



Results Presentation

For the half year ending 31 December 2023

Released 19 February 2024

'Feeling Valued' original by Oliver Mills Commissioned for the launch for BEN's Accessibility and Inclusion Plan 2024-26

Bendigo and Adelaide Bank Limited ABN 11 068 049 178

Acknowledgement of Country

I would like to begin today by acknowledging the Traditional custodians of the many lands that we are gathered on. Specifically, I would like to respectfully acknowledge the Gadigal People of the Eora Nation.

I would also like to acknowledge the Traditional custodians of the lands which each of you are living, learning and working from. I pay my respects to Elders past and present and extend that respect to any Aboriginal or Torres Strait Islander people here with us today.

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Overview

Marnie Baker – CEO and Managing Director

Overview

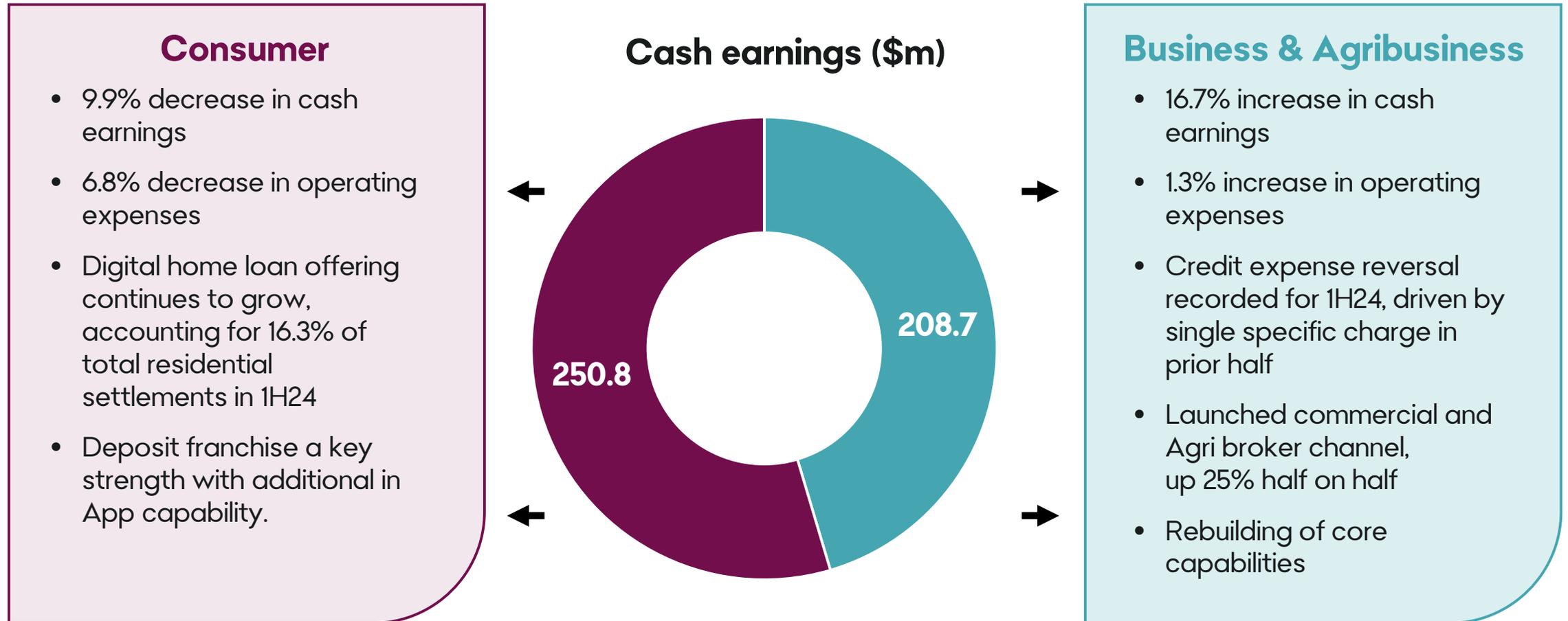
Key messages

- ✓ Consistent execution of long-term strategy
- ✓ Prudent approach to capital, funding and liquidity
- ✓ Managing complex revenue environment
- ✓ Operating expenses contained to sub-inflation levels
- ✓ Transforming the business, reducing systems, and exiting non-strategic arrangements
- ✓ NPS +27.8 above industry¹ and customer satisfaction scores achieved
- ✓ Customer acquisition up 8.3% year on year
- ✓ True to our purpose, community connection and regional heritage

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

1H24 divisional results

Key segments delivering for customers in highly competitive environment



Unwavering commitment to our customers

Our proactive approach

Economic conditions

Cost of living pressures

- Elevated despite inflation decreasing to 4.1%
- Core inflation expected to be within target mid 2026
- RBA cash rate has likely peaked; rate cuts expected in 9 – 12 months

Economic growth

- Economy has been supported by population growth and public investment, but is decelerating under the weight of higher interest rates
- Modest GDP growth expected in 2024
- Projected to rebound in 2025; aligned to fiscal and monetary policy

Unemployment

- Unemployment rate likely to rise gradually from near 50-year lows
- Job vacancies have fallen from recent peak but still materially higher than pre-pandemic levels
- Population growth is expected to slow

Mortgage Help Centre

- Key purpose is to keep customers in their homes
- Volume of inquiry has been subdued but complexity of issues increased
- Mortgage arrears increasing though remaining at historically low levels

Fixed rate retention

- Largest tranche of fixed rate mortgages expiries completed in 1H24
- Retention remains at high levels; increased half on half
- NPS remains strong¹

Caring for our community

- Celebrated 25 years of the Community Bank model
- Raised \$1.6m for natural disaster affected communities in 1H24
- \$1.1m towards scholarships recipients from regional and rural Australia
- Up's Save Up 1000 – saved \$25 million
- Committed to Agribusiness through the cycle
- Launched BEN accessibility and inclusion action plan

¹ Roy Morgan Net Promoter Score – Roy Morgan Research, 6 month rolling average as at Dec-23. Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS-related emoticons are registered trademarks of Bain and Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.

Shaping the future of banking

Our strategy

VISION:

Australia's bank of choice

PURPOSE:

To feed into prosperity, not off it

IMPERATIVES:



Reduce complexity



Invest in capability



Tell our story



Customer Centric Operating Model

Digital by design, human when it matters



Customer Value Proposition

Based on trust, authenticity, knowledge, expertise, connection and personalised relationships



Growth & Transformation Strategy

Propelled by human, digital and community connections



ESG & Sustainability Business Plan

Strengthen our ESG outcomes in line with our purpose

For our customers, our people, partners, communities and shareholders



Bendigo and Adelaide Bank

Transforming our business

Continuing focus delivering results

1. Returns

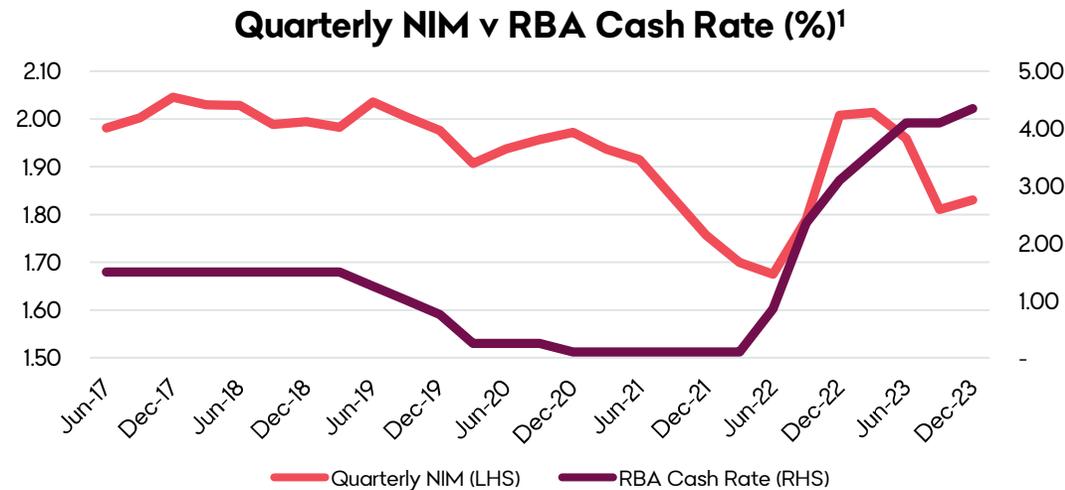
2. Execution

3. Business Sustainability

Transforming our business

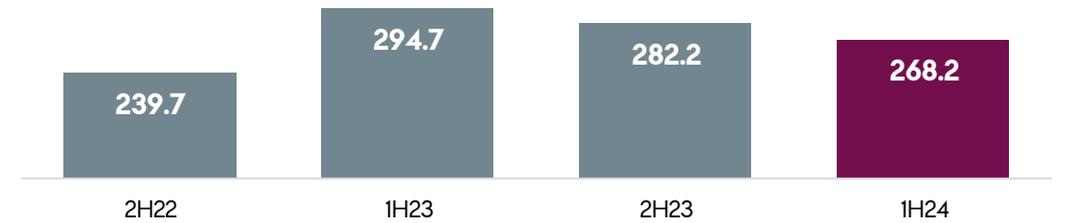
1. Returns

- Competition for lending and deposits has competed away benefits of cash rate rises; impacting NIM and consequently earnings in the period
- Inflation continues to impact expenses, but largely offset by ongoing productivity initiatives in cost base
- Prudent approach to Term Funding Facility (TFF) refinancing with elevated Liquidity Coverage Ratio (LCR) and higher Alternative Liquid Assets
- CET1 98bps above the mid-point of the Board target range, contributes to ROE dilution

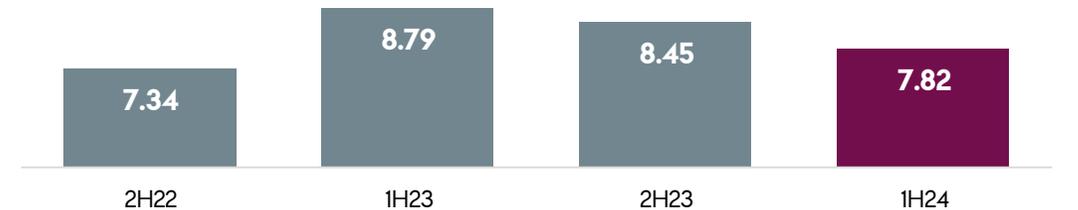


¹ Quarterly NIM on a post revenue share basis

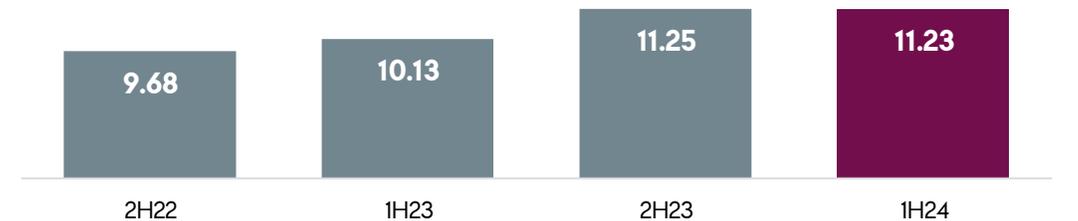
Cash Earnings (\$m)



Cash ROE (%)



CET1 (%)



Transforming our business

2. Execution in 1H24

Reducing complexity by exiting non-strategic arrangements

- Elders relationship agreement
- Homesafe Joint Venture
- Bendigo Super
- Alliance Bank model

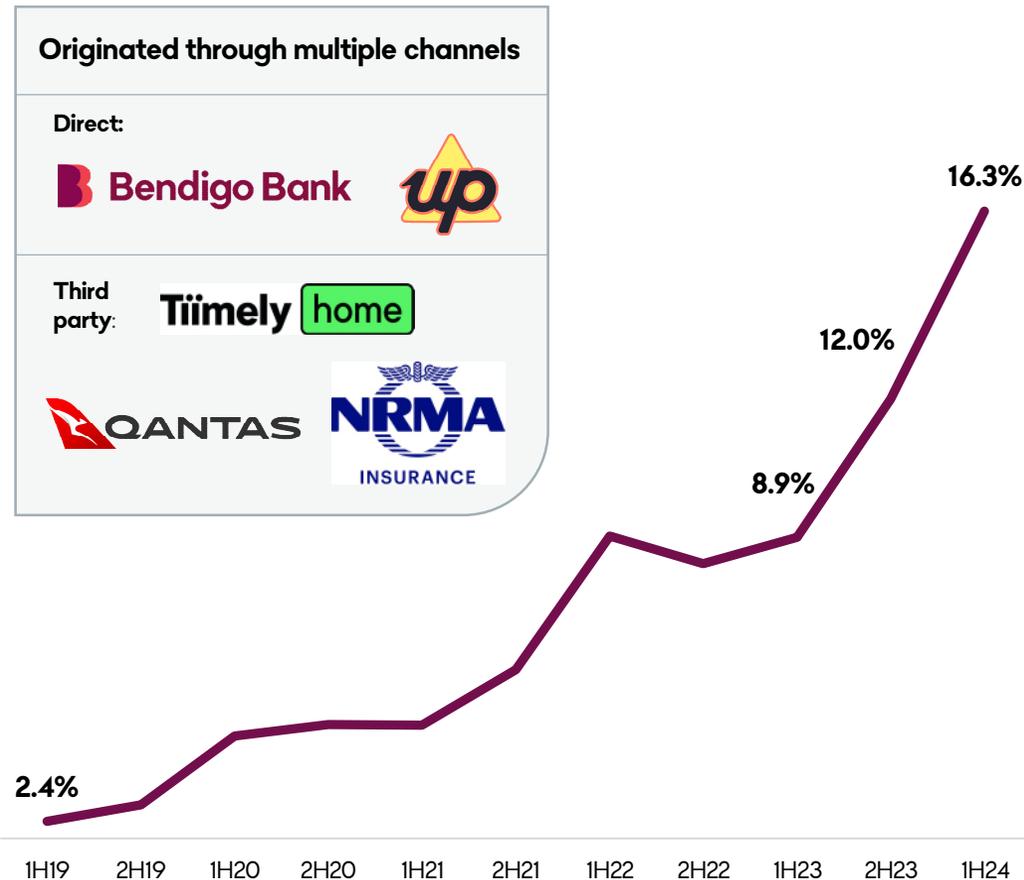
Investing in capability in key strategic opportunities

- Digital lending and deposits
- Up
- Business and Agribusiness
- Digital Lending Platform

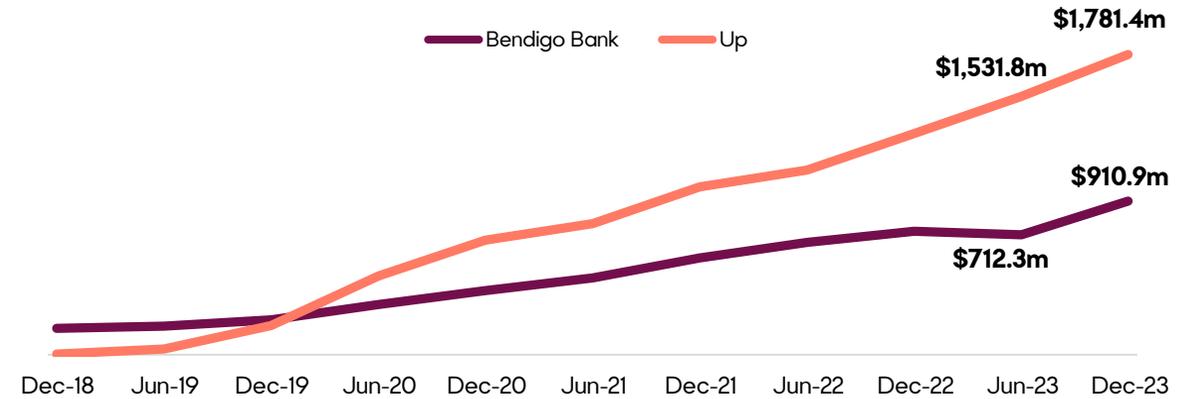
Transforming our business

2. Execution – Digital lending and deposits

% of residential lending settlements from digital



Digital deposits¹



Bendigo and Adelaide Bank - # of customer by age - June 2018 v Dec 2023



¹ Digital deposits includes all deposit accounts opened through the Bendigo Bank website, Bendigo Bank eBanking application and Up. BEN Express, Up, Qantas Money Home Loans and NRMA Insurance Home Loans are powered by the Tiimely platform

Transforming our business

2. Execution – Up



Save Up 1000 – Savings Habit Creation

170,000+ Upsiders started, 14,500+ completed
~\$25m saved. ~22% have never saved \$1k before¹



Locked Savers – Financial Wellbeing

\$92m+ held in 33,500+ locked Savers
~23 days average lock duration



Up Home – Mortgages

\$583m+ in identified savings towards a home²
\$155m+ in settled Up Home loans, up \$92 million over the half.



2Up – Joint Accounts

26% of active Upsiders use 2Up. Digital-first, plastic optional



Hi-Fi – In-app Money Management launched

Built-in automated system, with regular financial wellbeing check-ins
90,000+ Upsiders onboarded. First aggregated survey data published
Featured by 20+ media outlets (inc. print, radio, TV, web, and streaming)



Up High – Subscriptions announced

Early access, smart bills account, exclusive merch and bonuses & more
3 in 4 Upsiders expressed interest in subscribing, launching in 2024

800,000+ Upsiders³

60.4 NPS⁵

11.8% customer growth

81% customer growth by word-of-mouth

<\$50 cost of acquisition⁵

\$1.75b+ deposits balance

1.14b+ transactions completed

Highest rated bank app in the App Store and Google Play⁶

1. Self-reported by Upsiders directly via in-app completion survey

2. Home Saver feature, including self-identified external savings

3. Upsiders = Up customers with regulated bank accounts

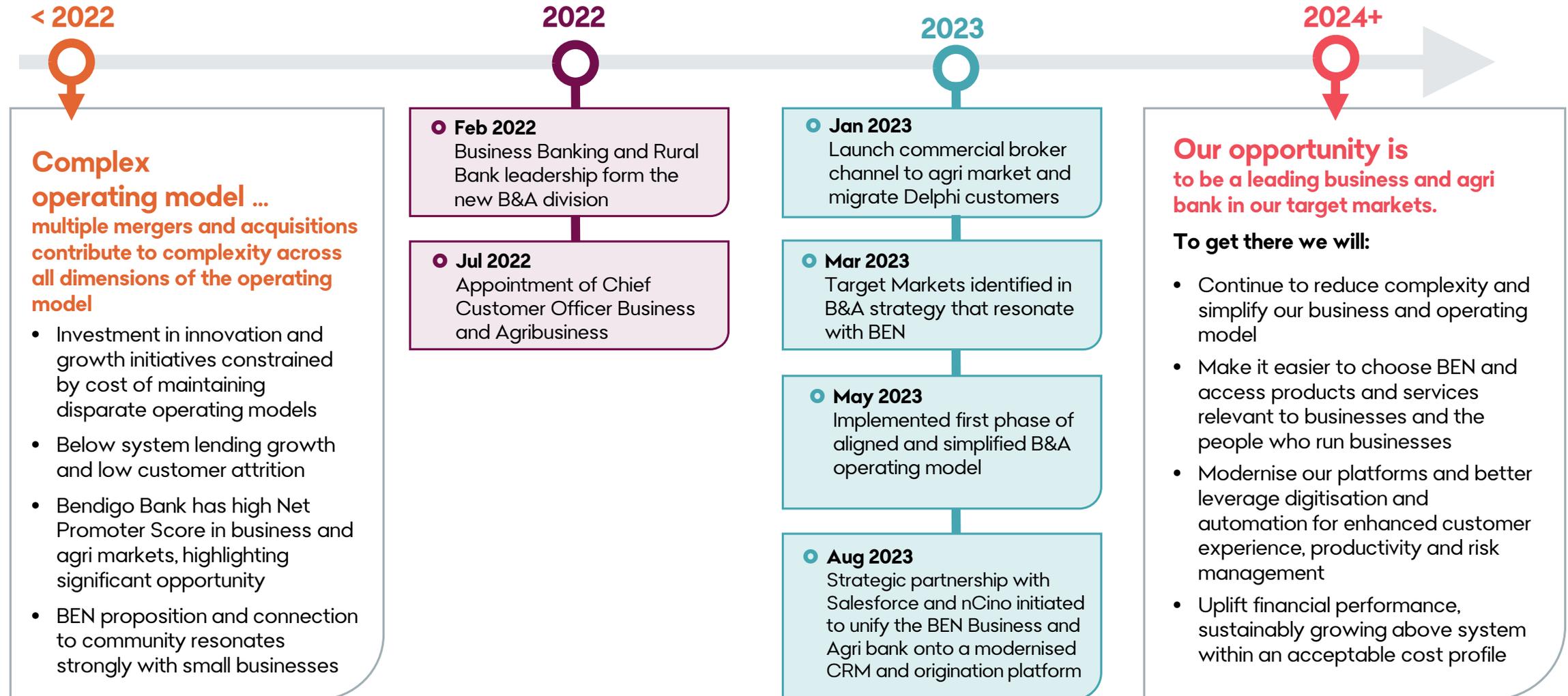
4. Roy Morgan Net Promoter Score – Roy Morgan Research. 6 month rolling average as at Dec-23. Net promoter, Net Promoter System, Net Promoter Score, NPS and NPS-related emoticons are registered trademarks of Ban & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc

5. Based on total marketing costs

6. Up app rated 4.9 stars in App Store, 4.8 in Google Play at 31-Dec-2023

Transforming our business

2. Execution – Business and Agribusiness



Transforming our Business

2. Execution - Digital Lending Platform

What is it

- **A consolidation of core systems with an end-to-end automated credit decisioning and loan processing system**

What does it enable

- One-way same-way process for residential lending across BEN
- Enables the capability to decision in minutes
- Reduces the need for non-value adding human contact and intervention
- Allows for consolidation of multiple core banking systems and applications

What is the opportunity

- Increase number of Bendigo Bank products per customer for existing Adelaide Bank customers who hold on average 1.7 products
- Drive the transformation target of time to decision to less than 1 day
- Scalability for growth
- Lower cost to serve

Current phase and next steps

November 2023

Pilot phase commenced to select brokers:

- **Over 200 applications to date**
- **Initial results show significant improvements in credit decisioning**

April 2024

Rollout to all brokers, replacing Adelaide Bank front book and enabling next phase of Adelaide Bank brand and systems retirement

June 2024

Rollout to Bendigo Bank Mobile lenders, replacing legacy systems and supporting conditional approvals in minutes

Transforming our business

3. Business sustainability – ESG & Sustainability

Sustainability commitments	1H24 outcomes	2H24 priorities
<div data-bbox="231 339 359 468"> </div> <p data-bbox="384 334 690 361">Environment & Climate</p> <ul data-bbox="384 379 1411 739" style="list-style-type: none"> No direct lending exposure to coal, coal seam gas, crude oil, natural gas, native forest logging projects Maintain carbon neutral status Purchase 100% renewable energy by 2025 Reduce absolute emissions by 50% by 2030 and 95% by 2040 90% statements to be delivered electronically by 2025 (Bendigo Bank) Maintain travel emissions 25% below 2020 levels 	<ul style="list-style-type: none"> Achieved Achieved: maintained since 2020 BEN Operations: 75% Community Banks: 21% In progress In progress Achieved: 33% below baseline 	<ul style="list-style-type: none"> Implement FY24 Climate & Nature Action Plan actions Execute LEAP assessment and prepare for TNFD Deliver Nature capability uplift program
<div data-bbox="231 782 359 911"> </div> <p data-bbox="384 782 468 809">Social</p> <ul data-bbox="384 832 1370 1001" style="list-style-type: none"> Gender balance target of 40:40:20 at every level of the organisation by 2025 20-point gap for Bendigo Bank annual relative NPS compared to industry average Monitor and report to the Board external ratings of the Bank's Modern Slavery Disclosure 	<ul style="list-style-type: none"> In progress Achieved: gap maintained Achieved. Monash Score of A (uplift from B) 	<ul style="list-style-type: none"> Continue Banking Safely Online initiative Develop Human Rights Position
<div data-bbox="231 1046 359 1175"> </div> <p data-bbox="384 1046 545 1073">Governance</p> <ul data-bbox="384 1082 1268 1236" style="list-style-type: none"> Achieve and maintain CDP (Carbon Disclosure Project) score of B x Maintain RepTrak Pulse gap of 8 points to the average of the four majors Increase social supplier spend by 4% from FY22 actual spend 	<ul style="list-style-type: none"> Achieved: B Achieved: 75. Gap of 9.4 points as at December 2023 On track: 67% of \$4.2m target 	<ul style="list-style-type: none"> Refresh Code of Conduct Deliver transformation agenda including uplift in Risk culture and capability

In Progress On Track Complete

1H24 results

Andrew Morgan – Chief Financial Officer

Overview of key financials

Disciplined focus continues

Balance sheet

Total lending	\$78.2b	-0.7%
Liquids	\$17.4b	+7.7%
Customer deposits	\$68.4b	+3.5%

Capital, funding and liquidity

CET1	11.23%	-2bps
Household deposits: lending ratio¹	73%	+400bps
Liquidity (LCR)²	151.4%	Large

Note: Comparisons shown are to 2H23 spot results, and not annualised

1. APRA Monthly Authorised Deposit-Taking Institution Statistics December 2023. Ratio calculated as deposits by households divided by loans to households columns (owner-occupied, investment, credit cards and other)

2. LCR represents Dec-23 quarterly average vs Jun-23 quarterly average

P&L

Net Interest Income	\$813.6m	-3.6%
Operating expenses <i>(ex investment spend)</i>	\$506.5m	+1.6%
Cash earnings	\$268.2m	-5.0%
NIM	1.83%	-15bps
FTE (spot)	4,682	-0.9%

Profit metrics

Return on equity	7.82%	-63bps
Cost to income ratio	57.8%	+230bps

Financial and operating performance

Challenging revenue environment

	1H24 (\$m)	2H23 (\$m)	1H24 v 2H23
Total income	956.8	981.5	(2.5%)
Operating expenses	552.7	544.9	1.4%
Operating performance	404.1	436.6	(7.4%)
Credit expenses	10.8	28.0	(61.4%)
Cash earnings (after tax)	268.2	282.2	(5.0%)
Statutory net profit (after tax)	282.3	248.0	13.8%

Key points

- Income impacted by higher liquids, deposit competition and lower lending growth
- Operating expense growth below inflation
- Credit expenses reduced, with large non-recurring specific charge in prior half

Note: Total income includes Net Interest Income, Other Income & Homesafe net realised income before tax

Cash earnings vs Statutory NPAT

Adjustments

	1H24 (\$m)	2H23 (\$m)	1H24 v 2H23 (%)
Cash earnings after tax	268.2	282.2	(5.0%)
Non-cash items:			
- Homesafe (net)	47.8	30.0	
- Elders contract termination	(11.8)	-	
- Restructure costs	(16.9)	(19.5)	
- Other items	(5.0)	(44.7)	
Statutory NPAT	282.3	248.0	13.8%

1H24 adjustments

Includes revaluation gain, funding costs, and restructure costs.

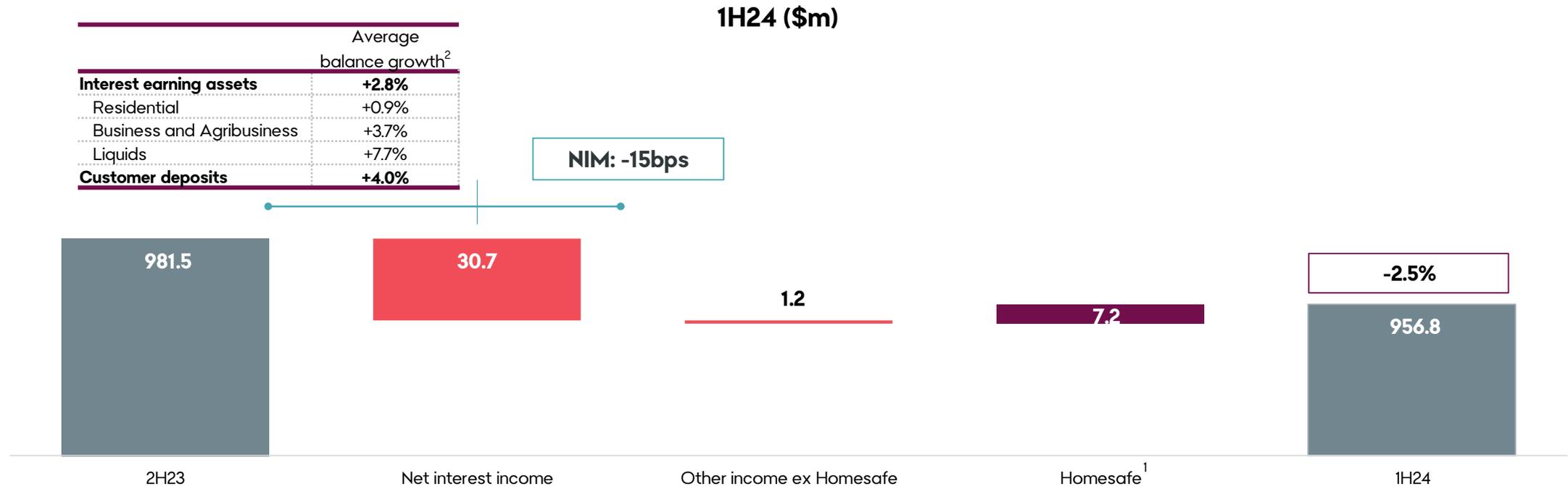
Exiting relationship agreement with Elders as disclosed on 12 December 2023

Includes Business and Agribusiness division, cost and productivity initiatives, conversion of Alliance Partner model to Community Bank model.

Includes amortisation of acquired intangibles, acquisition and legal costs

Total income

Net interest income impacted by reduced net interest margin



Income callouts:

- Net interest income reflects 2.8% growth in average interest earning assets (AIEA) offset by 15bps margin decline
- AIEA growth mainly in liquids, reflecting pre-funding of TFF
- Increase in Homesafe income reflects a larger number of completions and a larger average profit on completion

Key considerations:

- Exit of relationship agreement with Elders expected to improve net interest income by \$10m
- Homesafe in run-off from 1 Jul 24; income will reduce over time subject to rate of and profit on completions

Note: Other income breakdown is prepared on a cash basis

¹ Homesafe realised income before tax. Realised funding costs recognised in net interest income

² Half on half average balances vs prior half. Residential lending is net offset accounts. Business lending includes business lending and agribusiness lending

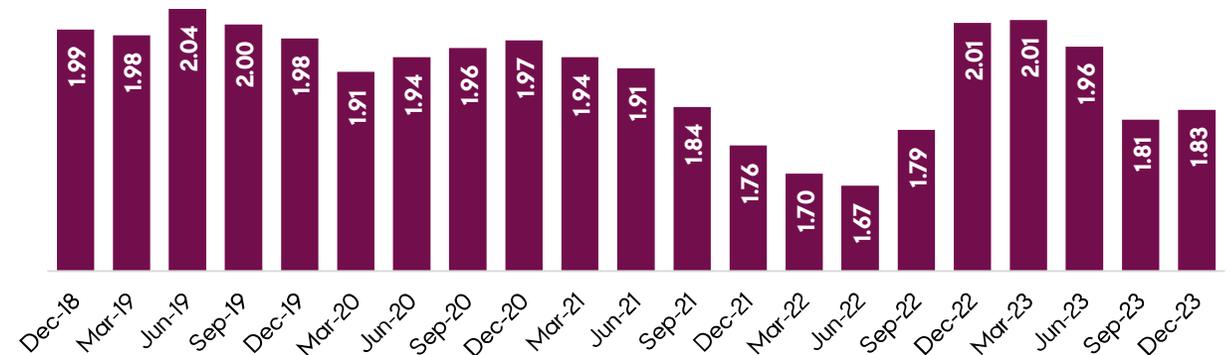
Net interest margin

Result reflects impact of competition and higher liquids

NIM - 2H23 v 1H24



NIM quarterly movement (%)¹



Key considerations for 2H24:

- Cash rate expected to remain stable
- Competitive intensity on both sides of balance sheet likely to continue
- Fixed to variable rate conversions to continue – marginally accretive
- Ongoing benefit from replicating portfolio

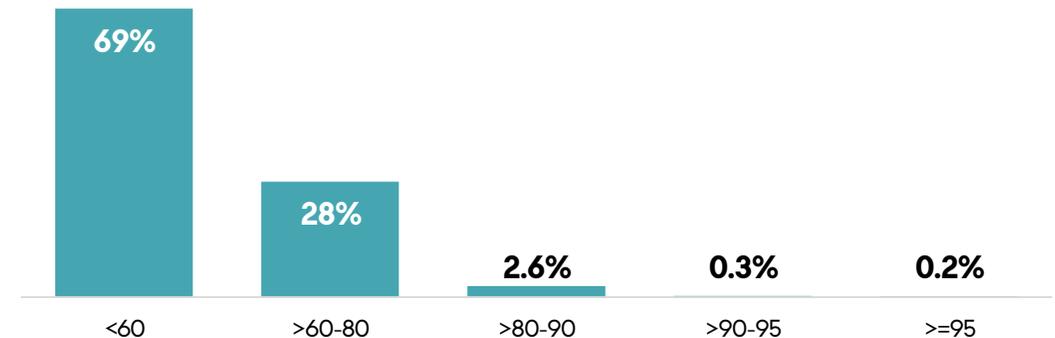
Note: NIM is calculated on a cash basis (cash net interest income divided by average interest earnings assets)
¹ Cash quarterly NIM on a post revenue share basis.

Residential lending

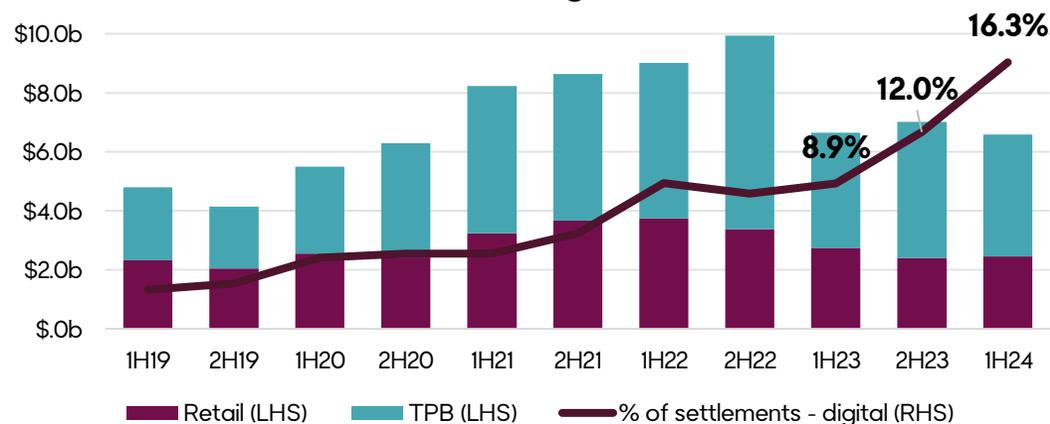
Diversified channels; strong retention

- Total portfolio down 0.1%; 1H24 settlements down 6% overall
- Strong growth in digital settlements continues – up 27% on prior half
- Broker settlements down 14% on prior half; flat on 1H23
- Retention of fixed rate expiries continues to improve

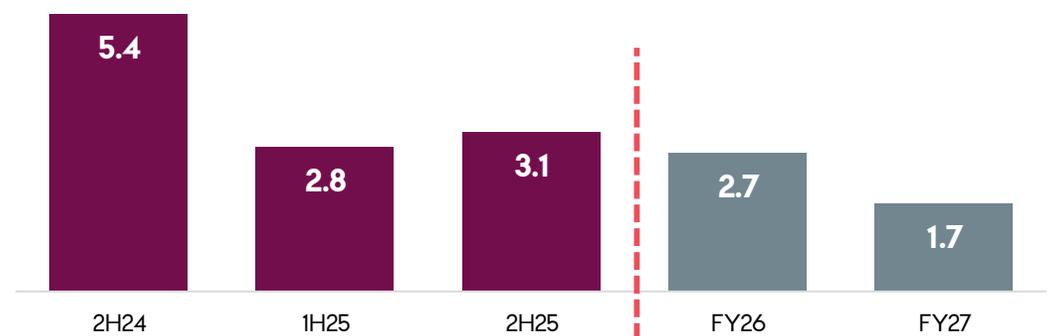
1H24 fixed rate maturities by dynamic LVR bands (% EAD)



Residential lending settlements¹



Residential lending portfolio - fixed rate maturities (\$b)



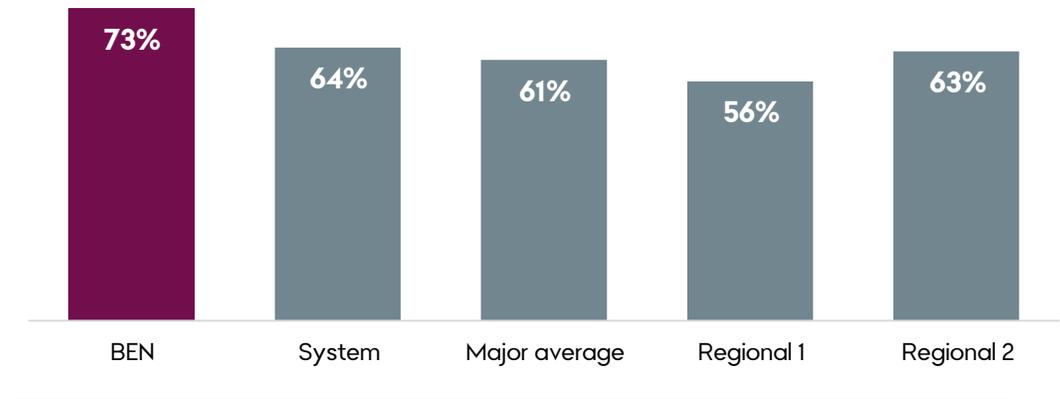
¹ Up and BEN Express included within Retail channel. Qantas Money Home Loans and Tiimely portfolio included in TPB (Third Party Banking). Settlements in digital channels consists of loans originated through BEN Express, Up, Qantas Money Home Loans and Tiimely brand

Strength of deposit franchise

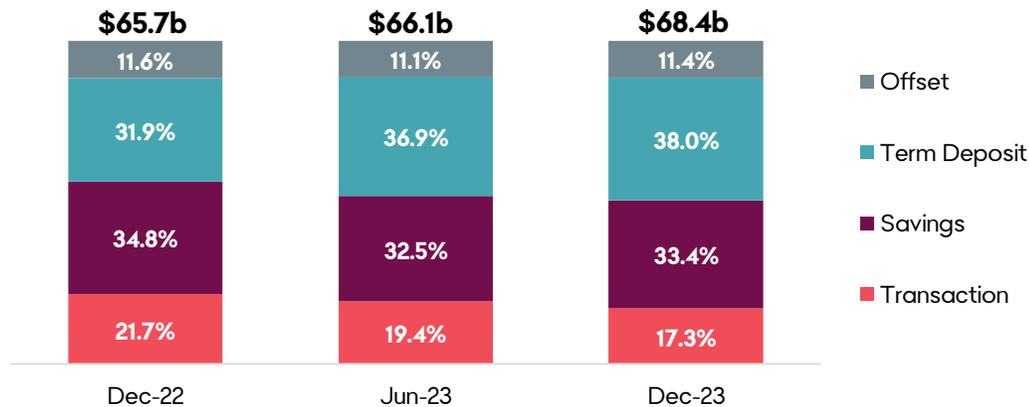
Branch network provides stable funding source

- Proprietary branch network and our Community Bank network remain a critical and stable source of deposit funding
- Digital deposits via Up increased 16% in 1H24
- Digital deposits via Bendigo Bank increased ~28% in the half, driven by improved account opening functionality in eBanking
- Household deposit to loan ratio now 73%, which is 9% higher than system¹

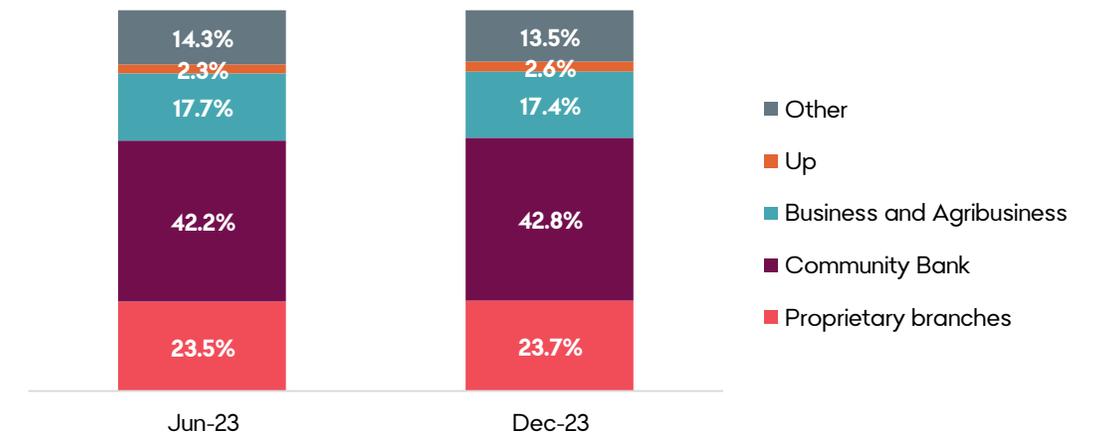
APRA household deposit/loan ratio¹



Customer deposits - by type



Customer deposits - by channel²

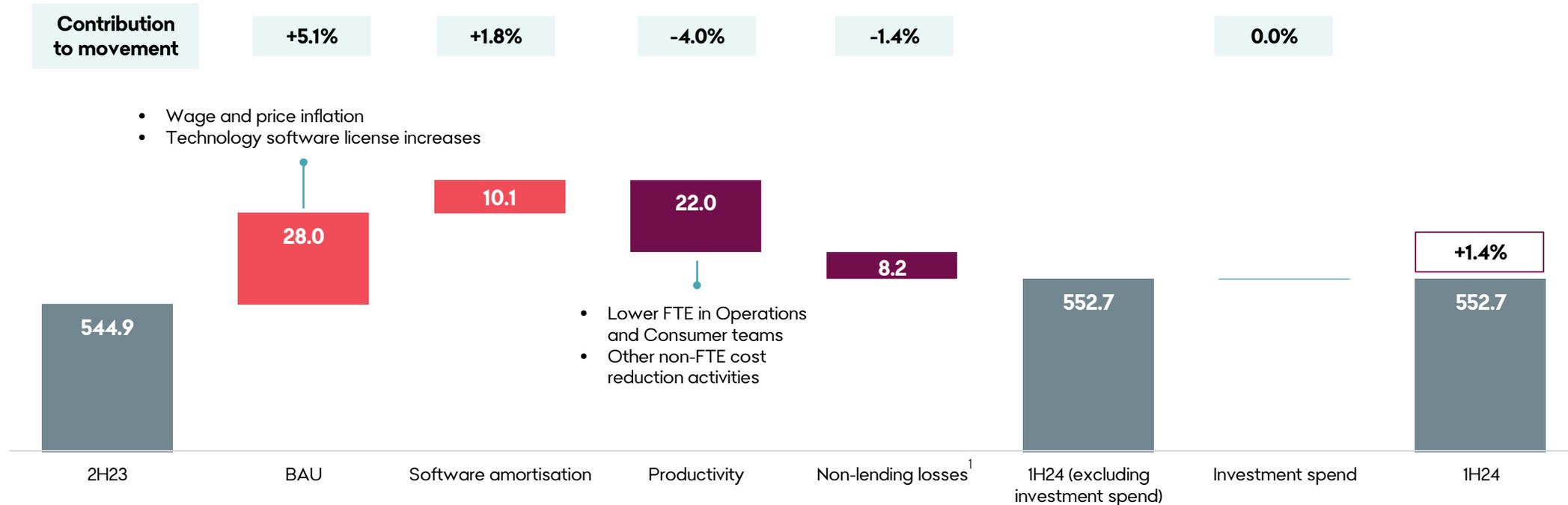


1. Source APRA Monthly Authorised Deposit-Taking Institution Statistics December 2023. Ratio calculated as deposits by households divided by loans to households columns (owner-occupied, investment, credit cards and other)

2. Jun-23 recalculated to incorporate Microbusiness reclassification. Other includes other Consumer businesses such as Third-Party Banking and Wealth.

Operating expenses

Productivity benefits keeping cost growth below inflation



Key considerations:

2H24

- Inflation pressures abating; will remain elevated through 2H24
- Ongoing investment in transformation program - Business & Agri and Digital Lending Platform
- Targeting to limit cost growth to sub inflation

Medium term

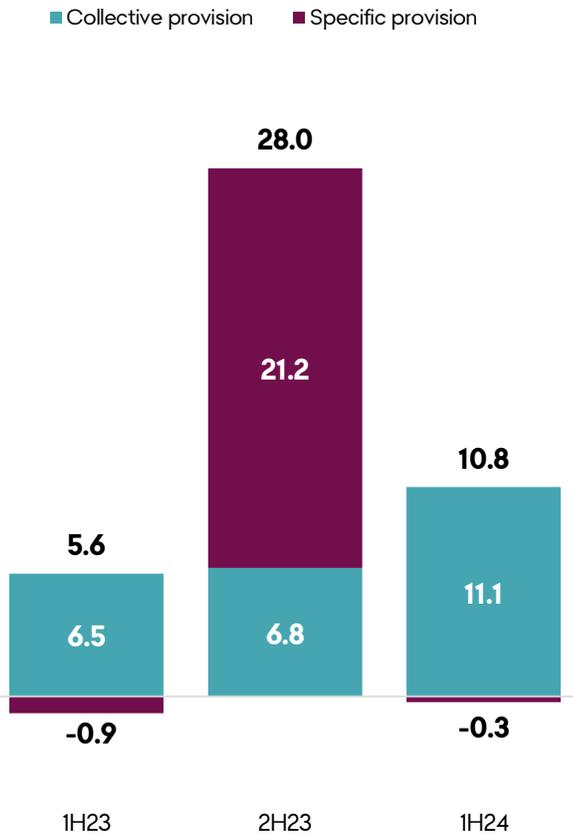
- Investment in long term strategic projects that will deliver shareholder value
- Committed to further work to reduce cost to income ratio towards 50%

¹ Non-lending losses includes remediation

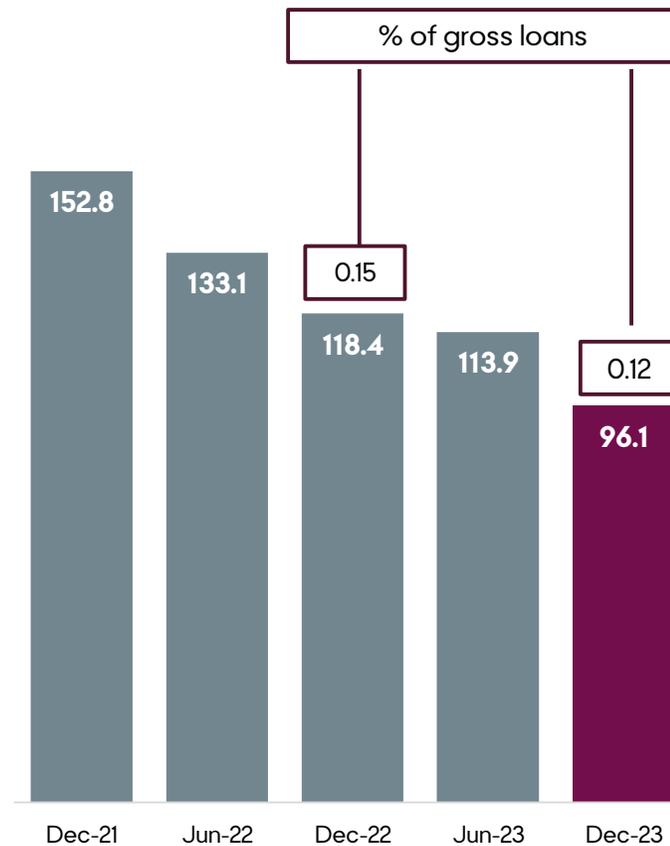
Credit quality

Credit metrics remain sound

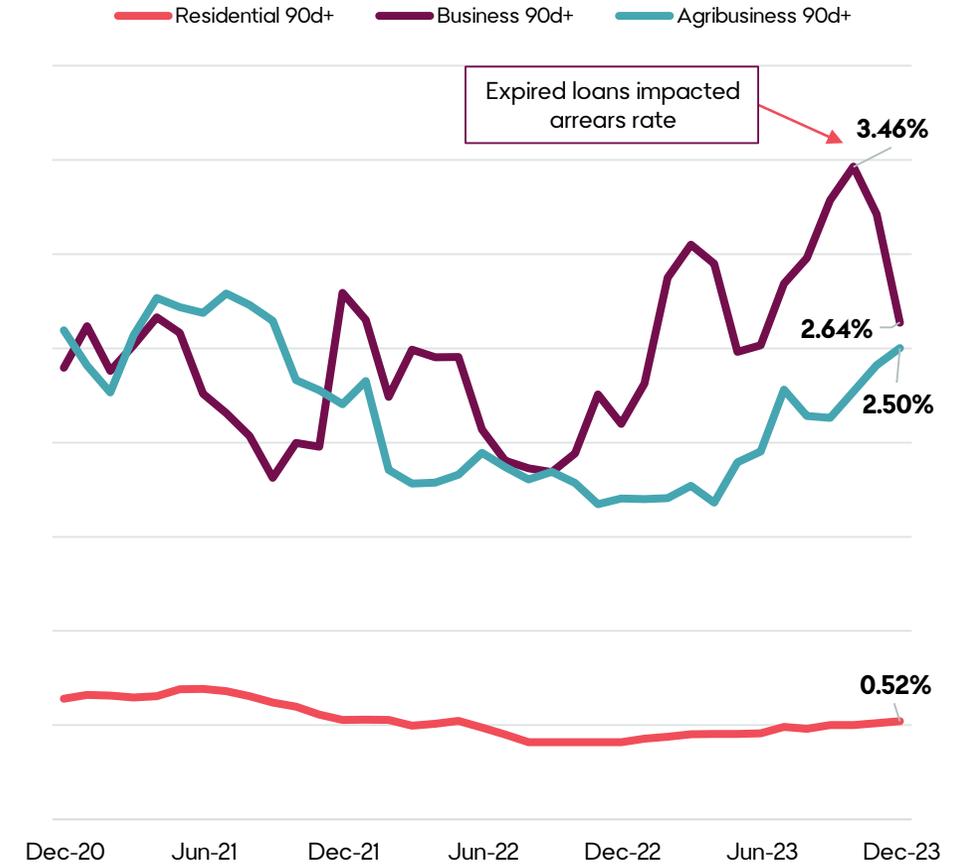
Credit expense (\$m)¹



Gross impaired loans (\$m)



Loan arrears²



¹ Specific provision is net of bad debts written off and recoveries

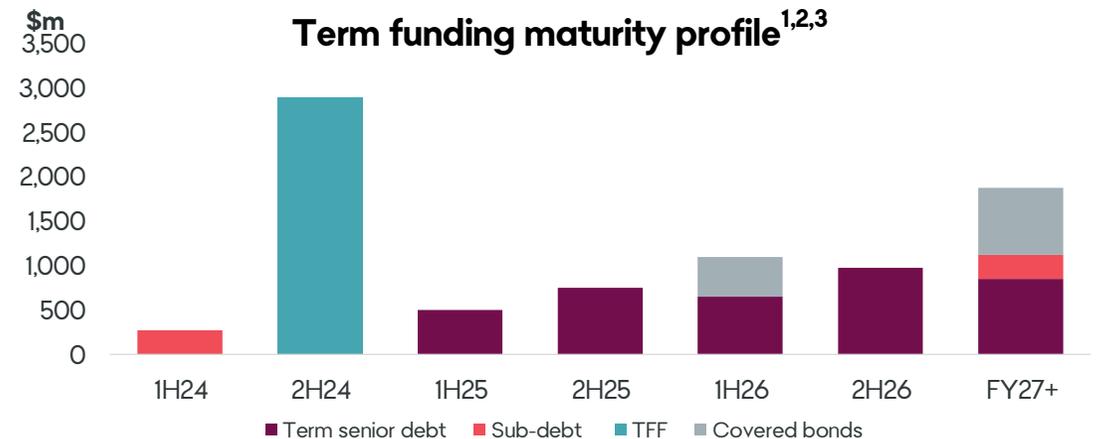
² Arrears include impaired assets and all arrangements, agribusiness arrears has been updated to include impaired assets to align to the measurement of arrears for the other portfolios.

Funding and liquidity

Stable and diversified funding sources

- Strength of customer deposit franchise demonstrated by 74.9% of customer deposits to total funding ratio
- Net +\$13.8bn funding from Community Bank network
- Funding and liquidity ratios well positioned
- LCR overlay removed by APRA from 9 August 2023
- Inaugural EUR-denominated Covered Bond successfully issued on 4 October 2023
- Term Funding Facility (TFF):
 - 39% of borrowings already refinanced
 - Remaining ~\$2.9bn has been pre-funded as at 31 December 2023
 - No other long-term wholesale debt maturities in FY24

Funding profile (\$b)

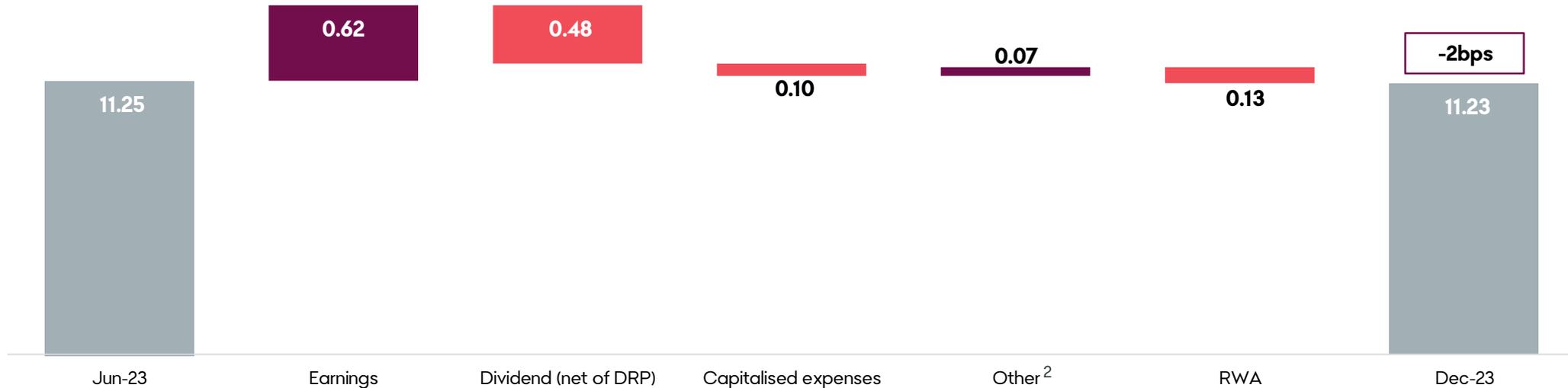


1. Includes Treasury issued products only
 2. Subordinated debt maturity refers to legal final maturity date
 3. Non-AUD exposures represented as AUD equivalent on swapped basis as at time of issuance

Capital and dividends

Capital position remains strong and well managed

CET1 movement - 6 months (%)¹



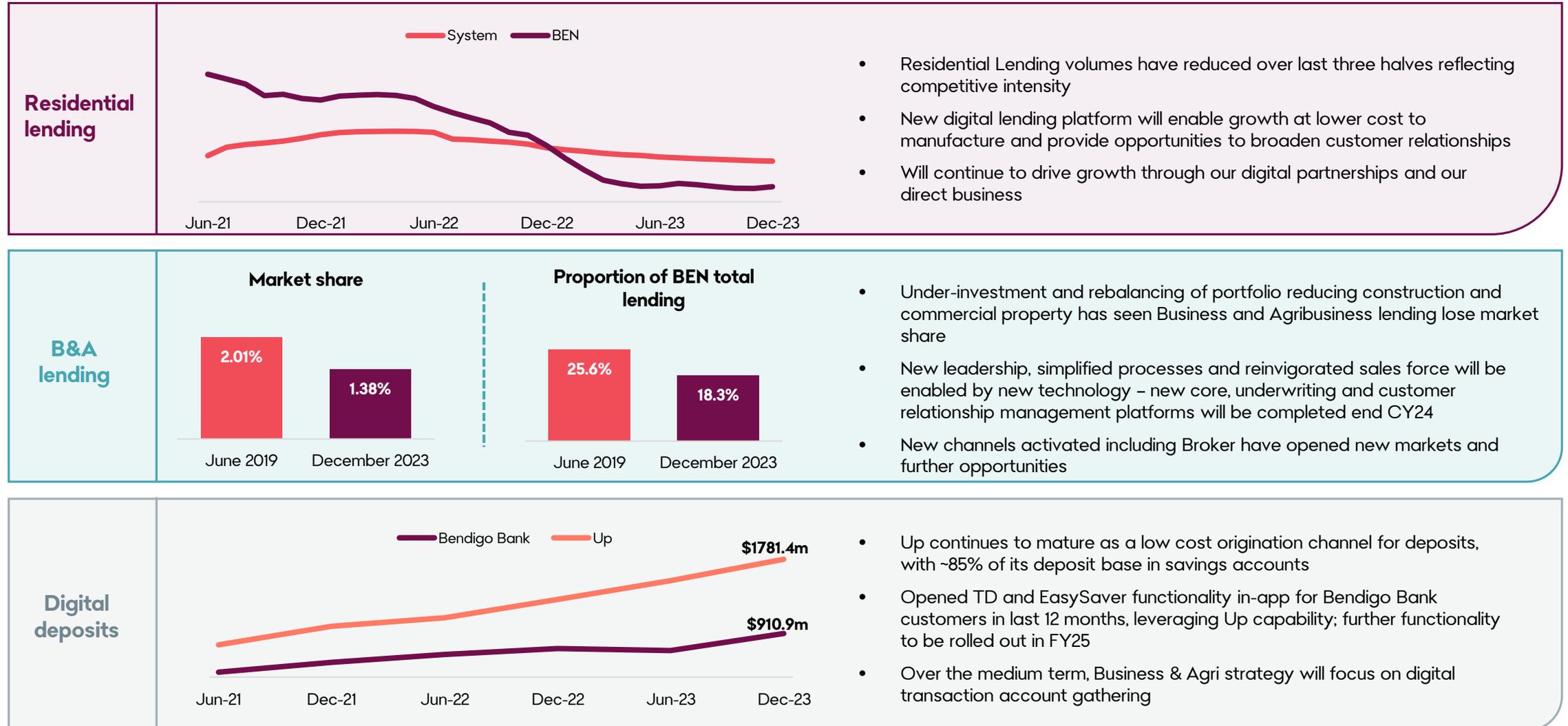
- Interim fully franked dividend of 30.0c, up 3.4% on 1H23 representing 63.3% dividend payout ratio (within Board target range of 60%-80%)
- DRP to be neutralised for 3rd consecutive half
- Board target CET1 range 10.0-10.5% remains in place
- Considering a new Additional Tier One (AT1). If the transaction proceeds, the funds are expected to be used for refinancing of BEN's CPS4

¹ CET1 capital excludes unrealised Homesafe revaluation revenue from retained earnings, along with earnings from certain other subsidiaries that do not form part of the regulated level 2 banking group

² "Other" CET1 movements include movements in other reserves and CET1 deductions, along with dividends received from non-consolidated subsidiaries relating to prior year earnings

Growth engines

Multiple growth opportunities exist to regain market share



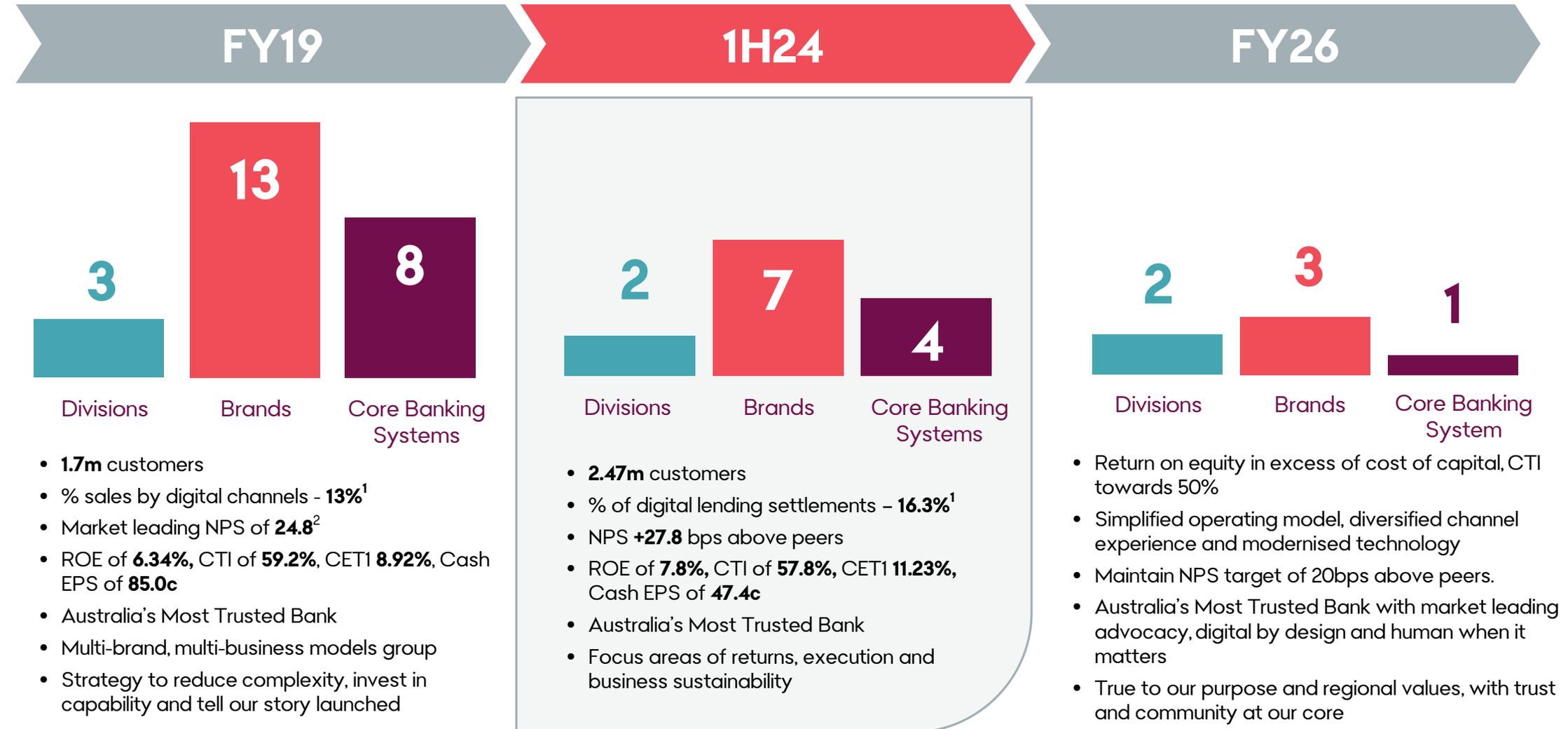
Source APRA Monthly Authorised Deposit-taking Institution statistics December 2023

Summary

Marnie Baker – CEO and Managing Director

Our strategy delivering value

A streamlined business, retaining our core differentiators



¹ % sales by digital channels' includes Bendigo Bank consumer core banking sales

² Roy Morgan Net Promoter Score - Roy Morgan Research, 6 month rolling average at Jun-19 and Dec-23. Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.

Q&A

Marnie Baker

Andrew Morgan

Taso Corolis

CEO and Managing Director

Chief Financial Officer

Chief Risk Officer

Additional Information

Who we are

Overview

2.47
million
customers

+7,000
employees

Top 100
ASX listed

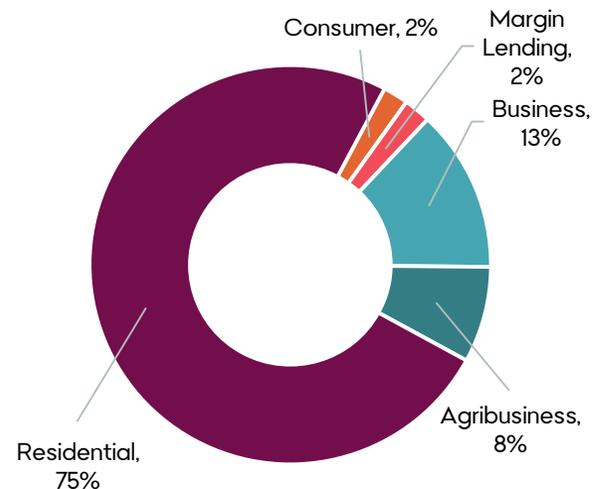
74.9%
funded by customer
deposits

Total assets
\$99.5b

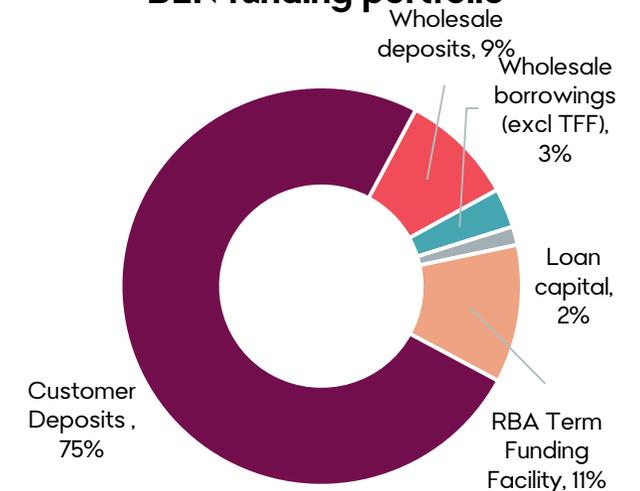
NPS of +19,
+27.8 above
industry¹

- 165 years of history, amalgamation of more than 80 different organisations
- 2.20% market share
- 433 total branches (307 Community Bank, 126 company owned)
- Multi-channelled:
 - Residential lending – Retail, Digital and Third Party Banking
 - Business and Agribusiness lending – Direct and Broker
 - Deposits – Retail, Digital and Business and Agribusiness

BEN loan portfolio



BEN funding portfolio

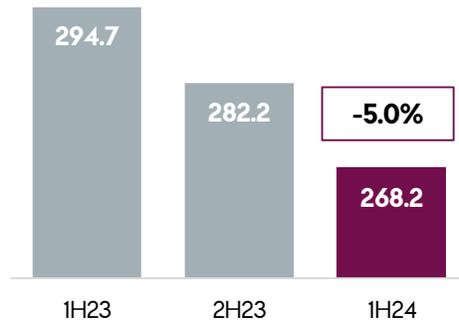


¹ Roy Morgan Net Promoter Score – Roy Morgan Research, 6 month rolling averages as at Dec-23, comparing BEN to the industry average. Industry includes: ANZ, BOM, BOQ, Bank SA, Bankwest, CBA, ING, NAB, St. George, Suncorp & WBC. Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.

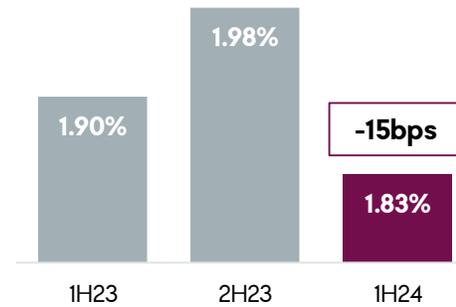
1H24 result

Key metrics

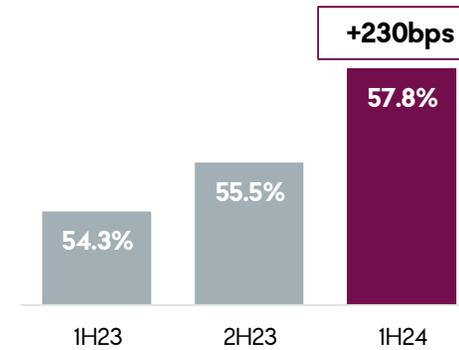
Cash earnings (\$m)



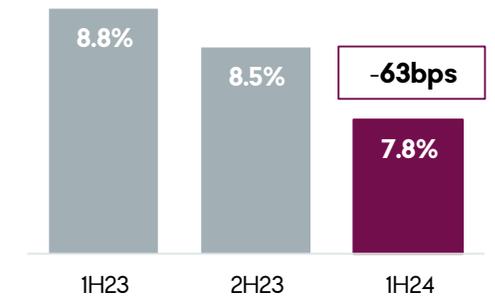
NIM



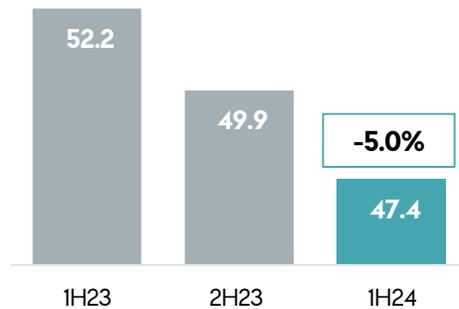
CTI



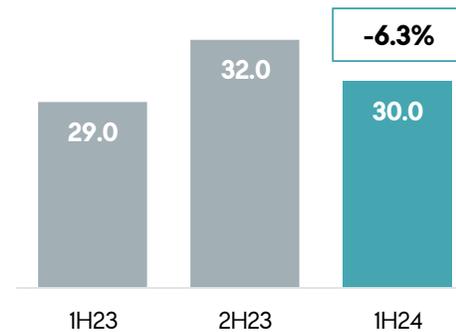
ROE



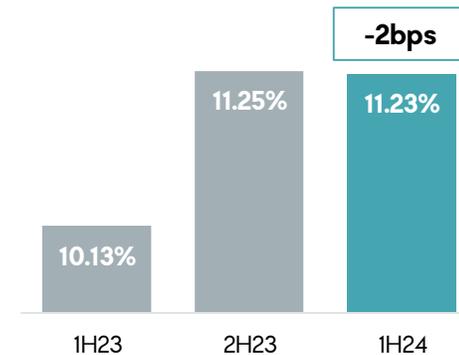
Cash EPS (cents)



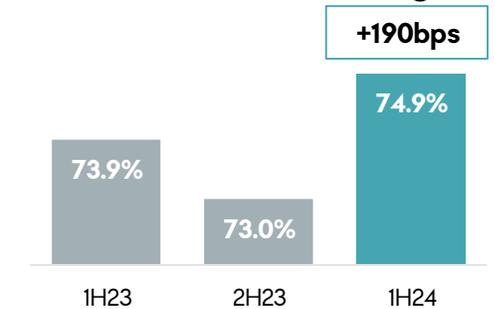
DPS (cents)



CET1



Customer deposits as % of total funding



Building blocks to achieve ROE above cost of capital

Continued focus on cost management and targeting improvement in CTI ratio

Investing in our deposit gathering franchise underpinned by the strength of our Community Bank model

Diversifying our balance sheet with the rebuild of our Business and Agribusiness division

Disciplined approach in home lending and taking advantage of multi-channel approach

**1H24
proof point**

Op expense
managed to
sub-inflation

**Community
Bank net
funding**
+20%

**Business & Agri
deposit growth**
+5.6% HoH

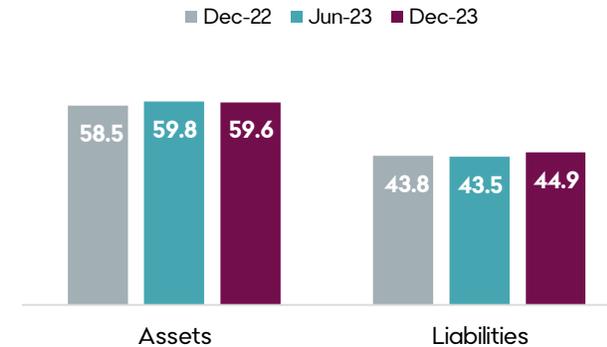
**Digital
settlements**
16.3%

Consumer

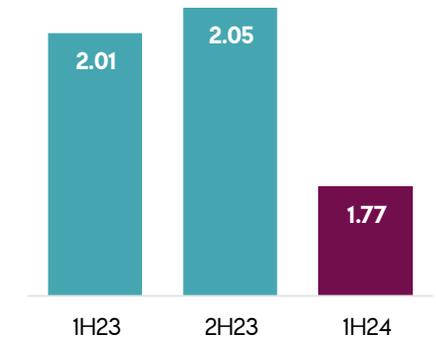
Multi-channel strategy delivering benefits

- Net Interest income decreased by 11.3% as margins declined 28bps and asset balances decreased marginally half on half
- Deposit balances increased \$1.4b, as term deposits and savings increased across the Bendigo Bank network
- Homesafe net realised income increased \$6.0m on the previous half, driven by a higher number of contracts and greater contract values completing in the period
- Other income increased 3.5%, driven through higher fee income from foreign exchange
- Operating expense decreased 6.8%, driven by productivity efficiencies in marketing spend and lower customer related fraud losses

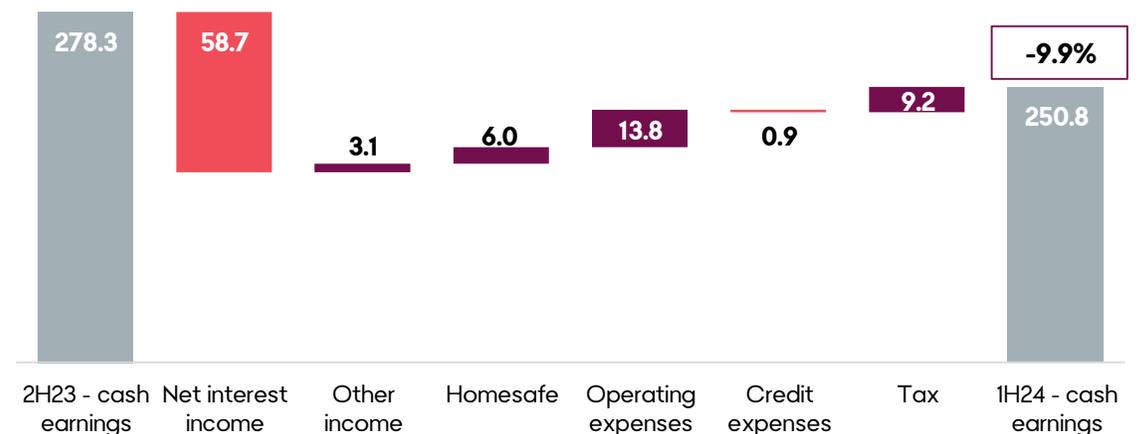
Volume growth (\$m)¹



Divisional NIM (%)



Profit drivers (\$m)²



¹ Volume growth is based on assets and liabilities that are managed within the Consumer division as per the Appendix 4D segments. Includes investments

² Homesafe net realised income after tax

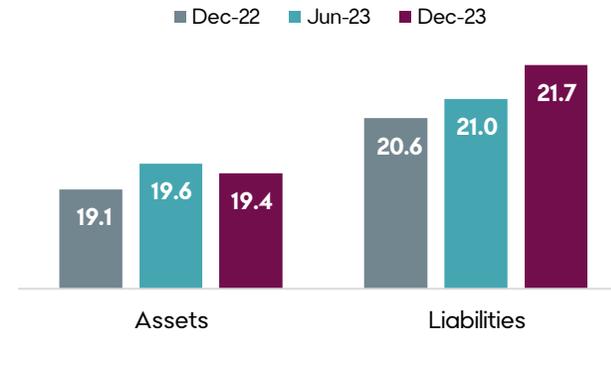
Business and Agribusiness

Significant opportunities over the medium term; early signs of improvement

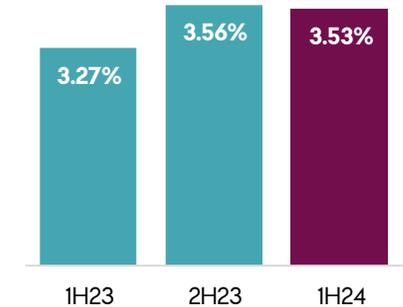
Total division cash earnings increased 16.7% HoH:

- Strong seasonal conditions resulted in a higher pay down of loans in 1H24
- BEN Commercial and Agri Broker channel achieved 25% growth half on half
- Deposits up 3% due to increase in term deposits
- Credit expenses improved \$31.8m with non-recurrence of large specific charge in prior half
- Divisional restructure and capability uplift continued through the half

Volume growth (\$m)¹



Divisional NIM (%)



Profit drivers (\$m)



¹ Volume growth is based on assets and liabilities that are managed within the Business and Agribusiness division as per the Appendix 4D segments. Includes investments

Homesafe

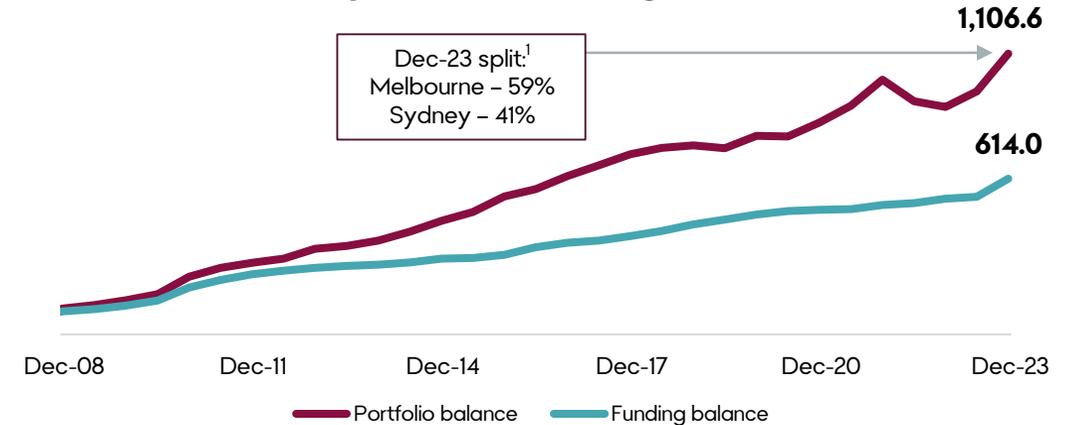
Summary of performance

- Restructure of Homesafe investments in December 2023:
 - Ceasing funding of new contracts from 30 June 2024
 - Portfolio valued at ~\$1.1b will be in run-off as existing contracts are completed
- Increase in income reflects a greater number and higher value of completed contracts in the period
- Proceeds on contracts completed during 1H24 exceeded carrying value by \$5.6m
- Average annual return on completed contracts since inception is 9.7% p.a. pre funding costs
- Property values would need to fall by 45% before any impact on regulatory capital. (Property revaluation balance is deducted from retained earnings)

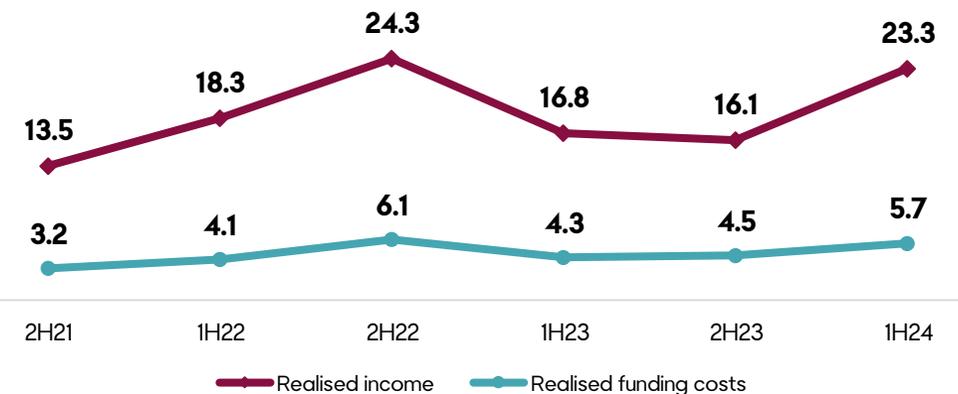
	2H21	1H22	2H22	1H23	2H23	1H24
Number of contracts (#)	3,663	3,715	3,741	3,840	3,895	4,000
Contracts completed (#)	97	111	118	86	110	128
Net cash from completions (\$m)	26.2	31.4	39.6	27.9	30.9	39.2

1. % split of portfolio calculated on total portfolio balance

Homesafe portfolio & funding balance (\$m)



Realised - income vs funding costs (\$m)



Residential lending

Residential metrics^{1,2,3}

	Flow		Portfolio		
	1H24	2H23	Dec-23	Jun-23	Dec-22
Flow / Portfolio amount	\$6.5b	\$6.9b	\$58.5b	\$58.6b	\$57.5b
Retail lending (Proprietary) ⁴	32%	32%	46%	48%	48%
Third Party Banking lending (Broker/white label) ⁵	52%	56%	47%	46%	46%
Digital Lending ⁶	16%	12%	7%	6%	6%
Lo Doc	0.00%	0.00%	0.3%	0.3%	0.4%
Owner occupied	77%	78%	73%	71%	70%
Owner occupied P&I	96%	96%	97%	97%	96%
Owner occupied I/O	4%	4%	3%	3%	4%
Investment	23%	22%	27%	29%	30%
Investment P&I	66%	68%	71%	69%	67%
Investment I/O	34%	32%	29%	31%	33%
Variable	78%	78%	72%	64%	61%
Fixed	22%	22%	28%	36%	39%
First home buyer %	16%	18%	15%	15%	14%
Mortgages with LMI	6%	5%	10%	11%	12%
Negative equity			0.11%	0.16%	0.13%
Average LVR	61%	62%	52%	53%	54%
Dynamic LVR			53%	53%	52%
Average loan balance	\$430k	\$418k	\$301k	\$298k	\$294k
90+ days past due			0.52%	0.46%	0.41%
Impaired loans			0.03%	0.03%	0.04%
Specific provisions			0.01%	0.01%	0.01%
Loss rate			0.001%	0.003%	0.003%

1. Loan data represented by purpose. Excludes Alliance Bank and Keystart data. Arrears includes impaired loans and all arrangements

2. Average LVR based on unweighted accounts. Flow metric is based on origination LVR, portfolio is based on current LVR (current balance against security value on file)

3. Dynamic LVR is defined as current balance/current valuation and is not audited (calculated for Residential Security only and excludes Portfolio Funding exposures (0.2% of total EAD))

4. Loans originated at BEN

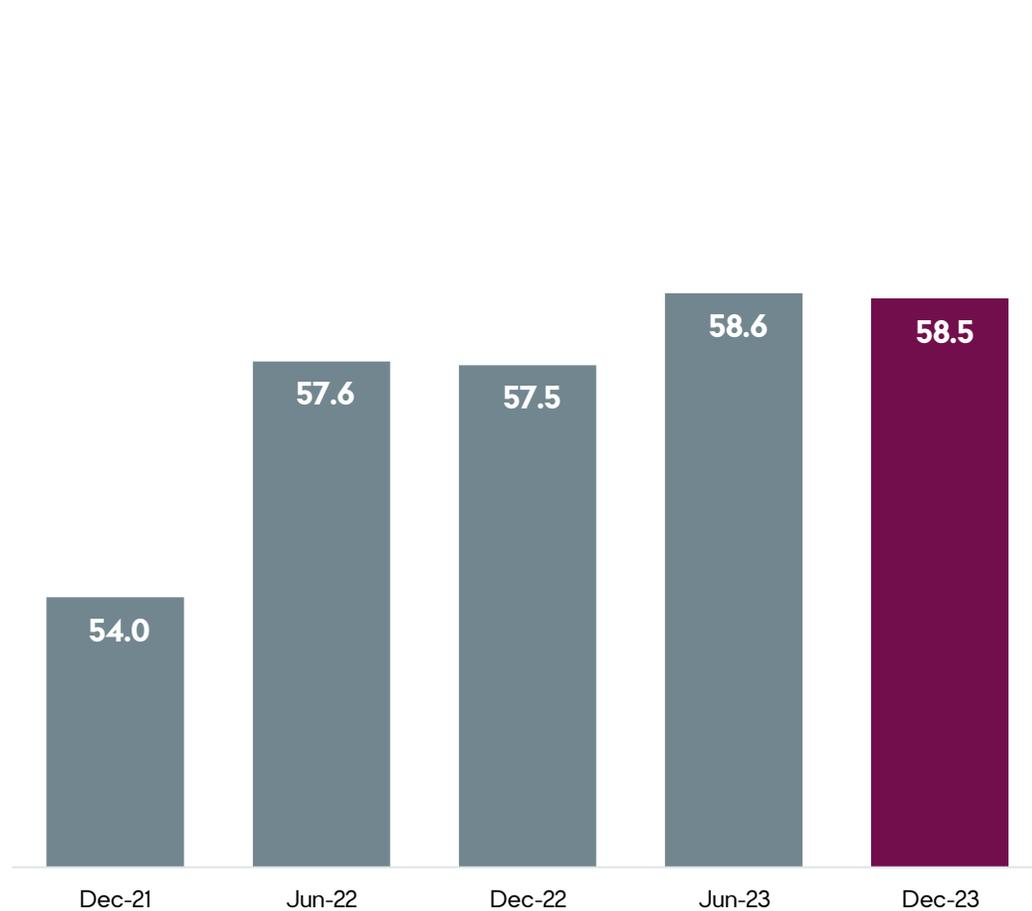
5. Loans originated by Adelaide Broker, Mortgage Partners and White Label brokers

6. Loans originated through digital platforms including NRMA, BEN Express, Tiimely (formerly Tic:Toc), Qantas and Up

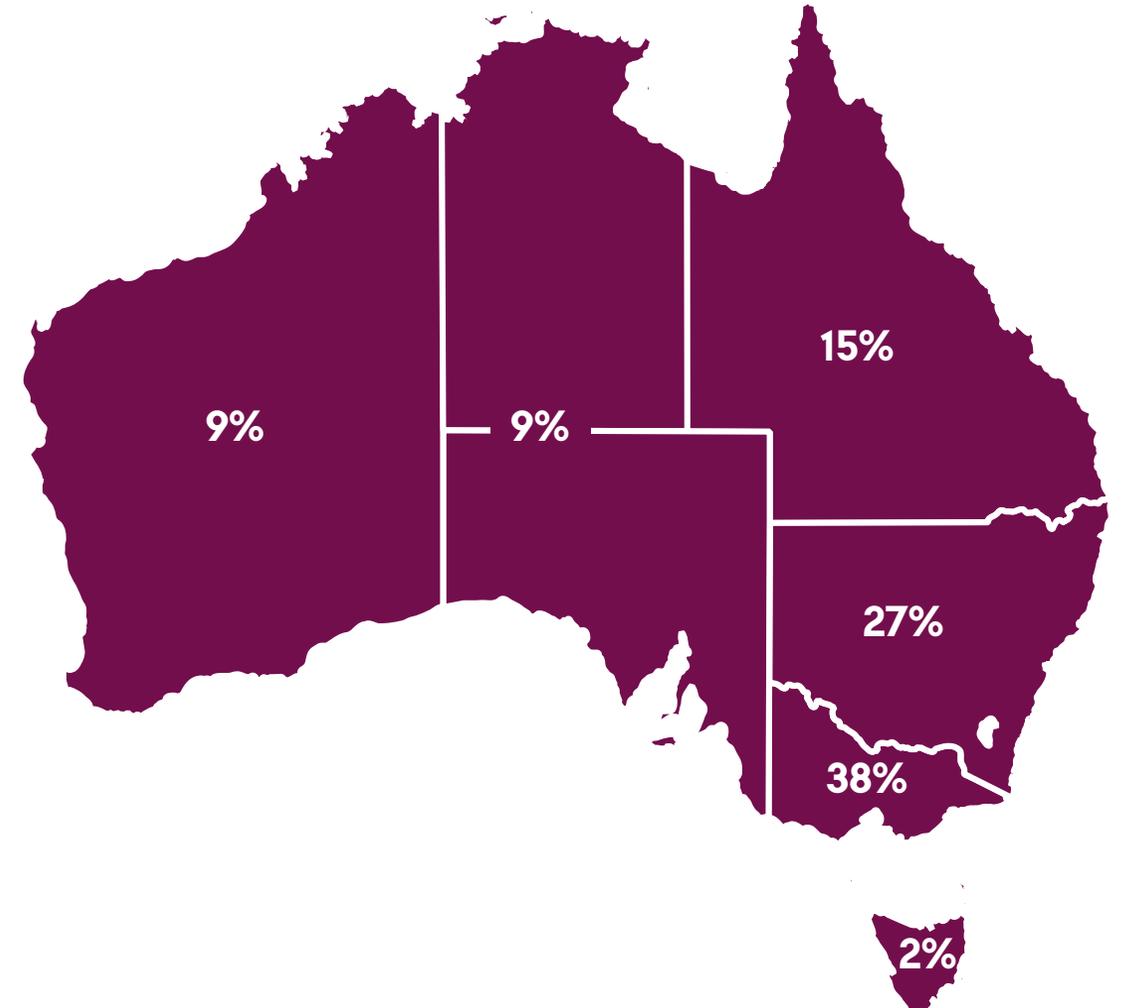
Residential lending

Portfolio and state splits

Residential portfolio (\$b)¹



Residential balance by state

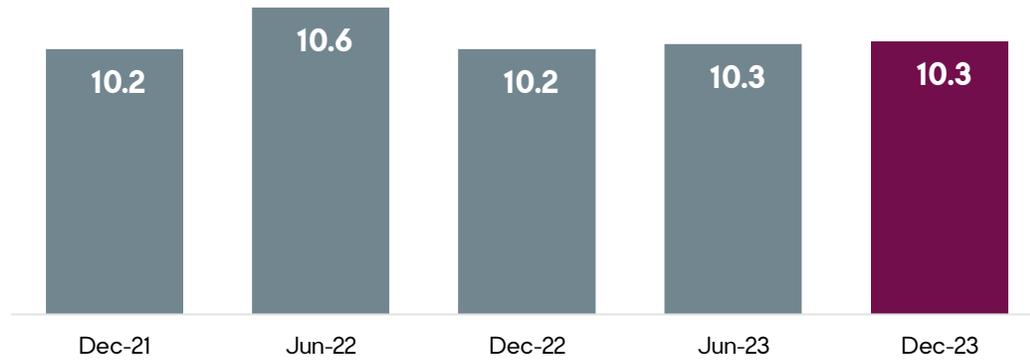


¹ Loan portfolio balances are represented by purpose and include all portfolios including relevant Portfolio Funding arrangements and Keystart.

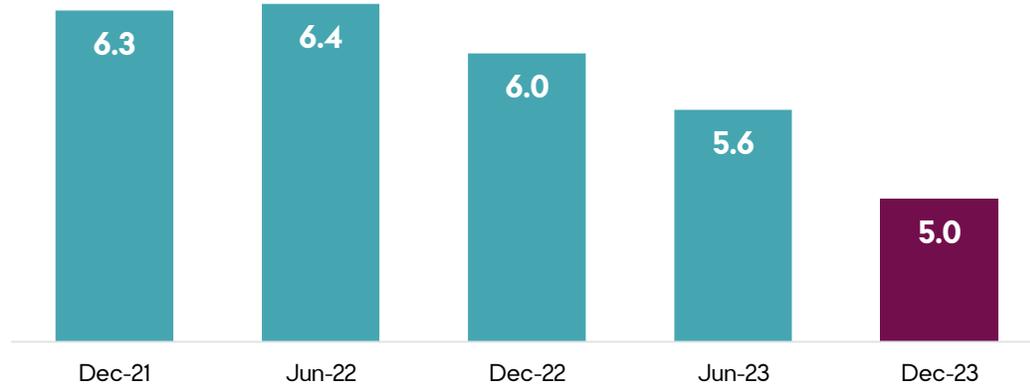
Business lending

Portfolio and state splits

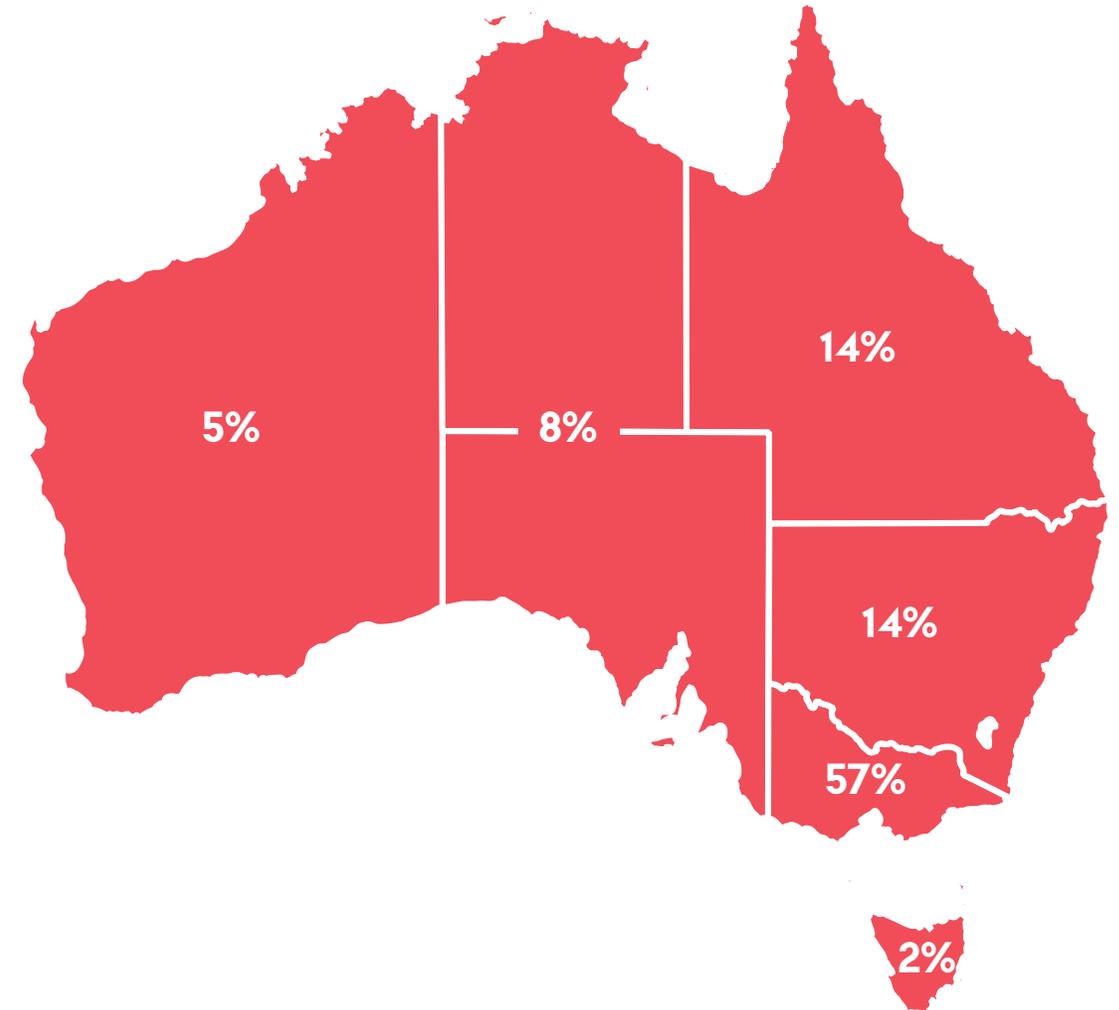
Business portfolio (\$b)¹



SME segment (\$b)²



Business balance by state³



¹ Business portfolio balances are represented by purpose. Includes Portfolio Funding and leasing portfolios

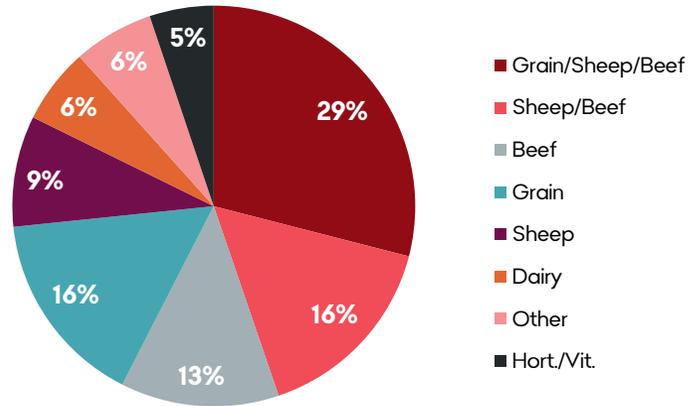
² SME is an internal definition using Business Banking (less residential loans), Private Bank Commercial and Business Direct

³ Business balance by state split excludes Portfolio Funding due to Portfolio Funding arrangements being domiciled to NSW. With its exclusion, a more accurate representation of the Business Portfolio by state is presented.

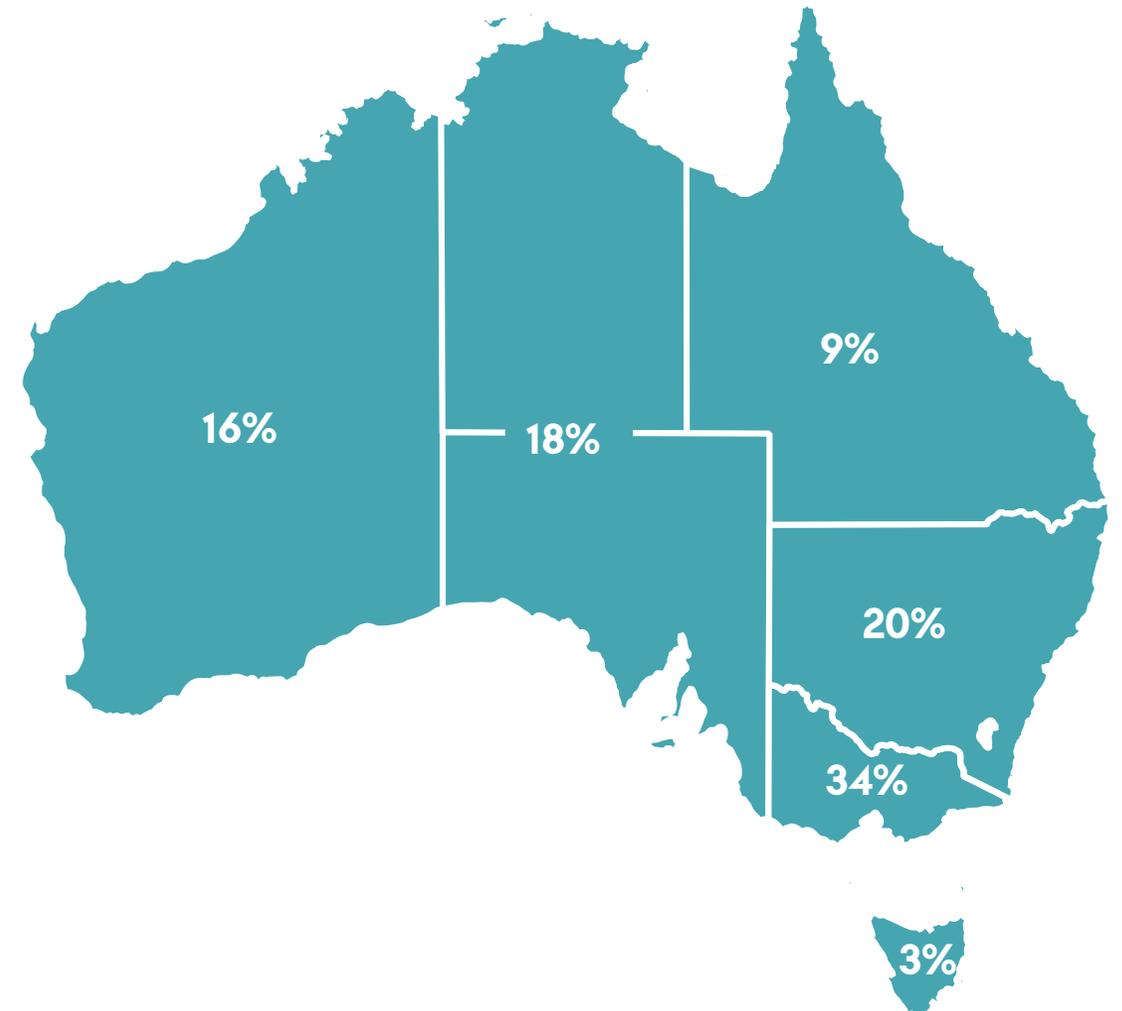
Agribusiness lending

Portfolio splits

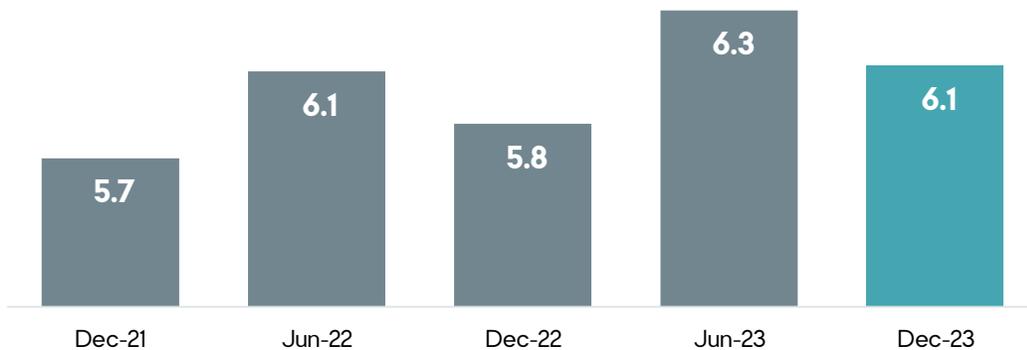
Agri exposure by industry



Agribusiness balance by state



Agribusiness portfolio (\$b)¹



¹. Agribusiness portfolio balances are represented by purpose. Excludes leasing which has been redomiciled to business lending from prior results presentation packs.

Financial assets - credit risk exposures

By industry (AASB9)

	Dec-23 (\$b)				Jun-23 (\$b)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Residential/Consumer	54.4	5.4	0.5	60.3	54.8	5.2	0.4	60.4
Accommodation and food services	0.2	0.0	0.0	0.2	0.2	0.0	0.0	0.2
Administrative and support services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Agriculture, forestry and fishing	5.7	0.6	0.1	6.4	5.9	0.7	0.1	6.7
Arts and recreation services	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1
Construction	0.5	0.1	0.0	0.6	0.5	0.1	0.0	0.7
Education and training	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1
Electricity, gas, water and waste services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial and insurance services	16.2	0.1	0.0	16.3	16.0	0.1	0.0	16.1
Health care and social assistance	0.2	0.1	0.0	0.3	0.2	0.1	0.0	0.3
Information media and telecommunications	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manufacturing	0.2	0.0	0.0	0.2	0.2	0.0	0.0	0.2
Mining	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Services	0.1	0.0	0.0	0.2	0.1	0.0	0.0	0.2
Professional, scientific and technical services	0.2	0.0	0.0	0.2	0.2	0.0	0.0	0.2
Public administration and safety	4.6	0.0	0.0	4.6	3.1	0.0	0.0	3.1
Rental, hiring and real estate services	3.5	0.6	0.1	4.2	3.5	0.6	0.1	4.2
Retail trade	0.2	0.0	0.0	0.3	0.3	0.1	0.0	0.3
Transport, postal and warehousing	0.1	0.0	0.0	0.1	0.1	0.0	0.0	0.2
Wholesale trade	0.1	0.0	0.0	0.1	0.1	0.0	0.0	0.1
Total residential, business and agribusiness balance	86.4	7.1	0.8	94.3	85.4	7.1	0.8	93.3
Margin Lending	1.7	0.0	0.0	1.7	1.9	0.0	0.0	1.9
Other	0.3	0.0	0.0	0.3	0.3	0.0	0.0	0.3
Total financial assets	88.4	7.1	0.8	96.3	87.6	7.1	0.8	95.4

Net interest margin

Capital and deposit hedges

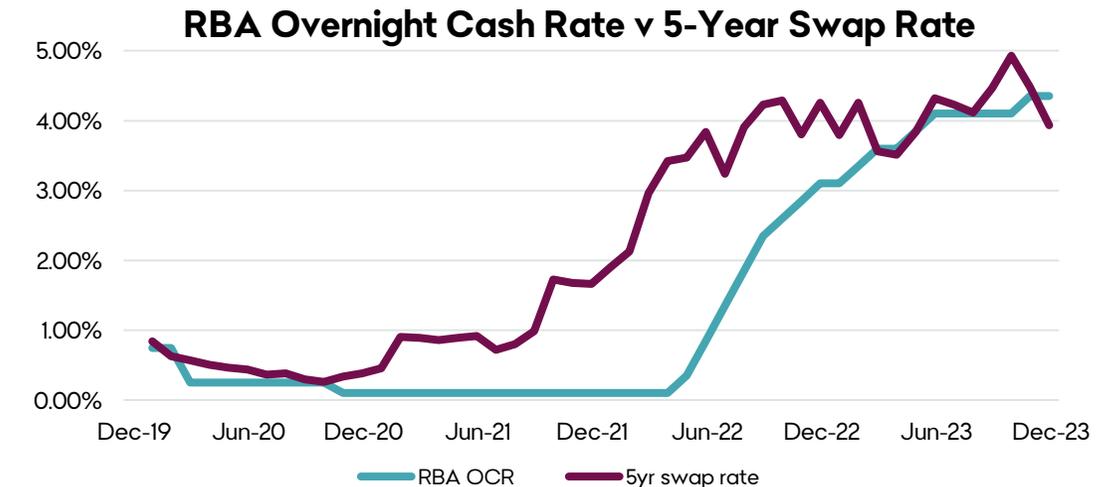
- Additional NIM benefit expected over medium term from impact of higher interest rates on capital and deposit replicating yields
- Actual outcomes will be determined by a range of factors including, but not limited to: competition, future interest rates, capital and low rate sensitivity deposit volumes, AIEA volumes and investment strategy

	Portfolio volume (\$b)	Hedged proportion	Hedge term (Years)	Hedged yield (%)	
				1H24 avg	1H24 exit
Capital	4.2	100%	2.5	2.63	2.96
Deposits	10.3	80%	5.0	2.86	3.00
Total	14.5	N/A	2.5 – 5.0	2.78	2.99

¹. Restated to reflect yield on hedged component of Deposits portfolio only.

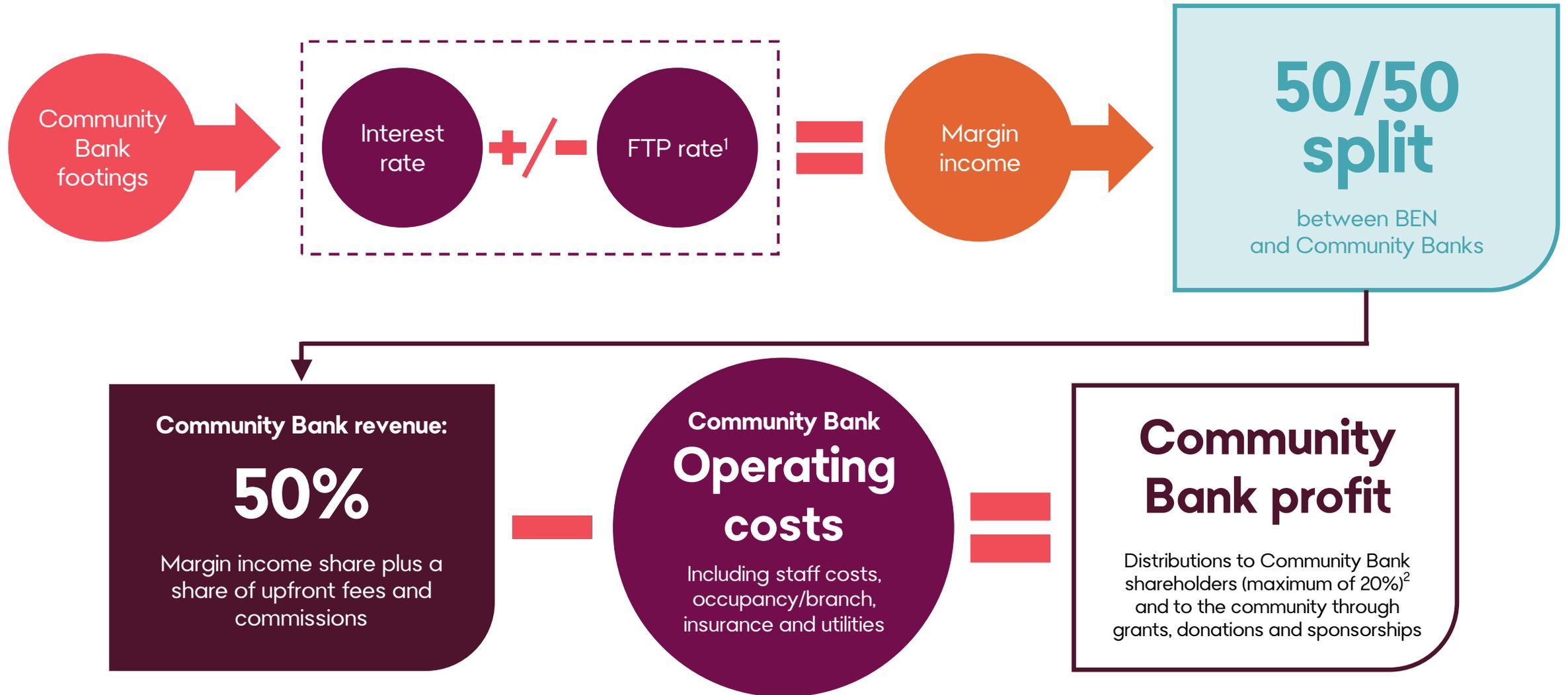
Average hedged yield on capital and deposit replicating portfolio

1H22 avg	2H22 avg	1H23 avg ¹	2H23 avg ¹	1H24 avg
0.25%	0.83%	1.91%	2.34%	2.78%



Community Bank

How the revenue share works



Note: Community Bank footings include residential loans, business loans, credit cards, margin loans, at call accounts, term deposits. FTP is not used across all products

¹ FTP = Funds Transfer Pricing. FTP methodology is independently audited

² Dividend calculation is subject to terms and conditions

Community Bank

'Profit with purpose' model

Aims:

- To secure branch banking services for participating communities
- To empower and build confidence and capacity within local communities
- To enable participating communities to share in revenue generated from their local Community Bank, as well as offering the potential for shareholders to receive dividends

Providing benefits to BEN:

- Community Banks provide **net benefit of ~\$13b of additional funds**, which reduces need for more expensive wholesale funding
- Net funding benefit equates to **12 to 15 bps of NIM**

Community Bank footings (\$b)¹

Community Bank branches are a significant source of customer deposits for the broader Group, increasing \$1.6b in 1H24.

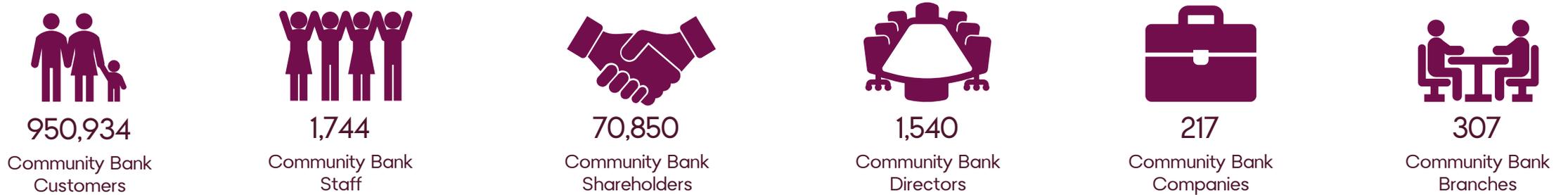


Investments have supported vital community infrastructure and critical local sporting, education, health, arts and cultural initiatives

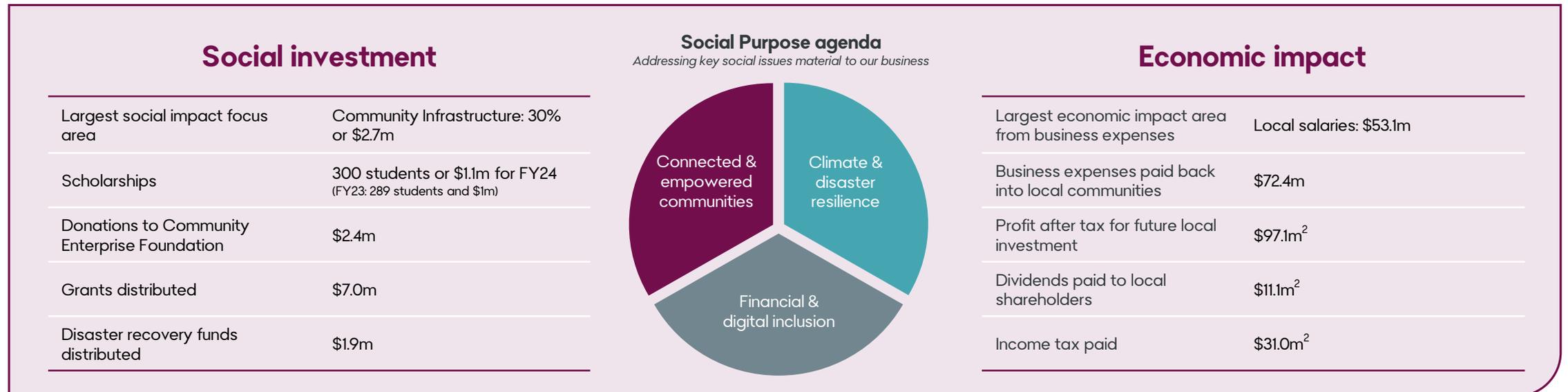
¹ Community Bank footings include Private Franchises (4 branches in total). Loans and deposits includes total lending and all deposits in Community Banks from both personal and business customers. Some products don't use FTP and utilise a fee or commission structure

Community Bank impact

Driving positive social and economic outcomes in communities across Australia



\$324m invested back into communities¹



¹ Since inception of model in 1998
² Data points are for year ending 30 Jun e 2023, all other data points are for 1H24

Transformation update

Transformation scorecard

- IT applications continue to reduce, down 13% in 1H24
- Median time to decision (home loans) benefiting from productivity initiatives, with improvements expected in 2H24 as Digital Lending Platform is enabled for a wider broker audience
- % of sales by digital channel impacted by the refresh of online account opening, however BEN digital deposits growth late in the half will contribute to uplift through 2H24

	FY19	FY23	1H24	FY24
# brands ¹	13	7	7	3
# core banking systems	8	4	4	1
# IT applications	650	401	348	325
% applications in the Cloud ²	1%	33%	42%	50%
% of API re-use	0%	43%	48%	40%
Median time to decision (home loans) ³	22 days	14 days	9 days	≤1 day
% automated credit decisioning (home loans) ⁴	0%	~10%	10%	70-90%
% active eBanking customers ⁵	58%	72%	73.3%	90%
% sales by digital channels ⁶	13%	19%	18.6%	60%

Notes:

1. Brand is defined as "A commercial entity with a visual identity (unique logo and/ or lock up with the Bendigo Bank logo), trademarked and communicated to customers or other key stakeholders as part of our products and services".
2. The proxy measure for 'Velocity of change' is defined as the % of applications in the Cloud, enabling faster change cycle times and code from idea into production
3. Median time to decision (home loan) relates to Third Party Banking channel. Early statistics from Bendigo Bank Broker trial showing median time to initial credit decision has reduced markedly to 5.74 minutes. We anticipate further reduction in median time to initial credit decision as we commence rollout to Brokers nationwide.

4. '% automated credit decision (home loans)' target relates to the proportion of the home lending portfolio that has relatively simple credit needs allowing for automation

5. 'Active eBanking users' covers approx. 92% of the Group customer base including Bendigo Bank and Up customers. Active eBanking customers defined as customer >12yo who used eBanking in last 3 months (Bendigo Bank) and customer initiated a transaction in last 3 months OR balance greater than \$50 OR has a loan, term deposit or active insurance policy (Up)

6. '% sales by digital channels' includes Bendigo Bank (including Delphi, Community Sector Banking and Alliance) consumer core banking sales (Everyday Accounts, Term Deposits, Home Loans, Credit Cards and Personal Loans). Period is determined by the accounts first transaction date

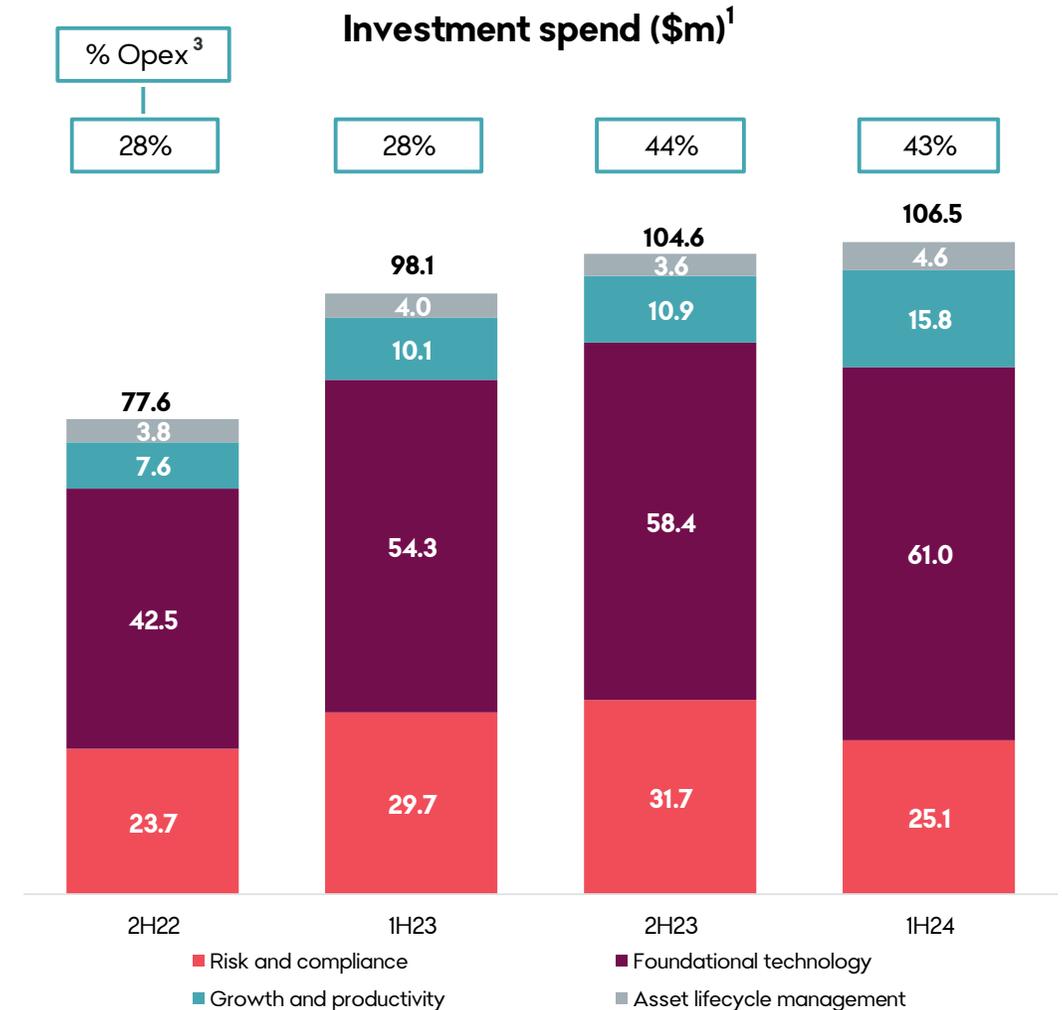
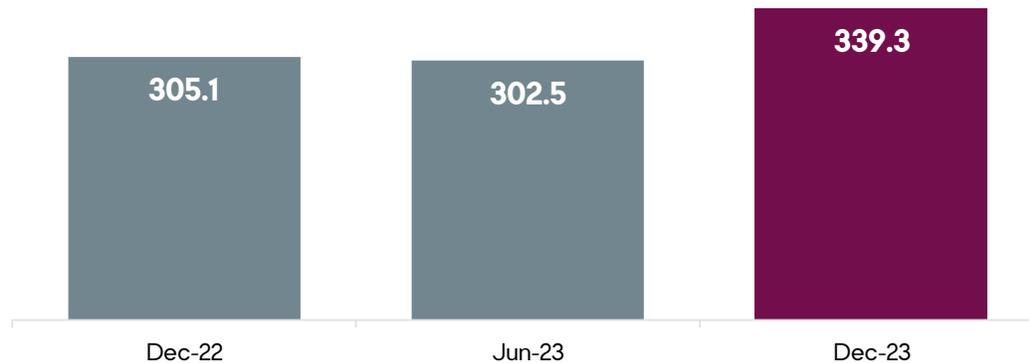
Investment spend

Continuing to invest for long-term simplification benefits

Top 5 projects by spend:

- Digital Lending Platform (Foundational Technology)
- Up Digital Bank (Growth and Productivity)
- Cloud Data Enablement (Foundational Technology)
- eID – Customer Identity Migration (Foundational Technology)
- Integrated Fraud Reduction Program (Risk and Compliance)

Capitalised software balance (\$m)²



1. Investment spend reclassified to exclude non-cash items

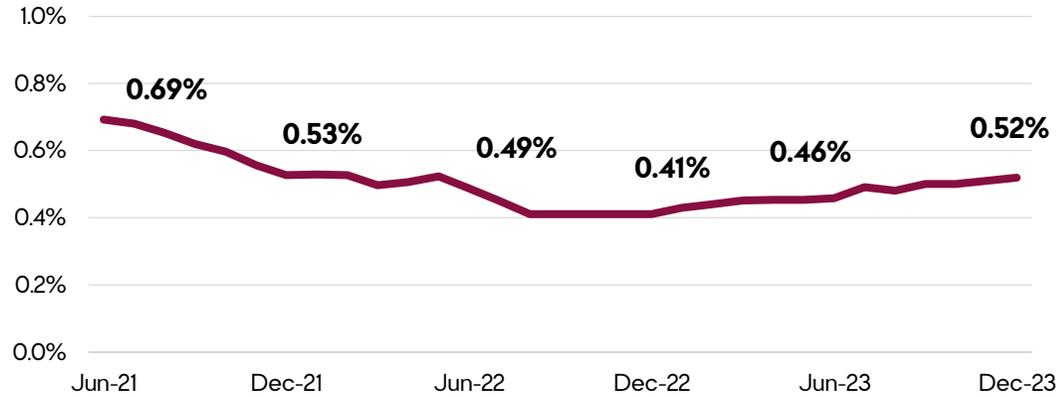
2. Capitalised software balance includes software under development

3. Investment spend expensed % (cash basis) calculated as expensed investment spend (cash basis) as a percentage of total investment spend (cash basis)

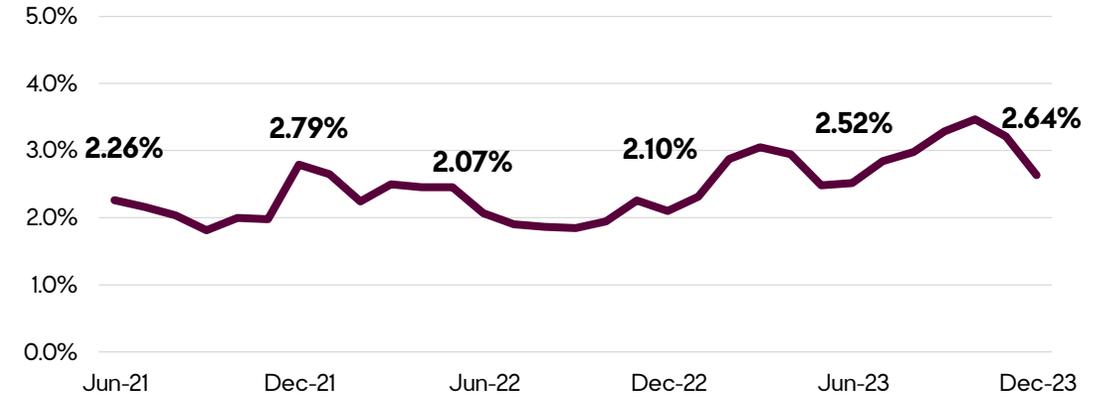
Arrears

Remain benign

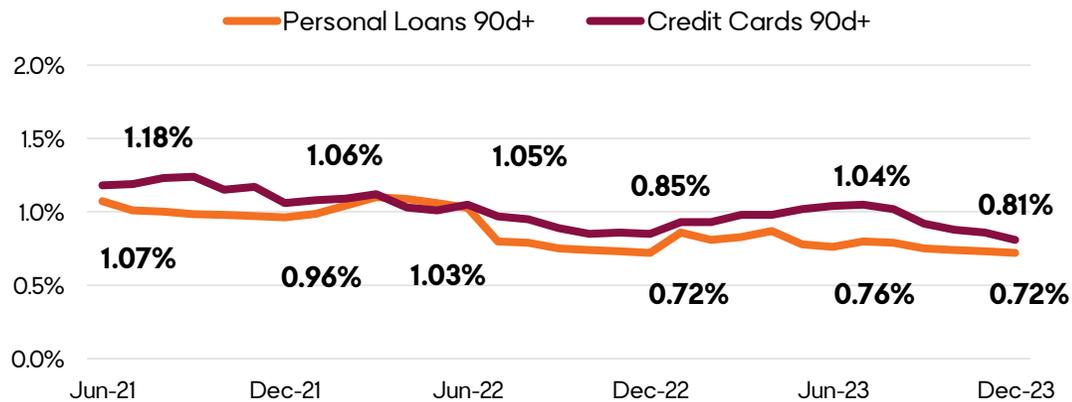
Residential loan arrears



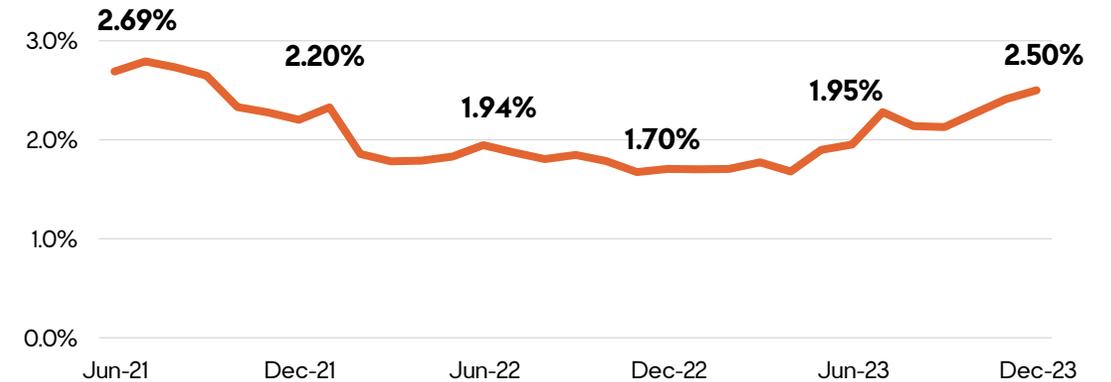
Business loan arrears



Consumer loan arrears



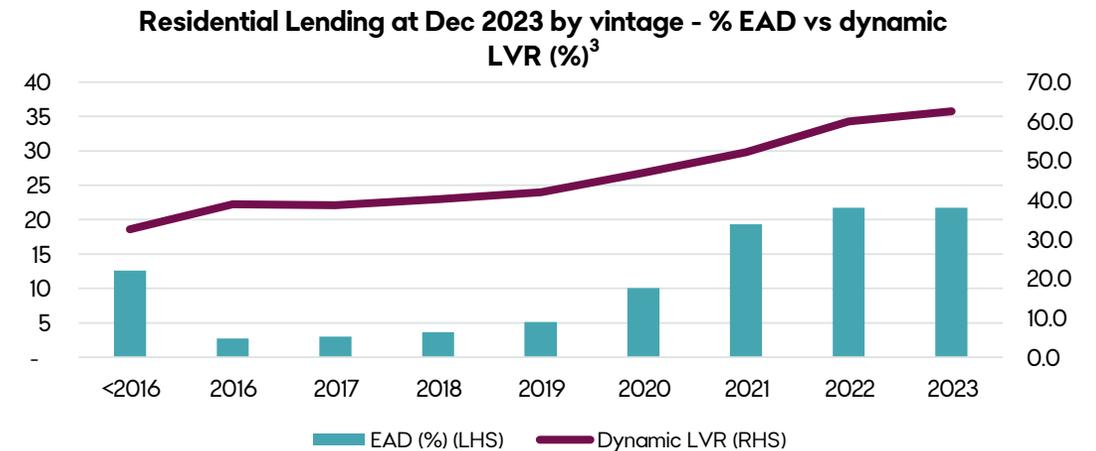
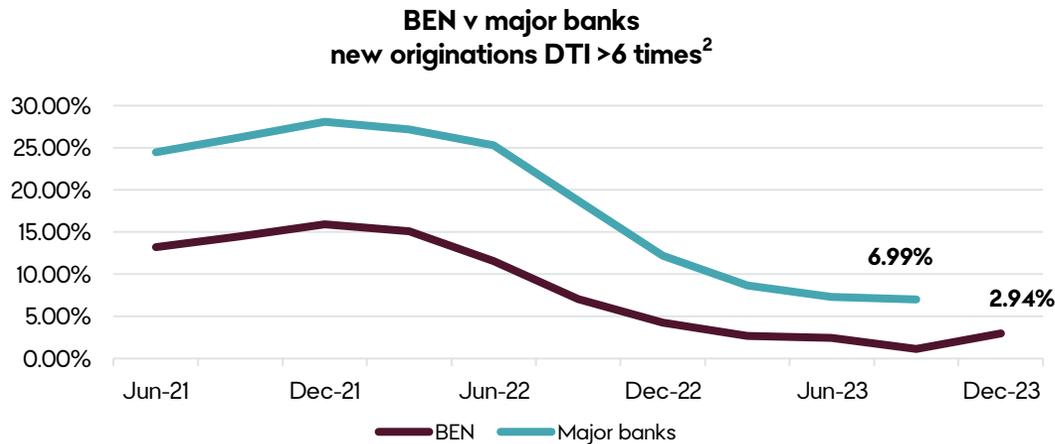
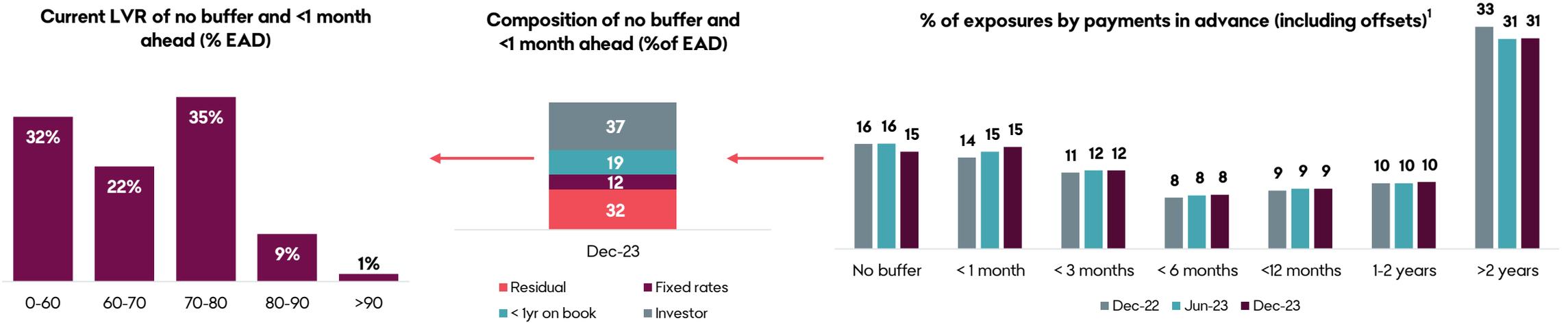
Agribusiness loan arrears



Note: Arrears include impaired assets and all arrangements

Credit quality

Residential loan portfolio remains resilient

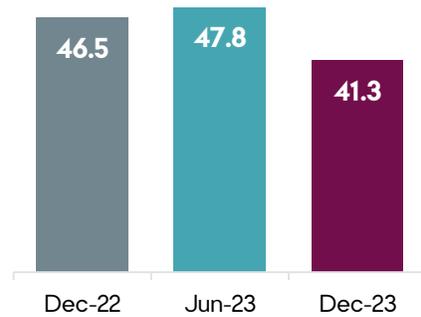


1. Number of monthly payments ahead of minimum monthly payment (based on pre-arrangement); includes offset facilities and excludes HELOC products. Available for Retail, Third Party Banking and Alliance Bank Partners (94% of exposures)
 2. APRA Quarterly authorised deposit-taking institution property exposure statistics - Jun 2021 to Sep 2023 and the Bank's statistics
 3. Dynamic LVR is defined as current balance/current valuation and is not audited (calculated for Residential Security only and excludes Portfolio Funding exposures (0.2% of total EAD))

Specific provisions and impaired assets

Downward trend on impaired balances has continued

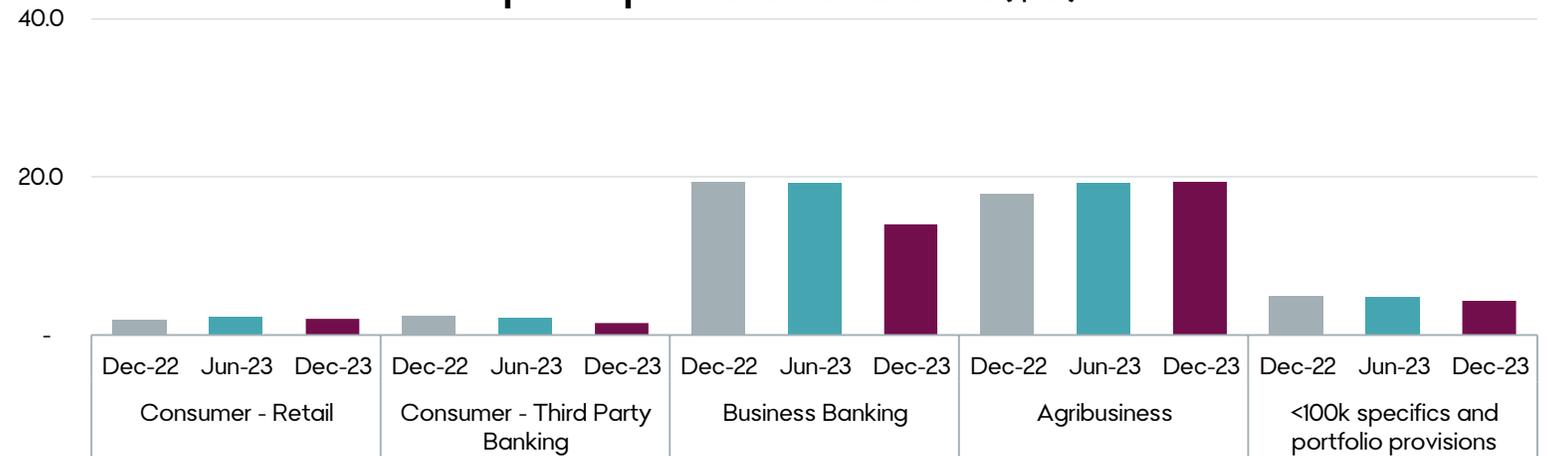
Specific provision balance (\$m)



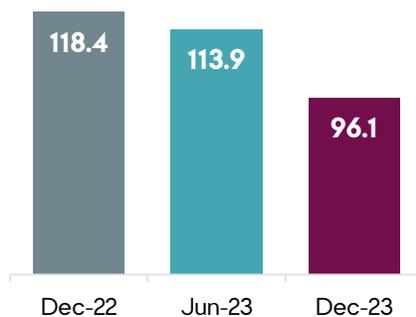
Represented by



Specific provisions breakdown (\$m)



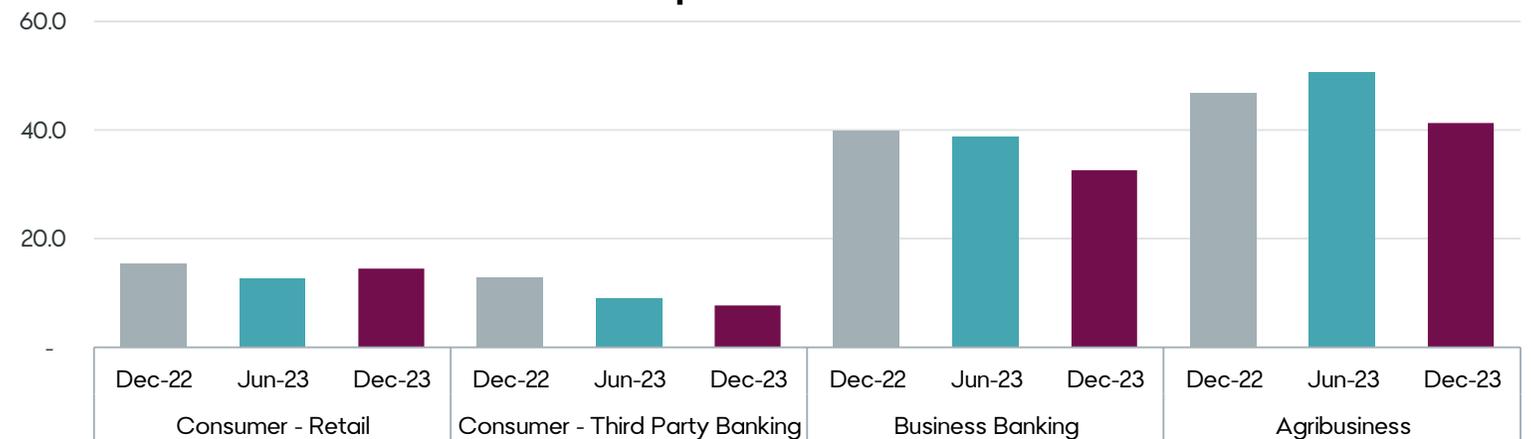
Total impaired balance (\$m)



Represented by



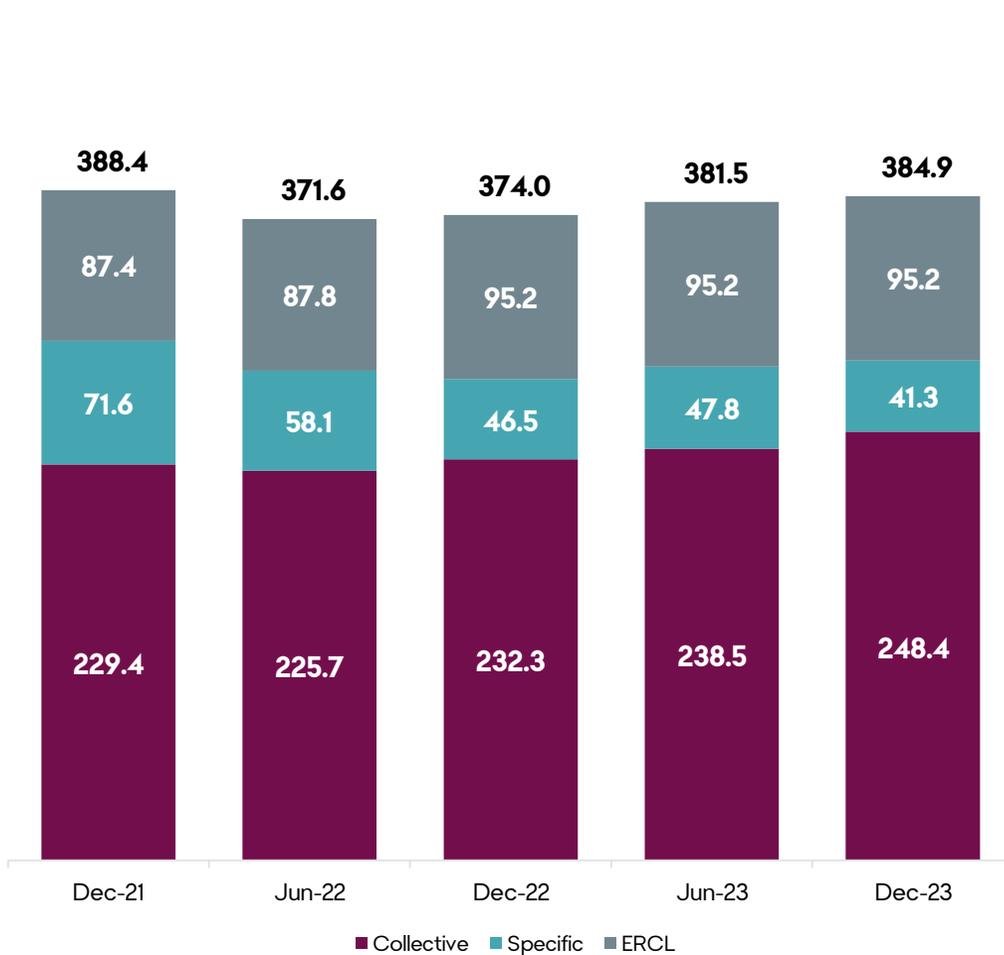
Total impaired breakdown (\$m)



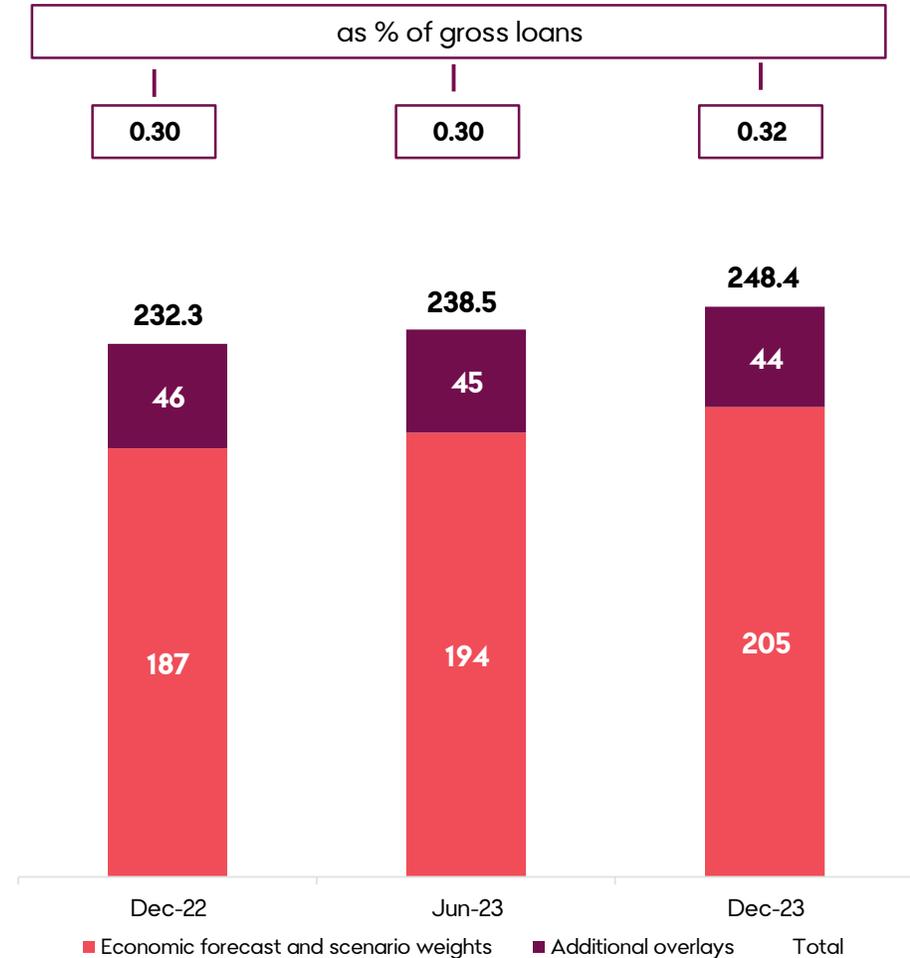
Provisioning

Provisioning remains appropriate for the current uncertainties in operating environment

Total provisions (\$m)



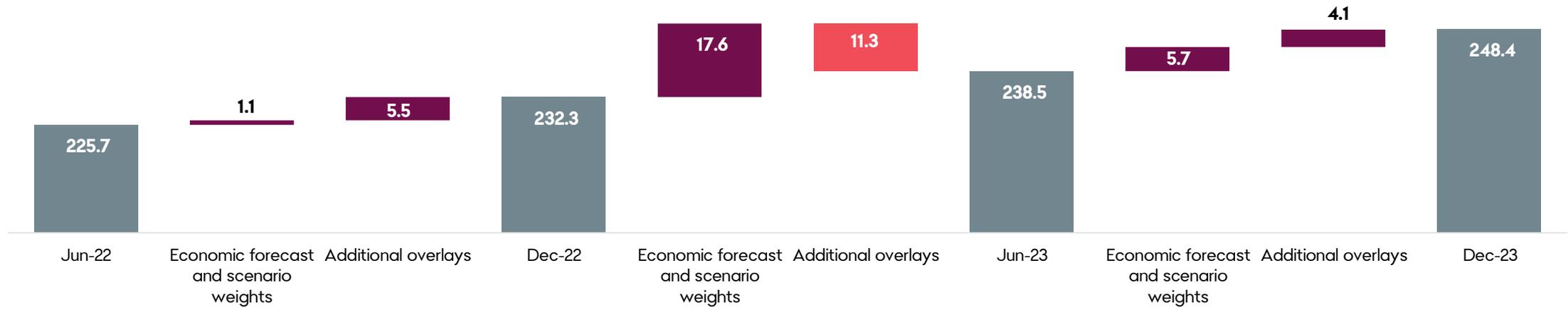
Collective provisions (\$m)



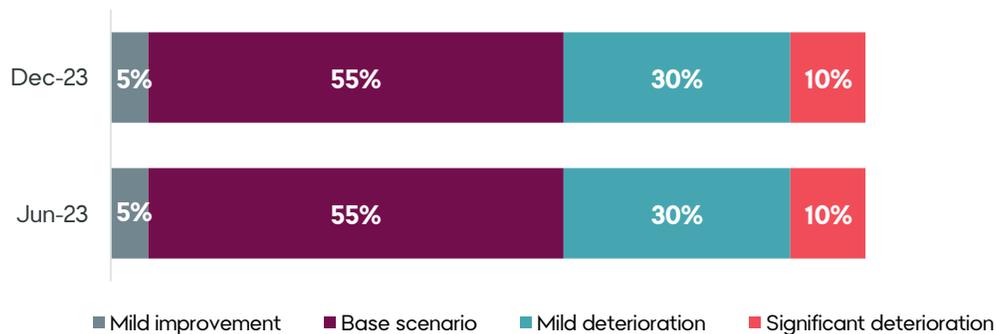
Collective provisions and scenario outcomes

Continued caution is warranted

Total collective provision movements (\$m)



Scenario weightings continue to reflect the level of uncertainty



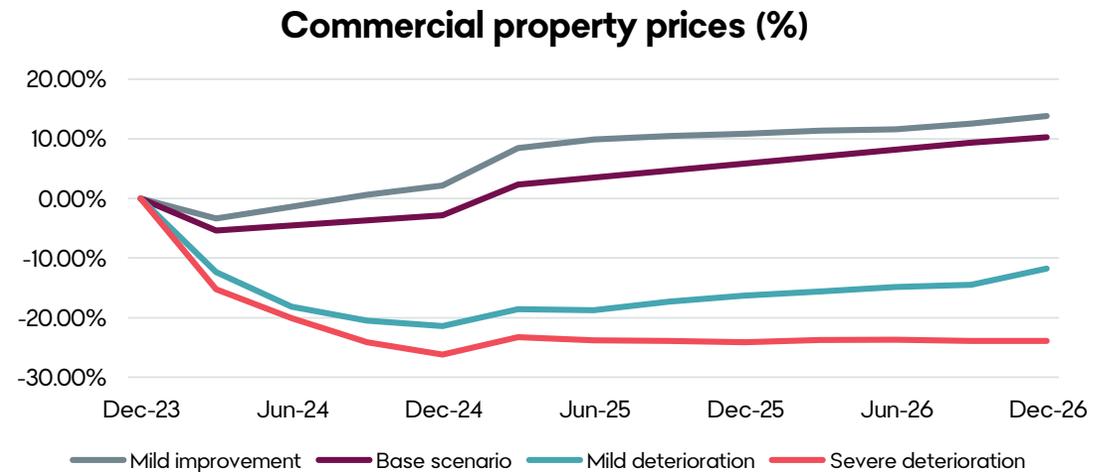
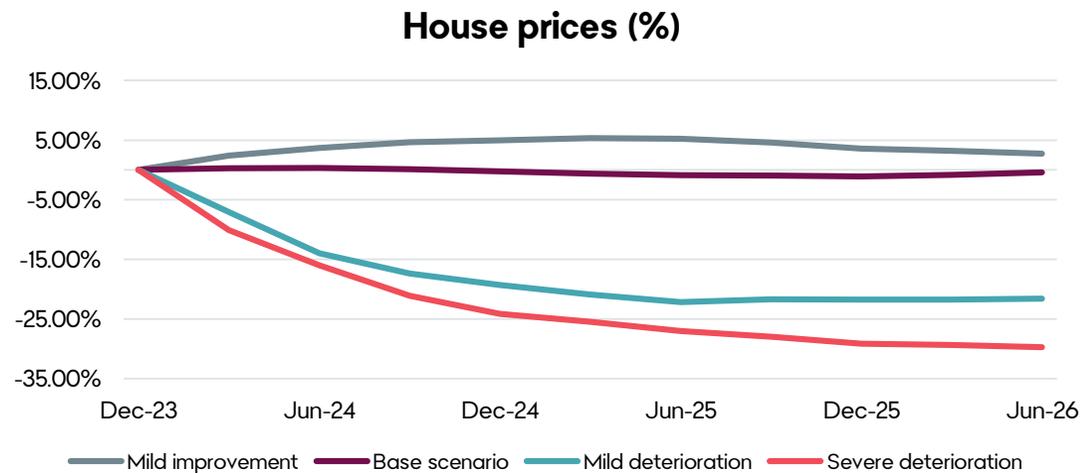
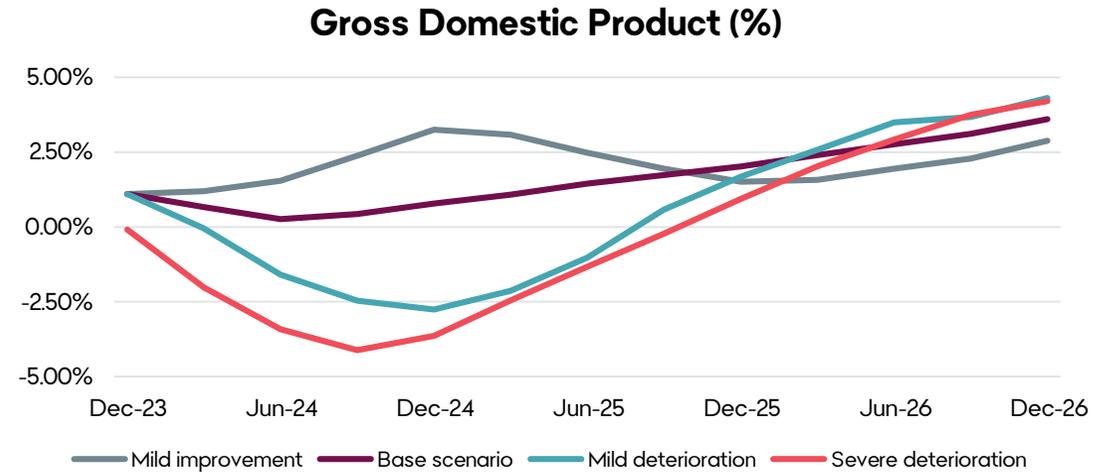
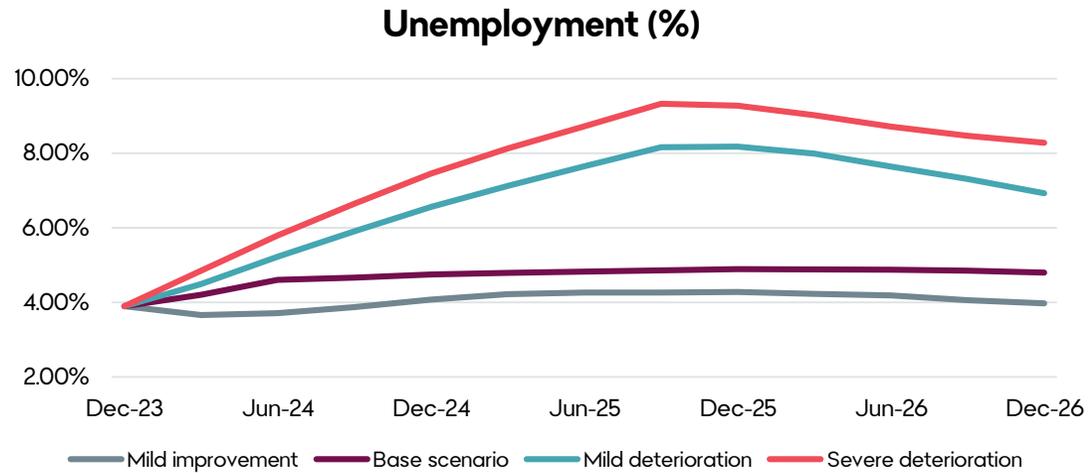
Collective provision - scenario outcomes¹



¹ Excludes GRCL. Scenarios include economic probability weighted ECL and exclude all post model adjustments

Collective provisions and scenario outcomes

Model inputs



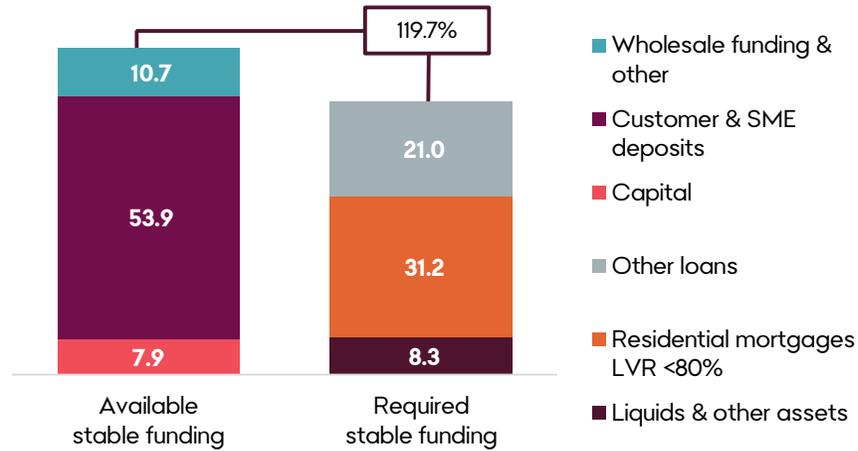
Note: Economic inputs into scenarios as at November 2023

LCR and NSFR

Funding & liquidity ratios remain well positioned

Net stable funding ratio (\$b)

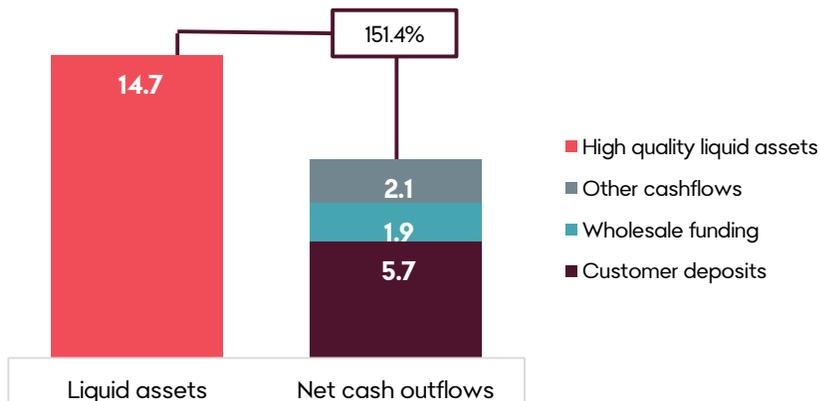
As at 31 December 2023



NSFR full year (%)



Liquidity coverage ratio LCR (\$b)^{1,2}



LCR half year (%)^{1,2}

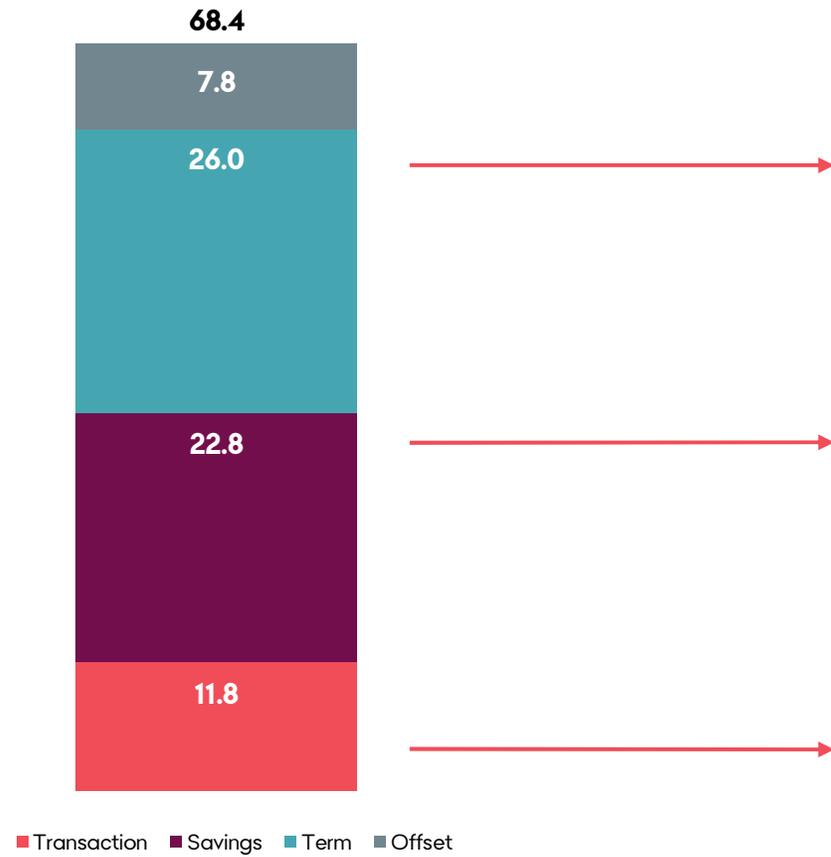


1. The LCRs quoted represent the average daily LCRs during the quarter
 2. BEN repaid \$1.1b of RBA term funding facility borrowings during the half
 3. Includes removal of NCO overlay

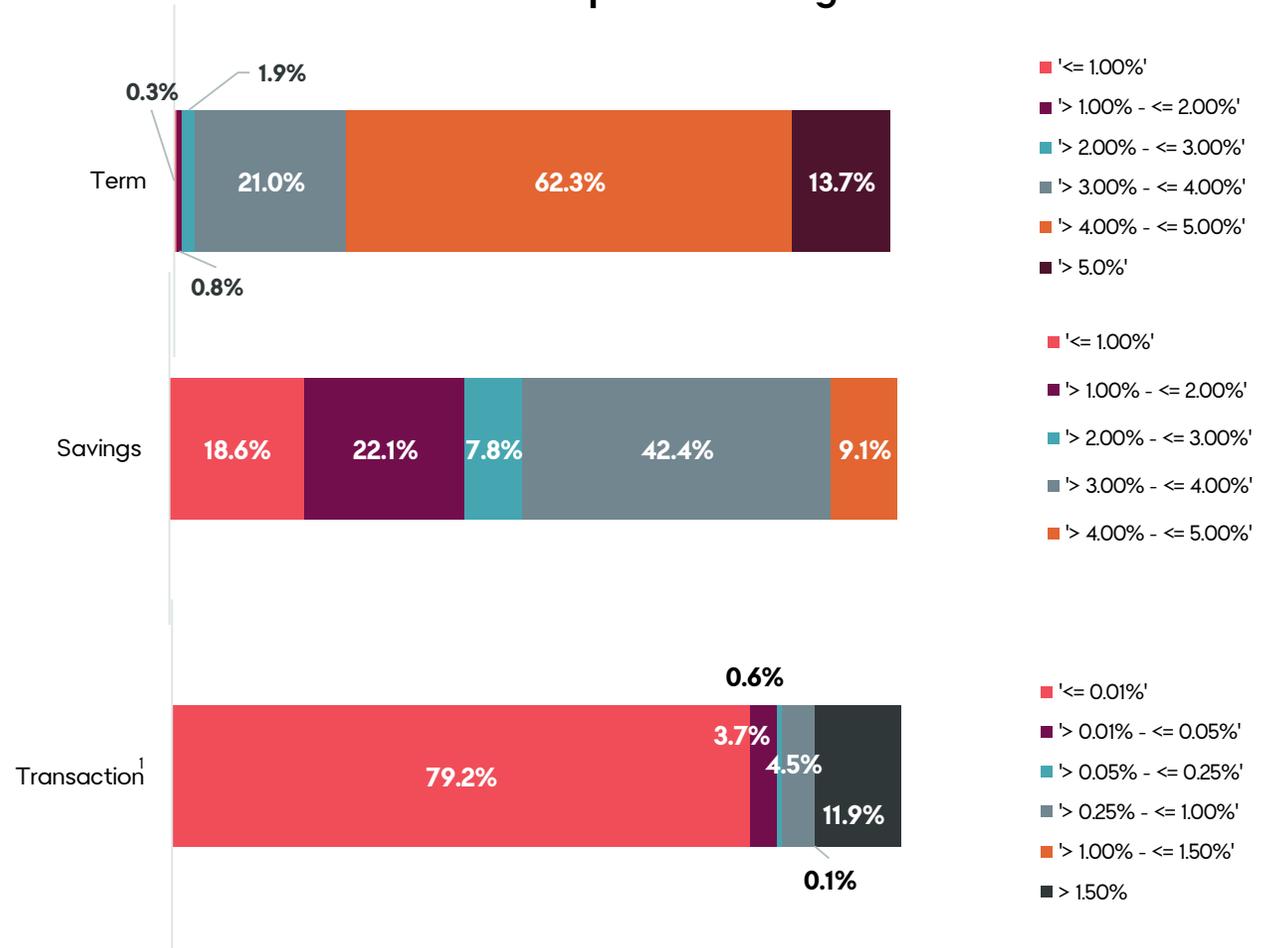
Customer deposits

Split and funding costs

Customer deposit - split (\$b)



Customer deposit - funding costs



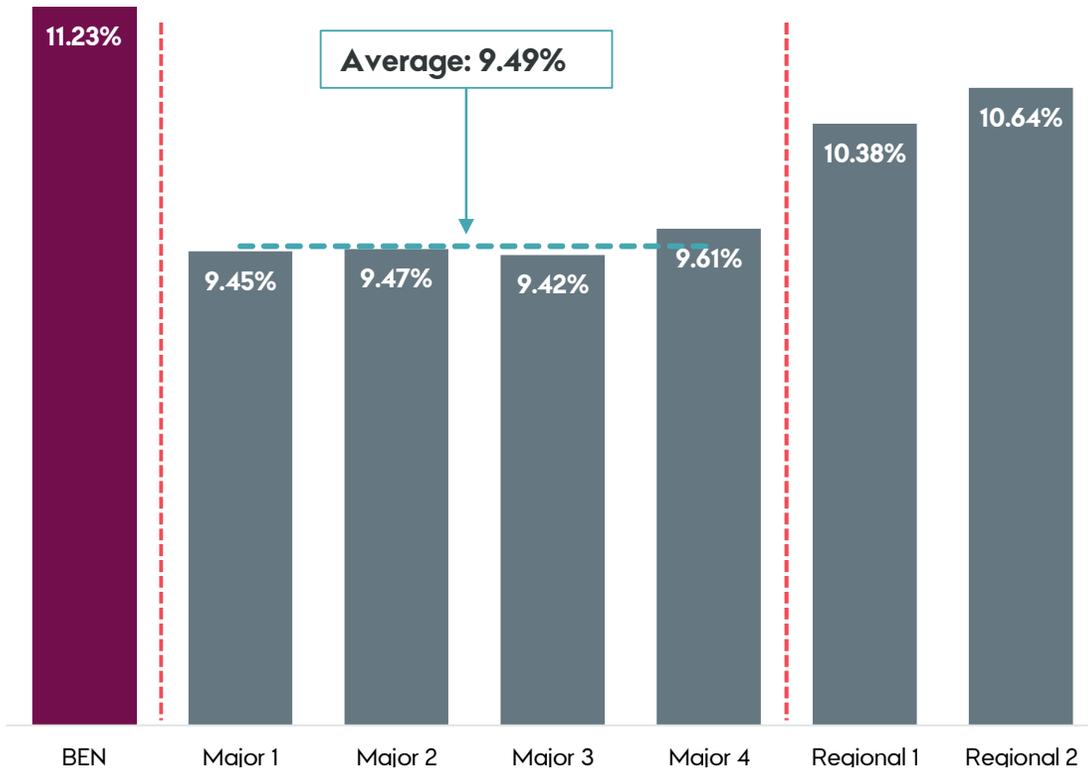
¹ >1.50% interest rate band in transaction accounts mainly relates to State Government regulated trust accounts

Capital

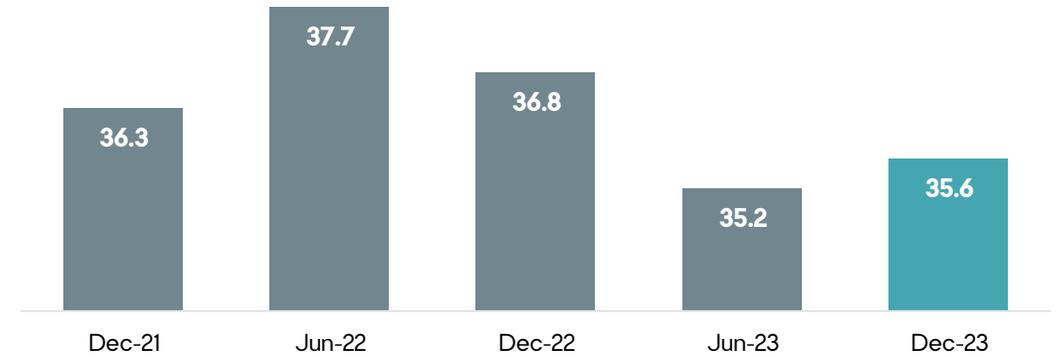
Continued strengthening in ratios

CET1 ratio - using standardised RWA¹

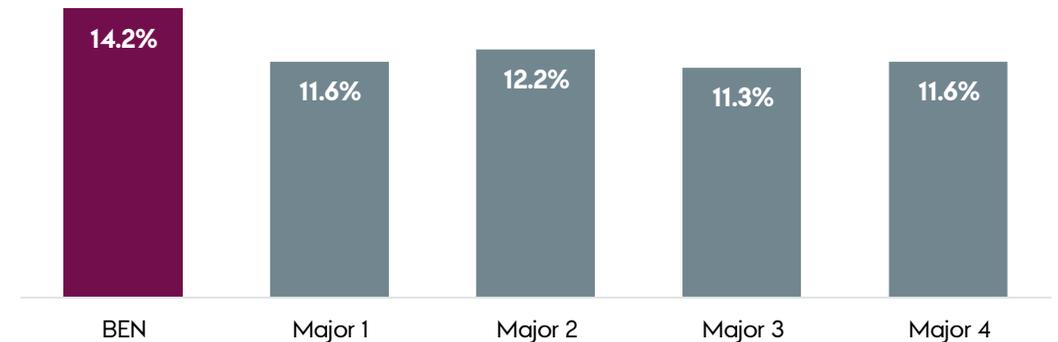
■ CET1 ratio - standardised - - - CET1 standardised - avg of peers



Credit risk weighted assets (\$b)



S&P RAC Ratio²



1. The peer comparisons are sourced from public disclosure as of last reporting period

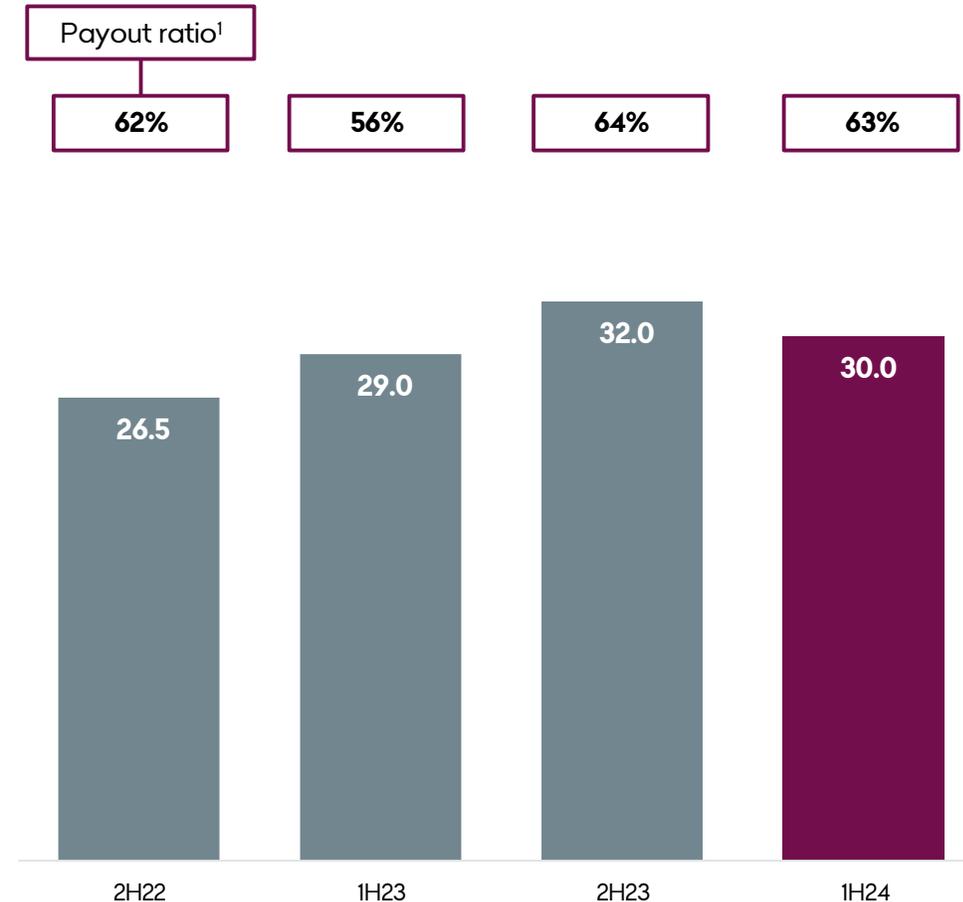
2. Standard & Poor's RAC Ratio, Major 1 as at 31 Dec 2022, Major 2, & 4 as at 30 Sep 2022, Major 3 as at 31 Mar 2023 & BEN as at 30 Jun 2023

Dividend

Increasing returns for shareholders

- 1H24 dividend up 3.4% on 1H23
- Dividend levels continue to be managed across the year
- Target payout ratio 60-80%
- Strong CET1 capital position provides flexibility

Dividends (cents per share)



¹ Dividend payout ratio calculated on a cash basis

Important Information

This document is a presentation of general background information about the Group's activities current at the date of the presentation. It is information in a summary form and no representation or warranty is made as to the accuracy, completeness or reliability of the information. It is to be read in conjunction with the Bank's half year results filed with the Australian Securities Exchange on **19 February 2024** and the Bank's other periodic and continuous disclosure announcements. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.

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Our reporting suite

Reporting our progress

We continue to grow trust through governance, authentic engagement and transparent disclosure



Annual Report



Corporate Governance Statement



Modern Slavery Statement



Sustainability Report, including Climate-related Disclosure and ESG Data Summary

Prioritising our approach

We leverage a range of global and domestic frameworks and guidance to focus on the risks and opportunities that matter



Global



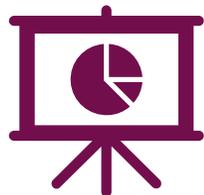
National



Local



Shareholder centre



[1H24 Results Presentation](#)



[Annual Financial Report](#)



[Sustainability Report](#)



[Investor Calendar](#)



[Corporate Governance Statement](#)

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