

Sanctions Policy Statement

Bendigo and Adelaide Bank Limited and its controlled entities (collectively “the Group”), as defined by the Group Definition, is committed to compliance with its obligations under the Charter of the United Nations Act 1945, Australian autonomous sanction programs and relevant economic and trade sanction laws in countries through which services are facilitated.

The Sanctions Policy establishes the minimum expectations for the Group’s management of its sanctions compliance obligations and sets out the Group’s approach.

The Group’s Sanctions Policy includes, but is not limited to:

- The Group complies with the requirements of the Australian sanction laws.
- The Group complies with non-Australian sanction programs where they are applicable to the Group based on the service provided. For example, a payment in US Dollars will be processed via the US financial system and will therefore be subject to the US sanction programs.
- The Head of Group Financial Crime Risk & Money Laundering Reporting Officer (“MLRO”) is nominated as the Group Sanctions Officer and is accountable for the activities outlined in the governance section of the Policy.
- The Group will conduct a sanctions risk assessment to facilitate the assessment of sanctions risk for each Division.
- Products and services may not be offered where the sanctions risk has been assessed as outside of the Group’s risk appetite.
- The Group does not permit the establishment of correspondent banking relationship with a Shell Bank or a with a correspondent bank that holds a relationship with a Shell Bank.
- The Group does not permit the establishment of a correspondent banking relationship that involves a downstream (or nested) service to another financial institution.
- The Group does not offer payable through accounts as a client of a correspondent bank.
- The Group does not, in the ordinary course of business, provide foreign exchange or international transfer services to remittance providers or digital currency exchanges, except where appropriate controls may be implemented, and approval has been provided by the Head of Group Financial Crime Risk and relevant the Business Unit Head.
- The Group will apply appropriate due diligence over the following key areas of sanctions risks:
 - Customers: Customers and associated beneficial owners are subject to name screening processes against lists of designated persons (and equivalent).
 - Payments: The Group utilises the SWIFT (Society for Worldwide Interbank Financial Telecommunication) payment system for telegraphic transfers sent internationally. Payments (inward and outward) processed through this channel are subject to appropriate screening requirements.
 - Trade Finance: Third party arrangements may give rise to sanction program obligations and as such the key principles outlined in the Group’s Sanctions policy are applied.
 - Third Parties: Third party arrangements may give rise to sanction program obligations and as such the key principles outlined in the Group’s Sanctions policy are applied.
 - Shareholders: Shareholders are subject to name screening processes against lists of designated persons (and equivalent).

- The Group will not engage in any activity involving the structuring of transactions for the stated or apparent purpose of avoiding sanction prohibitions or restrictions.
- The Group will provide staff with the appropriate training to support the policy principles and requirements outlined.
- The Group review and assess any breach of a sanction's regime and meet applicable obligations to report to the appropriate authority in a timely manner and in accordance with the law.

Compliance and Disciplinary Action

Any staff member who knowingly or recklessly breaches the Sanctions Policy and associated supporting standards and procedures can be subject to disciplinary action.

If required, steps will be taken to comply with any law that requires such matters to be reported to a law enforcement agency. The Group will, as required by law, cooperate with any law enforcement agency responsible for investigating or enforcing any sanction programs.