

2024 Investor Day

23 May 2024

Bendigo and Adelaide Bank Limited (ASX:BEN) provides the attached Investor Day presentation. A video recording of the event will be made available at the Bendigo and Adelaide Bank website www.bendigoadelaide.com.au on 24 May 2024.

Approved for release by:

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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)

Investor day

23 May 2024

01

Introduction

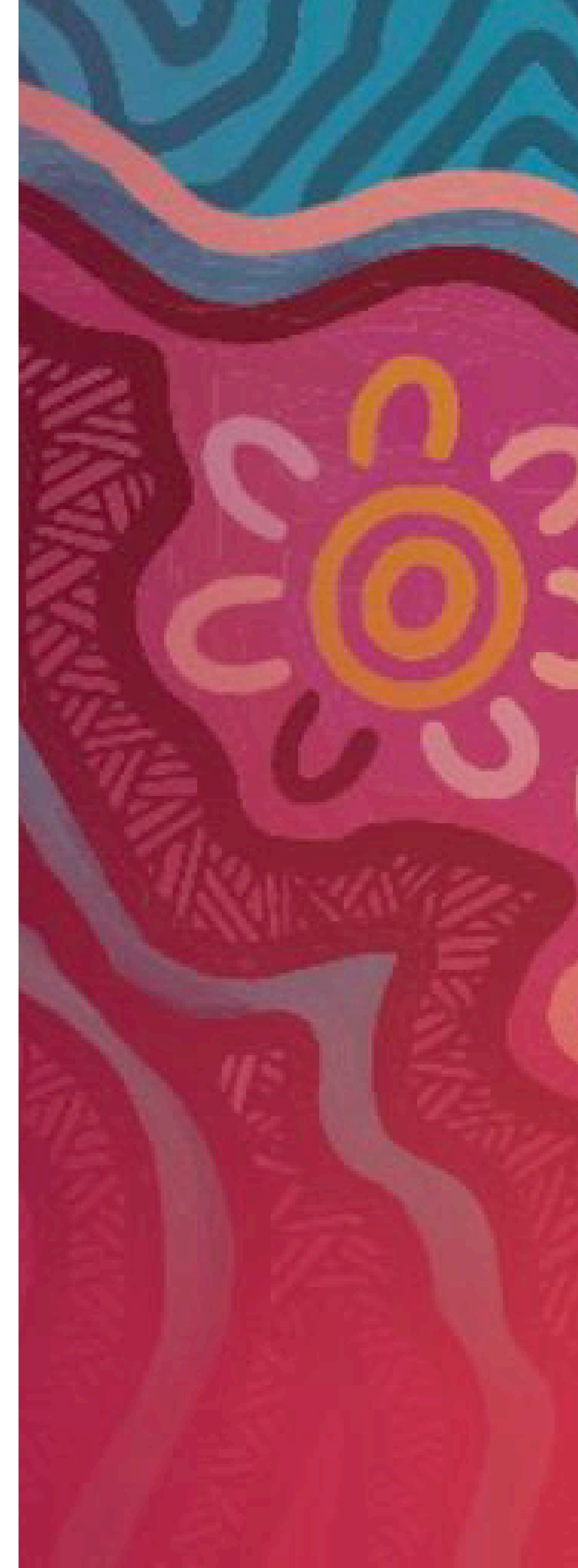
Sam Miller, General Manager Investor Relations & ESG

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 Peoples 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.



01

Introduction

Sam Miller, General Manager
Investor Relations & ESG

02

BEN's Strategy

Marnie Baker, Chief Executive Officer and
Managing Director

03

Transformation execution

Ryan Brosnahan, Chief Transformation Officer

04

Breakouts & Highlights

Business & Agri

Adam Rowse, Chief Customer Officer
Business & Agri

Veronica Viola, General Manager Strategy,
Transformation & Execution

Bendigo Lending Platform

Richard Fennell, Chief Customer Officer, Consumer

Janelle Wehsack, Lead Bendigo Lending Platform

Darren Kasehagen, General Manager Third Party Banking

Up

Xavier Shay, Chief Executive Officer, Up

Ryan Brosnahan, Chief Transformation Officer

05

Pathway to target ROE

Andrew Morgan, Chief Financial Officer

06

Q&A Session

07

Closing

Marnie Baker, Chief Executive Officer
and Managing Director

02

BEN's strategy

Marnie Baker, Chief Executive Officer and Managing Director



Marnie Baker

Chief Executive Officer and
Managing Director



Ryan Brosnahan

Chief Transformation Officer



Andrew Morgan

Chief Financial Officer



Louise Tebbutt

Chief People Officer



Taso Corolis

Chief Risk Officer



Richard Fennell

Chief Customer Officer,
Consumer



Adam Rowse

Chief Customer Officer,
Business & Agri



Bruce Speirs

Chief Operating Officer

Strength

Balance sheet

Capability

People, infrastructure and risk management

Differentiation

Trust, community and regional values



Shaping the future of banking — our strategy

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

Vision

Australia's bank of choice

Purpose

To feed into prosperity, not off it

Imperatives



Reduce complexity



Invest in capability



Tell our story

Optimisation

2024

2027

2028



Reduce complexity

Continued investment in core technology

Data cloud migration; Business and Agribusiness; Productivity



Invest in capability

Leveraging digital capability

Up; Digital deposits; Bendigo Lending Platform



Tell our story

Build on our advocacy to help support growth

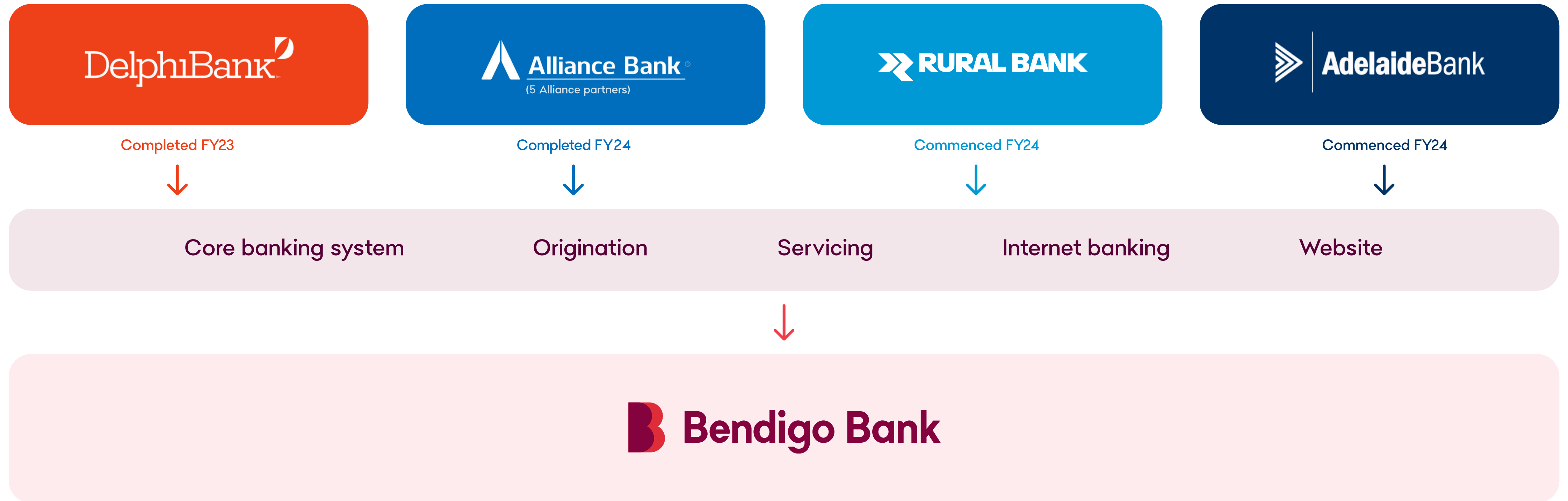
Leverage advocacy in Bendigo brand to deepen share of wallet and reduce acquisition costs; Better leverage the Community Bank Model for Business and Agri

03

Transformation execution

Ryan Brosnahan, Chief Transformation Officer

Reducing complexity — from many to one



Customer benefits


- Access to broader product range
- Increased service offering via branches, phone and web
- Enhanced digital experience
- Easier to deal with
- Ongoing investment in customer experience


Business benefits

- Unlocks power of Bendigo brand advocacy
- Increased efficiency through one central system
- Improved risk profile
- Standardisation of processes and products
- Cost out and avoidance

Modernising our technology — building an agile and efficient bank

 **~50%**
reduction
650 → 328 applications

 **43%**
migrated
1% → 43% applications

 **54%**
API reuse
0% → 54% applications

The data above reflects: 1 April 2020 to 30 April 2024

IT Application simplification

~50% reduction in number of supported business applications through enterprise solutions.

Cloud migration

187 business applications have been migrated or established in Cloud realising inherent benefits such as scalable performance and resilience.

API Modernisation

182 API enabled applications, unlocking seamless, secure information sharing to both internal and external consumers.

Accelerating our digital capabilities — digitising key customer journeys

Saving 

Home lending 

Everyday banking 

Business lending 

 **Bendigo Bank**

'Digital by design, human when it matters' experience

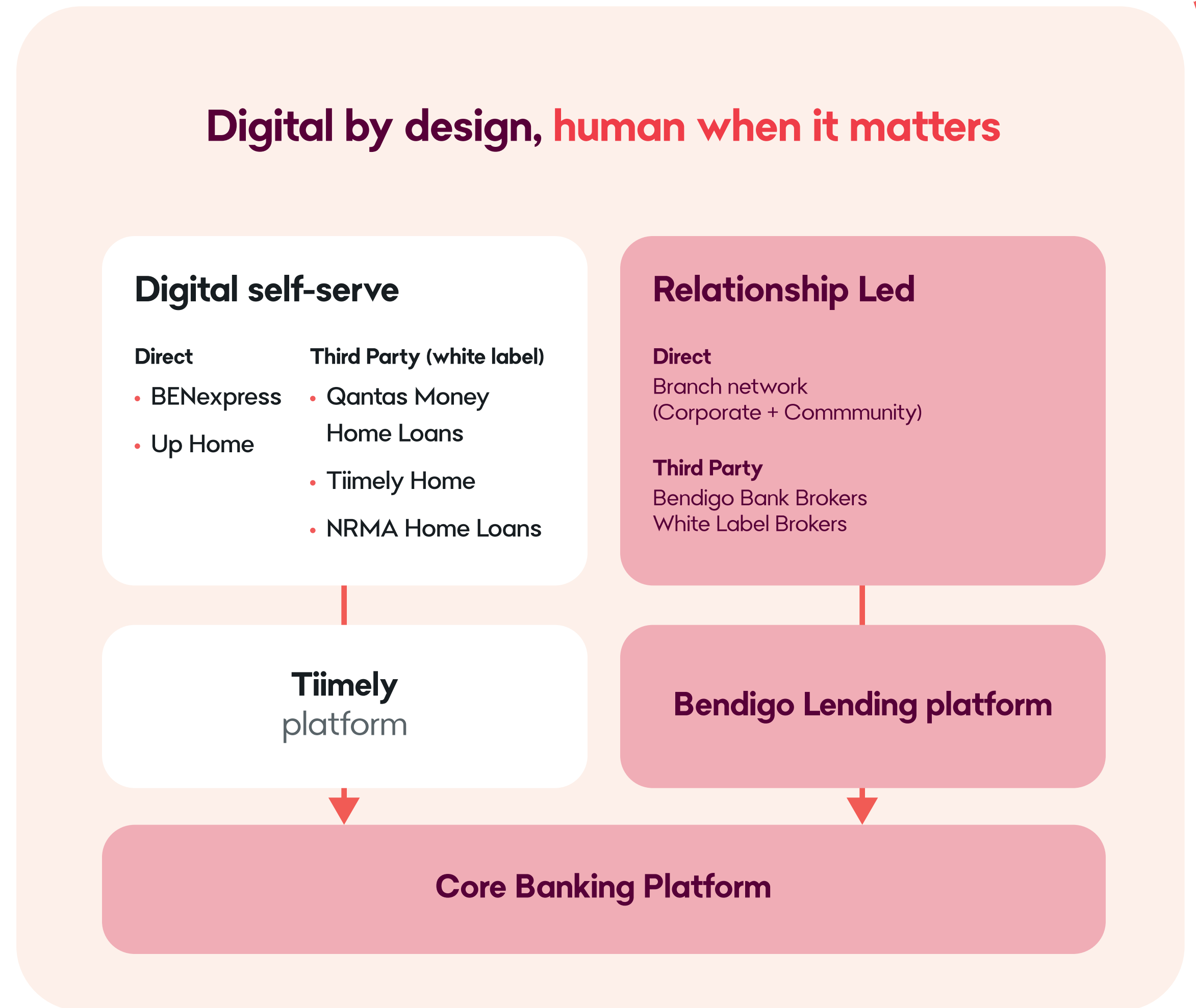
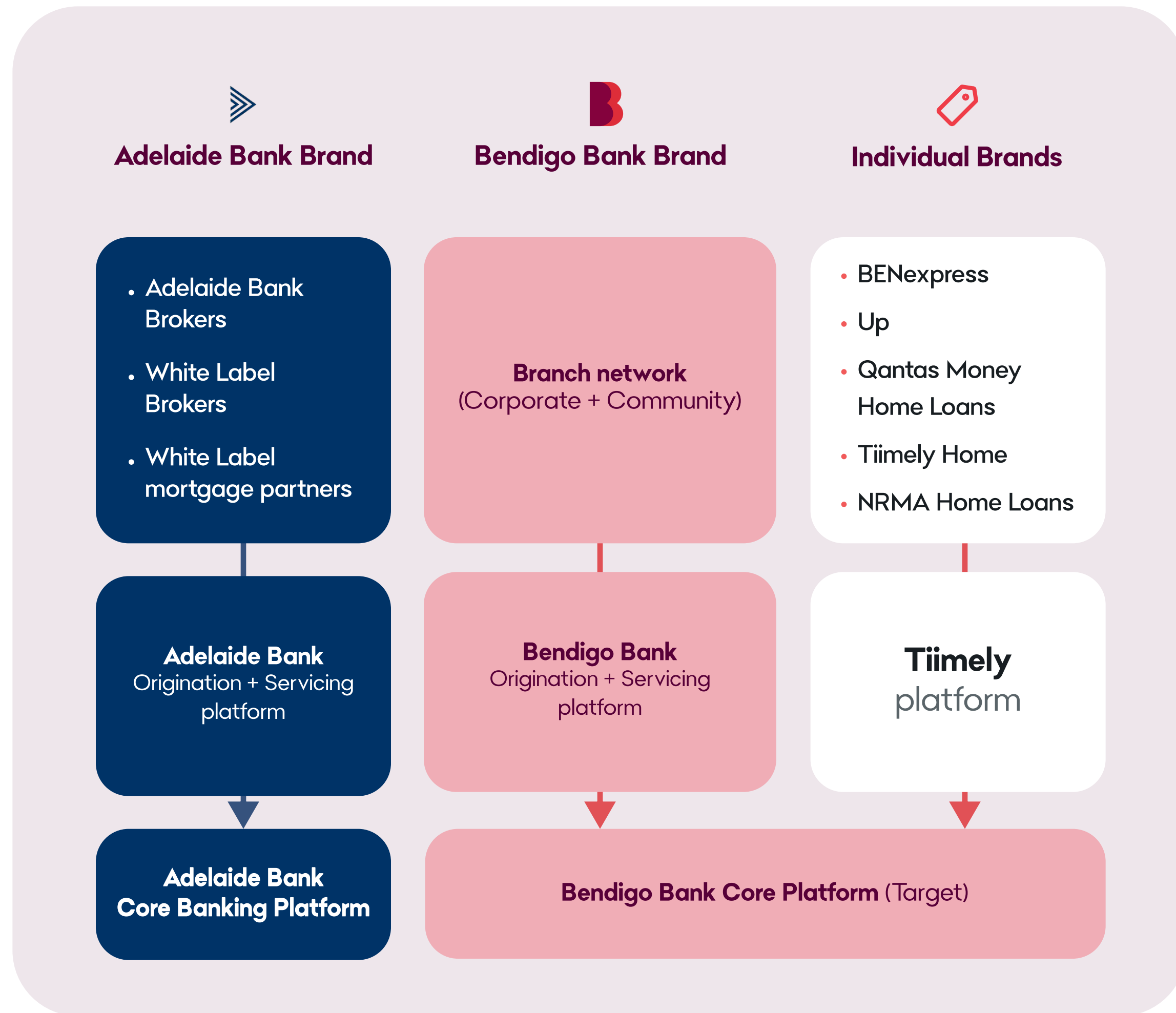


Market leading digital-only experience

Accelerating our digital capabilities — mortgage channels

Current state

transforming to → **Target state**

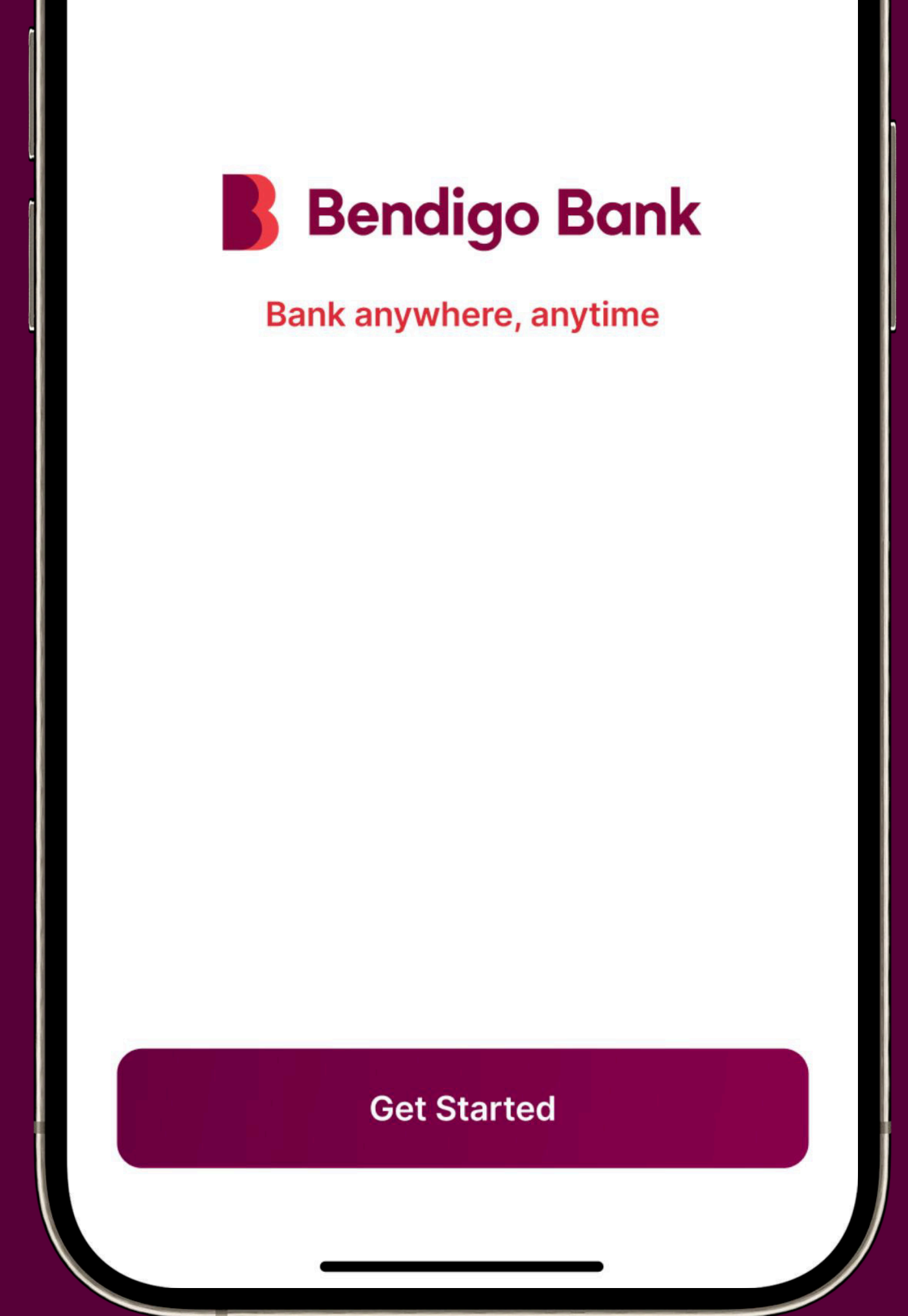
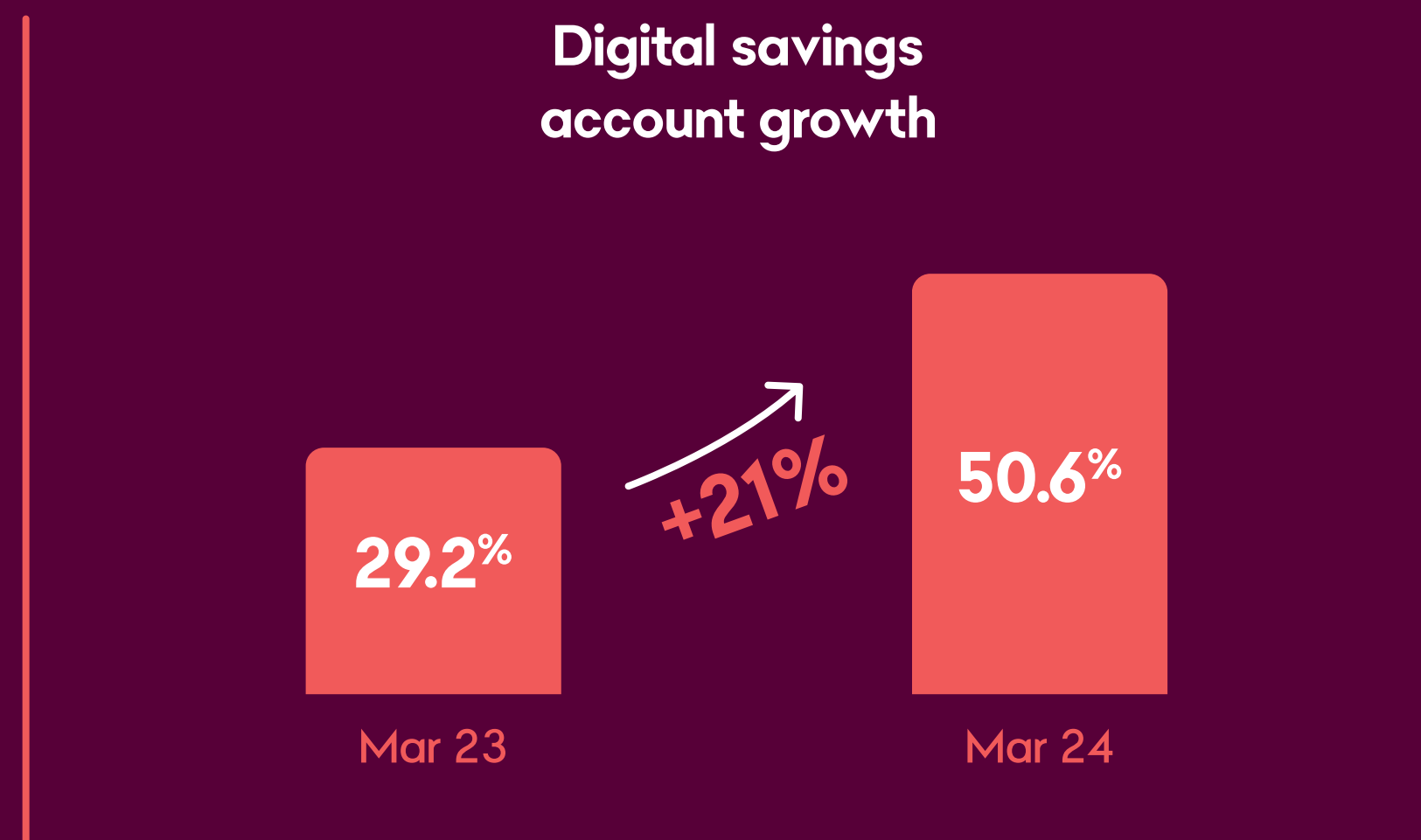
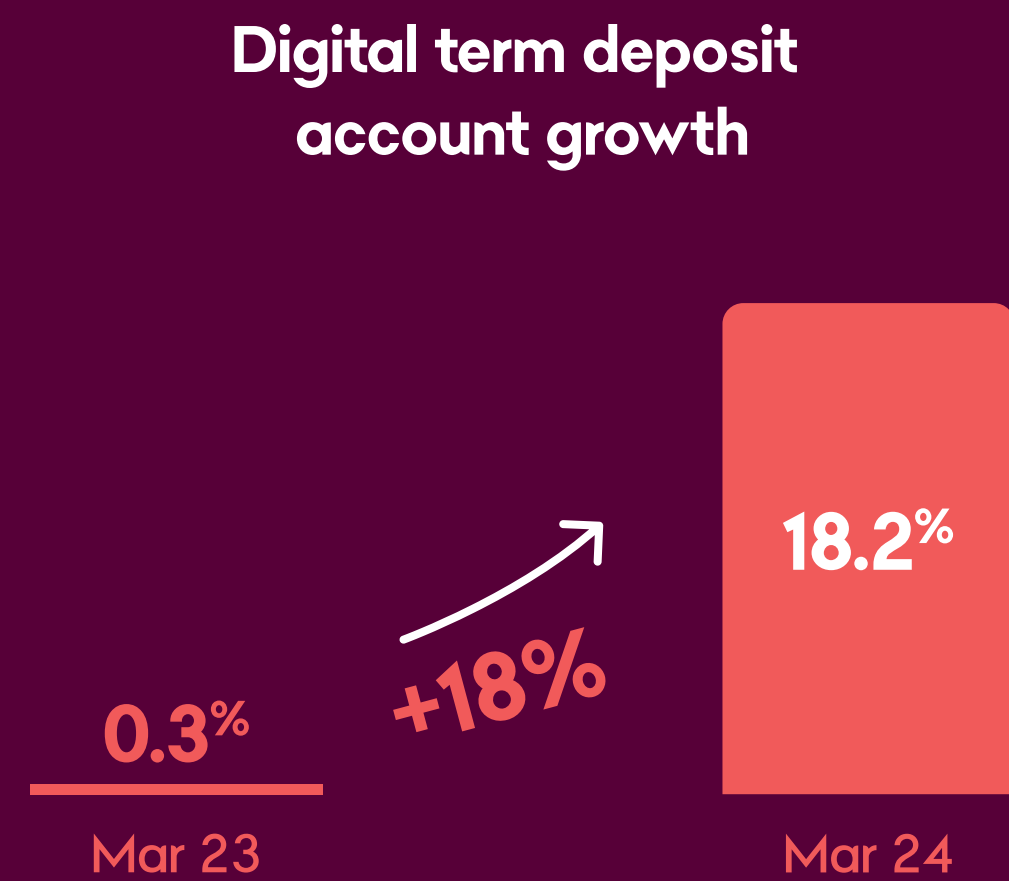


Shared digital capability

powering all our channels



Accelerating our digital capabilities — sales



In-app 'join the bank' experience coming next

04

Business & Agri

Adam Rowse, Chief Customer Officer Business & Agri

Veronica Viola, General Manager Strategy, Transformation & Execution

We haven't kept pace with commercial lending growth



Our customers and propositions

Limited capability to support a shifting customer preference to digital and broker channels.



Our people

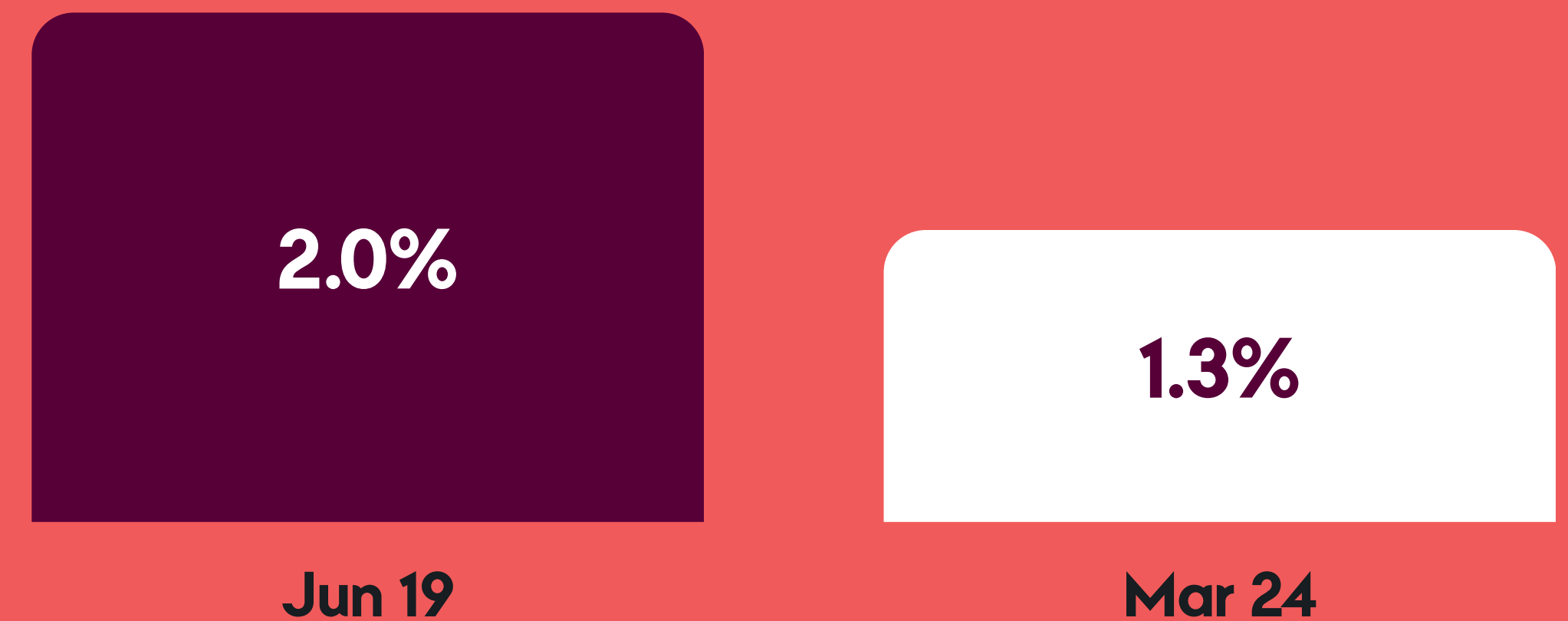
Customer facing bankers completing the full customer experience reducing the ability to scale.



Our systems and processes

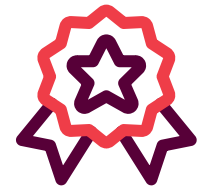
Fragmented systems and processes contributing to slower turn-around times and manual processing effort.

BEN market share — non-financial businesses¹



¹APRA Monthly Authorised Deposit-Taking Institution Statistics March 2024.
BEN market share calculated by dividing BEN's portfolio by total of all ADI's for the relevant asset.

We have identified our key growth markets and where we will focus our energy



Trusted brand

Our brand, and community and regional connections are enviable strengths to grow from.



Deepen relationships

Making it easier for our existing customers to access our products and services represents a material opportunity.



Customer advocacy

We are proud to be a 'relationship bank', and know how customers want to engage with their bank is changing.



Growing with customers

We believe in supporting the microbusinesses of today to achieve their goals and become the SMEs of tomorrow.



We resonate strongly with Australian microbusinesses, currently banking circa 9%.

Circa 50% of Australian businesses access lending products via a broker.

We are building a sustainable business and agri bank, investing in the foundations

01

Simplification

Operating model readiness, simple policy and process improvements.

02

ABC Platform

Implement market leading CRM and origination platform from Salesforce and nCino.

03

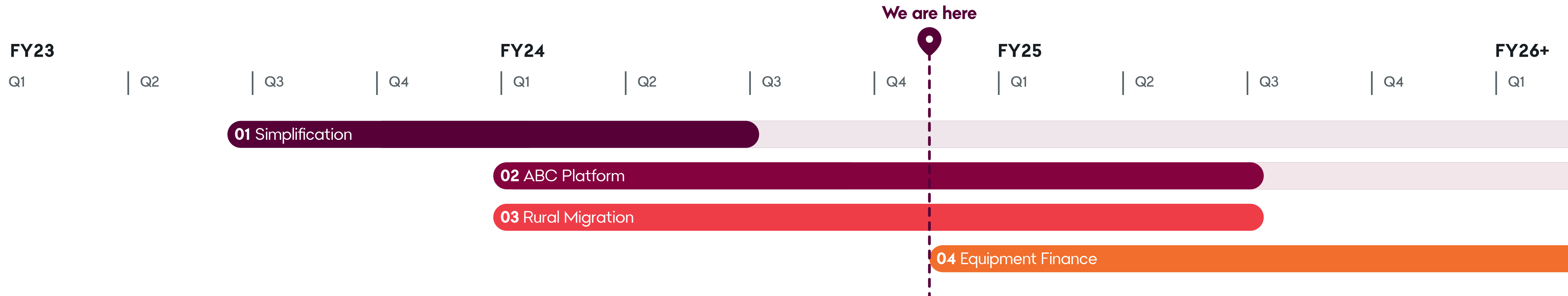
Rural migration

Consolidate core systems, e-banking platforms and CRM.

04

Equipment finance

Implement new EF platform and accelerate growth.



Empowering what we do best

Our transformation will enable us to better leverage our strengths and uplift organisational agility.

Transforming operations

Our transformation is comprehensive, addressing all dimensions of our operating model.

Market leading solutions

We are partnering with experts to deliver proven solutions appropriate for commercial customers.

Our aspiration for the business and agri bank spans three horizons

building foundations

FY24+

Aligned and compelling proposition

Aligned and simplified operating model

Designing and refining our

Customer proposition

 Target Markets  Brand

 Products and Services

 Channels

Operating model

 Structures and roles  Culture

 Systems and processes

 Digitisation and automation

growing at system

FY26+

Curated experiences for our target markets

Streamlined and scalable operating model

leading

FY29+

Most trusted business and agri bank

Digitally enabled and high performing operating model

The transformation tracks progress across target markets, customer value proposition, operating model and is underpinned by clear actions and measurable outcomes.

04

Bendigo Lending Platform

Richard Fennell, Chief Customer Officer, Consumer

Janelle Wehsack, Lead Bendigo Lending Platform

Darren Kasehagen, General Manager Third Party Banking

The new Lending Platform makes life easier for our customers, staff and partners

Reduce our complexity

- Retiring legacy brands
- Consolidating core banking systems
- Allows us to offer Bendigo Bank branded products to the broker market

Modernise our technology

- New technology and improved functionality and capabilities
- Providing consistent credit decisioning for customers
- Enabling operational excellence, increasing productivity and efficiency

Digitise our customer experience

- Reducing lending decision time
- Enhancing application and onboarding process for customers, with better access to Bendigo Bank products, services and support
- Growing our target customer segments

Brand

New Bendigo Bank Broker sub-brand in market.

Process and policy

Reviewed every lending process, digitised 200+ credit policy rules to support automation enabling Digital by design, human when it matters.

Product

New Lending Product across both retail and third party channels.

Operating model

Changes to structures, roles, accountabilities to maximise efficiency.



**integrated consumer
lending platform**

Foundational capabilities –
collaterals, document
management, product and
pricing, Partner Relationship
Management, commissions.

Launched trial of the Lending Platform — November 2023

6 minutes vs 5 days

Time to conditional approval (median)

 **30%**

more efficient

Full time equivalent staff in processing centre

 **22%**

faster

Time to unconditional approval (median)

 **60%**

uplift

Applications per day

 **44%**

uplift

Loans passing automatic checks

Our brokers love how we've made things easier for them

“My customers are fully aware of who Bendigo Bank is, knowing they are one of Australia's most trusted Brands. This is compelling, it makes it a very easy conversation when providing lender comparisons for selection to our customers, already accustomed with the Brand and far greater level of trust”
— **David**

“My customers have loved how simple and easy it's been with Bendigo, the post settlement care and welcome call has also been great and has actually taken place”

— **Nicole**

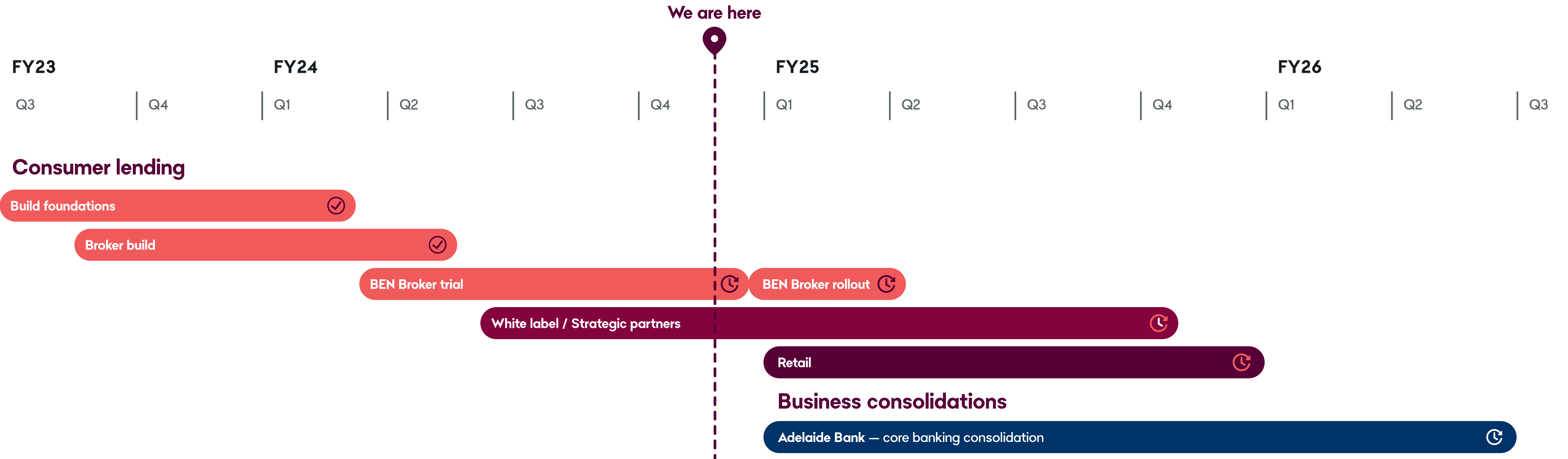
“One of my applications with Bendigo Broker was formally approved within a couple of hours, it was simple and easy and I couldn't believe it”

— **Craig**

“The story of Bendigo Bank and their focus on giving back to the community really resonates with customers and strengthens our brand being able to partner with you as a lender”

— **Sharon**

Today, tomorrow, and the future of the Lending Platform



Current state

- Multiple teams and roles on credit assessment process
- 0% automated assessment tasks / credit decisioning
- Significant time undertaken for assessment and verification
- Manual credit experience with inconsistent policy interpretation

where we are going →

Future state

- Consistency for customers with 'one way, same way' credit assessment across all channels
- 80% automated assessment of credit decisioning and workflow to drive efficiency
- Manual reviews by exception only
- Customer interactions focus on deepening of relationships

04

Up

Xavier Shay, Chief Executive Officer, Up

Ryan Brosnahan, Chief Transformation Officer



LOCKED SAVERS
Financial Wellbeing

\$105M+

Held in 35,000+ Locked Savers



2UP
Joint Accounts

26%

Of active Upsiders¹ have 2Up joint accounts



UP HOME
Mortgages

\$500M+

In Identified Home Savings².
\$370M+ in settled Up Home Loans



SAVE UP 1000
Savings Habit Creation

190,000+

Upsiders started, 17,000+ Completed.
~\$27M saved



MAYBUY
Save Now, Buy Later

\$1.7M

Impulse purchases avoided, 37% of maybuys



¹ An “Upsider” is a customer with a regulated bank account

² Deposits in Home Saver feature, including customer-reported external deposits.



\$155B+

Transactions completed since launch



#1

Highest rated banking app¹



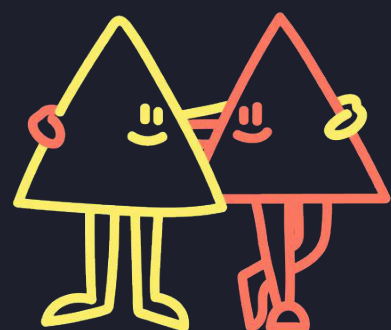
\$2.0B+

Deposits Balance



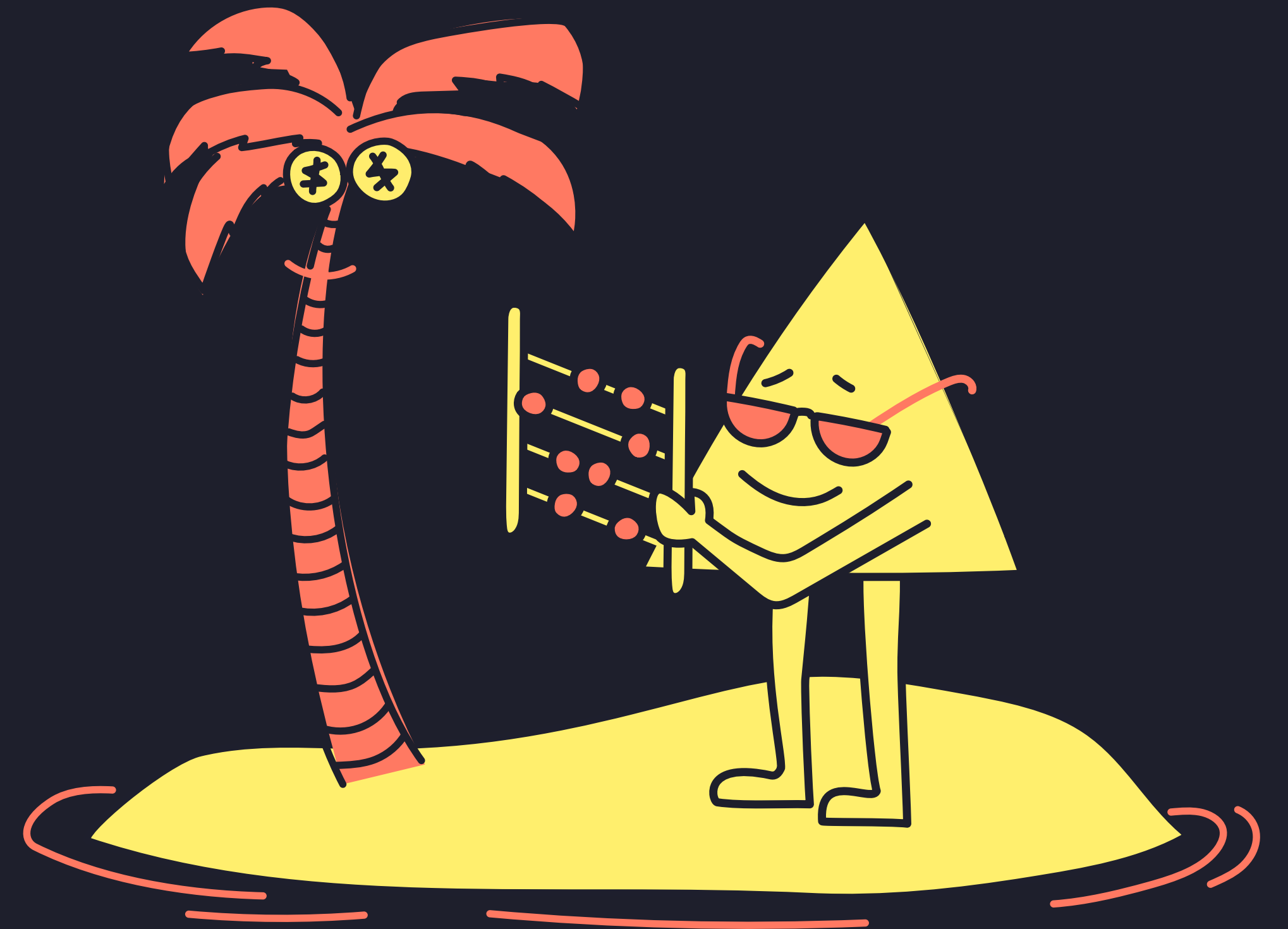
27%

Year-on-year growth. 840k+ Upsiders



80%

Word-of-mouth growth², <\$50 CPA³



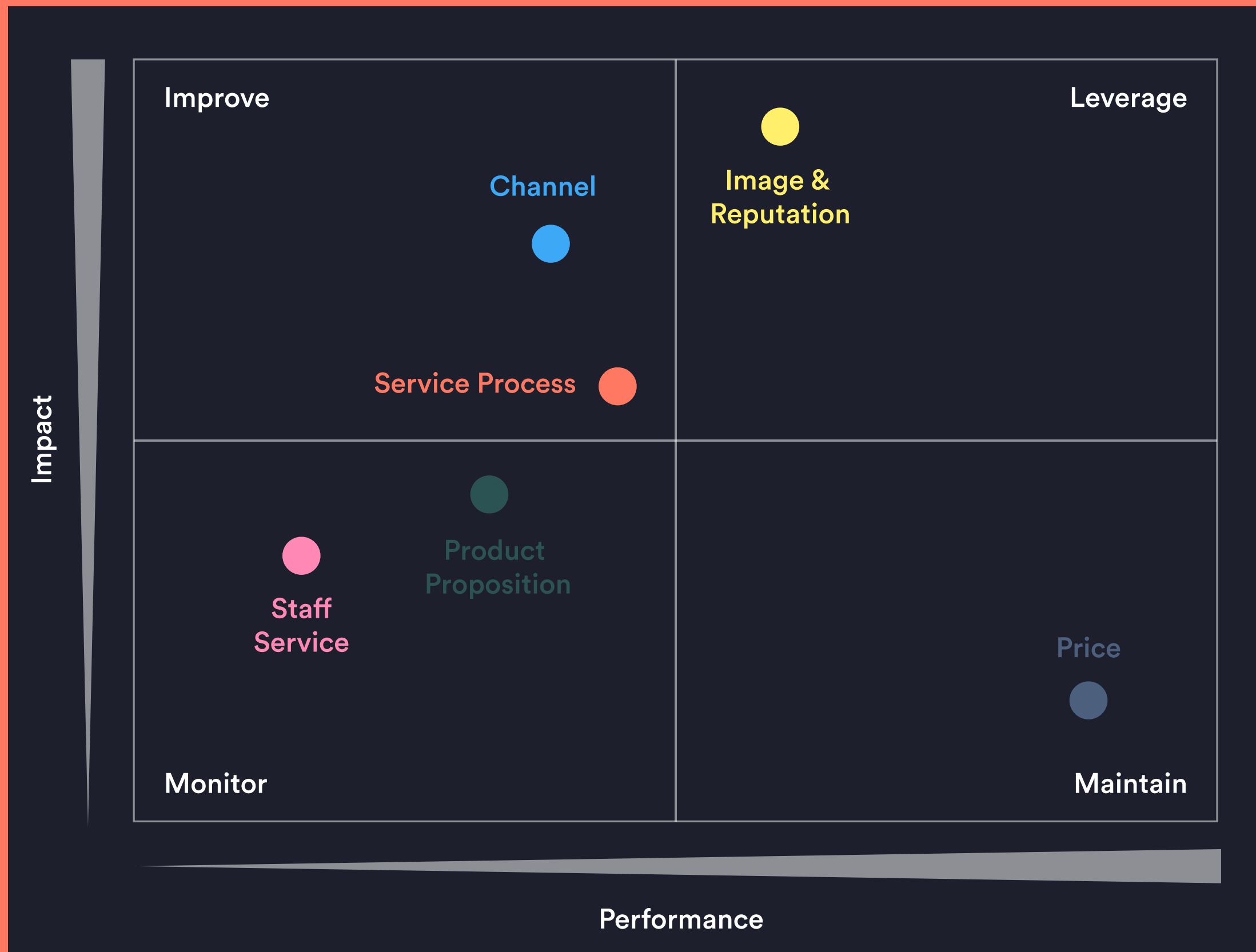
¹ Up rated 4.9 and 4.8 in App & Play stores respectively at 1-May-2024

² Customer-reported via in-app signup survey

³ Based on total marketing costs

Why do customers love us?

Tier 1 Drivers of Advocacy - All Up Customers



"This is my favourite app- you guys do such an incredible job making banking and saving FUN!"

"i have adhd and this is the only thing i've done consistently for the last year, it's bright and fun and cute and forgiving and small enough and big enough as a responsibility; it's almost like y'all engineered it for adhders."

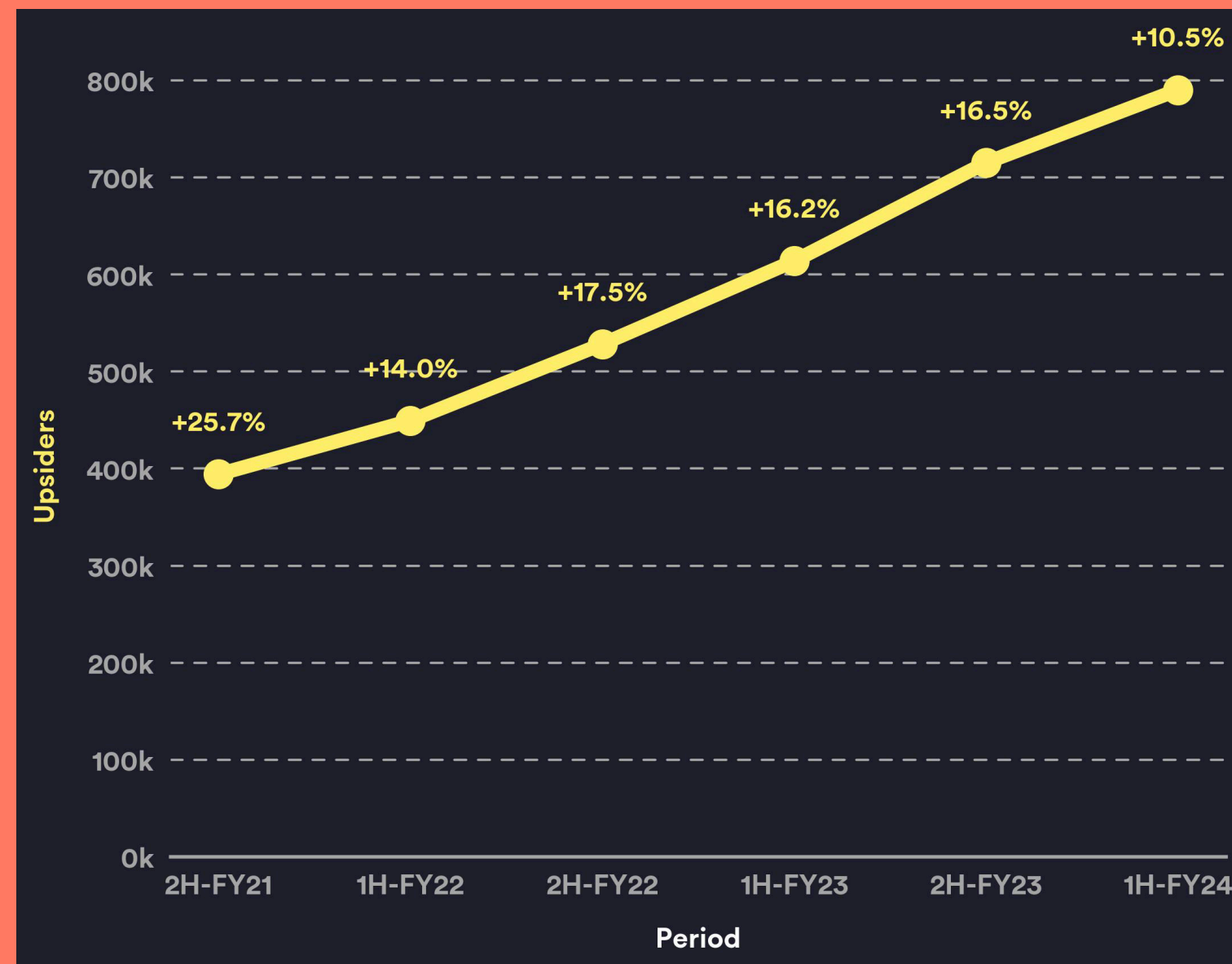
"10/10 would recommend. Hi mum, I did it. You said I couldn't but look at me."

"The most neurodivergent friendly saving experience I've had to date. Super encouraging and has helped relieve financial trauma."

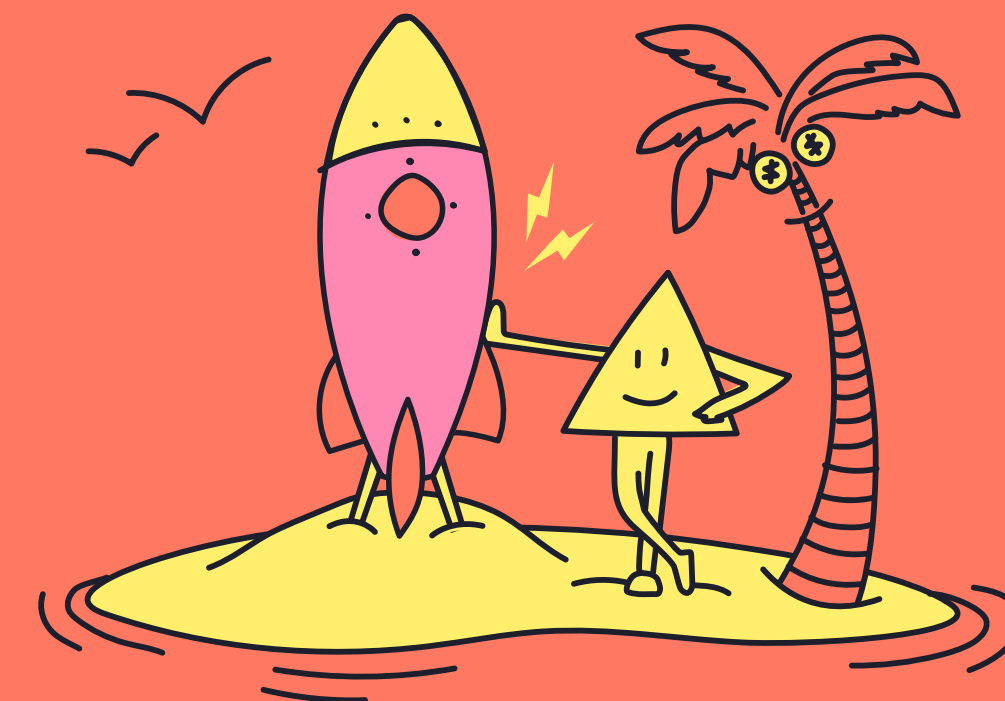
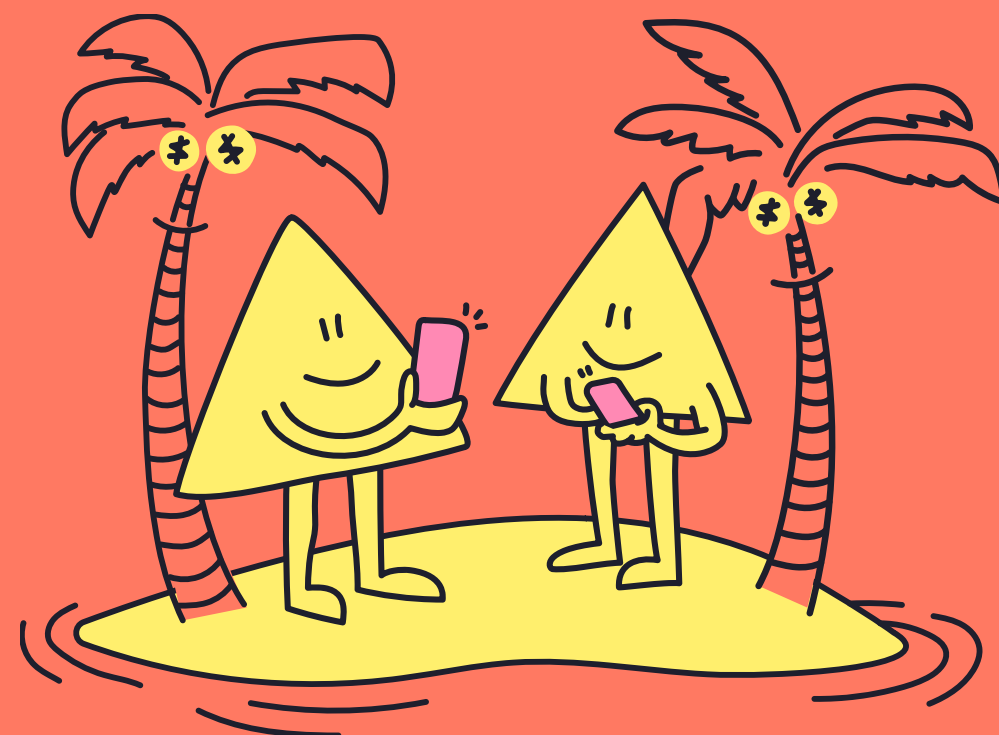
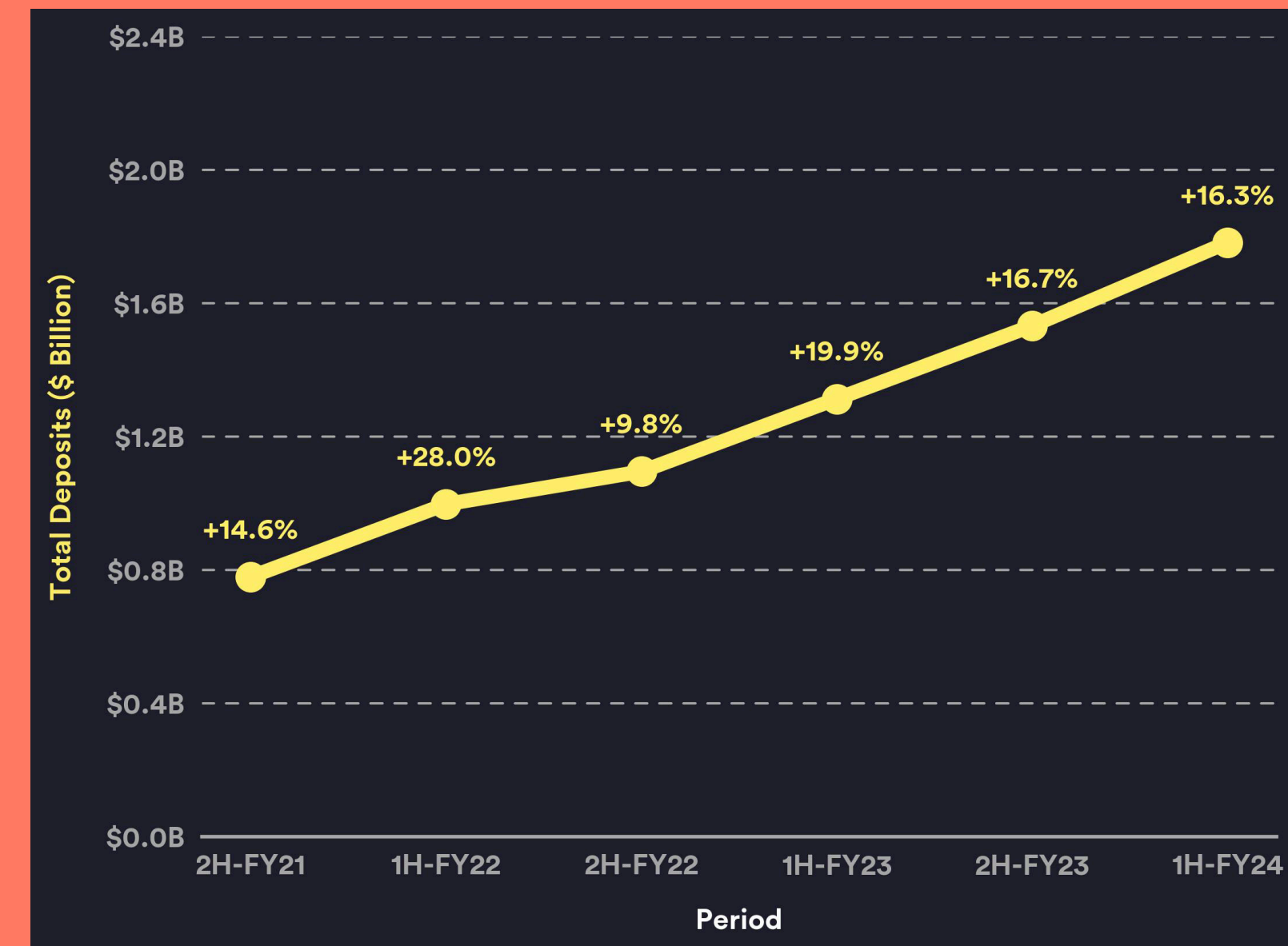


We're growing as fast as ever

Customer Growth

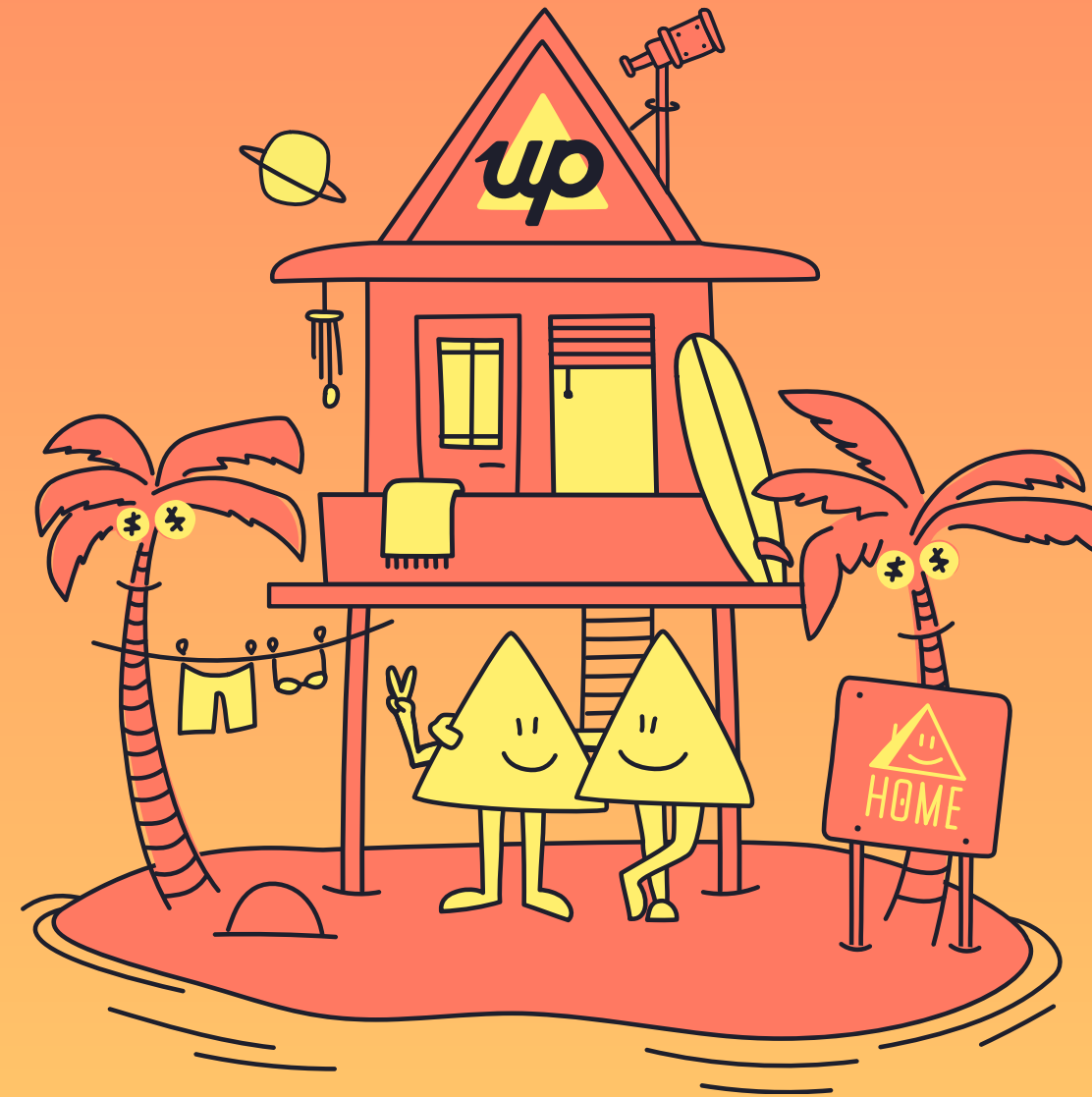
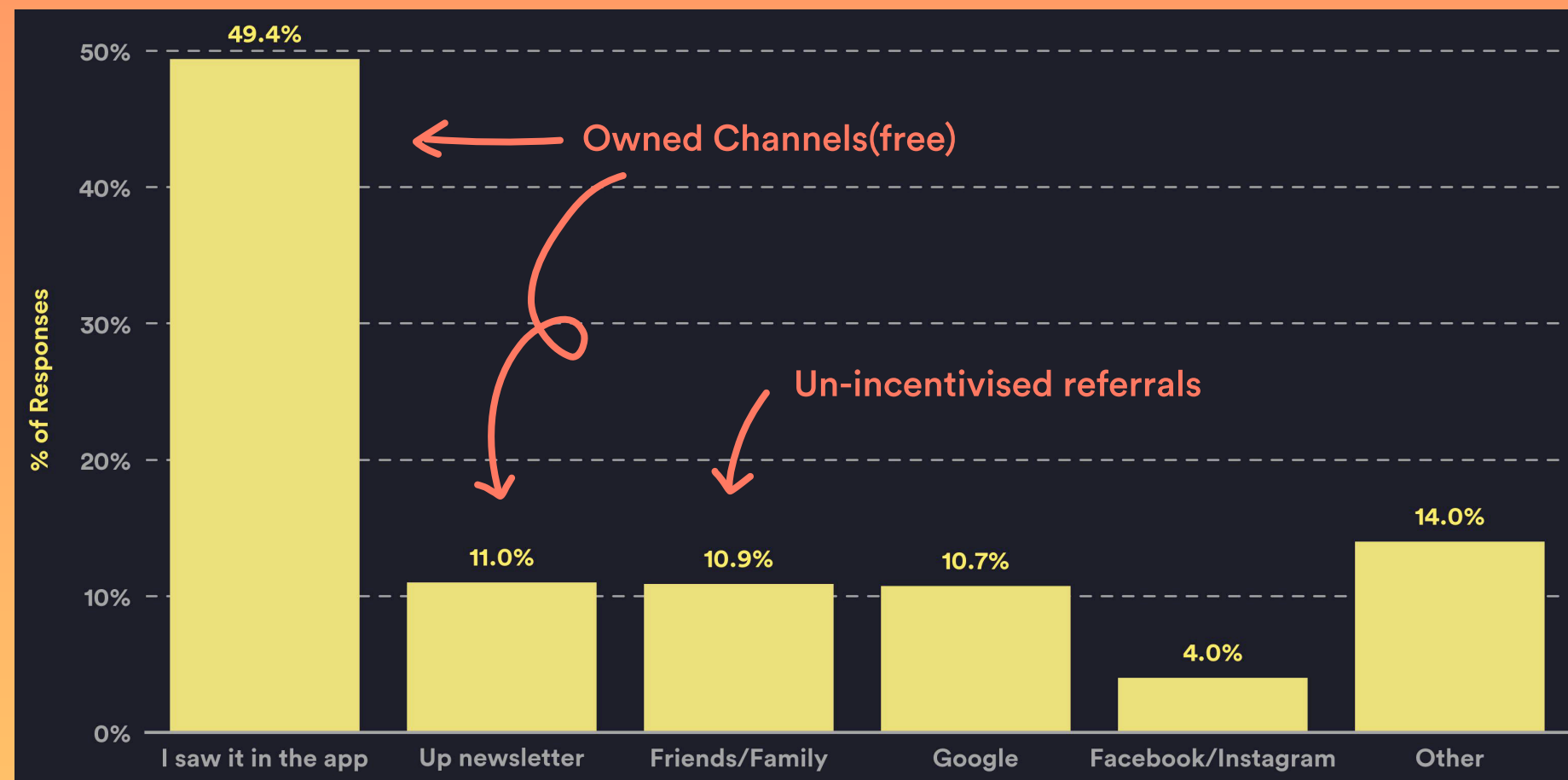


Deposit Growth

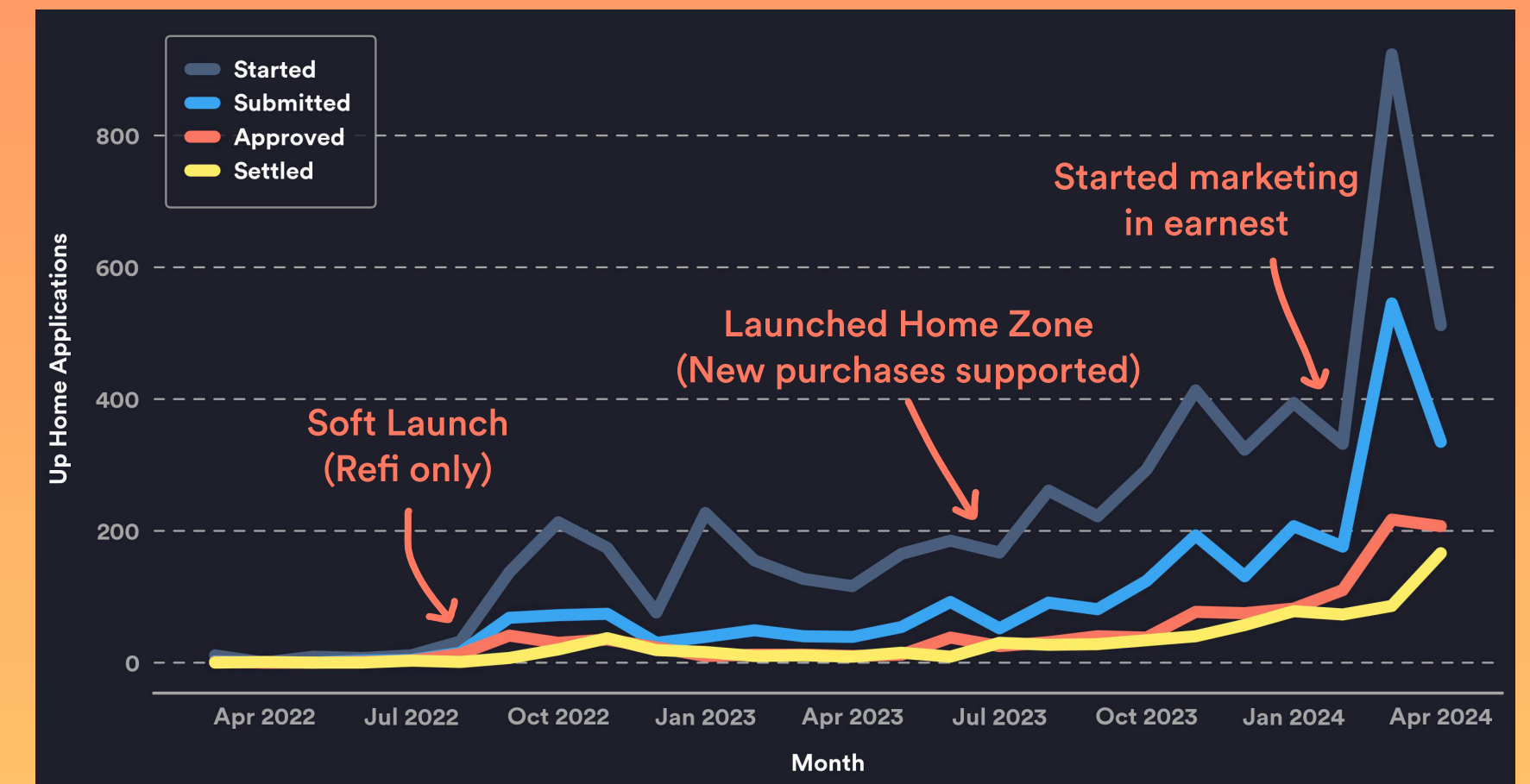


Up Home

Up Home Attribution



Up Home Funnel



\$370M

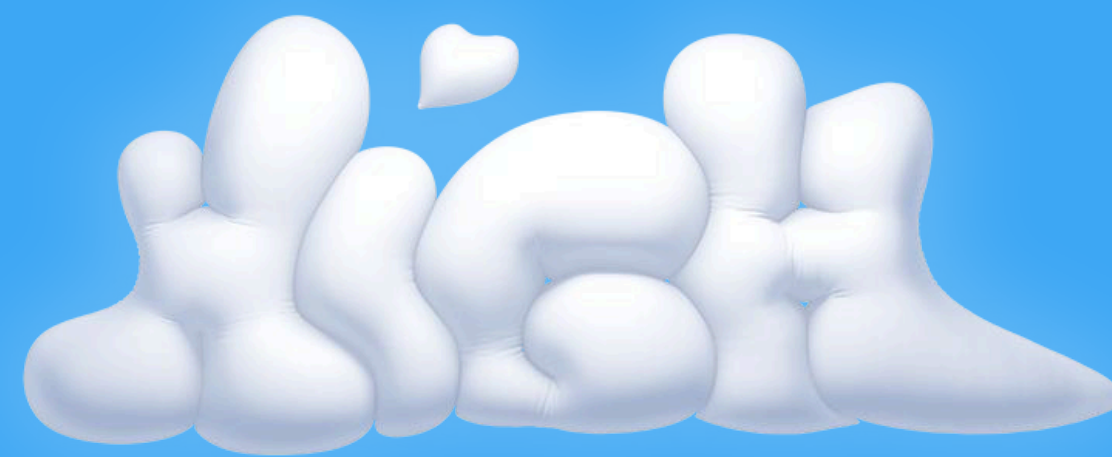
Homes Settled

65%

Loans to Existing Upsiders

\$500M

Identified Home Savings



5,000

Early Access sub in the first 24 hours

\$25.00

Digital Only Membership

\$50.00

Merch + Digital Membership





05

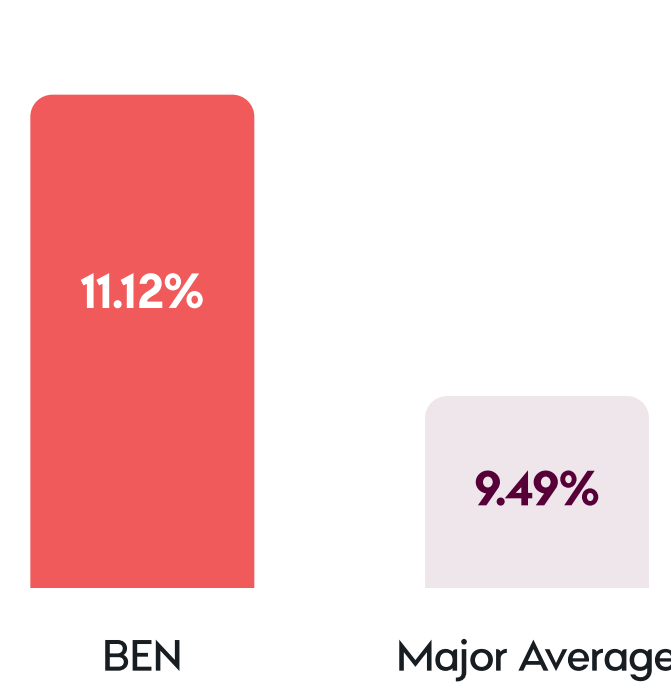
Pathway to target ROE

Andrew Morgan, Chief Financial Officer

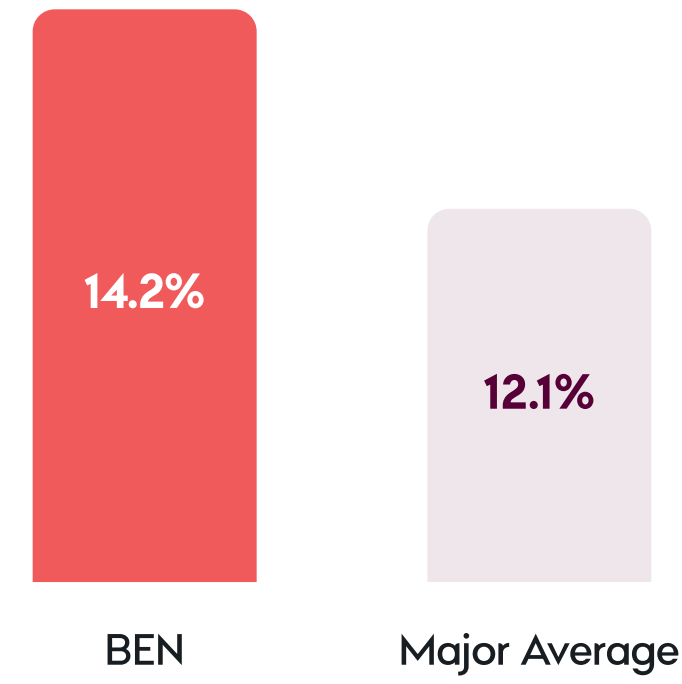
Strong balance sheet to support our growth aspirations

Capital

CET1 (Standardised basis)¹

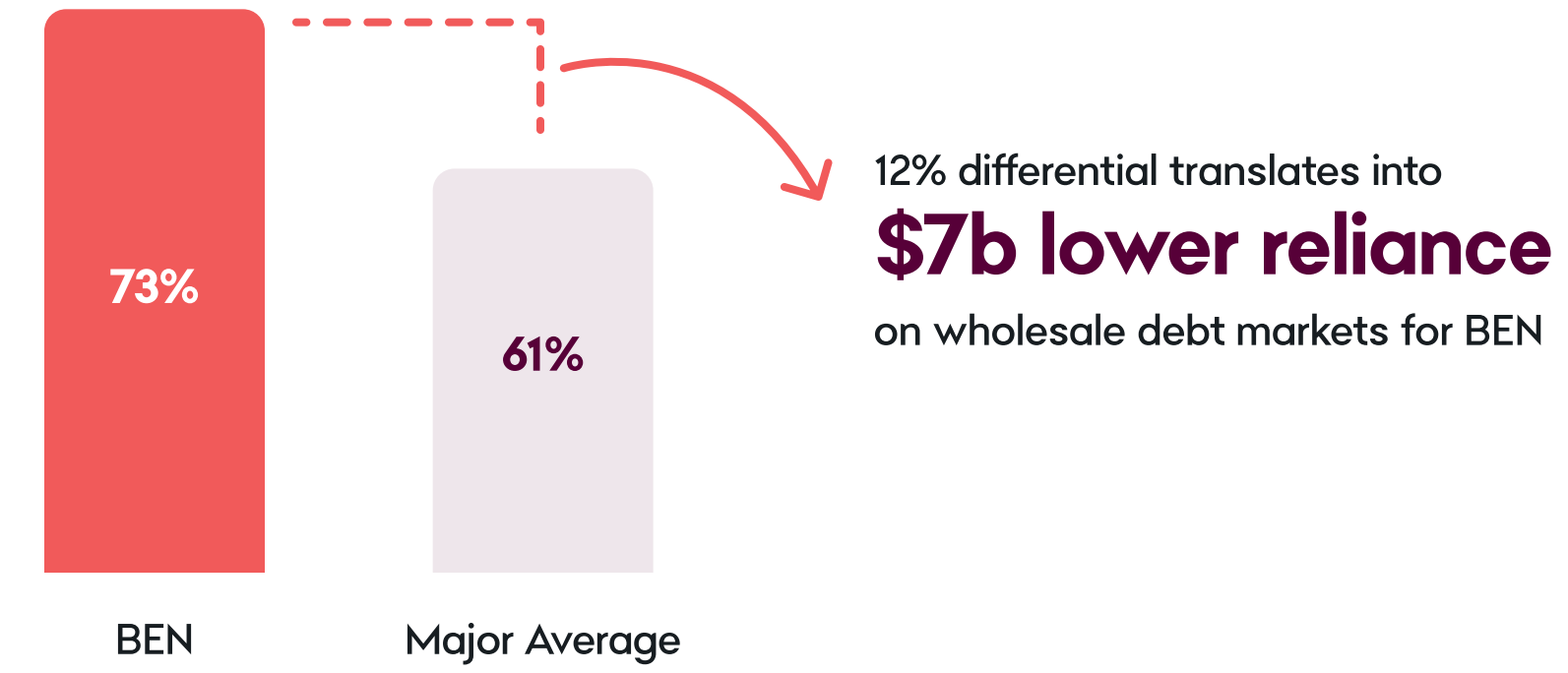


S&P RAC ratio²



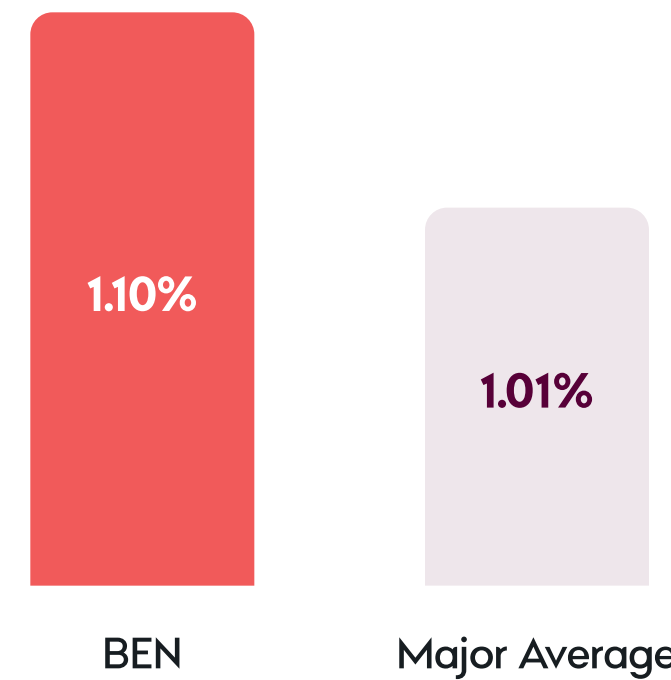
Funding

Household Deposits / Loans Ratio³

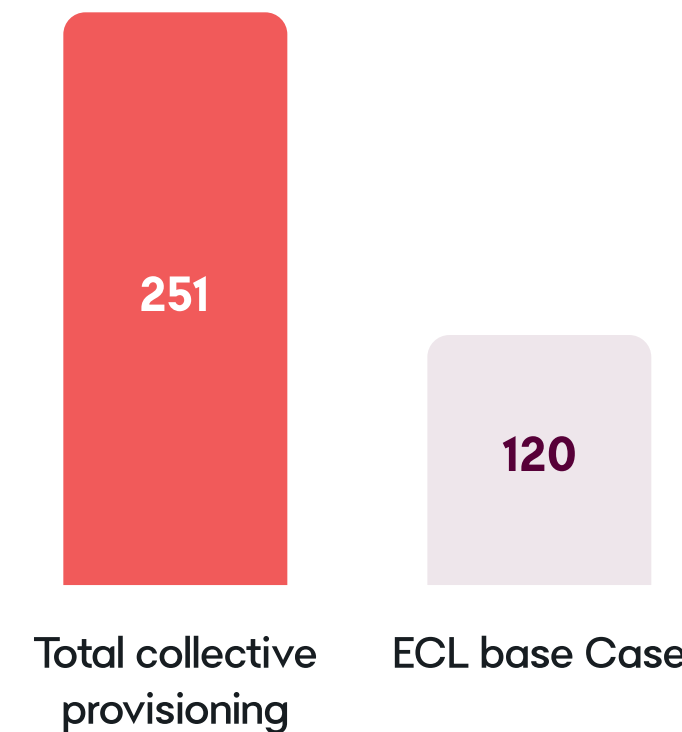


Provisioning

Total provisions to Credit RWA (Standardised basis)

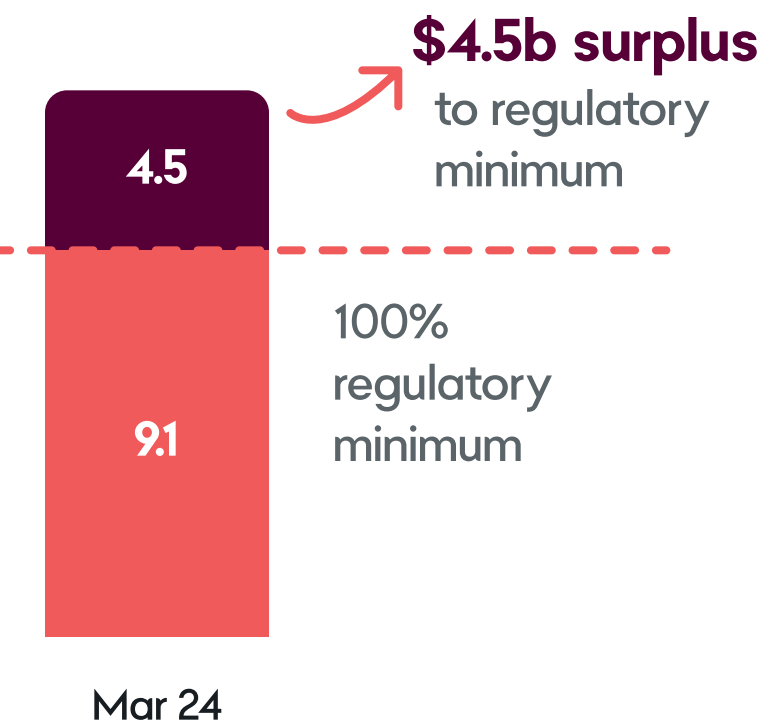


BEN Total collective provisions to ECL base case (\$m)⁴

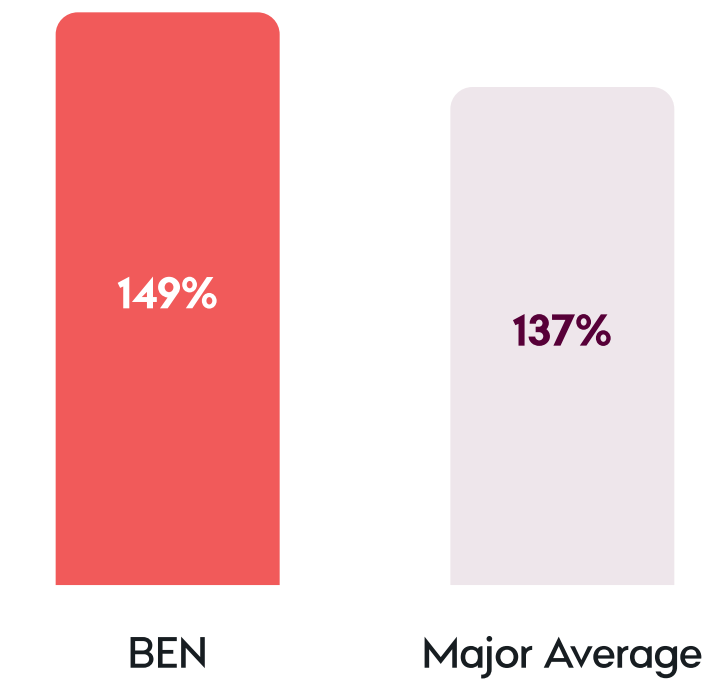


Liquidity

HQLA (\$b)¹



LCR¹



¹ Sourced from most recent APS330 disclosure

² S&P Risk Adjusted Capital (RAC) ratios sourced from most recent published disclosure

³ Source: APRA.

⁴ As at 31 March 2024. ECL = Expected Credit Loss.

Operating expenses managed at or below inflation levels



Modernise technology

8 core systems to 3

Migrated 43% of applications to the cloud

Reduced IT

applications by 50%

Merchant facilities from 7 to 1 with Tyro partnership



Reduce complexity

13 brands to 7¹

Exited non-strategic partners

Business and Agri division

24% reduction in suppliers²



Accelerate digital

Digital mortgage settlements 19.1% at 3Q24

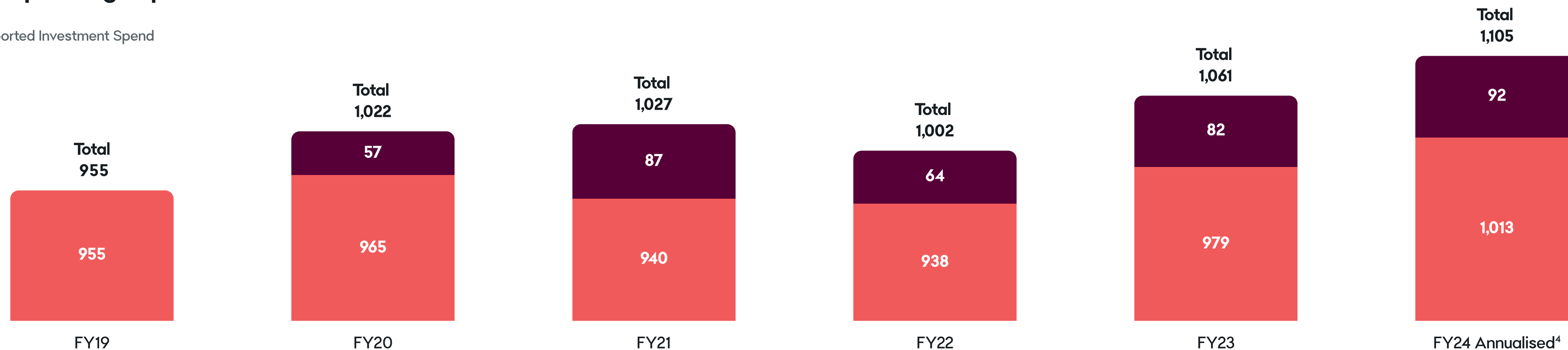
Digital deposits up 9.0% in 3Q24³

First bank to launch all the “pays”

840k+ Upsiders in 3Q24³

Total Operating Expenses (cash basis) \$m

Reported Investment Spend



OPEX growth (ex investment) of 0.5% pa CAGR

Total OPEX growth of 2.7% pa CAGR

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 Achieved in FY21.

³ Volume of total consumer product deposits sourced via a digital channel for Bendigo Bank and Up.

⁴ FY24 Annualised is derived from 1H24 for illustrative purposes only and does not provide guidance for FY24.

Investing in our business

Continuing to invest for long-term simplification benefits

 **Open Banking**

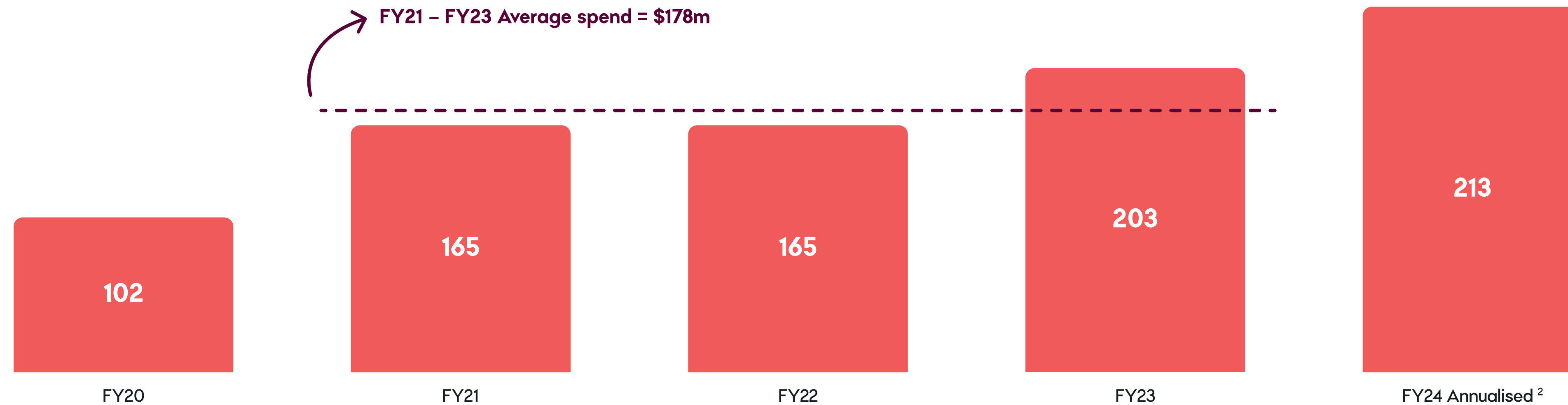
 **Foundational spend**
including pricing engine,
collateral management

 **Up**
Deposits and Home
Lending

 **Bendigo lending platform**
commenced and in
progress

 **Business & Agri**
simplified operating model

Investment Spend \$m¹



¹ Cash investment spend including expensed and capitalised components, excluding non cash items.

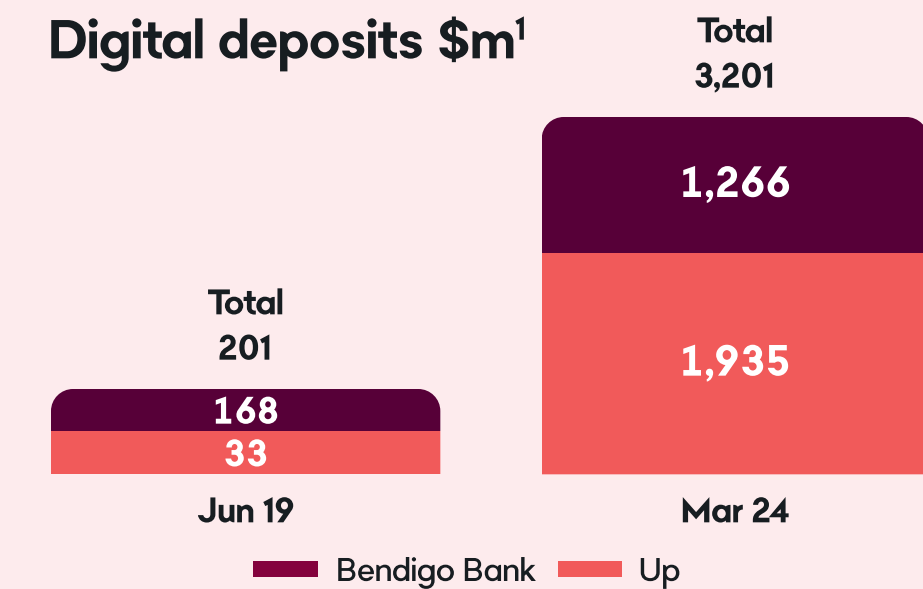
² FY24 Annualised is derived from 1H24 for illustrative purposes only and does not provide guidance for FY24.

Pathway to achieving target ROE

Continued focus on cost management and targeting improvement in CTI ratio

Investing in our deposit gathering franchise with Up and Bendigo underpinned by the strength of our Community Bank model

¹ Digital deposits includes all deposit accounts opened through the Bendigo Bank website, Bendigo Bank eBanking application and Up.



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

² APRA Monthly Authorised Deposit-Taking Institution Statistics March 2024. BEN market share calculated by dividing BEN's portfolio by total of all ADI's for the relevant asset.

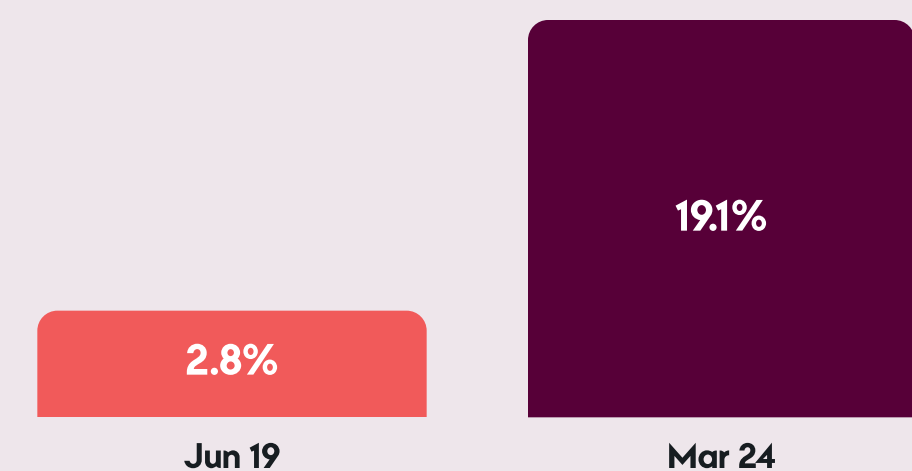
BEN market share — non-financial businesses²



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

³ % residential lending settlements from relevant digital channels.

% Settlements — Digital³



06

Q&A Session

07

Closing

Marnie Baker, Chief Executive Officer and Managing Director

Australia's bank of choice

FY18–FY23

Foundational

- Strength
- Capability
- Differentiation

2028+

Creating sustainable returns

Supported by

- Well managed cost base
- Growing above system in deposits and lending, within capital allocation hurdles

FY24–FY28

Australia's bank of choice

Australia's most trusted bank

Leading trust and advocacy driving growth in our target segments.

Digital by design, human when it matters

Making it easier for our customers and our people will generate sustainable shareholder returns.

Well positioned for the future

Diversified balance sheet and revenue supported by lower cost deposits.

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.

This presentation may contain certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "will", "target", "plan" "outlook" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position, distributions and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group, its officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. Caution is required in placing any reliance on any forward-looking statements in light of current economic and geo-political uncertainties including impacts arising from the Russia-Ukraine war. Forward-looking statements may also be made, whether verbally or in writing, by members of Group's management or Board in connection with this presentation. Such statements are subject to the same limitations, uncertainties, assumptions and disclaimers set out in this presentation. Such forward-looking statements only speak as of the date of this presentation and the Group assumes no obligation to update such information.

This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such an offer would be illegal.

Readers should note that certain financial measures included in this presentation are "non-IFRS financial information" under ASIC Regulatory Guide 230: "Disclosing non-IFRS financial information" published by ASIC and/or "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934, as amended. The discussion and analysis discloses the net profit after tax on both a 'statutory basis' and a 'cash basis'. The statutory basis is prepared in accordance with the Corporations Act 2001 and the Australian Accounting Standards, which comply with International Financial Reporting Standards (IFRS). The cash basis is used by management to present a clear view of the Group's underlying operating results, excluding a number of items that are deemed to be outside of our core activities and such items are not considered to be representative of the Group's ongoing financial performance. Refer to the Appendix 4D for reconciliation to statutory profit. Although the Group believes this non-IFRS/non-GAAP financial measure provides useful information to users in measuring the financial performance and condition of its business, readers should not place undue reliance on any non-IFRS/non-GAAP financial measures included in the presentation.

Reporting Suite — prioritising our approach

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

United Nations Sustainable Development Goals



Local

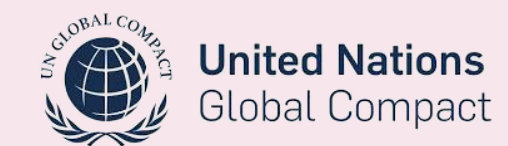
**Greater Bendigo
Climate Collaboration**



National



Global



Shareholder Centre



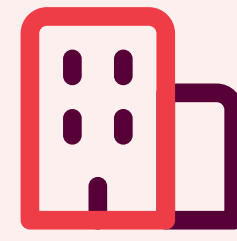
1H24 Results Presentation

www.bendigoadelaide.com.au/globalassets/documents/bendigoadelaide/investorcentre/results-and-reporting/investor-presentations/half-year-results-presentation-2023-24.pdf



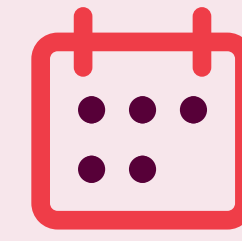
Annual Financial Report

www.bendigoadelaide.com.au/globalassets/documents/bendigoadelaide/investorcentre/results-and-reporting/annual-reviews/annual-financial-report-2023.pdf



Corporate Governance Statement

www.bendigoadelaide.com.au/globalassets/documents/bendigoadelaide/investorcentre/annual-general-meetings/2023-corporate-governance-statement.pdf



Investor Calendar

www.bendigoadelaide.com.au/investor-centre/investor-calendar/



Sustainability Report

including Climate-related Disclosure and ESG Data Summary

www.bendigoadelaide.com.au/globalassets/documents/bendigoadelaide/investorcentre/results-and-reporting/sustainability-reports/sustainability-report-2023.pdf

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