

2024 Annual General Meeting – CEO & MD's Address

7 November 2024

In accordance with Listing Rule 3.13.3, Bendigo & Adelaide Bank Limited (BEN) provides Richard Fennell'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/agm2024> by clicking the AGM links and following the instructions set out in the 2024 Notice of Annual General Meeting and Virtual Meeting Online Guide.

Approved for release by:

Richard Fennell (CEO & Managing Director)

Bendigo & Adelaide Bank Limited

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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 over 2.5 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.

Welcome

Good morning, everyone. It is a great pleasure to be here with you in person as CEO of the Bank for the first time. Today I am wearing a navy suit and white shirt.

Thank you, Vicki, for your opening remarks, and for your kind words.

Good morning, everyone. It is a pleasure to be with you here in person at the Capital Theatre in Bendigo today and I'm pleased to deliver my first AGM address as CEO and Managing Director of Bendigo and Adelaide Bank.

Bendigo and Adelaide Bank has entered the new financial year with momentum and growth. This has been made possible by the strong foundations we have created by simplifying, modernising and digitising your Bank.

Financial Year 2024 was a period of continued change and transformation for us, and I'm looking forward to sharing our achievements with you before addressing the opportunities ahead.

The path ahead

Firstly, I want to reassure you that our purpose, vision and strategic imperatives have not changed.

The Bank's strategy to leverage our strengths and competitive advantages such as our people, our trusted brand and our connection to the community and regional Australia will continue.

Our unique Community Bank model, which empowers communities and diversifies our funding profile, remains central to our purpose of feeding into the prosperity of our customers and the community.

And we remain committed to reducing complexity, investing in capability and telling our story.

Bendigo and Adelaide Bank is a unique institution and plays an important role in the Australian banking landscape.

It is important that we continue working hard to preserve what has made it special for future generations.

One of the ways we can deliver on this is by accelerating the next phase of our development and continuing to invest in the areas that will help us deliver sustainable growth and productivity enhancements for the benefit of our customers, our people, our communities and our shareholders.

Highlights

In Financial Year 2024 the Bank delivered cash earnings for the full year of \$562.0 million, return on equity of 8.18%, a cost-to-income ratio of 57.5% and a net interest margin of 1.90%.

The result reflects the weaker first half impacted by the Bank's decision to prefund the repayment of the Term Funding Facility, partially offset by strong growth in mortgages in the second half. Importantly, our business-as-usual costs excluding investment spend remained below inflation.

As Vicki mentioned over the last 12 months the hard work driven by our transformation program has continued.

We have reduced the number of customer-facing brands from seven to four, the number of core banking systems from four to three and the median time to unconditional approval for home loan applications originated through our new Bendigo Lending Platform from 14 days to less than 5 days.

By the end of calendar year 2025, we will further reduce the number of customer-facing brands and core banking systems and accelerate the time to decision for home loan applications originated through all our channels to market.

Bendigo and Adelaide Bank is in a very strong position.

Our balance sheet is well positioned for ongoing growth. Our funding as a measure of household deposits is market leading. And we continue to lead the sector with our trust and advocacy scores.

Bendigo and Adelaide Bank is the only credible multi-channel challenger to the major banks. No other bank has the unique assets and competitive advantages that we do. Our intention is to seize this opportunity and tap the strong pipeline of demand that exists for our products and services.

In September, Bendigo Bank was named the most trusted Bank in Australia for the 10th consecutive quarter. We are proud of this achievement and do not take it for granted.

Your Bank is, to coin a phrase, customer obsessed. Over the last 12 months customer numbers grew 9.1% to 2.5 million. Our NPS is 27.9 points above the industry average. This is no happy accident.

The customer is and must be at the centre of everything we do.

To ensure this remains so, our Voice of the Customer program will deliver a deeper understanding of their needs and behaviours, sharpening our focus on and strengthening our customer relationships.

This program is being established to deliver us with regular and actionable insights to drive customer satisfaction, maintain loyalty and attract more new customers to your Bank. I look forward to updating you on this initiative in the future.

Digital and physical

Our work in delivering improved digital experiences for our customers and partners continues. In August we completed our program of onboarding brokers to the Bendigo Lending Platform, and we have now shifted our focus to the roll out of this technology to our branch network.

The delivery of this platform has been a significant achievement for the Bank and a validation of our strategy. Since its launch in November 2023, the median time to Conditional Approval of a home loan application is around six minutes, delivering significant competitive advantage through this speed of response.

The productivity gains of technology such as this platform frees up our team members to deliver more of the personalised and award-winning service our customers expect.

We remain committed to our branch network, the fourth largest in Australia and the largest per customer of any Australian bank. Our branches are important to us, and to our customers, and we value the face-to-face interactions that occur between our customers and our team members throughout this network.

Scams and fraud

In Financial Year 2024, your bank stopped \$34.4 million worth of scams. Sadly, scams and fraud continue to present a challenge for the Bank, our customers, the industry and the world more broadly.

We have tightened transaction rules blocking high-risk payments to cryptocurrency exchanges, removed all unexpected links from SMS messages and significantly increased the size of our fraud prevention and response team.

Our pilot of Namecheck, an advanced payment verification tool, is now being used to verify all new direct entry payments made by Bendigo Bank and Up customers. We estimate that Namecheck has prevented 61,000 mistaken or scam payments valued at more than \$26 million for our customers since February 2024.

The Bank launched its unique, face-to-face education program to help our customers safely navigate online banking in September 2023 and has now delivered more than 200 Banking Safely Online sessions to more than 1,000 Australians.

We encourage customers and community groups to enquire about these sessions at their nearest Bendigo Bank branch.

The Bank supports a whole-of-ecosystem approach to scams, and we welcome the Federal Government's proposed Scams Protection Framework which will impose mandatory obligations on designated sectors including telcos and internet platforms.

We back the industry's collaborative approach fighting financial crime through the Scam-Safe Accord and continue to believe a united approach will enable improved customer protections and outcomes as we continue to combat widespread and increasingly sophisticated criminal activity together.

In early September, I introduced some changes to the executive team to deliver on the next phase of our strategy and support our growth agenda.

Taso Corolis, who will be known to many of you as our previous Chief Risk Officer, has been appointed to the role of Chief Customer Officer, Consumer Banking, with a focus on continuing to drive portfolio growth and productivity enhancements for the benefit of our customers.

Sarah Bateson has been appointed to the Executive Team as Chief Marketing Officer and is leading a newly established Brand, Marketing and Communications division. Sarah is a voice for creative growth at the Bank, as she continues to build national awareness for the Bendigo Bank brand and its purpose.

Finally, **Xavier Shay** has taken on a new Executive role as Chief Digital Officer in addition to his role as CEO of Up – bringing together the Bank's digital capabilities. Xavier's experience in leading high performing digital teams at Up and previously Square in the United States is supporting the rapid growth of the business through our digital channels and continuing to improve returns for you, our shareholders.

Earlier this year, in May, the Board of Directors confirmed the appointment of Vicki Carter as Chair.

Vicki joined the Board in September 2018 and has over 30 years' experience in the financial services and telecommunications sectors, including at ASX-listed companies NAB and Telstra.

Vicki understands and appreciates the unique position your Bank occupies for its customers, its people and its shareholders. I am pleased that Vicki has agreed to be our Chair and am already appreciating her valuable guidance and counsel and enjoying working closely with her and the rest of the Board.

As we look towards 2025, our vision is clear.

We will continue to prioritise digital innovation, leveraging technology to enhance our service offerings and streamline our operations, delivering sustainable growth and improvements to productivity for the benefit of all our stakeholders.

We are committed to our branch network and the delivery of high quality and personalised service your Bank is famous for.

We are equally committed to supporting our customers when they need our help by offering them assistance in the form of Home Loan Health Checks to ensure their loan is right for them, and specialised support for customers in financial difficulty from our Mortgage Help Centre.

In Financial Year 2025 our investment spend will increase as we continue to reduce complexity in our operations and further strengthen risk and compliance frameworks, while continuing to invest in the digital capabilities that are critical to our future success.

Our investment will focus on three main areas:

- Leveraging the market-leading advocacy of our digital bank Up by capturing a larger market share of young singles and couples with our suite of digital mortgage and savings products and extending these digital capabilities across the whole of our Bank where appropriate.
- The continued transformation of our Business and Agri division with the launch of our new customer relationship management and origination platform. In calendar year 2025, these businesses will consolidate onto the Bendigo Bank brand and one core banking system. We are targeting above system growth in this business in the near future.
- The optimisation of our consumer lending channels by extending the Bendigo Lending Platform to our mobile relationship managers, branch network and white label mortgage partners.

We are committed to fostering a culture of continuous improvement and agility, ensuring that we remain well-positioned to capitalise on emerging trends and opportunities that deliver sustainable growth and productivity benefits for all of our stakeholders.

In closing, I want to express my sincere gratitude to you, our shareholders, for your continued support and confidence in Bendigo and Adelaide Bank.

I would also like to sincerely thank:

My predecessor, Marnie Baker for her 35 years of service to this organisation and the strong foundations she has created for the business.

Our more than 2.5 million customers for your advocacy and for the opportunity to do business with you.

Thank you to each and every one of our more than 7,000 people who work incredibly hard every day to deliver great outcomes for our customers.

And my thanks to your Board for their guidance and support as I lead the organisation through the next phase of its development and growth.

I'm genuinely excited about what lies ahead. No other bank has the unique characteristics, the strengths and assets your Bank has. Together, we will seize the opportunity while remaining true to our values.

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

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