

2023 Annual General Meeting – CEO & MD’s Address

24 October 2023

In accordance with Listing Rule 3.13.3, Bendigo & Adelaide Bank Limited (BEN) attaches Marnie Baker’s CEO & MD address to be delivered at BEN’s Annual General Meeting (AGM) today at 11am (AEDT) in Bendigo.

The AGM can be viewed on the BEN website at <https://www.bendigoadelaide.com.au/agm2023> by clicking the AGM links and following the instructions set out in the Notice of Annual General Meeting and the 2023 AGM User Guide.

Approved for release by:

Marnie Baker (CEO and Managing Director)

Bendigo & Adelaide Bank Limited

Media enquiries

James Frost

Head of Public Relations

0419 867 219

james.frost@bendigoadelaide.com.au

Investor enquiries

Sam Miller

Head of Investor Relations and ESG

0402 426 767

sam.miller@bendigoadelaide.com.au

About Bendigo and Adelaide Bank Limited

Bendigo and Adelaide Bank is Australia’s better big bank, with more than 7,000 staff helping our over 2 million customers to achieve their financial goals. Bendigo and Adelaide Bank’s vision is to be Australia’s bank of choice, by feeding into the prosperity of customers and their communities.

Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879. (1615280–161579) (05/21)

Bendigo and Adelaide Bank Limited
Annual General Meeting
24 October 2023

CEO & Managing Director Address

Marnie Baker, CEO & Managing Director

I too am very proud of our Bank and what we have achieved.

Bendigo and Adelaide Bank is unique. We are a bank with heart and heritage. Our connection with our customers and community, our regional roots and our position as Australia's most trusted bank provides us with a competitive advantage that cannot be replicated.

And our Bank has never been better placed to continue delivering on our purpose of feeding into the prosperity of our customers and their communities and supporting customers who need our help.

I'd like to take the opportunity to reflect on some of our achievements over the past 12 months before looking to the challenges and opportunities that lie ahead.

Over the course of the last year, we made significant progress on our strategic imperatives. We continued to reduce complexity in our operations, invested further in our capabilities, and we told our story in more ways than ever before.

We continued to deliver on our strategy and to strengthen our focus on improving financial returns and generating sustainable growth.

The Bank reported record cash earnings for the full year of \$576.9 million and further improvements across other key financial metrics, such as our return on equity which rose 90 basis points to 8.62 percent, cash earnings per share which rose 13.7 percent to 102.1c and our cost-to-income ratio which improved by 420 basis points to 54.9 percent.

Strategically, the Bank continued to deliver on its transformation program launching new digital product offerings including term deposits online, reducing the number of core banking systems from seven to four, and reducing the number of IT applications by 90 as well as moving one third of them to the cloud.

These metrics demonstrate our continued momentum and the progress we are making on our objectives while retaining our market leading trust and customer advocacy scores.

Jacquié touched on the current economic challenges. I'd like to talk about what we've been doing at the Bank to support our customers in an environment of rising interest rates and cost of living pressures.

As Jacquié said, the vast majority of our borrowers are well positioned, however a small number do and will require our assistance. We know some of our customers are doing it tough which is why it is important we stay close to them.

Our primary objective is to keep our customers in their homes. This approach has contributed to our market leading customer advocacy scores and has ensured the historical loss rates on our mortgage portfolio are among the lowest in the industry. We will continue to support customers as and when they need us.

The Bank offers all our customers a free home loan health check to ensure their current loan suits their needs and we are contacting customers coming off fixed rate home loans to ensure they are fully informed about options available to them, such as using an offset account to reduce repayments.

The other topic of critical importance that the Bank and our customers are facing is the rising volume of scam and fraud activity.

It is true to say that advances in technology have brought many improvements to our lives, and the digital services that facilitate speedy payments and round-the-clock availability are among them.

The downside to these digital conveniences is the rise in cybercrime. I have heard many upsetting stories of customers who have fallen victim to this organised and often sophisticated criminal activity.

I want you to know that we are working hard to reduce instances of scams and fraud. In financial year 2023, we stopped \$38.6 million in fraudulent transactions.

As part of our ongoing and consistent focus on protecting our customers, the Bank has tightened transaction rules, removed hyperlinks from our SMS messages and doubled the size of our financial crimes team.

We continue to work hard to educate our customers about how to stay safe online and proactively detect and prevent the unauthorized use of customer accounts, including face-to-face education sessions at 430 locations across Australia. I encourage customers and local community groups to enquire about a Banking Safely Online session at your local Bendigo Bank branch.

Importantly, and in addition to what we are doing in our Bank, we are advocating strongly for a whole of ecosystem approach to combatting scams and fraud and continue to remind customers of the important role they play in keeping their information secure.

This year our unique Community Bank model celebrated its 25th anniversary and it has now directed \$320 million in profits back into these local communities since inception. Just last month, we held the Community Bank National Conference here in Bendigo – the first conference in person in five years, and since the pandemic.

It was fantastic to see so many Community Bank directors in one place, to talk about what makes our Community Bank model special and how we will ensure its success for the future.

I'm proud of what we have achieved over the past 25 years and am reminded once again of the important role strong banks play in the community, particularly in regional Australia.

Earlier I spoke of our achievements in digital over the past 12 months with the launch of online term deposits, which have contributed to our overall customer deposit growth.

As of the second half of 2023 fiscal year, 12 percent of the Bank's home loan settlements are now fulfilled through digital channels.

We are excited about the possibilities our investments in digital products have created for us. We understand however that whilst we house workloads in the cloud, we ourselves don't live in the cloud, we live in physical communities.

Our physical network is very important to us, and we value the personalised interactions we have with our customers every day.

Looking ahead, the opportunities for our Bank have never been clearer. Our strengthened focus on delivering sustainable growth and returns is yielding benefits and will continue to do so.

Customer preferences are changing, and we need to be responsive. We expect customer interest in our digital mortgage products to continue to grow as customers embrace their convenience and utility, and we will continue to work hard on our transformation agenda and to realise the benefits of further reducing complexity in our operations.

We expect the deposit market to remain very competitive as banks look to build a solid funding base in preparation for the repayment of the Reserve Bank Term Funding Facility.

And we see significant latent opportunity in business and agribusiness, particularly given our deep regional roots and community presence.

We successfully delivered on what we promised in financial year 2023 and we are now working towards delivering on our goals for financial year 2024.

We will continue to manage our costs diligently and focus on strengthening the returns we derive from our investments, so we can continue to future-proof our business and deliver returns to you, our shareholders.

As Jacquie mentioned, today is her last day as Chair and Director of Bendigo and Adelaide Bank.

Jacquie has been a beacon of strength and integrity for this organisation over the past 12 years.

In her role as Chair, she has helped steer our Bank through challenging periods such as the aftermath of the Banking Royal Commission and the recent pandemic. Through it all, she has been a calm and steady influence, providing a wealth of knowledge, support and stability for myself and my Executive team.

I'd like to personally thank Jacquie for her support, wise counsel, and thoughtful stewardship during a period of accelerated change for the Bank, our customers, and the community.

Jacquie, you have given so much to our Bank over the past 12 years, and you leave an enduring legacy, and we all wish you well for your next chapter.

We are very fortunate to have a strong successor in David Foster and I look forward to working closely with David as we continue to deliver on our vision to be Australia's bank of choice.

In closing, I would like to sincerely thank:

Our 2.4 million customers for your advocacy and the opportunities you provide us to do business with you.

Also thank you to my team, our almost 8,000 people at the Bank who work hard every day to deliver good outcomes for our customers.

I'd like to thank our partners and suppliers for the support, capability, and knowledge you provide our business.

ASX Announcement



And my thanks to the Board for your ongoing guidance and support.

And last but not least, thank you to you, our dedicated shareholders, for providing us with your strong support.

Thank you for your time today and I look forward to speaking with many of you at the conclusion of today's meeting.

Media enquiries

James Frost
Head of Public Relations
0419 867 219
james.frost@bendigoadelaide.com.au

Investor enquiries

Sam Miller
Head of Investor Relations and ESG
0402 426 767
sam.miller@bendigoadelaide.com.au

About Bendigo and Adelaide Bank Limited

Bendigo and Adelaide Bank is Australia's better big bank, with more than 7,000 staff helping our over 2 million customers to achieve their financial goals. Bendigo and Adelaide Bank's vision is to be Australia's bank of choice, by feeding into the prosperity of customers and their communities.

Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879. (1615280-161579) (05/21)