



Corporate Governance Statement 2022



Overview of our corporate governance

The Bendigo and Adelaide Bank Limited (the Bank) Board is pleased to present its 2022 Corporate Governance Statement.

This statement outlines the key corporate governance practices of the Bank for the financial year ended 30 June 2022 (FY2022). In addition, this statement discloses the extent to which the Bank has complied with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, 4th edition (ASX Principles).

We have followed the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, 4th edition (ASX Principles) for the whole of FY2022.

This statement is accurate and up to date as at 5 September 2022 and has been approved by the Board.

Further information relating to the Bank's corporate governance practices and key governance documents can be found on the Corporate Governance section of our website at:

www.bendigoadelaide.com.au/esg/governance

In addition to this statement, our company reports for FY2022 include:

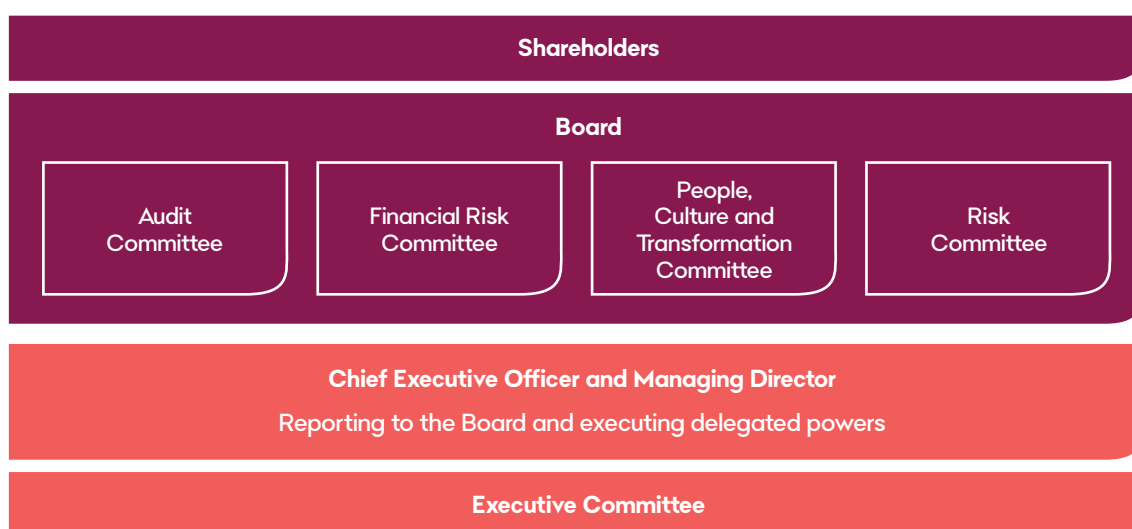
- Annual Financial Report.
- Sustainability Report.

These reports are available on our website:

<https://www.bendigoadelaide.com.au/>

We have set out the key structural elements of our corporate governance framework below by way of overview. The corporate governance framework applies across the Bank and its subsidiaries (the Group) and is underpinned by our Corporate Values.

Board and Board Committee structure



Our values

Our values articulate those things that set Bendigo and Adelaide Bank apart from other organisations. And they clearly establish the behaviours and actions employed by our staff in their everyday work. Our values are published on our website.

Teamwork	Integrity	Performance	Engagement	Leadership	Passion
We are one team with one vision. We work together, encourage diversity and respect the unique contribution of each individual.	We build a culture of trust. We are open, honest and fair.	We strive for sustainable success. We seek and provide feedback and find a better way.	We listen, understand – then deliver. We build our success through the success of others.	We all lead by example. We show initiative, are accountable and empower others.	We believe in what we do and are proud of our bank.

Our Board

Our Directors

Our Board comprised of nine Directors during FY2022, all of whom, apart from our Chief Executive Officer and Managing Director, were non-executive and independent. Detailed information about each of our Directors is set out in the Directors' Report within the 2022 Annual Financial Report.

The Board assesses the independence of each Non-Executive Director on an annual basis. Director independence is defined as being free from any business or other association (including those arising out of a substantial shareholding, involvement in past management or as a supplier, customer or adviser) that could materially interfere with the exercise of their independent judgment.

For FY2022, the Board found each Non-Executive Director to be independent, that they continue to test and challenge Executives and senior management constructively and exercise independent judgment on matters presented for Board decision.

The role of our Board

The Board has the following key responsibilities:

- **Vision, strategy, values and purpose:** setting the vision, strategy, values and purpose and, in doing so, setting and overseeing the corporate culture.
- **People:** appointment and performance monitoring of the Chief Executive Officer and Managing Director, terms of employment and succession planning for Executives, remuneration, diversity and workplace health and safety.
- **Customer voice:** oversight of customer feedback and insights.
- **Business, operational and financial matters:** reviewing and approving the strategic direction of the Group, approving significant corporate strategic initiatives, overseeing the architecture and technology strategy and approving regulatory financial disclosures.
- **Risk:** considering recommendations of the Risk Committee, Financial Risk Committee, Audit Committee and People, Culture and

Transformation Committee including in relation to risk culture, the risk management strategy and framework, risk appetite and the effectiveness of risk management.

More information is contained in the Board charter which is available on our website.

The Board has delegated management responsibilities to the Chief Executive Officer and Managing Director. It has reserved some key responsibilities for the Board and Board Committees as outlined in its charter. These include corporate governance, specific responsibilities of the Board under the Board charter, the responsibilities delegated by the Board to a Board Committee, and responsibilities otherwise required to be exercised by the Board by the constitution, legislation or regulatory standards. The Board also reserves for itself matters above specific delegation limits including financial and risk limits. The Board may reserve any additional matter it decides, as advised to the Chief Executive Officer and Managing Director.

The role of our Board Committees

The Board Committees assist the Board in carrying out its responsibilities. In deciding Committee memberships, the Board endeavours to make the best use of the range of skills and expertise across the Board and share responsibility. As well, overlapping memberships take into account where matters raised in one Committee may have implications for another. Committee membership is reviewed on an annual basis.

The Board receives the minutes of all Board Committee meetings and is presented with a verbal report from each Committee Chair on significant areas of discussion and key decisions. To assist each Committee in discharging its responsibilities, each Committee has an annual meeting planner that sets out the scheduled items of business and reports to be considered during the year.

Information on the number of Committee meetings held during the year, and attendance by Members at those meetings, is presented in the Directors' Report in the Annual Financial Report.

The Chairs and Members of each Board Committee as at the date of this statement is as follows:

Non-Executive Directors	Audit	Financial Risk	People, Culture and Transformation	Risk
Jacqueline Hey	Member		Member	
Richard Deutsch	Chair	Member		
David Foster		Chair	Member	
Vicki Carter			Chair	Member
Victoria Weekes		Member		Chair
Jan Harris	Member			Member
Jim Hazel		Member		Member
David Matthews	Member		Member	

The key functions of each Board Committee are set out on the following page. The charter for each Committee and the procedural rules applying to all Committees are available from our website.

In accordance with our procedural rules, each Committee was composed of at least three Members, a majority of independent Directors, and an independent Chair.

Audit

The Audit Committee assists the Board in relation to oversight of each of the following:

- External audit, including prudential audit requirements.
- Group Internal Audit function.
- The integrity of statutory financial and prudential reporting including financial reporting principles, policies, controls and procedures and Basel III Pillar 3 Disclosures, including non-audited reporting.
- The effectiveness of the internal control and risk management framework.
- Environmental, Social and Governance (ESG) management and reporting controls.
- The objectives, scope and outcomes of relevant prudential responsibilities.

Other responsibilities include ensuring there are policies and processes in place for reporting employee concerns/whistleblower matters, overseeing assurance work in relation to organisational culture, monitoring tax compliance, monitoring ESG reporting, and receiving reports in relation to the Outsourcing Policy and Business Continuity Plan.

People, Culture and Transformation

The People, Culture and Transformation Committee assists the Board in relation to each of the following:

- Remuneration matters including the remuneration policy, remuneration risk, cash and equity-based incentive schemes and remuneration outcomes for roles specified under the Remuneration Policy.
- Human resources matters including employee engagement, retention, wellbeing, development, reward, diversity, and workplace health and safety.
- Diversity and inclusion policies.
- Providing governance and oversight of the Bank's compliance with the Banking Executive Accountability Regime (BEAR) under Part IIAA of the Banking Act 1959 (Cth).
- Board nomination matters including renewal, succession, performance and remuneration as well as critical roles and succession planning.
- Corporate governance including governance developments, practices and the corporate governance statement.
- Transformation program oversight including progress against strategic outcomes.
- Reviewing and approving technology, digital and data strategies.

Other responsibilities include acting as the remuneration committee for subsidiary board Bendigo Superannuation Pty Ltd, providing oversight of the Group Remuneration Policy's effectiveness and compliance with the requirements of SPS/CPS 510 Governance.

Financial Risk

The Financial Risk Committee assists the Board in relation to each of the following:

- Oversight of the current and future financial risk profile position and the management of material financial risks and exposures relative to the approved risk appetite and capital base.
- Oversight of the risk management strategy and frameworks for financial risks.
- Monitoring new or emerging material financial risks and treatment plans.
- Oversight of financial risk management strategies, policies, tolerance limits and management delegations.
- Monitoring the risk culture as it relates to financial risk.

Other responsibilities include making recommendations to the Board on changes to the Risk Appetite Statement and Framework for financial risks, monitoring credit, interest rate, traded market and liquidity risk; monitoring prudential reviews for financial risk and monitoring the process to manage recommendations.

Risk

The Risk Committee assists the Board in relation to each of the following:

- Overseeing the current and future risk profile position and the management of material non-financial risks relative to the approved risk appetite.
- Overseeing the implementation and operation of the risk management strategy and risk management frameworks. This includes constructively testing and challenging management analysis, proposals and decisions on all aspects of risk management.
- Monitoring new or emerging material risks and reviewing the treatment plans developed by management to mitigate these risks.
- Overseeing compliance with risk management strategies, policies, tolerances, limits and management delegations.
- Monitoring the risk culture of the group.

Other responsibilities include monitoring and making recommendations to the Board on changes to the Risk Appetite and Risk Management Frameworks, monitoring the operational risk profile (including non-financial risk), monitoring of group insurance program and group litigation, monitoring climate risk profile and the development, implementation and management of climate risk governance processes, and reviewing prudential assurances.



Board composition - what we look for in our Directors

The individual attributes of each Director are as critical as the skills and experience that they bring. There is an expectation that each Director be able to demonstrate sound business judgment, a strategic view, integrity, a readiness to question, challenge and critique, and leadership qualities.

At a collective level, the diversity of skills, knowledge, experience, gender and attributes enables the Board to provide the oversight needed to develop and achieve our strategy. In addition, experience through business and economic cycles developed from length of service on the Board is valued. This provides a deeper understanding of the industry including how political, regulatory, economic and financial market developments may impact the business, as well as providing the benefit of corporate memory.

More generally, our Directors are expected to have a clear understanding of our strategy

and knowledge of the industry and markets in which the business operates, and be able to respectfully challenge Management and each other. Our Directors must have a good understanding of the Bank's operations and our stakeholders, to enable them to monitor effectively the performance of the business and the implementation of the strategy.

The Board has developed a skills matrix to help in assessing and ensuring that the composition of the Board meets the needs of the Group. The Board considers it has the appropriate mix of skills

and expertise and it regularly reviews the skills, knowledge and experience represented on the Board against the skills and experience needed to deliver the strategy. An internal and external Board review during FY2022 confirmed that the Board collectively possesses an appropriate standard of expertise across all required skill matrix areas.

Notwithstanding the above, a pre-requisite for all of our Directors is an attitude and approach that reflects our customer and community values, and the highest standards of ethics and integrity.

High competency,
knowledge and experience

Practiced / direct experience

Relevance to the Bank

Executive Leadership

Successful career as a Senior Executive or CEO



This experience brings a senior executive perspective of running a large organisation to board decision-making. This includes perspectives on organisational design and management including executive performance and provides an operational outlook on implementing our business plans and strategy.

Strategy & Commercial Acumen

Extensive experience in the development of strategy and oversight of implementation, and experience in that position in managing the business through periods of significant change



This experience brings a longer term perspective and a broader understanding of the business landscape and functioning of larger corporate enterprises. It also brings an ability to critically test and challenge strategic priorities and business proposals presented by management.

Social & Environmental

Experience in managing the potential risks and opportunities from an environmental and social perspective



Being able to influence sustainable practices, policies and decisions across the Bank's network is not only important in enabling the Bank to meet its social responsibilities and targets set out in our Climate Change Action Plan, but also because it is good business for now and in the future.

Shareholders, Government & other stakeholders

Experience in building and maintaining trusted and collaborative relationships with shareholders, government, regulators and community partners



Having a consistent, transparent and effective engagement program with the Bank's shareholders, regulators, government and other stakeholders is critical to the Bank's success.

Risk management

In-depth, demonstrated and senior high level ability to anticipate, recognise and manage risks (including regulatory, financial and non-financial risks). Experience in embedding risk culture, risk management strategy and framework, and monitoring the effectiveness of controls



Risk management is fundamental to how we operate our business and critical to our performance. How we manage risk ultimately impacts our capital efficiency and our profile with our investors.

Relevance to the Bank

Corporate Governance

Knowledge and experience in sophisticated governance structures and commitment to high standards of corporate governance



A sound system of governance provides the foundation for the effective oversight of decision-making, actions and behaviour to ensure we live our values, focus on our strategy and align with our purpose, as well as promoting investor confidence.

People, Culture & workplace Health & Safety

Strong, proven and extensive experience in overseeing and assessing senior management, remuneration frameworks, workplace health and safety and strategic people management



Healthy, satisfied and engaged employees are a key foundation to our success. Our employment and workplace practices play a vital role in attracting, motivating and retaining high calibre management needed to implement the strategy. They also help ensure our employees continue to be committed to actively contributing to our customers' and the organisation's success.

Technology, Digital & Innovation

Expert and proven high level experience in information technology systems, digital channels and information security or experience in technology governance of a significant business



Our business is highly dependent on information technology. Innovation and disruption, particularly from new digital technologies, is transforming the way financial organisations operate and engage with their customers. To continue to be relevant, our business must be able to evolve and adapt to the rapidly changing environment.

Banking & Financial Services

Senior executive management experience in significant components of the banking and financial services industry such as retail banking, funds management, and superannuation



This experience is important to understanding and monitoring business performance, evaluating the achievement of business plans and assessing developments in our business models, distribution channels and product innovation.

Customer & Community

Experience in developing and overseeing the embedding of a strong customer-focused culture in large complex organisations, and a demonstrable commitment to achieving customer and community outcomes



This experience involves Directors understanding the changing needs of customers and the community, with a focus on improving their financial wellbeing, enhancing their experience with the Bank, and meeting social expectations beyond financial metrics.

Board renewal and re-election of Directors

The Board is committed to a process of orderly succession, aiming for a blend of diversity in geography, background, approach and gender. Succession planning is an ongoing process, with the Board discussing succession planning for its members and the Chair regularly and robustly.

The process to appoint a new Director is overseen by the Board Chair and the People, Culture and Transformation Committee. The People, Culture and Transformation Committee's responsibilities include recommending to the Board the procedure for the selection of new Directors, the proposed criteria for the selection of Board candidates with particular reference to the current mix of skills, knowledge, experience and tenure on the Board, and identifying and nominating a short list of candidates to the Board. The Board may engage the services of a professional intermediary to assist in identifying and assessing potential candidates. The preferred candidates meet with all current Board members and some members of the Executive, before a final decision is made.

Each Director and Executive has a written agreement with the Bank setting out the terms of their appointment.

Additionally, Directors, Executives and the external auditor must meet fit and proper standards under our Responsible Persons Policy, which addresses the requirements of APRA's Prudential Standard CPS 520 Fit and Proper. Directors, Executives and the external auditor are assessed before appointment, and then annually to make sure that they have the competence, character, diligence, experience, honesty, integrity and judgment needed to properly perform their duties, as well as the education or technical qualifications, knowledge and skills relevant to those duties. This includes obtaining or reviewing background probity checks periodically, and an individual fit and proper

declaration by each Director, each Executive and the external auditor annually.

This annual assessment process is combined with the accountability regime under the BEAR. Each member of the Board and each Executive is an accountable person under BEAR.

The accountability regime establishes accountability obligations for accountable persons, requiring each accountable person to:

- act with honesty and integrity, and with due skill, care and diligence;
- deal with APRA in an open, constructive and cooperative way; and
- take reasonable steps in conducting their responsibilities as an accountable person to prevent matters from arising that would adversely affect the Bank's prudential standing or prudential reputation.

An accountable person is required to be registered with APRA and it is our responsibility to assess whether an individual is suitable to be an accountable person. Each Director and each Executive has been assessed as being suitable to be an accountable person.

A Director appointed by the Board must seek election at the next annual general meeting of shareholders after appointment. For all re-nominations, the Board takes into account the skills, knowledge, experience and attributes necessary to deliver the strategy of the Group and the extent to which these are represented on the Board, the diversity of the Board and the statement provided by the Director seeking election that supports their election.

The notice of annual general meeting includes all information relevant to the decision by shareholders whether or not to elect or re-elect a Director. This includes relevant information obtained by the Bank as part of the fit and proper assessment, the accountable person process, a statement about the Director's independence and a statement about the Board's support for the Director's election or re-election.

Appointment and equipping Directors to perform their role

Each Non-Executive Director enters into an agreement that covers the Director's role and responsibilities, time commitments, induction and ongoing education, performance, remuneration, disclosure of outside interests, independence, privacy and confidentiality obligations. Arrangements for access to information, insurance, indemnity and access to independent professional advice arrangements are contained in a Director's Deed.

Following appointment, each Director participates in an induction program to familiarise themselves with our business and strategy and to develop industry knowledge. The information provided includes information about our corporate governance framework, policies, organisational structures and business activities. The induction program also involves one-on-one meetings with Executives, senior management, and the external auditor. There is also an induction program for each Committee that a Director joins.

There is a periodic review of the professional development activities needed for Directors to maintain their skills and knowledge to perform their role as Directors effectively. In addition to personal professional development training, Directors as a collective actively seek to enhance their knowledge of the Bank's operations, industry and market developments, and regulatory changes. This is effected by the Board engaging with industry and regulatory leaders, participating in technical briefings, and undertaking regular deep-dive, free-form discussions with Executives and senior management at Board meetings.

The Board is entitled to seek any information it requires from any Group employee or from any other source. It is entitled to meet with employees and third parties without the presence of management and may request employees and third parties to attend Board meetings.

A Board Committee can seek information from any Group employee or any other source and meet with employees and third parties without the presence of management. A Committee may consult with a professional adviser or expert at the cost of the Bank if the Committee considers it necessary to carry out its responsibilities. There is also provision for direct access to Committees by management and the external auditor as set out below.

The external auditor may request to meet with the Audit Committee and has a standing invitation to attend all Audit Committee, Finance Risk Committee and Risk Committee meetings. The external auditor may also request to meet with the Board and the Chair of the Audit Committee.

- The Head of Group Internal Audit has a direct reporting line to the Audit Committee and an administrative reporting line to the Chief Executive Officer and Managing Director. The Head of Group Internal Audit may request to meet with the Audit Committee and has a standing invitation to attend all Audit Committee meetings. The Audit Committee also meets at least three times a year with the Head of Group Internal Audit without management present.
- Senior management, the Chief Financial Officer and the Head of Group Operational Risk may request to meet with the Audit Committee.
- The Chief Risk Officer has a standing invitation to attend all Risk Committee and Financial Risk Committee meetings and may request to meet with either Committee. The Chief Risk Officer also has an invitation to attend the People, Culture and Transformation Committee meeting that considers the remuneration of those persons as required under the Remuneration Policy.

The Chief People Officer may request to meet with the People, Culture and Transformation Committee about work health and safety and remuneration considerations of those persons as required under the Remuneration Policy and has a standing invitation to attend all People, Culture and Transformation Committee meetings.

A Director may obtain independent professional advice at a reasonable cost to the Bank after first getting the approval of the Chair (or if the Chair refuses to give the approval, the Board). As well, the Company Secretary provides advice on governance matters and support to the Board, Committees and Directors. The Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The appointment and removal of the Company Secretary is decided by the Board.

Performance assessments of Board, Directors and Board Committees

The Board reviews its performance, and the performance of individual Directors, every year.

From time to time, this process is led by an external consultant, and in those years when a consultant is not engaged, the Chair leads the assessment of the Board and each Director, with a Non-Executive Director nominated by the Board leading the assessment of the Chair.

The process may involve the completion of questionnaires and meetings with individual Directors. The Chair provides feedback to each Director on individual performance and conducts a session with the full Board to discuss feedback about the Board as a whole. The Chair of the People, Culture and Transformation Committee leads a Board discussion about the Chair's performance.

When an external consultant is engaged, the process is similar, but may also involve discussions with Executives.

The external consultant typically provides feedback on individual Director performance to the Chair and each Director, and on Board and Chair performance, to the Board as a whole (in the absence of the Chair in relation to the Chair's performance).

The annual review process of Board Committees is similar to the Board review process described above. The Chair of each Committee leads the review and also the discussion of outcomes with the Committee, followed by a discussion at the next Board meeting. Each Committee has assessed its performance this year and the outcomes have been reported to the Board.

The Board undertook an external and in-house assessment of its performance in FY2022, where areas of strengths and focus were identified, and an action plan of continuous improvement agreed. The action plan implemented for FY2021 was completed in full.

Respecting our shareholders and investors

We are committed to giving our shareholders appropriate information and facilities to enable them to exercise their rights effectively. We are also committed to making sure shareholders and the investment community have appropriate information to make investment decisions.

The ways in which we do this include:

- **Our announcements to ASX** – announcements are made in accordance with our Continuous Disclosure Policy and Communications Policy.
- **The Investor centre on our website** – this provides a central point for shareholders to access information including ASX announcements, media releases, the corporate calendar, investor presentations, reports and information about dividend history and the annual general meeting.
- **Our annual general meeting** – shareholders are invited to attend and participate in our annual general meeting each year and this year can do so virtually or in person in Bendigo.
- **Our investor relations team** – our team is committed to engagement with the investment community, telling our story and communicating our strategy.
- **Our financial reporting and statutory reporting, shareholder newsletters and this corporate governance statement** – the integrity of reporting is discussed in more detail in the next section.



ASX Announcements

Like all listed companies, we have continuous disclosure obligations under the ASX Listing Rules. This requires the disclosure to ASX immediately (subject to some exceptions) of price sensitive information before anyone else to make sure that all investors have equal and timely access to material information.

Our Continuous Disclosure Policy explains how we manage price sensitive information to comply with this obligation. The policy is available from our website and it includes our disclosure protocols. As a general rule, decisions about disclosure are made by the Chief Executive Officer and Managing Director and the Board, and Directors are given a copy of any material disclosure notices as soon as possible after an announcement is released to the market.

The Company Secretary is responsible for coordinating communications with the ASX and for having systems in place to ensure that information is not released to external parties until confirmation of lodgement is received from ASX.

Our Communications Policy provides clear authorities and protocols for communications with investors, ASX, regulatory authorities, the media and brokers. It has also been designed to complement the Continuous Disclosure Policy, to make sure that information flows are controlled, and to reduce the likelihood of inadvertent disclosures outside the continuous disclosure reporting regime. Our Communications Policy is available from our website.

Shareholders

Shareholders can access information about their own shareholdings including transaction and dividend payment history and taxation information through the registry's portal, being BoardRoom's InvestorServe portal.

Shareholders can request to receive shareholder documents electronically or in hard copy, including dividend statements, shareholder reviews, annual reports, notices of meetings and shareholder question forms.

Consistent with our efforts to reduce our carbon and environmental footprint, the Bank encourages shareholders to elect to receive their communication and notices from the Bank electronically. This has multiple benefits of reducing the amount of paper used to print notices, reduces the carbon footprint associated with postage, reduces printing and mailing costs, and gives shareholders faster and more secure access to their information.

To encourage shareholder attendance and participation at our annual general meeting, the Bank's 2022 annual general meeting of shareholders will be held as a hybrid meeting, with an opportunity to attend and vote at the meeting in person, or virtually.

Details on how to vote and ask questions are set out in the notice of the annual general meeting. Voting is conducted by poll on all resolutions.

The annual general meeting provides an opportunity for shareholders to engage with us, and we strongly encourage this. Shareholders can ask questions before the meeting. At the meeting, shareholders will have a reasonable opportunity as a whole to ask questions about or make comments on the management of the Bank or the business of the meeting.

Shareholders are also invited to submit written questions directed to the external auditor about the content of the auditor's report and the conduct of the audit of the annual financial report. These questions are given to the external auditor and a reasonable opportunity is allowed at the meeting for the auditor or their representative to respond. A suitably qualified representative of the audit team is required to attend the meeting to answer questions about the audit.

Investment community

We are committed to engagement with the investment community, telling our story and communicating our strategy.

We have an investor relations program to facilitate an effective two-way communication with the investment community to provide a better understanding of the Bank's performance. The Bank engages with institutional investors, private investors, brokers, analysts and rating agencies. Investor relations co-ordinates roadshows for the half-year and full-year result announcements and other ad hoc investor meetings as required. In accordance with our Continuous Disclosure Policy, presentation materials are provided to the ASX ahead of substantive presentations to investors and analysts.

Under our Continuous Disclosure Policy and Communications Policy, restrictions apply to make sure price sensitive information is not disclosed before it is given to ASX. The employees who are authorised to speak with institutional investors, brokers, analysts and rating agencies is limited.

Parameters for discussions about results are set by the Chief Executive Officer and Managing Director. As well, there are restrictions on discussions in the pre-results period. More generally, those authorised to comment on analysts' financial projections are limited and include the Chief Executive Officer and Managing Director, Chief Financial Officer and Head of Investor Relations. Comments must be confined to errors in factual information, computations and underlying assumptions.



Integrity of corporate financial reporting

The integrity of financial reporting to shareholders is controlled by:

- Board oversight and responsibility
- A Group declaration process, including declarations from the Chief Executive Officer and Managing Director and the Chief Financial Officer
- Oversight from the Audit Committee
- Independent external auditor.

Board

The Directors are responsible for assessing whether the financial statements and notes are in accordance with the Corporations Act, that they comply with accounting standards and give a true and fair view of the financial position and performance of the Group.

A Directors' declaration to this effect is included in the annual and half-year financial reports.

Audit Committee

The Audit Committee assists the Board by providing oversight of the Group's financial reporting responsibilities including external audit independence and performance.

The Audit Committee responsibilities include the following:

- Reviewing the half-year and full-year statutory financial reports for recommendation to the Board.
- Reviewing significant accounting estimates and judgements used for the preparation of the financial reports.
- Reviewing and approving any new or proposed changes in Group accounting policies.
- Monitoring developments in statutory reporting and accounting and disclosure requirements.
- Reviewing the effectiveness of the Group's internal control and risk management framework.

Declarations

A declaration process, supported by due diligence and verification, is undertaken across the Group for the annual and half-year financial statements.

The Directors' declaration is only made after receipt of declarations by the Chief Executive Officer and Managing Director and Chief Financial Officer, which confirm that:

- The financial records of the Bank have been properly maintained in accordance with the Corporations Act.
- In their opinion, the financial statements and notes comply with applicable accounting standards and give a true and fair view of the financial position and performance of the Bank.
- Their opinions have been formed on the basis of a sound system of risk management and internal control, and this is operating effectively in all material respects.

The Chief Executive Officer and Managing Director and the Chief Financial Officer declarations is reviewed each reporting period by the Audit Committee, Risk Committee and Financial Risk Committee. The declarations are made on the basis that they provide a reasonable, but not an absolute, level of assurance and do not imply a guarantee against adverse events or circumstances that may arise in future periods.

The process is intended to provide assurance that the Group has identified material business risks associated with its activities and implemented appropriate risk management policies, frameworks, systems and procedures to manage those risks.

Each Executive and relevant senior manager provides a risk management declaration, with support from their relevant line management, as to whether there are any known risk matters that could materially impact either the operations of the Group or the integrity of the statutory financial reports.

External auditor

The audit or review by the external auditor provides a further level of protection of the integrity of the financial statements. The Audit Committee oversees the external audit function. This includes reviewing and approving the external audit plan and assessing the performance of the external auditor.

Independence of the external auditor is important to the integrity of the audit function and the Corporations Act sets out independence requirements. The Audit Committee is responsible for maintaining a policy dealing with auditor independence and monitoring compliance with that policy. The External Audit Independence Policy is available from our website. Key elements of the policy include appointment of the external auditor and ongoing independence requirements such as a restriction on non-audit services, restrictions on certain relationships with the Group and the requirement for rotation of the audit partner. It also includes the requirement for the auditor to give annual and half-year independence declarations to Directors.

With limited exceptions, the approval of the Audit Committee is required before the external auditor is engaged to provide non-audit services.

This enables the Audit Committee to assess whether there may be an impact on auditor independence.

The Audit Committee gives an annual and half-year statement to the Board as to whether the Audit Committee is satisfied that the independence of the external audit function has been maintained having regard to the provision of non-audit services. The annual Directors' Report includes information about any non-audit services provided and whether the Directors are satisfied that the provision of non-audit services is compatible with the independence of the auditor and the reason for being satisfied.

Periodic corporate reports that are not audited are verified internally by the Chief Financial Officer and/or the Chief Risk Officer following due diligence by management with the expertise to confirm the disclosures within the reports. The Board Audit Committee reviews the process undertaken to verify the integrity of any such reporting. These reports are then approved for release by the Board or Board Audit Committee.



Our people

We put our people first, so our people can put our customers first.

Our people are skilled, resilient, and capable of great things. The Bank aims to provide a positive employee experience and with this focus comes many opportunities to make a difference. We know that when our people feel engaged and supported to be their best, a positive experience for our customers will follow.

We are committed to investing in our people, recognising them for great outcomes, and creating a community where everyone can thrive. Community lives inside and outside the Bank. We believe in teamwork and trust, everyone working towards shared goals and building a sense of pride in making real differences in communities across Australia.

We want our people to feel connected and engaged because we care about them. And we celebrate what is common and different, so we can all be ourselves.

When our people know how to contribute, feel valued and belong, and our leaders are confident and capable, then our customer will get the best service. Our people make our workplace great. They care about our customers, the Bank, our shareholders, our communities, and each other.

The Bank seeks to promote a strong culture that is aligned to our culture aspirations. This includes a strong focus on risk. Our ongoing cultural evolution is designed to help deliver on our Group strategy and achieve key outcomes

such as strong risk management, customer focus and conduct in the Bank.

We continue to focus on ensuring our people are supported to manage their work and personal commitments through an ever-changing landscape. We know offering flexible work policies that enable choice and support the delivery of significant benefits to both individuals and organisational outcomes makes good business sense.

Having a diverse and inclusive workforce is important to us as we want the Bank to reflect the rich diversity of the communities we live in, work with and support. Diversity of experience, mindset and background inspire our best ideas, help us challenge the status quo and identify better ways of working. Our culture of collaboration and inclusion extends outside our team to all of our stakeholders, including our partners, customers and communities, and in a dynamic operating environment, our diversity will make a difference.

With our sights set on being Australia's bank of choice, we are doing critical work that will set up our business for success and improve the experience for everyone we look after. This includes work that is focused on making our people's experience better and organising ourselves to work together more effectively.

Respect for People

Workplace policies play an important role in defining, reinforcing and clarifying what we expect of our people when at work. The Group's 'people' policies, standards, guidelines and procedures form part of our responsibilities as an employer.

In 2022 we continued to embed the understanding of the obligations and expected behaviours in our workplace which are outlined in the following policy documents:

- Discrimination and Harassment Policy.
- Bullying in the Workplace Policy.
- Complaints Procedure for Employees.
- Disciplinary Procedure.

These policies uphold our commitment to providing a safe and respectful working environment for everyone who works in the Group. They also make clear the expected behaviour and the role all our people have in contributing to a workplace culture that is respectful, productive and safe.

We have made it easier for our people to speak up, by explaining the avenues available to them when observing or

experiencing workplace discrimination, harassment or bullying. In addition, we have strongly reinforced that those who speak up will be protected from victimisation.

Alcohol or drug use can impact a person's ability to perform their work respectfully and safely which can pose a risk to their own and others wellbeing. This is why we have introduced a Drug and Alcohol Policy.

The Bank's Drug and Alcohol Policy sets out the Bank's responsibilities as an organisation and expectations of our staff. The objectives of the policy are to:

- Emphasise both the Group and our employee's duty of care to ensure health and safety in the workplace.
- Make clear, that where alcohol is served at work related functions our people, if choosing to drink, must be responsible in their alcohol consumption.
- Encourage our people to take care of each other and be respectful when attending work related functions and social events where alcohol is served.
- Explain the consequences of behaving inappropriately and that being impaired by alcohol or drugs will not be accepted as an excuse for engaging in inappropriate behaviour.

Our Code of Conduct

Our Code of Conduct (the Code) sets the expectations for all our employees, Executives and Board members to make conduct decisions that are lawful, ethical and respectful, in order to deliver fair outcomes for customers, colleagues, partners and stakeholders.

The Code provides clear guidance to our people of their responsibility to demonstrate high standards of corporate and individual behaviour when conducting the business of the Group. It provides a framework for how our people can apply good judgement by thinking before acting, applying Group policies and procedures, considering the consequences of their decisions and, speaking up when needing help.

Respect for People

We have made recent changes to our Code to strengthen the obligation and responsibility of our people to engage in respectful behaviour, demonstrate our values and apply policies to achieve the following positive outcomes:

- A sense of belonging for our customers and colleagues by demonstrating inclusive behaviour and, by being encouraging and respectful of diversity of thought.
- A safe and healthy workplace by making business decisions and behaving in a way that does not

compromise individual health and safety or that of our colleagues, customers and others.

- A workplace free from bullying, discrimination and harassment by taking responsibility for treating colleagues and customers lawfully and, with dignity, courtesy and respect. Whether working in the office, offsite or using technology, decisions and interactions with colleagues and customers are always expected to be respectful and free from unlawful discrimination and harassment, including sexual harassment.

Our Code also provides information and guidance in respect to:

Modern slavery

The Bank has a Modern Slavery Statement which is available on our website.

Conflicts of interest

The Conflicts of Interest Policy sets out the approach to follow to ensure the Group complies with its regulatory obligations and other related Group policies when dealing with conflicts of interest. It also provides guidance to our people to identify and effectively manage and monitor any actual, perceived or potential conflicts which may arise.

Whistleblower program

The Whistleblower Policy supports a culture of integrity and ethical behaviour and sets out a clear process and the protections available for those who want to raise a concern regarding suspected misconduct (Reportable Conduct). This could include concerns related to unethical behaviour, criminal activity, a failure to comply with a legal or regulatory obligation, or a significant breach of the Code or other Group policy. It is supported by dedicated intranet pages which provide our employees with information on why it is so important to raise concerns, links to our externally managed anonymous concerns reporting service and answers to frequently asked questions.

Trading Policy

Our Trading Policy imposes restrictions on trading in the Bank's securities by Directors and employees who are in possession of price sensitive information. In addition, a blackout period on trading is imposed on Directors, Executives and other designated employees starting on the 15th of December for the half year results, and the 15th of June for the full year results and ending on the next business day after each respective results announcement. The Board may also impose additional restrictions.

Anti-bribery and corruption

The Group has strong standards of integrity, ethics and conduct and support this by complying with relevant Anti-Bribery and Corruption legislation. Therefore, our people will not directly or indirectly give, offer or request a bribe and will not engage in corruption.

Our people will not accept directly or indirectly a benefit (monetary or otherwise) given, offered, authorised, accepted or requested as an inducement for action which is illegal, unethical or a breach of trust. We will not accept secret commissions (monetary or otherwise) from a third party, in return for agreeing to depart from our internal policies and procedures or legal obligations. Political donations may give rise to perceptions of cash for influence. Employees, Directors or third parties acting on behalf of the Group must not make any political donations on behalf of the Group.

Reporting and administration

Reporting and analysis on de-identified whistleblower data, breaches of the Code and incidents related to bribery or corruption, workplace bullying, discrimination and harassment is undertaken regularly in order to identify any trends. This reporting is regularly tabled for discussion at our Board Committee meetings.

The Code is periodically reviewed and annually our people undertake Code of Conduct Awareness Learning.

The Code of Conduct, Whistleblower Policy, Trading Policy and Anti-Bribery and Corruption Policy are all available on our corporate website.

Remuneration

Our approach to remuneration is balanced and focused on the creation of long-term value.

The view of the Board is that remuneration which is leveraged towards short-term performance can create a disconnect between an individual's interests and the long-term interests of shareholders, other stakeholders and customers. Therefore, our executive remuneration approach appropriately balances fixed remuneration and equity that vests over the longer term.

Our remuneration philosophy has been based on the following principles:

- **Simplicity** – The link between performance, value created, and reward should be clear and the framework must be easy for all employees to understand so that it effectively attracts, retains and motivates the talent the organisation needs to deliver long term sustainable success.
- **Transparency and procedural fairness** – The Bank is committed to providing employees with visibility wherever possible of the considerations made in making reward decisions and fairly undertaking

all performance and reward processes to support the objective of fair remuneration, including gender pay equity.

- **Alignment with values** – Remuneration should reinforce the corporate values of teamwork, integrity, performance, engagement, leadership and passion. Individual reward outcomes are first dependent on the success of the Bank, followed by the division and team.
- **Appropriate risk behaviour** – Remuneration should encourage innovation and prudent risk taking that supports the achievement of superior long-term results for shareholders and customers and supports the risk management framework of the Bank.
- **Supports good customer outcomes** – Reward structures and practices will be designed to minimise the risk of incentivising behaviours that may lead to poor customer outcomes.

The executive remuneration framework clearly aligns executive reward with the Bank's performance and outcomes for key stakeholders. Following previous risk governance assessments, we have strengthened linkages between Board Committees

when considering remuneration outcomes to make sure all risks associated with the business, including non-financial risks, are considered when determining remuneration outcomes. As well, we have continued to embed risk and compliance outcomes explicitly in Executive performance assessment and remuneration.

The remuneration and other terms of employment for Executives and Non-Executive Directors are contained in formal written agreements.

The Chief Executive Officer and Managing Director's and Executives' performance is assessed after year end by the Board.

The Board Chair and all Non-Executive Directors provide input on the Chief Executive Officer and Managing Director's performance, and the Chief Executive Officer and Managing Director provides an assessment of the other Executives. The assessment considers the Executives' contribution to the Bank's performance, including the impact on customers, people, and financial outcomes. In addition, performance against risk objectives is reviewed. To support this, the Chief Risk Officer provides a report containing risk scorecards for each Executive for the Board to consider. This assessment was undertaken during the year. The Committees can use their discretion to make any upward or downward adjustment to determine recommendations for the equity outcomes to the Board. This approach was chosen to enable unforeseen developments to be factored into the assessment and ensure any necessary risk and compliance adjustments occur at the Board's discretion.

The Board may also adjust the number of equity instruments that vest to take into account any unforeseen or unexpected circumstances and risk developments. The Board has absolute discretion to adjust variable remuneration to reflect:

- The outcomes of business activities.
- The risks related to the business activities taking into account, where relevant, the cost of the associated capital.
- The time necessary for the outcome of those business activities to be reliably measured.
- Any provision outlined in the Clawback and Malus Policy.

This includes adjusting performance-based components of remuneration downwards, to zero if appropriate. On an annual basis the People, Culture and Transformation Committee reviews the appropriateness of releasing deferred equity components taking into account the Group's performance outlook, risk profile and any other matter that might impact the reputation or financial soundness of the Group.

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 Bank treats compliance with the requirement as important and at the end of each year requires the individuals to confirm they have complied with the restriction. If the restriction is breached the individual will forfeit all equity-based remuneration that is subject to the prohibition at the time of the breach. Our trading policy also prohibits key management personnel and other Executives from using the Bank's securities as collateral in any margin loan arrangements.

The Bank has a Minimum Shareholding Policy for executives and Non-Executive Directors. This further strengthens their alignment with long-term shareholder interests.

With respect to the remuneration of Non-Executive Directors, there is no direct link between Non-Executive Director fees and the annual results of the Group. Non-Executive Directors do not receive bonuses or incentive payments, nor receive equity-based pay. However, Non-Executive Directors can elect to sacrifice a portion of their fees into shares. Shareholders have previously approved an aggregate fee pool for Non-Executive Directors which covers payments (including superannuation) for the Board members and payments to the Bank's Non-Executive Directors appointed to subsidiary boards and the Community Bank National Council.

The People, Culture and Transformation Committee recommends to the Board the remuneration arrangements for Non-Executive Directors. The fees are reviewed and set annually by the Committee and the following considerations are taken into account:

- The scope of responsibilities of Non-Executive Directors and time commitments. This includes consideration of significant changes to the Group's operations and industry developments which impact workloads and responsibilities at the Board and Committee level.
- Fees paid by peer companies and companies of similar market capitalisation and complexity, including survey data and peer analysis to understand the level of Director fees paid in the market, particularly in the banking and finance sector.

During FY2022, the structure of the fees paid to Non-Executive Directors changed from a fixed annual fee inclusive of superannuation to a lower base fee with additional fees for Committee Members and Chairs. This was done to reflect the additional workload of the Board Committees and the role of the Committee Chair. In relation to the superannuation contributions, Non-Executive Directors can elect to receive amounts above the maximum contributions limit as cash. The Chair receives a higher base fee in recognition of the additional time commitment and responsibilities of that role. Additional fees were paid to Non-Executive Directors appointed to the Community Bank National Council.

Diversity and inclusion

Creating a workplace where we belong

We believe that diversity of experience, mindset and background inspires our best ideas, helps us challenge the status quo and identify better ways of working. In a dynamic operating environment, our diversity will make a difference.

Our approach and commitment to diversity and inclusion is underpinned by our values of teamwork, integrity, performance, engagement, leadership, and passion. We recognise that a focus on diversity and inclusion is integral to the achievement of the Bank's customer and employee value propositions and overarching strategic goal of fostering thriving and prosperous communities.

The Belonging at BEN FY19-22 Strategy has now concluded with strong progress being made particularly in policy, practice, and gender representation. In August 2022, the Board approved the Bank's Diversity and Inclusion Strategy - Belonging at BEN FY23-25 (the Strategy). The Strategy is aligned to the business strategy and is a key enabler of People and Culture Strategy.

Our refreshed Strategy

Our new Strategy continues to outline our commitment to creating a workplace where everyone belongs. The Board and the Executive continue to play an important role in setting and driving the execution of the Strategy.

The previous Strategy predominantly focused on demographic dimensions including gender equality, accessibility, cultural inclusion, Aboriginal and Torres Strait Islander inclusion and LGBTQI+* inclusion. The new Strategy is designed to be strategic and intersectional with an aim to progress the organisation to a business led, HR enabled model of inclusion.

The new Strategy has six strategic pillars, five priority dimensions all of which are underpinned by our Measurable Objectives.

Belonging at BEN FY 23-25



In August 2022, the Board approved the updated Diversity and Inclusion Policy (the Policy), which is published on our website. The revised Policy supports the organisation to deliver on the Belonging at BEN Diversity and Inclusion Strategy by outlining Bendigo and Adelaide Bank's commitment to creating a workplace where everyone belongs.

* LGBTQI+ stands for lesbian, gay, bisexual, transgender/gender diverse, intersex and queer or questioning.

How we will track progress against our Strategy

In keeping with our reporting requirements, the Board receives regular updates on the effectiveness of the Diversity and Inclusion Policy, the Belonging at BEN Strategy and the Measurable Objectives that underpin the Strategy. Furthermore, progress will be provided annually through our company reports. These reports are available on our website.

Our new Measurable Objectives from FY2023

Whilst the previous Measurable Objectives (the Objectives) served the organisation well, the Bank is now taking a deliberate step to elevate the focus of the Objectives beyond gender.

The Objectives serve as a public measurement on the progress of our Strategy. The proposed measures look to increase the Bank's level of transparency related to diversity and inclusion metrics.

In keeping with the direction of the Strategy, the Objectives have been expanded beyond gender and now include a demographic and inclusion measure.

The FY23-25 Measurable Objectives are:

Gender
Gender Diversity
(40:40:20²) at
every level of the
organisation.

**Workforce
representation**
Set baseline
demographic metrics
and aim for growth.

Inclusion
Set baseline
and aim for
growth.

To support the organisation to meet the Objectives, a greater level of consistency, transparency and accountability will be applied. Specifically:

- Consistent targets have been applied at all levels and divisions of the organisation.
- Leaders will be provided greater access to their workforce data.
- Diversity and inclusion key performance indicators will be implemented for all Senior Leaders.

Our diversity and inclusion approach and progress

The below table outlines our key deliverables across our FY2022 focus areas. For further detail, please refer to the 'People' section in our Sustainability Report 2022 available on our website.

Focus area and objectives	Progress FY2022
Inclusion, Leadership Capability and Commitment · Create a safe, inclusive, and empowering environment for all our people · Create a strong culture of inclusion, ready to reflect the communities we serve today as well as the ones in the future · Create a leadership mindset that seeks diversity and guards against unconscious or conscious bias	DCA Inclusion Index In August 2021, the Bank participated in the Inclusion@Work Index to measure our progress in diversity and inclusion. This index is run through the Diversity Council Australia³ (DCA) in partnership with Cultural Infusion and is a national survey which tracks the state of inclusion in Australian Workplaces. A total of 2,541 staff members completed the survey across 9 different Divisions, providing the Bank with a demographic snapshot of our employee base. The index insights are helpful as they confirmed we have the foundations of an inclusive organisation acknowledging there is work to do in the diversity of our workforce and has been front of mind in the development of our new Strategy. Inclusion Score – SPARK The March 2022 SPARK Survey included questions on diversity, inclusion, and wellbeing. All measures increased from baselines set in 2020. SPARK survey results have now been compared to the Bank's DCA Inclusion@Work results and have provided a deeper understanding of inclusion across a wide range of demographic data. Data from three years of SPARK along with the outcomes of the DCA Inclusion Index has provided valuable insight into the new Strategy along with a baseline for BEN's experience of inclusion in the workplace. The insights have formed part of the new Objectives. Inclusive Leadership and Unconscious Bias Workshops Throughout FY2022, all Divisional Leadership teams participated in Inclusive Leadership and Unconscious Bias workshops. These interactive sessions were aimed at increasing leaders' confidence in leading inclusively and recognise and address their bias. Women in Business Forum Created in early 2022, the Women in Business forum is an important part of our approach to demonstrating our commitment to being the bank of choice for female talent and female business owners. Through this framework we seek to create an environment where the Women in Business Forum clearly articulates Business Bank's commitment to gender equity and our commitment to strengthen our ability to attract, retain and motivate diverse female talent and female business owners.

² 40:40:20 means 40% female, 40% male and 20% of any gender.

³ The DCA is the only independent, not-for-profit workplace diversity advisor to business in Australia, and have been a trusted advisor to BEN for several years.

Focus area and objectives	Progress FY2022
Accessibility · Build an Accessibility Confident organisation · Equip our people with the tools, resources and support they need to do their best work	Access and Inclusion Plan The Bank's Access and Inclusion Plan (AIP) is now 2.5 years into its 3-year plan. Highlights of the deliverables to date include: · The appointment of disability champions. · Recruitable Pilot Program partnership to remove unintended barriers. · Barriers reduced for customers and employees including WCAG2.1 'A' compliance of websites and apps. · New resources implemented for our employees including: · Dignified Access Guide. · Better Banking for Customers with Disability. · Dementia and Design and Delivery for Disability. We are particularly proud to have been nominated as finalists in the 2021 Australian Access Awards for the Bendigo Bank website and app. This work was a result of the focus in the Digital Marketing and Mobile and Electronic Banking teams to build significant disability confidence and capability and embrace their role in business led accessibility. Recruitable In FY2022 we announced the Bank's participation as one of seven national organisations in the \$2.43 million Federal Government funded pilot program - Recruitable. Australian of the Year and Get Skilled Access founder Dylan Alcott AO, along with global recruitment company Randstad are leading the charge to create a successful model for the employment of people with disability through mainstream recruitment companies and industry. Participation in the pilot program will lift disability confidence within the Bank's recruitment practices and Senior Leaders. The pilot includes education sessions with Executive, Senior Leaders, Recruitment, Work Health and Safety and Hiring Managers. Additionally, the Bank will take part in a Recruitment Review which will assess the recruitment pipeline and all touchpoints of the recruitment process for candidates with disability. BENability BENability is the Bank's access and inclusion employee network. The network has members from across the organisation who have lived experience with disability, a passion for building an inclusive workplace, and accessibility experience from a range of personal and professional backgrounds. Members of the BENability network continue to play an important role in growing our disability confidence here at BEN and contributing to delivering on actions in our Access and Inclusion Plan. Network members continue to provide feedback and lived experience on projects from across the Bank that require an accessibility lens. PACE Mentoring In FY2022, the Bank continued to participate in the PACE Mentoring program, delivered by the Australian Network on Disability. The program aims to connect job seekers with disability to mentors from BEN. To date, 50 employees have participated in the program since 2020.
Cultural Diversity · Increase the representation of people from culturally and linguistically diverse backgrounds in our workforce · Provide a culturally safe and inclusive workplace	Cultural Blueprint In FY2022 a number of Cultural Inclusion consultation workshops were conducted with key stakeholders. Additionally, the Bank informally undertook the Victorian Human Rights Commission Workplace Cultural Diversity Assessment to assess current state. The insights from the workshops and the assessment will continue to inform our Cultural Diversity Plan. An important part of raising awareness and education for our employees on the many different cultures that make Australia great is celebrating days of significance across a variety of cultural days. These celebrations are used an opportunity to engage, educate and celebrate.

Focus area and objectives	Progress FY2022
LGBTIQ+ · Create a safe, inclusive, and empowering environment for our LGBTIQ+ employees	Increased focus and momentum in LGBTIQ+ inclusion: In FY2022, the BEN Pride Employee Network re-launched a new committee for our LGBTIQ+ employees and their allies. The committee has re-branded from Kaleidoscope to BEN Pride; aligning to naming conventions typically adopted by LGBTIQ+ committees and groups. This name is clear, consistent with internal and external naming conventions and it is symbolic – showing a new beginning for the network. During FY2022 the following activities were undertaken: · Developing a LGBTIQ+ Strategic Plan. · Continued focus on enhancing the Bank's HR policies and practices, including continuing to champion the Gender Affirmation Policy and Toolkit. · Cultivating internal awareness and connections through the celebration of IDAHOBIT* and Pride Month. · Continued sponsorship of Bendigo Pride and Queer Film Festivals. · Recognition of Trans Awareness Week. Australian Workplace Equality Index The Australian Workplace Equality Index continues to be a strong measure of progress against our LGBTIQ+ inclusion plans and in FY2022 we completed our second submission. Our second submission showed increased improvement from our first and continues to inform the Bank's LGBTIQ+ Strategic Plan.
Indigenous · Celebrate the culturally and linguistically diverse backgrounds in our indigenous workforce · Seek to improve banking experiences and employment outcomes for Aboriginal and Torres Strait Islander people	Reconciliation Action Plan: Significant work has been undertaken in the last 12 months to create a Reconciliation Action Plan ('RAP'). The RAP has been co-developed through the engagement of an external consultant and an employee working group with representation across the business. Endorsement of the RAP is expected in early FY2023. A key learning through this phase has been the importance of establishing meaningful connections with local Aboriginal and Torres Strait Islander people who will support us in the Reconciliation journey, this learning will continue to challenge our thinking and actions and will be an important part of ensuring this work is genuine and meaningful.

* International Day Against Homophobia, Biphobia, Intersexism and Transphobia

Targets and progress on gender equality measurable objectives

In 2019 the Executive and Board set the Bank's Women in Leadership Measurable Objectives 2019-2021 and aligned the objectives to the Workplace Gender Equality Agency (WGEA) occupational categories. In 2021 the Board extended the Objectives until FY2022 to align to the review of the Strategy.

Considerable positive movement was made across most leadership categories from the time the Objectives were set in 2019 to 2022.

Deliberate focus on gender representation at the divisional level, a reduction in male middle and frontline leaders and an increase in senior female leaders has contributed to this positive result.

The positive momentum this focus drove has resulted in the Bank achieving four of the six Objectives. The Bank fell short in the Senior Leadership category, despite more than a 7% increase in female representation since 2019.

Measurable Objectives FY19- 22:

WGEA category	2019	2020	2021	Progress from 2021-2022	2022 Actual ⁴	2022 Target
Bendigo and Adelaide Bank Board	37.5%	37.5%	37.5%	↑ 12.5%	50%	33% (Maintain at least)
Chief Executive Officer and Managing Director	100%	100%	100%	-	100%	n/a
Executive Key Management Personnel	33.3%	28.6%	28.6%	↓ 11.9%	16.7% ⁵	40%
Other Executives/ General Managers	28.3%	33.9%	34.8%	↓ 1.1%	33.7%	N/A
Senior Managers	30.2%	34.5%	35.3%	↑ 2.9%	38.2%	N/A
Total Senior Management⁶	30.1%	34.4%	35.3%	↑ 2.1%	37.4%	40%
Middle and Frontline Management Other Managers	44.6%	47.2%	47.9%	↑ 4.7%	52.6%	50%
Total Managers	40.3%	43.6%	43.2%	↑ 2.9%	46.1%	45%
Total Other Employees	66.1%	66.1%	64.1%	↓ 0.4%	63.7%	n/a
Total Employees	60.7%	60.5%	59.8%	↑ 0.4%	60.2%	40-60%

4. This data is as at 30th June 2022.

5. This figure excludes Alexandra Gartmann who exited the organisation in February 2022. Prior to this, the Executive Management Personnel figure remained at 28.6%.

6. Includes Other Executives/ General Managers and Senior Managers.

Further to our Objectives, in July 2019 the Board endorsed an additional set of Objectives for 2019-2021. The agreed Objectives and our progress are detailed in the following table:

Measure	Target	Achievements
Gender representation by leadership level, by division	Baseline and aim for growth	- Divisional KPIs to track female participation have now been in place for over 24 months. - In FY2022, 50% of agreed gender representation KPIs have been met. 76% of measures to aim for growth were achieved - All divisions set a People Plan which includes a Gender Equality Focus.
Pay equity	Baseline and aim to reduce any gaps	- Gender Pay Equity included as a standard 'area of focus' in the annual Fair Pay Review, with the FY2022 results shared with the Executive. - Our pay equity gap has reduced since the baseline was established in 2019 through: - a continued focus on equitable pay practices during the recruitment process; - targeted interventions undertaken during annual remuneration reviews; and - increased visibility of this issue with key decision makers. - The Bank's commitment to Gender Pay Equity, as part of its annual Fair Remuneration process has been included within the Diversity and Inclusion Policy.
Participation at Senior Leadership level	Address and track practices that may hinder career progression for women to move into Senior Leadership roles	- Gender Equality Deep Dives completed across four divisions in FY2022, with an additional division pending. - Divisional Gender Equality deep dives have identified key barriers within specific divisions whilst also improving leadership literacy in the role leaders play to enable gender equality.
Successfully attain WGEA Employer of Choice for Gender Equality	Successful achievement	- A detailed analysis was undertaken in FY21 of the current diversity and inclusion benchmarking tools. - Based on a comprehensive review a decision was made to not proceed with the WGEA Employer of Choice citation and instead participate in the DCA Inclusion@Work Index. - This index covers all aspects of our Belonging at BEN strategy, as opposed to only gender which is the case with the WGEA citation.

Under the Workplace Gender Equality Act 2012 (Cth), we are required to make annual public filings with WGEA, disclosing the 'Gender Equality Indicators'. These reports are filed annually in respect of the 12-month period ending 31 March.

The latest filing is available on our Corporate Governance website. We have made positive progress over many years focusing on the diversity of our people and we continue to be committed to having a more diverse and inclusive workforce that reflects the communities we operate in.

Managing risk

Risk Appetite

In accordance with prudential requirements, the Board sets and approves the Group's risk appetite and risk management strategy as part of its overall Group strategy.

All material risks are managed within a defined risk appetite which is aligned with the Group strategy and business objectives. The Board's risk appetite for its material risks is documented in the Group's Risk Appetite Statement (RAS). The Group's RAS is reviewed, updated and approved annually by the Board.

Risk management framework

We have in place a Group Risk Management Framework, approved by the Board, which forms part of the detailed description of the risk management strategy for the Group. Our business is exposed to a broad range of financial and non-financial risks.

The Group Risk Management Framework in combination with the following individual risk management frameworks, details the Group's management approach for each of its material risks:

- Group Credit Risk Management Framework.
- Group Operational Risk Management Framework encompassing Operational Risk, Data Risk, Technology Risk (including Information Security), Regulatory Compliance Risk, Financial Crime Risk, Third-party Supplier Risk; and Conduct Risk.
- Group Interest Rate Risk Management Framework.
- Group Traded Market Risk Management Framework.
- Group Liquidity Risk Management Framework.
- Strategic including ESG Risk and Other Risks - incorporated in the Group Risk Management Framework (Summary).

A number of sub-frameworks exist beneath these frameworks to support and provide greater detail on specific risks within the Group's material risks.

The Risk Management Framework is reviewed annually to ensure it continues to be adequate and that the Group is operating with consideration of the risk appetite set by the Board. The review is undertaken by the Risk Committee and the Financial Risk Committee with any changes recommended to the Board for adoption. The Board also makes an annual risk management declaration to APRA in line with APRA Prudential Standard CPS 220 Risk Management.

Following the 2022 review of the Risk Management Framework, the Board considered the framework to be adequate and operating effectively to manage the financial and non-financial material risks faced by the Group.

Risk Culture

The Group's risk culture (being a subset of broader enterprise culture) plays a key role in managing risk.

An effective risk culture is critical for the Group to deliver its strategic objectives and operate within its risk appetite. The Board, Executive and senior management play a pivotal role in establishing the target risk culture state which guides and prioritises risk culture specific initiatives and assists the Board and Executive to form an aligned view of risk culture and its drivers.

Risk management governance

The Board oversees the risk management strategy and framework taking into account the risk appetite, prudential capital requirements and strategic and business priorities of the Group.

This includes forming a view of risk culture in the Group, approving the risk appetite, capital management plan, funding strategy, changes to the risk management framework, and monitoring the effectiveness of risk management.

The following Management Committees also assist in relation to risk management:

- Executive Committee.
- Operational Risk Committee.
- Asset and Liability Management Committee.
- Management Credit Committee.
- Rural Bank Management Credit Committee.
- Risk Models Committee.
- Group Work Health and Safety and Security Management Committee.
- Transformation Forum.

The Management Committees are supported by several management sub-committees.

The Group adopts a "Three Lines of Defence" model, which includes:

- Ownership (First Line): the first line of defence is the business itself. The day-to-day responsibility

for managing risk is the responsibility of all staff. The Executives are responsible for implementing the risk management strategy and developing strategies, policies and controls to manage risk in line with the Group's risk appetite. The business divisions are responsible for identifying, assessing and implementing systems and controls to manage the risks associated with business activities.

Challenge and oversight (Second Line): the second line of defence is Group Risk. Group Risk provides oversight and challenge to the first line. The second line of defence has independent oversight of the Group's risk profile as well as the development and enhancement of the Group Risk Management Framework, policies, systems and processes, as well as monitoring compliance and reporting. The Group Risk functions include credit risk, operational risk, financial crime risk, financial risk and modelling, and risk governance and analytics.

Independent assurance (Third Line): the third line of defence is the Group Internal Audit function which conducts independent testing and verification of the effectiveness of internal controls and provides assurance that the risk management process is functioning as designed. The Head of Group Internal Audit has a reporting line to the Audit Committee and an administrative reporting line to the Chief Executive Officer and Managing Director.

Environmental, social and governance risks

Our environmental, social and governance risks and how we manage, or intend to manage them, are discussed on the following page. Further information is set out in our 2022 Sustainability Report which is available on our website.

Sustainability Report

We report on our material ESG topics in our Sustainability Report. The content is guided by an externally supported materiality assessment and prepared in reference to the Global Reporting Initiative Standards and the United Nations Sustainable Development Goals.

Customers	· Customer access and inclusion · Customer wellbeing, vulnerability, hardship and resilience · Maximising value and satisfaction for customers · Responsible lending and investment
Community	· Engaging with and contributing to communities · Thriving regional and rural communities
Environment	· Climate change · Operational environmental performance and commitments
People	· Diversity and inclusion · Employee development and capability · Employee engagement and culture · Employee safety and wellbeing · Talent attraction and retention
Governance	· Business conduct and ethics · Customer privacy and data security · Engaging and responding to the regulatory environment · Fraud and financial crime · Managing our supply chain · Responsible remuneration

Environmental risks

Environmental risks include the risks of adverse consequences of our direct impact on the environment and our indirect impact through our business operations. Environmental and climate change risks impact our customers, the communities in which they live and the industries in which they earn a livelihood. We support long term strategies that aim to reduce our environmental footprint and our exposure to climate change risks. Our strategy and commitment to managing environmental and climate-related risks are embedded in our Climate Change Policy Statement and our Climate Change Action Plan.

Our Climate Change Policy Statement is:

"Bendigo and Adelaide Bank recognises climate change has far-reaching risks for the environment, the economy, society, our customers and their communities. We support the required transition to net zero emissions by 2050 with aligned interim targets. We are committed to playing our part in this transition. We will work to build climate mitigation and adaptation into our business and work to assist our customers and their communities to build climate resilience into their futures."

Our business is committed to:

- Actively identifying opportunities and setting targets to improve the environmental impact of our operations and educating our staff to realise these opportunities.
- Learning from best practices to reduce our environmental footprint.
- Engaging with our staff, customers, partners, shareholders and communities to share our understanding of climate change impacts and to identify opportunities for climate change solutions.
- Optimising our climate change risk governance by embedding climate change risk into our risk management, strategy and business planning processes.
- Building a culture of commitment and accountability among our workforce to implement our climate change action plan.
- Measuring and reporting our climate related metrics and our performance against them.
- Working with staff, customers, partners and supply chain stakeholders to make a difference.

Our approach to environmental and climate-related risks is in line with the recommendations of the Task Force on Climate-related Financial Disclosures.

Social risks

The Bank's vision is to be Australia's bank of choice and we are driven by our purpose to feed into the prosperity of customers and communities. While the Bank's expertise is financial services, managing social risk and contributing to sustainability provides a strong and stable foundation for everything the Bank does. Executing on this is critical to success and enables the Bank to maintain and develop trust in its ability to deliver solutions that benefit all key stakeholders. There are numerous examples of how the Bank works to mitigate and help resolve various social risks impacting its key stakeholders.

Customer financial hardship

The Bank understands there may be times when a customer's personal circumstances may change. Customers may experience an unexpected event or changes outside of their control such as loss of income, suffering an illness or injury, being affected by a natural disaster or a downturn in their business.

We are committed to supporting our customers through these challenging times. We will act respectfully and take into consideration our customers' financial and broader wellbeing matters as appropriate, with the co-operation of our customers, we work with them to help find a sustainable solution to their financial difficulties. Any help we can provide depends on the customer's individual circumstances. We provide assistance to customer's on a case-by-case basis, acknowledging each customer circumstance is unique to them.

Details of some of support we can offer customers in financial difficulty is available on our website.

Supporting customers through COVID-19

Throughout the pandemic, the Bank introduced a range of assistance measures to ensure short and long-term support for business, consumer and agribusiness customers affected by COVID-19.

COVID-19 has had a significant impact on Australians in how they live their lives, how they work and how they manage their businesses. The Bank is fully committed to supporting its customers and communities through this unique time, with measures designed to provide financial relief from COVID-19 as restrictions change and the economy recovers.

In FY2021, the Bank supported more than 25,000 personal and business customers impacted by COVID-19. However, it was evident during our conversations with these customers, only a small number required ongoing help. This has been evidenced by the significant decline in customers needing support in FY2022, with only 863 customers or about 3.5 percent of those initially impacted requiring further assistance in year three of the pandemic.

Financial abuse support

Our staff have been trained to recognise and assist a customer who may be a victim of financial abuse. It is important for us to help and support customers to navigate through their situation to financial independence. We have a compassionate financial support team that can, in most instances, provide tailored and realistic solutions for customers experiencing financial abuse, who can help customers (or authorised representatives) regain control of their finances. We will assist to guide and co-ordinate the relevant bank support areas to provide a seamless experience for our customers and ensure there is minimal duplication. They will ensure the information that a customer is required to provide in regard to their situation is minimised as much as possible to ensure we do not exacerbate their vulnerability.

Customer inclusion (accessibility)

Making it easy for people to access information, communicate with us, and use our products and services is all part of a seamless experience. We are committed to creating a safe, inclusive and empowering environment where everyone can thrive. Core to our commitment is the understanding that inclusive and accessible design is good for everybody, including people with disability. Details on how we plan to achieve this can be found in our Access and Inclusion Plan available on our website.

The community's expectations have changed over time, and it is now recognised that we all have a part to play in assisting those vulnerable members of our community. A customer experiencing vulnerability is a customer who, due to their personal circumstances, is especially susceptible to detriment. Anyone can experience vulnerability. We want our Bank to reflect the rich diversity of the communities we live in, work in, and support – because our differences bring us together and make us stronger. We will get there by making life easier for staff, customers, partners and shareholders.

Managing supply chain

We forge long term relationships with suppliers to ensure stakeholder value is maximised on a sustainable basis. In doing so, we are best placed to understand how various ESG risks might impact a supplier's business operations and we work closely with our critical suppliers to ensure their ESG values align to ours.

Our newly released Supplier Code of Conduct (available on our website) sets out our minimum expectations for suppliers on ethical, environmental and social standards.

The Bank remains committed to the ongoing support of Australian business, industries and employers, which contributes to a strong economy, business sustainability, and ongoing employment.

Modern slavery

The Bank's Anti-slavery and Human Trafficking Policy outlines the Bank's principles and practices which are designed to reduce the risk that slavery or human trafficking are present within its supply chain or operations. The Bank's policy has been formulated to comply with the Commonwealth Modern Slavery Act 2018, which requires the Bank to publish an Annual Modern Slavery Statement approved by the Board. Our most recent Modern Slavery Statement is available on our website.

Governance risks

Responsible investment

The Bank takes an ethical approach to its investment activity. Aligned with its purpose, the core focus and proposition of investment has always been on communities and community-based lending rather than on large corporations. As an example, the Bank's Community Bank model sees revenues returned to communities in which those profits are generated, backed by local governance to ensure decisions are made ethically and sustainably. Some other examples include:

- We do not lend directly to projects in the fossil fuel or native forest logging sectors and will not start to do so. We do however recognise that there are individual and business customers and their communities which rely on such projects for their livelihood and economic sustainability. The Bank will continue to provide finance and other services to those individuals and businesses who may provide support to those sectors.
- The Bank's Animal Welfare and Livestock Farming Policy Statement, which outlines the Bank's expectation of customers working with animals and livestock on farms. The Bank always encourages, and where possible, positively influences sustainable farming practices across the agricultural supply chain, prioritising animal welfare and supporting sustainable livestock farming practices.
- Through Sandhurst Trustees, the Bank's wealth management arm, the Bank offers customers a socially responsible investment growth fund which is available for direct investment or via its Bendigo SmartStart Super® product.

Anti-bribery and corruption

As noted above, the Bank's Anti-bribery and Corruption Policy outlines its intent to not engage in bribery or corruption and to comply with State and Federal anti-bribery and corruption laws. The policy provides clarity in relation to the Bank's expectation about standards of conduct of all staff in respect to bribes and corruption, gifts and entertainment, political donations and inaccurate records.

About our front cover

This year's cover page features Bendigo Bank customer Nicole Davenport.

Nicole and her family have acquired a new home with the assistance of the Bank and the Victorian Homebuyer Fund.

Bendigo and Adelaide Bank, in conjunction with the Victorian State Government scheme and the Federal Government's First Home Loan Deposit Scheme, have now helped more than 3000 customers achieve their dream of home ownership.

Nicole takes comfort in the security that comes from home ownership and the certainty that comes from putting down roots in a community she knows. She also enjoys the freedom to decorate her home in a way that she, her family and her dog Coco love.

Bendigo and Adelaide Bank's purpose is to feed into the prosperity of the community, not off it, and stories like Nicole's are a good reminder of the important role we play, helping more than a million Australians become homeowners since 1858.

Contact us

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The better big bank

Corporate Governance Statement 2022
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ABN 11 068 049 178