national australia bank

Annual Report 2025

National Australia Bank Limited ABN 12 004 044 937

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This 2025 Annual Report (Report) is lodged with the Australian Securities and Investments Commission and ASX Limited. National Australia Bank Limited (NAB) is publicly listed in Australia.
The Report contains information prepared on the basis of the *Banking Act 1959* (Cth), *Corporations Act 2001* (Cth), 4th edition ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, Accounting Standards and interpretations issued by the Australian Accounting Standards Board and International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. It also provides information on the Group's activities and performance in 2025, showing how the Group is creating value through its strategy, operating environment, governance and financial and non-financial activities. NAB also produces a Climate Report which can be viewed online at nab.com.au/annualreports.

To view the Report online, visit www.nab.com.au/annualreports. Alternatively, to arrange for a copy to be sent to you free of charge, call the shareholder information line on 1300 367 647 from within Australia or +61 3 9415 4299 from outside Australia. Nothing in the Report is, or should be taken as, an offer of securities in NAB for issue or sale, or an invitation to apply for the purchase of such securities. All figures in the Report are in Australian dollars unless otherwise stated.

2025 Reporting Suite

Acknowledgement of Country

NAB acknowledges the Traditional Owners and Custodians of the lands and waters across Australia, whose connection to Country has sustained community, culture and commerce for tens of thousands of years. We pay our respects to Elders past and present, recognising their enduring strength, innovation and economic leadership of First Nations peoples. We are committed to walking alongside First Nations leaders, businesses and communities to create lasting opportunity, strengthen capability and grow intergenerational wealth.

"First Nations peoples", "Indigenous peoples" and "Aboriginal and Torres Strait Islander peoples" are used interchangeably throughout this Report. By intent, these terms respectfully refer to Aboriginal and/or Torres Strait Islander peoples of Australia.

2025 Annual Report

NAB's 2025 Annual Report provides information on the Group's activities and performance during 2025. It outlines how NAB is creating value through its strategy, operating environment, governance, financial and non-financial activities.

The Annual Report draws on aspects of the International Integrated Reporting Framework, Global Reporting Initiative Standard and forthcoming Australian Sustainability Reporting Standards. It is supported by the additional documents outlined below.

Report Structure

Pages 10 to 41 contain information on the Group's business, strategy, operating environment and performance. These pages outline performance relevant to customers, colleagues, communities, sustainability, climate change and environment and respecting human rights. Stakeholder feedback was considered in the shaping of this section (refer to *Material sustainability themes* on page 33 for more information).

Pages 49 to 72 contain NAB's 2025 Corporate Governance Statement, which discloses how the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations – 4th edition have been complied with.

Pages 85 to 142 contain key components of the Report of the Directors.

Pages 98 to 140 contain the Remuneration Report.

Pages 144 to 239 contain the Financial report.

Assurance

The Group's External Auditors are EY, and they have provided the following assurances:

- The Remuneration Report on pages 98 to 140 and Financial report on pages 144 to 239 have been audited. The assurance statement for the Financial report and Remuneration Report is on pages 240 to 246 .
- Limited assurance over 26 key non-financial sustainability metrics and performance disclosures and a further six metrics relating to NAB's Reconciliation Action Plan as outlined in EY's limited assurance statement on pages 42 to 48.
- Assurance over selected environmental measures disclosed across NAB's reporting suite. EY's assurance statements are available on NAB's website at nab.com.au/about-us/social-impact/shareholders/performance-and-reporting.

Additional documents

2025 Full Year Results Investor Presentation

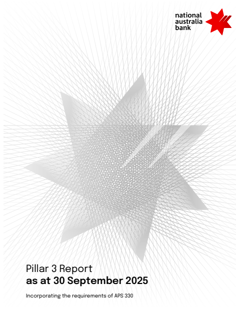
Information designed for analysts and institutional investors which accompanies the Group's Full Year Results Presentation.

Management Discussion and Analysis

Management discussion and analysis of the Group's results for the year ended 30 September 2025.

2025 Climate Report

Provides information on NAB's climate-related activities and progress on its climate strategy. The Report is guided by the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD).



2025 Pillar 3 Report

Describes the Group's risk management approach and provides details about risk exposures, capital adequacy and liquidity.

2025 Sustainability Data Pack

Provides further details on the Group's sustainability performance, in addition to the material themes covered in the Annual Report and the Climate Report.

Additional information

Certain definitions

The Group's financial year ends on 30 September. The financial year ended 30 September 2025 is referred to as 2025 and other financial years are referred to in a corresponding manner. Reference in this Report to the year ended September 2025 are references to the twelve months ended 30 September 2025. Other twelve month periods referred to in this Report are referred to in a corresponding manner. Reference in this Report to the environmental reporting year are references to the twelve months ended 30 June 2025.

The abbreviations $m and $bn represent millions and thousands of millions (i.e. billions) of Australian dollars respectively.

Key terms used in this Report are contained in the *Glossary*.

Forward-looking statements

This Report contains statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "ambition", "believe", "estimate", "plan", "project", "anticipate", "expect", "goal", “target”, "intend", “likely”, "may", "will", “could” or "should" or, in each case, their negative or other variations or other similar expressions, or by discussions of strategy, plans, objectives, targets, goals, future events or intentions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Users are cautioned not to place undue reliance on such forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group, which may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.

There are many factors that could cause actual results to differ materially from those projected in such statements, including (without limitation) a significant change in the Group’s financial performance or operating environment; a material change to law or regulation or changes to regulatory policy or interpretation; and risks and uncertainties associated with the ongoing impacts of the Russia-Ukraine and Middle Eastern conflicts and other geopolitical tensions, the Australian and global economic environment and capital market conditions and changes in global trade policies. Further details are contained on page 75 under *Disclosure on risk factors*.

Contents

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Our business in 2025

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2025 at a glance

Key financial performance measures

Statutory net profit
$6.76bn
2.9% decrease from 2024

Cash earnings[1]
$7.09bn
0.2% decrease from 2024

Basic Cash EPS (cents)[1]
231.8
1.1% increase from 2024

Cash return on equity[1]
11.4%
20 bps decrease from 2024

Common Equity Tier 1 Capital ratio[1]
11.70%
65 bps decrease from 2024

Dividend determined per share (for the full year)
$1.70
$0.01 higher than 2024

Other key performance measures

Net Promoter Score (NPS) - Mass Consumer[2]
0
#2 among major Australian banks

NPS - Business[3]
-1
#2 among major Australian banks

NPS - Large Corporate & Institutional[4]
43
#2 among major Australian banks

NPS - BNZ Consumer[5]
38
#1 among major New Zealand banks

Climate action[6]
$17.7bn
Cumulative towards $80bn by 2030 environmental finance ambition

Access to affordable housing[7]
$6.9bn
Achieved our $6bn affordable and specialist housing financing goal by 2029, four years ahead of schedule

First Nation economic empowerment[8]
$673.2m
Towards $1bn in lending to First Nations businesses and community organisations by end of 2026 (spot balance)

Colleague engagement score[9]
78
Achieved top quartile target score of 78

(1) Full detail on how cash earnings is defined, a discussion of non-cash earnings items and a full reconciliation of statutory net profit attributable to owners of the Company is set out in Note 2 Segment information of the Financial Report on page 155. Statutory return on equity and statutory earnings per share (EPS) are presented on page 88.
(2) Net Promoter® and NPS® are registered trademarks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Net Promoter ScoreSM is a service mark of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Sourced from RFI Global – Atlas, measured on 6 month rolling average to September 2025. Based on all consumers, 18+ and excludes consumers with personal income of $260k+ and/or investible assets $2.5m+ and/or footings of over $850k. Ranking based on absolute scores, not statistically significant differences and compared against Big 4 peers.
(3) Sourced from RFI Global – Atlas, measured on 6 month rolling average to September 2025. Based on all business customers. Ranking based on absolute scores, not statistically significant differences and compared against Big 4 peers.
(4) Source: Coalition Greenwich Voice of Client Studies (formerly Peter Lee Associates). All data taken from the most recently available survey and rankings are against the four major domestic banks. Coalition Greenwich is a division of Crisil. Large Corporate & Institutional Relationship Banking Survey June 2025.
(5) Sourced from Insights HQ (previously known as Camorra Research) Retail Market Monitor (data on 12-month roll). NPS for nominated main bank provider as at 30th September 2025. The result reflects the 5 major banks in New Zealand. Rank is based on absolute results and may be within the confidence interval of another brand.
(6) Refer to the Environmental finance ambition in NAB's 2025 Climate Report on page 42 for further details.
(7) Affordable and specialist housing includes affordable housing, specialist disability accommodation and sustainable housing. This includes loans made under the Australian Government 5% Deposit Scheme (formerly the Home Guarantee Scheme) for properties under the national median house price, and for borrowers with taxable income below the national median household income. Progress is based on total lending facilities committed, where first draw down occurred during the ambition period, or additional funding was provided during the ambition period for a pre-existing loan facility. This number does not reflect debt balance.
(8) Lending position refers to 'Gross Loans and Advances' to both direct First Nations Businesses (with >50% First Nations Ownership), and community organisations that deliver benefits to First Nations peoples, identified by NAB's First Nations business team and/or validated against Supply Nation, Office of the Registrar of Indigenous Corporations (ORIC) and Australian Charities and Not-for-profits Commission (ACNC) registered charities. Additional checks performed on ACNC dataset to test relevance. Lending calculated as at 31 August 2025, baseline position ($417.2m) calculated as at 31 August 2023. Reference to the 2026 target end date is calendar year (31 December 2026). In 2025, lending to eligible First Nations businesses and community organisations banked out of our Corporate and Institutional Banking division was included for the first time. This made an immaterial difference (2.1%) to our total lending balance.
(9) Colleague Engagement Survey conducted using Glint, score based on July 2025 survey. Includes Australia, New Zealand and all global colleagues, population excludes ubank, external consultants, apprentices, and outsource service providers.

Chair's message

Building for the future

This year marked the first full year of implementing NAB's evolved strategy. The Board is pleased to see the progress being made for customers and shareholders.

Our Chief Executive Officer Andrew Irvine and his team are managing the business well. Together with Andrew, the Board is helping to shape the leadership team and ensure the right people are in place to lead NAB into the future.

Building a simpler, more modern bank is a key focus; one that is fit for the long-term and capable of delivering for customers in a rapidly changing world.

NAB is a materially better bank today than it was five years ago. We've made significant progress in strengthening our controls and risk management processes, but there is always more to do.

Culture, governance and accountability remain fundamental to how the bank is run. This year we finalised our Enforceable Undertaking with AUSTRAC. We remain vigilant to the ongoing challenges that financial crime presents to our customers and society.

Identifying and addressing problems as they arise continues to underpin our efforts and we endeavour to maintain constructive relationships with all our key regulators.

Unfortunately, this year we uncovered more payroll issues. NAB has initiated a broader review into payroll-related benefits under current and historical agreements and management is working hard to resolve these payroll issues as quickly as possible for our colleagues.

A financially secure bank

NAB's financial results this year reflect good performance from each of NAB's divisions.

We have maintained prudent balance sheet settings and are well capitalised with a capital surplus to the Group's CET1 target of above 11.25% as at 30 September 2025.

The Board has declared dividends for the year of 170 cents per share, in line with our target payout ratio, and returning $5.2 billion to shareholders.

We retain a bias towards reducing the share count over time to drive sustainable returns for shareholders. We have completed $8 billion in on-market buy-backs since August 2021 and continue to neutralise NAB's dividend reinvestment plan.

Over the five years to 30 September 2025, our total shareholder return was 189.8%, higher than the average of 168.1% for NAB's major bank peers.

Executive and employee remuneration outcomes this year reflect the bank's performance and our commitment to aligning reward with long-term value creation.

Board renewal

Shaping NAB's Board for the future is a constant focus. This includes targeted director development and renewal to ensure the right mix of skills, leadership and experience to guide the bank through a complex and evolving environment.

Both Kathryn Fagg and I will stand for re-election at this year's Annual General Meeting with the full support of the Board.

Given this will be my fourth term as a NAB Director, Chair succession will be a key focus, and the Board has formalised a process to ensure that this is done in an orderly manner.

During the past year, we have invested time in educating directors on technology, risk management including cyber-risk and artificial intelligence (AI), climate reporting and regulatory change.

The Board has also spent time with NAB colleagues, customers and external stakeholders to ensure directors remain firmly connected to the people and communities we serve.

Looking forward – headwinds and opportunities

As we look ahead, it's our ability to be better for customers – today and in the future – that will underpin shareholder returns.

Significant shifts in the global economy this year have signalled the beginning of a new economic era. While volatility in US trade tariffs has eased, uncertainty remains, and broader geopolitical instability continues to pose risks.

In this context, Australia and New Zealand remain attractive markets yet we continue to be alert to the potential impacts of global developments.

Closer to home, there are reasons for optimism. Interest rates and inflation are stabilising, and business and consumer confidence is gradually improving. These are encouraging signs for Australians and Australian businesses heading into 2026.

NAB seeks to support customers through the full economic cycle: whether that's funding growth and ambition, helping households and businesses navigate cost-of-living pressures or responding to the impact of natural disasters.

Technology is central to our ability to meet the needs of customers and respond to the external environment. Having the right technology in place is essential to being a future-fit bank.

We are mindful of the critical role NAB plays in the national payments infrastructure and are working closely with other banks and government agencies to ensure our systems are resilient and our customers are well protected.

This year, the Board endorsed NAB's Sustainability Strategy, which focuses on three key areas: climate transition and resilience, housing affordability, and First Nations economic empowerment. These are areas where NAB differentiates and can make a meaningful difference.

In each of these examples, we are getting on and doing the things we said we'd do.

In closing

I want to thank our shareholders for their continued support, and our NAB colleagues for their hard work and dedication. The bank is strong and has momentum behind it. I'm pleased with how far we've come and clear that there is much more to do to fulfil our ambition for this organisation.

Philip Chronican,
Chair

CEO's message

Delivering our strategy

I am pleased to share our progress during the first year of our strategy evolution. Customer outcomes are improving, and momentum is growing as we strive to become the most customer-centric company in Australia and New Zealand.

NAB is focused on delivering simpler, faster and safer banking experiences and we are making progress across our three key strategic priorities. These are growing business banking, driving deposit growth and strengthening proprietary home lending.

In 2025, we continued to grow our business. Business lending balances rose 9.3%, deposit balances grew 7.4% and the proportion of mortgages written through our bankers improved to 41%.

During the year, we made high quality appointments to what is an experienced and capable Executive Leadership Team. Andrew Auerbach, joined as Group Executive Business & Private Banking in June; Pete Steel joins as Group Executive Digital, Data & Artificial Intelligence in November and Inder Singh joins as Group Chief Financial Officer and Group Executive, Strategy in March 2026. In October 2025, we confirmed Shane Conway would be promoted to Group Executive, Transformation, commencing 1 December 2025.

Our leading Business and Private Bank continues to grow and our new business lending platform is delivering a better customer experience.

Digital, data and AI capabilities are critical enablers to be simpler and faster. Pete Steel will lead NAB in this space, focusing on making banking easier and more secure for customers and providing better insights to our colleagues.

We continue to invest in our workforce to better serve customers. This includes accessing the skills and talent pools in India and Vietnam to complement our Australian, New Zealand and other global teams. Working together, these teams are enabling us to process repayment reviews faster, provide more fraud support and offer greater continuity for customers with expanded time zones.

Economic outlook

I am optimistic about our domestic economy and see tremendous opportunities to raise productivity to secure the same or better living standards for future generations. Initiatives in housing, new technology and regulatory simplification offer significant productivity gains.

Interest rate cuts have brought welcome relief to households this year, with the Reserve Bank of Australia carefully steering us toward a soft landing. While global headwinds persist, the Australian and New Zealand economies remain resilient.

Supporting our customers

Customer advocacy shows promising signs of improvement. We are gathering more feedback from customers than ever before and embedding these improvements at scale.

Protecting customers from scams and fraud remains a top priority. Customers are being better protected through the introduction of initiatives such as facial biometrics and Confirmation of Payee technology for digital payments. In 2025, NAB prevented or recovered more than $385 million in scam and fraud losses for customers.

Technology, including AI, is helping us strengthen protections and improve service for customers.

AI is supporting fraud detection, improving cybersecurity, streamlining home loan application processes and reducing low-value work for our NAB colleagues.

We are pursuing a range of use cases for generative and agentic AI, as well as assisting our colleagues to develop the AI skills of the future.

AI needs to be managed carefully and securely, and it is already freeing up our bankers to spend more time with customers and delivering better customer outcomes.

Investing in the future and community

Housing is a key opportunity to unlock productivity growth. Over the past three years, NAB has focused on affordable and specialist housing. In 2025, we achieved our $6 billion financing goal four years ahead of schedule and set a new and expanded ambition to provide at least $60 billion of financing in support of housing affordability by 2030.

We are also working with customers and the community on the transition to net zero and we are focused on achieving our cumulative environmental finance ambition of $80 billion by 2030.

Branches continue to play an important role to support our customers and communities. While activity in our branches is changing, their role in building relationships and trust remains vital. This year, we upgraded more than 140 branches across Australia and expanded Saturday trading to 32 locations, which continues to receive fantastic feedback from customers and the community.

Through NAB Ready Together and the NAB Foundation, we help Australians prepare for and recover from natural disasters. We also support First Nations businesses, with progress towards our $1 billion lending target by the end of 2026. In 2025, lending to First Nations businesses and community organisations grew to $673.2 million.

Looking ahead

I am energised to lead NAB in 2026 and optimistic for our customers, colleagues, the economy and Australia. We have a great team to make this an even better bank.

Our direction is clear on our path to become the most customer-centric company in Australia and New Zealand, and our progress is promising.

Thank you to our shareholders for your continued support, to our customers for choosing NAB, and to our colleagues for your dedication and care.

Andrew Irvine,
Group Chief Executive Officer

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Creating value

This section outlines how NAB seeks to create value through our strategy, summarises NAB's sustainability approach and provides an update on performance across key themes.

NAB provides supplementary sustainability-related disclosures in its 2025 Climate Report and 2025 Sustainability Data Pack, available at: **nab.com.au/annualreports**

Our business

We are here to be the most customer-centric company in Australia and New Zealand. More than 41,000[1] colleagues provide ~10 million customers with secure, easy and reliable banking services.

NAB has three major customer-facing business units in Australia - Business and Private Banking, Personal Banking, Corporate and Institutional Banking - supported by six enabling units (Technology and Enterprise Operations, Finance, Risk, Customer and Corporate Services, People and Culture and the Group Chief Operating Office). ubank is NAB's digitally focused bank and operates as a customer-facing unit under the leadership of the Group Chief Operating Office. Bank of New Zealand is our New Zealand banking business that serves Personal, Business, Agriculture and Private Banking customers.

Business and Private Banking

Clear market leadership

Business and Private Banking (B&PB) backs Australian businesses and the individuals who own them. From start-ups and small businesses to established medium and large enterprises, we have supported our customers' growth through a relationship-based approach, increasingly enabled by digital, data and analytics.

As Australia's leading business bank[2] we support one in four businesses in the SME market and one in three in the agribusiness market. We deliver specialised expertise and sector-specific banking solutions across a range of industries, including agriculture, health, commercial real estate, professional services, franchising and wholesale, retail and trade as well as government, community and education services. Customised banking solutions are also available for Private Wealth customers.

In 2025, business lending balances rose 7.3%, deposit balances grew 6.6% and new business transaction account openings increased 12% compared with 2024.

Corporate and Institutional Banking

Disciplined growth

Corporate and Institutional Banking (C&IB) partners with clients globally to meet their most complex financial needs by providing a range of customised products and services, including client coverage, corporate finance, markets, transactional banking and enterprise payments through offices in Australia, United States, Europe and Asia.

We continue to apply a disciplined approach to growth, with a focus on strengthening relationships in priority customer sectors. NAB holds a market-leading position in cash and liquidity management, ranking first in both the Relationship Strength Index rating for Debt Capital Markets[3] and the Trade Survey[4]. NAB's bankers and specialists also rank first for best advice on use of interest rate risk management[5] and service for large deposits[5].

In 2025, C&IB secured new transactional banking mandates, achieved deposit growth of 10.5% and lending growth of 11.8%.

Personal Banking

Deepening customer relationships

Personal Banking (PB) delivers easier, digital banking experiences to drive faster, better outcomes for customers and colleagues.

We offer a range of banking products and services including home loans, deposits, debit and credit cards and personal loans. Customers can manage their finances through a network of branches and ATMs, contact centres, online and mobile banking, our own lending specialists and mortgage brokers.

Supported by investment in the retail network - including branch refreshes and extended Saturday trading in 32 locations - home lending balances grew by 4.0% and retail deposit balances by 9.2%. Growth in home lending has been supported by investment in banker capabilities and tools including the onboarding of approximately 270 new proprietary home lending bankers during the year[6].

Bank of New Zealand

Personal and SME

Bank of New Zealand (BNZ) serves more than 1.4 million customers across New Zealand with personal and business banking services, through a nationwide network of branches, customer centres, digital and assisted channels. BNZ is New Zealand's largest business bank and one of the country's fastest growing retail banks.

In 2025, it increased market share in household deposits and key lending segments across personal and business banking[7]. It also increased its physical presence in response to growing demand for more face-to-face services, with all branches in New Zealand now open for at least five days a week since April 2025.

ubank

Customer acquisition

ubank is Australia's first homegrown digital bank, established in 2008 to deliver a smarter, technology-led banking experience. The acquisition of 86 400 in 2021 strengthened ubank's digital capabilities and enabled delivery of an award-winning suite of products across everyday banking and home lending.

ubank's mission is to help young Australians improve their financial wellbeing by providing greater visibility and control over their finances. As at September 2025, the customer base exceeded 1,050,000, with more than 200,000 new customers added in the past 12 months, representing 24% year-on-year growth.

(1) Number of full-time equivalent colleagues as at 30 September 2025, excluding discontinued operations.
(2) Market share of APRA Business Lending (excluding Financial Institutions and Government) as at September 2025. For further information refer to https://www.apra.gov.au/monthly-authorised-deposit-taking-institution-statistics.
(3) Coalition Greenwich Voice of Client 2025 Australia Debt Capital Market Study.
(4) Coalition Greenwich Voice of Client 2025 Australia Trade Finance Study.
(5) Coalition Greenwich Voice of Client 2025 Australia Large Corporate Relationship Banking Study.
(6) Offset by productivity, net increase to FTE of 120.
(7) Source: Reserve Bank of New Zealand (RBNZ).

Our strategic ambition

To be the most customer-centric company in Australia and New Zealand

In November 2024, NAB evolved its Group strategy to focus on the delivery of exceptional customer experiences and transform NAB into a more customer-centric, simpler, faster-paced organisation.

The first year of our focus on customer-centricity has produced positive emerging results and contributed to good momentum across our three key priorities:

- growing business banking,
- driving deposit growth, and
- strengthening proprietary home lending.

We expanded our share of business lending, customer deposits increased 7.4% and proprietary channel home lending drawdowns rose to 41% of total drawdowns, while targeted initiatives to address specific customer pain points boosted advocacy in these areas.

For the year ended 30 September 2025, we achieved a sound financial performance. Basic cash earnings[(1)] per share was 231.8 cents, and cash return on equity of 11.4%. The Group's dividend payout for the year will be 170 cents per share.

For further information on NAB's Strategy refer to *Strategic highlights*.

Our strategic ambition

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Why we are here

To be the most customer-centric company in Australia and New Zealand

Who we are here for

Customers
Customers who trust us and choose us to be their bank

Colleagues
Customer obsessed colleagues who are proud to work at NAB

Who we are

- We are customer obsessed
- We keep it simple
- We move with speed
- We own it
- We win together

What we will be known for

Relationship led
1. Exceptional bankers
2. Unrivalled customer service
3. Personalised and proactive

Exceptional experiences
1. Brilliant at the basics
2. Trusted in moments that matter
3. Simple, fast and easy to deal with

Safe and sustainable
1. Strong balance sheet and proactive risk management
2. Secure, simplified and resilient technology
3. Long term and sustainable approach

Where we will grow

Business & Private	Corporate & Institutional	Personal	BNZ	ubank
Clear market leader	Disciplined Growth	Deepen customer relationships	Personal & SME	Customer acquisition

What we will deliver

- Leading customer advocacy
- Winning in market
- Customer obsessed colleagues
- Simple, fast, resilient
- Strong returns

(1) Full detail on how cash earnings is defined, a discussion of non-cash earnings items and a full reconciliation of statutory net profit attributable to owners of the Company is set out in *Note 2 Segment information* of the Financial report on page 155. Statutory return on equity and statutory earnings per share (EPS) are presented on page 88.

Operating environment

Global business environment

Global economic growth has been relatively resilient to-date in calendar year 2025, despite disruptions to global trade flows, and negative sentiment impacts, from increases in US tariffs. However, in year average terms, growth is forecast to slow in calendar year 2026 before stabilising in 2027. Global growth over this period is forecast to remain below its average of this century.

Uncertainty around future US tariffs and trading arrangements remains. Further tariff measures are possible, as is retaliation from trading partners such as China.

Major central banks generally eased monetary policy in 2025. Some institutions – such as the European Central Bank – may be at or near the end of their easing cycle, while further monetary policy easing by the US Federal Reserve is expected in 2026.

The global economic outlook could be impacted by geopolitical events and risks. Many governments face major fiscal challenges and dealing with these challenges may have consequences for the economy and financial markets.

Australian economy

Growth in the Australian economy has strengthened and the unemployment rate, even though it has risen, remains low.

Gross Domestic Product (GDP) grew by 1.8% between the June 2024 and the June 2025 quarters, double the growth rate over the prior four quarter period. By expenditure component, over this period:

- Household consumption grew 2.0%, its highest annual growth rate in two years. Similarly, dwelling investment strengthened, rising by 4.8%.
- Business fixed capital investment grew by 0.1%, a marked slowdown from recent years.
- Growth in government consumption and investment eased to 3.0%.

Most industries saw an increase in gross value added between the June 2024 quarter and the June 2025 quarter, although there were declines in manufacturing, professional, scientific and technical services, mining, and construction. Similarly, state final demand increased in all states and territories other than the Northern Territory.

In the September 2025 quarter, the annual growth rate in the Consumer Price Index (CPI) was 3.2%. The annual increase in trimmed mean CPI has fallen to 3.0%, the top of the RBA's target inflation band, signalling a moderation in underlying inflation from the previous year.

Real household disposable income increased by 4.1% between the June 2024 and June 2025 quarters, assisted by income tax cuts, falling inflation, lower mortgage interest rates, and growth in wage income. Business operating profits fell 3.8% between the June 2024 and June 2025 quarters, as mining sector profits declined by 11.6%, with non-mining sector profits rising slightly by 0.8%.

Indicators of agricultural conditions have been positive. Between September 2024 and September 2025 prices for agricultural commodities (weighted by production) increased by over 10% in Australian dollar terms. Winter crop production rose in 2024-2025 and a similar crop is projected for 2025-2026.

The labour market has loosened modestly:

- While the unemployment rate has edged up to 4.5% in September 2025, this is low by historical standards and other indicators, such as job vacancies, are healthy.
- Employment continues to grow, with a 1.3% increase between September 2024 and September 2025.

The eight capital cities Cotality Hedonic Home Value Index grew by 4.3% between September 2024 and September 2025. Over this period, the strongest growth in state capital cities was in Brisbane, Adelaide and Perth, while Sydney and Melbourne had more modest growth.

Between February 2025 and August 2025 the RBA reduced the cash rate from 4.35% to 3.60%. A further reduction in the cash rate is possible in 2026.

The economy is expected to grow at close to its trend pace over the remainder of calendar year 2025 and calendar year 2026. This should be underpinned by ongoing household consumption growth, as well as an improvement in business investment.

Annual system credit growth was stronger, between September 2024 and September 2025 it grew by 7.3%, compared to 5.8% over the previous year.

New Zealand economy

Conditions in the New Zealand economy have been mixed. While agricultural sector conditions have been positive, other parts of the economy have struggled. Overall, economic activity has contracted.

GDP in the June quarter 2025 was 1.6% below its peak recorded in the March quarter 2024, including a 0.6% fall from the same quarter last year. Over the last year, residential and business investment fell, although household consumption growth improved.

Labour market conditions have deteriorated. Between the June 2024 quarter and June 2025 quarter:

- Employment fell 0.9%.
- The unemployment rate rose from 4.7% to 5.2%.

While wage growth has eased, CPI inflation has risen. The CPI increased by 3.0% between the September 2025 quarter, up from 2.2% in the September 2024 quarter.

Commodity export prices, in New Zealand dollar terms, rose 14.0% between September 2024 and September 2025 (including a 13.4% increase in dairy prices), although they have eased since February 2025. Agricultural production (volume measure) reached a new historical high.

In the housing market, sales volumes were generally higher across 2025 than in 2024, while house prices were little changed. The REINZ House Price Index in September 2025 was 0.2% above its September 2024 level.

System credit growth strengthened but remained modest over the year, increasing by 4.3% between September 2024 and September 2025, up from 2.8% the previous year.

Between August 2024 and October 2025, the Reserve Bank of New Zealand (RBNZ) lowered the Official Cash Rate (OCR) from 5.50% to 2.50%. This included a 0.50% reduction in its October 2025 meeting at which the RBNZ also indicated that it was open to further reductions in the OCR.

Assisted by the easing in monetary policy and high commodity prices, GDP growth is expected to improve from the September quarter 2025 onwards, and the unemployment rate is likely close to its peak for this cycle.

Outlook

The outlook for the Group's financial performance and outcomes is closely linked to the levels of economic activity in each of the Group's key markets outlined above.

Creating value

NAB creates value for customers, colleagues and communities in a variety of ways using key resources.

NAB's key resources

Customer relationships Customers who trust us and choose us to be their bank	**Colleagues** Customer obsessed colleagues who are proud to work at NAB	**Finance** Access to capital through deposits and wholesale funding markets
Risk management and balance sheet Strong foundations and proactive risk management capabilities	**Technology and data capabilities** Safe, resilient technology coupled with the ethical use of data	**Community relationships** Partnerships and stakeholder engagement

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NAB's business activities

NAB delivers its strategy (page 11) and creates value for stakeholders through the following business activities:

- Holding deposits for customers.
- Providing transaction banking services.
- Lending money to retail, business and institutional customers.
- Helping customers mitigate and manage risk.
- Providing financing to support sustainability priority areas; climate action, affordable housing and First Nations business.
- Providing payments services and supporting customers with trade and capital flows.
- Helping customers invest through online brokerage.
- Providing advisory services.
- Investing in a capable, qualified and inclusive workforce.
- Helping NAB's customers, colleagues and their communities withstand and recover from natural disasters.

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The value NAB creates

Supporting customers in 2025

- **$103 billion** in new home lending.
- **$658 billion** in deposits managed for retail and business customers.
- **$128 billion** in new business lending(1).

(1) New and increased limits for new and existing customers, including the gross value of any transfers from existing customers into new products.

NAB's economic value distributed in 2025

Suppliers	Payments made for the provision of utilities, goods and services. $26.4 million spent with First Nations suppliers, against $18 million target in 2025.	**$7.0 bn**
Community investment	Community partnerships, donations, grants, in-kind support and volunteering(2).	**$36.6 m**
Shareholders	Dividend payments to more than 540,000 registered shareholders.	**$5.2 bn**
Colleagues	Colleague salaries, superannuation contributions and incentives.	**$5.6 bn**
Governments	Payments made to governments in the form of the Bank Levy ($420 million paid) plus $3.9 billion in income taxes, goods and services taxes, fringe benefit taxes and payroll taxes among others.	**$4.3 bn**
	Total economic value distributed	**$22.1 bn**

(2) This includes foregone fee revenue, management costs, cash contributions and in-kind contributions. For a detailed breakdown of the categories included within the Group's community investment, refer to the 'Community' tab in the 2025 Sustainability Data Pack.

Customers

In 2025, NAB continued to advance its ambition to be the most customer-centric company in Australia and New Zealand. We strive to help deliver exceptional experiences for our ~10 million customers by executing our strategy with discipline, investing persistently, and building a culture of customer obsession.

Leading customer advocacy

This year, NAB introduced a new enterprise-wide customer advocacy model to ensure customer feedback directly shapes decisions and priorities. At the heart of this approach is NAB Customer Voices, which enables us to hear what matters most to our customers, understand the 'why' behind it and be part of creating solutions and improvements for our customers.

Stronger advocacy increases the likelihood customers will choose NAB for a broader range of financial needs – from everyday banking to long-term goals. Progress is tracked through the strategic Net Promoter Score (NPS)[1].

Through NAB Customer Voices, teams across the bank listen, learn and act on customer insights, embedding feedback into daily decision-making and creating shared accountability for delivering improved customer experiences.

Customer advocacy: a three-pillar approach

Key Customer Experiences

These are the moments that matter most to our customers. Drawing on their feedback, service insights, and independent benchmarking, we identified key moments in the customer journey where we can make the greatest impact. These experiences now guide our efforts, helping us focus on areas with the highest potential to improve banking interactions and deliver lasting value.

Customer Feedback

NAB colleagues who interact with customers daily – such as, in contact centres or branches – now follow regular listen, learn, and act practices to resolve issues quickly and continuously improve services. More than 180 teams now embed this into their daily work, resulting in over 750 individual actions taken in 2025 to enhance customer experience.

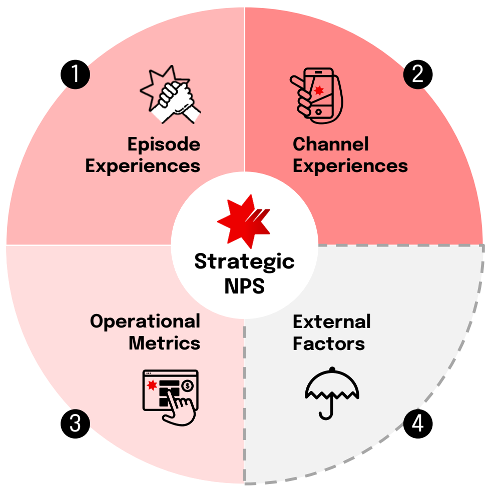
When customer-facing teams identify broader challenges, these are escalated to relevant teams – such as product, technology, marketing and other functions – for solution design and implementation. In 2025, more than 120 experience improvements were delivered, ensuring lasting benefits for customers.

Across the organisation, teams are working together to act on customer feedback with both speed and scale – translating insights into better experiences today and stronger outcomes tomorrow.

Measuring Experience Performance

To ensure we deliver against customer expectations, experience performance is measured through three interconnected lenses: Operational Metrics, Episode Experiences, and Channel Experiences, with external factors also considered.

These dimensions reflect the underlying processes, end-to-end customer journeys, and interactions with customer-facing teams. At their intersection lies Strategic NPS, which provides a holistic view of customer relationships and experience quality. By combining these perspectives, NAB continues to guide improvements, ensure accountability, and strengthen engagement and long-term relationships.



Episode Experiences
How customers feel after going through an experience end-to-end (1)

Channel Experiences
How customers feel about their experiences with customer-facing teams (2)

Operational Metrics
Underlying processes and behaviours that directly influence customer experience (3)

External Factors
Economic conditions, shifting consumer behaviours, and trends that influence overall customer sentiment (4)

(1) Net Promoter® and NPS® are registered trademarks and Net Promoter Score and Net Promoter Systems are trademarks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Net Promoter Score℠ is a service mark of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld.

How customer feedback is driving change

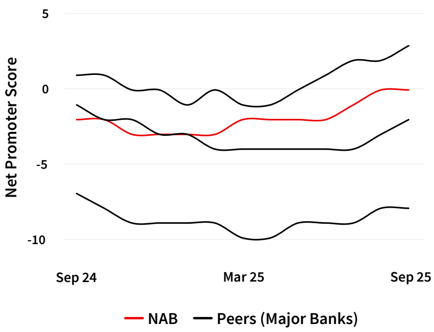
Customers expect banking to be straightforward and dependable, and they notice quickly when it is not. Feedback plays a key role not only in fixing issues, but in shaping the redesign of experiences to better meet customer needs.

This focus is already delivering meaningful change. Examples include:

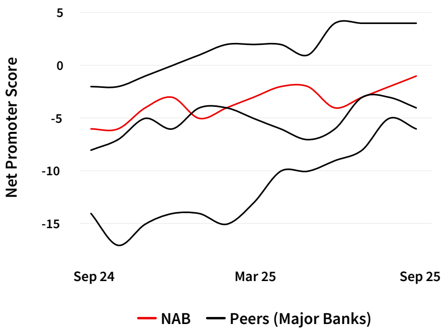
- **Simplified home loan repayments:** A new in-app feature which helped more than 80,000 customers adjust their repayments quickly, without needing to call.
- **Extended access:** Saturday trading hours extended and additional ATMs installed at high-demand locations, ensuring availability when customers need it most.
- **Small improvements with big impact:** Customer-facing teams delivered hundreds of enhancements such as welcome activities for Business Transaction Accounts so customers can quickly leverage their accounts in a way that works for them.

Customer insights and priorities[1]

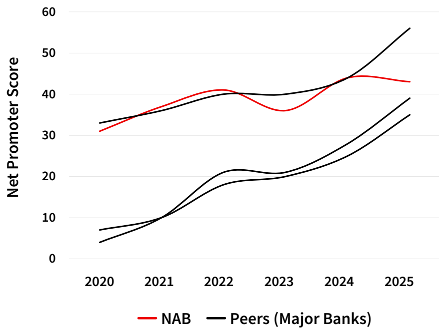
Mass Consumer



Business



Large Corporate & Institutional



Aligned with NAB's ambition to lead in sustained customer advocacy and relationship primacy, targets combine absolute NPS improvement and peer-relative NPS rank.

In 2025, we saw improvement across Consumer and Business compared to the 2024 baseline, with a one point decline in NPS for Corporate and Institutional Banking. NAB achieved the #1 rank in Medium and Large Business[2] Customer Advocacy.

Looking ahead

NAB is broadening how customer feedback is captured - across more moments, channels and in real time - to deepen insight into what matters most to customers and ensure every improvement is grounded in customer needs and delivers lasting value in everyday banking.

Customer performance measures

Additional detail on the Group's customer-related performance is provided in our 2025 Sustainability Data Pack available at nab.com.au/annualreports.

(1) Mass Consumer NPS sourced from RFI Global - Atlas, measured on 6 month rolling average to September 2025. Based on all consumers, 18+ and excludes consumers with personal income of $260k+ and/or investible assets $2.5m+ and/or footings of over $850k. Business NPS sourced from RFI Global - Atlas, measured on 6 month rolling average to September 2025. Based on all business customers. Large Corporate & Institutional NPS source: Coalition Greenwich Voice of Client Studies (formerly Peter Lee Associates). All data taken from the most recently available survey and rankings are against the four major domestic banks. Coalition Greenwich is a division of Crisil. Large Corporate & Institutional Relationship Banking Survey June 2025.

(2) Medium and Large Business NPS sourced from RFI Global - Atlas, measured on 6 month rolling average to September 2025. Based on business customers with a turnover $5m-<$200m. Ranking based on absolute scores, not statistically significant differences and compared against Big 4 peers.

Powering exceptional customer experiences

In 2025, we advanced our technology modernisation agenda by streamlining systems, simplifying processes, and embedding smarter, faster, and safer digital solutions. These efforts delivered value to customers, colleagues, and communities by:

- Driving faster decisions and building resilient systems which reduced complexity, and responded to evolving customer expectations.
- Simplifying everyday banking with innovative payment solutions such as NAB PayByBank and NAB Liquidity+.
- Equipping colleagues with generative AI tools to solve complex customer problems more efficiently.
- Personalising customer interactions at scale through AI powered platforms such as the Customer Brain.

Customer-centric

NAB's Technology Strategy is anchored in customer-centricity. In 2025, we continued investing in digital capabilities that deliver faster, safer and more personalised banking experiences.

We advanced NAB Gateway, our eCommerce solution supporting merchants of all sizes with secure, scalable and integrated payment capabilities. This enables seamless management of transactions, fraud protection, and settlement through a single interface. In 2026, we will introduce new features to further improve reliability, functionality and customer experience.

We completed a major migration to a fully digital business lending origination platform, transforming the customer and banker experience with faster, simpler, and more resilient processes. This enables digital origination, automated verification and decisioning.

Several innovative, business focused solutions were launched, such as NAB PayByBank–a fast, secure way for customers to initiate digital payments; NAB Portal Pay–enabling real-time collection of property sales deposits and tenant payments; and NAB Liquidity+, an AI-enabled cash management solution with real-time visibility and control.

We also introduced real-time fraud checks, instant credit decisioning and digital card provisioning allowing customers to use their cards instantly. We transitioned key components of our legacy payments' infrastructure to a cloud-native platform, enabling 24/7 payment capability and improving reliability.

These advancements reflect our commitment to delivering simple, secure and seamless experiences. In 2026, we will continue to improve access to banking by digitising services and streamlining processes to enhance customer experience.

Simple and fast

We are simplifying and modernising our technology environment to better serve our customers. A key milestone was migrating our Customer Due Diligence processes to a secure, integrated platform to consolidate customer profiles, account data and transaction histories and improve fraud detection and resolution speed.

We retired 149 legacy business applications and expanded access to a secure, enterprise-wide customer relationship platform, now used by 84% of our bankers. This platform provides real-time visibility into customer needs, streamlined workflows, and intuitive dashboards to help bankers deliver more personalised support.

Safe and resilient

Delivering safe, reliable banking services is fundamental to NAB's role. In 2025, we continued to strengthen our technology foundations, building on a multi-year cloud first strategy with 90% of applications migrated to the public cloud. This significant milestone reflects years of sustained investment and has created a more secure and safer environment with consistent service availability.

Our focus on resilience delivered strong results. NAB achieved 99.95% average availability across our most important services. Independent RBA analysis confirmed NAB led the industry in payment service reliability across two of the past four quarters. By simplifying our technology environment, modernising systems and migrating to cloud, we've reduced critical and high customer impacting incidents by 85% since 2018, reflecting steady progress in building a more resilient and responsive bank.

Artificial Intelligence

In 2025, NAB continued to invest in all types of AI including generative AI, and emerging capabilities like agentic AI, recognising its potential to enhance customer experience and improve efficiency. Our focus has been on applying AI in ways that solve real business problems, such as reducing home loan processing times, supporting our paralegal team with quicker reviews of trust deeds for customer loan applications and uplifting our banker experience tools so they can respond to customer queries.

All AI initiatives are governed by NAB's AI Framework, which aligns with the Australian Government AI Ethical Principles, and integrates with our risk, change and security practices. We review how personal information is used and assess AI use cases for ethical considerations, including bias, discrimination and Indigenous Data Sovereignty.

To build capability, we introduced an AI learning program including a proprietary foundations course available to all NAB colleagues. This is complemented by regular learning and development sessions on technical skills and to raise awareness to colleagues on issues, risks and the application of human rights in the use of technology.

With over 100 initiatives now in pilot or production, AI is increasingly embedded in how we work, helping us make faster, more informed decisions, reduce manual effort, and deliver more personalised support to customers.

Customer Brain

Now in its third year, NAB's 'Customer Brain' – an AI powered engagement engine, delivers personalised, timely and relevant interactions across channels. It determines the 'next best action' for each customer, whether through real time digital channels or proactive outreach. These actions are tailored to individual needs and behaviours, ranging from service prompts, fraud alerts, loyalty offers and refinance options, ensuring customer value remains central to every interaction.

In 2025 the Brain delivered ~350 next best actions, spanning service, engagement and sales. It contributed to improved strategic NPS for home lending customers by enhancing moments that matter, offering property insights, product tips and recognition of key milestones. Business banking customers benefitted from more personalised service, broader product access, and proactive digital safety guidance.

Protecting customers

We safeguard our customers by working to prevent scams and fraud, enforcing strong privacy and data ethics standards, managing customer data responsibly, strengthening cyber security, and disrupting financial crime.

Scams and fraud

Protecting customers from scams and fraud remains a top priority. In 2025, the number of scams reported by NAB customers decreased by 4% year-on-year, averaging 1,750 cases per month. Customer losses also declined by 12% over the same period. These improvements reflect ongoing efforts to raise awareness and reduce the impact of scams and fraud. Key initiatives in 2025 included:

- **Confirmation of Payee:** Enables online banking customers to verify the payee's bank details before proceeding with a transaction, supporting more informed decision-making.
- **Behavioural biometrics investment:** Deployment of advanced scam detection capabilities through BioCatch, including real-time intelligence sharing via BioCatch Trust and the use of the BioCatch mule model to proactively disrupt fraud.
- **In-branch education:** Continued distribution of scam prevention materials to help bankers raise customer awareness and promote proactive protection.
- **Awareness campaigns:** Regular education initiatives such as NAB's 'Red Flags' campaign to help customers recognise and respond to scam indicators.
- **Industry collaboration:** Participated in policy development and initiatives including the incoming Scams Prevention Framework and support for the Scam-Safe Accord, a collective agreement among Australian Banking Association (ABA) members to reduce scam threats.

In 2025, NAB continued to:

- Refine biometric technology in digital channels to help identify fraudulent activity earlier, reducing financial loss and improving trust in digital banking.
- Identify and block payments to high-risk cryptocurrency platforms.
- Work with industry members to expand intelligence sharing to identify and disrupt fraud and scam activity, leading to faster intervention and reduced customer impact.
- Partner with law enforcement and Government agencies to target organised criminal groups responsible for scams and fraud targeting NAB and our customers.

Privacy management and data ethics

NAB's transparent, compliant, and ethical collection and use of data is key to building trust with customers and colleagues.

Protecting customer and colleague privacy

Protecting customer privacy is a core responsibility. We have clear standards for how personal information is collected, used, and secured. This is embedded in our day-to-day operations and reinforced through regular training.

Our internal standards go beyond legal requirements, guiding decisions about the use of data in areas like analytics, machine learning, AI and sharing with external partners. We consider not only whether NAB can use data, but whether we should. These standards ensure data is used appropriately and in line with community expectations.

In 2025, NAB reported one notifiable data breach to regulators, which was handled confidentially and in line with our privacy and incident response protocols. We have clear escalation pathways and structured response plans to ensure timely and effective handling of breaches, particularly those involving personal data. Regular training and support help our teams identify and respond to potential issues quickly and responsibly.

Collection and access to customer data

Respecting our customers' privacy is fundamental, and our Privacy Policy outlines how personal information is collected, why it's needed, who it may be shared with, and customer rights. Customers can access or correct their personal data, including credit information and opt out of direct marketing at any time.

We take steps to protect our customers' personal information from misuse, interference, loss, and unauthorised access.

Keeping our customers, communities and financial systems safe and resilient

Technology resilience

In 2025, NAB continued to strengthen our technology foundations, building established cloud infrastructure and modernising systems to improve service reliability and responsiveness. These efforts delivered tangible benefits for customers and colleagues, enhancing service availability, reducing complexity and ensuring continuity of service amid rising fraud and cyber threats.

Cyber security

As a critical part of Australia's financial infrastructure, NAB remains a target for increasingly sophisticated cyber threats.

Over the past six years, we've made substantial investments to strengthen our cyber defences and technology risk management to better protect our business, customers, and the broader community. Our defences are continuously enhanced through proactive measures, including cyber-attack simulations and rapid remediation programs in response to global threats.

NAB's Security Strategy aligns with the National Institute of Standards and Technology (NIST) Cyber Security Framework and is regularly assessed to ensure they remain fit for purpose. We work closely with government, law enforcement and industry peers to share intelligence, collaborate on threat disruption, and strengthen national cyber resilience. Our threat intelligence capability provides deep insights into the risks most critical to the bank, supporting timely and informed decision-making.

Customer protection remains a strong focus. In 2025, we extended our cyber security partnerships to improve customer resilience and offered software solutions to support business customers. Education also remained a priority, with the Security Hub at nab.com.au/security offering alerts, articles and practical advice. We delivered 134 cyber security and scam insight sessions across the country, reaching ~11,000 customers and community members. Over the past five years, more than 38,500 people have participated in NAB-led sessions aimed at helping protect against cyber threats and scams.

Internally, we strengthened our cyber culture through increased phishing simulations, mandatory training, and targeted awareness sessions. Our volunteer security champions continue to play a key role in upskilling colleagues and sharing critical security information across the enterprise.

Governance frameworks matured further in 2025, providing consistent oversight of technology and third-party risks. Our structure enables timely identification, escalation and mitigation of threats, aligned to NAB's broader risk management framework. The Group Information Risk Policy supports this by safeguarding confidentiality, integrity, and quality of information. This is underpinned by a suite of policies, systems and controls that ensure risks are managed.

The Board receives regular updates on the threat landscape and performance metrics and participates in cyber simulations alongside executive management, to test and strengthen NAB's readiness. These practices ensure NAB remains vigilant, responsive and resilient in an evolving risk environment.

Financial crime

Financial crime has a devastating impact on customers and communities. NAB has zero tolerance for criminal activity and remains dedicated to effectively managing financial crime risk, keeping customers, communities, and the financial system safe.

We play an important role in monitoring and reporting suspicious activity and complying with anti-bribery and corruption, economic and trade sanctions, and Anti-Money Laundering (AML) / Counter Terrorism Financing (CTF) regulations.

On 25 July, AUSTRAC confirmed the cancellation of NAB's Enforceable Undertaking. NAB continues its work in response to the final report issued by the Enforceable Undertaking Independent Auditor, including implementation of all recommendations. Ongoing work includes remediation of applicable customer identification processes (ACIP), integration of ubank, and enhancements to transaction monitoring and mule account management.

NAB is making significant enhancements to deter, detect, disrupt and prevent financial crime. These include:

- Building new customer behavioural analytics models to move NAB towards a more customer-centric approach to risk management and Perpetual Know Your Customer, allowing NAB to focus efforts on customers engaging in suspicious activity and minimising touchpoints for lower risk customers who are acting appropriately.
- Enhancing the AML/CTF Program and preventative and detective controls to better mitigate current and emerging financial crime risks.
- Accelerating transformation of financial crime risk management capabilities, supported by significant investment in modernising technology and data infrastructure. These enhancements make it easier to protect customers and identify criminals, position us strongly to respond to imminent legislative reforms and further strengthen transaction monitoring and assurance frameworks.
- Deploying a streamlined case management system to improve financial crime investigations, with further rollout planned in 2026.
- Rolling out Generative AI functionality to hundreds of transaction monitoring investigators, reducing manual handling times and increasing risk identification. The use of Generative AI and machine learning continues to evolve, with further expansion planned throughout 2026 and 2027 to cover emerging typologies and complex financial crimes.
- Providing financial crime training to colleagues, the Board, Executive Leadership Team and subsidiary directors to support their role in mitigating financial crime risk. Training topics include anti-money laundering/counter-terrorism financing, anti-bribery and corruption, economic and trade sanctions, and fraud and scams.
- Deploying additional sanctions intelligence lists to our sanctions screening program to identify transactions presenting elevated sanctions risk.
- Implementing an Anti-Bribery & Corruption (ABC) Compliance Program to manage and mitigate bribery and corruption risk, with key requirements of this Program published in our Anti-Bribery and Corruption Policy (available at nab.com.au). In 2025, the ABC compliance program focused on completing the Enterprise Wide Risk Assessment, which was reported to the Board.

Throughout the year, we collaborated closely with Australian law enforcement, regulators and government agencies to combat serious and organised crime impacting customers, our community, and NAB. Through our Fintel Alliance membership, Memoranda of Understanding with the Australian Federal Police, Australian Criminal Intelligence Commission, and Queensland Police Service, as well as partnerships with state-based policing agencies, NAB contributed to the national effort to disrupt serious criminal activity. This included matters related to national security, human impact crimes including child exploitation, sextortion, money laundering, fraud, scams and cybercrime. We also worked closely with non-government organisations such as the International Centre for Missing and Exploited Children, where NAB representatives contributed to the prevention of child sexual exploitation.

In 2025, NAB increased proactive referrals to law enforcement on financial abuse and elder abuse to protect vulnerable customers. We have taken a leadership role with banking partners, law enforcement agencies including the Queensland Police Service, AUSTRAC and First Nations advocacy groups to promote awareness and education of scambling, a type of online scam luring people to illegal, fraudulent gambling websites advertised on social media. While a national issue, scambling disproportionally impacts First Nations customers.

NAB's Financial Crime Intelligence and Risk Assessment function supports our response to financial crime risks by enhancing our ability to identify and understand emerging threats. We use data and AI-driven tools to monitor changes in financial crime risk over time and help build a clearer picture of why risks evolve, and how we can respond. Strategic partnerships with government and non-government organisations enable the sharing of expertise and development of new capability to proactively identify financial crime risks, including fraud and child sex exploitation. We actively contribute to the development of AUSTRAC's Fintel Alliance Collaborative Analytics Hub, with NAB intelligence analysts working alongside other banking partners to uncover previously hidden criminal patterns.

For more information on how NAB protects itself and its customers against financial crime, visit nab.com.au/about-us/corporate-governance/managing-financial-crime.

Governance and accountability

The Board oversees and governs strategies and performance of enablers critical to NAB's business, including technology, cyber resilience and information security. Throughout 2025, workshops and regular updates were provided to the Board and its Risk & Compliance Committee on these topics. To support the Board in its oversight duties as well as directors' continuing education, independent experts provide specialised advice to the Board and Executives on business-led technology modernisation and on transformation programs.

For further information on governance, refer to pages 49 to 72 of the *Corporate Governance Statement*.

Supporting customers

We're here to support our customers in the face of uncertainty and help them on their path to financial recovery and resilience.

Customers in vulnerable circumstance

The NAB Care team is the main point of contact for personal and small business customers experiencing financial hardship or vulnerability. This team works with our customers to provide tailored support when customers are experiencing financial difficulty or vulnerability. In the current economic environment, the main reasons for hardship include cost of living, unemployment, underemployment, reduced income, and medical related events and challenges.

Customers are offered support measures such as reduced repayments, payment breaks, loan reviews and restructurings. In addition to tailoring support with their NAB products, we partner with industry-leading not for profit organisations to complement our assistance programs[1].

In 2025, NAB provided customers with financial support on 39,620 accounts[2]. Improvements made during the year included:

- Training all customer-facing teams to identify customers experiencing hardship or vulnerability, enabling referral to specialist teams for the appropriate support.
- Increasing the number of colleagues in our NAB Care teams.
- Partnering with industry experts to deliver new training focused on supporting customers during hardship or vulnerability.
- Improving access to support in remote communities by supporting, financing or attending community led initiatives such as Financial Awareness Week and Financial Counsellor conferences.

In 2025, NAB reaffirmed its commitment to supporting customers experiencing vulnerability through the development of the internal Extra Care strategy and plan. Particular focus is placed on supporting customers experiencing financial abuse, those recovering from natural disasters and the economic empowerment of First Nations communities.

Our aim is to identify customer vulnerability as early as possible. Across our customer-facing teams, NAB is enhancing the capability and confidence in recognising signs of vulnerability, and leveraging behavioural insights to redesign how we approach customer conversations. This includes the rollout of a new approach to hardship conversations within our Collections and Hardship teams.

Our Customer Vulnerability Framework for 2024 to 2026 (available at nab.com.au/customersupport) outlines NAB's priorities for supporting customers experiencing vulnerability.

Providing our customers extra care

The NAB Customer Support Hub provides specialised care for customers in vulnerable circumstances. In the past year we supported 5,911 customers including 1,782 individuals experiencing financial abuse and/or domestic and family violence. In addition 169,507 abusive transactions were blocked via online and mobile banking. We provide tailored support for customers experiencing domestic and family violence, including making their banking safe, and providing extra account security, financial assistance, and referrals to community partners where appropriate.

Building financial resilience

We support customers in managing their money by providing a number of tools and support options. In 2025 the Financial Assistance Hub was launched on nab.com.au, a central location where customers can easily access information about available support during periods of financial stress. A range of easy-to-use tools is available via NAB's digital channels - including Savings Spaces, Upcoming Bill Prediction, Spending Insights and Budgets. More than one million customers used these tools during the year. We aim to expand usage further to support improved financial health and wellbeing.

NAB also continues its long standing commitment to helping people access mainstream banking services, particularly those with limited financial capability, poor credit history or lower income. For 22 years, NAB has partnered with Good Shepherd Australia New Zealand to provide access to No Interest Loans (NILs) - loans that incur no interest or fees, and don't require security.

In 2025, NAB helped 35,032 people access $58.7 million in NILs through the provision of zero-interest capital and other support. Since 2003, NAB has provided more than 450,000 microfinance loans valued at $605.6 million, supporting more than one million Australians on low incomes.

Training and capability

In 2025, NAB delivered learning modules to more than 30,000 colleagues to build and refresh capability in identifying red flags of financial abuse and domestic violence. The training reinforced NAB's commitment to customers under the Banking Code of Practice 2025.

Building more inclusive and accessible banking

NAB aims to provide products and services to support the diverse needs of our customers and communities. By fostering an inclusive workplace, where all colleagues feel confident being themselves, we can better serve our customers.

The 2025-2026 Accessibility Action Plan (AAP), launched this year, outlines NAB's formal commitment to accessibility.

The AAP highlights advances made over the past two years. This includes the development of communication 'Preference Cards' to support customers communication needs during branch visits and the introduction of new Easy English Guides making important information clearer and simple.

(1) For more details on Customer Support, refer to nab.com.au/customersupport.
(2) Accounts that received financial hardship assistance at any point in time over the 12 month period. Additionally, accounts managed by Strategic Business Services (SBS), and migrated White Label branded Citi credit cards (Kogan, Coles, Qantas) are included.

NAB was also accredited by the Australian Disability Network as a 'Disability Confident Recruiter' and recognised as the 'Top Performer for Employee Experience'.

An 'Empathy Lab' was created to provide colleagues with a hands-on, interactive experience to simulate real-world challenges faced by people with accessibility needs.

Building accessibility awareness and capability

NAB developed the 'Empathy Lab' to grow understanding of accessibility needs experienced by customers and colleagues.

The Lab's key objective is to embed inclusion into NAB's culture through hands-on, interactive experiences that simulate real-world challenges faced by customers and colleagues with accessibility needs. For example, participants may wear glasses that simulate low vision while attempting to perform everyday banking tasks.

Early participation in the Empathy Lab has helped colleagues to:

- Experience the friction of exclusion.
- Gain first-hand insight into barriers encountered by people with a range of accessibility needs, including motor and physical disabilities, cognitive impairments, and neurodivergence.

These sessions build deeper understanding and empathy, empowering colleagues to advocate for inclusive and accessible banking products and services. Participation in the Empathy Lab program is building a shared commitment to improving experiences for all customers and championing accessibility across NAB.

Customers at the heart of product design and management

NAB's Enterprise Product Governance Lifecycle framework (Products@NAB) places the customer at the heart of design, execution and continuous improvement of our products. Product governance mandates controls across the product lifecycle to test the design and operation of NAB's products and services against the Customer Outcomes Framework for simple and effective products that meet our customers' needs.

NAB reviews inclusion, accessibility and vulnerability considerations to evaluate and identify opportunities for continuous improvement, which informs product strategies and delivery roadmaps.

Supporting First Nations economic empowerment

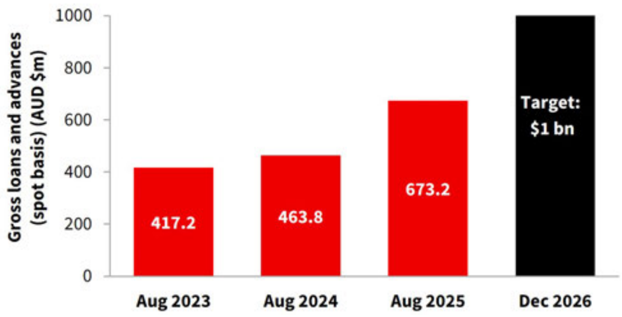
We seek to leverage our strength in business banking, to support self-determination by financing the fast-growing First Nations economy.

Financing ambition

NAB's ambition is to double its lending to First Nations businesses and community organisations that deliver benefits to First Nations peoples - from $417.2 million in 2023 to at least $1 billion by the end of calendar year 2026.

NAB's lending reached $673.2 million as at August 2025. Growth was driven primarily by an increase in the number of eligible customers we lend to, as well as an increase in the total lending balance of existing customers. While we are pleased to see accelerated growth, we know that achieving our ambition will be challenging.

Progress towards NAB's First Nations lending ambition(1)



Supply chain

Spend with First Nations suppliers increased from $15.1 million in 2024 to $26.4 million in 2025 exceeding our target of $18 million.

Supporting the self-determining aspirations of First Nations peoples

Access to banking

NAB has continued to expand and tailor services that make banking more accessible for First Nations customers.

Listening and strengthening community ties

NAB has partnerships with First Nations organisations including Jawun and DeadlyScience to advance community priorities.

NAB draws on feedback from First Nations leaders, customers, and colleagues to inform decision-making. In 2025 we:

- Grew our First Nations Advisory Group by two First Nations external members to provide guidance on our initiatives and maintain alignment with community and business perspectives.
- Held in-person forums with First Nations colleagues to better understand their experiences, career pathways, leadership growth, cultural immersion and building strong networks.
- Invited First Nations leaders to speak at colleague events about issues that matter to First Nations peoples.

(1) Lending position refers to 'Gross Loans and Advances' to both direct First Nations Businesses (with >50% First Nations Ownership), and community organisations that deliver benefits to First Nations peoples, identified by NAB's First Nations business team and/or validated against Supply Nation, Office of the Registrar of Indigenous Corporations (ORIC), Australian Charities and Not-for-profits Commission (ACNC) registered charities. Additional checks performed on ACNC dataset to test relevance. Lending calculated as at 31 August 2025, baseline position ($417.2m) calculated as at 31 August 2023. Reference to the 2026 target end date is calendar year (31 December 2026). In 2025, lending to eligible First Nations businesses and community organisations banked out of our Corporate and Institutional Banking division was included for the first time. This made an immaterial difference (2.1%) to our total lending balance. Prior years have not been restated to include customers classified as eligible during 2025.

Building cultural capability to support meaningful careers

By strengthening cultural capability across NAB, we aim to empower First Nations colleagues to succeed and lead in ways that reflect their aspirations and talents.

We've taken steps to grow the pipeline of First Nations talent across NAB. Initiatives include targeted recruitment partnerships and an ongoing relationship with CareerTrackers, new internships and early career pathways, and a stronger focus on retention, development and leadership progression. The number of NAB First Nations colleagues, based on self-reporting through the colleague engagement survey was 207 in 2025. In the past 12 months, 17 intern and 35 trainee positions have been provided. We're working to create not just jobs, but long-term, meaningful careers.

99.8% of Australian-based colleagues have completed mandatory cultural learning. Additional, targeted training for specific cohorts was expanded in 2025, with the Indigenous Customer Service Line team, Business Bankers with First Nations customers, and Scam and Fraud teams.

The First Nations Employee Resource Group, Walking Together, has grown to 1,386 members (including First Nations and non-First Nations colleagues). The Group advocates for the rights and experiences of First Nations colleagues, creates peer support networks, and guides how we build a culturally safe and inclusive workplace.

Progressing our RAP

In 2025, NAB instituted a more rigorous reporting mechanism to track delivery of its Reconciliation Action Plan (RAP). We are encouraged by the progress achieved in the first full year of our 2024-2027 RAP and grateful for the guidance of First Nations customers, partners and colleagues in driving these outcomes. As we look to the next two years of our RAP and beyond, our focus remains on impact, accountability, and listening. For more information refer to Reconciliation Action Plan 2024-2027.

Case study: Empowering First Nations business through partnerships

In 2025, NAB partnered with Fortescue to launch a loan guarantee initiative that helps First Nations businesses access the capital they need to grow.

First Nations businesses with a Fortescue supplier contract can now secure funding from NAB, with Fortescue guaranteeing the required security.

This approach helps First Nations businesses overcome long-standing barriers to accessing finance and empowers them to grow, compete, and succeed.

King Kira Group, a 100% Aboriginal-owned mining services company in Western Australia, secured one of the first guaranteed loans. Founder and Managing Director Tammy O'Connor called the loans a "gamechanger" that will help secure more contracts, drive sustainable growth, and empower her community.

Affordable and specialist housing

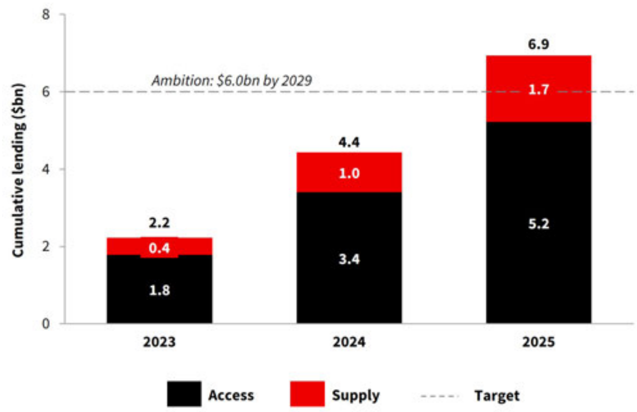
NAB recognises the need for improved access to housing to support community wellbeing and a strong economy.

Affordable and specialist housing financing ambition

Over the past three years, NAB focused on supporting affordable and specialist housing[1] and achieved its $6 billion financing ambition ahead of schedule.

In 2025, this included supporting around 5,000 first home buyers through the Australian Government 5% Deposit Scheme. This group represented a subset of all first-home buyers assisted by NAB under the scheme, with taxable incomes and property values below the national median.

Cumulative financing towards affordable and specialist housing (2023-2025, $bn)[1]



Expanding our approach: Housing Affordability

The Australian housing market is becoming less accessible for the average Australian, with lack of supply pushing up prices faster than wage growth (+17.0% rental prices, +16.8% house prices versus +10.1%[2] wage growth) between 2022 and 2025. Only 20% of Australian households can afford to buy a house at the national average price, which surpassed $1 million in March 2025[3].

NAB recognises an opportunity to take action, aligned to the Federal Government's 2024 National Housing Accord.

Innovation and partnerships

We will use our relationships, capital and capability to support a number of areas.

Pathways to home ownership

NAB recognises the importance of supporting households to access home ownership. The Australian Government 5% Deposit Scheme helps NAB to further support households to access home ownership.

Support for housing supply

Increasing the supply of housing in Australia is critical. NAB's commercial real estate lending plays an important role in the development of new housing. We are also supporting clients with a focus on the areas described below:

(1) Affordable and specialist housing includes affordable housing, specialist disability accommodation and sustainable housing. This includes loans made under the Australian Government 5% Deposit Scheme (formerly the Home Guarantee Scheme) for properties under the national median house price, and for borrowers with taxable income below the national median household income. Progress is based on total lending facilities committed, where first draw down occurred during the ambition period, or additional funding was provided during the ambition period for a pre-existing loan facility. This number does not reflect debt balance.
(2) ABS Wage Price Index; ABS Total Value of Dwellings; ABS Consumer Price Index. Between 2022 and 2025.
(3) Based on the income ~$178,000 income required to borrow 80% of a $1 million house price; Grattan Institute 2025 Budget Cheat Sheet; ABS Total Value of Dwellings.

- **Build-to-rent**: NAB supports the growth of build-to-rent in Australia as an innovative model to help people on all income levels - especially essential workers - access quality homes in central locations.
- **Community housing providers (CHPs):** CHPs are a growing subset of the housing sector and provide bespoke, often wraparound, services for people on low incomes, essential workers and young people. NAB will continue to support financing opportunities for future CHP projects supported by the Housing Australia Future Fund, particularly through development finance.

Increased use of modern methods of construction

NAB welcomed the Government's commitment to invest $54 million to help supercharge prefabricated and modular home construction. We participated in Treasury working groups to progress an industry wide approach and worked to refine our own approach.

Housing affordability financing ambition

NAB has set a new and expanded ambition to provide $60 billion in financing to address housing affordability by 2030[(1)]. This ambition comprises:

- $30 billion in financing to address supply of commercial real estate development projects where the underlying use is predominantly residential, and all financing of specialist accommodation, including build-to-rent, student accommodation, land lease, and community housing.
- $30 billion in financing to support first home buyers via the Australian Government 5% Deposit Scheme.

This ambition seeks to support both supply and demand challenges and could support ~55,000 loans for first home buyers[(2)] and the development of ~50,000 new homes[(3)]. It is intended to capture the broad range of financing we provide and set clear direction and accountability for growth. Sub-sectors within this ambition will vary in size and pace of growth, however we believe all are important components in helping get more Australians into more homes.

(1) Amounts are calculated by reference to facility limits at origination. Where a development is subject to limit increases, this may result in financing being counted more than once towards the cumulative total. Financing included in the ambition may also be included in other targets and goals where that financing meets the criteria set for those targets and goals, for example the NAB's environmental financing ambition and the First Nations business lending ambition. There are several factors that may impact NAB's ability to achieve our ambition, including broader regulatory settings, government incentive schemes, planning and approval timelines, construction supply and labour constraints and NAB's ability to ensure it is achieving safe and sustainable growth.
(2) Based on an average first home buyers loan of $545,056 (ABS 2024-2025).
(3) Based on the average cost of a new detached house approved in Australia in 2024/25 of $492,410 (Housing Industry Association analysis of ABS data).

Colleagues

Our Colleague Strategy

In October 2024, NAB refreshed its Colleague Strategy to align with the Group Strategy ambition of becoming the most customer-centric company in Australia and New Zealand. The Colleague Strategy is anchored in the ambition to have customer obsessed colleagues who are proud to work at NAB.

As a key enabler of NAB's broader transformation, the Colleague Strategy is delivered through three pillars: **Talent**, **Culture**, and **Leaders**. To help deliver our strategic ambition, NAB launched five refreshed Who We Are behaviours in October 2024. These behaviours provide clear expectations for leaders and colleagues and reinforces the mindset required to drive customer-centricity across the organisation.

Customer obsessed colleagues who are proud to work at NAB

What we will be known for

Talent: Highly skilled global workforce positioned for the future

1. A global skills-based workforce positioned for the future.
2. Inclusive talent systems to enable greater career opportunities for our colleagues.
3. A market leading employee value proposition to attract and retain diverse talent.
4. Targeted learning opportunities to develop the skills we need to win in market.

Culture: A customer obsessed culture where it is simple to get things done

1. Clarity of individual purpose and how each colleague impacts customer experience regardless of role.
2. Colleagues supported to consistently deliver for customers and get their jobs done.
3. An environment that is customer centric, performance focused, collaborative and inclusive.
4. Colleagues are our strongest brand ambassadors and are proud to work at NAB.

Leaders: World standard leaders who inspire and support performance

1. World standard leaders who consistently role model customer obsession.
2. Clear leadership standards, behaviours and expectations to drive consistency and accountability.
3. Future-fit leaders who unlock potential and high performance in others with empathy and curiosity.
4. Leaders supported through their leadership journey with tailored programs based on their requirements.

Measures of success

Talent:
- Opportunities to learn and grow
- Gender and First Nations representation
- Reduction in regrettable attrition (target segments)
- Employer brand awareness/attractiveness
- Internal appointments for critical segments

Culture:
- Engagement score
- Inclusion index
- Engagement basket of metrics (Belonging, Recommend, Wellbeing, eSat)
- Employee NPS
- Customer obsession index
- Who We Are embedment score

Leaders:
- % top quartile leaders score & top quartile engagement score
- Distinctive Leadership role modelling
- Establish leadership capability baseline in FY25

Who We Are

- We are customer obsessed
- We keep it simple
- We move with speed
- We own it
- We win together

Colleague Strategy execution

In 2025, NAB delivered key initiatives to support the execution of the Colleague Strategy:

- Refreshed our culture transformation strategy and culture framework to define how culture is understood, measured and embedded.
- Established a Culture Champion network to support the role modelling of desired behaviours and embed culture interventions.
- Introduced a universal leadership capability framework, How We Lead, reinforcing our investment in Distinctive Leadership, to guide the recruitment, development and retention of world-class people leaders.
- Piloted a new recruitment approach through NAB Elevate Talent aimed to ensure alignment with target-state culture and strategic ambitions.
- Developed a skills taxonomy to enable a skills based organisation.
- Launched targeted capability development for product owners and bankers through specialised programs, pathways and academies focused on critical skills.

Workforce composition

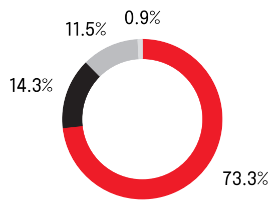
The Group's workforce is made up of more than 41,000[1] colleagues globally. About 88% of the permanent workforce are located in Australia and New Zealand, while others work in Asia, London, New York and Paris. Over the last year, NAB India and NAB Vietnam have continued to grow.

Table 1: Workforce by contract type and gender 2025 (%)[1]

	Female	Male
Permanent full-time	31.1	37.2
Permanent part-time	5.8	1.1
Fixed term full-time	1.3	2.5
Fixed term part-time	0.1	0.0
Casual	0.5	0.1
External/temporary employee/contractors	7.1	12.3

(1) Source: Workforce distribution based on headcount as at 30 September 2025. Due to rounding. figures may not sum to 100%.

Chart 1: Workforce distribution by geographic region[1]



(1) Source: Workforce distribution figures based on permanent headcount as at 30 September 2025. Due to rounding, figures may not sum to 100%

(1) Number of full-time equivalent colleagues as at 30 September 2025, excluding discontinued operations.

Engagement

Listening and acting on colleague feedback is key to colleague engagement. NAB's colleague engagement survey, aligned with the Group Strategy and Who We Are behaviours, provides insights into drivers such as culture, leadership, workload, and wellbeing. These insights help leaders address team needs and inform the Executive Leadership Team on patterns and opportunities for improvement across the organisation.

In 2025, NAB's average engagement score held steady at 78[1] consistent with July 2024 results. This score continues to meet the global top quartile benchmark of 78.

Key strengths identified across the business include the high regard colleagues have for their leaders and how Distinctive Leadership practices have been embedded within teams. Colleagues also reported a strong connection between their day-to-day work and NAB's customer-centric ambition.

Opportunities for improvement include simplifying ways of working and removing barriers that slow down progress.

Leadership capability

To develop world-class, customer obsessed leaders who inspire and support colleague performance, NAB delivered several key initiatives in 2025 that built on the foundations established through our investment in Distinctive Leadership:

- Defined *How We Lead* capabilities to articulate the core expectations of people leaders at different career stages.
- Introduced a 360° feedback tool to measure leadership capability and provide insights into leadership strengths and development areas aligned to the *How We Lead* framework.
- Delivered new leadership development support including tools and masterclasses on Leading Change, Psychological Safety and Leading Culture.
- Enrolled all new to bank leaders and newly promoted leaders into the flagship Distinctive Leadership Program. Leaders who complete the program typically receive higher colleague engagement survey scores including employee satisfaction, inclusion, psychological safety and learner safety.

Colleague capability

NAB continues to build the skills and capabilities required to realise its strategic ambition. Key initiatives delivered in 2025 included:

- Developing future skills to leverage AI, including AI development and oversight, human-AI teaming and programming, and strategic foresight.
- Delivering cultural immersion sessions for new starters within their first eight weeks at NAB. These provide customer-centric context and accelerate embedding of the Who We Are behaviours.
- Uplifting banker capability across B&PB and PB with a focus on business development and relationship management skills that support exceptional customer experiences.
- Reinforcing risk ownership by requiring all colleagues to complete training in Risk, Conduct and Compliance for Existing Colleagues, Financial Crime Risk Awareness, Financial Crime Threats and Vulnerabilities, and Cyber Safety.
- Enhancing customer experience through Customer Voices, in which customer-facing teams listen to and learn from customer feedback and use this to shape improvements.
- Expanding access to digital learning tools, including platforms such as Udemy Business, to support continuous development.
- Using our Global Tech Academy to drive uplift in technology skills and career pathways across digital hubs based in Australia, Vietnam and India.
- Product Owners play a key role in enabling NAB's Customer Voices system. Targeted capability uplift is underway in 2025 and will continue in 2026.

Employer of Choice Awards

In 2025, NAB received several accolades recognising excellence in graduate employment, inclusion and colleague experience:

- Ranked #1 Graduate Employer in the Banking and Finance Industry for the fourth consecutive year on Prosple's Top 100 Australian Graduate Employers.
- Achieved Platinum status in the Australian Workplace Equality Index, the highest level of performance for inclusion of LGBTQIA+ colleagues.
- Awarded the 2025 TIARA Talent Acquisition Award ANZ Early Careers Award for the StarCamp Technology Internship Program.
- NAB's Cyber Safety and Risk Conduct & Compliance Regulatory Learning Programs were recognised in the 2025 Australia Institute of Training Development awards.
- Recognised as a 2025 Disability Confident Recruiter by the Australian Disability Network.

Payroll remediation

NAB is undertaking a review and remediation of payroll-related issues, which impact current and former colleagues. Costs of approximately $130 million have been incurred in 2025 related to the review and remediation of payroll issues, and as this work is ongoing, total costs remain uncertain.

Inclusion and diversity

We service a diverse and wide-reaching customer base including people from different backgrounds, identities, and experiences. To deliver exceptional customer service, NAB focuses on understanding and representing the communities in which it operates.

Policies and progress measures are in place to build and support a workforce that reflects customer diversity. When colleagues feel valued and empowered to share their ideas, performance and productivity improve, innovation increases, and risks are managed more effectively.

NAB's Board-endorsed Inclusion & Diversity Strategic Framework (Framework) focuses on making sure all colleagues and customers can belong and succeed at NAB. The Framework is built on three key principles:

1. Inclusive leadership

In 2025, we worked to support and encourage inclusive leadership through a series of targeted initiatives:

(1) 2025 colleague engagement surveys conducted by Viva Glint, score based on an average of the two surveys conducted in February 2025 and July 2025. Includes Australia, New Zealand, and all global colleagues, excludes ubank, external consultants and outsource service providers.

- Educated leaders on practices to help make all colleagues feel valued and empowered to contribute.
- Maintained diversity and inclusion goals within the Executive Leadership Team's Key Performance Indicators, linked to remuneration outcomes.
- Collaborated with each business area to develop tailored plans, with actions led by business leaders.

2. Inclusive workplace

NAB fosters a workplace that welcomes everyone and values all kinds of differences. Initiatives are designed to benefit all colleagues and promote environments where everyone feels safe to speak up and bring their best selves to work.

Our Accessibility Action Plan[(1)] and Reconciliation Action Plan[(2)] include pillars focused on colleague experience and representation.

Colleague-led Employee Resource Groups (ERGs) contribute lived experience, build community and promote understanding across the organisation. NAB supports five ERGs:

- Cultural Inc
- First Nations Walking Together
- NABility
- Gender Equity
- NAB Pride

More information is available at nab.com.au/about-us/careers/inclusion-diversity.

3. Customer inclusion

We aim for all customers to feel included and valued when banking with NAB. Our information, services, and products are designed to be accessible for all.

In 2025, the NAB Pride ERG extended LGBTQIA+ inclusion resources to customers for use in their own workplaces. More details are available at nab.com.au/about-us/careers/inclusion-diversity/nab-pride/more-out-and-proud.

NAB partners with external organisations to help build belonging across the wider community. In 2025, partnership activities included:

- African Music and Cultural Festival – Platinum sponsor
- Midsumma Festival – Principal partner
- Pride Cup – Major sponsor

For additional information on inclusive and accessible banking, refer to the *Customers* section of this Report.

NAB's Inclusive policies

Our leave policies support colleagues through life moments that matter. In 2025, the following policies and outcomes were delivered:

- Parental leave, pregnancy loss leave and carers leave: NAB offers up to 16 weeks of paid leave. The number of men taking parental leave was 298, consistent with 2024. Men comprised 49% of all colleagues taking parental leave. The return-to-work rate across all genders and Australian-based colleagues reached 98%. NAB monitors this rate and works with colleagues to support family needs during their return to work.
- Cultural and religious leave: Up to three working days of paid leave are available annually. In 2025, 7,464 colleagues used this leave to celebrate or observe important cultural or religious events and traditions.
- Paid compassionate leave: Includes Sorry Business leave, available for our Aboriginal and/or Torres Strait Islander colleagues. In 2025, 3,775 colleagues accessed this paid compassionate leave.

The Board and Executive Leadership Team is committed to building a workforce that reflects the wider community and attracting and retaining talent from a range of backgrounds and experiences. Our Inclusion & Diversity Policy requires the Board to review the impact of diversity activities and initiatives at least annually. The Executive Leadership Team is responsible for implementing the Framework. More information is available at nab.com.au/about-us/corporate-governance.

Anti-harassment and discrimination

NAB maintains a no-tolerance approach to all forms of discrimination and sexual harassment, including sexual harassment, sex-based discrimination and workplace bullying. We remain committed to both preventing and responding to unlawful conduct, we take a person-centred, trauma informed approach, encouraging speaking up and promptly addressing concerns across leadership, culture, training, risk management, support, reporting, monitoring, and evaluation.

Reporting on sexual harassment and discrimination was presented to all Professional Standards Forums, including education on legislative obligations, insights, trends and the nature and underlying drivers of sexual harassment and discrimination cases across the business. NAB has targeted communication to convey its 'Tone from the Top' messaging, delivering annual conduct and risk training for all colleagues and support for people leaders in dealing with harassment and discrimination concerns.

Our current policy guidelines can be accessed at nab.com.au/content/dam/nabrwd/About-Us/shareholder-centre/documents/discrimination-harassment-guidelines.pdf.

Measurable Objectives

NAB sets clear goals for gender balance, pay equality, and workplace inclusion. In 2025, the Board endorsed an extension of the 2025 objectives for another year, aligning efforts with a new Inclusion & Diversity Strategic Framework and upcoming changes to the *Australian Workplace Gender Equality Act* legislation in 2026.

This year, we continued to make positive progress on the measurable objectives as outlined in Table 2.

(1) Available at nab.com.au/content/dam/nabrwd/documents/reports/corporate/accessibility-action-plan.pdf.
(2) Available at nab.com.au/content/dam/nab/documents/reports/corporate/reconciliation-action-plan-2024-2027.pdf.

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Table 2 Progress against NAB's 2023-2026 measurable objectives

Measurable objective	2023	2024	2025	2026 target
1. Diverse leadership teams and talent pipelines				
40-60% gender representation at every level of the business(1)				
40-60% gender representation on NAB Group Board (non-executive directors)				
40-60% gender representation on NAB subsidiary boards				
Representation of women				
NAB Board (non-executive directors)	55%	60%	63%	**40-60%**
NAB Group subsidiary boards	53%	55%	51%	**40-60%**
Executive Management (Salary level 7)	33%	42%	36%	**40-60%**
Executive Management (Salary level 6)	37%	35%	38%	**40-60%**
Senior Management (Salary level 5)	38%	39%	40%	**40-60%**
Management (Salary level 4)	39%	39%	40%	**40-60%**
Non-management (Salary level 3)	46%	46%	45%	**40-60%**
Non-management (Salary level 2)	56%	56%	56%	**40-60%**
Non-management (Salary level 1)	68%	67%	66%	**40-60%**
Total organisation	**50%**	**50%**	**49%**	**40-60%**
2. Fair remuneration – seek to reward people fairly and support the objective of <10% gender pay gap by 2026				
Gender pay gap(2)	15.8%	15.1%	14.9%	**<10%**
3. Inclusive workplace culture(3)(4)				
Women(5)	79	81	79	**Benchmark**
Men(5)	82	83	81	**Benchmark**
People with disability and/or neurodivergence(6)	77	80	77	**Benchmark**
Ethnically under-represented(7)	83	84	82	**Benchmark**
LGBTQIA+	80	81	79	**Benchmark**
Carers(8)	81	83	82	**Benchmark**

(1) Based on the percentage of women in each salary level, calculated using population of permanent full-time and part-time colleagues.
(2) The pay gap analysis indicates the mean gender pay gap within NAB's Australian-based workforce, the reporting period for each year reflects 1 July to 30 June of the previous year (e.g., 2025 reflects the period 1 July 2023 – 30 June 2024). The gender pay gap is calculated by dividing the mean female base salary by the mean male base salary per employment level. It does not separately measure the gender pay gap in equivalent roles. Analysis includes permanent, fixed term, and casual colleagues and excludes contractors. Figures shown are published by the Workplace Gender Equality Agency (WGEA).
(3) The inclusive workforce culture scores are based off responses to NAB's colleague engagement survey conducted in July 2025 (2025 score), July 2024 (2024 score) and July 2023 (2023 score). The target was revised in 2025 to measure the inclusion score compared to Global Benchmark as per methodology used by survey provider, Glint. The Global Benchmark was 82 in 2025, and 81 in 2024 and 2023, The inclusion score is based on a combined response to three questions: 1. 'I feel comfortable being myself at work'. 2. 'I am treated with respect and dignity' and 3. 'Regardless of background, everyone at our company has an equal opportunity to succeed'. The table represents the scores for specific historically under-represented groups with the addition of men. Inclusion scores use responses to questions in the colleague engagement survey and is calculated as a weighted average. This ensures that responses from larger cohorts have proportional influence on the overall score.
(4) Employment groups included in NAB's colleague engagement survey are: permanent, fixed-term or casual colleagues as well as contractors and agency temps across all divisions in Australia and our international locations. Employment groups excluded from NAB's colleague engagement survey are: external consultants and outsource providers. ubank did not participate in the demographic section of NAB's colleague engagement survey , therefore ubank data is not included in the inclusion scores.
(5) The gender of respondents is based on how this is recorded in SAP/Workday.
(6) From 2024, the category was expanded in the colleague engagement survey to include neurodivergence in the disability status question. People with a disability and/or neurodivergence are respondents who answered one of: 'I have disability'; 'I am neurodivergent'; 'I have disability and am neurodivergent'.
(7) The methodology used in defining ethnic minority since 2023 takes into account NAB's growing international colleague base. Ethnic minority calculations only include colleagues from Australia, NZ, UK and US. The ethnic minority group is comprised of individuals whose ethnicity is considered to be an ethnic minority in those included regions. Colleagues based in other regions are not included in the calculations, as identification of ethnic minority would be different in those regions.
(8) Colleagues who selected they spend time providing unpaid care, help, or assistance to family members or others with a disability (including children, adults or older adult).

Health, safety and wellbeing

Health and Safety Risk Management

We continue to prioritise a safe and healthy work environment that supports colleague wellbeing and enables high performance.

Our approach to health and safety has evolved in response to changes in work practices, advances in technology and the increasing importance of managing psychosocial risk to drive sustainable performance.

In 2025, the Lost Time Injury Frequency Rate[1] remained low at 0.36, reflecting a proactive and prevention-focused approach.

Systems and processes were strengthened through alignment with new legislative guidance and Codes of Practice, supported by insights from targeted risk assessments conducted across business operations.

Recognising the critical role of leaders in identifying and managing psychosocial hazards, new tools and resources were introduced to support effective risk management in areas such as organisational change, job demands, workload, and job design. The 'Workplace Mental Health Training', developed by the Black Dog Institute, was launched and made available to all colleagues via NAB's learning platform.

Preventing and responding to aggressive customer behaviour remains a key priority. A newly established Governance Forum, attended by senior leaders from across the business, oversees ongoing work in this area. This includes improving understanding of the drivers of aggressive behaviour and ensuring our colleagues have access to timely and appropriate wellbeing support.

Supporting Colleague Wellbeing

NAB provides colleagues access to a range of services to support their physical and mental wellbeing. These include an interactive online platform with health resources, annual flu vaccinations and health promotion campaigns delivered throughout the year.

Workplace flexibility remains a key enabler of wellbeing. In the July 2025 colleague engagement survey, 73.1% of colleagues reported working hybrid (regular days worked remotely, in office or fully remotely). A variety of leave options are available to support integration of work and life commitments, including 'You Leave' which encourages colleagues to use annual and long service leave to rest and recharge.

Early intervention for injuries or illness that may impact work is promoted through NAB's team of Health Management specialists. A person-centred approach is applied to workplace adjustments for colleagues with a disability. Awareness continues to be raised around support available for colleagues affected by family and domestic violence, ensuring timely access to specialist services and paid leave.

The Employee Assistance Program has been extended to colleagues and their families in our international locations, offering 24/7 confidential counselling and coaching. This service is also available to NAB customers, free of charge.

(1) Lost Time Injury Frequency Rate is calculated as the number of lost time injuries divided by total hours worked, multiplied by one million.

Building stronger, more resilient communities

We support the communities we are connected to in tackling challenges relevant to them through giving, volunteering and the work of NAB Foundation.

Community investment

Reporting of community investment is guided by the Business for Societal Impact (B4SI) Community Investment Framework[1]. Key contributions in 2025 included:

- Salary value of colleagues' time in contributing more than 4,700 days across the Group to charities including our customers, NAB Foundation partners and grant recipients.
- Foregone revenue associated with $87.4 million in NILs (loans with no interest, fees or security) allocated to support microfinance as part of our 22-year partnership with Good Shepherd.
- Growth of NAB Foundation to provide long-term, stable funding for programs and partnerships with community organisations, granting $6.2 million in 2025.

NAB Foundation

NAB Foundation supports communities through philanthropy, social investment and in-kind support. It is aligned to NAB's sustainability priorities, while maintaining its primary focus on helping Australians withstand and recover from natural disasters.

Since 2020, NAB Foundation has grown fivefold to $176.5 million held in trust by an independent trustee. In 2025, NAB Foundation granted $6.2 million to 99 grant partners across Australia, up from $3.8 million in 2024.

NAB Foundation aligning to NAB's sustainability priorities

Climate transition and resilience	Initiatives to help Australians withstand and recover from natural disasters, support adaptation to climate change, and support biodiversity and the natural environment.
First Nations economic empowerment	Initiatives to support leadership, research and networks to unlock economic opportunities for First Nations businesses and greater First Nations economic participation and prosperity.
Housing affordability	Initiatives to support housing redevelopment, strategic planning and community engagement projects to provide better support for people with limited access to safe and affordable housing or experiencing homelessness.

Impact Investment Funds

In 2025, NAB Foundation established an Impact Investing Fund designed to further increase its positive social and environmental impact by providing capital to support and scale impactful projects and organisations that align with NAB's sustainability priorities. The fund specifically seeks to invest in opportunities that intentionally generate a positive and measurable social and environmental impact alongside appropriate risk-adjusted financial returns. To date, NAB Foundation has allocated $26.3 million of its total investment capital into the impact investing fund, with an aspiration to allocate up to $50 million.

NAB Ready Together

Our program to help customers and communities withstand and recover from natural disasters.

Helping customers during a crisis

Through direct financial relief, partnerships, and volunteering, NAB and NAB Foundation supported impacted communities in Australia to recover from 17 disasters in 2025 with a total of $9.8 million in financial contributions. NAB provided $6.0 million in disaster relief grant payments to 5,149 customers and 445 colleagues to assist with emergency expenses such as fuel, food and accommodation.

NAB Foundation invested in long-term recovery by supporting Financial Counselling Australia to build capabilities of local financial counsellors in disaster affected areas to guide residents through complex issues such as insurance claims, loss of income, and rebuilding their homes.

Supporting customers to safeguard their homes

NAB extended its partnership with the Resilient Building Council, contributing to the development of a self-assessment app for flood, cyclone, and storm risks. This builds on a previous pilot focused on bushfire risk. The app supports households with a risk rating and customised action plan to help build resilience specific to their property. With certification, households can engage with participating insurers to seek insurance premium savings.

Rebuilding takes many hands

NAB Foundation quadrupled its funding support to Disaster Relief Australia from 2023 to 2025, to increase the size of the NAB Foundation Recovery Crew (a ready-to-deploy group of corporate and community volunteers) to 6,600 members by 2028.

Girls on Fire, an organisation that runs firefighting and community resilience programs for young women, received additional support from NAB Foundation in 2025 to expand its programs across Australia.

NAB Foundation grants for funding grassroots disaster readiness and recovery projects

Each year, the NAB Foundation Community Grants program provides $1.2 million in grants for local projects to help communities withstand and recover from natural disasters. In 2025, this included:

- Individual grants of up to $25,000.
- Additional 'Impact Grants' of $25,000 each for four high potential projects to maximise their impact.

In 2025, NAB Foundation awarded community grants to 51 community-led organisations in all states and territories. Funded projects focused on natural disaster training and planning, community recovery, environment and wildlife and equipment and infrastructure.

Rural Aid received both a $50,000 Impact Grant and an additional $200,000 grant from NAB Foundation to assist drought and flood impacted farmers in Victoria, South Australia and New South Wales. The funds enabled Rural Aid to expand their disaster response capacity and provide urgent fodder relief and wellbeing support to farmers.

(1) Corporate Community Investment, defined broadly as businesses' voluntary engagement with charitable organisations or activities that extends beyond their core business activities. For further information, refer to https://b4si.net/framework/community-investment/.

Sustainability

Sustainability in NAB's strategy

We are acting now for the long-term

Our scale and reach means we are well placed to support our customers' environmental and social needs through a safe and sustainable approach.

Our approach prioritises three areas, where our customers have financial needs, and which present commercial opportunities for the bank. NAB has set financing ambitions for each of these areas to signal our intent to drive more capital towards solutions.

These priorities are supported by practices across the bank to manage our business responsibly in the face of a wide range of complex sustainability risks and opportunities.

Our materiality process (refer to *Material sustainability themes* on page 33) informs our approach, with consideration of how sustainability topics interact with our business model, value chain, and stakeholder needs and expectations.

The Group's approach to managing climate-related risks and opportunities is detailed in NAB's 2025 Climate Report(1).

NAB's Sustainability Priorities

Our ambition	**Support our customers' environmental and social needs with a safe and sustainable approach**		
Our Strategic priorities	**Climate** To support customers as we move together to a resilient net zero economy	**Housing affordability** To support the building of more homes that are affordable for more Australians	**First Nations** To support the economic empowerment and prosperity of First Nations peoples and businesses
	$80 bn Environmental finance ambition by 2030 (cumulative basis)[1]	**$60 bn** Housing affordability financing ambition by 2030 (cumulative basis)[2]	**$1 bn** Lending ambition to First Nations businesses and community organisations by 2026 (spot basis)[3]
How we will grow	• Banking the transition • Supporting business sustainability • Supporting home electrification and resilience	• Supporting Australians to buy houses (participate in govt. schemes) • Funding to build more houses and innovate more effective construction methods	• Support First Nations peoples and businesses with financial literacy and wealth building • Further develop specialist capability to support transactions from small business through to corporate First Nations customers

Resilient and sustainable business practices

Getting the basics right and managing sustainability matters responsibly across our business

Colleagues and culture | Inclusive banking | Risk Management | Supply chain Management | Human rights

Aligned to six key United Nations Sustainable Development Goals where we can make the biggest impact

www.un.org/sustainabledevelopment

(1) Ambition reflects cumulative total of new financing activity from 1 October 2023 to 30 September 2030. Refer to page 42 of NAB's 2025 Climate Report for further information.
(2) In 2025, NAB achieved its $6 billion affordable and specialist housing financing goal by 2029, four years ahead of schedule. NAB has set a new and expanded ambition to provide $60 billion in financing to address housing affordability by 2030. Refer to pages 21 to 22 for further detail on the housing affordability financing ambition.
(3) Lending position refers to 'Gross Loans and Advances' to both direct First Nations Businesses (with >50% First Nations Ownership), and community organisations that deliver benefits to First Nations peoples, identified by NAB's First Nations business team and/or validated against Supply Nation, Office of the Registrar of Indigenous Corporations (ORIC) and Australian Charities and Not-for-profits Commission (ACNC) registered charities. Additional checks performed on ACNC dataset to test relevance. Baseline position ($417.2m) calculated as at 31 August 2023. Reference to the 2026 target end date is calendar year (31 December 2026).

Sustainability performance

For the Group's performance against key targets and measures, including progress in meeting goals aligned to the sustainability priority areas, please refer to NAB's 2025 Sustainability Data Pack(1) and 2025 Climate Report(1).

As a founding signatory of the Principles for Responsible Banking (PRB), NAB seeks to align its business activities to have a positive impact on society. NAB's annual self-assessment against the PRB Principles can also be found within our 2025 Sustainability Data Pack(1).

(1) Available at nab.com.au/annualreports.

Sustainability governance

Sustainability is embedded in NAB's governance structure, as outlined below. The Board retains ultimate accountability for the oversight of sustainability-related matters and receives updates on sustainability performance.

Further details on the Board and Board committee activities in 2025 are available in the *Corporate Governance Statement* of this Report.

(1) The Board Risk & Compliance Committee oversees sustainability risks (including climate and human rights-related risks) and the Group's environmental compliance reported and escalated by management.

Sustainability groups and forums

The Group has established several executive level groups and forums designed to drive enterprise collaboration, alignment and visibility on strategy, innovation, opportunities, execution activities and emerging risks (refer to Table 1 below)[(1)]. The chairs of the groups and forums set out below provide periodic reporting to the Executive Leadership Team and Board and have the power to refer matters of significant importance to the Group CEO, relevant Financial Accountability Regime (FAR) accountable persons or the Executive Leadership Team.

Table 1: Sustainability groups and forums[(1)]	
Sustainability Council[(2)]	**Chair**: Sharon Cook, Group Executive, Customer and Corporate Services. **Remit**: NAB's over-arching strategic direction as it relates to sustainability strategy, performance and emerging issues. Considers stakeholder expectations and NAB's voluntary obligations.
Group Climate Governance Forum	**Chair**: Jacqueline Fox, Chief Climate Officer. **Remit**: Drives collaboration, alignment, and visibility across NAB on strategy, innovation and opportunities and execution activities related to climate change and the transition to a low carbon economy.
Housing Affordability Council	**Chair**: Julie Rynski, Executive, Business Metro and Specialised Banking. **Remit**: Drives strategy and actions related to NAB's response to affordable and specialist housing. Includes supporting targeted partnerships and progress.
Reconciliation Action Plan (RAP) Council[(3)]	**Co-chair**: Sarah White, Group Executive, People and Culture and Andrew Auerbach, Group Executive, Business and Private Banking[(4)]. **Remit**: Oversees delivery and management of actions set out in NAB's Reconciliation Action Plan.

(1) NAB's major subsidiary, BNZ, also has sustainability-related (including climate) management groups and councils. Details on BNZ's approach to relevant governance matters will be available in its climate and sustainability reporting. For further information on BNZ's climate reporting refer to www.bnz.co.nz/about-us/sustainability/reports.
(2) From 1 October 2025, the Sustainability Council became an Executive Leadership Team level forum, chaired by the Group Executive, Customer and Corporate Services, with membership including the Group Chief Financial Officer, the Group Chief Risk Officer, Group Executive, Business and Private Banking and Group Executive, Corporate and Institutional Banking.
(3) The RAP Council is supported by the First Nations Advisory Group, an external advisory body that provides strategic guidance on NAB's engagement with First Nations peoples.
(4) Andrew Auerbach commenced as co-chair on 14 July 2025, succeeding Rachel Slade.

Table 2: Executive committees

Executive Risk & Compliance Committee (ERCC)	The ERCC, NAB's most senior executive-level risk committee, has oversight over the Group's management of financial risks and non-financial risks and related emerging risks. In doing so, it is supported by its eight specialist risk oversight sub-committees. In 2025, members received updates on sustainability risk, which included climate change matters.
Group Credit & Market Risk Committee (GCMRC)	The GCMRC is an executive level risk oversight committee which has oversight of credit, market risks and sustainability risks and related emerging risks.
Group Asset & Liability Committee (GALCO)	The GALCO is an executive level risk oversight committee which has oversight of financial risks including Balance Sheet & Liquidity risk, and related emerging risks. This includes oversight of climate risk where it has direct impact on capital calculations.
Enterprise Product Committee (EPC)	The EPC is an executive level management committee that evaluates new product offerings, including sustainable finance products and their appropriateness for our customers.
People & Culture Executive Committee (PCEC)	The PCEC is an executive level oversight committee which has oversight on people and culture matters. This includes oversight on the Group's remuneration and performance framework, which incorporates sustainability-related risk and performance measures.

Management's role in assessing and managing sustainability-related risks and opportunities

Led by the Group CEO, the members of the Executive Leadership Team have a key role in driving the implementation of NAB's sustainability strategy and in assessing sustainability-related risks and opportunities. These include, but are not limited to:

- **The Group Executive, Customer and Corporate Services (CCS)** is responsible for overseeing NAB's overall sustainability strategy, which includes climate priorities. They also hold responsibility for coordinating and overseeing sustainability-related activities more generally and advising on sustainability-related matters[(1)].
- **The Group Executives of NAB's customer divisions (Personal Banking, Business and Private Banking and Corporate and Institutional Banking)** are responsible for managing sustainability risks and opportunities within their client portfolios and delivering on NAB's key sustainability focus areas of climate, affordable and specialist housing and First Nations economic empowerment. This includes the implementation of NAB's sector decarbonisation targets and relevant sustainability financing ambitions.
- **The Group Chief Financial Officer (CFO)** is accountable for NAB's Group strategy (to which NAB's sustainability strategy is aligned), engagement with investors, key sustainability-related innovation investment and the execution of sustainability reporting.
- **The Group Chief Operating Officer (COO)** is responsible for the Group's digital bank, ubank, oversight of marketing, including governance against greenwashing risks, leadership of accessible and inclusive design for customers, and development and maintenance of the NAB Group's product governance framework[(1)].
- **The Group Chief Risk Officer (CRO)** is accountable for developing, endorsing to the Board and (when approved by the Board) maintaining the Risk Appetite Statement and the Risk Management Strategy for managing NAB Group's material risks, including sustainability risk and credit risk. The CRO is also accountable for developing and coordinating the implementation of risk management strategies, frameworks, and policies to identify and manage risks for the NAB Group.
- **The Group Executive, Technology and Enterprise Operations** is accountable for NAB's property portfolio, technology operations and supply chain management. This includes activities that limit NAB's operational environmental impacts, such as improving energy efficiency, cutting emissions, and sourcing renewable energy.
- **The Group Executive, People and Culture** is responsible for overseeing the Group's performance and reward framework and strategies to drive workforce culture, capability, diversity and inclusion.
- **The Chief Executive Officer, BNZ** has delegated authority from the BNZ Board for management and operation of the day-to-day business of BNZ and receives reporting on climate-related matters in his capacity as Managing Director of BNZ, and as a member of both NAB's and BNZ's Executive Risk and Compliance Committees and the BNZ ESG Executive Committee. For further information on BNZ's management of climate-related risks and opportunities, refer to the BNZ Climate statements available at www.bnz.co.nz/about-us/sustainability/reports.

(1) The COO will assume the CCS accountabilities from 1 December 2025.

Stakeholder engagement

Effective stakeholder engagement helps NAB better understand expectations, identify issues, advocate for policy changes and discover opportunities for improvement.

Our approach to stakeholder engagement, including processes for consultation on sustainability topics, is set out in our Sustainability Policy and informed by the AA1000 Stakeholder Engagement Standard.

Engaging on sustainability:

NAB values feedback on sustainability topics relevant to the bank, customers and the community. Key discussions with stakeholders during the year included:

- Reconciliation and issues facing First Nations customers and communities, including through meetings of our regular First Nations Advisory Group.
- Cost of living, natural disaster and hardship support, scams and fraud, First Nations financial inclusion and housing affordability, including through our Consumer Forum with customer advocates.
- Climate action, customer transition, fossil fuel lending activity, and NAB's assessment of physical risks.
- Biodiversity, land use change and natural capital management.
- Human Rights, including Modern Slavery.
- Workforce management, including inclusion and diversity.

Industry associations

NAB is a member of various industry associations, which gives us the opportunity to discuss and address topics of mutual interest for our industry, share learnings and seek guidance on best practice approaches.

NAB is in the second year of its two-year role as Chair of the ABA, which commenced in December 2023. Through the ABA, NAB has engaged on sustainability topics relevant to the banking industry, including on priority issues of scams and fraud, financial hardship, customers experiencing vulnerability, insurability and First Nations outcomes.

Other key sustainability focused engagements during the year included:

- Through our membership of the ABA, supporting the update of the ABA Industry Statement Supporting Aboriginal and Torres Strait Islander Peoples, which outlines how the banking industry provides inclusive and accessible banking services to First Nations peoples – particularly in remote communities.
- Participation in the United Nations Environment Program Finance Initiative (UNEP FI) Principles for Responsible Banking working group alongside industry peers to help inform the scope and requirements of the program.
- Participation in Australian Sustainable Finance Institute consultations on the development and piloting of the Australian sustainable finance taxonomy.

Key industry association memberships and payments for 2025 were:

- Australian Banking Association: $2,530,425
- Business Council of Australia: $97,000
- New Zealand Bankers' Association: NZ$445,092
- Business NZ: NZ$35,000

Engaging on public policy

NAB engages government and regulatory bodies to provide input and help shape policy on sustainability issues that are important to the bank. In 2025, this included:

- Mandatory climate-related financial disclosures and participating in the pilot of Australian Sustainable Finance Institute's Sustainable Finance Taxonomy.
- Participation in the Victorian Drought Response Taskforce.
- Development of Horizon 2 of the 2023-2030 Australian Cyber Security Strategy.
- Participation in the Treasury Working Group on Modern Methods of Construction, which is examining ways to remove barriers to consumer finance.
- Submission to the Productivity Commission Five Pillars Inquiry on reform proposals to drive productivity by harnessing emerging technology, building a skilled workforce and investing in the net zero transition.

NAB's political contributions policy prohibits political donations to any political party, parliamentarian, elected official or candidate for political office. NAB representatives may pay to attend political events and business forums hosted by major political parties. In 2024 (period 1 July 2023-30 June 2024), NAB spent $66,000 with the Australian Labor Party, $60,000 with the Liberal Party of Australia, and $16,500 with the National Party of Australia.

These payments are disclosed to the Australian Electoral Commission (AEC) in line with State and Federal regulation, noting the AEC's reporting year is a different period to NAB's financial year. NAB's 2025 contributions (period July 2024-June 2025) will be available via the AEC in February 2026.

A number of activities enable us to further understand stakeholder concerns and perspectives, and respond to what matters to our stakeholders.

Stakeholders	Engagement activities
Customers	Market research, including customer satisfaction and experience surveys and focus groups, customer advocacy groups, direct engagement with the ELT, Sustainability teams, Board and relevant Board committees.
Colleagues	Colleague engagement surveys, colleague focus groups, employee resource groups, intranet articles and social media, confidential whistleblower program and interactive events with the ELT.
Shareholders, investors and analysts	Annual General Meeting (AGM), investor presentations and analyst briefings, survey participation, regular engagement with the Board, the Executive Leadership Team, Investor Relations and Sustainability teams.
Suppliers	Regular engagement, surveys (as part of due diligence processes and annual engagement activities) and industry forums.
Industry bodies and associations	Regular engagement, participation in working groups, consultations and advocacy processes.
Regulators and government	Regular meetings and briefings, participation in consultation processes and inquiries, and workshops.
Non-government organisations (NGOs) and community partners	Research, surveys and interviews, meetings and events, employee volunteering, donations, and impact investing (including by NAB Foundation).

Material sustainability themes

NAB undertakes an annual sustainability materiality assessment to identify the sustainability areas most relevant to our business and stakeholders, and where we can potentially have the greatest impact on society. The outcomes of this assessment inform our prioritisation and decision-making.

External frameworks, such as the UNEP FI Impact Radar, reporting frameworks (e.g., Global Reporting Initiative, Sustainability Accounting Standards Board), as well as benchmarks and ratings (e.g., MSCI, Sustainalytics, S&P Global Corporate Sustainability Assessment), are used to inform the process.

Engagement with stakeholders (refer to page 32) also informs the assessment. Targeted engagements are conducted to discuss sustainability matters of importance and feedback received throughout the year is analysed. Insights are reviewed against strategic priorities and industry guidance.

The materiality assessment involves the following four stages:

1 **Identification**
2 **Prioritisation**
3 **Validation**
4 **Disclosure and review**

Sustainability materiality outcomes

NAB's material sustainability themes remained largely consistent with the 2024 assessment. The 2025 assessment reaffirmed that support for customers in response to the rising cost of living is the most important theme from both strategic and stakeholder perspectives. Climate change also continues to be a high priority for our stakeholders, particularly in relation to risks, opportunities and support for customer transition. Technology and innovation remain key areas of stakeholder interest, especially in relation to the responsible use of AI and its associated risks and opportunities. Stakeholder engagement reinforced the importance of actively considering sustainability-related risks and opportunities, while maintaining a clear focus on matters relevant to NAB.

2025 Sustainability material themes	Sub-topics
1. Supporting customers NAB is committed to ensuring customers trust us and choose us to deliver exceptional experiences in both their everyday basic needs and in their life moments that matter. This is fundamental to our strategic ambition to become the most customer-centric company in Australia and New Zealand.	• Customer advocacy and feedback (page 14) • Responsible product design and development (page 20) • Financial hardship and customers experiencing vulnerability (page 19) • Financial inclusion (page 19) • Scams and fraud (page 19) • First Nations economic empowerment (page 20) • Affordable and specialist housing (page 21)
2. Managing climate change NAB has a role in facilitating an orderly transition to net-zero by 2050, and supporting our customers to take action on climate change and environmental sustainability. This ensures greater business and customer resilience and commercial opportunities.	• Financing the transition to net zero by 2050 • Sustainable finance • Managing climate risks (physical and transition) • Biodiversity and natural capital • Just transition • Operational environmental performance Summarised information can be found on pages 37 to 38. Refer to NAB's 2025 Climate Report for more detail.
3. Data security, technology and innovation Maintaining resilient, reliable and secure systems and responsibly leveraging digital innovation supports better customer outcomes and experience.	• Technology resilience and security (pages 16 to 19) • Use of data, privacy and ethics (pages 17 to 19) • AI (page 16)
4. Colleague engagement, inclusion and capability NAB's more than 41,000[(1)] colleagues are essential to being a customer-centric company.	• Leadership (including capability initiatives) (page 24) • Talent attraction, development, retention (page 24) • Inclusion and diversity (page 24) • Health, safety and wellbeing (page 27) • Employee/Industrial relations (page 69)
5. Governance, conduct and culture Being transparent, making ethical decisions and embedding accountability throughout the Group is crucial for maintaining trust and credibility.	• Board capability and diversity (pages 61 to 65) • NAB values and culture (page 68) • Code of Conduct (pages 69 to 70) • Executive remuneration (page 105)
6. Managing Human Rights A commitment to respecting human rights is a core foundation in how NAB operates. NAB seeks to support and respect the human rights of its colleagues, customers and the people in its communities.	• Modern Slavery (page 40) • Customer identification and management of human rights issues (page 40)

(1) Number of full-time equivalent colleagues as at 30 September 2025, excluding discontinued operations.

Sustainability Risk Management

Sustainability-related risks are identified, managed and reported under the Group's Risk Management Framework.

Risk governance

The Group CEO oversees enterprise-wide risk management through the Executive Risk & Compliance Committee (ERCC) and its supporting sub-committees, including the Group Credit & Market Risk Committee (GCMRC). The GCMRC supports the ERCC in overseeing the Group's management of credit, market, sustainability risk and related emerging risks and their financial implications. This includes oversight of:

- Sustainability-related policies, including those related to human rights and the environment[1].
- Risk appetite, including settings for emissions intensive, climate sensitive and low emissions sectors and human rights.
- Risk profiles, sector limits and portfolio exposures.
- Assessment of customer-related sustainability-related risks.
- Compliance with sustainability-related obligations, voluntary initiatives, goals and targets.

Sustainability risk matters are escalated by the GCMRC to the ERCC, Board Risk & Compliance Committee and the Board as required. Refer to the *Sustainability governance* section on pages 30 to 31 for more detail on our sustainability-related governance and accountabilities.

Where sustainability and associated reputation risk is high, sustainability risk matters are escalated by customer-facing teams for discussion and consideration in business unit forums (B&PB and C&IB). These forums involve senior management, executives and other key internal stakeholders including Risk and Corporate Affairs. BNZ also has a specialist customer risk assessment team and a forum to escalate sustainability risk matters when required.

The Group's risk frameworks and processes

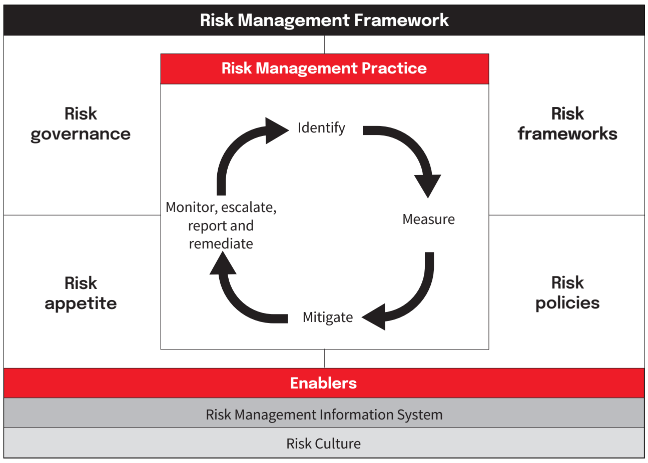
Sustainability risk has been a material risk category[2] within the Risk Management Framework since October 2021. Further details, including information on other material risks, are set out in *Risk factors* on pages 75 to 84.

Sustainability risk is defined as "*the risk that Environmental, Social or Governance (ESG) events or conditions negatively impact the risk and return profile, value or reputation of the Group or its customers and suppliers*". Climate, nature, and human rights-related risks are considered as part of sustainability risk, alongside other ESG risks. Sustainability risks can manifest in other material risk categories, or be the cause of events or impacts that arise in relation to other material risk categories. 'ESG risk' and 'sustainability risk' are used interchangeably in this section and in other sections of this Report.

Effective risk management is core to execution of our Group strategy and ability to be a safe and secure bank. It is integral to our strategic ambition to become the most customer-centric company in Australia and New Zealand. Management of sustainability risk is part of day-to-day business and is identified, measured, monitored, reported and overseen in accordance with the Group's Risk Management Strategy and reflected in the Risk Appetite Statement (RAS) and relevant supporting policies and management practices. Refer to Figure 1.

Sustainability risk is managed and integrated within processes for managing risks across material risk categories. Sustainability risk assessment is part of the Group's credit risk assessment and supplier risk management and due diligence processes, and factors into day-to-day decisions of colleagues.

Figure 1: The Group's Risk Management Strategy and Framework



Management of sustainability risk is operationalised through a number of supporting risk frameworks and systems, including policies, tools and our risk appetite.

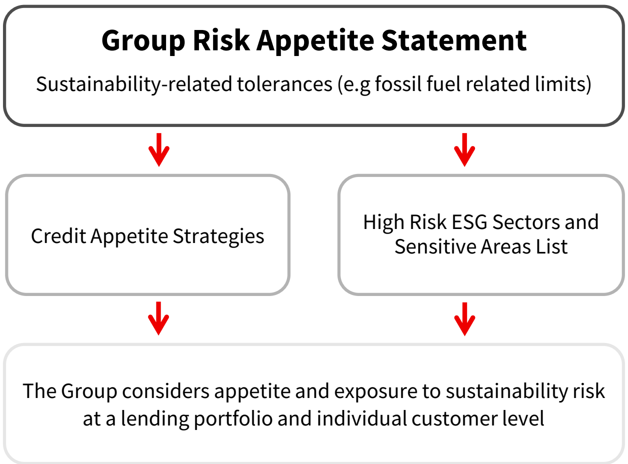
The Risk Appetite Framework and Group Risk Appetite Statement (RAS) set out: (i) how the Group approaches development of risk appetite; and (ii) the Group's tolerance for risks, in either qualitative or quantitative terms. For example, setting caps or limits on key emissions intensive exposures like coal, oil and gas. The RAS operates in conjunction with sector Credit Appetite Strategies (CAS) and the Group's High Risk ESG Sectors and Sensitive Areas list ('Sensitive Sectors (SS) List'). The SS List helps colleagues working with customers and suppliers to identify sectors and activities that may have a higher inherent exposure to sustainability risk across a spectrum of ESG-related areas. It sets out sectors and activities where there is restricted or no appetite. Key elements of the risk appetite framework (refer to Figure 2) are reviewed and refreshed annually, including during 2025. The Group annually reviews its customer-related sustainability policies and appetite settings, to help manage sustainability risks, including those related to its exposure to emissions-intensive, climate sensitive and low-emissions sectors.

During 2025, six key sustainability-related policies were reviewed and refreshed including policies relating to human rights[1], environment[1] and assessment of customer-related ESG risk.

(1) The Group's Human Rights Policy, Group Environmental Management Policy and Group Environmental Reporting and Offset Management Policy are available on our website nab.com.au/about-us/sustainability/reporting-policies-approach/policies-resources.

(2) The material risks managed by the Group are: credit risk, operational risk, compliance risk, conduct risk, balance sheet and liquidity risk, market risk, sustainability risk and strategic risk. For more information on these, and other principal risks and uncertainties faced by the Group, refer to *Risk factors* on pages 75 to 84.

Figure 2: Key elements of our risk appetite framework



Risk profiling and assessment processes are key to identifying and understanding internal and external risks, including sustainability-related risks and their causes and how they may impact operations and strategy execution. Risk profiling aims to identify and understand the root causes that drive change in sustainability-related risks - including climate, nature and human rights-related risks - and to support early mitigating actions. Risk assessments help inform decisions about the risks the Group is willing to accept, reject or mitigate. In 2025, we continued to integrate sustainability risk considerations into risk management practices through:

- **Ongoing development of physical climate risk tools (FarmID, HomeID and Commercial-ID):** These tools are being developed using climate scenarios to help NAB understand and assess physical climate risk in the mortgage, commercial property and agribusiness portfolios. For more detail refer to the Risk Management section in the 2025 Climate Report on pages 23 to 25.
- **Capability building:** Bankers and credit colleagues were provided with further training to build capability in understanding and assessing customers' exposure to, and management of, sustainability risk. This included ESG online learning modules in B&PB and webinars in C&IB. NAB colleagues (99.6%) completed annual Risk Awareness training, including a sustainability risk-related module on modern slavery risk. BNZ colleagues (98.4%) also completed modern slavery training as part of Risk Awareness training.
- **Further integration of climate risk into NAB's credit risk framework.**
- **Electronic applications for sustainability risk assessment:** Ongoing work is underway to provide application-based sustainability risk assessment processes for bankers. A pilot of C&IB's sustainability risk assessment application was completed and rolled out more broadly across the Division. B&PB commenced work on the scoping and design of a similar mini-app to assist B&PB bankers.

Sustainability risk management in lending

The Group applies a risk-based approach to managing sustainability-related risks and issues. Opportunities to enhance our Sustainability risk management processes are regularly identified including the methods used to identify, assess, mitigate and monitor potential risk areas. These include instances where the Group could cause or contribute to negative sustainability risk-related impacts or be exposed to specific environmental, social or governance risks and issues through suppliers and customers.

Colleagues in relevant customer-facing roles have day-to-day responsibility for identifying and managing sustainability-related risks, including as part of managing customer and supplier relationships. They are supported by specialists in Group functions and subsidiaries including ESG Risk Management, Financial Crime, Legal and Sustainability teams. Sustainability-related roles are also embedded within various Divisions.

The Group considers exposure to risk, including sustainability risk, at both the lending portfolio and individual customer level. This involves assessing a range of ESG factors and issues, including those highlighted in Table 3: Sustainability risk assessment.

Consideration of sustainability risk in Group credit risk assessment and due diligence processes occurs as illustrated in Figure 3 and described in more detail on page 36.

Sustainability risk assessment

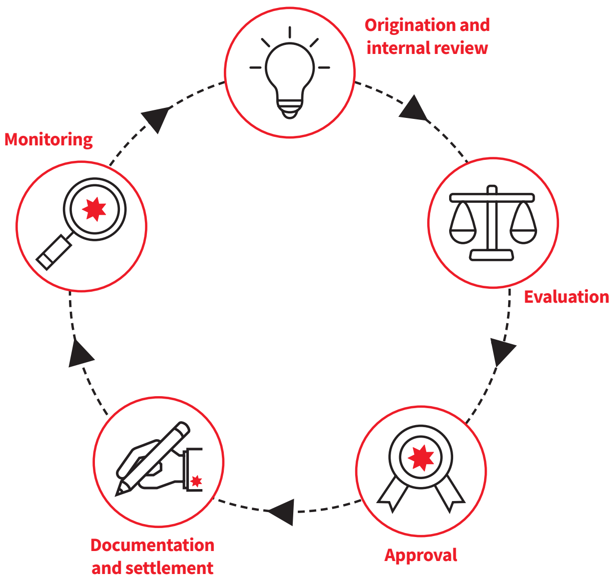
Sustainability risk assessment, where triggered, involves using an ESG risk checklist to identify and understand sustainability risk-related performance and issues associated with a customer. This includes, but is not limited to, consideration of the factors listed in Table 3. Consideration is given to the risks inherent in sectors, activities and countries in which customers' operate.

Table 3: Examples of ESG risk factors which may be considered in the risk assessment process

Environmental risk areas/factors	Social risk areas/factors	Governance risk areas/factors
Climate strategy, risk management, and transition planning	Human rights, including modern slavery and rights of Indigenous peoples including FPIC	Corporate Governance
Biodiversity and ecosystem impacts	Labour practices, including OH&S	Money laundering
Water scarcity and quality	Animal welfare	Bribery, corruption
Illegal land use change and clearing	Predatory finance	Compliance
Waste management	Product safety and quality	Corporate conduct
Emissions to environment/ pollution		

For certain sectors, where specific ESG-related factors need to be considered, bankers have access to specific sector-based ESG questions and guidance to support assessment of these issues.

Figure 3: The Group's credit risk assessment and due diligence processes include the following steps, appropriate to the relevant sector, business activity and geography:



Origination and internal review

Assessment of sustainability risk as part of the credit risk assessment and due diligence process starts with negative media screening on B&PB, C&IB and similar BNZ customers. This occurs at origination, internal review and where appropriate, when changes occur in customers facilities, for example during refinancing.

If potential sustainability risk issues are identified as part of this screening, or bankers note a customer's involvement in inherently[1] high-risk sectors, activities or geographies, then customers are subject to sustainability-related risk assessment and due diligence in accordance with exposure-related trigger thresholds, as part of origination or ongoing credit review processes.

Colleagues in these areas regularly identify opportunities to enhance sustainability risk management processes. This includes identifying, assessing, mitigating and monitoring potential risk areas where the Group could cause or contribute to negative sustainability-related impacts.

Evaluation

Detailed credit risk assessment and due diligence are conducted as part of the evaluation process when triggered by internal review. This includes the assessment and identification of material risk issues, incorporating sustainability-related risks, where relevant. ESG-related checklists and a range of guidance on sensitive sectors and activities support risk assessment. This process may include assessing a potential customer's background, character, and sustainability-related performance, as well as the geographies in which they operate.

Where lending is project-related, the Equator Principles may apply. The Equator Principles provide an environmental and social risk management framework through which member banks agree to only finance projects that are managed by the borrower with responsible business practices (both environmental and social) and which meet and comply with the Equator Principles.

Approval

Lending approval is granted only where risk, including sustainability risk, where relevant, has been effectively evaluated, appropriately mitigated and accepted. In certain instances, where there is potential for high sustainability or reputational risk, matters are escalated to the relevant divisional forums or committees, Board Risk & Compliance Committee and/or Board as appropriate.

Documentation and settlement

During documentation and settlement, customers may be subject to conditions and covenants to address relevant legal (e.g. modern slavery) and voluntary obligations (e.g the Equator Principles), and to monitor and manage specified sustainability-related risks against agreed performance measures, including consideration of sustainability performance KPIs when sustainability-linked products are involved.

Customer engagement and monitoring

Ongoing customer relationship management, where relevant, includes engagement with customers to discuss their sustainability-related performance, issues and initiatives. This engagement assists in assessing customers' sustainability-related performance and in understanding their sustainability goals and objectives, enabling the provision of appropriate products and services and the management of sustainability and reputation risk that may arise from the customer relationship. Regular review of the customers' compliance with any agreed conditions and covenants with sustainability-related requirements is also undertaken. If there is evidence of systemic non-compliance or material issues, this may result in termination of the relationship, if they are not addressed or remediated to an extent that NAB or BNZ is able to accept.

Sustainability risk management in sourcing

The conduct and performance of suppliers can significantly impact NAB's sustainability as a business, as well as our reputation within communities. Risk management processes are in place to identify, assess, mitigate and monitor potential risk areas where exposure to sustainability-related risks may occur. The Group's Supplier Sustainability Principles set out expectations for suppliers and are available on our website[2].

In 2025, we conducted a review of our sourcing governance process to identify potential areas where we could improve integration of sustainability risk management in our sourcing. Review recommendations will be implemented in 2026.

For information about managing modern slavery risk in our sourcing processes refer to the Group's annual Modern Slavery Statement which is available when published at: nab.com.au/about-us/sustainability/reporting-policies-approach/performance-reporting.

Participating in voluntary industry initiatives

The Group is a signatory to industry initiatives which help banks and others to improve sustainability-related risk management practices. Refer to our website for further details[3]. These initiatives are assigned in NAB's Governance, Risk and Compliance tool to ensure controls and processes are in place to meet them.

(1) An inherently high risk means a risk where the innate level of risk inherent in a process or activity is high before any actions are undertaken to control, reduce or mitigate the likelihood or severity of impacts of the risk being realised if a risk event occurs.
(2) The Group Supplier Sustainability Principles are available at: nab.com.au/about-us/sustainability/reporting-policies-approach/supply-chain-management.
(3) A list of our memberships of industry bodies is available at: nab.com.au/about-us/sustainability/reporting-policies-approach/memberships-benchmarking.

Climate change and environment

Climate strategy

NAB has a key role to play in supporting Australia's transition to net zero. We aim to achieve net zero by 2050 across our financed and facilitated emissions, and operations.

In 2025, NAB made progress towards its climate ambition with a focus on supporting customers, investing in climate capabilities, and investing in climate partnerships and advocacy.

In 2025, we refreshed our climate strategy to reflect our ambition to be the most customer-centric company in Australia and New Zealand. Our strategic priority is to support our customers as we move together to a resilient net zero economy. For further information on our new climate strategy refer to NAB's 2025 Climate Report.

2025 Climate Report

The 2025 Climate Report has been prepared to meet the disclosure recommendations and adopt the disclosure categories of the Task Force on Climate-related Financial Disclosures (TCFD Recommendations) being Strategy, Governance, Risk management and Metrics and targets.

For details on how NAB has integrated elements of the TCFD requirements refer to NAB's 2025 Climate Report available at nab.com.au/annualreports.

Governance

The Board retains oversight of sustainability-related matters including climate-related risks and opportunities. Climate is one of the key sustainability priority areas for NAB, and our climate strategy, risk management and performance are managed in line with the Group's broader approach to sustainability governance.

Risk management

For further details on the Group's governance over climate-related matters, including the responsibilities of management and the Board, refer to the *Corporate Governance Statement* from page 49 and in *Sustainability in NAB's strategy* on pages 29 to 31.

In 2025, NAB continued to integrate climate risk considerations into our risk management practices including as part of risk appetite, policy and frameworks, and risk assessment processes associated with our operations, supply chain and customers.

For further information on how climate-related risks are identified, measured, monitored, managed and reported refer to the *Sustainability Risk Management* section on pages 34 to 36.

Metrics and targets

NAB uses metrics and targets to assess and manage performance against its climate strategy. This includes targets related to attributable financed and facilitated emissions, operational emissions and NAB's environmental financing.

Sector decarbonisation targets

NAB recognises that it can have the greatest impact on reducing greenhouse gas (GHG) emissions through the financing it provides customers, in particular lending to high-emitting sectors. NAB has set twelve sector decarbonisation targets for eight of the nine high-emitting sectors identified in the UNEP FI Guidance (no target set for agriculture sector) and continues to monitor financed and facilitated emissions to understand and manage exposure in our portfolio. For further information refer to the Performance summary in NAB's 2025 Climate Report.

NAB's environmental finance ambition

NAB's Group Strategy includes a strong focus on how we can drive commercial responses to societal challenges. This includes setting our environmental financing ambition for priority areas to support climate action.

NAB's environmental finance ambition of \$80 billion by 2030 is a key metric for quantifying and communicating climate-related opportunities for NAB and our customers. As at 30 September 2025, cumulative environmental finance reached \$17.7 billion, including \$12.0 billion of lending activity and \$5.7 billion of facilitated capital markets activity[1].

Operational GHG emissions and environmental regulatory reporting

NAB's climate ambition is to achieve net zero by 2050 across our operations by implementing energy efficiency initiatives, reducing waste, and transitioning to renewable energy sources.

During the 2025 environmental reporting year, the Group's total market-based GHG emissions (Scope 1, 2 and 3[2]) were 81,267 tCO_2-e (2024: 76,818[3] tCO_2-e), after accounting for use of certified renewable energy. The increase in GHG emissions is primarily a result of NAB expanding its Scope 3 operational emissions boundary and the expansion of operations in India and Vietnam.

The Group first avoids and reduces GHG emissions associated with its operational Scope 1, 2 and 3 GHG emissions through implementing energy efficiency initiatives and buying renewable electricity and then retires carbon offsets for residual emissions. The Group retired and allocated 81,267[4][5] offsets in 2025. These offsets are a mix of Australian Carbon Credit Units (ACCUs) and Verified Carbon Units, as well as offsets BNZ[6] has separately purchased through Toitū to meet its Toitū certification requirements for BNZ operations.

Further information about NAB's climate-related regulatory obligations is provided in the Reducing operational emissions section from pages 43 to 47 of the 2025 Climate Report, in the *Environment, Social and Governance Disclosures* section on page 86 of this Report, and on our website[7].

(1) For further information refer to the Environmental finance ambition section of NAB's 2025 Climate Report.
(2) Scope 1 GHG emissions are direct emissions from sources that are owned or controlled by an organisation including on-site fossil fuel combustion and vehicle fleet fuel consumption. Scope 2 emissions are indirect emissions from purchased electricity. Scope 3 emissions relate to all other indirect emissions that occur outside the boundary of the organisation as a result of the activities of the organisation. However, the Group's Scope 3 emissions reported here only relate to operations and do not include Scope 3 emissions associated with the Group's financed and facilitated emissions. The Group commenced reporting on Scope 3 attributable financed emissions in 2021. Attributable financed emissions are not included in the Group's operational emissions inventory boundary.
(3) The Group has restated its 2024 operational emissions number by 19 tCO_2-e to correct an overstatement to emissions associated with waste incineration.
(4) The Group has retired offsets based on its market-based position.
(5) In 2025, an additional 33 offsets have been retired to account for the impact of BNZ's moving to the 1 October 2024 - 30 September 2025 reporting year.
(6) BNZ is a Toitū net carbon zero certified organisation. This voluntary carbon certification programme requires adherence to a set of standards and rules on an annual basis, focusing on measuring and reducing greenhouse gas emissions according to International Organization for Standardization 14064-1: 2018 standards.
(7) Refer to 'How we calculate our carbon emissions' on nab.com.au/about-us/sustainability/environment/performance.

Nature and biodiversity

The most significant nature-related risks, opportunities, impacts and dependencies are associated with NAB's customers. We also give consideration to the application of these factors within the Group's own operations.

Nature-related disclosures are presented using the Taskforce for Nature-related Financial Disclosures (TNFD) pillars of governance, strategy, risk management, and metrics and targets.

Nature-related governance

The Group's sustainability governance framework supports consideration of nature-related risks and opportunities. Refer to *Sustainability governance* on pages 30 to 31.

Nature-related strategy

In 2025, NAB sought to further understand key international and national developments[1] and progressed a roadmap for a strategic approach to nature.

Partnerships and engagement

NAB engages on nature-related matters through key industry dialogues to understand key developments and issues impacting customers. These include:

- Australian Land Conservation Alliance (ALCA) annual conference
- Nature Positive – Business Leaders Ambition Dialogue
- Australian Climate and Biodiversity Foundation Nature Positive Roundtable
- Australian Sustainability Framework Initiative Natural Capital Advisory Group
- Responsible Investment Association of Australasia's Nature Working Group
- Business Council for Sustainable Development Australia
- UNEP-FI
- Australian Agricultural Sustainability Framework

NAB continued to take steps to better understand First Nations customer relationships with nature, focusing on customers involved in agriculture, aquaculture (including fishing), nature-based tourism, and Caring for Country.

This analysis will continue in 2026, involving community, industry and academic perspectives.

Nature-related risk management

NAB regularly updates and evolves its approach to risk management in response to changes in science, technology, regulation, voluntary initiatives and societal expectations, including annual review of risk appetite.

Data and insights

The tools and technology required to support nature-related insights are rapidly evolving. The Group reviews emerging methods to support decision-making.

In 2025, we continued to test and explore data and technology solutions that support a portfolio-wide assessment of our customers' interface with nature, in line with TNFD guidance. This includes developing a trial using data analytics company, GIST Impact, to establish a method by which NAB can understand nature related impacts and dependencies at a portfolio level, and in particular, for companies in the agriculture sector. The trial will test the extent to which data can be used to generate customer insights, and, ultimately, NAB's ability to support customers as they engage with sustainable practices. The work is ongoing and planned to be completed in 2026.

Deforestation

Deforestation and other forms of land clearing are key threats to biodiversity requiring banks, governments, industry, and landholders to work together to develop solutions. Deforestation is one of the nature-related impacts identified in our preliminary portfolio assessment[2] affecting industries such as agriculture, forestry, and energy and utilities.

If the Group becomes aware that customers are engaged in, or alleged to be involved in, land clearing without appropriate permits, approvals or exemptions (referred to as illegal land clearing), the matter is investigated as set out below. Action is taken, as appropriate, based on investigation outcomes, in line with risk appetite and NAB's ESG, Credit and Financial Crime policies and processes.

In 2025, we continued to enhance our approach to managing this risk and understanding our exposure.

Understanding our exposure

In 2025, we enhanced our approach to investigating potential illegal land clearing by B&PB customers, which includes Regional and Agribusiness customers. Potential illegal land clearing may be identified when:

1. Reviewing applications to onboard new customers;
2. A banker suspects illegal land clearing may be occurring on a customer's property; or
3. We are alerted to the possibility of illegal land clearing occurring on a customer's property either through media reporting or external party engagement.

NAB considers State and Federal permitting and approval requirements and Matters of National Environmental Significance under the *Environmental Protection and Biodiversity Conservation (EPBC) Act 1999*.

Any actions to be taken with a customer to manage identified risk are based upon the outcome of investigations. This may include placing a customer on close monitoring, considering contractual protections, providing additional finance if required to support rehabilitation, limiting additional lending, or reducing our exposure.

In 2025, we investigated allegations of illegal land clearing in respect of 36 B&PB customers. This is in addition to the application of our updated ESG checklist processes, which apply when onboarding new customers or at annual review.

(1) This includes, for example the TNFD, Nature Positive Initiative, and the Federal Government's Nature Positive Plan.
(2) Refer to the 2025 Sustainability Data Pack, 'Exposures' tab. Available at nab.com.au/annualreports.

Supporting tools and data

We use a range of publicly available tools and data sources to help us understand our exposure, including the:

- Department of Climate Change, Energy, Environment and Water's (DCCEEW) *Protected Matters Search Tool*. This tool provides general guidance on Matters of National Environmental Significance or other matters protected under the EPBC Act. It is used to understand whether environmental assets exist at a given location and requirements for environmental assessments.
- The Australian National University's *Vegetation Monitoring and Assessment Program* (VMAP), which provides information on woody vegetation, such as trees, across Australia. The VMAP website provides satellite imagery over different time periods, which helps to understand how tree coverage is changing at a given location or area.

Enhancements to customer risk assessment

During 2025, we enhanced our customer risk assessment and due diligence processes to include specific questions on deforestation to support bankers to identify potential issues. This included changing our risk-based trigger thresholds for sustainability-related risk assessment, which means more customers are now subject to enhanced assessment, giving NAB a better understanding of customers' plans to undertake vegetation clearing activities. These changes apply to new customers, or existing customers that are applying for new finance.

Exploring data and analytical solutions

We are exploring solutions to augment publicly available tools to understand where land clearing may occur in our lending portfolio, including commencing a trial using geospatial analytics (see below). This trial includes exploring how existing and new environmental and vegetation coverage information could be incorporated within our operating platforms.

Trialling data-driven insights – Geoscape

Geoscape Australia delivers geospatial intelligence specialising in sourcing, contracting, managing, and delivering location capabilities to enable a smarter, safer, more productive Australia.

Geoscape is delivering a trial case involving information about vegetation, which underpins State-based vegetation management legislation. The trial case is due to be completed in 2026 and will provide insights in support of our efforts to manage this risk.

Building awareness and capability

This year we invested in additional mandatory training for B&PB bankers who serve customers in industries such as agriculture and property development. This includes potential impacts on sensitive sites, biodiversity, threatened or endangered species, and rehabilitation obligations. It also includes an example about illegal land clearing to highlight this specific risk for bankers.

Additionally, educational briefings with external experts took place with a cohort of senior bankers and executives.

Engaging with key stakeholders

We continue to engage with key stakeholders (investors, customers, industry associations, government, environmental non-government organisations) to further build NAB's understanding of deforestation, availability of data and tools to support the management of deforestation-related risk.

In 2025, this included:

- Regular engagement with the Australian Conservation Foundation.
- Participation in a World Resources Institute-convened workshop on land conversion.
- Participation in the launch of the VMAP tool.

Broader actions

Managing deforestation is a complex and evolving matter that requires ongoing and coordinated societal action beyond NAB's direct remit. This includes:

- Education and awareness-raising material and activities relating to landholder obligations under State and Federal legislation, including the *Environmental Protection and Biodiversity Conservation* Act.
- The interplay between supranational initiatives such as the Accountability Framework Initiative and Australian (State and Federal) legislation on vegetation management.
- Trade restrictions such as the European Union Deforestation Regulation and emerging corporate commitments to procure deforestation-free products within the agricultural value chains, which may present commercial risk for some producers.
- Development of product accreditation and traceability solutions.
- Availability of regular, nationally consistent data on land use change at a sufficiently detailed resolution to allow prompt identification of activities that may be considered deforestation.

Nature-related metrics and targets

Since 2022, the Group has prepared integrated annual reports encompassing our environmental performance. The data the Group collects regarding our direct impact on nature is provided in the table below.

Driver of nature change	Direct impact measure
Climate change	Scope 1 and 2 GHG emissions
Land freshwater/ocean use change	Water use (potable water withdrawal)
Resource use/replenishment	Gross energy use Office paper use Vehicle fuels
Waste	Waste to landfill

Further information about nature and environmental performance is contained in the 2025 Sustainability Data Pack(1). This includes an assessment of exposure to nature-related impacts and dependencies.

NAB will continue to implement initiatives that strive to reduce its impact across these environmental operational metrics, and report on performance.

(1) Refer to the 2025 Sustainability Data Pack, 'Exposures' tab. Available at nab.com.au/annualreports.

Respecting human rights

The Group recognises the fundamental worth of all people by respecting human rights and understands businesses can have a significant impact on how individuals experience human rights.

Human rights remained a material area of interest to investors and stakeholders in 2025, with a key focus on modern slavery risks, due diligence processes, and customers' approach to human rights.

Our approach

Respecting human rights is a key foundation of our Group Human Rights Policy[1] and is embedded in our Who We Are behaviours and codes of conduct. It is also a key expectation of voluntary initiatives we participate in, for example, the Principles for Responsible Banking.

Exposure to human rights risk

The Group is exposed to human rights risk. Concerns may arise through both directly managed operations and relationships we have with customers and suppliers. This exposure may occur via banking operations, customer relationships, supply chain management, private wealth-related services and the communities in which we operate.

NAB has identified salient human rights issues – those at risk of generating the most severe negative impacts – through direct activities or relationships with others. Consideration of these issues is embedded in NAB's risk management practices and informs mitigating actions.

Risk Management Framework Integration

Sustainability Risk, which includes human rights risk, is integrated in the Group's Risk Management Framework. Where applicable, human rights risks are considered in our risk appetite, policies, High Risk ESG-Sensitive Sectors and Areas list, and as part of the sustainability-related risk assessment, conducted during customer due diligence, where relevant.

Further details on how sustainability risk, including risks associated with human rights, is managed using a risk-based approach within lending and sourcing activities is provided in the *Sustainability Risk Management* section on pages 34 to 36.

Managing human rights risk

In 2025, the Group undertook a range of activities as part of its continuous improvement of human rights risk management:

- Reviewed and refreshed the Group Human Rights Policy and related guidance (effective from October 2025).
- Participated in industry body working groups.
- Met with First Nations leaders to listen to perspectives about project developments.
- Rolled out additional ESG training, including information on human rights (further details are provided on page 35).
- Reviewed the effectiveness of human rights questions used in our sustainability-related risk assessment process via ESG risk checklists.
- Updated the Third-Party Risk Module in NAB's Governance, Risk and Compliance tool to reflect additional sourcing categories identified with potentially high modern slavery risk following a 2024 review.

Our Financial Crime teams in Australia and New Zealand also help manage human rights risk through the work they do. All colleagues have a role in identifying instances of human impact crime by raising reports on unusual account activity. Reporting to regulators and law enforcement in Australia and New Zealand is undertaken as required on possible crime-related activity, including modern slavery and exploitation. Further information is disclosed within NAB's Modern Slavery Statement. The 2025 Statement will be available from December 2025.

Risk assessment and due diligence

We aim to proactively identify, assess and address sustainability-related risks and impacts which may arise in business relationships with customers and suppliers. Our human rights due diligence process is detailed at nab.com.au/about-us/sustainability/reporting-policies-approach/human-rights-approach.

The Group's sustainability risk assessment processes, when triggered, include consideration of human rights risk in customers' and suppliers' direct operations and value chain. Further details on how sustainability risk assessment is conducted are provided in the *Sustainability Risk Management* section on pages 34 to 36.

Managing grievances

NAB's human rights grievance process sets out how human rights concerns are investigated and addressed. Feedback and concerns can be submitted via the mailbox grievances@nab.com.au, with referrals made to the appropriate area for investigation and action. Guidance on submitting a concern is available on the website in multiple languages. Data on human rights related grievances that were received and investigated in 2025 are available in our 2025 Sustainability Data pack[2].

Emerging human rights issues

Issues relating to human rights increasingly intersect with major societal challenges, making them emerging issues for companies. Examples currently being considered and integrated into the Group's risk management response include:

- Risks arising from the use and evolution of AI including considerations of privacy, freedom of thought, accessibility and the impact of AI tools such as chat-bots.
- Consideration of children's rights in financial services – addressed through safety by design principles in product and service development and financial crime risk programs to identify and reduce crimes involving child exploitation.
- Environmental challenges such as climate change and biodiversity loss which can significantly affect well-being by impacting on rights to life, health, food, water, housing, and self-determination, particularly for First Nations peoples and other populations who are at greater risk of experiencing vulnerability.
- Growing expectations regarding First Nations people's rights and Free, Prior and Informed Consent, supported by new guidance materials for business. For example, the Dhawura Ngilan Principles proposes best practices for private sector engagement on First Nations Cultural Heritage and are accompanied by implementation guidance.

(1) Further information about our approach to human rights and a copy of the Group Human Rights Policy is available at nab.com.au/about-us/sustainability/reporting-policies-approach/human-rights-approach.
(2) Available at nab.com.au/annualreports.

Human rights issues covered in this Report and the Group's Modern Slavery Statement

The Group's 2025 Modern Slavery and Human Trafficking Statement will be available in December on our website[1]. The statement will outline actions taken to manage modern slavery and human trafficking risk in operations and the value chain. The Group has reported on modern slavery since 2016. The statement will also provide information about ongoing participation in industry working groups and training provided to colleagues to refresh and build understanding of human rights risks as part of risk awareness and financial crime training. In 2025, new ESG risk learning modules were provided to B&PB and C&IB bankers.

Throughout this Report, a range of initiatives and activities are disclosed illustrating how the Group manages and mitigates human rights risks to people and to NAB. These activities are also of interest to stakeholders, and include:

Human Rights Issues	Relevant References
First Nations Inclusion and Economic Empowerment	• Page 20 • Reconciliation Action Plan 2024-2027
Inclusion and Diversity	• Pages 24 to 26 • Accessibility Action Plan 2025-2026
Modern Slavery	• 2025 Modern Slavery and Human Trafficking Statement (available December 2025)
Climate Change	• 2025 Climate Report • Page 37
Disaster Support	• Ready Together program: page 28
Hardship and Vulnerability	• Pages 19 and 21 • Customer Vulnerability Framework 2024-2026
Technology, AI, and Data Ethics	• Pages 16 and 17 • Human rights section above

(1) Refer to nab.com.au/about-us/sustainability/reporting-policies-approach/performance-reporting available in December 2025.

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Independent Limited Assurance Report to the Management and Directors of National Australia Bank Limited

Our Conclusion:

Ernst & Young (‘EY’, ‘we’) were engaged by National Australia Bank Limited (‘NAB’) to undertake a limited assurance engagement as defined by Australian Auditing Standards, hereafter referred to as a ‘review’, over the Subject Matter defined below for the periods defined below. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe the Subject Matter has not been prepared, in all material respects, in accordance with the Criteria defined below.

We reviewed the following Subject Matter in NAB’s Annual Report (“AR”) and Sustainability Data Pack (“SDP”) (the ‘Reports’):

What our review covered (Subject Matter)	Criteria applied by NAB (Criteria)	Period	Location
NAB’s specified GHG emissions and offset data from operations in Australia, New Zealand, United Kingdom, France, United States and Asia as included in the AR and SDP. Refer to Appendix A for detailed metrics.	NAB Group Environmental Reporting and Offset Management Policy and reporting methodologies	1 July 2024 to 30 June 2025	AR, SDP
NAB’s progress for the year ended 30 June 2025 towards NAB Group 2030 science-based emissions target to reduce scope 1 and 2 (market-based method) GHG emissions from operations, from a 2022 base-year previously disclosed in NAB's 2024 Climate Report, and disclosed in the 2025 AR and SDP. Refer to Appendix B for detailed metrics.	Sectorial Decarbonisation Approach (SDA) methodology published by the Science-Based Target Initiative and developed jointly by CDP, the World Resources Institute and WWF		
NAB’s preparation and application of its materiality process for NAB’s ESG material themes against the Assurance Criteria of the Global Reporting Initiative (GRI) for defining reporting content (outlined in GRI 3: Material Topics 2021), as included in NAB's 2025 AR. Refer to Appendix C for detailed metrics.	Principles of materiality and completeness as defined by the Global Reporting Initiative (‘GRI’) Standard	1 October 2024 to 30 September 2025 unless otherwise stated	AR
NAB’s reported performance of 26 sustainability and 6 Reconciliation Action Plan (“RAP”) non-financial performance metrics as included in the AR and SDP. Refer to Appendix C for detailed metrics.	NAB Group Methodology as reported in the AR and the SDP		AR, SDP

Other than as described in the preceding paragraphs, which set out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Reports, and accordingly, we do not express an opinion or conclusion on this information.

Key responsibilities

NAB's responsibility

NAB's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibility and independence

Our responsibility is to express a conclusion on the Subject Matter based on our review.

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our approach to conducting the review

We conducted this review in accordance with the Australian Auditing and Assurance Standards Board's *Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE 3000'), *Assurance Engagements on Greenhouse Gas Statements* (ASAE 3410) and the terms of reference for this engagement as agreed with NAB. That standard requires that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria, and to issue a report.

Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other review procedures.

The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. The procedures we performed included, but were not limited to:

- Conducting interviews with personnel to understand the business, reporting processes and systems for collecting and collating data.
- Undertaking analytical review procedures to support the reasonableness of the data underpinning the Subject Matter.
- Testing, on a sample basis, underlying source information to inspect the accuracy of the data.
- Evaluating that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the criteria.
- Identifying and testing underlying assumptions related to the Subject Matter.
- Evaluating the appropriateness of the presentation of selected performance disclosures in the Reports.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our review conclusion.

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Inherent limitations

Procedures performed in a review engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a review engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to assessing aggregation or calculation of data within IT systems.

The greenhouse gas quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of greenhouse gases. Additionally, greenhouse gas procedures are subject to estimation and measurement uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Other matters

We have not performed assurance procedures in respect of any information relating to prior reporting periods, including those presented in the Subject Matter, with the exception of the metrics disclosed in Appendix B. Our report does not extend to any disclosures or assertions made by NAB relating to future performance plans and/or strategies disclosed in the AR and SDP.

Use of our Assurance Report

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of NAB, or for any purpose other than that for which it was prepared.

Our review included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement.

Ernst & Young

Ernst & Young
Melbourne, Australia
6 November 2025

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Appendix A

NAB's specified GHG emissions and offset data from operations in Australia, New Zealand, United Kingdom, France, United States and Asia as included in the AR and SDP:

#	Non-financial performance metrics	Tonnes of carbon dioxide equivalent (tCO_2-e)
1	Actual consolidated Scope 1, Scope 2 (market-based method) and selected Scope 3 (as determined by NAB) net GHG emissions for the year ended 30 June 2025 (after renewable energy)	81,267
2	Actual quantity of carbon offsets purchased and retired for the year ended 30 June 2025 (excluding BNZ adjustments)	81,267

Appendix B

#	Non-financial performance metric	Percentage (%)
1	NAB's progress for the year ended 30 June 2025 towards NAB Group 2030 science-based emissions target to reduce scope 1 and 2 (market-based method) GHG emissions from operations, from a 2022 base-year	64

Appendix C

NAB's reported performance of 26 sustainability and 6 Reconciliation Action Plan ("RAP") non-financial performance metrics as included in the AR and SDP:

#	Sustainability non-financial performance metrics	Location	Page number (AR)	Tab (SDP)	Scope
Customers					
1	Net Promoter Score (by segment)	AR & SDP	5, 91	General	Australia
	Net Promoter Score (by segment)	AR & SDP	5	General	NZ
2	Total customer complaints (by region), including: - Total number of substantiated customer privacy complaints received from regulatory bodies and other outside parties - Total number of complaints referred by customers to ombudsmen/external dispute resolution bodies	SDP	SDP only	General	Australia
	Total customer complaints (by region), including: - Total number of substantiated customer privacy complaints received from regulatory bodies and other outside parties - Total number of complaints referred by customers to ombudsmen/external dispute resolution bodies	SDP	SDP only	General	NZ
3	Total number of customer accounts in financial hardship	AR & SDP	19	Financial Health	Australia

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#	Sustainability non-financial performance metrics	Location	Page number (AR)	Tab (SDP)	Scope
4	Cure rate (percentage of customers with accounts back on track with repayments after 30 days/90 days)	SDP	SDP only	Financial Health	Australia
5	Number and dollar value of microfinance loans written	AR & SDP	19	Financial Health	Australia
	Number and dollar value of microfinance loans and advances written	SDP	SDP only	Financial Health	NZ
6	Number of critical and high priority technology incidents	SDP	SDP only	General	Australia
7	Cumulative progress against ambition to lend $6bn to affordable and specialist housing by 2029	AR & SDP	5, 21	Financing	Australia
8	Number of data breach notifications sent to the Office of the Australian Information Commissioner (OAIC)	AR	17	AR only	Australia
Conduct					
9	Number of Code of Conduct breaches (by category and outcome)	SDP	SDP only	Culture	Australia
	Code of Conduct breaches identified that resulted in formal consequences	AR	124	AR only	Australia & NZ
10	Number of whistleblower disclosures received under the Whistleblower Policy (inc. partially or fully substantiated, not substantiated and remaining under investigation)	SDP	SDP only	Culture	Australia
Workforce					
11	Total workforce (by contract type, gender, headcount, age group, employment level, geographic region)	AR & SDP	23	Workforce	Group
12	Representation of women in total workforce and by employment level	AR & SDP	26	Workforce	
13	Representation of women in management and Executive Management	AR & SDP	26	Workforce	
14	Rate of employee turnover (voluntary/involuntary) by gender	SDP	SDP only	Culture	
15	Ratio of basic salary, women to men (by employment level and location)	SDP	SDP only	Remuneration	
16	Representation of women on Group Subsidiary Boards	AR & SDP	26	Workforce	
Culture, inclusion and diversity					
17	Workforce composition by diverse segment	SDP	SDP only	Workforce	Group
18	Inclusive workforce culture – colleague inclusion score	AR & SDP	26	Workforce	
19	Colleague engagement score	AR & SDP	5, 24, 91, 98, 115	Culture	
20	Colleague engagement survey response rate	SDP	SDP only	Culture	

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#	Sustainability non-financial performance metrics	Location	Page number (AR)	Tab (SDP)	Scope
21	Progress against 2023-2026 Inclusion & Diversity measurable objectives: Representation of women during FY25	AR & SDP	26	Workforce	
22	Gender pay gap	AR & SDP	26	Workforce	
23	Return to work rate following parental leave (by gender)	AR & SDP	25	Culture	Australia
Community					
24	Community Investment (by dollar value, region, category, focus area)	AR & SDP	13	Investment	Group
Supply chain					
25	Spend with diverse suppliers during FY25	SDP	SDP only	Supply Chain	Australia
26	Number of diverse suppliers engaged	SDP	SDP only	Supply Chain	Australia

#	RAP non-financial performance metrics	Location	Page number (AR)	Tab (SDP)	Scope
1	Spend with First Nations suppliers in FY25	AR & SDP	13, 20	Supply Chain	
2	Progress towards the $1bn lending target to First Nations businesses and community organisations in FY25	AR & SDP	5, 7, 20	Financing	
3	Number of First Nations customers supported through NAB's microfinance and No Interest Loans Scheme (NILS) delivered in partnership with Good Shephard in FY25	SDP	SDP only	Financial Health	Australia
4	Number of First Nations university students internship opportunities offered in FY25	AR & SDP	21	Training	
5	Number of First Nations school based and adult traineeships offered in FY25	AR & SDP	21	Training	
6	Number of self-identified First Nations employees	AR & SDP	21	Workforce	

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Corporate Governance Statement

The following information forms part of the Corporate Governance Statement (Statement) for the purposes of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations:

- Information on the Inclusion and diversity policy and measurable objectives (pages 24 to 26)
- Risk management overview (page 74), including Sustainability Risk Management (page 74)

Corporate Governance Framework

This Statement describes NAB's approach to corporate governance and governance practices.

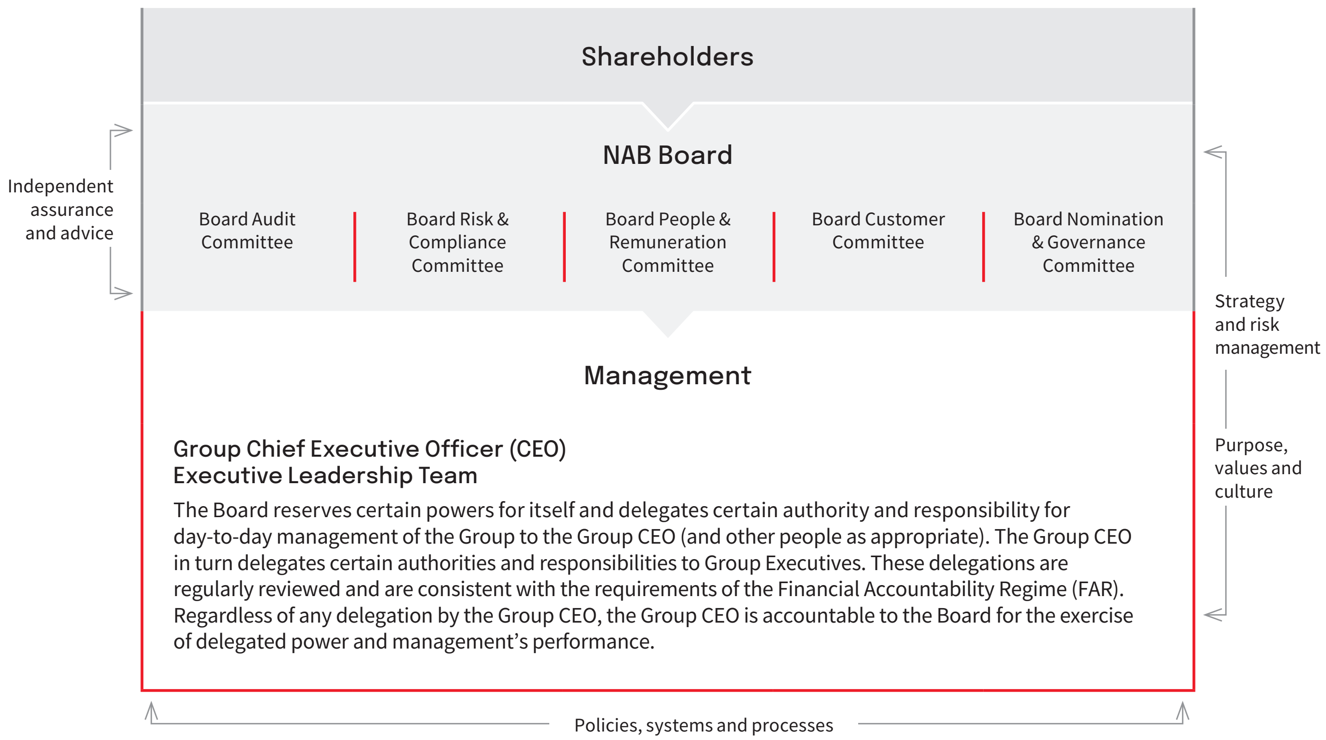
NAB aims to maintain and promote high standards of corporate governance to support strong business performance and retain the trust of shareholders, customers, colleagues, regulators and the community. NAB continually strives to improve its governance, accountability and risk management practices to meet the needs of its business and stakeholders.

NAB's Corporate Governance Framework is based on accountability, delegation and oversight to support sound and prudent decision-making.

As a fundamental element of NAB's culture and business practices, its Corporate Governance Framework guides effective decision-making in all areas of the Group through:

- Strategic and operational planning.
- Culture, purpose, values and conduct.
- Risk management and compliance.
- Customer outcomes.
- Financial management.
- External reporting.
- People and remuneration.

The following diagram shows the key components of NAB's Corporate Governance Framework. The key functions of the Board and its committees are outlined in this Statement.



NAB follows the 4th edition ASX Corporate Governance Council's Corporate Governance Principles and Recommendations in this Statement. This Statement has been approved by the Board and is current as at 30 September 2025.

Board of Directors

Board of Directors

Details of NAB directors in office at the date of this Report, including each director's qualifications, experience and other directorships and interests are below.

The Board acknowledges that directors benefit from being involved in a broad range of governance roles provided directors have the capacity to devote sufficient time and effort to fulfil their NAB responsibilities. The Chair, with the assistance of the Nomination & Governance Committee, has determined each director meets this requirement.

Mr Philip Chronican
BCom (Hons), MBA (Dist),GAICD, SF Fin

Term of office: Chair and independent non-executive director. Non-executive director since May 2016 and Chair of the Board and the Board's Nomination & Governance Committee since November 2019.

Independent: Yes

Industry experience: Philip has more than 40 years of experience in banking and financial services in Australia and New Zealand. Before his retirement from executive roles, Philip was responsible for leading ANZ's Australian retail and commercial banking business. Prior to that, he had a long career at Westpac, including as the Chief Financial Officer and leading Westpac's institutional banking business.

During his career as a banking executive, Philip gained deep experience in strategy, business performance, transformation, operations, risk management, capital management, financial reporting, stakeholder engagement, and people and culture. He also gained broad experience in technology, M&A activity and post-merger integration.

Philip has taken an active and public role in advocating for greater transparency and ethics in banking and promoting workforce diversity. Philip has also developed his knowledge and takes a strong interest in climate change and the impact on customers and the economy.

Other business and market experience: Philip started his career as an economist and continues to take a deep interest in domestic and international economics. Through his executive and non-executive career, Philip has had extensive experience in governance practices.

Directorships of other listed entities:

Woolworths Group Limited (since October 2021)

Mr Andrew Irvine
BSc Business Management (Hons), MBA

Term of office: Managing Director and Group Chief Executive Officer since April 2024.

Independent: No

Industry experience: Andrew has more than 26 years of experience in the financial services industry. Andrew joined NAB in 2020 as Group Executive, Business and Private Banking, following a 12 year career with Bank of Montreal where he held a number of executive roles, including as Head of Canadian Business Banking where he had end-to-end accountability for the division. Prior to Bank of Montreal, Andrew was with strategy consulting firm McKinsey & Company between 2002 and 2008 in Canada, including as Associate Partner with specific focus on clients in the financial services industry. Before working in consulting, Andrew worked in investment banking at Credit Agricole in London.

Andrew has a deep understanding of customers developed over a career in banking, and significant leadership experience in using data, insights and technology to meet customer needs.

Other business and market experience: Andrew has extensive experience in leading organisations through significant change, growth and to a market leading position.

Other relevant interests: Andrew's other interests include Australian Banking Association (Chair) and the Financial Markets Foundation for Children (Director).

Ms Kathryn Fagg AC
FTSE, BE(Hons), MCom (Hons), FAICD

Term of office: Independent non-executive director since December 2019. Chair of the People & Remuneration Committee and member of the Board's Risk & Compliance Committee.

Independent: Yes

Industry experience: During her executive career, Kathryn had first-hand banking experience through operational and strategic leadership roles at ANZ. She also served on the Board of the Reserve Bank of Australia.

Other business and market experience: Kathryn has more than 25 years of senior commercial and operational leadership experience in a range of industries, holding executive roles with Linfox Logistics, Bluescope Steel and ANZ.

During her executive career in banking and other industries, Kathryn gained deep experience in strategy, business performance, risk management, customer experience, corporate development, stakeholder engagement, and people and culture, in a variety of jurisdictions across Asia as well as in Australia and New Zealand.

Kathryn has had an active non-executive career across industries including science and innovation, as well as manufacturing, industrials, macroeconomics and public policy, and the investment sector. In these roles, Kathryn has developed strong experience across a broad range of environmental and governance matters. Kathryn gained experience on environmental matters as a former Chair of CSIRO and Boral, and current Chair of Watertrust Australia. Kathryn's experience in governance extends across a wide range of board and executive level roles in the private, public and not-for-profit sectors.

Directorships of other listed entities:

Djerriwarrh Investments Limited (since May 2014)
Medibank Private Limited (since March 2022)

Other relevant interests: Kathryn's other interests include Breast Cancer Network Australia (Chair), Watertrust Australia Limited (Chair), The Grattan Institute (Director), The Myer Foundation (Director) and Champions of Change Coalition (Director).

Ms Christine Fellowes
BE, MAICD

Term of office: Independent non-executive director since June 2023. Member of the Board's Customer and People & Remuneration Committees.

Independent: Yes

Industry experience: Christine has more than 30 years of experience leading businesses across strategy, marketing, product and brand development, operations and profit and loss (P&L), driving digital transformation within multinational organisations in media, communications and technology.

Other business and market experience: Christine has extensive experience in leading growth businesses across regional expansion, strategy, operations and P&L roles for prominent US multinationals in media, entertainment and technology companies in Asia-Pacific. Most recently she served as the Managing Director of the NBCUniversal Global Networks and Direct to Consumer business in Asia-Pacific, overseeing Pay-TV, television and digital services, where she also served on corporate boards. Prior to that, she held leadership positions at Comcast International Media Group, Turner Broadcasting System and Omnicom Group.

Christine has a deep understanding of navigating strategic digital transformation while serving broad customer and community interests. Her expertise lies in strategy development, business performance, customer experience, stakeholder engagement and organisational culture, as well as high competency in data and analytics.

As co-founder and director of NINEby9 Pte Ltd, a Singapore based company dedicated to research and advocacy for gender equality in organisations in Asia, Christine actively works towards fostering inclusivity and empowering women in the workplace.

Directorships of other listed entities:

GuocoLand Limited[1] (since January 2024)

Former directorships of other listed entities in the past 3 years:

VIQ Solutions[2] (from 2022 to August 2023)

Other relevant interests: Christine's other interests include UWA Business School (Director).

Mr Warwick Hunt MNZM
BAcc (Hons), FCA (Australia and NZ), ACA (England and Wales)

Term of office: Independent non-executive director since December 2024. Member of the Board's Audit and Risk & Compliance Committees. Chair and independent non-executive director of Bank of New Zealand (BNZ), a significant subsidiary of NAB.

Independent: Yes

Industry experience: Warwick has an extensive understanding of banking and global markets gained throughout his career in professional services, particularly auditing and providing advisory services to banks, and other financial services' providers. Beyond banking, Warwick is deeply experienced in accounting, auditing, financial and regulatory reporting, regulation, risk management and governance practices, having provided audit and advisory services to market-leading organisations in the United Kingdom, Europe, Middle East, Africa, and Australasia, in other sectors including, aviation, oil and gas, sovereign wealth and agribusiness.

Other business and market experience: Warwick has more than 25 years of leadership, governance, commercial and strategic business experience, having led and advised major organisations. He was at the forefront of innovation and change in professional services, having been Managing Partner of PwC United Kingdom and Europe, Middle East and Africa until 2022, leading through a period of substantial growth and transformation for the firm and network. This included a focus on digital transformation. Warwick also made a material contribution to the leadership of the firm and network through Brexit and the COVID-19 pandemic. Prior to that, he led PwC New Zealand and PwC Middle East.

He is an Honorary Fellow of Kings College London.

Directorships of other listed entities:

Genesis Energy Limited[3] (since September 2022)

Other relevant interests: Warwick's other interests include Hargreaves Trust (Trustee).

Ms Carolyn Kay
LLB, BA, GradDip Management, FAICD

Term of office: Independent non-executive director since July 2023. Member of the Board's Audit, Risk & Compliance and Nomination & Governance Committees.

Independent: Yes

Industry experience: Carolyn has more than 35 years of experience in the financial services sector in executive and non-executive roles. Carolyn was a lawyer and banker whose work history included Morgan Stanley, JP Morgan and Linklaters & Paines in London, New York and Australia. She has held a number of industry related non-executive director roles including The Future Fund, Commonwealth Bank of Australia, Treasury Corporation of Victoria, Victorian Funds Management Corporation and Colonial State Bank.

Other business and market experience: Carolyn has been and remains a non-executive director of enterprises across a broad range of industries. She was previously a Guardian of Australia's sovereign fund, The Future Fund (2015 to 2023) and a panel member of the Commonwealth Retirement Income Review (2019 to 2020). In the public sector, Carolyn is a member of the Foreign Investment Review Board and in the not-for-profit sector, she is on the board of the General Sir John Monash Foundation and Sydney Grammar School.

During her executive and non-executive careers, Carolyn gained deep experience in banking, governance, risk management, business performance, stakeholder engagement, people and culture, and public policy.

(1) Listed on the Singapore Exchange (SGX).
(2) Listed on the Toronto Stock Exchange (TSE).
(3) Dual-listed on the New Zealand and Australian stock exchanges.

Carolyn was awarded a Centenary Medal for services to Australian society in business leadership.

Directorships of other listed entities:

Scentre Group Limited (since February 2016)

Other relevant interests: Carolyn's other interests include Rothschild & Co Australia (Chair), Myer Family Investments (Director), Foreign Investment Review Board (Member), General Sir John Monash Foundation (Director) and Sydney Grammar School (Trustee).

Ms Alison Kitchen AM
BA (Hons), FCA, MAICD

Term of office: Independent non-executive director since September 2023. Chair of the Board's Audit Committee and member of the Board's Customer Committee.

Independent: Yes

Industry experience: Alison has more than 30 years of experience in a variety of management and governance roles within the KPMG partnership, as well as serving as lead external audit partner for a range of ASX-listed organisations, including five ASX Top 50 companies with global operations. Alison was the National Chair of KPMG Australia and a member of KPMG's Global and Regional boards having responsibility for the overall governance and strategic positioning of the firm.

Alison's experience extends to providing advice in areas including audit, transaction support, risk management, internal controls, business processes and regulatory change to a wide range of industries, including financial services. As National Chair of KPMG Australia, Alison led KPMG's Board Leadership Centre, which champions corporate governance and engages with directors and business leaders on critical issues driving board agendas. In that role, Alison gained exposure to a broad range of environmental and governance matters, including climate transition.

Other business and market experience: Alison has worked in geographically diverse and complex operating environments and provided advice to industries including energy, mining, transport and consumer goods, as well as financial services.

Directorships of other listed entities:

Worley Limited (since July 2024)

Other relevant interests: Alison's other interests include AirTrunk (Director and Chair of Audit and Risk Committee) and Australian National University (Pro-Chancellor and Chair of Audit and Risk Committee).

Mr Simon McKeon AO
BCom, LLB, FAICD

Term of office: Independent non-executive director since February 2020. Chair of the Board's Risk & Compliance Committee and member of the Board's People & Remuneration and Nomination & Governance Committees.

Independent: Yes

Industry experience: Simon has more than 40 years of experience in a wide range of sectors including financial services, the law, government and charities. During his executive career, he held investment banking leadership roles within Macquarie Group, including as Executive Chair of its business in Victoria. In his non-executive career, Simon served as AMP Limited Chair (2014-2016) (and non-executive director 2013-2016). Through these roles in the financial services industry, Simon has gained deep experience in strategy, business performance, risk management, legal and regulatory matters, client experience, stakeholder engagement, and people and culture.

Other business and market experience: Simon has broad experience from a range of governance roles in private, public and social sectors. This includes experience gained as former Chair of MYOB Limited, CSIRO, MS Research Australia and a Federal Government Panel that completed a strategic review of health and medical research in 2013.

Simon is an active philanthropist and has contributed over many years to charitable, educational, public health, social housing and other community-based organisations and social causes.

Simon has a strong interest and experience in environmental, social and governance matters, gained through his broad range of roles and experiences. On environmental matters, Simon is the Chair of the Australian Industry Energy Transitions Initiative and was a former Chair of CSIRO. On social matters, Simon has been involved with organisations improving the lives of disadvantaged people and communities over many years. On broad governance matters, Simon is a member of the Australian Institute of Company Directors' Corporate Governance Committee and was the inaugural President of the Australian Takeovers Panel and the Banking and Finance Oath's Review Panel.

Former directorships of other listed entities in the past 3 years:

Rio Tinto Group (from January 2019 to May 2024)

Other relevant interests: Simon's other interests include Greater South East Melbourne (Chair), The Big Issue (Advisory Board Member) and InfraBuild (Advisory Board Member).

Ms Ann Sherry AO
BA, Grad Dip IR, FAICD, FIPAA

Term of office: Independent non-executive director since November 2017. Chair of the Board's Customer Committee and member of the Board's People & Remuneration Committee. Co-Chair of NAB's First Nations Advisory Group.

Independent: Yes

Industry experience: Ann had a 12 year banking career at Westpac in senior business and people and culture leadership roles, including as divisional CEO for Westpac New Zealand and Bank of Melbourne, and Group Executive, People & Culture. In these roles, Ann gained deep experience in strategy, business performance, operations, risk management, customer experience, stakeholder engagement, and people and culture, with a strong focus on diversity and inclusion. She also gained broad experience in technology, capital management and marketing. Ann also served as a director on the ING Group Supervisory Board and as a director of ING DIRECT Australia.

Other business and market experience: Ann has significant experience in executive roles within the tourism and transport industries in Australia and New Zealand, as well as in government and public service. She served as CEO and Chair of Carnival Australia, the largest cruise ship operator in Australasia and the South Pacific. Earlier in her career, Ann was First Assistant Secretary of the Office of the Status of Women advising the Prime Minister on policies and programmes to improve the status of women.

Ann is an active philanthropist and has contributed over many years to charitable and social causes. Ann has a deep interest in social matters, with particular interests and experience in diversity and First Nations matters, as well as children and vulnerable people. Ann is Chair of UNICEF Australia and Co-Chair of NAB's First Nations Advisory Group. On environmental matters, Ann is Co-Chair of the Australian Climate Leaders Coalition and is an advisor to The Climate Ready Initiative.

Former directorships of other listed entities in the past 3 years:

Enero Group Limited (from January 2020 to October 2024)
Sydney Airport (from May 2014 to March 2022)

Other relevant interests: Ann's other interests include Queensland University of Technology (Chancellor), UNICEF Australia (Chair), Port of Townsville (Chair), Queensland Airports Limited (Chair), Circa (Chair) and Super Members Council (SMC) Australia (Chair).

Former Directors

Two directors, Anne Loveridge and Doug McKay, stood down from the Board following the 2024 AGM, with Anne having completed three terms of three years on the Board. During 2024, Doug retired as the Chair of NAB's significant subsidiary, BNZ, on 31 May.

Ms Anne Loveridge AM
BA (Hons), FCA, GAICD

Term of office: Independent non-executive director from December 2015 to December 2024.

Independent: Yes

Industry experience: Anne has a strong understanding of banking and financial services, including in the areas of financial and regulatory reporting, accounting, risk management, change management and governance, gained throughout her career as an audit partner, consultant and non-executive director in this sector.

Other business and market experience: Anne has more than 30 years of experience in professional services, including as Deputy Chair at PwC. During her career as a senior executive and partner, Anne gained deep experience in business performance, client experience, stakeholder engagement, governance, and people and culture. This included a particular focus on business growth and change management, leadership development and succession, performance and reward frameworks and promoting increased diversity.

Directorships of other listed entities:

HSBC Bank Australia Limited[(1)] (since February 2025)
ASX Ltd (since July 2025)[(1)]
Accent Group Limited (since November 2023)
nib Holdings Limited (since February 2017)
Platinum Asset Management Limited (since September 2016)

Other relevant interests: Anne's other interests include Destination NSW (Board Member).

Mr Douglas McKay ONZM
BA, AMP (Harvard) CFInstD (NZ)

Term of office: Independent non-executive director from February 2016 to December 2024.

Independent: Yes

Industry experience: Doug has gained industry experience as Chair of BNZ (2016-2024), and as non-executive director since 2013. This has supplemented Doug's extensive experience in business performance, capital management, risk management and stakeholder engagement with banking context.

Other business and market experience: Doug has more than 30 years of experience in commercial and leadership roles in manufacturing and distribution businesses across Australasia having held CEO and Managing Director positions in major trans-Tasman companies including Lion Nathan, Carter Holt Harvey, Goodman Fielder, Sealord and Independent Liquor. He was the inaugural CEO of the amalgamated Auckland Council. During his executive career, Doug gained deep commercial, business performance, customer, marketing, risk management and stakeholder engagement experience. Doug has private equity experience and a deep understanding of New Zealand and Australian markets.

Directorships of other listed entities (No change since retiring from the NAB Board)**:**

Delegat Group Limited[(2)] (since August 2024)
Vector Limited[(2)] (since September 2022, Chair since September 2023)

Former directorships of other listed entities in the past 3 years:

Fletcher Building Limited[(3)](from September 2018 to June 2024)
Genesis Energy Limited[(3)] (from June 2014 to September 2022)

Other relevant interests: Doug is a Director of IAG (NZ) Holdings Limited.

(1) New directorship since retiring from the NAB Board.
(2) Listed on the New Zealand Exchange (NZX).
(3) Dual-listed on the New Zealand and Australian stock exchanges.

Company Secretaries

The Group Company Secretary provides advice and support to the Board, and is accountable to the Board, through the Chair, for all matters relating to the proper functioning of the Board and its committees. The Group Company Secretary is responsible for advising the Board on governance matters and ensuring compliance with Board and Board committee charters and procedures.

The Group Company Secretary and assistant company secretaries are appointed and removed by the Board.

Details of company secretaries of NAB in office at the date of this Report and each company secretary's qualifications and experience are below.

Louise Thomson BBus (Dist), FGIA joined the Group in 2000 and was appointed Group Company Secretary in May 2013. Louise is Secretary to the Board and the Nomination & Governance Committee. She has experience in a wide range of finance, risk, regulatory and governance matters.

Tricia Conte BCom, LLB (Hons) joined the Group in 2006 and was appointed Company Secretary in November 2018. Tricia is the Secretary of the Board's Audit Committee. She is a Special Counsel in the Legal team and advises the Group on a wide range of legal, corporate, governance and regulatory matters.

Paris Nicolaou BA, LLB, FGIA joined the Group in 2018 and was appointed Company Secretary in February 2025. Paris is Secretary across the Group's Australian Subsidiaries and is responsible for overseeing corporate governance practices across the Group. He has experience in a wide range of corporate, legal, governance and regulatory matters.

Claire Hannon BSc, LLB (Hons), Grad. Dip. App. Fin., AGIA, GAICD was appointed Company Secretary in May 2025. Claire is the Secretary of the Board's Risk & Compliance Committee and is responsible for managing the Group's Executive-level Risk Committees. She has experience in a wide range of corporate, legal, governance, risk and regulatory matters.

Executive Leadership Team

Executive Leadership Team

Details of NAB's Executive Leadership Team members in office at the date of this Report are below.

Andrew Irvine
BSc Business Management (Hons), MBA

Refer to the *Board of Directors* on page 51 for Andrew Irvine's biography.

Andrew Auerbach
BA

Andrew was appointed Group Executive, Business and Private Banking in June 2025. He has more than 30 years of experience across the global financial services industry, and spent over 21 years with Bank of Montreal in several senior executive roles. Prior to joining Bank of Montreal, Andrew worked for 14 years with Canada Trust, now known at TD Canada Trust.

Cathryn Carver
BEcon&Fin

Cathryn was appointed as Group Executive, Corporate and Institutional Banking in July 2024. In a career spanning more than 30 years, Cathryn has extensive, global experience in capital markets, corporate finance, wealth and institutional banking. Since joining NAB in 2016, she has held senior executive roles focusing on corporate and institutional markets and prior to this, she held leadership roles at ANZ, Westpac and Macquarie Bank.

Sharon Cook
BA, LLB (Hons)

Sharon Cook was appointed Group Executive, Customer & Corporate Services in April 2017. Sharon is responsible for Corporate Affairs, Customer Complaints, Customer Hardship, Governance, Legal, the Office of the Customer Advocate, Regulatory Affairs, Remediation, and Climate. Sharon has more than 30 years of experience as a lawyer. For over 8 years before joining NAB, Sharon led major commercial law firms.

Shaun Dooley
BEc, MS

Shaun Dooley was appointed Acting Group Chief Financial Officer in March 2025. Shaun was previously the Group Chief Risk Officer from October 2018 where he was responsible for the Risk function across the Group. Prior to that role, Shaun was Group Treasurer and he has also led the Institutional Banking, Corporate Finance and Financial Institutions teams. Shaun joined NAB in 1992 as a relationship banker in the Corporate Banking group. Prior to joining NAB in 1992, Shaun worked for Chase Manhattan Bank Australia and Elders Finance Group.

Daniel Huggins
BCom (Hons), MBA, MEM

Daniel Huggins was appointed as BNZ's Managing Director and Chief Executive Officer in October 2021. Daniel has over 20 years of experience in banking, corporate and financial services. Since joining BNZ in 2020, Daniel held an executive-level role focused on customer, products and services. Prior to joining BNZ, he worked at the Commonwealth Bank of Australia and McKinsey & Company.

Ana Marinkovic
BA, MBA

Ana Marinkovic was appointed Group Executive, Personal Bank in April 2024. She has more than 20 years of experience in senior banking roles across strategy, payments, mortgages, contact centres, technology and operations in consumer and commercial divisions. Ana joined NAB in 2019 and became the Executive General Manager Business Direct and Small Business in 2020.

Les Matheson
BCom (Hons)

Les Matheson was appointed as Group Chief Operating Officer in January 2021. Les has nearly 30 years of experience in banking and finance across Australia, NZ, Europe and Asia Pacific. Prior to joining NAB, he was CEO of the Retail Bank at RBS and was also responsible for Ulster Bank in Ireland. Les had a long career with Citigroup, including Chief Country Officer for Australia. He is a Certified Bank Director (The

Institute of Bankers UK) and a Fellow of the Chartered Bankers Institute (UK).

Sarah White

Sarah White was appointed as Group Executive, People & Culture in August 2023. Sarah joined the NAB Executive Leadership Team after more than five years as Chief of Staff to the Group Chief Executive Officer. Prior to that she was Executive General Manager, Talent and Leadership, in addition to a number of other key executive roles in People & Culture. Sarah has extensive experience in business partnering, coaching executives and senior leaders, leading complex change and business transformation.

Peter Whitelaw
BSc (Hons), MQF

Peter Whitelaw was appointed as Acting Group Chief Risk Officer in March 2025 and is responsible for the Risk function across the Group. Prior to this, Peter's role was Executive Resilience Risk where his accountabilities included setting the Group's risk management policies, frameworks and risk appetite relating to its capital, funding, liquidity, technology, data, privacy, information security, third party, ESG and strategic risks. Peter was previously Chief Risk Officer at BNZ. Before joining NAB in 2005, he held senior risk management positions at Sumitomo Mitsui Banking Corporation in London and Sydney.

Patrick Wright
BBA, BMIS

Patrick was appointed to the role of Group Executive, Technology and Enterprise Operations in April 2017. Prior to joining NAB, he was Chief Operations and Technology Officer at Barclaycard and Chief Operations Officer at Barclays America. Patrick has more than 30 years of experience in the banking and technology sectors, giving him extensive experience in driving major transformations in large financial services companies.

Future Executive Leadership Team changes

Four changes to the Executive Leadership Team were announced during 2025, but are not yet effective. **Pete Steel** was appointed Group Executive, Digital, Data & Artificial Intelligence, and will commence on 19 November 2025. **Shane Conway** was promoted to a newly created role of Group Executive, Transformation, commencing 1 December 2025. **Sharon Cook** will retire on 31 December 2025. **Inder Singh** was appointed as Group Chief Financial Officer and Group Executive, Strategy, and will commence in March 2026. For additional information on the changes, refer to the *Remuneration Report*.

Former Executive Leadership Team members

Two Executive Leadership Team members announced they would leave the Group during the 2025 financial year and one Executive stepped-up in an acting capacity before returning to his prior role.

They are reported as Key Management Personnel (KMP) for part of the 2025 financial year in the Remuneration Report.

Nathan Goonan was appointed as Group Chief Financial Officer in July 2023. Nathan joined NAB in 2004 before working in investment banking. Since re-joining NAB in 2013, he held several executive-level roles in corporate strategy and mergers and acquisitions, including Group Executive Strategy and Innovation. In March 2025, Nathan announced he would leave the Group and ceased to be a KMP on 17 March 2025.

Rachel Slade was appointed as Group Executive, Business and Private Banking in April 2024. Prior to this, she was the Group Executive, Personal Banking. Rachel has over 20 years of experience in banking. In March 2025, Rachel announced she would leave the Group and ceased to be a KMP on 17 March 2025.

From March to June 2025, **Michael Saadie** acted in the role of Group Executive, Business and Private Banking prior to Andrew Auerbach commencing in that role. Michael returned to his prior role as Executive, Private Wealth.

Board roles and responsibilities

The Board guides the strategic direction of NAB and represents shareholders' interests by overseeing activities that create sustainable value.

The roles and responsibilities of the Board, including the matters that are specifically reserved to the Board and those delegated to management, are set out in the Board Charter which is available in the Corporate Governance section at nab.com.au/about-us/corporate-governance. Key elements of the Board's roles and responsibilities are described below.

The Board Charter sets out the specific responsibilities of the Chair. The Chair's primary responsibility is to lead the Board and oversee the processes used by the Board in performing its role.

The Board delegates certain powers to Board committees to help it fulfil its roles and responsibilities. Committee roles and responsibilities are set out in the respective charters and Board Committee Operating Rules, which are also available in the Corporate Governance section at nab.com.au/about-us/corporate-governance.

The Board has delegated management of the Company to the Group CEO. Except for any specific powers reserved by the Board, or matters specifically delegated by the Board to others, the Group CEO may make all decisions and take any necessary action to carry out the management of the Group. The Group CEO is accountable to the Board in exercising this delegated authority. The Board Charter also sets out the responsibilities of the Group CEO.

Key element	Board's roles and responsibilities
Leadership and stakeholder focus	• Represent shareholders and serve the interests of the Company by overseeing and evaluating the Company's strategies, performance, frameworks and policies. • Ensure that stakeholders are kept informed of the Company's performance and major developments affecting its state of affairs. • Approve the Company's purpose, values and Code of Conduct to underpin the desired culture within the Company and oversee that the Company's culture is focused on sound risk management and customer outcomes. • Oversee that an appropriate framework exists for relevant information to be reported by management to the Board and whenever required challenge management and hold it to account. • With the guidance of the Customer Committee, oversee the importance given to the voice of the customer and the focus on customer outcomes. • Consider the social and environmental impact of the Company's activities.
Strategy and performance	• Guide the strategic direction of the Company and monitor the execution of strategies and business performance to oversee that sustainable value is being built for shareholders. This includes business unit strategies, strategies for critical enablers such as technology, data and analytics, and human capital, as well as the Company's sustainability strategies. • Make decisions concerning capital structure and dividend policy. • Approve major capital expenditure and other major business initiatives. • Consider sustainability-related risks, opportunities, goals and targets, including in relation to climate.
External reporting	• With the guidance of the Audit Committee, review and approve the Group's annual and half yearly financial statements, other sections of the Annual Report and any reports that accompany them, including sustainability reporting. • With the guidance of the Audit Committee, review management processes aimed at ensuring the integrity of financial statements, and the financial and external reporting processes of the Group.
Risk management	• With the guidance of the Risk & Compliance Committee, satisfy itself that the Group has in place an appropriate Risk Management Framework for financial and non-financial risks by overseeing related frameworks and internal compliance and control systems. This includes risk management related to financial crime, technology, information security, cyber resilience and sustainability, including climate and human rights risks.
Remuneration	• With the guidance of the People & Remuneration Committee, review and approve the Group's remuneration framework including remuneration policy and satisfy itself that the remuneration framework and outcomes are aligned with the Company's purpose, values, strategic objectives and risk appetite.
Appointment and succession planning	• Appoint a Group CEO and Managing Director and approve key executive appointments. • Monitor and review executive succession planning. • With the guidance of the Nomination & Governance Committee, plan for Board renewal, appoint non-executive directors to the Board and select a Chair.

Key Board activities

Key Board activities in 2025

- **Customers** – The Board, its Customer Committee and directors increased their engagement with customers, meeting with customers and customer advocates (internal and external) throughout the year to hear their feedback and perspectives. In meetings, the Board and Customer Committee focused on matters impacting customers, including customer vulnerability, scams, customers experiencing financial hardship, servicing experience, cyber risks, integration of acquisitions, digital customer experience, and branch strategy. The Board and Customer Committee also participated in several site visits, immersion sessions and engagement activities with customer-facing colleagues and with colleagues leading the rollout of our customer advocacy approach and other significant initiatives to benefit customers.
- **Leadership** – The Board approved changes to the Executive Leadership Team during the year and held workshops on Talent and Succession. The Nomination & Governance Committee continued its work on the next phase of the Board's medium-term renewal strategy and plan, working in consultation with the Board. In both structured and unstructured settings, directors met with leaders and colleagues at all levels of seniority to gain insight into leadership bench strength and NAB's culture. The Board also met with boards of significant subsidiaries.
- **Strategy and business performance** – The Board remains focused on creating sustainable shareholder value. At each major Board meeting, the Board received reports on business performance and execution of the Group's strategy to monitor progress. The Board periodically received reports on execution of strategies at a business unit level to understand operating context, as well as specific strategic initiatives, such as technology modernisation initiatives. This includes in relation to BNZ. The Board approved the Group's corporate plan in October 2024 and had several sessions with management during 2025 on the evolution of NAB's strategy having regard to changes in the external environment and internal context. This included participating in workshops with management and sessions with external experts to hear their perspectives. Directors also met with investors and key regulators to hear their perspectives.
- **Technology** – The Board remains focused on technology as a critical enabler of NAB's business. At each major Board meeting, the Board received reports from the Group Executive, Technology and Enterprise Operations, as well as updates on the development and execution of NAB's business-led technology modernisation strategy. The Board and its Risk & Compliance Committee had several workshops and continuing education sessions to deepen directors' understanding of NAB's technology operating environment, strategy and plans. Topics included information security risks and cyber resilience, digitisation in banking, AI, and data and privacy risks as well as immersion sessions to see specific technology initiatives benefiting customers and colleagues. The Board also met with independent experts on NAB's business-led technology modernisation and transformation programs.
- **Financial and capital management** – The Board remains focused on business momentum and driving growth, which requires prudent management of the Company's balance sheet and capital. The Board received regular reports on financial performance, capital, funding and liquidity. The Board approved the 2024 full year and 2025 half year financial reports, the 2024 final and 2025 interim dividends, the Group's budget, capital management strategy, funding plan and on-market buy-back programs. Directors participated in workshops on capital adequacy and liquidity stress testing.
- **Risk management** – The Board remains focused on risk management, governance, accountability and culture. This focus requires strong risk governance and an effective Risk Management Framework operated by management. The Board received regular reports from the Group Chief Risk Officer on financial and non-financial risks, including emerging risks and issues, and from the Group Money Laundering Reporting Officer on financial crime risk. The Board approved the risk management strategy, the risk appetite statement and policies for managing financial and non-financial risks. The management of financial crime risks, cyber, resilience and technology risks, as well as the impact of the economic and geopolitical environment were areas of focus. Directors participated in workshops with management to deepen directors' understanding of specific risks, as well as topics such as stress testing, market risk limit frameworks and interest rate risk in the banking book. Directors also participated in sessions with external experts to hear their perspectives on risks in the external environment, and participated in an exercise to demonstrate reasonable steps they would take in a hypothetical crisis scenario.
- **People and culture** – The Board remains focused on engaged, capable colleagues who are aligned to the Group's values, purpose and strategy. The Board received regular reports from the Group Executive, People and Culture on people-related matters, including progress in the execution of the Colleague Strategy and achieving NAB's target culture, health, safety and wellbeing, and payroll governance. The Board held workshops on talent and succession planning and met with a range of senior leaders in formal and informal settings. Directors also had opportunities to engage with colleagues at all levels in the organisation. The Board approved scorecards and performance outcomes for the Group CEO, Group Executives and certain other senior executives, as well as the Group Performance Indicators used for the Group Variable Reward Plan, and determined the final outcome. Directors participated in site visits to operational and customer-facing teams. Some directors also visited NAB's business operations in overseas locations, including Delhi, Ho Chi Minh City, New York and London. The Board also met with the boards of some subsidiaries (BNZ, NAB India and NAB Vietnam) in 2025 during visits to Australia.
- **Sustainability** – The Board remains focused on sustainability, particularly climate transition, affordable housing, First Nations peoples and human rights. The Board received updates on NAB's sustainability priorities, strategy, performance and stakeholder engagement. The Board and its Committees considered a range of topics, including disclosures, high risk sectors and a human rights risk assessment. The Audit Committee participated in a workshop to deepen directors' understanding of mandatory sustainability reporting requirements.
- **Regulatory and other stakeholder engagement** – The Board remains focused on maintaining solid relationships with regulators and other stakeholders. The Board received regular reports on regulatory engagement, government engagement, key legal and regulatory matters, and trust and reputation. The Board met with the Group's main regulators throughout the year to obtain feedback and share perspectives on priorities, industry risks and issues, and reform. The Group's AUSTRAC EU was a key area of focus, culminating with its cancellation on 25 July 2025. The Board also met with external experts on the regulatory landscapes in Australia and overseas.

Board planning and agenda setting

Board meetings are an essential part of corporate governance at NAB. They are the main way for the Board to have oversight of the Group's strategy and performance and allow the Board to set expectations of management. The Board approves its calendar of meetings two years in advance to ensure that directors can attend meetings. Recurring agenda items include business performance, strategy execution and development, capital management, risk management, financial reporting, people and culture, regulatory and other stakeholder engagement and sustainability matters. Unstructured time is also factored into Board meetings and there is flexibility for ad hoc matters to be raised. Meetings with NAB's main regulators are also planned at the start of the year.

The Board's annual calendar is made up of six multi-day programs for Board and committee meetings and workshops as well as five shorter Board meetings for specific purposes. In 2025, several concurrent meetings were held where more than one Committee and the Board met for a specific purpose, such as Performance and Remuneration decisions, Half Year and Full Year results, the business plan and targets for the next financial year, review of policies and annual Board evaluations. Outside of scheduled Board programs, some directors participated in external engagements and site visits, including operational site visits in Australia, the US, India and Vietnam.

In the first Board program of each calendar year, the Board sets its priorities for the year ahead. These priorities are to provide clarity on topics that the Board wishes to spend its time on, over and above business as usual matters. In 2025, the Board's priorities were: customer-centricity; leadership culture; risk culture; business simplification and technology modernisation; and sustainability.

So that the Board and committees' time is used efficiently and discussions reflect the bank's priorities, agendas are reviewed by the respective Chairs, in consultation with the Group Company Secretary, Group CEO and relevant Group Executives. Forward planners are used to provide the Board and committees with a comprehensive view of the agendas planned for the year, with opportunities to actively adjust as priorities change. The forward planner is the key framework for Board reporting and is used to balance time allocated to strategic and business topics, as well as regulatory and legal obligations.

The Board also retains flexibility for ad hoc matters to be discussed at meetings or in private sessions where appropriate. Steps are taken to facilitate effective communication between management and the Board ahead of Board and committee meetings. These include responsible management providing input into certain agenda items and attending pre-meetings between Chairs and the Group Company Secretary. After the meetings, actions for follow up are shared so that requests of management are clear. To aid effective decision making, a consistent approach to writing Board and committee papers is promoted through the use of templates, guidance and feedback.

Attendance at meetings

Details of director attendance at Board and committee meetings in 2025 are set out below, including concurrent meetings where more than one Committee and the Board met together. The Board and committees also held multiple workshops during scheduled Board programs in 2025, as such, are not shown as additional meetings in the table below unless the relevant Committee did not otherwise meet in that program. Refer to Key Board activities in 2025 for the nature of workshops held.

All directors receive copies of agendas, papers and minutes of committee meetings to help ensure they have equal access to that information regardless of whether they are appointed to a particular committee. All directors may attend committee meetings even if they are not a member of a committee. The table below excludes the attendance of directors at committee meetings where they were not a committee member.

	Board meetings(1)	Committee meetings					Concurrent meetings
		Audit	Risk & Compliance	People & Rem	Customer	Nom & Gov	
	Attended / Held	Attended / Held	Attended / Held	Attended / Held	Attended / Held	Attended / Held	Attended / Held
Phil Chronican	12/12	–	–	–	–	9/9	8/8
Andrew Irvine(2)	12/12	–	–	–	–	–	7/8
Kathryn Fagg (2)	11/12	–	6/6	6/6	–	–	8/8
Christine Fellowes	12/12	–	–	6/6	5/5	–	8/8
Warwick Hunt(3)	10/10	4/4	5/5	–	–	–	6/6
Carolyn Kay	12/12	5/5	6/6	–	–	9/9	8/8
Alison Kitchen	12/12	5/5	–	–	5/5	–	8/8
Anne Loveridge(4)	3/3	1/1	–	–	–	3/3	4/4
Doug McKay(4)	3/3	1/1	–	–	2/2	–	4/4
Simon McKeon(5)	12/12	–	6/6	3/3	–	9/9	8/8
Ann Sherry	12/12	–	–	6/6	5/5	–	8/8

(1) One out-of-cycle meeting was convened to discuss a time-sensitive matter. All Directors made themselves available to attend, notwithstanding the meeting was convened at short notice.
(2) Mr Irvine was unable to attend one concurrent meeting and Ms Fagg was unable to attend one Board meeting due to known scheduling conflicts. In both cases, they gave their apologies and provided input to the meeting Chair.
(3) Mr Hunt joined as a non-executive director in December 2024, and joined the Risk & Compliance and Audit Committees.
(4) Ms Loveridge and Mr McKay stood down as non-executive Directors from December 2024.
(5) From March 2025, Mr McKeon joined the People & Remuneration Committee.

Board composition, diversity and performance

Board composition

Composition of the Board is informed by a number of factors, including the following key principles:

- The Board will be of an appropriate size to allow efficient decision making.
- The Board must consist of a majority of independent non-executive directors.
- The Board should consist of directors with a broad range of skills, experience and expertise, and different facets of diversity, including gender.
- The Chair must be an independent non-executive director and must not have been a NAB executive or the Group CEO in the previous three years.

Further details about directors' independence are on page 64.

NAB has a Group Fit and Proper and FAR Suitability Policy that addresses the requirements of APRA Prudential Standard CPS 520 *Fit and Proper* and supports compliance with the obligations of the FAR.

This Policy requires an annual assessment of the directors, certain members of senior management and responsible auditors, including a determination of whether they have the appropriate competence, character, diligence, honesty, integrity and judgement to perform their role.

The Board, with the assistance of the Nomination & Governance Committee, has reviewed and taken into consideration the existing workload of directors and concluded that each director has sufficient capacity to undertake the duties expected of a director of NAB.

As a Board vacancy approaches, the Nomination & Governance Committee assesses the skills and experience required, which informs the identification of suitable candidates. The most suitable candidate is appointed by the Board after appropriate checks are undertaken, including assessment in accordance with the Group Fit and Proper and FAR Suitability Policy, and is subject to election by shareholders at the next AGM.

The key terms and conditions of a director's appointment are formally documented in a letter of appointment. This process was followed for all directors on the Board.

Newly appointed directors must stand for election by shareholders at the next AGM. In addition, the NAB Constitution requires that at each AGM, non-executive directors who have held office for at least three years without re-election, or beyond the third AGM following their appointment or last election (whichever is longer) must retire from office and are eligible to stand for re-election.

Before each AGM, the Board assesses the performance of each director due to stand for election or re-election and decides whether to recommend to shareholders that they vote in favour of the election or re-election of each relevant director. Further details on NAB's directors are provided on pages 51 to 55.

Board renewal

During the year, after consulting with the Board, the Nomination & Governance Committee reviewed the three-year Board renewal strategy and plans. This included reviewing the highest priority skills to bring on to the Board over the short and medium-term, considering anticipated retirements in coming years. The highest priority competency areas for future director appointments are technology transformation, banking and CEO experience. Broader technology-related and sustainability-related skills and experience are also desirable. The Nomination & Governance Committee and the Board aim to identify, select and nominate candidates who are able to contribute broadly in the boardroom, not only in areas of deep competency, and who add different facets of diversity to the Board. The Nomination & Governance Committee is working with an external recruitment consultant.

One director, Warwick Hunt, was elected by shareholders at the Company's 2024 AGM and two directors, Anne Loveridge and Doug McKay, stood down from the Board following that AGM, with Anne having completed three terms of three years on the Board. During 2024, Doug retired as the Chair of NAB's significant subsidiary, BNZ, on 31 May.

In 2025, the Board has recommended in the AGM Notice of Meeting that shareholders re-elect Philip Chronican for his fourth three-year term on the Board (a term permissible for the Chair under the Board Composition, Renewal & Performance Policy) and Kathryn Fagg for her third term.

Further details on NAB's directors are provided on pages 51 to 55.

Skills matrix

Each year NAB assesses the skills and experience of each director and combined capabilities of the Board. The insights from this assessment are documented in a skills matrix that is:

- Considered in the context of NAB's business and its strategic needs.
- Incorporated into Board succession planning and the selection of new directors.
- Used to inform areas of focus for the Board's continuing education and use of external expertise.

To prepare the skills matrix, each director rates their skills, expertise and experience against several competency areas that are then mapped to the skills matrix. The self-assessment ratings and skills matrix are reviewed and calibrated by the Nomination & Governance Committee on behalf of the Board.

The skills matrix presented here demonstrates alignment of the Board's responsibilities with the current mix of skills on the Board.

The Board believes the current mix of skills, experience and expertise of directors (as shown on the skills matrix) provides a diverse range of views and perspectives for the effective governance, oversight and strategic leadership of NAB. The Board also invested in continuing education and engagement activities throughout 2025 to continue to develop directors' competencies in the following key areas, each of which provided the opportunity to hear external perspectives:

- Digital and technology topics – business-led technology modernisation, technology risks (including specific sessions on information security risk and cyber resilience, data and privacy risks), operational resilience, digitisation in banking, and AI.
- Risk management in banking – crisis management, information security risk and cyber resilience, operational risk management and resilience, the Australian and international regulatory landscapes, geopolitical landscape, emerging risks, stress testing scenario design, interest rate risk in the banking book, market risk limits and a scenario exercise.
- People-related topics – talent and succession planning, culture and capability in digital transformation, developments in people-related obligations, and NAB's Who We Are behaviours.
- Sustainability disclosures.
- Stakeholders – investor, customer, regulatory and government perspectives. This included meetings with representatives from each of these areas to hear and discuss their perspectives.

Skills and experience	Explanation	Collective
Banking and financial services experience	Experience outside NAB in significant components of the financial services industry, including banking and equity and debt capital markets. Strong knowledge of the regulatory environment. Includes advisory roles to the industry.	
Leadership and commercial acumen	Skills gained while performing at a senior executive level for a considerable length of time. Includes delivering superior results, running complex businesses, leading complex projects and issues, and leading workplace culture.	
Financial acumen	Good understanding of financial statements and drivers of financial performance for a business of significant size, including ability to assess the effectiveness of financial controls.	
Customer outcomes	Experience in delivering customer outcomes and deepening relationships in customer segments.	
Risk management	Experience in anticipating and evaluating financial and non-financial risks that could impact the business. Recognising and managing these risks by developing sound risk management frameworks and providing oversight. Includes experience in managing compliance risks and regulatory relationships, as well as an understanding of cyber resilience and technology risks.	
Strategy	Experience in developing, setting and executing strategic direction. Experience in driving growth and transformation and executing against a clear strategy.	
Governance	Publicly listed company experience, extensive experience in and commitment to the highest standards of governance, experience in the establishment and oversight of governance frameworks, policies and processes.	
Digital and technology	Experience in oversight of technology for businesses of a significant scale and implementing business transformations through the use of technology, including digital, data and analytics, and innovation.	
People and remuneration	Experience in building workforce capability, setting a remuneration framework that attracts and retains a high calibre of executives, and promotion of diversity and inclusion.	
Environmental and social	Understanding potential risks and opportunities from an environmental and social perspective.	

Board tenure and gender statistics(1)

Board tenure	%
0-3 years	50.0
3-6 years	25.0
6-9 years	25.0

Board gender diversity	%
Female	62.5
Male	37.5

Board performance

Directors comprehensively prepare for, attend and participate in Board and committee meetings.

The Board recognises the importance of continuously monitoring and improving its performance and that of its committees. Under their respective charters, the Board and committees are required to assess their performance annually, which was undertaken during the year. An independent external performance evaluation of the Board and its committees is conducted every three years, or as otherwise determined by the Board. An independent external performance evaluation was undertaken in 2025.

The results of the external assessments undertaken in 2025 were that the Board and each of its committees continue to operate effectively. In the spirit of continuous improvement, the Board agreed actions to further improve its effectiveness, focused in the following areas: continuing to increase oversight of technology modernisation and involvement in talent and succession planning.

Directors' individual performance is also assessed annually. Each director participated in an individual performance interview with the Chair in 2025 and the Chair also received performance feedback.

Responsible remuneration

The People & Remuneration Committee supports the Board to discharge its responsibilities relating to people and remuneration strategies, policies and practices of the Group.

Our purpose is to be the most customer-centric company in Australia and New Zealand, through a strong focus on customers and colleagues. By fostering a strong internal culture focused on customer-centricity, we aim to achieve disciplined growth and deliver strong returns.

The committee monitors NAB's executive and Group remuneration policy and frameworks to ensure they reinforce our focus on customers, align with long-term sustainable shareholder value, comply with governance, legal and regulatory requirements, and are informed by risk, reputation, conduct and values outcomes.

The executive remuneration framework is designed to provide appropriate and fair remuneration to NAB's Executive Leadership Team while supporting the Group's purpose, strategic objectives and risk appetite, and reflecting the expectations of customers, regulators and shareholders. The performance, risk and conduct of the Executive Leadership Team is evaluated a minimum of two times in each reporting period, with a mid-year review undertaken in March and an end of year review undertaken in September. The Long-Term Incentive (LTI) plan, in which all members of the Executive Leadership Team participate, is designed to provide the Board with discretion to make downward adjustments to the award at several points during the LTI's lifecycle in response to performance, risk or conduct matters. These adjustments can be made pre-grant, pre-vest, and prior to the lifting of restriction periods. The review of performance is jointly undertaken by the People & Remuneration Committee and the Board's Risk & Compliance Committee. Outcomes of the end of year review are provided to the Board for approval.

The Group remuneration framework is informed by NAB's remuneration principles and is designed to fairly remunerate colleagues while supporting the Colleague Strategy and the Group's strategic objectives and risk appetite. The framework encourages behaviours that mitigate against financial and non-financial risks, and aligns with risk, conduct and values outcomes. The Group reward offering includes a range of recognition, financial and other well-being benefits such as training, education and flexible work arrangements. Our focus on colleague learning and enhancements to the employee value proposition supports our appeal as a desirable place to work.

Further details about NAB's executive and colleague remuneration frameworks, including NAB's policies and practices regarding the remuneration of non-executive directors, the Group CEO, Group Executives and other colleagues, are set out in the *Remuneration Report*.

Shareholder engagement

NAB values open, timely and transparent communication and engages with shareholders and investors in many ways including:

- Sending electronic communications, such as open letters and publications from the Chair and the Group CEO on key developments and matters of interest.
- Providing information about NAB on its website, including in relation to the Group's policies and governance practices and media releases.
- Providing shareholders with options on how they choose to receive communications (electronically or by post).
- Directly responding to shareholder enquiries by email, phone and post.
- Providing shareholders with dedicated communication options through the NAB Share Registry.
- Periodic trading updates, financial results and reports, ASX announcements, investor presentations and briefings (all of which are available in the Shareholder Centre section at nab.com.au/shareholder).
- In situations when the Group hosts an analyst and investor presentation including interim and end of financial year results, supporting materials are released on the ASX Market Announcement Platform ahead of the presentation commencing.
- Sending electronic video messages from the Group CEO, discussing NAB's performance on financial result dates.

(1) Tenure and gender statistics are for non-executive directors as at 30 September 2025.

- Webcasting of significant market briefings and meetings, including the AGM.
- Participating in domestic and offshore institutional investors meetings throughout the year with the Chair, Group CEO, Group CFO and other senior executives.

Annual General Meetings

NAB also engages directly with investment analysts, proxy advisors and the Australian Shareholders' Association.

NAB's 2025 AGM will be conducted as a hybrid meeting. A hybrid meeting provides many shareholders with the opportunity to view presentations, ask questions and submit votes at the physical meeting or online during the AGM.

As in prior years, NAB will again invite shareholders to submit questions in advance of the 2025 AGM, to help NAB understand and address areas of interest or concern.

Each substantive resolution considered at the AGM will be conducted by a poll. The Board considers that voting by a poll is in the interests of shareholders as a whole and ensures that the views of as many shareholders as possible are represented at the AGM. Shareholders unable to attend the hybrid AGM are encouraged to vote in advance of the meeting.

Shareholders can contact NAB or the NAB Share Registry at any time, by mail, telephone, email or via Computershare's online platform, Investor Centre. More than half of NAB's shareholders have elected to communicate with NAB and Computershare electronically.

Shareholder communication preferences

Information about shareholder communications and preferences, including instructions on how to elect to receive communications electronically, are available at nab.com.au/about-us/shareholder-centre/receiving-communications.

Colleague engagement

In 2025, the Board participated in a number of events with NAB colleagues, including:

- Meetings with specific teams to learn about their day-to-day work and areas of subject matter expertise.
- Meetings with senior leaders in structured and unstructured formats.
- Site visits and events with colleagues to listen to customers and support them with their needs.

All of these events provided valuable opportunities for directors to experience the culture and capability of leaders and colleagues.

Director induction and continuing education

Each new director is provided with an orientation program that includes discussions with management, and briefings and workshops on NAB's:

- Major lines of business.
- Strategic and financial plans.
- Risk management strategy, frameworks, compliance programs and significant risk management matters, including cyber and financial crime risk management.
- Financial statements, including significant financial and accounting matters.
- NAB's performance management structure.
- Internal and external audit programs.
- Purpose, values and Code of Conduct.
- Key policies and external commitments.
- Directors' rights, duties and responsibilities.

Continuing education is provided for the Board through a combination of internal and external presentations, workshops with management, site visits and study tours. Directors are also expected to keep up to date on topical issues in their own time.

For further details on the Board's continuing education in 2025, refer to the *Skills matrix* on page 62.

Directors' independence

All NAB directors are expected to bring independent and unfettered judgement to Board deliberations.

To qualify as independent, a director must be independent of management and free of any business, personal or other association that could materially interfere with (or reasonably be perceived to materially interfere with) the director's exercise of independent and unfettered judgement with respect to issues before the Board, and to act in the best interests of NAB and its shareholders.

The Board conducts annual reviews of the independence of each of the directors. Directors are expected to provide information as and when changes occur, and each non-executive director is required to make an annual disclosure to the Board of all relevant information.

A register of directors' material interests is maintained and periodically reviewed by each director.

If a director is involved with another company or firm that may have dealings with NAB, those dealings must be at arm's length and on normal commercial terms.

Director tenure is a factor considered by the Board in assessing the independence of a director but is not determinative. As a guide, most directors would not stand for re-election after serving nine years on the Board, however, the Board may determine that a director continues to bring valuable expertise, independent judgement and the ability to act in the best interests of NAB beyond that period. The overall tenure profile of the Board is also a relevant factor.

In considering the independence of each director, the Board considers the factors outlined in the 4th edition ASX Corporate Governance Principles and Recommendations. The Board has determined for 2025 that all non-executive directors identified on pages 51 to 55 are independent and that the Board consisted of a majority of independent directors.

To further assist in ensuring that the Board operates independently of management, non-executive directors meet in the absence of management at most scheduled Board and committee meetings.

Conflicts of interest

Under Australian law, directors have a duty to avoid conflicts of interest.

The NAB Conflicts of Interest Policy and the NAB Constitution establish clear rules, controls and guidance regarding the management of actual, potential or perceived conflicts of interest.

Directors are expected to avoid any action, position or interest that conflicts or appears to conflict with an interest of NAB. This is a matter for ongoing and active consideration by all directors, and any director who has a material personal interest in a matter relating to NAB's affairs must notify the Board.

If a potential conflict of interest arises, NAB's corporate governance standards dictate that the director concerned does not receive copies of the relevant Board papers and is not present at meetings while such matters are considered. In this way, the director takes no part in discussions and exercises no influence over the other members of the Board. If a significant conflict of interest with a director exists and cannot be resolved, the director is expected to tender his or her resignation.

For more information, refer to the Corporate Governance section of nab.com.au.

Access to management and independent professional advice

The Board and its committees have free and unfettered access to senior management, and any other relevant internal or external party and information, and may make any enquiries to fulfil their responsibilities.

The Board Charter and Board Committee Operating Rules clearly state that the Board or its committees may engage external consultants and experts as required, and written guidelines entitle each director to seek independent professional advice at NAB's expense, with the prior approval of the Chair. The Board can conduct or direct any investigation to fulfil its responsibilities and can retain, at NAB's expense, any legal, accounting or other services that it considers necessary from time to time to fulfil its duties.

Director and executive shareholding requirements

To align with shareholders' interests, the Board has adopted a policy that non-executive directors must hold a minimum number of NAB ordinary shares equal in value to the Chair's and other directors' respective annual Board fee within five years of appointment.

The value of a non-executive director's shareholding is based on the share price at the time shares were acquired.

All non-executive directors have met their minimum shareholding requirement.

Minimum shareholding requirements for the Executive Leadership Team are:

- Group CEO: two times fixed remuneration.
- Group Executives: one times fixed remuneration.

Newly appointed Executive Leadership Team members are required to satisfy the minimum shareholding requirement within a five-year period from the date of commencement in their role.

The Group CEO and other Group Executives have met, or are on track to meet their minimum shareholding requirement.

Details of NAB shareholding requirements for non-executive directors and the Executive Leadership Team are set out in the *Remuneration Report*.

Board committees

Nomination & Governance Committee

Committee purpose	2025 areas of focus	Relevant information
Supports the Board on composition and governance matters.	• **Board composition and skills:** assessing the necessary and desirable skills and competencies of the Board and Chair, and of the committees and committee chairs, as well as making recommendations on continuing education and development for the Board and directors. • **Nominations:** with the assistance of an external recruitment consultant, identifying potential director candidates and making recommendations to the Board on the selection. • **Governance:** reviewing corporate governance principles and policies, and governance developments.	• Must have a minimum of three independent non-executive directors. • The Chair of the Board is Committee Chair. **2025 Members:** • Philip Chronican (Committee Chair) • Carolyn Kay • Anne Loveridge (until December 2024) • Simon McKeon

Audit Committee

Committee purpose	2025 areas of focus	Relevant information
Supports the Board by providing objective, non-executive review and oversight of the effectiveness of the Group's financial and external reporting (including climate reporting) and tax risk management and whistleblower frameworks. This includes overseeing the integrity of the financial and climate statements and reviewing the financial and external reporting processes of the Group, the tax risk management frameworks, the Internal Audit function, the external auditor, and the Group Whistleblower Protection Policy and Program.	• **Financial and climate statements**: overseeing the integrity of the Group's financial and climate statements, including key accounting judgements and compliance with accounting standards and policies. • **Reporting:** overseeing the adequacy of the Group's financial and external reporting processes including regulatory reporting and climate reporting. • **Audit results:** reviewing key internal and external audit findings and insights specific to financial and external reporting. • **Auditor performance and independence:** overseeing the performance and independence of Internal Audit and the external auditor, including review of the adequacy of internal and external audit plans and resourcing. • **Whistleblower Program:** overseeing the effectiveness of the Group Whistleblower Protection Policy and Program including material matters being investigated, key themes and trends. • **Tax:** reviewing tax risk and tax governance arrangements.	• Must have a minimum of three independent non-executive directors. • Has members who also sit on the Risk & Compliance Committee. • Has members who are financially literate and at least one member with appropriate accounting or financial expertise. **2025 Members:** • Alison Kitchen (Committee Chair) • Warwick Hunt (from December 2024) • Carolyn Kay • Anne Loveridge (until December 2024) • Doug McKay (until December 2024) The Group Chief Financial Officer (CFO), Deputy Group CFO (or delegate), Executive, Internal Audit and senior executives of the Group's external auditor, EY, attended all eligible committee meetings.

People & Remuneration Committee

Committee purpose	2025 areas of focus	Relevant information
Supports the Board in discharging its responsibilities relating to people and remuneration strategies, policies and practices of the Group, including sustainability related performance measures. The committee undertakes these activities with the objective that they align with and enable the overall Group Strategy and support the Group's purpose, values, strategic objectives and risk appetite (while not rewarding conduct or behaviours that are contrary to these aims).	• **Strategy execution:** monitoring the impact from, and the embedding of, key elements of the Colleague Strategy, including leadership, talent development, succession and engagement. • **Remuneration governance:** monitoring how remuneration and performance frameworks (including conduct and consequence management outcomes) are applied across the Group, particularly ensuring effective connections between risk management and remuneration outcomes. Maintaining a relationship with the Risk & Compliance Committee on the intersection between risk management performance and remuneration outcomes. Reviewing performance outcomes and the operation of the Specialist Incentive Plans. • **Executive performance:** evaluating individual executive performance in the context of Group performance at least twice each reporting period, and recommending to the Board the fixed remuneration and variable reward outcomes for the Group CEO, Group Executives and certain other senior executives. Information on the process for evaluating executive performance is set out in the Remuneration Report. • **Group performance and variable reward:** considering Group performance for 2025 (with the assistance of other Board committees) and making a Group Performance Indicator (GPI) recommendation to the Board for the Group Variable Reward Plan.	• Must have a minimum of three independent non-executive directors. • Has two members who also sit on the Risk & Compliance Committee. **2025 Members:** • Kathryn Fagg (Committee Chair) • Christine Fellowes • Simon McKeon (from March 2025) • Ann Sherry The Board Chair, the Group CEO, the Group Chief Risk Officer (CRO), the Group Executive, People & Culture and the Executive, Internal Audit attended all major committee meetings.

Risk & Compliance Committee

Committee purpose	2025 areas of focus	Relevant information
Supports the Board with oversight of the Group's risk profile and risk management, overseeing the implementation and operation of the Risk Management Framework and internal compliance and control systems, reviewing management's plans to mitigate material risks, and reviewing the outcomes of stress testing of the Group risk portfolio. The Committee makes recommendations to the Board on the Group's current and future risk appetite, risk management strategy and particular risks or risk management practices, and risk-related policies, frameworks and processes. These responsibilities relate to financial and non-financial risks, and extend to sustainability risks (including climate and human rights-related risks) and the Group's environmental compliance and performance reported and escalated by management.	• **Risk appetite:** reviewing and overseeing the Group and NAB Risk Appetite Statement and Risk Management Strategy, covering existing and emerging financial and non-financial risks. • **Risk management:** reviewing the Board's annual Risk Management Declaration to APRA for the year ended 30 September 2024 and overseeing management's progress in addressing matters identified in that Declaration. • **Material risk updates**: overseeing key material risk categories, including: credit risk; balance sheet & liquidity risk; market risk; operational risk; compliance risk; conduct risk; and sustainability risk. The Board has retained direct oversight of strategic risk. • **Compliance culture:** focusing on regulatory and legislative requirements and the controls and compliance environment to monitor adherence and shortcomings. • **Controls environment:** reviewing the health and effectiveness of controls. • **Audit matters:** reviewing key internal audit issues and obtaining insights relating to risks, controls and risk culture, including monitoring management's response to matters raised. • **Technology:** reviewing updates relating to the technology risk profile, technology resilience and cyber risks. • **External environment:** reviewing regular updates on geopolitical developments, credit, market and liquidity conditions and the impact of external conditions on certain portfolios. • **Capital and liquidity:** continued emphasis on monitoring and reviewing the level of capital and liquidity held by the Group. • **Offshore operations:** overseeing their activities, material risks, external environment and regulatory requirements. • **Remuneration:** continued to provide input and perspectives on the intersection between risk management performance and remuneration to the Board and the People & Remuneration Committee when considering the performance of the Group and Accountable Persons. • **Sustainability:** reviewing updates on sustainability risk, including climate change matters.	• Must have a minimum of three independent non-executive directors. • Has members who also sit on the Audit Committee, the People & Remuneration Committee and the Nomination & Governance Committee. **2025 Members:** • Simon McKeon (Committee Chair) • Kathryn Fagg • Warwick Hunt (from December 2024) • Carolyn Kay • Anne Loveridge (until December 2024) The Group CRO, Group CFO, Executive, Internal Audit and partners from the Group's external auditor, EY, attended all eligible committee meetings. The Board Chair and the Group CEO attended the majority of meetings.

Customer Committee

Committee purpose	2025 areas of focus	Relevant information
Supports the Board with overseeing the embedding of customer-centricity at NAB.	• **Customers:** to gain a deeper understanding of how NAB supports customers, the Committee met with colleagues, customers and consumer advocacy organisations throughout the year. • **Customer Advocate:** reviewing reports from the Customer Advocate - Banking on advocacy and insights to deliver fair outcomes for NAB customers that align with community expectations. • **Customer remediation:** reviewing and evaluating management reports on both banking and wealth remediation. • **Customer complaints:** monitoring NAB's complaint capture, handling and themes. • **Simplification:** monitoring NAB's product simplification progress and outcomes. • **Scams:** monitoring how NAB helps customers avoid being scammed and supporting customers when they are scammed. • **Financial hardship:** support for customers experiencing financial hardship and vulnerability.	• Must have a minimum of three independent non-executive directors. **2025 Members:** • Ann Sherry (Committee Chair) • Christine Fellowes • Alison Kitchen • Doug McKay (until December 2024) The Group Executive, Customer & Corporate Services attended the majority of meetings.

Subsidiary boards

NAB has a number of subsidiary companies. The activities of each subsidiary company in the Group are overseen by that company's own board of directors. The Board's confidence in the activities of its controlled entities stems from the quality of the directors on those subsidiary boards and their commitment to NAB's objectives. NAB has one significant subsidiary, BNZ. The Chair of the BNZ Board is Warwick Hunt, who is also a director on the NAB Board. NAB directors have a standing invitation to attend board meetings of BNZ to develop a broader understanding of its operations. The boards of BNZ, NAB India and NAB Vietnam met with the NAB Board in 2025 during respective visits to Melbourne.

The Group's subsidiary governance framework sets out the corporate governance requirements for subsidiaries operating within the Group environment including different roles and responsibilities of subsidiaries, their boards and management.

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Governance, conduct and culture

Governance, conduct and culture

The Board approves NAB's purpose, values and Code of Conduct as the foundation for NAB's desired culture, overseeing management's efforts to cultivate a workplace culture focused on sound risk management and positive customer outcomes.

NAB values and culture

To support our strategic ambition to be the most customer-centric company in Australia and New Zealand, where colleagues are customer obsessed and proud to work at NAB, the company values were refreshed in October 2024, which are known as **Who We Are**. These values, articulate expected behaviours of colleagues, aligning with NAB's Code of Conduct and performance management framework.

NAB's culture ambition is articulated in the Colleague Strategy, which was established with an ambition for customer obsessed colleagues who are proud to work at NAB. Further details of NAB's Colleague Strategy are available in the *Colleagues* section of this Report.

Who We Are has been approved by the Board and is summarised below.

Who We Are

Every one of us at NAB commits to individually owning these behaviours so that we can build a truly customer-obsessed culture.

We are customer obsessed

- We put our customers at the centre of everything we do. Without them, there would be no NAB.
- We build enduring customer relationships through empathy and trust.
- We prioritise exceptional customer service – it's what sets us apart.

We keep it simple

- We show up for our customers as one team to create consistent, seamless experiences.
- We make things simple for colleagues so we can be exceptional for our customers.
- We look for simple solutions when things are complex or don't make sense.

We move with speed

- We work quickly and with purpose for our customers.
- We innovate and look for better ways to deliver. If we make mistakes, we learn and correct as we go.
- We are empowered to make decisions safely for the benefit of our customers.

We own it

- We take responsibility for the success of NAB, beyond our team.
- We do what is right, even when it's hard.
- We never say "that's not my job". We take ownership and follow up until it's resolved.

We win together

- We bring the right people together, knowing diverse ideas achieve more.
- We set bold ambitions and clear expectations to get the best customer outcomes.
- We speak up on issues and invite challenge, working with respect and curiosity.

Customer obsessed colleagues who are proud to work at NAB

NAB has a continued focus on improving its culture and risk culture, through leadership focus and an emphasis to embed the desired behaviours and values. Who We Are has been embedded across talent management practices including our performance management framework and recruitment processes, as well as through increasing people leader and colleague capability. Who We Are practices are also embedded in team operating rhythms enabled by a Culture Champion network to foster a customer-centric culture. Progress is reported to the Board annually and measurement uses data including colleague engagement Heartbeat surveys, risk culture dashboard and objective performance metrics. The varied data inputs provide a holistic and integrated assessment and bring meaningful insights to inform management action on culture and risk culture.

NAB's Inclusion and Diversity Policy is available in the Corporate Governance section of nab.com.au. Information about NAB's measurable objectives is located in the *Inclusion and diversity* section of this Report.

Conduct

NAB has a suite of policies and practices to promote a culture of honesty, integrity, competence and ethical behaviour. Policy compliance is monitored, and consequence management procedures exist for breaches of policies, standards and other obligations. Senior leaders' performance is measured against risk, conduct and accountability measures.

NAB's Code of Conduct

NAB's Code of Conduct (the Code) was approved by the Board and outlines expectations of directors, leaders, colleagues and contractors who provide services on behalf of NAB.

The Code captures NAB's legal obligations and an expectation to act ethically and responsibly towards customers, colleagues and communities. The Code emphasises Who We Are, and the key policies and guidelines which must be followed to achieve expected outcomes. The Code encourages individuals to 'Speak Up' about concerns along with a framework for ethical decision making. A comprehensive review and refresh of the Code is currently underway to reflect NAB's evolving priorities and core company values.

The Code is supported by an established framework for conduct and consequence management. Each business and enabling unit has established forums to review breaches of the Code at least quarterly, taking action to set the tone and reinforce NAB's standards of conduct and culture. Any material breaches or conduct that is materially inconsistent with the expected outcomes in the Code are reported to the People & Remuneration Committee.

NAB's Code of Conduct is available in the Corporate Governance section at nab.com.au/about-us/corporate governance.

Financial Accountability Regime (FAR)

The Financial Accountability Regime (FAR) imposes obligations on NAB and its Accountable Persons.

For the purposes of FAR, NAB has registered certain individuals (the directors, Group Executives, Executive Internal Audit and Executive Group Money Laundering Reporting Officer) as 'Accountable Persons' with APRA and ASIC. NAB undertakes appropriate checks before appointing executives or putting someone forward for election as a director.

NAB's implementation of FAR continues to strengthen and clarify its accountability structures and practices. This helps to ensure clearer delegation and decision-making processes.

All NAB Accountable Persons have a letter of appointment (in the case of directors) or written employment agreement (in the case of executives), which governs the terms of their appointment, as well as a detailed FAR Accountability Statement which is lodged with APRA and ASIC.

Escalation and whistleblower protection

The Group Whistleblower Protection Policy and Whistleblower Program reflects the Group's ambition for an environment where colleagues feel safe and empowered to speak up about wrongdoing.

All colleagues are encouraged to raise concerns about wrongdoing including conduct that may be illegal, unacceptable or improper.

By speaking up, colleagues help to identify and address wrongdoing as early as possible ensuring we focus on getting the basics right and serving customers well.

The Group Whistleblower Program provides confidential channels for colleagues (current and former colleagues, officers, contractors and/or suppliers) to raise concerns, including through FairCall, an independently monitored external hotline service operated by KPMG.

The Group Whistleblower Protection Policy provides information on the support and protection available to whistleblowers, how matters will be investigated and reinforces a no tolerance approach for any act of reprisal against those who speak up.

The Program has been established as an independent function with direct escalation and reporting lines to the Board's Audit Committee via the Group Whistleblower Committee.

The Group Whistleblower Protection Policy is available in the Code of Conduct section at nab.com.au.

Anti-bribery and corruption policy

The Group is committed to preventing financial crime and takes a zero-tolerance approach to bribery and corruption. This is reflected in the Group's Anti-Bribery and Corruption (ABC) Policy and Framework as well as the Group's dedication to acting:

- Honestly, with integrity and upholding the highest ethical standards in its global activities.
- In compliance with all applicable anti-bribery and corruption laws in all jurisdictions in which the Group operates.

The prohibition against bribery and corruption in the ABC Policy applies to NAB's entities, colleagues and all agents, contractors and other third parties acting for or on behalf of the Group. The Group strictly prohibits bribery in any form (including facilitation payments). The ABC Policy includes additional requirements around gifts and entertainment involving government officials which require approvals regardless of value. The ABC Policy is supplemented by supporting procedures which define minimum standards for compliance with the ABC Policy. Material breaches of the ABC Policy are reported to the Board by the Group CRO. NAB is a Cornerstone Member of Transparency International Australia, a member of the Bribery Prevention Network and is a signatory to the UN Global Compact, pledging to work against corruption in all its forms.

The Group's ABC Policy is available in the Managing Financial Crime section at nab.com.au.

Group disclosure and external communication policy

The *Corporations Act 2001* (Cth) and the ASX Listing Rules require that, subject to certain exceptions, once NAB becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of NAB securities ('market sensitive information'), NAB will immediately disclose that information to the ASX and where applicable, to other relevant stock exchanges.

NAB manages compliance with its continuous disclosure obligations through its Group Disclosure and External Communications Policy and associated guidance notes. NAB's Disclosure Committee, comprised of senior executives, has primary responsibility regarding NAB's disclosure obligations. Potentially disclosable matters are promptly referred to the Disclosure Committee for assessment and determination. NAB operates a strict decision-making regime to enable it to monitor compliance with its disclosure obligations.

All members of the ELT are responsible for ensuring their teams adhere to the Policy and for liaising directly with the Group Executive, Customer & Corporate Services or the Chief Legal Officer, Corporate & Customer Divisions on any potentially disclosable matters. Routine administrative ASX announcements are made by the Group Company Secretary without reference to the Disclosure Committee.

Where appropriate, the Board is consulted on disclosures of utmost significance and all announcements of major matters require consideration and approval by the Board.

The Board receives copies of all material market announcements promptly after they have been made.

The Group Disclosure and External Communications Policy is available in the Corporate Governance section at nab.com.au/about-us/corporate governance.

Restrictions on trading in NAB securities

NAB's Group Securities Trading Policy and associated guidance notes explain the law and the policy for its colleagues to comply with when trading in NAB securities.

NAB has black-out periods prior to the release of the Group's financial results during which specified colleagues and their immediate family members and associates must not trade in NAB securities. In addition, ad hoc restrictions may be imposed on all, or individually identified, colleagues from time to time when there is a heightened risk of those colleagues coming into contact with market sensitive information.

All NAB colleagues (and in relation to members of key management personnel, their closely related parties) are prohibited from using derivatives or otherwise entering into hedging arrangements in relation to elements of their remuneration that are unvested or which have vested but remain subject to forfeiture conditions.

For more detail, refer to the *Remuneration Report*.

The Group Securities Trading Policy is available in the Corporate Governance section at nab.com.au/about-us/corporate governance.

Group political contributions policy

Since 2016, NAB has not made donations to any political party, parliamentarian, elected official or candidate for political office. Colleagues attend some paid events (e.g., business forums and associated events by major political parties) and payment for these events is disclosed as a political contribution to the Australian Electoral Commission in the interests of transparency. For detail on NAB's approach to engaging on public policy, including further information on political contributions, refer to the *Stakeholder Engagement* section on page 32.

NAB considers its Group Political Contributions Policy every two years. The Group Political Contributions Policy is available in the Corporate Governance section at nab.com.au/about-us/corporate governance.

Modern slavery and human trafficking statement

The Group provides an annual Modern Slavery and Human Trafficking Statement. From 2020, this statement has been pursuant to both the *Modern Slavery Act 2015* (UK) and the *Modern Slavery Act 2018* (Cth). Consideration of modern slavery is incorporated into the Group Human Rights Policy and relevant risk management practices and processes applicable to the Group's customer and third-party relationships. This includes: (i) management of sustainability risk (incorporating modern slavery and human trafficking risk), within the Group's material supply chain relationships; (ii) banker identification and reporting of potential modern slavery and human trafficking concerns and Financial Crime team monitoring and investigation of human impact crimes; and (iii) consideration of modern slavery and human trafficking risk in ESG risk assessments conducted as part of customer credit risk assessment and due diligence processes, where applicable.

The Group's Human Rights Policy is available in the Human rights approach section at nab.com.au/about-us/sustainability/reporting-policies-approach/human-rights-approach.

The Group's Modern Slavery and Human Trafficking Statement is available in the Sustainability performance and reporting section at nab.com.au/about-us/social-impact/modern-slavery-statement.

Assurance and control

For the Board to determine that the Group's financial statements and disclosures are complete and accurate, it reviews information provided by management. Independent and objective assurance is provided by the Group's external auditor, EY, on the audited Financial report.

External Audit

Throughout 2025, NAB's external auditor was EY. The Audit Committee is responsible for reviewing the appointment, evaluation, management and removal of the external auditor, and the approval of the external auditor's annual fees (subject to shareholder approval where required). The Audit Committee oversees EY's responsibilities and regularly meets with EY to review the adequacy of the external audit arrangements with emphasis on effectiveness, performance and independence. This includes an annual review of the external audit plan.

To foster open communication and to facilitate appropriate matters coming to the attention of the Audit Committee, the Group CEO, Group CFO, Deputy Group CFO, Group CRO, Group Executive, Customer & Corporate Services, Practice Group Head, Corporate Legal, Executive Internal Audit, and the lead External Audit Partner all have direct and unfettered access to the Audit Committee.

NAB does not employ or appoint to the Board, Group or any subsidiary board or management body, any current or former partner, principal, shareholder or professional employee of the external auditor or their family members, if to do so would impair the auditor's independence.

The Audit Committee has adopted a Group External Auditor Independence Policy that requires pre-approval of any services proposed to be provided by the external auditor to ensure that independence is maintained. The Audit Committee delegates authority to the Group CFO and Deputy Group CFO to approve services where the expected cost of the service is less than $200,000 (excluding local taxes). Services over $200,000 (excluding local taxes) require the approval by the Chair of the Audit Committee as the Audit Committee delegated authority. The exercise of any such delegation is reported to the Audit Committee at least biannually.

The Group External Auditor Independence Policy defines audit-related and taxation-related services and stipulates that certain services are entirely prohibited from being provided by the external auditor to ensure the independence of the external auditor is maintained. Non-audit services are permitted where the service meets auditor independence requirements with the approval by the Chair of the Audit Committee.

Unless the Audit Committee approves otherwise, fees paid for the provision of audit-related, taxation-related and non-audit services must not exceed fees paid for audit services in any year. Details of the services provided by the external auditor to the Group and the fees paid or payable for such services are set out in *Note 33 Remuneration of external auditor* in the Financial Report.

Legislation requires the rotation of the external audit senior personnel who are significantly involved in NAB's audit after five successive years, including the Lead Partner.

The external auditor attends the AGM and is available to answer shareholder questions regarding the conduct of the audit and the content of the audit report.

Periodic corporate reports

The Annual Report, Climate Report, Investor Presentations, Quarterly Trading Updates, Half Year Results, Full Year Results Management Discussion and Analysis and Pillar 3 Report form the suite of the Group's periodic corporate reports.

Each report is subject to the Group's risk management and internal control systems. Assurance over risk management and internal control systems is achieved through assessments of the effectiveness of controls.

The integrity of the Group's periodic corporate reports is underpinned by structures and processes within the Group functions that support areas of judgement, validation of information and the maintenance of proper records for all information.

The Group's reporting policies incorporate Australian and international regulatory, legislative and prudential requirements. The Group's Enterprise Reporting Assurance team verifies and checks information across the suite of the Group's periodic corporate reports. Group Executives and subject matter experts certify the information pertaining to their area of responsibility is materially complete and not materially misleading by statement or omission.

The level of external assurance provided on the suite of the Group's periodic corporate reports is disclosed by the external auditor in their reports presented in NAB's 2025 Annual Report and 2025 Climate Report.

Where there is no external assurance provided, management's assurance procedures are considered adequate by the Audit Committee for ensuring the Group's periodic corporate reports are materially accurate, balanced and provide investors with appropriate information to make informed decisions.

Internal Audit

The role of Internal Audit is to provide independent assurance on the adequacy and effectiveness of NAB's Risk Management Framework. Internal Audit forms the third line of risk accountability in NAB's Risk Management Framework.

The Executive, Internal Audit needs to be suitably qualified for the role.

A recommendation on the appointment, performance and dismissal of the Executive, Internal Audit is made by the Audit Committee to the Board. The Audit Committee monitors the activities and performance of Internal Audit and assesses whether it remains independent of management and is adequately resourced and funded.

Internal Audit has a direct reporting line to the Chair of the Audit Committee and informal reporting lines to the Group CEO and Group CFO. Internal Audit is also the custodian of the Group Whistleblower Protection Policy and Whistleblower Program as set out on page 69.

As well as reporting regularly to the Audit Committee, the Executive, Internal Audit provides regular reports to the Risk & Compliance Committee on risk and control matters and attends People & Remuneration Committee meetings to provide insights on conduct and culture matters. The Executive, Internal Audit also has direct and unfettered access to the Risk & Compliance Committee.

Both the External and Internal Audit functions have full and unrestricted access to all colleagues, records and systems as necessary to undertake their activities.

Compliance with ASX corporate governance recommendations

This statement has been approved by the Board of National Australia Bank Limited (Board) and is current as at 30 September 2025.

NAB's Appendix 4G (a checklist that cross references the disclosures in this Statement to the ASX Corporate Governance Principles and Recommendations) is available in the Corporate Governance section of nab.com.au.

Before publication of NAB's 2025 Annual Report, the Board received a joint declaration from the Group CEO and the Group CFO that:

- In their opinion the financial records of NAB have been properly maintained in accordance with the *Corporations Act 2001* (Cth).
- In their opinion the financial statements and notes comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group.
- Their opinion was formed based on a sound system of risk management and internal control which is operating effectively.

Risk management

Risk management overview

Risk includes the potential for harm and is an inherent part of our business. Managing it effectively and making risk management simple for colleagues to support our customers is crucial to NAB's success. The Risk Management Strategy articulates the Risk Management Framework.

Risk Management Framework

The Risk Management Framework (RMF) consists of systems, policies, processes, and colleagues within the Group to manage material risks.

Material risks are those that could have a material impact, either financial and/or non-financial, on the Group or on the interests of customers. The Group's material risks are categorised as: strategic risk, credit risk, market risk, sustainability risk, balance sheet and liquidity risk, operational risk, compliance risk and conduct risk.

The Group operates a 'Three Lines of Risk Accountability' model for risk management, emphasising that all three lines are accountable for managing risk, but with specific responsibilities across each line.

The role of each line is:

- **Line 1** – Each of NAB's business and enabling units own risks and obligations, and the controls and mitigation strategies that help manage them.
- **Line 2** – A functionally segregated Risk function develops risk management frameworks, defines risk boundaries, provides advice and objective review and challenge regarding the effectiveness of risk management within first line units 1, and executes specific risk management activities where a functional segregation of duties and/or specific risk capability is required.
- **Line 3** – An independent Internal Audit function, reporting to the Board, monitors the end-to-end effectiveness of risk management and compliance with the RMF.

Risk governance refers to the formal structure used to support risk-based decision-making, risk management review and challenge, and risk oversight across all Group's operations. This consists of Board committees and executive committees, delegations of authority for decision-making, management structures and reporting. The risk governance structure increases transparency and the sharing of insights, guidance and challenge to support each FAR Accountable Person[1] in their decision-making when discharging their individual accountabilities.

The Group CRO report highlights risk appetite tolerances, along with commentary on when triggers and limit thresholds are exceeded. It is discussed at each scheduled meeting of the Executive Risk & Compliance Committee, the Board Risk & Compliance Committee, and the Board. It is also provided to those bodies between scheduled meetings when it is timely or appropriate to do so.

The Group Risk Appetite Statement (RAS) is a key component of our RMF and articulates boundaries that are binding on the Group to ensure that we operate within acceptable levels of risk and in compliance with obligations and commitments.

The Risk Management Strategy (RMS) and RAS are approved annually by the Board each October and submitted to APRA. The Board also makes an annual Risk Management Declaration (RMD) to APRA for NAB in accordance with the requirements of APRA Prudential Standard CPS220 Risk Management. The RMD confirms that NAB has an RMF that is appropriate for the size, business mix and complexity of the Group, and which is consistent with the Group's strategic objectives and business plan.

Sustainability Risk Management

Sustainability-related risks are identified, measured, monitored, reported and overseen in accordance with the Group's RMS and RMF and reflected in the Group RAS and relevant supporting sectoral credit appetite strategies, sustainability risk-related policies and management practices. Executive management's Group Credit & Market Risk Committee oversees sustainability risk, which is defined as the risk that "*Environmental, Social or Governance (ESG) events or conditions negatively impact the risk and return profile, value or reputation of the Group or its customers and suppliers*" and includes climate, nature and human rights-related risk, as a significant part of the Group's exposure to these risks is through lending to customers.

The Group's climate change disclosures align with TCFD recommendations. In 2025, TCFD disclosures continue to be provided in NAB's 2025 Climate Report, alongside a summary in this Report on page 37.

The Group's modern slavery statement is available at nab.com.au/about-us/social-impact/modern-slavery-statement.

Updates on sustainability risk, including papers on environmental and social risks, are provided to the Executive Risk & Compliance Committee, Board Risk & Compliance Committee and Board as appropriate. Further information on the Group's material exposures to sustainability-related risks is set out in *'Disclosure on risk factors'*. Further details on how the Group manages risks presented by climate change within its Risk Management Framework can be found in NAB's 2025 Climate Report.

(1) For the purposes of FAR, NAB has registered certain individuals (the directors, Group Executives, Executive Internal Audit and Executive Group Money Laundering Reporting Officer) as 'Accountable Persons' with APRA and ASIC.

Risk factors

Disclosure on risk factors

Risks specific to the Group

Set out below are the principal risks and uncertainties associated with the Company and its controlled entities (Group). It is not possible to determine the likelihood of these risks occurring with any certainty.

However, the risk in each category that the Company considers most material is listed first, based on the information known by the Company at the date of this Report, the Company's best assessment of the likelihood of each risk occurring and the potential negative impact to the Group should the relevant risk materialise. If one or more of these risks materialises, the Group's reputation, strategy, business, operations, financial condition, and future performance could be materially and adversely impacted.

The Group's Risk Management Framework and internal controls may not be adequate or effective in accurately identifying, evaluating, or addressing risks faced by the Group. There may be other risks that are unknown or deemed immaterial, but which may subsequently become known or material. These may, individually or in aggregate, adversely impact the Group. Accordingly, no assurances or guarantees of future performance, profitability, distributions or returns of capital are given by the Group.

Strategic risk

Strategic risk is the risk to earnings, capital, liquidity, funding, or reputation arising from an inadequate response to changes in the external environment and the risk of failing to properly consider downstream impacts and achieve effective outcomes when executing material change programs.

Strategic initiatives may fail to be executed, may not deliver all anticipated benefits, or may otherwise change the Group's risk profile.

The Group invests significant financial, human and technology resources in the execution of initiatives that are aligned to its agreed strategy. These initiatives focus on a broad range of areas including customers, technology, security, resilience, business improvement, scenario planning, culture and employees, regulatory compliance, and Environmental, Social and Governance (ESG) matters and related process and control changes. Many of these initiatives have, or may in the future have, dependencies on external suppliers, partners, or other factors outside the Group's control. There is a risk that these initiatives may not realise some or all their anticipated benefits and outcomes, or they could lead to conflicts between customer expectations and the need to comply with regulatory or legislative requirements. These initiatives may also increase operational, compliance, strategic and other risks, which may not be appropriately assessed or controlled.

Any failure by the Group to deliver in accordance with its strategy, or to execute delivery of strategic initiatives effectively, may result in material losses to the Group, reputational damage, breaches of law or obligations, or a failure to achieve anticipated benefits, and ultimately may materially and adversely impact the Group's operations, financial performance, and financial position.

The Group faces a continually changing external environment.

The Group operates in a dynamic and uncertain macro-economic environment influenced by a number of factors, including geopolitical events, macro policy events, fiscal policy events, and governments responding to cost of living pressures through various sector-based policies. Elevated uncertainty and a changing macro-economic and political environment may require the Group to change certain business practices, such as with respect to supplier dependency, inventory management and customer exposures, or strategic initiatives, which may increase the Group's costs or adversely affect its financial performance.

There is substantial competition across the markets in which the Group operates. The Group faces competition from traditional financial services providers, online banks, and other parties, including foreign banks and non-bank competitors, such as private credit funds, asset managers, superannuation funds, pension funds, family offices, insurance companies, mutual funds, hedge funds, securities brokerage firms, financial technology companies, digital platforms and large global technology companies. Some competitors have lower costs, or operating or business models, technology platforms or products that differ from, or are more competitive than, the Group's. Additionally, some competitors are subject to less regulatory oversight.

Competition for customers and the industry's increasing use of brokers may lead to a reduction in profit margins and/or a loss of market share and risks the disintermediation of customer relationships. Intense competition increases the risk of additional price pressure, especially in commoditised lines of business, such as mortgages, where the providers with the lowest unit cost may gain market share and industry profit pools may be eroded. Such factors may ultimately impact the Group's financial performance and position, profitability and returns to investors.

Evolving industry trends, technological changes, the increasing adoption of AI, and geopolitical and environmental factors have impacted, and may continue to impact, customer and other stakeholder needs and preferences along with shareholder expectations. Changes may occur suddenly, and the Group may not predict these changes accurately or quickly enough or have the resources and flexibility to adapt in sufficient time to meet the needs and preferences of customers and other stakeholders and to keep pace with competitors. These risks are heightened in the current context in which technology, including its impacts on the financial services industry, continues to evolve at a rapid pace. Additionally, it may not be possible for the Group to meet the expectations of stakeholders regarding certain trends or factors when there are opposing expectations between different stakeholders.

Recent trends that may impact the Group include:

- The rapid development and deployment of AI capabilities, including generative and agentic AI, which continue to be a key strategic consideration for the Group and for customers. Inadequate or lack of adoption of AI within business processes or customer propositions could pose a strategic disadvantage to the Group relative to its competitors who deploy AI tools successfully and could result in unwanted financial and non-financial consequences for the Group. In addition, the pace and nuance of AI innovation means that risks may emerge, which could materially impact the Group. The deployment of AI technologies may also amplify existing risks across other risk categories, particularly if new applications are introduced without adequate safeguards for privacy, consumer protection, or discrimination, or without effective controls, governance, employee or risk management capability.
- Lending to assist customers in achieving their ESG-related performance objectives. Sustainable finance taxonomies are being implemented in a range of jurisdictions in

which the Group operates (e.g., Australia, Europe, Japan and Singapore), with some variation in the definitions for assessing whether activities are 'green' or 'sustainable'. This creates a complex environment which may lead to greenwashing risks due to differences in interpretation.

- The evolving and increasingly complex payments landscape, including the increasing use of digital payments, new payments infrastructures and emerging technology (including continued consumer and institutional adoption of stablecoin, cryptocurrencies, and other digital assets), and the shift away from traditional payment methods.
- The continued implementation of the Consumer Data Right (CDR) in the Australian banking sector. The CDR seeks to increase competition and innovation between service providers by mandating and standardising the sharing of certain consumer and business customer data and data relating to their products and services. Where large global technology companies choose to participate in the CDR, there is potential for these companies to access more data which may increase their competitiveness including in other sectors, such as financial services.

Risks may arise from pursuing acquisitions and divestments.

The Group regularly considers a range of corporate opportunities, including acquisitions, divestments, joint ventures, and investments.

The pursuit of corporate opportunities inherently involves transaction risks, including the risk that the Group overvalues an acquisition or investment, or undervalues a divestment, as well as exposure to reputational damage or regulatory intervention. The Group may encounter difficulties in integrating or separating businesses, including failure to realise expected synergies, disruption to operations, diversion of management resources, or higher than expected costs. These risks and difficulties may ultimately have an adverse impact on the Group's financial performance and position. The Group may incur unexpected financial losses following an acquisition, joint venture, or investment if the business it invests in does not perform as planned, if customers, employees and supplier relationships are not retained as expected or if the business causes unanticipated changes to the Group's risk profile.

The Group may also have ongoing exposures to divested businesses, including through a residual shareholding, the provision of continued services and infrastructure, or an agreement to retain certain liabilities of the divested businesses through covenants, warranties, indemnities and other ongoing contractual protections to the acquirer. The Group may also continue to have exposure to a counterparty in relation to a prior acquisition, or a divested business following completion. For example, following the Company's acquisition of Citigroup's Australian consumer business in June 2022, the Group continues to rely on Citigroup's technology infrastructure for certain transitional services, while in connection with the Company's sale of its advice, platforms, superannuation and investments and asset management businesses to IOOF Holdings in May 2021, now named Insignia Financial, the Company provided Insignia Financial with indemnities relating to certain pre-completion matters. These ongoing exposures may have an adverse impact on the Group's business and financial performance.

Credit risk

Credit risk is the risk that a customer will fail to meet their obligations to the Group in accordance with agreed terms. Credit risk arises from both the Group's lending activities and markets and trading activities.

Adverse business conditions and ongoing economic headwinds across Australia and NZ may result in deterioration in the Group's credit risk profile in the short-to-medium term through accelerated increases in defaulted loans.

Adverse business conditions, including supply chain disruptions, labour constraints and rising input costs (including from volatile commodity and energy prices) may lead to increased strain across sectors such as construction, wholesale trade and manufacturing. In parallel, sectors sensitive to discretionary consumer spending such as retail trade, tourism, hospitality and personal services are particularly exposed to shifts in consumer confidence and behaviour resulting from rising household financial pressures. In Australia, adverse business and macroeconomic conditions and technological change may trigger an increase in unemployment rates whereas in NZ, these dynamics may reinforce and sustain the already elevated levels of unemployment.

Overall, the interplay of restrained productivity and challenging business conditions may increase credit risk and amplify the financial vulnerability of both households and businesses, leading to increased instances of bankruptcies, business failures and unemployment. These dynamics could lead to higher rates of credit losses for the Group and reduced demand for the Group's products.

Downturn in global macro-economic conditions may impact negatively on the Group's credit performance.

The Group has operations primarily in Australia and NZ, and also across Asia, the United Kingdom (UK), Europe and the United States. Levels of borrowing are heavily dependent on customer confidence, employment trends, market interest rates, and other economic, business and financial market conditions and forecasts. Pressures on the global economy impacting on business conditions and potential structural changes in financial markets therefore pose a heightened level of credit risk for the Group.

Political fragmentation and protectionist policies in some major economies have disrupted, and may continue to disrupt, global trade activity. Tariff regimes and retaliatory measures have intensified trade tensions, changing trade flows and increasing uncertainty. Further imposition of, or changes to levels of, tariffs or retaliatory trade restrictions remain uncertain and may impact general economic conditions including gross domestic product, business and consumer confidence and consumer discretionary spending, which could ultimately result in adverse outcomes for the Group's customers. As export-oriented economies, Australia and NZ are exposed to these disruptions. Customers engaged in global trade, commodity markets, and foreign exchange are also at risk, increasing the likelihood of credit losses for the Group.

China is a key trading partner for Australia and NZ, with both countries' export income materially exposed to developments in China's economic growth and trade policy settings. Structural challenges in China's economy - including prolonged weakness in domestic consumption, a multi-year deleveraging of the property sector, and ongoing trade tensions with major economies such as the European Union and the United States - continue to present risks to global trade flows. Given the concentration of Australian and NZ exports in agriculture and commodities, adverse developments in China's economic conditions may have a disproportionate impact on these sectors. The Group has a significant lending exposure to the agricultural sectors in Australia and NZ, and sustained economic headwinds in China may result in increased financial stress among affected customers, leading to elevated credit risk and higher default rates.

Elevated geopolitical tensions may adversely affect the Group and further heighten credit risk.

Geopolitical instability continues to affect the Group's customers:

- Armed conflicts in Russia-Ukraine and the Middle East can disrupt supply chains, posing risks to commodity prices and increasing financial market volatility. These pressures could reduce household and business resilience and increase credit risk.
- Strategic tensions in the Asia-Pacific region, particularly involving the United States, China, and regional alliances, are escalating. Australia's participation in security arrangements, such as the trilateral security partnership with the UK and the United States (AUKUS), increases the risk of trade restrictions from China, directly impacting its export sectors and the Group's customer base.
- Disruptions to global trade routes and policies raise the risk of ongoing supply chain issues and possibly slower global economic growth, with direct consequences for the Group's customers' operations and credit performance.

These risks are expected to persist, with potential implications for the Group's credit exposure and financial performance. Broader economic conditions across Australia and NZ may also be impacted, elevating the risk of more widespread credit losses.

A decline in property market valuations may give rise to higher losses on defaulting loans.

Residential housing loans and commercial real estate (CRE) loans in Australia and NZ constitute a material component of the Group's total gross loans and acceptances. As a result, the Group has elevated credit risk exposure to those markets.

Residential and commercial property markets in Australia and NZ are subject to cyclical fluctuations influenced by interest rate movements, economic conditions, and structural changes in demand and supply. Variations in property prices, particularly in major cities such as Melbourne, Sydney, and Auckland, can impact the value of collateral held against loans. The CRE sector continues to experience divergent trends, with some segments benefiting from demand shifts while others undergo structural adjustment.

When the value of residential or commercial property used as collateral (including in business lending) reduces below the value of the loan, the Group is exposed to losses in the event of any customer default. The most significant impact in the event of default is likely to come from residential mortgage or CRE customers in high loan-to-value-ratio brackets. This may, in turn, impact the Group's financial performance and position and returns to investors.

Challenging conditions in the Australian and NZ agricultural sectors, may lead to rising customer defaults.

The Group has a large market share among lenders to the Australian and NZ agricultural sectors. These sectors may be negatively impacted by several factors, including:

- Vulnerability to labour constraints
- Trade restrictions and tariffs
- Volatility in commodity prices (particularly agricultural product prices)
- Foreign exchange rate movements
- Changes in consumer preferences and market access
- Disease and introduction of pathogens and pests
- Export and quarantine restrictions
- Supply chain constraints and increasing supply chain producer responsibility, traceability, and transparency requirements
- Extreme weather events (including substantial rainfall, drought, or bushfires)
- Expectations related to the management of nature-related risks such as declining soil health and deforestation, including both the environmental impacts and potential exposure from any illegal deforestation.

These factors may result in increased losses to the Group from customer defaults and ultimately may have an adverse impact on the Group's financial performance and position.

Market risk

Market risk is the risk that the Group may suffer losses as a result of a change in the value of the Group's positions in financial instruments, bank assets and liabilities, or their hedges and valuation adjustments, due to adverse movements in market prices. Adverse price movements impacting the Group may occur in credit spreads, interest rates, foreign exchange rates, and commodity prices, particularly during periods of heightened market volatility or reduced liquidity. Market conditions remain volatile in response to an uncertain economic environment and elevated geopolitical risk.

The occurrence of any event giving rise to material market risk losses may have a negative impact on the Group's financial performance and position.

The Group is exposed to credit spread risk.

Credit spread risk is the risk that the Group may suffer losses from adverse movements in credit spreads, including increases in credit spreads resulting from financial markets instability. This is a significant risk in the Group's trading and banking books.

The Group's trading book is exposed to credit risk movements in the value of securities and derivatives as a result of changes in the perceived credit quality of the underlying company or issuer. Credit spread risk accumulates in the Group's trading book when it provides risk transfer services to customers seeking to buy or sell fixed income securities (such as corporate bonds and residential mortgage-backed securities). The Group may also be exposed to credit spread risk when holding an inventory of fixed income securities in anticipation of customer demand or undertaking market-making activity (i.e., quoting buy and sell prices to customers) in fixed income securities. The Group's trading book is also exposed to credit spread risk through credit valuation adjustments. A widening of credit spreads could negatively impact the value of the credit valuation adjustments.

The Group's banking book houses high-quality liquid assets which form the majority of the Group's liquidity portfolio required for managing the Group's liquidity risk. The Group is subject to credit spread risk through changes in spreads on its holdings of semi-government bonds. During periods of adverse credit spread movements, these positions can give rise to material volatility within the Group's treasury portfolio which is captured either in profit and loss or reserves. Positions in residential mortgage-backed securities that arise through the Group's warehousing, underwriting, and syndication operations also form part of the banking book and are exposed to changes in credit spreads.

The Group is exposed to interest rate risk.

The Group's financial performance and capital position are impacted by changes in interest rates.

The Group's trading book is exposed to changes in the value of securities and derivatives as a result of changes in interest rates. The Group's trading book accumulates interest rate risk when the Group provides interest rate hedging solutions for customers, holds interest rate risk in anticipation of customer requirements, or undertakes market-making activity in fixed income securities or interest rate derivatives.

Balance sheet and off-balance sheet items can create an interest rate risk exposure within the Group. As interest rates and yield curves change over time, the Group may be exposed to a loss in earnings and economic value due to the interest rate profile of its balance sheet. Such exposure may arise from a mismatch between the maturity profile of the Group's lending portfolio compared to its deposit portfolio (and other funding sources), as well as the extent to which lending and deposit products can be repriced should interest rates change, thereby impacting the Group's net interest margin.

The Group is exposed to foreign exchange risk.

Foreign exchange risks exist in the Group's trading and banking books.

Foreign exchange and translation risks arise from the impact of currency movements on the value of the Group's positions in financial instruments, profits and losses, and assets and liabilities due to participation in global financial markets and international operations.

The Group's ownership structure includes investment in overseas subsidiaries and associates which gives rise to foreign currency exposures, including through the repatriation of capital and dividends. The Group's businesses may therefore be affected by a change in currency exchange rates, and movements in the mark-to-market valuation of derivatives and hedging contracts.

The Group's financial statements are prepared and presented in Australian dollars unless otherwise stated, and any adverse fluctuations in the Australian dollar against other currencies in which the Group invests or transacts, and generates profits (or incurs losses), may adversely impact its financial performance and position.

The Group is exposed to market risk should it be unable to sell down its underwriting risk.

As financial intermediaries, members of the Group underwrite or guarantee different types of transactions, risks and outcomes, including the placement of listed and unlisted debt, equity-linked and equity securities. The underwriting obligation or guarantee may be over the pricing and placement of these securities, and the Group may therefore be exposed to potential losses, which may be significant if it fails to sell down some or all of this risk to other market participants.

Capital, funding and liquidity risk

The Group is exposed to funding and liquidity risk.

Liquidity risk is the risk that the Group is unable to meet its financial obligations as they fall due. These obligations include the repayment of deposits on demand or at their contractual maturity, the repayment of wholesale borrowings and loan capital as they mature, the payment of interest on borrowings and the payment of operational expenses and taxes. The Group must also comply with prudential and regulatory liquidity obligations across the jurisdictions in which it operates. A significant deterioration in the Group's liquidity position for any reason may lead to an increase in the Group's funding costs, constrain the volume of new lending, or cause the Group to breach its prudential or regulatory liquidity obligations. This may adversely impact the Group's reputation and financial performance and position.

Funding risk is the risk that the Group is unable to raise short- and long-term funding to support its ongoing operations, regulatory requirements, strategic plans, and objectives. The Group accesses domestic and global capital markets to help fund its business, along with using customer deposits. A significant deterioration in the Group's ability to access these markets or of lenders to provide funding may adversely impact the Group's reputation, financial performance and position. The Group relies on offshore wholesale funding to support its funding and liquidity position. Periods of heightened market volatility and geopolitical factors may limit the Group's access to this funding source. Disruption in the global capital markets, reduced investor interest in the Group's securities for any reason and/or reduced customer deposits, may adversely affect the Group's funding and liquidity position. This may increase the cost of obtaining funds, reduce the tenor or volume of available funds, impose unfavourable terms on the Group's access to funds, constrain the volume of new lending, or adversely affect the Group's financial position.

The Group's capital position may be impacted by prudential requirements and the Group may face challenges in managing its capital position.

Capital risk is the risk that the Group does not hold an adequate level or composition of capital and reserves to capitalise on strategic opportunities, sustain day-to-day banking services, or protect against unexpected losses. Capital is the cornerstone of the Group's financial strength. It supports the Group's operations by providing a buffer to absorb unanticipated losses from its activities.

The Group must comply with prudential requirements in relation to capital across the jurisdictions in which it operates. Compliance with these requirements, and any further changes to these requirements may:

- Limit the Group's ability to manage capital across the entities within the Group.
- Limit payment of dividends or distributions on shares and hybrid instruments.
- Require the Group to raise more capital (in an absolute sense) or raise more capital of higher quality.
- Restrict balance sheet growth.

The Group's capital ratios may be impacted by several factors including earnings, asset growth and quality, movements in the Group's risk weighted assets (RWA), changes in the value of the Australian dollar against other currencies to which the Group has exposures, changes in business strategy or risk appetite, and changes in regulatory requirements.

Key regulatory developments in the Australian and NZ regulatory capital frameworks include:

- Loss-Absorbing Capacity for Domestic Systemically Important Banks by the Australian Prudential Regulation Authority (APRA), which are being phased in. An interim increase in total capital requirements of 3% of RWA took effect from 1 January 2024, with a further incremental increase of 1.5% of RWA to apply from 1 January 2026. These requirements are expected to be met primarily through Tier 2 Capital issuance, which carries a higher cost relative to senior debt.
- Reform of Additional Tier 1 (AT1) capital instruments by APRA, aimed at simplifying capital structures and enhancing crisis

preparedness. For advanced banks, including the Group, the changes will replace 1.5% AT1 Capital with a combination of 0.25% Common Equity Tier 1 and 1.25% Tier 2 Capital from 1 January 2027. These changes may affect the Group's capital mix, credit ratings, and cost of funds.

- Capital reforms in NZ, where the Reserve Bank of New Zealand is carrying out a review of key capital settings for deposit takers. The outcome of this review may have implications for the level and composition of capital Bank of New Zealand (BNZ) and the Group are required to hold.

If the information or the assumptions upon which the Group's capital requirements are assessed prove to be inaccurate, this may adversely impact the Group's operations, financial performance and financial position.

A downgrade in the Group's credit ratings or outlook may adversely impact the Group's cost of funds and capital market access.

Credit ratings are an assessment of a borrower's creditworthiness and may be used by market participants in evaluating the Group and its products, services and securities. Credit rating agencies conduct ongoing review activities, which can result in changes to credit rating settings and outlooks for the Group, or credit ratings of sovereign jurisdictions where the Group conducts business. Credit ratings may be affected by operational and other market factors (e.g. ESG-related factors), or changes in any credit rating agency's rating methodologies.

A downgrade in the credit ratings or outlook of the Group, the Group's securities, or the sovereign rating of one or more of the countries in which the Group operates may increase the Group's cost of funds or limit its access to capital markets. This may also cause a deterioration of the Group's liquidity position and trigger additional collateral requirements in derivative contracts and other secured funding arrangements. A downgrade to the Group's credit ratings relative to its peers may also adversely impact the Group's competitive position and financial performance and position.

Technology and information security risk

Technology and information security risk relates to the risks arising from the inappropriate use, management, and protection of technology and information assets. Collectively, these risks can impact the confidentiality, integrity, and availability of information and technology systems, and may result in operational disruption, financial loss, reputational damage, or regulatory penalties.

Privacy, information security and data breaches may adversely impact the Group's reputation and operations.

The Group collects, processes, stores, and transmits large amounts of personal and confidential information through its people, internal technology systems and networks and through the technology systems and networks of its external service providers, including a limited number of cloud service providers. This interconnected and complex environment heightens the Group's vulnerability to information security risks. Threats to information security are constantly evolving, including through the use of emerging technologies, such as advanced forms of AI, quantum computing and increasingly sophisticated techniques used to perpetrate fraud, scams and cyber-attacks. In addition, the number, nature, and resources of adverse actors that could pose a cyber threat to the Group are growing, including individual cybercriminals, criminal or terrorist syndicate networks and large sophisticated foreign governments with significant resources and capabilities.

There is a risk that the Group's efforts to maintain and improve its technology systems, networks and information security policies, procedures and controls may not be adequate or adequately prioritised to address these threats. Remediation of weaknesses is sometimes difficult to complete in a timely manner due to the complex technology environment including that of the Group's external service providers and the rapidly evolving nature of the threats, which leads to the continuing emergence of new vulnerabilities. As cyber threats continue to evolve, the Group may be required to expend significant additional resources to modify or enhance its layers of defence or to investigate or remediate any information security vulnerabilities.

The Group may also not always be able to anticipate a security threat, or be able to implement effective information security policies, procedures, and controls to prevent or minimise the resulting damage. A successful cyber-attack could persist for an extended period before being detected and, following detection, it could take considerable time for the Group to obtain full and reliable information about the cybersecurity incident and the extent, amount and type of information compromised. During an investigation, the Group may not necessarily know the full effects of the incident or how to remediate it, and actions and decisions that are taken or made to mitigate risk may further increase the costs and other negative consequences of the incident. Moreover, the Group may be required to disclose information about a cybersecurity event before it has been resolved or fully investigated.

The Group may also inadvertently retain information, which is not specifically required or permitted by legislation, thus increasing the impact of a potential data breach or non-compliance. Additionally, the Group uses select external providers (in Australia and overseas) to process and store confidential data and to develop and provide its technology services, including the use of cloud infrastructure. The Group is limited in its ability to monitor and control the security protocols that service providers implement on a day-to-day basis. Control failures by these providers may expose the Group and the data it stores to loss of confidentiality, integrity or availability.

The Group may also submit confidential information to its key regulators under a legal obligation or as part of regulatory reporting that is stored and processed by the regulators. The Group is limited in its ability to monitor and control the security protocols implemented by the regulators.

A breach of security within the Group, or at any of these external providers or regulators may result in operational disruption, theft or loss of information, a breach of privacy laws, regulatory enforcement actions, civil penalties, customer or employee redress, litigation, financial losses, or loss of market share or property. This may be wholly or partially beyond the control of the Group and may adversely impact its financial performance and position. For example, some large Australian organisations have experienced significant cyber-attacks in recent years leading to intense public reactions and increased political and regulatory focus.

Disruption to technology and services may adversely impact the Group's reputation and operations.

Many of the Group's operations depend on technology and external service providers including financial market infrastructure such as systemically important payment systems, central counterparties and securities settlement facilities. Therefore, the financial strength, reliability, resilience, security, and performance of the Group's and its external service providers' information technology systems, processes and infrastructure are essential to the effective operation of the Group's business and consequently to its financial performance and position. The reliability, security and resilience of the Group's technology and services have been, and may be, impacted by the complex technology environment, and selection of, concentration of, and reliance on, suppliers, including cloud service providers, as well as by failure to keep technology systems up to date, and an inability to restore or recover systems and data in acceptable timeframes as a consequence of severe but plausible technological disruptions to the Group or its external service providers.

The rapid evolution of technology in the financial services industry and the increased expectations of customers for internet and mobile services on demand expose the Group to a range of operational risks. Any disruption to the Group's technology, critical operations or services, or those of its external service providers, may be wholly or partially beyond the Group's control and may result in operational disruption, regulatory enforcement actions, customer redress, litigation, financial losses, theft or loss of information or loss of market share or property, or may adversely impact the Group's speed and agility in the delivery of change and innovation.

In addition, any such disruption may adversely affect the trust that internal and external stakeholders have in the Group's ability to protect key information (such as customer and employee records) and infrastructure. This may in turn affect the Group's reputation, which may result in loss of customers, a reduction in share price, ratings downgrades, and regulatory censure or penalties.

Operational execution risk

Operational execution risk is the risk of loss or disruption to the Group's ability to deliver business services resulting from vulnerabilities or failures in the operational ecosystem of processes, external service providers, models and people.

Complexity of processes, external service providers and models gives rise to a significant risk to the Group's operations.

The Group's business involves the execution of many processes and transactions with varying degrees of complexity. The Group is reliant on its policies, processes, controls, and infrastructure working as intended, and on external service providers effectively managing their own risks and delivering required services to the Group. The complexity of these processes is heightened by the Group's operations across multiple jurisdictions. Failures in design, execution, oversight, or system availability, including in respect of new technologies such as AI, can significantly impact the Group's operations, commitments to customers, financial performance and reputation and result in regulatory censure, enforcement or penalties.

Models are used extensively in the conduct of the Group's business, for example, in calculating capital requirements or customer compensation payments, and in measuring and stress testing exposures. If the models used prove to be inadequate, or are based on incorrect or invalid assumptions, judgements, or inputs, this may adversely affect the Group's customers and the Group's financial performance and position. In particular, the Group's use of AI and machine learning technologies is subject to risks that algorithms and datasets are flawed or may be insufficient. This could result in inaccurate or ineffective decisions, predictions or analyses, and give rise to potential ethical and social risks associated with its use (e.g., unintended discrimination, bias and disinformation). In addition, if the Group was found to have infringed or misappropriated a third-party patent or other intellectual property right (including where the Group or an external service provider has used generative AI outputs based on data for which the generative model did not have consent), the Group could, in some circumstances, be prohibited from providing certain products or services to its customers or from utilising and benefiting from certain methods, processes, copyrights, trademarks, trade secrets, or licences.

The Group is exposed to the risk of human error.

The Group's services, processes, controls and decisions rely on appropriate actions and inputs from its employees, agents, and external service providers. The Group is exposed to operational risk due to human error in the performance of any of these tasks that could lead to adverse impacts to the Group, including direct financial loss, loss of customer, employee or commercially sensitive data, regulatory penalties, and reputational damage.

The Group may not be able to attract, remunerate and retain suitable talent.

The Group is dependent on its ability to attract and retain key executives, employees and Board members with a deep understanding of banking and technology, who are capable of executing and governing the Group's strategy, including the technology transformation required to meet the changing needs of its customers. Equally, the Group is dependent on its ability to attract and retain key executives and employees with a deep understanding of technical skillsets necessary to address key operational and related compliance risks facing the Group.

Potential weaknesses in employment practices, including diversity, anti-discrimination, workplace flexibility, payroll management and compliance, workplace health and safety and employee wellbeing, together with a competitive labour market for critical skills, are sources of operational risk that can impact the Group's ability to attract and retain qualified personnel with the requisite knowledge, skills and capability. Psychosocial risk (including relating to workplace factors such as customer aggression, workload issues or poor change management) is an area of increasing regulatory scrutiny and reputational risk and may adversely impact the Group's ability to attract and retain talent.

The Group's capacity to attract and retain key talent also depends on its ability to adequately and appropriately respond to changes (internal or external) as well as design and implement effective remuneration and talent structures. This may be constrained by several factors, including significant applicable regulatory requirements.

The market for key executives, employees and Board members with the skills required by the Group is highly competitive, both domestically and offshore, particularly as the Group continues to expand its offshore workforce. The unexpected departure of key personnel or challenges in attracting suitably qualified individuals may adversely affect the Group's operational effectiveness, strategic execution, and stakeholder confidence. These talent-related risks may also extend to external service providers, including offshore vendors, who may be facing similar workforce constraints.

External events may adversely impact the Group's processes, people and material service providers.

The Group has branches and office buildings across Australia, NZ, and a range of locations in Asia, Europe, and United States. It has dependency on material service providers located globally. These locations may be impacted by climatic, biological, political, geopolitical or geological events such as flooding, epidemics, earthquakes, terrorism, armed conflict and government policies. Such events may have a material impact on the Group's operations, for example, through interruption of global supply chains, availability of talent, property damage, business disruption and the security and continuity of the Group's operations. In addition, if the Group is unable to manage the impacts of such external events, it may compromise the Group's ability to provide a safe workplace for its personnel and/or lead to reputational damage.

Financial crime and fraud risk

Financial crime risk, including fraud risk, is the risk of deliberate or opportunistic acts intended to deceive, misappropriate assets, or circumvent legal, regulatory, and policy-based requirements designed to prevent, detect, and respond to criminal misuse of the financial system. This includes internal and external threats such as money laundering, terrorist financing, proliferation financing, bribery and corruption, sanctions violations and fraud (including scams) targeting the Group, its customers, or its systems.

The Group may be exposed to bribery, corruption or financial crime through its products, services, or operations, or may be involved in a breach or alleged breach of financial crime laws, regulations, or internal policies.

The Group may experience significant financial loss and reputational harm as a result of criminal misuse of the financial system, and may also be subject to increased regulatory scrutiny, enforcement actions, and penalties where controls are non-existent or ineffective.

The Group is subject to evolving anti-money laundering and counter-terrorism financing (AML/CTF), anti-bribery and corruption (ABC) and financial sanctions requirements across the jurisdictions in which it operates, and supervision, regulation and enforcement have increased in recent years. As a bank engaged in global finance and trade, the Group operates under AML/CTF, ABC and financial sanctions laws across multiple jurisdictions. Undetected failure of internal controls, or the ineffective remediation of compliance issues could lead to potentially significant monetary and regulatory penalties, which may adversely impact the Group's reputation, financial performance, and position. The risks of sanctions violations are increased in the context of additional, wide ranging economic sanctions and export controls imposed as a result of the Russia-Ukraine conflict. This includes rising expectations from regulators concerning export control due diligence by financial institutions and an unprecedented rate of new designations/listings by global regulators, as well as the continued attempts by those subject to sanctions to evade and circumvent their impact.

The Australian Anti-Money Laundering and Counter-Terrorism Financing Amendment Act 2024 received Royal Assent on 10 December 2024, with new requirements coming into effect in phases across 2025 and 2026. The amended law expressly requires reporting entities to consider proliferation financing risks as well as money laundering and terrorism financing risks. The changes include regulation of additional sectors, such as lawyers, conveyancers, accountants, and real estate professionals, some of whom will be customers of the Group.

In April 2022, the Company entered into an Enforceable Undertaking with the Australian Transaction Reports and Analysis Centre (AUSTRAC) in relation to the Company's compliance with Australia's AML/CTF laws. On 25 July 2025, the AUSTRAC CEO confirmed that AUSTRAC has cancelled the Company's Enforceable Undertaking.

The Group continues to investigate and remediate specific known AML/CTF compliance issues and is taking measures that aim to improve its AML/CTF systems, processes and controls. As this work progresses, further compliance issues may be identified and reported to AUSTRAC or equivalent foreign regulators, and additional uplifting and strengthening of the Group's systems and processes may be required. A negative outcome to any investigation or remediation process may adversely impact the Group's customers, reputation, business operations, financial position, and results. Refer to *Note 30 Commitments and contingent liabilities* in *Notes to the financial statements* on pages 218 to 220 for details in relation to AML/CTF compliance.

The Group is exposed to increasing risks associated with fraud and scams.

Fraud and scams continue to create significant challenges for the financial services industry and its customers. These criminal acts are often perpetrated by sophisticated criminal networks and include the exploitation of banking products, telecommunications services and digital platforms, particularly social media.

The Group is exposed to the risks associated with fraud and scams through its interactions with customers, service providers and internally. Fraud and scams may expose the Group to financial loss, reputational damage, and adverse regulatory action. In some cases, the Group may be held liable for losses incurred by customers. These risks may adversely impact the Group's financial performance and position and may also erode customer trust and confidence.

Legislation has been enacted in Australia establishing a Scams Prevention Framework (SPF) capturing designated entities comprising the banking, telecommunications and digital platform industries. The SPF includes governance obligations, principles and requirements for internal and external dispute resolution with binding determinations of liability.

Sustainability risk

Sustainability risk is the risk that ESG-related events or conditions arise that could negatively impact the sustainability, resilience, risk and return profile, value, or reputation of the Group or its customers and suppliers.

Physical and transition risks arising from climate change, other environmental impacts and nature-related risks may lead to increasing customer defaults and decrease the value of collateral.

Extreme weather, increasing weather volatility, and longer-term changes in climatic conditions, as well as environmental impacts such as land contamination and other nature-related risks such as deforestation, biodiversity loss and ecosystem degradation, may affect water security and property and asset values or cause customer losses due to damage, crop losses, existing land use ceasing to be viable, and/or interruptions to, or impacts on, business operations, supply chains or market access. Australia and NZ have experienced severe weather events, including drought conditions, heat waves, bushfires, cyclones and floods, in recent years, and may continue to be affected by extreme weather events. The rising severity and prevalence of these events pose a future risk to the credit portfolio.

The impact of climate and nature-related risks such as biodiversity loss and ecosystem degradation can take time to be fully realised and can be widespread, extending beyond households, businesses, and primary producers in highly impacted areas, to supply chains in other cities and towns relying on agricultural and other products from within these areas. The impact of these losses on the Group may be exacerbated by a decline in the value and liquidity of assets held as collateral and the extent to which these assets are insured or insurable and affordable, which may impact the Group's ability to recover its funds when loans default.

Climate-related transition risks are increasing as economies, governments, and companies seek to transition to low-carbon and renewable alternatives and adapt to climate change. Together with changes in energy costs, market access and other forms of transition risk, these risks may result in increased losses from customer defaults or decreased valuations. Some of the Group's customers and external service providers may be adversely impacted.

Decreasing investor appetite and customer demand for carbon intensive products and services, emerging requirements of sustainable finance taxonomies, increasing climate-related litigation and changing regulations and government policies designed to mitigate environmental impacts such as climate change, may adversely impact the Group's customers or products or services that serve those customers. Furthermore, management of transition risk is made more challenging due to the presence of social risks such as modern slavery in relevant supply chains (e.g., input materials and equipment required to support the low carbon transition).

These risks may increase expected and actual levels of customer defaults in the short, medium and long term, thereby increasing the credit risk facing the Group and adversely impacting the Group's financial performance and position, profitability and returns to investors.

The impacts associated with climate change-related legislative and regulatory initiatives and customer requirements and the transition to a low carbon economy, including meeting new regulatory expectations, retrofitting of assets, energy efficient and low carbon investments, purchasing carbon credits or paying carbon taxes, may result in operational changes and additional expenditures that could adversely affect the Group and/or its customers.

The Group, its customers, or its suppliers may fail to comply with legal, regulatory, or voluntary standards or broader shareholder, community and stakeholder expectations concerning ESG risk performance.

Management of ESG issues is subject to legal, regulatory, voluntary and prudential standards, and community and stakeholder expectations that continue to change in scope, detail and levels of participation across industries, markets and geographies. Moreover, differing stakeholder perspectives regarding sustainability, including views about climate, nature, and human rights impacts, have affected and may continue to affect the Group's business activities, and increase the scrutiny and complexity of compliance requirements.

ESG due diligence requirements may become mandatory in some jurisdictions in which the Group operates, placing additional demands on the Group's processes and capability to manage, monitor and address ESG risks.

The Group may suffer adverse impacts, including litigation, fines, penalties, remedial costs, inability to attract or retain talent and reputational damage if it does not, or is perceived not to, effectively prepare for or manage the potential risks and opportunities associated with ESG issues or comply with ESG standards, requirements and voluntary commitments. These adverse impacts may arise from issues including, but not limited to, climate change, biodiversity loss and ecosystem degradation, invasive species, pollution, deforestation and illegal land clearing, human rights and modern slavery, fair working conditions, unfair and inequitable treatment of people including discrimination, product responsibility, appropriate remuneration, indigenous land rights and cultural heritage – including consideration of issues such as Free, Prior and Informed Consent – animal welfare, bribery and corruption, tax avoidance, greenwashing and greenhushing, and other false or misleading environmental or sustainability claims, cross industry collaboration practices, poor governance, lack of transparency, and supply chain traceability. ESG-related risks are complex and continue to evolve, as does their interaction with other risk factors relevant to the Group.

Regulators continue to focus on ESG-related regulatory requirements, including strengthening requirements and guidance relating to sustainability-related disclosures and governance practices, modern slavery and greenwashing. As the focus and intensity of regulatory priorities develop, the Group may require material investment in processes, controls, technical expertise, systems and data or may suffer adverse impacts, including litigation, fines, penalties, remedial costs and reputational damage from a failure to meet the required standards.

Conduct risk

Conduct risk is the risk of failing to act in a customer's best interests, or in accordance with market integrity standards or codes of conduct.

The Group is reliant on its employees, contractors and external suppliers acting in an appropriate and ethical way.

Organisational culture can greatly influence individual and group behaviours. Poor culture, including a failure to put customer outcomes at the centre of everything, can lead to customer harm, financial loss and detriment as well as undermine market integrity. The actions that could expose the Group to conduct risk include:

- Failure to design products and services that are transparent, accessible, and easy for the Group's customers, including customers experiencing vulnerability, to understand and access.
- Unmanaged conflicts of interest that could influence behaviour that is not in the customer's best interests.
- Ineffective or non-adherence to applicable learning and competency training requirements.
- Selling, providing, or unduly influencing customers to purchase or receive products or services that may not meet their existing needs or that place the customer at risk of future hardship.
- Making representations to customers about products or services of the Group which are inaccurate, misleading, or deceptive, including representations which may mislead customers about the extent to which the Group's practices are environmentally friendly, sustainable, or ethical.
- Failure to identify and appropriately manage customer communications, hardship cases and debt collection.
- Failure to protect customers from fraud or scams when banking through digital channels or failure to respond adequately to customers impacted by external fraud or scams.

- Failure to anticipate and prevent malicious internal or external actors from using product or service features in unintended ways that result in harm to the Group's customers (e.g., financial abuse by perpetrators of domestic violence).
- Non-adherence to applicable requirements or providing financial advice which is not appropriate or in a customer's best interests.
- Delays in appropriately escalating and addressing regulatory and compliance issues.
- Failure to resolve issues and remediate customers in a timely manner and in accordance with community expectations.
- Failure to deliver on product and service commitments.
- Failure to remediate ineffective business processes and stop the re-occurrence of issues in a timely manner.
- Failure to act in accordance with the Group's Code of Conduct or Financial Markets Conduct Policy.

A failure of the Group's conduct-related controls to accurately reflect relevant legal, regulatory or community expectations may adversely impact the Group's reputation, financial performance and position, profitability, operations and returns to investors and can result in adverse impacts such as customer harm, financial loss, suspension of or amendments to licence conditions, unenforceability of terms, litigation and increased supervision, oversight, or enforcement by regulators or other stakeholders.

Compliance risk

Compliance risk is the risk of events of failures to comply with relevant laws, regulations, licence conditions, supervisory requirements, self-regulatory industry codes of conduct or voluntary initiatives, as well as the internal policies, standards, procedures, or frameworks that support fair and equitable treatment of customers.

The Group may fail to comply with applicable laws and regulations which may expose the Group to increased regulatory intervention, significant compliance and remediation costs, and regulatory enforcement action or litigation, including class actions.

The Group is highly regulated and subject to various regulatory regimes which differ across the jurisdictions in which it operates, trades, and raises funds.

Ensuring compliance with all applicable laws is complex. There is a risk the Group will be unable to implement adequate compliance arrangements, including processes and controls required by relevant laws and regulations, in a timely manner, or that the Group's compliance arrangements will prove to be inadequate or ineffective in ensuring compliance. There is also a potential risk of misinterpreting or misapplying new or existing laws, regulations or statutory instruments and of being unable to comply with detailed data requests from various regulators, including in respect of data collected from customers or in respect of employees, if data is inaccurate or incomplete.

There is significant cost associated with the systems, processes, controls and personnel required to comply with applicable laws and regulations. Such costs may negatively impact the Group's financial performance and position. Any failure to comply with relevant laws and regulations may have a negative impact on the Group's reputation and financial performance and position and may give rise to class actions, litigation, or regulatory enforcement, which may in turn result in the imposition of civil or criminal penalties, or additional regulatory capital requirements, on the Group.

Potential weaknesses in employment practices, including anti-discrimination, workplace health and safety, and payroll compliance are areas of increasing regulatory scrutiny and reputational risk. For instance, following a review that identified payroll issues, the Company has initiated a broader review into payroll-related benefits under current and certain historical agreements and as at the date of this Report, this review is ongoing. The Group is engaging with the Fair Work Ombudsman (FWO) and has reported a number of compliance issues to the FWO. Any instances of non-compliance could result in remediation costs, reputational damage, enforcement or other legal action (including potential federal criminal penalties for "wage theft" introduced under the *Fair Work Legislation Amendment (Closing Loopholes) Act 2023* (Cth) that came into effect on 1 January 2025). Employment practices may become subject to heightened public scrutiny, either generally or following a specific adverse event, or because of activism by employees, unions, or special interest groups.

Entities within the Group have been, and may continue to be, involved from time to time in regulatory enforcement and other legal proceedings arising from the conduct of their business. There is inherent uncertainty regarding the possible outcome of any legal or regulatory proceedings involving the Group. It is also possible that further class actions, regulatory investigations, compliance reviews, civil or criminal proceedings, or the imposition of new licence conditions or regulatory capital requirements could arise in relation to known matters or other matters of which the Group is not yet aware. The aggregate potential liability and costs associated with legal proceedings cannot be estimated with any certainty.

A negative outcome to regulatory investigations or litigation involving the Group may impact the Group's reputation, divert management time from operations, and affect the Group's financial performance and position, profitability, and returns to investors. Refer to *Note 30 Commitments and contingent liabilities* in *Notes to the financial statements* on pages 218 to 220 for details in relation to certain current legal and regulatory proceedings, compliance reviews and associated remediation, and other contingent liabilities which may impact the Group.

Extensive regulatory change poses a significant risk to the Group.

Globally, the financial services and banking industries are subject to significant and increasing levels of regulatory change, reviews and political scrutiny, including in Australia, NZ and other countries where the Group has, or may establish, offshore operations.

The Group's response to regulatory changes may result in significant capital and compliance costs, changes to the Group's corporate structure, and increasing demands on management, employees and information technology systems. This may also impact the competitiveness of the Group in certain areas of its business or the viability of the Group's participation in certain markets or require changes to, or the divestment of, a part of the Group's business. The pace, volume, and complexity of change may also expose the Group to the increased risk of failure to adequately identify or comply with all applicable regulatory changes. New laws and regulations or changes to existing laws and regulations or their interpretation and application can be unpredictable, are beyond the Group's control, and may not be harmonised across the jurisdictions in which the Group operates.

Operationalising large volumes of regulatory change presents ongoing risks for the Group. Examples of key specific reviews and regulatory reforms currently relevant to the Group, and which present a potential material regulatory risk include those set out below:

- Legislative reform to the AML/CTF regime and the introduction of the SPF (as outlined under Financial Crime and Fraud risk above) represent significant regulatory developments. Detailed guidance and sector-specific codes, particularly under the SPF, are still being issued by regulators. These materials are essential to ensure the Group fully understands and implements its compliance obligations. Achieving compliance is expected to require substantial investment and may expose the Group to liability in relation to customer losses.
- Mandatory climate-related reporting requirements came into effect in Australia on 1 January 2025 under the *Corporations Act 2001* (Cth) and the Australian Accounting Standards Board (AASB) Standards. In New Zealand, similar obligations are imposed under the *Financial Markets Conduct Act 2013*. Increasing divergence in sustainability and climate-related disclosure requirements and expectations across jurisdictions may lead to complexity and give rise to risks associated with meeting compliance requirements and stakeholder expectations. The management of ESG risk is expected to be a significant area of focus for the European Banking Authority (EBA) in Europe; the EBA published final guidelines on ESG risk management, effective on 11 January 2026. The guidelines set requirements for the internal processes and ESG risk management arrangements that institutions should have in place. The emerging nature of these requirements, and the lack of robust and mature data, particularly in areas like nature and modern slavery-related disclosures, may also contribute to disclosure risks.
- Several initiatives designed to increase competition in NZ financial services have been undertaken or are currently underway. These include the NZ Commerce Commission's final report into competition for personal banking, the NZ Government's Finance and Expenditure Committee's final report on their inquiry into banking competition and the continuing implementation of the *Customer and Product Data Act 2025* in the NZ banking sector. In addition to heightened competition risks, these initiatives are also likely to increase compliance costs for banks, including BNZ.

The full scope, timeline and impact of current and potential inquiries, reviews and regulatory reforms including those mentioned above, and how they will be implemented (if at all in some cases), is not known. Depending on the specific nature of the regulatory change requirements and how and when they are implemented or enforced, they may have an adverse impact on the Group's business, operations, structure, compliance costs or capital requirements, and ultimately its competitiveness, reputation, financial performance, or financial position.

Reporting risk

Reporting risk is the risk of failure to accurately and completely represent mandatory financial and non-financial disclosures in a timely manner as required by regulators, government agencies, and other stakeholders.

The Group may fail to comply with its reporting requirements where errors or omissions are identified in regulatory submissions

The Group is subject to extensive and evolving regulatory reporting obligations. These obligations require accurate and timely submission of complex reports, often sourced from multiple systems and subject to interpretation under various regulatory frameworks. The Group relies on its policies, processes and controls to ensure reporting outcomes are complete, accurate, and compliant with applicable standards.

Failure in submitting accurate and timely reports can lead to regulatory financial penalties, enforcement actions, or loss of customers', investors', and other stakeholders' trust. In addition, remediation efforts may require significant investment in systems and controls, and may divert resources from strategic initiatives.

Preparation of the Group's financial statements involves judgement in applying critical estimates and assumptions in respect of relevant accounting policies (refer to *Note 1 Basis of preparation* in *Notes to the financial statements* on pages 152 to 153). If these judgements and assumptions are found to be incorrect, the Group may incur losses beyond those anticipated or provided for, which could adversely impact its financial performance, position, and reputation.

Report of the Directors

The directors of National Australia Bank Limited (NAB or the Company) present their report, together with the financial report of the Group, being NAB and its controlled entities, for the year ended 30 September 2025. The following information forms part of the Report of the Directors:

- Our business (page 10)
- Operating environment (page 12)
- Information on directors, company secretaries, and board meetings (pages 51 to 55 and 60)
- Risk factors (pages 75 to 84)
- Climate change and environment (pages 37 to 39)

Operating and financial review

Principal activities

The Group provides banking and financial services to individual, business, and institutional customers. These services include credit and access card facilities, leasing, mortgages, and general finance solutions, as well as international, investment and private banking. In addition, the Group offers wealth management services, funds management, custodian, trustee, and nominee services.

For further details on *Our business* refer to page 10.

Significant change in the state of affairs

- Changes to the composition of the Executive Leadership Team have occurred or were announced during 2025 and up until the date of this Report, namely:
  - Nathan Goonan resigned as Group Chief Financial Officer (Group CFO), effective 18 March 2025.
  - Rachel Slade ceased to be a Group Executive, Business and Private Banking, effective 18 March 2025.
  - Andrew Auerbach was appointed Group Executive, Business and Private Banking, effective 16 June 2025.
  - Pete Steel will join NAB as Group Executive, Digital, Data and Artificial Intelligence, effective 19 November 2025.
  - Shane Conway has been appointed as Group Executive, Transformation, effective 1 December 2025.
  - Sharon Cook, Group Executive, Customer & Corporate Services (CCS) and Group General Counsel, will retire effective 31 December 2025. Les Matheson, Group Chief Operating Officer will be accountable for CCS from 1 December 2025.
  - Inder Singh will join NAB as Group Chief Financial Officer (Group CFO) and Group Executive, Strategy, and will commence in March 2026.

  The following transition arrangements to the Executive Leadership Team were effective 18 March 2025:
  - Michael Saadie, Executive, Private Wealth and CEO of JBWere, was acting as Group Executive, Business and Private Banking from 18 March 2025 until 16 June 2025.
  - Shaun Dooley, Group Chief Risk Officer (Group CRO), is acting as Group CFO until Inder Singh commences as Group CFO in March 2026.
  - Peter Whitelaw, Executive, Chief Resilience Risk Officer, is acting as Group CRO.

  No other changes to the composition of the Executive Leadership Team occurred during 2025 and up until the date of this Report.
- Changes to the composition of the Board have occurred or were announced during 2025 and up until the date of this Report, namely:
  - Warwick Hunt was appointed as an independent non-executive director, effective 2 December 2024.
  - Anne Loveridge retired as an independent non-executive director, effective 18 December 2024.
  - Doug McKay retired as an independent non-executive director, effective 18 December 2024.

  No other changes to the composition of the Board occurred during 2025 and up until the date of this Report.
- On 31 October 2025, the Group completed the disposal of its remaining 20 per cent stake in MLC Life(1) to Nippon Life Insurance Company (Nippon Life) for total cash proceeds of $ 497 million. Refer to *Note 31 Interest in subsidiaries and other entities* and *Note 37 Events subsequent to the reporting date*.
- On 12 March 2025, the Group completed its $3 billion on-market ordinary share buy-back, resulting in the buy-back and cancellation of 87.8 million ordinary shares. $0.6 billion of those shares were bought back in the 2025 financial year.
- On 25 July 2025, the AUSTRAC CEO confirmed that AUSTRAC had cancelled NAB's Enforceable Undertaking entered into on 29 April 2022. NAB is continuing its work in response to the final report issued by the independent auditor, including implementing its recommendations.

There were no other significant changes in the state of affairs of the Group that occurred during the financial year under review that are not otherwise disclosed in this Report.

Environmental, Social and Governance disclosure

Environmental regulation and climate-related disclosures

The Group's operations are not subject to any site-specific environmental licences or permits considered significant under Australian laws. As a lender, the Group may incur environmental liabilities in circumstances where it takes possession of a borrower's assets, and those assets have associated environmental risks. The Group has developed and implemented credit policies that aim to ensure that these risks are minimised and managed appropriately.

The Group is subject to and complies with the *National Greenhouse and Energy Reporting Act 2007* (Cth) (NGER Act), which requires reporting of energy use and greenhouse gas (GHG) emissions for the period 1 July to 30 June (NAB's environmental reporting year). For the 2025 environmental reporting year, the Group's reported Australian vehicle fleet and building-related net energy use was 273,077 GJ (2024: 297,880 GJ), representing approximately 78.9% of the Group's measured total net energy use. Associated Scope 1 and Scope 2 GHG emissions were 45,483 tCO_2-e (2024: 51,494 tCO_2-e).

The Group's UK operations comply with the Energy Savings Opportunity Scheme (ESOS), which mandates assessments of building and transport energy use every four years. The most recent assessment was completed in June 2024. In addition, the Group submitted an ESOS action plan for its London Branch in December 2024 and will report to the UK Environment Agency annually on progress through to December 2027. The Group also voluntarily reports under the UK's Streamlined Energy and Carbon Reporting (SECR) requirements. Further details of 2025 UK-based energy efficiency savings and data included to meet SECR requirements are provided in the 2025 Climate Report.

Other information on the Group's environmental performance, climate governance, strategy, risk management and metrics is available in the *Climate change and environment* section of this Report and in the 2025 Climate Report. The 2025 Climate Report is available as part of the Group's annual reporting suite at nab.com.au/annualreports.

Modern slavery

The Group is subject to modern slavery legislation in Australia and the United Kingdom. The Group has prepared a Modern Slavery Act statement which sets out actions taken by the Group during 2025 to address the risks of modern slavery and human trafficking in its business operations and supply chain. This statement will be made available online from December 2025 at nab.com.au/modernslaverystatement in accordance with both the UK Modern Slavery Act and the *Modern Slavery Act 2018* (Cth).

(1) A reference to "MLC Life" in this Report means Nippon Life Insurance Australia and New Zealand Limited (formerly MLC Limited).

Litigation and disputes

From time to time entities within the Group may be involved in disputes or legal proceedings arising from the conduct of their business. The outcomes and total costs associated with such ongoing disputes and proceedings are typically uncertain. Any material legal proceedings may adversely impact the Group's reputation and financial performance and position.

Refer to *Note 30 Commitments and contingent liabilities* of the *Notes to the financial statements* for details of the Group's material legal proceedings and contingent liabilities.

Financial performance summary

The following financial discussion and analysis is based on statutory information unless otherwise stated. The statutory information is presented in accordance with the *Corporations Act 2001* (Cth) and Australian Accounting Standards and is audited by the Group's auditors in accordance with Australian Auditing Standards.

Non-IFRS key financial performance measures used by the Group

Certain financial measures detailed in the Report of the Directors are not accounting measures within the scope of International Financial Reporting Standards (IFRS). Management use these financial metrics to evaluate the Group's overall financial performance and position and believe the presentation of these financial measures provide useful information to analysts and investors regarding the results of the Group's operations. These financial performance measures include:

- cash earnings
- statutory return on equity
- cash return on equity
- net interest margin
- total average equity (attributable to owners of the Company)
- average interest earning assets
- total average assets.

The Group regularly reviews the non-IFRS measures included in the Report of the Directors to ensure that only relevant financial measures are incorporated. Certain other financial performance measures detailed in the Report of the Directors are derived from IFRS measures and are similarly used by analysts and investors to assess the Group's performance. These measures are defined in the *Glossary*.

Any non-IFRS measures included in this Report are not a substitute for IFRS measures and readers should consider the IFRS measures as well. The non-IFRS measures referred to above have not been presented in accordance with Australian Accounting Standards, nor audited or reviewed in accordance with Australian Auditing Standards unless they are included in the financial statements.

Further details in relation to these financial measures are set out below and in the *Glossary*.

Information about cash earnings

Cash earnings is a non-IFRS key financial performance measure used by the Group and the investment community.

The Group also uses cash earnings for its internal management reporting as it better reflects what is considered to be the underlying performance of the Group. Cash earnings is calculated by adjusting statutory net profit from continuing operations for certain non-cash earnings items. Non-cash earnings items are considered separately and excluded when assessing performance and analysing the underlying trends in the business. These include items such as hedging and fair value volatility, the amortisation of acquired intangible assets, and gains or losses and certain other items associated with the acquisition, integration, disposal and closure of Group businesses.

Cash earnings does not purport to represent the cash flows, funding or liquidity position of the Group, nor any amount represented on a statement of cash flows. It is not a statutory financial measure and is not presented in accordance with Australian Accounting Standards and is not audited or reviewed in accordance with Australian Auditing Standards.

Cash earnings for the year ended 30 September 2025 exclude the following:

- hedging and fair value volatility,
- amortisation of acquired intangible assets, and
- acquisitions, integration, disposals and business closures.

Information about net interest margin

Net interest margin is a non-IFRS key financial performance measure that is calculated as net interest income (derived on a cash earnings basis) expressed as a percentage of average interest earning assets.

Information about average balances

Average balances, including total average equity (attributable to owners of the Company), total average assets and average interest earning assets are based on daily statutory average balances (the exception is average risk-weighted assets (RWA) which is calculated with reference to the RWA at the reporting date and the two preceding quarter-ends).

This methodology produces numbers that more accurately reflect seasonality, timing of accruals and restructures (including discontinued operations), which would otherwise not be reflected in a simple average.

Rounding of amounts

In accordance with ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191, all amounts have been rounded to the nearest million dollars, except where indicated. Any discrepancies between total and sums of components in tables contained in this Report are due to rounding.

5 Year Financial Performance Summary

	Group				
	2025 $m	2024 $m	2023 $m	2022 $m	2021 $m
Net interest income	**17,403**	16,757	16,807	14,840	13,793
Other operating income[1]	**3,469**	3,875	3,841	3,730	2,936
Operating expenses[1]	**(10,348)**	(10,012)	(9,382)	(8,702)	(7,863)
Credit impairment (charge) / write-back	**(833)**	(741)	(816)	(124)	202
Profit before income tax	**9,691**	9,879	10,450	9,744	9,068
Income tax expense	**(2,864)**	(2,798)	(2,980)	(2,684)	(2,597)
Net profit for the year from continuing operations	**6,827**	7,081	7,470	7,060	6,471
Net loss after tax for the year from discontinued operations	**(29)**	(103)	(51)	(169)	(104)
Net profit for the year	**6,798**	6,978	7,419	6,891	6,367
Profit attributable to non-controlling interests	**39**	18	5	-	3
Net profit attributable to owners of the Company	**6,759**	6,960	7,414	6,891	6,364

(1) During the 2025 financial year, the Group updated the presentation of expenses which are directly attributable and incremental to earning income from the provision of banking services. Financial year 2024 comparative information has been restated. Refer to *Note 1 Basis of preparation* for further information.

5 Year Key Performance Indicators

	Group				
	2025	2024	2023	2022	2021
Key indicators					
Statutory earnings per share - basic (cents)	**221.0**	224.6	236.4	214.1	193.0
Statutory earnings per share - diluted (cents)	**219.9**	222.7	228.7	205.6	185.2
Statutory return on equity	**10.8%**	11.4%	12.3%	11.3%	10.4%
Cash return on equity[1]	**11.4%**	11.6%	12.9%	11.7%	10.7%
Profitability, performance and efficiency measures					
Dividend per share (cents)	**170**	169	167	151	127
Net interest margin	**1.74%**	1.71%	1.74%	1.65%	1.71%
Level 2 Group capital					
Common Equity Tier 1 (CET1) capital ratio	**11.70%**	12.35%	12.22%	11.51%	13.00%
Tier 1 capital ratio	**13.74%**	14.67%	14.19%	13.14%	14.64%
Total capital ratio	**20.32%**	20.92%	19.88%	18.17%	18.91%
Risk-weighted assets ($bn)	**440.6**	413.9	435.0	449.9	417.2
Volumes ($bn)					
Gross loans and acceptances (GLAs)[2]	**781.5**	738.2	708.5	687.7	629.1
Average interest earning assets	**1,001.2**	978.7	966.7	900.3	805.0
Total average assets	**1,103.4**	1,074.7	1,065.1	991.5	889.6
Total customer deposits	**658.4**	612.8	587.4	566.7	500.3
Total average equity (attributable to owners of the Company)[3]	**62.4**	61.0	60.1	60.8	61.2
Asset quality					
Impaired assets to GLAs	**0.29%**	0.20%	0.14%	0.14%	0.20%
Default but not impaired assets to GLAs[4]	**1.26%**	1.19%	0.99%	0.81%	0.95%
Full-time equivalent employees (FTE)[5]					
FTE (spot)	**41,880**	39,240	38,516	35,558	33,275
FTE (average)	**40,301**	38,864	37,290	34,022	34,217

(1) Full detail on how cash earnings is defined, a discussion of non-cash earnings items and a full reconciliation of statutory net profit attributable to owners of the Company is set out in *Note 2 Segment information* of the Financial report on page 155.
(2) Including loans and advances at fair value.
(3) Average equity on a cash and statutory basis are equal.
(4) Includes loans that have been classified as restructured in accordance with APS 220 *Credit Risk Management* which are assessed as no loss based on security held.
(5) Excluding discontinued operations, FTE (spot) is 41,723 (2024: 38,996) and FTE (average) is 40,112 (2024: 38,525).

Financial performance

	Group	
	2025	2024
	$m	$m
Net interest income	17,403	16,757
Other operating income(1)	3,469	3,875
Net operating income	20,872	20,632
Operating expenses(1)	(10,348)	(10,012)
Credit impairment charge	(833)	(741)
Profit before income tax	9,691	9,879
Income tax expense	(2,864)	(2,798)
Net profit for the year from continuing operations	6,827	7,081
Net loss after tax for the year from discontinued operations	(29)	(103)
Net profit for the year	6,798	6,978
Profit attributable to non-controlling interests	39	18
Net profit attributable to owners of the Company	6,759	6,960

(1) During the 2025 financial year, the Group updated the presentation of expenses which are directly attributable and incremental to earning income from the provision of banking services. Financial year 2024 comparative information has been restated. Refer to *Note 1 Basis of preparation* for further information.

September 2025 v September 2024

Net profit attributable to owners of the Company (statutory net profit) decreased by $201 million or 2.9%.

Net interest income increased by $646 million or 3.9%. This includes a reduction of $74 million due to movements in economic hedges, offset in other operating income. Excluding this movement, the underlying increase of $720 million or 4.3% was driven by higher average interest earning assets and net interest margin. The higher net interest margin was primarily due to higher earnings on deposit and capital replicating portfolios, higher Markets and Treasury income and lower mix of liquid assets. These increases were partially offset by deposit impacts, higher wholesale funding costs and lower lending margins.

Other operating income decreased by $406 million or 10.5%. This includes an increase of $74 million due to movements in economic hedges, offset in net interest income. Excluding this movement, the underlying decrease of $480 million or 12.8% was primarily due to the gain on sale of the New Zealand wealth businesses in the prior period, an increase in customer-related remediation, and the fee reduction impact from the winding down and disposal of the Group businesses. These were partially offset by higher earnings relating to the investment in MLC Life and FirstCape NZ.

Operating expenses increased by $336 million or 3.4%. This was primarily driven by payroll review and remediation costs and higher personnel expenses due to an increase in average FTE and salary and related costs, together with continued investment in technology and compliance capabilities including fraud and cyber security. This was partially offset by productivity benefits achieved through continued process improvements and simplification of the Group's operations, and decreased spend associated with the acquisition, integration and closure of Group businesses, combined with lower costs related to the enforceable undertaking (EU) with AUSTRAC.

Credit impairment charge increased by $92 million driven by a higher level of individually assessed credit impairment charges primarily in Corporate and Institutional Banking. This was partially offset by a lower level of collective credit impairment charges.

Income tax expense increased by $66 million or 2.4% driven by a higher effective tax rate.

Discontinued operations are excluded from the individual account lines of the Group's results and are reported as a net loss after tax in a single line item. The results of discontinued operations primarily relate to costs associated with managing the run-off of the MLC Wealth retained entities and MLC Wealth customer-related remediation.

Review of group and divisional results

September 2025 v September 2024

Group

Net profit decreased by $201 million or 2.9%.

Business and Private Banking(1)(2)

Net profit increased by $54 million or 1.7%, driven by higher net operating income, partially offset by higher operating expenses.

Personal Banking(1)(2)

Net profit increased by $104 million or 9.2%, driven by higher net operating income and lower credit impairment charges, partially offset by moderately higher operating expenses.

Corporate and Institutional Banking(2)

Net profit increased by $95 million or 5.4%, driven by higher net operating income and lower operating expenses, partially offset by higher credit impairment charges.

New Zealand Banking

Net profit decreased by $41 million or 3.0%, driven by lower net operating income and higher distributions to non-controlling interests, partially offset by lower credit impairment charges and lower operating expenses.

(1) During the 2025 financial year, some customer lending and deposit portfolios, including the associated net operating income and income tax, were transferred between Personal Banking and Business and Private Banking. Comparative information has been restated.
(2) During the 2025 financial year, the Group updated the presentation of expenses which are directly attributable and incremental to earning income from the provision of banking services. Comparative information has been restated accordingly.

Corporate Functions and Other[(1)]

Net loss increased by $413 million or 72.7%, driven by the gain on sale of the New Zealand wealth businesses in the prior period, and higher operating expenses. This was partially offset by higher NAB risk management income in Treasury.

Group balance sheet review

	Group	
	2025	2024
	$m	$m
Assets		
Cash and liquid assets	**2,604**	2,499
Due from other banks	**91,946**	110,438
Collateral placed	**5,763**	9,633
Trading assets	**144,571**	133,606
Derivative assets	**21,826**	28,766
Debt instruments	**46,947**	41,999
Other financial assets	**688**	769
Loans and advances	**776,126**	732,692
All other assets	**18,348**	19,846
Assets held for sale	**243**	-
Total assets	**1,109,062**	1,080,248
Liabilities		
Due to other banks	**12,369**	12,328
Collateral received	**4,819**	5,151
Other financial liabilities	**70,464**	70,272
Deposits and other borrowings	**736,159**	712,566
Derivative liabilities	**20,203**	32,576
Bonds, notes and subordinated debt	**174,307**	156,294
Debt issued	**8,972**	9,560
All other liabilities	**18,122**	19,288
Total liabilities	**1,045,415**	1,018,035
Total equity	**63,647**	62,213
Total liabilities and equity	**1,109,062**	1,080,248

September 2025 v September 2024

Assets

Total assets increased by $28,814 million or 2.7%. The key movements are as follows:

- Cash and liquid assets increased by $105 million or 4.2% primarily due to an increase in operating cash balances.
- Due from other banks decreased by $18,492 million or 16.7% due to a decrease in deposits with central banks.
- Collateral placed decreased by $3,870 million or 40.2% as a result of a decrease in derivative liabilities.
- Trading assets increased by $10,965 million or 8.2% primarily driven by an increase in reverse repurchase agreements at fair value through profit or loss and an increase in government and semi-government bonds, notes and securities.
- Derivative assets decreased by $6,940 million or 24.1% primarily driven by lower trading volumes of foreign exchange-related contracts, foreign exchange rate and interest rate movements and contract maturities during the period.
- Debt instruments increased by $4,948 million or 11.8% primarily due to an increase in government and semi-government bonds, partially offset by a reduction in corporate and other bonds.
- Loans and advances increased by $43,434 million or 5.9% due to growth in both non-housing and housing lending.
- All other assets decreased by $1,498 million or 7.5% primarily due to a decrease in outstanding settlements for securities sold and accrued interest and other receivables.
- Assets held for sale increased by $243 million due to the reclassification of the investment in MLC Life upon entering into a sale agreement.

Liabilities

Total liabilities increased by $27,380 million or 2.7%. The key movements are as follows:

- Collateral received decreased by $332 million or 6.4% due to a decrease in derivative assets.
- Deposits and other borrowings increased by $23,593 million or 3.3% due to growth in customer deposits, partially offset by a decrease in certificates of deposit and other borrowings.
- Derivative liabilities decreased by $12,373 million or 38.0% primarily driven by lower trading volumes of foreign exchange-related contracts, foreign exchange rate and interest rate movements and contract maturities during the period.
- Bonds, notes and subordinated debt increased by $18,013 million or 11.5% driven by net new issuances of medium-term debt and covered bonds.
- Debt issued decreased by $588 million or 6.2% primarily due to the redemption of convertible notes.
- All other liabilities decreased by $1,166 million or 6.0% primarily due to a decrease in accrued interest payable and payables for securities purchased.

Equity

Total equity increased by $1,434 million or 2.3%. The key movements are as follows:

- Contributed equity decreased by $458 million or 1.3% predominantly due to share buy-backs during the period.
- Reserves increased by $341 million primarily due to movements in the cash flow hedge reserve and debt instruments at fair value through other comprehensive income reserve, partially offset by movements in the foreign currency translation reserve.
- Retained profits increased by $1,584 million or 6.3% reflecting current period statutory profits, partially offset by dividends paid.

(1) During the 2025 financial year, the Group updated the presentation of expenses which are directly attributable and incremental to earning income from the provision of banking services. Comparative information has been restated accordingly.

Strategic highlights[1]

Execution of the Group's evolved strategy, announced in November 2024, has delivered pleasing results in 2025. This strategy is focused on achieving much stronger customer advocacy, greater speed and simplicity, and ongoing technology modernisation, and supports the Group's three key priorities of growing business banking, driving deposit growth and strengthening proprietary home lending. Executing on these priorities with discipline is expected to position the Group well to deliver attractive, sustainable shareholder returns over time.

In Business and Private Banking (B&PB), the Group is investing in simpler, more seamless banking experiences consistent with a relationship-based approach increasingly enabled by digital, data and analytics. The rollout of a new business lending platform to bankers in 2025 has been an important achievement, enabling easier and faster lending outcomes. As a result, the vast majority of business lending flows are now submitted digitally and time taken to say 'yes' to customer lending requests has reduced by approximately 20% since 2022. In 2025, the Group also delivered ongoing innovations in business payments and continued improvements to the customer onboarding experience for business transaction accounts, supporting improved deposit outcomes. B&PB's business lending balances rose 7.3% in 2025 with growth in SME business lending market share[2]. Deposit balances grew 6.6% in 2025 and new business transaction account openings rose 12% compared with 2024 and are now 26% higher than 2022.

In Personal Banking (PB), the Group continues to navigate a challenging home lending market through a disciplined approach and by focusing on improving the performance of its proprietary channels. Over 2025, momentum in Australian home lending improved with balances[3] growing 5.2%, representing a system multiple of 0.9x[4] (versus 0.6x in 2024). Proprietary channel drawdowns also increased to 41% of total drawdowns in 2025, up from 38% in 2024, benefitting from investment in banker capabilities and tools including onboarding approximately 270 new proprietary home lending bankers during 2025[5]. Retail deposit performance has also been strong in 2025, supported by investments to reinvigorate the Group's branch network. PB deposit balances grew 9.2% over 2025 with an 18% increase in new retail transaction account openings in 2025 compared with 2024. A key focus since 2022 has been the development of a new, modern unsecured lending platform, which reached an important milestone in 2025 with the majority of acquired Citi white label partners (and a material portion of customers) successfully migrated to the new platform. The balance of the Citi migration is due to be completed by December 2025[6].

Corporate and Institutional Banking has maintained its returns-focused strategy. This involves a disciplined approach to growth focused on long-term relationships with target sector clients, combined with simplification, technology enabled solutions to make doing business easier and leveraging transactional banking capability. Execution of this strategy has driven further strong outcomes in 2025 including transactional banking mandate wins, deposit growth of 10.5% and lending growth of 11.8%.

New Zealand Banking (NZB) has continued to progress well against its strategic priorities of becoming a simpler, more digitally-enabled bank, focused on growth in personal and business sectors. Execution of this strategy in 2025 has delivered strong customer growth, improved customer NPS[7] outcomes with NZB now ranked first in Consumer NPS[8], above system growth in household deposits and lending, and maintenance of the leading business lending market share. This has supported returns over a period of challenging economic conditions.

Having a healthy customer franchise and engaged colleagues underpin the Group's ability to grow sustainably. Improving customer and colleague experiences are central to this and remain a key investment priority. The Group's most recent colleague engagement score of 78 at July 2025 was stable over the year and in line with the top quartile benchmark[9]. Strategic Customer NPS[10] outcomes were mixed for the 12 months ended September 2025. Business NPS improved from -6 to -1 with NAB continuing to rank second among major banks while Mass Consumer NPS improved from -2 to 0 with NAB's ranking improving from third to second. Large Corporate and Institutional NPS[11] declined 1 point with the Group's ranking slipping from equal first to second.

These customer scores highlight that more needs to be done to achieve the Group's purpose of being the most customer-centric company in Australia and New Zealand. In 2025 the Group commenced rollout of a more granular and consistent customer advocacy approach called NAB Customer Voices. This aims to better and more systemically measure, capture and leverage customer feedback, increase the pace at which the Group responds, and drive accountability and alignment for customer outcomes among colleagues. Results to-date have been encouraging across customer-facing channels where the new approach is being embedded, with meaningful uplifts in customer interaction NPS. Further rollout is planned in 2026. Over time, this approach is expected to drive improvements in the Group's Strategic Customer NPS outcomes.

Critical to the Group's ability to execute its strategy and deliver improved customer and colleague outcomes is investment spend, which was increased in 2025 to $1.8 billion from $1.6 billion in 2024. Technology-related initiatives have remained a key component of investment spend including simplifying, automating and digitising the Group's business, increasing the use of data and analytics and AI, and transitioning to a more modern technology

(1) Amounts presented in this section are based on cash earnings.
(2) Derived from latest RBA statistics excluding financial businesses. Latest data as at August 2025 compared with September 2024. NAB SME market share includes business lending relating to both B&PB and C&IB.
(3) Represents home lending balances in PB, B&PB and ubank.
(4) APRA Monthly Authorised Deposit-taking Institution statistics. Latest data as at September 2025.
(5) Offset by productivity, net increase to FTE of 120.
(6) Integration and migration timeframe subject to change (including deliverables by third-party partners).
(7) Net Promoter® and NPS® are registered trademarks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Net Promoter ScoreSM is a service mark of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld.
(8) Sourced from Insights HQ (previously known as Camorra Research) Retail Market Monitor (data on 12-month roll). NPS for nominated main bank provider as at 30th September 2025. The result reflects the 5 major banks in New Zealand. Rank is based on absolute results and may be within the confidence interval of another brand.
(9) Engagement scores refer to Glint colleague engagement survey outcomes. Top quartile comparison is based upon Glint's client group (domestic and global, from all industries).
(10) Net Promoter® and NPS® are registered trademarks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Net Promoter Score℠ is a service mark of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Sourced from RFI Global – Atlas, measured on 6 month rolling average to September 2025. Mass Consumer: based on all consumers, 18+ and excludes consumers with personal income of $260k+ and/or investible assets $2.5m+ and/or footings of over $850k. Business Strategic NPS is based on all businesses. Ranking based on absolute scores, not statistically significant differences and compared against Big 4 peers.
(11) Coalition Greenwich Voice of Client 2025 Australia Large Corporate Relationship Banking Study.

environment. Progressive delivery of these initiatives are allowing bankers to spend more time with customers and provide quicker responses, while letting customers increasingly self-serve when and where they want to. At the same time, technology modernisation is improving the resilience, risk and scalability of the Group's operations and has supported the decommissioning of more than 149 legacy technology assets in 2025. These initiatives are also making the Group more efficient, helping it manage costs while continuing to invest. In 2025 the Group achieved productivity benefits of $420 million, allowing it to limit cash operating expense growth in 2025 to 4.6%[(1)] including $130 million of payroll review and remediation charges.

Prudent balance sheet settings have been maintained over 2025. In 2025 the Group prevented or recovered more than $385 million in scam losses for customers. At September 2025 collective provisions as a ratio of credit risk weighted assets were 1.33% and deposits now fund 84% of total lending - both materially stronger than pre COVID-19 levels. Liquidity and funding ratios remain well above regulatory minimums. The Group's CET1 ratio of 11.70% at September 2025 is 65 basis points lower over the year with key drivers including volume growth, increased long-term investment in the business and completion of the Group's on-market share buy-back[(2)]. Adjusting for the finalisation of the sale of the Group's remaining stake in MLC Life[(3)], proforma Group CET1 is 11.81% and compares with the Group's target of greater than 11.25% which includes the impact of APRA's decision to phase out AT1 capital from January 2027[(4)].

The Group moves forward with optimism and confidence. Balance sheet settings are prudent and the Group has a clear strategy to deliver sustainable growth and attractive returns over time, underpinned by consistent investment to significantly uplift customer advocacy, speed and simplicity going forward.

Capital management and funding review

Balance sheet management overview

The Group remains committed to balance sheet strength, to support sustainable growth and returns while keeping the bank safe.

Regulatory reform

Key reforms that may affect the Group's capital and liquidity include:

Increased loss-absorbing capacity for ADIs

Under their loss-absorbing capacity framework, APRA has required domestic systemically important banks (D-SIBs) to hold incremental Total capital equal to 3% of risk-weighted assets (RWA) since 1 January 2024. The requirement increases by 1.5% (to a total of 4.5%) of RWA on 1 January 2026. Based on the Group's RWA and Total capital position at 30 September 2025, the 4.5% of RWA Total capital requirement has been met.

Additional Tier 1 capital changes

In December 2024, APRA confirmed it will phase out the use of Additional Tier 1 (AT1) capital from 1 January 2027. Under APRA's approach, large, internationally active banks including NAB will replace 1.5% AT1 capital with 0.25% Common Equity Tier 1 (CET1) capital and 1.25% Tier 2 capital. Until 2032, existing AT1 capital instruments will be eligible to be included as Tier 2 capital until their first call date. This change is intended to ensure that the capital strength of the Australian banking system operates more effectively in a stress scenario. APRA plans to finalise amendments to prudential standards to reflect the change by the end of calendar year 2025.

Revisions to the capital framework

APRA's revisions to APS 117 *Capital Adequacy: Interest Rate Risk in the Banking Book* came into effect on 1 October 2025. Internal models used in the calculation of Interest Rate Risk in the Banking Book (IRRBB) capital required re-accreditation by APRA.

There is currently no timeline for APRA's consultation on revisions to APS 116 *Capital Adequacy: Market Risk* for the adoption of the Basel Committee on Banking Supervision's Fundamental Review of the Trading Book regulatory standards.

Reserve Bank of New Zealand capital review

In December 2019, the RBNZ finalised its review of the capital adequacy framework. The RBNZ amendments included an increase in the Tier 1 capital requirement to 16% of RWA, and an increase in the Total capital requirement to 18% of RWA, to be phased in by calendar year 2028.

In March 2025, the RBNZ announced a review of its capital settings including assessment of international comparability and the role of AT1 capital. The RBNZ commenced consultation on this review in August 2025, proposing more granular standardised risk weights and two potential options for capital ratio requirements. Both options include removal of AT1 capital and an increase in Tier 2 capital, with one option also introducing loss-absorbing capacity requirements. The RBNZ intends to finalise capital settings by December 2025 and announce implementation timelines by March 2026.

Reserve Bank of New Zealand liquidity review

In 2022 the RBNZ began a comprehensive review of its liquidity policy, known as the Liquidity Policy Review. The RBNZ Liquidity Standard is expected to be issued in May 2027 and take effect in December 2028.

In September 2025, the RBNZ launched the Liquidity Management Review consultation, with a focus on how Open Market Operations are conducted and design considerations for a Committed Liquidity Facility. The consultation period closed in October 2025 and a summary of key decisions is expected in the first half of calendar year 2026.

Liquidity requirements

APRA will conduct a comprehensive review of APS 210 *Liquidity*, with industry engagement expected to commence in calendar year 2026.

Capital management

The Group's capital management strategy is focused on adequacy, efficiency, and flexibility. The capital adequacy objective seeks to ensure sufficient capital is held in excess of regulatory requirements and is within the Group's balance sheet risk appetite. This approach is consistent across the Group's banking subsidiaries.

(1) Statutory cost growth of 3.4%.
(2) The Group completed its $3.0 billion announced on-market share buy-back on 12 March 2025, resulting in the buy-back and cancellation of 87.8 million ordinary shares. $0.6 billion of those shares were bought-back in 2025 financial year.
(3) Sale of the Group's remaining 20% stake in MLC Life to Nippon Life for $497m (completed on 31 October 2025).
(4) Under APRA's approach, large internationally active banks including NAB will replace 1.5% Additional Tier 1 (AT1) capital with 0.25% Common Equity Tier 1 (CET1) capital and 1.25% Tier 2 capital.

In May 2025, the Group's CET1 ratio operating target increased by 25bps to greater than 11.25% to reflect APRA's decision to phase out AT1 capital from January 2027.

On 12 March 2025, the Group completed the on-market share buy-back that was announced on 15 August 2023 and subsequently increased on 2 May 2024 to $3 billion. Through this buy-back, the Group has bought back and cancelled 87,824,707 ordinary shares, including 16,572,039 ordinary shares ($0.6 billion or 0.15% of CET1 capital) in the September 2025 full year.

Additional Tier 1 capital initiatives

On 17 July 2025, NAB redeemed $600 million of NAB Wholesale Capital Notes 2.

Tier 2 capital initiatives

The Group's Tier 2 capital initiatives during the September 2025 full year included the following:

- On 14 January 2025, NAB issued US$1.25 billion of Subordinated Notes.
- On 12 June 2025, NAB redeemed CAD1.0 billion of Subordinated Notes.
- On 24 July 2025, NAB issued HKD400 million of Subordinated Notes.
- On 30 July 2025 NAB issued $1.5 billion of Subordinated Notes.
- On 3 September 2025, NAB issued CHF225 million of Subordinated Notes.

Further detail on the Group's Subordinated Notes issuance is available at nabcapital.com.au.

BNZ capital initiatives

On 28 January 2025, BNZ issued US$500 million of Subordinated Notes which qualify as Tier 2 capital for BNZ under RBNZ rules, but do not contribute to the Group's Total capital position under APRA rules.

Funding and liquidity

The Group monitors the composition and stability of funding and liquidity through the Group's Board approved risk appetite which includes compliance with the regulatory requirements of APRA's Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR).

Funding

The Group employs a range of metrics to set its risk appetite and measure balance sheet strength. The NSFR measures the extent to which assets are funded with stable sources of funding in order to mitigate the risk of future funding stress.

At 30 September 2025, the Group's NSFR was 116%, down 1% compared to 30 September 2024. Increases in required stable funding (RSF) from a rise in lending volumes and a changing mix of regulatory liquid assets were partially offset by increases in available stable funding (ASF) from deposits and wholesale funding.

The Group's deposit strategy is to grow a stable and reliable deposit base informed by market conditions, funding requirements and customer relationships.

Term wholesale funding

The Group maintains a well-diversified term wholesale funding profile across issuance type, currency, investor location and tenor.

During the September 2025 full year, NAB accessed term wholesale funding markets across a range of products and currencies. In April 2025, global term funding markets saw an increase in volatility driven by the announcement of US reciprocal tariffs and the expectation for more restrictive global trade policies. Since April, market conditions have improved, supported by moderating inflation, central bank rate cuts and reduced volatility.

The Group raised $36.3 billion[1] of term wholesale funding during the September 2025 full year. NAB raised $33.3 billion of term wholesale funding, including $4.0 billion of Tier 2 subordinated debt and BNZ raised $3.0 billion of term wholesale funding, including $0.8 billion of Tier 2 subordinated debt.

The weighted average maturity of term wholesale funding issued by the Group in the September 2025 full year was approximately 5.0 years. The weighted average remaining maturity of the Group's term wholesale funding portfolio is approximately 3.2[2] years.

Term funding markets continue to be influenced by the economic environment, credit conditions, investor sentiment and monetary, fiscal and trade policy settings.

Short-term wholesale funding

During the 2025 full year, the Group accessed international and domestic short-term funding through wholesale markets. In addition, the Group has accessed secured short-term funding in the form of repurchase agreements, primarily to support markets and trading activities. Repurchase agreements entered into, excluding those associated with the Term Lending Facility (TLF) and FLP, are materially offset by reverse repurchase agreements with similar tenors.

Liquidity Coverage Ratio

The LCR measures the adequacy of high-quality liquid assets (HQLA) available to meet net cash outflows over a 30-day period, during a severe liquidity stress scenario. HQLA primarily consists of cash, deposits with central banks, Australian government and semi-government securities and securities issued by foreign sovereigns. Under APS 210 *Liquidity*, HQLA also includes Alternative Liquid Assets (ALA), which comprise RBNZ repo-eligible securities.

The Group maintains a well-diversified liquid asset portfolio to support regulatory and internal requirements in the regions in which it operates. Liquid assets are measured at fair value with valuation changes recognised immediately through either the income statement or other comprehensive income. The average value of regulatory liquid assets held through the September 2025 quarter was $208 billion.

The Group's LCR averaged 135% during the September 2025 quarter, a decrease of 2% compared to September 2024.

A detailed breakdown of quarterly average net cash outflows is provided in the September 2025 Pillar 3 Report.

(1) Excludes AT1 capital.
(2) Excludes AT1 capital, Residential Mortgage Backed Securities (RMBS) and Funding for Lending Programme (FLP).

	Quarterly average		
	30 Sep 25	**31 Mar 25**	**30 Sep 24**
Liquidity Coverage Ratio			
Total high quality liquid assets ($bn)[1]	**208**	212	215
Net cash outflows ($bn)	**153**	152	157
Quarterly average LCR (%)	**135**	139	137

(1) Includes assets qualifying under alternative liquidity approaches.

Dividend and Dividend Reinvestment Plan (DRP)

The final dividend in respect of the year ended 30 September 2025 has been determined at 85 cents, 100% franked, payable on 12 December 2025.

The extent to which future dividends on ordinary shares and distributions on frankable hybrids will be franked is not guaranteed and will depend on a number of factors, including capital management activities and the level of profits generated by the Group that will be subject to tax in Australia.

The Group periodically adjusts its DRP to reflect its capital position and outlook. There is no DRP discount for the 2025 final dividend. Eligible shareholders have the ability to participate in the DRP for the 2025 final dividend for up to 5 million NAB ordinary shares per participant. The Group expects to satisfy the DRP in full by an on-market purchase of ordinary shares.

Directors' information

For information on the directors, company secretaries and board meetings refer to pages 51 to 55 and 60.

Directors' and officers' indemnity

NAB's constitution

The Company's Constitution permits the Company to indemnify current and former directors, company secretaries and other senior officers of the Company and its related bodies corporate. This indemnity may cover certain losses and liabilities incurred by these individuals in their capacity as officers, to the extent permitted by law.

Deeds of Indemnity

The Company has entered into individual deeds of indemnity with each director. These deeds generally reflect the protections available under the Constitution and provide additional certainty regarding access to the Company's documents and records and related rights. The Board may also approve similar arrangements for other officers and employees where appropriate.

Directors' and officers' insurance

During the financial year, the Company maintained and paid an insurance premium in respect of a directors' and officers' liability insurance policy for the benefit of the Company and its officers. This policy provides cover for certain liabilities incurred in the course of performing their duties. In accordance with standard commercial practice, the policy prohibits disclosure of its terms, including the nature of the cover, policy limits and premium amounts.

Directors' and executives' interests

Particulars of shares, rights and other relevant interests held directly and indirectly by directors and Group Executives are set out in the Remuneration Report.

Other matters

Rights

As at the date of this Report, there are 3,454,808 rights outstanding in relation to NAB fully paid ordinary shares. No exercise price is payable for rights. The latest dates for exercise of the rights range between 15 November 2025 and 15 November 2031. Persons holding rights are not entitled to participate in capital actions by NAB (such as rights issues or bonus issues) as they relate to those rights.

For the period from 1 October 2025 to the date of this Report, no NAB fully paid ordinary shares were issued as a result of the exercise of a right.

For further details on rights refer to *.Note 34 Equity-based plans* of the notes to the financial statements and *Section 6.4* of the *Remuneration Report*.

Future developments

In the opinion of the directors, discussion or disclosure of any further future developments including the Group's business strategies and its prospects for future financial years would be likely to result in unreasonable prejudice to the interests of the Group.

Proceedings on behalf of NAB

There are no proceedings brought or intervened in, or applications to bring or intervene in proceedings, on behalf of NAB by a member or other person entitled to do so under section 237 of the *Corporations Act 2001* (Cth).

Events subsequent to reporting date

On 31 October 2025, the Group completed the disposal of its remaining stake in MLC Life for $497 million. The investment in MLC Life of $243 million was derecognised by the Group on this date, resulting in an overall gain on disposal of $254 million which will be included in the Group's statutory net profit for the year ending 30 September 2026. As part of the transaction, NAB has agreed to provide up to $150m contingent Tier 2 capital support to the combined MLC Life Insurance and Resolution Life Australasia business if required. The capital support is available to be drawn down, subject to certain conditions being met, for a period of three years, from completion of the transaction, with the final terms subject to regulatory approvals.

There are no other items, transactions or events of a material or unusual nature that have arisen in the period between 30 September 2025 and the date of this Report that, in the opinion of the directors, have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future years.

Integrity of reporting

The directors of NAB have a responsibility with respect to the integrity of external reporting. This involves reviewing and monitoring, with the assistance of the Audit Committee and management, the processes, controls and procedures which are in place to maintain the integrity of the Group's financial statements.

Further details on the role of the Board and its committees can be found in NAB's 2025 Corporate Governance Statement in the *Corporate Governance Statement* section of this Report and is available online at nab.com.au/about-us/corporate-governance.

External auditor

EY was appointed as the Group external auditor on 31 January 2005 and has provided the audit opinion on the Financial report for 21 years. In accordance with the *Corporations Act 2001* (Cth), the lead signing partner for the audit rotates every five years. Mr Tim Dring was appointed on 16 December 2022 as the Group's Lead Partner and completed his third year as signing partner on the 2025 Financial report.

The Audit Committee conducts an annual review of the adequacy of the external audit with emphasis on independence, effectiveness, and performance of the external auditor. The Audit Committee assessed and resolved it would be appropriate for EY to continue as the external auditor and satisfied themselves on the following basis:

- The External Audit Plan addresses key areas of accounting judgement, including business risks, regulatory and compliance obligations, operations and internal control environment associated with the Financial report and the resulting key audit matters.
- Partner rotations bring fresh perspectives to management and the Audit Committee. The lead partner has demonstrated sound judgement and objectivity.
- The audit team has appropriate industry and technical skills and experience, supported where necessary by EY's technical specialists. The audit team has demonstrated professional scepticism, integrity, independence, insight, service quality, communication, reporting and responsiveness.

There is no person who has acted as an officer of the Group during the 2025 financial year who has previously been a partner at EY when that firm conducted the Group's audit.

Audit-related, taxation-related and non-audit services

The remuneration of the external auditor is set out in *Note 33 Remuneration of external auditor* of the notes to the financial statements and includes details of the fees paid or due and payable for audit-related, taxation-related and non-audit services provided by EY to the Group during 2025.

In accordance with advice received from the Audit Committee, the directors are satisfied that the provision of audit-related, taxation-related and non-audit services during the year to 30 September 2025 by EY is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth). The directors are satisfied because the Audit Committee or its delegate has assessed each service, having regard to auditor independence requirements of applicable laws, rules and regulations, and concluded that the provision of each service or type of service would not impair the independence of EY.

A description of the Audit Committee's pre-approval policies and procedures is set out in the *Assurance and Control* section on page 71. A copy of EY's independence declaration is set out on page 142.

Remuneration Report

Letter from the People & Remuneration Committee Chair, Kathryn Fagg

Dear Fellow Shareholders,

On behalf of the Board, I am pleased to present NAB's 2025 Remuneration Report. I would like to thank our Executive Leadership Team (ELT) and our colleagues around the world for their efforts throughout the year. In 2025, NAB focused on executing its evolved Group Strategy and updated its ambition to become the most customer-centric company in Australia and New Zealand.

Our strategic ambition

In November 2024, NAB evolved its Group Strategy. Building on five years of strong foundations, we again prioritised customers and colleagues and reinforced our resolve to strengthen customer advocacy, deliver faster and simpler banking, and modernise our technology. As our strategy matures, our customer-centric approach is producing early results and contributed to good performance and improved customer advocacy across the majority of segments.

In line with our customer ambition of sustained advocacy leadership and primacy in relationships, in 2025 we increased the weighting of our customer measure in our Group Performance Indicator (GPI) from 20% to 30%, which is a key component in determining annual variable reward outcomes for the ELT and eligible colleagues.

Our refreshed Colleague Strategy reinforces NAB's commitment to building a culture where colleagues are proud to work at NAB, inspired and supported by their leaders, and deeply focused on our customers. See Sections 1.1 and 1.3 for details.

Performance

The Group's performance in 2025, as measured by the GPI, achieved 92% of target, reflecting balanced performance outcomes. See Section 4 for detail. The key performance outcomes in 2025 were:

- Cash earnings (expected loss basis)(1)(2) of $6,876 million were 0.4% favourable to plan.
- Return on Total Allocated Equity (ROTAE) (expected loss basis)(3) was 18 basis points below plan.
- The Board evaluated the quality and sustainability of earnings, considering the net impact of certain one-off items in 2025. As a result, a 2% reduction in cash earnings and ROTAE outcomes was applied.
- Total dividend of 170 cents per share, fully franked, returning $5.2 billion to more than 540,000 shareholders - up from 168 cents per share in 2024.
- NAB made good progress against each of our three key priorities; growing business banking, driving deposit growth, and strengthening proprietary home lending.
- Four of five segments improved in customer advocacy with Medium and Large Business Customer Advocacy Net Promoter Score (NPS)(4) improving to #1 among peer banks.
- We delivered solid progress towards our technology modernisation goals with our continued focus on moving faster, reducing complexity and responding to evolving customer expectations. Examples of where we delivered value include the continued modernisation of key platforms such as our Everyday Banking originating platform, the redesign of the nabtrade platform, and the upgrade of our New Payments Platform.
- Our gender pay gap, as published by the Workplace Gender Equality Agency (WGEA) decreased by 0.2% to 14.9%(5) (vs 15.1% in 2024). Our ambitious 2025 goal of <10% was not met. We will continue our focus on reducing the gender pay gap.
- Our colleague engagement remains at global top quartile of 78(6). Similarly, our Engagement Index score, which includes scores for belonging, well-being and whether our colleagues recommend NAB as a place to work, remains at top quartile.

Changes to the Executive Leadership Team

NAB continues to attract leading talent from both within Australia and globally, as seen by our recent ELT appointments:

- Andrew Auerbach joined as Group Executive, Business and Private Banking on 16 June 2025, succeeding Rachel Slade.
- Pete Steel was appointed Group Executive, Digital, Data & Artificial Intelligence. Pete will commence employment on 19 November 2025. Pete will lead the bank's digital, data and Artificial Intelligence teams and initiatives to deliver better experiences for our customers and colleagues.
- Shane Conway has been promoted into a newly created role of Group Executive, Transformation. He will lead our continued focus on payments, simplification, technology modernisation, organisational effectiveness and change. Shane will commence his new role on 1 December 2025.
- Sharon Cook will retire on 31 December 2025 as Group Executive, Customer and Corporate Services. Les Matheson will assume the leadership of Customer and Corporate Services and transfer the leadership of Digital and Data, and uBank to Pete Steel.
- Inder Singh was appointed Group Chief Financial Officer and Group Executive, Strategy, Inder will commence employment in March 2026.

As a result of ELT changes, there were a number of acting appointments put in place during the transition period. Further detail on executive changes and transition arrangements is provided in Section 2.2.

Remuneration for the Group CEO and Group Executives

The Group CEO and Group Executives delivered a result in line with plan and made good progress in delivering NAB's customer-centric strategy. The Board remains focused on maintaining responsible levels of executive remuneration that align with business outcomes. The key remuneration outcomes in 2025 were:

- Andrew Irvine's Annual Variable Reward (VR) outcome was 92% of his target opportunity (69% of maximum), recognising

(1) Calculation on an expected loss basis provides a view that is reflective of long-term underlying business performance and is less volatile than the Credit Impairment Charge view which in individual years can be impacted by large movements in economic adjustments and forward-looking adjustments.
(2) Full detail on how cash earnings is defined, a discussion of non-cash earnings items and a full reconciliation of statutory net profit attributable to owners of the Company is set out in *Note 2 Segment information* of the Financial report on page 155.
(3) Return on Total Allocated Equity on an expected loss basis remains sensitive to changes in the risk profile of the Group's portfolio.
(4) Net Promoter® and NPS® are registered trademarks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Net Promoter Score℠ is a service mark of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Medium and Large Business NPS sourced from RFI Global - Atlas, measured on 6 month rolling average. Based on business customers with a turnover $5m-<$200m. Ranking based on absolute scores, not statistically significant differences and compared against Big 4 peers.
(5) The pay gap analysis indicates the mean gender pay gap within NAB's Australian-based workforce. Further detail can be found in Section 1.4.
(6) Colleague engagement survey result conducted using Glint. For the purposes of the GPI and Group CEO Scorecard, colleague engagement score is 78% and excludes BNZ. Further details can be found in Section 4.1.

his leadership in advancing the Group's strategy, customer focus and shareholder returns.

- VR outcomes for current permanent Group Executives ranged from 83% to 120% of target opportunity (62% to 92% of maximum), reflecting individual and collective performance.
- The four-year Long Term Variable Reward (LTVR) granted in February 2021 vested at 100% in December 2024, based on NAB's Total Shareholder Return (TSR) outcome at the 75th percentile over 4 years (from November 2020 to November 2024), demonstrating strong long-term financial performance and consistent strategic execution.

Further detail on the executive remuneration outcomes and arrangements is provided in Section 2 and Section 4.

Consequence management

The Board applied consequence management in response to three risk matters considered during the year that relate to matters that arose in prior performance periods.

Hardship: The Federal Court finding in August 2025 of breaches of the National Consumer Credit Protection Act 2009 (Cth) as a result of failures to provide written responses to 345 hardship notices, which resulted in a $15.5 million civil penalty.

Common Reporting Standard: NAB's failure to comply with certain requirements under the Common Reporting Standard which resulted in NAB receiving an administrative penalty from the Australian Tax Office in October 2024.

Payroll remediation: The issues contributing to NAB's ongoing payroll review and remediation program.

To foster our culture of prudent risk management and individual accountability, downward adjustments were made to the remuneration of current and former colleagues involved in these matters based on their level of accountability and responsibility. Further detail can be found in Section 2.1 and 5.3.

CPS 511 Compliance and Effectiveness review

NAB completed its second annual compliance review and first triennial effectiveness review of our remuneration framework as required by APRA's Prudential Standard CPS 511 Remuneration (CPS 511). NAB's remuneration framework was found to be effective and compliant with the requirements of CPS 511, with only minor areas of improvements suggested to align with best market practices. Further detail can be found in Section 1.3.

On behalf of the Board, I invite you to read this Remuneration Report which will be presented for adoption at the 2025 AGM.

Kathryn Fagg
People & Remuneration Committee Chair
6 November 2025

Contents

Section 1 - Our remuneration frameworks

1.1 Strategic context for remuneration at NAB

Our remuneration frameworks are informed by the Group Strategy which focuses on customers and colleagues. Our remuneration principles support the delivery of our strategic priorities and demonstrate how we approach remuneration. They also underpin our executive remuneration framework outlined in Section 1.2, our colleague remuneration framework outlined in Section 1.4 and our broader remuneration policy and structures.

Our strategic ambition

Why we are here

To be the most customer-centric company in Australia and New Zealand

nab bnz ubank JBWere

Who we are here for

Customers
Customers who trust us and choose us to be their bank

Colleagues
Customer obsessed colleagues who are proud to work at NAB

Who we are

We are customer obsessed | We keep it simple | We move with speed | We own it | We win together

What we will be known for

Relationship led
1. Exceptional bankers
2. Unrivalled customer service
3. Personalised and proactive

Exceptional experiences
1. Brilliant at the basics
2. Trusted in moments that matter
3. Simple, fast and easy to deal with

Safe and sustainable
1. Strong balance sheet and proactive risk management
2. Secure, simplified and resilient technology
3. Long term and sustainable approach

Where we will grow

Business & Private	Corporate & Institutional	Personal	BNZ	ubank
Clear market leader	Disciplined growth	Deepen customer relationships	Personal & SME	Customer acquisition

What we will deliver

Leading customer advocacy | Winning in market | Customer obsessed colleagues | Simple, fast, resilient | Strong returns

Our evolved ambition is underpinned by our refreshed Colleague Strategy. We continue to rally around our twin peaks of customer and colleague - striving for customers who trust and choose us, and colleagues who are proud to work at NAB. The Colleague Strategy is built on three pillars: Talent, Culture and Leaders, and is outlined in more detail in the Colleagues section of the Annual Report.

Our colleague strategy

Talent
Highly skilled global workforce positioned for the future

Culture
A customer obsessed culture where it is simple to get things done

Leaders
World standard leaders who inspire and support performance

The following remuneration principles support our Colleague Strategy.

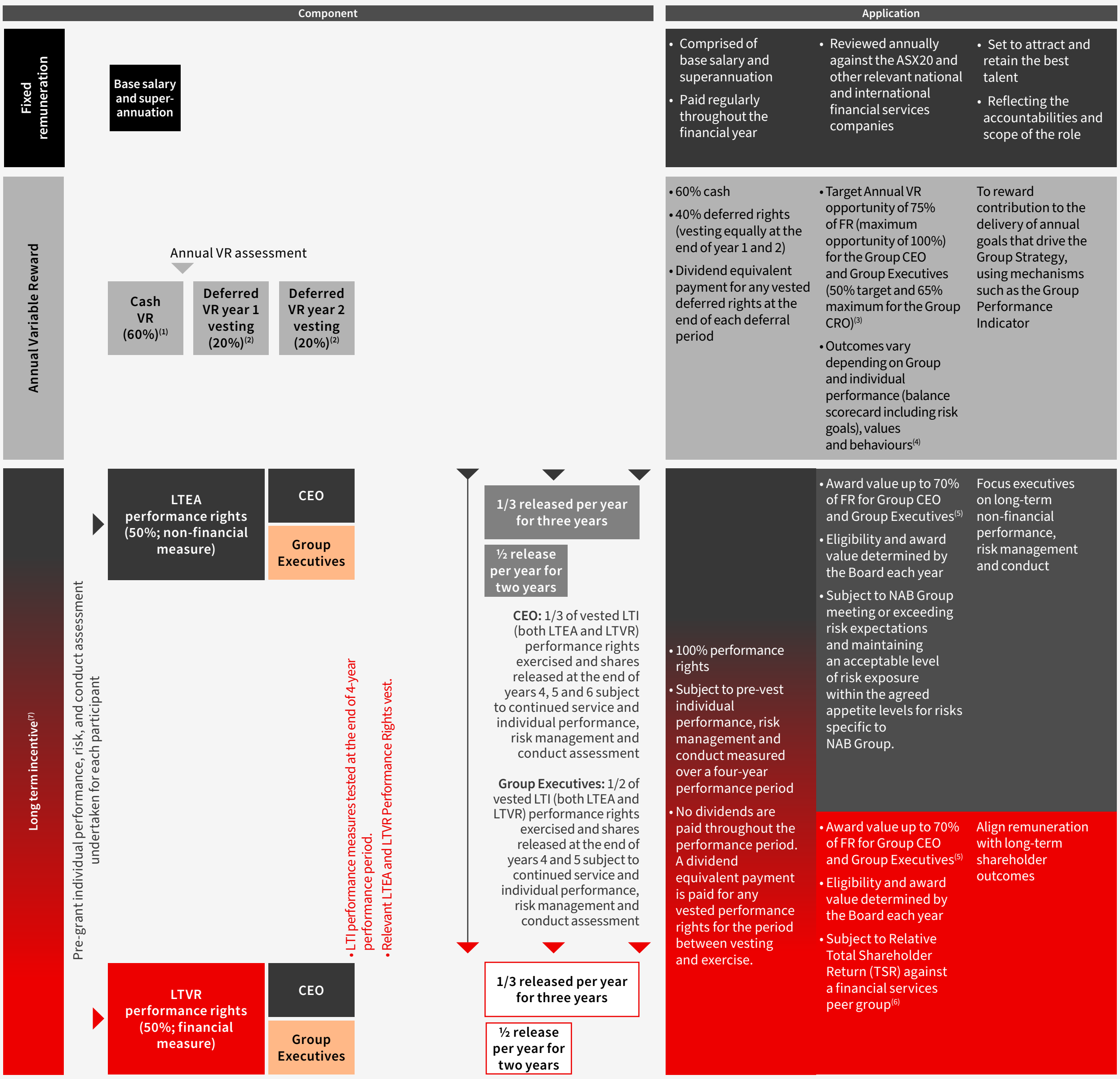
Our remuneration principles

Customers	Colleagues	Shareholders	Transparent	Safe	Long-term
Reinforce our commitment to customers	Fair and appropriate reward to attract and retain the best people	Align reward with sustainable shareholder value	Simple and easy to understand	Reflect risk, reputation, conduct and values outcomes	Drive delivery of long-term performance

1.2 Executive remuneration framework

The executive remuneration framework implemented in 2024 continues to support the delivery of our strategic ambition. The framework reinforces our commitment to customers, aligns with sustainable shareholder value creation and supports appropriate risk, reputation, conduct and sustainability outcomes and our Who We Are values. The framework supports the Group CEO and Group Executives to drive both short and long-term performance. The requirement to hold a minimum shareholding enhances the alignment between the interests of shareholders and the Group CEO and Group Executives. Further information can be found in Section 3.

2025 Executive Reward Framework



Board discretion applies for qualitative matters including risk, reputation, conduct, and values to ensure sustainable performance (including malus and clawback). Further detail about how the Board applies discretion on remuneration matters can be found in Section 5.2.

(1) Cash VR is paid at the end of the financial year.
(2) Deferred VR is exercised automatically on vesting. Vesting and exercise occurs at the end of the financial year.
(3) Target Annual VR opportunity is 75% of FR for the Group CEO and permanent Group Executives (50% for Shaun Dooley the permanent Group CRO and current Acting CFO).
(4) The outcome for the CEO and Managing Director, Bank of New Zealand (BNZ) will vary depending on overall Group and BNZ performance.
(5) The actual value delivered to the Group CEO or a Group Executive is subject to the level of achievement against the performance measures and NAB's share price at the time of exercise.
(6) The Relative TSR financial services peer group for the LTVR allocated on 19 December 2024 was AMP Limited, Australia and New Zealand Banking Group Limited, Bank of Queensland Limited, Bendigo and Adelaide Bank Limited, Commonwealth Bank of Australia, Insurance Australia Group Limited, Macquarie Group Limited, Medibank Private Limited, NIB Holdings Limited, QBE Insurance Group Limited, Suncorp Group Limited and Westpac Banking Corporation.
(7) The Long-Term Incentive (LTI) comprises of 50% Long-Term Equity Award (LTEA) and 50% Long-Term Variable Reward (LTVR). Neither Michael Saadie or Peter Whitelaw will receive any LTI because they are Acting Group Executives. See Section 2.2 for more information.

Minimum Shareholding Requirement
To align with shareholder interests, executives are required to hold NAB shares to the value of two times FR (for the Group CEO) and one times FR (for Group Executives). Newly appointed Group Executives are required to satisfy the minimum shareholding requirement within a five-year period from the date of commencement in their role. Group Executives in an acting capacity are not subject to the minimum shareholding requirements. The value of an executive's shareholding is based on the share price on the last day of the financial year (i.e., 30 September). The Group CEO and permanent Group Executives have either met or are on track to meet their minimum shareholding requirement. Holdings included in meeting the minimum shareholding requirement are NAB ordinary shares, unvested deferred shares and deferred rights not subject to further performance conditions held by the executive, and shares held by a closely related party or self-managed superannuation fund for the benefit of the executive. No changes were made to the minimum shareholding requirement in 2025, but the requirement will be reviewed in 2026 to ensure alignment with market practice and to further support the long term alignment of interests of the ELT with those of shareholders.

1.3 Our approach to executive remuneration

The Board, supported by the People and Remuneration Committee, and the Board Risk & Compliance Committee, actively monitors the Group's performance, including any risk and conduct matters that arise. This enables the Board to take timely action to address any issues identified and ensure the prudent application of consequences in the event of risk or conduct failures (including malus and clawback). Further detail about how the Board applies discretion and consequence management in respect of remuneration can be found in Sections 5.2 and 5.3.

1.4 Colleague remuneration framework

Informed by our remuneration principles, the colleague remuneration framework, applicable to colleagues below the Group Executive level, operates in close alignment with the executive remuneration framework ensuring a cohesive and consistent approach to reward outcomes across the organisation.

	Fixed Remuneration (FR)	Annual Variable Reward (VR)	Annual Equity Award (AEA)
WHO	Colleagues appointed to Group 1 – 6 roles [1]	Colleagues appointed to Group 3 – 6 roles [1]	Certain colleagues appointed to Group 5 and 6 roles [1]
WHAT	• FR is comprised of base salary and superannuation • Paid regularly during the financial year • In addition to FR, a $1,000 share or cash grant to eligible colleagues in Group 1 – 5 roles will be made after the end of the financial year[3]	• Cash and restricted shares (where the Annual VR outcome meets the relevant deferral threshold) [2] • Cash component paid at the end of the financial year • Restricted shares are allocated at the end of the financial year and vest over the deferral period applicable to the colleague's role	• 100% restricted shares (1/3 scheduled to vest at the end of year 1, year 2 and year 3) • Allocated at the end of the financial year based on a pre-grant assessment of individual performance and conduct during the year
WHY	• Market competitive remuneration for role and experience to attract and retain high performing individuals • Only component of remuneration for some colleagues, providing certainty and encouraging stronger focus on customers • The $1,000 share or cash grant recognises colleague contribution to Group performance in 2025	• To reward contribution to delivery of annual goals that drive the Group's strategy • Motivates performance and safe growth for colleagues who have increased accountability for and influence over the Group's annual performance • Variable reward targets have been standardised to create more consistency and fairness	• To create shareholder alignment, drive continued sustainable performance and emphasise focus on risk management, good conduct and behaviour outcomes
		Board discretion applies for qualitative matters including risk, reputation, conduct and values to ensure sustainable performance (including for malus and clawback)[4]	
		At Risk	At Risk

(1) Roles are defined in the NAB Enterprise Agreement 2024. Group 1 - 6 roles are roles below the Group CEO and Group Executives (which are Group 7 roles).
(2) Deferral thresholds and deferral periods are different depending on the incentive plan participated in, the location and the seniority of the colleague.
(3) The grant of shares or cash and value of the award is determined by the Board each year in its discretion.
(4) Further details about how the Board applies discretion on remuneration matters can be found in Section 5.2.

Remuneration terms - Australia-based colleagues

NAB's 2024 Enterprise Agreement provides colleagues with greater certainty about pay through clearly defined FR increases and a structured remuneration framework. The increases scheduled to take effect from January 2026 for eligible colleagues below Group Executive level, are outlined below.

Pay rate	FR increase
FR below $111,500	Colleagues will receive a minimum FR increase of 3.5%.
FR of $111,501 – $150,689	Colleagues will receive a minimum FR increase of 2%.
FR of $150,690 – $185,925	Colleagues will receive a minimum FR increase of 1.5%.
FR above the High Income Threshold ($185,925)	A budget of 1.5% of FR has been allocated to these colleagues and will be distributed based on individual performance, internal peer relativities and external market remuneration positioning.

In addition to FR, NAB provides a broad range of benefits including financial and other well-being benefits. This includes flexible work arrangements, up to two days of volunteer leave per year, one week of additional annual leave ("You Leave")(1) and wellness and mental health resources through our Employee Assistance Program.

Remuneration terms - Internationally based colleagues

Remuneration for colleagues based in international locations is informed by local regulations and market practice, and governed by the NAB Group remuneration framework.

Colleague recognition and initiatives

Colleague recognition and appreciation are led through our NAB Honour and NAB Appreciate programs that recognise colleagues and teams who get it right for our customers every time and build a truly customer obsessed culture.

We advanced pay equity, reducing the gender pay gap by 0.2% to 14.9% (vs 15.1% in 2024)(2). During our annual performance and reward review process, people leaders address and ensure gender pay equity through the performance and reward decisions they make.

(1) Entitlement to You Leave is subject to colleagues meeting the eligibility criteria.
(2) Figures shown are published by the Workplace Gender Equality Agency (WGEA). The pay gap analysis indicates the mean gender pay gap within NAB's Australian-based workforce, the reporting period for each year reflects 1 October to 30 September of the previous year (e.g., 2025 reflects the period 1 Oct 2024 to 30 Sept 2025). The gender pay gap is calculated by dividing the mean female base salary by the mean male base salary per employment level. It does not separately measure the gender pay gap in equivalent roles. Analysis included permanent (including CEO salary from 2025 as per WGEA reporting requirements), fixed term, and casual colleagues and excludes contractors.

Section 2 - Executive remuneration outcomes and changes

2.1 Executive remuneration outcomes[1]

Fixed Remuneration

As disclosed in our 2024 Remuneration Report, the Board approved FR increases between 2.1% to 5.6% for five Group Executives, effective from 2 January 2025 to reflect increased accountabilities and external pay relativity adjustments. The FR of Group Executives who were appointed in 2025 was determined with reference to the market remuneration observed for equivalent roles in the Australian market. There has been no change to FR for the Group CEO role since 2019.

2025 Performance and Annual VR outcomes

The Board considered performance across all elements of the Group scorecard[1].

The 2025 Annual VR outcomes were:

	Individual Annual VR outcomes		
Position	% of Fixed Remuneration	% of Target Opportunity	% of Max Opportunity
Group CEO	69%	92%	69%
Group Executives[2][3][4]	62% - 92%	83% - 120%	62% - 92%

The five-year overview below shows a reasonable distribution of outcomes at target VR opportunity. The level of variation in the outcomes for the Group CEO and Group Executives reflects appropriate pay for performance alignment.

	% of Annual VR target				
Position	2025	2024	2023	2022	2021
Group CEO	92%	90%	108%	111%	121%
Group Executives	83% - 120%	72% - 108%	81% - 117%	93% - 111%	105-149%

2020 Long-Term VR outcomes

The performance conditions for the 2020 Long-Term Variable Reward (LTVR) award (granted in February 2021) were tested in November 2024. The 2020 LTVR award was granted subject to a Relative TSR performance hurdle, measured over a four-year period. The Board also assessed qualitative performance factors and individual performance prior to determining that 100% of the total performance rights should vest. The following table provides a five-year overview of the vesting outcomes of long-term VR awards. Further details are provided in Section 4.4.

Plan Terms	2020	2019	2018	2017	2016
Allocation date	Feb 2021	Feb 2020	No Long-Term VR awards were granted in relation to the 2019 LTVR Plan	Dec 2017	Feb 2017
Performance period	4 years	4 years		4 years	4 years
Date of testing	Nov 2024	Nov 2023		Nov 2021	Nov 2020
Number of Group Executives (including the Group CEO) who held the award[5]	7	5		5	3
% of award vested	100%	100%		65.7%	55.8%
% of award lapsed	0%	0%		34.3%	44.2%

(1) The Group scorecard outcome is expressed as the GPI, which is a key component in informing VR outcomes (refer to Section 3.2 where the mechanics of the Group Variable Reward Plan are explained).
(2) Excluding the Acting Group Executive, Business and Private Banking, Acting Group Chief Risk Officer, and outgoing Group Executive, Business and Private Banking.
(3) The VR outcome for each Acting Group Executive in respect of that role was prorated to reflect their time in that role, and was 110% of target opportunity (44% of maximum opportunity) for the Acting Group Executive, Business and Private Banking and 92% of target opportunity (37% of maximum opportunity) for the Acting Group Chief Risk Officer.
(4) Rachel Slade's Annual VR has been excluded from the outcomes outlined above. Her Annual VR was prorated for her time in the Group Executive, Business and Private Banking role. Her Annual VR outcome was 23% of Annual VR target (17% of maximum Annual VR).
(5) Number of permanent Group Executives (including the Group CEO) who held the award and were a Group Executive on the vesting date of the awards.

Consequence application

The Board applied consequence management in response to three risk matters considered during the year that relate to matters that arose in prior performance periods. Consequences were applied to the Group CEO, in relation to his former role as Group Executive, Business and Private Banking, and other current and former Group Executives in response to three risk matters considered during the year.

Hardship: The Federal Court finding in August 2025 of breaches of the National Consumer Credit Protection Act 2009 (Cth) as a result of failures to provide written responses to 345 hardship notices, which resulted in a $15.5 million civil penalty.

Common Reporting Standard: NAB's failure to comply with certain requirements under the Common Reporting Standard which resulted in NAB receiving an administrative penalty from the Australian Tax Office in October 2024.

Payroll remediation: The issues contributing to NAB's ongoing payroll review and remediation program.

Downward adjustments (pausing and forfeiture) ranged from 2.5% to 58% of VR, with a total financial impact of approximately $828,000 (of which approximately $218,000 are forfeitures of deferred VR and approximately $610,000 are awards that will be paused while further investigations are undertaken).

- Current executives: forfeiture of deferred VR with a total impact of $112,430 across three individuals, including the Group CEO in relation to his former role as Group Executive, Business & Private Banking.
- Former executives: pausing or forfeiture of deferred VR with a total impact of $716,425 ($106,088 forfeited and $610,337 paused) across five individuals including the former Group CEO.

(1) Excluding the Acting Group Executive, Business and Private Banking and Acting Group Chief Risk Officer

The adjustments were made to deferred VR due to vest in November 2025. All outcomes were determined with reference to the accountability for, severity, and impact of the relevant matter.

2.2 Executive appointments and exit arrangements

A number of changes to the Executive Leadership Team were announced in 2025. The table below outlines changes that occurred during 2025.

Changes in 2025		
Group Executive, Business and Private Banking	Group Chief Financial Officer	Group Chief Risk Officer
Andrew Auerbach was appointed as the new Group Executive, Business and Private Banking, succeeding **Rachel Slade.** He commenced on 16 June 2025. **Rachel Slade** ceased to be Group Executive, Business and Private Banking on 17 March 2025 and ceased employment on 1 July 2025. During the period 18 March to 15 June 2025, **Michael Saadie** acted as Group Executive, Business and Private Banking.	**Nathan Goonan** ceased to be Group CFO on 17 March 2025 and ceased employment on 16 September 2025. **Shaun Dooley** was appointed as the Acting Group CFO from 18 March 2025.	**Peter Whitelaw**, Executive, Chief Resilience Risk Officer, was appointed as the Acting Group CRO on 18 March 2025 for the period of **Shaun Dooley's** appointment as the Acting Group CFO.

The following table outlines the remuneration arrangements as a result of role changes in 2025.

Group Executive	Remuneration arrangement
Appointment: Andrew Auerbach	• Mr Auerbach was appointed as Group Executive, Business and Private Banking on 16 June 2025. • Effective from the date of appointment, Mr Auerbach's remuneration comprised of annual FR of $1,250,000, an Annual VR target opportunity of 75% of FR (maximum opportunity of 100% of FR) and a maximum LTI opportunity of 140% of FR (comprising the LTEA component of 70% of FR and the LTVR component of 70% of FR). • Mr Auerbach participated in the FY25 Annual VR plan on a pro-rata basis, but did not receive an LTI award in respect of the 2025 performance year. • A commencement award of $1,600,000 was granted to Mr Auerbach to compensate for the forfeiture of rights and entitlements in relation to his prior role. The award is subject to continued employment, malus and clawback provisions. The award is in restricted shares, vesting in three equal tranches in December 2026, December 2027 and December 2028. • Relocation assistance of $300,000 was provided to support his move to Australia.
Acting: Shaun Dooley	• Mr Dooley was appointed as Group Chief Financial Officer in an acting capacity effective 18 March 2025. • There were no changes to Mr Dooley's remuneration during the acting appointment. Specifically, Mr Dooley's VR opportunity as Group CRO (50% target opportunity) was not adjusted to align with that of the former Group CFO (75% target opportunity).
Acting: Michael Saadie	• Mr Saadie was appointed as Acting Group Executive, Business and Private Banking from 18 March to 15 June 2025, before returning to his ongoing role of Executive, Private Wealth. • Mr Saadie's annual FR, FY25 Annual VR target and AEA remained unchanged and was not adjusted during his acting appointment. • Mr Saadie received an additional allowance of $50,000 per month during his acting appointment. • Mr Saadie was awarded an Annual VR outcome of $168,923 for the period he was in the acting role. All VR attributable to that period will be deferred in line with CPS 511 requirements. Deferred VR will be allocated in the form of shares rather than rights. • Mr Saadie did not participate in the Group Executive's LTI plan.
Acting: Peter Whitelaw	• Mr Whitelaw was appointed as Acting Group CRO effective 18 March 2025. • Mr Whitelaw's annual FR, FY25 Annual VR and AEA remained unchanged and was not adjusted during the acting appointment. • Mr Whitelaw received an additional allowance of $50,000 per month during his acting appointment. • Mr Whitelaw was awarded an Annual VR outcome of $181,105 for the period he was in the acting role. All VR attributable to that period will be deferred in line with CPS 511 requirements. Deferred VR will be allocated in the form of shares rather than rights. • Mr Whitelaw did not participate in the Group Executive's LTI plan.
Exit: Rachel Slade	• Ms Slade ceased to be Group Executive, Business and Private Banking on 17 March 2025. • Ms Slade ceased employment with NAB effective 1 July 2025 following a transition period in an advisory function providing support to the Group CEO. • Ms Slade remained eligible for a prorated FY25 Annual VR award, delivered in cash (60%) and deferred cash (40%), vesting in two equal annual tranches in accordance with the terms of the plan. • The Board determined Ms Slade's allocation of FY25 LTI performance rights should be reduced by 25% in recognition of her separation. • In accordance with the terms of NAB's VR plans, Ms Slade retained all other unvested deferred short-term and long-term VR awards. These awards remain subject to the relevant performance measures and restriction periods. • On cessation, Ms Slade received a cash payment in respect of statutory entitlements, support to transition to external opportunities and in recognition of her contribution to the Group. Payments made in connection with Ms Slade's cessation complied with the termination benefits regime in the *Corporations Act 2001* (Cth).

Group Executive	Remuneration arrangement
Exit: Nathan Goonan	• Mr Goonan ceased to be Group CFO on 17 March 2025 and ceased employment with NAB effective 16 September 2025 following a transition period. • Mr Goonan did not participate in the FY25 Annual VR. • All unvested deferred rights totalling 219,221 shares were forfeited on cessation of employment.

2.3 Executive remuneration in 2026

Feature	Description
Fixed Remuneration	No increase has been made to the FR of the Group CEO for 2026 Five Group Executives will receive FR increases between 3.7% - 8.7% effective 1 January 2026, reflecting the accountabilities and responsibilities of their portfolios, experience in the role, and appropriate alignment to the Financial Services market.
2026 LTI award (LTEA and LTVR components)	The Board assessed the Group CEO and all permanent Group Executives as having met the pre-grant individual performance, risk management and conduct assessments. Accordingly, the Board determined that each be awarded a 2026 LTI award, comprising the LTEA component and the LTVR component, each with a face value of 70% of FR (i.e., a total value of 140% of FR). The LTI award (LTEA and LTVR components) will be granted in December 2025. The actual value delivered to the Group CEO and each permanent Group Executive is subject to the level of achievement against the relevant four-year performance measures and may be zero if the performance measures are not achieved. For the Group CEO, the 2026 LTI award comprising of the LTEA component (40,211 performance rights) and LTVR component (40,211 performance rights), based on NAB's weighted average share price of $43.52 over the last five trading days of the 2025 financial year, will be granted in December 2025 subject to shareholder approval at NAB's 2025 AGM.

2.4 Key management personnel

The list of NAB's Key Management Personnel (KMP) is assessed each year and comprises the non-executive directors of NAB, the Group CEO (an executive director of NAB) and the Group Executives who have authority and responsibility for planning, directing and controlling the activities of both NAB and the Group. The KMP during 2025 were:

Name	Position	Term as KMP
Non-executive directors		
Philip Chronican	Chair	Full year
Alison Kitchen	Director	Full year
Ann Sherry	Director	Full year
Carolyn Kay	Director	Full year
Christine Fellowes	Director	Full year
Kathryn Fagg	Director	Full year
Simon McKeon	Director	Full year
Warwick Hunt	Director (from 2 December 2024)	Part year
Former non-executive directors		
Anne Loveridge	Director (to 18 December 2024)	Part year
Douglas McKay	Director (to 18 December 2024)	Part year
Group CEO		
Andrew Irvine	Group CEO	Full year
Group Executives		
Ana Marinkovic	Group Executive, Personal Banking	Full year
Andrew Auerbach	Group Executive, Business and Private Banking (from 16 June 2025)	Part year
Cathryn Carver	Group Executive, Corporate and Institutional Banking	Full year
Daniel Huggins(1)	Managing Director and CEO, Bank of New Zealand	Full year
Leslie Matheson	Group Chief Operating Officer	Full year
Patrick Wright	Group Executive, Technology and Enterprise Operations	Full year
Sarah White	Group Executive, People and Culture	Full year
Sharon Cook	Group Executive, Customer and Corporate Services	Full year
Shaun Dooley	Group Chief Risk Officer (to 17 March 2025) Acting Group Chief Financial Officer (from 18 March 2025)	Full year
Acting Group Executives		
Michael Saadie	Acting Group Executive, Business and Private Banking (from 18 March 2025 to 15 June 2025)	Part year
Peter Whitelaw	Acting Group Chief Risk Officer (from 18 March 2025)	Part year
Former Group Executives		
Nathan Goonan	Group Chief Financial Officer (to 17 March 2025)	Part year
Rachel Slade	Group Executive, Business and Private Banking (to 17 March 2025)	Part year

(1) All matters relating to the remuneration of Daniel Huggins including VR, have been approved by the BNZ Board as required under BNZ's Conditions of Registration which are set by the Reserve Bank of New Zealand.

Section 3 - Our 2025 executive variable remuneration plans

The 2025 executive remuneration framework is underpinned by our remuneration principles outlined in Section 1.1. The executive remuneration framework incorporates remuneration deferral arrangements to ensure shareholder alignment. A proportion of remuneration is deferred in the form of equity for up to six years for the CEO and five years for Group Executives, to encourage long-term decisions that create sustainable value for customers and shareholders. The key aspects of the executive remuneration framework seek to:

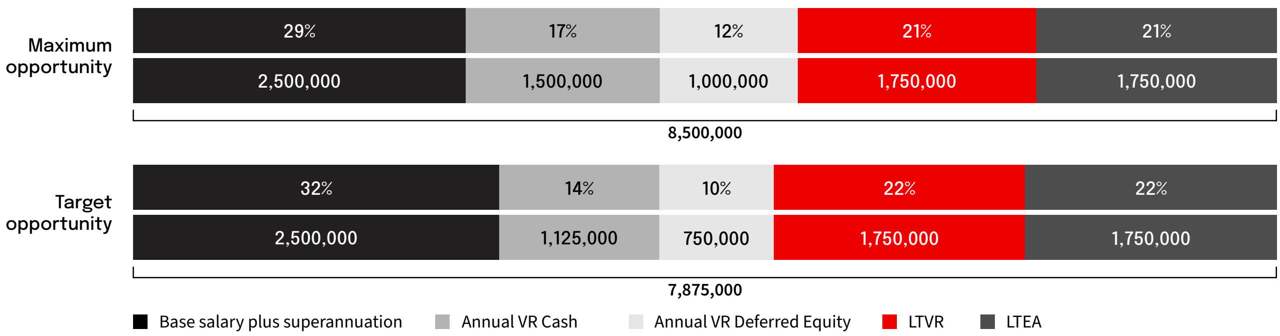
- maintain a strong focus on individual performance, conduct and management of financial and non-financial risks;
- drive short and long-term performance, sustainable shareholder growth and a focus on customer outcomes; and
- provide mechanisms to ensure remuneration outcomes will be commensurate with performance and risk outcomes.

All VR (unvested, vested or paid) is subject to malus and clawback. Refer to Section 5.3 for more detail.

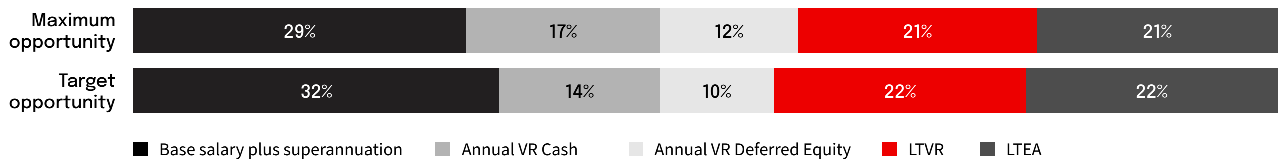
3.1 Remuneration mix

The remuneration mix for the Group CEO, permanent Group Executives and Group CRO at maximum and target opportunity delivers approximately 65%-70% of total remuneration as variable and 'at risk' remuneration, with VR weighted more heavily to the long-term components. The actual remuneration mix for the Group CEO and each permanent Group Executive is subject to Group and individual performance each year.

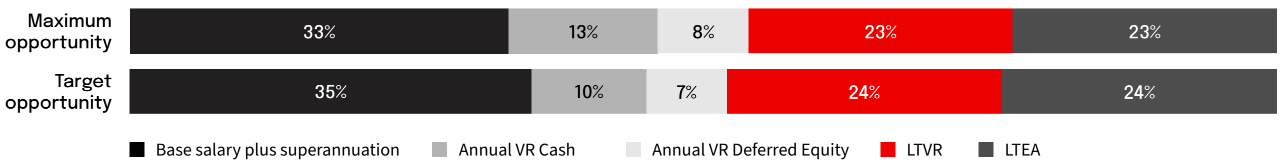
Group CEO



Permanent Group Executives



Group CRO



3.2 Annual variable reward

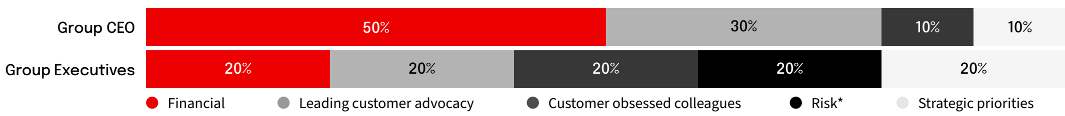
The table below outlines the key features of the Annual VR plan for the Group CEO and Group Executives.

<table>
<tr><th>Feature</th><th>Description</th></tr>
<tr><td>Purpose</td><td>Annual VR rewards the Group CEO and Group Executives for delivery of annual goals that drive long-term sustainable performance. It provides an appropriate level of remuneration that varies based on the Board's determination of Group and individual performance over the financial year measured against agreed targets for financial and non-financial measures that are set to drive delivery of the Group's strategy. The plan is not wholly formulaic. Judgement is applied through qualitative assessment as determined by the Board.</td></tr>
<tr><td>Annual VR calculation</td><td>Individual Annual VR awards for the Group CEO and Group Executives[(1)] are calculated as follows[(2)]:

Target Opportunity: FR x Annual VR target %
×
Group Scorecard Group Performance Indicators + Qualitative Assessment: Key financial and non-financial measures to deliver the Group's strategy + Risk Modifier, Quality of performance
×
Individual Scorecard Individual Performance + Individual Modifier: Individual performance measures + Risk, Employee Conduct, Who We Are

Discretionary adjustments: Annual VR is discretionary and will vary in line with Group and individual performance and available funding. The Board may determine any amount be awarded from zero up to the maximum VR opportunity.

The Group CEO's scorecard, assessment and outcomes for 2025 are provided in Section 4.1.</td></tr>
<tr><td>Annual VR opportunity</td><td>
<table>
<tr><th>Position</th><th>Target opportunity[(3)]</th><th>Maximum opportunity[(3)]</th></tr>
<tr><td>Group CEO and permanent Group Executives (excluding Shaun Dooley and Peter Whitelaw)</td><td>75% of FR</td><td>100% of FR</td></tr>
<tr><td>Shaun Dooley (Group Chief Risk Officer and Acting Chief Financial Officer)</td><td>50% of FR</td><td>65% of FR</td></tr>
</table></td></tr>
<tr><td>Group performance</td><td>Group performance is assessed on achievement of financial and non-financial measures (GPI) linked to the Group's key strategic priorities, overlaid by a qualitative assessment. The qualitative assessment may result in the outcome being adjusted upwards or downwards (including to zero) for risk, quality of performance (including consideration of financial and customer outcomes, sustainability matters, and progress made against strategy) and any other matters as determined by the Board.</td></tr>
<tr><td>Individual performance and measures</td><td>Individual performance is assessed against a scorecard comprised of key financial and non-financial goals. The weighting of measures reflects the responsibilities for each individual's role. The Group CEO's 2025 scorecard is aligned to the GPI.



*The Board's assessment of the Group CEO's risk outcome is applied as an Individual Modifier.

Individual performance modifiers: The Board considers three individual performance modifiers which may result in an adjustment to an individuals' performance and VR outcomes:
• Risk: the individual's management of risk and compliance.
• Employee conduct: individual performance and VR outcomes may be reduced where expected standards of conduct are not met.
• Who We Are: the individual's demonstration of NAB's values.</td></tr>
<tr><td>Award delivery and deferral</td><td>Annual VR is delivered as a combination of cash and deferred rights. The cash component of Annual VR is paid following the performance year to which it relates.

Deferred rights will be granted in December 2025 and are scheduled to vest pro-rata over two years from grant. Deferred rights are granted and may vest at the Board's discretion, subject to the relevant plan rules including malus and clawback provisions.

A dividend equivalent payment for any vested deferred rights is paid at the end of each deferral period.</td></tr>
<tr><td>Separation</td><td>If the Group CEO or a Group Executive resigns, they will not receive any Annual VR for that year and any unvested deferred rights will be forfeited.

Unvested awards may be retained on separation in other circumstances prior to the end of the vesting period. The Board retains discretion to determine a different treatment. Vesting of any unvested awards retained will generally not be accelerated and will continue to be held by the individual on the same terms.</td></tr>
<tr><td>Board discretion</td><td>The Board has extensive discretion in respect of the Annual VR awarded. Further detail on governance of Annual VR is outlined in Section 5.2.</td></tr>
</table>

(1) All remuneration matters for Daniel Huggins, CEO and Managing Director, BNZ, including scorecard measures and performance assessment, were approved by the BNZ Board in line with its Conditions of Registration set by the Reserve Bank of New Zealand. Daniel Huggins' Annual VR is calculated as VR Target Opportunity x (25% Group performance + 75% BNZ performance) x Individual Performance Score. BNZ performance is assessed across leading customer advocacy, customer obsessed colleagues, safe growth, financial and risk measures, with no weightings applied. The assessed overall BNZ performance for 2025 was 105%.

(2) Where a Group Executive had a change in role, the annual VR is prorated to reflect the different roles.

(3) The target and maximum Annual VR opportunity for the Acting Group Executives were different because they did not change in connection with their acting appointment.

3.3 Long-Term Incentive

The Long-Term Incentive (LTI) is comprised of two equally weighted components of remuneration which together provide material weight to financial and non-financial measures in compliance with APRA requirements. These two components are the Long-Term Equity Award (LTEA) and Long-Term Variable Award (LTVR).

The LTI is awarded to the Group CEO and permanent Group Executives through the process described below.

1. How is the LTI grant value determined?

The value of performance rights granted to the Group CEO and Group Executives at the start of each performance year is determined by the individual's performance in the preceding year. In assessing the grant value, the Board considers individual performance and risk and conduct outcomes, as well as the severity and impact of any events.

Performance

Individual performance of the Group CEO and Group Executives as measured by their achievement of performance against scorecard.

Risk

The Group CEO and Group Executives' individual risk performance as measured by risk matters relevant to the individual and the level of impact these events had on the NAB Group for prior financial years.

Conduct

The Group CEO and Group Executives' individual conduct performance as measured by conduct matters relevant to the individual and the level of impact these events had on the NAB Group for prior financial years.

Outcome

The Group CEO and Group Executives may receive an LTEA award up to a maximum of 70% of FR and an LTVR award up to a maximum of 70% of FR.

2. How is the outcome of the LTI assessed?

LTEA Component

Subject to a non-financial performance measure:

NAB Group meeting or exceeding risk expectations and maintaining an acceptable level of risk exposure within the agreed appetite levels for risks specific to NAB Group.

Over the four-year performance period, the Group CRO will provide an annual assessment of NAB's risk outcome. The assessment considers the risk factors relevant to each financial year as presented in the Risk Management section of the Annual Report.

The Board will assess the risk outcomes of each year in the four-year performance period and determine a vesting outcome for the LTEA.

Determination of the LTEA outcome is not formulaic but instead outcomes are determined by reference to consideration of all relevant performance, risk and conduct outcomes.

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LTVR Component

Subject to a financial performance measure:

NAB's TSR performance relative to the peer group as calculated by an independent provider.

TSR measures the return that a shareholder receives through dividends (and any other distributions) together with capital gains over a specific period.

For the purposes of calculating TSR over the performance period, the value of the relevant shares on the start date and the end date of the performance period are based on the volume weighted average price of those shares over the 30 trading days up to and including the relevant date.

3. How does individual outcome impact the LTI vesting?

Individual assessment

Over the performance period, the Group CEO and Group Executives are assessed individually on their performance, risk and conduct outcomes. The Board will consider the Group CEO and Group Executives' individual annual outcomes against their scorecards, and annual risk outcomes as presented in the risk reports produced by the Group CRO.

Based on this information, the Board will determine whether discretion should be applied to adjust downwards the Group CEO and Group Executives' LTI outcome, potentially down to zero if necessary.

Outcome

- The number of performance rights to vest will depend on the final outcome of each performance measure. The number of performance rights vesting will not exceed the number granted at the start of the performance period.
- While the LTEA and LTVR outcome are assessed at a Group level, individual outcomes may vary due to assessment of individual performance, risk and conduct outcomes and any downwards adjustment as a result.

4. What happens at the end of the restriction period?

Vested performance rights are subject to a restriction period. At the end of the restriction period, vested performance rights are exercised and holders receive shares.

For the Group CEO:

- 1/3 of vested performance rights are exercised immediately upon vesting.
- 1/3 of vested performance rights are subject to an additional 1-year restriction period.
- 1/3 of vested performance rights are subject to an additional 2-year restriction period.

For Group Executives:

- 1/2 of vested performance rights are exercised immediately upon vesting.
- 1/2 of vested performance rights are subject to an additional 1-year restriction period.

Prior to the end of the relevant restriction period, the Board will assess individually the Group CEO and Group Executives' performance and any risk and conduct outcomes to determine whether the restricted performance rights should be exercised and whether any downward adjustment is required.

Outcome

The number of shares which are received may differ from the number of performance rights that ultimately vested at the end of the performance period should the Board exercise its discretion to adjust the number downwards or the individual ceases employment during the relevant restriction period.

Individual performance, risk management, and conduct (Who We Are) considerations are set out in our risk management and conduct framework in Section 5.3. The table below details the key features of the 2025 LTI award for the Group CEO and permanent Group Executives.

Feature	Description
Purpose	The LTI award (comprising the LTEA and LTVR components) is granted by the Board to encourage long-term decision making critical to creating long-term value for shareholders. The LTI is determined and awarded independently from Annual VR decisions.
Participants	Group CEO and permanent Group Executives as determined by the Board.
Award value	The maximum face value of the LTI award granted is 140% of FR for the Group CEO and permanent Group Executives, with the LTEA and LTVR components being weighted equally (i.e., each 70% of FR). The actual value of the LTI award granted to the participant is determined by the Board based on the pre-grant assessment.
Instrument	The LTI award (comprising the LTEA and LTVR components) is provided as performance rights. Each vested performance right entitles its holder to receive one NAB share upon exercise.
Grant date	The 2025 LTI award (comprised of LTEA and LTVR components) was granted on 19 December 2024.
Allocation approach	The number of performance rights granted was calculated by dividing the LTEA and LTVR award face value by NAB's weighted average share price over the last five trading days of the preceding financial year. The weighted average share price used for the 2025 awards, which were allocated on 19 December 2024 was $38.11.
Performance period	Four years from 15 November 2024 to 15 November 2028.
Assessment of performance measures	The LTEA and LTVR components are assessed against their respective performance measures[1] over the performance period to determine the number of performance rights that are eligible for vesting.

Long-term Incentive (LTI)

LTVR

The LTVR component is tested by assessing NAB's TSR performance relative to the peer group as calculated by an independent provider.

TSR measures the return that a shareholder receives through dividends (and any other distributions) together with capital gains over a specific period. For the purposes of calculating TSR over the performance period, the value of the relevant shares on the start date and the end date of the performance period are based on the volume weighted average price of those shares over the 30 trading days up to and including the relevant date.

NAB's TSR over the performance period is measured against the TSR of each company in the TSR peer group to determine the level of vesting:

NAB's relative TSR outcome	Level of vesting
At or above 75th percentile	100%
Between 50th and 75th percentiles	Pro-rata vesting from 50% to 100%
At 50th percentile	50%
Below 50th percentile	0%

The TSR peer group is AMP Limited, Australia and New Zealand Banking Group Limited, Bank of Queensland Limited, Bendigo and Adelaide Bank Limited, Commonwealth Bank of Australia, Insurance Australia Group Limited, Macquarie Group Limited, Medibank Private Limited, NIB Holdings Limited, QBE Insurance Group, Suncorp Group Limited and Westpac Banking Corporation.

+

LTEA

The risk management measure is a non-financial measure that tests whether NAB meets or exceeds risk expectations and maintains an acceptable level of risk exposure within the agreed appetite levels for risks specific to the Group over the performance period.

Over the four-year performance period, the Group CRO will provide an annual assessment of NAB's risk outcome. The assessment considers the risk factors relevant to each financial year as presented in the Risk Management section of the Annual Report.

Each year, the Group CRO will determine whether NAB has failed to meet, met or exceeded expectations in terms of the Group's risk outcome. The Board will assess the risk outcomes of each year in the four-year performance period and determine a vesting outcome for the LTEA.

Assessment year	Assessment of risk outcome
Year 1	Not met, met, or exceeded expectations
Year 2	Not met, met, or exceeded expectations
Year 3	Not met, met, or exceeded expectations
Year 4	Not met, met, or exceeded expectations
4-year overall assessment	**Not met, met, or exceeded expectations**

If the outcome for two of the years in the performance period was 'failed to meet' expectations, and two of the years in the performance period was 'exceeded expectations', this does not necessarily offset and result in a 100% vesting outcome.

The LTEA outcome is not determined formulaically but an approach is taken to ensure all elements of risk are considered. The Board will consider the impact of each of the risk events (if any) and apply judgement in determining the final outcome.

Feature	Description
Value of final outcome	The final value delivered to each participant is determined by the number of performance rights that ultimately vest following testing, the number of vested performance rights which are exercised subject to individual performance, risk and conduct assessment, and NAB's share price at the time of exercise.

	The final value may be zero if performance measures are not achieved, or if the Board exercises its discretion to adjust any outcomes to zero.
Dividends	No dividends are paid throughout the performance period. A dividend equivalent payment is paid for any vested performance rights for the period between vesting and exercise.
Separation	The treatment of performance rights will depend on the reason for separation: • Resignation: performance rights will be forfeited in full • All other circumstances including retrenchment and retirement: the performance rights will be retained in full unless otherwise determined by the Board in its absolute discretion[2] Any performance rights a participant continues to hold will remain subject to the relevant performance measure, with the measure being tested in accordance with the normal timetable.
Board discretion	The Board has extensive discretion in respect of the LTEA and LTVR, including the initial value granted, the number of performance rights that vest, and any forfeiture or clawback applied. Further detail is provided in Section 5.2.

(1) Suncorp Group Limited remained a part of the TSR comparator group as the banking function was not considered a major part of its business. The appropriateness of its inclusion in the TSR comparator group will be reviewed in 2026.
(2) For example, if a participant retires prior to the end of the financial year in which the performance rights are granted, generally the Board will exercise its discretion to allow the participant to retain a pro-rata portion of the performance rights reflecting the proportion of the LTI performance period served when the retirement occurs.

3.4 Sustainability within our remuneration framework

We are lifting NAB's ambition to be the most customer-centric company in Australia and New Zealand. We want customers who trust us and choose us to be their bank and colleagues who are customer obsessed and proud to work at NAB. For us to achieve this, we are relationship-led and aim to be more proactive with unrivalled customer service. Our focus on being safe and sustainable continues. We demonstrate this through our continued focus on our sustainability commitments such as focus on risk, strong balance sheet and capital.

For specific Group Executives, sustainability-related measures are included within their individual performance scorecards, including progress against NAB's environmental finance goal, and progress against existing 2030 sector decarbonisation targets. Colleagues' individual performance measures may also contain sustainability goals and performance indicators where relevant to their roles (for example, within teams focused on executing the Group's climate strategy).

Individual performance modifiers for Risk and Who We Are (conduct and values) may consider the Group Executive's achievement of sustainability related matters and therefore may influence final assessed performance.

The governance and oversight of how these sustainability measures are set, reviewed and linked to the Group CEO and Group Executives' remuneration outcomes are in accordance with the Group's governance and oversight framework outlined in Section 5.1.

Sustainability priorities within our performance framework

Further information on NAB's approach to managing climate change and other sustainability related matters is provided in NAB's 2025 Annual Report and the Climate Report.

Section 4 - Remuneration outcomes

4.1 Group CEO's performance

The table below shows the key 2025 performance measures for the Group CEO and Group Executives. The Board's assessment of the Group CEO's performance is aligned to the Group's performance as informed by the GPI, while considering risk and individual conduct matters which may be applied to modify the final remuneration outcome.

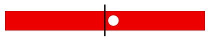
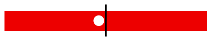
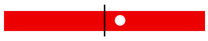
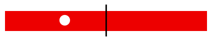
The GPI is linked to the Group's key strategic priorities having regard to both financial and non-financial performance. The Board's evaluation of the GPI incorporates a comprehensive qualitative assessment of risk and performance. This includes consideration of financial results, sustainability initiatives, customer outcomes, environmental and social impacts, and progress against strategic objectives, as well as any other factors the Board deems relevant. As part of our robust governance, the Board retains the discretion to adjust the GPI outcome in response to unsatisfactory risk management or conduct issues. The Group Chief Risk Officer conducts a thorough review of the Group's risk practices, presenting findings to both the Board and the Board Risk & Compliance Committee for further consideration.

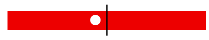
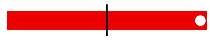
After evaluating the quality and sustainability of earnings, the Board decided to reduce the overall financial performance outcome by 2% to account for the net impact of certain one-off items following a qualitative assessment of earnings. As a result of this assessment, the Board determined that the GPI for 2025 was achieved at 92% of the target.

Group CEO performance outcome

The Board has considered the performance of the Group CEO in line with NAB's group performance, risk, and conduct frameworks. 2025 marks Mr Irvine's first full year as Group CEO, with performance outcomes reflecting his tenure and developing experience in the role.

*Outcomes above target indicate outperformance

Goal, objective and assessment	Weighting	Scorecard outcome	Outcome[1]
Financial: *Deliver attractive returns, safe growth and the financial plan* Financial performance was above plan. The Group's balance sheet maintained good momentum with strong liquidity through 2025 and increasing market share.	20%	**Cash Earnings**  Outcome: $6,876m Target: $6,847m	20.2%
• Cash earnings (expected loss basis)[2] of $6,876m million was $29m or 0.4% favourable to plan. Financial performance reflected balance sheet momentum, a stronger net interest margin and a lower effective tax rate than plan, partially offset by lower other operating income and higher operating expenses. • Return on total allocated equity (expected loss basis)[3] of 11.33% was 18 basis points unfavourable to plan, reflecting higher allocated equity partially offset by higher cash earnings.	20%	**ROTAE**  Outcome: 11.33% Target: 11.51%	19.4%
• Quality of earnings assessment for certain one-off items.			-2.0%
• NAB achieved greater Market Share[4] growth in deposits than major bank peers (above target). Business lending was broadly in line with target and maintained our market leading position. While we improved our mix of home loans originated via our proprietary channel, overall Home Lending growth was below market (and target).	10%	**Market Share**  Outcome range: -0.12% to 0.33% Target range: -0.06% to 0.14%	10.3%
Leading Customer Advocacy: *Customers trust us to meet their needs and make their lives easier* Aligned to our customer ambition of sustained advocacy leadership and primacy in relationships, customer targets are a combination of absolute NPS[5] improvement, NPS rank compared to peers and improvement in Main Financial Institution (MFI[6]) share. Overall customer NPS results were mixed: • 4 (Mass Consumer[7], Micro and Small Business[8], Medium and Large Business[9] and Large Corporate & Institutional) of 5 segments improved from baseline, with HNW & Mass Affluent[10] declining. • NAB is #1 for Medium and Large Business NPS. C&IB overall Market, Micro and Small Business, and Mass Consumer rank #2 and HNW & Mass Affluent rank #4. • Consumer and Business MFI share results were below target.	30%	**Customer NPS** 	22.5%

Customer Obsessed Colleagues: *Customer obsessed colleagues who are proud to work at NAB* • Colleague engagement remains stable and above Top Quartile[11] Benchmark. • Engagement Index measure (drivers of eSat, Belonging, Recommend, Wellbeing) was baselined at top quartile. • Gender representation of women in Leadership (Group 4 – 6) was below target, however, continues to improve. Targets were not fully met due to slower than expected progress on leadership diversity and colleague experience metrics, despite engagement remaining at top quartile levels.	5% 5%	**Colleague Engagement**  **Gender Equality** 	4.7% 4.0%
Strategic Priorities: *Deliver with focus and discipline on our Group Strategy including through gradual elimination of complex and ageing technology* • The Technology Modernisation Score (TMS) reduction target for 2025 was 9.2% of the technology estate, a 12.2% reduction was delivered, exceeding target. • The decommissioning of legacy assets and modernisation of platforms like Everyday Banking, nabtrade, and the New Payments Platform have reduced technology risks and vulnerabilities.	10%	**TMS** 	13.0%

Qualitative assessment	Outcome
Risk modifier: *Regulatory, breach management, progress on matters of interest, losses associated with operational events and remediation costs, reputation.* The Group CEO has continued to lead the delivery of expected risk outcomes, with a strong 'tone from the top' approach to managing risk within NAB.	Achieved
Who We Are modifier: *Individual conduct and demonstration of NAB's behaviours* The Group CEO has demonstrated a learning orientation and adaptive leadership mindset through the guidance of the Board and in line with our expected Who We Are behaviours.	Achieved
Outcome	**92%**
The Group CEO's overall outcome was assessed as Achieved reflecting his new tenure in the role, focus on customer obsession and service-oriented mindset. His demonstration of growth and maturity in the role while maintaining momentum on strategic initiatives have in turn informed the Board's assessment of his performance.	92% of target opportunity 69% of maximum opportunity

(1) Outcome shown as a percentage relative to the percentage weighting of the performance measure.
(2) Calculation on an expected loss basis provides a view that is reflective of long-term underlying business performance and is less volatile than the Credit Impairment Charge view which in individual years can be impacted by large movements in economic adjustments and forward-looking adjustments.
(3) Return on Total Allocated Equity on an expected loss basis remains sensitive to changes in the risk profile of the Group's portfolio.
(4) Market Share is assessed by each product individually. Outcome and Target ranges displayed are based on the minimum and maximum values across the product lines. Products include Australia Home Lending (20%, APRA), Australia SME Lending (30%, APRA), Australia Household & Business Deposits (excluding Financial Institutions and Government) (50%, APRA). Market Share movement results are July 2024 to July 2025.
(5) Net Promoter® and NPS® are registered trademarks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Net Promoter Score℠ is a service mark of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld.
(6) Collected from third-party external surveys: RFI Global – Atlas (available monthly) captured as part of the wider Strategic NPS surveys providing Whole of Market Consumer/Business MFI Share, reported on a rolling 6-month average. MFI is self-nominated by the customer answer to "Which of the financial institutions you deal with would you consider as your main bank/main financial institution?".
(7) Mass Consumer NPS: Sourced from RFI Global – Atlas, measured on 6 month rolling average to August 2025. Based on all consumers, 18+ and excludes consumers with personal income of $260k+ and/or investible assets $2.5m+ and/or footings of over $850k. Ranking based on absolute scores, not statistically significant differences and compared against Big 4 peers.
(8) Micro and Small Business NPS: Sourced from RFI Global – Atlas, measured on 6 month rolling average to August 2025. Based on business customers with a turnover up to $5m. Ranking based on absolute scores, not statistically significant differences and compared against Big 4 peers.
(9) Medium and Large Business NPS: Sourced from RFI Global – Atlas, measured on 6 month rolling average to August 2025. Based on business customers with a turnover $5m- <$200m. Ranking based on absolute scores, not statistically significant differences and compared against Big 4 peers.
(10) High Net Worth & Mass Affluent NPS: Sourced from RFI Global – Atlas, measured on 6 month rolling average to August 2025. Based on all consumers, 18+ with personal income of $260k+ and/or investible assets $2.5m+ and/or footings of over $850k. Ranking based on absolute scores, not statistically significant differences and compared against Big 4 peers.
(11) Top quartile is based upon Glint's client group (domestic and global, from all industries). Employee Engagement Survey Result conducted using Glint, score based on the July 2025 survey. Includes Australia, New Zealand, and all global colleagues. Population excludes ubank, external consultants, and outsource service providers. For the purposes of the GPI and Group CEO Scorecard, colleague engagement score is 78% and excludes BNZ

4.2 In-year variable reward outcomes

The table below outlines the Annual VR outcome for the Group CEO and each Group Executive for 2025 compared to each individual's target and maximum Annual VR opportunity. The variance in the individual scores reflects differences in performance against individual scorecards.

Name	Maximum Annual VR opportunity $	Total Annual VR $	Annual VR cash $	VR deferred rights / shares[1] $	% of maximum Annual VR opportunity %	Annual VR actual as a % of VR target %
Group CEO						
Andrew Irvine	2,500,000	1,725,000	1,035,000	690,000	69	92
Group Executives						
Ana Marinkovic	1,150,000	793,500	476,100	317,400	69	92
Andrew Auerbach (for part year)[2]	366,438	252,842	151,705	101,137	69	92
Cathryn Carver	1,200,000	1,076,400	645,840	430,560	90	120
Daniel Huggins	1,204,621	1,011,204	606,723	404,482	84	112
Leslie Matheson	1,250,000	862,500	517,500	345,000	69	92
Patrick Wright	1,537,500	954,788	572,873	381,915	62	83
Sarah White	950,000	688,275	412,965	275,310	72	97
Sharon Cook	1,000,000	621,000	372,600	248,400	62	83
Shaun Dooley[3]	877,500	807,300	484,380	322,920	92	120
Acting Group Executives						
Michael Saadie (for part year)[4]	382,525	168,923	101,354	67,569	44	110
Peter Whitelaw (for part year)[4]	492,133	181,105	108,663	72,442	37	92
Former Group Executives						
Rachel Slade (for part year)[5]	975,890	168,341	101,005	67,336	17	23
Total	**13,886,607**	**9,311,178**	**5,586,708**	**3,724,471**	**67**	**92**

(1) Acting Group Executives received deferred VR in shares.
(2) Relates to Andrew Auerbach's role as Group Executive, Business and Private Banking from 16 June 2025.
(3) No change was made to Shaun Dooley's variable remuneration upon his appointment to Acting Chief Financial Officer.
(4) The VR outcomes awarded to Michael Saadie and Peter Whitelaw reflect their respective acting periods and will be deferred in line with CPS 511 requirements. Proration has been applied based on: Fixed Remuneration × VR target percentage × (days in acting ELT role ÷ total days in the performance year).
(5) Rachel Slade participated in the VR for part of the year while serving as a Group Executive.

4.3 Historical outcomes

Historical CEO and Group Executive performance

The table below presents the realised remuneration of the Group CEO over the past five financial years.

Incumbent name	Financial year	Fixed remuneration $	Annual VR cash $	Total in year remuneration $	STI/LTI performance rights vested $	Other vested/paid remuneration $[1]	Total $
Andrew Irvine (2024 to present)	**2025**	**2,500,000**	**1,035,000**	**3,535,000**	**3,903,439**[2]	**128,329**	**7,566,768**
	2024 (part-year)	1,243,169	506,250	1,749,419	–	–	1,749,419
Ross McEwan (2020 to 2024)	2024 (part-year)	1,256,831	511,783	1,768,614	–	719,353	2,487,967
	2023	2,500,000	1,350,000	3,850,000	–	432,063	4,282,063
	2022	2,500,000	1,387,500	3,887,500	–	–	3,887,500
	2021	2,500,000	1,509,375	4,009,375	–	–	4,009,375
	2020 (part-year)	2,076,503	–	2,076,503	–	–	2,076,503

(1) Amounts related to other vested equity or cash-based remuneration from prior years. This includes VR deferred rights, VR deferred shares, commencement awards, recognition awards, retention awards, and dividends accumulated during the vesting period on VR vesting in the applicable year.
(2) Relates to grants awarded to Andrew Irvine prior to his appointment as Group CEO, which vested in November and December 2024. Additionally, the former CEO, Ross McEwan, had $8,032,818 in STI/LTI vesting in November and December 2024.

The table below summarises the VR outcomes for the Group CEO and permanent Group Executives over the last five years, including vesting of LTI[1] awards relating to prior periods.

	2025	2024	2023	2022	2021
Group CEO Actual VR (% of AVR Target)[1]	**92%**	90%	108%	111%	121%
Average Group Executives Actual VR (% of AVR Target)[2]	**93%**	92%	101%	97%	124%
LTI award – four year performance period (% of total award vested)[3]	**100%**	100%	n/a[4]	66%	56%
NAB's four year relative TSR (Top Financial Services peer group)[5][6]	**75th**	75th	n/a	71st	71st

(1) Group CEO role held by Andrew Irvine since 2024; previously held by Ross McEwan.
(2) The maximum Annual VR opportunity has changed over time, consistent with the relevant Annual VR plan.
(3) The 2022 amount represents the portion of the 2017 LTI award that vested, while the 2021 amount reflects the portion of the 2016 LTI award that vested. Both awards were evaluated over a four-year performance period against relevant peer groups.
(4) NAB did not grant any LTI awards in 2018; as a result, there were no awards subject to vesting test in 2023.
(5) Measured over the performance period of the relevant LTI award.
(6) The Top Financial Services peer group for all awards includes: AMP Limited, Australia and New Zealand Banking Group Limited, Bank of Queensland Limited, Bendigo & Adelaide Bank Limited, Commonwealth Bank of Australia, Suncorp Group Limited, and Westpac Banking Corporation.

Historical Group performance

The table below shows the Group's annual financial performance over the last five years and its impact on shareholder value, taking into account dividend payments, share price changes, and other capital adjustments during the period.

Financial performance measure	2025	2024	2023	2022	2021
Basic earnings per share (cents)	**221.9**	227.9	238.0	219.3	196.3
Cash earnings ($m)[1]	**7,091**	7,102	7,731	7,104	6,558
Dividends paid per share ($)	**1.70**	1.68	1.61	1.40	0.90
Company share price at start of year ($)	**37.35**	29.07	28.81	27.83	17.75
Company share price at end of year ($)	**44.15**	37.35	29.07	28.81	27.83
Absolute Total Shareholder Return – latest financial year	**22.8%**	34.3%	6.5%	8.6%	61.9%
Absolute Total Shareholder Return – rolling four financial year period	**81.6%**	141.9%	14.9%	22.5%	6.9%

(1) Information is presented on a continuing operations basis, unless otherwise stated.

(1) LTI can consist of either LTVR alone or a combination of LTVR and LTEA.

4.4 Long-term incentive granted in 2025

The Board assessed the Group CEO and all permanent Group Executives as having met the pre-grant performance, risk management and conduct assessments and accordingly, determined that each would be granted the 2025 LTI award, comprising the LTEA component and the LTVR component, each with a face value of 70% of FR (i.e., a total value of 140% of FR). The LTI award (LTEA and LTVR components) was granted in December 2024. Details of the pre-grant assessment can be found in Section 3.3.

The pre-grant assessments and outcomes are as follows:

Pre-grant Assessment[1]	Outcome
Individual Performance	Met
Risk Management	Met
Conduct (Who We Are)	Met
LTI award granted (%)[2]	100%

(1) Factors considered for the pre-grant assessment can be found in Section 3.3.
(2) Acting Chief Risk Officer and Acting Group Executive, Business and Private Banking did not participate in the LTI awards. New Group Executives appointed to roles in 2025 did not participate in the LTI, i.e., Group Executive, Business and Private Banking. Changes were made to the number of LTI performance rights held by the former Group Executive, Business and Private Banking, as noted in the table below.

4.5 Prior years LTI awards

LTI award testing

The TSR performance hurdle for the 2020 LTI award (granted in February 2021) was tested at the end of 2024 following the end of the four year performance period. NAB's TSR was at the 75th percentile relative to the peer group, resulting in 100% of the performance rights vesting.

Performance measure	Performance period	% of award	Result	% of rights vested	% of rights lapsed
NAB's TSR relative to Top Financial Services peer group[1][2]	15/11/2020 to 15/11/2024	100%	75th percentile ranking	100%	0%

(1) The peer group for this performance hurdle include: AMP Limited, Australia and New Zealand Banking Group Limited, Bank of Queensland Limited, Bendigo & Adelaide Bank Limited, Commonwealth Bank of Australia, Macquarie Group Limited, Suncorp Group Limited, and Westpac Banking Corporation.
(2) TSR is based on the 30 trading day volume weighted average price of the relevant shares up to and including the start and end of the performance period.

Overview of unvested LTI

The table below outlines unvested long-term awards held by the Group CEO and Group Executives.

Award[1]	Grant date	Performance period	Vesting date	Performance measures
Allocated in 2022	23/02/2022	15/11/2021 to 15/11/2025	22/12/2025	NAB's TSR performance against a financial services peer group
Allocated in 2023	23/02/2023	15/11/2022 to 15/11/2026	22/12/2026	NAB's TSR performance against a financial services peer group
Allocated in 2024	22/02/2024	15/11/2023 to 15/11/2027	22/12/2027	Assessment against NAB's risk expectations and risk appetite
Allocated in 2024	22/02/2024	15/11/2023 to 15/11/2027	22/12/2027	NAB's TSR performance against a financial services peer group
Allocated in 2025	19/12/2024	15/11/2024 to 15/11/2028	19/12/2028	Assessment against NAB's risk expectations and risk appetite
Allocated in 2025	19/12/2024	15/11/2024 to 15/11/2028	19/12/2028	NAB's TSR performance against a financial services peer group

(1) The LTI awards were granted based on individual performance, risk and conduct outcomes relative to the preceding performance year.

4.6 Realised remuneration

The table below is a voluntary non-statutory disclosure that shows the realised remuneration the Group CEO and each Group Executive (excluding Acting appointments) received during 2025. The amounts shown include fixed remuneration, and equity and cash-based awards that vested in 2025. The table provides shareholders with enhanced transparency of remuneration received by Group Executives. The table is not prepared in accordance with Australian Accounting Standards and this information differs from the statutory remuneration table (in Section 6).

		2025			Prior years					
Name		Fixed remuneration[(1)] $	Annual VR cash $	Total 2025 remuneration $	STI deferred awards[(2)] $	LTI performance rights[(2)] $	Other vested/ paid[(2)] remuneration[(3)] $	Total deferred awards from prior years vested[(4)] $	Total realised remuneration $	Equity forfeited/[(2)] lapsed[(5)] $
Group CEO										
Andrew Irvine	**2025**	**2,502,740**	**1,035,000**	**3,537,740**	**749,651**	**3,153,788**	**128,329**	**4,031,768**	**7,569,508**	**-**
	2024	1,237,544	506,250	1,743,794	-	-	-	-	1,743,794	-
Group Executives										
Ana Marinkovic	**2025**	**1,151,260**	**476,100**	**1,627,360**	**511,390**	**-**	**1,035,520**	**1,546,910**	**3,174,270**	**-**
	2024	486,977	157,795	644,772	160,084	-	847,361	1,007,445	1,652,217	-
Andrew Auerbach (for part year)	**2025**	**359,110**	**151,705**	**510,815**	**-**	**-**	**-**	**-**	**510,815**	**-**
Andrew Irvine (for part year)	2024	627,067	251,797	878,864	362,092	-	1,085,534	1,447,626	2,326,490	-
Cathryn Carver	**2025**	**1,188,466**	**645,840**	**1,834,306**	**1,118,241**	**-**	**1,268,636**	**2,386,877**	**4,221,183**	**-**
	2024	289,679	105,366	395,045	314,833	-	857,595	1,172,428	1,567,473	-
Daniel Huggins	**2025**	**1,213,850**	**606,723**	**1,820,573**	**394,004**	**-**	**558,183**	**952,187**	**2,772,760**	**-**
	2024	1,195,010	565,176	1,760,186	133,380	-	608,120	741,500	2,501,686	-
Leslie Matheson	**2025**	**1,242,770**	**517,500**	**1,760,270**	**486,328**	**2,759,574**	**-**	**3,245,902**	**5,006,172**	**-**
	2024	1,187,613	480,938	1,668,551	218,912	-	-	218,912	1,887,463	-
Patrick Wright	**2025**	**1,539,186**	**572,873**	**2,112,059**	**854,957**	**3,942,253**	**-**	**4,797,210**	**6,909,269**	**-**
	2024	1,539,185	622,688	2,161,873	418,982	1,985,257	-	2,404,239	4,566,112	-
Sarah White	**2025**	**938,192**	**412,965**	**1,351,157**	**155,154**	**-**	**44,822**	**199,976**	**1,551,133**	**-**
	2024	900,987	382,725	1,283,712	58,743	-	18,228	76,971	1,360,683	-
Sharon Cook	**2025**	**1,001,096**	**372,600**	**1,373,696**	**445,971**	**2,365,359**	**-**	**2,811,330**	**4,185,026**	**-**
	2024	960,525	364,500	1,325,025	207,623	916,259	-	1,123,882	2,448,907	-
Shaun Dooley	**2025**	**1,338,630**	**484,380**	**1,823,010**	**439,068**	**2,628,169**	**-**	**3,067,237**	**4,890,247**	**-**
	2024	1,295,518	386,100	1,681,618	208,579	1,018,065	-	1,226,644	2,908,262	-

(1) Includes cash salary, superannuation and payments on separation consistent with the statutory remuneration table in Section 6.1, excluding accrued annual leave entitlements.
(2) The value of equity awards is calculated using NAB's closing share price on the vesting or forfeiture or lapsing date.
(3) Includes dividend equivalent payments, as well as any other deferred recognition, retention or commencement awards, or payments from deferred cash or incentive arrangements before becoming KMP.
(4) Details of the vested equity awards are provided in Section 6.2.
(5) Awards or remuneration lapsed or forfeited during 2025. Details of the awards are provided in Section 6.2.

Section 5 – Governance, risk and consequence

5.1 Remuneration governance and oversight

Shareholders

NAB Board

Met 12 times in FY2025

The Board has overall responsibility for the Remuneration Framework and its effective application. The Board is assisted in its oversight of the Remuneration Framework by the Board People & Remuneration Committee (PRemCo) and other Board Committees as outlined below.

People & Remuneration Committee

Met 6 times in FY2025

Assists the Board to discharge its responsibilities relating to people and remuneration strategies, policies and practices of the Group.

This remit focuses on long-term sustainable policy settings that fosters the desired culture while reinforcing compliance with NAB's Code of Conduct and fulfilling regulatory requirements across jurisdictions in which the Group operates.

Consults with Risk & Compliance Committee and Group CRO to enable risk outcomes to be appropriately reflected in remuneration outcomes in specified roles.

Audit Committee
Customer Committee Nomination & Governance Committee

Met 5 times in FY2025

Provide expert, independent reports and information as required.

Present the "voice" of customers and incorporate the customer experience in performance and reward outcomes.

Provide input to setting measures and targets and assessing performance. Refer any relevant matter which may impact performance and remuneration outcomes.

External Advisors

May be engaged to independently review the Group's remuneration framework, policy and practices to assist the People & Remuneration Committee and Board by providing relevant insights to inform decision making. Independent external advisors do not make any decisions on behalf of the People & Remuneration Committee or the Board.

Executive Remuneration Committee

Met 5 times in FY2025

Makes recommendations to the People & Remuneration Committee and the Board about the impact of risk, conduct, performance and other issues on variable remuneration outcomes for current or former employees (excluding the Group CEO and Group Executives). Membership is comprised of the:

- Group Executive People and Culture
- Group Chief Risk Officer
- Group Executive Customer & Corporate Services

Risk & Compliance Committee

Met 6 times in FY2025

The Group Chief Risk Officer and Executive, Internal Audit have standing Invitations to attend People & Remuneration Committee meetings.

Overlapping membership with the People & Remuneration Committee to facilitate escalation. Joint meetings with the People & Remuneration Committee may also be held when required.

Consulted by the People & Remuneration Committee on the risk and conduct assessments of the Executive Leadership Team (ELT), and the Group in the context of the Group Performance Indicators.

5.2 Board discretion in relation to remuneration

The Board has absolute discretion to adjust the Rewards[1] of any employee down, or to zero, where appropriate, including in circumstances where Group or individual performance, risk or individual conduct outcomes have changed over time since the Reward was provided, or for an act or omission that has impacted performance, risk or conduct outcomes. Adjustments include, but are not limited to:

- Determining the initial value of Rewards and varying their terms and conditions, including the performance measures.
- Determining that some, or all, of the unvested Rewards be forfeited or extending the deferral period at any time for any Rewards including due to the conduct standards in the Code not being met or following the occurrence of a Malus Event[2].
- Determining that some, or all, of the unvested Rewards held by the Group CEO, Group Executives and colleagues in Specified Roles[3] be forfeited including due to performance, risk or conduct outcomes.
- Clawing back paid and vested Rewards (to the extent legally permissible).

Refer to Section 5.3 for further detail on how the Board applies discretion and consequence.

People & Remuneration Committee

On behalf of the Board, the Committee's responsibilities include:

(1) In this section, the term 'Rewards' refers to all forms of variable reward including cash provided under a VR plan, deferred VR (cash and equity) to be paid or granted, LTEA and LTVR performance rights and any VR granted in previous years.
(2) Examples include where the executive has failed to comply with their accountability obligations under the FAR; has engaged in fraud, dishonesty, gross misconduct, behaviour that may negatively impact the Group's long-term financial soundness or prudential standing or behaviour that brings NAB into disrepute; or has materially breached a representation, warranty, undertaking or obligation to the Group.
(3) Colleagues in roles defined under Australian Prudential Regulation Authority CPS 511 Remuneration Standard, Remuneration Part of the PRA Rulebook; SYSC 19D of the FCA Handbook; and Senior Managers and Certification Regime (UK) and Directive 2013/36/EU of the European Parliament.

- Monitoring the effectiveness of the Colleague Strategy.
- Developing and maintaining an effective Remuneration Policy and ensuring governance in its application.
- Making recommendations to the Board in relation to the performance, risk, conduct and remuneration outcomes for the Group CEO, Group Executives, colleagues in Specified Roles and other persons determined by the Board and ensuring outcomes are responsible and consistent with the Group's strategy and risk appetite.
- Consideration of the findings of risk and conduct assessments for the Group CEO, Group Executives, colleagues in Specified Roles and other persons determined by the Board and determination of consequences.
- Oversight of the Group's people and remuneration strategies, frameworks, policies and practices to ensure compliance with legal and regulatory requirements (for example, CPS 511), market practice and trends and the expectations of customers and shareholders.

Further detail about the Committee is provided in our *Corporate Governance Statement* (on page 66) and in the People & Remuneration Committee Charter which is available on nab.com.au.

5.3 Conduct, risk and consequence management

The Committee regularly reviews Group and individual outcomes for risk, reputation, conduct and performance considerations. This includes oversight of the Group's Employee Conduct of Conduct (Code) and Conduct Management Framework (Framework) which supports an appropriate risk culture across the Group. The Board, Group CEO and Group Executives influence culture by focusing on leadership behaviour, systems and colleagues, reinforced through performance and remuneration outcomes.

How conduct and risk are integrated in our remuneration framework

	Conduct management	Risk assessment
Scope	• Applies to all colleagues including the Group CEO and Group Executives • Colleagues are required to comply with the Code and Framework	• Applies to all colleagues including the Group CEO and Group Executives • All colleagues (excluding the Group CEO) have a mandatory risk goal in their annual performance scorecard. The Group CEO has a risk modifier applied to his annual VR outcome
Individual assessment	• **Throughout the year:** Leaders assess the severity of any employee conduct and risk matters and determine the appropriate consequence depending on the severity of the matter Consequences may include any combination of coaching, counselling, formal warnings, termination of employment, impacts to in-year performance assessment, reduction to variable reward outcomes and the application of malus or clawback • **Quarterly:** Risk goals are discussed during quarterly performance check-ins. Conduct matters and risk issues are discussed as appropriate • **At year end:** Leaders undertake a holistic conduct history review and evaluate achievement of the risk goal. These are translated into the colleague's performance rating. Remuneration decisions are informed by the performance rating	
Executive and Board oversight	• In assessing conduct and consequence, each business and enabling unit maintains a Professional Standards Forum which makes recommendations to the Executive Remuneration Committee (members include the Group Executive People and Culture, Group Chief Risk Officer and the Group Executive Legal and Commercial Services) • The Executive Remuneration Committee oversees the effectiveness of the Framework, reviews material events, accountability and the application of suitable consequences • The People & Remuneration Committee and the Board oversee variable remuneration adjustments for the Group CEO and Group Executives, as well as certain colleagues in designated roles as required by CPS 511	• Divisional Chief Risk Officers provide oversight, challenge and independent input into the performance review process • The Group Chief Risk Officer prepares a detailed assessment of the risk outcomes for the Group CEO and each of the Group Executives • The Risk & Compliance Committee reviews and challenges the Group Chief Risk Officer's risk management performance assessments. These assessments and the Risk & Compliance Committee's views are considered by the Board in determining individual variable reward outcomes for the Group CEO and Group Executives • The variable reward for Group CEO, Group Executives and employees variable reward will be reduced and other consequences may be applied if risk is not appropriately managed
Potential impacts on remuneration	• **Risk adjustment:** On recommendation from the People & Remuneration Committee, the Board may adjust the "in-year" funding level of VR outcomes. The Board may also reduce VR for individuals to align with employee conduct or risk outcomes • **Malus:** Grant and vesting of all VR is subject to the employee meeting the conduct standards outlined in the Code and risk expectations. The Board may determine that unvested awards should be adjusted or forfeited (including to zero) in circumstances where these conduct standards or risk expectations are not met • **Clawback:** Clawback may be applied to paid and vested VR provided to any colleague including the Group CEO and Group Executives	

Board Risk, Conduct and Accountability Assessment Guide

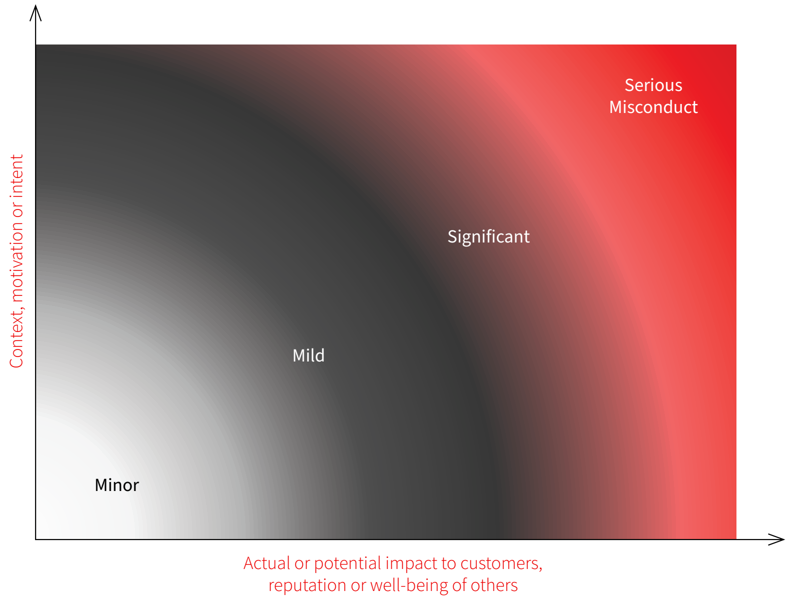
The Board Risk, Conduct and Accountability Guide provides steps and factors to be considered when assessing the nature and type of risk and conduct matter and where required, the adjustment criteria to be applied to variable remuneration.

Risk, conduct and the consequence management framework

The Consequence Severity Matrix provides guidance to determine the severity of risk and conduct events. Based on the severity of the risk or conduct event, a fair and proportionate consequence outcome will be applied. Determination of the appropriate consequence is guided by an assessment of the quantitative and qualitative impacts of the event including financial impacts, physical, informational or reputational damage to the organisation and harm to colleagues or customers.

Consequence Severity Matrix

Intent	Behaviour
Intentional Wilful, deliberate, deceitful, fraudulent	**Dishonest** Covers up, blames others, does not take accountability
Error in Judgement Negligent	**Repeated behaviour** Doesn't learn from mistakes or persists with misconduct despite warnings
Unintentional Mistake, factors out of their control, took reasonable preventative steps	**Growth Mindset** Speaks up, shares learning, seeks to fix to prevent self or others making the same error



Nature	Non-adherence to standard practices	Breach of policy, procedures, guidelines or employment contract	Regulatory breach or breaking the law
Impact	No/Low impact	Moderate impact	Significant and material impact
Gain	Personal Loss	No personal gain	Self-serving profited

Consequence outcomes and remuneration adjustments

The Group CEO, Group Executives, and other Senior Leaders are expected to actively demonstrate strong risk management to set the "tone from the top" on expectations and behaviours.

NAB recognises colleagues who positively contribute towards NAB's risk culture. Conversely, where colleagues do not meet risk expectations nor demonstrate behaviours aligned with our Who We Are values, NAB will apply appropriate consequences. NAB aims to enforce an accountability and learning culture, where risk and conduct expectations are clearly communicated and demonstrated.

The consequence outcomes and remuneration adjustments applied to employees during 2024 and 2025 are provided in the table below. The data in the table below illustrates our drive for continuous learning on our journey to create a positive risk culture.

		Employee Category[1]			
		Senior Managers[2]	**Material Risk Takers**	**Risk and Financial Control Personnel**	**Other employees**
Employees recognised for their positive contribution to risk culture	**2025**	**1**	**6**	**2**	**6,458**
	2024	–	2	6	6,516
Employees identified as not having met risk expectations and accountabilities	**2025**	**–**	**1**	**–**	**2,183**
	2024	–	–	–	2,455
Code of Conduct breaches identified that resulted in formal consequences	**2025**	**–**	**5**	**2**	**7,424**
	2024	–	–	–	8,362
Employees leaving due to consequence outcomes	**2025**	**–**	**–**	**–**	**206**
	2024	–	–	–	209
Employees receiving coaching, warnings or other remedial actions	**2025**	**1**	**5**	**2**	**7,005**
	2024	–	6	1	8,003
Employees recommended to receive an in-year performance rating and / or variable reward reduction of 5% to 100%	**2025**	**–**	**–**	**–**	**209**
	2024	–	–	–	136
Deferred VR forfeitures and in-year VR adjustments as a result of Code of Conduct breaches and revisiting previous reward decisions	**2025**	**–**	**–**	**–**	**–**
	2024	–	–	–	–

(1) Employees are categorised as Senior Managers, Material Risk Takers or Risk and Financial Control Personnel as defined by paragraph 20 of Australian Prudential Regulation Authority's Prudential Standard CPS 511 Remuneration.

(2) The Group CEO and Group Executives are categorised as Senior Managers.

Section 6 - Group CEO and Group Executive statutory remuneration disclosures

6.1 Group CEO and Group Executive statutory remuneration

The following table has been prepared in accordance with Australian Accounting Standards and section 300A of the *Corporations Act 2001* (Cth). The table shows details of the nature and amount of each element of remuneration paid or awarded to the Group CEO and Group Executives for services provided during the year while they were KMP (including VR amounts in respect of performance during the year which are paid following the end of the year).

For KMPs who have left NAB and retained awards, these awards will remain on foot and vest in line with their original terms. In accordance with the requirements of AASB 2 *Share-based Payment*, the unvested awards have been expensed in full in FY25 as no further service will be received by the Group from the relevant KMP.

		Short-term benefits			Post-employment benefits		Equity-based benefits			
		Cash salary[1]	Annual VR cash[2]	Non-monetary[3]	Superannuation[4]	Other long-term benefits[5]	Shares[6]	Rights[7]	Other remuneration	Total[8][9]
Name		$	$	$	$	$	$	$	$	$
Group CEO										
Andrew Irvine	**2025**	**2,427,091**	**1,035,000**	**31,608**	**27,704**	**24,634**	**3,662**	**2,075,138**	**-**	**5,624,837**
	2024	1,185,922	506,250	-	13,475	11,011	-	1,265,987	-	2,982,645
Group Executives										
Ana Marinkovic	**2025**	**1,052,101**	**476,100**	**566**	**28,584**	**14,131**	**380,358**	**602,850**	**-**	**2,554,690**
	2024	511,501	157,795	-	8,584	5,414	297,684	156,148	-	1,137,126
Andrew Auerbach (for part year)	**2025**	**360,276**	**151,705**	**296,708**	**7,945**	**1,577**	**204,263**	**119,030**	**-**	**1,141,504**
Andrew Irvine (for part year)	2024	574,878	251,797	-	13,623	11,132	63,176	1,134,795	-	2,049,401
Cathryn Carver	**2025**	**1,109,252**	**645,840**	**32,925**	**28,584**	**17,059**	**755,890**	**683,458**	**-**	**3,273,008**
	2024	307,341	105,366	-	4,646	4,369	271,835	91,485	-	785,042
Daniel Huggins	**2025**	**1,065,743**	**606,723**	**-**	**103,225**	**-**	**-**	**1,395,998**	**-**	**3,171,689**
	2024	1,098,849	565,176	-	105,239	-	-	1,326,301	-	3,095,565
Leslie Matheson	**2025**	**1,147,181**	**517,500**	**5,153**	**28,466**	**12,317**	**-**	**1,383,027**	**-**	**3,093,644**
	2024	1,141,221	480,938	22	27,214	11,071	-	1,536,130	-	3,196,596
Patrick Wright	**2025**	**1,575,931**	**572,873**	**177,408**	**28,125**	**20,876**	**-**	**2,213,810**	**-**	**4,589,023**
	2024	1,547,706	622,688	78,861	26,863	19,031	-	2,876,466	-	5,171,615
Sarah White	**2025**	**814,571**	**412,965**	**566**	**28,881**	**31,381**	**85,163**	**714,735**	**-**	**2,088,262**
	2024	873,639	382,725	-	27,348	30,019	114,285	586,259	-	2,014,275
Sharon Cook	**2025**	**968,498**	**372,600**	**4,974**	**28,762**	**13,578**	**-**	**1,130,466**	**-**	**2,518,878**
	2024	933,233	364,500	84	27,292	12,378	-	1,275,117	-	2,612,604

		Short-term benefits			Post-employment benefits		Equity-based benefits			
Name		Cash salary[1] $	Annual VR cash[2] $	Non-monetary[3] $	Superannuation[4] $	Other long-term benefits[5] $	Shares[6] $	Rights[7] $	Other remuneration $	Total[8][9] $
Shaun Dooley	**2025**	**1,305,046**	**484,380**	**566**	**28,406**	**44,589**	**–**	**1,395,631**	**–**	**3,258,618**
	2024	1,228,531	386,100	–	27,097	43,361	–	1,495,119	–	3,180,208
Acting Group Executives[10]										
Michael Saadie (for part year)	**2025**	**311,603**	**101,354**	**–**	**7,483**	**3,800**	**193,377**	**–**	**–**	**617,617**
Peter Whitelaw (for part year)	**2025**	**649,461**	**108,663**	**–**	**14,983**	**6,158**	**190,228**	**–**	**–**	**969,493**
Former Group Executives										
Nathan Goonan (for part year)	**2025**	**532,333**	**–**	**566**	**13,572**	**–**	**–**	**(2,101,894)**	**–**	**(1,555,423)**
	2024	1,123,073	571,050	–	27,175	17,824	–	1,431,326	–	3,170,448
Rachel Slade (for part year)[11]	**2025**	**584,933**	**101,005**	**17,139**	**13,423**	**–**	**–**	**2,544,519**	**677,000**	**3,938,019**
	2024	1,204,136	526,500	3,691	27,097	17,820	–	1,700,529	–	3,479,773
Total	**2025**	**13,904,020**	**5,586,708**	**568,179**	**388,143**	**190,100**	**1,812,941**	**12,156,768**	**677,000**	**35,283,859**
Total	2024	11,730,030	4,920,885	82,658	335,653	183,430	746,980	14,875,662	–	32,875,298

(1) Includes cash allowances, payroll remediation payments, motor vehicle benefits and short-term compensated absences, such as annual leave entitlements accrued. Any related fringe benefits tax is included.
(2) The VR cash received in respect of 2025 is scheduled to be paid on 19 November 2025 in Australia and New Zealand.
(3) Includes relocation costs considered to provide a benefit to the individual (including temporary accommodation, furniture rental, utility costs, dependent travel costs, insurance, stamp duty, associated fringe benefit tax and other benefits). For international assignees this may also include the provision of health fund benefits and tax advisory services.
(4) Includes company contributions to superannuation and allocations by employees made by way of salary sacrifice of post-tax fixed remuneration.
(5) Includes long service leave entitlements accrued based on an actuarial calculation.
(6) 2025 expense based on the grant date fair value, amortised on a straight-line basis over the vesting period for:
(a) Commencement award granted to Andrew Irvine in November 2020. Of these shares, 21% were restricted until December 2020, 21% until December 2021, 24% until December 2022, 31% until December 2023 and the remaining 3% until December 2024. The shares are subject to clawback provisions.
(b) Recognition award granted to Ana Marinkovic and Cathryn Carver in November 2021 for performance in their previous role, that was restricted until November 2024.
(c) 2021, 2022, 2023 and 2024 VR deferred shares granted to Ana Marinkovic and Cathryn Carver in February 2022, February 2023, February 2024, and December 2024 respectively for performance in their previous role, that were restricted until November 2024 (2021 VR), November 2025 (2022 VR), November 2026 (2023 VR), and November 2027 (2024 VR).
(d) 2022, 2023 and 2024 Annual Equity Award granted to Ana Marinkovic in May 2022, February 2023, and February 2024 respectively for performance in her previous role, vesting over three years from grant.
(e) 2022, 2023 and 2024 Annual Equity Award granted to Cathryn Carver in November 2021, February 2023, and February 2024 respectively for performance in her previous role, vesting over three years from grant.
(f) 2021, 2022 and 2023 VR deferred shares granted to Sarah White in February 2022, February 2023, and February 2024 respectively for performance in her previous role, that were restricted until November 2024 (2021 VR), November 2025 (2022 VR), and November 2026 (2023 VR).
(g) 2023 Annual Equity Award granted to Sarah White in November 2022 for performance in her previous role, vesting over three years from grant.
(h) Recognition awards granted to Michael Saadie in November 2021 and 2024 respectively for performance in his pre-acting role, that were restricted until November 2024 and November 2028.
(i) 2021, 2022, 2023 and 2024 VR deferred shares granted to Michael Saadie and Peter Whitelaw in February 2022, February 2023, February 2024, and December 2024 respectively for performance in their pre-acting role, that were restricted until November 2024 (2021 VR), November 2025 (2022 VR), November 2026 (2023 VR), and November 2027 (2024 VR).
(j) 2022, 2023, 2024 and 2025 Annual Equity Award granted to Michael Saadie in May 2022, February 2023, February 2024, and December 2024 respectively for performance in his pre-acting role, vesting over three years from grant.
(k) 2023, 2024 and 2025 Annual Equity Award granted to Peter Whitelaw in November 2022, February 2024, and December 2024 respectively for performance in his pre-acting role, vesting over three years from grant.
(7) 2025 expense based on the grant date fair value, amortised on a straight-line basis over the vesting period for:
(a) 2017 deferred VR rights granted in February 2018, restricted for up to eight years, with 18% vesting in May 2021, 19% in May 2022, 20% in May 2023, 21% in May 2024, and 23% in May 2025. The shares provided on vesting of these rights are subject to

clawback provisions.
(b) 2021 deferred VR rights granted in February 2022, restricted for up to four years, with 25% vesting each November from 2022 to 2025, subject to continued employment, malus, and clawback.
(c) 2022 deferred VR rights granted in February 2023, restricted for up to four years, with 25% vesting each November 2023 to 2026, subject to continued employment, malus, and clawback.
(d) 2023 deferred VR rights granted in February 2024, restricted for up to four years, with 25% vesting each November 2024 to 2027, subject to continued employment, malus, and clawback.
(e) 2024 deferred VR rights granted in December 2024, restricted for up to two years, with 50% vesting in November 2025 and 50% in November 2026, subject to continued employment, malus, and clawback.
(f) 2025 deferred VR rights to be granted in December 2025, restricted for up to two years, with 50% vesting in November 2026 and 50% in November 2027, subject to continued employment, malus, and clawback.
(g) LTVR performance rights granted in February 2021, February 2022, and February 2023 respectively.
(h) 2024 LTVR and LTEA performance rights granted in February 2024.
(i) 2025 LTVR and LTEA performance rights granted in December 2024.
(j) 2026 LTVR and LTEA performance rights to be granted in December 2025.

(8) The proportion of total remuneration for 2025 that was performance-based is as follows: Andrew Irvine 66%, Ana Marinkovic 66%, Andrew Auerbach 51%, Cathryn Carver 73%, Daniel Huggins 71%, Leslie Matheson 66%, Patrick Wright 64%, Sarah White 67%, Sharon Cook 64%, Shaun Dooley 69%, Michael Saadie 48%, Peter Whitelaw 32%, Rachel Slade 42%.

(9) In addition to the remuneration benefits below, NAB paid an insurance premium for a contract insuring the Group CEO and Group Executives as officers. It is not possible to allocate the benefit of this premium between individuals. In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the premium paid.

(10) The annual VR for the Acting Group Executives reflects the period they were in the acting role, and was calculated based on their ongoing role FR and VR target opportunity, and an Individual Performance Multiplier determined for the period they were acting in the Group Executive role.

(11) Upon her mutual separation on 1 July 2025, Rachel Slade received a $677,000 payment covering statutory entitlements and transition support. Additionally, 25% of both the 2025 Long Term Variable Reward Rights and the 2025 Long Term Equity Award Rights, which were granted to Ms Slade on 19 December 2024, lapsed on the date she ceased employment.

6.2 Value of shares and rights

The following table shows the number and value of shares and rights that were granted by NAB and held by the Group CEO and each Group Executive under NAB's employee equity plans during the year to 30 September 2025. Rights refer to deferred VR rights, LTI performance rights and any other deferred rights or performance rights provided under a current or previous VR plan. A right is a right to receive one NAB share subject to the satisfaction of the relevant performance and service conditions. The grant value shown is the full accounting value to be expensed over the vesting period, which is generally longer than the current year. The Group CEO and Group Executives did not pay any amounts for rights that vested and were exercised during 2025. There are no amounts unpaid on any of the shares exercised.

There have been no changes to the terms and conditions of these awards, or any other awards since the awards were granted.

All rights that vest are automatically exercised when they vest. For the awards allocated during the year to 30 September 2025, the maximum number of shares or rights that may vest is shown for the Group CEO and each Group Executive. The maximum value of the equity awards is the number of shares or rights subject to NAB's share price at the time of vesting. The minimum number of shares or rights and the value of the equity awards is zero if the equity is fully forfeited or lapsed.

		Total		2025				
		Granted[1]		Granted[2]	Forfeited / lapsed	Forfeited / lapsed[3]	Vested[4]	Vested[5]
Name		No.	Grant date	$	No.	$	No.	$
Group CEO								
Andrew Irvine	Commencement shares[6]	3,355	6-11-2020	–	–	–	3,355	125,477
	LTVR rights[6]	86,714	24-02-2021	–	–	–	86,714	3,153,788
	Deferred VR rights[6]	14,296	23-02-2022	–	–	–	7,148	280,345
	LTVR rights[6]	56,644	23-02-2022	–	–	–	–	–
	Deferred VR rights[6]	17,236	23-02-2023	–	–	–	5,746	225,358
	LTVR rights[6]	54,929	23-02-2023	–	–	–	–	–
	Deferred VR rights[6]	24,880	22-02-2024	–	–	–	6,220	243,948
	LTI - LTEA rights[6]	45,056	22-02-2024	–	–	–	–	–
	LTI - LTVR rights[6]	45,056	22-02-2024	–	–	–	–	–
	Deferred VR rights	13,260	19-12-2024	505,339	–	–	–	–
	LTI - LTEA rights	45,919	19-12-2024	1,424,407	–	–	–	–
	LTI - LTVR rights	45,919	19-12-2024	694,295	–	–	–	–
Group Executives								
Ana Marinkovic	Recognition shares[7]	17,489	12-11-2021	–	–	–	17,489	685,919
	Deferred VR shares[7]	13,039	23-02-2022	–	–	–	13,039	511,390
	Deferred VR shares[7]	2,007	6-05-2022	–	–	–	2,007	78,715
	Deferred VR shares[7]	10,738	23-02-2023	–	–	–	2,302	90,284
	Deferred VR shares[7]	16,562	22-02-2024	–	–	–	2,739	107,424
	Deferred VR rights	2,760	19-12-2024	105,184	–	–	–	–
	Deferred VR shares	3,999	19-12-2024	148,763	–	–	–	–
	LTI - LTEA rights	21,122	19-12-2024	655,204	–	–	–	–
	LTI - LTVR rights	21,122	19-12-2024	319,365	–	–	–	–
Andrew Auerbach (for part year)	Commencement shares	41,439	13-08-2025	1,581,312	–	–	–	–
Cathryn Carver	Deferred VR shares[7]	3,889	10-11-2021	–	–	–	3,889	152,527
	Recognition shares[7]	17,489	12-11-2021	–	–	–	17,489	685,919
	Deferred VR shares[7]	28,512	23-02-2022	–	–	–	28,512	1,118,241
	Deferred VR shares[7]	21,300	23-02-2023	–	–	–	3,780	148,252
	Deferred VR shares[7]	27,972	22-02-2024	–	–	–	3,899	152,919
	Deferred VR rights	1,842	19-12-2024	70,199	–	–	–	–
	Deferred VR shares	11,034	19-12-2024	410,465	–	–	–	–
	LTI - LTEA rights	22,040	19-12-2024	683,681	–	–	–	–
	LTI - LTVR rights	22,040	19-12-2024	333,245	–	–	–	–

		Total		2025				
		Granted[1]		Granted[2]	Forfeited / lapsed	Forfeited / lapsed[3]	Vested[4]	Vested[5]
Name		No.	Grant date	$	No.	$	No.	$
Daniel Huggins	LTVR rights	54,019	23-02-2022	–	–	–	–	–
	Deferred VR rights	14,247	23-02-2023	–	–	–	4,749	186,256
	LTVR rights	48,340	23-02-2023	–	–	–	–	–
	Deferred VR rights	21,188	22-02-2024	–	–	–	5,297	207,748
	LTI – LTEA rights	28,784	22-02-2024	–	–	–	–	–
	LTI – LTVR rights	28,784	22-02-2024	–	–	–	–	–
	Deferred VR rights	9,708	19-12-2024	369,972	–	–	–	–
	LTI – LTEA rights	21,948	19-12-2024	680,827	–	–	–	–
	LTI – LTVR rights	21,948	19-12-2024	331,854	–	–	–	–
Leslie Matheson	LTVR rights	75,875	24-02-2021	–	–	–	75,875	2,759,574
	Deferred VR rights	7,210	23-02-2022	–	–	–	3,605	141,388
	LTVR rights	49,564	23-02-2022	–	–	–	–	–
	Deferred VR rights	12,568	23-02-2023	–	–	–	4,190	164,332
	LTVR rights	48,063	23-02-2023	–	–	–	–	–
	Deferred VR rights	18,420	22-02-2024	–	–	–	4,605	180,608
	LTI – LTEA rights	27,834	22-02-2024	–	–	–	–	–
	LTI – LTVR rights	27,834	22-02-2024	–	–	–	–	–
	Deferred VR rights	8,412	19-12-2024	320,581	–	–	–	–
	LTI – LTEA rights	22,958	19-12-2024	712,157	–	–	–	–
	LTI – LTVR rights	22,958	19-12-2024	347,125	–	–	–	–
Patrick Wright	LTVR rights	108,393	24-02-2021	–	–	–	108,393	3,942,253
	Deferred VR rights	17,871	23-02-2022	–	–	–	8,936	350,470
	LTVR rights	70,806	23-02-2022	–	–	–	–	–
	Deferred VR rights	17,955	23-02-2023	–	–	–	5,985	234,732
	LTVR rights	68,661	23-02-2023	–	–	–	–	–
	Deferred VR rights	27,512	22-02-2024	–	–	–	6,878	269,755
	LTI – LTEA rights	37,214	22-02-2024	–	–	–	–	–
	LTI – LTVR rights	37,214	22-02-2024	–	–	–	–	–
	Recognition Rights	77,800	22-02-2024	–	–	–	–	–
	Deferred VR rights	10,892	19-12-2024	415,094	–	–	–	–
	LTI – LTEA rights	28,240	19-12-2024	876,005	–	–	–	–
	LTI – LTVR rights	28,240	19-12-2024	426,989	–	–	–	–
Sarah White	Deferred VR shares[7]	3,956	23-02-2022	–	–	–	3,956	155,154
	Deferred VR shares[7]	1,300	10-11-2022	–	–	–	650	25,493
	Deferred VR shares[7]	3,948	23-02-2023	–	–	–	–	–
	Deferred VR shares	4,469	22-02-2024	–	–	–	–	–
	LTI – LTEA rights	21,784	22-02-2024	–	–	–	–	–
	LTI – LTVR rights	21,784	22-02-2024	–	–	–	–	–
	Deferred VR rights	6,694	19-12-2024	255,108	–	–	–	–
	LTI – LTEA rights	17,448	19-12-2024	541,237	–	–	–	–
	LTI – LTVR rights	17,448	19-12-2024	263,814	–	–	–	–

		Total		2025				
		Granted[1]		Granted[2]	Forfeited / lapsed	Forfeited / lapsed[3]	Vested[4]	Vested[5]
Name		No.	Grant date	$	No.	$	No.	$
Sharon Cook	LTVR rights	65,036	24-02-2021	–	–	–	65,036	2,365,359
	Deferred VR rights	7,205	23-02-2022	–	–	–	3,603	141,310
	LTVR rights	42,483	23-02-2022	–	–	–	–	–
	Deferred VR rights	11,371	23-02-2023	–	–	–	3,791	148,683
	LTVR rights	43,485	23-02-2023	–	–	–	–	–
	Deferred VR rights	15,908	22-02-2024	–	–	–	3,977	155,978
	LTI - LTEA rights	24,204	22-02-2024	–	–	–	–	–
	LTI - LTVR rights	24,204	22-02-2024	–	–	–	–	–
	Deferred VR rights	6,376	19-12-2024	242,989	–	–	–	–
	LTI - LTEA rights	18,366	19-12-2024	569,713	–	–	–	–
	LTI - LTVR rights	18,366	19-12-2024	277,694	–	–	–	–
Shaun Dooley	LTVR rights	72,262	24-02-2021	–	–	–	72,262	2,628,169
	Deferred VR rights	7,706	23-02-2022	–	–	–	3,853	151,115
	LTVR rights	51,924	23-02-2022	–	–	–	–	–
	Deferred VR rights	10,724	23-02-2023	–	–	–	3,575	140,212
	LTVR rights	54,929	23-02-2023	–	–	–	–	–
	Deferred VR rights	15,068	22-02-2024	–	–	–	3,767	147,742
	LTI - LTEA rights	31,466	22-02-2024	–	–	–	–	–
	LTI - LTVR rights	31,466	22-02-2024	–	–	–	–	–
	Deferred VR rights	6,754	19-12-2024	257,395	–	–	–	–
	LTI - LTEA rights	24,796	19-12-2024	769,172	–	–	–	–
	LTI - LTVR rights	24,796	19-12-2024	374,916	–	–	–	–
Acting Group Executives								
Michael Saadie (for part year)	Recognition shares[8]	12,938	11-11-2024	517,391	–	–	–	–
	Deferred VR shares[8]	15,870	19-12-2024	590,364	–	–	–	–
Peter Whitelaw (for part year)	Deferred VR shares[8]	7,644	19-12-2024	284,357	–	–	–	–
Former Group Executives								
Nathan Goonan (for part year)	LTVR rights	65,036	24-02-2021	–	–		65,036	2,365,359
	Deferred VR rights	7,205	23-02-2022	–	(3,602)	(155,678)	3,603	141,310
	LTVR rights	42,483	23-02-2022	–	(42,483)	(1,836,115)	–	–
	Deferred VR rights	10,773	23-02-2023	–	(7,182)	(310,406)	3,591	140,839
	LTVR rights	41,197	23-02-2023	–	(41,197)	(1,780,534)	–	–
	Deferred VR rights	18,412	22-02-2024	–	(13,809)	(596,825)	4,603	180,530
	LTI - LTEA rights	28,440	22-02-2024	–	(28,440)	(1,229,177)	–	–
	LTI - LTVR rights	28,440	22-02-2024	–	(28,440)	(1,229,177)	–	–
	Deferred VR rights	9,988	19-12-2024	380,643	(9,988)	(431,681)	–	–
	LTI - LTEA rights	22,040	19-12-2024	683,681	(22,040)	(952,569)	–	–
	LTI - LTVR rights	22,040	19-12-2024	333,245	(22,040)	(952,569)	–	–

Name		Total Granted[1] No.	Total Grant date	2025 Granted[2] $	2025 Forfeited / lapsed No.	2025 Forfeited / lapsed[3] $	2025 Vested[4] No.	2025 Vested[5] $
Rachel Slade (for part year)	LTVR rights	86,714	24-02-2021	-	-	-	86,714	3,153,788
	Deferred VR rights	14,296	23-02-2022	-	-	-	7,148	280,345
	LTVR rights	56,644	23-02-2022	-	-	-	-	-
	Deferred VR rights	15,081	23-02-2023	-	-	-	5,027	197,159
	LTVR rights	54,929	23-02-2023	-	-	-	-	-
	Deferred VR rights	22,964	22-02-2024	-	-	-	5,741	225,162
	LTI - LTEA rights	29,770	22-02-2024	-	-	-	-	-
	LTI - LTVR rights	29,770	22-02-2024	-	-	-	-	-
	Deferred VR rights	9,210	19-12-2024	350,993	-	-	-	-
	LTI - LTEA rights	23,878	19-12-2024	740,696	(5,970)	(229,666)	-	-
	LTI - LTVR rights	23,878	19-12-2024	361,035	(5,970)	(229,666)	-	-

(1) The following securities have been granted during 2025:
a) LTVR and LTEA rights allocated in December 2024 (in respect of 2025) to the Group CEO and all Group Executives at the time of allocation. The performance rights are subject to service and performance measures.
b) Deferred VR rights allocated in December 2024 (in respect of 2024) to the Group CEO and all Group Executives at the time of allocation. The rights vest annually in four equal tranches between November 2025 and November 2028.
(2) The Grant value represents the maximum number of equity awards that may vest to each executive in respect of their time as KMP. The minimum potential value for the equity awards is zero. The values represent the fair value at grant date.
(3) Calculated using NAB's closing share price on the forfeiture / lapsing date.
(4) The following equities vested in 2025:
(a) Deferred VR rights allocated in February 2018 vested in May 2025 for Michael Saadie.
(b) Deferred VR rights allocated in February 2022, 2023, and 2024 vested in November 2024.
(c) LTVR rights allocated in February 2021 vested in December 2024.
(d) Commencement shares allocated in November 2020 vested in December 2024 for Andrew Irvine.
(e) Recognition shares allocated in November 2021 vested in November 2024 for Ana Marinkovic, Cathryn Carver, and Michael Saadie.
(f) Deferred VR shares allocated in February 2022 vested in November 2024 for Ana Marinkovic, Cathryn Carver, Michael Saadie, Peter Whitelaw, and Sarah White.
(g) Deferred AEA shares allocated in November 2021 vested in November 2024 for Cathryn Carver.
(h) Deferred AEA shares allocated in May 2022 vested in November 2024 for Ana Marinkovic and Michael Saadie.
(i) Deferred AEA shares allocated in November 2022 vested in November 2024 for Peter Whitelaw and Sarah White.
(j) Deferred AEA shares allocated in February 2023 vested in November 2024 for Ana Marinkovic, Cathryn Carver, and Michael Saadie.
(k) Deferred AEA shares allocated in February 2024 vested in November 2024 for Ana Marinkovic, Cathryn Carver, Michael Saadie, and Peter Whitelaw.
(5) Calculated using NAB's closing share price on the vesting date.
(6) Shares and rights granted prior to appointment as Group CEO.
(7) Shares granted prior to appointment as Group Executive.
(8) Shares granted prior to appointment as Acting Group Executive.

6.3 Determining the value of equity remuneration

The number of shares and rights provided to the Group CEO and Group Executives by NAB are determined using a face value methodology. The table below shows the fair value of shares and rights granted by NAB during 2025 in accordance with statutory requirements. The grant date fair value of each share, without market performance measures, is determined by the market value of NAB shares and is generally a five day weighted average share price. The grant date fair value of shares and rights with market performance measures is determined using a simulated version of the Black-Scholes model.

No performance options have been granted during the year. Shares and rights granted during 2025 were granted at no cost to the Group CEO or Group Executive and have a zero exercise price.

Type of allocation	Award type	Grant date	Grant share price[1] $	Fair value $	Restriction period end[2]
Deferred Variable Reward[3]	Performance rights	19 December 2024	37.20	35.70 / 34.12	15 November 2025 - 15 November 2026
Deferred Variable Reward[4]	Shares	19 December 2024		38.11	15 November 2025 - 15 November 2027
Commencement Award[5]	Shares	13 August 2025		38.61	31 December 2026 - 31 December 2028
Recognition Award[6]	Shares	11 November 2024		38.64	11 November 2027 - 11 November 2028
Long-Term Equity Award[7]	Performance rights	19 December 2024	37.20	31.02	19 December 2028 - 19 December 2030
Long-Term Variable Reward[7]	Performance rights	19 December 2024	37.20	15.12	19 December 2028 - 19 December 2030

(1) The grant share price is NAB's closing share price at the date of valuation (being the grant date of the relevant award). The grant share price was used to determine the fair value for the LTEA and LTVR performance rights.
(2) Any performance rights that vest are automatically exercised at the end of the relevant restriction period for each tranche. The end of the restriction period for the performance rights is also the expiry date for those performance rights. Awards may be released from the restriction period over several years on a pro-rata basis and the range presented represents the earliest and latest vesting tranches.
(3) The number of deferred rights allocated to each eligible participant was calculated using the weighted average share price over the five trading days up to 30 September 2024. The deferred rights are split across two equal tranches vesting on 15 November in 2025 and 2026.
(4) Deferred shares provided to Ana Marinkovic, Cathryn Carver, Michael Saadie, and Peter Whitelaw relating to the period before they assumed KMP roles.
(5) Andrew Auerbach was granted a commencement award in accordance with his employment contract. The award is subject to continued employment, malus and clawback provisions. The restricted shares are split across three equal tranches vesting on 31 December in 2026, 2027, and 2028.
(6) Michael Saadie received recognition awards before becoming a KMP. The shares are split across two equal tranches vesting in November 2027 and 2028.
(7) The number of LTI performance rights allocated to each eligible participant was calculated using the weighted average share price over the five trading days up to 30 September 2024. For the Group CEO, the awards are split across three equal tranches with restriction periods ending on 19 December in 2028, 2029, and 2030. For all other Group Executives, the awards are split across two equal tranches with restriction periods ending on 19 December in 2028 and 2029.

Hedging policy

Directors and employees are prohibited from protecting the value of their equity awards by hedging. Further detail is available in the Group Securities Trading Policy.

NAB's Group Securities Trading Policy explains the law and the Policy our colleagues must comply with when trading in NAB securities. All employees are prohibited from using derivatives in relation to elements of their remuneration that are unvested. In addition, closely related parties of KMP are prohibited from using derivatives or otherwise entering into hedging arrangements in relation to elements of their remuneration that are unvested or which have vested but remain subject to forfeiture conditions.

The Group Securities Trading Policy is available at nab.com.au/content/dam/nabrwd/documents/policy/corporate/group-securities-trading-policy.pdf.

6.4 Rights holdings

Rights were granted to the Group CEO and Group Executives in 2025 under the Annual VR, LTVR and LTEA plans. No rights or performance options (i.e. entitlements to NAB shares) are granted to the Group CEO or Group Executives' related parties.

No performance options (i.e. a right requiring payment of a subscription price on vesting) are currently held by the Group CEO or Group Executives. The number of rights that vested during the year was equivalent to the number of rights that were exercised during the year. As at 30 September 2025, no rights held by the Group CEO or Group Executives were: (i) vested and exercisable; nor (ii) vested but not exercisable.

Name	Balance at beginning of year(1)	Granted during year as remuneration	Exercised during year	Forfeited / lapsed or expired during year	Balance at end of year(2)
	No.	No.	No.	No.	No.
Group CEO					
Andrew Irvine	344,811	105,098	(105,828)	–	344,081
Group Executives					
Ana Marinkovic	–	45,004	–	–	45,004
Andrew Auerbach (for part year)	–	–	–	–	–
Cathryn Carver	–	45,922	–	–	45,922
Daniel Huggins	195,362	53,604	(10,046)	–	238,920
Leslie Matheson	267,368	54,328	(88,275)	–	233,421
Patrick Wright	463,426	67,372	(130,192)	–	400,606
Sarah White	43,568	41,590	–	–	85,158
Sharon Cook	233,896	43,108	(76,407)	–	200,597
Shaun Dooley	275,545	56,346	(83,457)	–	248,434
Acting Group Executives(3)					
Michael Saadie (for part year)	1,834	–	(1,834)	–	–
Peter Whitelaw (for part year)	–	–	–	–	–
Former Group Executives					
Nathan Goonan (for part year)	241,986	54,068	(76,833)	(219,221)	–
Rachel Slade (for part year)	310,168	56,966	(104,630)	(11,940)	250,564

(1) Balance may include rights granted prior to individuals becoming KMP. For individuals who became KMP during 2025, the balance is at the date they became KMP.
(2) For Executives who ceased being KMP during 2025, the balance is as at the date they ceased being KMP.
(3) VR for Acting Group Executives is granted in shares rather than rights.

6.5 Group CEO and Group Executives' share ownership

NAB maintains a minimum shareholding policy. Holdings included in meeting the minimum shareholding requirement are NAB shares, unvested deferred shares and deferred rights not subject to further performance conditions held by the executive and shares held by a closely related party or self-managed superannuation fund for the benefit of the executive. The number of NAB shares held (directly and nominally) by the Group CEO and each Group Executive or their related parties (their close family members or any entity they, or their close family members, control, jointly control or significantly influence) are set out below:

Name	Minimum Shareholding Requirement	Balance at beginning[1] of year[2] No.	Granted during year as remuneration No.	Received during year on exercise of rights No.	Other changes during year No.	Balance at end of year[3] No.	Qualifying Awards[4] No.
Group CEO							
Andrew Irvine	Met	50,489	–	105,828	(31,000)	125,317	50,558
Group Executives							
Ana Marinkovic	On track	86,536	3,999	–	(15,407)	75,128	29,018
Andrew Auerbach (for part year)	On track	–	41,439	–	–	41,439	41,439
Cathryn Carver	On track	99,195	11,034	–	(57,569)	52,660	54,469
Daniel Huggins	On track	–	–	10,046	(10,046)	–	35,097
Leslie Matheson	On track	3,606	–	88,275	(84,647)	7,234	34,210
Patrick Wright	Met	2,000	–	130,192	(104,192)	28,000	52,431
Sarah White	On track	13,673	–	–	(4,606)	9,067	15,761
Sharon Cook	Met	12,091	–	76,407	(71,938)	16,560	29,489
Shaun Dooley	Met	116,176	–	83,457	(34,933)	164,700	29,057
Acting Group Executives							
Michael Saadie (for part year)	N/A	57,015	–	1,834	(1,834)	57,015	N/A
Peter Whitelaw (for part year)	N/A	37,971	–	–	–	37,971	N/A
Former Group Executives							
Nathan Goonan (for part year)	Met	14,387	–	76,833	(41,666)	49,554	–
Rachel Slade (for part year)	Met	51,372	–	104,630	(104,630)	51,372	43,635

(1) Balance may include shares held prior to individuals becoming KMP. For individuals who became KMP during 2025, the balance is at the date they became KMP.
(2) Opening balance for executive shareholdings have been aligned to registry records as of 30 September 2025. Any adjustments do not affect reported remuneration outcomes.
(3) For Executives who ceased being KMP during 2025, the balance is as at the date they ceased being KMP.
(4) Qualifying awards are not subject to performance conditions. The Group CEO and Group Executives have all met or are on track to meet the minimum shareholding requirement.

6.6 Group CEO and Group Executive contract terms

The Group CEO and permanent Group Executives are employed on the following contractual terms:

Contractual term	Arrangement
Duration	• Permanent ongoing employment
Notice period[(1)(2)]	• 26 weeks
Other key arrangements on separation	• If the Group CEO or a Group Executive resigns they do not receive any annual or long-term VR in that year and any unvested awards are forfeited. • If the Group CEO or a Group Executive ceases employment for any reason other than resignation (for example, retrenchment or retirement), they will retain all of their unvested awards unless the Board exercises its discretion to determine a different treatment.[(3)] • All statutory entitlements are paid.
Change of control	• If a change of control occurs, the Board has discretion to determine the treatment of unvested shares and rights. Vesting of shares and rights will not be automatic or accelerated and the Board will retain discretion in relation to the vesting outcome including absolute discretion to forfeit all shares and rights.
Post-employment obligations	• Non-compete and non-solicitation obligations apply.
Minimum shareholding policy	• The Group CEO is required to hold NAB shares to the value of two times FR and Group Executives are required to hold NAB shares equal to their individual FR. • The Group CEO and Group Executives are required to satisfy the minimum shareholding requirement within a five-year period from the date of commencement in their role. • Holdings included in meeting the minimum shareholding requirement are NAB shares, unvested deferred shares and deferred rights not subject to further performance conditions held by the executive and shares held by a closely related party or self-managed superannuation fund for the benefit of the executive.

(1) Payment in lieu of notice for some or all of the notice period may be approved by the Board in certain circumstances. Termination payments are not paid on resignation, summary termination or termination for unsatisfactory performance, although the Board may determine exceptions to this.
(2) 12 weeks for the Acting Chief Risk Officer.
(3) Any unvested awards retained will be held by the Group CEO or Group Executive on the same terms. Unvested LTI awards retained (including the LTEA and LTVR components) will remain subject to the performance measure, with that measure tested in accordance with the normal timetable.

Section 7 - Non-executive director remuneration

7.1 Fee policy and pool

Non-executive directors receive fees to recognise their contribution to the work of the Board. Additional fees are paid, where applicable, for serving on Board committees, on Boards of controlled entities and internal advisory boards. Fees include NAB's compulsory contributions to superannuation. Fees are set to reflect the time commitment and responsibilities of the role. The Board undertook a review of the quantum of Board fees in December 2024 and based on this review, the Board approved an increase to Board fees effective 1 January 2025. The Board also approved a new fee policy such that if a Board member is the Chair or Co-Chair of an Advisory Group, they will receive a fee.

To maintain independence and objectivity, non-executive directors do not receive any performance related remuneration. Non-executive directors do not receive any termination payments.

The total amount of non-executive directors' remuneration is capped at a maximum aggregate fee pool that is approved by shareholders. The current aggregate fee pool of $4.5 million per annum was approved by shareholders at NAB's 2008 AGM.

The total Board and committee fees, including superannuation, paid to non-executive directors in 2025 are within the approved aggregate fee pool.

The following table shows the 2025 non-executive director Board, committee and advisory group fee policy structure (effective from 1 January 2025).

	2025		2024	
	Chair ($pa)	**Non-executive director ($pa)**	**Chair ($pa)**	**Non-executive director ($pa)**
Board	850,000	245,000	850,000	245,000
Audit Committee	70,000	35,000	65,000	32,500
Risk & Compliance Committee	70,000	35,000	65,000	32,500
People & Remuneration Committee	70,000	35,000	65,000	32,500
Customer Committee	48,600	24,300	45,000	22,500
Nomination & Governance Committee	-	10,800	-	10,000
First Nations Advisory Group	35,000	-	-	-

7.2 Minimum shareholding policy

To align with shareholder interests, the Board has adopted a policy that non-executive directors must hold a minimum number of NAB ordinary shares equal in value to the Chair's and other directors' respective annual Board fees within five years of appointment.

Under the policy, the minimum number of shares required to be held is based on the amount outlaid to buy the shares. As a result, the number of shares a non-executive director must hold is different for each director.

7.3 Statutory remuneration

The fees paid to the non-executive directors are set out in the table below.

Name		Short-term benefits		Post-employment benefits	
		Cash salary[1] and fees[2]	Non-monetary[3]	Superannuation[4]	Total
		$	$	$	$
Non-executive directors					
Philip Chronican (Chair)	**2025**	**820,050**	**570**	**29,949**	**850,569**
	2024	815,718	2,079	28,032	845,829
Alison Kitchen	**2025**	**307,651**	**6,406**	**29,949**	**344,006**
	2024	291,760	–	28,032	319,792
Ann Sherry[5]	**2025**	**323,376**	**–**	**29,949**	**353,325**
	2024	290,718	3,920	28,032	322,670
Carolyn Kay	**2025**	**324,350**	**6,406**	**–**	**330,756**
	2024	289,431	–	20,549	309,980
Christine Fellowes	**2025**	**246,276**	**6,406**	**56,949**	**309,631**
	2024	263,458	–	27,743	291,201
Kathryn Fagg	**2025**	**318,176**	**–**	**29,949**	**348,125**
	2024	305,044	–	28,032	333,076
Simon McKeon	**2025**	**314,818**	**6,405**	**29,949**	**351,172**
	2024	293,773	–	28,032	321,805
Warwick Hunt (for part year)[6]	**2025**	**487,528**	**–**	**24,961**	**512,489**
Former non-executive directors					
Anne Loveridge (for part year)	**2025**	**69,091**	**1,753**	**–**	**70,844**
	2024	320,813	368	–	321,181
Douglas McKay (for part year)	**2025**	**58,261**	**2,319**	**6,512**	**67,092**
	2024	472,927	5,658	28,032	506,617
David Armstrong (for part year)	2024	70,982	1,436	–	72,418
Peeyush Gupta (for part year)	2024	58,261	1,436	5,886	65,583
Total	**2025**	**3,269,577**	**30,265**	**238,167**	**3,538,009**
Total	2024	3,472,885	14,897	222,370	3,710,152

(1) The portion of fees in connection with their roles, duties and responsibilities as a non-executive director, and includes attendance at meetings of the Board, Board committees and boards of controlled entities, received as cash.
(2) In December 2024, the Board approved increases to non-executive director fees, effective from 1 January 2025. Refer to Section 7.1 for further details.
(3) Relates to gifts and other incidental benefits for the individual.
(4) Reflects compulsory company contributions to superannuation. Anne Loveridge and Carolyn Kay elected to receive all or part of their payments in fees and therefore received reduced or nil superannuation contributions during this period.
(5) Ann Sherry received a fee as Co-Chair of the First Nations Advisory Group from 1 January 2025 (when the relevant fee policy commenced). Ms Sherry has been Co-Chair since 18 May 2020 and did not receive back-pay for the period prior to 1 January 2025.
(6) Warwick Hunt received fees of $330,000 in his capacity as Chair of BNZ, with payment made in NZD.

7.4 Non-executive directors' share ownership and other interests

The number of NAB shares held (directly and nominally) by each non-executive director of NAB and the Group or their related parties (their close family members or any entity they, or their close family members, control, jointly control or significantly influence) are set out below. No rights or performance options are granted to non-executive directors or their related parties.

Name	Minimum Shareholding Requirement	Balance at beginning of year[1] No.	Acquired No.	Other changes during year No.	Balance at end[2] of year[3] No.
Non-executive directors					
Philip Chronican (Chair)	Met	42,120	–	–	42,120
Alison Kitchen	Met	6,120	1,297	–	7,417
Ann Sherry	Met	12,698	–	–	12,698
Carolyn Kay	Met	13,226	136	–	13,362
Christine Fellowes	Met	4,895	2,405	–	7,300
Kathryn Fagg	Met	9,426	–	–	9,426
Simon McKeon	Met	15,000	–	–	15,000
Warwick Hunt (for part year)	Met	6,300	–	–	6,300
Former non-executive directors					
Anne Loveridge (for part year)	Met	12,120	–	–	12,120
Douglas McKay (for part year)	Met	11,972	–	–	11,972

(1) Balance may include shares held prior to individuals becoming a non-executive director.
(2) All non-executive directors have met their minimum shareholding requirements.
(3) For non-executive directors who ceased being KMP during 2025, the balance is as at the date they ceased being KMP.

Section 8 - Loans, other transactions and other interests

8.1 Loans

Loans made to non-executive directors of NAB are made in the ordinary course of business on terms equivalent to those that prevail in arm's length transactions. Loans to the Group CEO and Group Executives may be made on similar terms and conditions generally available to other employees of the Group. Loans to KMP of NAB and the Group may be subject to restrictions under applicable laws and regulations including the *Corporations Act 2001* (Cth). The opening balance is 1 October and closing balance is 30 September, or the date of commencement or cessation of a KMP.

Total aggregated loans provided to KMP and their related parties

NAB and the Group	Terms and conditions	Balance at beginning of year[1] $	Interest charged[2] $	Interest not charged[2] $	Write-off[2] $	Balance at end of year[3] $
KMP[4]	Normal	12,611,810	300,281	-	-	10,491,199
	Employee	39,547,573	1,595,085	-	-	31,899,335
Other related parties[5]	Normal	25,234,195	640,423	-	-	25,756,808

(1) For KMPs who commenced during the year, the balance is as at the date they became a KMP.
(2) Relates to the period during which the Group Executive was KMP.
(3) For KMPs who ceased during the year, the balance is as at the date they ceased to be a KMP.
(4) The aggregated loan balance at the end of the year includes loans issued to 21 KMP.
(5) Includes the KMP's related parties, which includes their close family members or any entity they or their close family members control, jointly control or significantly influence.

Aggregated loans to KMP and their related parties above $100,000

	KMP and related parties					KMP only
NAB and the Group	Balance at beginning[1] of year[2] $	Interest charged[3] $	Interest not charged $	Write-off $	Balance at end of year[4] $	Highest indebtedness during 2025[5] $
Non-executive directors						
Carolyn Kay	665,054	19,018	-	-	617,904	670,167
Douglas McKay (for part year)	1,501,249	13,886	-	-	1,482,379	242
Kathryn Fagg	2,654,108	69,280	-	-	2,574,188	2,658,491
Simon McKeon	1,719,859	118,817	-	-	2,471,665	-
Group CEO						
Andrew Irvine	15,478,449	699,904	-	-	14,664,782	15,515,485
Group Executives						
Ana Marinkovic	6,930,380	377,765	-	-	6,792,639	7,669,953
Cathryn Carver	3,439,014	124,789	-	-	2,773,109	4,000,581
Daniel Huggins	4,808,869	240,581	-	-	4,249,287	4,782,514
Leslie Matheson	2,424,119	80,352	-	-	1,007,780	74,059
Patrick Wright	2,577,515	49,753	-	-	1,791,770	45,100
Sarah White	3,492,274	168,576	-	-	2,449,854	4,632,099
Sharon Cook	3,242,351	100,589	-	-	2,215,485	893,377
Shaun Dooley	1,013,517	58,074	-	-	1,348,129	563,220
Acting Group Executives						
Michael Saadie (for part year)	18,137,360	268,131	-	-	18,428,988	5,302,992
Former Group Executives						
Rachel Slade (for part year)	5,102,986	82,112	-	-	2,683,234	5,091,772
Nathan Goonan (for part year)	4,158,047	64,145	-	-	2,544,303	4,178,316

(1) For KMPs who commenced during the year, the balance is as at the date they became a KMP.
(2) The opening balance for the aggregated loans has been realigned to reflect an adjustment to the 2024 closing balance.
(3) The interest charged may include the impact of interest offset facilities and only relates to the period during which the non-executive director, Group CEO or Group Executive was KMP.
(4) For KMPs who ceased during the year, the balance is as at the date they ceased to be a KMP.
(5) Represents the highest aggregated indebtedness of the KMP during 2025, excluding any loans to related parties.

8.2 Other transactions

From time to time various KMP and their related parties will hold investments in funds that are either managed, related to or controlled by the Group. All such transactions with KMP and their related parties are made on terms equivalent to those that prevail in arm's length transactions.

All other transactions that have occurred with KMP are made on terms equivalent to those that prevail in arm's length transactions. These transactions generally involve the provision of financial and investment services including services to eligible international assignees ensuring they are neither financially advantaged nor disadvantaged by their relocation. All such transactions that have occurred with KMP and their related parties have been trivial or domestic in nature. In this context, transactions are trivial in nature when they are considered of little or no interest to the users of the Remuneration Report in making and evaluating decisions about the allocation of scarce resources. Transactions are domestic in nature when they relate to personal household activities.

8.3 Other equity instrument holdings

In the year ending 30 September 2025, no KMP or their related parties held or transacted any equity instruments (either directly or indirectly) other than the NAB shares and equity-based compensation disclosed in Sections 6 and 7.

8.4 Other relevant interests

Each KMP or their related parties from time to time invest in various debentures, registered schemes and securities offered by NAB and certain subsidiaries of NAB. The level of interests held directly and indirectly as at 30 September 2025 were:

Name	Nature of product	Relevant Interest (Units)
Non-executive directors		
Ann Sherry	NAB Capital Notes 3	1,500
Group Executives		
Sharon Cook	NAB Capital Notes 3	2,000

There are no contracts, other than those disclosed in Table 8.4 immediately above, to which directors are a party, or under which the directors are entitled to a benefit and that confer the right to call for, or deliver shares in, debentures of, or interests in, a registered scheme made available by NAB or a related body corporate. All of the directors have disclosed interests in organisations not related to the Group and are to be regarded as interested in any contract or proposed contract that may be made between NAB and any such organisations.

Directors' signatures

This report of directors is signed in accordance with a resolution of the directors:

Philip Chronican
Chair
6 November 2025

Andrew Irvine
Group Chief Executive Officer
6 November 2025

Shape the future
with confidence

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Auditor's Independence Declaration to the Directors of National Australia Bank Limited

As lead auditor for the audit of the financial report of National Australia Bank Limited for the financial year ended 30 September 2025, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b) no contraventions of any applicable code of professional conduct in relation to the audit; and

c) no non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of National Australia Bank Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

T M Dring
Partner
6 November 2025

Financial report

Financial report

Income statements

For the year ended 30 September	Note	Group 2025 $m	Group 2024 $m	Company 2025 $m	Company 2024 $m
Interest income					
Effective interest rate method		**49,870**	52,012	**46,290**	48,036
Fair value through profit or loss		**6,909**	6,285	**6,432**	5,745
Interest expense		**(39,376)**	(41,540)	**(39,309)**	(41,056)
Net interest income	3	**17,403**	16,757	**13,413**	12,725
Other operating income(1)	4	**3,469**	3,875	**5,268**	5,547
Operating expenses(1)	5	**(10,348)**	(10,012)	**(9,356)**	(8,807)
Credit impairment charge	17	**(833)**	(741)	**(806)**	(619)
Profit before income tax		**9,691**	9,879	**8,519**	8,846
Income tax expense	6	**(2,864)**	(2,798)	**(2,152)**	(1,952)
Net profit for the year from continuing operations		**6,827**	7,081	**6,367**	6,894
Net loss after tax for the year from discontinued operations(2)		**(29)**	(103)	**-**	-
Net profit for the year		**6,798**	6,978	**6,367**	6,894
Attributable to non-controlling interests		**39**	18	**-**	-
Attributable to owners of the Company		**6,759**	6,960	**6,367**	6,894

Earnings per share	Note	cents	cents
Basic	7	**221.0**	224.6
Diluted	7	**219.9**	222.7
Basic from continuing operations	7	**221.9**	227.9
Diluted from continuing operations	7	**220.8**	225.8

(1) Comparative information has been restated to align to the presentation in the current period. Refer to *Note 1 Basis of preparation*.
(2) Discontinued operations in the 2025 financial year primarily relate to costs associated with managing the run-off of the MLC Wealth retained entities and MLC Wealth customer-related remediation.

Statements of comprehensive income

For the year ended 30 September	Group 2025 $m	Group 2024 $m	Company 2025 $m	Company 2024 $m
Net profit for the year from continuing operations	**6,827**	7,081	**6,367**	6,894
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Fair value changes attributable to the Group's own credit risk on financial liabilities designated at fair value	**2**	(87)	**4**	(95)
Revaluation of land and buildings	**-**	(2)	**-**	-
Equity instruments at fair value through other comprehensive income reserve:				
Revaluation (losses) / gains	**(2)**	4	**4**	5
Tax on items transferred directly to equity	**-**	26	**(1)**	26
Total items that will not be reclassified to profit or loss	**-**	(59)	**7**	(64)
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge reserve	**663**	2,101	**486**	2,152
Cost of hedging reserve	**(9)**	(198)	**(33)**	(87)
Foreign currency translation reserve:				
Currency adjustments on translation of foreign operations, net of hedging	**(375)**	(222)	**121**	(41)
Transfer to the income statement on disposal or partial disposal of foreign operations	**(19)**	-	**(19)**	-
Debt instruments at fair value through other comprehensive income reserve:				
Revaluation gains / (losses)	**233**	(520)	**232**	(520)
Losses from sale transferred to income statement	**136**	104	**136**	104
Tax on items transferred directly to equity	**(304)**	(445)	**(246)**	(492)
Total items that may be reclassified subsequently to profit or loss	**325**	820	**677**	1,116
Other comprehensive income for the year, net of income tax	**325**	761	**684**	1,052
Total comprehensive income for the year from continuing operations	**7,152**	7,842	**7,051**	7,946
Net loss after tax for the year from discontinued operations	**(29)**	(103)	**-**	-
Total comprehensive income for the year	**7,123**	7,739	**7,051**	7,946
Attributable to non-controlling interests(1)	**6**	18	**-**	-
Total comprehensive income attributable to owners of the Company	**7,117**	7,721	**7,051**	7,946

(1) The Group includes a $33 million loss (2024: $nil) relating to foreign currency translation of the non-controlling interests in BNZ.

Balance sheets

As at 30 September	Note	Group 2025 $m	Group 2024 $m	Company 2025 $m	Company 2024 $m
Assets					
Cash and liquid assets	8	**2,604**	2,499	**2,407**	2,318
Due from other banks	8	**91,946**	110,438	**86,451**	105,061
Collateral placed		**5,763**	9,633	**5,267**	8,929
Trading assets	9	**144,571**	133,606	**132,229**	120,517
Derivative assets	18	**21,826**	28,766	**20,695**	28,458
Debt instruments	10	**46,947**	41,999	**44,702**	41,983
Other financial assets	11	**688**	769	**688**	769
Loans and advances	12	**776,126**	732,692	**677,552**	634,346
Current tax assets		**25**	25	**23**	25
Due from controlled entities		**-**	-	**55,638**	51,039
Deferred tax assets	6	**3,052**	3,181	**2,708**	2,802
Property, plant and equipment		**2,713**	2,865	**2,019**	2,220
Investments in controlled entities		**-**	-	**10,406**	11,076
Goodwill and other intangible assets	22	**5,622**	5,224	**2,981**	2,661
Other assets	23	**6,936**	8,551	**5,674**	6,884
Assets held for sale	31	**243**	-	**477**	-
Total assets		**1,109,062**	1,080,248	**1,049,917**	1,019,088
Liabilities					
Due to other banks	8	**12,369**	12,328	**9,239**	7,909
Collateral received		**4,819**	5,151	**4,081**	4,180
Other financial liabilities	16	**70,464**	70,272	**62,444**	62,836
Deposits and other borrowings	13	**736,159**	712,566	**659,256**	636,565
Derivative liabilities	18	**20,203**	32,576	**23,305**	33,013
Current tax liabilities		**871**	1,042	**661**	864
Provisions	24	**1,745**	1,804	**1,399**	1,466
Due to controlled entities		**-**	-	**51,920**	51,830
Bonds, notes and subordinated debt	14	**174,307**	156,294	**157,412**	140,556
Debt issued	15	**8,972**	9,560	**8,972**	9,560
Other liabilities	25	**15,506**	16,442	**12,502**	12,984
Total liabilities		**1,045,415**	1,018,035	**991,191**	961,763
Net assets		**63,647**	62,213	**58,726**	57,325
Equity					
Contributed equity	26	**36,123**	36,581	**35,337**	35,795
Reserves	28	**(21)**	(362)	**232**	(434)
Retained profits		**26,820**	25,236	**23,157**	21,964
Total equity (attributable to owners of the Company)		**62,922**	61,455	**58,726**	57,325
Non-controlling interests	27	**725**	758	**-**	-
Total equity		**63,647**	62,213	**58,726**	57,325

Statements of cash flows

For the year ended 30 September	Note	Group 2025 $m	Group 2024 $m	Company 2025 $m	Company 2024 $m
Cash flows from operating activities					
Interest received		**57,271**	58,715	**53,218**	54,250
Interest paid		**(40,394)**	(40,575)	**(40,168)**	(40,251)
Dividends received		**10**	4	**2,410**	3,108
Net trading income received		**4,196**	405	**3,205**	65
Net other income received		**2,601**	2,392	**1,938**	1,752
Operating expenses paid		**(7,708)**	(7,712)	**(7,027)**	(6,585)
Income tax paid		**(3,157)**	(2,834)	**(2,465)**	(2,208)
Cash flows from operating activities before changes in operating assets and liabilities		**12,819**	10,395	**11,111**	10,131
Changes in operating assets and liabilities					
Net (increase) / decrease in					
Collateral placed		**3,864**	1,637	**3,685**	1,283
Deposits with central banks and other regulatory authorities		**27,146**	2,934	**27,146**	2,934
Trading assets		**(8,589)**	(31,708)	**(9,148)**	(29,764)
Other financial assets designated at fair value		**86**	610	**86**	54
Loans and advances		**(47,164)**	(32,547)	**(42,763)**	(27,953)
Other assets		**(616)**	999	**(933)**	1,346
Net increase / (decrease) in					
Collateral received		**(295)**	(5,513)	**(105)**	(5,111)
Deposits and other borrowings		**24,707**	31,687	**20,532**	28,195
Other financial liabilities		**984**	7,452	**(723)**	10,752
Other liabilities		**(370)**	(2,807)	**195**	(3,660)
Net funds advanced to and receipts from other banks		**(2,269)**	(23,145)	**(869)**	(23,209)
Net movement in derivative assets and liabilities		**(1,792)**	4,225	**230**	2,794
Changes in operating assets and liabilities arising from cash flow movements		**(4,308)**	(46,176)	**(2,667)**	(42,339)
Net cash provided by / (used in) operating activities	36	**8,511**	(35,781)	**8,444**	(32,208)
Cash flows from investing activities					
Movement in debt instruments					
Purchases		**(30,242)**	(27,966)	**(27,945)**	(27,957)
Proceeds from disposal and maturity		**25,968**	33,927	**25,842**	33,914
Net movement in other debt and equity instruments		**(25)**	69	**16**	94
Net movement in amounts due from controlled entities		**-**	-	**(4,416)**	(770)
Net movement in shares in controlled entities		**-**	-	**796**	611
Net movement in shares in associates and joint ventures		**(1)**	(4)	**-**	-
Proceeds from sale of controlled entities and business closures, net of costs and cash disposed		**-**	104	**-**	-
Purchase of property, plant, equipment and software		**(1,405)**	(1,440)	**(1,127)**	(1,168)
Proceeds from sale of property, plant, equipment and software, net of costs		**(3)**	1	**2**	-
Net cash provided by / (used in) investing activities		**(5,708)**	4,691	**(6,832)**	4,724

Statements of cash flows

For the year ended 30 September	Note	Group 2025 $m	Group 2024 $m	Company 2025 $m	Company 2024 $m
Cash flows from financing activities					
Repayments of bonds, notes and subordinated debt		**(33,407)**	(26,638)	**(29,222)**	(20,734)
Proceeds from issue of bonds, notes and subordinated debt, net of costs(1)		**42,893**	42,783	**39,901**	37,655
Payments for share buy-back		**(616)**	(2,077)	**(616)**	(2,077)
Purchase of shares for dividend reinvestment plan neutralisation		**(388)**	(509)	**(388)**	(509)
Purchase of treasury shares for employee share offer		**-**	(25)	**-**	(25)
Proceeds from debt issued, net of costs		**-**	999	**-**	999
Proceeds from issue of BNZ perpetual preference shares		**-**	404	**-**	-
Repayments of debt issues		**(600)**	-	**(600)**	-
Dividends and distributions paid (excluding dividend reinvestment plan)		**(4,828)**	(4,700)	**(4,789)**	(4,682)
Repayments of other financing activities		**(336)**	(321)	**(305)**	(283)
Net cash provided by / (used in) financing activities		**2,718**	9,916	**3,981**	10,344
Net increase / (decrease) in cash and cash equivalents		**5,521**	(21,174)	**5,593**	(17,140)
Cash and cash equivalents at beginning of period		**18,836**	40,589	**14,145**	31,781
Effects of foreign exchange rates on cash and cash equivalents		**461**	(579)	**502**	(496)
Cash and cash equivalents at end of year	36	**24,818**	18,836	**20,240**	14,145

(1) Includes RBNZ's FLP.

Statements of changes in equity

Group	Contributed equity[1] $m	Reserves[2] $m	Retained profits $m	Total $m	Non-controlling interests $m	Total equity $m
Year to 30 September 2024						
Balance at 1 October 2023	38,546	(1,192)	23,529	60,883	349	61,232
Net profit for the year from continuing operations	-	-	7,063	7,063	18	7,081
Net loss for the year from discontinued operations	-	-	(103)	(103)	-	(103)
Other comprehensive income for the year from continuing operations	-	822	(61)	761	-	761
Total comprehensive income for the year	-	822	6,899	7,721	18	7,739
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Share buy-back	(2,077)	-	-	(2,077)	-	(2,077)
Purchase of treasury shares for employee share offer[3]	(25)	-	-	(25)	-	(25)
Transfer from / (to) retained profits	-	(4)	4	-	-	-
Transfer from / (to) equity-based compensation reserve	137	(137)	-	-	-	-
Equity-based compensation	-	149	-	149	-	149
Dividends and distributions paid[4]	-	-	(5,191)	(5,191)	(18)	(5,209)
Other equity movements						
Issue of BNZ perpetual preference shares[5]	-	-	(5)	(5)	409	404
Balance at 30 September 2024	36,581	(362)	25,236	61,455	758	62,213
Year to 30 September 2025						
Net profit for the year from continuing operations	**-**	**-**	**6,788**	**6,788**	**39**	**6,827**
Net loss for the year from discontinued operations	**-**	**-**	**(29)**	**(29)**	**-**	**(29)**
Other comprehensive income for the year from continuing operations	**-**	**356**	**2**	**358**	**(33)**	**325**
Total comprehensive income for the year	**-**	**356**	**6,761**	**7,117**	**6**	**7,123**
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Share buy-back	**(616)**	**-**	**-**	**(616)**	**-**	**(616)**
Transfer from / (to) equity-based compensation reserve	**158**	**(158)**	**-**	**-**	**-**	**-**
Equity-based compensation	**-**	**143**	**-**	**143**	**-**	**143**
Dividends and distributions paid[4]	**-**	**-**	**(5,177)**	**(5,177)**	**(39)**	**(5,216)**
Balance as at 30 September 2025	**36,123**	**(21)**	**26,820**	**62,922**	**725**	**63,647**

(1) Refer to *Note 26 Contributed equity* for further details.
(2) Refer to *Note 28 Reserves* for further details.
(3) This represents an on-market purchase of 862,221 shares at an average price of $29.17 per share.
(4) Refer to *Note 29 Dividends* for further details.
(5) Refer to *Note 27 Non-controlling interests* for further details.

Statements of changes in equity

Company	Contributed equity[(1)] $m	Reserves[(2)] $m	Retained profits $m	Total equity $m
Year to 30 September 2024				
Balance at 1 October 2023	37,760	(1,565)	20,328	56,523
Net profit for the year from continuing operations	–	–	6,894	6,894
Other comprehensive income for the year from continuing operations	–	1,121	(69)	1,052
Total comprehensive income for the year	–	1,121	6,825	7,946
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Share buy-back	(2,077)	–	–	(2,077)
Purchase of treasury shares for employee share offer[(3)]	(25)	–	–	(25)
Transfer from / (to) retained profits	–	(2)	2	–
Transfer from / (to) equity-based compensation reserve	137	(137)	–	–
Equity-based compensation	–	149	–	149
Dividends and distributions paid[(4)]	–	–	(5,191)	(5,191)
Balance at 30 September 2024	35,795	(434)	21,964	57,325
Year to 30 September 2025				
Net profit for the year from continuing operations	**–**	**–**	**6,367**	**6,367**
Other comprehensive income for the year from continuing operations	**–**	**681**	**3**	**684**
Total comprehensive income for the year	**–**	**681**	**6,370**	**7,051**
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Share buy-back	**(616)**	**–**	**–**	**(616)**
Transfer from / (to) equity-based compensation reserve	**158**	**(158)**	**–**	**–**
Equity-based compensation	**–**	**143**	**–**	**143**
Dividends and distributions paid[(4)]	**–**	**–**	**(5,177)**	**(5,177)**
Balance as at 30 September 2025	**35,337**	**232**	**23,157**	**58,726**

(1) Refer to *Note 26 Contributed equity* for further details.
(2) Refer to *Note 28 Reserves* for further details.
(3) This represents an on-market purchase of 862,221 shares at an average price of $29.17 per share.
(4) Refer to *Note 29 Dividends* for further details.

Introduction

Note 1
Basis of preparation

This is the financial report of National Australia Bank Limited (the Company) together with its controlled entities (the Group) for the year ended 30 September 2025. The Company, incorporated and domiciled in Australia, is a for-profit company limited by shares which are publicly traded on the Australian Securities Exchange.

The directors resolved to authorise the issue of the financial report on 6 November 2025. The directors have the power to amend and reissue the financial report.

The financial report includes information to the extent the Group considers it material and relevant to the understanding of users. Disclosed information is considered material and relevant if, for example:

- The dollar amount is significant in size or by nature.
- The Group's results cannot be understood by users without the specific disclosure.
- The information is important to help users understand the impact of significant changes in the Group's business during the financial year, for example, a business acquisition, disposal, or an impairment / write-down.
- The information relates to an aspect of the Group's operations which is important to its future performance.
- The information is required under legislative requirements of the *Corporations Act 2001* (Cth), the *Banking Act 1959* (Cth) or by the Group's principal regulators, including the Australian Securities and Investments Commission (ASIC) and the Australian Prudential Regulation Authority (APRA).

Basis of preparation

This general purpose financial report has been prepared by a for-profit company, in accordance with the requirements of the *Corporations Act 2001* (Cth) and accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB). Compliance with standards and interpretations issued by the AASB ensures that this financial report complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Amounts are presented in Australian dollars (unless otherwise stated), which is the Company's functional and presentation currency. These amounts have been rounded to the nearest million dollars ($m), except where indicated, as allowed by ASIC Corporations Instrument 2016/191.

Unless otherwise stated, comparative information has been restated for any changes to presentation made in the current year. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount in the Group's income statement and statement of comprehensive income.

To comply with its obligations as an Australian Financial Services Licence holder, the Group includes the separate financial statements of the Company in this financial report, which is permitted by ASIC Corporations (Parent Entity Financial Statements) Instrument 2021/195.

Basis of measurement

The financial report has been prepared under the historical cost convention, except for:

- Certain assets and liabilities (including derivative instruments) measured at fair value through profit or loss, or at fair value through other comprehensive income, and
- Financial assets and liabilities that are otherwise measured on an amortised cost basis but adjusted for changes in fair value attributable to the risk being hedged in qualifying fair value hedge relationships.

Accounting policies

During the 2025 financial year, the Group revised the presentation of fee and commission expenses which are directly attributable and incremental to earning income from the provision of banking services such as credit card rewards and card processing expenses, to align with current industry practice. These expenses were previously presented within 'Other fees and commissions' within 'Other operating income', or 'Operating expenses', and are now presented as 'Fees and commission expense' within 'Other operating income'.

This revision included a reclassification of some merchants' volume-related expenses within Business and Private Banking, which were presented in 'Operating expenses' and are now presented in 'Other operating income'. Some items previously presented in 'Other operating income' of Corporate Functions and Other are now presented in the customer divisions.

The change has been applied retrospectively and comparative information of the Group has been restated resulting in a decrease of 'Other operating income' and 'Operating expenses' by $14 million for the year ended 30 September 2024 (Company: $25 million).

Refer to *Note 4 Other operating income* for the disclosure of 'Net other fees and commissions'.

Except as explained above, the accounting policies applied in this report are consistent with those applied in the Group's 2024 Annual Report. There were no amendments to Australian Accounting Standards adopted during the year that have a material impact on the Group.

Critical accounting judgements and estimates

In the process of applying the Group's accounting policies, management have made a number of judgements and assumptions and applied estimates of future events. Some of these areas include:

- Credit impairment charges on loans and advances

Note 1 Basis of preparation (cont.)

- Fair value of financial assets and liabilities
- Impairment assessment of goodwill and other intangible assets
- Determination of income tax
- Provisions for customer-related remediation and other regulatory matters

Further details of these critical accounting judgements and estimates are provided in the respective notes to the financial statements.

Future accounting developments

AASB S2 *Climate-related Disclosures* (AASB S2) will require the Group to disclose information about the governance, strategy, risk management, and metrics and targets relating to material climate-related risks and opportunities that could reasonably be expected to affect the Group's cash flows, access to finance or cost of capital over the short, medium or long term. AASB S2 will be effective for the Group from the year ended 30 September 2026. The Group continues to progress its implementation of AASB S2.

AASB 18 *Presentation and Disclosure in Financial Statements* (AASB 18) was issued in June 2024 and replaces AASB 101 *Presentation of Financial Statements* and will be effective for the Group from 1 October 2027. AASB 18 introduces enhanced presentation requirements in the financial statements, including new categories and subtotals in the income statement, disclosures about management-defined performance measures (i.e. cash earnings), and enhanced guidance on the grouping of information. The Group is currently assessing the impact of this new standard.

There are no other new standards or amendments to existing standards that are not yet effective which are expected to have a material impact on the Group’s financial statements.

Financial performance

Overview

A description of the operating activities of each reportable segment is provided below:

- *Business and Private Banking* focuses on NAB's priority small and medium enterprise (SME) customer segments. This includes diversified businesses, as well as specialised Agriculture, Health, Professional Services, Franchisees, Government, Education and Community service segments along with Private Banking and JBWere.
- *Personal Banking* provides banking products and services to customers including securing a home loan and managing personal finances through deposits, credit card or personal loan facilities. Customers are supported through a network of branches and ATMs, call centres, digital capabilities as well as through proprietary lenders and mortgage brokers.
- *Corporate and Institutional Banking* partners with customers globally to meet their most complex financial needs, through a range of products and services including client coverage, corporate finance, markets, transactional banking, enterprise payments and asset servicing (the wind-down to be finalised in the March 2026 half year). Corporate and Institutional Banking serves its customers across Australia, US, Europe and Asia, with specialised industry relationships and product teams.
- *New Zealand Banking* serves customers across New Zealand with personal and business banking services, through a nationwide network of customer centres, digital and assisted channels. New Zealand Banking includes the Bank of New Zealand's Markets Trading operations and enabling units.
- *Corporate Functions and Other* includes ubank and enabling units that support all businesses except New Zealand Banking, including Treasury, Technology and Enterprise Operations, Data, Digital and Analytics, and group-wide elimination entries that arise on consolidation.

During the year, the Group transferred some customer lending and deposit portfolios, including the associated net operating income and income tax, between Personal Banking and Business and Private Banking. In addition, the revision of the presentation of fee and commission expenses disclosed in *Note 1 Basis of preparation* had an impact on the segments as described in that note. Comparative information has been restated to reflect these changes. Other than the above changes, the Group's reportable segments are consistent with the 2024 Annual Report.

The Group evaluates performance on the basis of cash earnings as it better reflects what is considered to be the underlying performance of the Group. Cash earnings is a non-IFRS key financial performance measure used by the Group and the investment community.

Cash earnings is calculated by adjusting statutory net profit from continuing operations for certain non-cash earnings items. Non-cash earnings items are considered separately and excluded when assessing performance and analysing the underlying trends in the business. Cash earnings for the year ended 30 September 2025 has been adjusted for hedging and fair value volatility, amortisation of acquired intangible assets, and certain other items associated with the acquisition, integration, disposal or closure of Group businesses. The non-IFRS measures have been applied consistently with the September 2024 financial year. Cash earnings does not purport to represent the cash flows, funding or liquidity position of the Group, nor any amount represented on a statement of cash flows.

The Group earns the vast majority of its revenue in the form of net interest income, being the difference between interest earned on financial assets and interest paid on financial liabilities and other financing costs.

Note 2
Segment information

	2025					
	Business and Private Banking	Personal Banking	Corporate and Institutional Banking	New Zealand Banking	Corporate Functions and Other[1]	Total Group
	$m	$m	$m	$m	$m	$m
Reportable segment information						
Net interest income	7,499	4,025	2,852	2,780	242	17,398
Other operating income	1,032	600	1,242	416	125	3,415
Net operating income	8,531	4,625	4,094	3,196	367	20,813
Operating expenses	(3,232)	(2,581)	(1,392)	(1,242)	(1,401)	(9,848)
Underlying profit / (loss)	5,299	2,044	2,702	1,954	(1,034)	10,965
Credit impairment (charge) / write-back	(529)	(255)	(146)	(25)	122	(833)
Cash earnings / (loss) before tax and distributions	4,770	1,789	2,556	1,929	(912)	10,132
Income tax (expense) / benefit	(1,440)	(536)	(702)	(537)	213	(3,002)
Cash earnings / (loss) before non-controlling interests	3,330	1,253	1,854	1,392	(699)	7,130
Less: Non-controlling interests	-	-	-	(39)	-	(39)
Cash earnings / (loss)	3,330	1,253	1,854	1,353	(699)	7,091
Hedging and fair value volatility	(4)	-	(7)	(10)	49	28
Other non-cash earnings items	(15)	(21)	18	(11)	(302)	(331)
Net profit / (loss) for the year from continuing operations	3,311	1,232	1,865	1,332	(952)	6,788
Net loss from discontinued operations attributable to owners of the Company	-	-	-	-	(29)	(29)
Net profit / (loss) attributable to owners of the Company	3,311	1,232	1,865	1,332	(981)	6,759
Reportable segment assets[2]	277,562	271,786	292,964	119,438	147,312	1,109,062

(1) Corporate Functions and Other includes group-wide elimination entries that arise on consolidation.
(2) Reportable segment assets include inter-company balances which are eliminated within the Corporate Functions and Other segment.

Note 2 Segment information (cont.)

	2024					
	Business and Private Banking[1]	Personal Banking[1]	Corporate and Institutional Banking	New Zealand Banking	Corporate Functions and Other[2]	Total Group
	$m	$m	$m	$m	$m	$m
Reportable segment information						
Net interest income	7,295	3,924	2,550	2,669	316	16,754
Other operating income[3]	1,063	563	1,342	545	(31)	3,482
Net operating income	8,358	4,487	3,892	3,214	285	20,236
Operating expenses[3]	(3,141)	(2,576)	(1,443)	(1,185)	(1,068)	(9,413)
Underlying profit / (loss)	5,217	1,911	2,449	2,029	(783)	10,823
Credit impairment (charge) / write-back	(523)	(288)	7	(129)	205	(728)
Cash earnings / (loss) before tax and distributions	4,694	1,623	2,456	1,900	(578)	10,095
Income tax (expense) / benefit	(1,417)	(483)	(686)	(549)	160	(2,975)
Cash earnings / (loss) before non-controlling interests	3,277	1,140	1,770	1,351	(418)	7,120
Less: Non-controlling interests	-	-	-	(18)	-	(18)
Cash earnings / (loss)	3,277	1,140	1,770	1,333	(418)	7,102
Hedging and fair value volatility	(11)	1	-	16	(12)	(6)
Other non-cash earnings items	(9)	(13)	-	24	(35)	(33)
Net profit / (loss) for the year from continuing operations	3,257	1,128	1,770	1,373	(465)	7,063
Net loss from discontinued operations attributable to owners of the Company	-	-	-	-	(103)	(103)
Net profit / (loss) attributable to owners of the Company	3,257	1,128	1,770	1,373	(568)	6,960
Reportable segment assets[4]	260,231	261,999	278,047	120,389	159,582	1,080,248

(1) Restated for changes to segments.
(2) Corporate Functions and Other includes group-wide elimination entries that arise on consolidation.
(3) Comparative information has been restated to align to the presentation in the current period. Refer to *Note 1 Basis of preparation*.
(4) Reportable segment assets include inter-company balances which are eliminated within the Corporate Functions and Other segment.

Major customers

No single customer contributes revenue greater than 10% of the Group's revenues.

Geographical information

The Group has operations in Australia (the Company's country of domicile), New Zealand, Europe, the United States and Asia. The allocation of income and non-current assets is based on the geographical location in which transactions are booked.

	Group			
	Income		Non-current assets[1]	
	2025	2024	2025	2024
	$m	$m	$m	$m
Australia	**16,435**	16,241	**6,755**	6,891
New Zealand	**3,182**	3,339	**1,689**	1,612
Other International	**1,699**	1,374	**233**	152
Total before inter-geographic eliminations	**21,316**	20,954	**8,677**	8,655
Elimination of inter-geographic items	**(444)**	(322)	**-**	-
Total	**20,872**	20,632	**8,677**	8,655

(1) Non-current assets include goodwill and other intangible assets, property, plant and equipment and investments in joint ventures and associates.

Note 3
Net interest income

Accounting policy

Interest income and expense are recognised in the income statement using the effective interest method. The effective interest method measures the amortised cost of a financial asset or financial liability using the effective interest rate. The effective interest rate discounts the estimated stream of future cash payments or receipts over the expected life of the financial instrument to the net carrying amount of the financial instrument.

Fees and costs which form an integral part of the effective interest rate of a financial instrument (for example, loan origination fees) are recognised using the effective interest method and recorded in interest income or expense depending on whether the underlying instrument is a financial asset or liability.

Included in net interest income are interest income and expense on trading assets, hedging instruments and financial instruments measured at fair value through profit or loss.

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Interest income				
Effective interest rate method				
Amortised cost				
Due from other banks	**3,621**	5,398	**3,336**	4,926
Loans and advances	**43,461**	43,302	**37,577**	36,700
Due from controlled entities	**-**	-	**2,909**	3,349
Other interest income	**651**	1,036	**377**	787
Fair value through other comprehensive income				
Debt instruments	**2,137**	2,276	**2,091**	2,274
Total effective interest method	**49,870**	52,012	**46,290**	48,036
Fair value through profit or loss				
Trading instruments	**6,791**	6,225	**6,314**	5,685
Other financial assets	**118**	60	**118**	60
Total fair value through profit or loss	**6,909**	6,285	**6,432**	5,745
Total interest income	**56,779**	58,297	**52,722**	53,781
Interest expense				
Effective interest rate method				
Amortised cost				
Due to other banks	**367**	726	**276**	562
Deposits and other borrowings	**24,518**	25,600	**21,824**	22,410
Bonds, notes and subordinated debt	**9,361**	9,539	**8,581**	8,649
Due to controlled entities	**-**	-	**3,992**	4,571
Debt issued	**489**	475	**489**	475
Other interest expense	**351**	419	**253**	319
Total effective interest method	**35,086**	36,759	**35,415**	36,986
Fair value through profit or loss				
Trading instruments	**46**	63	**46**	63
Other financial liabilities	**3,824**	4,322	**3,431**	3,611
Total fair value through profit or loss	**3,870**	4,385	**3,477**	3,674
Bank levy	**420**	396	**417**	396
Total interest expense	**39,376**	41,540	**39,309**	41,056
Net interest income	**17,403**	16,757	**13,413**	12,725

Note 4
Other operating income

Accounting policy

Categories of other operating income are measured as follows:

Item	Measurement basis
Trading instruments	***Trading derivatives*** - Total fair value change including interest income or expense. For some instruments that form part of an economic hedge relationship, interest accrual is recognised in interest income or expense. ***Trading assets*** - All fair value changes except for interest income or expense, which is recognised within net interest income.
Hedge ineffectiveness	Represents hedge ineffectiveness arising from hedge accounting, which are the fair value movements (excluding interest income or expense) that do not offset the hedged risk.
Financial instruments designated at fair value	Includes fair value movements on such items, other than interest income or interest expense and fair value movements attributable to the Group's own credit risk on financial liabilities.
Dividend revenue	Dividend revenue is recognised in the income statement when the Group's right to receive the dividend is established.
Lending fees **Net other fees and commissions**	Unless they form an integral part of the effective interest rate, fees and commissions are recognised on an accruals basis when the service has been provided or on completion of the underlying transaction. Fees charged for providing ongoing services (for example, maintaining and administering existing facilities) are recognised as income over the period the service is provided and are presented net of directly attributable and incremental expenses incurred in the provision of these services. When a third party is involved in providing goods or services to the Group's customer, the Group assesses whether the nature of the arrangement with its customer is as a principal or an agent of the third party. When the Group is not acting in a principal capacity, the income earned by the Group is net of the amounts paid to the third party provider. The net consideration represents the Group's income for facilitating the transaction.
Net investment management income	Investment management income is recognised on an accruals basis as the services are provided and is presented net of directly attributable and incremental investment management expenses incurred in the provision of these services.

Note 4 Other operating income (cont.)

	Group		Company	
	2025 $m	2024 $m	2025 $m	2024 $m
Net fees and commissions				
Lending fees	**1,183**	1,202	**955**	976
Net other fees and commissions(1)				
Fees and commission income(2)	**977**	1,016	**726**	736
Fees and commission expense	**(146)**	(101)	**(104)**	(88)
Net investment management income				
Investment management income	**238**	284	**-**	-
Investment management expense	**(127)**	(156)	**-**	-
Total net fees and commissions(1)	**2,125**	2,245	**1,577**	1,624
Gains less losses on financial instruments at fair value				
Trading instruments	**1,125**	2,097	**987**	1,363
Hedge ineffectiveness	**42**	(21)	**36**	(16)
Financial instruments designated at fair value	**203**	(798)	**290**	(446)
Realised losses on sale of bonds at FVOCI(3)	**(136)**	(101)	**(136)**	(101)
Total gains less losses on financial instruments at fair value(3)	**1,234**	1,177	**1,177**	800
Other income				
Dividends	**10**	4	**2,410**	3,108
Share of profit from associates and joint ventures	**29**	-	**-**	-
Other(4)	**71**	449	**104**	15
Total other income(3)	**110**	453	**2,514**	3,123
Total other operating income(1)	**3,469**	3,875	**5,268**	5,547

(1) Comparative information has been restated to align to the presentation in the current period. Refer to *Note 1 Basis of preparation.*
(2) In the 2025 financial year, the Group recognised customer-related remediation charges of $102 million (2024: $35 million) and the Company recognised customer-related remediation charges of $129 million (2024: $82 million) in other fees and commissions. Customer-related remediation charges in the Company include MLC Wealth-related matters which are presented in discontinued operations at the Group level.
(3) The Group has reclassified the realised losses on disposal of debt instruments at fair value through other comprehensive income together with the associated fees from 'Other income' to 'Total gains less losses on financial instruments at fair value'. Comparative information has been restated.
(4) In the 2024 financial year, the Group completed the disposal of its New Zealand wealth businesses in return for a 45% stake in FirstCape NZ and cash proceeds of $135 million, resulting in a gain on disposal of $395 million in net other operating income.

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Note 5
Operating expenses

Accounting policy

Operating expenses are recognised as services are provided to the Group, over the period in which an asset is consumed or once a liability is created.

Amounts received by the Group as a reimbursement for costs incurred are recognised as a reduction of the related expense.

Annual leave, long service leave and other personnel expenses

Salaries, annual leave and other employee entitlements expected to be paid or settled within 12 months of employees rendering service are measured at their nominal amounts using remuneration rates that the Group expects to pay when the liabilities are settled. A liability is recognised for the amount expected to be paid under short-term cash bonuses when the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. All other employee entitlements that are not expected to be paid or settled within 12 months of the reporting date are measured at the present value of net future cash flows. Employee entitlements to long service leave are accrued using an actuarial calculation, which includes assumptions regarding employee departures, leave utilisation and future salary increases.

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancy are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Refer to *Note 24 Provisions* for balances of provisions for employee entitlements.

Note 5 Operating expenses (cont.)

	Group		Company(1)	
	2025 $m	2024 $m	2025 $m	2024 $m
Personnel expenses				
Salaries and related on-costs	**4,552**	4,399	**3,679**	3,564
Superannuation costs-defined contribution plans	**430**	396	**395**	370
Performance-based compensation	**625**	596	**552**	535
Other expenses(2)	**491**	475	**400**	394
Total personnel expenses	**6,098**	5,866	**5,026**	4,863
Occupancy and depreciation expenses				
Rental expense	**109**	99	**99**	118
Depreciation and impairment	**436**	434	**349**	333
Other expenses	**58**	58	**52**	49
Total occupancy and depreciation expenses	**603**	591	**500**	500
Technology expenses				
Computer equipment and software	**1,039**	1,019	**823**	811
Amortisation of software	**717**	681	**600**	577
Depreciation of IT equipment	**165**	154	**142**	132
Data communication and processing charges	**120**	118	**107**	103
Communications(3)	**54**	54	**43**	43
Impairment losses recognised	**10**	8	**10**	9
Total technology expenses	**2,105**	2,034	**1,725**	1,675
General expenses				
Amortisation of acquired intangible assets(4)	**49**	43	**18**	18
Advertising and marketing(3)	**174**	168	**109**	116
Operational risk event losses and customer-related remediation	**124**	136	**113**	185
Postage and stationery	**81**	88	**75**	77
Professional fees	**737**	646	**621**	585
Impairment losses recognised	**-**	-	**68**	-
Other expenses(2)(3)	**377**	440	**1,101**	788
Total general expenses(3)	**1,542**	1,521	**2,105**	1,769
Total operating expenses(3)	**10,348**	10,012	**9,356**	8,807

(1) Operating expenses in the Company include amounts which are presented in discontinued operations at the Group level.
(2) Personnel expenses and General expenses of the Group and the Company include payroll review and remediation costs of $101 million and $29 million, respectively (2024: $nil)
(3) Comparative information has been restated to align to the presentation in the current period. Refer to *Note 1 Basis of preparation*.
(4) Relates to the amortisation of intangible assets acquired in business combinations, including software, customer relationships and core deposits.

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Note 6
Income tax

Accounting policy

Income tax expense (or benefit) is the tax payable (or receivable) on the current year's taxable income based on the applicable tax rate in each jurisdiction, adjusted by changes in deferred tax assets and liabilities. Income tax expense is recognised in the income statement except when the tax relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income respectively.

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted as at the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets and deferred tax liabilities are offset where there is a legally enforceable right to offset current tax assets and current tax liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities which intend either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously.

The Company and its wholly owned Australian subsidiaries are part of a tax consolidated group. The Company is the head entity in the tax consolidated group. The members of the tax consolidated group have entered into tax funding and tax sharing agreements, which set out the funding obligations of members. Any current tax liabilities / assets and deferred tax assets from unused tax losses of subsidiaries in the tax consolidated group are recognised by the Company and funded in line with the tax funding arrangements.

Critical accounting judgements and estimates

The Group undertakes transactions in the ordinary course of business where the income tax treatment requires the exercise of judgement. The Group estimates the amount expected to be paid to tax authorities based on its understanding and interpretation of relevant tax laws. The effect of uncertainty over income tax treatments is reflected in determining the relevant taxable profit or tax loss, tax bases, unused tax losses and unused tax credits or tax rates. Uncertain tax positions are presented as current or deferred tax assets or liabilities as appropriate.

Income tax expense

The income tax expense for the year reconciles to the profit before income tax as follows:

	Group		Company	
	2025 $m	2024 $m	2025 $m	2024 $m
Profit before income tax	**9,691**	9,879	**8,519**	8,846
Prima facie income tax expense at 30%	**2,907**	2,964	**2,556**	2,654
Tax effect of permanent differences:				
Assessable foreign income	**14**	16	**14**	16
Foreign tax rate differences	**(88)**	(76)	**(39)**	(28)
Adjustments to deferred tax balances for tax losses and timing differences	**(24)**	(120)	**(24)**	(120)
Foreign branch income not assessable	**(29)**	(18)	**(29)**	(18)
Under / (over) provision in prior years[1]	**(52)**	5	**(45)**	(14)
Restatement of deferred tax balances for tax rate changes	**2**	1	**2**	1
Non-deductible interest on convertible instruments	**147**	143	**147**	143
Dividend income adjustments	**-**	-	**(413)**	(607)
Gain on disposal of New Zealand Wealth businesses	**-**	(114)	**-**	(82)
Other[1]	**(13)**	(3)	**(17)**	7
Income tax expense	**2,864**	2,798	**2,152**	1,952
Current tax expense	**2,991**	2,950	**2,297**	2,118
Deferred tax benefit	**(127)**	(152)	**(145)**	(166)
Total income tax expense	**2,864**	2,798	**2,152**	1,952

(1) Adjustments relating to certain items have been disaggregated from 'Other' and presented within 'Under/(over) provision in prior years'. Prior period amounts have been restated accordingly.

The Group became subject to the Global Anti-Base Erosion Rules (Pillar Two) for the 2025 financial year. The Group has assessed that there are no material Pillar Two income taxes for the 2025 financial year and has applied the mandatory temporary exception to the recognition and disclosure of deferred tax assets and liabilities related to such taxes.

Note 6 Income tax (cont.)

Deferred tax assets and liabilities

The balance comprises temporary differences attributable to:

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Deferred tax assets				
Individually assessed provision for credit impairment	**314**	224	**263**	189
Collective provision for credit impairment	**1,482**	1,524	**1,284**	1,270
Employee entitlements	**267**	267	**245**	242
Tax losses	**82**	105	**77**	100
Other provisions	**161**	162	**155**	153
Depreciation	**505**	391	**472**	378
Reserves				
Cash flow hedge reserve	**–**	87	**–**	78
Other reserves	**118**	222	**93**	195
Other	**317**	307	**301**	296
Total deferred tax assets	**3,246**	3,289	**2,890**	2,901
Set-off of deferred tax liabilities pursuant to set-off provisions	**(194)**	(108)	**(182)**	(99)
Net deferred tax assets	**3,052**	3,181	**2,708**	2,802
Deferred tax liabilities				
Intangible assets	**26**	29	**21**	24
Defined benefit superannuation plan assets	**15**	14	**13**	12
Reserves				
Cash flow hedge reserve	**68**	–	**67**	–
Other	**85**	65	**81**	63
Total deferred tax liabilities	**194**	108	**182**	99
Deferred tax liabilities set off against deferred tax assets pursuant to set-off provisions	**(194)**	(108)	**(182)**	(99)
Net deferred tax liabilities	**–**	–	**–**	–

Deferred tax assets not brought to account

Deferred tax assets have not been brought to account for the following realised losses as the utilisation of the losses is not regarded as probable:

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Capital gains tax losses	**1,818**	1,801	**1,818**	1,801
Income tax losses	**20**	41	**18**	41

Income tax losses of $17 million (2024: $36 million) for the Group and Company are expected to expire in the September 2036 financial year. Capital gains tax losses of the Group and Company do not have any expiry date.

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Note 7
Earnings per share

	Group			
	Basic		Diluted	
	2025	2024	2025	2024
Earnings ($m)				
Net profit attributable to owners of the Company	**6,759**	6,960	**6,759**	6,960
Potential dilutive adjustments				
Interest expense on convertible notes[1]	**-**	-	**129**	374
Adjusted earnings	**6,759**	6,960	**6,888**	7,334
Net loss from discontinued operations attributable to owners of the Company	**29**	103	**29**	103
Adjusted earnings from continuing operations	**6,788**	7,063	**6,917**	7,437
Weighted average number of ordinary shares (millions)				
Weighted average number of ordinary shares (net of treasury shares)	**3,059**	3,099	**3,059**	3,099
Weighted average number of dilutive potential ordinary shares				
Convertible notes[1]	**-**	-	**64**	184
Equity-based compensation	**-**	-	**9**	10
Total weighted average number of ordinary shares	**3,059**	3,099	**3,132**	3,293
Earnings per share attributable to owners of the Company (cents)	**221.0**	224.6	**219.9**	222.7
Earnings per share from continuing operations	**221.9**	227.9	**220.8**	225.8
Earnings per share from discontinued operations	**(0.9)**	(3.3)	**(0.9)**	(3.1)

(1) Convertible notes are dilutive instruments as they may convert into ordinary shares in the future. Certain convertible notes were excluded from the calculation of diluted EPS for both the September 2025 and September 2024 full year as they were anti-dilutive, however they could potentially dilute basic earnings per share in the future. Refer to *Note 15 Debt issued* for further details on convertible notes.

Financial instruments

Overview

Financial instruments represent the majority of the Group's balance sheet, including loans and advances, deposits, trading assets and derivatives.

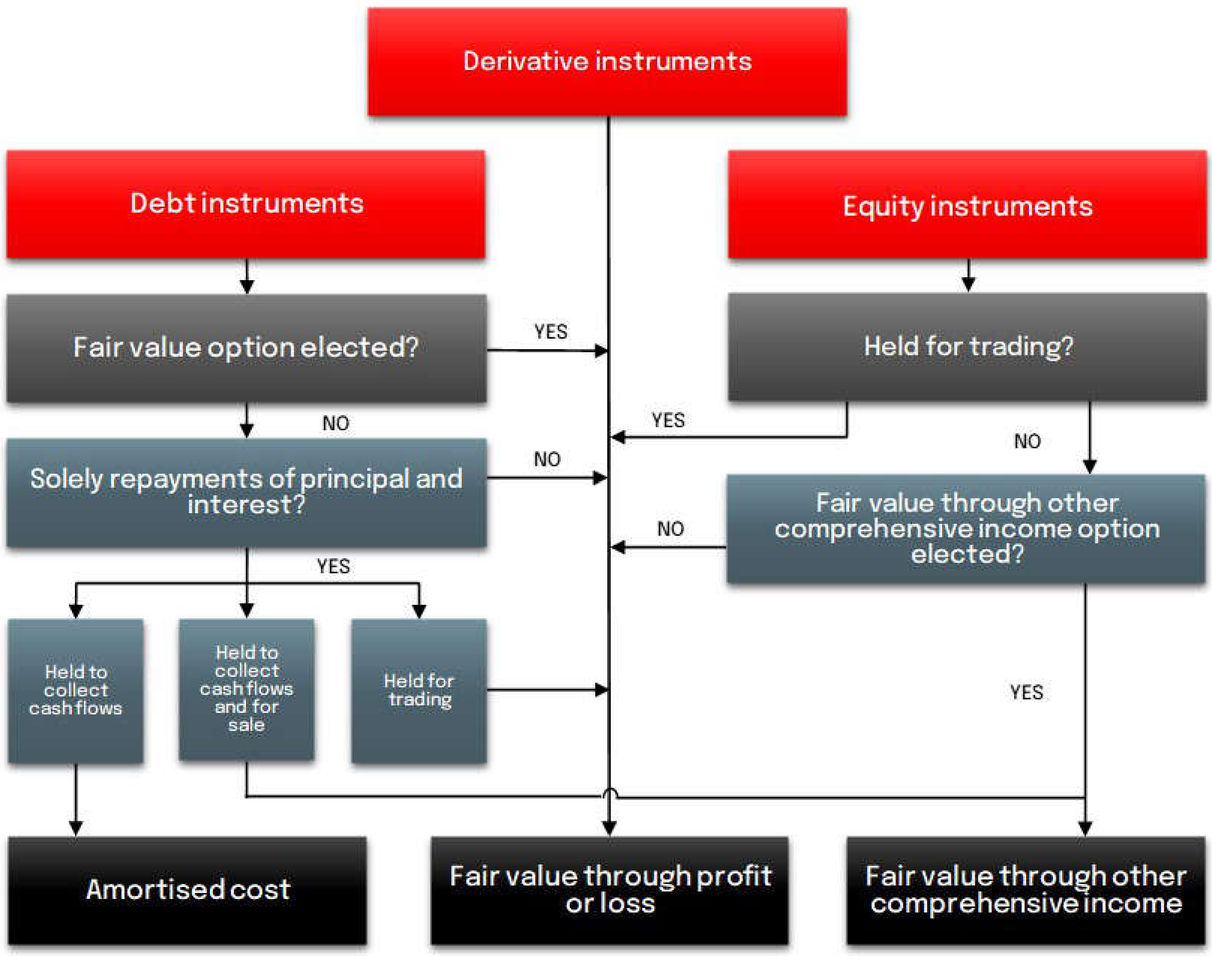
Initial recognition of financial instruments

A financial asset or financial liability is recognised on the balance sheet when the Group becomes a party to the contractual provisions of the instrument. The Group recognises regular way transactions on the trade date.

All financial instruments are initially recognised at fair value. Directly attributable transaction costs are added to or deducted from the carrying value of the asset or liability on initial recognition, unless the instrument is measured at fair value through profit or loss, in which case they are recognised in profit or loss.

Classification

Subsequently, financial instruments are measured either at amortised cost or fair value depending on their classification. Classification of financial assets is driven by the Group's business model for managing the asset and the contractual cash flows of the asset. The Group uses the following flowchart to determine the appropriate classification for financial assets.



Non-derivative financial liabilities are measured at amortised cost unless the Group elects to measure the financial liability at fair value through profit or loss. The Group will elect to measure a financial liability at fair value through profit or loss if such measurement significantly reduces or eliminates an accounting mismatch.

Refer to the table at the end of this section for a summary of the classification of the Group's financial instruments.

Overview (cont.)

Measurement

Financial instruments measured at amortised cost

Amortised cost is the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation of transaction costs, premiums or discounts using the effective interest method, and for financial assets, adjusted for any credit impairment.

Financial assets measured at fair value through other comprehensive income

Gains or losses arising from changes in the fair value of debt instruments measured at fair value through other comprehensive income are recognised in other comprehensive income and accumulated in a separate component of equity. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the income statement.

Investments in equity instruments that are neither held for trading nor contingent consideration recognised by the Group in a business combination to which AASB 3 *Business Combinations* applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management. Amounts recognised in other comprehensive income are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Financial instruments at fair value through profit or loss

Changes in the fair value of financial assets are recognised in profit or loss.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit risk is calculated by determining the changes in own credit spreads and is recognised separately in other comprehensive income.

Derivative financial instruments and hedge accounting

Derivative financial instruments are contracts whose value is derived from an underlying price, index or other variable, and include instruments such as swaps, forward rate agreements, futures and options.

All derivatives are recognised initially on the balance sheet at fair value and are subsequently measured at fair value through profit or loss, except where they are designated as a part of an effective hedge relationship and classified as hedging derivatives. Derivatives are presented as assets when their fair value is positive and as liabilities when their fair value is negative.

The method of recognising the resulting fair value gain or loss on a derivative depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Refer to *Note 18 Derivatives and hedge accounting*.

Derecognition of financial instruments

The Group derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

Reverse repurchase and repurchase agreements (and similar lending and borrowing)

The Group executes reverse repurchase agreements where it purchases a security under an agreement to resell that security at a predetermined price. These securities are not recognised on the balance sheet because the Group does not acquire the risks and rewards of ownership of the security. Consideration paid for the purchase is accounted for as a reverse repurchase agreement and classified as a financial asset. Reverse repurchase agreements that are part of a portfolio of financial instruments managed together for short-term profit taking are measured at fair value through profit or loss and are included within *Note 9 Trading assets*. All other reverse repurchase agreements are measured at amortised cost and are included within 'Due from other banks' in *Note 8 Cash and balances with other banks*.

The Group also executes repurchase agreements, where it sells a security under an agreement to repurchase that security at a predetermined price. These securities are not derecognised from the balance sheet because the Group retains substantially all of the risks and rewards of ownership of the security. Consideration received for the sale is accounted for as a repurchase agreement and classified as a financial liability. Repurchase agreements that are part of a portfolio of financial instruments managed together for short-term profit taking are measured at fair value through profit or loss and are included within *Note 16 Other financial liabilities.* All other repurchase agreements are measured at amortised cost and are included within 'Due to other banks' in *Note 8 Cash and balances with other banks*.

Overview (cont.)

Summary of classification and measurement basis

Financial assets

Type of instrument	Classification and measurement	Reason	Note
Loans and advances (customer loans and facilities)	Amortised cost	Cash flows represent solely payments of principal and interest, held with the objective to collect contractual cash flows	*Note 12 Loans and advances*
Trading assets (bonds, reverse repurchase agreements, notes or securities issued by government, financial institutions or other corporates)	Fair value through profit or loss	Principal purpose is selling or repurchasing in the near term, or part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking	*Note 9 Trading assets*
Other financial assets		Cash flows are not solely payments of principal and interest or designated at fair value through profit or loss to eliminate an accounting mismatch	*Note 11 Other financial assets*
Debt instruments (bonds, notes or securities issued by government, financial institutions or other corporates)	Fair value through other comprehensive income	Cash flows represent solely payments of principal and interest, held with the objective to both collect contractual cash flows and to sell	*Note 10 Debt instruments*
Derivatives (forwards, swaps, futures, options)	Fair value[1]	Trading derivatives - not in a qualifying hedging relationship	*Note 18 Derivatives and hedge accounting*
		Hedging derivatives - designated in a qualifying hedging relationship	

Financial liabilities

Type of instrument	Classification and measurement	Reason	Note
Deposits and other borrowings (deposits, commercial paper, repurchase agreements)	Amortised cost	Not designated at fair value through profit or loss	*Note 13 Deposits and other borrowings*
Bonds and notes			*Note 14 Bonds, notes and subordinated debt*
Convertible notes			*Note 15 Debt issued*
Certain bonds, notes and deposits	Fair value through profit or loss[2]	Designated at fair value through profit or loss to eliminate an accounting mismatch	*Note 16 Other financial liabilities*
Repurchase agreements, securities sold short, other financial liabilities	Fair value through profit or loss	Part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking	
Derivatives (forwards, swaps, futures, options)	Fair value[1]	Trading derivatives - not in a qualifying hedging relationship	*Note 18 Derivatives and hedge accounting*
		Hedging derivatives - designated in a qualifying hedging relationship	

(1) Fair value movements on trading derivatives are recognised in profit or loss. The recognition of the fair value movements on hedging derivatives will depend on the type of hedge (i.e. fair value hedge or cash flow hedge). Refer to *Note 18 Derivatives and hedge accounting*.
(2) Except for fair value movements attributable to changes in the Group's own credit risk which are recognised in other comprehensive income.

Note 8
Cash and balances with other banks

Accounting policy

Cash and liquid assets, and balances with other banks are initially measured at fair value and subsequently at amortised cost. For the purposes of the statement of cash flows, cash and cash equivalents include cash and liquid assets (including reverse repurchase agreements and short-term government securities) and amounts due from other banks net of amounts due to other banks that are highly liquid, readily convertible to known amounts of cash within three months and are subject to an insignificant risk of changes in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes). Refer to *Note 36 Notes to the statement of cash flows* for a detailed reconciliation of cash and cash equivalents.

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Cash and liquid assets				
Coins, notes and cash at bank	**1,117**	1,149	**1,026**	1,057
Other (including bills receivable and remittances in transit)	**1,487**	1,350	**1,381**	1,261
Total cash and liquid assets	**2,604**	2,499	**2,407**	2,318
Due from other banks				
Central banks	**79,358**	99,577	**75,123**	95,105
Other banks	**12,588**	10,861	**11,328**	9,956
Total due from other banks	**91,946**	110,438	**86,451**	105,061
Due to other banks				
Central banks(1)	**3,654**	6,069	**1,747**	2,872
Other banks	**8,715**	6,259	**7,492**	5,037
Total due to other banks	**12,369**	12,328	**9,239**	7,909

(1) Included within amounts due to central banks for the Group is $1,791 million (2024: $3,102 million) relating to the TLF, FLP provided by the RBNZ.

Note 9
Trading assets

Accounting policy

Trading assets comprise assets that are classified as held for trading because they are acquired or incurred principally for the purpose of selling or repurchasing in the near term, or form part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking. Trading assets are measured at fair value through profit or loss. Trading assets include commodities measured at fair value less cost to sell in accordance with AASB 102 *Inventories*.

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Trading assets				
Government bonds, notes and securities	**29,132**	27,562	**26,202**	23,758
Semi-government bonds, notes and securities	**13,788**	12,539	**11,520**	9,574
Corporate / financial institution bonds, notes and securities	**4,286**	5,331	**2,913**	3,348
Reverse repurchase agreements	**94,041**	87,815	**88,273**	83,481
Commodity inventory and other commodity-related assets at fair value	**1,860**	73	**1,860**	73
Other bonds, notes, securities, equities and other assets	**1,464**	286	**1,461**	283
Total trading assets	**144,571**	133,606	**132,229**	120,517

Note 10
Debt instruments

Accounting policy
Debt instruments are measured at fair value through other comprehensive income as they are held in a business model with the objective of both collecting contractual cash flows and realising assets through sale and they have contractual cash flows which are considered to be solely payments of principal and interest.

	Group		Company	
	2025 $m	2024 $m	2025 $m	2024 $m
Debt instruments				
Government bonds, notes and securities	**3,837**	1,554	**2,304**	1,545
Semi-government bonds, notes and securities	**36,959**	31,285	**36,247**	31,285
Corporate / financial institution bonds, notes and securities	**4,500**	6,393	**4,500**	6,393
Other bonds, notes and securities	**1,651**	2,767	**1,651**	2,760
Total debt instruments	**46,947**	41,999	**44,702**	41,983

Note 11
Other financial assets

Accounting policy
Other financial assets are measured at fair value through profit or loss. Changes in fair value and transaction costs are recognised in the income statement. Financial assets are measured at fair value through profit or loss when they have contractual cash flow characteristics that are not considered to be solely payments of principal and interest or they have been designated as such to eliminate or reduce an accounting mismatch.

	Group		Company	
	2025 $m	2024 $m	2025 $m	2024 $m
Other financial assets				
Loans at fair value	**435**	576	**435**	576
Other financial assets at fair value	**253**	193	**253**	193
Total other financial assets	**688**	769	**688**	769

The maximum credit exposure of loans (excluding any undrawn facility limits) included in other financial assets is $435 million (2024: $576 million) for the Group and $435 million (2024: $576 million) for the Company.

Note 12
Loans and advances

Accounting policy

Loans and advances are financial assets for which the contractual cash flows are solely payments of principal and interest and that are held in a business model with the objective of collecting contractual cash flows.

Loans and advances are initially recognised at fair value plus transaction costs directly attributable to the origination of the loan or advance, which are primarily brokerage and origination fees. Subsequently, loans and advances are measured at amortised cost using the effective interest rate method, net of any provision for credit impairment.

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Loans and advances				
Housing loans	**436,613**	416,758	**380,142**	361,195
Other term lending	**301,482**	279,441	**261,910**	239,250
Asset and lease financing	**19,278**	18,879	**19,219**	18,822
Overdrafts	**5,784**	5,886	**3,922**	3,870
Credit card outstandings	**10,043**	9,455	**9,375**	8,725
Other lending	**7,895**	7,211	**7,406**	6,767
Total gross loans and advances	**781,095**	737,630	**681,974**	638,629
Unearned income and deferred net fee income	**(2,013)**	(2,003)	**(2,174)**	(2,126)
Capitalised brokerage costs	**3,209**	2,986	**3,026**	2,808
Provision for credit impairment	**(6,165)**	(5,921)	**(5,274)**	(4,965)
Total net loans and advances	**776,126**	732,692	**677,552**	634,346

Note 13
Deposits and other borrowings

Accounting policy

Deposits and other borrowings are initially recognised at fair value less directly attributable transaction costs and subsequently measured at amortised cost.

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Deposits and other borrowings				
Term deposits(1)	**205,021**	204,526	**170,964**	169,148
On-demand and short-term deposits(1)(2)	**286,867**	285,474	**257,558**	256,651
Certificates of deposit	**53,526**	65,504	**53,526**	65,504
Deposits not bearing interest(2)(3)	**134,815**	96,561	**121,658**	85,159
Structured deposits(1)	**31,727**	26,234	**31,727**	26,234
Commercial paper and other borrowings	**24,203**	34,267	**23,823**	33,869
Total deposits and other borrowings	**736,159**	712,566	**659,256**	636,565

(1) During the 2025 financial year, the Group revised its presentation of deposit categories to present structured deposits separately. Comparative information has been restated accordingly.
(2) During the 2025 financial year, the terms and conditions related to certain transaction accounts totalling $25,777 million were amended and, as a result of these changes, the products no longer met the criteria for 'On-demand and short-term deposits' and as such were moved to 'Deposits not bearing interest'
(3) Deposits not bearing interest include mortgage offset accounts.

Note 14
Bonds, notes and subordinated debt

Accounting policy

Bonds, notes and subordinated debt are initially recognised at fair value less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method. Premiums, discounts and associated issue expenses are recognised using the effective interest method through the income statement from the date of issue.

	Group		Company	
	2025 $m	2024 $m	2025 $m	2024 $m
Bonds, notes and subordinated debt				
Medium-term notes	**104,587**	97,420	**96,406**	88,717
Securitisation notes	**2,600**	3,548	**-**	-
Covered bonds	**40,419**	32,916	**35,082**	29,429
Subordinated medium-term notes	**26,701**	22,410	**25,924**	22,410
Total bonds, notes and subordinated debt	**174,307**	156,294	**157,412**	140,556
Issued bonds, notes and subordinated debt by currency				
AUD	**53,316**	48,683	**50,675**	45,095
USD	**61,394**	56,896	**54,670**	50,189
EUR	**36,097**	29,151	**29,528**	24,557
GBP	**11,925**	11,610	**11,937**	11,633
JPY	**2,448**	1,876	**2,448**	1,876
CHF	**4,196**	3,344	**3,210**	2,479
Other	**4,931**	4,734	**4,944**	4,727
Total bonds, notes and subordinated debt	**174,307**	156,294	**157,412**	140,556

Note 14 Bonds, notes and subordinated debt (cont.)

Subordinated medium-term notes

Currency	Notional amount Currency amount (m)(1)	Rate	First optional call date(2)	Maturity date(3)	Group 2025 $m	Group 2024 $m	Company 2025 $m	Company 2024 $m
CAD	1,000	Fixed	n/a	Matured 2025	**-**	1,055	**-**	1,055
AUD	1,250	Float	2025	2030	**1,250**	1,250	**1,250**	1,250
USD	1,500	Fixed	n/a	2030	**1,967**	1,838	**1,967**	1,838
GBP	600	Fixed	2026	2031	**1,183**	1,085	**1,183**	1,085
AUD	1,175	Float	2026	2031	**1,175**	1,175	**1,175**	1,175
AUD	225	Fixed	2026	2031	**219**	214	**219**	214
USD	1,250	Fixed	n/a	2031	**1,689**	1,597	**1,689**	1,597
AUD	275	Fixed	2027	2032	**272**	270	**272**	270
JPY	17,000	Fixed	2027	2032	**171**	171	**171**	171
AUD	1,000	Fixed	2027	2032	**1,000**	1,000	**1,000**	1,000
AUD	250	Float	2027	2032	**250**	250	**250**	250
HKD	382	Fixed	2027	2032	**74**	71	**74**	71
AUD	950	Fixed	2028	2033	**950**	950	**950**	950
AUD	300	Float	2028	2033	**300**	300	**300**	300
HKD	640	Fixed	2028	2033	**127**	122	**127**	122
USD	1,250	Fixed	n/a	2033	**1,875**	1,815	**1,875**	1,815
AUD	1,100	Float	2029	2034	**1,100**	1,100	**1,100**	1,100
AUD	650	Fixed	2029	2034	**650**	650	**650**	650
USD	1,500	Fixed	2029	2034	**2,136**	2,017	**2,136**	2,017
HKD	400	Fixed	2030	2035	**78**	-	**78**	-
CHF	225	Fixed	2030	2035	**427**	-	**427**	-
AUD	205	Fixed	n/a	2035	**205**	205	**205**	205
USD(4)	500	Fixed	2030	2035	**777**	-	**-**	-
USD	1,250	Fixed	2035	2036	**1,964**	-	**1,964**	-
USD	1,250	Fixed	2032	2037	**1,676**	1,591	**1,676**	1,591
AUD	85	Fixed	n/a	2037	**85**	85	**85**	85
AUD	1,250	Fixed	2034	2039	**1,250**	1,250	**1,250**	1,250
AUD	1,500	Fixed	2035	2040	**1,500**	-	**1,500**	-
AUD	215	Fixed	n/a	2040	**137**	138	**137**	138
AUD	245	Fixed	n/a	2040	**157**	157	**157**	157
AUD	100	Fixed	n/a	2040	**64**	64	**64**	64
USD	1,250	Fixed	n/a	2041	**1,295**	1,292	**1,295**	1,292
AUD	195	Fixed	n/a	2041	**195**	195	**195**	195
AUD	203	Fixed	n/a	2042	**203**	203	**203**	203
AUD	300	Float	2038	2043	**300**	300	**300**	300
Total					**26,701**	22,410	**25,924**	22,410

(1) Subordinated medium-term notes qualify as Tier 2 capital unless otherwise stated.
(2) Reflects calendar year of first optional call date (subject to APRA's prior written approval).
(3) Reflects calendar year of maturity date.
(4) The subordinated note issued by Bank of New Zealand does not contain the necessary loss-absorbing features and therefore does not meet APRA's requirements to qualify as regulatory capital.

Note 15
Debt issues

Accounting policy

Convertible notes are initially recognised at fair value less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

	Group		Company	
	2025 $m	2024 $m	2025 $m	2024 $m
Debt issued				
Convertible notes	**8,972**	9,560	**8,972**	9,560
Total debt issued	**8,972**	9,560	**8,972**	9,560

The table below highlights the key features of the Group's debt issuances.

					Maturity / Conversion	
Convertible notes[1]	**Outstanding amount**	**Issued date**	**Interest payment frequency (in arrears)**	**Interest rate (per annum)**	**Mandatory conversion**[2]	**Issuer conversion option**[3]
NAB Capital Notes 3	$1.87bn	20 March 2019	Quarterly	4.00% above 3 month BBSW	19 June 2028	17 June 2026
NAB Capital Notes 5	$2.39bn	17 December 2020	Quarterly	3.50% above 3 month BBSW	17 December 2029	17 December 2027
NAB Capital Notes 6	$2.00bn	7 July 2022	Quarterly	3.15% above 3 month BBSW	17 September 2032	17 December 2029[4]
NAB Capital Notes 7	$1.25bn	14 September 2023	Quarterly	2.80% above 3 month BBSW	17 June 2033	17 September 2030[5]
NAB Capital Notes 8	$1.00bn	6 June 2024	Quarterly	2.60% above 3 month BBSW	18 December 2034	17 March 2032[6]
NAB Wholesale Capital Notes	$0.5bn	12 December 2019	Semi-annually until the optional call date. Quarterly thereafter.	4.95% until the optional call date. 3.75% above 3 month BBSW thereafter.	12 December 2031	12 December 2029
NAB Wholesale Capital Notes 2	Redeemed ($0.6bn)	17 July 2020	Quarterly	4.00% above 3 month BBSW	Redeemed 17 July 2025	Redeemed 17 July 2025

(1) All convertible notes are treated as AT1 capital.
(2) The mandatory conversion into ordinary shares is subject to certain conditions.
(3) The Issuer Conversion Option is subject to certain conditions, including APRA approval.
(4) First optional conversion date of 17 December 2029, with subsequent optional conversion dates on 17 March 2030, 17 June 2030 and 17 September 2030.
(5) First optional conversion date of 17 September 2030, with subsequent optional conversion dates on 17 December 2030, 17 March 2031 and 17 June 2031.
(6) First optional conversion date of 17 March 2032, with subsequent optional conversion dates on 17 June 2032, 17 September 2032 and 17 December 2032.

Note 16
Other financial liabilities

Accounting policy

In certain circumstances, the Group fair values financial liabilities.

Some financial liabilities are measured at fair value through profit or loss because they are part of a portfolio of financial instruments that are managed together and for which there is evidence of a pattern of short-term profit taking. For these, changes in fair value due to own credit risk is recognised through profit or loss.

Some financial liabilities are designated at fair value through profit or loss from initial recognition. This option is applied where it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise. For these, changes in fair value due to own credit risk is recognised in other comprehensive income.

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Other financial liabilities designated at fair value				
Bonds, notes and subordinated debt	**9,624**	10,287	**5,406**	4,885
Deposits and other borrowings				
Certificates of deposit	**799**	1,379	**-**	-
Commercial paper and other borrowings	**2,333**	433	**-**	-
Other financial liabilities measured at fair value				
Repurchase agreements	**52,708**	54,677	**52,158**	54,593
Securities sold short	**3,243**	1,947	**3,123**	1,809
Other financial liabilities	**1,757**	1,549	**1,757**	1,549
Total other financial liabilities	**70,464**	70,272	**62,444**	62,836

The change in fair value of bonds, notes and subordinated debt attributable to changes in credit risk amounted to a gain for the 2025 financial year of $2 million (2024: $87 million loss) for the Group and a gain of $4 million (2024: $95 million loss) for the Company. The cumulative change in fair value of bonds, notes and subordinated debt attributable to changes in credit risk amounted to a loss of $164 million (2024: $166 million loss) for the Group and a loss of $130 million (2024: $134 million loss) for the Company. The contractual amount to be paid at the maturity of the bonds, notes and subordinated debt is $10,122 million (2024: $10,561 million) for the Group and $6,069 million (2024: $5,238 million) for the Company.

Note 17
Provision for credit impairment

Accounting policy

The Group applies a three-stage approach to measuring expected credit losses (ECL) for the following categories of financial assets that are not measured at fair value through profit or loss:

- Debt instruments measured at amortised cost and fair value through other comprehensive income,
- Loan commitments, and
- Financial guarantee contracts.

Exposures are assessed on a collective basis in each stage unless there is sufficient evidence that one or more events associated with an exposure could have a detrimental impact on estimated future cash flows. Where such evidence exists, the exposure is assessed on an individual basis.

Stage	Measurement basis
Performing - 12-month ECL (Stage 1)	The portion of lifetime ECL associated with the probability of default events occurring within the next 12 months.
Performing - Lifetime ECL (Stage 2)	ECL associated with the probability of default events occurring throughout the life of an instrument.
Non-performing - Lifetime ECL (Stage 3)	Lifetime ECL, but interest income is measured based on the carrying amount of the instrument net of the associated ECL.

At each reporting date, the Group assesses the default risk of exposures in comparison to the default risk at initial recognition, to determine the stage that applies to the associated ECL measurement. If no significant increase in default risk is observed, the exposure will remain in Stage 1. If the default risk of an exposure has increased significantly since initial recognition, the exposure will migrate to Stage 2. Should an exposure become non-performing it will migrate to Stage 3.

For this purpose, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes quantitative and qualitative information that is also forward-looking.

ECL are derived from probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are performing at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive.
- Financial assets that are non-performing at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.
- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive.
- Financial guarantee contracts: as the expected payments to reimburse the holder less any amounts that the Group expects to recover.

Credit quality of financial assets

The Group's internally developed credit rating system utilises historical default data drawn from a number of sources to assess the potential default risk of lending or other financial services products provided to counterparties or customers. The Group has predefined counterparty probabilities of default across retail and non-retail loans and advances, including performing (pre-default) and non-performing (post-default) rating grades. In assessing for credit impairment of financial assets under the ECL model, the Group aligns credit impairment with the definition of default prescribed in its Credit Policy and Procedures.

Assessment of significant increase in credit risk

When determining whether default risk has increased significantly since initial recognition, the Group considers both quantitative and qualitative information, including expert credit risk assessment, forward-looking information and analysis based on the Group's historical default experience.

- For retail and non-retail facilities, internally derived credit ratings, as described above, represent a key determinant of default risk. The Group assigns each customer a credit rating at initial recognition based on available information. Credit risk is deemed to have increased significantly if the credit rating has significantly deteriorated at the reporting date, relative to the credit rating at the date of initial recognition.

Note 17 Provision for credit impairment (cont.)

- In addition, the Group considers that significant increase in credit risk occurs when a facility is more than 30 days past due.

Definition of default

Default occurs when a loan obligation is contractually 90+ days past due, or when it is considered unlikely that the credit obligation to the Group will be paid in full without remedial action, such as realisation of security. Exposures which are in default align to the non-performing exposures definition in APS 220 *Credit Risk Management*.

Calculation of ECL

- ECL are calculated using three main parameters being probability of default (PD), loss given default (LGD) and exposure at default (EAD). These parameters are generally derived from internally developed statistical models combined with historical, current and forward-looking information, including macro-economic data.
- For accounting purposes, the 12-month and lifetime PD represent the expected point-in-time probability of a default over the next 12 months and remaining expected lifetime of the financial instrument, respectively, based on conditions existing at the balance sheet date and future economic conditions that affect credit risk.
- The LGD represents expected loss conditional on default, taking into account the mitigating effect of collateral, its expected value when realised and the time value of money.
- The EAD represents the expected exposure at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdown of a facility.
- The 12-month ECL is equal to the discounted sum over the next 12-months of monthly PD multiplied by LGD and EAD. Lifetime ECL is calculated using the discounted sum of monthly PD over the expected remaining life multiplied by LGD and EAD.

Incorporation of forward-looking information

- The Group uses internal subject matter experts from Risk, Economics and customer divisions to consider a range of relevant forward-looking data, including macro-economic forecasts and assumptions, for the determination of general macro-economic adjustments (EA) and any idiosyncratic or targeted portfolio / industry adjustments (FLAs), to support the calculation of ECL.
- Forward-looking provisions for both EA and FLAs, reflect reasonable and supportable forecasts of potential future conditions that are not captured within the base ECL calculations.
- Macro-economic factors taken into consideration include (but are not limited to) the cash rate, unemployment rates, GDP growth rates, inflation and residential and commercial property prices, and require an evaluation of both the current and forecast direction of the macro-economic cycle.
- Incorporating forward-looking information, including macro-economic forecasts, increases the degree of judgement required to assess how changes in these data points will affect ECL. The methodologies and assumptions, including any forecasts of future economic conditions, are reviewed regularly.

Critical accounting judgements and estimates

Judgement is applied in determining ECL using objective, reasonable and supportable information about current and forecast economic conditions. Macro-economic variables used in these scenarios include (but are not limited to) the cash rate, unemployment rates, GDP growth rates, inflation and residential and commercial property prices. When determining whether the risk of default has increased significantly since initial recognition, both quantitative and qualitative information is considered, including expert credit assessment, forward-looking information and analysis based on the Group's historical loss experience.

Note 17 Provision for credit impairment (cont.)

Credit impairment charge

	Group 2025 $m	Group 2024 $m	Company 2025 $m	Company 2024 $m
Credit impairment charge				
New and increased provisions (net of collective provision releases)	**1,061**	968	**986**	815
Write-backs of individually assessed provisions	**(178)**	(132)	**(136)**	(106)
Recoveries of amounts previously written-off	**(50)**	(95)	**(44)**	(90)
Total charge to the income statement	**833**	741	**806**	619

Provision for credit impairment

	Group					
	2025			2024		
	Collective provision $m	Individually assessed provision $m	Total $m	Collective provision $m	Individually assessed provision $m	Total $m
Loans and advances at amortised cost	**4,415**	**1,163**	**5,578**	4,557	756	5,313
Guarantees and credit-related commitments	**587**	**-**	**587**	608	-	608
Total	**5,002**	**1,163**	**6,165**	5,165	756	5,921

	Company					
	2025			2024		
	Collective provision $m	Individually assessed provision $m	Total $m	Collective provision $m	Individually assessed provision $m	Total $m
Loans and advances at amortised cost	**3,844**	**980**	**4,824**	3,863	635	4,498
Guarantees and credit-related commitments	**450**	**-**	**450**	467	-	467
Total	**4,294**	**980**	**5,274**	4,330	635	4,965

Note 17 Provision for credit impairment (cont.)

	Stage 1	Stage 2	Stage 3		
	Performing 12-mth ECL	Performing Lifetime ECL	Non-performing Lifetime ECL		
	Collective	Collective	Collective	Individually assessed	Total
Group	$m	$m	$m	$m	$m
Balance at 1 October 2023	529	3,540	977	539	5,585
Changes due to financial assets recognised in the opening balance that have:					
Transferred to performing - 12-mth ECL - collective	408	(373)	(35)	-	-
Transferred to performing - Lifetime ECL - collective	(54)	179	(125)	-	-
Transferred to non-performing - Lifetime ECL - collective	(2)	(87)	89	-	-
Transferred to non-performing - Lifetime ECL - individually assessed	(1)	(28)	(81)	110	-
New and increased provisions (net of collective provision releases)	(223)	165	273	753	968
Write-backs of individually assessed provisions	-	-	-	(132)	(132)
Write-offs from individually assessed provisions	-	-	-	(512)	(512)
Foreign currency translation and other adjustments	9	4	1	(2)	12
Balance as at 30 September 2024	666	3,400	1,099	756	5,921
Changes due to financial assets recognised in the opening balance that have:					
Transferred to performing - 12-mth ECL - collective	**759**	**(720)**	**(39)**	**-**	**-**
Transferred to performing - Lifetime ECL - collective	**(115)**	**270**	**(155)**	**-**	**-**
Transferred to non-performing - Lifetime ECL - collective	**(5)**	**(201)**	**206**	**-**	**-**
Transferred to non-performing - Lifetime ECL - individually assessed	**(1)**	**(88)**	**(91)**	**180**	**-**
New and increased provisions (net of collective provision releases)	**(653)**	**530**	**173**	**1,011**	**1,061**
Write-backs of individually assessed provisions	**-**	**-**	**-**	**(178)**	**(178)**
Write-offs from individually assessed provisions	**-**	**-**	**-**	**(600)**	**(600)**
Foreign currency translation and other adjustments	**(5)**	**(22)**	**(6)**	**(6)**	**(39)**
Balance as at 30 September 2025	**646**	**3,169**	**1,187**	**1,163**	**6,165**

Impact of movements in gross carrying amount on provision for ECL for the Group

Provision for credit impairment reflects ECL measured using the three-stage approach. The below explains how significant changes in the gross carrying amount of loans and advances during the 2025 financial year have contributed to the changes in the provision for credit impairment for the Group under the ECL model.

Overall, the total provision for credit impairment increased by $244 million compared to the balance as at 30 September 2024; Individually assessed provisions increased by $407 million compared to the balance as at 30 September 2024, mainly due to new and increased individually assessed provisions raised for customers in the Group's business lending portfolio; and Collective provisions decreased by $163 million compared to the balance as at 30 September 2024, comprised of:

- Collective provision performing – 12-months ECL (Stage 1) decreased by $20 million as a result of:
  - $177 billion of loans and advances that were repaid, experienced movement in underlying account balances during the period or migrated from Stage 1 to Stage 2 or Stage 3 due to deterioration in credit quality, partially offset by:
  - $217 billion of loans and advances that were newly originated or migrated into Stage 1 from Stage 2 or Stage 3 due to credit quality improvement.
- Collective provision performing – Lifetime ECL (Stage 2) decreased by $231 million as a result of:
  - $93 billion of loans and advances that migrated to Stage 1 as a result of improved credit quality, or into Stage 3 due to deterioration in credit quality, were repaid or experienced movement in underlying account balances during the period, and
  - a decrease in net forward-looking provisions, partially offset by:
  - $96 billion of loans and advances that were originated and migrated over the year to Stage 2, including the impact of forward-looking economic information applied in the ECL model or migrated to Stage 2 as a result of loans and advances transferred from Stage 1 or Stage 3.
- Collective provision non-performing - Lifetime ECL (Stage 3) increased by $88 million as a result of:
  - $8 billion of loans and advances that experienced movement in underlying account balances during the period or were transferred into Stage 3 from Stage 1 and Stage 2 due to credit quality deterioration, partially offset by:
  - $7 billion of loans and advances that were repaid or migrated to Stage 1 or Stage 2 due to credit quality improvement or migrated to individually credit assessed with individually assessed provisions raised.

ECL scenario analysis

The Group's ECL measurement is derived from a probability weighted average of three distinct scenarios (base case, upside and downside) applied across each of the Group's major loan portfolios, in addition to FLAs for emerging risk at an industry,

Note 17 Provision for credit impairment (cont.)

geography or segment level. The probability of each scenario is determined by considering relevant macro-economic outlooks and their likely impact on the Group's credit portfolio.

The following table shows the key macro-economic variables for the Australian economy used in the base case and downside scenarios as at 30 September 2025:

	Base case			Downside		
	Financial year			Financial year		
	2026	2027	2028	2026	2027	2028
	%	%	%	%	%	%
GDP change (year ended September)	2.2	2.3	2.3	(2.1)	(1.8)	1.7
Unemployment (as at 30 September)	4.3	4.2	4.2	6.5	9.5	10.3
House price change (year ended September)	6.6	5.0	3.0	(26.6)	(14.6)	6.9

The following table shows the reported total provisions for ECL based on the probability weighting of scenarios, with the sensitivity range reflecting the ECL impacts assuming a 100% weighting is applied to the base case scenario or the downside scenario (with all other assumptions held constant):

	Group	
	2025	2024
	$m	$m
Total provisions for ECL		
Probability weighted	**6,165**	5,921
100% Base case	**3,921**	4,116
100% Downside	**9,170**	8,333

Applying the average provision coverage ratios by stage, if 1% of the Group's Stage 1 gross loans and advances, contingent liabilities and credit commitments were included as Stage 2 the provision for ECL as at September 2025 would increase by $122 million (September 2024: $130 million).

Applying the average provision coverage ratios by stage, if 1% of the Group's Stage 2 gross loans and advances, contingent liabilities and credit commitments were included as Stage 1 the provision for ECL as at September 2025 would decrease by $30 million (September 2024: $32 million).

Note 17 Provision for credit impairment (cont.)

The table below shows weightings applied to the Australian portfolio to derive the probability weighted ECL:

	2025 %	2024 %
Macro-economics scenario weightings		
Upside	**2.5**	2.5
Base case	**55.0**	55.0
Downside	**42.5**	42.5

- The September 2025 provisions for ECL in the 100% base case decreased since September 2024 primarily due to a reduction in forward-looking provisions, including a release from target sector FLAs and the impact of the refresh of the macro-economic variables used in the expected credit loss scenarios. This was partially offset by an increase in the balance of individually assessed provisions and the impact of volume growth in the Business and Private Banking business lending portfolio, combined with deterioration in asset quality across the Australian lending portfolio.
- The September 2025 provisions for ECL in the 100% downside scenario increased since September 2024 primarily due to an increase in the balance of individually assessed provisions and the impact of volume growth in the Business and Private Banking business lending portfolio, combined with deterioration in asset quality across the Australian lending portfolio. This was partially offset by a reduction in forward-looking provisions, including a release from target sector FLAs.
- The scenario weightings for the Australian portfolio remain unchanged.

The table below provides a breakdown of the probability weighted ECL by key portfolios:

	Group	
	2025 $m	2024 $m
Total provisions for ECL for key portfolios		
Housing	**1,296**	1,246
Business	**4,411**	4,245
Other	**458**	430
Total	**6,165**	5,921

	Stage 1	Stage 2	Stage 3		
	Performing 12-mth ECL	Performing Lifetime ECL	Non-performing Lifetime ECL		
	Collective	Collective	Collective	Individually assessed	Total
Company	$m	$m	$m	$m	$m
Balance at 1 October 2023	454	2,941	837	461	4,693
Changes due to financial assets recognised in the opening balance that have:					
Transferred to performing - 12-mth ECL - collective	359	(337)	(22)	-	-
Transferred to performing - Lifetime ECL - collective	(41)	142	(101)	-	-
Transferred to non-performing - Lifetime ECL - collective	(2)	(79)	81	-	-
Transferred to non-performing - Lifetime ECL - individually assessed	-	(20)	(65)	85	-
New and increased provisions (net of collective provision releases)	(215)	97	277	656	815
Write-backs of individually assessed provisions	-	-	-	(106)	(106)
Write-offs from individually assessed provisions	-	-	-	(458)	(458)
Foreign currency translation and other adjustments	9	12	3	(3)	21
Balance as at 30 September 2024	564	2,756	1,010	635	4,965
Changes due to financial assets recognised in the opening balance that have:					
Transferred to performing - 12-mth ECL - collective	**662**	**(627)**	**(35)**	**-**	**-**
Transferred to performing - Lifetime ECL - collective	**(105)**	**254**	**(149)**	**-**	**-**
Transferred to non-performing - Lifetime ECL - collective	**(5)**	**(189)**	**194**	**-**	**-**
Transferred to non-performing - Lifetime ECL - individually assessed	**-**	**(60)**	**(88)**	**148**	**-**
New and increased provisions (net of collective provision releases)	**(608)**	**555**	**163**	**876**	**986**
Write-backs of individually assessed provisions	**-**	**-**	**-**	**(136)**	**(136)**
Write-offs from individually assessed provisions	**-**	**-**	**-**	**(545)**	**(545)**
Foreign currency translation and other adjustments	**1**	**1**	**-**	**2**	**4**
Balance as at 30 September 2025	**509**	**2,690**	**1,095**	**980**	**5,274**

Note 17 Provision for credit impairment (cont.)

Impact of movements in gross carrying amount on provision for ECL for the Company

Provision for credit impairment reflects ECL measured using the three-stage approach. The below explains how significant changes in the gross carrying amount of loans and advances during the 2025 financial year have contributed to the changes in the provision for credit impairment for the Company under the ECL model.

Overall, the total provision for credit impairment increased by $309 million compared to the balance as at 30 September 2024; Individually assessed provisions increased by $345 million compared to the balance as at 30 September 2024, mainly due to new and increased individually assessed provisions raised in Australian business lending portfolio; and Collective provisions decreased by $36 million compared to the balance as at 30 September 2024, comprised of:

- Collective provision performing – 12-months ECL (Stage 1) decreased by $55 million due to:
  - $146 billion of loans and advances that were repaid, experienced movement in underlying account balances during the period or migrated from Stage 1 to Stage 2 or Stage 3 due to deterioration in credit quality, partially offset by:
  - $187 billion of loans and advances that were newly originated or migrated into Stage 1 from Stage 2 or Stage 3 due to credit quality improvement.
- Collective provision performing – Lifetime ECL (Stage 2) decreased by $66 million due to:
  - $74 billion of loans and advances that were repaid, experienced movement in underlying account balances during the period, migrated to Stage 1 as a result of improved credit quality, or into Stage 3 due to deterioration in credit quality, and
  - a decrease in net forward-looking provisions, partially offset by:
  - $81 billion of loans and advances that were originated and migrated over the year to Stage 2, including the impact of forward-looking economic information applied in the ECL model or migrated to Stage 2 as a result of loans and advances transferred from Stage 1 or Stage 3.
- Collective provision non-performing - Lifetime ECL (Stage 3) increased by $85 million due to:
  - $8 billion of existing loans and advances that were transferred into Stage 3 from Stage 1 and Stage 2 due to credit quality deterioration or experienced movement in underlying account balances during the period, partially offset by:
  - $6 billion of loan and advances that were repaid, migrated to Stage 1 or Stage 2 due to credit quality improvement or migrated to individually credit assessed with individually assessed provisions raised.

Write-offs

	Group		Company	
	2025	**2024**	**2025**	**2024**
	%	%	%	%
Write-offs net of recoveries to gross loans and advances for key portfolios				
Housing	**0.01**	0.01	**0.01**	0.01
Business	**0.07**	0.05	**0.07**	0.04
Other[(1)]	**2.59**	2.11	**2.62**	2.09
Total	**0.07**	0.06	**0.07**	0.06

(1) Other includes the Group's unsecured retail portfolios.

The contractual amount outstanding on loans and advances that were written off during the 2025 financial year, which are still subject to enforcement activity, was $55 million (2024: $26 million) for the Group and $48 million (2024: $25 million) for the Company.

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Note 18
Derivatives and hedge accounting

Accounting policy

Trading derivatives

Trading derivatives are not in a qualifying hedging relationship and are measured at fair value through profit or loss.

Hedge accounting

The Group utilises the following types of hedge relationships in managing its exposure to risk. At inception of all hedge relationships the Group documents the relationship between the hedging instrument and hedged item, the risk being hedged, the Group's risk management objective and strategy and how effectiveness will be measured throughout the hedge relationship.

	Cash flow hedge	Fair value hedge
Objective	To hedge changes to cash flows arising from interest rate and foreign currency risk.	To hedge fair value changes to recognised assets and liabilities arising from interest rate and foreign currency risk.
Methods for testing hedge effectiveness	Critical terms matching, regression analysis or cumulative dollar offset.	Critical terms matching or cumulative dollar offset.
Potential sources of ineffectiveness	Primarily mismatches in terms of the hedged item and the hedging instrument. Discounting basis between the hedged item and hedging instrument.	Primarily mismatches in terms of the hedged item and the hedging instrument, prepayment risk and reset risk. Discounting basis between the hedged item and hedging instrument.
Recognition of effective hedge portion	Fair value changes of the hedging instrument associated with the hedged risk are recognised in the cash flow hedge reserve in equity.	Fair value changes of the hedging instrument and those arising from the hedged risk on the hedged item are recognised in the income statement.
Recognition of ineffective hedge portion	Recognised in the income statement as ineffectiveness arises.	
Hedging instrument expires, is sold, or when hedging criteria are no longer met	Transferred to the income statement as / when the hedged item affects the income statement. If the hedged item is no longer expected to occur the effective portion accumulated in equity is transferred to the income statement immediately.	Cumulative hedge adjustment to the hedged item is amortised to the income statement on an effective yield basis.
Cost of hedging reserve	For qualifying hedging instruments, the Group excludes foreign currency basis spreads from hedge designations. Any change in the fair value of these hedging instruments for changes in cross currency basis spreads is deferred to the cost of hedging reserve and released to profit or loss either when the hedged exposure affects profit or loss or on a systematic basis over the life of the hedge. The cumulative movements are expected to be nil by maturity of the hedging instruments.	

Note 18 Derivatives and hedge accounting (cont.)

Derivative assets and liabilities

The tables below set out total derivative assets and liabilities disclosed as trading and hedging derivatives.

Total derivatives

	Group				Company			
	Assets		Liabilities		Assets		Liabilities	
	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m
Trading derivatives	**19,616**	26,759	**18,204**	27,026	**19,366**	27,161	**22,037**	29,678
Hedging derivatives	**2,210**	2,007	**1,999**	5,550	**1,329**	1,297	**1,268**	3,335
Total derivatives	**21,826**	28,766	**20,203**	32,576	**20,695**	28,458	**23,305**	33,013

Trading derivatives

	Group				Company			
	Assets		Liabilities		Assets		Liabilities	
	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m
Foreign exchange rate-related contracts								
Spot and forward contracts	**7,704**	10,325	**6,500**	11,079	**7,271**	9,795	**6,328**	10,360
Cross currency swaps	**4,583**	8,206	**5,669**	8,358	**5,696**	10,087	**10,010**	12,134
Options / swaptions	**111**	68	**133**	127	**111**	69	**134**	127
Total foreign exchange rate-related contracts	**12,398**	18,599	**12,302**	19,564	**13,078**	19,951	**16,472**	22,621
Interest rate-related contracts								
Swaps	**6,064**	6,575	**4,931**	5,970	**5,132**	5,605	**4,589**	5,554
Options / swaptions	**498**	846	**560**	1,062	**495**	846	**560**	1,060
Total interest rate-related contracts	**6,562**	7,421	**5,491**	7,032	**5,627**	6,451	**5,149**	6,614
Credit derivatives	**200**	255	**281**	300	**200**	255	**281**	300
Commodity derivatives	**420**	479	**104**	128	**425**	499	**109**	141
Other derivatives	**36**	5	**26**	2	**36**	5	**26**	2
Total trading derivatives	**19,616**	26,759	**18,204**	27,026	**19,366**	27,161	**22,037**	29,678

Note 18 Derivatives and hedge accounting (cont.)

Risk management strategy for hedge accounting

Overview

The Group's hedging strategy is to manage its exposure to interest rate risk on a net variable basis in Australian or New Zealand dollars. For Australian and New Zealand denominated exposures the Group will enter into interest rate swaps where the exposure is to a fixed interest rate. In some instances, cash flow hedges of interest rate risk are also used to arrive at a net variable rate position. Foreign currency exposures are swapped to Australian or New Zealand dollars using cross-currency swaps and interest rate swaps. The material risks and the risk management strategy are explained further below.

Cash flow hedges – interest rate risk

The Group manages interest rate risk exposure on deposits and loans via interest rate derivatives. The Group accounts for these hedge relationships as a macro cash flow hedge. The gross exposures are allocated to time buckets based on expected repricing dates, with interest rate derivatives allocated to hedge accordingly. The benchmark interest rate is hedged which represents the largest component of changes in fair value and is observable in relevant financial markets.

Cash flow hedges – foreign currency risk

The Group is exposed to foreign currency risk on credit margin cash flows and foreign currency risk on the principal cash flows, both of which arise from foreign currency debt issuances. The Group is also exposed to foreign currency risk on certain operating costs. The Group uses foreign currency derivatives to manage changes between the foreign currency and Australian and New Zealand dollars for the above mentioned cash flows. The Group has also commenced using non-derivative hedging instruments such as foreign currency cash deposits to manage foreign currency risk on the principal cash flows.

Fair value hedges – interest rate risk

Interest rate risk arises on fixed rate bonds, notes and subordinated debt issuances, fixed rate debt instruments held for liquidity purposes and fixed rate loans and advances. The Group hedges its interest rate risk on these instruments with relevant interest rate derivatives to reduce its exposure to changes in fair value due to interest rate fluctuations.

With all the fair value hedges, the benchmark interest rate is hedged which represents the largest component of changes in fair value and is observable in relevant financial markets.

Note 18 Derivatives and hedge accounting (cont.)

Hedging instruments

Hedging instruments assets and liabilities are disclosed by the hedged risk and type of hedge relationship in which they are designated. The Group may designate separate derivatives and non-derivative hedging instruments to hedge different risk components of one hedged item. In such a scenario the notional amount of hedging instruments will, in sum, exceed the notional amount of the hedged item. In the case of cross-currency swaps, the Group can designate a single instrument to hedge both interest rate risk in a fair value hedge and currency risk in a cash flow hedge.

			Group				Company			
			2025		2024		2025		2024	
	Hedging instrument	Risk	Carrying amount $m	Notional $m	Carrying amount $m	Notional $m	Carrying amount $m	Notional $m	Carrying amount $m	Notional $m
Derivative assets										
Cash flow hedges	Interest rate swaps	Interest	–	197,105	–	264,288	–	183,497	–	252,314
Cash flow hedges	Cross-currency swaps	Currency	2,061	76,199	1,894	55,741	1,231	41,220	1,223	32,809
Cash flow hedges	Foreign exchange contracts	Currency	2	958	1	226	2	958	1	226
Fair value hedges	Interest rate swaps	Interest	137	102,316	102	87,680	91	79,990	63	72,387
Fair value and cash flow hedges	Cross-currency swaps	Interest and currency	10	2,086	10	598	5	308	10	598
Cash flow hedges	Futures[1]	Interest	–	399	–	66	–	399	–	66
Total derivative assets			2,210	379,063	2,007	408,599	1,329	306,372	1,297	358,400
Derivative liabilities										
Cash flow hedges	Interest rate swaps	Interest	2	336,427	3	218,005	2	319,141	3	199,437
Cash flow hedges	Cross-currency swaps	Currency	1,619	127,322	4,598	132,755	1,097	85,941	3,036	90,308
Cash flow hedges	Foreign exchange contracts	Currency	38	1,912	146	3,930	38	1,912	146	3,930
Fair value hedges	Interest rate swaps	Interest	104	86,534	106	79,733	84	66,308	78	63,348
Fair value and cash flow hedges	Cross-currency swaps	Interest and currency	236	2,014	697	5,378	47	660	72	931
Cash flow hedges	Futures[1]	Interest	–	551	–	1,153	–	551	–	1,153
Total derivative liabilities			1,999	554,760	5,550	440,954	1,268	474,513	3,335	359,107
Non-derivative instruments										
Cash flow hedges	Cash and balances with other banks	Currency	7,580	7,580	–	–	7,580	7,580	–	–
Total non-derivative instruments			7,580	7,580	–	–	7,580	7,580	–	–

(1) Futures notional amounts are netted for presentation purposes.

Note 18 Derivatives and hedge accounting (cont.)

The following table shows the maturity profile of hedging instruments based on their notional amounts.

	2025				2024			
	0 to 12 months $m	1 to 5 years $m	Over 5 years $m	Total $m	0 to 12 months $m	1 to 5 years $m	Over 5 years $m	Total $m
Group								
Interest rate swaps	437,197	220,252	64,933	722,382	384,458	210,694	54,554	649,706
Foreign exchange contracts	2,760	110	-	2,870	4,120	36	-	4,156
Futures	850	100	-	950	1,171	48	-	1,219
Cross-currency swaps - interest and currency	1,020	2,782	298	4,100	2,236	3,440	300	5,976
Cross-currency swaps - currency	59,039	111,721	32,761	203,521	35,147	121,154	32,195	188,496
Cash and balances with other banks	7,580	-	-	7,580	-	-	-	-
Company								
Interest rate swaps	421,851	169,478	57,607	648,936	368,551	169,000	49,937	587,488
Foreign exchange contracts	2,760	110	-	2,870	4,120	36	-	4,156
Futures[1]	850	100	-	950	1,171	48	-	1,219
Cross-currency swaps - interest and currency	377	293	298	968	647	581	300	1,528
Cross-currency swaps - currency	36,183	69,668	21,310	127,161	28,872	70,799	23,445	123,116
Cash and balances with other banks	7,580	-	-	7,580	-	-	-	-

(1) Futures notional amounts are netted for presentation purposes.

Note 18 Derivatives and hedge accounting (cont.)

The average rate for major currencies of the final exchange of cross-currency swaps designated in hedge accounting relationships is as follows:

	Group		Company	
	2025	2024	2025	2024
USD:AUD	**1.467**	1.437	**1.458**	1.429
EUR:AUD	**1.578**	1.538	**1.576**	1.579
GBP:AUD	**1.910**	1.874	**2.003**	1.892
USD:NZD	**1.532**	1.508	**n/a**	n/a
CHF:NZD	**1.554**	1.554	**n/a**	n/a
EUR:NZD	**1.769**	1.724	**n/a**	n/a

The range of executed rates for interest rate swaps in hedge accounting relationships for major currencies is as follows:

	Group				Company			
	2025		2024		2025		2024	
	Fair value hedges	Cash flow hedges	Fair value hedges	Cash flow hedges	Fair value hedges	Cash flow hedges	Fair value hedges	Cash flow hedges
	%	%	%	%	%	%	%	%
NZD interest rates	**0.25 to 5.00**	**0.48 to 7.30**	0.25 to 3.05	0.04 to 7.30	**1.95 to 3.05**	**–**	1.95 to 3.05	–
USD interest rates	**0.61 to 5.70**	**–**	0.61 to 5.08	–	**0.61 to 2.73**	**–**	0.61 to 2.73	–
AUD interest rates	**1.08 to 3.19**	**0.21 to 7.02**	0.40 to 3.19	0.15 to 7.02	**1.08 to 3.19**	**0.21 to 7.02**	0.40 to 3.19	0.15 to 7.02
EUR interest rates	**(0.19) to 3.71**	**–**	(0.19) to 3.71	–	**(0.19) to 2.61**	**–**	(0.19) to 2.61	–

Note 18 Derivatives and hedge accounting (cont.)

Hedged items

The balance of the cash flow hedge reserve, which represents the effective portion of the movements in the hedging instrument, is presented in *Note 29 Reserves*. The movements in hedging instruments recognised in other comprehensive income are reported in the statement of other comprehensive income. As at 30 September 2025, the amounts recognised in the Group's cash flow hedge reserve for which hedge accounting is no longer applied is a loss of $1 million (2024: loss of $16 million).

The following table shows the carrying amount of fair value hedged items in hedge relationships, and the accumulated amount of fair value hedge adjustments in these carrying amounts. The Group does not hedge its entire exposure to a class of financial instruments, therefore the carrying amounts below do not equal the total carrying amounts disclosed in other notes.

	Group				Company			
	2025		2024		2025		2024	
	Carrying amount	Fair value hedge adjustments	Carrying amount	Fair value hedge adjustments	Carrying amount	Fair value hedge adjustments	Carrying amount	Fair value hedge adjustments
	$m	$m	$m	$m	$m	$m	$m	$m
Debt instruments[1]								
Semi-government bonds, notes and securities	**35,187**	**-**	27,012	-	**32,942**	**-**	27,003	-
Loans and advances								
Other term lending	**340**	**(11)**	725	(16)	**340**	**(11)**	725	(16)
Bonds, notes and subordinated debt								
Medium-term notes	**51,790**	**(484)**	50,516	(670)	**43,609**	**(425)**	41,813	(558)
Covered bonds[2]	**34,888**	**(145)**	25,652	(246)	**-**	**-**	-	-
Subordinated medium-term notes	**16,357**	**(1,605)**	13,497	(1,667)	**15,580**	**(1,627)**	13,497	(1,667)

(1) The carrying amount of debt instruments at fair value through other comprehensive income does not disclose a fair value hedge adjustment separately as the hedged asset is measured at fair value. The accounting for the hedge relationship results in a transfer from other comprehensive income to the income statement.

(2) The Company does not apply hedge accounting to covered bonds, however these are designated for hedge accounting purposes at the Group level.

Note 18 Derivatives and hedge accounting (cont.)

Hedge ineffectiveness

Fair value and cash flow hedge relationships result in the following changes in value used as the basis for recognising hedge ineffectiveness for the years ended 30 September:

	Change in fair value on hedging instruments		Change in fair value on hedged items		Hedge ineffectiveness recognised in income statement	
	2025	2024	2025	2024	2025	2024
	$m	$m	$m	$m	$m	$m
Group						
Fair value hedges (interest rate risk)	**596**	2,171	**(566)**	(2,205)	**30**	(34)
Cash flow hedges (interest rate risk)	**534**	2,288	**(533)**	(2,287)	**1**	1
Cash flow hedges (currency risk)	**6,358**	(4,276)	**(6,347)**	4,288	**11**	12
Fair value and cash flow hedges (interest rate and currency risk)	**91**	45	**(91)**	(45)	**-**	-
Total	**7,579**	228	**(7,537)**	(249)	**42**	(21)
Company						
Fair value hedges (interest rate risk)	**463**	596	**(436)**	(624)	**27**	(28)
Cash flow hedges (interest rate risk)	**402**	2,307	**(402)**	(2,307)	**-**	-
Cash flow hedges (currency risk)	**2,655**	(3,417)	**(2,646)**	3,429	**9**	12
Total	**3,520**	(514)	**(3,484)**	498	**36**	(16)

The below tables present movements in the cash flow hedge reserve for each type of hedged risk.

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Cash flow hedge (interest rate risk)				
Cash flow hedges - gains / (losses) recognised in other comprehensive income	**(215)**	1,214	**(327)**	1,091
Amount reclassified from the cash flow hedge reserve to income statement	**740**	1,067	**730**	1,217
Cash flow hedge (currency risk)				
Cash flow hedges - gains / (losses) recognised in other comprehensive income	**6,454**	(4,300)	**2,645**	(3,428)
Amount reclassified from the cash flow hedge reserve to income statement	**(6,316)**	4,120	**(2,562)**	3,272
Total cash flow hedge reserve movement	**663**	2,101	**486**	2,152

Note 19
Financial risk management

Overview of Risk Management Framework

Risk includes the potential for harm and is an inherent part of the Group's business. Managing risk effectively and making risk management simple for colleagues to support customers is crucial to the Group's success. The Risk Management Strategy (RMS) articulates our Risk Management Framework (RMF) and describes our material risks and approach to managing them.

The RMF consists of systems, policies, processes and colleagues within the Group that manage material risks. The RMF is comprehensively reviewed every three years for appropriateness, effectiveness and adequacy by an operationally independent party. The Board is ultimately responsible for the RMF and oversees its operation by management. In addition, directors are held accountable for their oversight responsibilities and senior executives are held accountable for the parts of the Group's operations they manage or control.

The Group operates a 'Three Lines of Risk Accountability' model for risk management, emphasising that all three lines are accountable for managing risk, but with specific responsibilities across each line. The role of each line is:

- Line 1 - Business Units and Enabling Units own risks and obligations, and the controls and mitigation strategies that help manage them.
- Line 2 - A functionally segregated Risk function that develops risk management frameworks and policies (requirements), defines risk boundaries, provides advice and objective review and challenge regarding the effectiveness of risk management within the Line 1 Business Units and Enabling Units, and executes specific risk management activities where a functional segregation of duties and/or specific risk capability is required.
- Line 3 - An independent Internal Audit function reporting to the Board monitors the end-to-end effectiveness of risk management and compliance with the RMF.

Further risk management information for the Group is set out in *Risk management overview*.

Credit risk

Credit risk overview, management and control responsibilities

Credit risk is the potential that a counterparty or customer will fail to meet its obligations to the Group in accordance with the agreed terms. Credit risk arises from both the Group's lending activities and markets and trading activities.

Lending activities account for most of the Group's credit risk, however credit risk also arises from trading assets, and other financial instruments and loans, as well as in the extension of commitments and guarantees and the settlement of transactions.

The Group manages the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to counterparties or customers, and to geographical and industry segments. Such risks are monitored on an ongoing basis including asset quality, concentrations and other leading credit risk indicators.

Exposure to credit risk is also managed in part, by obtaining collateral and corporate and personal guarantees. For trading and markets activities, the Group further restricts its exposure to credit losses by entering into master netting arrangements for derivatives, repurchase and securities lending transactions. In general, the Group does not take possession of collateral it holds as security or call on other credit enhancements that would result in recognition of an asset on the balance sheet.

Sustainability risks

The Group is exposed to ESG-related and other emerging risks. The following items are examples of how these risks may impact the Group:

- Increases in the frequency and severity of climatic events could impact customers' ability to service their loans or the value of the collateral held to secure the loans.
- Action taken by governments, regulators and society more generally, to transition to a low-carbon economy, could impact the ability of some customers to generate long-term returns in a sustainable way or lead to certain assets being stranded in the future.
- Failure to comply with environmental and social legislation (emerging and current) may impact customers' ability to generate sustainable returns and service their loans.
- If customers don't hold appropriate levels of insurance for physical assets against certain risks, this may impact the value the Group can recover in the event of certain natural disasters.

The Group considers these risks as part of the credit risk assessment and due diligence process before relevant customers are granted credit and for new product development. The Group also manages its total credit portfolio within established risk appetite and limits, particularly for specific industries or regions that are more exposed to these types of risks. In addition, the Group may recognise FLAs to the provision for credit impairment for the impact of adverse climate events. There were no such provisions required in the year ended 30 September 2025 (2024: $nil).

Maximum exposure to credit risk

For financial assets recognised on the balance sheet, the maximum exposure to credit risk is the carrying amount. In certain circumstances, there may be differences between the carrying amounts reported on the balance sheet and the amounts reported in the tables below. Principally, these differences arise in respect of financial assets that are subject to risks other than credit risk, such as equity instruments which are primarily subject to market risk, or bank notes and coins.

For financial guarantees granted, the maximum exposure to credit risk is the maximum amount that the Group would have to pay if the guarantees are called upon. For irrevocable loan commitments and other credit-related commitments, the maximum exposure to credit risk is the full amount of committed facilities.

Note 19 Financial risk management (cont.)

The table below shows the Group's maximum exposure to credit risk for on-balance sheet and off-balance sheet positions before taking into account any collateral held or other credit enhancements.

		Group		Company	
		2025	2024	2025	2024
	Footnote	$m	$m	$m	$m
Financial assets					
Cash and liquid assets	(a)	**1,487**	1,350	**1,381**	1,261
Due from other banks	(b)	**91,946**	110,438	**86,451**	105,061
Collateral placed	(c)	**5,763**	9,633	**5,267**	8,929
Trading assets	(d)	**144,571**	133,606	**132,229**	120,517
Derivative assets	(d)	**21,826**	28,766	**20,695**	28,458
Debt instruments	(e)	**46,947**	41,999	**44,702**	41,983
Other financial assets	(f)	**688**	769	**688**	769
Gross loans and advances	(f)	**781,095**	737,630	**681,974**	638,629
Due from controlled entities	(g)	**-**	-	**55,638**	51,039
Other assets	(g)	**5,744**	6,733	**5,372**	5,759
Total		**1,100,067**	1,070,924	**1,034,397**	1,002,405
Bank guarantees and letters of credit	(h)	**27,596**	26,597	**26,561**	24,860
Credit commitments	(h)	**218,596**	210,124	**198,040**	190,297
Total		**246,192**	236,721	**224,601**	215,157
Total credit risk exposure		**1,346,259**	1,307,645	**1,258,998**	1,217,562

(a) The balance of **Cash and liquid assets** that is exposed to credit risk is comprised primarily of bills receivable and remittances in transit.

(b) The balance of **Due from other banks** that is exposed to credit risk is comprised of securities borrowing agreements and reverse repurchase agreements, as well as balances held with central supervisory banks and other interest earning assets. Securities borrowing agreements and reverse repurchase agreements are collateralised with highly liquid securities and the collateral is in excess of the borrowed or loaned amount.
Balances held with central supervisory banks and other interest earning assets that are due from other banks are managed based on the counterparty's creditworthiness. The Group utilises master netting arrangements where possible to reduce its exposure to credit risk.

(c) The maximum exposure to credit risk from **Collateral placed** is the collateral placed with the counterparty before consideration of any netting arrangements.

(d) At any one time, the maximum exposure to credit risk from **Trading assets** and **Derivative assets** is limited to the current fair value of instruments that are favourable to the Group less collateral obtained. This credit risk is managed as part of the overall lending limits with customers, together with potential exposures from market movements.
The Group uses documentation including International Swaps and Derivatives Association (ISDA) Master Agreements to document derivative activities. Under ISDA Master Agreements, if a default of a counterparty occurs, all contracts with the counterparty are terminated. They are then settled on a net basis at market levels current at the time of default. The Group also executes Credit Support Annexes in conjunction with ISDA Master Agreements.
Credit risk from over-the-counter trading and hedging derivatives is mitigated where possible through netting arrangements whereby derivative assets and liabilities with the same counterparty can be offset in certain circumstances. Derivatives that are cleared through a central clearing counterparty or an exchange have less credit risk than over-the-counter derivatives and are subject to relevant netting and collateral agreements. For these, where settled to market has been applied, the unrealised or outstanding fair value of derivative assets and liabilities are settled daily through cash receipts and payments, further reducing credit risk.
Collateral is obtained against derivative assets, depending on the creditworthiness of the counterparty and / or the nature of the transaction.

(e) **Debt instruments** are generally comprised of government, semi-government, corporate and financial institution bonds, notes and securities. The amount of collateral held against such instruments will depend on the counterparty and the nature of the specific financial instrument.
The Group may utilise credit default swaps, guarantees provided by central banks, other forms of credit enhancements or collateral to minimise the Group's exposure to credit risk.

(f) **Gross loans and advances and Other financial assets** primarily comprise general lending and line of credit products. The distinction is due to accounting classification and measurement. These lending products will generally have a significant level of collateralisation depending on the nature of the product.
Other lending to non-retail customers may be provided on an unsecured basis or secured (partially or fully) by acceptable collateral defined in specific Group credit policy and business unit procedures. Collateral is generally comprised of business assets, inventories and in some cases personal assets of the borrower. The Group manages its exposure to these products by completing a credit evaluation to assess the customer's character, industry, business model and capacity to meet their commitments without distress. Collateral provides a secondary source of repayment for funds advanced in the event that a customer cannot meet their contractual repayment obligations. For amounts due from customers on acceptances the

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Note 19 Financial risk management (cont.)

Group generally has recourse to guarantees, underlying inventories or other assets in the event of default which significantly mitigates the credit risk associated with accepting the customer's credit facility with a third party.

Housing loans are secured against residential property as collateral and, where applicable, Lenders Mortgage Insurance (LMI) is obtained by the Group (mostly in Australia) to cover any shortfall in outstanding loan principal and accrued interest. LMI is generally obtained for residential mortgages with a Loan to Valuation Ratio (LVR) in excess of 80%. The financial effect of these measures is that remaining credit risk on residential mortgage loans is minimal. Other retail lending products are mostly unsecured (e.g., credit card outstandings and other personal lending).

(g) The balance of **Other assets** which is exposed to credit risk includes securities sold not delivered, interest receivable accruals and other receivables. Interest receivable accruals are subject to the same collateral as the underlying borrowings. Other receivables will mostly be unsecured. There are typically no collateral or other credit enhancements obtained in respect of amounts **Due from controlled entities**.

(h) **Bank guarantees and letters of credit** are comprised primarily of guarantees to customers, standby or documentary letters of credit and performance related contingencies. The Group will typically have recourse to specific assets pledged as collateral in the event of a default by a party for which the Group has guaranteed its obligations to a third party and therefore tend to carry the same credit risk as loans.

Credit commitments represent binding commitments to extend credit where the Group is potentially exposed to loss of an amount equal to the total unused commitments. However, the likely amount of loss is generally less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Group monitors the term to maturity of credit commitments because, in general, longer-term commitments have a greater degree of credit risk than shorter-term commitments.

Note 19 Financial risk management (cont.)

Offsetting financial assets and liabilities

The tables below present the amounts of financial instruments that have been offset on the balance sheet, as well as those amounts that are subject to enforceable master netting arrangements or similar agreements. The tables exclude financial instruments that are not subject to offsetting arrangements but are instead only subject to collateral arrangements.

The 'Net amounts' presented in the tables are not intended to represent the Group's actual exposure to credit risk. The Group utilises a wide range of strategies to mitigate credit risk in addition to netting and collateral arrangements, including placing limits on the amount of risk accepted in relation to counterparties, customers, groups of related counterparties or customers and geographical and industry segments.

The amounts recognised on the balance sheet are presented in the 'Total balance sheet amount' column in the tables below, and comprise the sum of the 'Net amount reported on balance sheet' and 'Amounts not subject to enforceable netting arrangements'.

	2025								
	Subject to enforceable netting arrangements								
	Amounts offset on balance sheet			Amounts not offset on balance sheet					
	Gross amount	Amount offset	Net amount reported on balance sheet	Financial Instruments	Non-cash collateral	Cash collateral	Net Amount	Amounts not subject to enforceable netting arrangements	Total balance sheet amount
Group	$m	$m	$m	$m	$m	$m	$m	$m	$m
Derivative assets[1]	26,823	(8,991)	17,832	(10,314)	(479)	(4,678)	2,361	3,994	21,826
Reverse repurchase agreements	117,075	(20,474)	96,601	-	(96,601)	-	-	-	96,601
Loans and advances	4,411	(4,294)	117	-	-	-	117	781,413	781,530
Total assets	148,309	(33,759)	114,550	(10,314)	(97,080)	(4,678)	2,478	785,407	899,957
Derivative liabilities[1]	(25,675)	8,991	(16,684)	10,113	73	5,190	(1,308)	(3,519)	(20,203)
Repurchase agreements	(74,973)	20,474	(54,499)	-	54,499	-	-	-	(54,499)
Deposits and other borrowings	(11,298)	4,294	(7,004)	-	-	-	(7,004)	(732,287)	(739,291)
Total liabilities	(111,946)	33,759	(78,187)	10,113	54,572	5,190	(8,312)	(735,806)	(813,993)
Company									
Derivative assets[1]	17,140	-	17,140	(9,016)	(479)	(3,981)	3,664	3,555	20,695
Reverse repurchase agreements	108,116	(17,283)	90,833	-	(90,833)	-	-	-	90,833
Loans and advances	3,765	(3,748)	17	-	-	-	17	682,392	682,409
Total assets	129,021	(21,031)	107,990	(9,016)	(91,312)	(3,981)	3,681	685,947	793,937
Derivative liabilities[1]	(16,912)	-	(16,912)	8,815	73	5,067	(2,957)	(6,393)	(23,305)
Repurchase agreements	(69,441)	17,283	(52,158)	-	52,158	-	-	-	(52,158)
Deposits and other borrowings	(8,811)	3,748	(5,063)	-	-	-	(5,063)	(654,193)	(659,256)
Total liabilities	(95,164)	21,031	(74,133)	8,815	52,231	5,067	(8,020)	(660,586)	(734,719)

(1) As at 30 September 2025, the amount offset for derivative assets includes $193 million (Company: $nil) of cash collateral netting and the amount offset for derivative liabilities includes $67 million (Company: $nil) of cash collateral netting.

Note 19 Financial risk management (cont.)

	2024								
	Subject to enforceable netting arrangements								
	Amounts offset on balance sheet			Amounts not offset on balance sheet					
	Gross amount	Amount offset	Net amount reported on balance sheet	Financial Instruments	Non-cash collateral	Cash collateral	Net Amount	Amounts not subject to enforceable netting arrangements	Total balance sheet amount
Group	$m	$m	$m	$m	$m	$m	$m	$m	$m
Derivative assets(1)	33,021	(8,763)	24,258	(16,234)	(112)	(5,038)	2,874	4,508	28,766
Reverse repurchase agreements	106,934	(16,663)	90,271	–	(90,271)	–	–	–	90,271
Loans and advances	4,910	(4,798)	112	–	–	–	112	738,094	738,206
Total assets	144,865	(30,224)	114,641	(16,234)	(90,383)	(5,038)	2,986	742,602	857,243
Derivative liabilities(1)	(35,761)	8,763	(26,998)	16,144	60	8,732	(2,062)	(5,578)	(32,576)
Repurchase agreements	(74,444)	16,663	(57,781)	–	57,781	–	–	–	(57,781)
Deposits and other borrowings	(9,257)	4,798	(4,459)	–	–	–	(4,459)	(709,919)	(714,378)
Total liabilities	(119,462)	30,224	(89,238)	16,144	57,841	8,732	(6,521)	(715,497)	(804,735)
Company									
Derivative assets(1)	23,924	–	23,924	(14,487)	(112)	(4,072)	5,253	4,534	28,458
Reverse repurchase agreements	101,320	(15,384)	85,936	–	(85,936)	–	–	–	85,936
Loans and advances	4,347	(4,324)	23	–	–	–	23	639,182	639,205
Total assets	129,591	(19,708)	109,883	(14,487)	(86,048)	(4,072)	5,276	643,716	753,599
Derivative liabilities(1)	(26,714)	–	(26,714)	14,409	60	8,388	(3,857)	(6,299)	(33,013)
Repurchase agreements	(69,977)	15,384	(54,593)	–	54,593	–	–	–	(54,593)
Deposits and other borrowings	(6,638)	4,324	(2,314)	–	–	–	(2,314)	(634,251)	(636,565)
Total liabilities	(103,329)	19,708	(83,621)	14,409	54,653	8,388	(6,171)	(640,550)	(724,171)

(1) As at 30 September 2024, the amount offset for derivative assets includes $419 million (Company: $nil) of cash collateral netting and the amount offset for derivative liabilities includes $77 million (Company: $nil) of cash collateral netting.

Derivative assets and derivative liabilities

Derivative assets and derivative liabilities are only offset on the balance sheet where the Group has a legally enforceable right to offset in all circumstances and there is an intention to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously. The Group has applied offsetting to certain centrally cleared derivatives and their associated collateral amounts which satisfy the AASB 132 *Financial Instruments: Presentation* requirements. For centrally cleared derivatives subject to settled-to-market arrangements, the unrealised fair values are settled daily through cash receipts and payments.

Reverse repurchase and repurchase agreements

Reverse repurchase and repurchase agreements will typically be subject to Global Master Repurchase Agreements or similar agreements whereby all outstanding transactions with the same counterparty can only be offset and closed out upon a default or insolvency event. In some instances, the agreement provides the Group with a legally enforceable right to offset in all circumstances. In such a case and where there is an intention to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously, the amounts with that counterparty are offset on the balance sheet.

Where the Group has a right to offset on default or insolvency only, the related non-cash collateral amounts comprise highly liquid securities, either obtained or pledged, which can be realised in the event of a default or insolvency by one of the counterparties. The value of such securities obtained or pledged must at least equate to the value of the exposure to the counterparty, therefore the net exposure is considered to be nil.

Loans and advances, deposits and other borrowings

The amounts offset for loans and advances and deposits and other borrowings represent amounts subject to set-off agreements that satisfy the AASB 132 requirements. The 'Net amounts reported on balance sheet' are included within 'Overdrafts' in *Note 12 Loans and advances* and 'On-demand and short-term deposits' and 'Deposits not bearing interest' in *Note 13 Deposits and other borrowings*. The 'Amounts not subject to enforceable netting arrangements' represent all other loans and advances and deposits and other borrowings of the Group, including those measured at fair value.

Note 19 Financial risk management (cont.)

Credit risk exposure by risk grade

The following tables show the credit quality of credit risk exposures to which the expected credit loss model is applied, for both recognised and unrecognised financial assets, based on the following risk grades:

- Senior investment grade: broadly corresponds with Standard & Poor's ratings of AAA to A- (internal rating 1 to 6[(1)]).
- Investment grade: broadly corresponds with Standard & Poor's ratings of BBB+ to BBB- (internal rating 7 to 11[(1)]).
- Sub-investment grade: broadly corresponds with Standard & Poor's ratings of BB+ to CCC- (internal rating 12 to 23).
- Default: broadly corresponds with Standard & Poor's rating of D (internal rating 98 and 99).

Stage allocations (Stage 1 and Stage 2) for credit risk exposures incorporate the impact of forward-looking economic information applied in the expected credit loss model. Refer to the Accounting policy section of *Note 17 Provision for credit impairment* for further details.

	Stage 1		Stage 2		Stage 3		Total	
	Performing		Performing		Non-performing			
	2025	2024	2025	2024	2025	2024	2025	2024
Group	$m	$m	$m	$m	$m	$m	$m	$m
Gross loans and advances								
Senior investment grade	**142,029**	136,091	**971**	434	**-**	-	**143,000**	136,525
Investment grade	**304,072**	288,298	**16,940**	18,541	**-**	-	**321,012**	306,839
Sub-investment grade	**161,850**	146,773	**143,555**	137,653	**-**	-	**305,405**	284,426
Default	**-**	-	**-**	-	**11,678**	9,840	**11,678**	9,840
Total gross loans and advances at amortised cost	**607,951**	571,162	**161,466**	156,628	**11,678**	9,840	**781,095**	737,630
Guarantees and credit-related commitments								
Senior investment grade	**100,599**	90,818	**1,401**	1,033	**-**	-	**102,000**	91,851
Investment grade	**77,715**	82,754	**7,075**	7,503	**-**	-	**84,790**	90,257
Sub-investment grade	**28,392**	27,764	**30,594**	26,459	**-**	-	**58,986**	54,223
Default	**-**	-	**-**	-	**416**	390	**416**	390
Total guarantees and credit-related commitments	**206,706**	201,336	**39,070**	34,995	**416**	390	**246,192**	236,721
Total loans and advances at amortised cost, guarantees and credit-related commitments	**814,657**	772,498	**200,536**	191,623	**12,094**	10,230	**1,027,287**	974,351
Debt instruments								
Senior investment grade	**46,947**	41,999	**-**	-	**-**	-	**46,947**	41,999
Total debt instruments	**46,947**	41,999	**-**	-	**-**	-	**46,947**	41,999

(1) September 2025 Senior investment grade and Investment grade have been revised to align with the Probability of default (PD) bandings in the revised Pillar 3. Credit risk grades prior to September 2025: Senior investment grade (internal rating 1 to 5) and Investment grade (internal rating 6 to 11).

Note 19 Financial risk management (cont.)

	Stage 1 Performing		Stage 2 Performing		Stage 3 Non-performing		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Company	$m	$m	$m	$m	$m	$m	$m	$m
Gross loans and advances								
Senior investment grade	**99,628**	97,682	**780**	379	**-**	-	**100,408**	98,061
Investment grade	**283,425**	270,869	**12,097**	13,163	**-**	-	**295,522**	284,032
Sub-investment grade	**149,893**	130,007	**125,651**	117,736	**-**	-	**275,544**	247,743
Default	**-**	-	**-**	-	**10,500**	8,793	**10,500**	8,793
Total gross loans and advances at amortised cost	**532,946**	498,558	**138,528**	131,278	**10,500**	8,793	**681,974**	638,629
Guarantees and credit-related commitments								
Senior investment grade	**92,664**	84,903	**1,284**	978	**-**	-	**93,948**	85,881
Investment grade	**72,841**	76,081	**5,058**	5,295	**-**	-	**77,899**	81,376
Sub-investment grade	**25,905**	25,151	**26,451**	22,364	**-**	-	**52,356**	47,515
Default	**-**	-	**-**	-	**398**	385	**398**	385
Total guarantees and credit-related commitments	**191,410**	186,135	**32,793**	28,637	**398**	385	**224,601**	215,157
Total loans and advances at amortised cost, guarantees and credit-related commitments	**724,356**	684,693	**171,321**	159,915	**10,898**	9,178	**906,575**	853,786
Debt instruments								
Senior investment grade	**44,702**	41,983	**-**	-	**-**	-	**44,702**	41,983
Total debt instruments	**44,702**	41,983	**-**	-	**-**	-	**44,702**	41,983

Concentration of exposure

Concentration of credit risk exists when a number of counterparties are engaged in similar activities, or operate in the same geographical areas or industry sectors and have similar economic characteristics so that their ability to meet contractual obligations is similarly affected by changes in economic, political or other conditions.

The diversification and size of the Group is such that its lending is widely spread both geographically and in terms of the types of industries it serves.

Note 19 Financial risk management (cont.)

Industry concentration

	Net loans and advances[1]		Other financial assets[2]		Contingent liabilities and credit commitments		Total	
	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m
Group								
Accommodation and hospitality	**12,302**	10,795	**–**	–	**2,464**	2,181	**14,766**	12,976
Agriculture, forestry, fishing and mining	**60,001**	58,807	**–**	–	**13,424**	13,234	**73,425**	72,041
Business services and property services	**19,502**	19,682	**–**	–	**8,148**	9,714	**27,650**	29,396
Commercial property	**79,775**	73,828	**–**	–	**18,878**	14,462	**98,653**	88,290
Construction	**9,966**	9,315	**–**	–	**8,520**	7,753	**18,486**	17,068
Financial and insurance	**49,927**	45,407	**103,039**	126,377	**49,297**	46,373	**202,263**	218,157
Government and public authorities	**976**	1,116	**39,960**	32,899	**1,326**	2,870	**42,262**	36,885
Manufacturing	**14,470**	13,733	**–**	–	**8,456**	8,052	**22,926**	21,785
Personal	**11,582**	11,374	**–**	–	**21,499**	21,185	**33,081**	32,559
Residential mortgages	**435,350**	415,303	**1,651**	2,767	**64,942**	65,437	**501,943**	483,507
Retail and wholesale trade	**24,643**	22,410	**–**	–	**12,963**	12,938	**37,606**	35,348
Transport and storage	**14,423**	14,747	**–**	–	**9,996**	9,843	**24,419**	24,590
Utilities	**14,822**	12,097	**–**	–	**16,533**	10,005	**31,355**	22,102
Other	**27,626**	23,671	**6**	27	**9,746**	12,674	**37,378**	36,372
Total	**775,365**	732,285	**144,656**	162,070	**246,192**	236,721	**1,166,213**	1,131,076
Company								
Accommodation and hospitality	**10,876**	9,461	**–**	–	**2,264**	2,017	**13,140**	11,478
Agriculture, forestry, fishing & mining	**46,437**	44,343	**–**	–	**11,474**	11,311	**57,911**	55,654
Business services and property services	**17,856**	18,104	**–**	–	**7,101**	8,910	**24,957**	27,014
Commercial property	**72,511**	66,658	**–**	–	**17,830**	13,406	**90,341**	80,064
Construction	**8,514**	7,871	**–**	–	**7,450**	6,702	**15,964**	14,573
Financial & insurance	**47,285**	42,847	**96,988**	120,447	**47,888**	44,888	**192,161**	208,182
Government & public authorities	**970**	1,113	**37,776**	32,740	**805**	2,191	**39,551**	36,044
Manufacturing	**11,378**	10,616	**–**	–	**6,287**	5,816	**17,665**	16,432
Personal	**10,852**	10,598	**–**	–	**19,604**	19,162	**30,456**	29,760
Residential mortgages	**379,019**	359,901	**1,651**	2,759	**60,988**	61,156	**441,658**	423,816
Retail and wholesale trade	**20,463**	18,059	**–**	–	**10,971**	10,975	**31,434**	29,034
Transport and storage	**12,620**	12,907	**–**	–	**8,996**	8,371	**21,616**	21,278
Utilities	**13,098**	10,638	**–**	–	**14,498**	8,965	**27,596**	19,603
Other	**25,256**	21,124	**5**	27	**8,445**	11,287	**33,706**	32,438
Total	**677,135**	634,240	**136,420**	155,973	**224,601**	215,157	**1,038,156**	1,005,370

(1) Net loans and advances includes loans at fair value.
(2) Other financial assets represents amounts due from other banks, debt instruments and collateral placed.

Note 19 Financial risk management (cont.)

Geographic concentration of financial assets

	Australia		New Zealand		Other International	
	2025	2024	2025	2024	2025	2024
	$m	$m	$m	$m	$m	$m
Group						
Cash and liquid assets	**1,388**	1,240	**-**	-	**99**	110
Due from other banks	**64,135**	84,039	**5,287**	5,216	**22,524**	21,183
Collateral placed	**5,085**	8,518	**466**	679	**212**	436
Trading assets	**69,737**	70,065	**6,778**	8,808	**68,056**	54,733
Derivative assets	**15,460**	21,806	**2,179**	2,151	**4,187**	4,809
Debt instruments	**37,898**	34,037	**2,245**	9	**6,804**	7,953
Other financial assets	**688**	769	**-**	-	**-**	-
Loans and advances	**652,748**	613,248	**97,556**	97,473	**25,822**	21,971
Other assets	**4,733**	5,541	**1,144**	1,664	**838**	1,135
Total	**851,872**	839,263	**115,655**	116,000	**128,542**	112,330
Company						
Cash and liquid assets	**1,374**	1,228	**-**	-	**7**	33
Due from other banks	**64,135**	84,039	**-**	-	**22,316**	21,022
Collateral placed	**5,067**	8,506	**-**	-	**200**	423
Trading assets	**69,734**	70,063	**-**	-	**62,495**	50,454
Derivative assets	**16,430**	23,498	**-**	-	**4,265**	4,960
Debt instruments	**37,898**	34,038	**-**	-	**6,804**	7,945
Other financial assets	**688**	769	**-**	-	**-**	-
Loans and advances	**652,404**	612,805	**-**	-	**25,148**	21,541
Other assets	**4,800**	5,850	**-**	-	**714**	863
Total	**852,530**	840,796	**-**	-	**121,949**	107,241

Market risk

Market risk overview and management

Market risk primarily stems from the Group's trading and balance sheet management activities, the impact of changes and correlation between interest rates, foreign exchange rates, credit spreads and volatility in bond, commodity or equity prices.

Market risk is represented by the below two categories:

Traded Market Risk	Non-Traded Market Risk
Traded Market Risk is the potential for gains or losses to arise from trading activities undertaken by the Group as a result of movements in market prices. The trading activities of the Group are principally carried out by Corporate and Institutional Banking. Trading activities represent dealings that encompass both active management of market risk and supporting client sales businesses. The types of market risk arising from these activities include interest rate, foreign exchange, commodity, equity price, credit spread and volatility risk.	The Group has exposure to non-traded market risk, primarily Interest Rate Risk in the Banking Book (IRRBB). IRRBB is the risk that the Group's earnings or economic value will be affected or reduced by changes in interest rates. The sources of IRRBB are as follows: • Repricing risk, arising from changes to the overall level of interest rates and inherent mismatches in the repricing term of banking book items. • Yield curve risk, arising from a change in the relative level of interest rates for different tenors and changes in the slope or shape of the yield curve. • Basis risk, arising from differences between the actual and expected interest margins on banking book items over the implied cost of funds of those items. • Optionality risk, arising from the existence of stand-alone or embedded options in banking book items, to the extent that the potential for those losses is not included in the above risks.

Measurement of market risk

The Group primarily manages and controls market risk using Value at Risk (VaR), which is a standard measure used throughout the industry. VaR gauges the Group's possible loss for the holding period based on historical market movements. VaR is measured at a 99% confidence interval. This means that there is a 99% chance that the loss will not exceed the VaR estimate during the holding period.

The Group employs other risk measures to supplement VaR, with appropriate limits to manage and control risks, and communicate the specific nature of market exposures to management, the Board Risk & Compliance Committee and ultimately the Board. These supplementary measures include stress testing, stop loss, position and sensitivity limits.

Note 19 Financial risk management (cont.)

Traded market risk

The VaR methodology involves multiple revaluations of the trading books using 550 days of historical pricing shifts. The pricing data is rolled daily.

The use of VaR methodology has limitations, which include:

- The historical data used to calculate VaR is not always an appropriate proxy for current market conditions. If market volatility or correlation conditions change significantly, losses may occur more frequently and to a greater magnitude than the VaR measure suggests.
- VaR methodology assumes that positions are held for one day and may underestimate losses on positions that cannot be hedged or reversed inside that timeframe.
- VaR is calculated on positions at the close of each trading day and does not measure risk on intra-day positions.
- VaR does not describe the directional bias or size of the positions generating the risk.

The table below shows the Group and Company VaR for the trading portfolio, including both physical and derivative positions:

	Group								Company							
	As at 30 September		Average value		Minimum value		Maximum value		As at 30 September		Average value		Minimum value		Maximum value	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
Value at Risk at a 99% confidence level																
Foreign exchange risk	**1.8**	3.5	**2.6**	3.0	**1.0**	1.0	**5.0**	7.3	**1.7**	3.4	**2.5**	2.7	**1.0**	0.9	**4.9**	7.1
Interest rate risk	**5.9**	6.9	**6.2**	7.3	**3.7**	4.7	**13.8**	14.7	**5.7**	8.1	**5.8**	6.8	**3.7**	4.7	**12.3**	11.5
Volatility risk	**0.6**	1.0	**0.9**	1.1	**0.5**	0.7	**1.5**	1.9	**0.6**	1.0	**0.9**	1.1	**0.5**	0.7	**1.5**	1.9
Commodities risk	**0.3**	0.6	**0.5**	1.1	**0.2**	0.5	**1.4**	2.5	**0.3**	0.6	**0.5**	1.1	**0.2**	0.5	**1.4**	2.5
Credit risk	**3.7**	2.5	**2.3**	1.7	**1.4**	0.9	**3.7**	2.7	**3.5**	1.8	**2.1**	1.6	**1.3**	0.8	**3.5**	2.5
Inflation risk	**0.7**	1.7	**1.0**	1.7	**0.6**	1.4	**1.9**	2.3	**0.7**	1.7	**1.0**	1.7	**0.6**	1.4	**1.8**	2.3
Diversification benefit	**(6.9)**	(7.8)	**(6.1)**	(6.5)	**n/a**	n/a	**n/a**	n/a	**(6.5)**	(6.7)	**(6.0)**	(6.3)	**n/a**	n/a	**n/a**	n/a
Total Diversified VaR at 99% confidence interval	**6.1**	8.4	**7.4**	9.4	**5.1**	6.7	**15.7**	16.8	**6.0**	9.9	**6.8**	8.7	**4.4**	6.4	**14.4**	13.7
Other market risks	**2.9**	1.9	**2.4**	2.3	**0.9**	1.5	**5.1**	3.1	**2.9**	1.9	**2.4**	2.3	**0.9**	1.5	**5.1**	3.1
Total	**9.0**	10.3	**9.8**	11.7	**6.0**	8.2	**20.8**	19.9	**8.9**	11.8	**9.2**	11.0	**5.3**	7.9	**19.5**	16.8

Note 19 Financial risk management (cont.)

Non-traded market risk - Balance sheet risk management

The principal objective of balance sheet risk management is to maintain acceptable levels of interest rate and liquidity risk to mitigate the negative impact of movements in interest rates on the earnings and market value of the Group's banking book, while ensuring the Group maintains sufficient liquidity to meet its obligations as they fall due.

Non-traded market risk – Interest rate risk management

IRRBB is measured, monitored, and managed from both an internal management and regulatory perspective. The RMF incorporates both market valuation and earnings based approaches in accordance with the IRRBB Policy and Prudential Practice Guides. Risk measurement techniques include VaR, Earnings at Risk (EaR), interest rate risk stress testing, repricing analysis, cash flow analysis and scenario analysis. The IRRBB regulatory capital calculation incorporates repricing, yield curve, basis, and optionality risk, embedded gains / losses and any inter-risk and / or inter-currency diversification. The Group has been accredited by APRA to use its internal model for the measurement of IRRBB.

Key features of the internal interest rate risk management model include:

- Historical simulation approach utilising instantaneous interest rate shocks
- Static balance sheet (i.e. any new business is assumed to be matched, hedged or subject to immediate repricing)
- VaR and EaR are measured on a consistent basis
- 99% confidence level
- Three month holding period
- EaR utilises a 12 month forecast period
- At least six years of business day historical data (updated daily)
- Investment term for capital is modelled with an established benchmark term of between one and five years
- Investment term for core non-interest bearing assets and liabilities is modelled on a behavioural basis with a term that is consistent with sound statistical analysis.

The following table shows the Group and the Company aggregate VaR and EaR for the IRRBB:

	Group								Company							
	As at 30 September		Average value		Minimum value		Maximum value		As at 30 September		Average value		Minimum value		Maximum value	
	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m
Value at Risk																
Australia	**537.2**	461.7	**496.7**	433.9	**441.5**	373.6	**537.2**	461.7	**537.2**	461.7	**496.7**	433.9	**441.5**	373.6	**537.2**	461.7
New Zealand	**65.3**	50.6	**57.9**	46.6	**50.3**	35.0	**65.3**	55.7	**-**	-	**-**	-	**-**	-	**-**	-
Other International	**13.3**	17.5	**13.8**	25.5	**9.9**	16.5	**22.0**	38.5	**12.6**	17.4	**13.5**	25.4	**9.2**	16.5	**21.7**	38.4
Earnings at Risk[(1)]																
Australia	**59.4**	73.2	**63.4**	71.9	**51.3**	55.8	**103.5**	96.8	**59.4**	73.2	**63.4**	71.9	**51.3**	55.8	**103.5**	96.8
New Zealand	**12.1**	12.0	**10.2**	10.6	**7.1**	6.4	**13.3**	18.1	**-**	-	**-**	-	**-**	-	**-**	-
Other International	**0.8**	0.2	**0.5**	0.2	**0.3**	-	**0.8**	0.3	**-**	-	**-**	-	**-**	-	**-**	-

(1) EaR amounts calculated under the IRRBB model include Australian banking and other overseas banking subsidiary books, however exclude offshore branches.

Residual value risk

As part of its normal lending activities, the Group takes residual value risk on assets such as industrial, mining, rail, aircraft, marine, technology, healthcare and other equipment. This exposes the Group to a potential fall in prices of these assets below the outstanding residual exposure at the facility expiry.

Note 19 Financial risk management (cont.)

Liquidity risk and funding mix

Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its financial obligations as they fall due. These obligations include the repayment of deposits on demand or at their contractual maturity, the repayment of wholesale borrowings and loan capital as they mature and the payment of interest on borrowings.

These risks are governed by the Group's funding and liquidity risk appetite which is set by the Board. Group Treasury is responsible for the management of these risks. Objective review and challenge of the effectiveness of risk management is provided by Group Balance Sheet and Liquidity Risk Management with oversight by the Group Asset and Liability Committee. The Board has the ultimate responsibility to monitor and review the adequacy of the Group's funding and liquidity RMF and the Group's compliance with risk appetite.

Key principles adopted in the Group's approach to managing liquidity risk include:

- Monitoring the Group's liquidity position on a daily basis, using a combination of contractual and behavioural modelling of balance sheet and cash flow information
- Maintaining a HQLA portfolio which supports intra-day operations and may be sold in times of market stress
- Operating a prudent funding strategy which ensures appropriate diversification and limits maturity concentrations. The Group undertakes a conservative approach by imposing internal limits that are in addition to regulatory requirements
- Maintaining a Contingent Funding Plan designed to respond to an accelerated outflow of funds from the Group
- Requiring the Group to have the ability to meet a range of survival horizon scenarios, including name-specific and general liquidity stress scenarios

The Group maintained funding and liquidity metrics well above regulatory minimums throughout the 2025 financial year.

The liquid asset portfolio held as part of these principles is well diversified by currency, counterparty and product type with the mix consistent with the liquidity risks of the Group. The composition of the portfolio includes cash, government securities and highly rated investment grade paper. The market value of total on-balance sheet liquid assets held as at 30 September 2025 was $220,042 million (2024: $224,612 million). The Group also holds Internal RMBS as a source of contingent liquidity. This is repo-eligible collateral that could be deployed to access Exceptional Liquidity Assistance (ELA) from the RBA. NAB's Internal RMBS levels also meet APRA's expectations with levels well above their guidance of a minimum 30% of the Group's AUD net cash outflows. As at 30 September 2025, the cash value of unencumbered Internal RMBS held and available was $83,953 million (2024: $99,404 million).

Funding mix

The Group's funding comprises of a mix of deposits, term wholesale funding, short-term wholesale funding and equity. The Group manages this within risk appetite settings to ensure suitable funding of its asset base and to enable it to respond to changing market conditions and regulatory requirements.

The Group maintains a strong focus on stable deposits both from a growth and quality perspective and continues to utilise deposits as a key funding source for assets.

The Group supplements deposit-raising via its term funding programmes, raising $36,258 million[(1)] of term wholesale funding in the 2025 financial year (2024: $37,493 million[(1)]). The weighted average maturity of term wholesale funding issued by the Group was 5.0[(1)] years to first call (2024: 5.0[(1)] years). In addition, during the 2025 financial year, the Group continued to access international and domestic short-term wholesale markets.

Contractual maturity of assets and liabilities

The following tables show an analysis of contractual maturities of assets and liabilities at the reporting date. The Group expects that certain assets and liabilities will be recovered or settled at maturities which are different to their contractual maturities, including deposits where the Group expects as part of normal banking operations that a large proportion of these balances will roll over.

(1) Excludes AT1 Capital, Residential Mortgage Backed Securities (RMBS) and FLP.

Note 19 Financial risk management (cont.)

	Less than 12 months		Greater than 12 months		No specific maturity		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	$m	$m	$m	$m	$m	$m	$m	$m
Group								
Assets								
Cash and liquid assets	**2,604**	2,499	**-**	-	**-**	-	**2,604**	2,499
Due from other banks	**91,851**	110,248	**95**	190	**-**	-	**91,946**	110,438
Collateral placed	**5,763**	9,633	**-**	-	**-**	-	**5,763**	9,633
Trading assets	**103,991**	96,961	**39,631**	36,645	**949**	-	**144,571**	133,606
Derivative assets	**340**	62	**1,870**	1,945	**19,616**	26,759	**21,826**	28,766
Debt instruments	**6,231**	5,226	**40,716**	36,773	**-**	-	**46,947**	41,999
Other financial assets	**482**	293	**206**	476	**-**	-	**688**	769
Loans and advances	**162,710**	150,969	**603,373**	572,268	**10,043**	9,455	**776,126**	732,692
All other assets	**6,441**	7,624	**-**	-	**12,150**	12,222	**18,591**	19,846
Total assets	**380,413**	383,515	**685,891**	648,297	**42,758**	48,436	**1,109,062**	1,080,248
Liabilities								
Due to other banks	**12,215**	10,788	**154**	1,540	**-**	-	**12,369**	12,328
Collateral received	**4,819**	5,151	**-**	-	**-**	-	**4,819**	5,151
Other financial liabilities	**58,383**	60,261	**12,081**	10,011	**-**	-	**70,464**	70,272
Deposits and other borrowings	**683,343**	650,126	**52,816**	62,440	**-**	-	**736,159**	712,566
Derivative liabilities	**508**	1,470	**1,491**	4,080	**18,204**	27,026	**20,203**	32,576
Bonds, notes and subordinated debt	**40,202**	28,847	**134,105**	127,447	**-**	-	**174,307**	156,294
Debt issued	**-**	-	**-**	-	**8,972**	9,560	**8,972**	9,560
Lease liabilities(1)	**310**	307	**1,604**	1,765	**-**	-	**1,914**	2,072
All other liabilities(1)	**11,359**	12,304	**2,040**	2,299	**2,809**	2,613	**16,208**	17,216
Total liabilities	**811,139**	769,254	**204,291**	209,582	**29,985**	39,199	**1,045,415**	1,018,035
Net (liabilities) / assets	**(430,726)**	(385,739)	**481,600**	438,715	**12,773**	9,237	**63,647**	62,213
Company								
Assets								
Cash and liquid assets	**2,407**	2,318	**-**	-	**-**	-	**2,407**	2,318
Due from other banks	**86,359**	104,873	**92**	188	**-**	-	**86,451**	105,061
Collateral placed	**5,267**	8,929	**-**	-	**-**	-	**5,267**	8,929
Trading assets	**96,545**	90,222	**34,735**	30,295	**949**	-	**132,229**	120,517
Derivative assets	**544**	147	**785**	1,150	**19,366**	27,161	**20,695**	28,458
Debt instruments	**6,186**	5,219	**38,516**	36,764	**-**	-	**44,702**	41,983
Other financial assets	**482**	293	**206**	476	**-**	-	**688**	769
Loans and advances	**134,439**	124,015	**533,738**	501,606	**9,375**	8,725	**677,552**	634,346
All other assets	**5,459**	5,710	**484**	506	**73,983**	70,491	**79,926**	76,707
Total assets	**337,688**	341,726	**608,556**	570,985	**103,673**	106,377	**1,049,917**	1,019,088
Liabilities								
Due to other banks	**9,130**	7,713	**109**	196	**-**	-	**9,239**	7,909
Collateral received	**4,081**	4,180	**-**	-	**-**	-	**4,081**	4,180
Other financial liabilities	**54,217**	56,396	**8,227**	6,440	**-**	-	**62,444**	62,836
Deposits and other borrowings	**609,563**	576,550	**49,693**	60,015	**-**	-	**659,256**	636,565
Derivative liabilities	**276**	935	**992**	2,400	**22,037**	29,678	**23,305**	33,013
Bonds, notes and subordinated debt	**38,572**	27,515	**118,840**	113,041	**-**	-	**157,412**	140,556
Debt issued	**-**	-	**-**	-	**8,972**	9,560	**8,972**	9,560
Lease liabilities(1)	**282**	276	**1,138**	1,333	**-**	-	**1,420**	1,609
All other liabilities(1)	**10,159**	10,747	**1,510**	1,284	**53,393**	53,504	**65,062**	65,535
Total liabilities	**726,280**	684,312	**180,509**	184,709	**84,402**	92,742	**991,191**	961,763
Net (liabilities) / assets	**(388,592)**	(342,586)	**428,047**	386,276	**19,271**	13,635	**58,726**	57,325

(1) Comparative information has been restated to align to the presentation in the current period.

Note 20
Fair value of financial instruments

Accounting policy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where the classification of a financial asset or liability results in it being measured at fair value, wherever possible, the fair value is determined with reference to the quoted bid or offer price in the most advantageous active market to which the Group has immediate access. An adjustment for credit risk (CVA) is also incorporated into the fair value as appropriate as well as an adjustment for funding costs (FVA) related to uncollateralised over-the-counter derivatives. The fair value measurement technique of each class of instrument is described below.

Instrument	Fair value measurement technique
Loans and advances	The fair value of loans and advances that are priced based on a variable rate with no contractual repricing tenor is assumed to equate to the carrying value. The fair value of all other loans and advances is calculated using discounted cash flow models based on the maturity of the loans and advances. The discount rates applied are based on interest rates at the reporting date for similar types of loans and advances, if the loans and advances were performing at the reporting date.
Deposits and other borrowings	The fair value of deposits and other borrowings that are non-interest bearing or at call, is assumed to equate to the carrying value. The fair value of other deposits and other borrowings is calculated using discounted cash flow models based on the deposit type and maturity.
Bonds, notes and subordinated debt and debt issued	The fair values of bonds, notes and subordinated debt and debt issued are calculated based on a discounted cash flow model using a yield curve appropriate to the remaining maturity of the instruments and appropriate credit spreads, or in some instances are calculated based on market quoted prices when there is sufficient liquidity in the market.
Derivatives	The fair values of trading and hedging derivative assets and liabilities are obtained from quoted closing market prices at the reporting date, discounted cash flow models or option pricing models as appropriate.
Trading assets and debt instruments	The fair values of trading assets and debt instruments are based on quoted closing market prices at the reporting date. Where securities are unlisted and quoted market prices are not available, the Group obtains the fair value by means of discounted cash flows and other valuation techniques that are commonly used by market participants. These techniques address factors such as interest rates, credit risk and liquidity.
Equity instruments	The fair value of equity instruments at fair value through other comprehensive income is estimated on the basis of the actual and forecasted financial position and results of the underlying assets or net assets taking into consideration their risk profile.
Other financial assets and liabilities	The fair values of other financial assets and liabilities are based on quoted closing market prices and data or valuation techniques, appropriate to the nature and type of the underlying instrument.
Due to controlled entities and due from controlled entities	Includes reverse repurchase agreements and repurchase agreements that are classified as held for trading and measured at fair value through profit and loss. The fair values are based on a discounted cash flow model using an appropriate yield curve.

The carrying amounts of cash and liquid assets, due from and to other banks, other assets, other liabilities and amounts due from and to controlled entities, approximate their fair value as they are short-term in nature or are receivable or payable on demand.

Guarantees, letters of credit, performance related contingencies and credit related commitments are generally not sold or traded and estimated fair values are not readily ascertainable. The fair value of these items are not calculated, as very few of the commitments extending beyond six months would commit the Group to a predetermined rate of interest, and the fees attaching to these commitments are the same as those currently charged for similar arrangements.

Fair value for a net open position is the offer price for a financial liability and the bid price for a financial asset, multiplied by the number of units of the instrument issued or held.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period in which the transfer occurs.

Critical accounting judgements and estimates

A significant portion of financial instruments are carried on the balance sheet at fair value.

Where no active market exists for a particular asset or liability, the Group uses a valuation technique to arrive at the fair value, including the use of transaction prices obtained in recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques, based on market conditions and risks existing at the reporting date. In doing so, fair value is estimated using a valuation technique that makes maximum use of observable market inputs and places minimal reliance upon entity-specific inputs.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Group recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

Note 20 Fair value of financial instruments (cont.)

Fair value hierarchy

The level in the fair value hierarchy within which a fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. The fair value hierarchy is as follows:

- Level 1 – Financial instruments that have been valued by reference to unadjusted quoted prices for identical financial assets or financial liabilities in active markets. Financial instruments included in this category are Commonwealth of Australia and New Zealand government bonds, and spot and exchange traded derivatives.
- Level 2 – Financial instruments that have been valued through valuation techniques incorporating inputs other than quoted prices within Level 1 that are observable for the financial asset or financial liability, either directly (as prices) or indirectly (derived from prices). Financial instruments included in this category are over-the-counter trading and hedging derivatives, semi-government bonds, financial institution and corporate bonds, mortgage-backed securities, loans measured at fair value, and issued bonds, notes and subordinated debt measured at fair value.
- Level 3 – Financial instruments that have been valued through valuation techniques incorporating inputs that are not based on observable market data. Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. Financial instruments included in this category are bespoke trading derivatives, trading derivatives where the credit valuation adjustment is considered unobservable and significant to the valuation, and certain asset-backed securities valued using unobservable inputs, and equity instruments.

Transfers into and out of Level 3 take place when there are changes to the inputs in the valuation technique. Where inputs are no longer observable the fair value measurement is transferred into Level 3. Conversely, a measurement is transferred out of Level 3 when inputs become observable.

The Group's exposure to fair value measurements based in full or in part on unobservable inputs is restricted to a small number of financial instruments, which comprise an insignificant component of the portfolios in which they belong. As such, a change in the assumption used to value the instruments as at 30 September 2025 attributable to reasonably possible alternatives would not have a material effect.

Fair value of financial instruments, carried at amortised cost

The financial assets and financial liabilities listed in the table below are carried at amortised cost. While this is the value at which the Group expects the assets to be realised and the liabilities to be settled, the table below includes their fair values as at 30 September:

	2025					2024				
	Carrying value	Level 1	Level 2	Level 3	Fair value	Carrying value	Level 1	Level 2	Level 3	Fair value
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
Group										
Financial assets										
Loans and advances	776,126	–	5,880	769,893	775,773	732,692	–	5,970	726,039	732,009
Total financial assets	776,126	–	5,880	769,893	775,773	732,692	–	5,970	726,039	732,009
Financial liabilities										
Deposits and other borrowings	736,159	–	738,185	–	738,185	712,566	–	715,221	–	715,221
Bonds, notes and subordinated debt	174,307	–	175,817	315	176,132	156,294	–	156,913	368	157,281
Debt issued	8,972	8,819	478	–	9,297	9,560	8,914	1,059	–	9,973
Total financial liabilities	919,438	8,819	914,480	315	923,614	878,420	8,914	873,193	368	882,475
Company										
Financial assets										
Loans and advances	677,552	–	3,922	673,357	677,279	634,346	–	3,865	630,054	633,919
Total financial assets	677,552	–	3,922	673,357	677,279	634,346	–	3,865	630,054	633,919
Financial liabilities										
Deposits and other borrowings	659,256	–	661,183	–	661,183	636,565	–	639,142	–	639,142
Bonds, notes and subordinated debt	157,412	–	158,777	–	158,777	140,556	–	141,296	–	141,296
Debt issued	8,972	8,819	478	–	9,297	9,560	8,914	1,059	–	9,973
Total financial liabilities	825,640	8,819	820,438	–	829,257	786,681	8,914	781,497	–	790,411

Note 20 Fair value of financial instruments (cont.)

Fair value measurements recognised on the balance sheet

	2025				2024			
	Level 1 $m	Level 2 $m	Level 3 $m	Total $m	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Group								
Financial assets								
Trading assets	31,735	112,836	–	144,571	27,550	106,056	–	133,606
Debt instruments	3,837	42,956	154	46,947	1,553	40,198	248	41,999
Other financial assets	–	688	–	688	–	576	193	769
Derivative assets	–	21,378	448	21,826	–	28,350	416	28,766
Equity instruments(1)	–	–	313	313	–	–	290	290
Total financial assets measured at fair value	35,572	177,858	915	214,345	29,103	175,180	1,147	205,430
Financial liabilities								
Other financial liabilities	1,886	68,578	–	70,464	1,043	69,229	–	70,272
Derivative liabilities	–	19,842	361	20,203	–	32,311	265	32,576
Total financial liabilities measured at fair value	1,886	88,420	361	90,667	1,043	101,540	265	102,848
Company								
Financial assets								
Trading assets	28,803	103,426	–	132,229	23,744	96,773	–	120,517
Debt instruments	2,304	42,244	154	44,702	1,545	40,190	248	41,983
Other financial assets	–	688	–	688	–	576	193	769
Derivative assets	–	20,247	448	20,695	–	28,042	416	28,458
Equity instruments(1)	–	–	149	149	–	–	139	139
Due from controlled entities	–	8,908	–	8,908	–	7,154	–	7,154
Total financial assets measured at fair value	31,107	175,513	751	207,371	25,289	172,735	996	199,020
Financial liabilities								
Other financial liabilities	1,838	60,606	–	62,444	955	61,881	–	62,836
Derivative liabilities	–	22,944	361	23,305	–	32,748	265	33,013
Due to controlled entities	–	2,251	–	2,251	–	2,650	–	2,650
Total financial liabilities measured at fair value	1,838	85,801	361	88,000	955	97,279	265	98,499

(1) Includes equity instruments at fair value through other comprehensive income and equity instruments at fair value through profit or loss.

There were no material transfers between Level 1 and Level 2 during the 2025 or 2024 financial year for the Group or the Company.

Note 20 Fair value of financial instruments (cont.)

The table below summarises changes in fair value classified as Level 3:

	Assets						Liabilities	
	Derivatives		Debt instruments		Other(1)		Derivatives	
	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m
Group								
Balance at the beginning of year	**416**	323	**248**	289	**483**	444	**265**	271
Gains / (losses) on assets and (gains) / losses on liabilities recognised:								
In profit or loss	**88**	(21)	**-**	-	**4**	8	**99**	(11)
In other comprehensive income	**-**	-	**(1)**	(1)	**(2)**	4	**-**	-
Purchases and issues	**65**	1	**46**	6	**22**	35	**2**	-
Sales and settlements	**(4)**	(12)	**(100)**	(225)	**-**	(7)	**-**	-
Transfers into Level 3	**9**	131	**109**	245	**-**	-	**-**	5
Transfers out of Level 3	**(127)**	(7)	**(145)**	(65)	**(193)**	-	**(5)**	-
Foreign currency translation adjustments	**1**	1	**(3)**	(1)	**(1)**	(1)	**-**	-
Balance at end of year	**448**	416	**154**	248	**313**	483	**361**	265
Gains / (losses) on assets and (gains) / losses on liabilities for the reporting period related to financial instruments held at the end of the reporting period recognised:								
In profit or loss	**88**	(21)	**-**	-	**4**	8	**99**	(11)
In other comprehensive income	**-**	-	**(1)**	(1)	**(2)**	4	**-**	-
Company								
Balance at the beginning of year	**416**	323	**248**	289	**332**	309	**265**	271
Gains / (losses) on assets and (gains) / losses on liabilities recognised:								
In profit or loss	**88**	(21)	**-**	-	**5**	8	**99**	(11)
In other comprehensive income	**-**	-	**(1)**	(1)	**4**	5	**-**	-
Purchases and issues	**65**	1	**46**	6	**2**	9	**2**	-
Sales and settlements	**(4)**	(12)	**(100)**	(225)	**-**	-	**-**	-
Transfers into Level 3	**9**	131	**109**	245	**-**	-	**-**	5
Transfers out of Level 3	**(127)**	(7)	**(145)**	(65)	**(193)**	-	**(5)**	-
Foreign currency translation adjustments	**1**	1	**(3)**	(1)	**(1)**	1	**-**	-
Balance at end of year	**448**	416	**154**	248	**149**	332	**361**	265
Gains / (losses) on assets and (gains) / losses on liabilities for the reporting period related to financial instruments held at the end of the reporting period recognised:								
In profit or loss	**88**	(21)	**-**	-	**5**	8	**99**	(11)
In other comprehensive income	**-**	-	**(1)**	(1)	**4**	5	**-**	-

(1) Includes other financial assets and equity instruments.

Note 21
Financial asset transfers

The Group and the Company enter into transactions by which they transfer financial assets to counterparties or to structured entities. Financial assets that do not qualify for derecognition are typically associated with repurchase agreements, covered bonds and securitisation program arrangements. The following table sets out the carrying amount of financial assets that did not qualify for derecognition and their associated liabilities. Where relevant, the table also sets out the net position of the fair value of financial assets where the counterparty to the associated liabilities has recourse only to the transferred assets.

	Group						Company					
	Repurchase agreements		Covered bonds		Securitisation		Repurchase agreements		Covered bonds		Securitisation[1]	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
Carrying amount of transferred assets	**37,709**	45,705	**46,396**	45,713	**2,553**	3,484	**35,138**	41,188	**40,835**	40,009	**2,680**	3,590
Carrying amount of associated liabilities	**37,053**	44,668	**40,538**	34,287	**2,553**	3,484	**35,104**	41,103	**35,096**	29,395	**2,680**	3,590
For those liabilities that have recourse only to the transferred assets												
Fair value of transferred assets	**n/a**	n/a	**n/a**	n/a	**2,552**	3,481	**n/a**	n/a	**n/a**	n/a	**2,679**	3,588
Fair value of associated liabilities	**n/a**	n/a	**n/a**	n/a	**2,580**	3,506	**n/a**	n/a	**n/a**	n/a	**2,703**	3,609
Net position	**n/a**	n/a	**n/a**	n/a	**(28)**	(25)	**n/a**	n/a	**n/a**	n/a	**(24)**	(21)

(1) Securitisation assets exclude $98,389 million of assets (2024 $122,214 million) where the Company holds all of the issued instruments of the securitisation vehicle.

Other assets and liabilities

Note 22
Goodwill and other intangible assets

Accounting policy

Goodwill

Goodwill arises on the acquisition of an entity and represents the excess of the consideration paid over the fair value of the identifiable net assets acquired.

Software costs

External and internal costs that are incurred to acquire or develop software are capitalised and recognised as an intangible asset. Capitalised software costs and other intangible assets are amortised on a systematic basis once deployed, using the straight-line method over their expected useful lives which are between three and ten years. The expected useful lives of intangible assets are reviewed at each reporting date.

Impairment of intangible assets

Assets with an indefinite useful life, including goodwill, are not subject to amortisation and are tested on an annual basis for impairment, and additionally whenever an indication of impairment exists. Assets that are subject to amortisation are reviewed for impairment at each reporting date for events or changes in circumstances that indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal or its value in use. For assets that do not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit (CGU) to which that asset belongs.

Goodwill impairment is assessed for each CGU or group of CGUs that represents the lowest level within the Group at which goodwill is monitored for internal management purposes.

Recoverable amounts of CGUs

The recoverable amount of a CGU is determined using either value in use or fair value less costs of disposal. Assumptions for determining the recoverable amount of each CGU are based on past experience and expectations for the future. Cash flow projections for value in use are based on the latest management approved forecasts covering a period of 5 years and are then extrapolated using a constant growth rate for up to a further five years. These forecasts use management estimates to determine income, expenses, capital expenditure and cash flows for each CGU.

The discount rate used reflects the market determined post-tax discount rate which is adjusted for specific risks relating to the CGUs and the countries in which they operate. The growth rate applied to extrapolate cash flows beyond the forecast period are based on forecast assumptions of the CGUs' long-term performance in their respective markets.

Critical accounting judgements and estimates

The measurement of goodwill is subject to a number of key judgements and estimates. These include:

- the allocation of goodwill to CGUs on initial recognition,
- the re-allocation of goodwill in the event of disposal or reorganisation and
- the appropriate cash flow forecasts, growth rates and discount rates.

Due to continuing technology modernisation and change, judgement is required in determining the useful lives and obsolescence of software.

Further details about these items are provided below.

Note 22 Goodwill and other intangible assets (cont.)

	Group 2025 $m	Group 2024 $m	Company 2025 $m	Company 2024 $m
Goodwill and other intangible assets				
Goodwill	**2,070**	2,070	**80**	80
Internally generated software	**3,194**	2,774	**2,644**	2,308
Acquired software	**236**	239	**149**	147
Customer relationships, core deposits and other acquired intangible assets	**122**	141	**108**	126
Total goodwill and other intangible assets	**5,622**	5,224	**2,981**	2,661
At cost	**13,157**	12,235	**9,532**	8,798
Deduct: Accumulated amortisation / impairment losses	**(7,535)**	(7,011)	**(6,551)**	(6,137)
Total goodwill and other intangible assets	**5,622**	5,224	**2,981**	2,661

Reconciliation of movements in goodwill and internally generated software

	Group 2025 $m	Group 2024 $m	Company 2025 $m	Company 2024 $m
Goodwill				
Balance at beginning of year	**2,070**	2,070	**80**	80
Balance at end of year	**2,070**	2,070	**80**	80
Internally generated software				
Balance at beginning of year	**2,774**	2,484	**2,308**	2,052
Additions from internal development	**1,110**	1,000	**897**	821
Disposals, impairments and write-offs	**(7)**	(51)	**(7)**	(9)
Amortisation	**(687)**	(655)	**(574)**	(555)
Foreign currency translation and other adjustments	**4**	(4)	**20**	(1)
Balance at end of year	**3,194**	2,774	**2,644**	2,308

Note 22 Goodwill and other intangible assets (cont.)

Goodwill allocation to CGUs

The key assumptions used in determining the recoverable amount of CGUs using value in use, to which goodwill has been allocated, are as follows:

	Goodwill		Discount rate per annum	Terminal growth rate per annum
	2025	2024	2025	2025
	$m	$m	%	%
CGUs				
Business and Private Banking	**94**	94	**10.7**	**3.2**
New Zealand Banking	**258**	258	**11.2**	**3.0**
Personal Banking	**1,592**	1,592	**10.7**	**3.2**
ubank	**126**	126	**11.2**	**3.2**
Total goodwill	**2,070**	2,070		

Note 23
Other assets

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Other assets				
Accrued interest receivable	**1,957**	2,274	**1,764**	2,026
Prepayments	**352**	359	**275**	286
Receivables	**231**	362	**85**	154
Other debt instruments at amortised cost	**-**	-	**483**	505
Equity instruments at fair value through other comprehensive income	**294**	275	**130**	125
Investments in associates and joint ventures(1)	**313**	538	**-**	477
Securities sold not delivered	**3,417**	3,941	**2,912**	2,944
Other	**372**	802	**25**	367
Total other assets	**6,936**	8,551	**5,674**	6,884

(1) Refer to section (b) in *Note 31 Interest in subsidiaries and other entities* for further details.

Note 24
Provisions

Accounting policy

Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are not discounted to the present value of their expected net future cash flows except where the time value of money is material.

Operational risk event losses

Provisions are recognised for non-lending losses which include losses arising from specific legal actions not directly related to amounts of principal outstanding for loans and advances, and losses arising from forgeries, fraud, the correction of operational issues and regulatory-related items.

Customer-related remediation

Provisions for customer-related remediation include provisions for potential refunds and other compensation to customers as well as associated program costs.

Critical accounting judgements and estimates

Provisions are held in respect of a range of future obligations such as employee entitlements, restructuring costs, customer-related remediation, litigation and regulatory investigations. The recognition and measurement of some of these provisions involves significant judgement about the existence of a present obligation, the likely outcome of various future events and the related estimated future cash flows. If the future events are uncertain or where the outflows cannot be reliably measured a contingent liability is disclosed, refer to *Note 30 Commitments and contingent liabilities.*

Payments that are expected to be incurred after more than one year from the reporting date are discounted at a rate which reflects both current interest rates and the risks specific to that provision.

In relation to customer-related remediation, determining the amount of the provision requires the exercise of significant judgement. This includes forming a view on a number of different estimates, including the number of impacted customers, average refund per customer and the associated costs required to complete the remediation activities. The appropriateness of underlying assumptions is reviewed on a regular basis against actual experience and other available evidence, and adjustments are made to the provision where required.

	Group		Company	
	2025 $m	2024 $m	2025 $m	2024 $m
Provisions				
Employee entitlements	**977**	958	**822**	816
Operational risk event losses	**96**	63	**95**	61
Customer-related remediation	**267**	276	**87**	122
Other	**405**	507	**395**	467
Total provisions	**1,745**	1,804	**1,399**	1,466

Reconciliation of movements in provisions

	Group		Company	
	2025 $m	2024 $m	2025 $m	2024 $m
Operational risk event losses				
Balance at beginning of year	**63**	43	**61**	25
Provisions made	**151**	118	**151**	112
Payments out of provisions	**(118)**	(94)	**(117)**	(76)
Provisions no longer required and net foreign currency movements	**-**	(4)	**-**	-
Balance at end of year	**96**	63	**95**	61
Customer-related remediation				
Balance at beginning of year	**276**	305	**122**	305
Provisions made	**218**	188	**91**	120
Payments out of provisions	**(227)**	(217)	**(126)**	(170)
Transfers to Due to controlled entities	**-**	-	**-**	(133)
Balance at end of year	**267**	276	**87**	122

Note 25
Other liabilities

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Other liabilities				
Accrued interest payable	**4,601**	5,561	**4,049**	4,821
Payables and accrued expenses	**1,115**	1,074	**870**	810
Securities purchased not delivered	**3,713**	4,256	**3,551**	3,484
Lease liabilities	**1,914**	2,072	**1,420**	1,609
Trail commission payable	**2,182**	2,018	**1,671**	1,512
Other	**1,981**	1,461	**941**	748
Total other liabilities	**15,506**	16,442	**12,502**	12,984

Capital management

Note 26
Contributed equity

In accordance with the *Corporations Act 2001* (Cth), the Company does not have authorised capital and all ordinary shares have no par value. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are included within equity. Holders of ordinary shares are entitled to receive dividends as determined from time to time and are entitled to one vote, on a show of hands or on a poll, for each fully paid ordinary share held at shareholders' meetings. In the event of a winding-up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

	Group		Company	
	2025 $m	2024 $m	2025 $m	2024 $m
Issued and paid-up ordinary share capital				
Ordinary shares, fully paid	**36,123**	36,581	**35,337**	35,795
Total contributed equity	**36,123**	36,581	**35,337**	35,795

Reconciliation of movement in ordinary shares

	Group		Company	
	2025 $m	2024 $m	2025 $m	2024 $m
Balance at beginning of year	**36,581**	38,546	**35,795**	37,760
Shares issued:				
Transfer from equity-based compensation reserve	**158**	137	**158**	137
Purchase of treasury shares for employee share offer	**-**	(25)	**-**	(25)
Share buy-back	**(616)**	(2,077)	**(616)**	(2,077)
Balance at end of year	**36,123**	36,581	**35,337**	35,795

The number of ordinary shares on issue for the last two years as at 30 September was as follows:

	Company	
	2025 No. '000	2024 No. '000
Ordinary shares, fully paid		
Balance at beginning of year	**3,074,038**	3,128,949
Shares issued:		
Bonus share plan	**1,008**	1,314
Equity-based payments	**4,559**	4,456
Paying up of partly paid shares	**-**	9
Share buy-back	**(16,572)**	(60,690)
Total ordinary shares, fully paid	**3,063,033**	3,074,038
Ordinary shares, partly paid to 25 cents		
Balance at beginning of year	**-**	9
Paying up of partly paid shares	**-**	(9)
Total ordinary shares, partly paid to 25 cents	**-**	-
Total ordinary shares (including treasury shares)	**3,063,033**	3,074,038
Less: Treasury shares	**(7,464)**	(8,642)
Total ordinary shares (excluding treasury shares)	**3,055,569**	3,065,396

Note 27
Non-controlling interests

Non-controlling interests represent the share in the net assets of controlled entities attributable to equity interests which the Company does not own directly or indirectly.

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Non-controlling interests				
BNZ perpetual preference shares	**725**	758	**-**	-
Total	**725**	758	**-**	-

Bank of New Zealand preference shares

BNZ perpetual preference shares (PPS) are issued by Bank of New Zealand (BNZ), a wholly owned subsidiary of the Group. These PPS are classified as non-controlling interests to the Group. The balance as at 30 September 2025 represents an AUD equivalent of $750 million of PPS issued less $25 million foreign currency translation differences between AUD and NZD.

The key terms of the PPS are summarised below:

PPS distributions

Distributions on the PPS are discretionary and non-cumulative. If a PPS distribution is not paid, there are certain restrictions on the ability of BNZ to pay a dividend on its ordinary shares. Holders of the PPS have no other rights to participate in the profits or property of BNZ.

Any distributions will comprise a cash amount and imputation credits.

Redemption

The PPS have no fixed maturity date and will remain on issue indefinitely if not redeemed by BNZ.

BNZ may redeem the PPS on the first optional redemption date or on each quarterly scheduled distribution payment date thereafter, or at any time if a tax event or regulatory event occurs. Redemption is subject to certain conditions being met, including obtaining the RBNZ's approval. Holders of PPS have no right to require that the PPS be redeemed.

Note 28
Reserves

Accounting policy

Foreign currency translation reserve

Exchange differences arising on translation of the Group's foreign operations, any offsetting gains or losses on net investment hedges and any associated tax effect are reflected in the foreign currency translation reserve.

The results and financial position of the Group entities that have a functional currency different from Australian dollars are translated into Australian dollars as follows:

- Assets and liabilities are translated at the closing exchange rate at the balance sheet date.
- Income and expenses are translated at average exchange rates for the period.
- All resulting exchange differences are recognised in the foreign currency translation reserve.

A cumulative credit balance in this reserve would not normally be regarded as available for payment of dividends until such gains are realised and recognised in the income statement on sale or disposal of the foreign operation.

Asset revaluation reserve

The asset revaluation reserve is used to record revaluation adjustments on land and buildings. When an asset is sold or disposed of the related balance in the reserve is transferred directly to retained profits.

Cash flow hedge reserve and cost of hedging reserve

The cash flow hedge reserve includes fair value gains and losses associated with the effective portion of designated cash flow hedging instruments, net of tax. For hedging instruments in designated hedge accounting relationships, the cost of hedging reserve records fair value gains and losses on forward contracts due to changes in market forward points and fair value gains and losses on cross currency swaps due to changes in market cross-currency basis spreads. These cumulative movements generally reduce to nil by maturity of these hedging instruments.

Equity-based compensation reserve

The equity-based compensation reserve comprises the fair value of shares and rights provided to employees.

Debt instruments at fair value through other comprehensive income reserve

The reserve includes all changes in the fair value of investments in debt instruments that are measured at fair value through other comprehensive income, other than impairment losses, foreign exchange gains and losses, interest income and net of any related hedge accounting adjustments. The cumulative amount recognised in the reserve is transferred to profit or loss when the related asset is derecognised.

Equity instruments at fair value through other comprehensive income reserve

The Group has made an irrevocable election to measure certain investments in equity instruments that are not held for trading purposes at fair value through other comprehensive income. Changes in the fair value of these investments are recognised in this reserve, while dividends are recognised in profit or loss. The cumulative amount recognised in the reserve is transferred directly to retained profits when the related asset is derecognised.

Note 28 Reserves (cont.)

Reserves

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Foreign currency translation reserve	**(426)**	(66)	**(72)**	(175)
Asset revaluation reserve	**19**	19	**-**	-
Cash flow hedge reserve	**321**	(145)	**157**	(184)
Cost of hedging reserve	**(179)**	(173)	**(89)**	(66)
Equity-based compensation reserve	**234**	249	**234**	249
Debt instruments at fair value through other comprehensive income reserve	**(26)**	(283)	**(27)**	(283)
Equity instruments at fair value through other comprehensive income reserve	**36**	37	**29**	25
Total reserves	**(21)**	(362)	**232**	(434)

Foreign currency translation reserve

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Balance at beginning of year	**(66)**	156	**(175)**	(134)
Currency adjustments on translation of foreign operations, net of hedging	**(341)**	(222)	**122**	(41)
Transfer to the income statement on disposal or partial disposal of foreign operations	**(19)**	-	**(19)**	-
Balance at end of year	**(426)**	(66)	**(72)**	(175)

Note 29 Dividends

	Amount per share	Total amount
	cents	$m
Dividends paid		
For the year ended 30 September 2025		
Final dividend determined in respect of the year ended 30 September 2024[1]	**85**	**2,613**
Interim dividend determined in respect of the year ended 30 September 2025[2]	**85**	**2,603**
Deduct: Bonus shares in lieu of dividend	**n/a**	**(39)**
Dividends paid by the Company during the year ended 30 September 2025	**n/a**	**5,177**
Add: Dividends paid to non-controlling interests in controlled entities	**n/a**	**39**
Total dividends paid by the Group (before dividend reinvestment plan)	**n/a**	**5,216**
For the year ended 30 September 2024		
Final dividend determined in respect of the year ended 30 September 2023[3]	84	2,626
Interim dividend determined in respect of the year ended 30 September 2024[4]	84	2,606
Deduct: Bonus shares in lieu of dividend	n/a	(41)
Dividends paid by the Company during the year ended 30 September 2024	n/a	5,191
Add: Dividends paid to non-controlling interest in controlled entities	n/a	18
Total dividends paid by the Group (before dividend reinvestment plan)	n/a	5,209

(1) The DRP in respect of the final 2024 dividend was satisfied in full through the on market purchase and transfer of 4,843,438 shares at $39.44 to participating shareholders.
(2) The DRP in respect of the interim 2025 dividend was satisfied in full through the on market purchase and transfer of 5,255,033 shares at $37.51 to participating shareholders.
(3) The DRP in respect of the final 2023 dividend was satisfied in full through the on market purchase and transfer of 6,807,692 shares at $28.32 to participating shareholders.
(4) The DRP in respect of the interim 2024 dividend was satisfied in full through the on market purchase and transfer of 9,239,285 shares at $34.20 to participating shareholders.

Dividends paid during 2025 were fully franked at a tax rate of 30% (2024: 30%).

Note 29 Dividends (cont.)

Final dividend

On 6 November 2025, the directors determined the following dividend:

	Amount per share	Total amount	Franked amount per share
	cents	$m	%
Final dividend determined in respect of the year ended 30 September 2025	85	**2,604**	100

The 2025 final dividend is payable on 12 December 2025. There is no DRP discount for the 2025 final dividend. Eligible shareholders have the ability to participate in the DRP for the 2025 final dividend for up to 5 million NAB ordinary shares per participant.
The financial effect of this dividend has not been brought to account in the financial statements for the year ended 30 September 2025 and will be recognised in subsequent financial reports.

Australian franking credits

The franking credits available to the Company as at 30 September 2025 are estimated to be $409 million (2024: $500 million) after allowing for Australian tax payable in respect of the current reporting period profit and the receipt of dividends recognised as a receivable at reporting date.

The final 2025 dividend will utilise the balance of franking credits available as at 30 September 2025. The Company's franking account will fluctuate during the year depending on the timing of tax and dividend payments. A surplus franking account balance is only required as at 30 June each year for the purpose of complying with Australian income tax legislation. Instalment tax payments made after 30 September 2025 will generate sufficient franking credits to enable the final 2025 dividend to be fully franked and comply with the income tax legislation.

Franking is not guaranteed. The extent to which future dividends on ordinary shares and distributions on frankable hybrids will be franked will depend on a number of factors, including capital management activities and the level of profits that will be subject to tax in Australia.

New Zealand imputation credits

The New Zealand imputation credits available to the Company as at 30 September 2025 are estimated to be NZD $1,350 million (2024: NZD $1,858 million).

The Company is able to attach available New Zealand imputation credits to dividends paid. As a result, New Zealand imputation credits of NZD $0.15 per share will be attached to the final 2025 dividend payable by the Company. New Zealand imputation credits are only relevant for shareholders who are required to file New Zealand income tax returns.

Unrecognised items

Note 30
Commitments and contingent liabilities

Accounting policy

The Group discloses certain items as contingent liabilities, as they are either possible obligations whose existence will be confirmed only by uncertain future events, or they are present obligations where a transfer of economic resources is not probable or cannot be reliably measured. Contingent liabilities are not recognised on the balance sheet but are disclosed unless an outflow of economic resources is remote.

Commitments

Financial assets are pledged as collateral predominantly under repurchase agreements with other banks. The financial assets pledged by the Group are strictly for the purpose of providing collateral for the counterparty. These transactions are conducted under terms that are usual and customary to standard lending and securities borrowing and lending activities, as well as requirements determined by exchanges where the Group acts as an intermediary. Repurchase agreements that do not qualify for derecognition are reported in *Note 21 Financial asset transfers*.

Bank guarantees and letters of credit

The Group provides guarantees in its normal course of business on behalf of its customers. Guarantees written are conditional commitments issued by the Group to guarantee the performance of a customer to a third party. Guarantees are primarily issued to support direct financial obligations such as commercial bills or other debt instruments issued by a counterparty. The Group has four principal types of guarantees:

- bank guarantees,
- standby letters of credit,
- documentary letters of credit, and
- performance-related contingencies.

The Group considers all bank guarantees and letters of credit as "at call" for liquidity management purposes because it has no control over when the holder might call upon the instrument.

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Bank guarantees and letters of credit				
Bank guarantees	**6,680**	5,568	**6,936**	5,679
Standby letters of credit	**6,328**	7,250	**6,313**	7,246
Documentary letters of credit	**1,566**	1,863	**1,529**	1,810
Performance-related contingencies	**13,022**	11,916	**11,783**	10,125
Total bank guarantees and letters of credit	**27,596**	26,597	**26,561**	24,860

Clearing and settlement obligations

The Group is subject to a commitment in accordance with the rules governing clearing and settlement arrangements contained in the Australian Payments Network Regulations for the Australian Paper Clearing System, the Bulk Electronic Clearing System, the Consumer Electronic Clearing System and the High Value Clearing System which could result in a credit risk exposure and loss in the event of a failure to settle by a member institution. The Group also has a commitment in accordance with the Austraclear System Regulations and the Continuous Linked Settlement Bank Rules to participate in loss-sharing arrangements in the event that another financial institution fails to settle.

The Group is a member of various central clearing houses, most notably the London Clearing House (LCH) SwapClear and RepoClear platforms and the ASX Over-The-Counter Central Counterparty, which enables the Group to centrally clear derivative and repurchase agreement instruments respectively. As a member of these central clearing houses, the Group is required to make a default fund contribution. The exposure to risk associated with this commitment is reflected for capital adequacy purposes in the Group's Pillar 3 reporting. In the event of a default of another clearing member, the Group could be required to commit additional funds to the default fund contribution.

Credit-related commitments

Binding credit-related commitments to extend credit are agreements to lend to a customer provided that there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee by the customer. Since many of the commitments are expected to expire without being drawn down, the total commitment amounts do not necessarily represent future cash requirements. Nevertheless, credit-related commitments are considered "at call" for liquidity management purposes.

Note 30 Commitments and contingent liabilities (cont.)

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Credit-related commitments				
Binding credit commitments	**218,596**	210,124	**198,040**	190,297
Total credit-related commitments	**218,596**	210,124	**198,040**	190,297
Credit-related commitments by geographical location				
Australia	**174,161**	167,797	**173,888**	166,798
New Zealand	**19,858**	18,636	**-**	-
Other International	**24,577**	23,691	**24,152**	23,499
Total credit-related commitments	**218,596**	210,124	**198,040**	190,297

Parent entity guarantees and undertakings

The Company has provided the following guarantees and undertakings relating to entities in the Group. These guarantees and undertakings are not included in the previous tables in this note:

- The Company will guarantee up to $15,148 million (2024: $14,431 million) of commercial paper issuances by National Australia Funding (Delaware) Inc. Commercial paper of $380 million (2024: $398 million) has been issued.
- The Company is responsible to its customers for any direct loss suffered as a result of National Nominees Limited failing to perform its obligations to the Company.
- The Company has issued letters of support and given guarantees and indemnities in respect of certain subsidiaries and associates in the normal course of business or arising from contractual or legislative commitments. The letters of support and provision of guarantees and indemnities recognises that the Company has a responsibility to ensure that those subsidiaries and associates continue to meet their obligations.

Contingent liabilities

The Group is exposed to contingent risks and liabilities arising from the conduct of its business including:

- actual and potential disputes, claims and legal proceedings,
- investigations into past conduct, including actual and potential regulatory breaches carried out by regulatory authorities on either an industry-wide or Group-specific basis,
- internal investigations and reviews into past conduct, including actual and potential regulatory breaches, carried out by or on behalf of the Group, and
- contracts that involve giving contingent commitments such as warranties, indemnities or guarantees.

There are contingent liabilities in respect of all such matters. Such matters are often highly complex and uncertain. Where appropriate, provisions have been made. The aggregate potential liability of the Group in relation to these matters cannot be accurately assessed.

Further details on some specific contingent liabilities that may impact the Group are set out below.

Regulatory activity, compliance investigations and associated proceedings

Anti-Money Laundering and Counter-Terrorism Financing compliance

On 25 July 2025, the AUSTRAC CEO confirmed that AUSTRAC had cancelled NAB's Enforceable Undertaking entered into on 29 April 2022. NAB is continuing its work in response to the final report issued by the independent auditor, including implementing its recommendations.

The Group continues to improve its Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) systems, processes and controls and keeps AUSTRAC informed of its progress. In addition to an ongoing general uplift in capability, the Group is remediating specific known compliance issues and weaknesses. As this work progresses, further compliance issues may be identified and reported to AUSTRAC or equivalent foreign regulators, and additional uplifting and strengthening may be required.

The total costs associated with the above remain uncertain.

Banking matters

The Group regularly reviews matters that may have an adverse customer, colleague or stakeholder outcome, which in some cases are identified by regulatory authorities. These reviews include matters regarding:

- incorrect fees and interest rates being applied in connection with certain products and/or services,
- off-set accounts, including automated opening of off-set accounts without customer consent,
- compliance with financial hardship obligations, and
- issues with treatment of deregistered companies identified in the customer base.

The potential outcome and total costs associated with these matters remain uncertain, including regulatory, customer and other exposures.

Note 30 Commitments and contingent liabilities (cont.)

Employment matters

The Group continues to review its processes for compliance with obligations under Australian employment laws and its enterprise agreements and associated remediation work is ongoing. The Group is engaging with the Fair Work Ombudsman (FWO) and has reported a number of compliance issues to the FWO. As this review progresses, further compliance issues may be identified and reported to the FWO and additional remediation may be required.

There remains potential for further developments regarding these issues, including enforcement action by the FWO or other legal actions and penalties, so the final outcome and total costs associated with these issues remain uncertain. Where appropriate, provisions have been made, including for costs associated with the review and remediation of payroll issues.

In March 2023, the Finance Sector Union (FSU) filed proceedings against NAB and MLC Wealth Limited in the Federal Court alleging that those parties had breached provisions of the Fair Work Act which prohibit an employer from requesting or requiring an employee to work unreasonable additional hours. The claim relates to four current and former employees. The FSU is seeking declarations that NAB and MLC Wealth Limited breached the Fair Work Act, the imposition of penalties in respect of the alleged breaches, as well as compensation for loss and damage to the four named current and former employees and the payment of legal costs. The final outcome and total costs associated with this matter remain uncertain.

Wealth - Advice remediation

The Group continues to remediate customers in relation to (a) financial advice fees paid by customers pursuant to ongoing service arrangements, and (b) customers that may have received non-compliant financial advice. The scope of the remediation programs include the advice businesses of MLC Advice (formerly known as NAB Financial Planning), NAB Advice Partnerships and JBWere[1]. Remediation payments with respect to MLC Advice and NAB Advice Partnerships are now largely complete. JBWere is identifying potentially impacted customers, assessing impacts to those customers and making remediation payments in some cases. Where customer compensation is able to be reliably estimated, provisions have been recognised. The final outcome and total costs associated with this work remain uncertain.

Contingent tax risk

The tax affairs of the Group are subject to regular reviews by the Australian Taxation Office as well as the Revenue Offices of the various Australian States and Territories. These reviews cover various aspects of NAB's tax affairs including prior tax returns lodged and compliance with various customer data reporting regimes. Similar reviews are also undertaken by the relevant revenue offices in overseas jurisdictions in which the Group operates. The reviews described above may result in additional tax-related liabilities (including interest and penalties). Where appropriate, provisions have been made. The potential outcome and total costs associated with these activities remain uncertain.

Contractual commitments

The Group has provided warranties, indemnities and other commitments in favour of third parties in connection with various acquisitions and divestments of businesses, assets and other transactions, covering a range of matters and risks. The Group is potentially exposed to claims under those warranties, indemnities and commitments, some of which are currently active. The potential outcome and total costs associated with these exposures remain uncertain.

MLC Wealth Transaction

On 31 May 2021, the Group completed the sale of MLC Wealth, comprising its advice, platforms, superannuation and investments, and asset management businesses to Insignia Financial Ltd (MLC Wealth Transaction). As part of the MLC Wealth Transaction, the Company provided Insignia Financial Ltd with indemnities relating to certain pre-completion matters, including:

- breaches of anti-money laundering laws and regulations,
- regulatory fines and penalties, and
- certain litigation and regulatory investigations (including the NULIS class action described below).

A breach or triggering of these indemnities may result in the Company being liable to Insignia Financial Ltd.

The final financial impact associated with the MLC Wealth Transaction remains uncertain.

NULIS - class action

In October 2019, litigation funder Omni Bridgeway and William Roberts Lawyers commenced a class action against NULIS Nominees (Australia) Limited (NULIS) alleging breaches of NULIS's trustee obligations to act in the best interests of the former members of The Universal Super Scheme in deciding to maintain grandfathered commissions on their transfer into the MLC Super Fund on 1 July 2016. NULIS filed its first defence in the proceeding in February 2020. An initial trial to make determinations on the individual claims of the applicant and one sample group member was held on 9 October 2023. Judgment was delivered on 2 December 2024 in NULIS's favour, with final orders dismissing the proceeding and awarding costs to NULIS made on 12 February 2025. On 12 March 2025, the applicant filed an appeal of the judgment. A date for the appeal hearing is yet to be fixed.

The potential outcomes and total costs associated with this matter remain uncertain. While NULIS is no longer part of the Group following completion of the MLC Wealth Transaction, the Company remains liable for the costs associated with, and retains conduct of, this matter pursuant to the terms of the MLC Wealth Transaction.

(1) While the businesses of MLC Advice and NAB Advice Partnerships relevant to these matters have been sold to Insignia Financial Ltd (formerly known as IOOF) pursuant to the MLC Wealth Transaction, the Group has retained the companies that operated the advice business, such that the Group has retained all liabilities associated with the conduct of these businesses pre-completion of the MLC Wealth Transaction. JBWere is not within the scope of the MLC Wealth Transaction.

Other disclosures

Note 31
Interest in subsidiaries and other entities

Accounting policy

Investments in controlled entities

Controlled entities are all those entities (including structured entities) to which the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. An assessment of control is performed on an ongoing basis. Entities are consolidated from the date on which control is obtained by the Group. Entities are deconsolidated from the date that control ceases. The effects of transactions between entities within the Group are eliminated in full upon consolidation.

Investments in associates and joint ventures

Associates and joint ventures are entities over which the Group has significant influence or joint control, but not control. The Group's investments in associates and joint ventures are accounted for using the equity method, with the carrying amount of the investment increased or decreased to recognise the Group's share of the profit or loss of the investee.

Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. Structured entities generally have restricted activities and a narrow and well-defined objective which is created through contractual arrangement. Depending on the Group's power over the relevant activities of the structured entity and its exposure to and ability to influence its own returns, it may or may not consolidate the entity.

Unconsolidated structured entities refer to all structured entities that are not controlled by the Group. The Group enters into transactions with unconsolidated structured entities in the normal course of business to facilitate customer transactions or for specific investment opportunities.

Interests in unconsolidated structured entities include, but are not limited to, debt and equity investments, guarantees, liquidity arrangements, commitments, fees from investment structures, and derivative instruments that expose the Group to the risks of the unconsolidated structured entities. Interests do not include plain vanilla derivatives (e.g., interest rate swaps and cross currency swaps) and positions where the Group:

- creates rather than absorbs variability of the unconsolidated structured entity,
- provides administrative, trustee or other services as agent to third party managed structured entities.

Involvement is considered on a case by case basis, taking into account the nature of the structured entity's activities. This excludes involvement that exists only because of typical customer-supplier relationships.

Assets held for sale

Non-current assets are classified as held for sale if they will be recovered primarily through sale rather than through continuing use and where it is considered highly probable that the contracted sale will be completed within 12 months.

(a) Investments in controlled entities

The following table presents the material controlled entities as at 30 September 2025:

Entity name	Ownership %	Incorporated / formed in
National Equities Limited	100	Australia
National Australia Group (NZ) Limited	100	New Zealand
Bank of New Zealand	100	New Zealand

Significant restrictions

Subsidiary companies that are subject to prudential regulation are required to maintain minimum capital and other regulatory requirements that may restrict the ability of these entities to make distributions of cash or other assets to the parent company. These restrictions are managed in accordance with the Group's normal risk management policies set out in *Note 19 Financial risk management* and capital adequacy requirements in *Note 35 Capital adequacy*.

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Note 31 Interest in subsidiaries and other entities (cont.)

(b) Investments in associates and joint ventures

	Group				
	2025 $m	2024 $m	Ownership as at 30 Sep 2025	Country of incorporation	Principal activity
Entity name					
MLC Life[1]	-	237	20%	Australia	Life insurance
FirstCape NZ	**313**	301	45%	New Zealand	Wealth management
Total	**313**	538			

(1) During the year MLC Life was reclassified as a held for sale asset. Refer to section (e) for further details.

Transactions

There are commercial agreements between BNZ and FirstCape NZ, under which fees are charged by FirstCape NZ to BNZ for managing specific BNZ branded wealth products, and fees are also charged by BNZ to FirstCape NZ for distributing specific BNZ branded wealth products. Separately, BNZ provides banking services to FirstCape NZ, interest and fees are charged on these services. All services are provided on an arm's length basis.

(c) Consolidated structured entities

The Group has interests in the following types of consolidated structured entities:

Type	Details
Securitisation	The Group engages in securitisation activities for funding, liquidity and capital management purposes. The Group principally packages and sells residential mortgage loans as securities to investors through a series of bankruptcy remote securitisation vehicles. The Group is entitled to any residual income after all payments to investors and costs related to the program have been met. The note holders only have recourse to the pool of assets. The Group is considered to hold the majority of the residual risks and benefits of the vehicles. All relevant financial assets continue to be held on the Group balance sheet, and a liability is recognised for the proceeds of the funding transaction. The Group provides liquidity facilities to the securitisation vehicles. These facilities can only be drawn to manage the timing mismatch of cash inflows from securitised loans and cash outflows due to investors. The Group also provides redraw facilities to certain securitisation vehicles to manage the timing mismatch of principal collections from securitised loans and cash outflows in respect of customer redraws. The aggregate limit of these liquidity and redraw facilities as at 30 September 2025 is $1,116 million (2024: $1,351 million).
Covered bonds	The Group is entitled to any residual income after all payments due to covered bonds investors and costs related to the program have been met. Residential mortgage loans are assigned to a bankruptcy remote structured entity, which provides guarantees on the payments to covered bondholders. The covered bondholders have recourse to the Group and, following certain trigger events including payment default, the covered pool of assets.

(d) Unconsolidated structured entities

The Group has interests in the following types of unconsolidated structured entities:

Type	Details
Securitisation	The Group engages with third party (client) securitisation vehicles by providing warehouse facilities, liquidity support and derivatives. The Group invests in residential mortgage and asset-backed securities.
Other financing	The Group provides tailored lending to limited recourse single purpose vehicles which are established to facilitate asset financing for clients. The assets are pledged as collateral to the Group. The Group engages in raising finance for leasing assets such as aircraft, trains, shipping vessels and other infrastructure assets. The Group may act as a lender, arranger or derivative counterparty to these vehicles. Other financing transactions are generally senior, secured self-liquidating facilities in compliance with Group credit lending policies. Regular credit and financial reviews of the borrowers are conducted to ensure collateral is sufficient to support the Group's maximum exposures.
Investment funds	The Group has direct interests in unconsolidated investment funds. The Group's interests include holding units and receiving fees for services. The Group's interest in unconsolidated investment funds is immaterial.

Note 31 Interest in subsidiaries and other entities (cont.)

The table below shows the carrying value and maximum exposure to loss of the Group's interests in unconsolidated structured entities:

	Group					
	Securitisations		Other financing		Total	
	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m
Loans and advances[1]	**25,381**	23,663	**3,961**	2,942	**29,342**	26,605
Debt instruments	**1,651**	2,767	**-**	-	**1,651**	2,767
Total carrying value of assets in unconsolidated structured entities[1]	**27,032**	26,430	**3,961**	2,942	**30,993**	29,372
Commitment / contingencies[1]	**8,505**	8,116	**586**	219	**9,091**	8,335
Total maximum exposure to loss in unconsolidated structured entities[1]	**35,537**	34,546	**4,547**	3,161	**40,084**	37,707

(1) Comparative information has been restated to align to the classification in the current period.

Exposure to loss is managed as part of the Group's RMF. The Group's maximum exposure to loss is the total of its on-balance sheet positions and its off-balance sheet arrangements, being loan commitments, financial guarantees, and liquidity support. Consequently, the Group has presented these measures rather than the total assets of the unconsolidated structured entities. Refer to *Note 19 Financial risk management* for further details. Income earned from interests in unconsolidated structured entities primarily results from interest income, mark-to-market movements and fees and commissions.

The majority of the Group's exposures are senior investment grade, but in some limited cases, the Group may be required to absorb losses from unconsolidated structured entities before other parties because the Group's interests are subordinated to others in the ownership structure. The table below shows the credit quality of the Group's exposures in unconsolidated structured entities:

	Group					
	Securitisations		Other financing		Total	
	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m
Senior investment grade[1]	**26,759**	26,146	**838**	1,051	**27,597**	27,197
Investment grade[1]	**273**	281	**2,471**	1,618	**2,744**	1,899
Sub-investment grade	**-**	3	**652**	273	**652**	276
Total[1][2]	**27,032**	26,430	**3,961**	2,942	**30,993**	29,372

(1) Comparative information has been restated to align to the classification in the current period.
(2) Of the total, $30,899 million (2024: $29,230 million) represents the Group's interest in senior notes and $94 million in subordinated notes (2024: $142 million).

(e) Assets held for sale

The Group's investment in MLC Life is classified as held for sale, as NAB has entered into an agreement to sell its remaining 20 per cent stake in MLC Life to Nippon Life. The investment is included in Corporate Functions and Other. On 31 October 2025, the Group completed the disposal of its remaining stake in MLC Life. Refer to *Note 37 Events subsequent to reporting date* for further details.

Note 32
Related party disclosures

The Group provides a range of services to related parties including the provision of banking facilities and standby financing arrangements. Other dealings include granting loans and accepting deposits, and the provision of finance. These transactions are normally entered into on terms equivalent to those that prevail on an arm's length basis in the ordinary course of business.

Other transactions with controlled entities may involve provision of data processing services or access to intellectual or other intangible property rights. Charges for these transactions are normally on an arm's length basis or are otherwise on the basis of equitable rates agreed between the parties. The Company also provides various administrative services to the Group, which may include accounting, secretarial and legal. Fees may be charged for these services.

Loans made to subsidiaries are generally entered into on terms equivalent to those that prevail on an arm's length basis, except that there are often no fixed repayment terms for the settlement of loans between parties. Outstanding balances are unsecured and are repayable in cash.

The Company may incur costs on behalf of controlled entities in respect of customer-related remediation, regulatory activity, compliance investigations and associated proceedings. Refer to *Note 30 Commitments and contingent liabilities* for further details in respect of these matters.

Subsidiaries

The table below shows the net amounts payable to subsidiaries for the years ended 30 September:

	Company	
	2025	**2024**
	$m	**$m**
Balance at beginning of year	**(791)**	(482)
Net cash outflows	**4,416**	770
Net foreign currency translation movements and other amounts receivable	**93**	(1,079)
Balance at end of year	**3,718**	(791)

The table below shows material transactions with subsidiaries for the years ended 30 September:

	Company	
	2025	**2024**
	$m	**$m**
Net interest expense	**(1,083)**	(1,222)
Net management fees (expense)	**(829)**	(476)
Dividend revenue	**2,400**	3,105

Superannuation plans

The following payments were made to superannuation plans sponsored by the Group:

	Group		Company	
	2025	**2024**	**2025**	**2024**
Payment to:	**$m**	**$m**	**$m**	**$m**
National Australia Bank Group Superannuation Fund A[1]	**231**	227	**231**	227
Other	**10**	11	**10**	11

(1) Comparative information has been restated to align to the presentation in the current period.

Transactions between the Group and superannuation plans sponsored by the Group were made on commercial terms and conditions.

Note 32 Related party disclosures (cont.)

Key Management Personnel (KMP)

The list of the Company's KMP is assessed each year and comprises the non-executive directors of the Company, the Group CEO (an executive director of the Company) and those employees of the Group who have authority and responsibility for planning, directing and controlling the activities of both the Company and the Group. Details of KMP are set out in Section 6.1 and Section 7.3 of the *Remuneration Report* included in the *Report of the Directors*.

Remuneration

Total remuneration of KMP is included within total personnel expenses in *Note 5 Operating expenses*. The total remuneration is as follows:

	2025 $	2024 $
Short-term benefits		
Cash salary	**17,173,597**	17,132,887
Variable reward cash	**5,586,708**	5,881,820
Non-monetary	**598,444**	128,670
Post-employment benefits		
Superannuation	**626,310**	604,197
Other long-term benefits		
Other long-term benefits	**190,100**	211,734
Equity-based benefits		
Shares	**1,812,941**	746,980
Performance rights	**12,156,768**	26,953,189
Other		
Other remuneration	**677,000**	881,463
Total	**38,821,868**	52,540,940

Performance rights and shareholdings of KMP are set out in the *Remuneration Report* included in the *Report of the Directors*.

Loans to KMP and their related parties

During the 2025 financial year, loans made to KMP and other related parties of the Group and Company were $18 million (2024: $9 million). Loans to non-executive directors of the Company are made in the ordinary course of business on terms equivalent to those that prevail in arm's length transactions. Loans to the Group CEO and Group Executives may be made on similar terms and conditions generally available to other employees of the Group. Loans may be secured or unsecured depending on the nature of the lending product advanced. As at 30 September 2025, the total loan balances outstanding were $68 million (2024: $66 million).

No amounts were written off in respect of any loans made to directors or other KMP of the Group and Company during the current or prior reporting period.

Further details regarding loans advanced to KMP of the Group and Company are included in the *Remuneration Report* within the *Report of the Directors*.

Note 33
Remuneration of external auditor

	Group		Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
EY Australia - consolidated entities				
Audit services	**14,551**	13,323	**12,272**	10,992
Total audit services	**14,551**	13,323	**12,272**	10,992
Audit-related services				
Other statutory assurance services(1)	**5,075**	4,857	**4,756**	4,549
Other assurance services(2)	**1,452**	1,270	**1,415**	1,234
Total audit-related services	**6,527**	6,127	**6,171**	5,783
Other services				
Taxation-related services	**400**	41	**400**	41
Non-audit services(3)	**–**	6	**–**	6
Total other services	**400**	47	**400**	47
Total Australia	**21,478**	19,497	**18,843**	16,822
EY Overseas - consolidated entities				
Audit services	**4,145**	4,103	**1,800**	1,874
Total audit services	**4,145**	4,103	**1,800**	1,874
Audit-related services				
Other statutory assurance services(1)	**341**	439	**264**	428
Other assurance services(2)	**481**	387	**–**	–
Total audit-related services	**822**	826	**264**	428
Other services				
Taxation-related services	**9**	8	**–**	–
Non-audit services(3)	**11**	13	**–**	–
Total other services	**20**	21	**–**	–
Total Overseas	**4,987**	4,950	**2,064**	2,302
Total Australia and Overseas	**26,465**	24,447	**20,907**	19,124
Fees paid to the external auditor for services to non-consolidated entities of the Group	**149**	215	**–**	–
Total remuneration paid to the external auditor	**26,614**	24,662	**20,907**	19,124

(1) Other statutory assurance services relate to engagements required under prudential standards and other legislative or regulatory requirements.
(2) Other assurance services include assurance and attestation relating to climate and sustainability reporting, comfort letters over financing programmes as well as agreed upon procedures.
(3) The Audit Committee considered all non-audit services and were satisfied that these are compatible with maintaining audit independence.

Total remuneration paid to another audit firm where EY is in a joint audit arrangement for the audit of a Group subsidiary is $112,000 (2024: $108,000).

A description of the Audit Committee's pre-approval policies and procedures are set out in *Assurance and Control* in the *Corporate Governance Statement* and included in the *Report of the Directors*.

Note 34
Equity-based plans

Accounting policy

The value of shares and rights provided to employees are measured by reference to their grant date fair value. The grant date fair value of each share is determined by the market value of NAB shares and is generally a five-day weighted average share price. The grant date fair value of shares and rights with market performance hurdles is determined using a simulated version of the Black-Scholes model.

With the exception of general employee shares in Australia, the expense for each tranche of shares or rights granted is recognised in the income statement on a straight-line basis, adjusted for forfeitures, over the vesting period for the shares or rights. The expense for general employee shares in Australia is recognised in the income statement in the year the shares are granted as they are not subject to forfeiture. A corresponding increase is recorded in the equity-based compensation reserve.

Critical accounting judgements and estimates

The key estimates and inputs used in the Black-Scholes model vary depending on the award and type of security granted. They include the NAB share price at the time of the grant, exercise price of the rights (which is nil), the expected volatility of NAB's share price, the risk-free interest rate and the expected dividend yield on NAB shares for the life of the rights. When estimating expected volatility, historic daily share prices are analysed to arrive at annual and cumulative historic volatility estimates (which may be adjusted for any abnormal periods or non-recurring significant events). Trends in the data are analysed to estimate volatility movements in the future for use in the numeric pricing model. The simulated version of the Black-Scholes model takes into account both the probability of achieving market performance conditions and the potential for early exercise of vested rights.

While market performance conditions are incorporated into the grant date fair values, non-market conditions are not taken into account when determining the fair value and expected time to vesting of shares and rights. Instead, non-market conditions are taken into account by adjusting the number of shares and rights included in the measurement of the expense so that the amount recognised in the income statement reflects the number of shares or rights that actually vest.

Under the Group's employee equity plans, employees of the Group are awarded shares and rights. An employee's right to participate in a plan is often dependent on their performance or the performance of the Group, and shares and rights awarded under the plans are often subject to service and/or performance conditions.

Generally, a right entitles its holder to be allocated one share when the right vests and is exercised. However, under certain bespoke plans, a right entitles its holder to be allocated a number of shares equal to a predetermined value on vesting and exercise of the right.

The Board determines the maximum total value of shares or rights offered under each plan having regard to the rules of the relevant plan and, where required, the method used in calculating the fair value per security. Under ASX Listing Rules, shares and rights may not be issued to the Company's directors under an employee equity plan without specific shareholder approval.

Under the terms of most offers, there is a period during which shares are held on trust for the employee they are allocated to and cannot be dealt with, or rights granted to an employee cannot be exercised, by that employee. There may be forfeiture or lapse conditions which apply to shares or rights allocated to an employee (as described below), including as a result of the employee ceasing employment with the Group during those periods or conduct standards not being met. Shares allocated to employees are eligible for any cash dividends paid by the Company on those shares from the time those shares are allocated to the trustee on their behalf. Rights granted to employees are not eligible for any cash dividends paid by the Company. In some limited circumstances, there may be a cash dividend equivalent payment made in the event that rights vest.

The table below sets out details of the Group's employee equity plans that are offered on a regular basis. As noted above, the Group also offers bespoke plans in certain circumstances, including in connection with material transactions, as a retention mechanism and to encourage the achievement of certain specific business growth targets.

Note 34 Equity-based plans (cont.)

	Variable Reward (VR)	Long-term Variable Reward (LTVR) (Up to 30 September 2023)	Long-term Incentive (LTI) - LTEA and LTVR (From 1 October 2023)	Annual Equity Award (AEA)	Commencement awards	Recognition/ Retention awards	General employee shares
Description	A proportion of an employee's annual VR is provided in equity and is deferred for a specified period. The deferred amount and the deferral period is different based on the incentive plan participated in, and the level of risk, responsibility and seniority of the employees. VR was referred to as 'short-term incentive' before the 2019 financial year.	LTVRs (including prior year Long-term Incentive (LTI) grants) are awarded to encourage long-term decision-making critical to creating long-term value for shareholders through the use of challenging long-term performance hurdles.	LTI consists of two equally weighted components: **Long-term Equity Award (LTEA)** - Represents the non-financial measure component of LTI, focused on risk. It is awarded to ensure risk management is front of mind in making long-term decisions and encourage the creation of safe, sustainable growth in shareholder value. **Long-term Variable Reward (LTVR)** - Represents the financial measure component of LTI. It is awarded to encourage long-term decision-making critical to creating long-term value for shareholders.	Annual awards of deferred shares under the AEA to create shareholder alignment, drive continued sustainable performance and emphasise focus on risk management and good conduct and behaviour outcomes. Deferred shares are subject to restrictions and certain forfeiture or lapsing conditions, including forfeiture or lapsing on resignation from the Group, or if conduct standards are not met.	Provided to enable the buy-out of equity or other incentives from an employee's previous employment.	Offered to key individuals in roles where retention is critical over the medium-term (generally between two and three years).	Shares up to a target value of $1,000 are offered to eligible employees.
Eligibility	Certain employees based in Australia and certain overseas jurisdictions having regard to their individual performance and the performance of the Group.	The ELT up to and including the 2023 financial year (except for the 2018 financial year when no LTVRs were awarded).	The ELT from the 2024 financial year onwards, subject to pre-grant assessments undertaken by the Board.	Certain employees appointed to roles classified as Group 5 and Group 6, as defined in the NAB Enterprise Agreement 2024, based in Australia and certain overseas jurisdictions.	Provided on a case by case basis, with the recommendation of the People & Remuneration Committee and the approval of the Board.	Provided on a case by case basis, with the recommendation of the People & Remuneration Committee and the approval of the Board.	Permanent employees in Australia.

Note 34 Equity-based plans (cont.)

	Variable Reward (VR)	Long-term Variable Reward (LTVR) (Up to 30 September 2023)	Long-term Incentive (LTI) - LTEA and LTVR (From 1 October 2023)	Annual Equity Award (AEA)	Commencement awards	Recognition/ Retention awards	General employee shares
Type of equity-based payment	Generally shares. However, rights are also granted for jurisdictional reasons.	Performance rights	Performance rights	Generally shares	Generally shares. However, rights are also granted in some circumstances.	Generally shares. However, rights are also granted in some circumstances.	Shares
Service conditions and performance hurdles	Deferred shares or rights are forfeited or lapsed during the vesting period if: • The employee resigns. • The employee does not meet conduct standards. • The employee's employment with the Group is terminated, subject to certain exclusions.	During the vesting period, all of an executive's performance rights will lapse on the executive's resignation from the Group. Performance rights will also lapse if conduct standards or performance hurdles are not met. The Board has absolute discretion to determine vesting or lapsing outcomes for the performance rights.	During the performance period and post-vesting deferral period, all of an executive's performance rights will lapse on the executive's resignation from the Group. Performance rights will also lapse if risk management, conduct standards or performance hurdles are not met. The Board has absolute discretion to determine vesting or lapsing outcomes for the performance rights.	Deferred shares are subject to restrictions and certain forfeiture or lapsing conditions, including forfeiture or lapsing on resignation from the Group, or if conduct standards are not met.	Shares or rights are subject to restrictions and certain forfeiture or lapsing conditions, including forfeiture or lapsing on resignation from the Group or if conduct standards are not met.	Shares or rights are subject to restrictions and certain forfeiture or lapsing conditions, including forfeiture or lapsing on resignation from the Group or if conduct standards are not met.	Shares are subject to restrictions on dealing for three years and are not subject to forfeiture.

Note 34 Equity-based plans (cont.)

	Variable Reward (VR)	Long-term Variable Reward (LTVR) (Up to 30 September 2023)	Long-term Incentive (LTI) - LTEA and LTVR (From 1 October 2023)	Annual Equity Award (AEA)	Commencement awards	Recognition/ Retention awards	General employee shares
Vesting, performance or deferral period	Defined period which differs based on the VR plan participated in and the employee's seniority. The period aligns with the level of risk, impact of the role on business performance and results and regulatory requirements. The vesting period will generally be between one and seven years.	Defined period set at time of grant, generally between four and five years.	Defined performance period of four years, followed by a further two years (for CEO) or one year (all other ELT) restriction period. A risk and conduct assessment will be undertaken by the Board prior to vesting.	Defined period set at time of grant. Deferred Shares vest in equal tranches over three years.	Defined period set at time of grant, based on satisfactory evidence of foregone awards from previous employment.	Defined period set at time of grant.	Three years.
Exercise period (only applicable for rights)	If the applicable conditions are met, deferred rights will vest and each right will be automatically exercised. n/a for share grants.	Performance rights will be automatically exercised if they vest.	Performance rights will be automatically exercised if they vest.	n/a	If the applicable conditions are met, rights will vest and each right will be automatically exercised. n/a for share grants.	If the applicable conditions are met, rights will vest and each right will be automatically exercised. n/a for share grants.	n/a
Board discretion	The Board regularly reviews Group performance for risk, reputation, conduct and performance considerations and has the ability to: • Extend the vesting, performance or deferral period beyond the original period for the ELT, other Accountable Persons and, in certain circumstances, other employees. • Forfeit or lapse the deferred shares or rights. • Clawback the deferred shares or rights from the ELT, other Accountable Persons and in certain circumstances, other employees. In addition, the Board generally has discretion to determine the treatment of unvested shares and rights at the time a change of control event occurs. Vesting of shares and rights will not be automatic or accelerated and the Board will retain discretion in relation to the vesting outcome including absolute discretion to forfeit all shares and rights.						n/a

Note 34 Equity-based plans (cont.)

Employee share plan

	2025		2024	
	Fully paid ordinary shares granted during the year	Weighted average grant date fair value	Fully paid ordinary shares granted during the year	Weighted average grant date fair value
	No.	$	No.	$
Employee share plans				
Annual Equity Award	**971,761**	**38.13**	908,428	29.01
Commencement and Recognition Award	**348,743**	**38.83**	302,673	33.10
General Employee Share Offer	**650,100**	**38.88**	827,475	29.71
Long-Term Incentive(1)	**2,573**	**37.63**	-	-
Variable Reward Deferred Shares	**1,534,038**	**38.11**	2,791,448	27.88

(1) NAB Ventures LTI shares granted on 16 December 2024.

The closing market price of NAB shares as at 30 September 2025 was $44.15 (2024: $37.35). The 5-day volume weighted average share price during the year ended 30 September 2025 was $43.52 (2024: $33.26).

Rights movements

	2025	2024
Number of rights		
Opening balance as at 1 October	**4,312,846**	3,846,620
Granted(1)	**779,920**	1,253,851
Forfeited(1)	**(233,963)**	(204,536)
Exercised	**(1,403,995)**	(583,089)
Closing balance as at 30 September	**3,454,808**	4,312,846
Exercisable as at 30 September	**-**	-

(1) Where rights have been allocated or forfeited to a predetermined value, the total number granted or forfeited has been estimated using a share price of $43.52, being the 5-day volume weighted average share price of NAB shares during the financial year ended 30 September 2025 (2024: $33.26).

	2025		2024	
	Outstanding at 30 Sep	Weighted average remaining life	Outstanding at 30 Sep	Weighted average remaining life
	No.	months	No.	months
Terms and conditions				
Market hurdle	**1,956,187**	**18**	2,886,199	18
Non-market hurdle(1)	**562,010**	**40**	427,505	46
Individual hurdle(1)	**936,611**	**17**	999,142	18

(1) Where rights have been allocated or forfeited to a predetermined value, the total number granted or forfeited has been estimated using a share price of $43.52, being the 5-day volume weighted average share price of NAB shares during the financial year ended 30 September 2025 (2024: $33.26).

Note 34 Equity-based plans (cont.)

Information on fair value calculation

The table below shows the significant assumptions used as inputs into the grant date fair value calculation of rights granted during each of the last two years. In the following table, values have been presented as weighted averages, but the specific values for each grant are used for the fair value calculation. The table also shows a 'no hurdle' value for rights that do not have any market-based performance hurdles attached. The 'no hurdle' value is calculated as the grant date fair value of the rights, and in most instances is adjusted for expected dividends over the vesting period.

	2025	2024
Weighted average values		
Contractual life (years)	**3.8**	3.4
Risk-free interest rate (per annum) (%)	**3.91**	3.87
Expected volatility of share price (%)	**19**	15
Closing share price on grant date ($)	**37.20**	31.30
Dividend yield (per annum) (%)	**4.54**	5.31
Fair value of rights with a market hurdle ($)	**15.12**	18.40
Fair value of rights without a market hurdle ($)	**32.31**	25.72
Expected time to vesting (years)	**3.85**	3.39

Note 35
Capital adequacy

As an Authorised Deposit-taking Institution (ADI), the Company is subject to regulation by APRA under the authority of the *Banking Act 1959* (Cth). APRA has set minimum prudential capital requirements (PCR) for ADIs consistent with the Basel Committee on Banking Supervision capital adequacy framework. PCR are expressed as a percentage of total RWA. APRA requirements are summarised below:

CET1 capital	Tier 1 capital	Total capital
The highest quality component of capital. CET1 capital ranks behind the claims of depositors and other creditors in the event of a winding-up of the issuer, absorbs losses as and when they occur, has full flexibility of dividend payments and has no maturity date. CET1 capital consists of paid-up ordinary share capital, retained profits and certain other items as defined in APS 111 *Capital Adequacy: Measurement of Capital.*	CET1 capital plus AT1 capital. AT1 capital comprises high quality components of capital that provide a permanent and unrestricted commitment of funds, are freely available to absorb losses, rank behind the claims of depositors and other more senior creditors in the event of winding up of the issuer, and provide for fully discretionary capital distributions.	Tier 1 capital plus Tier 2 capital. Tier 2 capital includes components of capital that, to varying degrees, fall short of the quality of Tier 1 capital but nonetheless contribute to the overall strength of an ADI and its capacity to absorb losses.

Reporting levels

Regulatory capital requirements are measured on a Level 1 and Level 2 basis. Level 1 comprises the Company and Extended Licenced Entities approved by APRA. Level 2 comprises the Company and the entities it controls, excluding securitisation special purpose vehicles (SPVs) to which assets have been transferred in accordance with the requirements for regulatory capital relief in APS 120 *Securitisation* and funds management entities.

APRA minimum requirements

APRA's revised capital framework has applied since 1 January 2023. Under this framework, APRA's minimum PCR as a percentage of the ADI's total RWA are: 4.5% of RWA for CET1 capital, 6% for Tier 1 capital and 8% for Total Capital. Under APRA's loss-absorbing capacity framework, APRA has required domestic systemically important banks (D-SIBs), which includes the Company, to hold incremental Total capital equal to 3% of risk-weighted assets (RWA) since 1 January 2024. The requirement increases by 1.5% (to a total of 4.5%) of RWA on 1 January 2026. Based on the Group's RWA and Total Capital position at 30 September 2025, the 4.5% of RWA Total capital requirement has been met.

An ADI must hold a capital conservation buffer comprised of CET1 capital above the PCR. The capital conservation buffer is 4.75% of the ADI's total RWA, which includes an additional 1% for D-SIBs.

In addition, APRA requires the Group to hold a countercyclical capital buffer set on a jurisdictional basis, with a default setting of 1% for Australia.

In December 2024, APRA confirmed it will phase out the use of Additional Tier 1 (AT1) capital from 1 January 2027. Under APRA's approach, large, internationally active banks including NAB will replace 1.5% AT1 capital with 0.25% Common Equity Tier 1 (CET1) capital and 1.25% Tier 2 capital. Until 2032, existing AT1 capital instruments will be eligible to be included as Tier 2 capital until their first call date. This change is intended to ensure that the capital strength of the Australian banking system operates more effectively in a stress scenario. APRA plans to finalise amendments to prudential standards to reflect the change by the end of 2025. As at 30 September 2025, NAB's Tier 1 capital ratio is 13.74% and complies with APRA's Tier 1 requirement of 11.75%.

APRA may determine higher PCRs for an ADI and may change an ADI's PCRs at any time. A breach of the required ratios under APRA's prudential standards may trigger legally enforceable directions by APRA, which can include a direction to raise additional capital.

Capital management

The Group's capital management strategy is focused on adequacy, efficiency and flexibility. The capital adequacy objective seeks to ensure sufficient capital is held in excess of regulatory requirements, and within the Group's balance sheet risk appetite. This approach is consistent across the Group's subsidiaries.

Capital ratios are monitored against operating targets that are set by the Board above minimum capital requirements set by APRA.

The Group's capital ratio operating targets are regularly reviewed in the context of the external economic and regulatory outlook with the objective of maintaining balance sheet strength.

During the year, the Group's CET1 ratio operating target was increased by 25bps to greater than 11.25% to reflect APRA's decision to phase out AT1 capital from January 2027.

Note 36
Notes to the statement of cash flows

Reconciliation of net profit attributable to owners the Company to net cash provided by / (used in) operating activities

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Net profit attributable to owners of the Company	**6,759**	6,960	**6,367**	6,894
Add / (deduct) non-cash items in the income statement:				
(Increase) / decrease in interest receivable	**414**	(210)	**363**	(194)
Increase / (decrease) in interest payable	**(1,018)**	964	**(860)**	807
Increase / (decrease) in unearned income and deferred net fee income	**(4)**	552	**42**	594
Fair value movements on assets, liabilities and derivatives held at fair value	**2,826**	(872)	**1,895**	(836)
Increase in provisions	**1,272**	1,080	**1,099**	1,005
Equity-based compensation recognised in equity or reserves	**143**	149	**143**	149
Superannuation costs - defined benefit plans	**(1)**	(5)	**(3)**	(7)
Impairment losses on non-financial assets	**10**	10	**78**	11
Credit impairment charge	**883**	836	**850**	709
Gain on disposal of loans and advances	**(4)**	(2)	**(4)**	(2)
Depreciation and amortisation expense	**1,360**	1,310	**1,110**	1,058
Decrease in other assets	**306**	93	**204**	1
Increase / (decrease) in other liabilities	**106**	(100)	**137**	94
Increase / (decrease) in income tax payable	**(212)**	80	**(197)**	(96)
(Increase) in deferred tax assets	**(154)**	(212)	**(162)**	(180)
Increase in deferred tax liabilities	**27**	59	**15**	15
Operating cash flow items not included in profit	**(4,307)**	(46,176)	**(2,668)**	(42,339)
Investing or financing cash flows included in profit				
Gain on sale of controlled entities, before income tax	**(40)**	(407)	**(111)**	(2)
Loss on sale of other debt and equity instruments	**136**	97	**136**	97
Loss on sale of property, plant, equipment and other assets	**9**	13	**10**	14
Net cash provided by / (used in) operating activities	**8,511**	(35,781)	**8,444**	(32,208)

Note 36 Notes to the statement of cash flows (cont.)

Reconciliation of liabilities arising from financing activities

	Group				Company			
	Bonds, notes and subordinated debt		Debt issued	Lease liabilities	Bonds, notes and subordinated debt		Debt issued	Lease liabilities
	At fair value	At amortised cost			At fair value	At amortised cost		
	$m	$m	$m	$m	$m	$m	$m	$m
Balance as at 1 October 2023	13,741	135,645	8,561	2,259	4,371	124,329	8,561	1,816
Cash flows								
Proceeds from issue	960	41,823	1,000	–	187	37,468	1,000	–
Repayments	(4,997)	(21,641)	–	(321)	(128)	(20,606)	–	(283)
Non-cash changes								
Additions to lease liabilities	–	–	–	142	–	–	–	78
Fair value changes, including fair value hedge adjustments	979	4,614	–	–	723	2,952	–	–
Foreign currency translation and other adjustments	(396)	(4,147)	(1)	(8)	(268)	(3,587)	(1)	(2)
Balance as at 30 September 2024	10,287	156,294	9,560	2,072	4,885	140,556	9,560	1,609
Cash flows								
Proceeds from issue	**1,273**	**41,620**	**–**	**–**	**315**	**39,586**	**–**	**–**
Repayments	**(2,092)**	**(31,314)**	**(600)**	**(336)**	**–**	**(29,222)**	**(600)**	**(305)**
Non-cash changes								
Additions to lease liabilities	**–**	**–**	**–**	**194**	**–**	**–**	**–**	**114**
Fair value changes, including fair value hedge adjustments	**(69)**	**342**	**–**	**–**	**(99)**	**150**	**–**	**–**
Foreign currency translation and other adjustments	**225**	**7,365**	**12**	**(16)**	**305**	**6,342**	**12**	**2**
Balance as at 30 September 2025	**9,624**	**174,307**	**8,972**	**1,914**	**5,406**	**157,412**	**8,972**	**1,420**

Note 36 Notes to the statement of cash flows (cont.)

Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash and liquid assets and amounts due from other banks (including reverse repurchase agreements and short-term government securities) net of amounts due to other banks that are readily convertible to known amounts of cash within three months.

Cash and cash equivalents as shown in the cash flow statement is reconciled to the related items on the balance sheet as follows:

	Group		Company	
	2025	2024	2025	2024
	$m	$m	$m	$m
Assets				
Cash and liquid assets	**2,604**	2,499	**2,407**	2,318
Treasury and other eligible bills	**139**	275	**-**	-
Due from other banks (excluding mandatory deposits with supervisory central banks)	**31,553**	22,523	**26,135**	17,164
Total cash and cash equivalent assets	**34,296**	25,297	**28,542**	19,482
Liabilities				
Due to other banks	**(9,478)**	(6,461)	**(8,302)**	(5,337)
Total cash and cash equivalents	**24,818**	18,836	**20,240**	14,145

Note 37
Events subsequent to reporting date

On 31 October 2025, the Group completed the disposal of its remaining 20 per cent stake in MLC Life for total cash proceeds of $497 million. The investment in MLC Life of $243 million was derecognised by the Group on this date, resulting in an overall gain on disposal of $254 million which will be included in the Group's statutory net profit for the year ending 30 September 2026. As part of the transaction, NAB has agreed to provide up to $150 million contingent Tier 2 capital support to the combined MLC Life Insurance and Resolution Life Australasia business if required. The capital support is available to be drawn down, subject to certain conditions being met, for a period of three years, from completion of the transaction, with the final terms subject to regulatory approvals.

There are no other items, transactions or events of a material or unusual nature that have arisen in the interval between 30 September 2025 and the date of this report that, in the opinion of the directors, have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future years.

Consolidated entity disclosure statement

Below is the Group consolidated entity disclosure statement as required by s295(3A) of the *Corporations Act 2001* (Cth).

		Body Corporates		Tax residency[1]	
Entity name	**Entity type**	**Place formed or incorporated**	**% of share capital held**	**Australian or foreign**	**Foreign jurisdiction**
National Australia Bank Limited	Body corporate	Australia	N/A	Australian	N/A
86 400 Holdings Ltd	Body corporate	Australia	100%	Australian	N/A
86 400 Pty Ltd	Body corporate	Australia	100%	Australian	N/A
86 400 Technology Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Advantedge Financial Services Holdings Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Advantedge Financial Services Pty Ltd	Body corporate	Australia	100%	Australian	N/A
AFSH Nominees Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Apogee Financial Planning Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Bank of New Zealand	Body corporate	New Zealand	100%	Foreign	New Zealand
Blink Pay Global Group Limited	Body corporate	New Zealand	100%	Foreign	New Zealand
Blink Pay NZ Limited	Body corporate	New Zealand	100%	Foreign	New Zealand
BNZ Branch Properties Limited	Body Corporate	New Zealand	100%	Foreign	New Zealand
BNZ Equity Investments No.2 Limited	Body Corporate	New Zealand	100%	Foreign	New Zealand
BNZ Facilities Management Limited	Body Corporate	New Zealand	100%	Foreign	New Zealand
BNZ International Funding Limited	Body Corporate	New Zealand	100%	Foreign	New Zealand
BNZ Investments Limited	Body Corporate	New Zealand	100%	Foreign	New Zealand
BNZ Property Investments Limited	Body Corporate	New Zealand	100%	Foreign	New Zealand
Centrapay Limited	Body Corporate	New Zealand	100%	Foreign	New Zealand
Diners Club Pty Limited	Body corporate	Australia	100%	Australian	N/A
Equity Management Unit Holdings Pty Ltd	Body corporate	Australia	100%	Australian	N/A
GPL (VIC) Pty Ltd	Body corporate	Australia	100%	Australian	N/A
GWM Adviser Services Pty Ltd	Body corporate	Australia	100%	Australian	N/A
HICAPS Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Invia Custodian Pty. Limited	Body corporate	Australia	100%	Australian	N/A
JBWere (NZ) Holdings Limited	Body corporate	New Zealand	100%	Foreign	New Zealand
JBWere Ltd	Body corporate	Australia	100%	Australian	N/A
Lantern Claims Pty. Limited	Body corporate	Australia	100%	Australian	N/A
Medfin Australia Pty Limited	Body corporate	Australia	100%	Australian	N/A
Meritum Financial Group Pty Ltd	Body corporate	Australia	100%	Australian	N/A
NAB Global Innovation Centre India Private Limited	Body corporate	India	100%	Foreign	India
NAB Investment Services Pty Ltd	Body corporate	Australia	100%	Australian	N/A
NAB Investments Limited	Body corporate	United Kingdom	100%	Foreign	United Kingdom
NAB Japan Securities Limited	Body corporate	Japan	100%	Foreign	Japan
NAB Trust Services Limited[2]	Body corporate	Australia	100%	Australian	N/A
NAB Ventures Pty Limited	Body corporate	Australia	100%	Australian	N/A
NABSecurities LLC[3]	Body corporate	United States	100%	Foreign	United States
National Australia Bank Europe S.A.	Body corporate	France	100%	Foreign	France
National Australia Corporate Services Pty Ltd	Body corporate	Australia	100%	Australian	N/A
National Australia Finance (Commercial Leasing) Limited	Body corporate	United Kingdom	100%	Foreign	United Kingdom
National Australia Finance (Europe Holdings) Limited	Body corporate	United Kingdom	100%	Foreign	United Kingdom
National Australia Finance (Infrastructure Leasing No.2) Limited	Body corporate	United Kingdom	100%	Foreign	United Kingdom
National Australia Funding (Delaware) Inc.	Body corporate	United States	100%	Foreign	United States
National Australia Group (NZ) Limited	Body corporate	New Zealand	100%	Foreign	New Zealand
National Australia Investment Capital Pty Ltd	Body corporate	Australia	100%	Australian	N/A
National Australia Managers Limited	Body corporate	Australia	100%	Australian	N/A
National Equities Limited	Body corporate	Australia	100%	Australian	N/A
National Margin Services Pty Ltd	Body corporate	Australia	100%	Australian	N/A

Consolidated entity disclosure statement

Entity name	Entity type	Body Corporates		Tax residency[(1)]	
		Place formed or incorporated	% of share capital held	Australian or foreign	Foreign jurisdiction
National Nominees Limited	Body corporate	Australia	100%	Australian	N/A
Nautilus Insurance Pte Ltd	Body corporate	Singapore	100%	Foreign	Singapore
NMS Nominees Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Partown Pty. Limited	Body corporate	Australia	100%	Australian	N/A
Sapient Pty Limited	Body corporate	Australia	100%	Australian	N/A
Tasovac Pty Limited	Body corporate	Australia	100%	Australian	N/A
The Deep in Hull Limited	Body corporate	United Kingdom	100%	Foreign	United Kingdom
Vietnam Software Development Center Co., Ltd	Body corporate	Vietnam	100%	Foreign	Vietnam
Wealthhub Securities Limited	Body corporate	Australia	100%	Australian	N/A
Wealthhub Securities Nominees Pty Limited	Body corporate	Australia	100%	Australian	N/A
BNZ Covered Bond Trust	Trust	N/A	N/A	Foreign	New Zealand
BNZ RMBS Trust Series 2008-1	Trust	N/A	N/A	Foreign	New Zealand
BNZ Term Pie Unit Trust	Trust	N/A	N/A	Foreign	New Zealand
CBSS Millennium Series BB Trust	Trust	N/A	N/A	Australian	N/A
Foxtel Receivables Trust	Trust	N/A	N/A	Australian[(4)]	N/A
NAB Covered Bond Trust	Trust	N/A	N/A	Australian	N/A
National RMBS Trust 2012-1	Trust	N/A	N/A	Australian	N/A
National RMBS Trust 2015-2	Trust	N/A	N/A	Australian	N/A
National RMBS Trust 2016-1	Trust	N/A	N/A	Australian	N/A
National RMBS Trust 2018-1	Trust	N/A	N/A	Australian	N/A
National RMBS Trust 2018-2	Trust	N/A	N/A	Australian	N/A
National RMBS Trust 2022-1	Trust	N/A	N/A	Australian	N/A
National RMBS Trust 2023-1	Trust	N/A	N/A	Australian	N/A
National RMBS Trust 2024-1	Trust	N/A	N/A	Australian	N/A
Sasquatch Trust 2025-1	Trust	N/A	N/A	Australian	N/A
Securitised Australian Mortgage Trust 2017-1	Trust	N/A	N/A	Australian	N/A
Entities in liquidation					
Custom Credit Corporation Ltd	Body corporate	Australia	100%	Australian	N/A
Custom Credit Holdings Ltd	Body corporate	Australia	100%	Australian	N/A
NAB Properties Australia Pty Ltd	Body corporate	Australia	100%	Australian	N/A
National OBU Pty Limited	Body corporate	Australia	100%	Australian	N/A
National Wealth Management International Holdings Pty Ltd	Body corporate	Australia	100%	Australian	N/A
NBA Properties Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Plan Australia Operations Pty. Ltd.	Body corporate	Australia	100%	Australian	N/A
The Bank of Victoria	Body corporate	Australia	100%	Australian	N/A
Titan Securitisation Limited	Body corporate	Australia	0%[(5)]	Australian[(4)]	N/A

(1) All Australian entities are part of the NAB tax consolidated group unless otherwise stated.
(2) This entity also acts as trustee for Foxtel Receivables Trust and Sasquatch Trust 2025-1.
(3) The entity is a disregarded entity for U.S. Federal tax purposes and is not a U.S. Person. However income of the entity is incorporated into the tax calculation of NAB's US branch for the purposes of Federal Income Tax and State and local taxes.
(4) This entity is not part of the NAB tax consolidated group.
(5) This entity is consolidated as it is controlled by the NAB Group.

Directors' declaration

The directors of National Australia Bank Limited declare that:

(a) in the opinion of the directors, the financial statements and notes for the year ended 30 September 2025, as set out on pages 144 to 236, are in accordance with the *Corporations Act 2001* (Cth), including:

  (i) in compliance with Australian Accounting Standards (including Australian Accounting Interpretations), International Financial Reporting Standards as stated in *Note 1 Basis of preparation, and* any further requirements of the *Corporations Regulations 2001;* and

  (ii) give a true and fair view of the financial position of the Company and the Group as at 30 September 2025, and of the performance of the Company and the Group for the year ended 30 September 2025.

(b) in the opinion of the directors, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(c) the directors have been given the declarations required by section 295A of the *Corporations Act 2001* (Cth) for the year ended 30 September 2025.

(d) the consolidated entity disclosure statement, as required by section 295(3A) of the *Corporations Act 2001* (Cth) and as set out on pages 237 to 238, is true and correct.

Signed in accordance with a resolution of the directors.

Philip Chronican
Chair
6 November 2025

Andrew Irvine
Group Chief Executive Officer
6 November 2025

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Independent auditor's report to the Members of National Australia Bank Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of National Australia Bank Limited (the Company) and its subsidiaries (collectively the Group), which comprises:

- The Group consolidated and Company balance sheets as at 30 September 2025;
- The Group consolidated and Company income statements, statements of comprehensive income, statements of cash flows and statements of changes in equity for the year then ended;
- Notes to the financial statements, including material accounting policy information;
- The consolidated entity disclosure statement; and
- The directors' declaration.

In our opinion, the accompanying financial report is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the Company's and the Group's balance sheets as at 30 September 2025 and their financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Why significant	How our audit addressed the key audit matter
Provision for credit impairment	
As at 30 September 2025 the Group has a provision for credit impairment of $6,165 million as disclosed in Note 17 *Provision for credit impairment*. The provision for credit impairment is measured in accordance with the requirements of AASB 9 *Financial Instruments* (AASB 9). Key areas of significant judgment included: ▶ the application of the impairment requirements of AASB 9 within the expected credit loss (ECL) methodology; ▶ the identification of exposures with a significant increase in credit risk; ▶ assumptions used in ECL models (for exposures assessed on an individual or collective basis); and ▶ forward-looking provisions held to reflect the impact of current and anticipated external factors, including multiple economic scenarios and the weightings applied for each of these scenarios. This was a key audit matter due to the value of the provision, and the degree of judgment and estimation uncertainty associated with the provision calculation.	Our audit procedures included the following: We assessed the alignment of the Group's ECL model and its underlying methodology against the requirements of AASB 9. In conjunction with our actuarial and economic specialists, we assessed the following for exposures and evaluated on a collective basis: ▶ significant modelling and macroeconomic assumptions, including the reasonableness of forward-looking information and scenarios; ▶ the determination of a significant increase in credit risk; ▶ the appropriateness and sensitivity of the collective provisions to changes in ECL measurement methodology and modelling assumptions; ▶ the mathematical accuracy of management's model; and ▶ the basis for and data used to determine forward-looking adjustments. We assessed a sample of exposures on an individual basis by: ▶ assessing the reasonableness and timeliness of internal credit quality assessments based on the borrowers' particular circumstances; and ▶ evaluating the associated provisions by assessing the reasonableness of key inputs into the credit impairment calculation, focusing on high-risk industries, work out strategies, collateral values, and the value and timing of recoveries. In conjunction with our IT and actuarial specialists, we assessed the effectiveness of relevant key controls relating to: ▶ capture of data, including loan origination and transactional data, ongoing internal credit quality assessments, storage of data in data warehouses, and interfaces with the provision calculation engine; ▶ ongoing monitoring and validation of ECL models; and ▶ review and approval of economic scenarios assumptions, and weightings. We evaluated the processes used to identify climate-related risks associated with the provision for credit impairment. We assessed the adequacy and appropriateness of the disclosures related to credit impairment included in the Notes to the financial statements.

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Why significant	How our audit addressed the key audit matter
Impairment assessment of goodwill	
The Group has recognised goodwill of $2,070 million as at 30 September 2025. As disclosed in Note 22 *Goodwill and other intangible assets*, the Group performs an annual impairment assessment, or more frequently if there is an indication that goodwill may be impaired. This involves a comparison of the carrying value of the cash generating unit (CGU) to which the goodwill has been attributed with its recoverable amount. Judgement is involved in assessing the CGUs identified by the Group. Recoverable amounts were determined using a value in use (VIU) basis for all CGUs. The determination of recoverable amounts incorporated a range of key assumptions, including: ▶ future cash flows; ▶ discount rate; and ▶ terminal growth rate. The impairment assessment of goodwill was a key audit matter due to the degree of estimation uncertainty associated with the assumptions applied in the impairment assessment.	Our audit procedures included the following: We assessed the appropriateness of the CGUs identified to which goodwill was allocated. We assessed whether the VIU calculation methodology used by the Group for the impairment assessment of goodwill was in accordance with the requirements of Australian Accounting Standards. We agreed forecast cash flows to the most recent Board or management approved cash flow forecasts and assessed the historical forecasting accuracy by performing a comparison of recent forecasts to actual results. We involved our valuation specialists to assess the key assumptions used in the impairment assessment, including future cash flow forecasts, discount rates and terminal growth rates, and to test the mathematical accuracy of the impairment models. We assessed the Group's current market capitalisation against the recoverable amount implied by the Group's VIU calculation and benchmarked the implied valuation multiples to comparable company valuation multiples. We assessed the adequacy and appropriateness of the disclosures related to the impairment assessment of goodwill included in the Notes to the financial statements.

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Why significant	How our audit addressed the key audit matter
Information Technology (IT) systems and controls over financial reporting	
A significant part of the financial reporting process is primarily reliant on IT systems with automated processes and controls relating to the capture, storage and extraction of a high volume of information. A fundamental component of these IT systems and controls is ensuring that risks relating to inappropriate user access management, unauthorised program changes and IT operating protocols are addressed. This was identified as a key audit matter as our audit approach is dependent on the effective operation of the IT controls.	Our audit procedures included the following: We focused on those IT systems and controls that are significant to the financial reporting process. We involved our IT specialists, as audit procedures over IT systems and controls require specific expertise. We assessed the design, implementation, and operating effectiveness of IT controls, including those related to: ▶ General security settings and authentication ▶ User access management and revalidation ▶ Change and release management ▶ IT operations Where we identified design and/or operating deficiencies in the IT control environment, our audit procedures included the following: ▶ we assessed the integrity and reliability of the systems and data related to financial reporting; and ▶ where automated procedures were supported by systems with identified deficiencies, we either 1) assessed compensating or mitigating controls that were not reliant on the IT control environment, 2) performed direct testing of IT application controls and/or IT dependent manual controls, or 3) varied the nature, timing and extent of substantive procedures performed.

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Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company or the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Company and Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Company and Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Company and Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 98 to 140 of the Directors' report for the year ended 30 September 2025.

In our opinion, the Remuneration Report of National Australia Bank Limited for the year ended 30 September 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

T M Dring
Partner
Melbourne
6 November 2025

Additional information

Shareholder information

Ordinary shares

Twenty largest registered fully paid ordinary shareholders of the Company as at 10 October 2025

	Number of shares	% of total shares
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	837,479,334	27.34
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	535,284,055	17.48
CITICORP NOMINEES PTY LIMITED	288,676,616	9.42
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	67,781,059	2.21
BNP PARIBAS NOMS PTY LTD	40,814,266	1.33
BNP PARIBAS NOMS PTY LTD DEUTSCHE BANK TCA	29,446,361	0.96
NATIONAL NOMINEES LIMITED	28,284,766	0.92
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	25,264,812	0.82
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	21,453,566	0.70
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	16,498,790	0.54
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	15,878,673	0.52
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	12,335,000	0.40
BNP PARIBAS NOMS (NZ) LTD	6,226,114	0.20
ARGO INVESTMENTS LIMITED	5,834,685	0.19
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	5,438,805	0.18
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	4,340,619	0.14
MUTUAL TRUST PTY LTD	3,815,696	0.12
BNP PARIBAS NOMINEES PTY LTD <COWEN AND CO LLC>	3,162,010	0.10
BKI INVESTMENT COMPANY LIMITED	2,971,800	0.10
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	2,914,381	0.10
Total	**1,953,901,408**	**63.77**

Substantial shareholders

The following organisations have disclosed a substantial shareholding notice to ASX. As at 10 October 2025, the Company has received no further update in relation to these substantial shareholdings.

Name	Number of shares	% of voting power
State Street Corporation[(1)]	222,744,123	7.24%
The Vanguard Group, Inc[(2)]	184,846,160	6.014%
BlackRock Group[(3)]	177,651,034	6.02%
AustralianSuper Pty Ltd[(4)]	153,496,815	5.01%

(1) Substantial shareholding as at 9 January 2025, as per notice lodged on 13 January 2025.
(2) Substantial shareholding as at 19 December 2024, as per notice lodged on 27 December 2024.
(3) Substantial shareholding as at 18 March 2020, as per notice lodged on 20 March 2020.
(4) Substantial shareholding as at 19 September 2025, as per notice lodged on 23 September 2025.

Distribution of fully paid ordinary shareholdings

	Number of shareholders	% of holders	Number of shares	% of shares
Range (number)				
1 - 1,000	321,801	60.97	107,129,451	3.50
1,001 - 5,000	159,496	30.22	363,518,252	11.87
5,001 - 10,000	29,067	5.50	203,001,586	6.63
10,001 - 100,000	17,098	3.24	342,526,109	11.18
100,001 and over	357	0.07	2,046,856,990	66.82
Total	**527,819**	**100**	**3,063,032,388**	**100**
Less than marketable parcel of $500	12,971		61,547	

Voting rights

Each ordinary shareholder present at a general meeting (whether in person or by proxy or representative) is entitled to one vote on a show of hands or, on a poll, one vote for each fully paid ordinary share held.

NAB Capital Notes 3 (NCN 3)

Twenty largest holders of NCN 3 as at 10 October 2025

	Number of securities	% of total securities
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	4,053,494	21.63
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	931,166	4.97
CITICORP NOMINEES PTY LIMITED	830,922	4.43
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	469,865	2.51
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	312,499	1.67
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	252,109	1.35
MUTUAL TRUST PTY LTD	217,445	1.16
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	167,396	0.89
BERNE NO 132 NOMINEES PTY LTD <784215 A/C>	158,028	0.84
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	123,065	0.66
BNP PARIBAS NOMS PTY LTD	110,067	0.59
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	94,943	0.51
BNP PARIBAS NOMINEES PTY LTD <PITCHER PARTNERS>	93,014	0.50
INVIA CUSTODIAN PTY LIMITED <WEHI - INVESTMENT POOL A/C>	75,325	0.40
DIOCESE DEVELOPMENT FUND - CATHOLIC DIOCESE OF PARRAMATTA	72,003	0.38
A R E INVESTMENTS PTY LIMITED	67,230	0.36
WILLIMBURY PTY LTD	65,609	0.35
MICHAEL CHEE CHEONG TANG + LOUISE MARY TANG	62,790	0.34
JDB SERVICES PTY LTD <RAC & JD BRICE INVEST A/C>	53,429	0.29
BALMORAL FINANCIAL INVESTMENTS PTY LTD <NO 2 A/C>	50,277	0.27
Total	**8,260,676**	**44.10**

Distribution of NCN 3 holdings

	Number of security holders	% of holders	Number of securities	% of securities
Range (number)				
1 - 1,000	13,151	87.42	4,807,662	25.65
1,001 - 5,000	1,670	11.10	3,507,797	18.72
5,001 - 10,000	142	0.94	1,071,564	5.72
10,001 - 100,000	69	0.46	1,727,503	9.22
100,001 and over	12	0.08	7,626,056	40.69
Total	**15,044**	**100**	**18,740,582**	**100**
Less than marketable parcel of $500	4		7	

Voting rights

In accordance with their terms of issue, holders of NCN 3 have no right to vote at any general meeting of the Company prior to conversion into NAB ordinary shares.

If NCN 3 is converted into NAB ordinary shares in accordance with their terms of issue, then voting rights will be as outlined on page 248 of this *Additional information* section for NAB ordinary shares.

NAB Capital Notes 5 (NCN 5)

Twenty largest holders of NCN 5 as at 10 October 2025

	Number of securities	% of total securities
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,066,787	8.66
CITICORP NOMINEES PTY LIMITED	1,272,719	5.33
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	1,187,035	4.98
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	983,177	4.12
CITICORP NOMINEES PTY LIMITED <143212 NMMT LTD A/C>	581,251	2.44
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	439,266	1.84
MUTUAL TRUST PTY LTD	311,894	1.31
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	300,260	1.26
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	174,073	0.73
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	174,065	0.73
LEDA HOLDINGS PTY LTD	154,000	0.65
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	121,343	0.51
JOHN E GILL TRADING PTY LTD	107,866	0.45
BNP PARIBAS NOMINEES PTY LTD <PITCHER PARTNERS>	102,641	0.43
DIMBULU PTY LTD	100,000	0.42
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSI EDA	70,000	0.29
PAMDALE INVESTMENTS PTY LTD	60,290	0.25
FORCE 1 PTY LTD <THE VAN LIESHOUT S/FUND A/C>	60,129	0.25
ROYAL FREEMASONS' BENEVOLENT INSTITUTION	51,500	0.22
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	49,485	0.21
Total	**8,367,781**	**35.08**

Distribution of NCN 5 holdings

	Number of security holders	% of holders	Number of securities	% of securities
Range (number)				
1 – 1,000	18,760	86.46	7,215,337	30.24
1,001 – 5,000	2,656	12.24	5,432,727	22.77
5,001 – 10,000	177	0.82	1,274,981	5.34
10,001 – 100,000	90	0.41	1,961,228	8.22
100,001 and over	15	0.07	7,975,407	33.43
Total	**21,698**	**100**	**23,859,680**	**100**
Less than marketable parcel of $500	5		13	

Voting rights

In accordance with their terms of issue, holders of NCN 5 have no right to vote at any general meeting of the Company prior to conversion into NAB ordinary shares.

If NCN 5 is converted into NAB ordinary shares in accordance with their terms of issue, then voting rights will be as outlined on page 248 of this *Additional information* section for NAB ordinary shares.

NAB Capital Notes 6 (NCN 6)

Twenty largest holders of NCN 6 as at 10 October 2025

	Number of securities	% of total securities
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	5,219,123	26.10
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,607,512	8.04
CITICORP NOMINEES PTY LIMITED	1,021,162	5.11
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	613,225	3.07
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	351,215	1.76
MUTUAL TRUST PTY LTD	247,238	1.24
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	155,130	0.78
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	142,070	0.71
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	106,215	0.53
TANDOM PTY LTD	100,192	0.50
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSI EDA	75,000	0.38
BNP PARIBAS NOMINEES PTY LTD <PITCHER PARTNERS>	74,515	0.37
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	68,749	0.34
BNP PARIBAS NOMS PTY LTD	52,000	0.26
DIMBULU PTY LTD	50,000	0.25
ELMORE HOLDINGS PTY LIMITED <PEABODY FAMILY A/C>	50,000	0.25
FAMILY ENDEAVOURS PTY LTD <BEST ENDEAVOURS A/C>	48,500	0.24
JOHN E GILL TRADING PTY LTD	41,517	0.21
PESUTU PTY LTD <KAREDIS SUPER A/C>	38,014	0.19
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	34,713	0.17
Total	**10,096,090**	**50.50**

Distribution of NCN 6 holdings

	Number of security holders	% of holders	Number of securities	% of securities
Range (number)				
1 – 1,000	12,615	86.94	4,408,867	22.04
1,001 – 5,000	1,693	11.67	3,534,848	17.67
5,001 – 10,000	116	0.80	858,210	4.29
10,001 – 100,000	74	0.51	1,634,993	8.17
100,001 and over	11	0.08	9,563,082	47.83
Total	**14,509**	**100**	**20,000,000**	**100**
Less than marketable parcel of $500	15		49	

Voting rights

In accordance with their terms of issue, holders of NCN 6 have no right to vote at any general meeting of the Company prior to conversion into NAB ordinary shares.

If NCN 6 is converted into NAB ordinary shares in accordance with their terms of issue, then voting rights will be as outlined on page 248 of this *Additional information* section for NAB ordinary shares.

NAB Capital Notes 7 (NCN 7)

Twenty largest holders of NCN 7 as at 10 October 2025

	Number of securities	% of total securities
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,920,556	15.36
CITICORP NOMINEES PTY LIMITED	478,878	3.83
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	470,811	3.77
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	292,056	2.34
MUTUAL TRUST PTY LTD	178,048	1.42
HIGHAM HILL PTY LTD	106,802	0.85
DIMBULU PTY LTD	100,000	0.80
MR JOHN WILLIAM CUNNINGHAM	90,680	0.73
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	86,590	0.69
BNP PARIBAS NOMINEES PTY LTD <PITCHER PARTNERS>	83,684	0.67
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	72,892	0.58
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	57,987	0.46
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	44,174	0.35
2 KINANE STREET PTY LTD	36,280	0.29
SRA INVESTMENTS PTY LTD	36,240	0.29
BECK CORPORATION PTY LTD <BECK CONSTRUCTION GROUP A/C>	35,950	0.29
POPEYE TREASURES PTY LTD	30,220	0.24
CORP OF THE TSTEES OF THE ROMAN CATH ARC	30,000	0.24
RJC NOMINEES PTY LTD <HOOVER FORD EMPLOYEES SF A/C>	25,000	0.20
THE TRUST COMPANY (AUSTRALIA) LIMITED <WCCTFI A/C>	25,000	0.20
Total	**4,201,848**	**33.60**

Distribution of NCN 7 holdings

	Number of security holders	% of holders	Number of securities	% of securities
Range (number)				
1 – 1,000	9,401	84.94	3,687,251	29.50
1,001 – 5,000	1,500	13.55	3,175,899	25.41
5,001 – 10,000	98	0.89	696,745	5.57
10,001 – 100,000	62	0.56	1,492,954	11.94
100,001 and over	7	0.06	3,447,151	27.58
Total	**11,068**	**100**	**12,500,000**	**100**
Less than marketable parcel of $500	5		7	

Voting rights

In accordance with their terms of issue, holders of NCN 7 have no right to vote at any general meeting of the Company prior to conversion into NAB ordinary shares.

If NCN 7 is converted into NAB ordinary shares in accordance with their terms of issue, then voting rights will be as outlined on page 248 of this *Additional information* section for NAB ordinary shares.

NAB Capital Notes 8 (NCN 8)

Twenty largest holders of NCN 8 as at 10 October 2025

	Number of securities	% of total securities
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	965,059	9.65
CITICORP NOMINEES PTY LIMITED	557,295	5.57
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	337,116	3.37
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	214,142	2.14
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	155,356	1.55
MUTUAL TRUST PTY LTD	119,336	1.19
DIMBULU PTY LTD	100,000	1.00
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	94,906	0.95
SEYMOUR GROUP PTY LTD	64,010	0.64
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	56,082	0.56
BNP PARIBAS NOMINEES PTY LTD <PITCHER PARTNERS>	54,374	0.54
BNP PARIBAS NOMS PTY LTD	50,000	0.50
HIGHAM HILL PTY LTD	50,000	0.50
MR JOHN WILLIAM CUNNINGHAM	49,500	0.50
KADOO PTY LIMITED <B & D FAMILY A/C>	48,445	0.48
BARRETT SUPERFUND PTY LTD <BARRETT SUPERFUND A/C>	35,535	0.36
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	34,112	0.34
PACIFIC INDUSTRIAL COMPANY(WA) PTY LTD <STEELFAB UNIT A/C>	30,000	0.30
PACIFIC INTERNATIONAL INSURANCE PTY LIMITED	30,000	0.30
MARROSAN INVESTMENTS PTY LTD	29,750	0.30
Total	**3,075,018**	**30.73**

Distribution of NCN 8 holdings

	Number of security holders	% of holders	Number of securities	% of securities
Range (number)				
1 – 1,000	6,884	83.25	2,899,801	29.00
1,001 – 5,000	1,237	14.96	2,736,288	27.36
5,001 – 10,000	86	1.04	649,213	6.49
10,001 – 100,000	55	0.67	1,366,394	13.66
100,001 and over	7	0.08	2,348,304	23.49
Total	**8,269**	**100**	**10,000,000**	**100**
Less than marketable parcel of $500	2		5	

Voting rights

In accordance with their terms of issue, holders of NCN 8 have no right to vote at any general meeting of the Company prior to conversion into NAB ordinary shares.

If NCN 8 is converted into NAB ordinary shares in accordance with their terms of issue, then voting rights will be as outlined on page 248 of this *Additional information* section for NAB ordinary shares.

Official quotation

Fully paid ordinary shares of the Company are quoted on the ASX.

The Group has also issued:

- NAB Capital Notes 3, NAB Capital Notes 5, NAB Capital Notes 6, NAB Capital Notes 7, NAB Capital Notes 8, covered bonds and residential mortgage backed securities which are quoted on the ASX.
- Medium-term notes, subordinated notes and covered bonds which are quoted on the Luxembourg Stock Exchange.
- Medium-term notes and perpetual preference shares which are quoted on the NZX Debt Market.
- Medium-term notes, subordinated notes and covered bonds which are quoted on the SIX Swiss Exchange.
- Medium-term notes which are quoted on the Taipei Exchange.

Unquoted securities

As at 31 October 2025, the Company has 3,454,808 rights on issue, of which there are 61 holders (refer to page 96 of this Report for further details).

Chair

Mr Philip Chronican
BCom (Hons), MBA (Dist), GAICD, SF Fin

Group Chief Executive Officer and Managing Director

Mr Andrew Irvine
BSc Business Management (Hons), MBA

Group Chief Financial Officer

Mr Shaun Dooley
BEc, MS

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Tel: +61 3 8615 3064

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nab.com.au/corporate/global-relationships

Auditor

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Tel: +61 3 9288 8000

Company Secretary

Mrs Louise Thomson BBus (Dist), FGIA

Group Investor Relations

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Email: investorrelations@nab.com.au

Sustainability

National Australia Bank Limited
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395 Bourke Street
MELBOURNE VIC 3000
Australia
Email: sustainability@nab.com.au

Shareholder Centre website

The Group's website at nab.com.au/shareholder has a dedicated separate section where shareholders can gain access to a wide range of information, including copies of recent announcements, annual reports as well as extensive historical information.

Shareholder information line

There is a convenient 24 hours a day, 7 days a week automated service. To obtain the current balance of your securities and relevant payment details, telephone 1300 367 647 (Australia) or +61 3 9415 4299 (outside Australia).

These services are secured to protect your interests. In all communications with the Share Registry, please ensure you quote your Securityholder Reference Number (SRN), or in case of broker sponsored shareholders, your Holder Identification Number (HIN).

Principal Share Register

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
ABBOTSFORD VIC 3067
Australia

Postal address:
GPO Box 2333
MELBOURNE VIC 3001
Australia

Local call: 1300 367 647
Fax: +61 3 9473 2500
Telephone and fax (outside Australia):
Tel: +61 3 9415 4299; Fax: +61 3 9473 2500

Email: nabservices@computershare.com.au
Website: www.investorcentre.com/nab

United Kingdom Share Register

Computershare Investor Services plc
The Pavilions
Bridgwater Road BRISTOL BS99 6ZZ
United Kingdom

Tel: +44 370 703 0197
Fax: +44 370 703 6101

Email: nabservices@computershare.com.au
Website: www.investorcentre.com/nab

United States ADR Depositary, Transfer Agent and Registrar contact details for NAB ADR holders:

Deutsche Bank Shareholder Services
Equiniti Trust Company, LLC
48 Wall Street, Floor 23
New York, NY 10005
USA
Direct Dial: +1 866 249 2593
Email: adr@equiniti.com

Contact details for NAB ADR brokers & institutional investors:

US Tel: +1 212 250 9100
UK Tel: +44 207 547 6500
Email: adr@db.com

Glossary

12-month expected credit losses (ECL)
The portion of lifetime expected credit losses that represent the expected losses arising from default events that could occur within 12 months of the reporting date.

86 400
86 400 refers to 86 400 Holdings Limited, 86 400 Pty Ltd and 86 400 Technology Pty Ltd, the entities acquired by the Group in May 2021.

AA1000 Stakeholder Engagement Standard
The standard is designed to enable organisations to respond to stakeholders in a comprehensive and balanced way. These are based on the principles Inclusivity, Materiality, Responsiveness, and Impact.

AASB
Australian Accounting Standards Board.

Accountable Person
An accountable person for the purposes of the Banking Act 1959 (Cth).

Additional Tier 1 (AT1) capital
AT1 capital comprises high quality components of capital that provide a permanent and unrestricted commitment of funds, are freely available to absorb losses, rank behind the claims of depositors and other more senior creditors in the event of winding up of the issuer, and provide for fully discretionary capital distributions.

ADI
Authorised Deposit-taking Institution.

AGM
Annual General Meeting of National Australia Bank Limited.

AML
Anti-Money Laundering.

Annual Variable Reward (VR)
An 'at risk' opportunity for individuals to receive an annual performance-based reward. The actual VR that an individual will receive in any particular year will reflect both business and individual performance.

APRA
Australian Prudential Regulation Authority.

APS
Prudential Standards issued by APRA applicable to ADIs.

ASIC
Australian Securities and Investments Commission.

ASX
Australian Securities Exchange Limited (or the market operated by it).

AUSTRAC
Australian Transaction Reports and Analysis Centre.

Available stable funding (ASF)
The portion of an ADI's capital and liabilities expected to be reliably provided over a one-year time horizon.

Average interest earning assets
The average balance of assets held by the Group over the period that generate interest income, adjusted for discontinued operations.

Bank levy
A levy imposed under the Major Bank Levy Act 2017 (Cth) on ADIs with total liabilities of more than $100 billion.

BBSW
Bank Bill Swap Rate.

BNZ
Bank of New Zealand, a subsidiary in the NAB Group.

Business lending
Lending to non-retail customers including overdrafts, asset and lease financing, term lending, bill acceptances, foreign currency loans, international and trade finance, securitisation and specialised finance.

Cash earnings
Cash earnings is a non-IFRS key performance measure used by the Group and the investment community. Cash earnings is defined as net profit attributable to owners of the Company from continuing operations adjusted for non-cash items, including items such as hedging and fair value volatility, the amortisation of acquired intangible assets and gains or losses and certain other items associated with the acquisition, integration, disposal or closure of Group businesses.

Cash return on equity (cash ROE)
Cash earnings after tax expressed as a percentage of total average equity (attributable to owners of the Company).

CGU
Cash-generating unit.

Citigroup
Citigroup Pty Limited and Citigroup Overseas Investment Corporation.

Common Equity Tier 1 (CET1) capital
The highest quality component of capital. CET1 capital ranks behind the claims of depositors and other creditors in the event of winding up of the issuer, absorbs losses as and when they occur, has full flexibility of dividend payments and has no maturity date. CET1 capital consists of paid-up ordinary share capital, retained profits and certain other items as defined in APS 111 Capital Adequacy: Measurement of Capital.

Common Equity Tier 1 capital ratio
CET1 capital divided by risk-weighted assets.

Company
National Australia Bank Limited (NAB) ABN 12 004 044 937.

Continuing operations
Continuing operations are the components of the Group which are not discontinued operations.

CO_2-e (carbon dioxide equivalent)
The common unit of measure for the expression of Greenhouse Gas (GHG) emissions. Each unit of GHG has a different global warming potential. Therefore, all greenhouse gases are converted back to tonnes (tCO_2-e) of carbon dioxide equivalent to enable consistent comparison and measurement.

CTF
Counter-Terrorism Financing.

Customer deposits
The sum of interest bearing, non-interest bearing and term deposits (including retail and corporate deposits).

D-SIB
Domestic Systemically Important Banks.

Default
Default occurs when a loan obligation is contractually 90 days or more past due, or when it is considered unlikely that the credit obligation to the Group will be paid in full without remedial action, such as realisation of security.

Default but not impaired assets
Calculated as 'Non-performing exposures' less 'Impaired assets'. Includes loans that have been classified as restructured in accordance with APS 220 Credit Risk Management which are assessed as no loss based on security held.

Dilutive potential ordinary share
A financial instrument or other contract that may entitle its holder to ordinary shares and which would have the effect of decreasing earnings per share. For the Group in the 2025 financial year, these include convertible notes and notes issued under employee incentive schemes.

Discontinued operations
Discontinued operations are a component of the Group that either has been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations, which is part of a single coordinated plan for disposal.

Distributions
Payments to holders of equity instruments other than ordinary shares, including National Income Securities.

EaR
Earnings at risk.

Earnings per share - basic
Calculated as net profit attributable to ordinary equity holders of the parent (statutory basis) or cash earnings (cash earnings basis), divided by the weighted average number of ordinary shares.

Earnings per share - diluted
Calculated as net profit attributable to ordinary equity holders of the parent (statutory basis) or cash earnings (cash earnings basis), divided by the weighted average number of ordinary shares, after adjusting both earnings and the weighted average number of ordinary shares for the impact of dilutive potential ordinary shares.

Economic adjustments
The economic adjustment forms part of the provision for credit impairment derived from reasonable and supportable forecasts of potential future conditions (forward-looking information) that is not captured within the underlying credit provision. It incorporates general macro-economic forward-looking information (for example, GDP, unemployment and interest rates).

Effective tax rate
Income tax expense divided by profit before income tax expense.

Employee NPS
Measurement of the likelihood of our colleagues to recommend NAB as a bank based on their experience as a NAB customer.

Enforceable Undertaking (EU)
An enforceable undertaking under subsection 197(1) of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) entered into between NAB and the CEO of AUSTRAC on 29 April 2022, in relation to concerns identified by AUSTRAC with the Group's compliance with certain AML and CTF requirements which were the subject of a formal investigation by AUSTRAC.

Environmental reporting year
Environmental reporting period from 1 July to 30 June. Aligned with the National Greenhouse and Energy Reporting Act 2007 (Cth).

Executive Leadership Team (ELT)
Executive Leadership Team means the Group CEO and the Group Executives.

Fair value
The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date.

Fair value (for the purposes of equity awards set out in the Remuneration Report)
The value of the awards provided are measured by reference to the grant date fair value of the shares and performance rights provided to employees. The grant date fair value of each share is determined by the market value of NAB shares, and is generally a five-day weighted average share price. The fair value of the shares and performance rights with market performance hurdles is determined using a simulated version of the Black-Scholes model.

FAR
Financial Accountability Regime.

FAR accountable person
For the purposes of the FAR, NAB has registered certain individuals (the directors, Group Executives, Executive Internal Audit and Executive Group Money Laundering Reporting Officer) as 'Accountable Persons' with APRA and ASIC.

Financed emissions
Indirect GHG emissions attributable to financial institutions due to their involvement in providing capital or financing to the original emitter. Financed emissions are included within Category 15 'Investments' of the Greenhouse Gas Protocol Standard.

FirstCape NZ
FirstCape Group Limited was established to combine the Group's New Zealand wealth businesses and Jarden Wealth and Asset Management Holdings Limited's wealth and asset management business. References to FirstCape NZ in this document refer to FirstCape Group Limited and/or its subsidiaries.

Fixed Remuneration (FR)
Base salary and superannuation paid regularly during the year.

FLP
Funding for Lending Program.

Forward-looking adjustment (FLA)
Forward-looking adjustments reflect part of the provision for credit impairment derived from reasonable and supportable forecasts of potential future conditions (forward-looking information) that are not otherwise captured within the underlying credit provision or the economic adjustments. They incorporate more targeted sector-specific forward-looking information.

Full-time equivalent employees (FTEs)
Includes all full-time, part-time, temporary, fixed term and casual employee equivalents, as well as agency temporary employees and external contractors either self-employed or employed by a third party agency. Note: this excludes consultants, IT professional services, outsourced service providers and non-executive directors.

Greenhouse gas (GHG) emissions
Gaseous pollutants released into the atmosphere that amplify the greenhouse effect. Gases responsible include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

Gross Domestic Product (GDP)
GDP is the market value of finished goods and services produced within a country in a given period of time.

Gross loans and acceptances (GLAs)
Total loans, advances and acceptances, including unearned and deferred fee income, excluding associated provisions for expected credit losses. Calculated as the sum of 'Acceptances', 'Loans and advances at fair value' and 'Loans and advances at amortised cost'.

Group
NAB and its controlled entities.

Group Executives
The ELT, excluding the Group CEO.

Group Performance Indicators (GPI)
A scorecard of financial and non-financial performance measures linked to the Group's key strategic priorities, overlaid by a qualitative assessment. The GPI is used to assess the Group's performance for the purpose of the Annual VR Plan.

Hedging and fair value volatility
This volatility represents timing differences between the unrealised gains or losses recognised over the term of the transactions and the ultimate economic outcome which will only be realised in future. This volatility arises primarily from fair value movements relating to trading derivatives held for risk management purposes; fair value movements relating to assets, liabilities and derivatives designated in hedge relationships; and fair value movements relating to assets and liabilities designated at fair value.

High-quality liquid assets (HQLA)
Consists primarily of cash, deposits with central banks, Australian government and semi-government securities and securities issued by foreign sovereigns as defined in APS 210 Liquidity.

Housing lending
Mortgages secured by residential properties as collateral.

Human rights
The basic rights and freedoms that belong to every person simply because they are human beings. These rights are universal, inalienable, and apply regardless of nationality, ethnicity, gender, religion, or any other status. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more.

IFRS
International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

Impaired assets
Consists of: Retail loans (excluding unsecured portfolio managed facilities) which are contractually 90 days or more past due with security insufficient to cover principal and interest or where sufficient doubt exists about the ability to collect principal and interest in a timely manner. Non-retail loans which are contractually past due and / or where there is sufficient doubt the ability to collect principal and interest. Off-balance sheet credit exposures where current circumstances indicate that losses may be incurred. Unsecured portfolio managed facilities that are 180 days or more past due (if not written off).

Imputation credit
Tax credit passed on to shareholders who receive partially or fully franked dividend / distribution.

Just transition
Global effort to transition to a low carbon economy in a way that is as fair and inclusive as possible to all people, creating decent work opportunities and leaving no one behind.

Key Management Personnel (KMP)
NAB's Key Management Personnel (KMP) is assessed each year and comprises the non-executive directors of NAB, the Group CEO (an executive director of NAB) and those employees of the Group who have authority and responsibility for planning, directing and controlling the activities of both NAB and the Group.

Lifetime expected credit losses (ECL)
The ECL that result from all possible default events over the expected life of a financial instrument.

Liquidity Coverage Ratio (LCR)
A metric that measures the adequacy of HQLA available to meet net cash outflows over a 30-day period during a severe liquidity stress scenario.

Long-Term Variable Reward (LTVR)
An 'at risk' opportunity for the ELT to receive a long-term performance-based reward, vesting after a four-year performance period subject to the applicable performance hurdle. The actual LTVR that an individual will receive on vesting will reflect achievement of the performance hurdle.

Market-based accounting
An emissions accounting approach that allows total electricity consumption to be reduced by the megawatt hours of renewable electricity consumed by the company before applying an emissions factor to grid-imported electricity. Market-based accounting therefore recognises the surrender of Large-scale Generation Certificates (LGCs), which are tradable certificates representing 1 megawatt-hour of renewable electricity generated, as evidence of renewable electricity use.

MLC Life
Nippon Life Insurance Australia and New Zealand Limited (formerly MLC Limited).

MLC Wealth
MLC Wealth was the Group's Wealth division which provided superannuation, investments, asset management and financial advice to retail, corporate and institutional customers, supported by several brands including MLC, Plum and investment brands under MLC Asset Management. The sale of MLC Wealth to Insignia Financial Ltd completed on 31 May 2021.

NAB
'NAB' or the 'Company' means National Australia Bank Limited ABN 12 004 044 937.

NAB Foundation
A registered charity which does not form part of the Group.

NAB risk management
Management of interest rate risk in the banking book, wholesale funding and liquidity requirements and trading market risk to support the Group's franchises.

Net interest margin (NIM)
Net interest income derived on a cash earnings basis expressed as a percentage of average interest earning assets.

Net Promoter Score (NPS)
Net Promoter® and NPS® are registered trademarks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Net Promoter Score℠ is a service mark of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. NPS measures the likelihood of a customer's recommendation to others.

Net Stable Funding Ratio (NSFR)
A ratio of the amount of available stable funding (ASF) to the amount of required stable funding (RSF).

Non-performing exposures
Exposures which are in default aligned to the definition in APS 220 Credit Risk Management.

Official Cash Rate
Official Cash Rate is an interest rate set by the Reserve Bank of Australia and the Reserve Bank of New Zealand in their respective jurisdictions and economies.

PPS
Perpetual preference shares.

PRB
Principles for Responsible Banking.

RBA
Reserve Bank of Australia.

RBNZ
Reserve Bank of New Zealand.

Required stable funding (RSF)
The amount of stable funding an ADI is required to hold measured as a function of the liquidity characteristics and residual maturities of the various assets held by an ADI, including off-balance sheet exposures.

Restructured loans
Consists of facilities where a borrower is experiencing financial difficulty or hardship in meeting their credit obligation or is in default, and a non-commercial concession is granted to the borrower that would not otherwise be considered and the concession is outside of that which would be provided under normal market conditions.

Risk-weighted assets (RWA)
A quantitative measure of risk required by the APRA risk-based capital adequacy framework, covering credit risk for on-and off-balance sheet exposures, market risk, operational risk and interest rate risk in the banking book.

RMBS
Residential Mortgage Backed Securities.

Royal Commission
The Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry established on 14 December 2017 by the Governor-General of the Commonwealth of Australia to conduct a formal public inquiry into Australian financial institutions.

Salient human rights
Salient human rights are determined based on the risks to people, but with recognition of the correlation to business risk.

Scope 1
This includes direct emissions from within an organisation's boundary. These emissions are from sources that the organisation owns or controls such as:

- Combustion of fuel in boilers, furnace or generators that are owned or controlled by the reporting company.
- Generation of electricity, steam or heat in equipment that is owned or controlled by the reporting company.
- Business travel in vehicles such as company cars or corporate jets that are owned or controlled by the reporting company, colleague commuting in company-owned or controlled vehicles, such as company cars.
- Hydrofluorocarbon emissions from company-owned or controlled refrigeration or air-conditioning equipment.

Scope 2
Indirect emissions from electricity that is used by the organisation but is generated outside the organisation's boundary by another company, such as an electricity provider. This is called 'purchased electricity'. This includes indirect emissions from purchased or acquired electricity, steam, heat or cooling.

Scope 3
All other indirect emissions that occur outside the boundary of the organisation as a result of the activities of the organisation, including indirect emissions from:

- Business travel in non-company owned or controlled vehicles, such as rental cars, colleague cars, rail and commercial planes.
- Combustion of fuel in boilers or furnaces not owned or controlled by the reporting company.
- Energy used by colleagues working from home.
- Third-party production or manufacture of materials and resources used by the reporting company, such as furniture, paper and equipment.
- Indirect losses resulting from the transmission of electricity and other fuels.
- Emissions generated through the investments a company makes, refer to definition for 'Financed emissions'.

Sector decarbonisation targets
Refers to interim 2030 sector-specific decarbonisation targets set towards achieving over-arching net zero emissions by 2050 targets. Also referred to as 'sector targets'.

Securitisation
Structured finance technique which involves pooling, packaging cash flows and converting financial assets into securities that can be sold to investors.

SME
Small and medium-sized enterprises.

Statutory net profit
Net profit attributable to owners of the Company.

Statutory return on equity
Statutory earnings after tax expressed as a percentage of total average equity (attributable to owners of the Company), calculated on a statutory basis.

Structured deposits
Structured deposits have notice periods which extend their behavioural maturity beyond their initial contractual maturity and pricing construct. They include Rolling Deposit Accounts, Retail Look Through and Notice Saver deposits.

Structured entity
An entity created to accomplish a narrow well-defined objective (e.g., securitisation of financial assets). A structured entity may take the form of a corporation, trust, partnership or unincorporated entity. Structured entities are often created with legal arrangements that impose strict limits on the activities of the structured entity.

TCFD
The Financial Stability Board Task Force on Climate-related Financial Disclosures.

Tier 1 capital
Tier 1 capital comprises CET1 capital and instruments that meet the criteria for inclusion as Additional Tier 1 capital set out in APS 111 Capital Adequacy: Measurement of Capital.

Tier 1 capital ratio
Tier 1 capital divided by risk-weighted assets.

Tier 2 capital
Tier 2 capital includes components of capital that, to varying degrees, fall short of the quality of Tier 1 capital but nonetheless contribute to the overall strength of an ADI and its capacity to absorb losses.

Top quartile
Top quartile colleague engagement comparison is based upon Glint's client group (domestic and global, from all industries).

Total average assets
The average balance of assets held by the Group over the period, adjusted for discontinued operations.

Total capital
Tier 1 capital plus Tier 2 capital.

Total capital ratio
Total capital divided by risk-weighted assets.

Total Shareholder Return (TSR)
The return that a shareholder receives through dividends (and any other distributions) together with capital gains over a specific period.

Treasury shares
Shares issued to meet the requirements of employee incentive schemes which have not yet been distributed.

Underlying profit / loss
Underlying profit / loss is a non-IFRS performance measure used by the Group. It represents cash earnings before credit impairment charges and income tax expense.

UNEP FI Guidelines
United Nations Environment Programme Finance Initiative Guidelines for Climate Target Setting for Banks.

Value at Risk (VaR)
A mathematical technique that uses statistical analysis of historical data to estimate the likelihood that a given portfolio's losses will exceed a certain amount.

Weighted average number of ordinary shares
The number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period.

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