

Bendigo Bank Limited
ACN 068 049 178

Executive Incentive Plan
Rules

Bendigo Bank Limited

ACN 068 049 178

Executive Incentive Plan Rules

The Executive Incentive Plan Rules are designed to allow the Board of Bendigo Bank to offer Instruments (ie Options and Performance Rights) to selected executives.

Section A – Terms applying to invitation and Instruments

1 Invitations

1.1 Invitation and application

- (a) From time to time the Board may invite Eligible Executives to apply for Instruments. The terms that apply to the invitation and Instruments are set out in this Plan and in any additional terms the Board decides.
- (b) The Board may accept an application from an Eligible Executive only if, at the time the application is received, the Eligible Executive satisfies any conditions imposed by the Board.

Example of condition that may be imposed: The Eligible Executive is an employee of a Group Company at the time of the application.

- (c) To accept an application, the Board tells the Eligible Executive that the Instruments are granted.

1.2 Information to be given to Eligible Executives

When the Board invites an Eligible Executive to apply for Instruments, the Board must give the Eligible Executive the following minimum information about the Instruments.

- (a) The number and type of Instruments being offered to the Eligible Executive.
- (b) Relevant dates and times for the invitation including the last day on which the Eligible Executive can lodge his or her application form.
- (c) The period or periods during which Instruments may vest and during which an Option or an Exercisable Performance Right may be exercised.
- (d) The dates and times when the Instruments lapse if a Performance Condition is not satisfied.
- (e) Any amount (or the formula for calculating the amount) that the Eligible Executive will have to pay in any of the following circumstances.
 - (1) On the grant or vesting of an Instrument.
 - (2) On the exercise of an Option.
 - (3) On the exercise of an Exercisable Performance Right.

Note: Generally, no amount is payable on the grant or vesting of an Instrument or on the exercise of an Exercisable Performance Right. But an amount is payable on the exercise of an Option.

- (f) Any Performance Conditions.
- (g) Any other relevant conditions to be attached to the Instruments or Shares issued in either of the following circumstances.
 - (1) On vesting of the Vesting Performance Rights.
 - (2) On exercise of the Options or the Exercisable Performance Rights.

Examples of a condition:

- Any restrictions on transfer of Shares:
 - on vesting of a Vesting Performance Right, or
 - exercise of an Option or an Exercisable Performance Right.
- That the Participant continues to hold a specified role within the Company throughout the vesting period (for example, a role in relation to a project).
- Any consent given by the Board, allowing the Participant to enter into a transaction designed to remove the “at risk” element of an Instrument after it has vested.

2 Restriction on Dealing with Instruments

- (a) A Participant must not Deal with an Instrument except as set out below.
- (b) A Participant may only transfer an Instrument granted under the Plan in either of the following circumstances.
 - (1) With the consent of the Board before the transfer.
 - (2) By force of law, (A) on death, to the Participant’s legal personal representative, or (B) on bankruptcy, to the Participant’s trustee in bankruptcy.

If a Participant purports to transfer an Instrument other than in accordance with this rule 2, then the Instrument immediately lapses.

- (c) A Participant may only enter into a transaction designed to remove the “at risk” element of an Instrument if the Instrument has vested, and the Board has not decided to restrict or prohibit a Participant doing this. The Board may impose conditions on a Participant entering into a transaction designed to remove the “at risk” element of an Instrument. The Board must provide the Participant with details of any restriction or conditions at the time of the invitation under the Plan.

Example: The Board may require a Participant to inform the Board if the Participant enters into a transaction designed to remove the “at risk” element of an Instrument. The Board may require the Participant to provide details of the transaction and may make the information public (for example, by including the details of the transaction in the Company’s annual report).

3 Allocation of Shares

3.1 Vesting or exercise of Instrument

On vesting of a Vesting Performance Right or exercise of an Option or an Exercisable Performance Right, the Company must, on behalf of each Participant, issue or arrange for

the acquisition of the number of Shares to which the Participant is entitled under those Options or Performance Rights.

3.2 Share ranking

Any Shares issued under the Plan on vesting of a Vesting Performance Right or exercise of an Option or an Exercisable Performance Right will rank equally in all respects with other Shares for the time being on issue. However, this does not apply in relation to any rights attaching to other Shares by reference to a record date before the date of allotment of the Shares under the Plan.

3.3 Quotation of Shares

The Company will apply for quotation of Shares issued under the Plan within the time period required by ASX.

3.4 Refund of money paid on lapse of an Instrument

If an Instrument lapses, then the Company will repay the Participant the price paid for the grant (if any) of the Performance Right or the Option. However, the Company does not have to repay that amount if line (4) or (5) of the Appendix to the Rules applies.

Note: Lines (4) and (5) of the Appendix relate to circumstances of fraud, dishonesty and breach of legal duties.

4 Restriction on Dealing in Shares

The Board may do the following.

- (a) Impose a restriction on Dealing (in whole or in part) with Shares allocated to the Trustee on behalf of a Participant on vesting of a Vesting Performance Right or exercise of an Option or an Exercisable Performance Right.
- (b) Impose conditions on a Participant Dealing with Shares.
- (c) Implement any procedure it considers appropriate to restrict Dealing.

The Board must provide the Participant with details of any restriction at the time of the invitation under the Plan.

Note: Rule 1.2(g) requires the Board to give information to an Eligible Executive about any conditions – including any restrictions - attaching to the Shares.

5 Vesting, exercise and lapse of Instruments

5.1 Vesting and exercise pre-conditions

- (a) An Instrument will only vest in the following 2 ways.
 - (1) If the Board tells the Participant that the Performance Condition under rule 1.2 has been satisfied.
 - (2) In the circumstances set out in the Appendix to the Rules.

- (b) The vesting of any Vesting Performance Right or exercise of any Option or Exercisable Performance Right will be effected in the form and manner decided by the Board.
- (c) The Board may impose an exercise window, specifying when Participants may exercise their Options and Exercisable Performance Rights.
- (d) If a Participant has to pay any amount on vesting of a Vesting Performance Right or exercise of an Option or an Exercisable Performance Right, then the Participant must pay the amount the Board tells them to pay under Rule 1.2 when the following happens.
 - (1) The Participant receives notice of vesting of the Vesting Performance Right.
 - (2) The Participant exercises the Option or the Exercisable Performance Right (as appropriate).

Note: Generally, no amount will be payable on the vesting of an Instrument or on the exercise of an Exercisable Performance Right.

5.2 Lapse of Instruments

An unexercised Option or Exercisable Performance Right or an unvested Vesting Performance Right will lapse on the first to occur of the following.

- (a) The date set by the Board for the purposes of rule 1.2(d) at the time of the invitation.
- (b) The Instrument lapsing under the Appendix to the Rules.

Note: The Appendix sets out the circumstances in which the Instrument will lapse on ending employment, not meeting a condition, in the case of fraudulent or dishonest actions, or if there is a takeover, scheme of arrangement or winding up.

- (c) The Instrument lapsing under rule 2(b).

Note: Rule 2(b) deals with a purported transfer contrary to the Rules.

- (d) A Performance Condition applying to the Instrument is not met within the period set by the Board.
- (e) The 10 year anniversary of the grant of the Instrument.

6 Impact of specified events including end of employment, takeovers etc

The events referred to in the Appendix to the Rules have the impact set out in the Appendix.

Examples of specified events:

- A Participant's employment with the Company ending.
- Grant conditions are no longer satisfied.
- Fraud, dishonesty, breach of legal duties.
- Takeovers, schemes of arrangements or winding up.

Section B – General Plan terms

7 Amendments

7.1 Power to Amend Plan

The Board may at any time resolve to Amend all or any of the provisions of the Plan, or the terms or conditions of any Instrument granted under the Plan. However, this power is restricted by rule 7.2.

7.2 Restrictions on Amendments to terms of granted Instruments

The Board cannot Amend the Rules or any other terms of any granted Instrument so as to reduce the rights of a Participant, in relation to that granted Instrument, without the Participant's consent. However this restriction does not apply to an Amendment introduced primarily for any of the following purposes.

- (a) Complying with or conforming to present or future State or Commonwealth legislation or Listing Rules governing or regulating the maintenance or operation of the Plan or like Plans.
- (b) Correcting any manifest error or mistake.
- (c) Taking into consideration possible adverse tax implications to a Participant or a Group Company in respect of the Plan arising from any change in relation to taxation matters.

Examples: An adverse ruling from the Commissioner of Taxation, a change to tax legislation (including an official announcement by the Commonwealth of Australia), and a change in the interpretation of tax legislation by a court of competent jurisdiction.

7.3 Notice of Amendment

As soon as reasonably practicable after the Board makes any Amendment under rule 7.1, it will give notice of that Amendment to any Participant affected by the Amendment.

7.4 Non-Australian residents

When an Instrument or Share is granted under the Plan to a person who is not a resident of Australia the provisions of the Plan apply subject to any alterations or additions the Board decides on having regard to any laws, matters of convenience and desirability and similar factors which may apply to the Participant or to any Group Company in relation to the Instrument or Share.

8 Miscellaneous

8.1 No impact on rights of Participant

Nothing in this Plan does any of the following.

- (a) Confers on an Eligible Executive the right to receive an invitation under the Plan or to receive any Instrument before an Instrument is granted to the Eligible Executive under the terms of the Plan.
- (b) Confers on any Participant the right to continue as an employee in any Group Company or changes any rights a Group Company may have to end the employment of a Participant.
- (c) Confers any right to increase compensation or damages in any action brought against any Group Company in relation to a Group Company that ends the employment of a Participant.
- (d) Forms part of, or is incorporated into, any contract of any Eligible Executive.

8.2 Power of the Board

- (a) The Board administers the Plan and has power to do each of the following.
 - (1) Decide appropriate procedures for administering the Plan consistent with these Plan rules.
 - (2) Delegate to any one or more persons the exercise of any of its powers or discretions arising under the Plan. The Board may delegate for any period and on any conditions it decides.
 - (3) Appoint, remove or replace a Trustee to hold – in accordance with this Plan - Shares issued or transferred under this Plan on behalf of a Participant.
- (b) The Board has absolute and unfettered discretion to act, or refrain from acting in the following circumstances.
 - (1) Under or in connection with the Plan, any Instruments or any Shares under the Plan.
 - (2) In the exercise of any power or discretion under the Plan.

The only restrictions are as set out in this Plan, the Listing Rules and the law.

8.3 Waiver of terms and conditions

The Board may at any time waive in whole or in part any terms or conditions in relation to any Instruments granted to any Participant.

Example: A Performance Condition.

8.4 Dispute or disagreement

The decision of the Board is final and binding in relation to any dispute or disagreement about the interpretation of this Plan, or about any question or right arising from or related to the Plan or to any Instruments granted under it.

8.5 Communication

- (a) Any notice or other communication under or in connection with this Plan must be in writing.
- (b) A document is to be treated as given to a person if it is left at, or is sent by post, fax or email, to the address, fax number or email address as set out below.
 - (1) In the case of the Company or any other company, to its registered office, or any address, fax or email address notified under this rule.
 - (2) In the case of an Eligible Executive or Participant or their representative, either to his or her last known residential address, fax or email address or to the address of the place of business at which the person performs the whole or substantially the whole of the duties of the person's office or employment.
- (c) The time that the document is to be treated as being given is as follows.
 - (1) If it is delivered, then at the time of delivery.
 - (2) If it is posted and properly addressed and stamped, then on the second business day at the place of address after posting.
 - (3) If it is faxed, then when it is received. A successful fax transmission report is sufficient proof of the time of receipt.
 - (4) If it is emailed, then when it is received.

8.6 Costs and charges

- (a) The Company will bear all brokerage, commission, stamp duty or other transaction costs payable in relation to the following.
 - (1) The grant of Instruments under the Plan.
 - (2) The issue or transfer of Shares to the Trustee on behalf of each Participant on the vesting of Vesting Performance Rights and exercise of Options and Exercisable Performance Rights and transfer of those Shares into the name of the Participant from the Trustee.
- (b) Costs associated with disposing of Shares will be the responsibility of each individual Participant.

8.7 Laws governing Plan

The Plan and any Instruments or Shares issued under it are governed by the laws of Victoria and the Commonwealth of Australia.

9 Definitions and Interpretation

9.1 Definitions

The following expressions have the meanings set out below.

Expression	Meaning
Amend	Includes change and add to.
ASX	Australian Stock Exchange Limited.
Board	The board of directors of the Company.
Company	Bendigo Bank Limited, ACN 068 049 178.
Control	The meaning given in section 9 of the Corporations Act.
Dealing	<p>Any event concerning the disposal or acquisition of an Instrument or Share, or transaction designed to remove the "at risk" element of an Instrument, and, if the Board decides, the "at risk" element of a Share.</p> <p>Example:</p> <ul style="list-style-type: none">• A sale, transfer, assignment, trust, encumbrance, option, swap, any alienation of all or any part of the rights attaching to the Instrument or Share.• Any hedging or dealing with a derivative instrument intended to "lock in" a profit relating to the Instrument.
Eligible Executive	<p>A person employed by a Group Company who the Board decides is eligible to receive grants of Instruments under the Plan.</p> <p>Note: A person remains an Eligible Executive even in the following circumstances.</p> <ul style="list-style-type: none">• They change employment from one Group Company to another.• They are on extended leave.
Exercisable Performance Right	An entitlement under the Plan to a Share that the Participant needs to exercise as long as the Participant satisfies a Performance Condition.
Group Company	The Company, its Subsidiaries and any other entity the Board decides to treat as a member of the group for the purposes of the Plan.
Instrument	An Option or a Performance Right granted under this Plan.
Listing Rules	The Listing Rules of ASX as they apply to the Company from time to time.
Option	A right under the Plan to acquire a Share for an exercise price, subject to satisfaction of a Performance Condition.
Participant	<p>A person who holds an Instrument or Share granted under the Plan.</p> <p>Note: A person will remain a Participant if they change employment from one Group</p>

Expression	Meaning
	Company to another.
Performance Condition	One or more conditions which must be satisfied or circumstances which must exist before an Instrument vests.
Performance Right	An entitlement to a Share under the Plan, subject to satisfaction of a Performance Condition. This includes any Vesting Performance Right or Exercisable Performance Right granted under this Plan.
Plan	The Company Executive Incentive Plan as set out in these rules, any Amendments made under rule 7 and the information contained in the Appendix to the Rules.
Share	A fully paid ordinary share in the capital of the Company.
Subsidiary	The meaning given in section 9 of the Corporations Act.
Takeover Bid	The meaning given in section 9 of the Corporations Act.
Trustee	The Trustee appointed by the Board for this Plan, under a trust deed.
Vesting Performance Right	An entitlement to a Share under the Plan, subject to satisfaction of a Performance Condition, that does not need to be exercised by the Participant.

9.2 Interpretation

- (a) Any reference in the Plan to any enactment or the Listing Rules includes a reference to that enactment or those Listing Rules as from time to time amended, consolidated, re-enacted or replaced.
- (b) Any words denoting the singular include the plural and words denoting the plural include the singular.
- (c) If any word or phrase is given a definite meaning in this Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning.
- (d) Any reference to the Board includes the Board, any committee of the Board, or any person or body to which the Board has delegated its powers under this Plan.
- (e) Headings and the Appendix form part of the terms of the Plan. Examples and notes do not form part of the terms of the Plan.