

## Independent Limited Assurance Statement to the Management and Directors of National Australia Bank Limited ('NAB')

### Our Conclusion

Ernst & Young ('EY', 'we') was engaged by NAB to undertake limited assurance as defined by Australian Auditing Standards, here after referred to as a 'review', over 12 performance targets and results ('Performance Results') reported in NAB's 2020 Reconciliation Action Plan Progress Report ('RAP Progress Report') for the year ended 30 September 2020. Based on our review, nothing has come to our attention that causes us to believe that the Performance Results have not been prepared and presented, in all material respects, in accordance with the Criteria defined

### What our review covered

We reviewed 12 performance targets and results for the year ending 30 September 2020, which NAB has included in its 2020 RAP Progress Report. The details of the 12 performance targets and results are provided in Appendix A and can be found at <https://www.nab.com.au/about-us/corporate-responsibility/community/indigenous-australian-support>.

### Criteria

In preparing the selected Performance Results, NAB has applied Criteria as publicly reported throughout the Progress Report.

### Key Responsibilities

#### EY's responsibility and independence

Our responsibility was to express a limited assurance conclusion over the Performance Results as presented in the Progress Report.

We were also responsible for maintaining our independence and confirm that we have met the requirements of the APES 110 Code of Ethics for Professional Accountants including independence, and have the required competencies and experience to conduct this assurance engagement.

#### NAB's responsibility

NAB's management was responsible for selecting the Criteria, and preparing and fairly presenting the Performance Results in accordance with that Criteria. This responsibility includes establishing and maintaining internal controls, adequate records and making estimates that are reasonable in the circumstances.

#### Our approach to conducting the review

We conducted this review in accordance with the Auditing and Assurance Standards Board *Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ('ASAE 3000') and in accordance with the terms of reference for this engagement as agreed with NAB on 12 August 2020.

#### Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the performance metrics and disclosures and applying analytical and other review procedures. We adapted our approach to undertaking our review procedures in response to the COVID-19 travel restrictions and social distancing requirements. We did not visit any NAB sites in person and instead undertook site-based

procedures remotely, supported by the use of collaboration platforms for discussions and delivery of requested evidence, and relied on past site visits.

Our assurance procedures included, but were not limited to:

- ▶ Gaining an understanding of NAB's business and approach to Reconciliation
- ▶ Conducting interviews with key personnel and collating evidence to understand NAB's process for reporting the Performance Results
- ▶ Checking that Criteria as per the Progress Report have been correctly applied when determining Performance Results
- ▶ Checking clerical accuracy of input data utilised to determine Performance Results
- ▶ Undertaking analytical procedures to support reasonableness of Performance Results
- ▶ Performing recalculations of Performance Results using input data and, on a sample basis, testing underlying source information to support accuracy of Performance Results
- ▶ Reviewing the accuracy and balance of statements within the Progress Report associated with the assured Performance Results.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

### Limited Assurance

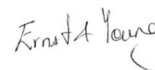
Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. 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 checking aggregation or calculation of data within IT systems.

### Use of our Assurance Statement

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  
Melbourne, Australia  
18 December 2020



Terence Jeyaretnam, FIEAust EngExec  
Partner

Appendix A:

Listing of assured performance targets and results:

#	RAP Commitments	Performance indicator (subject matter)
1	Continue being the leading provider of microfinance services and products to Indigenous Australians, and increase the number of microfinance loans accessed	Provide 19,000 microfinance loans to Aboriginal and Torres Strait Islander customers (6,300 loans in 2020)
2	Better understand the financial resilience and exclusion of Aboriginal and Torres Strait Islander Australians	Progress one identified recommendation within NAB or financial services industry
3	Commit to diversification of NAB supply chain and grow procurement opportunities with Indigenous business	Achieve \$2.6 million spend with Indigenous businesses (\$800,000 in 2020)
4		Update and refine Aboriginal and Torres Strait Islander procurement strategy, including ways to increase our spend. For example, identifying an under-developed area of spend with Indigenous businesses and assist in addressing this gap via procurement and capacity building where necessary (noting that for 2020, the target is to implement the strategy as updated and refined in 2019)
5	Participate and lead innovation with organisations in the RAP community	Advocate and create forums to discuss partnership opportunities
6	Strengthen employment pathways and career development for Aboriginal and Torres Strait Islander employees so that employment representation continues to increase. Our long-term aspiration is that we achieve Indigenous employment parity, and aim for 2% by 2022	Maintain a minimum 1% employment of Indigenous employees across the NAB Australian employee base but aim 2% by 2022
7		Maintain engagement scores amongst Indigenous employees that are at least equivalent to the NAB engagement score in Australia
8	Support a range of employment options for Aboriginal and Torres Strait Islander employees across the NAB business	Offer 70 flexible traineeships annually across both school-based and adult trainees
9		Offer ongoing positions to 100% of all trainees who successfully complete our program and have expressed interest in ongoing employment with NAB - Subject to business resource demand
10		Achieve an 80% completion rate of trainees on programs

#	RAP Commitments	Performance indicator (subject matter)
11	Ensure Aboriginal and Torres Strait Islander employees are supported in their career development and leadership aspirations	Create the Indigenous Employee Peer Support Network as a community where Indigenous employees can share and connect (noting that for 2020, the target is to maintain the network as created in 2019)
12	Share insights from Indigenous Australians with leadership and corporate Australia	Conduct research on Indigenous Australians careers and experiences in corporate Australia, to develop corporate pathways and to better understand and reframe leadership with an Indigenous cultural overlay, and share with Reconciliation Australia