



# Independent Limited Assurance Report to the Directors of National Australia Bank Limited on the Streamlined Energy & Carbon Reporting and selected greenhouse gas emissions and energy use data

## Conclusion

Based on the evidence we obtained from the procedures we performed, we are not aware of any material misstatements in the Streamlined Energy & Carbon Reporting (SECR) and selected greenhouse gas (GHG) emissions and energy use data described below as Information Subject to Assurance for the year ended 30 June 2023, which has been prepared by National Australia Bank Limited and its subsidiaries in accordance with the Framework, as defined below.

## Information Subject to Assurance

The Information Subject to Assurance presented in Table 2: *GHG emissions and energy use data (1 July – 30 June)* in the Metrics and Targets section of NAB Group’s 2023 Climate Report and comprises the following selected GHG emissions and energy data arising from operations in the United Kingdom (London Branch), and the rest of the operations in Australia, France, New Zealand, United States and Asia of National Australia Bank Limited (ABN 12 004 044 937), together with its subsidiaries (‘NAB Group’) for the year ended 30 June 2023, which has been prepared by NAB Group for the purpose of meeting the SECR requirements, which are implemented through the Companies (Directors’ Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (UK):

	London Branch	NAB Group (excluding London Branch)	NAB Group
Energy from gas consumption (KWh)	65,360	3,190,641	3,256,001
Energy from vehicle fuel use (KWh)	0	21,233,027	21,233,027
Energy from Electricity consumption (KWh)	478,581	84,004,737	84,483,318
Total energy for SECR reporting (KWh) (tCO <sub>2</sub> -e)	543,941	108,428,405	108,972,346
GHG emissions from energy use (Scope 1 – Gas) (tCO <sub>2</sub> -e)	12	598	610
GHG emissions from vehicle fleet (Scope 1) (tCO <sub>2</sub> -e)	0	5,293	5,293
GHG emissions from energy use (Scope 2, location-based –electricity) (tCO <sub>2</sub> -e)	99	57,221	57,320
Total gross Scope 1 & 2 GHG emissions for SECR reporting (tCO <sub>2</sub> -e)	111	63,111	63,222
Intensity ratio: Energy (KWh)/\$ Financial Metric	0.002	0.010	0.009
Intensity ratio: GHG (tCO <sub>2</sub> -e)/\$ Financial Metric	0.00000004	0.0000056	0.0000054
Intensity ratio: Energy (KWh) / FTE	1,895	2,987	2,979
Intensity ratio: GHG (tCO <sub>2</sub> -e) / FTE	0.39	1.74	1.73
Emissions from electricity use (Scope 2, market-based – electricity) (tCO <sub>2</sub> -e)	0	7,451	7,451

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We have not been engaged to provide an assurance conclusion on any other information disclosed in Table 2: *GHG emissions and energy use data (1 July – 30 June)* in the Reducing operational emissions sub-section in the Metrics and Targets section of NAB Group's 2023 Climate Report for the current year or for previous periods, except where specifically identified.

### **Criteria Used as the Basis of Reporting**

The Information Subject to Assurance has been prepared by NAB Group in accordance with the World Resources Institute/World Business Council for Sustainable Development *Greenhouse Gas Protocol* and NAB Group's *Environmental Reporting and Offset Management Policy* and reporting methodologies, which take into account relevant regulatory requirements and government reporting guidelines in jurisdictions in which NAB Group operates, including the Streamlined Energy and Carbon Reporting (SECR) obligation which is implemented through the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (UK). The methodology is presented with Table 2 in the Reducing operational emissions sub-section in the Metrics and targets section of NAB Group's 2023 Climate Report and in the documents provided in the section 'Calculating carbon emissions, including financed emissions' available on the NAB Group website at [Measuring our environmental performance | Environment - NAB](#) (together referred to as "the Framework").

### **Basis for Conclusion**

We performed our limited assurance engagement in accordance with the Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (ASAE 3000) and ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements* (ASAE 3410) ("Standards"). In accordance with these Standards we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that the Information Subject to Assurance is free from material misstatement, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however, we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies to perform the limited assurance engagement.

### **Summary of Procedures Performed**

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- interviews with relevant NAB Group personnel to understand the governance structure, internal controls and reporting processes relevant to the Information Subject to Assurance;
- reviews of relevant documentation including the Framework, NAB Group Policies and systems documentation with respect to the Information Subject to Assurance;
- analytical procedures over the Information Subject to Assurance;
- walkthroughs of the Information Subject to Assurance to source documentation;
- evaluating the appropriateness of the Framework with respect to the Information Subject to Assurance; and
- reviewing the Metrics and Targets section of NAB Group's 2023 Climate Report in its entirety to ensure they are consistent with our overall knowledge of the assurance engagement.

## How the Standards Define Limited Assurance and Material Misstatement

The procedures performed in a limited assurance 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 limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, within the Information Subject to Assurance are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the directors of NAB Group.

## Inherent limitations

Greenhouse gas quantification is subject to inherent uncertainty due to the nature of the information and the uncertainties inherent in: (i) the methods used for determining or estimating the appropriate amounts, (ii) information used to determine emission factors and (iii) the values needed to combine emissions of different gases.

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with the Framework may occur and not be detected. A limited assurance engagement as at and for the year ended 30 June 2023 does not provide assurance on whether compliance with the Framework will continue in the future.

## Use of this Assurance Report

This report has been prepared for the directors of NAB Group for the purpose of providing an assurance conclusion on NAB Group's Information Subject to Assurance and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the directors of NAB Group, or for any other purpose than that for which it was prepared.

## Management's responsibilities

Management of NAB Group are responsible for:

- determining that the Framework is appropriate to meet their needs;
- preparing and presenting the Information Subject to Assurance in accordance with the Framework;
- establishing and maintaining internal controls that enable the preparation and presentation of the Information Subject to Assurance in a manner that is free from material misstatement, whether due to fraud or error; and
- maintaining integrity of the relevant website information.

## Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Information Subject to Assurance for the year ended 30 June 2023, and to issue an assurance report that includes our conclusion to the directors of NAB Group.

## Our Independence and Quality Management

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Management 1 to design, implement and operate a system of quality management.



KPMG



Julia Bilyanska

Partner

Melbourne

9 November 2023