

Chairman's Address 2020

A year that has undoubtedly delivered us many more surprises than most of us cared for. To that extent, it would probably not have been a huge surprise if our annual report was filled with commentary around why performance had been what it was. Not excuses, but statements, validating performance in a year that delivered us a global pandemic, right off the back of the banking industry being scrutinised through a royal commission. Additionally, we have continued to endure record low interest rates creating squeeze on margins, watched the continual churn of the active property sector and the effect it has on a mature book such as ours, and we experienced business life after the removal of our financial planning book. All of these items, along with the normal challenges of business been there to test us.....

So, after providing this context, to provide the market with a reported profit of \$306,206 for the 2019/2020 year. This achieves a profit growth over 60% from the prior year is an incredibly pleasing and proud moment. This result comes off the back of the past two years in which we have taken a number of bold business decisions that have generally been regarded as leading the way in many areas of the broader Bendigo Bank Community Bank structure. The credit for this direction is one that should be shared with a high quality board and management that sets a strong benchmark in collaboration.

To reflect on some of the other headlines to be noted:

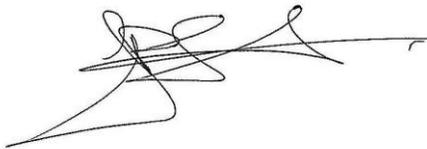
- Even after the Financial Planning business was removed from our portfolio the Logan Group has still managed to end the year in positive book growth territory. We continue to close in on a half a Billion dollar book of Banked Logan Business. A milestone that we look to reach in the immediate future.
- Our contributions back to the Community now substantially exceed the \$2million dollar mark and we provide assistance well beyond the city boundaries to our broader Australian community in times of need such as the victims of the Australian Bushfires. The Community Enterprise Foundation(TM) through which we provided our funds, formed part of a \$30 million fund that has been well administered in ensuring that the funds have gone to where they are needed and can be best used.
- We have added further funds to the foundation to work towards other great outcomes in the future, and this year's annual report also contains summary of our other work achieved through the Marketing and Community Projects Committee. Please take the time to read through this to further understand where your banking makes a difference.

- The branch network that services and supports the Logan region has worked as an essential service and remained open throughout the trying days of the pandemic period and we have not suffered any losses of staffing via either health or economic factors.

This year saw the departure of Mrs Bridget French from our board due to family commitments and we thank her for her service, in particular the work undertaken with Griffith University and Logan Together. We wish her and her family all the best and know that we will remain well connected.

From a corporate partner perspective, we continue to engage deeply with Bendigo and Adelaide Bank to evolve into a business that meets our customers and community needs now, and well into the future. A continued focus on the real people side of the business with the right mix of technology as we stride forward.

Nobody should be surprised that the year ahead will continue to throw challenges at us, but all should be comforted by the exceptional team leading the branches and the quality of the team members themselves. With a continued focus on up-skilling and exceptional service delivery, the business is in great hands. All of this is well rounded out by the Business Development team that we have mobilised, our super support administration (Michelle Todd) and a Board that remains dedicated to achieving the best outcomes.

A handwritten signature in black ink, appearing to read 'Jason Lockhart', with a long horizontal stroke extending to the right.

Jason Lockhart
Chairman