Remuneration Disclosure

The following remuneration disclosure is for Sandhurst Trustees Limited ("Company"). The Company is a Registrable Superannuation Entity ("RSE") and holds an RSE license. The disclosures are provided in accordance with the Superannuation Industry (Supervision) Act 1993 and Superannuation Legislation Amendment (MySuper Measures) Regulation 2013.

Sandhurst Key Management Personnel

Name	Position	Term
Non-Executive Directors		
Jenny Dawson	Chairman & Non-Executive Director	Full Year
Ian Mansbridge [1]	Non-Executive Director (ceased 23 July 2018)	Part Year
Tony Robinson	Non-Executive Director	Full Year
Richard Baker [2]	Non-Executive Director (commenced 4 August 2018)	Part Year
Executive Directors		
Bruce Speirs [3]	Executive Partner Connection (ceased 27 September 2018)	Part Year
Paul Rohan [4]	Head of Wealth Services (appointed 2 October 2018)	Full Year
Richard Baker [2]	Head of Insurance Bendigo Bank (ceased 3 August 2018)	Part Year

(1) Mr Mansbridge retired from the Sandhurst Trustee Limited Board on 23 July 2018.
(2) Mr Baker resigned as Head of Insurance Bendigo Bank on 3 August 2018 and was then appointed as a Non-executive Director on 4 August 2018.
(3) Mr Speirs ceased being an Executive Director on 27 September 2018 and his current role title is Executive Business Banking.
(4) Mr Rohan was an Executive Officer and was appointed as an Executive Director on 2 October 2018.

The Company is a wholly owned subsidiary of Bendigo and Adelaide Bank Limited (the "Bank"). The remuneration received by the executive directors and officers and non-executive directors is paid directly by the Bank. The respective remuneration arrangements are determined in accordance with the Bank's remuneration policy, the key features of which are set out in the Bank's 2019 Annual Financial Report.

Section 1: Sandhurst executive remuneration

1.1 Base Remuneration

Executive base remuneration can comprise both fixed base and deferred base components.

Fixed base

Fixed base comprises cash salary and employer superannuation contributions.

Deferred base

Deferred base is represented by annual grants of deferred shares that are held on trust for a two-year deferral period. The grants are designed to provide an additional retention incentive for the executives which is linked to shareholder interests. Deferred shares are fully paid ordinary shares granted at no cost and are beneficially owned by the Executive from grant date. The grants are subject to a two year service condition and risk adjustment at the discretion of the Board of the Bank. If the service condition is not met the deferred shares do not vest and are forfeited, unless the Board decides otherwise.

The remuneration value of deferred share grants is determined on the basis of the Executive's targeted remuneration mix. The number of deferred shares granted is calculated by dividing the deferred component by the volume weighted average closing price of the Bank's shares for the last five trading days of the financial year prior to the year of grant.

Awards of deferred base remuneration are at the discretion of the Board of the Bank.

Details of the base pay deferred share grants are presented at Section 3.

Setting base remuneration

In setting executive base remuneration, the Board of the Bank considers the nature and complexity of the role and the skills and experience needed to successfully fulfil the role. Base Remuneration is also determined in the context of the external market including comparable roles in the banking sector and other companies of a similar size and complexity.

1.2 Short term incentive (STI) plan
Executive remuneration includes an annual incentive component. The incentive is designed to provide an appropriate level of reward for the achievement of annual financial targets and business objectives.

The STI maximum opportunity for Executive Partner Connection is decided by the Board of the Bank at the start of the year taking into account the executive's responsibilities and target remuneration mix. The STI maximum opportunity is a fixed dollar amount which is, for the reasons already explained, positioned at relatively modest levels.

Annual STI awards are driven by the size of the bonus pool established by the Board of the Bank to fund bonus payments. The parameters for establishing a bonus pool are approved by the Board of the Bank at the start of the year and require a minimum level of cash earnings performance. The amount of the bonus pool will increase with cash earnings performance above a hurdle, subject to the achievement of key financial and risk management hurdles set by the Board of the Bank and is capped at 110 percent of the cash earnings target set at the start of the year. The Board of the Bank also applies a discretionary overlay to take into account the underlying quality of the result and shareholder outcomes.

The Board of the Bank decides the amount of the bonus pool after financial year-end, on recommendation from the Governance & HR Committee. If a bonus pool is not established, no STI awards are made. If a bonus pool is established, but the size of the pool is less than the maximum potential pool, the STI maximum opportunity for Executive Partner Connection is proportionately adjusted downwards to reduce their STI opportunity.

The Managing Director assesses the performance of Executive Partner Connection shortly after financial year-end based on the achievement of the individual's financial and non-financial measures set at the start of the year.

The Managing Director then applies any upward or downward adjustment to determine the proposed STI award for recommendation to the Governance & HR Committee and Board. The Board of the Bank considers the Managing Director is best placed to assess the performance and overall contribution of the Executive Partner Connection.

The Head of Insurance Bendigo Bank and Head of Wealth Services participate in the Value Created Dividend (VCD) Plan. The performance objectives and measures for these employees under the VCD typically include:

a) Targets and measures determined by the Bank for the role set at a level which represents superior performance and include achievement of threshold financial targets;
b) Team performance and contribution to organisation and division success;
c) The passing of minimum gateway standards set for performance and contribution, values based behaviour and risk and compliance; and
d) Individual contribution to Bank, division and team success and the individual's performance in achieving and exceeding goals and work program for the year.

STI Deferral
If an STI award exceeds $100,000, one third of the award is deferred into equity as grants of deferred shares.

The deferred shares are fully paid ordinary shares acquired on-market and held by the Plan Trustee for a two-year deferral period commencing from the end of the financial year for which the STI was granted. They are also subject to a two-year service condition and risk adjustment at the discretion of the Board of the Bank. If the service condition is not met the deferred shares do not vest and are forfeited. The number of deferred shares granted is calculated by dividing the value of the deferred STI component by the market price of the shares.

1.3 Long-term incentive ("LTI") (performance rights grants)
Executive Partner Connection and Head of Wealth Services also participated in the LTI for 2019. LTI is equity based remuneration that is subject to long-term performance and service conditions. At the Board's discretion, executives may be invited to participate in annual grants of performance rights. The rights are granted at no cost, have no exercise price and each right represents an entitlement to one ordinary share.

The remuneration value of the grants is determined by the individual's targeted remuneration mix and the number of rights granted is determined by dividing the face value of the LTI by the volume weighted average closing price of the Bank's shares for the last five trading days of the financial year prior to the year of the grant.

The performance right grants made during the year used a two 'sleeve' approach. An overview of the grant design is presented below:

	First Sleeve	Second Sleeve	Service condition
Allocation and Measures	35% of performance rights granted Subject to a 'Customer Hurdle'	65% of performance rights granted Subject to TSR measure	
Performance period: Senior Executives	Customer Hurdle performance period: 1.7.18 to 30.6.21	TSR performance period: 1.7.18 to 30.6.21	1.7.18 to 30.6.21

First sleeve- customer hurdle
To satisfy the Customer Hurdle, the Bank's net promoter score (NPS) over the performance period (measured using a six-month rolling average) must be 20 points greater than the average performance of a peer group of Australian banks. If the Customer Hurdle is met, all the rights under this sleeve will vest. If the Customer Hurdle is not met, the rights will not vest and lapse.

NPS was chosen as it represents a global industry standard used to measure customer advocacy. The NPS hurdle is directly linked to good customer outcomes and is a consistent response to public concern about conduct and culture concerns in the Australian banking sector.

Second sleeve- TSR hurdle
The TSR hurdle measures the Bank's shareholder return performance relative to the TSR performance of other ASX 100 companies (excluding property trusts and resources stocks) using the ASX 100 Accumulation Index. This comparator group was chosen, in the absence of a sufficient number of comparable institutions, as it is frequently used in the market and requires the Bank to outperform the majority of companies in the peer group before the individuals receive any value from the grants.

The TSR measure was chosen as it is aligned with shareholder interests and represents a widely used and understood means of measuring performance linked to shareholder value. The TSR measure is independently calculated.

The performance rights will vest subject to the Bank's TSR performance in accordance with the below vesting schedule.

Vesting schedule
The following vesting schedule applies to the TSR testing for both the second sleeve and the third sleeve.

Company's relative TSR ranking	Percentage of performance rights that vest
At or below the 50th percentile	0%
At 50.1th percentile	60%
Between the 50.1th and 75th percentiles	Straight-line vesting: • starting at 60%; and • reaching 100% at the 75th percentile.
Above the 75th percentile	100%

Prior year grants
Grants of rights were made to executives for the 2016 financial year were on different terms to the grants made in the 2017 and 2018 financial years. The main distinction between the terms of these grants are as follows.

The legacy grants have a four-year performance period consisting of a twelve-month initial performance period for cash EPS testing followed by a three-year performance period for relative TSR testing. The grants are also subject to a four-year continued service condition.

The number of performance rights that vest and convert into ordinary shares at the end of the applicable performance period is determined as follows:

a) EPS hurdle: The grant is reduced by 50 percent if the Bank's cash earnings per share for the applicable financial year is less than the cash earnings per share for the previous financial year.
b) TSR hurdle: The TSR performance period is three years.

Vesting of the performance rights (as adjusted for the EPS performance outcome) will be conditional on achieving the following TSR performance against the peer group. There is no retesting and any rights that do not vest will lapse.

Company's relative TSR ranking	Percentage of performance rights that vest
TSR below 50th percentile	Nil
TSR between 50th and 75th percentiles	65%
TSR above 75th percentile	100%

1.4 Common equity grant terms

All deferred share and performance right grants are made in accordance with the rules of the Bank's Employee Salary Sacrifice, Deferred Share and Performance Right Plan ("Plan").

Deferred shares are beneficially owned by the executive from grant date and the executive is entitled to vote, receive notices issued to ordinary shareholders and receive dividends during the deferral period. The recipients are not entitled to deal in the deferred shares until they vest, and the Board may treat deferred shares as forfeited before vesting.

Performance rights do not carry any dividend or other shareholder rights such as voting. The executives are prohibited from dealing in the performance rights until they have been advised that the performance rights have vested.

If an executive ends their employment or their employment ends because of an act which constitutes serious misconduct, the deferred shares or performance rights will be forfeited on the executive's last day of employment unless, in the case of resignation, exceptional circumstances apply, and the Board decides to vest some or all the shares or rights.

If an executive's employment ends because of death, disability, redundancy, or any other reason approved by the Board, the deferred shares or performance rights will continue to be held as if the executive's employment has not ended, and the service condition will be treated as waived, unless the Board decides otherwise. If the Board does decide otherwise, it may determine that some or all of the shares or rights are forfeited, which would occur on the last day of employment.

The Board has discretion under the Plan rules to vest all or a specified number of deferred shares or performance rights if there is a takeover, compromise, scheme of arrangement or merger. Matters the Board may take into account include the Group's pro-rata performance against the performance conditions and the individual's performance.

Under the rules of the Plan the Board has discretion to satisfy deferred share grants and vested performance right grants by either issuing new shares or acquiring shares on-market. The shares are typically acquired on-market.

Review of LTI plan

The Board completed a review of the LTI plan during the year to ensure the plan design remains contemporary and acts as an effective incentive for executives. In particular, to ensure the grants reward executives for delivering shareholder returns which are in line with, and ahead of, broader market performance over the longer term.

As result of the review it was decided to restructure of the grants to remove the EPS gateway hurdle as set out below. This structure applied to the grants made in the 2019 financial year.

Previous grant structure:

- Sleeve 1 – 30% of grant subject to NPS hurdle
- Sleeve 2 – 35% of grant subject to EPS in year 1 and if passed, then test against relative TSR (TSR against ASX 100 peer group excluding resource companies and property trusts)
- Sleeve 3 – 35% of grant subject to relative TSR (peer group as for Sleeve 2)

Revised grant structure:

- Sleeve 1 – 35% of grant subject to NPS hurdle over 3 years
- Sleeve 2 – 65% of grant subject to relative TSR (against ASX 100 peer group excluding resource companies and property trusts)

Risk adjustment

The Board may adjust the number of deferred shares and performance rights that vest to take into account any unforeseen or unexpected circumstances and risk developments. The Board has absolute discretion to adjust variable remuneration (Deferred base pay, Deferred STI and LTI) to reflect the following:

a) The outcomes of business activities;
b) The risks related to the business activities taking into account, where relevant, the cost of the associated capital; and
c) The time necessary for the outcome of those business activities to be reliably measured.

This includes adjusting performance-based components of remuneration downwards, to zero if appropriate. On an annual basis the Board reviews the appropriateness of releasing deferred equity components taking into account the performance outlook, risk profile and any other matter that might impact the reputation or financial soundness.

Hedging and margin loan restrictions

The remuneration policy mandates that executives, and their closely related parties, may not enter into a transaction designed to remove the at-risk element of equity-based pay before it has vested, or while it is subject to a trading restriction. The restriction is contained in the Remuneration Policy. The Bank treats compliance with the requirement as important and at the end of each year requires the individuals to confirm they have complied with the restriction. If the restriction is breached the individual will forfeit all equity-based remuneration that is subject to the prohibition at the time of the breach.

The Bank's Trading Policy also prohibits KMPs and Executives from using the Bank's securities as collateral in any margin loan arrangements.

Section 2: Non-executive director remuneration

The remuneration of Non-executive Directors is based on the following principles and arrangements. There is no direct link between Non-executive Director fees and the annual results of the Group. Non-executive Directors do not receive bonuses or incentive payments, nor receive any equity based pay.

The Bank's Governance & HR Committee (the "Committee") recommends to the Board of the Bank the remuneration policy and remuneration for Non-executive Directors. The base fee is reviewed annually by the Committee and the following considerations are taken into account in setting the base fee:

a) The scope of responsibilities of Non-executive Directors and time commitments. This includes consideration of significant changes to the Group's operations and industry developments which impact director responsibilities, at both the Board of the Bank and committee level.
b) Fees paid by peer companies and companies of similar market capitalisation and complexity, including survey data and peer analysis to understand the level of director fees paid in the market, particularly in the banking and finance sector.

Non-executive Directors receive a fixed annual fee inclusive of superannuation contributions at 9.50 percent. In relation to superannuation contributions, Non-executive Directors can elect to receive amounts above the maximum contributions limit as cash or additional superannuation contributions.

Section 3: Sandhurst Executive and Non-Executive Director Remuneration

Table 1: Non-Executive Director Remuneration

The following payments were made to Non-executive Directors for the 2019 and 2018 financial years in relation to their service on the Sandhurst Board.

Non-Executive Director		Short-term benefits		Post-employment benefits	Total
		Fees	Non-monetary Benefits	Superannuation contributions [1]	
Jenny Dawson	2019	85,000		8,075	93,075
	2018	85,000		8,075	93,075
Ian Mansbridge [2]	2019 (part year)	5,167		491	5,658
	2018	82,000		7,790	89,790
Tony Robinson [3]	2019	38,061		3,606	41,667
	2018	54,795		5,205	60,000
Richard Baker [4]	2019 (part year)	36,274		3,446	39,720
	2018	-	-	-	-
Totals	**2019**	**164,502**		**15,618**	**180,120**
	2018	**221,795**		**21,070**	**242,865**

(1) Represents Company superannuation contributions.
(2) Mr Mansbridge retired from the Sandhurst Trustee Limited Board on 23 July 2018.
(3) Mr Robinson's fees were decreased from $60,000 inclusive of company superannuation to $40,000 inclusive of company superannuation on 1 August 2018.
(4) Mr Baker resigned as Head of Insurance Bendigo Bank on 3 August 2018 and was then appointed as a Non-executive Director on 4 August 2018.

Table 2: Sandhurst Executive Remuneration

The remuneration paid to Sandhurst Executives for the 2019 and 2018 financial years is set out below in the table below. The amounts are based on the estimated percentage of time allocated to the Company's business and operations.

Executive		Short-term Employee Benefits			Super-annuation Benefit [4]	Other long-term benefits [5]	Termination	Share-based payments [6,7]		Total
		Cash Salary [1]	Cash Bonus (STI) [2]	Non-monetary benefits [3]				Performance Rights	Deferred Shares [8]	
Bruce Speirs [9]	2019	4,500	0	79	250	116	-	1,120	1,189	7,254
	2018	35,023	8,438	650	2,005	896	-	6,672	8,915	62,597
Paul Rohan	2019	85,686	0	1,797	5,137	1,263	-	5,937	-	99,819
	2018	100,447	6,357	5,045	6,683	2,114	-	5,119	-	125,764
Richard Baker [9]	2019	156	0	6	10	236	259	-	-	667
	2018	8,256	300	438	909	36	-	-	-	9,939
Totals	**2019**	**90,342**	**0**	**1,882**	**5,397**	**1,615**	**259**	**7,057**	**1,189**	**107,740**
	2018	**143,726**	**15,095**	**6,132**	**9,597**	**3,045**	**-**	**11,790**	**8,915**	**198,300**

(1) Cash salary amounts include the net movement in annual leave accrual for the year.
(2) These amounts represent STI cash awards for the financial year. Also refer to footnote 8 below for discussion on the deferral of STI components.
(3) "Non-monetary" relates to sacrifice components of salary such as motor vehicle costs.
(4) Represents company superannuation contributions made on behalf of Sandhurst Executives. Company superannuation contributions form part of fixed base remuneration and are paid up to the statutory maximum contributions base.
(5) The amounts disclosed relate to movements in long service leave entitlement accruals.
(6) In accordance with the requirements of Australian Accounting Standards, remuneration includes a proportion of the fair value of equity compensation granted or outstanding during the year. The fair value of equity instruments is calculated as at the grant date and is progressively allocated over the vesting period. The amount included as remuneration is not related to or indicative of the benefit (if any) that individual participants may ultimately realise should the equity instruments vest. The fair value of performance shares as at the grant date has been calculated under AASB 2 Related Party Disclosures applying a Black-Scholes-Merton valuation method incorporating a Monte Carlo simulation option pricing model to estimate the probability of achieving the Total Shareholder Return hurdle and the number of performance shares that vest. The assumptions underpinning these valuations are set out in Table 4.
(7) The amounts included in the performance rights column represent the fair value of performance right grants amortised over the applicable vesting period. The comparative amount represents the final amortised fair value allocation for the previous performance right grant made in the 2018 financial year. The current year amounts for other executives represent the amortised fair value allocation for the 2016, 2017, 2018 and 2019 performance right grants. The comparative amounts represent the amortised fair value allocation for the 2015, 2016, 2017 and 2018 performance right grants.
(8) The amounts included in the deferred share column comprise:

- The fair value of deferred STI is amortised over a two-year deferral period. The deferred STI amounts for the 2019 financial year represent the amortised fair value of the deferred STI grant for the 2018 financial year. The deferred STI amounts for the comparative period represent the amortised fair value of the deferred STI grant made for the 2016 financial year.
- The fair value of the deferred base pay grants amortised over a two-year deferral period. The deferred base pay amounts for the 2019 financial year comprise the amortised fair value of the deferred base pay grants made in the 2018 and 2019 financial years. The comparative amounts represent the amortised fair value of the deferred base pay grants made in the 2017 and 2018 financial years.

(9) Represents pro-rata for time as an Executive Director for Sandhurst Trustees in FY2019 for Mr Speirs and Mr Baker.

Table 3: Sandhurst Executive STI payments FY2019

Short term incentives were not paid to Sandhurst executives in FY2019. The short term incentives forfeited are also set out in the table below. The amounts are based on the estimated percentage of time allocated to the Company's business and operations and for term as a Sandhurst KMP.

Executive	Maximum Award Available [2]	STI Payment		STI payment as % of Maximum STI	% of maximum STI payment forfeited
		Paid as cash	Deferred into shares [1]		
Bruce Speirs	5,000	-	-	0	100
Paul Rohan	15,151	-	-	0	100
Richard Baker	-	-	-	-	-

(1) One third of STI awards that exceed $100,000 threshold set by Board of the Bank are subject to deferral for two years into shares in Bendigo and Adelaide Bank.
(2) The STI award is subject to the achievement of financial and non-financial measures. Accordingly, the minimum potential STI award is nil.

Table 4: All plans – equity valuation inputs

The following tables summarise the valuation inputs for equity instruments issued by the Bank during the year.

a. Deferred Shares

Equity Instrument	Grant date	Issue price / Fair value [1]	Share price at grant date	Restriction period end / test date	Vest / Expiry date
Deferred Shares Base Pay	12.12.2017	$11.57	$11.64	30.06.2019	30.06.2019
Deferred Shares STI	12.12.2017	$11.57	$11.64	30.06.2019	30.06.2019
Deferred Shares STI	17.12.2018	$10.31	$10.37	30.06.2020	30.06.2020
Deferred Shares Base Pay	17.12.2018	$10.31	$10.37	30.06.2020	30.06.2020
Deferred Shares Base Pay	19.12.2018	$10.36	$10.40	30.06.2020	30.06.2020

(1) The fair value of deferred share grants (for STI deferral and deferred base pay) is calculated using the volume weighted average closing price of the Bank's shares for the five-day period ending on the grant date.

b. Performance Rights

Equity Instrument	Grant date	Fair value [1]	Share Price $	Exercise price	Risk-free interest rate	Dividend yield	Expected volatility	Expected life	Performance period end / expiry date [2]
Performance Rights	17.12.2015	$4.92	$11.24	-	2.18%	6.00%	20%	4 years	30.06.2019
Performance Rights – Sleeve 1	16.12.2016	$10.63	$12.25	-	1.93%	5.75%	20%	3 years	30.06.2019
Performance Rights – Sleeve 2	16.12.2016	$7.29	$12.25	-	1.93%	5.75%	20%	3 years	30.06.2019
Performance Rights – Sleeve 3	16.12.2016	$7.29	$12.25	-	1.93%	5.75%	20%	3 years	30.06.2019
Performance Rights – Sleeve 1	12.12.2017	$10.09	$11.64	-	1.97%	5.75%	22.5%	3 years	30.06.2020
Performance Rights – Sleeve 2	12.12.2017	$5.81	$11.64	-	1.97%	5.75%	22.5%	3 years	30.06.2020
Performance Rights – Sleeve 3	12.12.2017	$5.81	$11.64	-	1.97%	5.75%	22.5%	3 years	30.06.2020
Performance Rights – Sleeve 1	17.12.2018	$8.60	$10.37	-	1.89%	6.73%	23.4%	3 years	30.06.2021
Performance Rights – Sleeve 2	17.12.2018	$5.57	$10.37	-	1.89%	6.73%	23.4%	3 years	30.06.2021

(1) The fair value is calculated as at grant date in accordance with AASB 2 Share-based Payments using an independent valuation.
(2) The Board will test the performance condition as soon as practical after year end. Any performance rights that do not vest will lapse at 5.00pm on the date the Board makes its decision on what performance rights vest or lapse.

Table 5: All equity plans – grants of instruments FY2019

The table below sets out the number and value of equity instruments granted by the Bank during FY2019. It also includes details of instruments granted in prior years that vested or were forfeited or lapsed during the year. The amounts are based on the estimated percentage of time allocated to the Company's business and operations but not prorated for length of time in role.

Executive	Equity Instrument	Grant Date	Granted Units [1]	Granted $ [2]	Prior years' awards vested [3] Units	Prior years' awards vested [2,4] $	Forfeited / Lapsed [6] Units	Forfeited / Lapsed [5, 6] $
Bruce Speirs	Performance Rights	17.12.2015			261	1,286	140	692
	Performance Rights	16.12.2016			445	3,696	90	751
	Deferred Shares STI	12.12.2017			111	1,284		
	Deferred Shares Base Pay	12.12.2017			318	3,687		
	Deferred Shares Base Pay	17.12.2018	463	4,781				
	Performance Rights	17.12.2018	695	4,612				
Paul Rohan	Performance Rights	16.12.2016			668	5,679	136	991
	Performance Rights	17.12.2018	695	4,612				

(1) The grants to executives in FY2019 constituted 100% of the grants available for the year and were made on the terms described at Section 3.

(2) The value of the performance right grants and deferred share grants is the fair value (refer Section 4). The minimum total value of the grants, if the applicable performance and service conditions are not met, is nil. The future value of the rights is dependent on the achievement of the performance hurdles and the share price at the time the performance rights vest. As the actual value that may be derived by the executives is dependent upon the Bank's share price at the time the rights vest, an estimate of the maximum possible total value in future financial years is the fair value shown above.

(3) The percentage of performance rights that vested in FY2019 was 83.1% for the FY2017 LTI Plan where the first sleeve vested at 100% when measured on NPS performance and the remaining two sleeves vesting at 75.9% when measured on relative TSR performance. The percentage of performance rights that vested in the FY2016 LTI plan was 65% as the TSR measure was met. The percentage of base pay deferred share grants made in prior years that vested during FY2019 was 100%. The percentage of the deferred STI share grants made in prior years that vested during FY2019 was 100%.

(4) The value of vested deferred shares is measured using the fair values applicable to the grant of deferred shares that vested. The applicable fair values are presented at Section 4. As each deferred share represents one ordinary share in the Bank, the number of ordinary shares that will vest is the same as the number of deferred shares that were granted.

(5) The value of each instrument on the date it lapses or is forfeited is calculated using the fair value of the instrument. Performance rights and deferred shares lapse where the applicable performance and service conditions are not satisfied.

(6) The performance rights vest subject to performance and continued service over the applicable performance period. If performance rights do not vest at the end of the performance period, they are forfeited and lapse.

Table 6: All plans – Movements in equity holdings

All equity transactions with Sandhurst executives have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length other than shares issued under the Employee Share Ownership Plan.

Performance rights and deferred shares are granted as equity compensation under the Employee Salary Sacrifice, Deferred Share and Performance Share Plan ("Plan") to executive officers as long term incentive, deferred base and deferred STI remuneration components. The movements in participants' (including their related parties) equity holdings for FY2019 are below. The amounts are based on the estimated percentage of time allocated to the Company's business and operations but not prorated for length of time in role.

Executive	Equity Instrument	Number at start of year	Number granted during the year as remuneration	Number received on exercise or exercised /released during the year	Number lapsed/ expired during the year	Net change other	Number at end of year [1,2]
Bruce Speirs	Deferred shares	429	463	(429)	-	-	463
	Ordinary shares	321		1,136		(321)	1,136
	Performance rights	1,394	695	(707)	(231)	-	1,151
Paul Rohan	Ordinary shares	734		668		51	1,453
	Performance rights	1,487	695	(668)	(136)		1,378

(1) None of the equity holdings are held nominally.

(2) None of the deferred shares or performance rights held at year end had vested and were exercisable.

Table 7: Sandhurst Executive employment agreements

The remuneration and other terms of employment for executives of Sandhurst are contained in contracts. The material terms of the contracts for the executives of Sandhurst at the date of this report are set out below.

Issue	Description	Applies to
What is the duration of the contracts?	On-going until notice is given by either party.	Executives
What notice must be provided by the executive officer to end the contract without cause?	Up to 12 months' notice. No notice period required if material change in duties or responsibilities.	Executive Partner Connection
	4 weeks' notice.	Head of Wealth Services / Head of Insurance Bendigo Bank
What notice must be provided by the Bank to end the contract without cause?	12 months' notice or payment in lieu.	Executive Partner Connection
	4 weeks' notice or payment in lieu.	Head of Wealth Services / Head of Insurance Bendigo Bank
What payments must be made by the Bank for ending the contract without cause? (1)	Payment of gross salary in lieu of period of notice (including payment of accrued / unused leave entitlements calculated to end of relevant notice period).	Executive Partner Connection
	In the event of a redundancy, the terms of the Group's redundancy policy will apply	Head of Wealth Services / Head of Insurance Bendigo Bank
What are notice and payment requirements if the Bank ends the contract for cause?	Termination for cause does not require a notice period. Payment of pro-rata gross salary and benefits (including payment of accrued / unused leave entitlements) is required to date of termination.	Executives
Are there any post-employment restraints?	12 month non-solicitation (employees, customers and suppliers) restriction.	Executive Partner Connection
	No.	Head of Wealth Services/ Head of Insurance Bendigo Bank

(1) In certain circumstances, such as a substantial diminution of responsibility, the Bank may be deemed to have ended the employment of an executive and will be liable to pay a termination benefit as outlined at the row titled "What payments must be made by the Bank for ending the contract without cause".