

31 January 2019

Basel III Pillar 3 Disclosures: Prudential Standard APS 330 Attachment B - Main features of capital instruments.

Bendigo and Adelaide Bank Limited (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, Attachment B - Main features of capital instruments.

The prudential disclosures have been prepared for Bendigo and Adelaide Bank Limited including Rural Bank Limited (the Group).

This information has been updated following BEN's Subordinated Floating Rate Note (BE3085) redemption on 29 January 2019.

The disclosures provided have been prepared as at 29 January 2019.

Further information

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Table 2 - Main features of Capital Instruments as at 29 January 2019

| 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 | Instrument 9 |
| 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 | Rural Bank Limited |
| 2 | Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement) | BEN | BENPE | BENPF | BENPG | BENHB | BE3073 | BE4009 | BE4013 | AU3FN0010856 |
| 3 | Governing law(s) of the instrument | Victoria | Victoria | Victoria | Victoria | South Australia | South Australia | Victoria | Victoria | Victoria |
| Regulatory Treatment | | Instrument 1 | Instrument 2 | Instrument 3 | Instrument 4 | Instrument 5 | Instrument 6 | Instrument 7 | Instrument 8 | Instrument 9 |
| 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 | 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 | 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 | Solo |
| 7 | Instrument type (ordinary shares/preference shares/subordinated notes/other) | Ordinary shares | Preference shares | Preference shares | Preference shares | Subordinated notes | Subordinated notes | Subordinated notes | Subordinated notes | Subordinated Notes |
| 8 | Amount recognised in Regulatory Capital (Currency in mil, as of most recent reporting date) | 4,529.86 | 292.12 | 282.21 | 321.62 | 21.09 | 91.35 | 125.00 | 275.00 | 10.00 |
| 9 | Par value of instrument | N/A | 292.12 | 282.21 | 321.62 | 21.09 | 250.00 | 125.00 | 275.00 | 10.00 |
| 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 | Liability - Amortised Cost |
| 11 | Original date of issuance | 19-December-1985 | 10-October-2014 | 15-June-2015 | 13-December-2017 | 28-August-1998 | 15-December-2010 | 09-December-2016 | 30-November-2018 | 22-June-2010 |
| 12 | Perpetual or dated | Perpetual | Perpetual | Perpetual | Perpetual | Perpetual | Dated | Dated | Dated | Dated |
| 13 | Original maturity date | No maturity | No maturity | No maturity | No maturity | No maturity | 15-December-2020 | 09-December-2026 | 30-November-2028 | 22-June-2020 |
| 14 | Issuer call subject to prior supervisory approval | No | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No |
| 15 | Optional call date, contingent call dates and redemption amount | N/A | Optional Call Date : 30 November 2020, Redemption of \$100 per CPS2. | Optional Call Date: 15 June 2021, Redemption of \$100 per CPS3. | Optional Call Date: 13 June 2024, Redemption of \$100 per CPS4. | 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 at par plus accrued interest (if any) after the Issue Date on any Interest Payment Date if a Regulatory Call Event occurs. | 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 First Call Date and on any Business Day being an Interest Payment Date thereafter. | Date of Call Option: N/A, Contingent Call Dates: Yes - Regulatory, Redemption Price: \$10,000,000.00 |

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 | Instrument 9 |
|---|---------------------|--|--|--|----------------------------|-----------------------------|--|--|-----------------------------|
| 16 Subsequent call dates, if applicable | N/A | Bendigo and Adelaide Bank may also elect at its option to Exchange all or some CPS2 after a Tax Event or a Regulatory Event, and may elect at its option to Convert all CPS2 following the occurrence of an Acquisition Event. | 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. | N/A | 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 First Call Date and on any Business Day being an Interest Payment Date thereafter. | N/A |
| Coupons/Dividends | Instrument 1 | Instrument 2 | Instrument 3 | Instrument 4 | Instrument 5 | Instrument 6 | Instrument 7 | Instrument 8 | Instrument 9 |
| 17 Fixed or floating dividend/coupon | N/A | Floating | Floating | Floating | Floating | Floating | Floating | Floating | Floating |
| 18 Coupon rate and any related index | N/A | 180 Day BBSW + 3.20% Margin | 180 Day BBSW + 4.00% Margin | 90 Day BBSW + 3.75% Margin | 90 Day BBSW + 1.00% Margin | 3 month BBSW + 4.00% Margin | 3 month BBSW + 2.80% Margin | 3 month BBSW + 2.45% Margin | 3 month BBSW + 4.25% Margin |
| 19 Existence of a dividend stopper | Fully discretionary | Mandatory | Mandatory | Mandatory | N/A | 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 | Mandatory |
| 21 Existence of step up or other incentive to redeem | N/A | No | No | No | No | No | No | No | No |
| 22 Noncumulative or cumulative | Noncumulative | Noncumulative | Noncumulative | Noncumulative | Noncumulative | Noncumulative | Cumulative | Cumulative | Non-Cumulative |
| 23 Convertible or non-convertible | Nonconvertible | Convertible | Convertible | Convertible | Nonconvertible | Nonconvertible | Convertible | Convertible | Nonconvertible |
| 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 Conversion Optional Conversion Conversion or write-down on Capital Trigger Event or a Non-Viability Trigger Event | N/A | 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. | N/A |

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 | Instrument 9 |
|----|---|--------------|---|---|---|--------------|--------------|---|---|--------------|
| 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 | N/A | May convert fully or partially | May convert fully or partially | N/A |
| 26 | If convertible, conversion rate | N/A | Conversion into Ordinary Shares: Conversion is into approximately \$101.01 worth of Ordinary Shares per CPS2 based on the \$100 CPS2 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 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 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). | N/A | 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) x 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% x 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) x 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% x 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. | N/A |
| 27 | If convertible, mandatory or optional conversion | N/A | Mandatory | Mandatory | Mandatory | N/A | N/A | Mandatory | Mandatory | N/A |
| 28 | If convertible, specify instrument type convertible into | N/A | Ordinary Shares | Ordinary Shares | Ordinary Shares | N/A | N/A | Ordinary Shares | Ordinary Shares | N/A |
| 29 | If convertible, specify issuer of instrument it converts into | N/A | BEN | BEN | BEN | N/A | N/A | BEN | BEN | N/A |
| 30 | Write-down feature | N/A | Yes | Yes | Yes | N/A | No | Yes | Yes | No |

