $m
Due to other financial institutions	281.3	—	—	—	—	281.3
Deposits	48,181.6	16,959.4	19,799.8	306.8	—	85,247.6
Other borrowings	—	180.8	2,851.6	4,442.2	—	7,474.6
Derivatives – net settled	—	2.9	(2.0)	(0.8)	—	0.1
Derivatives – gross settled						
• Outflows	—	757.3	186.1	—	—	943.4
• Inflows	—	(746.8)	(184.2)	—	—	(931.0)
Other payables	389.8	3.8	13.7	53.5	1.1	461.9
Loans payable to securitisation trusts	—	—	—	—	13,259.3	13,259.3
Loan capital	—	22.8	51.7	747.6	947.3	1,769.4
Total financial liabilities	48,852.7	17,180.2	22,716.7	5,549.3	14,207.7	108,506.6
Commitments and contingent liabilities	9,471.6	—	—	—	—	9,471.6
Total contingent liabilities and commitments	9,471.6	—	—	—	—	9,471.6

	June 2024					
	At call $m	Not longer than 3 months $m	3 to 12 months $m	1 to 5 years $m	Longer than 5 years $m	Total $m
Due to other financial institutions	309.5	—	—	—	—	309.5
Deposits	43,044.8	13,735.1	22,038.7	1,564.7	—	80,383.3
Other borrowings	—	617.8	1,513.6	5,625.9	—	7,757.3
Derivatives – net settled	—	4.5	(0.7)	1.5	—	5.3
Derivatives – gross settled						
• Outflows	—	56.5	242.3	894.3	—	1,193.1
• Inflows	—	(45.3)	(239.1)	(871.9)	—	(1,156.3)
Other payables	466.1	1.3	4.5	84.9	2.0	558.8
Loans payable to securitisation trusts	—	—	—	—	13,880.4	13,880.4
Loan capital	—	24.8	0.4	710.9	863.9	1,600.0
Total financial liabilities	43,820.4	14,394.7	23,559.7	8,010.3	14,746.3	104,531.4
Commitments and contingent liabilities	9,595.1	—	—	—	—	9,595.1
Total contingent liabilities and commitments	9,595.1	—	—	—	—	9,595.1

Financial instruments

21 RISK MANAGEMENT continued

Market risk (including traded and non-traded)

Market risk is the risk that changes in market variables such as interest rates, foreign exchange rates and equity prices will impact the Group's fair value or future cash flows of financial instruments. The Group classifies its exposures to market risk as either traded (the Trading Book) or non-traded (the Banking Book).

Traded market risk is defined as the risk of loss owing to changes in the general level of market prices or interest rates. Traded market risk arises from positions held in the Group's trading book, which consists of securities held for both trading and liquidity purposes, and discretionary interest rate and foreign exchange trading. Foreign currency trading is undertaken primarily for the purpose of providing the Group's customers with access to foreign exchange markets. Trading book positions include approved financial instruments, both physical and derivative. Traded market risk is managed in line with the Board-approved Risk Appetite Statement and, Group Trading Book Policy.

Non-traded market risk comprises IRRBB. IRRBB is the risk of loss in earnings or in the economic value in the Banking Book due to movements in interest rates. IRRBB arises predominantly from the Group's general balance sheet funding and lending activities. The Group takes a prudent approach to the management of IRRBB, balancing net interest income and economic value (EV) and aiming to minimise volatility in current and future earnings.

IRRBB is managed in line with the Risk Appetite Statement, and Group Interest Rate Risk in the Banking Book Policy.

Market risk is primarily managed by Group Treasury, which is responsible for ensuring that the Group's exposures remain compliant with limits.

Group Treasury monitors significant developments in market structure and pricing as part of its established market risk management practices. The Line 2 Financial Risk & Modelling function provides independent oversight of market risk management.

The Group utilises Value at Risk (VaR) as a key measure of IRRBB. VaR measures the potential loss in the value of an asset or portfolio to a 99% confidence level over a 12-month time frame due to interest rate changes.

The Group also models a variety of scenarios to analyse the Group's exposure to IRRBB and project the potential impact. This includes scenarios that would potentially have an extreme impacts on earnings.

The following table outlines the key measure for traded market risk. EV sensitivity is based on the impact of a 50 basis point parallel movement in interest rates.

	Exposure at year end	Avg during the year	Exposure at year end	Avg during the year
	June 2025		June 2024	
VaR	$m	$m	$m	$m
Economic Value (EV) sensitivity	–	–	–	–

The following table outlines the key measures for non-traded market risk (IRRBB). EV and NII sensitivity are based on a static representation of the Balance Sheet and the impact of instantaneous 200 basis point parallel and non-parallel shifts in rates.

	Exposure at year end	Avg during the year	Exposure at year end	Avg during the year
	June 2025		June 2024	
VaR	$m	$m	$m	$m
VaR	159.9	145.0	118.2	142.8
Economic value (EV) sensitivity	(16.5)	(27.4)	(13.7)	(70.8)
Net interest income (NII) sensitivity	(17.6)	(28.0)	(5.0)	(72.6)

Financial instruments

21 RISK MANAGEMENT continued

Market risk (including traded and non-traded) continued

Interest rate risk

The following table demonstrates the sensitivity of the Group's Income Statement and equity to a plausible change in interest rates, with all other variables held constant.

The sensitivity of the Income Statement is the effect of assumed changes in interest rates on the net interest income including revenue share arrangements for one year, based on the floating rate financial assets and financial liabilities held at 30 June 2025, including the effect of hedging instruments. The sensitivity of equity is calculated by revaluing financial assets carried at fair value (including the effect of any associated hedges), and swaps designated as cash flow hedges, at 30 June 2025 for the effects of the assumed changes in interest rates. The sensitivity of equity is analysed by the maturity of the asset or swap, with sensitivity based on the assumption that there are parallel shifts in the yield curve.

The table below represents the change to the Group's profit for the relevant financial year from a 25 basis point up and 125 basis point down (June 2024: 25 basis point up and 25 basis point down) rate shock.

	Group			
	June 2025		June 2024	
	+25 bps $m	-125 bps $m	+25 bps $m	-25 bps $m
Net interest income	27.5	(153.7)	16.5	(16.5)
Revaluation (losses)/gains arising on economic hedges that are not in a hedge relationship	(16.0)	84.2	(11.5)	11.5
Income tax effect at 30%	(3.5)	20.9	(1.5)	1.5
Effect on profit	8.0	(48.6)	3.5	(3.5)
Effect on profit (per above)	8.0	(48.6)	3.5	(3.5)
Cash flow hedge reserve	(57.6)	287.8	(53.0)	53.0
Income tax effect on reserves at 30%	17.3	(86.3)	15.9	(15.9)
Effect on equity	(32.3)	152.9	(33.6)	33.6

	Bank			
	June 2025		June 2024	
	+25 bps $m	-125 bps $m	+25 bps $m	-25 bps $m
Net interest income	27.5	(153.7)	16.5	(16.5)
Revaluation (losses)/gains arising on economic hedges that are not in a hedge relationship	(16.0)	84.2	(11.5)	11.5
Income tax effect at 30%	(3.5)	20.9	(1.5)	1.5
Effect on profit	8.0	(48.6)	3.5	(3.5)
Effect on profit (per above)	8.0	(48.6)	3.5	(3.5)
Cash flow hedge reserve	(57.6)	287.8	(53.0)	53.0
Income tax effect on reserves at 30%	17.3	(86.3)	15.9	(15.9)
Effect on equity	(32.3)	152.9	(33.6)	33.6

The movements in profit are due to higher/lower interest costs from variable rate debt and cash balances. The movement in equity is also affected by the increase/decrease in the fair value of derivative instruments designated as cash flow hedges, where these derivatives are deemed effective.

This analysis reflects a scenario where no management actions are taken to counter movements in rates.

Financial instruments

21 RISK MANAGEMENT continued

Foreign currency risk

The Group does not have significant exposure to foreign currency risk, with non-AUD borrowing economically hedged back to AUD. At balance date the principal of foreign currency denominated borrowings outstanding under these programs was AUD $1.3 billion (June 2024: AUD $1.1 billion).

Retail and business banking foreign exchange transactions are managed by the Group's Financial Markets business unit within, spot and forward limits.

Adherence to limits is independently monitored by Line 2.

Funding and capital management

22 SHARE CAPITAL

	Group		Bank	
	June 2025		June 2025	
Issued and paid up capital	No. of shares	$m	No. of shares	$m
Ordinary shares fully paid (ASX Code: BEN)	563,866,856	5,205.0	563,866,856	5,205.0
Employee Share Ownership Plan shares	—	(1.6)	—	(1.6)
Total issued and paid up capital	563,866,856	5,203.4	563,866,856	5,203.4
Movements in ordinary shares on issue	No. of shares	$m	No. of shares	$m
Opening balance 1 July 2024	568,292,832	5,261.5	568,292,832	5,261.5
Dividend reinvestment plan [1, 2]	—	—	—	—
Executive performance rights	—	(11.5)	—	(11.5)
Closing balance (including treasury shares) 30 June 2025	568,292,832	5,250.0	568,292,832	5,250.0
Less: treasury shares	No. of shares	$m	No. of shares	$m
Opening balance 1 July 2024	(2,978,095)	(28.3)	(2,978,095)	(28.3)
Net movement during the period	(1,447,881)	(16.7)	(1,447,881)	(16.7)
Closing balance (excluding treasury shares) 30 June 2025	563,866,856	5,205.0	563,866,856	5,205.0
Movements in Employee Share Ownership Plan	No. of shares	$m	No. of shares	$m
Opening balance 1 July 2024	—	(1.9)	—	(1.9)
Reduction in Employee Share Ownership Plan	—	0.3	—	0.3
Closing balance 30 June 2025	—	(1.6)	—	(1.6)
Total issued and paid up capital	563,866,856	5,203.4	563,866,856	5,203.4

1. The Dividend Reinvestment Plan in respect of the 30 June 2024 final dividend was satisfied in full by the on-market purchase and transfer of 1,871,561 shares at $12.13 to participating shareholders.
2. The Dividend Reinvestment Plan in respect of the 31 December 2024 interim dividend was satisfied in full by the on-market purchase and transfer of 2,052,463 shares at $10.27 to participating shareholders.

Funding and capital management

22 SHARE CAPITAL continued

	Group		Bank	
	June 2024		June 2024	
Issued and paid up capital	No. of shares	$m	No. of shares	$m
Ordinary shares fully paid (ASX Code: BEN)	565,314,737	5,233.2	565,314,737	5,233.2
Employee Share Ownership Plan shares	—	(1.9)	—	(1.9)
Total issued and paid up capital	565,314,737	5,231.3	565,314,737	5,231.3
Movements in ordinary shares on issue	No. of shares	$m	No. of shares	$m
Opening balance 1 July 2023	568,292,798	5,261.9	568,292,798	5,261.9
Dividend reinvestment plan [1, 2]	—	—	—	—
Institutional placement [3]	34	—	34	—
Executive performance rights	—	(0.4)	—	(0.4)
Closing balance (including treasury shares) 30 June 2024	568,292,832	5,261.5	568,292,832	5,261.5
Less: treasury shares	No. of shares	$m	No. of shares	$m
Opening balance 1 July 2023	(2,397,288)	(19.0)	(2,397,288)	(19.0)
Net movement during the period	(580,807)	(9.3)	(580,807)	(9.3)
Closing balance (excluding treasury shares) 30 June 2024	565,314,737	5,233.2	565,314,737	5,233.2
Movements in Employee Share Ownership Plan	No. of shares	$m	No. of shares	$m
Opening balance 1 July 2023	—	(2.4)	—	(2.4)
Reduction in Employee Share Ownership Plan	—	0.5	—	0.5
Closing balance 30 June 2024	—	(1.9)	—	(1.9)
Total issued and paid up capital	565,314,737	5,231.3	565,314,737	5,231.3

1. The Dividend Reinvestment Plan in respect of the 30 June 2023 final dividend was satisfied in full by the on-market purchase and transfer of 2,527,922 shares at $9.13 to participating shareholders.
2. The Dividend Reinvestment Plan in respect of the 31 December 2023 interim dividend was satisfied in full by the on-market purchase and transfer of 2,196,744 shares at $9.86 to participating shareholders.
3. In February 2024 the Group issued 34 shares at $9.71.

Funding and capital management

23 RETAINED EARNINGS AND RESERVES

Retained earnings movements

	Group		Bank	
Retained earnings movements	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Opening balance	1,762.0	1,567.3	1,280.4	1,092.9
(Loss)/profit for the year	(97.1)	545.0	(129.7)	537.3
Opening balance adjustment	—	—	—	0.5
Share-based payment	0.1	0.6	0.1	0.6
Transfer from reserves	19.4	0.1	19.4	0.1
Interim dividend – cash component	(148.6)	(148.1)	(148.6)	(148.1)
Interim dividend – dividend reinvestment plan	(21.1)	(21.7)	(21.1)	(21.7)
Final dividend – cash component	(163.8)	(158.1)	(163.8)	(158.1)
Final dividend – dividend reinvestment plan	(22.7)	(23.1)	(22.7)	(23.1)
Closing balance	1,328.2	1,762.0	814.0	1,280.4

Reserve movements

Employee benefits reserve	$m	$m	$m	$m
Opening balance	36.4	17.0	36.4	17.0
Share-based payment expense	12.5	26.8	12.5	26.8
Lapsed/forfeited awards	(2.1)	(1.5)	(2.1)	(1.5)
Vested awards	(12.1)	(5.3)	(12.1)	(5.3)
Tax effect of movement	8.6	(0.6)	8.6	(0.6)
Closing balance	43.3	36.4	43.3	36.4

Revaluation reserve – Equity Investments at FVOCI without recycling	$m	$m	$m	$m
Opening balance	12.7	12.7	12.7	12.7
Transfer from reserves	(27.7)	(0.1)	(27.7)	(0.1)
Tax effect of transfer from reserves	8.3	—	8.3	—
Net unrealised gains	9.7	0.2	9.7	0.2
Tax effect of net unrealised gains	(3.0)	(0.1)	(3.0)	(0.1)
Closing balance	—	12.7	—	12.7

Revaluation reserve – Debt Securities at FVOCI with recycling	$m	$m	$m	$m
Opening balance	(95.8)	(70.4)	(63.5)	(90.1)
Net unrealised gains/(losses)	114.9	(36.3)	109.1	38.0
Tax effect of revaluations	(34.5)	10.9	(32.7)	(11.4)
Closing balance	(15.4)	(95.8)	12.9	(63.5)

Cash flow hedge reserve	$m	$m	$m	$m
Opening balance	(7.8)	(11.6)	(7.8)	(11.6)
Mark-to-market movements	33.4	5.4	33.4	5.4
Tax effect of mark-to-market movements	(10.0)	(1.6)	(10.0)	(1.6)
Closing balance	15.6	(7.8)	15.6	(7.8)

Equity reserve for credit losses (ERCL)	$m	$m	$m	$m
Opening balance	95.2	95.2	95.2	95.2
Closing balance	95.2	95.2	95.2	95.2
Total reserves	138.7	40.7	167.0	73.0

Funding and capital management

23 RETAINED EARNINGS AND RESERVES continued

Nature and purpose of reserves

Employee benefits reserve

The reserve records the value of equities issued to non-executive employees under the Employee Share Ownership Plan and the value of deferred shares and rights granted to Executive employees under the Employee Salary Sacrifice, Deferred Share and Performance Share Plan.

Further details regarding these employee equity plans are disclosed within Note 36.

Revaluation reserve – Equity Investments at FVOCI

The reserve records fair value changes in relation to equity investments held.

Revaluation reserve – Debt Securities at FVOCI

The reserve records fair value changes in assets classified as debt securities.

Cash flow hedge reserve

The reserve records mark-to-market movements in relation to derivatives that are determined to be in an effective cash flow hedge relationship.

Equity reserve for credit losses

The equity reserve for credit losses was initially established to meet the requirements of APRA Prudential Standard, APS 220 *Credit Quality*, which required a reserve to be held to recognise estimated future credit losses which may arise over the life of the Group's lending portfolio. This requirement was removed from 1 January 2022, however, the Group has prudently maintained this reserve.

Funding and capital management

24 CAPITAL MANANGEMENT

Capital management strategy

Bendigo and Adelaide Bank Limited's key capital management objectives are to:

- Maintain a sufficient level of capital above the regulatory minimum to provide a buffer against loss arising from unanticipated events, and allow the Group to continue as a going concern;
- Optimise the level and use of capital resources to enhance shareholder value through maximising financial performance; and
- Ensure that capital management is closely aligned with the Group's business and strategic objectives.

Regulatory capital

As an ADI in Australia, Bendigo and Adelaide Bank Limited is regulated by APRA under the *Banking Act 1959*.

The Group manages capital adequacy in accordance with the framework provided by APRA. APRA's Basel III Capital Framework came into effect from 1 January 2023, impacting the measurement of credit and operational risk-weighted assets.

The Group must comply with APRA's minimum regulatory capital requirements, prudential capital ratios and reporting levels. The capital requirements are summarised below.

The Group's regulatory capital consists of:

Common Equity Tier 1 Capital	Tier 1 Capital	Tier 2 Capital	Total Capital
Shareholders' equity, less goodwill and other prescribed regulatory adjustments.	Common Equity Tier 1 plus other higher ranked capital instruments meeting APRA's requirements to be classified as eligible Additional Tier 1 Capital Instruments.	Subordinated debt instruments meeting APRA's requirements to qualify as eligible Tier 2 Capital.	Tier 1 plus Tier 2 Capital.

The Group's regulatory capital requirements are measured on a Level 1 and Level 2 basis. The reporting levels consist of:

Level 1	Level 2
Bendigo and Adelaide Bank Limited and certain controlled entities that meet the APRA definition of extended licensed entities.	Consolidated Group, excluding non-controlled subsidiaries and securitisation special purpose vehicles that meet APRA's capital relief requirements.

APRA determines minimum prudential capital ratios (eligible capital as a percentage of total risk-weighted assets) that must be held by all ADIs. Accordingly, Bendigo and Adelaide Bank Limited is required to maintain minimum prudential capital ratios at both Level 1 and Level 2 as determined by APRA. The Board sets capital limits above regulatory minimum levels for each of CET1, Tier 1 and Total capital levels. Bendigo and Adelaide Bank Limited has a range of instruments and processes available to effectively manage capital. These include ordinary share issues and buy-backs, dividend and dividend reinvestment plan policies, Additional Tier 1 capital raising and subordinated loan capital issuances that qualify as Tier 2 Capital. All major capital related initiatives require approval from the Board. Detailed strategic and capital planning over a 3-year time horizon is completed at least annually and also approved by the Board.

The Group's capital position is monitored on a continuous basis and reported monthly to the Asset and Liability committee and at regular intervals through-out the year to the Board. These processes are formalised within the Group's ICAAP.

The Group determines its regulatory capital requirements in relation to credit risk, operational risk and market risk using the Standardised Approach set by APRA. The Group maintained capital levels above both regulatory minimum requirements and Board limits throughout the financial year.

Funding and capital management

24 CAPITAL MANANGEMENT continued

APRA Additional Tier 1 Capital 'AT1' Announcements

On 9 December 2024, APRA released a letter entitled 'A more effective capital framework for a crisis: Update'. The update confirmed that it would proceed with a previously announced proposal to phase out AT1 Capital from the capital framework. Under the proposals, regional banks such as Bendigo and Adelaide, will be able to replace the current 1.5% of AT1 Capital with 1.5% of Tier 2 capital. This will bring the Total Capital requirement that can be in the form of Tier 2 to 3.5% whilst overall Total Capital requirements remain unchanged. These changes, if implemented in line with the letter, will commence from 1 January 2027. In addition, existing AT1 instruments will be eligible to be included in Tier 2 Capital from this date until their first scheduled call date. APRA intends to formally consult on the proposed amendments during 2025, with expected finalisation later that year.

Capital adequacy

The following table provides details of the Group's Level 2 capital adequacy ratios:

Risk-weighted capital adequacy ratios	June 2025	June 2024
Common Equity Tier 1	11.00%	11.32%
Tier 1	13.04%	13.43%
Tier 2	2.19%	2.31%
Total capital ratio	15.23%	15.74%

Regulatory capital	$m	$m
Common Equity Tier 1		
Contributed capital	5,203.4	5,231.3
Retained profits and reserves	935.9	1,377.2
Accumulated other comprehensive income (and other reserves)	43.5	(54.5)
Less:		
Intangible assets, cash flow hedges and capitalised expenses	1,694.2	2,033.3
Net deferred tax assets	143.4	147.3
Equity exposures	21.7	71.1
Total Common Equity Tier 1 capital	4,323.5	4,302.3
Additional Tier 1 capital	802.4	802.4
Total Tier 1 capital	5,125.9	5,104.7
Total Tier 2 capital	861.4	879.0
Total regulatory capital	5,987.3	5,983.7
Total risk-weighted assets	39,304.5	38,005.2

Other assets and liabilities

25 INVESTMENT PROPERTY

Investment property values reflect the Group's investment in residential real estate through the Homesafe Wealth Release product. The investments represent shared equity interest alongside the original home owners in Sydney and Melbourne residential properties.

	Group		Bank	
	June 2025 $m	June 2024 $m	**June 2025 $m**	June 2024 $m
Opening balance	1,140.2	957.8	1,140.2	–
Additions	–	67.4	–	1,076.6
Capitalised restructure costs	–	38.0	–	44.4
Disposals	(66.9)	(77.7)	(66.9)	(50.2)
Homesafe revaluation gain [1]	35.6	154.7	35.6	69.4
Total investment property	1,108.9	1,140.2	1,108.9	1,140.2

1. Homesafe revaluation income in Note 3 of $39.2m (June 2024: $162.4m), includes Homesafe revaluation gain and the profit/(loss) recognised on each contracts' completion.

Recognition and measurement

Investment properties are measured initially at cost, including transaction costs and are then stated at fair value. Gains or losses arising from changes in the fair values of investment properties are recognised in the Income Statement in the year in which they arise.

On 21 December 2023 and 30 June 2024, the Bank executed agreements for the restructure of its Homesafe investments. The transaction included the transfer of the investment properties held by the Homesafe Trust as at 30 November 2023 and 30 June 2024, to the Bank, and resulted in the extinguishment of future fees otherwise payable under the Homesafe Trust structure in relation to the transferred property. These fees were previously considered a deduction (fee deduction) from the portfolio value. Fees paid were capitalised into the funded balance, with the balance of the fee deduction taken through the property revaluation balance. Other transaction costs were expensed as incurred in the Group Income Statement, and capitalised into the funded balance in the Bank's Balance Sheet. Any capitalised balances unwind as contracts complete.

Valuation methodology

Subsequent to initial recognition, fair value is determined by discounting the expected future cash flows of the portfolio, taking into account the restrictions on the ability to realise the investment property due to contractual obligations.

Assumptions used in the modelling of future cash flows are sourced from market indices of property values (CoreLogic regional property indices) and long-term growth/discount rates appropriate to residential property and historical performance of contracts that have been closed out. The discounted cash flow model is prepared on a monthly basis. Inputs that form part of the discounted cash flow model include rates of property appreciation/(depreciation), discount rates, selling costs, mortality rates and future CPI increases.

The Group has applied a discount rate of 6.75% (June 2024: 6.75%) and property appreciation rates of 1.0% for the first year, 2.0% for the second year, and 5.0% per annum thereafter (June 2024: 1.0% for the first year, 2.0% for the second year, and 5.0% per annum thereafter).

Fair value measurement

There are different levels of fair value measurement. When fair value is calculated using inputs that are not based on observable market data, then assets will be considered as Level 3 fair value. Investment property has been categorised as a Level 3 fair value based on the inputs outlined above.

Other assets and liabilities

25 INVESTMENT PROPERTY continued

Sensitivity of Level 3 fair value measurements to reasonably possible alternative assumptions

Valuation technique	Significant unobservable inputs	Range of estimates for unobservable inputs: Favourable change	Range of estimates for unobservable inputs: Unfavourable change	Fair value measurement sensitivity to unobservable inputs	Effect of reasonably possible alternative assumptions: Favourable change	Effect of reasonably possible alternative assumptions: Unfavourable change
Discounted cash flow	Rates of property appreciation ~ short-term growth rates: Year 1: 1% Year 2: 2%	Year 1: 2% Year 2: 3%	Year 1: 0% Year 2: 1%	Significant increases in these inputs would result in higher fair values.	$20.5	($20.2)
	Rates of property appreciation ~ long-term growth rates: 5%	6%	4%	Significant increases in these inputs would result in higher fair values.	$82.5	($73.5)
	Discount rates ~ 6.75%	5.75%	7.75%	Significant increases in these inputs would result in lower fair values.	$105.6	($91.6)

Where valuation techniques use non-observable inputs that are significant to a fair value measurement in its entirety, changing these inputs will change the resultant fair value measurement.

The most significant inputs impacting the carrying value of the investment property are the long-term growth rates and the discount rates. There are interdependencies between a number of the assumptions made which mean that no single factor is likely to move independent of others, however, the sensitivities disclosed above assume all other assumptions remain unchanged.

Other assets and liabilities

26 GOODWILL AND OTHER INTANGIBLE ASSETS

	Group						
	Goodwill $m	Software $m	Software under development $m	Customer relationship $m	Other acquired intangibles[1] $m	Trustee licence $m	Total $m
Carrying amount as at 1 July 2024	1,527.5	291.6	79.5	2.8	—	8.4	1,909.8
Additions	—	—	119.4	—	—	—	119.4
Impairment charge[2]	(539.5)	—	—	—	—	—	(539.5)
Transfer to software	—	72.8	(72.8)	—	—	—	—
Amortisation of acquired intangibles	—	(4.4)	—	(0.6)	—	—	(5.0)
Amortisation of internally developed intangibles	—	(54.6)	—	—	—	—	(54.6)
Closing balance as at 30 June 2025	988.0	305.4	126.1	2.2	—	8.4	1,430.1
	$m	$m	$m	$m	$m	$m	$m
Carrying amount as at 1 July 2023	1,527.5	115.0	187.5	3.4	0.1	8.4	1,841.9
Additions	—	—	114.8	—	—	—	114.8
Transfer to software	—	222.8	(222.8)	—	—	—	—
Amortisation of acquired intangibles	—	(4.4)	—	(0.6)	(0.1)	—	(5.1)
Amortisation of internally developed intangibles	—	(41.8)	—	—	—	—	(41.8)
Closing balance as at 30 June 2024	1,527.5	291.6	79.5	2.8	—	8.4	1,909.8

	Bank						
	$m	$m	$m	$m	$m	$m	$m
Carrying amount as at 1 July 2024	1,470.4	291.6	79.5	2.8	—	—	1,844.3
Additions	—	—	119.4	—	—	—	119.4
Impairment charge[2]	(539.5)	—	—	—	—	—	(539.5)
Transfer to software	—	72.8	(72.8)	—	—	—	—
Amortisation of acquired intangibles	—	(4.4)	—	(0.6)	—	—	(5.0)
Amortisation of internally developed intangibles	—	(54.6)	—	—	—	—	(54.6)
Closing balance as at 30 June 2025	930.9	305.4	126.1	2.2	—	—	1,364.6
	$m	$m	$m	$m	$m	$m	$m
Carrying amount as at 1 July 2023	1,470.4	115.0	187.5	3.4	—	—	1,776.3
Additions	—	—	114.8	—	—	—	114.8
Transfer to software	—	222.8	(222.8)	—	—	—	—
Amortisation of acquired intangibles	—	(4.4)	—	(0.6)	—	—	(5.0)
Amortisation of internally developed intangibles	—	(41.8)	—	—	—	—	(41.8)
Closing balance as at 30 June 2024	1,470.4	291.6	79.5	2.8	—	—	1,844.3

1. These assets include customer lists, management rights and trade names.
2. Represents an impairment of goodwill relating to the Consumer Cash Generating Unit.

Other assets and liabilities

26 GOODWILL AND OTHER INTANGIBLE ASSETS continued

Recognition and measurement

Intangible assets acquired separately are measured at cost on initial recognition. Intangible assets acquired in a business combination are measured at fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses. Intangible assets with a finite life are amortised over their useful life on a straight line basis or in line with the expected benefit realisation and are tested at least annually for impairment or when there is an indicator that impairment may exist. Intangible assets with indefinite useful lives, not yet available for use or not capable of generating largely independent cash flows are tested for impairment in the same way as goodwill. The amortisation period and method are reviewed at each financial year end for all intangible assets.

Software includes both purchased and internally generated software. The cost of internally generated software comprises all directly attributable costs necessary to create, produce and prepare the software to be capable of operating in the manner intended by management. Costs incurred in the ongoing maintenance of software are expensed as incurred.

Gains or losses arising from the disposal of an intangible asset are measured as the difference between the sale proceeds and the carrying amount of the asset and are included in the Income Statement in the year of disposal.

Software-as-a-Service (SaaS) arrangements

The Group enters into arrangements with software providers which provide the Group with the right to access the suppliers' cloud-based software over a contracted period. The Group incurs ongoing access fees for use of the software, in addition to costs in implementing the service. Ongoing access fees are expensed over the contract period. Where implementation costs relate to the development of software or code for on-premise systems that the Group controls, the Group may capitalise these costs to the extent they meet the recognition criteria for an intangible asset. To the extent implementation costs relate to configuring or customising a SaaS providers' software, the Group will make an assessment of whether to expense the costs over the contract period or as the configuration and customisation services are performed based on:

1. Who performs the configuration and customisation services; and (if applicable)
2. Whether the performance obligations in the contract are distinct.

In completing the impairment tests for the Group's intangibles, management is required to make judgements, estimates and assumptions that affect the recoverable amount of the asset. Management make these judgements, estimates and assumptions on information available when the financial statements are prepared. Changes to these judgements, estimates and assumptions may occur in the future which are beyond the control of the Group. Such changes will be reflected in the assumptions when they occur.

A summary of the policies applied to the Group's intangible assets (excluding goodwill) are as follows:

	Trustee Licence	Software	Intangible assets acquired in a business combination
Useful lives	Indefinite	Finite	Finite
Method used	Not amortised or revalued	Straight line over 2.5 – 10 yrs	Straight line over 2 – 15 yrs
Internally generated/acquired	Acquired	Internally generated or acquired	Acquired
Impairment test/recoverable amount testing	Annually and when an indicator of impairment exists	When an indicator of impairment exists	When an indicator of impairment exists

Other assets and liabilities

26 GOODWILL AND OTHER INTANGIBLE ASSETS continued

Goodwill

Recognition and measurement

Goodwill acquired in a business combination is initially measured at cost. Cost is measured as the consideration paid for the business minus the fair value of the identifiable net assets acquired. Following initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is allocated to a cash generating unit (**CGU**) at acquisition. Where a business is divested, goodwill attributable to the sale is measured on the basis of the relative value of the operation disposed of and the portion of the CGU retained.

Impairment of goodwill

Goodwill is allocated to cash generating units for the purposes of impairment testing, which is undertaken at the lowest level at which goodwill is monitored for internal management purposes. Impairment testing is performed at least annually, or when there is an indicator of impairment, by comparing the recoverable amount of a CGU with its carrying amount. The carrying amount of a CGU is based on its assets, liabilities and allocated goodwill. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value in use. If the recoverable amount is less than the carrying value, an impairment loss is charged to the Income Statement. The impairment loss will be recorded initially against any goodwill allocated to the CGU, followed by other assets of the CGU on a pro-rata basis, subject to the requirements in AASB 136 *Impairment of Assets*.

Changes to cash generating units

Under AASB 136 *Impairment of Assets*, where an entity reorganises its reporting structure in such a way that changes the composition of one or more CGUs, goodwill is to be reallocated between the CGUs affected.

Key assumptions and estimates

Cash flows

The recoverable amount of each CGU is determined using a value in use (VIU) calculation. In determining VIU, the estimated future cash flows for each CGU are discounted to their present value using a post-tax discount rate. The basis for estimated future cash flows is the Group's target which is developed annually and approved by management and the Board, and the Group's five-year strategic plan. A terminal growth rate is applied to extrapolate cash flows beyond the initial five-year period for each CGU. The VIU calculations are compared against other valuations prepared using various approaches to calculate the Group's fair value less cost to sell (FVLCOD). This ensures the higher of FVLCOD and VIU is utilised as the recoverable amount.

The assumptions made in determining VIU have been based on reasonable and supportable information as at 30 June 2025 and include the following:

- Cash flows are based on the Group's FY26 target and five-year strategic plan, with specific adjustments as required by accounting standards, for non-cash items and to account for inherent uncertainties in longer-term forecasting.
- Cash flows are based on past performance, established divisional strategies and management's expectations of future conditions.
- Terminal growth rates of 3.0% (Consumer) and 2.5% (Business & Agribusiness), as a representation of long-term growth rates, including inflation, in Australia (FY24: Consumer – 3.0%, Business and Agribusiness – 2.5%).

Post-tax discount rate

The post-tax discount rate used is based on the weighted average cost of capital for each CGU and reflects current market assessments of the risks specific to the CGU for which future estimates of cash flows have not been adjusted.

30 June 2025 impairment test

The annual impairment test of goodwill was performed as at 30 June 2025, utilising a VIU calculation. The Group cash flows were adjusted as required for uncertainties and risks within the approved cash flow forecasts. The Group also increased the post-tax discount rate due to increased market risk and uncertainties within the cash flow assumptions.

The Consumer CGU recoverable amount was below the carrying amount, resulting in an impairment of $539.5 million being recorded against the goodwill balance. The impairment was recognised at a Group and Bank level, and wholly within the Consumer segment.

Other assets and liabilities

26 GOODWILL AND OTHER INTANGIBLE ASSETS continued

Goodwill continued

The table below contains the carrying value of goodwill and other indefinite useful life intangible assets for each CGU, together with the post-tax discount rates used in the calculation of the recoverable amount.

	Goodwill		Other indefinite useful life assets		Post-tax discount rate		Impairment loss after tax	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m	June 2025 %	June 2024 %	June 2025 $m	June 2024 $m
Consumer	640.4	1,179.9	8.4	8.4	11.25	10.61	539.5	—
Business & Agribusiness	347.6	347.6	—	—	11.43	10.79	—	—

Sensitivity to changes in assumptions

The measurement of a CGU's recoverable amount is sensitive to changes in the post-tax discount rate, net interest income and expenses. As a result, if a CGU experiences an increase in the post-tax discount rate or a reduction in assumed asset growth or net interest margin, or an increase in assumed expenses, this may result in a further impairment of the Group's goodwill balance. The sensitivities that follow assume the specific assumption moves in isolation, with all other assumptions held constant. Growth rate sensitivities are cumulative and adjust the growth rates applied to the FY26-FY30 cash flows.

Consumer sensitivities

All other assumptions remaining equal, any increase in the post-tax discount rate, reduction in net interest income growth rate or increase in expense growth rates would result in a further goodwill impairment in the Consumer CGU. The table below details the sensitivity of the Consumer goodwill balance to changes in assumptions.

Consumer	Increase in impairment $m
25 bps increase in post-tax discount rate	125.0
100 bps reduction in net interest income growth	356.9
100 bps increase in operating expenses growth	253.4

Business and Agribusiness sensitivities

The table below details the movements in the post-tax discount rate, net interest income growth rates and operating expense growth rates, that would result in a goodwill impairment in the Business and Agribusiness CGU.

			Growth rates	
	Headroom $m	Post tax discount rate bps	Net interest income bps	Operating expenses bps
Business & Agribusiness	821.8	+511	-523	+767

Other assets and liabilities

27 LEASES

A. Leases as lessee

Recognition and measurement

As a lessee the Group leases many assets including property, IT equipment, ATMs and motor vehicles. The Group records ROUAs and lease liabilities for most of its lease contracts, with the exception of short-term and leases of low-value whereby lease payments are expensed on a straight line basis over the lease term.

i) ROUA relate to leased branch and office premises that are included in the balance of property, plant and equipment in the Balance Sheet.

	Properties		Other	
ROUA	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Opening balance as at 1 July	73.7	89.8	2.0	2.9
Depreciation charge	(36.1)	(38.0)	(1.3)	(2.2)
Additions	5.8	4.7	1.9	1.2
Remeasurements	26.7	17.2	(0.1)	—
Disposals	—	—	—	0.1
Closing balance as at 30 June	70.1	73.7	2.5	2.0

ii) Amounts recognised in the Income Statement:

	Group	
Depreciation charge of ROUA	June 2025 $m	June 2024 $m
Properties	36.1	38.0
Other	1.3	2.2
Total depreciation expense ROUA	37.4	40.2
Interest on lease liabilities	2.6	3.3
Expenses relating to short-term leases	1.2	0.8
Expenses relating to leases of low value assets, excluding short-term leases of low value assets	0.1	0.1
Expenses relating to impairment of leases	—	—

iii) Amounts recognised in the Cash Flow Statement:

	Group	
	June 2025 $m	June 2024 $m
Total cash outflow for leases	46.0	49.4

Other assets and liabilities

27 LEASES continued

B. Leases as lessor

Recognition and measurement

The Group sub-leases some of its properties. As of 1 July 2019, the Group accounts for its interests in the head lease and the sub-lease separately and assesses the lease classification of a sub-lease with reference to the ROUA arising from the head lease, rather than the underlying asset. The Group has defined the sub-leases to be operating leases and as a consequence recognises lease income from the sub-lease in the Income Statement on a straight line basis over the lease term.

Rental income recognised by the Group during the year ended 30 June 2025 was $3.9 million (30 June 2024: $3.6 million).

The following table sets out the maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group		Bank	
	June 2025 $m	June 2024 $m	**June 2025 $m**	June 2024 $m
Less than one year	2.6	4.6	2.6	4.6
One to two years	0.4	2.1	0.4	2.1
Two to three years	0.3	0.3	0.3	0.3
Three to four years	0.3	0.2	0.3	0.2
Four to five years	0.3	0.2	0.3	0.2
Total leasing payments	3.8	7.4	3.8	7.4

28 OTHER ASSETS

	Group		Bank	
	June 2025 $m	June 2024 $m	**June 2025 $m**	June 2024 $m
Accrued income	45.5	49.9	44.2	46.9
Prepayments	55.0	54.0	54.7	53.7
Sundry debtors	308.2	175.2	1,230.0	1,148.7
Accrued interest	245.2	252.8	245.1	252.7
Deferred expenditure	22.5	9.5	22.5	9.5
Total other assets	676.4	541.4	1,596.5	1,511.5

Recognition and measurement

Prepayments and sundry debtors

Prepayments and sundry debtors are recognised initially at fair value and then subsequently measured at amortised cost using the effective interest rate method. Collectability of sundry debtors is reviewed on an ongoing basis. Debts that are known to be uncollectable are written off when identified.

Accrued interest

Accrued interest is interest that has been recognised as income on an accrual basis using the effective interest rate method, but is yet to be charged to the loan or receivable.

Other assets and liabilities

29 OTHER PAYABLES

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Lease liability	76.6	88.1	76.6	88.1
Accrued expenses and outstanding claims	384.2	466.3	380.8	463.5
Accrued interest	458.2	476.0	458.2	476.0
Prepaid interest	32.1	34.8	—	—
Total other payables	951.1	1,065.2	915.6	1,027.6

Recognition and measurement

Lease liability

A lease liability is recorded in the Balance Sheet at the inception of a lease contract. The lease liability is initially measured at the present value of the lease payments that have not been paid at the commencement date, discounted using the Group's incremental borrowing rate. The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification that is not accounted for as a separate lease, a change in index or rate applicable, a change in the amount payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

Accrued expenses

Accrued expenses are carried at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received.

Accrued interest

Accrued interest is the interest that is recognised as an expense in the Income Statement but has yet to be paid to the customer's liability account. Interest is recognised using the effective interest rate method.

Prepaid interest

Prepaid interest is the interest received from customers in advance. This interest is recognised in the Income Statement using the effective interest rate method.

Other assets and liabilities

30 PROVISIONS

	Group June 2025 $m	Group June 2024 $m	Bank June 2025 $m	Bank June 2024 $m
Employee entitlements	82.5	83.9	53.3	53.9
Make good provision	10.7	11.2	10.7	11.2
Restructuring provision	11.3	2.3	11.3	2.3
Other [1]	13.4	16.8	13.4	16.8
Closing balance	117.9	114.2	88.7	84.2

1. Other provisions comprises various other provisions including reward programs, customer remediation and dividends. As at 30 June 2025, customer remediation provisions were $9.5 million (June 2024: $13.0 million).

Other provisions (excluding employee entitlements)

Group	Make good provision June 2025 $m	Make good provision June 2024 $m	Restructuring provisions June 2025 $m	Restructuring provisions June 2024 $m	Other provisions June 2025 $m	Other provisions June 2024 $m	Total June 2025 $m	Total June 2024 $m
Opening balance	11.2	12.2	2.3	2.4	16.8	3.7	30.3	18.3
Additional provision recognised	0.8	0.8	10.8	1.0	201.1	374.7	212.7	376.5
Amounts utilised during the year	(1.3)	(1.8)	(1.8)	(1.1)	(204.5)	(361.6)	(207.6)	(364.5)
Closing balance	10.7	11.2	11.3	2.3	13.4	16.8	35.4	30.3

Bank	Make good provision June 2025 $m	Make good provision June 2024 $m	Restructuring provisions June 2025 $m	Restructuring provisions June 2024 $m	Other provisions June 2025 $m	Other provisions June 2024 $m	Total June 2025 $m	Total June 2024 $m
Opening balance	11.2	12.2	2.3	2.4	16.8	3.7	30.3	18.3
Additional provision recognised	0.8	0.8	10.8	1.0	201.1	374.7	212.7	376.5
Amounts utilised during the year	(1.3)	(1.8)	(1.8)	(1.1)	(204.5)	(361.6)	(207.6)	(364.5)
Closing balance	10.7	11.2	11.3	2.3	13.4	16.8	35.4	30.3

Employee-related provisions

The table below shows the individual balances for employee benefits:

	Group June 2025 $m	Group June 2024 $m	Bank June 2025 $m	Bank June 2024 $m
Annual leave	36.2	34.9	24.8	23.3
Other employee payments	2.0	2.8	2.0	2.8
Long service leave	39.6	40.9	21.8	22.5
Sick leave bonus	4.7	5.3	4.7	5.3
Closing balance employee provisions	82.5	83.9	53.3	53.9

Other assets and liabilities

30 PROVISIONS continued

Recognition and measurement

Provisions are recognised when the Group has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, and it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used the increase in the provision due to the passage of time is recognised as a finance cost.

Employee entitlements

Annual leave and long service leave provisions are measured as the present value of expected future payments for the services provided by employees up to the reporting date. The provision is measured at the amounts that are expected to be paid when the liabilities are settled. Expected future payments are discounted using corporate bond rates.

Annual leave is accrued on the basis of full pro-rata entitlement and amounts are estimated to apply when the leave is paid. It is anticipated that annual leave will be paid in the ensuing twelve months.

Long service leave has been assessed at full pro-rata entitlement in respect of all employees with more than one year of service. The assessment considers the likely number of employees that will ultimately be entitled to long service leave, estimated future salary rates and on-costs.

Sick leave bonus provides an entitlement dependent on an employee's years of service and unused sick leave. Sick leave bonus is paid on termination.

Other employee payments include STIs and are expected to be paid in the ensuing twelve months.

Make good provision

Upon initial recognition of a lease contract, to which the Group acts as a lessee, a provision is recorded in the Balance Sheet. The provision is to recognise the present value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the right-of-use asset and are amortised over the useful life of the asset.

Remediation and compensation claims

The Group undertakes ongoing compliance activities, including review of products, advice, conduct and services provided to customers, as well as interest, fees and premiums charged.

Some of these investigations and reviews have resulted in remediation programs and where required the Group consults with the respective regulator on the proposed remediation action. There is a risk that where a breach has occurred, regulators may also impose fines and/or sanctions.

Restructuring costs

Provisions for restructuring costs arise from fundamental reorganisations of business operations and include employee termination benefits. Costs relating to on-going activities are not provided for and are expensed as incurred.

Other

A provision for dividends payable is not recognised as a liability unless the dividend is declared, determined or publicly recommended on or before the reporting date.

The provision of rewards program is to recognise the liability to customers in relation to points earned by them under the program. Reward points expire after three years. The balance will be utilised or forfeited during that period.

Other disclosure matters

31 CASH FLOW STATEMENT RECONCILIATION

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
(Loss)/profit after tax	(97.1)	545.0	(129.7)	537.3
Non-cash items				
Credit (reversals)/expenses	(12.7)	13.4	(13.0)	(18.5)
Amortisation	59.6	46.9	59.6	46.8
Depreciation (including leasehold improvements)	60.9	64.9	60.9	64.9
Revaluation (decrement)/increment	(38.9)	(154.8)	0.3	(69.4)
Equity settled transactions	27.1	24.7	27.1	24.7
Share of net profit from joint arrangements and associates	1.2	1.9	1.2	1.9
Dividends received	(1.7)	(1.5)	(21.7)	(54.0)
Impairment write down	539.5	—	539.5	—
Fair value acquisition adjustments	18.1	16.1	9.5	7.5
Revaluation (gain)/loss on derivatives	(13.0)	4.9	(13.0)	4.9
Changes in assets and liabilities				
Decrease in tax provision	(5.7)	(40.8)	(5.7)	(40.8)
Decrease in deferred tax assets and liabilities	61.6	53.4	69.4	70.0
Increase in derivatives	(109.5)	(0.8)	(109.5)	(0.8)
(Decrease)/increase in accrued interest	(12.9)	152.0	(10.2)	153.6
Decrease in accrued employee entitlements	(1.4)	(26.5)	(0.6)	(26.7)
(Increase)/decrease in other accruals, receivables and provisions	(334.7)	135.6	(331.4)	173.1
Cash flows from operating activities before changes in operating assets and liabilities	140.4	834.4	132.7	874.5
(Increase)/decrease in operating assets				
Net increase in balance of loans and other receivables	(5,123.2)	(2,059.6)	(5,713.6)	(4,091.4)
Proceeds from other financial assets	5,795.3	554.2	7,600.4	3,033.2
Purchases of other financial assets	(4,592.1)	(4,369.4)	(5,600.4)	(5,439.7)
Increase/(decrease) in operating liabilities				
Net increase in balance of retail deposits	4,768.4	2,442.9	4,932.4	2,413.5
Net increase/(decrease) in balance of wholesale deposits	88.0	(767.3)	88.0	(767.3)
Proceeds from other financial liabilities	1,418.3	2,140.2	1,190.7	2,141.2
Repayments of other financial liabilities	(798.0)	(4,691.9)	(798.0)	(4,007.2)
Gross cash flows from/(used in) operating activities	1,697.1	(5,916.5)	1,832.2	(5,843.2)

Cash flows presented on a net basis

Cash flows arising from the following activities are presented on a net basis in the Cash Flow Statement:

- Loans and other receivables and deposits.

Other disclosure matters

32 SUBSIDIARIES AND OTHER CONTROLLED ENTITIES

Subsidiaries

The Bank consolidates a subsidiary (including structured entities) when it controls it. Control is achieved when the Bank is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

When assessing whether the Bank has power over an entity, and therefore, control over the variability of its returns, consideration is given to all relevant facts and circumstances, including:

- voting rights currently exercisable
- the purpose and design of the entity
- the relevant activities and how decisions about those activities are made and whether the Bank can direct those activities
- contractual arrangements such as call rights, put rights and liquidation rights.

Subsidiaries prepare financial reports for consolidation in accordance with the Group's accounting policies. When necessary, adjustments are made to bring their accounting policies in line with the Group's accounting policies.

All inter-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group have been eliminated in full on consolidation. Where a controlled entity has been sold or acquired during the year its operating results have been included to the date control ceased or from the date control was obtained.

The following table presents the material subsidiaries of the Group. A subsidiary has been considered to be material where the assets are more than 0.5% of total Group assets.

Chief entity and Ultimate parent	Principal activities
Bendigo and Adelaide Bank Limited	Banking

Other entities	Principal activities
Leveraged Equities Ltd	Margin lending

Investments in controlled entities

The Bank's investments in controlled entities are disclosed in the table below.

	Bank	
	June 2025 $m	June 2024 $m
At cost	91.1	100.7
Total investments in controlled entities	91.1	100.7

Significant restrictions

The Group does not have any significant restrictions on its ability to access or use its assets and settle its liabilities other than those resulting from the supervisory frameworks within which banking subsidiaries operate. The supervisory framework requires banking subsidiaries to keep certain levels of regulatory capital and liquid assets, limit their exposure to other parts of the Group and comply with other ratios.

Recognition and measurement

The Group classifies all entities where it owns 100% of the shares and in which it controls as subsidiaries. Investments in subsidiaries are stated at cost.

Special Purpose Entities (SPEs)

The following table presents a list of the material SPEs. An SPE has been considered to be material where the assets are more than 0.5% of total Group assets. For further information relating to SPEs refer to Note 18.

Entity	Principal activities
Bendigo Covered Bond Trust	Securitisation
Torrens Series 2008-1 Trust	Securitisation
Torrens Series 2008-4 Trust	Securitisation
Torrens Series 2025-1 Trust	Securitisation

Other disclosure matters

33 RELATED PARTY DISCLOSURES

Subsidiary transactions

Transactions undertaken with subsidiaries are eliminated in the Group's financial statements. Transactions between the Bank and the subsidiary are funded through intercompany loans with no fixed repayment date and are repayable upon demand.

A summary of material transactions (excluding dividends) between the Bank and its subsidiaries during the year were:

	Group	
	June 2025 $m	June 2024 $m
Opening balance at beginning of financial year	(1,761.0)	2,268.6
Net receipts and fees paid to subsidiaries	(177.0)	(3,927.3)
Supplies, fixed assets and services charged to subsidiaries	(96.1)	(102.3)
Net amount (owing from)/owing to subsidiaries	(2,034.1)	(1,761.0)

Bendigo and Adelaide Bank Limited provides funding and guarantee facilities to several subsidiary companies. These facilities are provided on normal commercial terms and conditions.

Subsidiary	Facility	Limit $m	Drawn/ issued at 30 June 2025 $m
Sandhurst Trustees Limited	Guarantee	0.5	—

Dividends paid by subsidiaries	June 2025 $m	June 2024 $m
Sandhurst Trustees Limited	20.0	52.5

Other disclosure matters

33 RELATED PARTY DISCLOSURES continued

Other related party transactions

Joint arrangement entities and associates

Bendigo and Adelaide Bank Limited has investments in joint arrangement entities and associates which are accounted for using the equity method. The investments are initially recorded at cost, and are subsequently adjusted by the Group's share of the entity's profit or loss. Dividends received reduce the carrying value of the investment. Details of the investments held by the Group during the period were:

	Ownership interest held by consolidated entity		
	2025	2024	Balance date
Joint Arrangements			
Silver Body Corporate Financial Services Pty Ltd [1]	0.0%	50.0%	30/6/2025
Associates			
Bendigo Telco Ltd	30.8%	30.8%	30/6/2025
Dancoor Community Finances Ltd	49.0%	49.0%	30/6/2025
Homebush Financial Services Ltd	49.0%	49.0%	30/6/2025
Tiimely Pty Ltd (formerly TicToc Online Pty Ltd)	26.6%	26.6%	30/6/2025

1. On 25 August 2024, the Bank's joint-controlling interest in Silver Body Corporate Financial Services Limited was deregistered.

All joint arrangements and associates are incorporated in Australia.

Transactions entered into with these related entities principally include commissions received and paid, services and supplies procured and fees charged in relation to the provision of banking, administrative and corporate services. These revenue and expense items are included in the Group's Income Statement. The transactions are conducted on the same terms as other third party transactions.

A summary of material transactions excluding dividends between the Group and joint arrangements and associates during the period were:

	June 2025 $m	June 2024 $m
Commissions and fees paid to joint arrangements and associates	31.8	33.7
Supplies and services provided to joint arrangements and associates	0.2	0.3
Amount owing to/(from) joint arrangements and associates	3.0	8.4

Bendigo and Adelaide Bank Limited provides loans, guarantees and/or overdraft facilities to joint arrangements and associates. The loans have agreed repayment terms which vary according to the nature of the facility. These loans are included in the net amount owing from joint arrangements and associates in the above table.

Key Management Personnel

KMP are those persons with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

The Group's KMP are those members of the Bendigo and Adelaide Bank Group Executive Committee together with its Non-executive Directors. Further details relating to KMP are located in the Remuneration Report.

The table below details, on an aggregated basis, KMP compensation:

Compensation	**June 2025 $'000's**	June 2024 $'000's
Salaries and other short-term benefits	8,397.6	8,866.2
Post-employment benefits	371.9	368.2
Other long-term benefits	140.0	(27.4)
Termination benefits	153.2	—
Share-based payments	3,138.9	2,799.9
Total compensation	12,201.6	12,006.9

Other disclosure matters

33 RELATED PARTY DISCLOSURES continued

Other related party transactions continued

The table below details, on an aggregate basis, KMP equity holdings. The holdings comprise ordinary shares, preference shares, performance shares and deferred shares:

Equity holdings	June 2025 No.	June 2024 No.
Ordinary shares (includes deferred shares)	412,417	1,298,200
Preference shares	–	50
Performance Rights	703,734	792,645
Share Rights (STI)	62,808	161,495
Alignment Rights	35,146	35,146
Deferred Share Rights	112,172	26,755
Loan Funded Shares	280,512	1,375,287
Restricted Shares	410,888	–
NED Rights to Shares	2,842	4,414
Closing balance of equity holdings	2,020,519	3,693,992

The table below details, on an aggregated basis, loan balances outstanding at the end of the year between the Group and its KMP:

Loans [1,2]	June 2025 $'000's	June 2024 $'000's
Loans outstanding at the beginning of the year [2]	9,132.5	7,190.0
Loans outstanding at the end of the year	3,566.3	9,739.0
Interest paid or payable [3]	243.6	391.0
Interest not charged	–	–

1. For details related to loans held by Executive KMP and Non-executive Directors, refer to Section 8 of the Remuneration Report section of the Annual Financial Report.
2. The balance of loans outstanding relate to Executive KMP and Non-executive Directors who were in office at the start of, or appointed during, the financial year. Loan balances exclude the value of loans provided to Executives under the Loan Funded Share Plan or Employee Share Ownership Plan.
3. Interest charged may include the impact of an interest off-set facility.

Loans to directors and senior executives are made in the ordinary course of the Group's business and on an arm's length basis. The loans are processed and approved in accordance with the Bank's standard lending terms and conditions.

Other disclosure matters

34 INVOLVEMENT WITH UNCONSOLIDATED ENTITIES

The table below describes the types of structured entities that the Group does not consolidate but in which it holds an interest.

Type of structured entity	Nature and purpose	Interest held by the Group
Securitisation vehicles – for loans and advances originated by third parties	To generate: • External funding for third parties; and • Investment opportunities for the Group. These vehicles are financed through the issue of notes or bonds to investors.	Investments in notes or bonds issued by the vehicles
Managed investment funds	To generate: • A range of investment opportunities for external investors; and • Fees from managing assets on behalf of third party investors for the Group.	Investment in units issued by the funds' Management fees

Risks associated with unconsolidated structured entities

The following table summarises the carrying values recognised in the Balance Sheet in relation to unconsolidated structured entities, together with the maximum exposure to loss that could arise from those interests.

Balance Sheet	Managed investment funds June 2025 $m	Securitisation vehicles June 2025 $m	Managed investment funds June 2024 $m	Securitisation vehicles June 2024 $m
Cash and cash equivalents	0.1	—	0.1	—
Financial assets – amortised cost	—	434.5	—	374.7
Financial assets fair value through other comprehensive income	—	—	—	—
Financial assets fair value through profit and loss	8.7	—	16.9	—
Net Loans and other receivables	—	2,933.1	—	2,656.0
Other assets	—	6.2	—	5.6
Total on-balance sheet exposures	8.8	3,373.8	17.0	3,036.3
Total off-balance sheet exposures [1]	—	2.4	—	93.1
Total maximum exposure to loss	8.8	3,376.2	17.0	3,129.4

1. Relates to undrawn funding limits.

Maximum exposure to loss

For loans and other receivables, the maximum exposure to loss is the current carrying value of these interests representing the amortised cost at reporting date, in addition to any undrawn funding limits.

The following table summarises the Group's maximum exposure to loss from its involvement with unconsolidated structured entities.

	Carrying amount June 2025 $m	Maximum loss exposure June 2025 $m	Carrying amount June 2024 $m	Maximum loss exposure June 2024 $m
Cash and cash equivalents	0.1	0.1	0.1	0.1
Senior notes	3,373.8	3,376.2	3,036.3	3,129.4
Investment	8.7	8.7	16.9	16.9
	3,382.6	3,385.0	3,053.3	3,146.4

Other disclosure matters

34 INVOLVEMENT WITH UNCONSOLIDATED ENTITIES continued

Significant restrictions

There are no significant restrictions imposed by any unconsolidated structured entity on the Group's ability to access or use its assets or settle its liabilities.

Recognition and measurement

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. Involvement with structured entities varies and includes debt financing of these entities as well as other relationships. A review is undertaken to determine the involvement the Group has and whether the involvement with these entities results in significant influence, joint control or control over the structured entity. The structured entities over which control can be exercised are consolidated. These entities are outlined in Note 32.

The Group has no contractual arrangements that would require it to provide financial or other support to an unconsolidated entity. The Group has not previously provided financial support, and has no intention to provide such support to these entities.

Securitisation vehicles

The Group has exposure to a number of securitisation vehicles through Residential Mortgage Backed Securities (RMBS). Securitisations involve transferring assets into an entity that sells interests to investors through the issue of debt or equity notes. The notes are secured by the underlying assets transferred to the vehicles, and generally hold a number of levels of subordination, with the residual income paid to the most subordinated investor. The Group does not hold any mezzanine notes in the unconsolidated structured entities it invests in, and does not receive any residual income. The Group does not act as the primary trust manager or servicer of any of its unconsolidated structured entities.

Managed Investment funds

Sandhurst Trustees Limited (STL), a subsidiary of the Group, acts as a responsible entity for certain managed investment funds. The decision-making rights of the fund are restricted to the Product Disclosure Statements. The fees received by STL are not variable, are commensurate with the services provided and are consistent with similar funds in the market. Where STL holds investments in the funds, an assessment of the Group's power over the relevant activities of the Fund and the significance of its exposure to variable returns is completed to determine whether the Fund should be consolidated.

Community Banks

Community Banks are not consolidated by the Group as the Group does not have power to govern decision-making. While the Group's returns are variable they are calculated as a percentage of the gross margin. In some cases the Group holds shares in Community Bank branches. These shares are held as investments and are accounted for using the equity method. Consolidation of a Community Bank Branch would occur when the Group has power to affect returns through a majority representation on the Board.

Other disclosure matters

35 FIDUCIARY ACTIVITIES

The Group conducts investment management and other fiduciary activities as responsible entity, trustee, custodian or manager for a number of funds and trusts, including superannuation, unit trusts and mortgage pools.

The amounts of the funds concerned are:

	Group	
	June 2025 $m	June 2024 $m
Funds under trusteeship	4,997.5	7,081.5
Assets under management	4,835.3	3,712.6
Funds under management	162.2	3,368.9

Recognition and measurement

The assets and liabilities of these trusts and funds are not included in the consolidated financial statements as the Group does not have direct or indirect control of the trusts and funds. Commissions and fees earned in respect of the activities are included in the Income Statement of the Group.

As an obligation arises under each type of duty, the amount of funds has been included where that duty arises. This may lead to the same funds being shown more than once where the Group acts in more than one capacity in relation to those funds (e.g. manager and trustee). Where controlled entities, as trustees, custodian or manager incur liabilities in the normal course of their duties, a right of indemnity exists against the assets of the applicable trusts. As these assets are sufficient to cover liabilities, and it is therefore not probable that the Group will be required to settle them, the liabilities are not included in the financial statements.

Other disclosure matters

36 SHARE-BASED PAYMENT PLANS

Bendigo and Adelaide Bank has multiple employee share-based payment plans. The share-based payment plans form an integral part of the Group's remuneration framework and help create alignment between employees participating in those plans (participants) and shareholders.

Information on the plans currently offered is provided below and further details are outlined in the Remuneration Report. The following table shows the expense recorded for share-based payment plans during the year:

	Group	
Plans	June 2025 $m	June 2024 $m
Performance and Share Rights	26.0	23.5
Loan Funded Shares	1.1	1.2
Deferred Shares	–	–
Total share-based payments expense	27.1	24.7

Accounting policy

The cost of the employee services received in respect of shares or rights granted is recognised in the Income Statement over the period the employee provides the services, generally the period between the grant date and the vesting date of the shares or rights. The overall cost of the award is calculated using the number of shares or rights expected to vest and the fair value of the shares or rights at the grant date.

Recognition and measurement

The shares or rights are recognised at fair value at the grant date and expensed to staff expenses over the vesting period, with a corresponding increase in reserves. If the shares do not vest because of market conditions, the Employee Benefits Reserve is cleared to Retained Earnings. If the shares do not vest because of service or performance conditions not being met, the Employee Benefits Reserve is cleared to Profit or Loss.

Fair value methodology

The fair value of shares or rights granted under the various Plans takes into account the terms and conditions upon which the shares or rights were granted.

Equity-settled share-based payments

The cost of equity-settled share-based payments is measured using their fair value at the date on which they are granted. The fair value calculation takes into consideration a number of factors, including the likelihood of achieving market-based vesting conditions such as total shareholder return (market conditions).

The cost of equity-settled share-based payments is recognised in the Income Statement, together with a corresponding increase in the share-based payment reserve (SBP reserve) in equity, over the vesting period of the instrument.

At each reporting date, the Bank reviews its estimates of the number of instruments that are expected to vest and any changes to the cost are recognised in the Income Statement and the SBP reserve, over the remaining vesting period.

Where the terms of an equity-settled share-based payment are modified and the expense increases as a result of the modification, the increase is recognised over the remaining vesting period. When a modification reduces the expense, there is no adjustment, and the pre-modification cost continues to be recognised.

Where an equity-settled award does not ultimately vest, expenses are not reversed; except for awards where vesting is conditional upon a non-market condition, in which case all expenses are reversed in the period in which the award lapses.

Cash-settled share-based payments

Cash-settled share-based payments are recognised when the terms of the arrangement provide the Bank with the discretion to settle in cash or by issuing equity instruments and it has a present obligation to settle the arrangement in cash. A present obligation may occur where the past practice has set a precedent for future settlements in cash.

Cash-settled share-based payments are recognised, over the vesting period of the award, in the Income Statement, together with a corresponding liability. The fair value is measured on initial recognition and re-measured at each reporting date up to and including the settlement date, with any changes in fair value recognised in the Income Statement. Similar to equity-settled awards, numbers of instruments expected to vest are reviewed at each reporting date and any changes are recognised in the Income Statement and corresponding liability. The fair value is determined using appropriate valuation techniques at grant date and subsequent reporting dates.

Other disclosure matters

36 SHARE-BASED PAYMENT PLANS continued

Plan overview

Performance rights

The Managing Director and Executives receive their LTI in performance rights. Incentives are subject to downward adjustments through the application of the Consequence Management Policy and/or Board discretion. These arrangements are summarised below:

Long-term Incentive	CEO and MD	Executives
Performance rights give the participant the right to acquire one fully paid ordinary share in Bendigo and Adelaide Bank upon meeting specific hurdles. They are granted at no cost to the participant and carry no dividend or voting rights until they vest. Performance is assessed against; Relative Total Shareholder Return, Absolute Return on Equity, Relative Customer NPS, Reputation based on RepTrak score.	In FY25 the Managing Director received a grant of performance rights in accordance with the terms approved by shareholders at the 2024 AGM. The FY25 performance rights grant has a four-year performance period and will be tested on 30 June 2028. Following testing, tranches 2 & 3 of the grant remain subject to further conditions including a service period until 1 September 2029 and 1 September 2030 respectively.	In FY25 the Executives received a grant of performance rights with a four-year performance period and will be tested on 30 June 2028. Following testing, tranche 2 will remain subject to further conditions including a service period until 1 September 2029.

Performance rights valuation

The fair value is determined using a Black-Scholes-Merton valuation method incorporating a Monte Carlo Simulation option pricing model taking into account the terms and conditions upon which the rights were granted. The number of performance rights granted to participants was determined by dividing the value of the proposed grant by the volume weighted average price of the Bank's shares for the five trading days preceding the start of the award's performance period. Assumptions regarding the dividend yield and volatility have been estimated based on historical data.

The following table shows the factors considered in determining the value of the performance rights granted during the period. No awards are exercisable at year end.

CEO and MD

Grant description	Grant date	Share price	Contractual life (years)	Dividend yield	Volatility	Risk-free interest rate	Fair value of rTSR	Fair value of ROE, NPS, Reputation
FY25 LTI (CEO)	25/11/2024	$13.37	3.77 years	4.71%	22.08%	4.07%	$8.01	$11.20
	25/11/2024	$13.37	4.77 years	4.71%	29.69%	4.11%	$7.52	$10.68
	25/11/2024	$13.37	5.77 years	4.71%	28.02%	4.17%	$7.27	$10.19
FY25 LTI (Exec)	25/11/2024	$13.37	3.77 years	4.71%	22.08%	4.07%	$8.01	$11.20
	25/11/2024	$13.37	4.77 years	4.71%	29.69%	4.11%	$7.52	$10.68
	16/12/2024	$13.30	4 years	4.74%	23.08%	4.05%	$7.97	$11.00
	16/12/2024	$13.30	5 years	4.74%	29.31%	4.08%	$7.51	$10.49
	20/02/2025	$12.20	4.56 years	5.16%	23.03%	3.45%	$5.61	$10.15
	20/02/2025	$12.20	5.56 years	5.16%	24.03%	3.56%	$5.35	$9.64

The following table shows the movement in number of performance rights outstanding during the period:

Performance rights	June 2025	June 2024
Opening balance	964,677	653,804
Granted during the year	403,988	435,704
Lapsed during the year	(290,282)	(68,533)
Exercised during the year	(112,189)	(56,298)
Closing balance	966,194	964,677

Other disclosure matters

36 SHARE-BASED PAYMENT PLANS continued

Share rights

The Managing Director, Executive KMP, Executives and employees may receive share rights as part of their remuneration arrangements.

Share rights give the participant the right to acquire one fully paid ordinary share in Bendigo and Adelaide Bank after a specific service period. They are granted at no cost to the participant and carry no dividend or voting rights until they vest. Incentives are subject to downward adjustments through the application of the Consequence Management Policy and/or Board discretion.

These arrangements are summarised below.

Long-term Incentive Plan	Short-term Incentive Plan	Deferred Share Rights
Alignment Rights are subject to continued service conditions and may be awarded to certain employees as part of their overall LTI award.	STI rewards the achievement of Bank, Divisional and individual performance. Performance is assessed based on a scorecard of financial and non-financial measures. Delivered through a mix of cash (50%) and deferred rights (50%). One-year deferral period following completion of the annual performance period, subject to continued service conditions.	Employee Bonus Equity Plan (BEP), sign-on and other special equity awards are subject to continued service conditions. BEP grants are made whereby all or a portion of the employee's annual bonus outcome is delivered in share rights. Other discretionary equity awards may be made to select employees, including to compensate for awards foregone on resignation from their previous employer.

Share rights valuation

The number of share rights granted to participants was determined by dividing the value of the proposed grant by the volume weighted average price of the Bank's shares for the five trading days preceding the allocation date.

The service conditions and risk gateways attached to the Share Rights granted are not considered market-based conditions under AASB 2 *Share-based Payment*. The fair value is determined using a Black-Scholes-Merton valuation method taking into account the terms and conditions upon which the rights were granted.

The following table shows the factors considered in determining the value of the share rights granted during the period:

Grant description	Grant date	Share price	Contractual life (years)	Dividend yield	Volatility	Risk-free interest rate	Fair value
FY24 STI	7/10/2024	$11.57	0.90 years	5.45%	18.83%	3.66%	$11.02
FY25 BEP	7/10/2024	$11.57	0.98 years	5.45%	18.66%	3.66%	$10.97
	7/10/2024	$11.57	1.98 years	5.45%	19.31%	3.66%	$10.39
FY25 Discretionary awards	7/10/2024	$11.57	1.90 years	5.45%	19.27%	3.66%	$10.43
	6/1/2025	$13.16	1 year	4.79%	19.08%	3.92%	$11.89
	20/2/2025	$10.98	1 year	5.74%	25.42%	3.93%	$10.37
	20/2/2025	$10.98	4 years	5.74%	23.31%	4.31%	$8.73
	20/2/2025	$10.98	5 years	5.74%	30.16%	4.53%	$8.24
	1/4/2025	$10.61	1 year	5.94%	25.67%	3.67%	$10.00
	1/4/2025	$10.61	4 years	5.94%	23.32%	3.77%	$8.37
	1/4/2025	$10.61	5 years	5.94%	33.54%	3.84%	$7.88
	2/6/2025	$12.02	1 year	5.24%	25.26%	3.28%	$10.82

Other disclosure matters

36 SHARE-BASED PAYMENT PLANS continued

Share rights valuation continued

The following table shows the movement in number of share rights outstanding during the period. No awards are exercisable at year end.

Share rights	June 2025	June 2024
Opening balance	5,307,173	1,770,510
Granted during the year	2,582,415	4,265,846
Lapsed during the year	(323,835)	(261,982)
Exercised during the year	(3,310,432)	(467,201)
Closing balance	4,255,321	5,307,173

Restricted Shares

The Managing Director, Executives and employees may receive restricted shares. These arrangements are summarised below:

Loan Funded Share Plan	Employee Share Plan	Restricted Shares	Deferred Shares
The Bank established a Loan Funded Share Plan (LFSP) in 2020. Under the LFSP, eligible employees are provided with a non-recourse loan for the sole purpose of acquiring shares in the Bank. The full loan term is six years. The LFSP facilitates immediate share ownership by the senior managers and links a significant proportion of their 'at-risk' remuneration to Bendigo and Adelaide Bank Limited's ongoing share price and returns to shareholders over the performance period. It is designed to encourage senior managers to focus on the key performance drivers that underpin sustainable growth in shareholder value. There have been no further issues under this plan since 2021.	The Bank established a loan-based limited recourse Employee Share Plan in 2006. The plan is only available to full time and part time employees of the Group (excluding Senior Executives and the Managing Director). The Plan provides employees with a limited recourse interest free loan for the sole purpose of acquiring fully paid ordinary shares in the Bank. The shares must be paid for by the employee with cash dividends after personal income tax being applied to repay the loans. Employees cannot exercise, dispose of or transfer the shares until the loan has been fully repaid. There have been no further issues under this plan since 2008.	Employees may receive restricted shares following the vesting of deferred share rights. Restricted shares are subject to a restriction period and eligible for dividend and voting entitlements. Shares are released to employees at the conclusion of the restriction period.	Under the Plan, participants were granted deferred shares as part of their base remuneration and short-term incentive payments. The number of deferred shares granted to participants is calculated by dividing the deferred remuneration value by the volume weighted average closing price of the Bank's shares for the last five trading days of the financial year prior to the year of grant. There have been no further issues under this plan since 2018.

Other disclosure matters

36 SHARE-BASED PAYMENT PLANS continued

Restricted share valuation

The fair value is measured at the date of the grant using the volume weighted average closing price of the Bank's shares traded on the ASX for five trading days ending on the grant date.

The following table shows the factors considered in determining the value of the restricted shares granted in prior years. Awards are exercisable upon repayment of the loan.

Grant description	Grant date	Share price	Contractual life (years)	Dividend yield	Volatility	Risk-free interest rate	Fair value
FY21 LFSP	25/11/2020	$6.83	4-6 years	0.00%	27.92%	0.26%	$1.87
FY22 LFSP	16/11/2021	$9.18	4-6 years	0.00%	28.93%	1.44%	$2.70

	June 2025		June 2024	
Loan Funded Share Plan [1]	No.	WAEP $	No.	WAEP $
Opening balance	2,096,996	$6.34	2,310,137	$6.97
Granted during the year	—	—	—	—
Lapsed during the year	(50,776)	—	(213,141)	—
Vested during the year [2]	(1,491,934)	—	—	—
Exercised during the year	(405,879)	—	—	—
Closing balance [3]	1,640,341	$6.21	2,096,996	$6.34

1. There have been no further awards issued under this plan since 2021.
2. The FY21 LFSP vested on 1 July 2024. The shares are held under restrictions until the loan has been repaid in full. Participants have two years from vesting date to repay the loan.
3. The outstanding balance is calculated as the sum of awards outstanding at the beginning of the year, forfeited/lapsed and exercised.

	June 2025		June 2024	
Employee Share Plan [1]	No.	WAEP $	No.	WAEP $
Opening balance	331,089	$5.64	560,299	$4.31
Granted during the year	—	—	—	—
Lapsed during the year	—	—	—	—
Exercised during the year	(17,781)	$5.32	(229,210)	$4.50
Closing balance [2]	313,308	$5.16	331,089	$5.64

1. There have been no further issues under this plan since 2008.
2. The outstanding balance of the Employee Share Plan on 30 June 2025 is represented by 313,308 (2024: 331,089 and 2023: 560,299) ordinary shares with a market value of $3,960,213 (2024: $3,804,213 and 2023: $4,812,968), exercisable upon repayment of the loan.

Deferred Shares [1]	June 2025	June 2024
Opening balance	—	60,915
Granted during the year	—	—
Lapsed during the year	—	—
Exercised during the year	—	(60,915)
Closing balance	—	—

1. There have been no further issues under this plan since 2018.

Restricted Shares [1]	June 2025	June 2024
Opening balance	11,656	—
Granted during the year	5,660	11,656
Lapsed during the year	—	—
Exercised during the year	(11,656)	—
Closing balance	5,660	11,656

1. Previously deferred share rights that have vested and held as restricted shares until completion of the service period.

Other disclosure matters

37 COMMITMENTS AND CONTINGENCIES

a) Commitments and contingent liabilities

The following table provides details of outstanding expenditure and credit-related commitments.

	Group		Bank	
	June 2025 $m	June 2024 $m	June 2025 $m	June 2024 $m
Commitment to provide credit	11,362.4	11,415.2	9,238.8	9,344.3
Guarantees	232.7	250.7	232.7	250.7
Documentary letters of credit and performance related obligations	0.1	0.1	0.1	0.1

Recognition and measurement

Commitment to provide credit

The Group enters into arrangements with customers that allows them to borrow money in line with specific terms and conditions. These commitments are made for a fixed term or subject to cancellation conditions. These arrangements expose the Group to liquidity risk when they are called upon and/or credit risk if the customer fails to repay the funds under the terms of their agreement. The maximum exposure to credit loss is the contractual or notional amount, which does not reflect future cash requirements of the Group as it is expected that a large portion of these values will not be drawn upon. All commitments noted will expire within 12 months.

Guarantees, documentary letters of credit and performance related obligations

Bank guarantees have been issued by the Group on behalf of customers whereby the Group is required to make specified payments to reimburse the holders for a loss they may incur because the customer fails to make a payment.

Guarantees, documentary letters of credit and performance-related obligations are not recognised on the Balance Sheet. The contractual term of the guarantee matches the underlying obligations to which they relate.

The guarantees issued by the Bank are fully secured and the Bank has never incurred a loss in relation to the financial guarantees it has provided. As the probability and value of guarantees, documentary letters of credit and performance related obligations that may be called on is unpredictable, it is not practical to state the timing of any potential payment.

Legal claims

The Group is engaged in a range of litigation and court proceedings at any point in time. However, no current proceedings or claims are expected to have a material effect on the business, financial condition or operating results of the Group. For all litigation exposures where loss is probable and can be reliably estimated an appropriate provision is made. The Group has no material provisions raised for any current legal proceedings.

b) Contingent assets

As at 30 June 2025, the economic entity does not have any contingent assets.

Other disclosure matters

38 REMUNERATION OF AUDITOR

The Group's external auditor is Ernst & Young (EY). In addition to the audit and review of the Group's financial reports, EY has provided other services throughout the year.

	Group		Bank	
Fees to Ernst & Young (Australia)	June 2025 $	June 2024 $	June 2025 $	June 2024 $
Audit and review services				
• Audit and review of financial statements [1]	2,211,796	1,928,000	2,132,936	1,851,310
• Other statutory assurance services [2]	475,000	450,000	475,000	450,000
• Other assurance services [3]	777,187	748,300	777,187	748,300
Total remuneration for audit, review and other assurance services	3,463,983	3,126,300	3,385,123	3,049,610
Other non-audit services [4]	239,200	247,850	239,200	247,850
Total remuneration paid to Ernst & Young (Australia) for services to the Consolidated Group [5]	3,703,183	3,374,150	3,624,323	3,297,460
Audit and review of financial statements of non-consolidated entities [6]	248,480	444,342	—	—
Total remuneration paid to Ernst & Young (Australia) [5]	3,951,663	3,818,492	3,624,323	3,297,460

1. Fees to the Group's auditor for auditing the statutory financial reports of the Group, the Bank and any controlled entities.
2. Fees for assurance services that are required by legislation to be provided by the external auditor. These services include assurance of the Group's compliance with Australian Financial Services Licensing requirements.
3. Fees for other assurance and agreed-upon procedures services under other legislation or contractual arrangements where there is discretion as to whether the service is provided by the external auditor or another firm. These services include regulatory compliance reviews, agreed-upon procedures, comfort letters, and assurance of the Group's sustainability reporting.
4. Fees for other services.
5. Fees exclude goods and services tax (GST).
6. This category includes the statutory audit of the financial reports of non-consolidated trusts of which the Group is a trustee, manager or responsible entity (e.g. the Sandhurst Managed and Common Funds). These fees are expensed by the relevant non-consolidated entity.

The Group has processes in place to maintain the independence of the external auditor, including the nature of expenditure on non-audit services. The Group is satisfied that the services and level of fees are compatible with maintaining independence.

EY also has specific internal processes in place to ensure auditor independence.

39 EVENTS AFTER BALANCE SHEET DATE

No matters or circumstances have arisen since the end of the full year to the date of this report which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

Consolidated Entity Disclosure Statement

The consolidated entity disclosure statement below has been prepared in accordance with the requirements of Section 295(3A) of the *Corporations Act 2001* (Cth).

Unless otherwise indicated, as at 30 June 2025:

- the Group holds 100% of the share capital in any body corporates; and
- the place of incorporation or formation for all body corporates is Australia; and
- the entities listed are Australian tax residents within the meaning of the *Income Tax Assessment Act 1997*.

Entity name	Entity type	Entity name	Entity type
AB MANAGEMENT PTY LTD	Body Corporate	THE TRUSTEE FOR HINDMARSH ADELAIDE PROPERTY TRUST	Trust
ABL NOMINEES PTY LTD [1]	Body Corporate	THE TRUSTEE FOR ALLSURITY PRE-SECURITISATION TRUST	Trust
ACN 151 328 148 PTY LIMITED	Body Corporate	THE TRUSTEE FOR BENDIGO AND ADELAIDE BANK COVERED BOND TRUST	Trust
ADELAIDE EQUITY FINANCE PTY LTD	Body Corporate	THE TRUSTEE FOR BENDIGO AND ADELAIDE BANK EMPLOYEE SHARE PLAN TRUST	Trust
AGRI ADVISORS PTY LIMITED	Body Corporate	THE TRUSTEE FOR HOMESAFE TRUST	Trust
B.B.S. NOMINEES PTY. LTD.	Body Corporate	THE TRUSTEE FOR LEVERAGED EQUITIES 2009 TRUST	Trust
BEN REGIONAL VICTORIA PTY LTD	Body Corporate	THE TRUSTEE FOR LIGHTHOUSE WAREHOUSE TRUST NO. 1	Trust
BENDIGO FINANCE PTY. LTD.	Body Corporate	THE TRUSTEE FOR LIGHTHOUSE WAREHOUSE TRUST NO 8	Trust
BENDIGO FINANCIAL PLANNING LIMITED	Body Corporate	THE TRUSTEE FOR TORRENS 2008-1 TRUST	Trust
BENDIGO FUNDING (ARARAT) PTY LIMITED	Body Corporate	THE TRUSTEE FOR TORRENS 2008-4 TRUST	Trust
COMMUNITY SECTOR BANKING PTY LTD	Body Corporate	THE TRUSTEE FOR TORRENS 2016-1 TRUST	Trust
COMMUNITY SECTOR ENTERPRISES PTY LTD	Body Corporate	THE TRUSTEE FOR TORRENS 2017-1 TRUST	Trust
FEROCIA PTY LTD	Body Corporate	THE TRUSTEE FOR TORRENS 2017-2 TRUST	Trust
LEVERAGED EQUITIES LIMITED [1]	Body Corporate	THE TRUSTEE FOR TORRENS 2017-3 TRUST	Trust
NATIONAL MORTGAGE MARKET CORPORATION PTY LTD	Body Corporate	THE TRUSTEE FOR TORRENS 2019-1 TRUST	Trust
PIRIE STREET CUSTODIAN LTD	Body Corporate	THE TRUSTEE FOR TORRENS 2019-2 TRUST	Trust
PIRIE STREET NOMINEES PTY LTD	Body Corporate	THE TRUSTEE FOR TORRENS 2021-1 TRUST	Trust
PROFARMER AUSTRALIA PTY LTD	Body Corporate	THE TRUSTEE FOR TORRENS 2021-2 TRUST	Trust
RBL SALES SERVICES CO PTY LTD	Body Corporate	THE TRUSTEE FOR TORRENS 2022-1 TRUST	Trust
ACN 083 938 416 (RBL) PTY LTD	Body Corporate	THE TRUSTEE FOR TORRENS 2025-1 TRUST	Trust
SANDHURST TRUSTEES LIMITED	Body Corporate	UP MONEY PTY LIMITED	Body Corporate

1. Indicates the entity is a trustee of a trust within the consolidated entity.

Directors' Declaration

In accordance with a resolution of the directors of Bendigo and Adelaide Bank Limited, we state that:

In the opinion of the Directors:

a) The financial statements and notes of the Company and the Bendigo and Adelaide Bank Group are in accordance with the *Corporations Act 2001*, including:

   i) giving a true and fair view of the Company's and the Bendigo and Adelaide Bank Group's financial position as at 30 June 2025 and of its performance for the year ended on that date; and

   ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and *Corporations Regulations 2001*.

b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2.

c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

d) The consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act 2001* is true and correct.

e) This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001* for the financial period ending 30 June 2025.

On behalf of the Board,

Vicki Carter
Chair

Richard Fennell
Chief Executive Officer and Managing Director

25 August 2025

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Independent auditor's report to the members of Bendigo and Adelaide Bank Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Bendigo and Adelaide Bank Limited (the Company) and its subsidiaries (collectively the Group), which comprises:

- The Group consolidated and Company statements of financial position as at 30 June 2025;
- The Group consolidated and Company statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended;
- Notes to the financial statements, including material accounting policy information;
- The consolidated entity disclosure statement; and
- The directors' declaration.

In our opinion, the accompanying financial report is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the Company's and the Group's financial position as at 30 June 2025 and of their financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide

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a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Allowance for credit losses

Why significant	How our audit addressed the key audit matter
As at 30 June 2025, the allowance for credit losses includes individually assessed credit provisions of $31.3 million and collectively assessed credit provisions of $235.6 million as disclosed in Note 11 *Impairment of loans and advances* and Note 21 *Risk management*. The allowance for expected credit losses was determined in accordance with the requirements of Australian Accounting Standards and was subject to a number of significant judgements, such as: ▪ the identification of exposures with a significant increase in credit risk; ▪ assumptions used in the expected credit loss model (for exposures assessed on an individual or collective basis) such as the financial condition of the counterparty, expected future cash flows and forward-looking macroeconomic factors, namely gross domestic product growth, unemployment rates, central-bank interest rates and house price indices; ▪ the incorporation of forward-looking information that appropriately reflects current or future external factors, specifically judgments related to current economic uncertainty, both in the multiple forward-looking scenarios and the probability weighting ascribed to each of these scenarios; and	Our audit procedures on collective provisions included the following: ▪ We assessed the Group's calculation methodology against the relevant requirements of Australian Accounting Standards. ▪ We involved our actuarial specialists to test the mathematical accuracy of the Group's models and key modelling assumptions, including probability of default, exposure at default and loss given default assumptions. ▪ We involved our Economics specialists to assess significant macroeconomic assumptions incorporated into the Group's models, including the reasonableness of forward-looking information, with reference to relevant publicly-available macro-economic information. ▪ We assessed on a sample basis, the operating effectiveness of relevant controls used to manage the flow of information between IT systems and models related to the determination of the allowance for credit losses. ▪ On a sample basis, we agreed key loan attributes that are used in the models to calculate the expected credit loss, through to relevant source documentation. ▪ We assessed the basis for, and assumptions used in, overlays recognised to capture current and future market characteristics

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Why significant	How our audit addressed the key audit matter
▪ assumptions used in the calculation of overlays, which are used to incorporate current and future factors that are not currently captured by the Group's expected credit loss models. This was a key audit matter due to the value of the provisions and the degree of judgment and estimation uncertainty associated with the calculations.	resulting from current market uncertainty, with reference to market data and industry/geographic concentrations. Our audit procedures on individually assessed credit provisions included the following on a sample basis: ▪ We assessed the reasonableness of internal credit quality assessments based on the borrowers' particular circumstances. ▪ We evaluated the associated provisions by assessing the reasonableness of key inputs within the calculation, focusing on emerging trends in high-risk industries, work out strategies, collateral values and the expected value and timing of recoveries. We also assessed the adequacy and appropriateness of the disclosures associated with credit impairment included in the Notes to the financial report.

Impairment assessment of goodwill

Why significant	How our audit addressed the key audit matter
During the year, an impairment of $539.5 million has been recorded with a closing balance of $988 million as at 30 June 2025 as disclosed in Note 26 *Goodwill and other intangible asset*. An impairment assessment is performed each year, comparing the carrying value of each cash generating unit (CGU), inclusive of goodwill balances, with its recoverable amount. The recoverable amount of each CGU was determined using a value in use calculation. This calculation incorporated various assumptions, including: ▪ forecast future cash flows; ▪ discount rates; and ▪ terminal growth rates. This was a key audit matter due to the value of the goodwill balance and the degree of judgment	Our audit procedures included the following: ▪ We assessed whether the models used by the Group in the impairment testing of goodwill met the relevant requirements of Australian Accounting Standards. ▪ We assessed the appropriateness of the CGUs identified by management to which goodwill has been allocated. ▪ We agreed the forecast cash flows to the most recent forecasts approved by management or the Board, assessed the reasonableness of these forecasts based on the current economic environment, and the historical forecasting accuracy of the Group. ▪ We involved our Valuation specialists who: o Assessed the key assumptions used in the impairment assessment with

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Why significant	How our audit addressed the key audit matter
and estimation uncertainty associated with the impairment assessment.	reference to market rates and historical performance; o Assessed the relationship between market capitalisation of the Group as at 30 June 2025 and recent trading history relative to net assets; o Tested the mathematical accuracy of the impairment models; and o Benchmarked the implied valuations to comparable company trading and control valuation multiples. We also assessed the adequacy and appropriateness of the disclosures associated with the impairment assessment of goodwill included in the Notes to the financial report.

Valuation of investment property

Why significant	How our audit addressed the key audit matter
Homesafe offers a debt-free equity release product to allow customers to release the equity in their homes in exchange for a capped percentage share of the future sale proceeds of the property. The product is accounted for as investment property under Australian Accounting Standards. The Homesafe investment property portfolio is measured at fair value using a discounted cash flow model which is categorised as level 3 in the fair value hierarchy. The valuation of the portfolio is subject to judgment in relation to key assumptions, including: ▪ expected rates of property appreciation; ▪ discount rates; ▪ mortality rates; and ▪ voluntary exit rates. Bendigo and Adelaide Bank Limited holds investment property on its balance sheet after it purchased the investment property assets from the Homesafe Trust in the prior year.	Our audit procedures included the following: ▪ We assessed the effectiveness of key controls over maintenance and settlement processes associated with this product. ▪ On a sample basis, we agreed data used in the discounted cash flow model to customer signed contracts. ▪ On a sample basis, assessed whether settlements around 30 June 2025 were recorded within the correct period. ▪ With our Real Estate and Actuarial specialists, we assessed the key assumptions used in the valuation model with reference to market rates and historical trends and settlements during the year, as well as the mathematical accuracy of the model. ▪ We assessed the adequacy and appropriateness of disclosures in respect of the investment property and associated revaluation gains included in the Notes to the financial report.

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Why significant	How our audit addressed the key audit matter
As at 30 June 2025, the Group's investment property is valued at $ 1,108.9 million and the revaluation gain recognised in the current year in respect of the Homesafe portfolio was $ 35.6 million as disclosed in Note 25 *Investment property*. This was a key audit matter due to the value of the Group's investment property portfolio and the degree of judgment and estimation uncertainty associated with the assumptions, particularly the expected rates of property appreciation assumption.	

Information Technology (IT) systems and controls over financial reporting

Why significant	How our audit addressed the key audit matter

The Group's financial reporting process is significantly reliant on IT systems with automated processes and controls relating to the capture, storage and extraction of information.
 	
A fundamental component of these IT controls is ensuring that risks relating to inappropriate user access management, unauthorised program changes and IT operating protocols are addressed.
	Our audit procedures were conducted with the involvement of our IT specialists and included the following:
	
	▪ We assessed the effectiveness of the Group's IT controls significant to the financial reporting processes, including those related to user access, change management and data integrity.
	
	▪ Where we identified design and/or operating deficiencies in the IT control environment, our procedures included the following:
	  ▪ We assessed the potential impact of the deficiencies on the integrity and reliability of the systems and data related to financial reporting; and
	  ▪ Where automated procedures were supported by systems with identified deficiencies, we performed alternative audit procedures.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report, but does not include the financial report and our auditor's report thereon.

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Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not

Independent Auditor's Report

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detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company or the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 100 to 130 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Bendigo and Adelaide Bank Limited for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

Clare Sporle
Partner
Sydney
25 August 2025

Tax Contribution Report

Tax policy, strategy and governance

Bendigo and Adelaide Bank Limited, together with its 100% controlled Australian entities, has formed a tax consolidated group for Australian income tax purposes, with Bendigo and Adelaide Bank Limited as the head company.

Our approach is to ensure tax compliance is consistent with our broader approach to regulatory compliance. We are committed to not knowingly breaching any laws or regulations which includes those related to taxation.

Recognising that tax laws are highly complex and open to interpretation, our approach is to:

- Comply with statutory obligations and make tax payments in accordance with relevant tax laws.
- Take a prudent and conservative approach to tax planning and manage transactions with a low level of tax risk.
- Resource the tax function appropriately with qualified staff.
- Engage with Revenue Authorities in a constructive, cooperative and transparent manner, avoiding unnecessary disputes.
- Adopt the Board of Taxation's voluntary Tax Transparency Code (**TTC**) to ensure our disclosures maximise tax transparency for our stakeholders.
- Regularly provide tax risks and tax-related information to the Chief Financial Officer and the Board Audit Committee.

International related party dealings

We do not have any international related party dealings.

Tax Contribution Report

Income taxes disclosed in the Annual Financial Report

Our Income Tax Expense (**ITE**) calculations are based on the Australian Accounting Standards.

In any income year it is expected that there will be differences between the ITE calculated in the Annual Report, and the total cash taxes paid to a relevant taxation authority during the same income year. Several factors contribute to this difference, including the timing of corporate tax instalments paid to the relevant authorities and the taxes excluded from ITE such as fringe benefits tax, non-recoverable goods and services tax, payroll taxes and employee-related taxes. ITE is also reduced by the receipt of franked dividends and the incentive available for eligible Research and Development expenditure.

The Group's Effective Tax Rate (**ETR**) is calculated by dividing ITE by accounting profit before income tax. The ETR is unusually high this year at 197.0% due to an impairment of goodwill that is not tax deductible.

Reconciliation of accounting profit to income tax expense	2025 $m	2024 $m
Accounting profit	105.3	797.2
Income tax on profit at 30%	31.6	239.2
Expenditure not allowable for income tax purposes [1]	13.7	14.5
Impairment – Goodwill	161.9	0.0
Other	0.2	0.5
Under/(over) provision in prior years [2]	(5.0)	(2.0)
Income tax expense reported in the Annual Financial Report	202.4	252.2
Income tax expense for the current year [3]	207.4	254.2
Australian effective tax rate [4]	197.0%	31.9%
Reconciliation of income tax expense to income tax payable		
Income tax expense for current year	207.4	254.2
Temporary differences (movement)		
Unrealised (gain)/loss revaluations	(4.8)	(33.3)
Unrealised (gain)/loss other	(4.3)	(22.4)
Depreciation of property, plant and equipment	(2.6)	3.1
Provisions	(4.0)	(4.4)
Other adjustments [5]	(5.6)	(5.5)
Income tax payable for the current year	186.1	191.7

1. Primarily relates to the payments of non-deductible distributions on Tier 1 loan capital instruments.
2. Research and development incentives and adjustments relating to prior years.
3. Excludes items relating to prior years to provide a tax expense/tax rate for the specific year only.
4. Calculated as tax expense relating to the current year only divided by accounting profit. Does not include tax adjustments from prior years.
5. Includes an adjustment to prior year comparative information to reflect actual taxes paid for that year.

Tax Contribution Report

Tax contribution summary

The Group's tax contributions to tax authorities in respect of the current and prior year are included below.

Final tax contributions for the current year are generally payable after the completion of this report, and as such, the amounts represent estimates based on information included in the Annual Financial Report. Prior year comparative information represents actual amounts paid in respect of that year.

Contributions include tax payments due on its own behalf and in respect of tax collected on behalf of others.

	2025 $m	2024 $m
Corporate income tax	186.1	191.7
Employer payroll taxes	39.0	35.0
Non-recoverable GST[1]	63.4	57.8
Other[2]	1.0	1.0
Tax paid	289.5	285.5
Employee payroll taxes withheld	159.9	161.7
Customer tax withheld	22.9	23.2
GST collected	47.1	44.6
Tax collected	229.9	229.5
Total tax contribution	519.4	515.0

1. GST paid by the Group that relates to making input taxed supplies.
2. Includes state and territory taxes such as stamp duty.

ATO tax disclosure

The Australian Taxation Office (ATO) produces an annual report called 'Report of entity tax information' which contains the tax data of public corporate tax entities with a total income exceeding $100 million. The ATO is expected to publish the following information for the Group.

Year	Total Income ($)	Taxable Income ($)	Tax Payable ($)
2024	5,160,769,087	673,412,904	191,661,906

A reconciliation between the Annual Financial Report and tax transparency information published by the ATO is included below.

	($m)
Accounting profit for the Group	797.2
Non-deductible/non-assessable differences[1]	55.2
Temporary differences[2]	(174.5)
R&D expenditure (expensed amounts)	(4.5)
Taxable income	673.4
Income tax liability of taxable income at 30%	202.0
Less: franking credit offset	(1.5)
Less: research and development offset	(8.8)
Income tax payable	191.7

1. Interest expense on Tier 1 loan capital instruments and accounting impairments.
2. Movements in provisions, depreciation on plant and equipment, fair value adjustments and revaluations and amortisation of intangible assets.

Research and development (R&D) expenditure claimed

The ATO published the following R&D expenditure claimed by the Group.

Year	Total R&D Expenditure ($)
2022	16,801,351

Total expenditure on R&D represents both expensed ($2.5 million) and capitalised ($14.3 million).

Shareholder information

Additional Information

This year, we engaged with our investors through a range of events and interactions including:

31 March 2025	Payment date for interim dividend
30 June 2025	Financial year end
25 August 2025	**Full year results and final dividend announcement**
02 September 2025	Ex-dividend date for final dividend
03 September 2025	Record date for final dividend
04 September 2025	DRP election date for final dividend
30 September 2025	Payment date for final dividend
21 October 2025	**Annual General Meeting**
31 December 2025	Financial half year end

1. Audit Committee

As at the date of the Directors' Report, the Group had an Audit Committee of the Board of Directors.

2. Corporate governance practices

The corporate governance practices adopted by the Company are set out in the 2025 Corporate Governance Statement. For further details, please refer to our website at: www.bendigoadelaide.com.au/esg/governance/

3. Substantial shareholders

The following parties and their associates have notified the Company that they have a substantial relevant interest in the ordinary shares of the Company, effective as at 30 June 2025:

Substantial holder	Number of ordinary shares held	% of total shares issued [1]	Date of last notice
State Street Corporation	36,011,093	6.34%	21/12/2023
Vanguard Group	34,115,273	6.003%	17/10/2024
Blackrock Group	28,470,194	5.01%	13/03/2025

1. As at the date of the substantial shareholder's last notice lodged with the ASX.

Shareholder information

Additional Information continued

4. Distribution of shareholders

The range of issued securities as at 30 June 2025 were in the following categories:

Category	Fully Paid Ordinary Shares	%	Fully Paid Employee Shares (BENAA and BENAB)	%	Capital Notes (BEN PH)	%	Capital Notes (BEN PI)	%	Performance and Share Rights (BENAAA)	%	Rights to Shares (BENAAD)	%
1 – 1,000	15,418,255	2.72	276,590	88.11	1,915,302	38.12	1,237,125	41.24	503,626	9.69	0	0.00
1,001 – 5,000	85,963,892	15.15	37,311	11.89	1,320,402	26.28	912,268	30.41	3,331,578	64.12	2,842	100.00
5,001 – 10,000	64,324,408	11.34	0	0	335,661	6.68	236,792	7.89	67,992	1.31	0	0.00
10,001 – 100,000	118,260,043	20.85	0	0	588,892	11.72	326,603	10.89	442,906	8.52	0	0.00
100,001 and over	283,350,263	49.95	0	0	864,189	17.20	287,212	9.57	849,606	16	0	0.00
Number of Holders	90,992	100	687	100	6,329	100	3,846	100	2,677	100	2	100
Securities on Issue	**567,316,861**	**100.00**	**313,901**	**100.00**	**5,024,446**	**100.00**	**3,000,000**	**100.00**	**5,195,708**	**100.00**	**2,842**	**100.00**

5. Marketable parcel

Based on a closing price of $12.64 on 30 June 2025 the number of holders with less than a marketable parcel of the Company's main class of securities (Ordinary Shares) as at 30 June 2025 was 3,546.

6. Unquoted securities

The number of unquoted equity securities that are on issue and the number of holders of those securities are shown in the above table under the heading of Fully Paid Employee Shares (namely BENAA and BENAB securities).

7. Major shareholders

Names of the 20 largest holders of Fully Paid Ordinary Shares in the Company, including the number of shares each holds and the percentage of capital that number represents, as at 30 June 2025 are:

Fully paid ordinary shares

Rank	Name	Number of shares	% of shares
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	127,540,664	22.48%
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	52,813,382	9.31%
3	CITICORP NOMINEES PTY LIMITED	46,580,708	8.21%
4	BNP PARIBAS NOMS PTY LTD	5,994,564	1.06%
5	UBS NOMINEES PTY LTD	3,728,935	0.66%
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	3,228,561	0.57%
7	NATIONAL NOMINEES LIMITED	2,868,808	0.51%
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,860,069	0.50%
9	PACIFIC CUSTODIANS PTY LIMITED	2,774,181	0.49%
10	NETWEALTH INVESTMENTS LIMITED	2,008,163	0.35%
11	PACIFIC CUSTODIANS PTY LIMITED	1,935,414	0.34%
12	BNP PARIBAS NOMINEES PTY LTD	1,817,054	0.32%
13	PACIFIC CUSTODIANS PTY LIMITED	1,640,341	0.29%
14	BNP PARIBAS NOMINEES PTY LTD	1,470,405	0.26%
15	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	1,300,107	0.23%
16	CARLTON HOTEL LIMITED	1,117,147	0.20%
17	BNP PARIBAS NOMS (NZ) LTD	907,909	0.16%
18	MARNIE ANN BAKER	891,267	0.16%
19	IOOF INVESTMENT SERVICES LIMITED	773,872	0.14%
20	LEESVILLE EQUITY PTY LTD	681,688	0.12%
Total Securities of Top 20 Holdings		**262,933,239**	**46.35%**

Shareholder information

Additional Information continued

8. Major shareholders continued

BEN Capital Notes (ASX: BEN PH)

Rank	Name	Number of Notes	% of Notes
1	BNP PARIBAS NOMINEES PTY LTD	340,297	6.77%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	271,233	5.40%
3	NETWEALTH INVESTMENTS LIMITED	127,714	2.54%
4	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	124,945	2.49%
5	MUTUAL TRUST PTY LTD	98,428	1.96%
6	BNP PARIBAS NOMINEES PTY LTD	93,192	1.85%
7	CITICORP NOMINEES PTY LIMITED	90,074	1.79%
8	IOOF INVESTMENT SERVICES LIMITED	62,961	1.25%
9	IOOF INVESTMENT SERVICES LIMITED	59,041	1.18%
10	NETWEALTH INVESTMENTS LIMITED	40,425	0.80%
11	BNP PARIBAS NOMINEES PTY LTD	39,870	0.79%
12	DIOCESE DEVELOPMENT FUND – CATHOLIC DIOCESE OF PARRAMATTA	30,600	0.61%
13	IOOF INVESTMENT SERVICES LIMITED	21,477	0.43%
14	SOUTH HONG NOMINEES PTY LTD	15,000	0.30%
15	MR MICHAEL KENNETH HARVEY & MR BRUCE WILLIAM NEILL & MS BROOKE ELIZABETH SLATTERY	13,987	0.28%
16	SANDHURST TRUSTEES LTD	12,564	0.25%
17	IOOF INVESTMENT SERVICES LIMITED	11,273	0.22%
18	INVIA CUSTODIAN PTY LIMITED	10,000	0.20%
18	TRISTAR METALS PTY LTD	10,000	0.20%
19	SIR MOSES MONTEFIORE JEWISH HOME	9,630	0.19%
20	ROSENWOOD PTY LTD	9.599	0.19%
Total Securities of Top 20 Holdings		**1,492,310**	**29.70%**

Shareholder information

Additional Information continued

8. Major shareholders continued

BEN Capital Notes (ASX: BEN PI)

Rank	Name	Number of notes	% of Notes
1	BNP PARIBAS NOMINEES PTY LTD	175,997	5.87%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	111,215	3.71%
3	CITICORP NOMINEES PTY LIMITED	72,425	2.41%
4	BNP PARIBAS NOMINEES PTY LTD	56,622	1.89%
5	NETWEALTH INVESTMENTS LIMITED	53,515	1.78%
6	BNP PARIBAS NOMINEES PTY LTD	32,626	1.09%
7	NETWEALTH INVESTMENTS LIMITED	20,173	0.67%
8	INVIA CUSTODIAN PTY LIMITED	18,600	0.62%
9	SOUTH HONG NOMINEES PTY LTD	14,000	0.47%
10	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	13,765	0.46%
11	MR MICHAEL KENNETH HARVEY & MR BRUCE WILLIAM NEILL & MS BROOKE ELIZABETH SLATTERY	12,375	0.41%
12	SUNTECA (WA) PTY LTD	11,103	0.37%
12	WALMSLEY DEVELOPMENTS PTY LTD	11,103	0.37%
13	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	10,296	0.34%
14	MARENTO PTY LTD	10,000	0.33%
14	TRISTAR METALS PTY LTD	10,000	0.33%
14	THE SYNOD OF THE DIOCESE OF ADELAIDE OF THE ANGLICAN CHURCH OF AUSTRALIA INC #2	10,000	0.33%
15	IOOF INVESTMENT SERVICES LIMITED	9,797	0.33%
16	SOUTH BAY NOMINEES PTY LTD	9,000	0.30%
16	R C C T PTY LTD	9,000	0.30%
17	G C F INVESTMENTS PTY LTD	8,612	0.29%
18	MUTUAL TRUST PTY LTD	8,580	0.29%
19	VIKURI PTY LIMITED	8,500	0.28%
20	PUPGALL PTY LTD	7,870	0.26%
Total securities of top 20 holdings		**705,174**	**23.51%**

9. Voting rights

Under the Company's constitution, each person who is a voting shareholder and who is present at a general meeting of the Company in person or by proxy, attorney or official representative is entitled to one vote on a show of hands or, on a poll, one vote for each fully paid ordinary share held. In the case of an equality of votes the Chair has, on both a show of hands and at a poll, a casting vote in addition to the vote to which the Chair may be entitled as a shareholder, proxy, attorney or duly appointed representative of a shareholder.

With respect to each person that is a holder of preference shares under the Company's constitution each holder is not entitled to vote at any general meeting of the Company except:

a) On any resolution during a period in which a dividend or part of a dividend remains unpaid.

b) On any resolution:
- to reduce the share capital of the Company (other than a resolution to approve a redemption of the holder's class of preference shares);
- that affects rights attached to the holder's class of preference shares;
- to wind up the Company; and
- for the disposal of the whole of the property, business and undertaking of the Company.

c) On a resolution to approve the terms of a buy-back agreement (other than a resolution to approve a redemption of the holder's class of preference shares).

d) During a winding-up of the Company, in which case a holder will have the same rights as to manner of attendance and voting as a holder of ordinary shares with one vote per preference share.

Glossary

Absolute Emissions	The total amount of greenhouse gases (GHGs) emitted into the atmosphere over a specific period. These relate to both our operational and financed emissions.
AML/CTF	Anti-Money Laundering and Counter-Terrorism Financing.
Australian Accounting Standards (AAS)	Refers to the Australian Accounting Standards issued by the AASB. An accounting standard is a technical pronouncement that sets out the required accounting, including measurement and recognition requirements, for particular types of transactions and events. The accounting requirements affect the preparation and presentation of an entity's financial statements.
Australian Accounting Standards Board (AASB)	The AASB is the Australian Government agency responsible for developing, issuing and maintaining accounting standards that apply under the Corporations Act 2001.
Australian Banking Association (ABA)	ABA is the trade association for the Australian banking industry.
Australian Competition and Consumer Commission (ACCC)	The ACCC is the chief competition regulator of the Government of Australia.
Australian Financial Complaints (ACFA)	ACFA provide consumers and small businesses with fair, free and independent dispute resolution for financial complaints.
Australian Financial Complaints Authority (AFCA)	AFCA is an external dispute resolution company for consumers who are unable to resolve complaints with member financial services organisations.
Australian Prudential Regulation Authority (APRA)	APRA is the prudential regulator of the Australian financial services industry. APRA is an independent statutory authority that supervises institutions across banking, insurance and superannuation and promotes financial system stability in Australia.
Australian Prudential Standards (APS)	Refers to the Prudential Standards issued by APRA.
Australian Sustainable Finance Institute (ASFI)	ASFI is an organisation established to realign the Australian financial services system so that more money flows to activities that will create a sustainable, resilient and inclusive Australia.
Australian Workplace Equality Index (AWEI)	The AWEI is the definitive national benchmark on LGBTQ workplace inclusion and comprises the largest and only national employee survey designed to gauge the overall impact of inclusion initiatives on organisational culture as well as identifying and nonidentifying employees. The Index drives best practice in Australia and sets a comparative benchmark for Australian employers across all sectors.
Authorised Deposit Taking Institution (ADI)	A financial institution authorised by the APRA to accept deposits from the public. ADIs facilitate savings and lending activities in the Australian financial system. It includes banks, building societies and credit unions.
Banking Code of Practice (BCoP)	This sets out the standards of practice and service in the Australian banking industry for individual and small business customers, and their guarantors.
Basel Committee on Banking Supervision (BCBS)	The BCBS is the primary global standard setter for the prudential regulations of banks and provides a forum for regular cooperation on banking supervisory matters.
Business Council of Australia (BCA)	The BCA represents Australia's largest employers, advocating for good policy on behalf of the business community and the Australians they employ.
Business for Social Impact (B4SI)	A standard to measure corporate social impact. The Bank measures its community investment in alignment with the B4SI methodology.
Cash earnings	Cash earnings is not a statutory financial measure, is not presented in accordance with Australian Accounting Standards, and is not audited or reviewed in accordance with Australian Auditing Standards. It is considered by management to be a key indicator of the underlying performance of the core business activities of the Group. Cash earnings is defined as statutory net profit after tax adjusted for non-cash items and other adjustments. Non-cash items are those deemed to be outside of the Group's core activities and hence these items are not considered to be representative of the Group's ongoing financial performance.
Climate & Nature Action Plan 2024 – 2026 (CNAP)	The CNAP is the Bank's climate strategy to manage the Bank's climate and nature-related risks and opportunities.

Glossary

Common Equity Tier 1 Capital (CET1)	The highest quality components of capital available to the Group satisfying certain characteristics as defined by the prudential regulator including providing the permanent and unrestricted commitment of funds that are freely available to absorb losses. It comprises ordinary share capital, retained earnings and allowable reserves less specified regulatory adjustments.
Community Banks	Community Banks are not consolidated by the Group as the Group does not have power to govern decision-making. While the Group's returns are variable they are calculated as a percentage of the gross margin. In some cases the Group holds shares in Community Bank branches. These shares are held as investments and are accounted for using the equity method. Consolidation of a Community Bank Branch would occur when the Group has power to affect returns through a majority representation on the Board.
Cost to Income ratio	A performance measure which represents total operating expenses before non-cash items and other adjustments as a percentage of total income before non-cash items and other adjustments.
Credit Risk	The risk of loss of principal, interest and/or fees and charges resulting from a borrower failing to meet a credit commitment.
Dilutive earnings per share	An earnings measure calculated by dividing net profit after tax attributable to owners of the Bank by the weighted average number of fully paid ordinary shares on issue over the period adjusted for the effect of all potentially dilutive instruments.
Dividend payout ratio	Dividend per share divided by the applicable earnings per ordinary share.
Dividend Reinvestment Plan	A plan which provides shareholders with the opportunity to receive their entitlement to a dividend in shares.
Earnings per share	An earnings measure calculated by dividing net profit after tax attributable to owners of the Bank by the weighted average number of fully paid ordinary shares on issue over the period.
Environment, Social and Governance (ESG)	A formal approach to measuring and reporting how your business impacts society and the environment.
Equity Reserve for Credit Losses (ERCL)	The equity reserve for credit losses was initially established to meet the requirements of APRA Prudential Standard, APS 220 Credit Quality, which required a reserve to be held to recognise estimated future credit losses which may arise over the life of the Group's lending portfolio. This requirement was removed from 1 January 2022, however, the Group has decided to maintain this reserve, with the value assessed on a semi-annual basis.
EV	Electric Vehicles.
Expected Credit Loss (ECL)	Represents the present value of expected cash shortfalls over the remaining expected life of the financial instrument and considers reasonable and supportable information about past events, current conditions, and forecasts of future events and economic conditions that impact the Bank's credit risk assessment.
Fair value	Is an amount at which an asset or liability could be exchanged between knowledgeable and willing parties in an arm's length transaction.
Financed Emissions	GHG emissions linked to the lending activities of the Bank.
Financial Accountability Regime (FAR)	FAR refers to the obligations arising from the FAR Act 2023, FAR Consequential Amendments Act (FCA Act), FAR Minister, Transition and Regulator Rules and is jointly administered by ASIC and APRA. The Bank's FAR Accountability Map and Accountability Statements for Accountable Persons outline governance arrangements and how enterprise accountabilities and responsibilities are assigned.
Financial assets measured at amortised cost	Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
Financial assets measured at fair value through other comprehensive income (FVOCI)	Financial assets that are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Changes in fair value are recognised in other comprehensive income.
Financial assets measured at fair value through profit or loss (FVTPL)	Financial assets that are not held in one of the two business models applicable to amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. Changes in fair value are recognised in the Income Statement.

Glossary

Financial Inclusion Action Plan (FIAP)	The Bank's approach to increasing the financial wellbeing of our customers, people, suppliers and community.
Foundation	Community Enterprise Foundation.
Full-time equivalent (FTE)	Includes all permanent full time staff and part time staff equivalents.
Gross loans and other receivables	Is the principal amount of loans and advances provided, gross of provisions and deferred fee income and including any accrued interest.
Group	Is Bendigo and Adelaide Bank Limited ('the Bank') and the entities it controlled at financial year end and during the financial year ('the Group').
Hedging	The use of financial market contracts, namely derivatives, to eliminate or minimise the Bank's exposure to fluctuations in interest rates, foreign currency exchange rates, or other market factors.
Impaired loan	A facility must be classified as impaired regardless of whether it is 90 days or more past due (arrears) when there is doubt as to whether the full amounts due (interest and principal) will be achieved in a timely manner. This is the case even if the full extent of the loss cannot be clearly determined.
Key Management Personnel (KMP)	Persons having authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including any Director (whether Executive or otherwise) of that entity.
Liquidity Coverage Ratio (LCR)	The Liquidity Coverage Ratio measures the portion of High Quality Liquidity Assets (HQLA) available to meet net cash outflows over a 30 day period under an APRA defined severe short-term stress scenario.
Locate Evaluate Assess Plan (LEAP)	LEAP is a structured approach developed by the Taskforce on Nature-related Financial Disclosures (TNFD) to help organisations identify, assess, manage, and disclose nature-related issues.
Location based emissions	Scope 2 operational emissions that reflect the average emissions intensity of the grid.
Market based emissions	Scope 2 operational emissions that account for the Bank's decisions to invest in different electricity products and markets, including LGCs and purchases of renewable electricity.
Mark-to-Market valuation	A valuation that reflects current market rates as at the Balance Sheet date for financial instruments that are carried at fair value.
National Greenhouse Gas Reporting (NGER)	The NGER is the reporting framework used to measure the Bank's greenhouse gas emissions, energy production and energy consumption.
Net Interest Income (NII)	The amount of interest received or receivable on assets net of interest paid or payable on liabilities.
Net Interest Margin (NIM)	Net interest income divided by average interest earning assets.
Net Promoter Score (NPS)	NPS measures customer loyalty and satisfaction. It gauges how likely customers are to recommend a company, product, or service to others.
Net Stable Funding Ratio (NSFR)	The NSFR is the ratio of the amount of available stable funding (ASF) to the amount of required stable funding (RSF). ASF is the portion of an ADIs capital and liabilities expected to be a reliable source of funds over a one-year time horizon. RSF is the function of the liquidity characteristics and residual maturities of an ADI's assets and Off Balance Sheet activities.
Net tangible assets	Net assets excluding intangible assets and other equity instruments.
Notional	Is the face value on which the calculations of payments for derivative financial instruments is based.
Offset account	An Offset Account is a transaction account which participates with a separate facility usually for a mortgage. Instead of receiving interest on the savings account, the interest payment due on the loan is calculated only on the net balance of the facility balance less the savings account balance.

Glossary

Operating segment	An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses. Segment reporting reflects the information that is used by the Managing Director for the purposes of resource allocation and performance assessment, hence it is consistent with the internal reporting provided to the Managing Director and the Executive Team.
Operational emissions	The direct and indirect greenhouse gas (GHG) emissions linked to the operations of the Bank.
Past Due 90 Days	For a loan subject to a regular repayment schedule: At least 90 days have elapsed from the due date of a contractual repayment which has not been satisfied in full; and Total amount of arrears is equivalent to at least 90 days worth of Scheduled Payments. For a loan not subject to a contractual repayment schedule (e.g. overdrafts and revolving credit facilities) the facility remains over the contractual limit amount for at least 90 days.
Past due	A financial asset is past due when a counterparty has failed to make a payment of principal, interest or other amount, when contractually due.
Physical Risk	Risks resulting from climate change that can be event-driven (acute) or longer term shifts (chronic) in climate patterns. Physical risks may have financial implications for organisations, such as direct damage to assets and indirect impacts from supply chain disruption.
Reconciliation Action Plan (RAP)	The Bank's approach and commitment to strengthening relationships between Aboriginal and Torres Strait Islander peoples and non-Indigenous peoples, for the benefit of all Australians.
Reserve Bank of Australia (RBA)	The RBA is Australia's central bank that is responsible for contributing to the stability of the currency, full employment, and the economic prosperity and welfare of the Australian people.
Residential Mortgage-Backed Security (RMBS)	A debt security whose cash flow is backed by the principal and interest payments from a specified pool of mortgage loans that are secured by mortgages over residential property.
Restructured facility	A 'Restructured Loan' is a facility in which the original contractual terms have been modified to provide for concessions of interest, or principal, or other payments due, or for an extension in maturity for a non-commercial period for reasons related to the financial difficulties of a customer and would not be offered to new customers with similar risk.
Return on average ordinary equity (ROE)	Net profit attributable to owners of the Bank divided by average ordinary equity, excluding treasury shares and reserves.
Return on average tangible equity (ROTE)	Net profit attributable to the owners of the Bank divided by average ordinary equity, excluding treasury shares less goodwill and other intangible assets.
Right-of-use-asset (ROUA)	The right-of-use asset is a lessee's right to use an asset over the life of a lease.
Science Based Targets Initiative (SBTi)	SBTi is corporate climate action organisation that enables companies and financial institutions worldwide to play their part in combating the climate crisis.
Scope 1	Direct emissions from owned or controlled sources.
Scope 2	Indirect emissions from the generation of purchased energy.
Scope 3	All indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions where applicable.
Specified Roles	Specified roles are defined in CPS 511 and are intended to capture those individuals and cohorts who can have a material influence on the performance and risk profile of the entity, in both the short and long-term. Specified roles comprise senior managers, Executive Directors, material risk-takers (including highly-paid material risk-takers) and all risk and financial control personnel.
Taskforce on Climate-related Financial Disclosures (TCFD)	A globally recognised set of recommendations designed to improve the reporting of climate-related risks and opportunities for investors and stakeholders.
The Australian Financial Markets Association (AFMA)	AFMA is an industry association promoting efficiency, integrity and professionalism in Australia's financial markets – including the capital, credit, derivatives, foreign exchange and other specialist markets.
The Australian Securities and Investments Commission (ASIC)	ASIC is an independent commission of the Australian Government tasked as an integrated corporate, markets, financial services and consumer credit regulator.
Transition risk	Risk related to transitioning to a lower-carbon economy that may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organisations.

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Photographer Joel Bramley is based in Bendigo, Victoria and has over 11 years' experience in photography. He specialises in landscape photography and here he has captured Hotel Shamrock in Bendigo, after some rain on a February evening. Joel has been with the Bank for over 17 years and his current position is Digital Marketing Communications Specialist.