



Company	Bendigo and Adelaide Bank Ltd
Code	BEN
Meeting	AGM
Date	30 October 2018
Venue	Ulumbarra Theatre, Bendigo, Victoria
Monitor	Eric Pascoe, Norm West, Barbara Tadich

Number attendees at meeting	162 shareholders plus 33 visitors
Number of holdings represented by ASA	500
Value of proxies	Approx. \$33m
Number of shares represented by ASA	3.2m (more than 8th largest holder)
Market capitalisation	\$4,869 m
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with CEO Marnie Baker, CFO Travis Crouch & Co. Sec. Will Conlan

New CEO/MD: A new strategy. Can she achieve growth?

The ASA complimented the Bank's performance in FY18 after it increased cash profit by 6.4% (4.1% on a per share basis) and increased the dividend by 2 cents per share to 70 cents. It was a good result for shareholders who have seen little growth over recent years.

Mike Hirst retired as CEO/MD after 9 years in the top job. The ASA thanked Mr Hirst and recognised his "reliable and steady" governance throughout a period of turmoil for the industry which included recovering from the global financial crisis and enduring the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (Royal Commission).

In prior years the ASA has been critical of the Bendigo and Adelaide Bank for not converting their industry leading ratings for public trust and good service into growth. Whilst they have achieved an exceptional standing with the public they have treated this as if it was the end game.

The incoming CEO/MD Marnie Baker now has a vision to capitalise on the bank's image with its stake holders. She is keen to grow the business by making Bendigo and Adelaide Bank 'The Bank of Choice' for prospective customers. The moment is opportune because Bendigo and Adelaide's

comparison with the majors has never looked so stark and favourable following the Royal Commission. F19 will be about can she deliver growth for Bendigo and Adelaide Bank and how will she go about attaining tangible benefit from the bank's renown good name.

The ASA voted in favour of both Directors that were up for re-election; Vicki Carter and Tony Robinson and both were successful achieving 98.6% of the vote and 77.3% respectively. However, in line with ASA policy we requested that 2 directors, Mr Robinson (12 years' service) and Mr Johanson (30 years' service) no longer be identified as 'Independent' directors. The Chair also announced the retirement of Deb Radford from the board after 12 years' service.

The remuneration report was also passed with the ASA's support and achieved a vote of 95.6% in favour. Our only negative observation being that the directors, who are well remunerated in comparison to their peer group, had granted themselves a 2.5% increase last year and a further 2% this year. For a bank that pride's itself on being close to its community it would be a travesty if the board, by its actions, undid any of that goodwill.

The Managing Director's salary package which included a Deferred Share Plan and a Performance Share Plan was passed with an 80.8% votes cast in favour and was supported by the ASA. In our discussions with the bank the ASA was impressed with the bank's efforts to achieve a fair and balanced pay structure. The new MD's package was a little lower than the previous MD's package in line with the industry trend.