

CPS 511 Remuneration Disclosure

30 June 2025

Bendigo and Adelaide Bank Limited

CPS 511 Remuneration Disclosure for the year ended 30 June 2025

This Remuneration Disclosure has been prepared in accordance with the Australian Prudential Regulation Authority (**APRA**) Prudential Standard CPS 511 (**CPS 511**).

The regulated entity for the purposes of this disclosure is Bendigo & Adelaide Bank Limited (**Bendigo**, the **Bank** or the **Group**), an Authorised Deposit Taking Institution regulated by APRA.

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1. Governance of the remuneration framework



The Bank's Board of Directors (Board) is ultimately responsible for the oversight and monitoring of the effective application of the remuneration framework and policies.

The People and Culture Committee (BPCC) assists the Board to discharge its responsibilities in relation to the Bank's strategies, policies and practices relating to remuneration, people and culture. The current members of the Committee are independent Non-executive Directors:

- a) Abi Cleland (Chair)
- b) Vicki Carter
- c) Alistair Muir
- d) Victoria Weekes

The BPCC's remuneration responsibilities include overseeing the design, operation, monitoring and reporting of the Bank's remuneration framework. The BPCC is also responsible for making recommendations to the Board on:

- the remuneration strategy and policy aligned with the Group's objectives, risk management framework and regulatory requirements
- the remuneration arrangements, performance objectives and outcomes for the CEO
- the remuneration arrangements and outcomes for Executives and Specified Roles as defined under CPS 511¹
- the annual bonus pool for employees and Executives
- the application of Board discretion to adjust performance-based remuneration.

The BPCC consults with the Chairs of the Risk Committee, Audit Committee and Technology & Transformation Committee and Chief Risk Officer to ensure risk matters are appropriately considered in reward outcomes. To support this consultation, the Consequence Management Committee (CMC) provides an overview of risk and personal conduct matters considered during the year. The CMC is a management committee which consists of the Chief Executive Officer (CEO), Chief Risk Officer (CRO), Chief Financial Officer (CFO) and Chief People Officer (CPO). It is responsible for recommending significant risk matters and personal conduct matters to the Joint Chairs which may lead to remuneration consequences for Specified Roles.

¹ Roles are designated as Senior Managers, Material Risk Takers or Risk and Financial Control Personnel as defined under CPS 511.

The Board applies judgement when assessing outcomes to ensure they are appropriate and aligned to the shareholder experience, and broader factors outside of the scorecard. The Consequence Management Policy (CMP) provides the Board with the ability to apply adjustments, including to zero, for adverse risk and personal conduct matters. This includes application to in-year, deferred and vested awards (i.e. reduction in opportunity, malus and clawback). Refer to section 4 for further details of the CMP.

The Board and BPCC may consult a professional adviser or expert, at the cost of the Bank, if the Board or BPCC considers it necessary to carry out its duties and responsibilities. During the FY25 process, the Board and BPCC considered remuneration data, trends and assistance with other ad-hoc tax, governance and legal matters from PwC, KPMG, EY and Allens.

In the financial year ended 30 June 2025, the Board met seventeen times and the BPCC met seven times.

Review of the remuneration framework and policy

The Board approves the Remuneration Policy which is reviewed every two years. The policy applies to all employees and contractors of the Bank and its wholly owned subsidiaries.

The policy outlines the Bank's remuneration framework and associated governance practices, including the design and purpose of base and variable reward, and the systems and processes that support the implementation of the remuneration framework including those that cover performance management, conduct and consequence management.

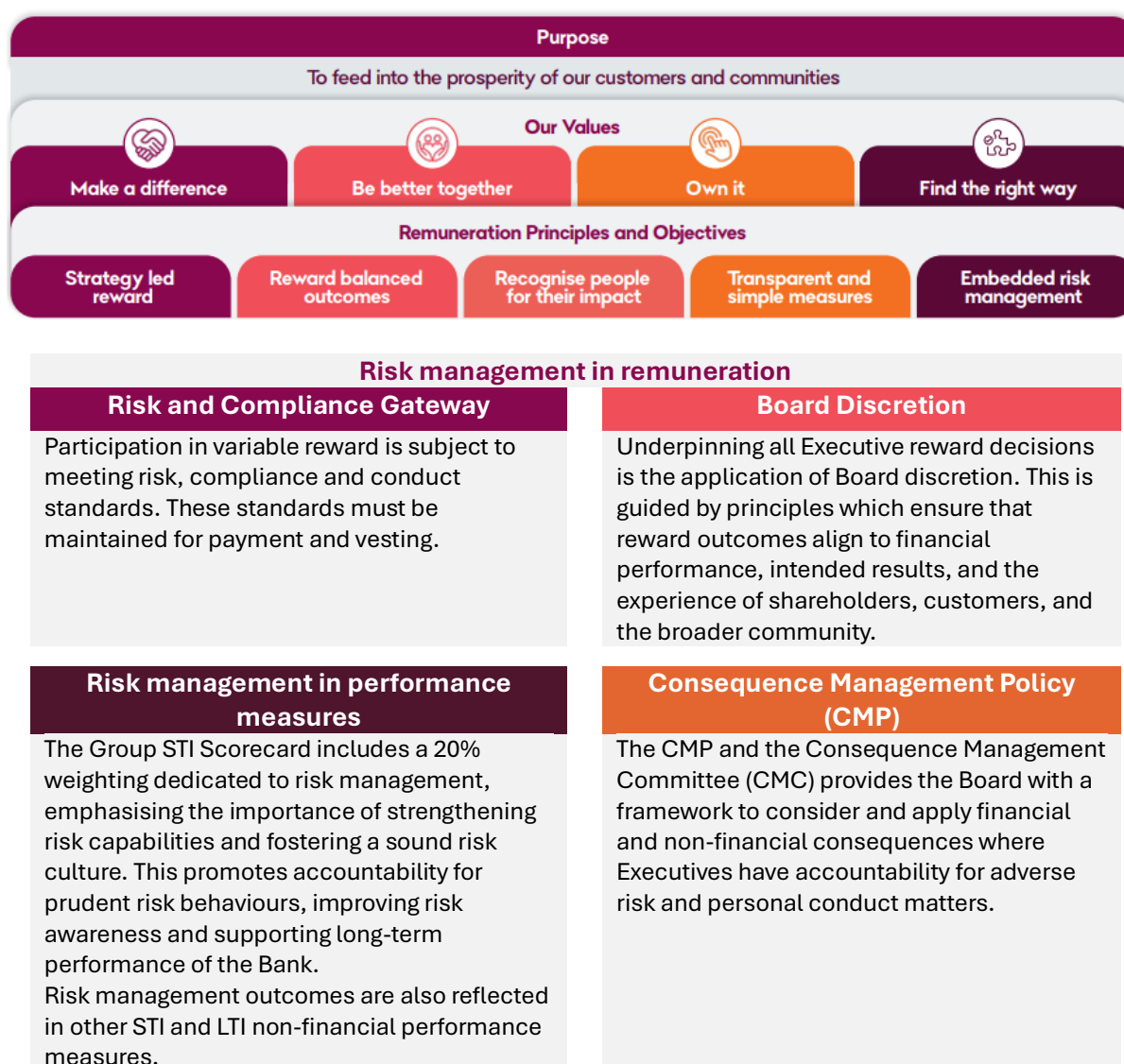
During FY25, an independent CPS 511 effectiveness review of the Bank's remuneration framework was conducted. The review assessed the alignment of the framework with remuneration objectives focusing on areas related to strategy, performance, risk, long-term soundness and governance. Observations and recommendations were considered in the ongoing refinement of remuneration governance practices for FY26.

As part of the evolution of the remuneration framework and in accordance with the outcomes of the effectiveness review referred to above, for FY26 the Bank has replaced the Short Term Incentive (STI) modifier for Executives with individual scorecards that contain a combination of group and individual measures. The new approach is designed to support the achievement of collective outcomes while enhancing Executive accountability and aligning performance with our new strategic priorities.

2. Remuneration Framework

Overview

The Bank's reward approach is designed to attract, motivate and retain the talent needed to make the bank better for all and to create long-term value for shareholders. The remuneration framework helps drive strategy execution and prudent management of risks, generates shareholder returns and promotes the prosperity of our customers and communities. It comprises fixed remuneration, short term and long term incentives (LTI) that incorporate financial and non-financial objectives aligned to the Group's strategy.



For more information on the remuneration framework, refer to page 103 of the 2025 Bendigo and Adelaide Bank Annual Report.

The Code of Conduct sets the expectations for the Bank's employees and Directors to make decisions that are lawful, ethical and respectful, to support the delivery of the right outcomes for customers, colleagues, partners and stakeholders.

For more information on the Code of Conduct, refer to the Bank's Corporate governance webpage.

Specified Roles

The definitions of specified roles applied under the Bank's remuneration policy are outlined below:

- **Senior Manager** – defined as an Executive Committee member, direct report to the Managing Director, Accountable Person, or an employee who has the capacity to affect significantly the institution's or Group's financial standing.
- **Material Risk Taker (MRT)** – defined as General Manager or equivalent role responsible for leading a revenue generating business unit, is responsible for the Bank's liquidity, or is responsible for the Group's technological, systems security risk or data risks.
- **Highly Paid MRT (HPMRT)** – MRT who are paid more than \$1m in actual remuneration.
- **Risk and Financial Control Personnel (RFCP)** – defined as Group Risk (2LoD) and Internal Audit (3LoD) roles, and roles within Group Finance, tasked with Finance Control and Treasury activities.

3. Design of Variable Remuneration Plans

Variable reward is discretionary performance-based remuneration designed to incentivise and reward the achievement of financial and non-financial objectives.

The Bank offers variable reward to eligible employees in the form of short term and long term incentives. The mix and value of variable reward differs across CPS 511 specified role cohorts depending on the nature of the role and responsibilities in the organisation.

Adherence to the Group's Code of Conduct and risk and compliance requirements forms a mandatory gateway for all employees to be eligible for variable remuneration.

All employees of the Bank are subject to the Consequence Management Policy. Where variable remuneration is not offered to employees, such as employees on fixed term contracts, non-financial consequences can be applied for adverse risk and personal conduct matters. These include increased supervision, training, verbal/written warnings and termination.

Short-Term Variable Remuneration

The Bank delivers short-term variable remuneration through the Bonus Equity (BEP) Plan or Short-term Incentive (STI) Plan. All individuals in specified roles are eligible to participate in short-term variable remuneration provided the individual has met risk and compliance requirements. The STI is delivered in cash and deferred share rights whilst the BEP is delivered in deferred share rights, awards are deferred for one to two years.

Variable reward outcomes are based on the Group Scorecard outcome and individual performance assessment.

The Board has discretion as to whether to allocate an annual variable reward pool, informed by the Group scorecard outcome and consideration of broader factors outside of the scorecard.

The Group scorecard is assessed annually based on financial and non-financial measures. Financial measures account for 50% of the Group scorecard and comprise Cash Earnings, profit after capital charge, cost to income and absolute cost growth. A material weighting to non-financial measures accounts for the remaining 50% of the Group scorecard and includes Risk, Customer & Community and People & Planet.

Separate to Group performance, individual performance is assessed against goals that are set annually and aligned to the scorecard categories, to determine final remuneration outcomes.

For individuals in the Senior Manager and MRT cohorts who participate in the STI, an individual modifier is applied to moderate the Group STI scorecard outcome. This provides a mechanism to reward exceptional performance and meaningfully differentiate for individual accountability for risk and strategy outcomes.

Long-Term Variable Remuneration

The Long-term Incentive (LTI) Plan is designed to reward long-term shareholder value creation and align the experience of participants and shareholders. 78% of the Senior Manager cohort are eligible to participate in the plan provided they have met the risk and compliance requirements. No other cohorts are eligible to participate.

The LTI is delivered wholly in performance rights subject to a four-year performance period. Rights are deferred up to six years for the CEO and five years for other participants with pro-rated vesting after four years.

Performance measures comprise both financial (65%) and non-financial (35%) measures including Relative Total Shareholder Return, Absolute Return on Equity, Relative Customer NPS and Relative Reputation (RepTrak).

For further information on the STI and LTI performance measures, please refer to pages 112-114 of the 2025 Financial Report.

Discretionary Equity Awards

Other discretionary equity awards may be made to select employees, including to compensate for awards foregone from their previous employer or to attract and retain critical talent.

All cohorts are eligible to be considered for these awards.

Awards are usually delivered in deferred share rights and are subject to continued service conditions, typically vesting from one to two years.

Risk and Financial Control Personnel

The remuneration of RFCP is determined independently of the business they oversee.

Individual performance objectives and reward outcomes are aligned with Group performance and the responsibilities and performance of the relevant risk or financial control function.

Variable reward opportunity levels and outcomes are determined within the parameters approved by the Board.

Determination of remuneration outcomes is consistent with the approach across the Bank and are determined through an assessment process that considers both the Bank's performance and individual performance. Employees in this cohort are required to meet the risk and compliance gateway to be eligible for variable remuneration, consistent with all other employees.

4. Deferrals and Adjustments

The design of the Bank's variable remuneration plans considers deferral arrangements. The deferral period reflects the quantum of awards, and the relationship between the annual variable reward program and any long-term incentive.

The Bank's remuneration policy outlines the deferral arrangements for all employees eligible to participate in the Bank's plans, minimum deferral requirements for Specified Roles in line with CPS 511 requirements and the approval process for the granting of equity awards.

An important component of driving stronger risk performance is holding people accountable for adverse risk and personal conduct matters, as well as recognising behaviours that contribute to a positive risk culture. The Bank is committed to maintaining a robust and effective CMP, which helps strengthen the Bank's risk culture and provides the Board with the ability to apply adjustments. Below is an overview of the CMP:

Principles that underpin the CMP

- Decisions under the policy should be underpinned by the Bank's strategy, culture, and values.
- Consequences should be consistently applied in similar cases and reflect procedural fairness.
- Consequences should be proportionate and linked to the severity of the matter.
- Consequences should be determined at the earliest opportunity.
- Positive risk role models and events should be acknowledged and recognised.

Scope	Assessment and application process
<ul style="list-style-type: none"> All employees are in scope. Financial adjustments include in-year bonus, malus and clawback. Non-financial consequences include increased supervision, training, verbal/written warning and termination. 	<ul style="list-style-type: none"> Assessments occur throughout the year. The People and Culture team will advise and provide recommendations as required to People Leaders on consequence outcomes for personal conduct matters. The CMC, Chaired by the CEO and including the CRO, CPO and CFO assesses personal conduct and material risk matters. At the end of the financial year the Join Chair Committee (JCC) confirms completeness of matters considered by the CMC and the BPCC endorses remuneration outcomes for Specified Roles to the Board for approval.

Trigger events

Examples include:

- Fraud, dishonesty, failure or breach of accountability, compliance obligations.
- Serious misconduct.
- Significant failure of financial or non-financial risk management.
- Significant adverse outcomes for customers and other stakeholders.
- Material reputational damage.

Consequence Management Matrix

The diagram illustrates the Consequence Management Matrix. It features a vertical axis on the left labeled 'INCREASING SEVERITY OF IMPACT' with an upward-pointing arrow, and a horizontal axis at the top labeled 'GREATER LEVELS OF ACCOUNTABILITY' with a rightward-pointing arrow. The matrix is divided into two main sections: 'SEVERITY OF IMPACT' (rows) and 'ACCOUNTABILITY' (columns). The 'SEVERITY OF IMPACT' rows are 'Very high', 'High', 'Medium', and 'Low'. The 'ACCOUNTABILITY' columns are 'Low', 'Medium', and 'High'. The resulting categories are: 'Very high' and 'High' severity with 'Low' accountability result in 'Category B'; 'Very high' and 'High' severity with 'Medium' accountability result in 'Category C'; 'Very high' and 'High' severity with 'High' accountability result in 'Category A'; 'Medium' severity with 'Low' and 'Medium' accountability result in 'Category D'; 'Medium' severity with 'High' accountability result in 'Category B'; 'Low' severity with 'Low' and 'Medium' accountability result in 'Category E'; and 'Low' severity with 'High' accountability result in 'Category C'.

		GREATER LEVELS OF ACCOUNTABILITY		
		Low	Medium	High
INCREASING SEVERITY OF IMPACT	Very high	Category B	Category B	Category A
	High	Category C	Category B	Category A
	Medium	Category D	Category C	Category B
	Low	Category E	Category D	Category C

Sequencing of remuneration adjustment tools		
Sequence of application	Adjustment tool	Outline of adjustment tool
1.	In-year reduction	Reduction including down to zero of in-year variable reward (e.g. STI).
2.	Malus	Reduction including down to zero of variable reward that has been granted but not yet vested due to service or performance conditions to be met (e.g. deferred STI, LTI); and
3.	Clawback	Repayment of vested and paid awards from the previous 2 financial years (specified roles only).

CPS 511 Remuneration Disclosure

Quantitative Disclosure

30 June 2025

Bendigo and Adelaide Bank Limited

Remuneration outcomes

Table 2 - Remuneration outcomes for the financial year

\$'000		CEO	Senior Managers	Highly paid material risk takers ¹	Material Risk Takers
	Fixed Remuneration				
1	Number of employees paid fixed remuneration	2	16	-	10
2	Total Fixed Remuneration	\$1,695	\$7,499	-	\$3,461
3	of which : cash based	\$1,695	\$7,499	-	\$3,461
4	of which : share-based awards	\$0	\$0	-	\$0
5	of which: Other	\$0	\$0	-	\$0
6	Average percentage increase in total fixed remuneration (row 2) on previous financial year ²	-	5.76%	-	6.38%
	Variable Remuneration				
7	Number of employees eligible for variable remuneration	2	14	-	10
8	Number of employees that received variable remuneration	2	14	-	10
9	Total variable remuneration	\$4,116	\$6,356	-	\$1,551
10	of which : cash based	\$117	\$517	-	\$103
11	of which : share-based awards	\$3,999	\$5,839	-	\$1,447
12	of which: Other	\$0	\$0	-	\$0
13	Total variable remuneration (row 9) that has been deferred	\$3,999	\$5,839	-	\$1,447
14	of which : cash based	\$0	\$0	-	\$0
15	of which : share-based awards	\$3,999	\$5,839	-	\$1,447
16	of which: Other	\$0	\$0	-	\$0
17	Average percentage increase in total variable remuneration (row 9) on previous financial year ²	-	323.46%	-	238.37%
18	Total remuneration (sum of rows 2+9)	\$5,811	\$13,855	-	\$5,011

¹As per CPS 511, paragraph 67 (b), no information has been disclosed for Highly paid material risk takers as there are less than 5 members in this cohort for FY25.

²In FY25, both the FY21 LFSP and FY21 LTI vested at the same time due to remuneration framework changes in 2020. This resulted in a larger VR outcome compared to prior years where only one LTI award vested. Where an individual's role is not directly comparable year on year (e.g. change in role, cessation) they have been excluded.

For RFCP reporting to a Senior Manager in FY25, total variable remuneration as a proportion of fixed remuneration was an average of 19%, one risk adjustment of 20% was applied, and special payments totalled \$144k.

Special Payments

Table 3 - Special Payments

		CEO	Senior Managers	Highly paid material risk takers ¹	Material Risk Takers
	\$'000				
1	Number of employees paid a guaranteed bonus	0	0	-	0
2	Total guaranteed bonuses	\$0	\$0	-	\$0
3	Number of employees paid a sign-on award	0	2	-	0
4	Total sign-on awards	\$0	\$922	-	\$0
5	Number of employees paid a severance payment	0	0	-	0
6	Total severance payments	\$0	\$0	-	\$0

Deferred and adjusted variable remuneration

Table 4 - Deferred and adjusted variable remuneration

		A. Total amount of outstanding deferred variable remuneration post adjustments	B. Total amount of variable remuneration not deferred post adjustments	C. Total amount of downward adjustments to variable remuneration reported in A and B
	\$'000			
1	Total CEO	\$3,680	\$4,116	\$0
2	of which : cash based	\$0	\$117	\$0
3	of which : share-based awards	\$3,680	\$3,999	\$0
4	of which: Other	\$0	\$0	\$0
5	Total other Senior Managers	\$10,980	\$6,356	\$0
6	of which : cash based	\$0	\$517	\$0
7	of which : share-based awards	\$10,980	\$5,839	\$0
8	of which: Other	\$0	\$0	\$0
9	Total Highly paid material risk takers¹	-	-	-
10	of which : cash based	-	-	-
11	of which : share-based awards	-	-	-
12	of which: Other	-	-	-
13	Total other material risk takers	\$207	\$1,551	\$31
14	of which : cash based	\$0	\$103	\$16
15	of which : share-based awards	\$207	\$1,447	\$16
16	of which: Other	\$0	\$0	\$0
17	Total (sum of rows 1+5+9+13)	\$14,867	\$12,023	\$31

During FY25, remuneration consequences for all risk and conduct matters were applied as in-year adjustments to variable remuneration.