more than money

Tax transparency report

for the year ended 30 September 2025

National Australia Bank Limited (**NAB**) takes its tax obligations seriously and is committed to being transparent about its tax affairs. This Tax Transparency Report meets the requirements of Australia's Voluntary Tax Transparency Code and provides an explanation of NAB's tax contribution for the year ended 30 September 2025.

Introduction

NAB is a major Australian multinational company which, together with its subsidiary companies and foreign branches, makes a significant contribution to the Australian economy and business landscape and to the offshore economies in which it conducts financial services activities. The corporate behaviour of the Group impacts many stakeholders including customers, shareholders, employees and governments. As a corporate leader, NAB commits to strong corporate values and behaviours, including in its approach to taxation.

The payment of taxes, pursuant to applicable laws, is an essential part of the Group's contribution to the economies of all countries in which the Group operates. NAB's Tax Policy (**Tax Policy**) supports customers by setting requirements for transparent and responsible tax practices, including the accurate collection and reporting of customer tax information.

Further, our tax approach reflects our commitment to sustainable development, considering the economic and social impacts of our tax practices and aligning with our responsibilities to the communities and jurisdictions in which the Group operates.

In August 2016 NAB committed to Australia's Voluntary Tax Transparency Code (**the Code**).

The disclosures made in this report satisfy Parts A and B of the Code.

In particular, the report sets out for the year ended 30 September 2025 NAB's:

- Approach to tax risk governance
- International Related Party Dealings
- Total Tax Contribution in Australia
- Total Tax Contribution globally
- Reconciliations of:
  - Income Tax Expense
  - Effective Tax Rate
  - Income Taxes Payable
  - Current Tax Expense
- Reconciliation to the ATO's transparency disclosures
- Basis of preparation
- Glossary.

The report should be read in conjunction with the Group's 2025 Annual Report (**AR**) which can be found on NAB's website at **https://www.nab.com.au/about-us/shareholder-centre/financial-disclosures-and-reporting/annual-reporting-suite**.

NAB's Approach to Tax Risk Governance

The NAB Board is responsible for oversight of the Tax Policy and the Group's Tax Control Framework. The Tax Policy is endorsed by the NAB Board. The Tax Policy is reviewed on a regular basis and approved by the NAB Board biennially.

Background and Context

The Tax Policy applies to all employees of the Group, excluding BNZ colleagues. BNZ is required to comply with New Zealand specific legislative and regulatory requirements and as such maintains its own tax policy. Subject to this exclusion, the Tax Policy applies to all tax obligations owed to tax authorities in the countries in which the Group carries on business. For the purpose of the Tax Policy, tax risk is defined as an adverse financial or reputational consequence arising for NAB as a result of adopting a position or taking an action that is inconsistent with the key tax principles.

NAB subscribes to the United Kingdom Code of Practice for Banks (UK Code) which was introduced on 9 December 2009 as NAB conducts operations in the United Kingdom. The objective of the UK Code is to ensure that banking groups operating in the United Kingdom comply with the spirit, as well as the letter of the law when it comes to tax matters. Since 1 October 2016 the Group's UK operations have been subject to the provisions of Finance Act 2016 Schedule 19 which requires certain disclosures to be made about various aspects of the Group's UK tax governance. The Group's UK operations are subject to the Tax Policy.

Policy Principles

NAB's Tax Policy is founded on seven key principles:

1. **Robust Tax Control Framework**
   The Tax Policy provides that the Chief Tax Officer (**CTO**) must maintain a robust tax control framework which will be subject to testing and assurance pursuant to relevant enterprise policies and procedures. The CTO must monitor the impact of new legislation or practice on the Group's business and must ensure that any changes to the tax obligations are appropriately reflected in Compliance Obligations.

2. **Tax Compliance**
   The Group must comply with the tax laws in all countries in which the Group does business. This includes ensuring all tax obligations are complied with by the relevant due date.

   The Group must ensure that any tax incentive claims are consistent with the policy intent underlying the relevant tax incentive. There are also processes and controls in place to ensure correct tax disclosures.

3. **Tax Planning**
   The Group must only undertake acceptable tax planning in regard to products, services and business structures. In this regard acceptable tax planning refers to a plan or proposed action where the dominant purpose is to further the NAB'S underlying business activities and strategy.

   NAB will not enter arrangements that:

   - are contrived, artificial or based solely on achieving tax outcomes;
   - produce tax consequences that are clearly inconsistent with, or not aligned with, underlying economic consequences;
   - exploit loopholes in tax laws, clear legislative deficiencies or oversights;
   - are contrary to the clear legislative intent or spirit of the relevant tax law;
   - is a structured finance transaction which produces a tax arbitrage outcome; or
   - utilises entities established in tax havens that are not used for commercial purposes but with the main objective of obtaining a tax benefit or to avoid disclosure of business activities or established in a country deemed to be uncooperative for tax purposes or where the ownership is opaque or not transparent.

   The Group has developed policies and procedures to detect and report on financial crimes, including tax evasion. There are strict internal policies in place to prevent the committing or facilitating and abetting of tax evasion or other forms of financial crimes. There are also internal mechanisms for raising concerns about conduct and integrity in relation to tax matters, including a Whistleblower program.

   The CTO is also responsible for providing tax advice and support in relation to product design and development, including engagement with tax authorities where required to support customer tax certainty. Business Leaders are responsible for ensuring that the design, development and material modification of products and services within their remit are undertaken in accordance with the tax principles set out in the Tax Policy.

4. **Tax Transfer Pricing**
   The Group will adopt the arm's length principle for setting prices for transactions between NAB's related entities and branches. To this end, the CTO, in coordination with the relevant Business Leaders, must assess and ensure that tax transfer pricing outcomes are consistent with activities undertaken, risks assumed and assets utilised in each relevant country in which the Group operates. The Group must not transfer assets or economic value to lowly taxed countries without genuine commercial reasons. Tax transfer pricing documentation must be prepared pursuant to applicable tax laws and practice.

5. **Relationship with Tax Authorities**
   The Group maintains a constructive working relationship with tax authorities based on mutual respect, trust and transparency.

   All dealings with tax authorities must be undertaken in a professional, courteous and timely manner. Where possible, the Group must seek to reach early agreement on disputed issues and achieve certainty before tax returns are filed. The Group recognises that there may be areas of differing legal interpretation with tax authorities, and where this occurs, the CTO must engage proactively with the relevant tax authority to resolve these issues as soon as possible.

   The Group will:

   - be fully transparent in disclosing and discussing significant uncertainties in relation to tax matters;
   - discuss and resolve material tax issues before returns are filed, wherever practicable;
   - engage in a co-operative, supportive and professional manner; and
   - work collaboratively to achieve early resolution of issues.

   The Group will participate and contribute to the design and development of new legislation, regulations and practices applicable to the Group to ensure the relevant legislation and regulations operate as intended and can be complied with efficiently.

   As one of Australia's largest taxpayers, NAB is subject to the ATO's Pre-lodgement Compliance Review (**PCR**) program. As part of the PCR process, NAB has clear lines of communication with the ATO on particular transactions that NAB is undertaking and positions that are adopted. This provides the ATO with an opportunity to perform a timely review of NAB's tax obligations.

   NAB has received a high level of ATO assurance over its income tax compliance and over its GST obligations. This means that NAB has received a Justified Trust designation.

6. **Tax Transparency**
   The Group is subject to various voluntary and legally obligatory transparency regimes in Australia and other countries in which the Group operates. The Group must fully abide by the requirements of these various regimes so as to provide interested stakeholders with a high level of transparency around the Group's tax affairs.

   NAB will annually publish a tax transparency report. This report will meet stakeholder expectations around the transparency of the Group's tax affairs including the provision of information about NAB's approach to tax risk and the disclosure of taxes paid by the Group.

   To this end, the Group has signed up to the Australian Voluntary Tax Transparency Code and has released an annual report under this Code since the year ended 30 September 2016.

   NAB reports under Australia's public country-by-country reporting requirements. The first report being the 2025 report will be published later in the 2026 year. A link to this report will be provided in the 2026 Tax Transparency Report.

7. **Complete and correct CRS and other customer related tax reports**
   The Group is subject to various legislative requirements to collect and provide customer related tax information and data to tax authorities. Under these regimes the Group must collect the relevant information from customers and report this information and data to local tax authorities consistent with the tax authority compliance expectations and requirements.

   The Group must implement and maintain due diligence arrangements across the customer lifecycle to identify any customer reportable accounts and controlling persons in accordance with applicable laws, in particular CRS and FATCA obligations.

   The Group must maintain appropriate entity and product classifications for CRS and FATCA to ensure all in-scope entities and accounts are identified.

NAB's International Related Party Dealings

NAB undertakes international related party dealings between its operations in Australia and its offshore branches and subsidiaries. In line with the Tax Policy, all transactions are conducted in a manner consistent with the arm's length standard.

Outlined below are details of the nature of the material categories of dealings and the countries in which the counterparties to the dealings are located.

A listing of entities, business activities and employee numbers for each region in which the Group operates is published in the "NAB Group Entity Report" which can be located at **https://www.nab.com.au/about-us/sustainability/reporting-policies-approach/open-transparent-tax-disclosure**.

Funding

As a major Australian financial institution, NAB raises funds to facilitate lending to customers and to meet regulatory capital requirements. NAB raises funding through a number of different means including raising funding from both domestic and international markets. As part of its general funding activities, NAB enters into various funding arrangements with its offshore branches and subsidiaries to address both short-term and longer-term funding requirements.

International related party funding transactions occur between NAB and the following offshore related party locations: New Zealand, United States, United Kingdom, France, Singapore, China and Japan.

Derivatives

The derivative market is a global market with major trading hubs located outside of Australia. To enable NAB to participate in these markets, NAB engages in derivative sale and trading arrangements with its offshore branches and subsidiaries.

International related party derivative transactions occur between NAB and offshore operations in the following locations: New Zealand, United States, United Kingdom, France, Singapore, China and Japan.

Capability Centre support

NAB has Global Capability Centres (GCC) located in India and Vietnam. These GCCs provide technology and operational support services to NAB to drive better outcomes for NAB and its customers.

Global Taxes Paid

The amount of global taxes paid in each region is provided on page 5 in A$ equivalent.

NAB's Contribution to Australian Tax Revenue

NAB paid total taxes in Australia during the year ended 30 September 2025 of $3,543 million. This includes:

Taxes paid in Australia	2025 $m
Corporate Tax	2,456
Major Bank Levy	417
Unrecoverable GST	345
Employer Related Taxes	325
Total	**3,543**

Given the quantum of Australian Corporate Income Tax Paid, in 2025 NAB was able to fully frank all dividends paid to shareholders and to the holders of frankable hybrid instruments.

The Corporate Tax Paid in Australia of $2,456 million above is $192 million higher than the Tax Payable per the 2025 income tax return in Australia (see table 3 on Page 9) mainly due to tax payments made after 30 September for each year. Table 4 on Page 9 provides a reconciliation between the

Corporate Tax Paid of $2,456 million and the Tax Payable of $2,264 million.

In addition to the above taxes paid, NAB also collects significant taxes on behalf of the Australian Government. Below is a summary of the key taxes collected and remitted by NAB in 2025.

Taxes Collected and Remitted in Australia	2025 $m
Salary Withholding Taxes	1,283
GST	1,344
Other Withholding Taxes	158
Total	**2,785**

NAB's Global Tax Contribution

NAB paid total taxes (A$ equivalent) globally during the year ended 30 September 2025 of $4,328 million. This includes:

Taxes Paid Globally	AUST 2025 $m	NZ 2025 $m	EUROPE[1] 2025 $m	USA 2025 $m	ASIA[2] 2025 $m	TOTAL 2025 $m
Corporate Tax	2,456	504	52	117	29	**3.158**
Major Bank Levy	417	-	-	-	-	**417**
GST/VAT Unrecovered	345	48	6	-	5	**404**
Employer Related Taxes	325	6	14	2	1	**348**
Other	-	-	-	-	1	**1**
TOTAL	3,543	558	72	119	36	**4,328**
Percentage of Total	**81.87%**	**12.89%**	**1.66%**	**2.75%**	**0.83%**	**100%**

Income tax expense reconciliation

Below is a reconciliation of Income Tax Expense (**ITE**) for the Group including a split per major country/region for the year ended 30 September 2025. The Group's ITE Reconciliation is disclosed in Note 6 of the AR. The ITE disclosed in the Group's income statement does not represent the Group's liability to the ATO (or relevant overseas revenue authority), but rather ITE is calculated in accordance with Australian accounting standards and represents the accounting profit multiplied by the prima facie corporate income tax rate, with subsequent adjustments for "non-temporary" differences between accounting and tax. These adjustments take into account the difference between expense and income recognition criteria under accounting principles and the income tax legislation. Some examples include non-deductible expenses, non-assessable income and foreign tax rate differences for income derived overseas.

Income Tax Expense Reconciliation	2025 NAB $m	2025 Australia $m	2025 NZ $m	2025 Europe[1] $m	2025 USA $m	2025 Asia[2] $m
Statutory Profit before Income Tax Expense [A]	**9,691**	**6,822**	**1,899**	**324**	**471**	**175**
Prima facie income tax at 30%	**2,907**	2,046	570	97	141	53
Tax effect of permanent differences:						
Assessable foreign income	**14**	14	-	-	-	-
Foreign tax rate differences	**(88)**	-	(38)	(14)	(19)	(17)
Foreign branch income not deductible	**(29)**	(3)	-	-	(20)	(6)
Over/(under) provision in prior years	**(52)**	(56)	(5)	5	8	(4)
Restatement of deferred tax balances for tax rate changes	**2**	-	-	-	2	-
Non-deductible interest on convertible instruments	**147**	147	-	-	-	-
Adjustments to deferred tax balances for tax losses and timing differences	**(24)**	-	-	-	(22)	(2)
Other	**(13)**	(4)	(5)	(13)	7	2
Total Income Tax Expense [B]	**2,864**	**2,144**	**522**	**75**	**97**	**26**
Effective Tax Rate [B] / [A]	**29.6%**	**31.4%**	**27.5%**	**23.1%**	**20.6%**	**14.9%**

1. Includes UK and France
2. Principally countries in the Asian region

Effective tax rate

The Effective Tax Rate (**ETR**) for the year ended 30 September 2025 was **29.6%** for the Group (2024: 28.3 %) and **31.4%** (2024: 30.7 %) for the Group's Australian region.

The ETR is the Income Tax Expense as a percentage of Statutory Profit Before Income Tax. The Group's ETR for the 2024 to 2025 years is shown below (on a Continuing Operations basis).

The Group's statutory ETR differs from the Australian corporate tax rate of 30% principally due to differing corporate tax rates in offshore locations where the Group operates.

Effective Tax Rate	2025 $m	2024 $m	2024 $m
Statutory Profit Before Income Tax	9,691	9,879	10,450
Statutory Income Tax Expense	2,864	2,798	2,980
Statutory Effective Tax Rate	**29.6%**	**28.3%**	**28.5%**

Income taxes payable reconciliation

The reconciliation of Income Taxes Payable for the Group for the year ended 30 September 2025 is as follows:

Income Taxes Payable Reconciliation	2025 $m
Income Taxes Payable as at 1 October 2024 (per Balance Sheet in AR)	1,017
Less: Income Tax Paid during the year (per Cash Flow Statement in AR)	(3,157)
Add: Current Tax Expense for the year ended 30 September 2025 (refer below)	2,991
Add/(Less) Other Items[3]	(5)
Income Taxes Payable as at 30 September 2025 (per Balance Sheet in AR)	846

3. Predominantly relates to items in Discontinued Operations

Current tax expense reconciliation

Current Tax Expense for NAB for the year ended 30 September 2025 is calculated as follows:

Current Tax Expense Reconciliation (Continuing Operations Basis)	**2025 $m**	**2025 $m**
Profit before Income Tax Expense		**9,691**
Prima facie income tax at 30%		**2,907**
Non-Temporary Differences		
Assessable foreign income	14	
Foreign tax rate differences	(88)	
Foreign branch income not deductible	(29)	
Over/(under) provision in prior years	(52)	
Restatement of deferred tax balances for tax rate changes	2	
Non-deductible interest on convertible instruments	147	
Adjustments to deferred tax balances for tax losses and timing differences	(24)	
Other	(13)	
Total Non-Temporary Difference	**(43)**	
Income Tax Expense (per Note 6 in AR)		**2,864**
Temporary Differences giving rise to a Deferred Tax Expense		
Credit Impairment Provisions	56	
Other Provisions	(10)	
Fixed Assets	99	
Other	(18)	
Deferred Tax Expense (per Note 6 in AR)		127
Current Tax Expense (per Note 6 in AR)		**2,991**

Reconciliation to the ATO's tax transparency disclosure

Following the introduction of tax transparency legislation, the ATO has published certain information about the tax affairs of certain companies since 2014, which includes NAB.

To facilitate a greater understanding of how the ATO published data agrees to NAB's AR, the Tables below provide the following information:

- **Table 1** is a high-level reconciliation of NAB's profit before income tax from continuing operations as disclosed in the AR to the profit disclosed in the 2025 tax return for the NAB Income Tax Consolidated Group (**NAB TCG**). The NAB TCG comprises NAB and all of NAB's wholly owned Australian entities.
- **Table 2** is a summary of the 2025 tax return for the NAB TCG. The information is taken from various labels of the tax return. The information in this Table will not reconcile to the amounts disclosed in the "Australia" column in the "Income Tax Expense Reconciliation" on Page 5. This is because the actual tax paid to the ATO incorporates tax temporary differences (for example, differences between tax and accounting depreciation expense) whilst these do not form part of the ITE calculation.
- **Table 3** is what the ATO will publish for NAB for the year ended 30 September 2025.
- **Table 4** provides a reconciliation between the Corporate Tax Paid on Page 3 and the Tax Payable per Tables 2 and 3.

Table 1 – Reconciliation of Net Profit	2025 $m
Group Statutory Profit Per AR on a Continuing Operations basis	**9,691**
Add:	
Net Profit included in the Tax Return but not included in the AR	981
Exclude:	
Net Profit from Group entities outside the NAB TCG	(2,870)
Adjust for accounting consolidation entries	7
Net Profit from Discontinued Operations[4]	(46)
Profit for NAB TCG per the 2025 Tax Return	**7,763**

Table 2 – Summary of NAB TCG Tax Return	2025 $m	ATO disclosure (refer Table 3)
Total Income (included in Table 3)	**53,909**	**53,909**
Total Expenses	(46,146)	
Net Profit Before Income Tax (refer to Table 1)	**7,763**	
Book to Tax Adjustments:		
Credit Impairment Provisions	227	
Other Provisions	(16)	
Fixed Assets	163	
Remediation Provision	52	
Non-assessable Dividends	(973)	
Non-deductible interest on convertible instruments	489	
Other Adjustments	(103)	
Taxable Income (Included in Table 3)	**7,602**	**7,602**
Income Tax on Taxable Income	2,281	
Tax Offsets	(17)	
Tax Payable (included in Table 3)	**2,264**	**2,264**

4. Discontinued operations are a component of the group that either have been disposed of or classified as held for sale.

Table 3 – ATO's Published Information of NAB's TCG	2025 $
Total Income	53,909,770,503
Taxable Income	7,602,708,154
Tax Payable	2,263,848,284

Table 4 – Reconciliation of Corporate Tax Paid to Tax Payable (Australia)	2025 $m
FY25 Australian Corporate Tax Paid – cash basis	**2,456**
Adjustments – payments/refunds outside of FY25:	
FY25 final tax payment made after 30 Sept 25	281
FY24 final tax payment after 30 Sept 24	(513)
FY24 PAYG tax instalment made after 30 Sept 24	(155)
FY25 PAYG tax instalment made after 30 Sept 25	198
Prior year tax return amendments – tax paid during FY25	(3)
FY25 Australian Tax Payable – tax return	**2,264**

Basis of preparation

This report gives its readers an overview of the total tax payments made by NAB.

Key Income Tax Expense and Tax Payable data was sourced from the AR. The AR was prepared in accordance with the requirements of the Corporations Act 2001 (Cth), accounting standards and interpretations issued by the Australian Accounting Standards Board (**AASB**), International Financial Reporting Standards (**IFRS**) and interpretations issued by the International Accounting Standards Board (**IASB**).

All data, unless otherwise stated, has been prepared for the year 1 October 2024 to 30 September 2025. Data that relates to taxes paid or collected are reported on a cash paid basis.

Amounts are presented in Australian dollars, which is NAB's functional and presentation currency. These amounts have been rounded to the nearest million dollars ($m).

Glossary

For the purposes of this report, the following terms have the below meaning:

Accounting standards
Standards and interpretations issued by the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

AR
The Group's 2025 Annual Report.

Arm's length standard
To price international related party dealings as if they were between unrelated, well-informed parties.

Common Reporting Standard
The Common Reporting Standard (CRS) is a global framework for the automatic exchange of financial account information between tax authorities

Compliance Obligations
Obligations that arise from tax legislation.

Effective Tax Rate
Income Tax Expense as a percentage of Statutory Profit Before Income Tax Expense.

Employer related taxes
Fringe Benefits Tax and State imposed Payroll Tax.

FATCA
The Foreign Account Tax Compliance Act (FATCA) is a United States federal tax law that requires the reporting of foreign financial accounts and assets held by U.S. taxpayers.

Foreign branch
The international operations of an Australian company that is subject to tax in the foreign jurisdiction.

Group
National Australia Bank Limited and its controlled entities (as defined in the AR).

Income tax legislation
Income Tax Assessment Act 1936 (Cth) and Income Tax Assessment Act 1997 (Cth).

International related party dealing
A transaction between a domestic and international party of NAB.

Major Bank Levy
In 2017, the Australian Government introduced a Major Bank Levy which has applied to NAB since 1 July 2017. The rate is 0.06% per annum of certain Authorised Deposit Taking Institution liabilities. The Bank levy is deductible for income tax purposes.

NAB Income Tax Consolidated Group (NAB TCG)
NAB and all Australian wholly owned entities which are consolidated as one taxpayer for Australian income tax purposes.

Non-Temporary Differences
An adjustment to account for an amount of income or expense that, while recognised for accounting purposes, will never be taken into account for income tax purposes or vice versa.

Pre-lodgement Compliance Review (PCR)
ATO's Pre-lodgement Compliance Review Program.

Revenue Authorities
Federal, state and offshore revenue authorities.

Tax Payable
The amount of corporate income tax due for a particular period, calculated in accordance with the relevant income tax legislation.

Temporary Differences
An adjustment to take into account the different time in which income or expenses are recognised for accounting and income tax purposes.

Unrecoverable GST
The amount of GST paid for which a credit cannot be obtained.