

## Basel III Pillar 3 Disclosures: Prudential Standard APS 330

15 February 2021

Bendigo and Adelaide Bank Limited (**ASX: BEN**), is an Authorised Deposit-taking Institution (ADI) subject to regulation by the Australian Prudential Regulation Authority (APRA). Attached is the prudential information required to be disclosed in accordance with Prudential Standard APS 330.

The prudential disclosures have been prepared for Bendigo and Adelaide Bank Limited.

The disclosures provided have been prepared as at 31 December 2020.

Approved for release by: Travis Crouch – Chief Financial Officer.

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### About Bendigo and Adelaide Bank Limited

Bendigo and Adelaide Bank is Australia's fifth largest retail bank, with more than 7,000 staff helping our 1.9 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.

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## Table 1 Common Disclosure Template

The Group is applying the Basel III regulatory adjustments in full as implemented by APRA. The capital disclosures detailed in the Common Disclosure template below represent the post 1 January 2018 Basel III common disclosure requirements.

	31 December 2020
<b>Capital Ratios</b>	<b>Basel III</b>
	%
Common Equity Tier 1	9.36%
Tier 1	12.17%
Total Capital	14.45%

	31 December 2020	Reconciliation	
	Basel III	Table	
	\$m	Reference	
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
1	Directly issued qualifying ordinary shares (and equivalent for mutually-owned entities) capital	4,906.6	a
2	Retained earnings	722.2	e
3	Accumulated other comprehensive income (and other reserves)	3.6	f, p, q, r, s
4	Directly issued capital subject to phase out from CET1 (only applicable to mutually-owned companies)	N/A	
5	Ordinary share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	N/A	
6	Common Equity Tier 1 capital before regulatory adjustments	5,632.4	
<b>Common Equity Tier 1 capital : regulatory adjustments</b>			
7	Prudential valuation adjustments	N/A	
8	Goodwill (net of related tax liability)	1,436.7	d
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	18.7	g + h
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	0.0	
11	Cash-flow hedge reserve	-3.5	f
12	Shortfall of provisions to expected losses	0.0	
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)	N/A	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	N/A	
15	Defined benefit superannuation fund net assets	0.0	c
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	N/A	
17	Reciprocal cross-holdings in common equity	N/A	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	N/A	
19	Significant investments in the ordinary shares of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	N/A	
20	Mortgage service rights (amount above 10% threshold)	N/A	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	N/A	
22	Amount exceeding the 15% threshold	N/A	

**Table 1 Common Disclosure Template Continued**

		31 December 2020	Reconciliation
		Basel III	Table
		\$m	Reference
23	of which: significant investments in the ordinary shares of financial entities	N/A	
24	of which: mortgage servicing rights	N/A	
25	of which: deferred tax assets arising from temporary differences	N/A	
26	National specific regulatory adjustments (sum of rows 26a, 26b, 26c, 26d, 26e, 26f, 26g, 26h, 26i and 26j)	493.9	
26a	of which: treasury shares	N/A	
26b	of which: offset to dividends declared under a dividend reinvestment plan (DRP), to the extent that the dividends are used to purchase new ordinary shares issued by the ADI	N/A	
26c	of which: deferred fee income	N/A	
26d	of which: equity investments in financial institutions not reported in rows 18, 19 and 23	20.6	v (less g)
26e	of which: deferred tax assets not reported in rows 10, 21 and 25	180.6	t (less u)
26f	of which: capitalised expenses	264.1	i to n
26g	of which: investments in commercial (non-financial) entities that are deducted under APRA prudential requirements	8.0	v
26h	of which: covered bonds in excess of asset cover in pools	N/A	
26i	of which: undercapitalisation of a non-consolidated subsidiary	9.1	v
26j	of which: other national specific regulatory adjustments not reported in rows 26a to 26i	11.5	x
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	0.0	
28	<b>Total regulatory adjustments to Common Equity Tier 1</b>	<b>1,945.8</b>	
29	<b>Common Equity Tier 1 Capital (CET1)</b>	<b>3,686.6</b>	
<b>Additional Tier 1 Capital: instruments</b>			
30	Directly issued qualifying Additional Tier 1 instruments	1,106.3	b
31	of which: classified as equity under applicable accounting standards	N/A	
32	of which: classified as liabilities under applicable accounting standards	1,106.3	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	0.0	
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	N/A	
35	of which: instruments issued by subsidiaries subject to phase out	N/A	
36	<b>Additional Tier 1 Capital before regulatory adjustments</b>	<b>1,106.3</b>	
<b>Additional Tier 1 Capital: regulatory adjustments</b>			
37	Investments in own Additional Tier 1 instruments	N/A	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	N/A	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	N/A	

**Table 1 Common Disclosure Template Continued**

		31 December 2020	Reconciliation
		Basel III	Table
		\$m	Reference
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	N/A	
41	National specific regulatory adjustments (sum of rows 41a, 41b and 41c)	N/A	
41a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	N/A	
41b	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidations not reported in rows 39 and 40	N/A	
41c	of which: other national specific regulatory adjustments not reported in rows 41a and 41b	N/A	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	N/A	
43	<b>Total regulatory adjustments to Additional Tier 1 capital</b>	<b>0.0</b>	
44	<b>Additional Tier 1 capital (AT1)</b>	<b>1,106.3</b>	
45	<b>Tier 1 Capital (T1=CET1+AT1)</b>	<b>4,792.9</b>	
<b>Tier 2 Capital: instruments and provisions</b>			
46	Directly issued qualifying Tier 2 instruments	550.0	y
47	Directly issued capital instruments subject to phase out from Tier 2	21.1	w
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group T2)	N/A	
49	of which: instruments issued by subsidiaries subject to phase out	N/A	
50	Provisions	330.3	o
51	<b>Tier 2 Capital before regulatory adjustments</b>	<b>901.4</b>	
<b>Tier 2 Capital: regulatory adjustments</b>			
52	Investments in own Tier 2 instruments	N/A	
53	Reciprocal cross-holdings in Tier 2 instruments	N/A	
54	Investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	N/A	
55	Significant investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	N/A	
56	National specific regulatory adjustments (sum of rows 56a, 56b and 56c)	0.0	
56a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	N/A	
56b	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidation not reported in rows 54 and 55	N/A	
56c	of which: other national specific regulatory adjustments not reported in rows 56a and 56b	N/A	
57	<b>Total regulatory adjustments to Tier 2 capital</b>	<b>0.0</b>	
58	<b>Tier 2 capital (T2)</b>	<b>901.4</b>	
59	<b>Total capital (TC=T1+T2)</b>	<b>5,694.3</b>	
60	<b>Total risk-weighted assets based on APRA standards</b>	<b>39,398.5</b>	

**Table 1 Common Disclosure Template Continued**

		31 December 2020	Reconciliation
		Basel III	Table
		\$m	Reference
<b>Capital ratios and buffers</b>			
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	9.36%	
62	Tier 1 (as a percentage of risk-weighted assets)	12.17%	
63	Total capital (as a percentage of risk-weighted assets)	14.45%	
64	Buffer requirement (minimum CET1 requirement of 4.5% plus capital conservation buffer of 2.5% plus any countercyclical buffer requirements expressed as a percentage of risk-weighted assets)	7.00%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: ADI-specific countercyclical buffer requirements	0.00%	
67	of which: G-SIB buffer requirement (not applicable)	0.00%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)	4.86%	
<b>National minima (if different from Basel III)</b>			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)		
70	National Tier 1 minimum ratio (if different from Basel III minimum)		
71	National total capital minimum ratio (if different from Basel III minimum)		
<b>Amount below thresholds for deductions (not risk-weighted)</b>			
72	Non-significant investments in the capital of other financial entities	N/A	
73	Significant investments in the ordinary shares of financial entities	N/A	
74	Mortgage servicing rights (net of related tax liability)	N/A	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	N/A	
<b>Applicable caps on the inclusion of provisions in Tier 2</b>			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	330.3	o
77	Cap on inclusion of provisions in Tier 2 under standardised approach	441.4	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	N/A	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	N/A	
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>			
80	Current cap on CET1 instruments subject to phase out arrangements	N/A	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	N/A	
82	Current cap on AT1 instruments subject to phase out arrangements	0.0	
83	Amount excluded from AT1 instruments due to cap (excess over cap after redemptions and maturities)	0.0	
84	Current cap on T2 instruments subject to phase out arrangements	56.2	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0.0	

## Common Disclosure Template Reconciliation as at 31 December 2020

The following table provides details on the Bendigo and Adelaide Bank Limited Group's Balance Sheet and the Level 2 Regulatory Balance Sheet.

	Group Balance Sheet \$m	Adjustment <sup>1</sup> \$m	Level 2 Regulatory Balance Sheet \$m	Template/ Reconciliation Table Reference
<b>Assets</b>				
Cash and cash equivalents	4,577.0	-96.5	4,480.5	
Due from other financial institutions	116.5	0.0	116.5	
Financial assets fair value through profit or loss (FVTPL)	4,514.4	-0.1	4,514.3	
Financial assets - amortised cost	339.8	13.6	353.4	
Financial assets fair value through other comprehensive income (FVOCI)	110.6	-9.0	101.6	
of which Equity Investment Exposures			18.8	v
Derivatives	80.1	0.0	80.1	
Net loans and other receivables	67,989.9	-2,712.5	65,277.4	
of which Loan and Lease Origination Fees and Commissions (Capitalised Expenses)			84.4	i
of which Securitisation Start-up Costs (Capitalised Expenses)			11.1	l
of which General Reserves for Credit Losses			236.0	o
of which Other Intangibles			0.0	h
Investments accounted for using the equity method	9.8	0.0	9.8	v
Shares in controlled entities	0.0	18.3	18.3	v
Property, plant & equipment	232.2	0.0	232.2	
Income tax receivable	3.5	0.0	3.5	
Deferred tax assets	78.7	-0.1	78.6	t
Investment property	835.5	0.0	835.5	
Goodwill and other intangible assets	1,564.2	-9.3	1,554.9	
of which Intangible Component of Investment in Subsidiaries and Other Entities			9.2	g
of which Goodwill			1,436.7	d
of which Other Intangibles			9.5	h
of which Information Technology Software Costs (Capitalised Expenses)			108.7	k
Other assets	313.0	-54.0	259.0	
of which Defined Benefit Superannuation Fund			0.0	c
of which Tax Adjustments for Reserves and Unrealised Gains/(Losses)			0.0	t
of which Other Capitalised Expenses			47.9	m
of which Other Common Equity Tier 1 Specific Adjustments Relating to Securitisation			11.5	x
<b>Total Assets</b>	<b>80,765.2</b>	<b>-2,849.5</b>	<b>77,915.7</b>	
<b>Liabilities</b>				
Due to other financial institutions	62.4	0.0	62.4	
Deposits	69,339.4	10.7	69,350.1	
Notes payable	3,008.9	-2,774.9	234.0	
Derivatives	87.1	0.0	87.1	
Income tax payable	0.0	-4.6	-4.6	
Provisions	114.0	0.0	114.0	
Deferred tax liabilities	0.0	-0.2	-0.2	
of which Tax Adjustments for Reserves and Unrealised Gains/(Losses)			-103.5	u
Other payables	439.7	2.6	442.3	
Other debt issues	1,096.8	0.0	1,096.8	
of which Amount Eligible AT1			1,106.3	b
of which Cost Associated with Issuing Capital Instruments (Capitalised Expenses)			9.5	j
Subordinated debt	569.7	0.0	569.7	
of which Amount Included in Tier 2 Capital (Post Haircut, Excluding Redemptions and Maturities)			21.1	w
of which Amount Included in Tier 2 Capital			550.0	y
of which Costs Associated with Issuing Capital Instrument (Capitalised Expenses)			2.5	n
<b>Total Liabilities</b>	<b>74,718.0</b>	<b>-2,766.4</b>	<b>71,951.6</b>	
<b>Net Assets</b>	<b>6,047.2</b>	<b>-83.1</b>	<b>5,964.1</b>	
<b>Equity</b>				
Share capital	4,902.2	0.4	4,902.6	
of which Amount Included in Eligible for CET1			4,906.6	a
Reserves	102.8	-4.8	98.0	
of which Gains/(Losses) on Effective Cash Flow Hedges			-3.5	f
of which Tax Adjustments for Reserves and Unrealised Gains/(Losses)			1.5	u
of which General Reserves for Credit Losses			94.3	o
of which Unrealised Gains/(Losses) on AFS Items			0.0	p
of which Property Revaluation Reserves			0.0	q
of which General Reserves			0.0	r
of which Reserves for Equity-Settled Share-Based Payments			7.1	s
Retained earnings	1,042.2	-78.7	963.5	
of which Retained Earnings and Current Year Earnings			722.2	e
<b>Total Equity</b>	<b>6,047.2</b>	<b>-83.1</b>	<b>5,964.1</b>	

### Notes

<sup>1</sup> The Adjustment column reflects entities that are treated as non-consolidated entities and are excluded from the Level 2 Regulatory Consolidated Banking Group.

## Entities Excluded from Level 2 Regulatory Consolidation Group

The following table provides details of material entities included within the accounting scope of consolidation but excluded from regulatory consolidation.

Entity	Total Assets \$m	Total Liabilities \$m
<b>Securitisation</b>		
Torrens Series 2011-1(E)	-	-
Torrens Series 2013-1	121.5	121.5
Torrens Series 2013-2	67.7	67.7
Torrens Series 2014-1	88.0	88.0
Torrens Series 2014-2	133.4	133.4
Torrens Series 2015-1	119.3	119.3
Torrens Series 2017-1	338.0	338.0
Torrens Series 2017-2(P)	159.4	159.4
Torrens Series 2017-3	343.0	343.0
Torrens Series 2019-1	659.9	659.9
Torrens Series 2019-2	767.8	767.8
<b>Insurance and Funds Management</b>		
Sandhurst Trustees Limited	98.7	5.3

## Table 2 Main Features of Capital Instruments

The main features of capital instruments are updated on an ongoing basis. The information as at the reporting date is provided in Appendix A.

**Table 3 Capital Adequacy**

Risk-weighted Assets	31 December 2020 \$m	30 September 2020 \$m
<b>Capital requirements (in terms of risk-weighted assets) for credit risk (excluding securitisation) by portfolio:</b>		
Claims secured by residential mortgage	19,181.1	18,685.3
Other retail	14,243.1	14,371.0
Corporate	-	-
Banks and Other ADIs	161.3	140.0
Government	69.7	69.7
All other	1,078.9	1,120.3
<b>Total on balance sheet assets and off balance sheet exposures</b>	<b>34,734.1</b>	<b>34,386.3</b>
<b>Securitisation Risk weighted assets <sup>2</sup></b>	<b>576.9</b>	<b>569.7</b>
<b>Market Risk weighted assets</b>	<b>360.4</b>	<b>378.8</b>
<b>Operational Risk weighted assets</b>	<b>3,727.1</b>	<b>3,725.0</b>
<b>Total Risk Weighted Assets</b>	<b>39,398.5</b>	<b>39,059.8</b>
<b>Capital Ratios (for the consolidated group)</b>	<b>%</b>	<b>%</b>
Common Equity Tier 1	9.36	9.26
Tier 1	12.17	11.56
Total Capital	14.45	13.53

**Notes**
<sup>2</sup>Please refer to Table 5 for securitisation exposures.

**Table 4 Credit Risk**

Exposure Type <sup>4</sup>	Gross Credit Exposure		Average Gross Credit Exposure	
	31 December 2020 \$m	30 September 2020 \$m	31 December 2020 \$m	30 September 2020 \$m
Loans and other receivables	66,966.3	65,576.2	66,271.3	64,589.8
Debt securities	67.5	412.8	240.2	591.6
Commitments and other non-market off balance sheet exposures <sup>3</sup>	2,164.7	2,110.8	2,137.8	2,054.5
Market-related off balance sheet exposures <sup>3</sup>	134.5	144.0	139.2	148.4
<b>Total exposures</b>	<b>69,333.0</b>	<b>68,243.8</b>	<b>68,788.5</b>	<b>67,384.3</b>

  

Portfolios <sup>4</sup>	Gross Credit Exposure		Average Gross Credit Exposure	
	31 December 2020 \$m	30 September 2020 \$m	31 December 2020 \$m	30 September 2020 \$m
Claims secured by residential mortgage <sup>3</sup>	51,240.6	49,795.4	50,518.0	48,721.7
Other retail <sup>3</sup>	15,383.1	15,458.6	15,420.8	15,493.0
Corporate	-	-	-	-
Banks and other ADIs	1,173.7	1,063.2	1,118.5	1,115.8
Government	143.7	482.6	313.2	637.4
All other <sup>3</sup>	1,391.9	1,444.0	1,418.0	1,416.4
<b>Total exposures</b>	<b>69,333.0</b>	<b>68,243.8</b>	<b>68,788.5</b>	<b>67,384.3</b>

  

31 December 2020 Portfolios	Impaired Loans \$m	Past Due Loans > 90 days \$m	Specific Provisions \$m	Charges for Specific
				Provisions and Write-offs during the Period \$m
Claims secured by residential mortgage	56.9	253.2 <sup>6</sup>	23.4 <sup>5</sup>	1.0
Other retail	164.9	231.6 <sup>6</sup>	92.1 <sup>5</sup>	8.0
Corporate	-	-	-	-
Banks and other ADIs	-	-	-	-
Government	-	-	-	-
All other	-	-	-	-
<b>Total exposures</b>	<b>221.8</b>	<b>484.8</b>	<b>115.5</b>	<b>9.0</b>

  

30 September 2020 Portfolios	Impaired Loans \$m	Past Due Loans > 90 days \$m	Specific Provisions \$m	Charges for Specific
				Provisions and Write-offs during the Period \$m
Claims secured by residential mortgage	57.6	273.1 <sup>6</sup>	24.9 <sup>5</sup>	0.9
Other retail	172.2	261.0 <sup>6</sup>	87.1 <sup>5</sup>	2.7
Corporate	-	-	-	-
Banks and other ADIs	-	-	-	-
Government	-	-	-	-
All other	-	-	-	-
<b>Total exposures</b>	<b>229.8</b>	<b>534.1</b>	<b>112.0</b>	<b>3.6</b>

  

	31 December 2020 \$m	30 September 2020 \$m
<b>General reserve for credit losses</b>	<b>330.3 <sup>7</sup></b>	<b>315.3 <sup>7</sup></b>

**Notes**
<sup>3</sup> Off-balance sheet exposures have been converted to their credit equivalent amounts.

<sup>4</sup> Excludes equity investments and securitisation exposures.

<sup>5</sup> Specific provisions include some items that are treated as collective provisions for statutory reporting, however are treated as specific provisions for regulatory purposes. This includes provisions for Great Southern \$8.2 million (September 2020 \$8.2 million) and loans in Stage 3 \$21.9 million (September 2020 \$25.2 million) under AASB9.

<sup>6</sup> Includes loans under commercial arrangement, \$122.23 million (September 2020 \$109.45 million).

<sup>7</sup> Includes a total overlay of \$141.9 million for the potential future impacts from the COVID-19 pandemic, including \$124.5 million added to the collectively assessed provision and \$17.4 million to the general reserve for credit losses.

**Table 5 Securitisation**

31 December 2020 Quarter					
Exposure Type	Securitisation Activity				Gain or Loss on Sale \$m
	Capital Relief \$m	Funding Only \$m	Self-Securitisation \$m	Total Activity \$m	
Residential Mortgage	-	-	-	-	-
Credit Card and Other Personal Loans	-	-	-	-	-
Commercial Loans	-	-	-	-	-
Other	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

  

30 September 2020 Quarter					
Exposure Type	Securitisation Activity				Gain or Loss on Sale \$m
	Capital Relief \$m	Funding Only \$m	Self-Securitisation \$m	Total Activity \$m	
Residential Mortgage	-	-	-	-	-
Credit Card and Other Personal Loans	-	-	-	-	-
Commercial Loans	-	-	-	-	-
Other	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

  

31 December 2020					
Securitisation Exposures	Liquidity Support Facilities \$m	Funding Facilities \$m	Derivative Facilities \$m	Holdings of Securities \$m	Other \$m
On-balance sheet securitisation exposures retained or purchased	8.0	1,098.4	161.7	11,104.1 <sup>8</sup>	-
Off-balance sheet securitisation exposures	42.6	251.9	53.4	-	-
<b>Total</b>	50.6	1,350.3	215.1	11,104.1	-

  

30 September 2020					
Securitisation Exposures	Liquidity Support Facilities \$m	Funding Facilities \$m	Derivative Facilities \$m	Holdings of Securities \$m	Other \$m
On-balance sheet securitisation exposures retained or purchased	8.3	1,022.6	172.2	11,763.6 <sup>8</sup>	-
Off-balance sheet securitisation exposures	44.1	257.0	55.8	-	-
<b>Total</b>	52.4	1,279.6	228.0	11,763.6	-

**Notes**
<sup>8</sup> Includes holdings of self-securitised assets, \$10,751.5 million (September 2020 \$11,413.9 million).

## Bendigo and Adelaide Bank Limited, Basel III Pillar 3 Disclosures, 31 December 2020

From 1 January 2015, following the introduction of APS 210, APRA requires ADIs to maintain a minimum 100% Liquidity Coverage Ratio (LCR). The LCR requires banks to hold sufficient High Quality Liquid Assets (HQLA) to meet net cash outflows over a 30-day period, under a regulator-defined stress scenario. The Group's LCR for the quarters ending 31 December 2020, 30 September 2020 and 30 June 2020 are presented in the following table (Table 20), using the Basel standard disclosure template and is based on a simple average of LCR outcomes observed during each period (i.e. 92 data points for the quarter ended 31 December 2020, 92 data points for the quarter ended 30 September 2020 and 91 data points for the quarter ended 30 June 2020).

The Group manages its daily LCR requirement in line with the regulatory minimum, with appropriate additional Board and management buffers that are set in line with the Group's risk appetite. Movements in the LCR are attributed to changes in net cash outflows and holdings of liquid assets. Table 20 details the quantum of movements impacting the LCR between periods. These differences between periods are in line with the Group's normal course of business. Average liquid assets for the December 2020 quarter were \$13,122.4 million, of which HQLA was \$7,306.7 million. HQLA comprises cash, deposits with the Reserve Bank of Australia (RBA), Australian Semi-Government and Commonwealth Government Securities.

Cash inflows and outflows are as prescribed in APS 210 and are calculated by applying APRA-prescribed run-off factors to maturing debt and deposits and discount factors to inflows/assets.

The Group has a well-diversified deposit and funding base without undue concentration. The Group does not have significant derivative or currency exposures that would impact upon cash flows.

**Table 20 Liquidity Coverage Ratio**

		31 December 2020 Quarter		30 September 2020 Quarter		30 June 2020 Quarter	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
		\$m	\$m	\$m	\$m	\$m	\$m
<b>Liquid assets, of which</b>							
1	High-quality liquid assets (HQLA)		7,306.7		6,320.0		5,617.0
2	Alternate liquid assets (ALA)		5,815.7		4,612.9		4,764.9
3	Reserve Bank of New Zealand (RBNZ) securities		-		-		-
<b>Cash outflows</b>							
4	Retail deposits and deposits from small business customers, of which:	32,391.5	2,974.0	31,589.8	3,379.3	28,712.2	3,080.1
5	<i>stable deposits</i>	17,090.9	854.6	11,591.8	579.6	10,521.1	526.1
6	<i>less stable deposits</i>	15,300.6	2,119.4	19,998.0	2,799.7	18,191.1	2,554.0
7	Unsecured wholesale funding, of which:	6,126.9	3,241.4	6,345.0	3,600.2	6,065.1	3,391.7
8	<i>operational deposits (all counterparties) and deposits in networks for cooperative banks</i>	-	-	-	-	-	-
9	<i>non-operational deposits (all counterparties)</i>	5,559.0	2,673.5	5,427.7	2,682.9	5,427.0	2,753.6
10	<i>unsecured debt</i>	567.9	567.9	917.3	917.3	638.1	638.1
11	Secured wholesale funding		-		-		-
12	Additional requirements, of which:	5,723.0	693.6	5,318.4	702.8	5,028.4	670.8
13	<i>outflows related to derivatives exposures and other collateral requirements</i>	78.8	78.8	78.0	78.0	77.7	77.7
14	<i>outflows related to loss of funding on debt products</i>	21.5	21.5	51.0	51.0	25.6	25.6
15	<i>credit and liquidity facilities</i>	5,622.7	593.3	5,189.4	573.8	4,925.1	567.5
16	Other contractual funding obligations	782.9	533.8	880.5	622.5	788.4	508.2
17	Other contingent funding obligations	14,908.7	1,172.5	14,255.0	1,046.3	14,948.4	1,096.1
<b>18</b>	<b>Total cash outflows</b>		<b>8,615.3</b>		<b>9,351.1</b>		<b>8,746.9</b>
<b>Cash inflows</b>							
19	Secured lending (e.g. reverse repos)	1,548.1	-	293.1	-	330.9	-
20	Inflows from fully performing exposures	757.0	507.9	668.4	410.3	644.1	363.9
21	Other cash inflows	73.4	73.4	133.7	133.7	127.9	127.9
<b>22</b>	<b>Total cash inflows</b>	<b>2,378.5</b>	<b>581.3</b>	<b>1,095.2</b>	<b>544.0</b>	<b>1,102.9</b>	<b>491.8</b>
			<b>Total adjusted value \$m</b>		<b>Total adjusted value \$m</b>		<b>Total adjusted value \$m</b>
<b>23</b>	<b>Total liquid assets</b>		<b>13,122.4</b>		<b>10,932.9</b>		<b>10,381.9</b>
<b>24</b>	<b>Total net cash outflows</b>		<b>8,832.2<sup>9</sup></b>		<b>8,807.1</b>		<b>8,255.1</b>
<b>25</b>	<b>Liquidity Coverage Ratio (%)</b>		<b>153.7%</b>		<b>124.3%</b>		<b>125.9%</b>

### Notes

<sup>9</sup> As per BEN's ASX release dated 21 October 2020, APRA has advised the Bank that an overlay of 10 per cent will be added to net cash outflows from 2 November 2020. This will remain in place until all required reviews are completed and all findings relating to the Bank's identification of a historic error in its calculation of the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) are addressed to APRA's satisfaction. The average net cash outflow overlay from 2 November 2020 to 31 December 2020 was \$798.2m and is reported at item 24 total net cash outflows.

## Bendigo and Adelaide Bank Limited, Basel III Pillar 3 Disclosures, 31 December 2020

The Net Stable Funding Ratio (NSFR) came into effect from 1 January 2018 and ensures a bank's assets and off-balance sheet exposures are financed with a stable source of funding. The ratio of the Group's total Available Stable Funding (ASF) to total Required Stable Funding (RSF) must exceed the APRA minimum requirement of 100%. The Group's NSFR as at 31 December 2020 was 128.1%

As at 31 December 2020 the Group's main sources of ASF was deposits from retail and small business customers (72.4%), wholesale funding (15.2%) and capital (12.1%). RSF mostly consisted of residential mortgages (61.5%) and loans to retail, small business, non-financial corporate and public sector entity customers (22.6%).

**Table 21 Net Stable Funding Ratio**

		31 December 2020					
Available Stable Funding (ASF) Item		Unweighted value by residual maturity				Weighted value	
		No maturity	< 6 months	6 months < 1 yr	≥ 1yr		
		\$m	\$m	\$m	\$m	\$m	
1	Capital	5,632.4	-	-	1,627.4	7,259.8	
2	Regulatory capital	5,632.4	-	-	1,627.4	7,259.8	
3	Other capital instruments	-	-	-	-	-	
4	Retail deposits and deposits from small business customers	30,893.1	15,978.2	-	-	43,300.6	
5	Stable deposits	17,041.2	5,285.6	-	-	21,210.5	
6	Less stable deposits	13,851.9	10,692.6	-	-	22,090.1	
7	Wholesale funding	4,570.9	13,384.5	103.8	4,702.0	9,112.5	
8	Operational deposits	-	-	-	-	-	
9	Other wholesale funding	4,570.9	13,384.5	103.8	4,702.0	9,112.5	
10	Liabilities with matching interdependent assets	-	-	-	-	-	
11	Other liabilities	-	945.9	-	158.7	158.7	
12	NSFR derivative liabilities	-	-	-	50.0	-	
13	All other liabilities and equity not included in the above categories	-	895.9	-	158.7	158.7	
<b>14</b>	<b>Total ASF</b>						<b>59,831.6</b>
Required Stable Funding (RSF) Item		\$m	\$m	\$m	\$m	\$m	
15(a)	Total NSFR (HQLA)						186.7
15(b)	ALA						822.9
15(c)	RBNZ securities						-
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-	
17	Performing loans and securities	2,586.8	5,479.7	1,439.1	51,607.7	41,044.2	
18	Performing loans to financial institutions secured by Level 1 HQLA	-	3,439.2	-	-	343.9	
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	226.5	-	1,176.3	1,402.8	
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities (PSEs), of which:	2,586.8	1,301.3	958.7	8,815.7	10,540.3	
21	With a risk weight of less than or equal to 35% under APS 112	103.5	230.7	171.6	1,149.2	1,014.8	
22	Performing residential mortgages, of which:	-	512.7	480.4	41,615.7	28,757.2	
23	With a risk weight equal to 35% under APS 112	-	282.8	252.3	36,069.3	23,813.8	
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-	
25	Assets with matching interdependent liabilities	-	-	-	-	-	
26	Other assets:	2,640.9	895.4	12.3	669.2	4,217.8	
27	Physical traded commodities, including gold	-	-	-	-	-	
28	Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties (CCPs)	-	-	-	-	-	
29	NSFR derivative assets	-	-	-	30.1	30.1	
30	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	17.4	17.4	
31	All other assets not included in the above categories	2,640.9	847.9	12.3	669.2	4,170.3	
32	Off-balance sheet items	-	-	-	13,710.7	435.9	
<b>33</b>	<b>Total RSF</b>						<b>46,707.5</b>
<b>34</b>	<b>Net Stable Funding Ratio (%)</b>						<b>128.1%</b>

## Bendigo and Adelaide Bank Limited, Basel III Pillar 3 Disclosures, 31 December 2020

September's NSFR disclosure has been prepared with the correction to the historic error in the calculation of LCR and NSFR that was announced on the 21 October 2020 and noted in the Basel III Pillar 3 Disclosures for September 2020. The 30 September 2020 NSFR has not previously been disclosed and as a result no restatement is required.

Table 21 Net Stable Funding Ratio		30 September 2020					
Available Stable Funding (ASF) Item		Unweighted value by residual maturity				Weighted value	
		No maturity	< 6 months	6 months < 1 yr	≥ 1yr		
		\$m	\$m	\$m	\$m	\$m	
1	Capital	5,533.5	-	-	1,302.1	6,835.6	
2	Regulatory capital	5,533.5	-	-	1,302.1	6,835.6	
3	Other capital instruments	-	-	-	-	-	
4	Retail deposits and deposits from small business customers	28,983.3	16,297.5	-	-	41,485.2	
5	Stable deposits	9,489.1	5,160.4	-	-	13,917.0	
6	Less stable deposits	19,494.2	11,137.1	-	-	27,568.2	
7	Wholesale funding	4,289.0	12,679.8	817.4	4,103.0	8,650.4	
8	Operational deposits	-	-	-	-	-	
9	Other wholesale funding	4,289.0	12,679.8	817.4	4,103.0	8,650.4	
10	Liabilities with matching interdependent assets	-	-	-	-	-	
11	Other liabilities	-	1,219.7	-	150.9	150.9	
12	NSFR derivative liabilities	-	-	-	65.9	-	
13	All other liabilities and equity not included in the above categories	-	1,153.8	-	150.9	150.9	
<b>14</b>	<b>Total ASF</b>						<b>57,122.1</b>
Required Stable Funding (RSF) Item		\$m	\$m	\$m	\$m	\$m	
15(a)	Total NSFR (HQLA)						228.1
15(b)	ALA						671.2
15(c)	RBNZ securities						-
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-	
17	Performing loans and securities	2,763.0	3,364.5	1,398.4	51,621.8	40,896.1	
18	Performing loans to financial institutions secured by Level 1 HQLA	-	1,402.7	-	-	140.3	
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	228.0	-	1,093.5	1,321.5	
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities (PSEs), of which:	2,763.0	1,199.4	955.1	8,756.6	10,597.8	
21	With a risk weight of less than or equal to 35% under APS 112	114.2	188.8	193.0	1,084.8	969.9	
22	Performing residential mortgages, of which:	-	534.4	443.3	41,771.7	28,836.5	
23	With a risk weight equal to 35% under APS 112	-	286.9	219.1	36,330.1	23,975.3	
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-	
25	Assets with matching interdependent liabilities	-	-	-	-	-	
26	Other assets:	2,596.5	988.6	16.8	671.4	4,273.4	
27	Physical traded commodities, including gold	-					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties (CCPs)	-					
29	NSFR derivative assets	-				32.9	32.9
30	NSFR derivative liabilities before deduction of variation margin posted	-				19.9	19.9
31	All other assets not included in the above categories	2,596.5	935.9	16.8	671.4	4,220.6	
32	Off-balance sheet items	-	-	-	12,733.6	407.9	
<b>33</b>	<b>Total RSF</b>						<b>46,476.7</b>
<b>34</b>	<b>Net Stable Funding Ratio (%)</b>						<b>122.9%</b>

## Appendix A – Main features of Capital Instruments

Table 2 Main Features of Capital Instruments									
Disclosure template for main features of Regulatory Capital instruments		Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8
1	Issuer	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	BEN	BENPF	BENPG	BENPH	BENHB	AU3FN0033668	AU3FN0046066	AU3FN0057410
3	Governing law(s) of the instrument	Victoria	Victoria	Victoria	Victoria	South Australia	Victoria	Victoria	Victoria
Regulatory Treatment		Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8
4	Transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2	Tier 2
5	Post-transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2	Tier 2
6	Eligible at solo/group/group & solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group
7	Instrument type (ordinary shares/preference shares/subordinated notes/other)	Ordinary shares	Preference shares	Preference shares	Capital notes	Subordinated notes	Subordinated notes	Subordinated notes	Subordinated notes
8	Amount recognised in Regulatory Capital (Currency in mil, as of most recent reporting date <sup>1</sup> )	4,906.60	282.21	321.62	502.44	21.09	125.00	275.00	150.00
9	Par value of instrument	N/A	282.21	321.62	502.44	21.09	125.00	275.00	150.00
10	Accounting classification	Shareholders equity	Liability-amortised cost	Liability-amortised cost	Liability - amortised cost	Liability-amortised cost	Liability-amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	19-December-1985	15-June-2015	13-December-2017	30-November-2020	28-August-1998	09-December-2016	30-November-2018	19-November-2020
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Dated	Dated	Dated
13	Original maturity date	No maturity	No maturity	No maturity	No maturity	No maturity	09-December-2026	30-November-2028	19-November-2030
14	Issuer call subject to prior supervisory approval	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	Optional Call Date: 15 June 2021, Redemption of \$100 per CPS3.	Optional Call Date: 13 June 2024, Redemption of \$100 per CPS4.	Call Date: 15 June 2027, Redemption of \$100 per Capital Note.	N/A	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes (subject to any earlier Conversion or Write Off (in whole or in part) following the receipt of a Non-Viability Loss Absorption) at par plus accrued interest (if any) on 9 December 2021 (the First Call Date) and on any Business Day being an Interest Payment Date thereafter.	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes (subject to any earlier Conversion or Write Off (in whole or in part) following the receipt of a Non-Viability Determination) at par plus accrued interest (if any) on 30 November 2023 (the First Call Date) and on any Business Day being an Interest Payment Date thereafter.	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes (subject to any earlier Conversion or Write Off (in whole or in part) following the receipt of a Non-Viability Determination) at par plus accrued interest (if any) on 19 November 2025 (the First Call Date) and on any Business Day being an Interest Payment Date thereafter.

Table 2 Main Features of Capital Instruments continued									
Regulatory Treatment	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	
16	Subsequent call dates, if applicable	N/A	Bendigo and Adelaide Bank may also elect at its option to Exchange all or some CPS3 after a Tax Event or a Regulatory Event, and may elect at its option to Convert all CPS3 following the occurrence of an Acquisition Event.	Bendigo and Adelaide Bank may also elect at its option to Exchange all or some CPS4 after a Tax Event or a Regulatory Event, and may elect at its option to Convert all CPS4 following the occurrence of an Acquisition Event.	Bendigo and Adelaide Bank may also elect at its option to Exchange all or some Capital Notes after a Tax Event or a Regulatory Event, and may elect at its option to Convert all Capital Notes following the occurrence of a Change of Control Event.	N/A	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes (subject to any earlier Conversion or Write Off (in whole or in part) following Non-Viability Loss Absorption) at par plus accrued interest (if any) on 9 December 2021 (the First Call Date) and on any Business Day being an Interest Payment Date thereafter.	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes (subject to any earlier Conversion or Write Off (in whole or in part) following the receipt of a Non-Viability Determination) at par plus accrued interest (if any) on 30 November 2023 (the First Call Date) and on any Business Day being an Interest Payment Date thereafter.	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes (subject to any earlier Conversion or Write Off (in whole or in part) following the receipt of a Non-Viability Determination) at par plus accrued interest (if any) on 19 November 2025 (the First Call Date) and on any Business Day being an Interest Payment Date thereafter.
Coupons/Dividends	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	
17	Fixed or floating dividend/coupon	N/A	Floating	Floating	Floating	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	N/A	180 Day BBSW + 4.00% Margin	90 Day BBSW + 3.75% Margin	90 Day BBSW + 3.80% Margin	90 Day BBSW + 1.00% Margin	3 month BBSW + 2.80% Margin	3 month BBSW + 2.45% Margin	3 month BBSW + 1.95% Margin
19	Existence of a dividend stopper	Fully discretionary	Mandatory	Mandatory	Mandatory	N/A	N/A	N/A	N/A
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	N/A	No	No	No	No	No	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Nonconvertible	Convertible	Convertible	Convertible	Nonconvertible	Convertible	Convertible	Convertible
24	If convertible, conversion trigger(s)	N/A	Mandatory Conversion Optional Conversion Conversion or write-down on Capital Trigger Event or a Non-Viability Trigger Event	Mandatory Conversion Optional Conversion Conversion or write-down on Capital Trigger Event or a Non-Viability Trigger Event	Mandatory Exchange Optional Exchange Exchange or write-down on Capital Trigger Event or a Non-Viability Trigger Event	N/A	Non-Viability Trigger Event: A Non-Viability Trigger Event occurs when APRA has provided a written determination (Non-Viability Determination) to the Issuer that: (i) the conversion or write-off of Relevant Capital Instruments of the Issuer is necessary because without the conversion or write-off APRA considers that the Issuer would become non-viable; or (ii) without a public sector injection of capital, or equivalent support, APRA determines that the Issuer will become non-viable.	Non-Viability Trigger Event: A Non-Viability Trigger Event occurs when APRA has provided a written determination (Non-Viability Determination) to the Issuer that: (i) the conversion or write-off of Relevant Capital Instruments of the Issuer is necessary because without the conversion or write-off APRA considers that the Issuer would become non-viable; or (ii) without a public sector injection of capital, or equivalent support, APRA determines that the Issuer will become non-viable.	Non-Viability Trigger Event: A Non-Viability Trigger Event occurs when APRA has provided a written determination (Non-Viability Determination) to the Issuer that: (i) the conversion or write-off of Relevant Capital Instruments of the Issuer is necessary because without the conversion or write-off APRA considers that the Issuer would become non-viable; or (ii) without a public sector injection of capital, or equivalent support, APRA determines that the Issuer will become non-viable.

**Table 2 Main Features of Capital Instruments continued**

	Coupons/Dividends	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8
25	If convertible, fully or partially	N/A	May convert fully or partially	May convert fully or partially	May convert fully or partially	N/A	May convert fully or partially	May convert fully or partially	May convert fully or partially
26	If convertible, conversion rate	N/A	Conversion into Ordinary Shares: Conversion is into approximately \$101.01 worth of BEN Ordinary Shares per CPS3 based on the \$100 CPS3 Issue Price and the volume weighted average price (subject to certain adjustments and calculated in accordance with the Term).	Conversion into Ordinary Shares: Conversion is into approximately \$101.01 worth of BEN Ordinary Shares per CPS4 based on the \$100 CPS4 Issue Price and the volume weighted average price (subject to certain adjustments and calculated in accordance with the Term).	Conversion into Ordinary Shares: Conversion is into approximately \$101.01 worth of BEN Ordinary Shares per Capital Note based on the \$100 Capital Note Issue Price and the volume weighted average price (subject to certain adjustments and calculated in accordance with the Term).	N/A	The Conversion Number is calculated according to the following formula, subject to the Conversion Number being no greater than the Maximum Conversion Number: 1. Conversion Number for each Note = Nominal Amount / $([1-0.01] \times \text{VWAP})$ ; 2. VWAP refers to the VWAP of BEN ordinary shares over the latest period of 5 business days on which trading of BEN ordinary shares took place before (but not including) the conversion date; and 3. Nominal Amount means \$10,000. Maximum Conversion Number: Nominal Amount / $(20\% \times \text{Issue Date VWAP})$ . Issue Date VWAP refers to the VWAP of BEN ordinary shares over the 20 business days on which trading of BEN ordinary shares took place before (but not including) Settlement Date of the Notes.	The Conversion Number is calculated according to the following formula, subject to the Conversion Number being no greater than the Maximum Conversion Number: 1. Conversion Number for each Note = Nominal Amount / $([1-0.01] \times \text{VWAP})$ ; 2. VWAP refers to the VWAP of BEN ordinary shares over the latest period of 5 business days on which trading of BEN ordinary shares took place before (but not including) the conversion date; and 3. Nominal Amount means \$10,000. Maximum Conversion Number: = Nominal Amount / $(20\% \times \text{Issue Date VWAP})$ . Issue Date VWAP refers to the VWAP of BEN ordinary shares over the 20 business days on which trading of BEN ordinary shares took place before (but not including) Settlement Date of the Notes.	The Conversion Number is calculated according to the following formula, subject to the Conversion Number being no greater than the Maximum Conversion Number: 1. Conversion Number for each Note = Nominal Amount / $([1-0.01] \times \text{VWAP})$ ; 2. VWAP refers to the VWAP of BEN ordinary shares over the latest period of 5 business days on which trading of BEN ordinary shares took place before (but not including) the conversion date; and 3. Nominal Amount means \$10,000. Maximum Conversion Number: = Nominal Amount / $(20\% \times \text{Issue Date VWAP})$ . Issue Date VWAP refers to the VWAP of BEN ordinary shares over the 20 business days on which trading of BEN ordinary shares took place before (but not including) Settlement Date of the Notes.
27	If convertible, mandatory or optional conversion	N/A	Mandatory	Mandatory	Mandatory	N/A	Mandatory	Mandatory	Mandatory
28	If convertible, specify instrument type convertible into	N/A	Ordinary Shares	Ordinary Shares	Ordinary Shares	N/A	Ordinary Shares	Ordinary Shares	Ordinary Shares
29	If convertible, specify issuer of instrument it converts into	N/A	BEN	BEN	BEN	N/A	BEN	BEN	BEN
30	Write-down feature	N/A	Yes	Yes	Yes	N/A	Yes	Yes	Yes

**Table 2 Main Features of Capital Instruments continued**

Coupons/Dividends	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8
31 If write-down, write-down trigger(s)	N/A	APRA notifies the Issuer in writing that: conversion or write-off of Additional Capital Instruments is necessary because, without it, APRA considers that Bendigo and Adelaide Bank would become non-viable.	APRA notifies the Issuer in writing that: conversion or write-off of Additional Capital Instruments is necessary because, without it, APRA considers that Bendigo and Adelaide Bank would become non-viable.	APRA notifies the Issuer in writing that: exchange or write-off of Additional Capital Instruments is necessary because, without it, APRA considers that Bendigo and Adelaide Bank would become non-viable.	N/A	Upon a Non-Viability Trigger Event occurring, BEN must convert some or all of the relevant Tier 1 and Tier 2 instruments (including the Notes) into BEN ordinary shares in accordance with APRA's written determination. If this occurs, holders of the Notes will, for each Note converted, receive the Conversion Number of BEN ordinary shares, subject to the Maximum Conversion Number. Investors will be required to provide specified information (including their CHES account details) by the conversion date in order to receive BEN ordinary shares on conversion.	Upon a Non-Viability Trigger Event occurring, BEN must convert some or all of the relevant Tier 1 and Tier 2 instruments (including the Notes) into BEN ordinary shares in accordance with APRA's written determination. If this occurs, holders of the Notes will, for each Note converted, receive the Conversion Number of BEN ordinary shares, subject to the Maximum Conversion Number. Investors will be required to provide specified information (including their CHES account details) by the conversion date in order to receive BEN ordinary shares on conversion.	Upon a Non-Viability Trigger Event occurring, BEN must convert some or all of the relevant Tier 1 and Tier 2 instruments (including the Notes) into BEN ordinary shares in accordance with APRA's written determination. If this occurs, holders of the Notes will, for each Note converted, receive the Conversion Number of BEN ordinary shares, subject to the Maximum Conversion Number. Investors will be required to provide specified information (including their CHES account details) by the conversion date in order to receive BEN ordinary shares on conversion.
		If Conversion is not effected within five Business Days after a Capital Trigger Conversion Date or Non-Viability Conversion Date (as applicable) for any reason (including an Inability Event), the CPS3 would be Written Off.	If Conversion is not effected within five Business Days after a Capital Trigger Conversion Date or Non-Viability Conversion Date (as applicable) for any reason (including an Inability Event), the CPS4 would be Written Off.	If Exchange is not effected within five Business Days after a Capital Trigger Event or Non-Viability Event for any reason, the Capital Notes would be Written Off.		If conversion is not possible or does not occur as specified in the Conditions, the Notes (including all rights under the Notes) will be immediately Written-Off and the rights of holders of Notes will be immediately and irrevocably terminated within 5 days of the Conversion Date, with any such Write-Off to be taken as having effect on and from the Conversion Date. If the Issuer fails to issue BEN ordinary shares when it is required to do so, the remedies of holders of Notes will be limited to seeking an order for specific performance (noting that when Notes are Written-Off, no rights to conversion will remain).	If Conversion is not possible or does not occur as specified in the Conditions (including if there is an Inability Event and Conversion has not been effected within 5 Business Days after the Conversion Date), the Notes (including all rights under the Notes) will be immediately Written-Off and the rights of holders of Notes will be immediately and irrevocably terminated, with any such Write-Off to be taken as having effect on and from the Conversion Date. If the Issuer fails to issue BEN ordinary shares when it is required to do so, the remedies of holders of Notes will be limited to seeking an order for specific performance (noting that when Notes are Written-Off, no rights to conversion will remain).	If Conversion is not possible or does not occur as specified in the Conditions (including if there is an Inability Event and Conversion has not been effected within 5 Business Days after the Conversion Date), the Notes (including all rights under the Notes) will be immediately Written-Off and the rights of holders of Notes will be immediately and irrevocably terminated, with any such Write-Off to be taken as having effect on and from the Conversion Date. If the Issuer fails to issue BEN ordinary shares when it is required to do so, the remedies of holders of Notes will be limited to seeking an order for specific performance (noting that when Notes are Written-Off, no rights to conversion will remain).
32 If write-down, full or partial	N/A	May be written down partially	May be written down partially	May be written down partially	N/A	May be written down in full or partially	May be written down in full or partially	May be written down in full or partially
33 If write-down, permanent or temporary	N/A	Permanent	Permanent	Permanent	NA	Permanent	Permanent	Permanent
34 If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)		Senior obligations (ranking higher): Preferred and secured debt, Unsubordinated and unsecured debt, Subordinated and unsecured debt.	Senior obligations (ranking higher): Preferred and secured debt, Unsubordinated and unsecured debt, Subordinated and unsecured debt.	Senior obligations (ranking higher): Preferred and secured debt, Unsubordinated and unsecured debt, Subordinated and unsecured debt.	Senior Notes	Senior Notes	Senior Notes	Senior Notes
36 Non-compliant transitioned features	N/A	No	No	No	No	No	No	No
37 If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A