Annual Report 2026

national australia bank



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National Australia Bank Limited ABN 12 004 044 937

2026 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 refers to Aboriginal and Torres Strait Islander peoples across Australia. We acknowledge that no single term fully reflects the diversity of First Nations peoples and respect the right of individuals and communities to be known by their own cultural names. Indigenous is used where it appears in official names, titles or quotations.



2026 Annual Report

Our 2026 Annual Report provides information on the Group's activities and performance during 2026. It outlines how we are creating value through our strategy, operating environment, governance, financial and non-financial activities. The Annual Report is structured as follows:

Pages 6 to **14** Information on the **Strategic Overview** which outlines the Group's business units, strategic ambition, value creation and operating environment.

Pages 15 to **24** outline what our **Sustainability Report** contains and NAB's sustainability priorities.

Pages 25 to 42 The Group's **Sustainability Disclosures** provide information on key sustainability matters, including supporting customers, nature and biodiversity, responsible artificial intelligence, security and resilience, colleague capability and wellbeing, and respect for human rights. This report draws on aspects of the International Integrated Reporting Framework and Global Reporting Initiative Standard.

Pages 43 to **118** The Group's **Climate-related Disclosures** provided in accordance with AASB S2 *Climate-related Disclosures* as required by Chapter 2M of the *Corporations Act 2001* (Cth).

Pages 119 to **144** NAB's 2026 **Corporate Governance Statement**, which discloses NAB's compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations – 4th edition.

Pages 145 to 158 The Group's **Risk Management**, which outlines the Group's framework for managing risk and risk factors.

Pages 159 to 210 Key components of the **Report of the Directors**.

Pages 169 to 208 The **Remuneration Report**.

Pages 211 to 316 The **Financial Report**.

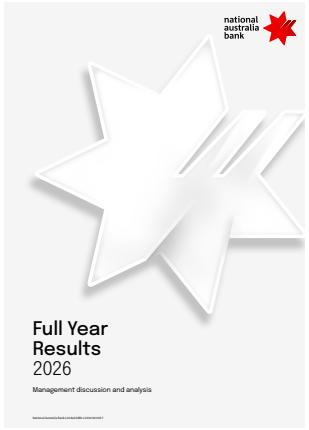
Additional documents

This Annual Report is supported by the following additional documents.



2026 Full Year Results Investor Presentation

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



2026 Full Year Results Management Discussion and Analysis

Management discussion and analysis of the Group's results for the year ended 30 September 2026.



2026 Pillar 3 Report

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



2026 Sustainability Data Pack

Provides further details on the Group's sustainability performance, in addition to the Sustainability Disclosures and Climate-related Disclosures covered in the Annual Report.

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Assurance

The Group's External Auditors are EY.

EY have provided assurance over the Remuneration Report on pages 169 to 208 and the Financial Report on pages 211 to 308, including the Consolidated Entity Disclosure Statement on pages 307 to 308. The assurance statement for these reports is on pages 310 to 316.

Limited assurance has been provided over 26 key non-financial sustainability metrics and performance disclosures and a further three metrics relating to NAB's Reconciliation Action Plan on pages 19 to 20. In addition, EY has provided limited assurance over selected climate-related disclosures and reasonable assurance over Scope 1 and Scope 2 greenhouse gas emissions disclosed under AASB S2 Climate-related Disclosures within the Group's Climate-related Disclosures on pages 43 to 108. The assurance statement can be found on pages 109 to 117.

Additional information

Certain definitions

The Group's financial year ends on 30 September. The financial year ended 30 September 2026 is referred to as 2026 and other financial years are referred to in a corresponding manner. Reference in this Report to the year ended September 2026 are references to the twelve months ended 30 September 2026. Other twelve month periods referred to in this Report are referred to in a corresponding manner.

Amounts are presented in Australian dollars (unless otherwise stated), which is the Company's functional and presentation currency. 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. Forward-looking statements include all statements, other than statements of historical or present facts. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "aim", "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; the impact of actual or potential litigation or enforcement actions; 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, changes in global trade policies and the evolving technological landscape, including developments in artificial intelligence. Further details are contained on page 147 under *Disclosure on risk factors*.

There are also particular risks and uncertainties associated with climate-related forward-looking statements and other forward-looking information relating to climate-related goals, targets, pathways, aims and ambitions, and to anticipated effects of climate-related risks and opportunities, vulnerability to climate-related risks, and the Group’s resilience to the effect of climate change. Refer to page 44 for further information regarding these statements and other climate-related forward-looking information.

The information in this Report has been prepared based on information known as at the date of this Report. The Group reserves the right to change its views, aims, plans and intentions in the future and is under no obligation to update any of the forward-looking statements contained within this Report except as required by applicable disclosure requirements. To the maximum extent permitted by law, the Group provides no assurance or warranty in connection with the likelihood of fulfilment of any forward-looking statement, any outcome expressed or implied in any forward-looking statement, and any assumptions on which a forward-looking statement is based.

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Our Business in 2026

2026 at a glance

Key financial performance measures

Statutory net profit

$6.14bn

9.1% decrease from 2025

Dividends declared per share (for the full year)

$1.70

Unchanged from 2025

Common Equity Tier 1 capital ratio

11.87%

17 bps increase from 2025

Cash return on equity[1]

9.9%

150 bps decrease from 2025

Cash earnings[1]

$6.14bn

13.4% decrease from 2025

Basic Cash EPS (cents)[1]

199.8

13.8% decrease from 2025

Other performance measures

NPS - Medium & Large Business[2]

31

#1 among major Australian banks

NPS - Large Corporate & Institutional[4]

55

#1 among major Australian banks

NPS - New Zealand Consumer[6]

38

#1 among major New Zealand banks

Colleague engagement index[8]

78

Achieved top quartile engagement score of 78

Climate action[3]

$34.7bn

Cumulative towards $80bn by 2030 Environmental finance ambition

Housing affordability [5]

$13.7bn

Cumulative towards $60bn housing affordability financing ambition by 2030

First Nations economic empowerment[7]

$805.1m

Towards $1bn in lending to First Nations businesses and community organisations by end of 2026 (spot balance at 30 June 2026)

(1) For further information on cash earnings and non-cash earnings items refer to the Financial Performance summary section of the Report of the Directors on page 161 and Note 2 Segment information of the Financial Report on page 223. Statutory return on equity and statutory earnings per share are presented on page 162.
(2) 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. Data on 6-month roll. Based on business customers with a turnover $5m-<$200m. Ranking based on absolute scores vs major peers, not statistically significant differences.
(3) For further information, refer to the Environmental finance ambition in NAB's Climate-related Disclosures section of the Sustainability Report on page 52.
(4) Source: Coalition Greenwich Voice of Client Studies, formerly Peter Lee Associates. Target sectors include NBFIs, Private Capital Strategic Investors, Infrastructure, Governments and Private Companies. Large Corporate & Institutional Relationship Banking Survey June 2026.
(5) Includes financing through the Australian Government 5% Deposit Scheme, commercial real estate development finance where the underlying use is residential, and all financing of specialist accommodation, including build to rent, land lease, community housing and student accommodation. Performance covers 1 October 2025 to 30 June 2026. For further information, refer to the Housing Affordability finance ambition on page 18.
(6) Sourced from Insights HQ, previously known as Camorra Research, Retail Market Monitor, based on a 12-month rolling period. NPS for nominated main bank provider as at September 2026. The result reflects the five major banks in New Zealand. Ranking is based on absolute results and may be within the confidence interval of another brand.
(7) Lending position refers to 'Gross Loans and Advances' (spot basis) 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. NAB has retired this ambition during the year and the final progress has been reported as at 30 June 2026. For further information, including NAB's new First Nations finance ambition, refer to page 19.
(8) The Engagement Index is NAB's primary measure of colleague engagement and is based on four questions covering recommendation, employee satisfaction (eSat), belonging and wellbeing. From 2025, the Engagement Index replaced eSat as the primary engagement measure to provide a broader view of colleague engagement and align with NAB's Group Performance Indicator (GPI) methodology. The 2026 result of 78 represents the average of the February 2026 Engagement Index score (78) and July 2026 Engagement Index score (77). Results are based on Viva Glint Heartbeat surveys and include colleagues in Australia, New Zealand (including BNZ), India, Vietnam and other international locations. Results exclude Ubank, external consultants and outsourced service providers.

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Chair's message



Supporting our customers in a difficult operating environment

A dynamic and highly uncertain operating environment has defined the past year. This has required households and businesses to continually adapt. It has also highlighted the importance of resilience in a rapidly changing world.

Geopolitical instability and disruption to global energy supplies have put pressure on input costs for businesses, while domestic inflation led to successive Reserve Bank interest rate rises impacting many Australians. At the same time, rapid advancements in technology are reshaping how we live and work.

Through this period, NAB has focused on supporting customers and communities, maintaining a strong bank and strengthening its resilience. These investments ensure NAB is well placed to adapt to change, respond to emerging challenges and continue delivering for customers, communities and shareholders.

Future focus

NAB is progressing in the execution of its strategy and the Board is pleased with the outcomes this is delivering for customers while creating sustainable value for shareholders. During the year, we have worked closely with Group Chief Executive Officer, Andrew Irvine, and the Executive Leadership Team to strengthen leadership capability and further simplify the organisation for the future. We are benefiting from deliberate succession planning and the development of our future leaders.

NAB is harnessing technology to improve customer experiences, increase productivity and strengthen long-term competitiveness. The Board is actively overseeing the investments, capabilities and governance required to support this transformation.

Fostering a culture of accountability and strong risk management across NAB remains a priority. During the year, we worked closely with management to strengthen governance, enhance systems and controls, resolve legacy matters and respond to the growing threat of financial crime and fraud. These efforts are fundamental to maintaining the trust of our customers, regulators and the broader community.

A financially secure bank

Execution of the Group's strategy has delivered good momentum in 2026. Disciplined capital allocation, prudent risk management and sustainable earnings underpin shareholder returns.

The Board declared dividends for the year of 170 cents per share, in line with our target payout ratio and returned $5.2 billion to shareholders. While we retain the objective to hold or reduce our share count over time, given considerable global and economic uncertainty, it was prudent to strengthen the bank's capital position. This included a partial underwrite of the 2026 half year dividend reinvestment plan to raise $1.8 billion. A 1.5% discount will also be applied to the 2026 full year dividend reinvestment plan. These actions are expected to result in a pro forma CET1 ratio of 12.07%, well above our target of 11.25% and well capitalised to continue supporting customers.

Balance sheet settings are sound and NAB has a clear strategy to deliver sustainable growth and returns over time. Executive and employee remuneration outcomes for 2026 reflect the bank's performance and our intention to reward long-term value creation.

Board renewal

The Board's Chair succession planning process is underway and shareholders will be updated as this progresses.

Composition and renewal of the NAB Board is a very deliberate process. We are constantly considering the skills and experience needed in the context of our strategy and the operating environment. This year we acknowledge the significant contribution of Ann Sherry AO, whose commitment and experienced leadership have supported NAB over nine years. On behalf of the Board, I would like to thank Ann for her dedication and service and congratulate her on her contribution.

I also welcome the opportunity for shareholders to consider the re-election of four directors at this year's Annual General Meeting, as well as the election of Anna Bligh AC. Ms Bligh is a former Premier, Treasurer and Finance Minister of Queensland and served as CEO of the Australian Banking Association for eight years. She brings deep public sector and commercial experience and leadership, including in banking and financial services, government, health, infrastructure and the non-profit sector.

Beyond the boardroom, the Board engages directly with customers, colleagues, investors, regulators and community stakeholders to provide valuable insights into emerging risks, opportunities and expectations.

Looking forward

Looking ahead, the Board remains focused on ensuring NAB is well positioned to meet the evolving needs of customers and communities. This includes overseeing the simplification of NAB's operating model that will help better align NAB's workforce to prioritise growth and technology initiatives for customers. At the same time, the Board is mindful of the impact and uncertainty on colleagues and supports management's intent to treat all colleagues with care and respect at all times.

We are also progressing the sustainability strategy endorsed by the Board last year, centred on areas where NAB can make a meaningful contribution, including climate transition and resilience, housing affordability and First Nations economic empowerment. This year is our first presenting climate disclosures under the new Australian Sustainability Reporting Standards.

On behalf of the Board, I thank our shareholders for your continued support and confidence. I would also like to recognise NAB colleagues for their unwavering commitment to serving customers every day.

NAB is a strong institution with clear strategic direction, experienced leadership and a solid foundation for future growth. The Board remains confident in NAB's future and focused on earning the trust of customers, colleagues, shareholders and the communities we serve.



Philip Chronican,
Chair

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CEO's message



Progress against strategy

NAB colleagues are working towards our ambition to become the most customer-centric company in Australia and New Zealand, and a simpler, faster and more resilient bank. This keeps us focused on supporting our customers and executing on our strategy through a rapidly changing operating environment. NAB's financial year 2026 results reflect strong underlying profit growth, supported by higher volumes and stable margins. We have built momentum across our three strategic priorities. Lending in business bank grew by 10.5%, deposit growth has increased 6.1% and we have strengthened our proprietary home lending drawdowns to 50%. These priorities reflect where we can create the most value for customers and in turn, deliver sustainable long-term returns for shareholders.

Our Executive Leadership Team continued to evolve during the year. Inder Singh joined NAB as Group Chief Financial Officer and Group Executive, Strategy; and Shane Conway was appointed Group Executive, Transformation and Operations; and Connie Sokaris became Group Chief Risk Officer, succeeding Shaun Dooley and Jon Benson, Group General Counsel and Group Executive, Legal and Corporate Affairs, succeeded Sharon Cook. As Patrick Wright and Les Matheson retired, their accountabilities were primarily transitioned to Pete Steel and Shane Conway, whose expanded roles reflect the depth of leadership capability across NAB.

This demonstrates deliberate executive talent development and succession planning and allows us to maintain momentum. We invested in technology and operations to better support customers while modernising and simplifying the bank. Our teams are helping us improve our service to customers, enhance capability and create capacity to invest for the future.

Artificial intelligence, digital capability and data are increasingly pivotal to how we serve customers and run the bank. We are already seeing how these technologies, used responsibly, can improve customer and colleague experiences, increase productivity and help colleagues spend more time serving customers. We have also announced in the year ahead we will be simplifying our operating model, including a reduction in our workforce. We need to be a simpler, faster and more efficient bank. These changes are difficult but needed to reduce duplication, speed up decisions and focus investment where customers see value most.

The leadership team is acutely aware of how these decisions impact the lives of people who will leave the bank as well as those around them. Importantly, there will be no material impact to customer-facing banking roles. Our goal is to continue to invest in and grow the size of our customer-facing banking teams over time.

Economy

The economic outlook remains uncertain, with global events weighing on confidence and many households and businesses managing higher living and operating costs. Despite these pressures, Australia and New Zealand have shown resilience and I remain optimistic about the long-term outlook. Our many strengths, including our abundant natural advantages and proximity to Asia, position us well to capture future opportunities. Realising that potential requires a sustained focus on productivity. Lifting productivity must be the number one priority for all levels of government, regulators and businesses, including NAB. Higher productivity is essential to improving living standards, supporting sustainable economic growth and ensuring future generations enjoy the same opportunities that Australia and New Zealand have long valued. This includes increasing housing supply, delivering affordable and reliable energy through a diversified energy mix and creating an environment that encourages investment, business growth and private sector job creation. I will continue to advocate on these critical areas for the country on behalf of our customers and consider ways for National Australia Bank to positively contribute to their progress.

Supporting our customers

In this softening economy, we are supporting customers and businesses navigating cost pressures and other challenges. That is why we advocate for practical reforms that matter to our customers and communities, including measures to lift productivity, reduce unnecessary complexity and make it easier for businesses to invest and grow.

This year, we strengthened our ability to detect and respond to fraud, scams and cyber threats, including working with industry and government to help keep customers safe. We also improved key customer experiences, including simplifying business and home lending processes, better digital experiences and enhancing payment capabilities. Importantly, we are seeing improvements in customer advocacy as we make it simpler and faster for customers to bank with us.

Investing in the future and community

Banking is becoming more digital but remains a people business. We have continued to invest in our branch network, including opening two new Community Hubs and Financial Centres and expanding the specialised support available through our branch network.

For many customers, particularly in regional communities, branches remain important places for advice, support, connection and trust. We recognise the important role they play in supporting local businesses, customers and communities.

Looking ahead

I am confident NAB is well positioned for the future. We have a clear strategy, an experienced leadership team and talented colleagues who are focused on serving customers. Most importantly, we are building sustainable momentum.

There is still much to do. We have the strategy, leadership and capability to keep improving how we serve customers and deliver for shareholders.

Thank you to our customers for the trust placed in us and to our colleagues for their commitment every day.



Andrew Irvine,
Group Chief Executive Officer

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Strategic Overview

This section outlines how NAB creates long-term value through our strategy, business model and operating environment.

- Our business (page 7)
- Strategic ambition (pages 8 to 12)
- Creating value (page 13)
- Operating environment (page 14)

Our business

We are here to be the most customer-centric company in Australia and New Zealand. More than 43,000 colleagues[1] provide ~10 million customers with secure, safe and seamless banking services.

NAB has three major customer-facing business units in Australia:

- Business and Private Banking
- Corporate and Institutional Banking
- Personal Banking (including Ubank)

Bank of New Zealand (BNZ) is our New Zealand banking business unit that serves Personal, Business, Agriculture and Private Banking customers.

These units are supported by our enabling units: Technology & AI, Transformation & Operations, Finance, Risk, Legal & Corporate Affairs and People & Culture. Our global innovation centres in India and Vietnam provide additional support across the Group.

Business and Private Banking

Building on our strength in business banking

Business and Private Banking (B&PB) supports Australian businesses and the individuals who own them. From start-ups and small businesses to established medium and large enterprises, we help customers manage and grow their businesses through a relationship-based approach, increasingly supported by digital tools.

As Australia's leading business bank[2], we support one in four businesses in the small and medium enterprise (SME) market and approximately one in three in agribusiness. We provide specialised banking expertise and sector-specific solutions across a range of industries, including agriculture, health, commercial real estate, professional services, franchising, wholesale, retail, trade, and government, community and education services. We also offer customers tailored banking solutions through our differentiated Private Wealth business.

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, Europe, the United States 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].

Personal Banking

Deepening customer relationships

Personal Banking (PB) offers a range of banking products and services including home loans, savings and transaction accounts, credit cards, and personal loans. Customers can bank with us through our network of branches, ATMs, contact centres and online as well as our network of NAB Premier Bankers, home lenders and mortgage brokers.

In 2026, home lending balances grew by 3.1% and retail deposit balances by 7.0%. Growth was supported by continued investment in our proprietary home lenders and our Premier Banking proposition, as well as the continued modernisation of our retail branch and ATM network. We have also invested in ongoing improvements in banker capability, customer experiences and productivity through digital, data and AI-enabled tools.

Ubank

Digital bank for the next generation

Ubank is Australia's first home-grown digital bank, helping young Australians do better with money through simple, digital-first banking experiences. As NAB's digital bank for 18 to 35-year-old Australians, Ubank is focused on winning customers and building deep loyalty, particularly with younger Australians.

With a growing customer base of more than 1 million, Ubank continues to attract and engage customers through innovative digital experiences. In 2026 Ubank maintained strong and disciplined growth in deposits of 11.0% and home lending balances increased by 11.6%.

Bank of New Zealand

Personal and SME

BNZ serves almost 1.5 million customers across New Zealand with personal, private, agricultural, 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 2026, BNZ increased market share in household deposits by 18 bps and key lending segments across personal and business banking[6]. It also responded to growing demand for more face-to-face services, with all branches in New Zealand now open for at least five days a week.

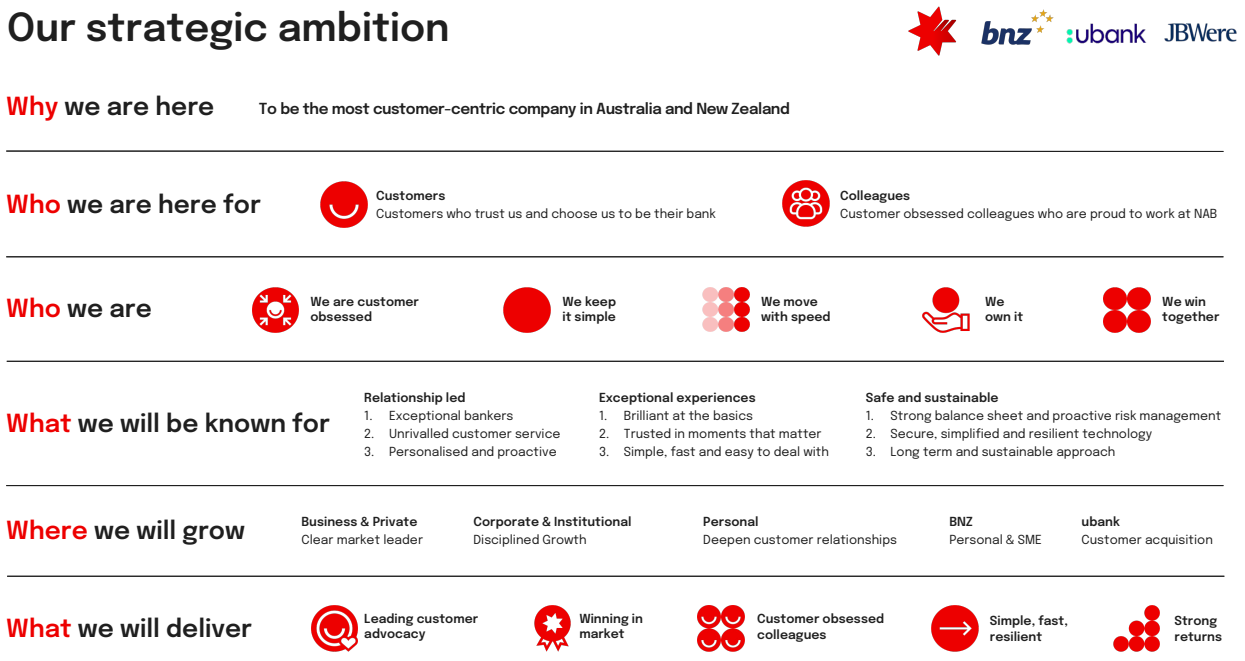
(1) Number of full-time equivalent colleagues as at 30 September 2026 on a continuing operations basis.
(2) Market share of APRA Business Lending (excluding Financial Institutions and Government) as at September 2026. For further information refer to https://www.apra.gov.au/monthly-authorised-deposit-taking-institution-statistics.
(3) Coalition Greenwich Voice of Client 2026 Australia Debt Capital Market Study.
(4) Coalition Greenwich Voice of Client 2026 Australia Trade Finance Study.
(5) Coalition Greenwich Voice of Client 2026 Australia Large Corporate Relationship Banking Study.
(6) Source: Reserve Bank of New Zealand (RBNZ).

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Strategic ambition

Customer-centric strategy

The second year of our customer-centric strategy demonstrated continued progress towards our ambition, with a stronger focus on customer advocacy, customer feedback-driven improvements and the use of technology, data and AI to deliver simpler, faster and more personalised customer experiences. Through NAB Customer Voices and targeted initiatives to address customer pain points, customer feedback is increasingly shaping decisions, product enhancements and service delivery. We also sharpened our focus on the areas where NAB is best positioned to create sustainable value, supported by disciplined allocation of capital and investment, greater simplification and faster execution.



Leading customer advocacy

During 2026, NAB continued to scale and embed its enterprise-wide customer advocacy approach, ensuring customer feedback plays a central role in decisions, priorities and improvements. At the centre of this approach is NAB Customer Voices, which helps teams understand what matters most to customers and take action to improve their experiences. Progress is tracked through a range of operational and experience measures, including Strategic Net Promoter Score (NPS)[1]. Strategic NPS also forms part of our Group Performance Indicator, supporting shared accountability for customer outcomes across NAB.

Strategic NPS outcomes generally improved over the 12 months to September 2026:

- Medium and Large Business NPS increased 11 points, with NAB first amongst the major banks.[2]
- Large Corporate & Institutional grew 12 points, with NAB's ranking improving from second to first.
- High Net Worth and Mass Affluent NPS improved 9 points, with NAB's ranking remaining fourth.[2]
- Micro and Small Business NPS rose 2 points, with NAB remaining second.[2]
- In New Zealand, BNZ maintained leading Consumer NPS and improved Business NPS by 5 points.

By embedding customer feedback into day-to-day decision-making, teams across NAB are better able to identify opportunities and address customer pain points to improve customer experiences.

More customers now regard NAB as their main financial institution (MFI), with Consumer MFI[3] up 80 basis points and Business MFI[3] up 210 basis points.

Customer performance measures

Additional detail on the Group's customer-related performance is provided in our 2026 Sustainability Data Pack available at nab.com.au/annualreports.

(1) 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.
(2) Sourced from RFI Global - Atlas, 6MMA to Sep'26. Medium & Large: business turnover $5m-<$200m; Micro & Small: business turnover <$5m; Mass Consumer: consumers 18+, excluding HNW&MA; HNW&MA: consumers 18+, with personal income $260k+ and/or investible assets $2.5m+ and/or lending/deposit footings $850k+. Ranking based on absolute scores vs major peers, not statistically significant differences.
(3) RFI Global – Atlas, 6MMA to Sep'26. MFI Share: % of customers nominating the institution as their main bank. Business MFI: all businesses; Consumer MFI: customers 18+.

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Customer advocacy: A three-pillar approach

Key customer experiences

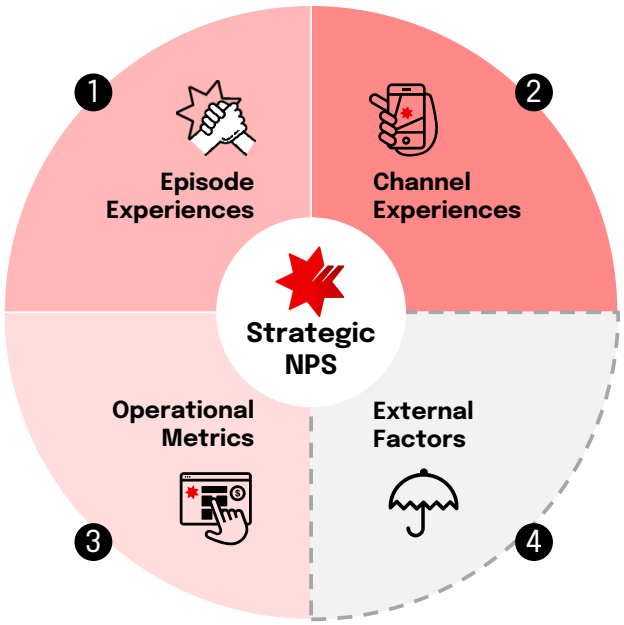
NAB continued to strengthen customer experiences by focusing improvement efforts on the moments that matter most to customers. Customer feedback, service insights and independent benchmarking help teams identify, prioritise and improve the experience drivers with the greatest impact on customer advocacy. Progress was achieved with customer advocacy improving across a number of key customer journeys and channels during the year.

Customer feedback

Customer-facing teams use regular listen, learn and act practices to resolve issues and improve services. In 2026, more than 1,200 teams embedded these practices, resulting in over 17,000 actions. Broader issues are escalated to relevant teams for solution design and implementation, contributing to more than 1,800 experience improvements.

Measuring experience performance

Experience performance is assessed through Operational Metrics, Episode Experiences and Channel Experiences, with external factors also considered. Together with Strategic NPS, these measures provide a view of customer relationships and experience quality, helping guide improvements and accountability.



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

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

Operational Metrics
Underlying processes and behaviours that directly influence customer experience

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

Strategic priorities

In 2026, we continued to build momentum across our three strategic priorities.

Growing business banking

Business banking continues to be a key focus with an increase in business transaction accounts and continued investment in bankers and digital capabilities. We continued to invest in simplifying and digitising business banking experiences, including enhancements to lending, payments and cash management capabilities. We are continuing our focus to address the needs of business owners and investing in sectors and capabilities where NAB can deliver differentiated customer outcomes, growth and sustainable returns.

Driving deposit growth

Deposits increased due to the strengthening of primary banking relationships through enhanced digital tools, personalised insights and propositions that help customers manage their money.

Strengthening proprietary home lending

Proprietary channel home lending drawdowns increased through targeted improvements to simplify key moments in the home lending journey, which enabled improvements in customer experience and banker productivity. We are continuing to take a more targeted approach to home lending growth, with a focus on supporting deeper customer relationships, including with business owners and mass-affluent customers.

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How Technology and AI supports our strategy

Technology modernisation

Secure, simplified and resilient technology underpins NAB's strategy. NAB has a multi-year plan to modernise its technology infrastructure. For more information on progress during the year, refer to *Strategic highlights* on pages 11 to 12 and for more information on our approach to technology, refer to the *Security, resilience and privacy* section on pages 31 to 33 of the Sustainability Disclosures.

Artificial intelligence

NAB's AI ambition is to solve customer and colleague problems we couldn't solve before, and to get better and faster at doing so, by investing in teams and technology which enable maximum impact and control. NAB is focused on deploying AI where it generates measurable business value and can be operated safely and responsibly within the Group's risk appetite.

NAB focuses its AI effort in four strategic areas:

- **Banker AI –** preparing bankers with insights and opportunities before customer contact, supporting real-time analysis and scenario modelling for the next best interactions, while streamlining follow-ups and workflow hand-offs to ensure commitments are met.
- **Customer AI –** enabling a faster and more personalised service while ensuring security and operational guardrails are adhered to.
- **Process and engineering AI –** simplifying the core banking processes that sit behind customer interactions and embedding AI across the software development lifecycle (SDLC) to reduce time to market and support the modernisation of core platforms.
- **Colleague AI –** empowering colleagues for the future with the AI tools, skills and responsible-use guardrails to augment their work and focus on efforts that deliver better outcomes for customers and the Group.

AI is also being used to support risk management, including monitoring of customer obligations and commitments, and to strengthen NAB's security capability. For more information on sustainability topics related to AI, refer to *Strategic highlights* on pages 11 to 12 for progress during the year and refer to the *Artificial Intelligence* section on pages 29 to 30 of the Sustainability Disclosures.

AI@NAB

We are here to be the most customer-centric company in Australia and New Zealand

Delivering better customer and colleague outcomes with AI

Growth	Productivity	AI for Colleagues
Banker.AI Support frontline colleagues to deliver more personalised conversations, faster decisions and better customer outcomes	**Operations.AI** Simplify and automate core banking processes to improve speed, accuracy and efficiency	Provide colleagues with safe and governed access to AI tools, supported by training, controls and oversight
Customer.AI Deliver more personalised and proactive customer experiences at scale	**SDLC.AI** Accelerate software development and improve delivery efficiency	
	Obligations.AI Strengthen compliance, risk management and regulatory outcomes	
	Cyber.AI Enhance cyber security capabilities and strengthen controls	

Governance & Oversight	AI Platform & Controls	Workforce	Technology
Executive accountability Risk management	Enterprise AI platforms Governance and monitoring	AI Capability & Workforce Readiness	Data, cloud, APIs and security

Strategic highlights[1]

Despite the more challenging operating environment, disciplined execution of the Group's strategy has delivered good momentum as highlighted below. This has supported attractive shareholder returns in 2026 including cash return on equity (ROE) of 11.4%[2] and total dividends for the year of 170 cents per share.

Business and Private Banking (B&PB)

B&PB is leveraging a relationship banking approach with increasing focus on digitising simple needs, diversifying growth, deepening customer relationships and developing the workforce of the future. Over 2026, this has delivered good growth across the franchise. B&PB's business lending balances rose 10.5% with growth well diversified by sector. Deposit balances grew 6.1% with business transaction balances up 22%[3] since September 2024, while JBWere net fund inflows continued to increase, up 23% since 2025. These outcomes were supported by investments in more seamless experiences for bankers and customers including transformation of the business lending process and simplification of the business transaction account opening process, both driving faster turnaround times.

Personal Banking (PB)

PB is focused on deepening customer relationships in target segments through consistent and personalised experiences. In Australian home lending, the Group maintained a disciplined approach to growth as the market became increasingly challenging over the second half of 2026. This includes ongoing improvement in proprietary channel performance and a more targeted approach in the broker market. Over 2026, Australian home lending balances grew 3.8%[4] and proprietary channel drawdowns rose to 50% of total drawdowns in 2026 from 41% in 2025[5], benefitting from investment in banker capabilities and tools. Deposit performance was also strong with PB balances rising 7.0% over 2026 and a 39% increase in branch originated new transaction account openings since 2024.

Corporate and Institutional Banking (C&IB)

C&IB continued to execute a returns-focused strategy. This involves a disciplined approach to growth focused on deepening long-term relationships with target sector customers, strong capability and leading expertise in core products and services, and ongoing simplification and disciplined balance sheet usage. This has driven further strong outcomes in 2026 including leading customer advocacy scores combined with lending growth of 9.0% and deposit growth of 5.5% over the year to September 2026.

New Zealand Banking (NZB)

NZB achieved good momentum in target segments of personal and business banking in 2026. This has been supported by a focus on perfecting the basics, building strong foundations and delivering market leading customer experiences. Over 2026, NZB grew above system in household deposits and home lending and continued to increase customer numbers. Over the same period, NZB also gained share in business lending where it remains the largest lender in New Zealand.

Simple, fast and resilient

To deliver on its ambition, the Group must continue to transform to be simpler, faster and more resilient, and leverage modern AI solutions. Progress continued in 2026. Product numbers declined and are now 32% below 2022 levels, change delivery times improved 18% versus 2025 and modern cloud-based platforms are increasingly being used for core banking applications. In 2026, the Group established clear frameworks and foundations to govern and manage AI activities including a single AI platform. This allowed it to increase agentic AI usage including establishment of business-led squads to identify and accelerate AI opportunities aligned to strategic priorities.

Progressive delivery of these initiatives not only supports growth and lowers risk, it also improves efficiency. This helps the Group manage costs while continuing to grow and invest. In 2026, investment spend was held stable at $1.8 billion, while cash operating expense growth (excluding the impact of accelerated software amortisation) was 4.5%.[6]

Essential to being able to grow and support customers through cycles is balance sheet resilience. Given a more challenging economic environment, the Group has taken a number of proactive steps to strengthen its settings this year. Capital of $1.8 billion has been raised increasing the Group CET1 ratio to 11.87%, and a 1.5% discount applied to the final 2026 dividend reinvestment plan is expected to raise approximately $0.9 billion resulting in a pro forma CET1 ratio of 12.07% compared with a target of greater than 11.25%. Forward-looking collective provisions were bolstered by $403 million increasing the ratio of collective provisions to credit risk weighted assets to 1.40%. Software assets are also being added at a lower rate and amortised more quickly as a result of changes to the Group's software capitalisation policy.

The Group is well positioned to navigate the near term uncertainty and continue investing in its customer franchises to deliver growth and attractive returns for shareholders.

(1) Amounts presented in this section are based on cash earnings.
(2) Excluding $949m after tax impact related to changes in the application of the Group's software capitalisation amortisation policy. Refer to Note 1 *Basis of preparation* in the Financial Report for further information.
(3) Including non bearing interest (NBI) accounts and excluding offsets.
(4) Represents home lending balances in PB, B&PB and Ubank.
(5) Excludes Ubank.
(6) Statutory cost growth of 16.0% including the impact of a change in the application of the Group's software capitalisation policy of $1,347m.

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Artificial intelligence

In 2026, the Group strengthened the foundations required to scale AI safely and responsibly, supported by a unified platform bringing together data, AI capabilities, cloud infrastructure and models. NAB is focusing its AI efforts on customer and colleague pain points where it can deliver the greatest impact, with multidisciplinary teams developing solutions that combine business expertise with technology, AI, design, security and risk disciplines.

This approach supports NAB's customer-centric ambition while maintaining appropriate human oversight and accountability. NAB enhanced in-house AI expertise by recruiting specialists, upskilling internal talent, and retaining critical capability to drive ongoing uplift and during 2026, the Group appointed a Chief AI Officer and an Executive, AI Science and established multi-disciplinary AI teams to deliver priority AI use cases across the organisation.

Examples of solutions in production, and the outcomes observed to date, are set out below[(1)]:

- *Cybersecurity*: NAB is using AI to make the adoption of new cloud services safer and faster, reducing assessment time by more than 90% while helping identify and address cyber security issues earlier.
- *Personal Banking sales*: NAB is now using AI to help bankers prepare for customer conversations more efficiently, while supporting consistent and compliant customer interactions. For relationship bankers using the tool so far, the preparation time has reduced by an average of 50%.
- *Credit memo*: NAB is using AI to assist business bankers by reducing manual preparation and allowing bankers to focus on the higher-value activities of customer engagement and relationship management. For bankers using the tool, this has reduced credit memo preparation effort by 20%.
- *Software engineering*: NAB is using AI to support faster software development and technology modernisation, with selected legacy modernisation initiatives progressing three times faster than expected.

NAB's AI capability is delivered through partnerships with leading technology providers, including Amazon Web Services (AWS), Anthropic, OpenAI, Databricks, Google and Microsoft. These partners provide the cloud infrastructure, AI models and technology platforms that underpin NAB's AI ecosystem, helping NAB scale AI solutions securely across the organisation. NAB also works closely with these partners to access specialist expertise, industry insights and technical guidance, supporting the development of internal capability and helping teams build, deploy and govern AI effectively.

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(1) Outcomes are measured against prior manual processing for the activities and users in scope and are not indicative of Group-wide efficiency outcomes.

Creating value

NAB creates value for customers, colleagues, shareholders and communities through a range of key resources. Together, these resources support the delivery of our strategy, strengthen our competitive position and enable sustainable value creation over the short, medium and long-term.

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

Funding
Diverse and stable funding through customer deposits and access to wholesale funding markets

Risk management and balance sheet
Strong balance sheet, prudent settings and proactive risk management capabilities

Technology and data capabilities
Safe, resilient technology coupled with the ethical use of data and AI

Community relationships
Partnerships and stakeholder engagement

NAB's business activities

NAB delivers its strategy and contributes to 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, housing affordability 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.

The support NAB provides

$103 bn
in new home lending.

$693 bn
in deposits managed for retail and business customers.

$135 bn
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 2026

$7.2 bn
Suppliers: Goods, services and utilities purchased, including $51.1m spent with First Nations suppliers in Australia.

$27.2m
Community contribution: Community partnerships, grants, donations, colleague volunteering and in-kind support[2].

$5.2 bn
Shareholders: Dividends paid to approximately 530,000 registered shareholders.

$6.0 bn
Colleagues: Salaries, superannuation contributions and incentives.

$4.5 bn
Governments: Income taxes, the Bank Levy, GST, fringe benefits tax, payroll tax and other government payments.

$22.9 bn
Total economic value distributed

(2) This includes forgone 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 'Investment' tab in the 2026 Sustainability Data Pack.

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Operating environment

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Global business environment

Global economic growth has been relatively resilient to-date in calendar year 2026, despite varying conditions across countries and regions. The strength of AI-related investment has supported activity in the US and Asia, despite higher oil and gas prices associated with conflict in the Middle East acting as a drag on growth, particularly for net energy importers. While growth has been relatively resilient, inflationary pressures have re-emerged as energy prices have risen and AI-related capital expenditure spend adds to aggregate demand.

The Middle East conflict sits within a broader escalation in geopolitical tensions in recent years, including rising trade barriers and the ongoing Russia-Ukraine conflict. The negative supply shocks associated with geopolitical tensions and developments are keeping cost pressures elevated for households and businesses and adding to volatility in financial markets. Many of the major central banks have raised policy interest rates in response to inflationary pressures and resiliency in growth. The US Federal Reserve, Bank of Japan and European Central Bank have lifted rates this calendar year, and current market pricing suggests investors expect further increases. Concurrently, concerns about government debt and fiscal sustainability in some countries have lifted sovereign yields and tightened financial conditions. Combined with ongoing energy supply disruptions, risks to the global outlook remain skewed to the downside.

Although investment in AI and related infrastructure is supporting activity in some economies and sectors, a change in investor sentiment could prompt a correction in equity markets and weaker investment as earnings projections are reassessed, weighing on capital expenditure outcomes.

Australian economy

Growth in the Australian economy has been around its trend pace over the past year but is showing signs of slowing. The unemployment rate has risen but remains low by historical standards. Cost of living pressures and rising business costs are contributing to weak consumer and business confidence. Gross Domestic Product (GDP) grew by 2.1% over the year to the June 2026 quarter. However, GDP growth slowed over the second half of this period. This occurred alongside easing business conditions which has continued into the second half of calendar 2026. By expenditure component, over the year to the June 2026 quarter:

- Household consumption grew 1.8%, while dwelling investment grew by 5.8%.
- New business investment grew by 10.5%, supported by data centre related spending.
- Growth in government consumption and investment eased to 2.1%.

Most industries saw an increase in gross value added over the year to the June 2026 quarter, with only two of the 19 industry sectors (arts and recreation, and utilities) declining. Final demand growth was mixed across the states and territories, with the strongest outcomes in Queensland and Western Australia, while Tasmania recorded negative state final demand growth. In September 2026, the annual growth rate in the Consumer Price Index (CPI) was 4.3%. Underlying inflation remains above the top of the RBA's target inflation band, with price pressures across both goods and services evident in measures of underlying inflation. The housing market is experiencing a downturn owing to the combination of interest rate rises from the Reserve Bank of Australia and the Federal Budget's changes to taxation arrangements for investors in residential property. The Cotality Hedonic Home Value Index for the combined capital cities fell by 8.1% between March and October 2026, leaving the index 3.5% below its September 2025 level.

For the agricultural sector, the RBA's rural commodity price index increased by 16.0% over the year to October 2026 in Australian dollar terms but fuel and fertiliser costs have risen. Winter crop production is estimated to have been close to its record level in 2025-26 but is expected to moderate in 2026-27. The labour market has loosened modestly:

- While the unemployment rate has edged up to 4.7% in September 2026, it remains low by historical standards.
- Employment continues to grow, rising 1.2% over the year to September 2026.

In calendar year 2026, the RBA increased the cash rate from 3.60% to 4.85%. In its November meeting statement, the RBA indicated that it will do what it considers necessary to bring inflation sustainably back to target.

The economy is expected to grow at a below-trend pace over the remainder of calendar year 2026 and calendar year 2027. Household consumption growth is expected to slow, and the downturn in the housing market is likely to weigh on activity. Annual system credit growth was stronger than in the previous year, rising by 8.5% over the year to September 2026. This included strong growth in business credit of 11.5%. Housing credit grew by 7.0%, but the monthly growth rate has started to ease, in line with the broader housing market weakness. If this continues, it will contribute to a more moderate pace of system credit growth in 2027.

New Zealand economy

Conditions in the New Zealand economy have been mixed. While a recovery in economic activity is underway, the labour market remains weak and inflation is elevated. GDP in the June 2026 quarter was 2.6% higher than in the June 2025 quarter. This outcome reflects stronger export and business investment growth while household consumption growth has remained subdued amidst cost-of-living pressures. Labour market conditions remain weak. Over the year to the September 2026 quarter:

- Employment rose 0.7%.
- The unemployment rate rose from 5.3% to 5.7%.

The CPI increased by 3.7% over the year to the September 2026 quarter. Private sector wage growth was 2.1% over the same period. Commodity export prices, in New Zealand dollar terms, have remained high although they have eased in recent months. In the housing market, prices have seen a small decline over the past year while sales have weakened. The REINZ House Price Index in September 2026 was 1.5% below its September 2025 level. System credit growth increased 5.0% over the year to September 2026, which was only modestly stronger than growth over the previous twelve months. Between July and September 2026 the Reserve Bank of New Zealand (RBNZ) has increased the Official Cash Rate (OCR) from 2.25% to 2.75%. Further increases in the OCR are expected. Economic activity is expected to recover gradually over the remainder of calendar year 2026 and calendar year 2027, which should lead to a gradual decline in the unemployment rate.

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.

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Sustainability Report

This section includes our approach to Sustainability and Climate-related Disclosures and highlights performance across key sustainability themes.

- About the Sustainability Report (pages 16 to 24)
- Sustainability Disclosures (pages 25 to 42)
- Climate-related Disclosures (pages 43 to 108)

NAB provides supplementary sustainability-related disclosures in its 2026 Sustainability Data Pack, available at: nab.com.au/annualreports

About the Sustainability Report

Sustainability in our strategic ambition

Sustainability is embedded in the delivery of our strategic ambition.

- NAB's enterprise approach focuses on supporting customers' environmental and social needs.
- BNZ supports our strategic ambition through its own sustainability priorities and governance arrangements.

We have structured our Sustainability Report into two components: Sustainability Disclosures and Climate-related Disclosures.

Sustainability Disclosures

NAB's sustainability priorities support our Group Strategy. The *Enterprise approach to Sustainability*, outlined on page 17 , provides context for the broader Sustainability Disclosures and the Group's separate mandatory Climate-related Disclosures.

The Sustainability Disclosures provide information on sustainability-related matters that NAB considers relevant to its business, strategy, stakeholders and operating environment, but which do not form part of the Group's Climate-related Disclosures under the *Corporations Act 2001* (Cth).

These disclosures are organised around NAB's material sustainability themes, informed by our annual sustainability materiality assessment. They include:

- Supporting customers
- Environment and climate
- Artificial Intelligence
- Security, resilience and privacy
- Colleague capability and wellbeing
- Governance, conduct and culture
- Human rights

Our Sustainability Disclosures are included on pages 25 to 42 of this Sustainability Report.

Climate-related Disclosures

Our Climate-related Disclosures provide information on the climate-related risks and opportunities that could reasonably be expected to impact the Group's prospects over the short, medium and long-term. This is the first year our climate disclosures have been prepared in accordance with the mandatory requirements of *AASB S2 Climate-related Disclosures* (AASB S2) and the *Corporations Act 2001* (Cth).

These disclosures include information on:

- Strategy — describes our identified climate-related risks and opportunities, how we respond to climate-related matters, scenario analysis and the Group's climate resilience assessment.
- Risk management — how the Group identifies, assesses, prioritises, monitors and manages climate-related risks and opportunities.
- Metrics and targets — the measures used to assess and monitor climate-related risks and opportunities, including progress against relevant ambitions, goals and targets.
- Governance — the governance structure that supports the Board and management's oversight of climate-related matters.

Our Climate-related Disclosures are included on pages 43 to 108 of this Sustainability Report.

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Enterprise approach to Sustainability

We are acting now for the long-term. NAB's sustainability approach is built on our customers' needs, prioritising three environmental and social areas of commercial opportunity.

Our ambition	**Support our customers' environmental and social needs with a safe and sustainable approach**		
Our Strategic priorities	**Climate**[1] To support customers as we move together to a resilient net zero economy **$80bn** **Environmental finance ambition by 2030** (cumulative basis)[2]	**Housing affordability** To support increased housing supply and pathways to home ownership for more Australians **$60bn** **Housing affordability finance ambition by 2030** (cumulative basis)[3]	**First Nations** To support the economic empowerment and prosperity of First Nations peoples and businesses **$1bn** **First Nations finance ambition by 2030** (cumulative basis)[4]
How we will grow	• Banking the transition • Supporting business sustainability • Supporting home electrification and resilience	• Supporting Australians to buy houses (participate in government schemes) • Funding to build more houses and innovate more effective construction methods	• Improve access to capital for First Nations businesses and organisations • Develop specialist capability to support First Nations transactions

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) Refer to Climate-related Disclosures pages 43 to 108 for further information.
(2) Ambition reflects cumulative total of new financing activity from 1 October 2023 to 30 September 2030. Refer to page 52 of Climate-related Disclosures for further information.
(3) Ambition reflects cumulative total of new financing activity from 1 October 2025 to 30 September 2030. Refer to page 18 for further information.
(4) Ambition reflects cumulative total of new financing activity from 1 October 2026 to 30 September 2030. Refer to page 19 for further information.

Sustainability performance

Refer to NAB's 2026 Sustainability Data Pack for the Group's performance against key targets and measures, including progress in meeting the ambitions aligned to the sustainability priority areas.

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 2026 Sustainability Data Pack at nab.com.au/annualreports.

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Housing affordability

NAB recognises the need to improve access to housing for more Australians. NAB sees the opportunity to take action to support increased housing supply and pathways to home ownership, aligned to the Federal Government's 2024 National Housing Accord.

Finance ambition

NAB has made strong progress against its ambition to provide $60 billion in finance towards housing affordability by 2030, providing $13.7 billion in the nine months to June 2026.[1] NAB's Housing Affordability finance ambition comprises:

- $30 billion in finance to address supply of commercial real estate (CRE) 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 finance to support first home buyers via the Australian Government 5% Deposit Scheme (AG5DS)

NAB saw growth in commercial real estate lending, particularly for residential housing developments. However, the housing market softened in the second half of 2026 and NAB recognises that this continuing trend could impact NAB's ambition.

Our ambition is to provide $60bn in funding by 2030 to boost housing affordability[1], comprising $30bn to support supply of housing | $30bn to support first home buyers

2026 progress $13.7bn[2]

$6.3bn supporting the supply of housing		$7.4bn supporting first home buyers
$2.8bn Specialist Accommodation	**$3.5bn** Commercial Real Estate	**$7.4bn** Australian Government 5% Deposit Scheme
9,987 dwellings supported	**8,380** dwellings created (estimated)	**17,982** first home buyers supported into home ownership
Specialist accommodation provides alternative pathways into housing, including through build to rent, community housing, student accommodation and land lease.	**Commercial real estate development of residential properties enables the scale development of housing in Australia.**	**NAB recognises the importance of supporting households to access home ownership. NAB's participation in the AG5DS helps NAB to further support first home buyers to access home ownership.**

(1) Ambition reflects cumulative total of new financing activity from 1 October 2025 to 30 September 2030.
(2) 2026 is the first year of progress towards NAB's $60bn financing ambition by 30 September 2030.

Case study: Build-to-rent joint ventures

NAB has partnered with super funds to support the growth of build-to-rent in Australia as an innovative model to help people on all income levels access quality homes in central locations. This includes financing Barings and Aware Super's acquisition of 366 build-to-rent apartments in Fortitude Valley Queensland, where 40% of the units are allocated to affordable housing.

Community housing

Community housing providers are a critical component of the housing sector and provide wraparound services for tenants which can include people on low incomes, essential workers and young people. NAB continues to support finance opportunities for social and affordable housing, including those linked to State and Federal Government policy initiatives such as the Housing Australia Future Fund (HAFF).

NAB supports Housing Australia which is central to the Federal Government's policy initiatives to deliver 40,000 social and affordable homes by June 2029

NAB acted as one of the lead arrangers for Housing Australia's September 2026...	$500m bond issuance

(1) Amounts are calculated by reference to facility limits at origination. Financing of CRE development projects includes new facilities and refinanced facilities with a limit increase of more than $250,000. Financing included in the ambition may also be included in other targets and goals where that finance meets the criteria set for those targets and goals, for example the NAB's Environmental finance 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. Data covers the period from 1 October 2025 - 30 June 2026.

Supporting First Nations economic empowerment

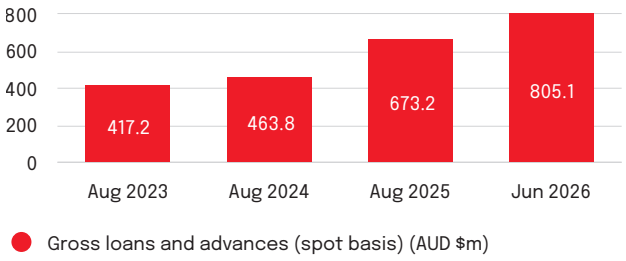
We are using our strengths in banking to improve access to capital, support economic opportunities in the places we operate and help build the capability that underpins long-term First Nations prosperity.

Finance ambition

In 2023, we set an ambition to reach $1 billion in lending to First Nations businesses and community organisations delivering benefits to First Nations communities by December 2026.

Lending reached $805.1 million at 30 June 2026,[1] almost doubling our 2023 baseline of $417.2 million. While this is short of our original $1 billion ambition, we believe the ambition helped expand access to capital and strengthen relationships with First Nations peoples across Australia.

Progress towards NAB's First Nations finance ambition[1]



As expectations, markets and opportunities have evolved, we have taken the opportunity to refresh our ambition.

We have set a new ambition to provide $1 billion in financing from October 2026 to September 2030 to support First Nations businesses start and grow.[2]

Our new ambition reflects a deliberate choice to focus where NAB can have the greatest impact – supporting business growth as Australia's leading business bank. We have seen significant growth in the First Nations business sector and increasing demand for tailored banking solutions, capital and specialist support.

Through our work to date, particularly in Business and Private Banking, we now have a much clearer understanding of the opportunities available and the role NAB can play in accelerating economic participation.

The ambition consists of financing to First Nations businesses, First Nations organisations or First Nations rights-holders and decision-making bodies via three channels:

- **Direct financing:** Business and corporate lending to customers identified through credible third-party registers or datasets.
- **Tripartite financing arrangements**, such as guarantee-backed financing partnerships such as with Indigenous Business Australia (IBA).
- **No or low-interest loans via non-bank financial institutions:** financing facilities provided to a non-bank financial institution where an identifiable proportion of capital supports First Nations businesses, First Nations organisations or First Nations rights-holders and decision-making bodies.

Beyond this ambition, we see emerging opportunities to support First Nations customers across Corporate and Institutional Banking. We are confident the market has substantial growth potential and that NAB is well placed to capture that opportunity while delivering meaningful outcomes for First Nations customers and communities.

Supply chain

NAB exceeded its 2026 First Nations procurement target of $20 million, achieving $51.1 million, a 94% increase from 2025. This growth reflects our commitment to expand commercial opportunities for First Nations businesses.

Access to banking

Listening to First Nations customers has helped shape improvements to banking services, including a more accessible online First Nations support hub, clearer information and tailored support.

Case study: Investing in Country through carbon markets

In 2026, NAB executed its largest purchase of Australian Carbon Credit Units (ACCUs) to date through a long-term agreement with Arnhem Land Fire Abatement NT (ALFA NT), a First Nations-owned carbon farming organisation. The agreement is expected to provide approximately 150,000 ACCUs while supporting First Nations-led fire management across Arnhem Land.

Revenue generated from sales of ACCUs under this agreement is intended to be reinvested into land and cultural management, employ more than 300 Indigenous Rangers, strengthen Traditional Owner-led land management, and deliver enduring environmental, cultural and economic outcomes.

(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. Total progress is calculated as the 'Gross Loans and Advances' exposure on a 'spot' basis each year. As NAB retired this ambition during the year, the final progress has been reported as at 30 June 2026.

(2) Amounts are calculated on a cumulative basis by reference to facility limits and origination. Financing counted towards the First Nations finance ambition may also be counted against other relevant NAB targets and ambitions (e.g. the Environmental finance ambition or Housing Affordability finance ambition) where it independently meets the applicable eligibility criteria.

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Building cultural capability to support meaningful careers

Creating meaningful careers for First Nations colleagues requires opportunity and an inclusive workplace where people can thrive.

In 2026, 187 First Nations colleagues self-identified through our colleague engagement survey.[1]

Recognising limitations in this approach, NAB now reports self-identification captured in its human resources system, supplemented by external recruitment and labour agency data. System improvements and a continued focus on safe self-identification, clear communication of data use and privacy protection have strengthened reliability of this method. As at 30 September 2026, 342 First Nations colleagues had self-identified using this method.[2] This method will be used for future reporting of progress.

In the past 12 months, 44 intern, 18 trainee and 31 graduate positions were provided through targeted recruitment partnerships and early career pathways.

Building cultural capability remains a shared responsibility across NAB. Of our Australian-based colleagues, 99.9% have completed mandatory cultural learning, complemented by targeted learning for teams, NAB-wide learning events and discussions with First Nations customers. The Walking Together Employee Resource Group has grown to more than 1,473 members. The group includes both First Nations and non-First Nations colleagues strengthening peer support and helping build a culturally safe and inclusive workplace.

Progressing our Reconciliation Action Plan (RAP)

NAB has made strong progress against its 2024-2027 RAP. As at 30 September 2026, 98% of commitments were completed or progressing as planned, including First Nations lending, procurement, employment and cultural capability.

Climate

Our Climate-related Disclosures on pages 43 to 108 provide information on climate-related risks and opportunities, as well as performance against our Environmental finance ambition and sector decarbonisation targets and goals (pages 70 to 86).

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(1) Figures based on the colleague engagement survey conducted in July 2026. Data assured by EY.
(2) Data as at 30 September 2026, includes permanent, fixed-term, casual employees and external contract, agency and third-party colleagues in Australia. Due to updates to the source system, prior periods are not comparable.

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.

NAB's community investment contributions in 2026 included:

- The salary value of colleagues' time contribution of more than 6,900 days across the Group to charities, including customers, NAB Foundation partners and grant recipients.
- Forgone revenue associated with $83.6 million in No Interest Loans (NILs) allocated to support microfinance through NAB's partnership with Good Shepherd.
- NAB Foundation granted $6.3 million in 2026 to provide long-term, stable funding for programs and partnerships with community organisations.

NAB Foundation

NAB Foundation partners with organisations across Australia to strengthen resilience and opportunity in the communities we share, to drive social and environmental change. Through philanthropy, social investment and in-kind support from the NAB Group, NAB Foundation's impact is aligned to NAB's sustainability priorities, with a major focus on supporting Australians to withstand and recover from natural disasters.

NAB Foundation operates as a perpetual charitable trust designed to provide long-term stable funding to community organisations. In 2026, NAB Foundation granted $6.3 million to 72 organisations across Australia. It is governed by an independent Trustee and supported by an Executive-level Advisory Council.

NAB Foundation alignment to NAB's sustainability priorities

Climate transition and resilience	It takes many hands to build resilience and recover from natural disasters. NAB Foundation's partners prepare and respond, and when our communities call, our colleagues mobilise help where it's needed most. NAB Foundation partners with organisations working with farmers and landholders to address climate-related challenges.
First Nations economic empowerment	NAB Foundation backs leaders and communities as they shape a stronger, more inclusive economy through innovation, enterprise and shared purpose.
Housing affordability	NAB Foundation partners to create safe, secure and affordable homes for more people.

Impact Investment Funds

In 2026,(1) NAB Foundation grew its Impact Investment Fund to $27.6 million, progressing towards its aspiration to allocate up to $50 million of its total capital to impact investment. The Fund seeks investments that generate positive and measurable social and environmental impact, alongside appropriate risk-adjusted financial returns.

Against disaster, we stand together

In 2026, NAB and NAB Foundation contributed $3 million to support Australian communities affected by natural disasters through direct financial relief and partnerships.

Customer support

Disaster relief payments of $462,000 were provided to 394 customers and 34 colleagues directly impacted by nine disasters. Contributions were materially lower than in 2025, reflecting the lower incidence and severity of disaster events compared with the previous year.

Grassroots disaster readiness and recovery projects

In 2026,(1) NAB Foundation's Community Grants program provided $1.4 million for 50 local projects to support communities to withstand and recover from natural disasters. This included seven Impact Grants of up to $50,000 for high-potential projects, and 43 grants of up to $25,000 for grassroots projects.

Funded projects focused on disaster preparedness and planning, community recovery, environmental and wildlife restoration, and equipment and infrastructure to strengthen local resilience.

Building disaster capacity in communities

NAB Foundation continued its three-year partnership with Girls on Fire to support young women and gender diverse youth to build community resilience, leadership and firefighting skills through programs delivered in the ACT, NSW and Victoria. NAB Foundation also supported Disaster Relief Australia through grants and colleague volunteering programs, before the organisation was wound up in May 2026.

In 2026,(1) NAB Foundation invested in programs that strengthened community preparedness, recovery capability and local disaster resilience. Key grants included:

- The Salvation Army Emergency Services to provide immediate emergency response and essential recovery needs of families and communities impacted by disaster.
- Financial Counselling Australia to support specialist disaster recovery financial counselling training for 59 financial counsellors from communities across Australia, helping build a skilled trauma-informed workforce prepared to support people affected by natural disasters.
- Rural Aid to provide practical assistance and wellbeing support to farmers and rural communities impacted by natural disasters
- Thread Together to deliver proactive disaster preparedness and response programs, providing new clothes to people impacted by disasters in high-risk communities across Central Queensland.

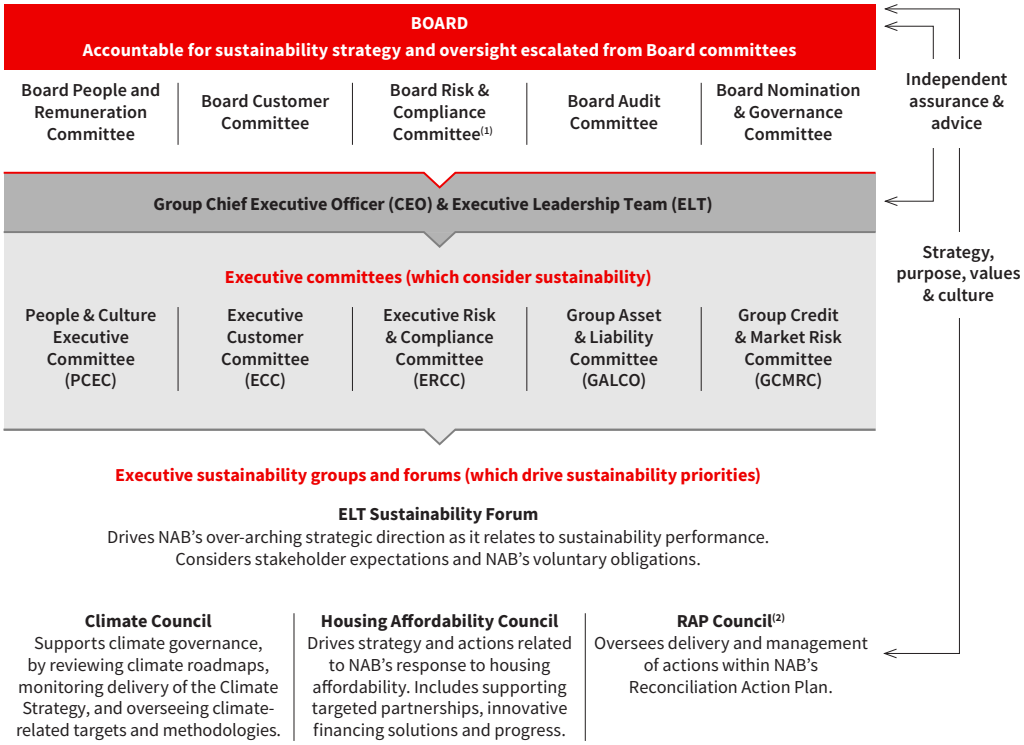
For further information on how NAB is helping customers improve resilience to natural disasters, refer to the *Climate-related Disclosures* (page 67).

(1) NAB Foundation reporting is based on the financial year ending 30 June (1 July 2025 to 30 June 2026).

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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 2026 are available in the *Corporate Governance Statement* of this Report. Executive committees, sustainability councils and forums, and divisional level committees support enterprise-wide alignment and oversight of NAB's sustainability strategy, risks, opportunities and related matters in line with their respective roles. Depending on their remit, they report to the Board or its committees, the Group CEO, the Executive Leadership Team (ELT) or the relevant Financial Accountability Regime (FAR) Accountable person.[1]



(1) The Board Risk & Compliance Committee oversees risks reported and escalated by management, including sustainability and credit risks, and the Group's environmental compliance.
(2) 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.

Management's role in assessing and managing sustainability-related risks and opportunities[2]

Led by the Group CEO, the members of the ELT have a key role in driving the implementation of NAB's sustainability strategy and in assessing sustainability-related risks and opportunities. These include:

- **Group Chief Operating Officer (COO)** is accountable for development, oversight and coordination of NAB's sustainability strategy and advising on sustainability matters, performance indicators and reporting. The Group COO is also responsible for NAB Group's corporate affairs and external communications, including government affairs and public policy.
- **Group Executives of NAB's customer divisions (Personal Banking, Business and Private Banking and Corporate and Institutional Banking)** manage sustainability risks and opportunities within their client portfolios and delivering on NAB's key sustainability focus areas of climate, housing affordability, and First Nations economic empowerment.
- **Group Chief Financial Officer and Group Executive, Strategy** is accountable for NAB's Group strategy, investor engagement, sustainability innovation investment and sustainability reporting.
- **Group Chief Risk Officer (CRO)** owns and is accountable for maintaining the Risk Appetite Statement (RAS) and the Risk Management Strategy (RMS) for NAB Group's material risks, including Sustainability Risk.
- **Group Executive, Technology and Enterprise Operations** manages NAB's property portfolio, technology operations and supply chain management.
- **Group Executive, Digital, Data and Artificial Intelligence** is accountable for digital channel strategy, enterprise data analytics and AI capabilities, including AI strategy and governance, customer onboarding and Ubank.
- **Group Executive, Transformation** manages the Transformation Unit, including NAB's transformation and change delivery frameworks, enabling simplification, technology modernisation plan, design of enterprise account-to-account payment products and the NAB Group's product governance framework.
- **Group Executive, People and Culture** oversees the Group's performance and reward framework and strategies to drive workforce culture, capability, diversity and inclusion.

(1) Refer to page 87 to 88 of Climate-related Disclosures for further information on governance over climate-related matters.
(2) The roles above reflect roles and responsibilities during 2026. For ELT changes effective from 1 October 2026 refer to page 125 to 126.

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Stakeholder engagement

Effective stakeholder engagement enables NAB to understand expectations and emerging issues, identify opportunities for improvement, and advocate for policy changes that create better customer outcomes. Our approach to stakeholder engagement is set out in the Group Sustainability Policy and informed by the AA1000 Stakeholder Engagement Standard, including processes for consultation on sustainability topics.

Engaging on sustainability:

NAB values feedback on sustainability topics relevant to the Group, customers and the community. Key areas of discussion with stakeholders during the year included:

- Cost of living, housing affordability, impacts of geopolitical conflict, fraud and scams, and accessibility, including through our regular Consumer Forum with customer advocates.
- Responsible use of AI and management of related impacts and opportunities.
- First Nations economic empowerment, financial inclusion and access to banking, informed through our First Nations Advisory Group and ongoing engagement with First Nations organisations, businesses, leaders and communities.
- Climate action, customer transition, reducing financed emissions, and assessment and management of physical risks.
- Deforestation, land use change, and natural capital management.
- Workforce management, including mental health, wellbeing and psychosocial safety.
- Human rights, including modern slavery and child safeguarding.

A range of activities help us understand stakeholder concerns and perspectives, and respond to matters most important to our stakeholders.

Stakeholders	Engagement activities
Customers	Market research, including customer satisfaction and experience surveys and focus groups, customer advocacy groups, direct engagement with Sustainability, Credit, ESG Risk Management teams, ELT, 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 ELT, 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 & community partners	Research, surveys and interviews, meetings and events, employee volunteering, donations, and impact investing (including by NAB Foundation).

Industry associations

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

Key sustainability focused engagements during the year included:

- Through our membership of the Australian Banking Association, NAB engaged on industry-wide issues, including fraud and scams, customer vulnerability, financial abuse, regional banking and access to cash, housing supply and modular housing, insurability and First Nations outcomes.
- Participated in the United Nations Environment Program Finance Initiative (UNEP FI) Principles for Responsible Banking working group alongside industry peers to update the Sector Impact Matrix tool.
- Participated in the Australian Sustainable Finance Institute's taxonomy implementation pilot, testing the country's first sustainable finance taxonomy.
- Participated in Responsible Investment Association of Australasia's First Nations, Human Rights and Nature Working Groups.
- Through our membership of the Australian Disability Network (AusDN), engaged on topics relating to disability inclusion and accessibility.

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 Group. In 2026, this included:

- Working with Federal and state governments to improve housing supply, including to advance innovative financing solutions like pre-sale guarantee initiatives and opportunities to remove barriers to scaling modular housing.
- Engaging on proposed reforms to Australia's Modern Slavery Act and New Zealand's Modern Slavery Bill.
- Contributing to the development and implementation of Australia's sustainable finance framework, including mandatory climate-related financial disclosures.
- Engaging on the development of Australia's Sustainable Investment Product Labelling regime.

Key industry association memberships and payments for 2026 were:

- Australian Banking Association: $2,557,275
- Business Council of Australia: $97,000
- New Zealand Bankers' Association: NZ$466,669
- Business NZ: NZ$35,000

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 2025 (period 1 July 2024 - 30 June 2025), 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 2026 contributions (period July 2025 - June 2026) will be available via the AEC in February 2027.

Material sustainability themes

NAB conducts an annual sustainability materiality assessment to identify the sustainability areas most relevant to our business and stakeholders, and where we can have the greatest impact on society. The outcomes of this assessment guide our strategy and decision making. This assessment is informed by external frameworks such as the UNEP-FI Impact Radar, reporting frameworks (e.g. Australian Sustainability Reporting Standards, Global Reporting Initiative, Sustainability Accounting Standards Board), as well as benchmarks and ratings (e.g., S&P Global Corporate Sustainability Assessment, MSCI, Sustainalytics). It also considers internal risks and opportunities, as well as strategic business priorities.

Stakeholder engagement (refer to page 23) also forms a key input into the assessment. We conduct targeted engagements with stakeholders to discuss important sustainability matters and analyse feedback received throughout the year. These insights are reviewed against strategic priorities and industry guidance, endorsed by the Sustainability Forum and the Board.

The materiality assessment involves the following four stages:

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

Sustainability materiality outcomes

The 2026 assessment affirmed the ongoing relevance of material sustainability themes for the Group identified in 2025. Support for customers during challenging economic conditions, including geopolitical tensions and rising cost of living, remained the most important theme from both strategic and stakeholder perspectives. Environment and climate change also continued to be high priority for our stakeholders, particularly in relation to risks, opportunities and support for customer transition. AI was elevated to a material theme this year reflecting a growing interest from our stakeholders to understand both business and societal impacts of AI adoption. Stakeholder engagement reinforced the importance of continuing to assess sustainability-related risks and opportunities and maintaining a clear focus on what matters most to NAB.

2026 Material sustainability 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 important life moments. This is fundamental to our strategic ambition to become the most customer-centric company in Australia and New Zealand.	• Customer advocacy and feedback (page 8) • Responsible product design and development (page 26) • Financial hardship and customers experiencing vulnerability (pages 25 to 26) • Financial inclusion (page 26) • Housing affordability (page 18) • First Nations economic empowerment (pages 19 to 20)
2. Environment and climate NAB has a role in facilitating an orderly transition to net-zero, and supporting our customers to take action on climate change and environmental sustainability. This promotes greater business and customer resilience and commercial opportunities.	• Nature and biodiversity (pages 27 to 28) • Land clearing and land use change (pages 27 to 28) For sub-topics related to climate change, covering NAB's identification and response to climate-related risks and opportunities refer to the Climate-related Disclosures on (pages 43 to 108).
3. Artificial intelligence Responsibly leveraging AI and digital innovation supports better customer and business outcomes.	• AI strategy (page 12) & (page 29) • AI governance (page 29) • Environmental and social impacts of AI (page 29 to 30)
4. Security, resilience and privacy Maintaining resilient, reliable and secure systems and responsibly leveraging digital innovation supports better customer outcomes and experience.	• Technology resilience (page 31) • Scams, fraud and cyber security (page 32) • Use of data, privacy and ethics (page 31)
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 130 to 134) • Conduct and culture (pages 139 to 141) • Executive remuneration (page 191 to 195)
6. Colleague capability and wellbeing NAB's more than 43,000[1] colleagues are essential to being a customer-centric company.	• Leadership and colleague capability (page 35) • Talent attraction, development, retention (page 34) • Inclusion and diversity (pages 36 to 37) • Health, safety and wellbeing (pages 35 to 36) • Employee / Industrial relations (page 35)
7. Human Rights Commitment to respecting human rights provides a core foundation for 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 39) • Customer identification and management of human rights issues (page 38)

(1) Number of full-time equivalent colleagues as at 30 September 2026 on a continuing operations basis.

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Sustainability Disclosures

Supporting customers

Customer focus

As economic conditions and personal circumstances continue to place pressure on some customers, our focus is on making support easier to access and helping customers receive the right care in the moments that matter. Our approach is guided by NAB's Customers Experiencing Vulnerability Framework 2024 – 2026 (available at nab.com.au/customersupport), regulatory obligations and industry best practice.

We focus on developing products and services that are safe by design, supporting customers earlier to maintain financial wellbeing and connecting them to specialist assistance through strong partnerships with community organisations.

Our ambition is to build products, services and experiences that help customers feel in control of their money, make informed decisions, be confident in their financial wellbeing, be connected to the right support, and always treated with dignity.

Customers in vulnerable circumstances

The NAB Care team serves as the primary point of contact for personal and small business customers experiencing financial hardship or vulnerability, providing tailored support to help them navigate their individual circumstances and needs. In the current economic environment, customers commonly seek support due to cost-of-living pressures, unemployment, reduced income, underemployment and health-related challenges. Depending on their circumstances, customers may receive assistance through reduced repayments, payment breaks, loan reviews, restructures and other tailored support arrangements.

In 2026, NAB provided customers with financial support on 50,709 accounts[1]. Improvements made during the year included:

- Increasing the number of colleagues in our NAB Care teams, and integrating support for white label customers who are experiencing hardship.
- Delivering a proactive customer contact strategy to identify customers who may require hardship support within the next 3-6 months.
- Uplifting our website experience and customer communications to make it easier to understand available support options and how hardship assistance may affect accounts.
- Strengthening frontline colleague capability to identify and refer customers experiencing financial difficulty to specialist support teams.
- Expanding the range of assistance options available to better meet customers' individual needs and circumstances.
- Improving access to support in remote communities by supporting, financing or attending community led efforts.

Our financial assistance hub (available at nab.com.au/wecare), provides more details on how we support customers experiencing financial difficulty.

Providing our customers extra care

NAB's Customer Support Hub provides specialised care for customers experiencing vulnerability. In 2026, NAB supported 10,704 customers, including 3,406 customers experiencing financial abuse, elder abuse and/or intimate partner violence.

NAB also launched its new Community Hubs in Werribee and Cairns offering customers in branch support, including help during financial or personal hardship, spaces for community education and local language specialists. Further Community Hubs are planned for rollout in 2027.

In 2026, NAB continued to expand Easy Guide resources, including adding a new to acting as a Power of Attorney guide to help attorneys understand their role and act in customers' best interests.

NAB continues to block abusive transaction messages. In 2026, NAB blocked 164,238 abusive transactions via online and mobile banking.

Partnering to provide support beyond banking

NAB recognises that customers experiencing vulnerability may need support that extends beyond traditional banking services. Through referral partnerships, NAB connects customers with trusted providers who can offer specialist support across family violence, housing insecurity, mental health, employment, financial hardship and recovery. These partnerships help customers access support for safety, stability, wellbeing, employment, financial counselling and longer-term recovery.

In 2026, NAB continued to strengthen partnerships and referral pathways by joining Thriving Communities Australia's One Stop One Story hub, making it easier for customers with complex needs to access a wider range of support without having to retell their story multiple times. NAB also joined Fitted for Work, a not-for-profit employment support organisation that helps people improve job readiness and access sustainable employment.

Building financial resilience

In 2026, NAB continued to help customers build financial resilience by making money management simpler and more personalised through our digital channels. We improved our financial wellbeing tools, including 'Savings Spaces' for savings goals, 'Upcoming' for predicted bills and subscriptions, 'Spending' for tracking where money goes, 'Budgets' for managing spending categories, and 'Cash Predictions' for forecasting future cash flow and personalised insights to help customers plan ahead.

Customer engagement continued to grow, with almost 12.5 million financial wellbeing interactions recorded in 2026. Approximately 1.8 million customers regularly used 'Spending' to track where their money goes, and more than 3 million personalised financial insights were shared with customers. Adoption of 'Saving Spaces' doubled in 2026 and the number of customers with a 'Savings Space' has grown by 420% since launch.

(1) Accounts that received hardship assistance during the 12-month period. In 2026, NAB completed the migration of white label partner-branded cards into NAB systems from Citibank.

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No Interest Loans

For 23 years, NAB has partnered with Good Shepherd Australia New Zealand to deliver the No Interest Loans program (loans that incur no interest or fees, and don't require security) for customers likely to be excluded from mainstream finance.

In 2026, NAB helped 34,256 people access $60 million in NILs, alongside the support of dedicated NILs workers across a nationwide network of participating community organisations. Since 2003, NAB has provided more than 488,000 microfinance loans valued at $665.6 million, supporting more than 1.1 million Australians on low incomes.

Training and capability

NAB continues to build colleague capability to identify and support customers experiencing vulnerability. Customer vulnerability content is included in annual Risk, Conduct and Compliance training for all colleagues.

Role-specific training is also available for colleagues in frontline roles and product teams, covering inclusive banking and customers experiencing vulnerability, domestic and family violence, elder financial abuse, and customers with disability.

In 2026, more than 31,500 colleagues completed annual mandatory Risk, Conduct and Compliance training involving customer vulnerability scenarios.

Building more inclusive and accessible banking

NAB is committed to inclusive banking, supported by a workplace culture that enables colleagues to better understand and serve our diverse customers and their communities.

During 2026, NAB progressed delivery of initiatives under its Accessibility Action Plan 2025–2026 (AAP), continuing to strengthen accessibility across customer experiences, digital channels and for colleagues. Key areas of progress include:

- Launched a real-time Auslan interpretation service in branches to better support customers who are deaf or hard of hearing, with customers able to connect to a live interpreter using branch iPads and their own device to communicate in real time with a banker.
- Strengthened accessible digital content by adopting the internationally recognised Web Content Accessibility Guidelines (WCAG) 2.2 Level AA as a minimum benchmark, and Level AAA where feasible. This is supported by expanded Easy English guides across key banking topics.
- Maintained Disability Confident Recruiter accreditation from the Australian Disability Network, recognising NAB's commitment to inclusive and accessible recruitment practices.

We expect to provide a final update on progress driven by the AAP and our future ambitions in 2027.

Customer-centred product design

Through Products@NAB, our product governance framework, we assess products and services throughout their lifecycle against the Customer Outcomes Framework to help ensure they remain simple, effective and aligned to customer needs. Considerations relating to inclusion, accessibility and customer safety are integrated into product governance reviews.

In 2026, 44 personal and business banking products were reviewed, with insights informing enhancements to product roadmaps and supporting continuous improvement in customer outcomes.

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Environment

Nature and biodiversity

NAB recognises that natural capital supports the resilience and prosperity of the customers, communities and economies we serve, informing our approach to managing sustainability-related risks and opportunities and supporting long-term value creation.

Changes in environmental conditions, regulation and market expectations may affect customer productivity, asset values, access to markets and finance, and the resilience of communities and regional economies. As we support our customers, NAB is building its understanding of where these issues may be relevant across the portfolio and how they may influence risk management as well as customer needs.

We disclose using the voluntary Taskforce for Nature-related Financial Disclosures pillars of governance, strategy, risk management, and metrics and targets.

Nature-related governance

Nature-related risks and opportunities are managed under NAB's sustainability and climate governance arrangements. For further information, refer to *Sustainability governance* on page 22.

Strategic approach

NAB's approach to nature and biodiversity forms part of our approach to climate, and recognises the close interconnection between climate change and nature loss, which can affect the resilience and productivity of customers and the sectors we finance. Considering these interdependencies supports more informed risk management and helps NAB identify opportunities to support customers as they transition and build resilience.

NAB's approach is centred on:

- **Supporting** customers as they respond to evolving operating conditions, including regulatory and supply chain requirements and new opportunities associated with the nature-related economy.
- **Improving** data capability to improve portfolio-level visibility of nature-related impacts and dependencies and associated risks.
- **Managing** material nature-related risks through colleague capability, assessment, escalation, investigation and governance processes.
- **Engaging** with industry associations, supply chain participants, customers, investors, government, environmental organisations and academia to contribute to practical responses to systemic issues.
- **With NAB Foundation** supporting organisations driving change. For further information on how NAB is helping customers improve resilience to natural disasters, refer to the *Climate-related Disclosures* on pages 43 to 108.

Nature-related risk management

Nature-related factors are considered through the Group's Risk Management Framework. This may include customer and transaction assessments; risk appetite and relevant sector settings; Environmental, Social or Governance (ESG), Credit and Financial Crime policies and processes and escalation, monitoring and reporting through relevant governance forums.

NAB's approach continues to evolve as scientific understanding, data, technology, regulation and market practice develop.

NAB uses analysis to improve its understanding of where customers and sectors may have material dependencies and impacts on nature. Building on the work first disclosed in 2023, NAB has updated its nature-related impact and dependency assessment using the latest version of the ENCORE tool.[1] The assessment identified agriculture, mining, energy and utilities as industries with potentially significant interactions with nature. For further information, refer to the Sustainability Data Pack at nab.com.au/annualreports.

NAB continues to assess emerging data sources and analytical tools that may improve portfolio visibility and support decision-making, which includes investment in data capabilities leveraging geospatial data and enabling climate-related physical risk tools and visualisation capabilities for real estate, land and agribusiness portfolios. See case studies on page 28 for our progress.

Land clearing and land use change

NAB understands that land clearing and land-use change can impact biodiversity and are among the key nature-related issues relevant to sectors such as agriculture, forestry, energy and utilities, and property. These activities may contribute to legal, regulatory, credit, conduct and reputational risks and may affect the long-term resilience and productivity of customers that depend on healthy land, water and ecosystems.

Our approach is to identify, investigate and manage the risk of illegal land clearing. NAB defines illegal land clearing as clearing undertaken without required permits, approvals or exemptions. This focus recognises the heightened risks to NAB of illegal activity, and our role in supporting customers.

Matters involving potential land clearing are identified at origination when we review applications to onboard new customers, if a banker suspects illegal land clearing may be occurring on a customer's property, or if we are alerted to the possibility of illegal land clearing occurring on a customer's property through media reporting or external third-party engagement.

Where NAB becomes aware that a customer may be involved in illegal land clearing, the matter is assessed and investigated. Any action is determined having regard to the circumstances, available evidence, investigation outcomes, NAB's risk appetite and relevant ESG, Credit and Financial Crime policies and processes.

Actions we may take following a review include contractual protections, placing customers on close monitoring, support for existing customers undertaking rehabilitation activities, and in some instances, imposing limits on additional lending or reducing existing exposure.

Land clearing and land-use change is a complex, systemic issue requiring nationally consistent data, clear legal requirements, credible accreditation and traceability systems, and practical guidance for landholders. NAB continues to develop its understanding and build key capabilities to support customers as they navigate this evolving operating environment.

In 2026, NAB has continued to:

- Improve portfolio understanding by incorporating land-use and forest-cover data into NAB's physical risk assessment tool Farm-ID (see case study on page 28), which aims to provide greater visibility of potential land-use change

(1) ENCORE Partners (2024). ENCORE: Exploring Natural Capital Opportunities, Risks and Exposure. Downloaded Sept 2026 , Cambridge, UK. Available at: https://encorenature.org. This includes, for example, changes to federal environmental legislation and UNEP-FI nature reporting.

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across our portfolio and support targeted assessment and customer engagement.

- Strengthen capability of bankers to identify and escalate potential risks, gain a clearer view of customers' needs and challenges, and support customers to better understand expectations. This is delivered through:
  - updated banker guidance relating to land clearing and land-use change, including requirements under the Environment Protection and Biodiversity Conservation (EPBC) Act,
  - mandatory ESG training (which included land clearing) to over 4,000 Business and Private Banking bankers, and
  - development of a further training module containing a more detailed land-clearing case study to demonstrate practical application of NAB's requirements to customer and transaction scenarios. This module will be rolled out in 2027.
- Support risk oversight by continuing to build a digital ESG risk assessment tool, which will enhance the quality and consistency of ESG risk assessments and transaction level ESG data capture.
- Participate in external initiatives to improve understanding and opportunities to contribute to practical responses to systemic challenges. In 2026, this included industry dialogues and participation in Australian Land Conservation Alliance annual conference, Australian Sustainability Framework Initiative Adaptation and Resilience Working Group, Responsible Investment Association of Australasia's Nature Working Group, Business Council for Sustainable Development Australia, and UNEP-FI (Nature Reporting Preparer Forum and Risk Centre).

Nature-related metrics and targets

NAB's management of nature-related risks and opportunities includes consideration of a range of metrics, such as concentration risk in exposure to certain industries and sub-sectors and our assessment of potential positive and negative impacts, and dependencies on nature. Our goal is to improve our access to reliable, timely and decision-useful data as part of our ongoing assessment of nature-related risks. We do not currently have nature-related targets, outside our sector decarbonisation targets and goals as detailed in the *Climate-related Disclosures* on pages 68 to 69.

Case study: Building data-driven nature insights into portfolio management

Geoscape and land-use change

NAB has continued to strengthen its understanding of nature-related risks, including forest cover loss, across the agribusiness portfolio through the use of emerging data and technology.

In 2026, we incorporated land use and forest cover data into Farm-ID, drawing on geospatial data from Geoscape Australia, to improve the identification and assessment of potential forest cover loss. Preliminary findings are aligned with regional trends identified in state-level government reporting on vegetation changes, which report significant vegetation removals.(1)

The analysis currently does not, by itself, establish the cause or legality of observed change, customer responsibility or whether NAB funded the activity. However, it has allowed us to trial an automated flag within Farm-ID, which triggers additional customer due diligence where forest loss is detected. This feature will be further tested and refined in 2027.

Case study: GIST Impact and broader nature-related risks

In 2026, we also trialled broader nature-related risk assessment methodologies with GIST Impact, focusing on the agriculture sector and considering environmental impact, sensitive location analysis and physical risk. Together, these initiatives are helping NAB gain an improved view of portfolio level exposure, and to assess how data-driven insights can strengthen risk management, support customers, and inform future decision-making. NAB continues to assess the methodology, data quality and governance required to translate this emerging capability into decision-useful portfolio-level reporting.

(1) Queensland Government: 2023–24 SLATS Clearing Report and NSW Government: 2024 NSW vegetation clearing report

Artificial Intelligence (AI)

Responsible use of AI

AI is an important enabler of NAB's *Strategic Ambition* outlined on page 12 and is increasingly being used to enhance customer experiences, support colleagues and improve the way NAB operates.

As AI capabilities continue to evolve across the Group, NAB is focused on ensuring they are developed, governed and deployed responsibly. This includes maintaining robust governance and risk management frameworks while considering the impacts of AI on customers, colleagues and the broader community.

Attracting and developing capability

Building colleague capability remains a key component of NAB's AI approach. NAB continues to invest in AI literacy across the organisation through Responsible AI training, leadership development programs, whole of company AI capability building programs, and role-based learning initiatives.

Almost 43,000 colleagues have access to approved AI tools, including Claude, Copilot, Claude Code, Cursor, Devin, Gemini and purpose-built AI solutions. These tools support activities such as drafting, research, analysis and software development, with access and usage management designed to support appropriate tool selection for different tasks and help control costs.

AI governance and accountability

NAB has established a structured, multi-tiered governance framework intended to support clear accountability for AI across the organisation, from the Board through to individual business units.

The Board, supported by the Group Executive, Technology & AI provides strategic oversight on material AI use, monitors performance against strategic objectives and progress on governance maturity. At the executive level, senior management sets NAB's AI strategy and risk appetite, governs high-risk and/or key use cases, and drives cross-functional alignment across the Group.

NAB seeks to maintain clear accountability throughout the AI lifecycle. In line with NAB's customer-centric strategy, accountability for the use of AI is aligned to the business or customer outcome being delivered and rests with the relevant accountable executive, with each business and enabling unit responsible for defining and delivering initiatives that create value and appropriate outcomes for customers and NAB.

As AI becomes a core business capability with enterprise-wide implications, AI Risk has been introduced as a standalone Material Risk Exposure in NAB's Enterprise Risk Taxonomy. A standalone risk establishes accountability and oversight of AI solution development and use. While AI Risk is governed as a standalone risk, there are important intersections with other risks which are managed in accordance with NAB's operational risk management policy and approach.

NAB's AI Framework sets out the principles and standards that govern how AI is developed and deployed across the Group. NAB incorporates the Australian AI Ethics Principles as a foundation for this approach. As AI evolves, NAB will continue to evolve its governance framework and controls to reflect emerging technologies, changing regulatory expectations and industry best practice, with a focus on delivering the benefits of AI while maintaining appropriate safeguards for customers, colleagues and the communities it serves. Governance of NAB's broader technology environment, including cyber security and operational resilience, is described under Governance and accountability for security, resilience and privacy on page 33.

AI risk management

NAB takes a systematic approach to identifying and managing the risks that AI can introduce to customers and the organisation. Governance and assurance requirements are proportionate to the nature, risk and potential impact of each solution. AI solutions are assessed holistically across the full AI lifecycle. This includes the adoption of a range of AI tools and consideration of customer, colleague and regulatory impacts.

NAB's AI Framework establishes governance requirements covering content and system guardrails, observability, explainability, traceability, evaluations, testing, and human review and intervention. The AI Framework is designed to enable the safe, secure and ethical use of AI. Colleague training on the responsible use of AI is mandatory across the organisation.

Customer outcomes and protections are central to NAB's Responsible AI approach. NAB's AI principles and Framework set clear boundaries on what AI can and cannot be used for, including prohibitions on using AI to engage in manipulative behaviour, exploit vulnerabilities, or enable social scoring. Transparency is required for AI-generated content and human involvement is required for decisions with significant customer impact. Customers who are dissatisfied with a decision or outcome, including one supported by AI, can raise a complaint through NAB's existing complaints and dispute resolution processes, and may escalate to the Australian Financial Complaints Authority. Further information is set out at nab.com.au/contact-us/feedback.

An AI risk assessment is embedded into the product development lifecycle. All AI use cases are assessed through a structured process before receiving go-live approval. Medium-risk use cases require peer-review and high-risk use cases require additional review by the independent Model Validation team before deployment. Risks arising from the use of AI, including those associated with third-party models and suppliers, are also addressed in the *Risk Factors* section on pages 147 to 157.

Managing AI-related impacts

Workforce impact

AI is changing the nature and composition of work. Our proactive approach to workforce transition combines forward-looking workforce planning with investment in the capabilities our people need to work effectively in an AI-enabled environment.

In 2026, we have progressively expanded colleague access to AI tools, supported capability development and skills-based workforce shifts to help colleagues adapt for opportunities in high-demand areas such as relationship banking, financial crime, cyber security and AI data scientists and engineers.

Through our Skills Pathways online tool, colleagues can better understand their skills, explore adjacent career opportunities and access personalised learning recommendations. Almost 4,500 colleagues have accessed NAB's skills hub and resources in the first three months. To date, more than 2,000 colleagues have attended 'Future You' sessions to help identify transferable skills, understand emerging workforce trends and prepare for future career opportunities.

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While building AI capability is an important focus, these initiatives are designed more broadly to help colleagues navigate the changing nature of work. Together, they support career mobility, targeted upskilling and reskilling, and workforce adaptability, helping colleagues navigate change and build the capabilities needed for the future of work.

We continue to evolve our workforce assessment for AI pilots and deployment to better understand current and emerging workforce impacts, such as changes to work design, psychosocial safety management, and where consultation or additional colleague support may be required. NAB's existing colleague complaints process applies for any AI-related complaints.

As demands change, we will continue to assess the implications for our workforce, engage colleagues and their representatives transparently, and manage organisational change thoughtfully and fairly.

We are building an AI-enabled organisation that combines the potential of advanced technology with the expertise, judgement and accountability of our colleagues.

Environmental impact

NAB has a long history of financing major infrastructure projects and has established a specialised global data centre team to help operators access capital. AI adoption is expected to increase demand for digital infrastructure, including data centres, which have associated energy use and other environmental impacts. These impacts are considered as part of lending decisions through credit risk and due diligence processes, particularly for project-related transactions, and in relation to our operational emissions.

For further information about how we consider sustainability risk in our lending processes, refer to the *Sustainability Risk Management* section on pages 40 to 42, and for further information on operational emissions, refer to the *Climate-related Disclosures* on pages 68 to 69.

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Security, resilience and privacy

Safer, simpler banking for customers

NAB continues to make banking simpler, safer and more convenient for customers through ongoing investment in digital capabilities and fraud prevention. During 2026, NAB continued the rollout of Confirmation of Payee, expanded fraud-detection capabilities and strengthened customer protections, contributing to a reduction in fraud losses.

Customers also benefited from more intuitive digital experiences, including a refreshed digital experience for Internet and Mobile Banking and increased capabilities that help customers manage their home loans. This was in addition to integrating more than one million customers onto strategic banking platforms through the Citi integration program - delivering more secure, reliable and improved experience for these customers.

Simple and fast

NAB continued to simplify its technology environment and reduce complexity across the organisation. During 2026, we exited the Knox data centre, advanced our cloud transformation strategy and increased the use of automation and AI across engineering, operations and customer servicing. NAB also delivered improvements across lending, payments, data and operational processes that reduced manual effort, increased productivity and accelerated delivery for customers.

Keeping safe and resilient

Safe and resilient

In 2026, NAB strengthened its business continuity and disaster recovery capabilities, aligning them with CPS 230 *Operational Risk Management* requirements. NAB conducted 17 exercises covering different plausible disaster scenarios, all involving senior leadership and NAB's crisis management teams, with Board participation in selected exercises. Learnings were documented and incorporated into future playbooks to further improve preparedness for major disruption scenarios.

Technology resilience

In 2026, NAB reached two major milestones in its Technology strategy, both focused on strengthening resilience.

- We exited our Knox data centre, a key step in our cloud transformation.
- 90% of our applications now run in the cloud across Amazon Web Services, Microsoft Azure and Google Cloud.

Our multi-cloud environment has strengthened our technology resilience and reduced concentration risk. Since our cloud program began in 2018, critical and high impact outages have fallen by 83%.

During 2026, NAB established NAB Nexus, a 24/7 integrated operations hub designed to strengthen enterprise resilience and customer protection. NAB Nexus unifies technology, cyber security, fraud, payments and physical security teams and leverages AI-driven analytics to identify emerging risks, detect service anomalies, and support faster operational decision-making. This integrated capability improves situational awareness across NAB, enhances incident response effectiveness, and helps ensure critical banking services remain available and secure for customers.

In 2026, NAB continued its multi-year technology risk reduction program focused on strengthening security, resilience, controls and the modernisation of critical technology platforms. The program delivered ten major initiatives across cybersecurity, service resilience, technology modernisation, asset management and risk governance. Together, these initiatives reduced key technology risks, simplified legacy technology environments and strengthened the controls that protect customers, colleagues and the bank.

Key outcomes included:

- Enhanced cyber security controls and improved protection of critical systems and customer data.
- Further modernisation of core technology platforms, reducing reliance on ageing infrastructure and simplifying technology environments.
- Improved resilience of critical banking services through strengthened engineering practices, increased automation and greater visibility of technology risk.
- Better management of technology assets, software components and third-party technology dependencies.
- Stronger governance, accountability and risk oversight across technology operations.

These investments contribute to a more resilient, secure and scalable technology environment, positioning NAB to support future growth while maintaining the trust and confidence of customers, regulators and shareholders.

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

NAB continued to strengthen the protection of customer and colleague information through enhanced privacy and ethics, records management and information governance practices. During 2026, we further embedded controls governing the collection, use and sharing of information and strengthened oversight of emerging technologies, including AI. Strong privacy governance helps maintain customer trust, supports compliance with regulatory obligations and ensures personal information is managed responsibly and in line with community expectations. No eligible data breach was notified to the Office of the Australian Information Commissioner.

Collection and access to customer data

NAB continued to strengthen how customer information is governed, managed and used across the organisation. During 2026, we enhanced data governance, accountability and information management practices to improve data quality, consistency and transparency. NAB also strengthened capabilities that improve understanding of how critical data is sourced, used and protected across its operations. Trusted and well-governed data supports better decision-making, improved customer experiences and the responsible use of information in line with customer expectations and regulatory requirements.

Protecting customers

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

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Cyber security

Cyber security remained a strategic priority as the scale and sophistication of cyber threats continued to increase. During 2026, NAB strengthened vulnerability management, and continued to test and enhance its cyber defences through threat-led exercises and independent security assessments. NAB's security strategy remained aligned to the National Institute of Standards and Technology Cybersecurity Framework, and during the year NAB completed an independent Systems and Organisation Controls (SOC) 2 Type II examination, providing external assurance over the design and operating effectiveness of its security controls over time.

During 2026, customer protection remained a strong focus. NAB continues to support its cyber security partnerships to improve customer resilience and continued to invest in education through the Security Hub, providing alerts, articles and practical advice to help customers and colleagues identify and respond to cyber threats and scams. NAB also enhanced cyber controls across its technology environment, strengthened identity and access management, expanded security monitoring and embedded secure-by-design practices across technology delivery, including the ability to identify and respond to emerging threats associated with the growing use of AI.

NAB invested in stronger cyber protection for customers, colleagues and the broader financial system by working closely with government, law enforcement, industry partners and suppliers to share intelligence and help disrupt cyber threats. This threat intelligence capability provided deep insights into the risks most critical to NAB and its customers, supporting timely and informed decision-making.

These investments and partnerships support safer banking and contribute to the resilience and integrity of the financial system. The Board and executive management continued to oversee cyber security, technology reliability, and information security. Regular reporting helped the Board monitor key risks, including service disruptions, cyber threats, supplier risks, fraud and scams, and the safe use of emerging technologies such as AI.

The Board receives regular updates on the threat landscape, performance metrics and cyber simulation that strengthen NAB's readiness. This governance approach supports clear accountability, informed decision-making and effective management of cyber and technology risk across NAB's operations.

Fraud and scams

Protecting customers from fraud and scams remains a top priority. During 2026, the number of scams reported decreased by 3.5%, averaging approximately 1,690 cases per month, while customer losses increased by 6.8%. These numbers highlight the ongoing challenge in the scam environment and indicate a trend towards higher value scams. NAB continues to invest in prevention, detection and customer support to combat scams. The Scam team helps reduce customer harm by providing specialist support to vulnerable customers and repeat scam victims, enabling earlier intervention, tailored support and steps to prevent further losses. The team receives approximately 192 referrals per month. In 2026, NAB:

- **Strengthened application fraud detection:** Continued to invest in and enhance application fraud detection capabilities across home and business lending, including the expansion of document scanning capability. This forms part of NAB's ongoing uplift program to strengthen application fraud prevention and support earlier identification of emerging fraud risks in home and business lending.
- **Continued investment in behavioural biometrics:** Expanded the use of behavioural biometric technology to strengthen fraud and scam detection, including the integration of advanced customer behavioural signals into card fraud monitoring. These capabilities support earlier identification of high-risk activity while helping to reduce friction for legitimate customers.
- **Continued investment in Digital Fraud and Scams technology capabilities:** Continued to invest in NAB's target state fraud and scam detection platform – Integrated System of Defence (ISOD) which provides modern capabilities to enhance our ability to respond quickly to emerging industry threats and enhance customer protection from fraud and scams.
- **Expanded identity verification capability:** Deployed additional enhanced identity scanning technology in selected branches, improving our ability to identify fraudulent activity and repeat offenders earlier.
- **Supported customers through education and specialist assistance:** Introduced a dedicated Fraud and Scams Specialist at the NAB Werribee and Cairns Community Hubs, providing face-to-face support and guidance for customers affected by, or concerned about, potential scam activity.
- **Scams Prevention Framework (SPF):** Continued to work closely with government, regulators, and industry partners to strengthen Australia's response to scams, including by participating in Treasury and Australian Competition & Consumer Commission consultations on the proposed SPF codes and sector rules, and intelligence sharing arrangements. Progressed our multiyear investment strategy to introduce new capability designed to protect customers and community from scams.
- **Launched in-app authentication (pilot) for Fraud:** Enabled bankers to digitally confirm a customer's identity by sending a real-time notification to the customer's NAB App.

In 2026, NAB continued to:

- Uplift identification and support for customers at risk of repeat scam activities.
- Provide media coverage on television, radio and social media for different scams threats seen by NAB to warn and inform the community.
- Provide customers the ability to securely call NAB through the NAB App, with confidence they are speaking with NAB.

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, and keeping customers, communities, and the financial system safe. We take seriously our obligations with anti-bribery and corruption, economic and trade sanctions, and Anti-Money Laundering (AML) / Counter Terrorism Financing (CTF) laws and regulations.

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. We monitor and report suspicious activity to the appropriate channels.

NAB continues to work through AUSTRAC's Recommendations and Conditions, following cancellation of the Enforceable Undertaking in July 2025. These are due for completion in 2027. Work is continuing with respect to transaction monitoring, regulatory reporting, and fraudulent lending detection and embedding other sustainable financial crime risk management practices, including in response to concerns raised by AUSTRAC.

NAB remains focused on the reforms relating to AML/CTF and Scams Prevention Framework and will continue to uplift its policies and environment into 2027.

In addition to the work being done to protect our customers from fraud and scams, NAB is making significant enhancements to deter, detect, disrupt and prevent financial crime. These include:

- Continuing to build 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.
- Further significant investment in modernising technology and data infrastructure to improve risk identification and monitoring.
- Rolling out Generative AI functionality to reduce manual handling times and increasing risk identification. The use of Generative AI and machine learning continues to evolve, with further expansion planned into 2027 to cover emerging typologies and complex financial crimes.
- Deploying additional sanctions intelligence lists to our sanctions screening program to identify transactions presenting elevated sanctions risk.
- Implementing our Anti-Bribery and 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 our Managing financial crime section of our Corporate Governance disclosures at nab.com.au/about-us/corporate-governance).

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 actively contributed 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 and the issuance of AUSTRAC Threat Alerts to enable better risk understanding. 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.

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 NAB's Technology strategy and the management of key risks relating to technology, cyber security, information security and operational resilience. Throughout 2026, the Board and certain Board Committees received regular updates on service reliability, cyber threats, supplier risk, fraud and scams, regulatory implementation and emerging technology risks. This governance helps ensure NAB's technology investments and risk management activities support safe, reliable and responsible banking.

For further information on governance, refer to pages 119 to 143 of the *Corporate Governance Statement*.

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Colleague capability and wellbeing

Our Colleague Strategy

NAB continued to progress the execution of its Colleague Strategy, which supports our strategic ambition of becoming the most customer-centric company in Australia and New Zealand. Delivered through the Talent, Culture and Leaders pillars, the strategy focuses on building customer obsessed colleagues who are proud to work at NAB.

Our strategic ambition for Colleagues

> Customer obsessed colleagues who are proud to work at NAB

The **Colleague Strategy** ensures people priorities respond to future workforce needs.

What we will be known for

Talent: Highly skilled global workforce positioned for the future

1. A global workforce equipped with the right skills for the future.
2. Inclusive talent systems to enable greater career opportunities for our colleagues.
3. A market leading employer brand to source, attract, identify and retain diverse and customer obsessed talent.
4. Targeted development that enables performance and builds the skills we need to win in market.

Measures of success

- Opportunities to learn and grow
- Gender and First Nations representation
- Reduction in regrettable attrition (target segments)
- Employer brand drives attraction & hiring of critical segments
- Internal appointments for critical segments

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

1. Colleagues who consistently demonstrate our Who We Are behaviours help us achieve our strategic ambitions.
2. A customer-centric culture where colleagues listen, learn and act on customer feedback.
3. A high performing, globally connected workforce that thrives through change – enabled by a learning culture and cross-cultural collaboration.
4. Colleagues who are our strongest brand ambassadors and are proud to work at NAB.

Measures of success

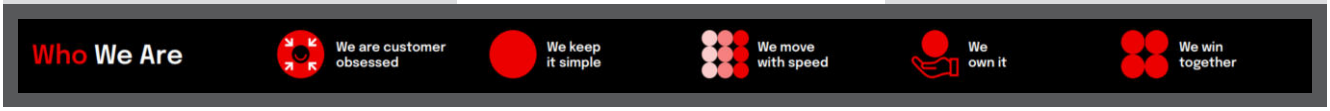
- Who We Are embedded
- Simpler and Barriers to Execution
- Engagement index and Inclusion index
- Cross collaboration
- Customer obsession index
- Employee NPS and MI

Leaders: World standard, customer obsessed people leaders who inspire and support performance

1. Clear leadership standards and expectations (via How We Lead) to drive consistency and accountability.
2. World standard people leaders who role model and foster a culture of customer obsession.
3. People 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

- % top quartile people leader score & top quartile engagement
- Distinctive leadership role modelling
- Leadership capability score
- Increase in internal promotion into people leader positions
- Decrease in voluntary attrition of high-performing people leaders



Colleague Strategy execution

In 2026, NAB delivered key initiatives to support the execution of the Colleague Strategy:

- Embedded our Who We Are values across key colleague experiences, including leadership and learning programs, talent practices, recognition and local activation through our Culture Champion Network.
- Continued to strengthen psychosocial safety across NAB through a range of initiatives and programs that support safer, healthier, and more sustainable ways of working for colleagues and teams.
- Embedded the 'How We Lead' capabilities across key stages of the colleague and leader lifecycle, creating greater clarity and consistency in leadership expectations.
- Established NAB Elevate Talent as the standard approach for senior management and executive roles, with approximately 434 candidates independently assessed for customer obsessed behaviours.
- Advanced NAB's Skills Intelligence capability and launched Skills Pathways, providing colleagues with visibility of their skills, career opportunities and development pathways, while enabling more informed workforce decisions across the enterprise.
- Accelerated enterprise-wide AI capability through role-based learning, Responsible AI education deployed to all colleagues and the piloting of a leadership program focused on uplifting the capability to lead in the age of AI.

Engagement

Listening and acting on colleague feedback is key to colleague engagement. NAB's Heartbeat survey, aligned with the Group Strategy, Colleague Strategy and Who We Are behaviours, provides insights into drivers such as culture, leadership, inclusion, workload and wellbeing. In addition to Heartbeat, NAB launched Pulse surveys in 2025. Deployed throughout the year, Pulse is designed to gather timely feedback on specific topics and support action at both a local and enterprise level.

In 2026, NAB's average Engagement Index was 78,[1] meeting the global top quartile benchmark of 78. Inclusion remained strong at 81, while the People Leader Score remained stable at 88, reinforcing people leadership as an enduring strength across NAB. Heartbeat results continued to provide leaders with insights to support action to improve colleague and customer outcomes.

Leadership capability

In 2026, NAB continued investing in the development of its leaders. This included a combination of initiatives designed to provide clarity on what is expected of leaders. NAB also continued to support their development in line with these expectations, helping prepare them for current and future roles across NAB. In 2026, NAB:

- Embedded 'How We Lead' capabilities (core expectations of people leaders at different career stages) across key stages of the colleague and leader lifecycle.
- Continued delivery of our flagship Distinctive Leadership Program for leaders who are new to NAB, or new to people leadership. Leaders who complete the program typically receive higher colleague engagement survey scores, including employee satisfaction, inclusion, psychological safety and learner safety.
- Piloted and scaled delivery of our new Performance Leadership Program, building strategy, execution and performance capability in middle-management.
- Delivered new leadership development support including tools and masterclasses on Leading Change, Managing Psychosocial Risk and Leading Healthy Teams.
- Completed the pilot of a new AI Leadership Program, building readiness, technical capability and leadership capacity to support the scaled and safe adoption of AI. NAB plans to scale this program to all senior leaders in 2027.

Colleague capability

NAB prioritised investment in colleague capability throughout 2026 by building future-ready skills, strengthening role-specific expertise and equipping colleagues to deliver better customer, risk and business outcomes in a rapidly evolving environment. In 2026, NAB:

- Scaled AI capability across NAB through dedicated AI-squad hands-on training with our partners Anthropic and AWS. This included Responsible AI mandatory learning, role-based learning pathways and 'AI for Everyone' programs, AI Capability Week for the full enterprise on key AI foundations, allowing us to build enterprise confidence and capability in AI-enabled ways of working.
- Strengthened frontline capability to improve customer outcomes, including through Customer Voices, equipping leaders and frontline colleagues with skills, behaviours and rituals to identify, solve and escalate customer problems.
- Continued to build enterprise product, risk and culture capability through the Propel Product Owner Programme, mandatory Risk, Conduct and Compliance, Financial Crime and Cyber Safety training to all colleagues, and initiatives that strengthen cultural awareness and collaboration across NAB's global workforce.
- Supported specialist technology capability through the Global Tech Academy, delivering targeted capability pathways for engineers and technology professionals to build priority skills across NAB's global technology workforce.
- Expanded access to enterprise learning and development through Udemy Business, curated learning pathways and digital learning experiences, making high quality capability development more accessible and relevant for colleagues across NAB.
- Enhanced colleague capability through Future Skills initiatives delivered to more than 1,500 colleagues, helping build future-relevant skills and supporting workforce readiness in an evolving business environment.
- 90 Day Check-ins are an essential feature of PEAK, NAB's approach to performance and development. Development goals are documented in Individual Development Plans and the check-ins serve as a formal review for tracking progress.

Payroll remediation

NAB continues its review and remediation of payroll-related issues, which impact current and former employees. Over two financial years, costs of approximately $205 million (approximately $130 million and $75 million in 2025 and 2026 respectively) have been incurred related to the review and remediation of payroll issues. As this work is ongoing, total costs remain uncertain.

Health, safety and wellbeing

Health and safety risk management

NAB remains focused on creating safe and healthy work environments where colleagues are supported to do their best work for our customers and the community.

We've continued to evolve our approach to psychosocial risk management by placing greater emphasis on prevention and the identification of risks at their source, including those arising from workload, hours of work, work design and organisational change. This has included development of the Additional Hours, Health Safety and Wellbeing Framework in collaboration with the Finance Sector Union to support earlier identification of risk and strengthen work design, workforce planning and leadership responses. The Framework commenced as a pilot this year and is scheduled to be implemented across NAB's Australian business in 2027.

Preventing and responding to aggressive customer incidents remains an important part of our approach to colleague and customer health and safety. We have embedded targeted support structures for customer-facing teams, including education and

(1) The Engagement Index is NAB's primary measure of colleague engagement and is based on four questions covering recommendation, employee satisfaction (eSat), belonging and wellbeing. From 2025, the Engagement Index replaced eSat as the primary engagement measure to provide a broader view of colleague engagement and align with NAB's Group Performance Indicator (GPI) methodology. The 2026 result of 78 represents the average of the February 2026 Engagement Index score (78) and July 2026 Engagement Index score (77). Results are based on Viva Glint Heartbeat surveys and include colleagues in Australia, New Zealand (including BNZ), India, Vietnam and other international locations. Results exclude Ubank, external consultants and outsourced service providers. The 2026 Inclusion score (81) and People Leader Score (88) are based on the average of the February and July 2026 Heartbeat surveys.

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access to onsite debriefing sessions to help colleagues respond to difficult customer interactions and access support. We continue to place significant focus on understanding customer feedback to help reduce systemic drivers of aggressive customer incidents (ACIs), driven through our ACI Strategic Governance Forum which is a cross-functional consultative management forum to serve as an operational bridge between leadership and colleagues.

Supporting colleague wellbeing

NAB provides colleagues with access to a wide range of services and resources to support holistic wellbeing. These include a dedicated 'Wellbeing at NAB' intranet site and our active Viva Engage Community, 'Everyday Wellbeing', with both platforms providing engaging wellbeing content, health promotion campaigns and initiatives. Our Employee Assistance Program (EAP) offers free confidential counselling and proactive financial, legal and nutrition wellbeing support for all colleagues and their immediate family members, as well as leadership coaching and support through the Manager Consultation Service. Our EAP counselling service is open to customers free of charge and is promoted through teams directly supporting vulnerable customers.

Workplace flexibility and leave options continue to support colleagues in balancing work and personal commitments. Early intervention support for injury and illness is provided through NAB's Health Management Specialists, with workplace adjustments for disability needs, or for carers of those with disabilities, facilitated through a person-centred approach. Our focus on colleague wellbeing has included strengthening support pathways and incident response mechanisms to ensure colleagues and leaders have access to timely, coordinated and appropriate support. We also provide support options for colleagues affected by family and domestic violence, including access to specialist services and paid leave.

Integrating and embedding Health, Safety and Wellbeing into core business processes remains a priority, with increased emphasis on work design, leadership capability and the use of data to identify emerging risks and support targeted interventions planned for the year ahead. Creating the conditions for colleagues to perform at their best remains fundamental to our ability to deliver for customers and communities.

Inclusion and diversity

NAB focuses on understanding and representing the communities in which it operates to deliver exceptional customer service. 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 and Diversity Strategic Framework focuses on ensuring all colleagues and customers can belong and succeed at NAB. The framework is built on three key principles: inclusive leadership, inclusive workplace and customer inclusion.

1. Inclusive leadership

NAB leaders create workplaces where all colleagues feel valued, heard, and able to contribute through our approach to inclusive leadership. This approach supports better decision-making, stronger performance, and more inclusive outcomes for customers. NAB builds inclusive leadership capability through leader education and an Executive-led Inclusion and Diversity Council that drives inclusion outcomes across the organisation by owning and delivering on tailored business area plans. To support accountability, diversity and inclusion goals remain part of the Executive Leadership Team's key performance indicators and are linked to remuneration outcomes. This helps ensure leaders are actively driving progress and embedding inclusion across NAB.

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. NAB's Employee Resource Groups (ERGs) are Cultural Inc, First Nations Walking Together, NABility, Gender Equity and NAB Pride. Their shared purpose is to promote awareness and encourage a barrier-free workplace for colleagues.

3. Customer inclusion

NAB aims for all customers to feel included and valued when banking with NAB. Information, services and products are designed to be accessible for all. Partnership activities in 2026 included the African Music and Cultural Festival (Platinum sponsor), Midsumma Festival (Principal partner) and Women in Banking and Finance Industry Awards (Major sponsor).

NAB's Inclusive policies

- Parental leave, pregnancy loss leave and carers leave: up to 16 weeks of paid leave. In 2026, 51% of Australian-based colleagues taking parental leave were men. The return-to-work rate across all genders for Australian-based colleagues was 98%.
- Cultural and religious leave: up to three working days of paid leave annually. In 2026, 8,983 colleagues used this leave, up from 7,464 in 2025.
- Paid compassionate leave, including Sorry Business leave for First Nations colleagues. In 2026, 3,797 colleagues accessed this paid compassionate leave, an increase from 3,775 in 2025.

Anti-harassment and discrimination

NAB maintains a no-tolerance approach to all forms of discrimination and workplace bullying, consistent with the expectations set out in the NAB Code of Conduct, which requires all colleagues to contribute to a safe, respectful, and inclusive workplace and to confirm their commitment through annual attestation and upon commencement of employment. We remain committed to both preventing and responding to unlawful conduct through a person-centred, trauma-informed approach, encouraging speaking up and promptly addressing concerns across leadership, culture, training, risk management, support, reporting, monitoring and evaluation.

Professional Standards Forums (PSFs) are groups consisting of representatives from each division which review insights, trends and case studies and take action to reinforce NAB's standards of conduct and culture. Reporting on sexual harassment and discrimination was presented to PSF, including education on legislative obligations, insights, trends, and the underlying drivers of cases across the business. NAB also delivered annual conduct and risk training for all colleagues and support for people leaders in responding to concerns.

In 2026, NAB released updated mandatory learning modules to upskill colleagues to build cultural and racial awareness. All colleagues, including leaders, are required to complete the learning.

Measurable objectives

NAB sets clear goals for gender balance, pay equality and workplace inclusion. This is the final year of NAB's current measurable objectives. New objectives will be reported in the 2027 Annual Report.

Workforce composition

The Group's workforce is made up of more than 43,000[1] colleagues globally. About 76.2% 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. Further workforce information, including workforce composition by contract type, gender, age group, employment level and geographic region, is available in the 'Employee Profile' sheet of NAB's 2026 Sustainability Data Pack at nab.com.au/annualreports.

Table 1 Progress against NAB's 2024-2026 measurable objectives

Measurable objective	2024	2025	2026	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 Board (non-executive directors)				
40-60% gender representation on NAB subsidiary boards				
Female representation				
NAB Board (non-executive directors)	60%	63%	67%	40-60%
NAB Subsidiary Boards	55%	51%	46%	40-60%
Executive Management (Salary level 7)	42%	36%	31%	40-60%
Executive Management (Salary level 6)	35%	38%	37%	40-60%
Senior Management (Salary level 5)	39%	40%	41%	40-60%
Management (Salary level 4)	39%	40%	40%	40-60%
Non-management (Salary level 3)	46%	45%	44%	40-60%
Non-management (Salary level 2)	56%	56%	55%	40-60%
Non-management (Salary level 1)	67%	66%	63%	40-60%
Total organisation	**50%**	**49%**	**48%**	**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]	15.1%	14.9%	14.0%	**<10%**
3. Inclusive workplace culture[3][4]				
Women[5]	81	79	80	**Benchmark**
Men[5]	83	81	82	**Benchmark**
People with disability and/or neurodivergence[6]	80	77	79	**Benchmark**
Ethnically under-represented[7]	84	82	83	**Benchmark**
First Nations[8]	82	79	79	**Benchmark**
LGBTQIA+[9]	81	79	81	**Benchmark**
Carers[10]	83	82	82	**Benchmark**

(1) Based on the percentage of women in each salary level, calculated using population of permanent full-time and part-time employees.
(2) The pay gap analysis indicates the average 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., 2026 reflects the period 1 July 2024 – 30 June 2025). The average gender pay gap is the difference between the average base earnings of men and women, expressed as a percentage of men's base average earnings. 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 2026 (2026 score), July 2025 (2025 score) and July 2024 (2024 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 81 in 2024, and 82 in 2025 and 2026. 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) Categories were expanded in 2024 Heartbeat survey to include neurodivergence in disability status question. People with 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) Australian-based colleagues who selected Aboriginal and/or Torres Strait Islander. 2024 and 2025 figures have not been assured by EY.
(9) Categories include lesbian, gay, bisexual, asexual, homosexual and pansexual, another sexual orientation, transgender, non-binary, agender, bigender, another gender, intersex, and different identity.
(10) 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).

(1) Number of full-time equivalent colleagues as at 30 September 2026, excluding discontinued operations.

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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.

Our approach

Respecting human rights is a key foundation of the Group Human Rights Policy[1] and is embedded in our Who We Are behaviours and Code 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. For further information refer to our 2026 Sustainability Data Pack.

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 40 to 42 .

Managing human rights risk

In 2026, the Group undertook a range of activities as part of its continuous improvement of human rights risk management:

- Reviewed related policy settings in our High Risk ESG Sensitive Sectors and Areas list, including enhancements to highlight the increasing human rights risk relating to Conflict Affected and High Risk Areas.
- Participated in industry body working groups[2] including the Committee for Economic Development of Australia's AI Community of Best Practice and spoke at their workshop on AI Governance and Ethics.
- Refreshed our Modern Slavery Risk Matrix - which helps provide bankers with a view of the countries and sectors in which modern slavery risk is most prevalent.
- Participated in industry body submissions providing a response to governments in Australia and New Zealand regarding changes to Australia's Modern Slavery Act and the introduction of a Modern Slavery Act in New Zealand.

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 2026 Statement will be available from December 2026.

Our human rights due diligence process is detailed at nab.com.au/about-us/sustainability/reporting-policies-approach/human-rights-approach.

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. Referrals are made to the appropriate area for investigation and action. Guidance on submitting a concern is available on our website in multiple languages. Data on human rights related grievances that were received and investigated in 2026 are available in our 2026 Sustainability Data Pack[3].

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:

- Increasing global conflict and geopolitical instability is creating an emerging human rights issue due to increasing risks of displacement, exploitation, modern slavery and other human rights harms, leading to heightened expectations for companies to assess and manage conflict-related impacts across their operations, investments and supply chains.
- Risks arising from the use and evolution of AI including considerations of privacy, freedom of thought, accessibility and the impact of bias, discrimination and disinformation risk due to use of AI and AI-based tools such as chatbots.
- The broadening of risks to children's safety beyond the traditional concerns relating to safety-by-design in the provision of banking products to include consideration of online child sexual exploitation, money mule recruitment, and children's rights risk arising from AI and digital financial services used by children. See the Financial Crime section on pages 32 to 33 for further information.
- Environmental challenges such as climate change and biodiversity loss which can significantly affect wellbeing 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 (FPIC), supported by guidance materials for business. For example, the Dhawura Ngilan Principles propose best practices for private sector

(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) NAB participated in a range of industry body working groups relating to human rights, modern slavery and First Nations including: Responsible Investment *Association of Australasia Human Rights and First Nations Working Groups*, United Nations Global Compact Network Australia *Advanced Human Rights Due Diligence Working Group,* United Nations Global Compact Network Australia *Modern Slavery Community of Practice,* Clean Energy Council *Modern Slavery Working Group and CEDA AI Community of Best Practice.*
(3) Available at nab.com.au/annualreports.

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engagement on First Nations Cultural Heritage and are accompanied by implementation guidance.

Case study: Investigating customer sextortion exposures

In February 2026, NAB identified a case involving an underage customer targeted in a sextortion scam using AI-generated images and videos. The customer was contacted via social media and threatened with the release of fabricated intimate material unless payments were made.

The customer made payments totalling approximately $1,000 to an offshore account, which subsequent investigations indicated may have been opened through identity takeover.

When engaging with NAB, the customer disclosed they had been coached by the scammers on how to explain the payments. They later confirmed they were being extorted, with the scammers using the customer's legitimate social media content to create AI-generated material and escalating threats when further payments were delayed. The matter was referred to appropriate law enforcement authorities.

The case highlights the increasing use of AI-generated content in sextortion scams, the targeting of minors through social media, and the use of coaching to help victims avoid fraud detection.

Case study: Considering human rights in assessment of AI and data ethics

As organisations increasingly adopt and integrate AI and data-driven technologies, there is a growing risk that decisions may unintentionally disadvantage individuals or groups through bias, lack of transparency, or inadequate consideration of vulnerability. Integrating human rights considerations into AI governance helps identify and mitigate potential impacts on fairness, inclusion, privacy and equal treatment.

As part of NAB's review of AI use cases, including for agentic AI, the Data Ethics team uses a data ethics assessment to consider how an initiative may affect individuals and groups from a human rights perspective. This includes assessing who may be impacted if the initiative is undertaken, the potential consequences for different customer or colleague segments, whether people experiencing vulnerability may be affected, and whether the AI use could unintentionally disadvantage, further marginalise, or unfairly advantage particular groups.

The data ethics assessment also considers what steps are in place to reduce potential harm and whether the data or tool has been assessed for bias and remediated where needed.

Issues covered in this Sustainability Report and the Group's 2026 Modern Slavery and Human Trafficking Statement

The Group's 2026 Modern Slavery and Human Trafficking Statement will be available on our website[1] in December. The Statement will outline actions taken to manage modern slavery and human trafficking risk in our operations and value chain. 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.

Throughout this Sustainability Report, a range of initiatives and activities of interest to stakeholders are disclosed illustrating how the Group manages and mitigates human rights risks to people and to NAB, as summarised in the table below.

Human Rights Issues	Relevant References
First Nations Inclusion and Economic Empowerment	• Page 19 • Reconciliation Action Plan 2024–2027
Inclusion and Diversity	• Page 36 • Accessibility Action Plan 2025–2026
Modern Slavery	• 2026 Modern Slavery and Human Trafficking Statement (available December 2026)
Climate Change	• Climate-related Disclosures • Page 43
Disaster Readiness	• Against disaster, we stand together: page 21
Hardship and Vulnerability	• Page 25 • Customer Vulnerability Framework 2024–2026
Technology, AI, and Data Ethics	• Pages 29 and 31 • Human rights section above

(1) Refer to nab.com.au/about-us/sustainability/reporting-policies-approach/performance-reporting available in December 2026.

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Sustainability Risk Management

Overview

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

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 (BRCC) and the Board as required. For further information on our sustainability-related governance and accountabilities, refer to the *Sustainability governance* section on page 22.

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 Sustainability. 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 within the Risk Management Framework since October 2021. Further details, including information on other material risks, are set out in *Risk factors* on pages 147 to 157 .

Sustainability risk is defined in the Group's Risk Management Strategy and Framework 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 Sustainability Report.

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

Risk Management Framework (RMF)

Risk Governance

Formal structure to support risk-based decision-making, risk management review and challenge, and risk oversight across all Group operations. This consists of:

- Board and Board Committees
- Executive Management Committees
- Delegations of authority
- Management structures
- Reporting

Risk Appetite

Articulates boundaries that are binding on the Group to ensure that we operate within acceptable levels of risk and act in compliance with our obligations and commitments, including those to customers, colleagues and stakeholders.

- Group Risk Appetite Statement and NAB Ltd Risk Settings Statement
- Credit Appetite Strategies
- High Risk Environmental, Social, and Governance (ESG) Sectors and Sensitive Areas List

Risk Management Practices



Risk Frameworks

Articulate, in greater detail, specific risk ecosystems that exist within NAB's RMF. These frameworks address how the RMF is implemented within a particular Material Risk Category (MRC) or Material Risk Exposure (MRE), e.g.:

- Credit Risk Management Strategy
- Financial Crime Risk Framework
- Compliance Risk Management Framework
- Risk Culture Framework
- Conduct Risk Framework

Risk Policies

Prescribe mandatory requirements, or 'must' statements, to help achieve NAB's strategic ambition, including to serve customers well, to operate within risk appetite and meet regulatory and legislative obligations.

Key policies that operate across MREs and form the foundation of the policy suite include:

- Group Policy Governance Policy
- Group Risk Appetite Policy
- Group Operational Risk Management Policy
- Group Compliance Obligations Management Policy
- Aggregate Risk Exposure Policy and Intra-Group Transactions and Exposures Policy

Enablers

Risk management information systems

Risk culture

Risk capability

Risk-aligned remuneration

(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.

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Sustainability risk is managed and integrated alongside processes and practices for managing risks across other 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.

Management of sustainability risk is operationalised through the Group's Risk Management Strategy and Framework. This includes a number of supporting risk frameworks and systems, including policies, tools and our risk appetite as illustrated in Figure 1 on page 40.

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 High Risk ESG Sectors and Sensitive Areas List ('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. 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 and other emerging issues. In 2026, emerging ESG risk issues included illicit tobacco and alcohol.

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 2026, we continued to enhance the way we integrate sustainability risk within our risk management practices through:

- Capability building: 99.7% of NAB colleagues completed annual Risk Awareness training, including sustainability risk-related modules on climate and modern slavery risk. 98.3% of BNZ colleagues also completed modern slavery training as part of Risk Awareness training.
- Ongoing development of e-applications for sustainability risk assessment: Work continued to enhance C&IB's sustainability risk assessment application following its roll-out to bankers in mid-2025. B&PB continued work on scoping and design of a similar mini-application to assist B&PB bankers.
- Refreshing the Group's ESG Risk Principles: The Principles provide high-level guidance to assist colleagues' understanding of how ESG considerations should be integrated into day-to-day credit risk management and business decision-making.

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 business units.

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 2: Sustainability risk assessment. Consideration of sustainability risk in Group credit risk assessment and due diligence processes occurs as illustrated below and described in more detail.

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 2. Consideration is given to the risks inherent in sectors, activities and countries in which customers operate.

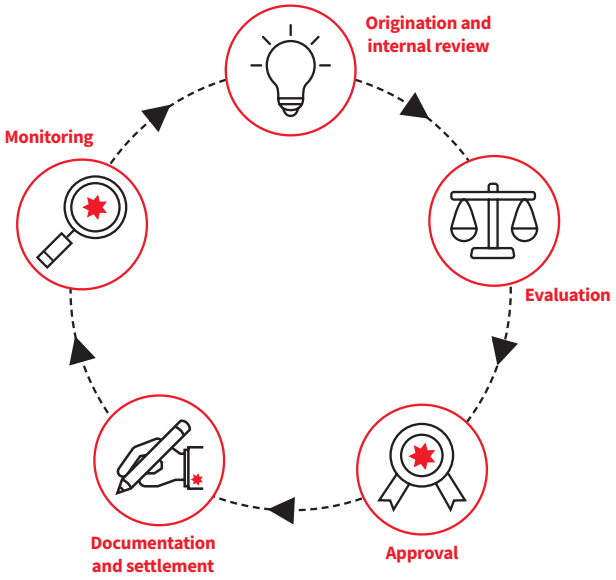
Table 2: Examples of ESG risk factors which may be considered in the risk assessment process

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

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.

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Figure 2: 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

As part of credit assessment and due diligence processes, customers are screened for adverse information at origination, ongoing review and when material changes occur in facilities (e.g. refinancing). Where potential sustainability risks, including modern slavery risks, are identified, or customers operate in inherently[1] higher-risk sectors, activities or geographies, more detailed sustainability-related risk assessment and enhanced due diligence is undertaken in line with exposure-related trigger thresholds and ESG-related policy requirements. This includes identifying, assessing, mitigating and monitoring potential risk areas where the Group could cause or contribute to negative sustainability-related impacts.

Evaluation

Detailed risk assessment and due diligence are conducted as part of the evaluation process when triggered. This includes the assessment and identification of material risk issues, incorporating sustainability-related risks, where relevant, and other factors such as a customer's background, character and sustainability-related performance, as well as the geographies in which they operate. ESG checklists, sector guidance and other risk assessment tools support this process. For example, NAB's modern slavery risk matrix helps bankers to identify higher-risk geographies, industries and activities and supports the assessment of where modern slavery risks may arise.

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, has been effectively evaluated, mitigated or accepted in line with policy, where appropriate. In certain instances, where there is high sustainability or reputational risk, matters are escalated to the relevant divisional and/or executive forums, BRCC and/or Board as appropriate.

Documentation and settlement

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

Customer engagement and monitoring

Ongoing customer engagement, where relevant, includes discussions on sustainability-related performance, risks and initiatives. This supports the assessment of sustainability-related risks, including modern slavery risks. It also helps build understanding of customers' 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. NAB also monitors compliance with relevant sustainability-related conditions and covenants. Where material issues or systemic non-compliance are identified and not adequately addressed to an extent NAB or BNZ is able to accept, this may result in the termination of the customer relationship.

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 2026, NAB's Sourcing team has enhanced its ESG-related control framework through the development of an ESG-related Sourcing Playbook which sets out ESG controls for sourcing colleagues and supplier relationship managers across the supplier lifecycle from early stage screening for ESG risks during the RFx process to contracting and ongoing monitoring, and where applicable, the exit process.

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.

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Climate-related Disclosures

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Statement of Compliance

The Climate-related Disclosures have been prepared in accordance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) and the *Corporations Act 2001 (Cth)*.

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Defined terms used in the Climate-related Disclosures are set out in the *Glossary*.

Forward-looking statements

The Climate-related Disclosures include information about 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. This involves providing users with forward-looking information about the Group, including forward-looking statements relating to climate-related goals, targets, pathways, aims and ambitions, and to anticipated effects of climate-related risks and opportunities, vulnerability to climate-related risks and the Group's resilience to the effects of climate change. 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.

There are uncertainties, assumptions, estimates and judgements underlying climate-related information (including climate-related metrics, methodologies and modelling) that can affect the Climate-related Disclosures. These include the significant judgements and measurement uncertainties noted on page 46. The Climate-related Disclosures also include forward-looking information derived from scenario analysis undertaken by the Group. Scenario analysis involves hypothetical scenarios based on assumptions, requiring a high level of judgement and estimation. It does not represent a forecast or prediction about future performance. Users should take this uncertainty into account when considering these disclosures.

Parts of these Climate-related Disclosures are based on modelling, data or scenarios provided by third parties (including, for example, GHG emissions data from customers) which the Group has not independently verified. To the maximum extent permitted by law, the Group provides no assurance, guarantees, or warranty in connection with information or materials prepared by entities or persons other than the Group or matters contained in, or derived from, any such information or materials.

For further information on forward-looking statements refer to the *Additional information* section on page 3.

Basis of Preparation

The Climate-related Disclosures have been prepared for National Australia Bank Limited (NAB) together with its controlled entities (the Group) for the year ended 30 September 2026. NAB's subsidiary, Bank of New Zealand (BNZ) is required to prepare separate Climate Statements, in accordance with Aotearoa New Zealand Climate Standards. BNZ has its own climate strategy in response to the local New Zealand operating context and differences in reporting requirements at the BNZ subsidiary level.

Reporting periods

References to the year ended 30 September 2026 or 2026 mean the twelve months ended 30 September 2026, unless otherwise stated. Other reporting periods are referred to in the same manner.

Transition relief applied

The Group has elected to apply the following transition relief as permitted under AASB S2 in its first reporting period:

- **Scope 3 greenhouse gas (GHG) emissions**: The Group has applied the transition relief in AASB S2 paragraph C4(b), and has not disclosed Scope 3 GHG emissions in accordance with AASB S2 in 2026. The Group has voluntarily disclosed certain Scope 3 operational GHG emissions, and selected financed emissions within a defined boundary[1].
- **Comparative information:** The Group has applied AASB S2 paragraph C3 to not disclose comparative information. The Group has voluntarily disclosed certain comparative information where the equivalent information was reported in 2025[2]. Comparative information has not been restated unless otherwise noted.

There is a reporting lag in financed emissions disclosures. NAB's financed emissions data presented in the Climate-related Disclosures relates to the period 1 July 2024 to 30 June 2025. The exception is financed emissions data for the shipping sector where the reporting period is the twelve months ended 31 December 2025 to align to global shipping industry reporting.

Mandatory and voluntary information

The Climate-related Disclosures incorporate both mandatory AASB S2 disclosures and voluntary information considered decision-useful to the Group's stakeholders. Unless otherwise indicated by the voluntary disclosure icon, all disclosures should be read as mandatory.

Ⓥ Voluntary disclosure icon

Methodology appendix

The methodology appendix sets out the methodologies, boundaries, assumptions and estimates applied in preparing certain metrics, targets, goals and ambitions included in the Climate-related Disclosures. Unless stated otherwise, the metrics, targets and goals and the related methodology contained in the Climate-related Disclosures have not been validated by a third-party.

(1) For further details on the defined boundary and methodology for Scope 3 operational GHG emissions (voluntary) refer to the *GHG operational emissions methodology and reporting boundary* section on page 93 and for the selected financed emissions and coverage ratios refer to the *Sector decarbonisation targets and goals methodology* section on pages 89 to 92.
(2) Comparative coverage ratio and financed emissions data have not been provided for sectors that do not have a NAB sector decarbonisation target or goal.

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Definitions

This is the Group's first Climate-related Disclosures delivered under AASB S2, including new mandatory reporting requirements for climate-related targets. We have taken this opportunity to clarify the different nature of our climate targets, goals and ambitions[1], including to better reflect where the Group's climate strategy is significantly dependent on external factors. As a result, some previously reported sector decarbonisation targets are now described as goals. Further detail on these updates can be found in the *Sector decarbonisation targets and goals* section on pages 70 to 86.

- **Target/Financing Ambition:** A target is supported by defined actions that NAB intends to take to help achieve the outcome. While decarbonisation remains subject to economic, policy and/or technological assumptions and dependencies, NAB has clearer, bank-controlled levers to influence outcomes in sectors where a target has been set. NAB considers its environmental finance ambition to be a target.
- **Goal:** A goal reflects a direction of travel towards an outcome, but achievement will depend largely on factors outside NAB's direct control or influence. Goals acknowledge that NAB's opportunity to influence decarbonisation in these sectors is as an enabler rather than a direct driver of outcomes.

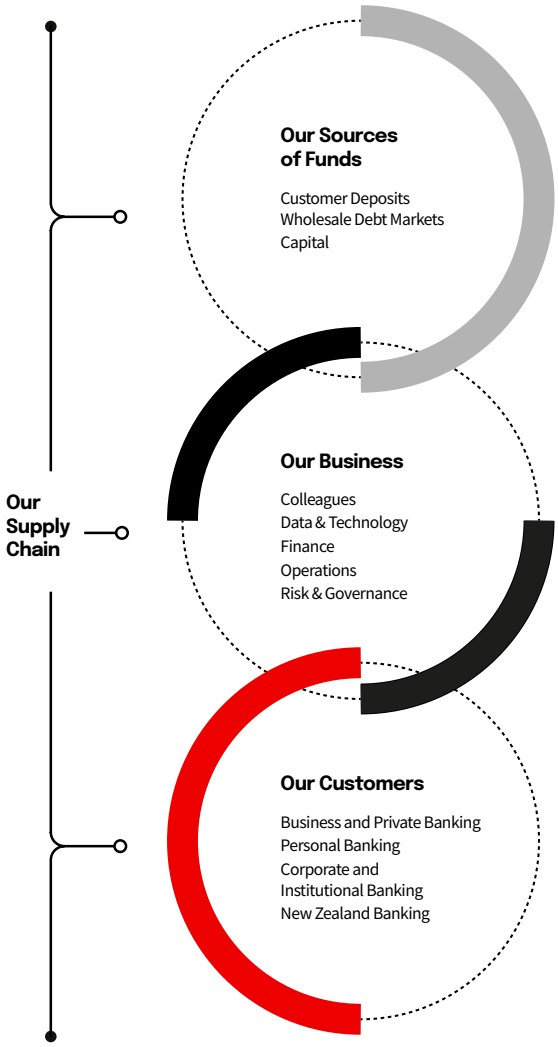
Time horizons

The Group has applied the following definitions when considering the effects of climate-related risks and opportunities over different time horizons[2].

Horizon	Time period	Details
Short term	Up to 1 year	Aligns with the Group's annual planning; current budgeting performance and reporting cycles; short-term lending, funding and liquidity management.
Medium term	1 to 5 years	Aligns with the Group's business planning cycle; contractual term of many business lending products; maturity profile of term wholesale funding and period covered by sector decarbonisation targets and goals.
Long term	Greater than 5 years	Extends beyond the Group's business planning cycle to provide a long-term outlook to assess exposure to climate-related risks and opportunities. The indefinite time horizon varies according to the nature of each climate-related risk or opportunity, providing flexibility to assess impacts that may emerge or evolve over the long term.

Business model and value chain

The Group is a financial services provider, with operations concentrated in Australia and New Zealand and offices in Asia, Europe, UK and the United States. Climate-related risks and opportunities are identified and assessed across the Group's business model and value chain. These are reflected in its interactions with stakeholders, society, the economy and the natural environment, and are considered in the context of relevant regulatory, policy and market conditions. The Group's business model and value chain is depicted by the diagram[3] below.



For further information about the Group's operations refer to the *Our business* section on page 7 .

(1) The boundary varies between each of the climate targets, goals and ambitions. Further detail on the boundary can be found in the *Metrics, targets and goals* section on pages 68 to 86.
(2) The Group applied defined long-term time horizons when considering certain effects of climate-related risks and opportunities. Where relevant, additional details of the applicable time frame have been provided.
(3) The business model and value chain diagram demonstrates the components that make up both our business model and value chain. The value chain is represented by our sources of funds (upstream), our customers (downstream), our business (internal operations) and our supply chain (external dependencies such as material suppliers).

Significant judgements and measurement uncertainty

In preparing the Climate-related Disclosures, management have applied judgement and the use of estimates for certain information. Estimates include those related to forward-looking information, or where data limitations exist. The details of significant judgements and measurement uncertainties are summarised below.

Material information judgements

The Climate-related Disclosures include information assessed as material to the Group relating to climate-related risks and opportunities that could reasonably be expected to affect its cash flows, access to finance or cost of capital over the short, medium or long term. Material information is information that could reasonably be expected to influence decisions made by the primary users of these Climate-related Disclosures. The Group applied judgement to determine material information informed by both quantitative and qualitative factors.

Significant judgements

The table below summarises the significant judgements considered to have the broadest application across the Group's Climate-related Disclosures. Additional significant judgements relevant to specific disclosures are set out in the corresponding sections of these Climate-related Disclosures.

Area	Significant judgement	Further information
Identification, aggregation and materiality of climate-related risks and opportunities	The Group applied judgement to identify climate-related risks and opportunities for disclosure under AASB S2. This judgement considered reasonable and supportable information available at the time of developing the disclosures. The Group applied judgement to aggregate similar climate-related risks and opportunities from an initial list. Each aggregated risk or opportunity was then assessed against quantitative and qualitative materiality factors to determine whether it could reasonably be expected to affect the Group's prospects. The aggregated risks and opportunities disclosed in these Climate-related Disclosures are collectively referred to as the identified climate-related risks and opportunities or climate-related risks and opportunities.	Refer to the *Identification of climate-related risks and opportunities* section on page 50 for detail on the identification of climate-related risks and opportunities.
Climate-related vulnerability and alignment metrics	The Group applied judgement in defining and developing the thresholds used to determine which assets or business activities are vulnerable to the identified climate-related risks and which are aligned to the identified climate-related opportunities.	Refer to the *Vulnerability of climate-related risks metrics methodology* section on page 106 for vulnerability and alignment definitions.
Anticipated financial effects	The anticipated financial effects disclosed in the Climate-related Disclosures have been determined using the same processes and judgements applied in the preparation of the Group's financial statements, including materiality thresholds. Judgement was exercised in assessing financial effects relevant to the identified climate-related risks and opportunities.	Refer to the *Climate-related opportunities* section on page 51 and the *Climate-related risks* section on pages 53 to 57 for further detail on the anticipated financial effects.

Significant measurement uncertainties

The table below summarises the significant sources of measurement uncertainty considered to have the broadest application across the Group's Climate-related Disclosures. Additional sources of measurement uncertainty or limitations relevant to specific disclosures are outlined in the corresponding sections of these Climate-related Disclosures.

Area	Measurement uncertainty	Further information
GHG emissions data, targets and goals	GHG emissions data involves inherent estimation uncertainty due to a reliance on third-party activity data, use of proxy data and emissions factors. Where data inputs are unavailable, incomplete or otherwise limited, management apply reasonable estimates in the measurement of emissions. Estimates may change over time as methodologies and data change.	Refer to the *Scope 1 and 2 methodology* section on pages 93 to 95 and the *Sector decarbonisation targets and goals methodology* section on pages 89 to 92 for further detail on the methodology and sources of measurement uncertainty.
Climate-related risk assessment, including scenario analysis and vulnerability	Climate-related risk assessment for a bank requires use of both climate models (emissions and weather) and credit models which are all subject to a degree of uncertainty. Key sources of uncertainty include variability in weather systems and climate models from which climate outcomes are forecast, the relationship between climate events and financial loss, and the challenge of forecasting customer financial performance over the long term.	Refer to the *Climate scenario analysis selection* section on pages 58 to 61 and the *Vulnerability of climate-related risks metrics methodology* section on page 106 for further detail.
Quantification of anticipated financial effects	Anticipated financial effects arising from climate-related risks and opportunities are inherently uncertain. This uncertainty reflects the forward-looking nature of the assessment, limitations in available data, the evolving nature of modelling techniques, the complexity relating to weather systems and the complexity of distinguishing climate-related impacts from other business, market and economic influences (amongst other factors). Uncertainty increases over extended time frames, particularly over the long term.	Refer to the *Climate-related risks* section on pages 53 to 57 for further detail on the measurement uncertainty in anticipated financial effects.

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Leadership Message Ⓥ

The transition to net zero presents a significant opportunity for Australia and New Zealand, leveraging our renewable resources, critical minerals and skilled workforce.

At the same time, reliable, efficient, low-cost and readily available energy is one of our biggest challenges to solve.

As Australia's leading business bank, we can see what's needed to execute a well-managed transition that will meet national ambitions, lower energy costs, strengthen resilience and support better living standards.

Stable policy and practical choices that balance emissions reduction, resilience and energy security are critical to our long-term prosperity.

This is even more important as customers face global energy market disruption, uneven technology readiness and a constantly evolving policy and legal landscape.

National energy security

Economic prosperity depends on energy security. NAB supports a strong policy focus on solutions and values the role of the Australian Energy Market Operator's Optimal Development Pathway in identifying the lowest-cost pathway through the transition to net zero by 2050.

Recent progress in household- and utility-scale storage is welcome, but greater pace in the rollout of renewables, transmission, firming capacity and system services is needed. Secure and reliable fuel supplies remain important for key industries.

Our transition strategy

Our aim is to support the national 2050 emissions reduction ambitions of both Australia and New Zealand. Our climate strategy outlines how we will support our customers as we move together to a resilient net zero economy. This report sets out the material climate-related risks and opportunities we see and the actions we are taking.

We have maintained our climate-related risk and policy settings, while reclassifying some interim 2030 sector decarbonisation targets as goals. This recognises the key dependencies that NAB and our customers have on the transition of the energy system, while preserving our direction and strategy.

We aim to achieve $80 billion in cumulative environmental financing by 2030 and have delivered $34.7 billion towards this ambition since October 2023. More than four in every five dollars that we lend to power generation goes to renewables.

Our green-labelled propositions help businesses and farmers invest to cut costs, improve productivity and energy security while lowering emissions. We expanded our partnership with Plenti to give households more options to finance electric vehicles, solar and batteries.

Resilience and adaptation

The Australian Government's National Climate Risk Assessment identified growing risks to housing, agriculture, infrastructure and insurance affordability.

As these risks emerge, helping customers understand and respond to them will be increasingly important to the resilience of our economies.

We are strengthening our understanding of physical climate risks under different scenarios and using these insights to inform portfolio management and respond to customer needs.

This year, we expanded our support for the Resilient Building Council, helping more households understand how they can improve the resilience of their homes and potentially access lower property insurance premiums.

For farmers and other agricultural customers, building resilience is critical to protecting productivity and long-term viability. Through our specialist bankers, Farm-ID insights and green finance propositions, we are helping customers understand their risks and invest in practical measures such as water and energy efficiency, technology and climate-resilient farming practices. This supports stronger farms, regional economies and Australia's long-term food security.

NAB will continue to work with customers, government and industry to support a practical transition that strengthens Australia's future.



Philip Chronican
Chair
5 November 2026



Andrew Irvine
Group Chief Executive Officer
5 November 2026

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Our strategy

Our strategic priority is to support our customers as we move together to a resilient net zero economy.

Climate change presents significant risks and opportunities to the economy. This is reflected in our 2030 interim targets, goals and $80 billion environmental finance ambition. The scientific rationale for pursuing 1.5°C remains strong, but the likelihood of limiting warming to 1.5°C without overshoot has diminished significantly. Nevertheless, the objective remains relevant and valuable because climate risks to many of our customers are likely to increase with every increment of warming.

Our main role in climate action is the financing we provide. Our customers face the risks and opportunities arising from climate change and many are looking for our support, as a relationship bank, to navigate their transition. We also continue to strengthen how we identify, assess and manage physical and transition risks across our operations and portfolio.

The Group's transition planning activities are part of this strategic approach and on this basis, we do not currently maintain a stand-alone transition plan. The initiatives with the broadest application to climate-related risks and opportunities are outlined below. Further details on how we respond to each climate-related opportunity are provided on page 51 and each climate-related risk on pages 53 to 57. Plans to achieve climate-related targets and goals can be found in the *Metrics, targets and goals* section on pages 68 to 86.

Our Strategic priority	**To support our customers as we move together to a resilient net zero economy**		
Financing opportunities	**Banking the transition**	**Business sustainability and resilience**	**Home electrification and resilience**
Managing Physical and transition risks	**Customer engagement**	**Portfolio management**	**Operational and supply chain**
Our Core capabilities	**Colleague capability**	**Data and insights**	**Advocacy and engagement**	**Innovation and partnerships**

Our core capabilities

Our response to the identified climate-related risks and opportunities (as outlined on pages 51 to 57) is supported by our core capabilities in colleague capability, data and insights, advocacy and engagement, and innovation and partnerships.

Colleague capability

The Group strengthens bankers' climate knowledge, skills and capabilities through foundational climate training for all colleagues and specialised training for relevant roles. Training initiatives help equip the workforce to support customers in navigating climate-related risks and opportunities.

Advocacy and engagement

The Group engages with customers, industry bodies and research organisations to identify systemic challenges that risk an orderly transition to a low-carbon economy. We advocate for solutions that can enable us and our customers to address these challenges and support progress toward a resilient transition.

Data and insights

The Group has developed data and technology to improve the measurement of customer emissions and the identification of climate-related opportunities and the assessment of climate-related physical risks. These capabilities include physical climate risk tools and geolocation data for real estate and land assets held as security for personal and business lending.

Further detail on climate physical risk tools and their application to the identified climate-related physical risks is outlined in the *Responding to climate-related physical risk* section on page 67.

Innovation and partnerships

The Group identifies and forms partnerships where external capabilities could help us manage climate-related risks and opportunities. This includes our work with the Resilient Building Council (RBC) to support residential customers to improve their homes' resilience to physical climate impacts, and our partnership with the Clean Energy Finance Corporation (CEFC) to support customers making investments in emissions reduction or efficiency initiatives. In some cases, NAB has provided equity funding to early-stage companies, joint ventures and funds to support technology solutions required by the Group and our customers.

The role of climate-related scenario analysis

The Group considered a range of climate scenarios with varying likelihoods, that test a range of extremes, reflecting different policy, economic and physical outcomes and applied these scenarios across its business model and value chain. The scenarios provided the external context for identifying and assessing climate-related risks and opportunities, evaluating their potential effects, developing vulnerability metrics and assessing the resilience of the Group's strategy and business model. This process is outlined in the diagram below.

Our Supply Chain	**Assess how climate-related risks and opportunities may impact our material suppliers of critical operations.** **Scenario analysis focus** • Conducted three acute physical risk scenarios to assess the resilience and identify vulnerability over our material suppliers of critical operations.
Our Business	**Assess how climate-related risks and opportunities may impact our own operations.** **Scenario analysis focus** • Conducted three acute physical risk scenarios to identify and assess the resilience of the Group's property portfolio (including branches and offices). • Ran an operational resilience and capital adequacy scenario assessing NAB's ability to continue servicing customers during simultaneous catastrophic weather events — a cyclone in Brisbane and a bushfire in Melbourne — combined with a severe economic recession as part of the Internal Capital Adequacy Process (ICAAP).
Our Customers	**Assess how climate-related risks and opportunities may impact our customers.** **Scenario analysis focus** • Conducted three acute physical risk scenarios for the residential and commercial real estate areas of the Group's lending portfolio. This included building assets located on agricultural land. • Conducted a chronic physical risk scenario for our Australian agricultural portfolio to assess the vulnerability and resilience of agriculture productivity to long term changes in temperature and precipitation changes. • Conducted three transition risk scenarios to identify and assess vulnerability and resilience to carbon shock/price in a global economy.
Outcomes of scenario analysis	**The information from the scenario analysis conducted was utilised for several processes.** Identify climate-related risks and opportunities Assess potential effects across suppliers, operations and customers Evaluate resilience of the business model and strategy

Refer to the *Climate scenario analysis selection* section on pages 58 to 61 for further detail on why we selected our climate-related scenarios and further information on the limitations, judgements, boundary and assumptions which support each of the scenarios. A summary of these scenarios is included below:

Transition scenarios	Physical scenarios
• **Accelerated Transition (SSP 1-1.9):** Assumes governments coordinate rapid policy action to accelerate decarbonisation and maintain global warming within the Paris Agreement objective of approximately 1.5°C by 2100.	• **Reasonable best case outcome (RCP 2.6):** Assumes warming remains broadly consistent with the Paris Agreement, reaching approximately 1.3°C to 2.0°C by 2100. Physical climate risks continue to increase, but at a more moderate rate.
• **Current climate policies (SSP 2-4.5):** Assumes the world continues broadly on its current trajectory, with increasing electrification and renewable energy deployment but slower progress in hard-to-abate sectors. Global warming is estimated at around 2.5°C by 2100.	• **Plausible worst case outcome (RCP 8.5):** Assumes global warming exceeds 3.5°C by 2100. Under this scenario, higher temperatures increase both the frequency and severity of climate hazards and create greater climate volatility, resulting in a higher likelihood of extreme and destructive weather events.
• **Climate change apathy (SSP 5-8.5):** Assumes climate action slows, government support for low-carbon technologies declines and adaptation becomes the dominant response to worsening climate impacts. Global warming exceeds 3.5°C by 2100.	• **Chronic impact of changes in temperature and rainfall Agricultural productivity (RCP 8.5):** This scenario is a subset of plausible worst case scenario and has been conducted on the Group's Australian agriculture portfolio.

In addition to these scenarios we performed a climate stress test to further assess our resilience. Refer to the *Stress Testing in the Internal Capital Adequacy Assessment Process (ICAAP)* section on page 61 for further detail.

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Identification of climate-related risks and opportunities

The Group identified across its business model and value chain climate-related risks and opportunities that could reasonably be expected to affect its prospects on an inherent basis (before mitigation and adaptation). The assessment considered both quantitative and qualitative materiality factors. Quantitative factors were informed by existing thresholds used in our general-purpose financial statements, while qualitative factors were comprised of entity specific and external qualitative factors relevant to the Group.

Climate-related risks and opportunities with similar characteristics were aggregated where their combined impacts could reasonably be expected to affect the Group's prospects.

Identifying and assessing climate-related opportunities

The identification of climate-related opportunities was informed by a combination of internal and external sources, reflecting both market developments and strategic priorities.

The identified climate-related opportunities were assessed considering their likelihood and potential impact, using a combination of quantitative and qualitative factors, and climate-related scenario analysis. The assessment considered existing and emerging climate-related opportunities, including their key drivers, enablers and sources. It also considered the Group's existing customer offerings, solutions and climate strategy. The Group will monitor climate-related opportunities annually to assess any changes over time.

Identifying and assessing climate-related risks

Climate-related risk is a component of sustainability risk, a material risk category in the RMF as outlined on pages 147 to 157. The Group's risk taxonomy was used to categorise the key drivers and impacts of climate-related risks.

Table 1: Climate-related risk taxonomy

Climate Risk Type	Risk Driver	Material risk categories potentially impacted by climate risk
Transition Risk	Regulation	• Credit • Compliance • Operational
	Technology	• Credit • Operational
	Legal	• Credit • Compliance • Conduct • Operational
	Market	• Balance sheet and liquidity • Credit • Market • Strategic
	Reputation	• Conduct • Market • Strategic
Physical Risk	Acute	• Credit • Market • Operational
	Chronic	• Balance sheet and liquidity • Credit • Market • Operational • Strategic

Climate-related risk identification

Climate-related risks were identified through processes set out in the Group's Risk Management Strategy including review of:

- Internal data and information sources such as climate-related operational risk events, business continuity incidents, any tagged climate-related customer credit deterioration, outcomes of business unit risk profiling and historical data relating to impact of climate-related events (storms, droughts, floods and fires) on credit risk and operating expenses.
- External data such as regulatory developments and enforcement actions, litigation trends, scientific research and market developments and practices.

Banking system losses arising from certain international catastrophic events also informed our risk assessment. These events were selected because they represent severe physical climate-related events in developed economies and provide observable evidence of how property losses may be transmitted to banking systems under different lending and insurance settings.

Climate risk assessment

The initial list of climate-related risks was assessed to determine the nature, likelihood and magnitude of potential impacts on the Group's value chain (suppliers, operations and customers). This process applied the Group's risk profiling practices.

The nature of each climate-related risk was assessed by considering how each risk driver may impact the Group's value chain. The assessment considered the magnitude and likelihood of each risk.

- Likelihood was assessed using the frequency of historical events and internal loss data recorded in the Group's risk systems.
- Magnitude was assessed using external loss data, industry context on average and maximum losses, and outputs from climate-related scenario analysis.

Inputs were supplemented by the outputs of the climate-related scenario analysis, to support the assessment of the magnitude of climate-related risks. Further information on the parameters of the scenario analysis can be found in the *Climate scenario analysis selection* section on pages 58 to 61.

Climate-related opportunities

The Group has identified two climate-related opportunities that could reasonably be expected to affect its prospects: climate-related financing and climate-related funding. This reflects our role in supporting our customers' evolving needs and capturing investor appetite for sustainable finance instruments.

These opportunities are not expected to have a material financial effect on the Group over the assessed time horizons[1]. They were identified due to their potential to influence future customer and investor demand and preferences.

NAB's environmental finance ambition outlined on page 52 sets out a key metric used to measure progress for the climate-related opportunities.

Climate-related financing	**Labelled and unlabelled climate-related finance offerings to meet emerging customer needs.**	
Value chain	Our Business, Our Customers	**Time horizon** Short Medium Long
Impacts on business model and value chain	The opportunity is concentrated in the Group's core banking and customer activities, supporting customers' investments in transition, mitigation, adaptation and resilience. It may contribute to growth in lending and climate-related finance revenue, either in quantum or share. This will be subject to customer demand, market conditions and other drivers.	
How we respond	Growing demand for climate-related finance can support customers' transition, adaptation and resilience needs and may influence the Group's portfolio composition towards climate-aligned lending and financing activities.	
	Corporate and Institutional Banking (C&IB)	• Facilitating access to sustainable finance and investment options, including green, sustainable, and sustainability-linked bonds, loans and derivatives[1]. • Lending and investments towards sectors and assets that support the transition to a low-carbon economy and strengthen climate resilience, including large-scale renewable energy, enabling infrastructure and electrification.
	Business and Private Banking (B&PB)	• Green labelled business lending propositions for Agribusiness, Commercial Real Estate and Vehicles and Equipment to support business transition and resilience. • Funding partnership with the Clean Energy Finance Corporation (CEFC) supported a discount for Green Vehicles and Equipment and NAB's Agribusiness Emissions Reduction Incentive.
	Personal Banking (PB)	• Financing for energy efficient residential real estate, and financing partnerships to support low carbon transport and electrification.
	New Zealand Banking	• Financing to support customers' transition to a low emissions economy including facilitating sustainable finance, lending to renewable energy, green business loans and home loan top-ups.

(1) The definitions of Green, social, sustainability and sustainability-linked bond and loan transactions (including Green Bonds) are provided in the *Glossary*.

Climate-related funding	**Meet debt investor demand for climate-related instruments to support the Group's wholesale funding requirements.**	
Value chain	Sources of Funds, Our Business	**Time horizon** Short Medium Long
Impacts on business model and value chain	The opportunity forms part of the Group's wholesale funding activities, through Green Bond[1] issuance. It leverages existing capabilities and supports diversification of the Group's investor base over time.	
How we respond	Issuing wholesale funding to respond to investor demand for climate-related instruments in accordance with the Group's funding strategy, leveraging NAB's Green Bond Framework. NAB's first climate-related bond was issued in 2014. NAB's Green Bonds provide investors with an opportunity to direct capital towards eligible projects, assets and related expenditure through the financing NAB provides that may contribute to emissions reduction and broader environmental outcomes. This diversifies funding sources and demonstrates progress against climate commitments and ambitions. NAB's most recent Green Bond Issuance was August 2024. NAB currently has two Senior Unsecured Green Bonds and two Green Residential Mortgage-Backed Securities tranches outstanding.	

(1) The definitions of Green, social, sustainability and sustainability-linked bond and loan transactions (including Green Bonds) are provided in the *Glossary*.

(1) When assessing the materiality of anticipated financial effects from climate-related opportunities, the Group defined the long-term as a 10 year period.

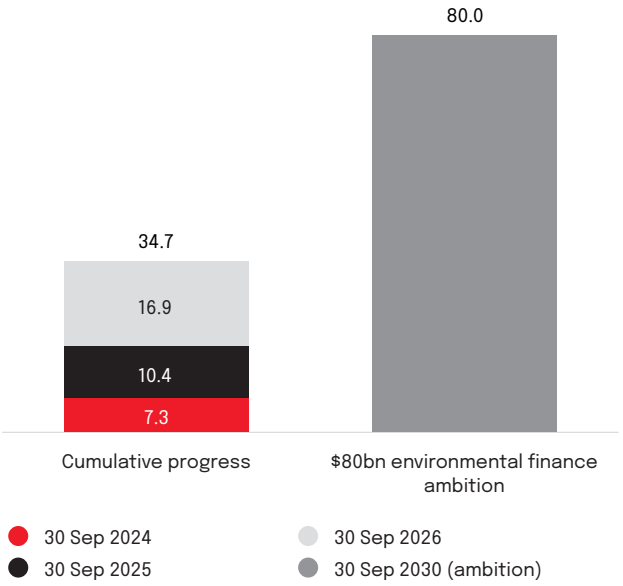
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Environmental finance ambition

NAB has set an environmental finance ambition of $80 billion by 2030. This measures NAB's activities in supporting customers' transition to a low-carbon economy and includes climate-aligned lending, capital markets activities and Australian Carbon Credit Unit (ACCU) trading activities. It is a key measure of NAB's performance in climate-related opportunities.

Chart 1: Progress towards NAB's 2030 environmental finance ambition ($bn)



The ambition is a cumulative measure of performance for the period from 1 October 2023 to 30 September 2030. In 2026 NAB contributed $16.9 billion to the total cumulative figure of $34.7 billion. Refer to the *Environmental finance ambition and climate-aligned financing methodology* section on page 103 for further details on the methodology.

Table 2: Environmental finance ambition progress

Total environmental finance as at 30 September 2026	2026 ($bn)[1]	Cumulative progress ($bn)
Lending activities		
Large scale renewables	$3.8	$9.1
Green labelled business lending propositions (Agribusiness, CRE, Vehicles and Equipment)	$1.7	$3.8
Energy efficient residential real estate	$8.7	$13.1
Total lending activities	**$14.1**	**$26.1**
Capital markets and ACCU trading activities		
Capital markets	$2.8	$8.6
ACCU trading activities	<$0.1	<$0.1
Total[2]	**$16.9**	**$34.7**

(1) Since 2024, EY has provided annual assurance over environmental finance ambition data, issuing a separate assurance statement for each reporting year. Refer to the 2026 Assurance Statement on pages 109 to 117.
(2) Totals may not sum due to rounding.

Climate-aligned financing metric

The climate-aligned financing metric provides an indication of the scale of climate-aligned lending activity relative to the Group's lending exposure base as at 30 September 2026, covering the Group's loans and advances as set out in *Note 11 Loans and advances* on page 236, and commitments and contingent liabilities as set out in *Note 29 Commitments and contingent liabilities* on page 287 of the Financial Report. The proportion may vary over time as customers' financing needs evolve in response to climate-related risks and opportunities.

Alignment metric[1]	2026 Amount ($bn)	2026 (%)[2]	Assumptions[3]
Climate-aligned financing	$14.8	1.4%	The amount comprises eligible climate-aligned lending across the Group that occurred in 2026.[4] The percentage is calculated through the lending exposure which comprises loans and advances and binding credit commitments.

(1) Refer to the *Environmental finance ambition and climate-aligned financing methodology* section on pages 103 to 105 for further detail on the boundary differences between the environmental finance ambition and climate-aligned financing metric.
(2) The percentage is calculated by taking the climate-aligned financing amount as a proportion of the combined total of loans and advances and binding credit commitments.
(3) Refer to the *Environmental finance ambition and climate-aligned financing methodology* section on pages 103 to 105 for further details on the eligibility criteria, boundary, inputs and methodology.
(4) This metric also represents the financing proportion of the Group's capital deployment towards its climate-related opportunities. Capital deployment is the amount of capital expenditure, financing or investment directed towards addressing climate-related risks or pursuing climate-related opportunities. Refer to the *Capital deployment methodology* section on page 107 for further detail.

Climate-related risks

The Group has identified both climate-related transition and physical risks that could reasonably be expected to affect its prospects. The potential impacts and the Group's responses are described below.

Transition risk driving credit risk	**Transition-related shock arising from sudden changes to carbon prices, government policy and technology which may lead to asset stranding and/or adversely affect customers' credit risk profiles.**
Value chain	Our Customers **Time horizon** Short / Medium / Long
Impacts on business model and value chain	Customers in high-emitting[1] and carbon-intensive industries are among those most exposed to transition risk, including potential disruption from sudden changes in carbon prices, government policy and technology, which may lead to adverse effects on customers' credit risk profiles as a result of first and second order impacts. Although considered a low-likelihood scenario, an accelerated transition (as defined in *Transition Scenarios* on page 59), involving a rapid increase in an economy-wide cost of carbon could present challenges for a range of sectors, such as oil and gas, mining and agriculture. This scenario is also expected to give rise to higher costs of goods and services, which could result in second order impacts to sectors such as construction and commercial real estate.
How we respond	**Risk management** The Group manages this potential risk exposure through climate risk-related policy settings[2], sectoral tolerances[3] and credit appetite strategies for coal, oil and gas, which restrict lending to these high-emitting[1] sectors. These settings have contributed to a reduction in the Group's residual exposure and support the Group in monitoring and managing its lending exposure to transition risk associated with these sectors over time. Customer-level transition risk is considered as part of the credit risk and due diligence process where relevant. Refer to the *Monitoring climate-related risks* section on page 62 for further detail. **Sector decarbonisation targets and goals** Sector decarbonisation targets and goals provide a way to track progress in sectors exposed to transition risk. Further detail on these targets and goals can be found in the *Sector decarbonisation targets and goals* section on pages 70 to 86. **Climate-related financing** Climate-related financing provides options that support customers to transition to a low-carbon economy. Further detail is outlined in the *Climate-related opportunities* section on page 51.
Vulnerability metric	The metric represents the Group's business lending[4] that would be expected to default if the 1.5°C temperature pathway (Accelerated Transition scenario) materialised.

Metric	2026 amount ($bn)	2026 % of EAD[5]	Methodology summary
Business lending vulnerable to climate-related transition risk driving credit risk.	Less than $10	Less than 2%	Vulnerability to climate-related transition risk driving credit risk is defined as business lending exposures that would default if climate policies and carbon pricing were to suddenly change per our 1.5°C temperature pathway (Accelerated Transition scenario). This metric relies on forecast default rates under the Accelerated Transition scenario and is subject to significant uncertainty. Refer to the *Vulnerability of climate-related risks metrics methodology* section on page 106 and the *Transition Scenarios* section on page 59 for further detail.

Financial effects	**Current financial effects** There were no material financial effects from this climate-related risk in 2026. **Anticipated financial effects** Refer to the *Climate-related credit risk and expected credit losses (ECL)* section on page 57.

(1) High emitting in this context refers to individually significant high emitting customers.
(2) Climate risk-related policy settings, sectoral tolerances and credit appetite strategies are reviewed at least annually.
(3) The Risk Appetite Statement (RAS) contains quantitative or qualitative tolerances that set limits on the level of risk the Group is willing to accept in a particular sector or sub-sector. These tolerances represent outer boundaries of acceptable risk, not operational targets.
(4) Business lending is defined as 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.
(5) The metric is presented as the percentage of the Group's business lending EAD.

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Physical risk (acute) driving credit risk	**Acute climate events, such as floods, cyclones, droughts, fires and storms or heat stress become more frequent and severe. These disrupt businesses and damage property, plant and equipment and decrease productivity, worsening customer credit risk profiles.**
Value chain	Our Customers **Time horizon** Short Medium Long
Impacts on business model and value chain	Severe localised impacts on the Group's customers may result in increased credit risk where personal banking and small and medium sized business customers are highly leveraged and uninsured or under-insured. Extreme weather events including flooding and heat stress may also affect business productivity and lead to agricultural productivity losses. Geographically, the greatest concentration of customers at risk within the Group's portfolio was located in the northern regions of Australia due to the compounding risks of floods and cyclones on residential and commercial properties.
How we respond	The Group has developed data and tools to strengthen the identification and management of risk exposure. The Group also provides hardship support in the event of disasters and supports customers' efforts to build resilience. Refer to the *Responding to climate-related physical risk* section on page 67 for further detail on the Group's response to this climate-related risk.
Vulnerability metric 2026	This metric represents the Group's loans secured by residential and commercial properties situated in the riskiest 5% of locations.

Metric	2026 amount ($bn)	2026 % of EAD[1]	Methodology summary
Loans secured by residential and commercial properties vulnerable to climate-related physical risk (acute) driving credit risk	Less than $25	Less than 5%	The riskiest 5% of locations was defined as locations within the assessed boundary with the highest current combined threat rate across floods, fires, cyclones and storms[2]. Refer to the *Vulnerability of climate-related risks metrics methodology* section on page 106 for further details on the methodology, boundary and sources of measurement uncertainty.

For further information on the Group's lending portfolio refer to *Note 11 Loans and advances* on page 236 of the Financial Report for the Group's balance of lending as at 30 September 2026.

Financial effects	**Current financial effects** There were no material financial effects from this climate-related risk in 2026. **Anticipated financial effects** Refer to the *Climate-related credit risk and expected credit losses (ECL)* section on page 57.

(1) The metric is presented as the percentage of the Group's EAD secured by residential and commercial properties.
(2) The metric has been limited to the combined threat rate of floods, fires, cyclones and storms. Other climate-related events have not been included in the scope of this metric. Refer to the *Vulnerability of climate-related risks metrics methodology* section on page 106 for further details on the methodology.

Physical risk (chronic) driving credit risk	**Higher temperatures and prolonged droughts in exposed sectors and subsequent increase in credit losses**
Value chain	Our Customers **Time horizon** Short Medium Long
Impacts on business model and value chain	Chronic risk could result in productivity impacts across several sectors, particularly where labour or crops are exposed to the effects of extreme heat. Agriculture is a material part of the Group's lending portfolio in Australia and New Zealand. Agriculture is predicted to be vulnerable to increased frequency and severity of droughts and rising temperatures over the long term. Such circumstances, particularly their extended or repeated nature, could reduce agricultural productivity, cause loss and damage and increase operational expenses for customers, resulting in increased credit risk.
How we respond	The Group has developed data and tools to strengthen the identification and management of risk exposure and implemented initiatives to support customers in building resilience. Refer to the *Responding to climate-related physical risk* section on page 67 for further detail on the Group's response to this climate-related risk.
Vulnerability metric 2026	This metric represents loans secured by Australian farms in local government areas (LGAs)(1) that have the potential to experience the most productivity loss in the next 25 years (2050) under the scenario RCP 8.5(2)(3).

Metric	2026 amount ($bn)	2026 % of EAD(4)	Methodology summary
Loans secured by Australian farms in LGAs with the greatest potential to decline in farm productivity to 2050 under a RCP 8.5 scenario	Less than $1.5	Less than 3%	Forecasts of agricultural farm productivity are available for three farm type categories (dairy, livestock and cropping). NAB's scenario analysis has aggregated its assessment of chronic physical risk into these three categories. NAB has defined farms as vulnerable if the farms are located in the LGAs with the worst 5% potential productivity decline under RCP 8.5. Refer to the *Vulnerability of climate-related risks metrics methodology* section on page 106 for further details and sources of measurement uncertainty.

For further information on the Group's lending portfolio refer to *Note 11 Loans and advances* on page 236 of the Financial Report for the balance of lending as at 30 September 2026.

Climate change may also adversely affect farm productivity in New Zealand. However, the Group has not yet identified suitable farm-level metrics to enable equivalent quantitative analysis of its New Zealand agricultural portfolio. Australian outcomes should not be extrapolated to New Zealand given differences in projected climate conditions, geography and agricultural activities.

Financial effects	**Current financial effects** There were no material financial effects from this climate-related risk in 2026. **Anticipated financial effects** Refer to the *Climate-related credit risk and expected credit losses (ECL)* section on page 57.

(1) This metric currently covers Australia only.
(2) Details on the RCP 8.5 scenario analysis conducted can be found in the *Physical Scenarios* section on page 60.
(3) Analysis also shows increasing productivity in some areas.
(4) The metric is presented as the percentage of the Group's Australian agribusiness EAD.

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Physical risk (acute) driving operational risk	**Acute climate events, such as floods, cyclones, droughts, fires and storms or heat stress become more frequent and severe. These may disrupt the Group's operations and supply chain.**
Value chain	Our Business **Time horizon** Short Medium Long
Impacts on business model and value chain	Acute climate events could disrupt the Group's operations through damage to property, plant and equipment, decreased productivity due to employee access or availability to work as a result of a climate-related event and impacts on the supply chain. Some employee impacts could be long-lasting, due to psychological impacts, requiring additional employee support. Disruptions to the Group's operations could interrupt a customer's access to banking products and services. Geographically, the greatest impacts are expected to be concentrated in the northern regions of Australia due to the compounding risks of floods and cyclones. The Group is not directly exposed to material bushfire risk in our operations because our suppliers, branches and commercial offices are primarily in urban areas.
How we respond	The Group primarily manages physical climate risks to its operations through existing business continuity planning, property management, insurance arrangements and safety procedures for customers and colleagues in our branch and office portfolio. The Group's properties and suppliers are geographically dispersed, reducing reliance on any single site or region and limiting the potential impact of localised climate-related events. The Group operates a portable 'bank in a box' that can be mobilised to support customers' local access to banking services in the event of disruption to physical branches in Australia. The Group provides targeted support for colleagues in the event and aftermath of natural disasters. This includes access to counselling, cash grants for emergency support (e.g. food and clothing) and access to hardship support processes if necessary.
Vulnerability metric 2026	This metric represents the number and percentage of the Group's properties and material suppliers in the riskiest 5% of locations. This indicates where our operations and suppliers could be more vulnerable to acute climate events and, as a result, may be exposed to higher operating expenses.

Metric	2026 amount (#)	2026 % of properties or material suppliers[1]	Methodology summary
Properties	Less than 40 properties	Less than 8% of all properties	The Group defined the riskiest 5% of locations as locations with the highest current combined threat rate across floods, fires, cyclones and storms.
Material suppliers	Less than five material suppliers	Less than 5% of all material suppliers	Properties include the Group's global branch network, business banking centres and ATMs. Material suppliers, including cloud service providers, are those on which the Group relies to undertake critical operations or that expose it to material operational risk. This definition is aligned with the cross-industry prudential standard (CPS230) issued by the Australian Prudential Regulation Authority (APRA). Refer to the *Vulnerability of climate-related risks metrics methodology* section on page 106 for further details on the methodology and sources of measurement uncertainty.

Financial effects	**Current financial effects** There were no material financial effects from this climate-related risk in 2026. **Anticipated financial effects** Although climate-related events may result in increased operating expenses over time, these impacts are not currently expected to be material in the short to medium term. The Group has not provided quantitative information about the financial effects in the long term due to the level of measurement uncertainty relating to the effect of climate-related risks on the operating expenses across this time horizon. Over the longer term more frequent and severe extreme weather events may result in increased operating expenses. Potential effects include higher customer support costs, insurance premiums, expenses from damage to property, plant and equipment, business disruption costs or workforce related costs associated with reduced productivity or lost working hours. This may result in an increase in personnel, occupancy and depreciation, technology or general expense line items in *Note 5 Operating expenses* on page 227 of the Financial Report in the long term. The extent of these financial effects is subject to measurement uncertainty, including the nature, severity and frequency of extreme weather events, which may result in varying outcomes for the financial effects outlined above.

(1) Each percentage represents the share of our total properties and material suppliers in 2026 that are located in the riskiest 5% of locations.

Climate-related credit risk and expected credit losses (ECL)

Climate-related financial effects associated with credit risk are primarily influenced by the composition of the Group's lending portfolio and the activities of its customers. These financial effects are primarily reflected in the Group's expected credit losses (ECL). Physical risks, including severe weather events, may affect customers' operations, cash flows and asset values, while transition risks, including changes in regulation, technology and market demand, may affect customers' business performance and financial resilience. These impacts may affect customers' ability to meet their contractual obligations and the value of collateral securing lending exposures and may result in increased credit risk and higher ECL.

Climate-related risks were considered as part of the ECL assessment in 2026. This included considering how climate-related risks may affect customer credit quality, collateral values and forward-looking information used in measuring ECL. Detail on the Group's approach to ECL is outlined in *Note 12 Provision for credit impairment* on pages 237 to 243 of the Financial Report. The Group's approach to sustainability risk in credit risk and provisioning is also outlined in *Note 18 Financial risk management* on pages 257 to 271 of the Financial Report.

There were no material climate-related effects on ECL in 2026. This reflected the current composition of the lending portfolio, the extent to which currently observable climate-related effects were already captured through existing credit risk assessments and ECL inputs, and the longer-term period over which more significant effects are expected to emerge. At this stage, anticipated financial effects for ECLs in the short-term are not material, however this is subject to uncertainty in the timing and magnitude of credit losses.

The Group has not provided quantitative information about the financial effects in the medium to long term due to the level of measurement uncertainty relating to the effect of climate-related risks on the ECL across those time horizons. Climate-related risks may result in increased credit risk over time as regulatory requirements continue to evolve and climate-related events become more frequent or severe. Any resulting increase in credit risk is expected to be concentrated in the parts of the Group's lending portfolio most exposed to climate-related credit risks, as outlined in the business model and value chain impacts for each risk included in the *Climate-related risks* section on pages 53 to 57.

The effect of these risks on the Group's ECL remains uncertain and depends on a range of factors, including the nature, timing and severity of climate-related events, the composition of the Group's lending portfolio, and broader economic conditions and regulatory developments. This uncertainty may result in a range of outcomes for the timing and magnitude of an increase in ECL.

Significant risk of material adjustment

None of the identified climate-related risks or opportunities are expected to result in a material adjustment to the carrying amount of assets and liabilities disclosed in the Group's financial statements within the next annual reporting period.

Capital deployment and resourcing

Our response focuses on supporting customers to navigate climate-related risks and pursue opportunities, reflecting that the majority of climate-related exposures arise through our customer portfolio. While the Group has deployed additional resourcing to respond, these activities are embedded in our existing business model and strategy and no additional material resourcing requirements have been identified.

In 2026, the Group did not deploy any material capital expenditure or investment in response to climate-related risks or opportunities.[1] For more information on the Group's financing of climate-related opportunities, refer to the *Climate-aligned financing metric* section on page 52.

(1) Capital deployment is the amount of capital expenditure, financing or investment directed towards addressing climate-related risks or pursuing climate-related opportunities. Refer to the *Capital deployment methodology* section on page 107 for further detail.

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Climate resilience

Scenario analysis not only informs our vulnerability metrics but also enhances our understanding of the potential impacts of climate-related risks and opportunities on the resilience of the Group's strategy and business model.

Overview

The Group's climate resilience reflects the capacity of its strategy and business model to respond and adapt to climate-related risks and opportunities under different climate futures. This assessment is informed by our response to the identified climate-related risks and opportunities, scenario analysis outcomes and the Group's vulnerability and alignment metrics.

Vulnerability and alignment metrics indicate the potential scale of the identified risks and opportunities and the Group's performance in managing them, providing a more informed view of exposure. The assessment was also supplemented by stress testing undertaken as part of the Internal Capital Adequacy Assessment Process (ICAAP), as described below.

The response and planned resourcing disclosures provide an indication of the scale of investment towards mitigation, adaptation and opportunities.

Resilience of strategy and business model

The Group used climate scenario analysis and stress testing to evaluate the resilience of its strategy and business model under a range of potential future climate conditions. Our approach was to embed climate risk into our long-standing credit risk and operational risk scenario analysis processes. The Group's strategy and business model were assessed as resilient under the low and high emissions scenario and time horizons considered, subject to the assumptions, limitations and dependencies described in this report.

Over the short-term and medium-term, the Group has capacity to adjust its strategy and business model in response to the effects identified through climate-related scenario analysis. The Group's capital position, funding profile and access to financial resources provide flexibility to manage climate-related risks and pursue climate-related opportunities as they emerge. This also enables the Group to have the ability to redeploy or repurpose existing assets, if required.

Climate-related effects do not currently, and are not expected to, materially affect the Group's ongoing operations or overall strategic direction. Climate-related risks and opportunities are concentrated in specific portfolios, sectors, assets and locations and can be managed through existing risk, capital, portfolio and operational resilience arrangements. This supports our capacity to adapt our response for climate-related risks and opportunities.

Quantitative climate-related scenario analysis outputs are subject to inherent limitations and uncertainty, as outlined in limitations and measurement uncertainties in the transition and physical scenario analysis tables in the *Climate scenario analysis selection* section on pages 58 to 61.

Climate scenario analysis selection

The Group selected a diverse range of climate-related scenarios, encompassing different climate events, temperature outcomes and transition pathways across the Group's value chain[1]. Climate scenario analysis is integrated into the Group's broader risk management practices, which includes scenario analysis and stress testing. The selection of climate scenarios has been informed by the *Corporations Act 2001* (Cth) and Aotearoa New Zealand Climate Standards requirements, which resulted in the inclusion of the SSP 1 -1.9 and RCP 8.5 scenarios.

Further detail about the significant judgements and rationale for scenario selection is set out in the table below.

Transition scenarios	Physical scenarios
• Transition scenarios were sourced from a supplier of climate-related economic forecasting models that have been used by prudential regulators in several jurisdictions and are an updated version of the models that underpinned the APRA Climate Vulnerability Assessment (CVA). The models provide downscaled economic forecasts for different industry sectors in different geographies. • The third-party scenario designs were modified by the Group, collaborating with the supplier to create supplementary forecast variables necessary for the scenario outputs to be input into the Group's portfolio of credit risk models. • This model-dependent approach to transition scenario analysis has limitations (see *Transition Scenarios* on page 59) but embedding climate into the Group's longstanding risk measurement frameworks supports an objective assessment of climate resilience.	• Insurance companies offer data products that combine climate model outcomes with topographical mapping and historical insurance experience to produce quantitative estimates of the current and forecast risk of damage to properties (land and buildings). • The Group matches this data to the locations of the properties securing lending, the locations of material suppliers of critical operations, and the locations of the Group's own property portfolio, where available, analysing the relative level of risk of different locations. • Alignment with scenarios embedded within our physical climate-related risk tools, as outlined in the *Responding to climate-related physical risk* section on page 67. • Given the importance of the agricultural sector to the Group's business model, we have included analysis of our agribusiness portfolio in our suite of scenarios to understand the potential impact of chronic risk on Australian farm productivity and the implications for our customers and credit risk.

Scenarios run during 2026

The tables below set out more detailed information on the scenarios and stress testing performed by the Group during 2026, for climate-related risk identification and the assessment of resilience.

(1) Refer to the business model and value chain diagram included in the *Basis of Preparation* on page 45 for further information on the value chain.

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Transition Scenarios

Overview	Accelerated transition	Current climate policies	Climate change apathy
Summary	Governments around the world simultaneously adjust their policy settings to accelerate decarbonisation and strengthen the likelihood of holding global warming to less than 1.5°C by the end of the century. A decade of economic disruption immediately occurs as fossil fuels are phased out.	The world continues on its current path, with increased electrification and use of renewables. The technological breakthroughs needed for hard-to-abate sectors arrive slowly with increasing funding required to adapt to the impacts of a warmer climate. The first five years of the current climate policies scenario aligns to the Group's base case economic forecasting.	The push to reduce carbon emissions slows as governments and individuals face more pressing priorities. Centralised subsidies for renewables and low carbon technologies diminish, with global markets unable to identify commercially viable solutions to the climate crisis. Funding is diverted to adaptation as the world suffers repeated climate shocks.
Source of scenario	SSP 1-1.9	SSP 2-4.5	SSP 5-8.5
Global warming by 2100	1.0°C to 1.8°C Estimated warming of ~1.5°C. Aligned to the Paris Agreement.	2.1°C to 3.5°C Estimated warming of ~2.5°C.	3.3°C to 5.7°C Estimated warming above 3.5°C.
Carbon price (AUD) range per tonne CO_2-e from 2030 to 2050 unless otherwise stated	$40 to $200 over the period 2027 to 2050.	$35 to $125.	No carbon price applied in this scenario.
Time horizons	Impacts accumulate in the short- and medium-term, peaking in the long-term.	The incremental impact of climate change on the Group's economic recession scenario is highest in the medium-term.	Some short-term impacts, with greatest impact from higher temperatures not manifesting until after 2050.
Key assumptions(1)	Policy settings mirror the effect of an immediate price on all GHG emissions, without any transitionary relief for sectors that are not currently part of national carbon pricing regimes. The changes are global and economies adapt within 10 years.	The scenario has been run for two different economic forecasts: **(1) Current economic conditions** Aligned to the economic base case scenario referenced in *Note 12 Provision for credit impairment* on page 237. **(2) Economic recession** Aligned to the economic downside scenario referenced in *Note 12 Provision for credit impairment* on page 237.	Policy settings mirroring the effect of an immediate reduction in Government subsidies for renewables, without any transitionary relief. However, the relative cost of different energy sources, in the absence of subsidies, is not assumed to change.
Scope of operations(2)	Business lending customers.	Customers, operations and suppliers.	Business lending customers.
Limitations and measurement uncertainties	Second order impacts on retail lending in locations with significant economic dependence on high emitting businesses were not included in scope.	Estimates relied on the incremental effect of climate risk on property values.	The loss of productivity arising from higher temperatures in the second half of this century is beyond the time horizon of the Group's credit risk models and was not quantified in the same way as nearer-term impacts.
	Scenario outputs were obtained by estimating the impact that industry sector and country-level economic forecasts could have on the Group's credit quality. The mathematical models required for this quantitative approach introduce uncertainty.		

(1) No key assumptions about developments in technology were made.
(2) The scenario analysis found that most of the Group's own operations and other parts of the value chain would not be significantly altered by sudden changes in the price of carbon.

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Physical Scenarios

Overview	Reasonable best case outcome	Plausible worst case outcome	Chronic impact of changes in temperature and rainfall on Agricultural productivity[1]
Summary	The growth in risk associated with holding global warming to less than 2°C, while still significant, is more modest than that associated with higher temperatures.	Rapidly rising temperatures and climate volatility increase the average risk of extreme weather events, than has been previously experienced.	The Group's third-party models forecast temperature and rainfall-related impacts on Australian farm productivity to 2050 with impacts varying according to different RCP.
Scenario used	RCP 2.6, noting that an RCP 1.9 trajectory would produce smaller impacts.	RCP 8.5	RCP 8.5
Global warming by 2100	1.3°C to 2.0°C Aligned to the Paris Agreement.	3.3°C to 5.7°C Estimated warming above 3.5°C.	3.3°C to 5.7°C Estimated warming above 3.5°C.
Time horizons	To 2090.	To 2090.	To 2050.
Key assumptions[2]	The forecasts source underlying climate projection data and information from CSIRO, BOM and relevant academic research. Assumes that current patterns of loss-sharing between insurers, customers, government and banks will not change in the short- or medium-term.		The models compare forecast productivity against historical average metrics.
Scope of operations	The Group's third-party models forecast changes in the potential loss arising from different acute climate perils. This information is mapped to all property held as collateral for the Group's lending; to the locations of the Group's branches, ATMs and business banking centres; and to the head office and data centre addresses of the Group's material suppliers.		NAB's agribusiness portfolio.
Limitations and measurement uncertainties	NAB uses insurance data downscaled to the individual property level as the basis of its acute physical risk scenario analysis. Risk data at this level of granularity is subject to significant uncertainty. The Group's reliance on insurance data for acute physical risk means that its estimates do not address uninsurable climate perils such as drought or heat waves. The impact of hail and severe convective storm may be underestimated as they are less understood in climate models. These storms happen on a small, localised scale that traditional global climate models (which are of low spatial resolution) cannot see.		NAB has relied on older climate models[3] for this scenario than for the acute physical risk scenarios. Additional uncertainty is introduced by the process that matches property locations to forecast climate outcomes.
	Physical risk scenario analysis involves inherent uncertainty, reflecting natural climate variability, uncertain future emissions trajectories, limitations in global climate model resolution, and assumptions required to estimate local and regional impacts.		

(1) This scenario is a subset of plausible worst-case outcome.
(2) No key assumptions about developments in technology were made.
(3) Australian land productivity forecasts are not updated annually. The climate model data underpinning NAB's chronic risk assessment is approximately 5 years old.

Stress Testing in the Internal Capital Adequacy Assessment Process (ICAAP)

In addition to transition and physical scenario analysis, we conducted a compound acute physical risk event to test the Group's resilience within our ICAAP. The event is triggered by simultaneous bad weather events occurring in different parts of Australia; extreme wet weather (a severe storm with high winds and flooding) in Brisbane and South East Queensland and extreme heat and a large bushfire threatening the eastern suburbs of Melbourne. Disruption from the wet weather event lasts two weeks (10 working days), with government-mandated 'remain in place' orders in effect for 5 working days. Disruption from the fire and heat event lasts four weeks with rolling evacuations until the fires are eventually extinguished.

Further details on the stress test are outlined in the table below.

Table 3: Stress Testing in the Internal Capital Adequacy Assessment Process (ICAAP)

Overview	Compound acute physical risk event[1]
Key assumptions	• Both events are classified as natural disasters by the relevant state governments. • Government emergency response operates as designed. • Some volunteer organisations including fire brigades and emergency services crews are temporarily overwhelmed. • No increase in criminal behaviour in the aftermath of the weather event. • State-based public safety infrastructure remains operational. • The Group's business continuity and disaster recovery programs are placed under severe stress. • Interruptions to customer data access occur as a result of damage to telecommunications infrastructure.
Scope of assessment	Our business, our customers and our supply chain
Time horizons	Up to 3 years after the event

(1) This was informed by the Network for Greening the Financial System (NGFS) recommendations for a severe compound weather event.

Estimates of the credit risk losses and operational costs the Group would experience if such simultaneous weather events were to occur were not large enough to affect the Group's resilience. In particular, the analysis indicated that customer service would be restored in the affected areas in the immediate aftermath of the events. These outcomes have been considered in the assessment of resilience as outlined in the *Climate resilience* section on page 58.

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Risk management

Monitoring climate-related risks

The Group monitors climate-related risks in accordance with the RMF. Sustainability risk-related policy settings, sectoral tolerances[1] and specific credit appetite strategies for high-emitting sectors are examples of direct management actions implemented by the Group to reduce its exposure to climate-related risks.

In 2026, the Group enhanced its climate-related risk processes by updating its risk taxonomy and register, expanding its analysis across the value chain, and improving physical climate risk tools and climate data collection within our risk management systems.

Understanding and managing customer climate-related risk

An assessment of certain customer-level climate-related risks may be undertaken by bankers as part of the environmental risk component of the sustainability-related risk assessment conducted during credit risk assessment and due diligence process.

The Group conducts credit risk assessments and due diligence process for new and existing customers. Assessments are risk-based and consider relevant ESG matters by sector or activity and when issues arise.

Bankers are expected to pay particular attention to customers in climate sensitive and carbon intensive/ high-emitting sectors[2], such as those covered by the Group's sustainability-risk related policy settings, sector decarbonisation targets and Customer Transition Plan (CTP) requirements. Bankers are expected to consider a range of risk factors, including climate-specific questions to assess potential climate risk at an individual customer level as part of the credit risk assessment and due diligence process.

These questions seek to understand how customers are managing, mitigating and adapting to climate change, particularly those in climate sensitive and carbon intensive/ high-emitting sectors[2], which include heavy manufacturing, parts of the fossil fuel value chain and agriculture. They also help us to understand customers' transition maturity. We take a risk-based approach to assessing sustainability risk, and for some transactions, this may require escalation based on the risks identified.

Sustainability risk-related policy and appetite settings

The Group's sustainability risk-related policy settings, including those related to climate, as well as sectoral tolerances and credit appetite strategies help us manage and reduce climate-related risk in our lending portfolio. Progress against the specific fossil fuel sector tolerances is monitored regularly throughout the year and reported to relevant committees as required.

The Group annually reviews its sustainability risk-related policy settings, sectoral tolerances and credit appetite strategies, including those related to management of climate risk via exposure to emissions-intensive, climate-sensitive and low-emissions sectors. Further information on this annual appetite and policy setting review process is provided in the *Sustainability Risk Management* section on pages 40 to 42 of the Sustainability Disclosures.

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(1) The Risk Appetite Statement (RAS) contains quantitative or qualitative tolerances that set limits on the level of risk the Group is willing to accept in a particular sector or sub-sector. These tolerances represent outer boundaries of acceptable risk, not operational targets.
(2) High-emitting in this context refers to individually significant high-emitting customers.

Sustainability risk-related settings

Table 4: Group coal, oil and gas sustainability risk-related settings

Coal[1]	Oil and gas[2]
Tolerances	
• The Group has capped thermal coal (brown and black) mining EAD at 2019 levels, and set a goal[3][4] to reduce thermal coal mining exposures by 50% by 2026, reducing to effectively zero[5] by 2030 apart from residual performance guarantees to rehabilitate existing thermal coal mining assets.	• The Group has capped oil and gas EAD at USD$2.28 billion and will reduce the cap[6] from 2026 through to 2050, aligned to the IEA NZE2050.
Sustainability-related policy settings	
• The Group will not finance new thermal coal mining projects or take on new-to-bank thermal coal mining customers. • The Group will not provide new project finance for greenfield infrastructure connected to greenfield thermal coal mining projects. • The Group will not support capital markets activities[7] for thermal coal mining customers. • The Group separately reports its thermal coal-related rehabilitation performance guarantees as part of reporting its resources exposures. • The Group will not finance new or material expansions of coal-fired power generation facilities. • The Group recognises that currently there are no readily available substitutes for the use of metallurgical coal in steel production. The Group will continue providing finance to its customers in this segment, subject to enhanced due diligence which further considers underlying ESG risks. • The Group will not provide project finance for a greenfield metallurgical coal mine.	• The Group will not directly finance greenfield gas extraction, or expansion projects outside Australia. • The Group will only consider directly financing greenfield gas extraction, or expansion, in Australia where it plays a role in underpinning National Energy Security. • The Group will continue to support existing integrated liquefied natural gas (LNG) in Australia and neighbouring countries[8] and selected existing LNG infrastructure in other regions. • The Group will not directly finance greenfield oil extraction, or expansion projects or onboard new customers with a predominant focus on oil extraction. • The Group will not finance oil and gas extraction, production or pipeline projects within, or impacting, the Arctic National Wildlife Refuge area or any similar Antarctic Refuge. • The Group will not directly finance oil/tar sands or ultra-deep-water oil and gas extraction projects. • The Group will not directly finance new: – Floating Production Storage and Offloading infrastructure; – LNG liquefaction assets; and – Transmission pipelines, where these assets are dedicated solely to greenfield oil and gas extraction projects, unless they play a role in underpinning National Energy Security. The Group considers National Energy Security in relation to the financing of power generation and gas (including gas infrastructure) sectors. Any such decision, if taken, would consider a range of factors and be made by relevant members of the ELT. These factors include any relevant Australian government or regulatory reports or determinations (including from the Australian Energy Market Operator), together with the needs of domestic businesses (including industrial and manufacturing businesses) for stable, reliable and affordable energy ('National Energy Security considerations').
2026 lending exposure	**2026 lending exposure**
Thermal coal (brown and black) mining • NAB has further reduced exposure to thermal coal mining and no longer has any (a) corporate lending to thermal coal mining customers or (b) project finance in respect of thermal coal mining assets. NAB intends to maintain this position into the future. • BNZ exited all term lending to the thermal coal mining sector by 2025, meeting its commitment to exit all lending to the sector by the end of 2025. The remaining balances relate to transactional business credit card facilities provided to existing customers. Derivatives and bonds or guarantees associated with environmental rehabilitation have been excluded. **Coal-fired power generation** • The Group has no direct lending[9] to coal-fired power generation assets.	• The Group has no direct lending to oil extraction projects.

(1) For the purposes of the Group's sustainability risk-related settings, thermal coal mining exposure means direct exposure to customers and projects whose primary activity is thermal coal mining, based on EAD, using the Group's extension of 1993 ANZSIC codes that distinguish between different grades of black coal. EAD for these sustainability risk-related settings include lending, derivatives, financial guarantees and performance guarantees for the rehabilitation of existing coal mining assets. It excludes customers whose primary activity is metallurgical coal mining, diversified mining customers and transactional banking (including deposit services) that do not give rise to EAD and similar ancillary products and services. NAB's thermal coal sector decarbonisation target, as set out on page 73 includes diversified mining customers with revenue >5% from direct sale of thermal coal and excludes metallurgical coal mining customers (who are included in the iron and steel decarbonisation target). For completeness, these sector decarbonisation targets exclude transactional banking (including deposit services), risk management products and similar ancillary products and services. These products and services are not in scope of accepted approaches for financed emissions target setting by financial institutions.

(2) For the purposes of the Group's sustainability risk-related settings, oil and gas EAD exposures means oil and gas extraction (upstream); LNG production (not at refineries–downstream LNG); and LNG production at well head (integrated LNG), based on EAD, using the Group's extension of 1993 ANZSIC codes. Oil and gas extraction exposures includes lending (e.g. revolving/term lending and guarantees) and other markets-related exposures (e.g. derivatives, repurchase agreements).

(3) This goal was set by the Group in 2019 and is incorporated within the Group's Risk Appetite Statement (RAS), together with the thermal coal mining Sustainability-related policy settings that help to achieve the goal. To maintain consistency with our historical reporting, we have retained 'goal' terminology in this instance. However, this goal meets the definition for a target as set out in the *Basis of Preparation* section on page 45 and has been treated as a target (absolute) for the purposes of AASB S2 disclosure requirements.

(4) The Group's decision to set a cap, interim 2026 and 2030 reduction goal for thermal coal mining exposures was informed by the Paris Agreement and IEA's Net Zero Emissions by 2050 (NZE) Scenario. Under the NZE scenario, advanced economies phase out all unabated coal-fired power generation by 2030.

(5) 'Effectively zero' refers to the fact that the Group may still hold some exposures to thermal coal in 2030, through residual performance guarantees to rehabilitate existing coal mining assets. These guarantees are excluded from the financed and facilitated emissions coverage of NAB's thermal coal sector target.

(6) From 1st October 2026, the Group will reduce the cap through to 2050 aligned with IEA NZE2050. EAD may fluctuate within that cap during this period.

(7) Capital markets activities means all types of bonds, syndicated loans and US private placements. It excludes advice or services provided to a customer by JBWere.

(8) Support for LNG is not currently provided in the New Zealand market.

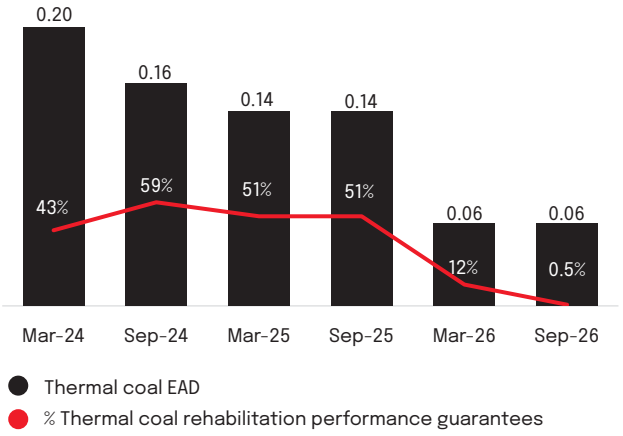
(9) For the purposes of the Group's sustainability risk-related settings, coal-fired power generation asset exposure, based on EAD, uses the Group's extension of 1993 ANZSIC codes. Excludes exposure to counterparties predominantly involved in transmission and distribution. The Group has no direct lending to coal-fired power generation assets remaining. Note there is indirect exposure to coal-fired power within the Mixed Fuel category as a result of the Group's corporate level exposure to gentailers, which have a mix of generation assets (including coal, gas and renewables) within their generation portfolios.

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Coal, oil and gas tolerances

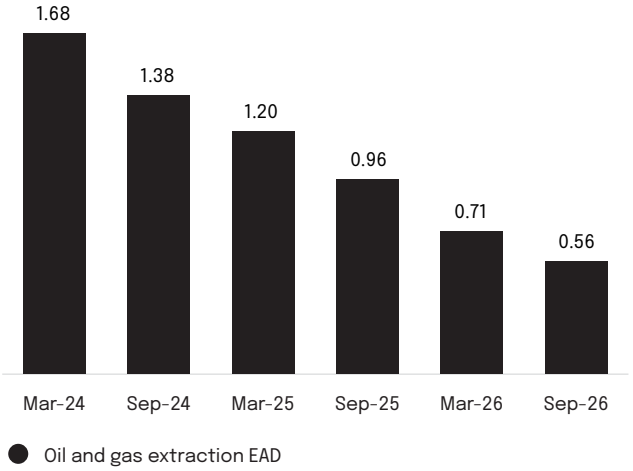
The Group has reduced its exposure to fossil fuels over time, and has met its interim goal, set in 2019, to reduce thermal coal mining exposures by 50% by the end of September 2026. Charts 2 and 3 show the Group's thermal coal mining and oil and gas extraction exposures which are monitored against portfolio limits in accordance with climate risk-related tolerances. Further detail on the tolerances, sustainability-related policy settings and 2026 lending exposure is included in the *Sustainability risk-related settings* section on page 63.

Chart 2: Thermal coal mining (AUD$bn) exposure[1]



(1) Thermal coal mining exposure means direct exposure to customers and projects whose primary activity is thermal coal mining, based on EAD, using the Group's extension of 1993 ANZSIC codes that distinguish between grades of black coal. Includes lending, derivatives, financial guarantees and performance guarantees for the rehabilitation of existing thermal coal mining assets. It excludes customers whose primary activity is metallurgical coal mining, diversified mining customers and transactional banking (including deposit services) that do not give rise to EAD and similar ancillary products and services.

Chart 3: Oil and gas extraction - (USD$bn) exposure[1][2]



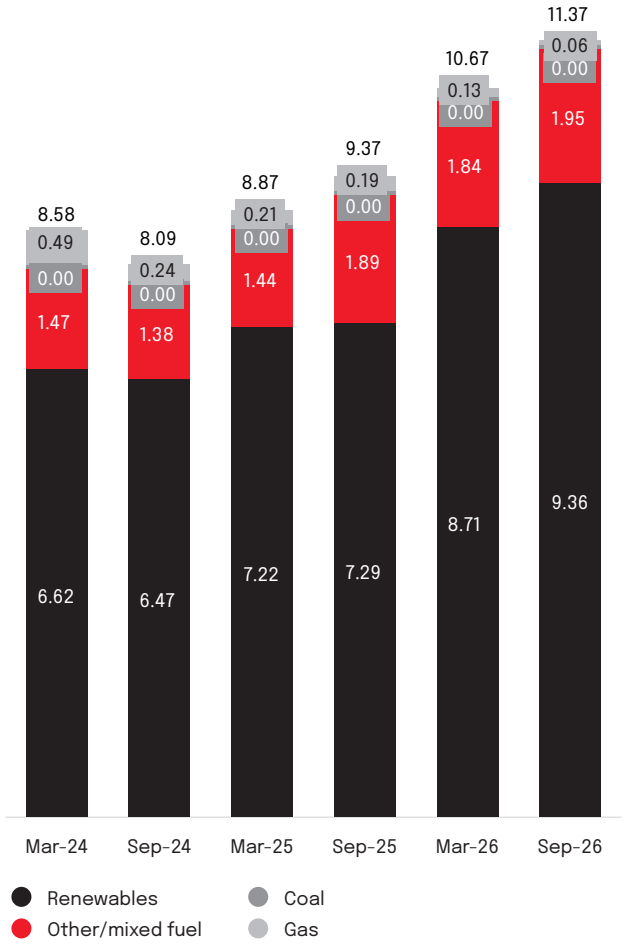
(1) Oil and gas extraction exposures includes lending (e.g. revolving/term lending and guarantees) and other markets-related exposures (e.g. derivatives, repurchase agreements), based on EAD, using the Group's extension of 1993 ANZSIC codes.
(2) Use of USD for the purpose of this cap is to account for currency movement as the majority of the portfolio is USD denominated. Relevant EAD conversions from AUD to USD are as follows: AUD/USD 0.6529 (Mar 24); AUD/USD 0.69295 (Sep 24); AUD/USD 0.62855 (Mar 25); AUD/USD 0.66015 (Sep 25); AUD/USD 0.6848 (Mar 26); AUD/USD 0.6977 (Sep 26).

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Group power generation and resources EAD

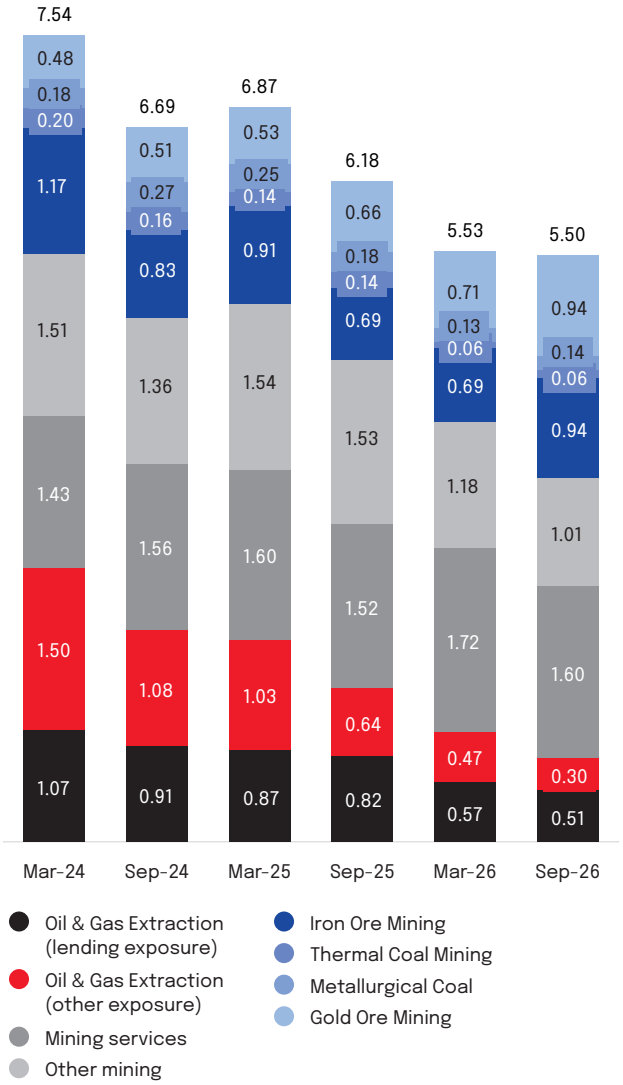
The Group's exposure to power generation and resources sectors is shown in Charts 4 and 5. These sectors contain sub-sectors that have high levels of transition risk and that have a significant role in supporting the transition. The renewables proportion of the total finance that the Group provides to the power generation sector is 82.3% [1].

Chart 4: Group power generation EAD by fuel source [1] [2](AUD$bn)



(1) The Group methodology (using the Group's extension of 1993 ANZSIC codes that distinguish between different types of energy generation), based on EAD, excludes exposure to counterparties predominantly involved in transmission and distribution. The Group has no direct lending to coal-fired power generation assets remaining. Note there is indirect exposure to coal-fired power within the Mixed Fuel category as a result of the Group's corporate level exposure to gentailers, which have a mix of generation assets (including coal, gas and renewables) within their generation portfolios.
(2) Totals presented in charts may not sum due to rounding.

Chart 5: Group resources EAD by type[1] [2][3](AUD$bn)



(1) Oil and gas extraction exposures includes lending (e.g. revolving/term lending and guarantees) and other markets-related exposures (e.g. derivatives, repurchase agreements).
(2) Thermal coal exposure means direct exposure to customers and projects whose primary activity is thermal coal mining, based on EAD, using the Group's extension of 1993 ANZSIC codes that distinguish between different grades of black coal. Includes lending, derivatives, financial guarantees and performance guarantees for the rehabilitation of existing coal mining assets. It excludes customers whose primary activity is metallurgical coal mining, diversified mining customers and transactional banking (including deposit services) that do not give rise to EAD and similar ancillary products and services.
(3) Totals presented in charts may not sum due to rounding.

(1) Figure is at 30 September 2026.

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NAB's Customer Transition Plan Assessment Framework

A CTP assessment is undertaken for in-scope C&IB customers in selected sectors[1], as an additional step during the credit risk assessment and due diligence process outlined in the *Monitoring climate-related risks* section on page 62. While NAB has reduced its exposure to these sectors over time, customers in these sectors remain an important part of the broader economy. Assessment of CTPs for these customers is used to monitor their transition progress.

NAB's CTP Assessment Framework is required for new or renewed corporate lending or project-level lending and capital markets facilitation[2] for in-scope C&IB customers in selected sectors[1][2]. The Framework uses a four-tier weighted scoring methodology and categorises customers as 'Advanced', 'Well-Developed', 'Progressing', or 'Limited'. From October 2025, where an in-scope C&IB customer is unable to demonstrate progress beyond a categorisation of 'Limited', subject to National Energy Security considerations, NAB will not provide new or renewed corporate or project-level lending, trade finance facilities or facilitate capital markets activities.

2026 outcomes

NAB reviews the CTP Assessment Framework annually; no material changes were made in 2026. There are no customers in the 'Advanced' tier; the highest proportion of customers are in the middle tiers of 'Well-Developed' and 'Progressing' and a small proportion are in the 'Limited' tier. The Australian power generation sector continues to demonstrate the highest level of maturity under the Framework when compared to other sectors, maintaining Well-Developed outcomes.

Table 5: Factors considered in NAB's CTP Assessment Framework

Pillar	Factors considered[1]
Targets	• Quantitative assessment of current emissions performance for power generation and oil and gas and 2030 interim targets against science-based Paris-aligned pathways[2]. • Net zero target against a science-based Paris-aligned pathway. • Extent of emission scopes covered in targets (Scopes 1 and 2 and Scope 3 for customers in oil and gas and metallurgical coal sectors).
Strategy, action & delivery	• Net zero strategy or commitment. • Details of action plan to achieve targets and net zero. • Level of offset reliance. • Degree of capital expenditure alignment to enable transition. • Consideration of just transition.
Governance	• Level of Board oversight and engagement. • Executive performance KPIs connected to targets and actions.
Reporting & disclosure	• Review schedule of transition plan and disclosure of progress. • Alignment of engagement with industry groups and/or external parties and stated commitments.
External validation	• Extent of independent assessment or assurance of transition plan, targets and emissions.
Sector specific factors	Sector specific assessment factors in line with primary available decarbonisation levers. **Power generation** • Timing of retirement of coal assets. • Planned growth of renewables. **Oil and gas** • Interim methane reduction plans and target. • Approach to capping/ reducing hydrocarbon output. • Investment in carbon capture, utilisation and storage. **Metallurgical coal** • Interim methane reduction plans and target. • Production reduction.

(1) A customer's Scope 3 emissions are considered in the Framework. This includes in target coverage for oil and gas and metallurgical coal, as well as sector-specific factors for all in-scope sectors. We expect the introduction of the Australian Sustainability Reporting Standards will aid Scope 3 assessment.

(2) To support comparability, emissions performance is assessed on an intensity basis and interim targets are currently limited to Scope 1 and 2 for oil and gas and power generation. A quantitative assessment of current emissions performance is not currently applied to metallurgical coal due to the diversified nature of the customers in the portfolio.

(1) Selected sectors include power generation, where at time of lending, 25% or more of the electricity generated by the customer is from thermal coal, oil and gas, and metallurgical coal. Referenced sectors are consistent with sector definitions used for NAB's target setting emissions baseline, although metallurgical coal forms part of the iron and steel sector target. For further information refer to the *Sector decarbonisation targets and goals methodology* section from page 89. NAB does not intend to apply this requirement to customers in the thermal coal sector because NAB has set a target to reduce financed and facilitated emissions for this sector to zero by 2030 (refer to the Thermal coal sector target on page 73 for further details).

(2) This includes (i) lending at a corporate level (for example, general facilities made available to the parent company of a group of companies), (ii) at a project level (that is on an individual project basis for a specific project purpose), and (iii) trade finance. Lending in the context of this requirement includes financial guarantees (excluding rehabilitation bonds and cash back guarantees for non-operational activities e.g. office leases). Transactional banking (including deposits services), risk management products and similar ancillary products and services including advice or services provided to a customer by JBWere are excluded from this requirement. Capital markets activities means all types of bonds, syndicated loans and US private placements. The Customer Transition Plan requirements for In-Scope C&IB customers are subject to National Energy Security considerations.

Responding to climate-related physical risk

The Group responds to climate-related physical risks by strengthening the processes, information and tools that support bankers' knowledge and capabilities in assisting customers, as outlined in the *Our core capabilities* section on page 48. The Group continues to mature its understanding, data and assessment practices to integrate data and insights into credit risk management.

Measuring risk and managing exposure

NAB's physical risk tools, Home-ID, Farm-ID and Commercial-ID are designed to allow bankers and portfolio managers to provide tailored guidance and practical solutions that help businesses and individuals build greater resilience to the impacts of climate change. The tools integrate external data sources (climate, insurance and property data) with NAB's internal data (property information, lending exposures, and other risk data).

- Home-ID: Home-ID is used at the portfolio level. The tool is used predominantly for acute climate risk, to help assess insurance adequacy across the portfolio. Where a high loan-to-value ratio and high physical risk is identified, bankers call the customer to understand insurance and support them with decision-making.
- Farm-ID: Farm-ID is used at the banker and portfolio levels to target growth and enable improved risk management of NAB's agribusiness lending portfolio by providing accurate and granular data for location and climate considerations.

Updates to physical climate risk tools in 2026 included:

- Enhanced Home-ID to improve identification and monitoring of physical climate risks across the mortgage portfolio and to identify and support customers faster following natural disaster events.
- Completed the rollout of Farm-ID to bankers, providing climate risk insights for lending decisions and incorporating acute weather, land use and forest cover data to strengthen climate and nature-related risk assessment.
- Continued development of Commercial-ID to expand climate risk coverage and portfolio monitoring of commercial property exposures. Commercial-ID is planned to go live to portfolio managers in 2027.

Building customer resilience

Access to insurance is a growing challenge for customers due to more frequent and intense natural disasters and rising premiums. NAB has partnered with the Resilient Building Council (RBC) to help customers[1] better protect their homes and build resilience to bushfire risk. During the year, NAB Insurance, underwritten by Allianz, introduced a premium reduction offer for eligible Home and Landlord Insurance customers whose homes achieve a certified Bushfire Resilience Rating of three stars or above. The Group is also exploring how its financing can better support customers to build adaptation and resilience through its climate-related financing opportunity outlined on page 51.

Table 6: Data attributes of physical risk tools

Attribute	Home-ID	Commercial-ID	Farm-ID
Granularity	Address (point location data)	Address (point location data)	Security land title (parcel boundaries)
Aggregation	Geography	Geography, industry and/or credit risk	Geography, industry and/or credit risk
Coverage	All residential properties in Australia	All commercial properties in Australia	All agricultural land parcels
Physical risk scenarios[1]	Current risk and potential risk at 2030, 2050 and 2100 using RCP 2.6, 4.5 and 8.5, including tail risks.		Current risk and potential risk using RCP 4.5 and RCP 8.5 forecasts to 2050.
Peril information	Flood, bushfire, cyclone and storm	Flood, bushfire, cyclone and storm	Flood, bushfire, cyclone, storm, drought, extreme temperature, and soil erosion
Event recurrence	Annual average and severe 1-in-X year events where the return period (X) equals 1, 5, 20, 25, 50, 100, 200, 250, 500 and 1000 years.		

(1) Scenarios are representative of the analysis run by the tools. This is different to the climate-related scenario analysis run for the purpose of AASB S2.

Supporting customers in hardship

NAB recognises that a key component of risk management is supporting customers in times of hardship. Our existing hardship practices support customers affected by natural disasters made more likely or severe through climate change. Support options include payment breaks, flexible payment arrangements, and for those severely impacted by a government-declared disaster, they may be eligible for cash payments to meet immediate needs (e.g. food or clothing) and referrals to specialist support agencies.

(1) Customers who have an insurance policy with a participating insurance company and have undertaken certified upgrades to their home which achieve a 3 star rating or above.

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Metrics, targets and goals

The Group uses metrics, targets and goals to drive and assess performance against our strategic priority to support customers as we move together to a resilient net zero economy.

The Group has developed interim targets and goals for operational, financed and facilitated[1] emissions, together with strategies to advance towards them. In addition to reporting progress, the Group provides information about the scope, boundaries, key methodology, and any assumptions, limitations or dependencies relevant to the targets and goals.

The Group has applied the transition relief in AASB S2 paragraph C4(b), and has not disclosed Scope 3 GHG emissions in accordance with AASB S2 in 2026. The Group will expand its Scope 3 reporting in 2027 to meet the requirements of AASB S2. The Group has voluntarily disclosed certain operational Scope 3 GHG emissions, and selected financed emissions on a consistent basis with prior year to provide clarity over the largest component of its GHG emissions inventory and support stakeholders' understanding of emissions associated with the Group's value chain.

Operational emissions

Reducing operational emissions

The Group has established a 2030 operational GHG emissions reduction target (absolute), which applies to Scope 1 and Scope 2 (market-based) emissions.

Table 7: The Group's operational emissions target

Target overview	Detail
Net Target	72% reduction in Scope 1 and 2 (market-based)[1] emissions by 2030
2022 baseline emissions	23,856 tCO_2-e[2]
Metric and boundary	The metric used to set the target is the Group's Scope 1 and 2 (market-based) emissions. Refer to the *Scope 1 and 2 GHG emissions* section on page 69 for the 2026 value, and the *GHG operational emissions methodology and reporting boundary* section on page 93 for the methodology and boundary of the metric.
Monitoring progress	Progress is monitored through the Group's absolute Scope 1 and 2 (market-based) emissions reported in the *Scope 1 and 2 GHG emissions* section on page 69.
Additional information	The target is an absolute emissions reduction target. Progress is measured through the Group's absolute Scope 1 and 2 (market-based) emissions reported on page 69 on an annual basis. The target is aligned to a Science Based targets initiative (SBTi) 1.5°C pathway.[3] The Group does not rely on offsets to achieve its operational emissions reduction target.
Process for review	The Group reviews the target at least every 5 years or ad-hoc if there are material operational changes to consider whether the target remains representative.

(1) The Group does not have a gross emissions reduction target for the Scope 2 (market-based) component of this target. The Group relies on contractual instruments to maintain its market-based emissions and does not rely on carbon offsets.
(2) In 2026, the Group updated its baseline year end from period ended 30 June 2022 (23,018 tCO_2-e) to 30 September 2022 to align with the financial year reporting period.
(3) The target was set with the SBTi V1 version, which was considered the most appropriate method at the time.

The Group aims to reduce Scope 1 and 2 emissions through fleet electrification, property energy efficiency and renewable electricity. Since the baseline year (2022), the Group's Scope 1 and 2 (market based) emissions included in our operational emissions reduction target have decreased by 69%, which includes an additional 1,071 tCO_2-e since 2025. The decrease since 2025 was driven by improved reporting on fugitive emissions and a reduction in diesel consumption across key Australian facilities.

Internal carbon pricing approach

The Group applies an internal carbon price to selected operations and activities to understand energy savings, maintenance savings, and avoided cost of carbon associated with investments in energy efficient assets or initiatives. As the Group continues to mature its approach, we will consider opportunities to expand the application of the internal carbon price across additional activities and geographies. In 2026, the internal carbon price was $24.85 per tonne[2], and was applied to Australian building portfolio carbon mitigation activities.

(1) NAB's sector targets for power generation, thermal coal and oil and gas include facilitated emissions within the target boundary. Refer to the *Sector decarbonisation targets and goals methodology* section on pages 89 to 92 for further information.
(2) Calculated based on the cost of our purchases of international and domestic carbon offsets and of renewable energy in 2025.

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Scope 1 and 2 GHG emissions

The table below sets out the Group's Scope 1 and 2 GHG emissions:

Metric	2026 tCO_2-e	2025 tCO_2-e Ⓥ[1]
Scope 1		
Stationary combustion	342	418
Fugitive emissions	1,479	2,966
Mobile combustion	5,467	4,975
Total Scope 1	**7,288**[2]	**8,359**
Scope 2		
Location-based	42,145	45,135[3]
Market-based	0	0
Total Scope 2 (location-based)	**42,145**[4]	**45,135**
Total gross Scope 1 and 2 (location-based)	**49,433**	**53,494**

(1) Comparative data for the prior year has been disclosed voluntarily. Prior year figures reflect emissions for the 12-month period ended 30 June 2025 in line with the environmental year used for NGER reporting purposes. Refer to the *Scope 1 and 2 methodology* section on pages 94 to 95 for the details on the methodology.
(2) Scope 1 emissions for the period from 1 July 2025 to 30 September 2026 were 9,091 tCO_2-e.
(3) In 2026, co-location data centres were newly included in, or reclassified within, the Scope 2 emissions boundary from Scope 3. Refer to the *GHG operational emissions methodology and reporting boundary* section on page 93 for further information on the operational emissions boundary judgement. Comparative 2025 emissions has been restated by 691 tCO_2-e . The Group has retired carbon offsets to an equivalent value.
(4) Scope 2 (location-based) emissions for the period from 1 July 2025 to 30 September 2026 were 53,218 tCO_2-e.

Contractual instruments

The Group utilises a mix of direct renewable electricity sourcing arrangements and matching mechanisms reflecting market availability and operational requirements. Since 2025, the Group has sourced or matched 100% of its electricity from renewable sources. The Group's consumption of electricity includes Power Purchase Agreements, Renewable Energy Certificates (RECs), on-site solar generation in Australia, RECs purchased through the New Zealand Energy Certificate System (NZECS) for electricity consumed in New Zealand, and Electricity Green Power and international Renewable Energy Certificates (iRECs) for international regions.

Operational Scope 3 (defined boundary) Ⓥ

The Group has voluntarily disclosed certain operational Scope 3 GHG emissions within its existing reporting boundary to maintain continuity and comparability of emissions disclosure for users. Details on the defined boundary can be found in the *GHG operational emissions methodology and reporting boundary* section on page 93. This voluntary disclosure does not represent a complete Scope 3 GHG emissions inventory prepared in accordance with AASB S2 and excludes broader value chain emissions outside the Group's defined operational Scope 3 reporting boundary. The Group continues to enhance the quality of its operational emissions data and will expand its Scope 3 reporting in 2027 to meet the requirements of AASB S2.

Scope 3 category	2026 tCO_2-e Ⓥ	2025 tCO_2-e Ⓥ
Category 1: Purchased goods and services	18,848[1]	19,648[2]
Category 3: Fuel and energy-related activities	6,101	6,981
Category 4: Upstream transportation and distribution	2,325	3,244
Category 5: Waste generated in operations	1,142	1,282
Category 6: Business travel	28,335	24,213[3]
Category 7: Employee commuting	28,617	29,387
Category 8: Upstream leased assets	8,534	9,002
Total operational Scope 3 (defined)	**93,901**[4]	**93,757**

(1) Category 1 includes cloud-based emissions which are reported using the location-based method, except for 287 tCO_2-e from one provider, which is provided using the market-based methodology. Refer to the *Scope 3 (defined) methodology Ⓥsection* on pages 96 to 102 for further detail on the methodology and boundary.
(2) NAB uses third-party supplier data for its cloud emissions reported in Scope 3 Category 1 (Purchased Goods and Services). In 2026, a supplier revised its emissions calculation methodology, increasing the 2025 emissions attributed to NAB's cloud services by 15,478 tCO_2-e. NAB also reclassified co-location data centre emissions, including associated transmission and distribution losses, from Scope 3 to Scope 2. The 2025 comparative information for Scope 3 Category 1 and total Scope 3 emissions has been restated.
(3) Comparative information has been restated by 68 tCO_2-e. The Group has retired carbon offsets to an equivalent value.
(4) Scope 3 operational emissions for the period from 1 July 2025 to 30 September 2026 were 118,157 tCO_2-e.

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Sector decarbonisation targets and goals

NAB has set twelve 2030 interim sector decarbonisation targets and goals[1] in eight high-emitting sectors. These targets and goals guide how we service our customers with their banking needs as the Australian economy transitions to net zero, and are a mechanism through which the Group measures and communicates emissions performance associated with its lending activities.

2026 updates to our approach

As a major Australian bank, NAB's climate strategy exists within the broader economic, social and political context that shapes the way Australians will experience the transition to a lower carbon future. NAB monitors a range of assumptions and dependencies that impact its climate strategy within that broader context, and undertakes periodic re-testing of those that are key to its targets, goals and strategic priorities.

In 2026, as part of our periodic review, we have identified sectors where the achievement of a decarbonisation target is increasingly dependent on factors beyond our direct control or influence, such as government policy settings, the pace of technological development and continued and transparent incentives. To reflect this, NAB will now describe certain sectors that were previously communicated as having targets, as goals. This change is intended to provide greater transparency regarding the assumptions and dependencies underpinning our goals and targets, and the factors that may influence their achievement.

Key definitions

- **Target:** A target is supported by defined actions that NAB intends to take to help achieve the outcome. While decarbonisation remains subject to economic, policy and/or technological assumptions and dependencies, NAB has clearer, bank-controlled levers to influence outcomes in sectors where a target has been set.
- **Goal:** A goal reflects a direction of travel towards an outcome, but achievement will depend largely on factors outside NAB's direct control or influence. Goals acknowledge that NAB's opportunity to influence decarbonisation in these sectors is as an enabler rather than a direct driver of outcomes.

Power generation, thermal coal, oil and gas, and iron and steel sectors will continue to be disclosed as sector decarbonisation targets. From 2026 reporting and going forward, the following sectors will be disclosed as sector decarbonisation goals:

- commercial real estate (CRE) - office and retail sub-sectors,
- residential real estate (RRE),
- transport - road,
- transport - shipping,
- transport - aviation,
- cement and
- aluminium.

Decarbonisation of the electricity grid

Grid decarbonisation, including building capacity in renewable-powered generation, expanding and upgrading the transmission network, and building storage, remains the primary driver of emissions reductions in Australia.

The trajectory of several of NAB's sector decarbonisation target and goal portfolios is dependent on the assumption that renewable energy deployment occurs in line with the Federal Government's commitment to 82% renewable electricity by 2030. The pace of the energy transition in Australia continues to be impacted by systemic barriers, such as lead times for renewable energy projects and associated infrastructure approvals, as well as delays to the decommissioning of certain coal-fired power generation assets.

Despite these challenges, the Federal Government has reiterated its commitment to its 2030 renewable energy target, and it remains the foundation of the Federal Government's modelling. The Australian Energy Market Operator (AEMO) 2026 Integrated System Plan (ISP), released on 25 June 2026, models an optimal development path for the National Electricity Market that is consistent with achieving the Federal Government's 82% renewable generation target by 2030.

NAB continues to look for opportunities to support renewable energy projects and associated infrastructure through targeted lending and continues to monitor energy sector dynamics, including AEMO modelling. However, the limited control NAB has over grid decarbonisation was a factor in its decision to re-label certain targets as goals where they are particularly dependent on changes in the energy mix.

(1) NAB's sector decarbonisation targets and goals are based on a defined boundary. Refer to the subsequent sector decarbonisation targets and goals on pages 72 to 85 and the *Sector decarbonisation targets and goals methodology* section on pages 89 to 92 for further detail.

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NAB performance summary[1]

The performance of the sector decarbonisation targets and goals has been summarised in the table below. NAB's 2030 interim sector-level decarbonisation targets and goals are set on a gross mitigation basis (other than for Aviation, which allows for offsets). The targets and goals cover GHG emissions across the relevant emissions scopes (Scope 1, Scope 2 and/or Scope 3) measured in carbon dioxide equivalent (CO_2-e)[2]. Further details on NAB's sector decarbonisation targets and goals are available on the subsequent pages for each target and goal. Further information on the methodology and boundary can be found in the *Sector decarbonisation targets and goals methodology* section on pages 89 to 92.

			Performance against target or goal			Baseline		Absolute financed and facilitated emissions ($MtCO_2$-e)					Exposure (EAD)		
								Financed			Facilitated				
	Emissions metric	Type	2024	2025	2030 Target or goal	Baseline	Baseline year	2024	2025	2025 % of total	2024	2025	2024 ($bn)	2025 ($bn)	% of total EAD
NAB sector decarbonisation targets[1]															
Power generation	tCO_2-e/MWh	Intensity	0.14	**0.14**	0.14	0.17	2021	2.4	**1.9**	**11.4%**	0.3	**0.6**	6.7	**7.0**	**0.9%**
Thermal coal	$MtCO_2$-e	Absolute	0.3	**0.6**	0.0	4.9	2021	0.3	**0.6**	**3.2%**	0.0	**0.0**	0.1	**0.1**	**0.01%**
Oil and gas[2]	$MtCO_2$-e	Absolute	1.1	**0.8**	2.5	3.4	2021	1.1	**0.7**	**4.2%**	0.02	**0.06**	0.8	**0.7**	**0.1%**
Iron and steel[3]	$MtCO_2$-e	Absolute	0.9	**1.2**	4.8	6.1	2022	0.9	**1.2**	**7.0%**	n/a	**n/a**	0.27	**0.22**	**0.03%**
NAB sector decarbonisation goals															
Cement[4]	tCO_2-e/tCement	Intensity	n/a	**n/a**	0.46	0.57	2021	n/a	**n/a**	**n/a**	n/a	**n/a**	n/a	**n/a**	**n/a**
Aluminium	tCO_2-e/ tAluminium	Intensity	1.8	**2.0**	5.0	1.8	2022	0.2	**0.3**	**1.7%**	n/a	**n/a**	0.10	**0.12**	**0.02%**
Transport															
Road	gCO_2/vkm	Intensity	212.8	**206.2**	133.0	217.0	2022	0.2	**0.2**	**0.9%**	n/a	**n/a**	2.9	**3.2**	**0.4%**
Aviation	gCO_2-e/pkm	Intensity	94.9	**88.2**	77.0	104.0	2019	1.1	**0.6**	**3.5%**	n/a	**n/a**	2.2	**1.4**	**0.2%**
Shipping	Alignment delta %	Alignment delta %	-1.6%	**4.4%**	0.0%	-1.0%	2022	0.7	**0.3**	**1.6%**	n/a	**n/a**	2.0	**0.9**	**0.1%**
Real Estate															
CRE - office	$kgCO_2e/m^2$	Intensity	62.0	**52.2**	29.6	70.8	2022	0.2	**0.2**	**1.2%**	n/a	**n/a**	14.4	**15.0**	**2.0%**
CRE - retail	$kgCO_2e/m^2$	Intensity	77.2	**73.0**	32.6	78.4	2022	0.4	**0.4**	**2.3%**	n/a	**n/a**	16.8	**18.5**	**2.5%**
RRE	$kgCO_2e/m^2$	Intensity	32.0	**31.9**	15.4	35.1	2022	2.6	**2.7**	**15.6%**	n/a	**n/a**	395.8	**411.5**	**54.5%**

(1) Financed and facilitated emissions estimates are based on data to 30 June of the prior year (31 December for shipping). Figures in this table are rounded.
(2) EAD for oil and gas includes projects under construction. This is an exception to NAB's methodology but it is considered material and its inclusion is of value to users of this report.
(3) Scope 3 emissions for metallurgical coal customers are included in the boundary of this target.
(4) To protect customer confidentiality, emissions performance, absolute financed and facilitated emissions and EAD have not been disclosed.

(1) Sector decarbonisation targets and goals are based on a defined boundary. For further detail refer to the subsequent sector decarbonisation targets and goals pages and the *Sector decarbonisation targets and goals methodology* on pages 89 to 92.
(2) There may be instances where not all Kyoto gases are covered, including refrigerant gases and sulphur hexafluoride (SF_6). This is due to gaps in public reporting.

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Power generation (target)

Sector overview

Power generation decarbonisation is driven by the shift in the generation mix towards renewable and lower-emissions energy sources, supported by timely investment in transmission, firming and storage capacity.

2025 progress

NAB maintained its power generation portfolio emissions intensity at 0.14 tCO_2-e/MWh during the reporting period, below the reference pathway trajectory. This is due to a consistent mix of gentailer and renewables customers in the portfolio.

NAB's approach

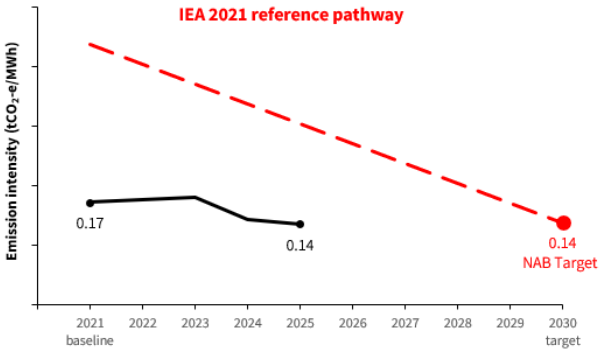
The key action to maintain the targeted reduction remains to increase financing to renewable power generation. Progress between now and 2030 may not be linear, as phasing out high-emitting power generation assets will require continued investment to support an orderly transition.

Customer Transition Plan requirements for in-scope customers which periodically assess customers' documented transition plans, and require them to be rated at a minimum maturity standard, as well as climate risk-related settings for the thermal coal sector, also help NAB to maintain progress towards this target. Further details on *Sustainability risk-related settings* can be found on page 63, and *NAB's Customer Transition Plan Assessment Framework* can be found on page 66.

Dependencies

While the phase-out of unabated coal-fired generation in some advanced economies is occurring more slowly than assumed by the reference pathway, NAB continues to consider its power generation target achievable. This reflects NAB's confidence in its ability to lend to lower-emitting customers and renewable energy projects, including as a result of the continued operationalisation of the Australian Government's 2030 renewable energy policy. NAB will continue to monitor the pace of transition, including grid decarbonisation, and assess the impact of any significant deviation on its ability to achieve the target.

Figure 1: Power generation sector target and IEA NZE 2050 (2021)



Target overview

Item	Description
Reference pathway	IEA NZE2050 (2021) Power generation
Baseline year	2021
2030 target	0.14
Sector boundaries	**Includes**: electricity generation from fossil fuels and renewable sources (ANZSIC (1993) 3610) **Excludes**: transmission, distribution and storage due to their immateriality to value chain emissions.
Geographic boundaries	Global
Control approach	Operational (aligned with NGER reporting)
Emissions scope	1 and 2
Activity inclusions	Financed and facilitated emissions
Attribution	EAD/enterprise value
Calculation methodology	PCAF business loans, PCAF Capital Markets
PCAF scores	Scope 1 and 2 • 2024: 1.4 • 2025: 1.4
5% revenue rule	Including customers outside the power generation sector that generate more than 5% of their revenues from the sale of thermal coal-fired electricity(1). Two additional customers were included in sector analysis in 2025. For further information refer to the *Sector decarbonisation targets and goals methodology* section on pages 89 to 92.

(1) NAB applied a materiality threshold, including a $1 million EAD floor. This may mean some customers are not captured within NAB's thermal coal or power generation targets. Where emissions associated with renewable energy generators are not reported, NAB has assumed zero emissions.

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Thermal coal (target)

Sector overview

Phasing out reliance on thermal coal for electricity generation, in both Australia and globally, is critical to the transition to a net zero economy. Decommissioning of coal fired generators is dependent on the build out of renewable and firming generation to support ongoing grid reliability.

2025 progress

Whilst NAB's thermal coal mining portfolio absolute emissions remain well below the reference pathway trajectory, absolute emissions have increased since last year. The increase was primarily associated with emissions data for one thermal coal mining customer. The third-party data provider NAB relies upon moved from estimated emissions in FY24 to customer-reported emissions for FY25 data, which were substantially higher for this customer. This change in data quality does not reflect a change in the customer's underlying emissions.

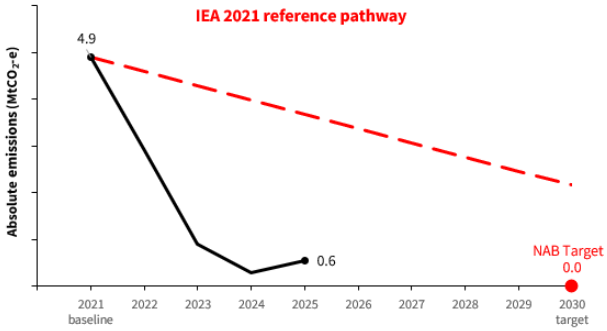
NAB's approach

Achieving this target requires exiting lending to customers that do not transition their operations away from thermal coal. NAB's climate-risk related settings for the thermal coal sector help NAB meet this target. Further details on *Sustainability risk-related settings* can be found on page 63.

Dependencies

NAB's internal controls to manage the portfolio support our ability to achieve this target, even though on a global scale the phase out of thermal coal mining is not occurring in line with the reference pathway.

Figure 2: Thermal coal sector target and IEA NZE 2050 (2021)



Target overview

Item	Description
Reference pathway	IEA NZE2050 (2021) Thermal Coal[1]
Metric	$MtCO_2$-e
Baseline year	2021
2030 target	0.0
Sector boundaries	**Includes:** Extraction of black and brown coal, including diversified miners where these activities make up greater than 5% of their revenues[2]. (ANZSIC (1993) 1101, 1102) **Excludes:** Emissions associated with metallurgical coal mining, including from customers with more than 5% revenue from thermal coal sales, as these are captured within the *Iron and steel* sector emissions on page 75.
Geographic boundaries	Global
Control approach	Equity
Emissions scope	1, 2 and 3 (Category 11)
Activity inclusions	Financed and facilitated emissions
Attribution	EAD/enterprise value
Calculation methodology	PCAF business loans, PCAF Capital Markets
PCAF scores	Scope 1 and 2: • 2024: 2.7 • 2025: 2.0 Scope 3: • 2024: 3.0 • 2025: 2.3
5% revenue rule	Including diversified miners outside the thermal coal sector that generate more than 5% of their revenues from the sale of thermal coal mining[3]. No additional customers were included in sector analysis in 2025. For further information refer to the *Sector decarbonisation targets and goals methodology* section on pages 89 to 92.

(1) The target and assumptions are based on the 2021 version of the reference pathway, IEA Net Zero by 2050 – A road map for the global energy sector, having regard to NAB's consideration of key assumptions from that pathway relevant to thermal coal.
(2) NAB applies a materiality threshold including a $1 million EAD floor in identifying relevant diversified mining customers and may still hold some exposures to thermal coal in 2030, through residual performance guarantees to rehabilitate existing coal mining assets. These guarantees are excluded from the boundary of this target.
(3) NAB applies a materiality threshold, including a $1 million EAD floor. This may mean some customers are not captured within NAB's thermal coal or power generation targets. Where emissions associated with renewable energy generators are not reported, NAB has assumed zero emissions.

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Oil and gas (target)

Sector overview

The oil and gas sector currently supplies energy for electricity generation, transport, building heating and appliances, and a range of industrial processes, with viable low-emissions alternatives available in some but not all end-uses. The AEMO Integrated System Plan (ISP) 2026 and the Gas Statement of Opportunities both recognise the key role gas will play through to 2050.

2025 progress

NAB's oil and gas portfolio absolute emissions have decreased since last year and remain below the reference pathway trajectory. This reflects a reduction in NAB's overall exposure to the sector and decreases in reported emissions by some customers.

While customers are transitioning their businesses at varied rates, increasingly we see transition planning for investment in reduced fuel, flare and fugitive emissions, co-located renewable development, and carbon capture and storage and/or afforestation/ biodiversity projects.

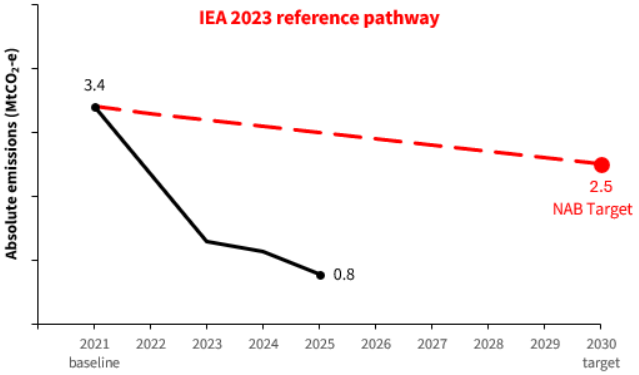
NAB's approach

NAB's key lever to achieve this target is active portfolio steering through lending and risk management decisions, sustainability-risk related settings (including the oil and gas exposure cap reducing from 2026 onwards[1]), Customer Transition Plan requirements for in-scope customers and deal-level screening inform lending decisions. Where consistent with these settings and requirements, and where the portfolio remains aligned with the target, NAB may increase exposure to customers in this portfolio. Further details on *Sustainability risk-related settings* can be found on page 63, and *NAB's Customer Transition Plan Assessment Framework* can be found on page 66.

Dependencies

NAB's target for the oil and gas sector was informed by assumptions contained in the reference pathway. While some pathway assumptions are not currently progressing as anticipated within that reference pathway, NAB's approach to this sector continues to support its ability to achieve this target. Key influences for decarbonisation in this sector include evolving government energy policies, a dynamic set of considerations around the role of gas in the energy transition, the commercialisation of carbon capture and storage technology, and accelerated electrification in the nearer-term.

Figure 3: Oil and gas sector target and IEA NZE 2050 (2023)



Target overview

Item	Description	
Reference pathway	IEA NZE2050 (2023) Oil and Gas	
Metric	$MtCO_2$-e	
Baseline year	2021	
2030 target	2.5	
Sector boundaries	**Includes:** extraction and production of natural gas, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG) and oil (i.e. upstream oil and gas activities). (ANZSIC (1993) 1200). **Excludes:** exploration activities, transportation and distribution.	
Geographic boundaries	Global	
Control approach	Equity	
Emissions scope	1, 2 and 3	
Activity inclusions	Financed and facilitated emissions	
Attribution	EAD/enterprise value	
Calculation methodology	PCAF business loans, PCAF Capital Markets	
PCAF scores	Scope 1 and 2: • 2024: 1.4 • 2025: 1.3	Scope 3: • 2024: 1.9 • 2025: 1.5

(1) From 1st October 2026, the Group will reduce the cap through to 2050 aligned with IEA NZE2050. EAD may fluctuate within that cap during this period. Refer to the *Sustainability risk-related settings* section on page 63 for further detail.

Iron and steel (target)

Sector overview

The iron and steel sector is critical to Australia's economy, underpinning construction, infrastructure and manufacturing, and supporting significant export value. Decarbonisation levers include increased use of scrap via electric arc furnaces in the near term, fuel-switching and efficiency improvements in existing blast furnaces, and the longer-term commercialisation of low-emissions technologies such as Direct Reduced Iron (DRI).

2025 progress

NAB's iron and steel portfolio emissions have increased this year. This increase was driven by higher exposures to certain customers and reductions in customer enterprise values, resulting in a greater share of emissions attributable to our financing activities. Portfolio emissions remain below the reference pathway trajectory.

NAB's lending exposure to the iron and steel sector is concentrated across a small number of customers and so any change in the composition of the portfolio could impact NAB's progress toward achieving its target for this sector.

NAB's approach

Given NAB's portfolio composition for this target (skewed towards metallurgical coal mining) and the limited abatement options for this sector, the key lever to manage emissions is to manage exposure.

NAB recognises that currently there are limited substitutes for the use of metallurgical coal in steel production and will continue providing finance to its customers in this segment, subject to enhanced due diligence which further considers underlying sustainability risks. *Customer Transition Plan requirements* for in-scope customers also help NAB to maintain progress towards this target. Further details on *NAB's Customer Transition Plan Assessment Framework* can be found on page 66.

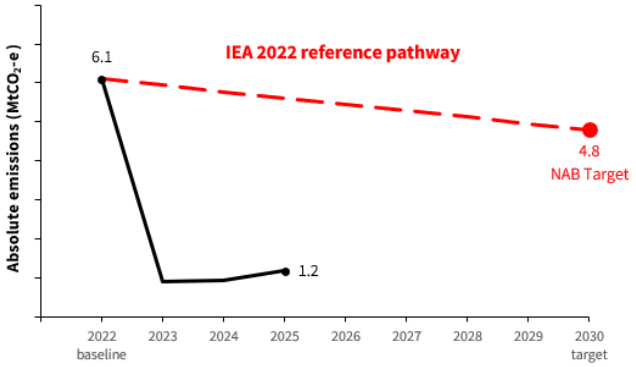
Dependencies

NAB's target for the iron and steel sector was informed by assumptions contained in the reference pathway, some of which are not currently progressing as anticipated. NAB has also made the following additional assumptions:

- Limited decarbonisation of this sector will occur between now and 2030, given the lack of input (scrap) availability in the Australian market and the ongoing demand for metallurgical coal (especially overseas).
- Emissions reductions achieved by smelting customers prior to 2030 will be largely via optimising existing assets and processes and for metallurgical coal miners via reduction of operational emissions.

NAB's ability to achieve this target remains dependent on long-term investment in enabling infrastructure for scrap recycling, and maturing of other enabling technologies.

Figure 4: Iron and steel sector target and IEA NZE 2050 (2022)



Target overview

Item	Description
Reference pathway	IEA NZE 2050 (2022)
Metric	$MtCO_2$-e
Baseline year	2022
2030 target	4.8
Sector boundaries	**Includes:** steel smelting and metallurgical coal mining. (ANZSIC (1993) 1101, 2711) **Excludes:** iron ore mining and steel fabricators.
Geographic boundaries	Global
Control approach	Equity
Emissions scope	1, 2 and 3
Activity inclusions	Financed emissions
Attribution	EAD/enterprise value
Calculation methodology	PCAF business loans
PCAF Scores	Scope 1 and 2: • 2024: 2.2 • 2025: 2.0

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Cement (goal)

Sector overview

As a key component of concrete, the cement sector supplies a critical input to construction, infrastructure and housing, making it essential to the global transition. Decarbonisation efforts are focused on a combination of levers, including improved energy efficiency, fuel switching in clinker production, and clinker-substitution.

2025 progress

The number of customers in NAB's cement portfolio remains low. To protect customer confidentiality, portfolio emissions intensity and absolute financed emissions have not been disclosed. Portfolio emissions intensity is within 10% of the reference pathway trajectory.

NAB's approach

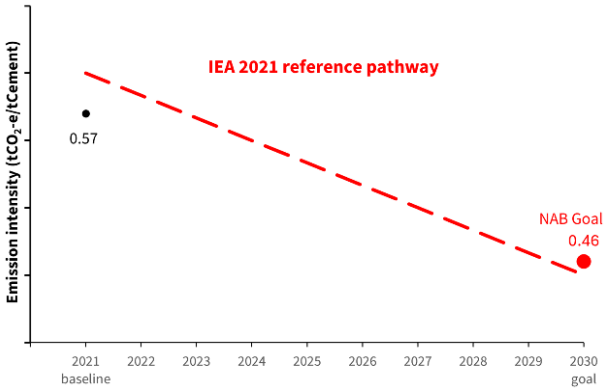
Because NAB's lending exposure to the cement industry is concentrated across a small number of customers, any change in the composition of NAB's lending exposure could significantly impact NAB's progress toward achieving its goal. The concentrated nature of NAB's portfolio can also impact the range and effectiveness of available decarbonisation levers.

Dependencies

NAB's pathway for the cement sector was informed by assumptions contained in the reference pathway, some of which are not currently progressing as anticipated. A further key dependency to achieving our goal is the uptake of alternative fuels (at a scale that supports meaningful decarbonisation) to support clinker production. If the pathway assumptions and additional dependencies do not occur as anticipated, NAB's sector goal for cement will be difficult to achieve.

While advancements in lower carbon cement and other developing technologies continue to be pursued, these technologies are not yet delivering emissions reduction impact in the near-term. NAB continues to monitor developments impacting the trajectory of the reference pathway assumptions and specific decarbonisation trajectories within our portfolio.

Figure 5: Cement sector goal and IEA NZE 2050 (2021)



Goal overview

Item	Description
Reference pathway	IEA NZE2050 (2021) Cement
Metric	tCO_2-e/tCement
Baseline year	2021
2030 goal	0.46
Sector boundaries	**Includes:** portland and hydraulic cement manufacturing. (ANZSIC (1993) 2631) **Excludes:** concrete and lime manufacturing.
Geographic boundaries	Global
Control approach	Operational
Emissions scope	1 and 2
Activity inclusions	Financed emissions
Attribution	EAD/enterprise value
Calculation methodology	PCAF business loans
PCAF scores	Scope 1 and 2: • 2024: 1.6 • 2025: 1.5

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Aluminium (goal)

Sector overview

Aluminium is a critical input to modern economies and an increasingly important enabler of the energy transition due to growing demand for lighter weight materials and electrification. Decarbonisation hinges on shifting smelting to low-emissions electricity, transitioning refining to low-carbon heat generation, improving energy and process efficiency, reducing anode-related emissions, and increasing collection, sorting and recycling.

2025 progress

NAB's aluminium portfolio emissions intensity increased since last year. A combination of portfolio dynamics contributed to this increase, including increased exposure to certain customers (including customers involved in higher-emissions smelting activities), and fluctuations in renewable energy availability. NAB has a small number of customers in its aluminium portfolio. Portfolio emissions remain well below the reference pathway trajectory.

NAB's approach

NAB's upper-bound sector goal for aluminium represents our appetite to continue lending across the value chain, including potentially increasing exposure to customers involved in higher emissions aluminium smelting. This acknowledges the role that aluminium has in the energy transition and that the relative composition of NAB's aluminium sector portfolio may change over time. The increase in exposure to smelting customers during the reporting period is consistent with this strategy.

Because NAB's lending exposure to the aluminium sector is concentrated across a small number of customers, any change in the composition of the portfolio could significantly impact NAB's progress against its goal. The concentrated nature of NAB's portfolio can also impact the range and effectiveness of available decarbonisation levers.

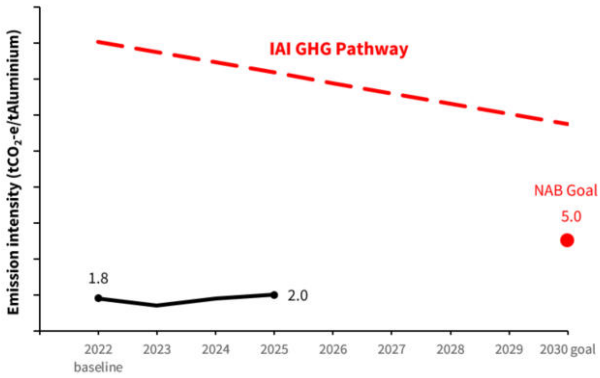
Dependencies

NAB's pathway for the aluminium sector goal was informed by assumptions contained in the reference pathway. Emissions reductions in alumina refining are expected to depend on electrification and other low-carbon heat and energy solutions, while reductions in aluminium smelting are expected to be driven predominantly by access to affordable, low-carbon electricity.

A further key dependency to achieving our goal is the electricity grid decarbonising in line with the Federal Government's commitment to 82% renewable electricity by 2030. If the pace of grid decarbonisation does not accelerate to meet this economy-level ambition, it will be difficult for customers in this sector, particularly aluminium smelters and refiners pursuing electrification pathways, to achieve emissions reductions.

NAB continues to monitor developments impacting the trajectory of the reference pathway assumptions, additional dependencies and specific decarbonisation trajectories within our portfolio.

Figure 6: Aluminium sector goal and IAI GHG pathway to 2050 (2021)



Goal overview

Item	Description
Reference pathway	International Aluminium Institute (IAI) GHG 2050 (2021)
Metric	tCO_2-e/tAl
Baseline year	2022
2030 goal	5.0
Sector boundaries	**Includes:** bauxite mining, alumina refining, aluminium smelting. (ANZSIC (1993) 1312, 2721, 2722)
Geographic boundaries	Global
Control approach	Operational
Emissions scope	1 and 2
Activity inclusions	Financed emissions
Attribution	EAD/enterprise value
Calculation methodology	PCAF business loans
PCAF scores	Scope 1 and 2: • 2024: 1.9 • 2025: 2.3

NAB's 2022 baseline emissions intensity data and 2030 (upper bound) goal do not reflect an emissions intensity figure equivalent to the full value chain metric applied by the IAI GHG. This is because:

- When the goal was set, NAB's sectoral lending book reflected the skew of the Australian aluminium industry to upstream activities, in bauxite mining and alumina refining (the lower-emissions intensity activities within the value chain).
- NAB's reporting and goal boundary excludes Scope 3 emissions.

NAB has utilised publicly available industry conversion metrics to convert bauxite and alumina volumes to aluminium tonnes (for the purposes of estimating the emissions intensity (tCO_2-e /tAluminium)).

As an interim metric, based on our current methodology that incorporates only Scope 1 and 2 emissions for upstream customers, the upper bound for portfolio intensity is 5.0 tCO_2-e / tAluminium. This is intended to provide NAB with the option to increase exposure to support smelting customers, whilst remaining significantly below the 11.5 tCO_2-e /tAluminium 2030 full value chain threshold indicated under the IAI GHG. This means that comparison across portfolios of different compositions are difficult.

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Transport - road (cars and light commercial vehicles) (goal)

Sector overview

Road transport plays a central role in Australia's economy, enabling the movement of people and goods across a geographically dispersed nation. Decarbonisation levers include uptake of electric and hybrid vehicles, improved fuel efficiency and fleet turnover, mode shift and associated infrastructure.

2025 progress

This year NAB updated the Road (cars and light commercial vehicles (LCVs)) model to incorporate vehicle-specific emissions intensity estimates where make and model data is available, reflecting work undertaken to enhance the quality and coverage of the underlying data. The model shows that NAB's road portfolio emissions intensity has reduced since last year. This partially reflects a higher proportion of lower emissions vehicles captured through improved data. This portfolio remains above the reference pathway.

Within the goal boundary, NAB's road portfolio is skewed towards larger cars and LCVs, reflecting the customer base financing vehicles through Business and Private Banking.

NAB's approach

While many of the key external drivers of decarbonisation of this sector are outside of NAB's direct control, NAB continues to monitor for opportunities to support customers to switch to EVs and hybrids, including through its Green Finance for Vehicles business proposition.

NAB has continued to improve the underlying dataset for this sector, consistent with its intention to enhance data quality and coverage over time.

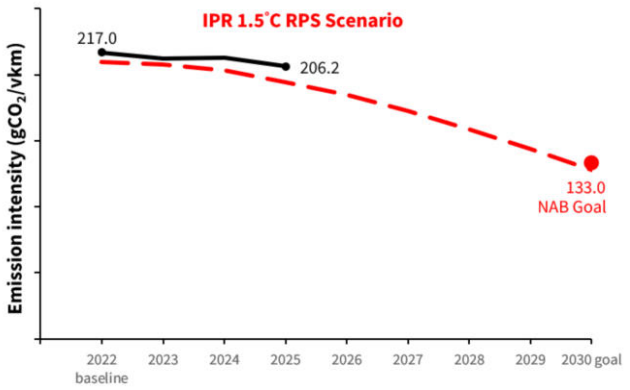
Dependencies

NAB's road transport goal (cars and LCVs) was informed by the Inevitable Policy Response (IPR) 1.5°C Required Policy Scenario for Australia. As the pathway does not measure emissions on a per-vehicle basis, NAB derived a portfolio emissions-intensity pathway, equating to a 39% reduction in portfolio emission intensity between 2022 and 2030.

NAB's ability to reach its road goal is significantly dependent on an accelerated switch to battery electric vehicles and hybrids, and improvements to the fuel efficiency for new ICE vehicles prior to their phase-out. NAB's modelling of the achievability of meeting its sector decarbonisation goal for road also depends on the following:

- Australia's New Vehicle Efficiency Standard (NVES)[1] resulting in an average emissions intensity reduction of 60% for cars and 50% for LCVs by 2030.
- DCCEEW's estimate of a 10% increase in total vehicle kilometres travelled between 2022 and 2030[2].
- Electricity grid decarbonisation in line with AEMO's Electricity Statement of Opportunities (ESOO) 2023 Step Change scenario (which assumes an 82% renewables mix by 2030).
- Governments and industry investing in the required infrastructure to support an increase in demand for EV charging.

Figure 7: Transport - road (cars and LCVs) sector goal and UN PRI 1.5°C (2021)



Goal overview

Item	Description
Reference pathway	IPR 1.5°C RPS Australian scenario commissioned by the UN PRI
Metric	gCO_2/vkm
Baseline year	2022
2030 goal	133
Sector boundaries	**Includes:** loans secured by cars[1] and light commercial vehicles (LCVs)[2]. **Excludes:** The following are excluded from this goal: • Heavy vehicle (rigid trucks). • Buses and motorbikes. • Personal or business loans used to finance cars and LCVs that are not explicitly secured against specific vehicles.
Geographic boundaries	Australia
Control approach	N/A
Emissions scope	1 and 2
Activity inclusions	Financed emissions
Attribution	EAD/asset value at origination
Calculation methodology	PCAF motor vehicle loans
PCAF scores	Scope 1 and 2: • 2024: 5.0 • 2025: 2.4

(1) Cars include sedans, hatches, sports utility vehicles and 4WDs.
(2) LCVs are defined as goods vehicles with a 'Gross Vehicle Mass' not exceeding 3.5 tonnes, including utes and vans.

Goal metric calculation

Where the make and model of a vehicle are known (approximately three quarters of the data), vehicle-specific efficiency data is sourced from a specialist third party to estimate the emissions intensity, including Scope 1 (fuel) and Scope 2 (electricity).

Where make and model of the vehicle are unknown, a portfolio average matched intensity is applied as a proxy. The portfolio emissions intensity is an average of known individual vehicles' estimated emissions intensity (weighted by EAD).

To estimate absolute financed emissions, vehicle emissions intensity is multiplied by the state average kilometres travelled, using data from ABS (2020)[3] and based on state of registration.

(1) For further information refer to https://www.infrastructure.gov.au/infrastructure-transport-vehicles/vehicles/new-vehicle-efficiency-standard.
(2) Available at https://www.dcceew.gov.au/sites/default/files/documents/australias-emissions-projections-2023.pdf Table 21.
(3) ABS 2020 dataset for kilometres travelled includes the early months of the COVID-19 pandemic; as a result, the estimate may understate emissions.

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Transport - aviation (goal)

Sector overview

Aviation is a vital enabler of Australia's economy, supporting domestic connectivity across long distances, international trade and tourism. Decarbonisation levers are currently led by improvements in aircraft efficiency and operations, and the industry continues to pursue initiatives aimed at increasing the use of Sustainable Aviation Fuels (SAF). Available decarbonisation levers are coupled with carbon offsetting, which is expected to continue to play a key role in mitigation. Longer-term pathways include new technologies that are expected to support decarbonisation across the sector, particularly for short-haul travel.

2025 progress

NAB's aviation portfolio emissions intensity has decreased since last year. This is due primarily to reduced net average emissions intensity of a number of operators in our portfolio.[1] NAB's portfolio is under the reference pathway trajectory.

NAB's approach

NAB's aviation portfolio is a mix of corporate lending to airlines and asset financing to aircraft lessors. NAB's primary lever to achieve this goal is to prioritise transactions with Australian and New Zealand customers with 2030 emissions mitigation ambitions. Changes to the composition of NAB's aviation portfolio are likely to result in non-linear performance against trajectory.

Dependencies

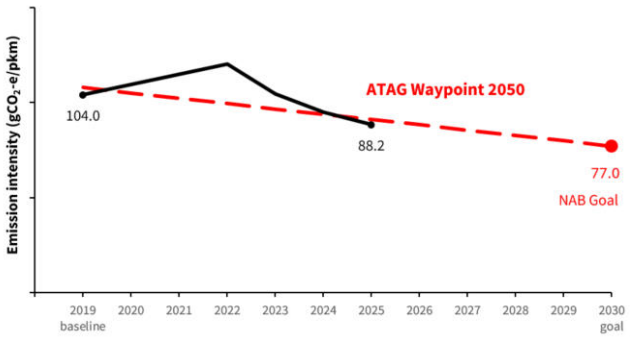
NAB's goal for the aviation sector was informed by assumptions contained in the reference pathway, some of which are not currently progressing as anticipated. The ATAG Waypoint pathway allows for the surrender of carbon offsets in the near-term to offset residual emissions, as the sector works on long-term gross emissions reductions through the ramp-up in alternative energy and new technology. NAB will also allow certified, high integrity, additional carbon offsets in this sector.

In assessing NAB's portfolio trajectory, there are two additional assumptions which underpin NAB's ability to achieve the goal for this sector, regarding the activities and emissions of customers and operators of leased aircraft:

- Those portfolio companies with public 2030 decarbonisation ambitions achieve reductions in emissions intensity consistent with the reference pathway trajectory.
- All portfolio companies (even those without public commitments) comply with the International Civil Aviation Organisation's Carbon Offsetting and Reduction Scheme for International Aviation mandate for international travel, which requires airlines in almost all jurisdictions to purchase offsets where sectoral emissions exceed a baseline for international aviation (set at 85% of 2019 levels).

Globally, the aviation sector faces decarbonisation challenges, including modest SAF penetration and delivery delays for newer, more fuel-efficient aircraft. If the above assumptions and those on which our reference pathway is based, do not occur as anticipated, NAB's sector goal for aviation will be difficult to achieve. NAB continues to monitor developments impacting the trajectory of reference pathway assumptions and specific decarbonisation trajectories of key customers within our portfolio.

Figure 8: Transport - aviation sector goal and ATAG Waypoint 2050 (2021)



Goal overview

Item	Description
Reference pathway	ATAG Waypoint 2050 (2021)
Metric	gCO_2/pkm
Baseline year	2019
2030 goal	77
Sector boundaries	**Includes:** scheduled passenger aviation (both domestic and international). (ANZSIC (1993) 6401, 6402) **Excludes:** freight and business jets.
Geographic boundaries	Global
Control approach	Operational
Emissions scope	1 and 2
Activity inclusions	Financed emissions
Attribution	EAD/enterprise value
Calculation methodology	PCAF business loans
PCAF scores	Scope 1 and 2: • 2024: 2.5 • 2025: 2.7

Goal metric calculation

Where NAB finances lessors of an aircraft, and the operator is known, the average intensity of the aircraft operator is used. Where EAD was not easily allocated to an individual airline or where the operator of an aircraft was not known, we have used a portfolio average (relevant to the year) to estimate the emissions intensity. Where NAB provides corporate lending to airlines, customer emissions intensity is used.

(1) For completeness, NAB notes that an uplift in customer data during 2026 also resulted in the identification of a facility that had been incorrectly categorised as within the scope of the aviation sector goal boundary. This facility has now been excluded from scope, which resulted in a reduction in portfolio emissions intensity of approximately 2%.

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Transport - shipping (goal)

Sector overview

Shipping is a vital part of our economy, transporting the bulk of our international trade volumes with demand forecast to grow. The International Maritime Organisation (IMO), the United Nations agency responsible for the safety and security of shipping and the prevention of marine and atmospheric pollution by ships, has a GHG strategy to reach net zero total emissions by or around 2050, with an interim ambition to reduce absolute emissions by 20-30% by [1]2030 compared to 2008 levels. In the short term, decarbonisation of the sector will be driven by improvements in operational efficiency, ship maintenance and engine and ship design. Longer term, low and zero emission fuels such as green methanol and ammonia (hydrogen) are expected to drive decarbonisation of the sector.

2025 Progress

NAB decreased its exposure to this sector during the reporting period. Changes in portfolio size and composition have resulted in a decrease in actual emissions data and increased reliance on modelled data, which NAB has found typically results in higher emissions intensity estimates. In addition, the remaining portfolio mix became more concentrated in less efficient vessels. As a result of these factors, while NAB's absolute shipping portfolio financed emissions decreased, portfolio emissions intensity (Alignment Delta) increased from -1.6% to +4.4% in the reporting period, placing it above the Poseidon Principles (PP) trajectory this reporting year.

NAB's approach

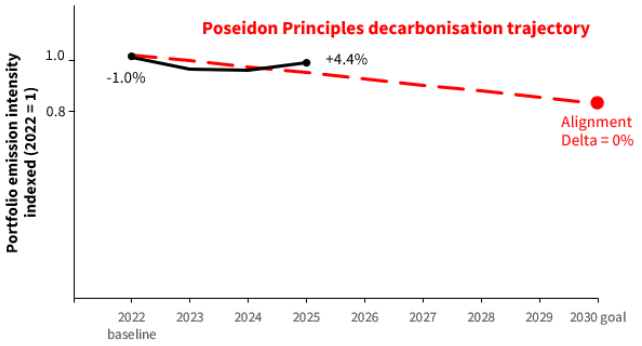
NAB's shipping portfolio consists of asset financing to tonnage providers secured over vessels. NAB's primary lever to achieving its 2030 goal is to reduce exposure to this sector. Changes to the composition of NAB's shipping portfolio are likely to result in non-linear performance against trajectory. NAB continues to apply the PP methodology to monitor portfolio alignment and assess progress against the shipping goal.

Unlike other sector targets and goals, shipping is reported as at 31 December 2025 (to align with IMO reporting periods). NAB continues to apply the 2018 PP reference scenario despite recent PP and IMO pathway updates, noting that the IMO regulations by which its updated pathway will be operationalised are not yet fully in force.

Dependencies

NAB's pathway for the shipping sector goal was informed by assumptions contained in the PP (2018) reference scenario. In modelling NAB's portfolio trajectory, NAB has also assumed operational and maintenance efficiency gains of at least 15% by 2030, as required by IMO minimum standards. While there is evidence of progress in operational efficiencies and investment in more efficient dual-fuel vessels in the global sector, some of the assumptions underpinning our reference pathway are not currently progressing as anticipated. If the above assumptions, and those on which our reference pathway is based, do not occur as anticipated, NAB's sector goal for shipping will be difficult to achieve.

Figure 9: Transport - shipping sector goal and Poseidon Principles Pathway (2018)[2]



Goal overview[3]

Item	Description
Reference pathway	Poseidon Principles (2018), aligned to the IMO's 2018 GHG strategy, and the IEA's Beyond 2°C Scenario (B2DS).
Metric	Alignment delta %
Baseline year	2022
2030 goal	0.0%
Sector boundaries	**Includes:** lending secured by international freight vessels (ANZSIC (1993) 6301, 7742): • Vessels governed by IMO emission standards and mandatory reporting of data to the IMO Data Collection System (DCS) applies. • Vessels over 5,000 gross tonnage that are engaged in international freight. • Vessels for which a PP trajectory exists. **Excludes:** Passenger vessels, unsecured lending to shipping companies and domestic freight vessels.
Geographic boundaries	Global
Control approach	Operational
Emissions scope	1
Activity inclusions	Financed emissions
Attribution	EAD/asset value
Calculation methodology	Poseidon Principles
PCAF scores	Scope 1 • 2024: 3.0 • 2025: 3.0

(1) For further information refer to https://www.imo.org/en/OurWork/Environment/Pages/2023-IMO-Strategy-on-Reduction-of-GHG-Emissions-from-Ships.aspx.
(2) If the Portfolio Alignment Delta % is positive, the portfolio is said to be misaligned. i.e., the average carbon intensity of the portfolio is greater than the carbon intensity required for decarbonisation in line with the reference scenario. If the Alignment Delta % is 0%, the portfolio is aligned with the reference scenario, and if it is negative, it is outperforming the reference scenario. For a portfolio to maintain a 0% alignment delta, it will need to reduce its emissions intensity by 20% between 2022 and 2030. Given NAB started below the pathway (i.e., portfolio has a slight negative Alignment Delta %), the resulting reduction in carbon intensity that is required for NAB's portfolio to achieve the target alignment delta of 0% by 2030 is 19%.
(3) For further information refer to https://www.poseidonprinciples.org/download/Poseidon_Principles.pdf

Goal metric calculation

Emissions have been estimated at the asset level by a specialist third party provider using factors including vessel type, vessel capacity, distance travelled and fuel consumption by fuel type.

The PP use an emissions intensity metric, the Annual Efficiency Ratio (AER), to calculate the carbon intensity of a given vessel.

$$AER = \frac{Fuel\ consumed \times Fuel\ emissions\ factor}{Distance\ travelled\ (nm) \times dwt}$$

The AER is compared to a predetermined trajectory for a given vessel type and size to generate an alignment delta (%).

$$\Delta_i = \left(\frac{x_i - r_s}{r_s} \right) 100$$

where x_i is the carbon intensity of vessel i and r_s is the required carbon intensity for the ship type and size class for time period t multiplied by 100 to convert into percentage terms. The portfolio delta is the weighted average delta (by EAD) of each of the individual vessel alignment deltas.

$$\Delta_p = \sum_{i=1}^{N} w_i \Delta_i$$

where w_i is the vessel's EAD as a share of the total EAD and Δ_i is the vessel alignment delta %.

- Data used to compute a vessel's AER is either:
  - Actual data received from customers; or
  - Modelled from a third-party provider.
- An alignment delta of 0% implies the portfolio is aligned with the pathway, a positive delta implies the portfolio is misaligned (i.e., more energy intensive), and a negative delta implies the portfolio is outperforming the pathway.

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Commercial real estate (CRE) (goal)

Sector overview

Emissions associated with the operation of commercial real estate are predominantly Scope 2 (electricity usage), with gas used for heating and cooling accounting for the balance. Decarbonisation of Australian CRE will be largely driven by the transition of the electricity grid. Improvements to the energy efficiency of CRE buildings (both new and retrofit) will be important drivers of decarbonisation.

2025 progress

This year NAB updated its commercial real estate models to incorporate building-specific emissions intensity estimates from NABERS where available. Reflecting these updates, together with lower grid emission factors, NAB's office and retail portfolio emissions intensities are lower than previously reported. This change is largely attributable to enhancements in data quality and coverage, more granular building-level emissions and floorspace data for NABERS-rated properties, improvements to asset tagging, and updates to baseline information.

These enhancements have resulted in a more accurate representation of underlying asset performance compared to prior reporting periods. NAB's CRE office and retail portfolio emissions intensities also decreased on a like-for-like basis during the reporting period, due in part to a marginal reduction in grid emissions factors.

The larger impact of the model updates in the office sector reflects broader coverage of NABERS-rated buildings, resulting in lower estimated energy consumption and emissions intensity for those assets.

NAB's approach

NAB does not intend to manage its goal by restricting lending to the Australian CRE sector. In 2026, NAB Green Finance for CRE contributed $1.33 billion towards NAB's environmental finance ambition, supporting customers to invest in more energy efficient buildings and upgrades to existing buildings that meet NAB's Green Finance eligibility criteria. NAB continues to strengthen its green finance capabilities and enhance portfolio data and insights to better support CRE customers in their transition, including identifying opportunities for improved energy efficiency.

Figure 10: CRE office sector goal and SBTi reference scenario

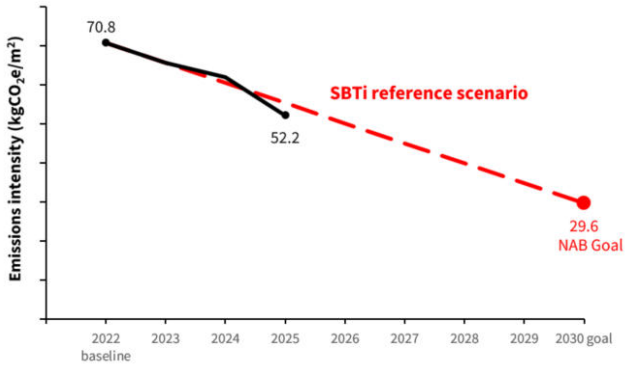
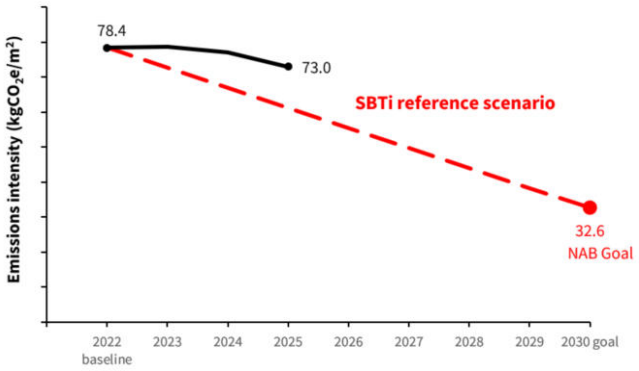


Figure 11: CRE retail sector goal and SBTi reference scenario



Dependencies

Grid decarbonisation is the primary driver of emissions reductions in this sector and NAB's ability to achieve its CRE sector goal depends on the Federal Government achieving its commitment to 82% renewable electricity by 2030. Progress in renewable electricity deployment has been slower than originally anticipated and government projections now assume acceleration in the remaining period and more significant emissions reductions being realised closer to 2030.

As a result, NAB's portfolio decarbonisation is not expected to follow a linear trajectory. If the Government's renewable energy commitment changes or is not met, then NAB may not achieve its goal.

Investment in building-level energy-efficiency improvements is also critical to reducing emissions in this sector. NAB's modelling of its trajectory towards the CRE goal applies energy-efficiency assumptions contained in the AEMO ESOO (2025) Step Change scenario, including reduced gas consumption in CRE buildings (6% reduction by 2030) and increased energy efficiency of CRE buildings producing energy savings of 4% by 2030.

Any further delays or changes to Federal, State or Territory government commitments or policy settings that provide incentivisation for such investment may make it difficult for NAB to meet its goal.

Goal overview

Item	Description	
Reference pathway	Science Based Targets initiative (SBTi) Buildings (Australia) – office and retail sub-sectors	
Metric	$kgCO_2e/m^2$	
Baseline year	2022	
2030 goal	Office: 29.6	Retail: 32.6
Sector boundaries	CRE sector inclusions have been defined according to APRA Reporting Standard *ARS 230.0 Commercial Property*. **Includes:** Secured, on-balance sheet CRE lending where the collateral is located in Australia and where the property is used for CRE office or retail purposes. (ANZSIC (1993) 7711, 7712) **Excludes:** The following parts of CRE are excluded: • Other sub-sectors, such as industrial buildings. • Unsecured assets. • Vacant land or pre-development sites.	
Geographic boundaries	Australia	
Control approach	N/A	
Emissions scope	1 and 2 Includes emissions from refrigerants and diesel (where diesel is included) where NABERS data is available.	
Activity inclusions	Financed emissions	
Attribution	EAD/property value at origination (or latest valuation on/before the reporting date where property value at origination is not available)	
Calculation methodology	PCAF Commercial Real Estate	
PCAF scores	Scope 1 and 2 (Office) • 2024: 4.0 • 2025: 3.5	Scope 1 and 2 (Retail) • 2024: 4.0 • 2025: 3.9

NAB has adopted the sub-sector specific Science Based Targets initiative (SBTi) Buildings (Australia) reference pathways for the office and retail sub-sectors, which are downscaled from the International Energy Agency's Net Zero by 2050 scenario (IEA NZE 2050) pathway. The pathways, which are specific to CRE sub-sectors, were developed in partnership with the Carbon Risk Real Estate Monitor (CRREM) which sources AEMO's emission factors.

NAB's 2030 goals are split into office and retail sub-sectors, reflecting the different baseline emissions intensities across the building types as well as different decarbonisation strategies. Embodied emissions and emissions from diesel and refrigerants are currently excluded (except for collateral with NABERS data available, where diesel is included).

Goal metric calculation

The CRE emissions intensity metrics are calculated at the asset level by dividing the estimated emissions associated with energy consumption by the floorspace.

Where NABERS data is available, actual energy consumption (including electricity, gas and diesel) is combined with emissions factors from DCCEEW National Greenhouse Accounts to estimate building emissions. Emissions intensity is calculated using floorspace data with Net Lettable Area (NLA) used for office buildings and Gross Lettable Area (GLA) used for shopping centres (Retail). Where NABERS data is not available, localised (SA4 regions) averages from the DCCEEW Commercial Buildings Baseline Study are used to estimate energy consumption, DCCEEW NGAs are applied to estimate emissions, and floorspace is estimated using data from a third-party based on asset addresses and satellite imagery. Any asset unable to be matched has been assigned a sub-sector specific SA4 geographical regional average.

The portfolio emissions intensity is an average of individual assets' estimated emissions intensity (weighted by EAD).

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Residential real estate (RRE) (goal)

Sector overview

The Australian RRE sector consists of stand-alone properties and apartments/flats, with the property type largely determining the decarbonisation options that are available to customers. Emissions from this sector are largely driven by electricity consumption and natural gas usage making decarbonisation of the grid a key lever for emissions reductions.

2025 progress

NAB's RRE portfolio emissions intensity has decreased slightly since last year. This is due to a reduction in emission factors for homes (driven by an increased proportion of renewable electricity generation) during the reporting period.

NAB's approach

NAB does not intend to manage its goal by restricting lending to the Australian RRE sector. In 2026, NAB worked with Plenti to launch a pilot offer for eligible home lending NAB customers to have access to Plenti's network of accredited solar and battery installers. In addition, partially subsidised financing may be made available to eligible NAB customers via Plenti and the CEFC's Household Energy Upgrades Fund to fund solar and battery upgrades for a period of time. This offer is intended to support customers to invest in home energy efficiency upgrades.

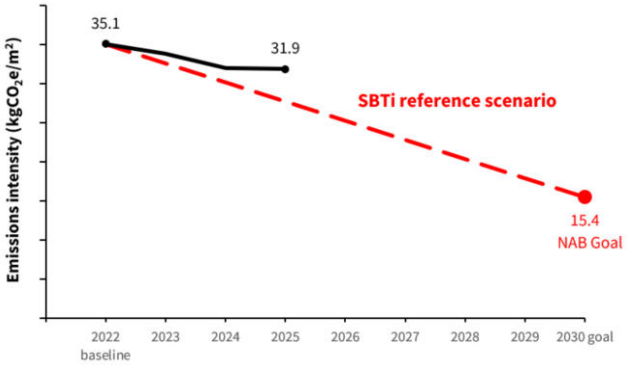
Dependencies

Grid decarbonisation is the primary driver of emissions reductions in this sector and NAB's ability to achieve its RRE sector goal depends on the Federal Government achieving its commitment to 82% renewable electricity by 2030. Progress in renewable electricity deployment has been slower than originally anticipated and government projections now assume acceleration in the remaining period and more significant emissions reductions being realised closer to 2030. As a result, NAB's portfolio decarbonisation is not expected to follow a linear trajectory. If the Government's renewable energy commitment changes or is not met, then NAB may not achieve its goal.

Decarbonisation also relies on customers installing rooftop solar and battery storage systems (adoption by over 50% of households by 2032), investing in more energy efficient homes, products and appliances (10% improvement by 2030) and reduced gas consumption (27% reduction by 2030).

These dependencies operate as assumptions in the AEMO ESOO (2025) Step Change scenario which NAB applies in modelling its trajectory towards its RRE goal. The goal and its 2022 baseline are derived from the SBTi Residential Buildings (Australia) reference scenario.

Figure 12: RRE sector goal and SBTi (Australia)



Goal overview

NAB has adopted the sub-sector specific Science Based Targets initiative (SBTi) Buildings (Australia) reference pathway for residential property, which is downscaled from the International Energy Agency's Net Zero by 2050 scenario (IEA NZE 2050) pathway. The pathway was developed in partnership with the Carbon Risk Real Estate Monitor (CRREM) which sources AEMO's emission factors.

Item	Description
Reference pathway	Science Based Targets initiative (SBTi) Buildings (Australia) – residential property
Metric	$kgCO_2e/m^2$
Baseline year	2022
2030 goal	15.4
Sector boundaries	**Includes:** all on-balance sheet residential lending where the collateral is located in Australia and the property is used for residential purposes(1).
Geographic boundaries	Australia
Control approach	N/A
Emissions scope	1 and 2
Activity inclusions	Financed emissions
Attribution	EAD/property value at origination (or latest valuation on/before the reporting date where property value at origination is not available)
Calculation methodology	PCAF Residential Real Estate
PCAF scores	Scope 1 and 2 • 2024: 4.0 • 2025: 4.0

(1) Off-balance sheet exclusions include undrawn but committed mortgages and capital relief Residential Mortgage-Backed Securities (RMBS). Lending activities to Special Purpose Vehicles to finance third-party lenders and investments in RMBS securities are also excluded.

Goal metric calculation

The RRE emissions intensity metrics are calculated at the asset level by dividing the estimated emissions associated with energy consumption by the floorspace.

- Floorspace estimates (F) in m^2 were obtained from a third-party provider by matching property addresses from NAB portfolio data.
- Energy consumption is based on a number of elements:
  - Household size is estimated by converting floor area, with a maximum threshold of 500 sqm corresponding to a household size of 5+. Electricity and gas consumption are then estimated relative to household size, based on climate zone and postcode (using Australian Energy Regulator 2021 estimates). This is based on actual measured grid consumption which factors in rooftop solar. We have added back the consumption that would have been associated with rooftop solar based on state average solar uptake as this is accounted for below.
  - Estimates of base solar (reducing electricity usage) at the asset level, are calculated by a third-party provider based on satellite data and aerial imagery. Multi-dwelling parcels are excluded from the matching due to an inability to attribute solar to the exact property/address.
  - Electricity and gas emission factors (K) were sourced from DCCEEW National Greenhouse Accounts (NGA) Factors 2025.

As the quality and coverage of NAB's RRE data improve over time, it is possible that the trajectory of NAB's RRE portfolio decarbonisation against its goal will not be linear. NAB will monitor the need for re-baselining to reflect any such changes in data quality and composition.

Complexities and limitations specific to sourcing and using data for this sector include:

- NAB is currently unable to disaggregate EV energy consumption at the home from residential energy consumption. Therefore, the consumption data we have relied upon will include electricity to charge EVs. Given we are using an intensity goal, this additional consumption is not expected to significantly impact our trajectory.
- Where a floorspace estimate is not available, including for vacant land and construction, the properties are assigned a floorspace based on NAB's RRE portfolio average. This is considered conservative and is not expected to materially impact the emissions intensity of the portfolio, although it will overstate absolute financed emissions.
- NAB applies attribution factors at the individual property level to reflect NAB's financing exposure to each property. NAB has not applied an additional generic attribution factor (e.g. a standard loan-to-value ratio) across the RRE portfolio.

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Coverage ratios Ⓥ

The coverage of NAB sector-level decarbonisation targets and goals as at 30 June 2025 is depicted below. As high-emitting sectors decarbonise, targets and goals coverage (as a proportion of the coverage of NAB sector-level decarbonisation targets and goals, financed emissions and exposure) is likely to decrease. NAB expects its financed emissions methodologies to continue evolving over time through expanded sector coverage, as data quality and availability improve, to support AASB S2 financed emissions disclosures in 2027[1].

NAB has calculated coverage ratios as a percentage of financed emissions arising as a result of NAB's total lending portfolios and as a percentage of total EAD. These coverage ratios include all NAB subsidiaries except BNZ and JBWere. Also excluded are facilitated emissions, derivatives and exposures to sovereigns and financial institutions. Ratios are as at 30 June 2025.

Refer to the *Sector coverage ratios methodology* Ⓥ section on page 92 for detail on the calculation.

Table 8: Financed emissions coverage

Covered by targets and goals

	2025 EAD		2025 Absolute financed emissions	
Sector targets and goals[1]	**$bn**	**% total**	**$MtCO_2$-e**	**% total**
NAB sector decarbonisation targets				
Power generation	7.0	0.9%	1.9	11.4%
Thermal coal	0.1	0.01%	0.6	3.2%
Oil and gas	0.7	0.1%	0.7	4.2%
Iron and steel	0.2	0.03%	1.2	7.0%
NAB sector decarbonisation goals				
Cement	n/a	n/a	n/a	n/a
Aluminium	0.12	0.02%	0.3	1.7%
Transport - road	3.2	0.4%	0.2	0.9%
Transport - aviation	1.4	0.2%	0.6	3.5%
Transport - shipping	0.9	0.1%	0.3	1.6%
CRE - office	15.0	2.0%	0.2	1.2%
CRE - retail	18.5	2.5%	0.4	2.3%
RRE	411.5	54.5%	2.7	15.6%
Covered total[2]	**458.7**	**60.8%**	**9.0**	**52.9%**

	2025 EAD		2025 Absolute financed emissions	
Sector	**$bn**	**% total**	**$MtCO_2$-e**	**% total**
Other				
Other transport (Heavy vehicles)	3.6	0.5%	0.2	1.1%
CRE - other (Unsecured CRE, CRE-industrial, other CRE)	45.0	6.0%	0.8	4.7%
Agriculture[3]	48.5	6.4%	5.0	29.4%
Other	198.6	26.3%	2.0	11.9%
Excluded total[2]	**295.7**	**39.2%**	**8.1**	**47.1%**
Total EAD - all sectors[2]	**754.5**	**100.0%**	**17.1**	**100.0%**

(1) Lending and absolute financed emissions represented by sector boundaries disclosed for NAB's sector decarbonisation targets and goals, and do not include all lending within the relevant sector.
(2) Totals presented may not sum due to rounding.
(3) NAB revised its agriculture sector financed emissions methodology in 2026, adopting a more representative estimate of the capital attributable to NAB's agricultural lending and the associated share of agricultural emissions. This has resulted in an increase from the prior period to both the gross estimated financed emissions reported for NAB's agriculture portfolio, as well as the percentage the agriculture sector contributes to NAB's total estimated financed emissions. This increase reflects a higher attribution factor rather than a significant change in underlying agricultural emissions, portfolio composition or lending activity. For further information refer to the *Sector decarbonisation targets and goals methodology* section on pages 89 to 92.

(1) The Group has applied the transition relief in AASB S2 paragraph C4(b), and has not disclosed Scope 3 GHG emissions in accordance with AASB S2 in 2026. The Group has voluntarily disclosed financed emissions and coverage ratios on a defined boundary as outlined in the *Sector decarbonisation targets and goals methodology* section on pages 89 to 92.

Governance

NAB's governance structure supports the NAB Board and ELT's active oversight of climate-related matters.

The NAB Board is ultimately responsible for overseeing climate-related risks and opportunities across the Group. The Board is supported by its committees in fulfilling this responsibility. Their responsibilities are reflected in the Board and committee charters and are summarised below.

NAB Board

Oversees NAB's systems for managing material risks and opportunities, including climate-related risks and opportunities. It approves NAB's Group strategy, climate strategy, targets and goals, and performance objectives, supported by its committees.

Board & Executive Committees

Board Audit Committee	Board Risk & Compliance Committee	Board Customer Committee	Board People & Remuneration Committee	Board Nomination & Governance Committee
Oversees the adequacy and integrity of the Group's Climate-related Disclosures including key judgements and compliance with accounting standards and policies.	Oversees the Group's risk profile and risk management, including sustainability risk and climate-related scenario analysis.	Oversees the embedding of customer centricity at NAB. Remains abreast of regulatory requirements and community expectations that impact customer outcomes.	Oversees performance-based remuneration including climate-related performance measures.	Assists the Board in relation to Board composition matters and corporate governance policies and practices of the Group.

Executive Risk & Compliance Committee (ERCC)[1]	Group Credit & Market Risk Committee (GCMRC)	Group Asset & Liability Committee (GALCO)	Scenario & Stress Testing Committee (SSTC)
Provides oversight and governance of the Group's management of Financial and Non-Financial Risks and related emerging risks.	Supports the ERCC in oversight and governance of Credit Risk, Market Risk, Sustainability Risk and related emerging risks, including climate-related and sustainability risk scenarios.	Supports the ERCC in oversight and governance of Balance Sheet and Liquidity Risk and related emerging risks.	In June 2026, a new sub- committee of GALCO was established to provide coordinated oversight of all scenario and stress testing activities across the Group.

(1) ERCC is supported by its subcommittees, GCMRC and GALCO (together, the Executive Risk Committees).

Executive Leadership Team[1]

Group Chief Executive Officer

Group Executives for Customer Divisions	Group Chief Risk Officer (CRO)	Group Chief Financial Officer (CFO) / Group Executive Strategy	Group Chief Operating Officer (COO)
Manages climate-related risks and opportunities in client portfolios and supports delivery of NAB's climate priorities as they relate to climate-related targets and goals, and lending.	Responsible for owning and maintaining the Risk Appetite Statement and Risk Management Strategy for NAB Group's material risks, including sustainability risk.	Accountable for NAB's Group strategy, investor engagement, sustainability innovation investment and sustainability reporting, including mandatory climate reporting.	Develops, oversees and coordinates NAB's sustainability strategy, including climate, and advises on sustainability matters, performance indicators and reporting.

(1) The roles above reflect roles and responsibilities during 2026. For ELT changes effective from 1 October 2026 refer to pages 125 to 126.

Management Sustainability Groups & Forums

Executive Leadership Team Sustainability Forum

The Sustainability Forum was informed on climate priorities including sector decarbonisation targets and goals, the climate enterprise roadmap as part of the climate strategy, and oversight of physical risk management.

Climate Council

Supports climate governance by reviewing climate roadmaps, monitoring delivery of the climate strategy and overseeing climate-related targets, goals and methodologies.

ASRS Steering Committee

A Mandatory Climate Reporting Steering Committee was established to coordinate the Group's response to complying with AASB S2 and the climate reporting process, including significant judgements, processes and controls.

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Board oversight

The NAB Board and its committees are engaged on climate-related matters throughout the year during NAB Board and Committee meetings. Key climate-related matters discussed in 2026 are outlined below.

Forum	2026 climate-related matters
Board	The Board met 10 times during 2026, with climate-related matters regularly on the agenda. Key climate-related matters discussed included: • NAB's sustainability-related strategic pillars, including climate. • Climate-related risks and opportunities, including trade-offs. • Risk appetite. • Customer transition plans and sector limits. • Re-labelling of selected sector targets to goals. • Climate-related disclosures.
Board Audit Committee	The Board Audit Committee met five times during 2026, with climate-related matters regularly on the agenda. Key climate-related matters discussed included: • Preparation of Climate-related Disclosures and supporting processes. • Feedback on AASB S2 disclosures prior to endorsing them to the Board for approval.
Board People and Remuneration Committee	Endorsed to the Board, the 2026 Performance Goals for the Group CEO and ELT, which incorporated financial, non-financial, risk and climate-related measures.
Board Risk and Compliance Committee	The Board Risk and Compliance Committee met six times during 2026, with climate-related risks regularly on the agenda and in regular reports (as part of sustainability risk and credit risk). Key climate-related matters discussed included: • The Group's profile and management of sustainability risk, including climate-related risks. • Climate-related risk tools, including data and analysis. • Climate scenario analysis and stress testing. • The external environment and emerging risk themes. • Home lending insurance coverage.
Board Customer Committee	Received updates on how NAB's sustainable finance propositions support customers to meet their goals and how NAB is supporting customers impacted by natural disasters.

Climate-related skills and experience

Directors self-assess climate-related skills and competencies annually as a subset of the broader Board skills matrix. This is reviewed by the Board Nomination & Governance Committee to identify any development needs. In 2026, Directors participated in workshops on mandatory climate reporting. For further information refer to *Skills matrix* in the *Corporate Governance Statement* on page 131.

BNZ Board

The BNZ Board is responsible for approving BNZ's sector emission reduction targets and goals, and monitoring progress against BNZ's climate-related metrics, targets and goals. Further information on subsidiary board responsibilities can be found in the *Subsidiary boards* section on page 138 of the Corporate Governance Statement.

Management decision-making

Led by the Group CEO, the ELT is accountable for implementing NAB's climate strategy and identifying and monitoring climate-related risks and opportunities within their respective portfolios. ERCC and its subcommittees (together, the Executive Risk Committees) support the ELT to discharge their FAR accountabilities by providing oversight of the effective management of climate-related risks relevant to NAB's climate strategy. Climate-related opportunities were considered at the Sustainability Forum and Climate Council.

The Executive Risk Committees, the Sustainability Forum and the Climate Council can escalate significant matters to the Group CEO, relevant FAR Accountable Persons or the NAB Board as required.

Controls and procedures

Management uses controls and procedures to identify and monitor climate-related risks, opportunities and performance. Climate-related risks are integrated into the Group's risk processes, in line with its Risk Management Strategy, risk appetite and policies. Legal and Risk provide advice, review and challenge to align climate-related considerations with NAB's governance and risk management frameworks.

Executive remuneration linked to climate-related considerations

Climate-related considerations are reflected, where relevant to the strategic objectives of the business, in Board-approved scorecards for the Group CEO and Group Executives, including progress against climate transition priorities and selected sector decarbonisation goals and targets. Climate-related considerations may also be reflected through risk adjustments, consistent with the Group's remuneration framework.

These considerations are assessed holistically alongside financial and non-financial measures, including risk and conduct outcomes. As climate-related considerations are not separately weighted or assessed on a formulaic basis, the proportion of executive remuneration linked specifically to them is not separately quantifiable. Further detail on the assessment of Group performance and remuneration outcomes is provided in the *Remuneration Report* section of this Annual Report on pages 169 to 208.

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Methodology appendix

This section provides the methodology, estimates and assumptions that support the Climate-related Disclosures on pages 43 to 88. Information in the methodology should be read as mandatory unless indicated by the voluntary disclosure icon.

In the methodology	Page
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Sector decarbonisation targets and goals methodology	89
GHG emissions methodology and reporting boundary	93
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Scope 3 (defined) methodology Ⓥ	96
Environmental finance ambition and climate-related financing methodology	103
Vulnerability of climate-related risk metrics methodology	106
Capital deployment methodology	107

Exposure at Default

Exposure at Default (EAD) is an estimate of current exposure amount outstanding if a customer defaults and its calculated as defined by APRA. EAD is presented net of eligible financial collateral. The boundary and timing of EAD varies slightly within the different uses in the Climate-related Disclosures.

EAD is used in the following sections of these Climate-related Disclosures:

1. Sector decarbonisation targets and goals as outlined in the *Sector decarbonisation targets and goals* section on pages 70 to 86. Further detail on the boundary of EAD for the purpose of the sector decarbonisation targets and goals is included in EAD used in sector decarbonisation targets and goals section of the *Sector decarbonisation targets and goals methodology* on pages 89 to 92.
2. Vulnerability of climate-related risks metrics as outlined in the *Climate-related risks* section on pages 53 to 57. Further detail on the boundary of EAD is included in the *Vulnerability of climate-related risks metrics methodology* section on page 106.
3. Coal, oil and gas tolerances as outlined in the *Coal, oil and gas tolerances* section on page 64 and power generation and resources charts as outlined in the *Group power generation and resources EAD* section on page 65 .

Sector decarbonisation targets and goals methodology

This section provides an overview of NAB's financed and facilitated emissions methodology and its approach to target and goal setting as outlined within the *Sector decarbonisation targets and goals* section on pages *70 to 86* of these Climate-related Disclosures.

Approach to sector target and goal setting

NAB considers a number of key principles in setting targets and goals including alignment with scientifically credible pathways in line with Australian market conditions, informed by UNEP FI Guidance and decarbonisation objectives. Its approach involves:

- **Consistent** design across the portfolio where possible; departures may be made where the resulting baseline and/or target or goal is more consistent with local market conditions and/or portfolio make-up.
- **Consideration of market practice** and alignment to emerging disclosure regimes.
- **Simplicity in reporting and operationalising** the targets and goals that have been set.

Reference scenario selection

At the time of target and goal setting, NAB assessed a range of scenarios and has selected scenarios which have the following characteristics:

- Accepted, science-based from credible and well-recognised sources.
- Limited reliance on negative emissions technologies and carbon sequestration achieved through nature-based solutions, land use change and aligned to “no overshoot” or “low-overshoot” scenarios.
- Designed to maximise alignment with other United Nations Sustainable Development Goals, where possible.
- Informed by Australian market conditions, including underlying assumptions and scope inclusions.
- Suitable for banks (i.e., with large and diverse portfolios).

Reference scenarios and decarbonisation technologies continue to evolve. NAB reviews the suitability of its reference scenario selection and associated targets or goals, at least annually.

To support consistent year-on-year comparison against sector decarbonisation targets and goals, NAB updates reference scenarios only where revisions to existing scenarios, or new scenarios, materially change sector pathways and make the original pathway unsuitable.

Reference scenarios help define an implied pathway for achieving a target or goal. They are anchored against the temperature goals of the Paris Agreement and may not reflect the unique circumstances of the Australian economy or NAB’s portfolio. Often, scenarios include assumptions and dependencies that differ from those NAB has identified as most relevant to achieving its targets and goals. NAB discloses the assumptions and dependencies most relevant to its ability to achieve targets and goals for each sector.

Scope of activities

Financing activities included in the scope of sector decarbonisation targets and goals include:

- Corporate and project finance lending
- Asset financing and leasing
- Working capital facilities
- Trade finance
- Primary debt capital markets activity, including public debt (bonds), US private placements and syndicated loans (for fossil fuel sectors only)
- Bank guarantees and letters of credit, except for AEMO bonds and rehabilitation bonds
- Lending secured by commercial real estate
- Lending secured by cars and LCVs
- Mortgages

Sector decarbonisation targets and goals exclude:

- Markets activity including derivatives
- Transactional banking, deposits, and risk management products
- Facilitation of Green Bonds
- Facilitation of securitisation

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- Advice or services provided by JBWere
- Investing activity, including NAB Ventures

Metric selection

PCAF defines lending as on-balance sheet loans and lines of credit, while NAB has expanded its definition to include off-balance sheet and off-market products (which includes financial guarantees and overdrafts).

NAB considers PCAF and UNEP FI Guidance when selecting metrics. NAB also considers whether the metric can be operationalised, including the availability and reliability of data and the ability to use existing systems and processes.

NAB has adopted absolute emissions reduction targets for fossil fuel sectors, reflecting the role of reduced fossil fuel use in a net zero economy.

NAB has adopted emissions intensity targets and goals for sectors expected to grow while supporting living standards and transition activities. These targets and goals help NAB identify and allocate capital towards investments and businesses whose activities are aligned with the Group's climate strategy.

EAD used in sector decarbonisation targets and goals

Exposure to customers in target and goal sectors is defined by EAD, which is used for decarbonisation target baselines and sector target and goal setting. EAD excludes securitisation exposures within the scope of APS 120 Securitisation, and APS 330 Public Disclosure (specifically securitisation where the bank acts as an originator and where the bank acts as an investor), off-balance sheet EAD (including performance guarantees to rehabilitate existing thermal coal mining and oil and gas assets) and markets-related EAD (including derivative exposures) and AEMO bonds which are required for non-APRA regulated entities to participate in domestic electricity and gas markets.

Valuation

NAB sources customers' enterprise value as at 30 June of the prior year. For listed companies, valuations are obtained from Bloomberg, Refinitiv and company disclosures. For unlisted companies or special purpose vehicles, NAB uses internal credit data. This approach aligns with section 5 of the PCAF Standard. NAB has not applied any inflation adjustments to EViC for any of its valuations.

Portfolio management

NAB manages sector decarbonisation targets and goals at a portfolio level. Subject to NAB's sustainability risk-related policies and risk appetite, and CTP requirements, NAB will continue to provide new lending, including financing that supports customer transitions to net zero. Lending may include individual customers not currently aligned with a sector reference pathway, which may result in non-linear performance against targets and goals.

Approach to facilitated emissions

Capital markets activity has been included in the targets for power generation, thermal coal and oil and gas. Design considerations are informed by PCAF Guidelines and UNEP FI Guidance and consider NAB's ability to operationalise (availability and reliability of data, ability to leverage existing systems and processes).

For consistency, sector boundaries and material design decisions made as part of initial sector decarbonisation target setting have been carried through for facilitated emissions. Included activities are bonds, syndicated loans and US private placements where NAB is the lead book runner (i.e. activity where NAB is co-manager is excluded). Also excluded are:

- Advice or services provided by JBWere
- Facilitation of securitisation
- Facilitation of Green Bonds

Other key design decisions:

- A 3-year rolling average has been used to reduce differential year-to-year performance that is inherent to these activities. This results in reasonably smooth, representative data.
- Facilitated emissions have been combined with financed emissions targets as there is significant overlap between the customer sets, and this allows NAB to manage the customer portfolio together.
- NAB has used the PCAF default of a 33% weighting for facilitated emissions[1]. Share of deal is also factored (i.e., if two lead bookrunners, a 50% weighting is applied).

Scope coverage and double counting

Absolute emissions and emissions intensity values include Scope 1 and Scope 2 for all sectors, plus Scope 3 for thermal coal, oil and gas, and the metallurgical coal portion of iron and steel. Scope 1 emissions from the power generation sector are included in Scope 2 emissions for other sectors; to fairly represent sector emissions, NAB includes this "double count" within its attributable emissions estimate.

Estimating and reporting financed emissions

Financed and facilitated emissions are estimated using methodologies aligned with the PCAF Standard. Reporting may not fully align with PCAF guidelines where data and/or methodology limitations exist. Where needed, NAB supplements these methodologies with sector-specific approaches and internal methodologies to address data gaps or sector characteristics.

NAB prioritises customer-reported emissions data where available. Where the data is unavailable or incomplete, emissions are estimated using production- or activity-based proxies informed by credible external data sources. Estimation methodologies, assumptions and inputs are reviewed as part of NAB's data preparation, validation and quality assessments.

Estimating financed emissions involves complexity and measurement uncertainty. There are challenges relating to the availability and quality of data and methodologies.

Emissions reduction across the lending portfolio is unlikely to be linear. Financed emissions metrics are influenced by several non-emissions-related factors which can drive variability. For example:

- Changes to operational production output (e.g., new assets coming online or ramping up capacity to meet demand). Changes to portfolio mix, especially in small portfolios.
- Changes to company valuations (in response, for example, to changes in commodity prices).
- Updates to methodologies, improvements in data quality.

(1) For further information refer to https://carbonaccountingfinancials.com/files/PCAF-PartB-Facilitated-Emissions-Standard-Dec2023.pdf.

Sources of measurement uncertainty

Measurement uncertainty relevant to decarbonisation sector targets and goals

Climate-related metrics and the measurement of financed emissions rely on data and methodologies that involve uncertainty, assumptions and judgement. These complexities affect all climate metrics, including historical emissions measures and forward-looking metrics such as goals, targets, scenarios, projections and pathways.

The following non-exhaustive summary outlines key challenges with climate-related data, methodologies and metrics, which may affect the accuracy, usefulness and comparability of the information disclosed.

- **Data availability, quality and timeliness:** Data differs across businesses, industries and geographies. This impacts the accuracy of measuring financed emissions for the purpose of setting and monitoring emissions reduction targets and goals. In many cases emissions are estimated using data that NAB does not generate or control. Different calculation methods across data sets can lead to under-or over-estimation of financed and facilitated emissions. Emissions are reported as gross (i.e., before the impact of removals) for all sectors apart from aviation. There may be instances where customers report net emissions or our data providers supply net figures, which we include as received.
- **Lack of consistent standards:** Despite improvements, there is no single set of common definitions or mandatory standards for financed emissions target setting. Organisations use different voluntary frameworks and methodologies, which makes direct comparison of performance across organisations difficult.
- **Methodological complexity and change:** Estimating financed emissions requires significant methodological choices, assumptions and judgement. Methodologies continue to evolve as understanding and data availability improve, meaning estimates (and targets and goals based on those estimates) are likely to change over time.
- **Long time horizons increase uncertainty:** Uncertainty in emissions estimates is compounded when setting interim 2030 and long-dated targets, including pathways aligned to net zero by 2050.
- **Scenario and modelling limitations:** Climate science and decarbonisation pathways are evolving. Climate scenarios are inherently uncertain and climate modelling has limitations. Scenarios are modelled over longer time frames than traditional financial scenarios, increasing complexity and the risk of error. Reference pathways are updated regularly to incorporate new data, assumptions, and developments in scientific understanding of climate change, which adds to the complexity of setting and maintaining sector decarbonisation targets and goals.
- **Changing customer base and customer volatility:** NAB's customer base changes over time, affecting both absolute financed emissions and emissions intensity. Customer revenue and production can also vary year to year.
- **Reliance on unproven technologies:** Scenarios and Customer Transition Plans may depend on commercialisation of currently unproven technologies. These may not deliver the intended outcomes, which could affect NAB's ability to meet targets and goals. Assumptions underpinning reference scenarios and sector trajectories are reviewed annually.

Challenges in allocating emissions to sectors

ANZSIC codes

When a lending transaction is created in NAB's systems, most business loan customers are assigned an ANZSIC code based on their primary business activity. Under NAB's current methodology, customer and sector emissions estimates are applied to each customer's EAD on the basis that 100% of emissions are attributable to the primary ANZSIC code. Where a customer operates across multiple activities, emissions may be under or overstated in sectors reflecting their secondary operations. Additional limitations of relying on ANZSIC codes include:

- Manual coding errors at loan origination and/or renewal.
- Changes in customer activities between origination and renewal.
- Lending with no ANZSIC code recorded, which may not have been fully identified through manual review.

UNEP FI Guidance 5% revenue threshold

The UNEP FI Guidance specifies that customers with more than 5% of revenue derived directly from thermal coal mining and/or electricity generation activities must be included in the scope of targets. To identify these customers, NAB matched a global database of coal mines and coal generation assets against its customer list to identify customers with associated coal-based assets and revenues.

Identifying diversified companies is challenging and can require significant manual analysis. Smaller, diversified mining companies frequently do not disclose revenue or production breakdowns, making it difficult to assess the 5% threshold.

NAB applies a materiality threshold, including a $1 million EAD floor. This may mean some customers with relatively low absolute EAD, but who derive more than 5% of their revenue from thermal coal and/or coal powered electricity generation, are not captured within NAB's EAD targets for thermal coal or power generation.

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Table 9: Methodology of NAB's % revenue threshold

Customer grouping	Step	Resulting customers
NAB Corporate and Institutional Banking and Business and Private Banking customers	Compiled list of Corporate and Institutional Banking and Business and Private Banking customers, including primary ANZSIC classification and EAD.	240,000+
Customers with possible coal/power asset ownership	Screened customers for potential thermal coal mining and thermal-coal fired electricity by comparing customer names to asset owners in a global database of 14,000 power stations and 3,000 coal mines using a Jaccard index[1] name-matching approach. Initial filtering applied to exclude, customers with <$1 million EAD or <80% confidence.	15+
Customers not in existing sector analysis	Manually reviewed remaining customers to remove those already assigned to the correct sector, or false positives matches identified via application of 80% threshold.	7
Additional customers added to sector	Assessed revenue exposure by comparing thermal coal/electricity sales revenue to customer's total revenue. Where revenue was not available, estimates of revenue were based on production, particularly in the case of thermal coal mining. Majority of customers either used the coal/electricity for their own operations (i.e., not sold), had no equity ownership of the mine/plant, or sales constituted <5% of total revenue. Two customers were found to have >5% of revenues from electricity sales, resulting in sector reclassification to Power Generation. No customers were added to Thermal Coal.	2

(1) Jaccard index compares two sets of names to see which characters are used in both. It is used to gauge the similarity between two datasets, in this case databases of names, to identify similar matches.

Sector coverage ratios methodology Ⓥ

Sector decarbonisation targets portfolio coverage methodology

To estimate the coverage ratios represented by NAB's sector targets and goals, NAB has for the absolute and financed emissions coverage ratio, taken the estimated total financed emissions for each sector decarbonisation target and goal and divided this by an estimate of financed emissions attributable to NAB's total lending portfolios.

In simplified form, this may be presented as

Estimated Sector Coverage = A/B, where:

A = estimated financed emissions for the sector decarbonisation targets and goals

B = estimated financed emissions attributable to NAB's total lending portfolios.

For the EAD coverage, NAB has taken the estimated total EAD for the sector decarbonisation targets and goals and divided this by NAB's total EAD minus EAD attributable to BNZ, JBWere, facilitated emissions, derivatives and exposures to sovereigns and financial institutions.

Data sources for coverage estimate

A hierarchy of data sources/approaches has been used to estimate the portion of NAB's financed emissions covered by sector decarbonisation targets and goals.

1. Customer emissions data as reported to the National Greenhouse and Energy Reporting Scheme (NGERS).
2. Customer emissions data or estimates used in sector decarbonisation target and goal reporting (for customers and emissions not covered by NGERS, including RRE, most of CRE, and most of the transport sub-sectors).
3. Sector-specific methodologies
   (a) Agriculture financed emissions have been estimated using NAB's share of national agriculture emissions[1]. The attribution factor is calculated as NAB's Agriculture EAD divided by an estimate of the total farm capital[2] within NAB's agriculture portfolio. Financed emissions are calculated by applying this attribution factor, NAB's market share and an adjustment for the proportion of farms with debt to national sector emissions. During 2026, the Group reviewed the agriculture financed emissions methodology and identified that the debt-to-value attribution factor was calculated using farm capital values that included farms both with and without debt. The revised approach retains the structure of the previous methodology but uses a more representative estimate of the capital attributable to NAB's agricultural lending. This has resulted in an increase from the prior period to both the gross estimated financed emissions reported for NAB's agriculture portfolio, as well as the percentage the agriculture sector contributes to NAB's total estimated financed emissions.
   (b) Financed emissions from other CRE and other transport have been estimated by extrapolating GHG emissions per dollar of EAD (CO_2-e/EAD) from calculated CRE and Transport - road sectors respectively.
   (c) Customer emissions not covered by any of the above were estimated by extrapolating the Scope 1 and 2 emissions per dollar of EAD from RRE.

(1) National Agriculture emissions available at https://www.greenhouseaccounts.climatechange.gov.au/.
(2) NAB has used farm capital as defined by ABARES, as set out on page 17 of Topp, V. (2026). *Agricultural lending in 2024–25: aggregate results*, (ABARES research report). Australian Bureau of Agricultural and Resource Economics and Sciences. This definition is included in the *Glossary*.

GHG operational emissions methodology and reporting boundary

The Group uses a combination of methodologies to quantify GHG emissions arising from its operational activities. Methodologies are selected based on the characteristics of each emissions source and data availability to provide a representative estimate of emissions. Emissions are measured and reported in metric tonnes of carbon dioxide equivalent (tCO_2-e).

Reporting boundary

The reporting boundary outlines the boundary for Scope 1, 2 and 3 GHG emissions excluding financed and facilitated emissions.

Scope 1 and 2 boundary

The Group measures its GHG emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (GHG Protocol) applying the operational control approach. The Group has elected to use the operational control approach as it enables the Group to distinguish between emissions from activities it controls, through its authority to introduce and implement operating policies, and emissions from activities in its value chain that it does not directly control but may be able to influence. Under this approach, emissions are recognised from operations over which the Group has operational control and has the full authority to introduce and implement its operating policies.

The Group has assessed the reporting boundary for the Group per the entity structure included within *Note 30 Interest in subsidiaries and other entities* on pages 291 to 293. The Group does not have operational control over the operations within its associates, joint ventures, trusts or unconsolidated subsidiaries.

The Group has determined the following form part of our operational control and are therefore reported in Scope 1 and 2 GHG emissions:

- emissions where the Group has operational control at the freehold or leased asset, including offices, branches, business centre hubs, ATMs and vehicles; and
- data centres, including co-location data centres, where the Group has oversight and pays for electricity usage or when we own and control the equipment at the data centre.

The reporting boundary excludes:

- base building energy and emissions,
- office subleases, where the tenant has oversight and pays for electricity usage,
- data centres and cloud computing services where the service provider has operational control; and
- defaulted assets which are managed by a third party for sale on the Group's behalf.

Scope 3 (operational) Ⓥ defined boundary

The Group has voluntarily reported Scope 3 operational emissions with reference to the GHG Protocol Corporate Value Chain (Scope 3 Standard). The Group's Scope 3 operational emissions comprise selected categories based on a defined boundary.

The 2026 Scope 3 defined boundary has been summarised below. Refer to input and source data in the *Scope 3 (defined) methodology* Ⓥ section on pages 96 to 102 for further detail on the jurisdictions included.

- **Category 1 - Purchased Goods and Services:** Limited to emissions associated with paper, water and cloud services. All other goods and services are excluded in 2026.
- **Category 3- Fuel and energy-related activities:** Transmission and Distribution (T&D) losses and Well To Tank (WTT) from diesel, natural gas and electricity.
- **Category 4 - Upstream transportation and distribution:** Courier, freight and postage.
- **Category 5 - Waste generated in operations:** Emissions from third party waste to landfill and wastewater. Excludes transportation to waste facilities.
- **Category 6 - Business travel:** Emissions from employee business travel, including air travel, hotel stays, rail, rental cars, taxi use and employee vehicles.
- **Category 7 - Employee commuting:** Emissions from working from home and employee commuting.
- **Category 8 - Upstream leased assets:** Emissions from base building, including diesel, natural gas and electricity.

The following categories have been excluded from the Scope 3 defined boundary:

Category exclusion	Justification
Category 2 - Capital Goods	Not reported in 2026. The Group is reviewing this exclusion and plans to expand the reporting boundary for 2027.
Category 9 - Downstream transportation and distribution	The Group as a financial services provider sells intangible products, therefore there are no emissions from transporting goods to customers.
Category 10 - Processing of sold products	The Group as a financial services provider sells intangible products, therefore there are no emissions from processing sold items.
Category 11 - Use of sold products	The Group as a financial services provider sells intangible products. Emissions associated to our lending are included in Category 15 for financed emissions.
Category 12 - End-of-life treatment of sold products	The Group as a financial services provider sells intangible products, therefore there are no emissions from the disposal of assets.
Category 13 - Downstream leased assets	The Group has an immaterial number of downstream leased assets in the form of a small number of buildings that are leased or sub-leased to tenants, who have operational control. We will review these exclusions ahead of 2027.
Category 14 - Franchises	The Group does not operate a franchise business, therefore emissions from this category are not relevant.

Category 15 has been considered as part of the defined boundary outlined in the *Sector decarbonisation targets and goals methodology* section on pages 89 to 92.

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Scope 1 and 2 methodology

Emission Category	Input and source data	Methodology	Emissions factors	Assumptions and estimates[1]	Reason for methodology	2026 changes[2]
Scope 1						
Stationary combustion	Natural gas (GJ): Consumption data from utility invoices. (AU, NZ, UK) Diesel (L): Consumption data from utility invoices, and tank meter readings. (AU, NZ)	Activity data is multiplied by the relevant emission factor.	National Greenhouse Accounts (NGA) Factors 2025 Department for Energy Security and Net Zero (DESNZ) GHG Conversion Factors 2026 Ministry for Environment (MFE) Measuring Emissions Catalogue 2026 (NZL)	Reporting date accrual estimates for natural gas are applied where actual consumption data is not available. Gaps in consumption data for the last two months of the reporting period are estimated based on actual consumption recorded during the previous 10 months.	The method and data have been selected as they align with the GHG Protocol and reflects the actual consumption of the Group.	No changes from prior year.
Fugitive emissions	Refrigerants (kg) leakage of kitchen assets and/or HVAC units registered and maintained by third party facilities management. (All regions)	The screening method is used to estimate refrigerant emissions.	IPCC Sixth Assessment Report (AR6) GreenCalculus Emissions Factor API 2026	Estimated using default leakage rates as actual top-up refrigerant volumes are unknown. Refrigerant leakage at disposal and installation is excluded for all regions. Default refrigerant charges used where actual refrigerant charges are unverifiable.	The method and data have been selected as they align with the GHG Protocol using known refrigerants and known refrigerant charge capacities.	Updated asset register of HVAC units maintained by third party facilities management.
Mobile combustion	Volume of fuel (L) purchased through fuel cards as provided by fleet provider. (AU, NZ, Vietnam)	Activity data is multiplied by the relevant emission factor.	NGA Factors 2025 MFE Measuring Emissions Catalogue 2026 (NZL)	All fuel is assumed to be purchased on fuel cards. Where non-fuel card transactions can be identified, an uplift factor is applied. Gaps in fuel consumption data for the last month of the reporting period are estimated based on actual consumption recorded during the previous 11 months for each vehicle.	Fuel usage data as derived from fuel cards is the best available data. The method has been selected as it aligns with the GHG Protocol and reflects the consumption of the Group.	No changes from prior year.

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Emission Category	Input and source data	Methodology	Emissions factors	Assumptions and estimates[1]	Reason for methodology	2026 changes [2]
Scope 2						
Purchased electricity	Electricity consumption (kWh) from utility invoices. Electricity consumption (kWh) from co-location datacentre management, and where we own and control the equipment. Renewable electricity is accounted through: • Reports and certificates from suppliers where NAB has procured renewable electricity. • Solar generation reports where NAB has produced renewable energy. (All regions) Electricity consumption (kWh) from invoices for EV charging. (NZ)	*Location-based:* Usage (kWh) is multiplied by location based emissions factors. *Market-based:* Accounts for contractual arrangements with suppliers, attributing a zero emission factor to electricity purchased under certified renewable energy products supported by Renewable Energy Certificates (RECs), International Renewable Energy Certificates (i-RECs) and using a residual supply mix emission factor for electricity from non-primary retailers.	NGA Factors 2025 DESNZ GHG Conversion Factors 2026 MFE Measuring Emissions Catalogue 2026 (NZL) Agence de la Transition Écologique (ADEME) 2026 International Energy Agency (IEA) Emissions Factors 2025 Environmental Protection Agency (EPA) Emissions & Generation Resource Integrated Database (eGRID) 2023	Estimates are made where actual consumption data is not available. This results in a small amount of measurement uncertainty. Estimates are based on average daily consumption from the prior six months (NZ only) or on net lettable area (m2) (Australia only). • Further gaps in consumption data for the last two months of the reporting period are estimated based on actual consumption recorded during the previous 10 months for each property. • Where invoices are not received for a property, consumption is estimated by applying an average intensity (kwh/m^2) based on historical actual consumption from other properties. • ATM consumption is assumed to be consistent across each ATM. Remote Battery Electric Vehicles (BEV) and Plug-In Hybrid Electric Vehicles (PHEV) pool vehicle charging is sourced from the preferred supplier charging network (NZ).	The method and data have been selected as they align with the GHG Protocol and reflects the actual consumption of the Group.	No changes from prior year.

(1) Where applicable, estimates for the final month/s of the reporting period apply across NAB Group.
(2) All estimations for the final month/s of the reporting period, as described for each category, have been applied for the first time in 2026.

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Scope 3 (defined) methodology Ⓥ

Emissions source	Input and source data	Methodology	Emissions factors	Assumptions and estimates[1]	Reason for methodology	2026 changes[2]
Category 1: Purchased goods and services						
Office paper	Volume (kg) of office paper purchased provided by suppliers. (All regions)	Activity data is multiplied by the relevant emission factor.	EPA Victoria, GHG inventory and management plan 2020-2021 (2021) Carbon Reduction Initiative (CRI) LCA (2023) ADEME 2026	Gaps in paper volumes for the last three months of the reporting period are estimated based on actual volumes recorded during the previous nine months. Paper purchases are assumed to be stable throughout the year.	The method and data have been selected as they align with the GHG Protocol and reflect the best available data of the Group.	No changes from prior year.
Water	Water consumption (kL) based on utility invoices. (All regions)	For sites where consumption is available, activity data is multiplied by the relevant emission factor. For non-billed sites, consumption activity data is estimated on the basis of kL/m^2 of net lettable area for the property type.	EPA Victoria, GHG inventory and management plan 2020-2021 (2021) (Applied to all Australian states) ADEME 2026 Department for Energy Security and Net Zero (DESNZ) GHG Conversion Factors 2026 Ministry For Environment (MFE) Measuring Emissions Catalogue 2026 (NZL)	Any missing data is estimated based on net lettable area (m2) (Australia, UK, EU), on FTE (India, Vietnam, US), or on average daily consumption from prior six months (NZ). Gaps in water consumption data for the last three months of the reporting period are estimated based on actual consumption recorded during the previous nine months, and prior year monthly consumption patterns.	This activity-based calculation method is consistent with the GHG Protocol with measured and estimated volumes as the best available data of the Group.	No changes from prior year.
Cloud services	Emissions related to cloud services provided by third-party suppliers. (AU only)	Emissions related to usage are provided by the cloud service provider using location-based methods, with the exception of one provider who provides market-based. Emission factors are embedded in their calculations.	Not Applicable	Gaps in data for the last month of the reporting period are estimated based on actual emissions reported during the previous 11 months. This approach relies on supplier calculated emissions, where these are considered complete, accurate, and independently validated.	The method and data have been selected as the best available data and reflect the actual consumption of the Group. The methodology adopts a supplier specific, consumption-based approach, prioritising emissions calculated and provided directly by cloud service providers.	Change to one supplier's methodology for location-based emissions.

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Emissions source	Input and source data	Methodology	Emissions factors	Assumptions and estimates[1]	Reason for methodology	2026 changes[2]
Category 3: Fuel and energy-related activities						
Fuel and energy	Electricity, diesel and natural gas usage. The input data is consistent with Scope 1 and 2. Refer to Scope 1 and 2 methodology for further details. (All regions)	Activity data as provided through sources for scope 1 and 2 GHG emissions multiplied by relevant emissions factors using a combination of location and market based methods.	NGA Factors 2025 DESNZ GHG Conversion Factors 2026 MFE Measuring Emissions Catalogue 2026 (NZL) ADEME 2026 International Energy Agency (IEA) Emissions Factors 2025 Environmental Protection Agency (EPA) Emissions & Generation Resource Integrated Database (eGRID) 2023	Estimates are based on average daily consumption from the prior six months (NZ only) or on net lettable area (m2) (Australia only). Gaps in consumption data for the last two months of the reporting period are estimated based on actual consumption recorded during the previous 10 months for each property.	This activity-based calculation method is consistent with the GHG Protocol with measured and estimated volumes as the best available data of the Group.	No changes from prior year.
Category 4: Upstream transportation and distribution						
Transportation and distribution	Volumes, quantities, spend or distance travelled related to courier, postage and freight services as provided by the service provider. (AU, NZ)	Total GHG emissions for related activities are available directly from some suppliers. Activity data (i.e., L of cash-in-transit, quantity of postage, km of courier travel) as provided by the service provider is multiplied through the relevant emission factor.	NGA Factors 2025 DESNZ GHG Conversion Factors 2026 MFE Measuring Emissions Catalogue 2026 (NZL) NZ Post Toitū Envirocare 2025	As cash-in-transit is a shared service, activity data is apportioned based on revenue share. For New Zealand, the average item postage emission factor is reflective of BNZ's postage profile. Gaps in data for the last three months of the reporting period are estimated based on actual activity data recorded during the previous nine months.	This activity-based methodology is aligned with the GHG Protocol using best available data from suppliers. As suppliers provide different forms of data, multiple calculation approaches are used depending on the service (tonnes, km, L of fuel consumed).	No changes from prior year.
Category 5: Waste generated in operations						
Waste	Volume of waste (kg) not diverted from landfill as provided by building management or third-party waste management services. (All regions excl. China)	Activity data is multiplied by the relevant emission factor.	NGA Factors 2025 DESNZ GHG Conversion Factors 2026 ADEME 2026 MFE Measuring Emissions Catalogue 2026 (NZL)	During the reporting year, any missing data is estimated based on net lettable area (m2). Gaps in consumption data for the last two months of the reporting period are estimated based on actual consumption recorded in the previous 10 months for each property. Waste generation is assumed to follow seasonal occupancy trends.	This activity-based calculation method is consistent with the GHG Protocol with measured and estimated volumes as the best available data for the Group.	No changes from prior year.

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Emissions source	Input and source data	Methodology	Emissions factors	Assumptions and estimates[1]	Reason for methodology	2026 changes[2]
Category 6: Business travel						
Air	Distances travelled by air (passenger kms) along with origin and destination cities as provided by corporate travel provider and internal reports. (All regions)	Activity data is multiplied by the relevant emission factor.	DESNZ GHG Conversion Factors 2026 MFE Measuring Emissions Catalogue 2026 (NZL)	Gaps in travel data for the last month of the reporting period are estimated based on actual travel recorded during the previous 11 months. Uplift factors are applied to the activity data to allow for bookings made outside of the preferred providers.	The method and data have been selected as they align with the GHG Protocol and reflect the best available data for the Group.	No changes from prior year.
Hotel	Accommodation utilised (number of nights stay) as provided by corporate travel provider. (All regions)	Activity data is multiplied by the relevant emission factor.	MFE Measuring Emissions Catalogue 2026 (NZL) ADEME 2026	Gaps in travel data for the last month of the reporting period are estimated based on actual travel recorded during the previous 11 months. Uplift factors are applied to the activity data to allow for bookings made outside of the preferred providers.	The method and data have been selected as they align with the GHG Protocol and reflect the best available data for the Group.	No changes from prior year.
Rail	Distances travelled by rail (km) along with origin and destination cities as provided by corporate travel provider. (AU, UK, EU, US, Japan)	Activity data is multiplied by the relevant emission factor.	DESNZ GHG Conversion Factors 2026 The Climate Registry 2022 Default Emissions Factors JR (Japan Rail) East Group Report: INTEGRATED REPORT 2024	Gaps in travel data for the last month of the reporting period are estimated based on booking data received through corporate travel provider.	The method and data have been selected as they align with the GHG Protocol and reflect the best available data for the Group.	No changes from prior year.
Rental car	Distance travelled by rental car (km) as provided by service provider. (All regions excl. Singapore, Japan)	Activity data is multiplied by the relevant emission factor.	DESNZ GHG Conversion Factors 2026 MFE Measuring Emissions Catalogue 2026 (NZL) ADEME 2026	Gaps in travel data for the last month of the reporting period are estimated based on actual travel recorded during the previous 11 months. Uplift factors are applied to the activity data to allow for bookings made outside of the preferred providers. Rental cars vary, assumptions are made based on 'average car (unknown fuel)' or 'medium car' for the calculation.	The method and data have been selected as they align with the GHG Protocol and reflect the best available data for the Group.	Service provider reports now exclude rentals for personal leisure which were previously reported.

Emissions source	Input and source data	Methodology	Emissions factors	Assumptions and estimates[1]	Reason for methodology	2026 changes[2]
Work-use vehicles	Distance travelled by employee personal vehicles (km) for work-use as provided in employee vehicle claims. (AU, NZ, US)	Activity data is multiplied by the relevant emission factor.	DESNZ GHG Conversion Factors 2026	Gaps in travel data for the last month of the reporting period are estimated based on actual travel recorded during the previous 11 months. Distances travelled estimated based on spend-data as claimed by employees. As employee vehicles vary, an average car (with unknown fuel type) or medium car assumption emission factor was used.	The method and data have been selected as they align with the GHG Protocol and reflect the best available data for the Group.	No changes from prior year.
Taxis and other ride share	Distance travelled by taxis and other rideshare (km) as estimated based on spend-based data. (All regions)	Activity data is multiplied by the relevant emission factor.	DESNZ GHG Conversion Factors 2026 MFE Measuring Emissions Catalogue 2026 (NZL) SNCF – Greenhouse Gases Information for Transport Services, General Methodology (2025) Transport and Environment in Japan, 2025 (Foundation for Promoting Personal Mobility and Ecological Transportation) US EPA: Emission Factors for GHG Inventories 2025	Gaps in travel data for the last month of the reporting period are estimated based on actual travel recorded during the previous 11 months. Distances are estimated from transaction amounts with respect to known flagfall and km rates in the region the travel occurs.	The method and data have been selected as they align with the GHG Protocol and reflect the best available data for the Group.	No changes from prior year.

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Emissions source	Input and source data	Methodology	Emissions factors	Assumptions and estimates[1]	Reason for methodology	2026 changes[2]
Category 7: Employee commuting						
Employee commute	The activity data (i.e., km travelled between work and home) as estimated from employee commuting pattern data, FTE reports and key commercial office locations (AU).	Activity data is multiplied by the relevant emission factor.	DESNZ GHG Conversion Factors 2026	Employee commuting pattern data (mode of transport) is taken from the 2016 ABS Census and applied to occupancy and FTE reports extracted at 30 June 2026 for key commercial office locations.	The method and data have been selected as they align with the GHG Protocol and reflect the best available data for the Group.	Change to assumption that network employees commute to the office 60% of the working week from 100% in prior years. This change aligns the assumptions for employee commute with working from home.

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Emissions source	Input and source data	Methodology	Emissions factors	Assumptions and estimates[1]	Reason for methodology	2026 changes[2]
Work from home	The activity data (i.e., Full Time Equivalent (FTE) working from home (WFH) or kwh of electricity) as estimated from office or remote network utilisation data. (All regions)	Activity data is multiplied by the relevant emission factor.	WFH calculator developed by ERM and provided by Climate Active 2026 (Department of Industry, Science, Energy and Resources) MFE Measuring Emissions Catalogue 2026 (NZL)	The Australian Climate Active calculator is applied to FTE worldwide (excl. NZ). The calculator applies the Victorian emission factors on all regions, as this was deemed the conservative approach on the basis of it having the highest emission factors. The above calculator contains embedded assumptions and emission factors relating to employee energy usage working from home, including heating/ cooling, lighting, equipment use, and transmission losses. For NZ, it is assumed that colleagues' remote access per day equates to a full working from home day and as a result emissions may be overstated. The last three months of the reporting period are estimated based on corresponding months in the prior period. This assumes that headcount has remained stable. For Vietnam and India the last three months of the reporting period are estimated using headcount data from 31 August 2026 to account for the growth in these regions.	The method and data have been selected as they align with the GHG Protocol and reflect the best available data for the Group.	Updated to latest Australian Climate Active calculator.

Emissions source	Input and source data	Methodology	Emissions factors	Assumptions and estimates[1]	Reason for methodology	2026 changes[2]
Category 8: Upstream leased assets						
Upstream leased assets	Electricity consumption (kWh) from utility invoices, reports or landlord confirmations are obtained from facilities management for base building energy attributed to NAB net lettable area (All regions except NZ) or Scope 1 and 2 emissions intensity per sqm floor area obtained from property company disclosures and internal records (NZ).	Activity data is multiplied by the relevant emission factor.	NGA Factors 2025 MFE Measuring Emissions Catalogue 2026 (NZL)	Gaps in consumption data for the last two months of the reporting period are estimated based on actual consumption recorded during the previous 10 months.	The method and data have been selected as they align with the GHG Protocol and reflect the best available data for the Group.	No changes from prior year.

(1) Where applicable, estimates for the final month/s of the reporting period apply across NAB Group.
(2) All estimations for the final month/s of the reporting period, as described for each category, have been applied for the first time in 2026.

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Environmental finance ambition and climate-aligned financing methodology

The following tables outline the methodology, definitions and the related boundary for the environmental finance ambition and climate-related financing as outlined in the *Environmental finance ambition* section on page 52. The metrics are supported by the eligibility criteria for climate-aligned lending activities that support the metric and ambition.

Environmental finance ambition	
Ambition (absolute)	NAB's environmental finance ambition is $80 billion by 2030, as outlined further in the *Environmental finance ambition* section on page 52.
Metric	The metric (absolute) is defined as the cumulative environmental finance provided ($bn) over the period of the ambition, as aligned to the boundary defined below.
Objective	Support customers to improve environmental outcomes and invest in a sustainable, low-carbon future by providing $80 billion of environmental finance by 2030(1).
Boundary	Scope: NAB Lending activities • Large scale renewables • Green labelled business lending propositions (Agribusiness, CRE, Vehicles and Equipment) • Energy efficient RRE lending Capital markets and ACCU unit trading activities • Green Bond arranging and underwriting • ACCU trading activities A summary of the eligibility criteria for in-scope activities is outlined in the *Eligibility criteria* section on page 104.
Review	Scope and eligibility reviewed periodically. From the 2026 reporting year, the ambition includes the first recorded financing activity for eligible ACCU Buy/Sell-Back transactions.
Methodology	The environmental finance ambition reflects the cumulative value of eligible financing activities within the defined boundary up until the reporting period. It is calculated by adding together the eligible activities as outlined in the boundary(2). Where recording of origination of finance or refinance under the ambition crosses from one reporting period to the next, that finance may be picked up in the later period, but not counted in both.

(1) NAB's EFA is informed by article 2.1 (c) of the Paris Agreement on climate change. Where applicable and accessible, selected criteria from the Climate Bonds Standard and Australian Sustainable Finance Taxonomy have been adopted within the EFA. Financing activities that satisfy those criteria support customers managing their emissions profiles consistent with a Paris aligned climate pathway.
(2) The environmental finance ambition and methodology for setting the ambition have not been validated by a third party.

Climate-aligned financing metric	
Definition	This metric represents the amount and percentage of lending activities aligned with the Group's climate-related financing opportunity. The metric provides the total climate-aligned lending activities in the period, and an indication of the scale of climate-aligned lending activity relative to the Group's lending exposure base.
Boundary	Numerator: Climate-aligned lending activities • NAB (environmental finance ambition lending components): Large-scale renewables; Green Finance for Commercial Real Estate (CRE); Green Finance for Vehicles and Equipment; Green Finance for Agribusiness; Energy-efficient residential real estate (RRE) lending • BNZ: Eligible lending under BNZ's Sustainable Finance Framework Denominator: The Group's lending exposures • Total gross loans and advances and binding credit commitments at the reporting date. Exclusions: • Facilitated transactions • Green Bond arranging and underwriting activities • Environmental unit trading activities • Other capital markets and trading activities A summary of the eligibility criteria for in-scope activities is outlined in the *Eligibility criteria* section on page 104.
Methodology	Measured using deal size of facility limits at origination. Climate-aligned financing activity is assessed relative to the Group's gross lending exposure. Climate-aligned finance captures key lending activities but does not represent all climate-related opportunities or exposures. Certain activities remain outside the current scope, including non-lending finance such as ACCU trading and Green Bond services, internal or equity investments, and direct customer support. These limitations may affect the completeness and comparability of the metric. The Group plans to refine the methodology over time as data, systems and reporting processes mature.

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Eligibility criteria

A summary of eligibility criteria and the nature of in-scope activities for each category of activity classified by NAB as falling within its environmental finance criteria and climate-related financing metric is set out below.

NAB: In scope lending activities and capital markets

A summary of eligibility criteria and the nature of in-scope activities classified as climate-aligned for NAB is set out below. For all activities, lending is recognised when NAB determines that the pre-defined eligibility criteria have been met.

Environmental finance ambition: In scope lending activities	
Large scale renewables	• For the 2026 year, this includes new finance or refinance of large-scale renewables lending, currently including specialised lending and structured financing for various activities which are set out in the NAB Green Bond Framework under the category of renewables. • Loans are identified using ANZSIC (1993) electricity supply, extended to NAB Internal Industry Classification Codes (NABSICs) to capture renewable energy activities in-scope. • Where only a proportion of the activities or assets funded are eligible, NAB only counts the proportion of funding provided that is attributable to the eligible activity or asset. • If the lending is a syndicated facility only the NAB proportion is counted. The reported figure for large scale renewables includes amortisation for refinanced facilities where relevant.
Green Finance for Commercial Real Estate (CRE)	• This category of environmental finance includes new financing or re-financing of commercial real estate within NAB's Green Finance for CRE lending proposition. • NAB includes finance for properties which qualify for the Green CRE proposition through compliance with the Climate Bonds Standard Low Carbon Buildings criteria which uses eligibility proxies including NABERS ratings and Green Building Council of Australia Green Star Rating.(1)
Green Finance for Vehicles and Equipment	NAB's Green Finance for Vehicles and Equipment includes finance for a range of vehicles, energy efficient equipment and renewable energy sources, and sets out specific performance criteria for each equipment related use of proceeds. Eligible equipment includes: • Electric vehicle • Electric and hybrid trucks and buses • Renewable energy generation equipment, including solar panels • Sustainable agricultural equipment • Waste management and recycling equipment • Manufacturing equipment dedicated to zero emissions technology
Green Finance for Agribusiness	NAB's Green Finance for Agribusiness includes financing and refinancing for a range of agricultural practices, on-farm equipment and projects. NAB's Green Finance for Agribusiness proposition sets out specific performance criteria for each related use of proceeds or qualifying activity. Eligibility requirements are linked to the Climate Bonds Standard Agriculture criteria. Lending is recognised when NAB determines that the pre-defined eligibility criteria have been met. In addition to the Green Finance for Agribusiness proposition, the NAB Agribusiness – Emissions Reductions Incentive proposition, a discounted finance program supported by the CEFC sets out specific eligibility criteria and requirements to qualify for a 1.15% p.a. finance discount on eligible lending supporting green outcomes. Eligible activities and investments include: • On-farm solar projects • Projects to reduce emissions from fertiliser use • Registered land-based Emissions Reduction Fund projects • Establishing legumes in a livestock-pasture system • Tree planting activities • On-farm bioenergy projects • Sustainable use of crop residues • Other sustainable and low emissions projects and practices Lending scope is linked to the Climate Bonds Standard Agriculture criteria and is screened against criteria set out in the NAB Green Business Lending Framework. Eligible Green Agri lending is not included in NAB's Green Bond Program for the 2026 period.
Energy efficient residential real estate (RRE) lending	• From the 2025 reporting year, this category includes mortgage lending for new construction and major renovation of free-standing and semi-detached homes which rank within the top 15% of energy efficiency based on the approach set out in the Climate Bonds Standard Buildings criteria(2) for energy performance and utilising the Nationwide House Energy Rating Scheme (NatHERS) 7+ Star ratings as a benchmark. • This category also includes mortgage lending and short-term facilities for all homes (free-standing, semi-detached and apartment) built from 1 October 2023 onwards which have a minimum 7-Star NatHERS (or equivalent) energy efficiency rating. Newly erected dwelling lending is being counted 18 months after National Construction Code (NCC) implementation in each state by NAB's Personal Banking division. Construction lending from NAB's Personal Banking division is being counted from 12 months after NCC implementation in each state. Newly constructed home lending for Ubank in NSW, ACT, QLD, VIC and SA may be counted from October 2024, which is 12 months after the first implementation of NCC 2022 in NSW. WA transactions are counted from May 2025. • To estimate and monitor eligibility within the top 15% of the percentage of lending for homes within the selected benchmark, total housing stock is calculated using census data and construction start data from the Australian Bureau of Statistics (ABS).

(1) Available at https://gbca-web.s3.amazonaws.com/media/documents/gbca-sustainable-finance-final.pdf
(2) Available at https://www.climatebonds.net/files/files/sector-criteria-buildings-criteria-v2-1-dec2023.pdf

Environmental finance ambition: In scope capital markets and ACCU trading activities	
Arranging and underwriting	• NAB includes the value of bond issuances where it is arranging or underwriting provided that the activities meet the definitions of green financing as per the NAB Green Bond Framework or are otherwise deemed to be eligible as green under such benchmarks as the Climate Bonds Standard or Green Bond Principles by external review. • If NAB is not the sole advisor, arranger or underwriter, then NAB only includes its proportion of the advisory, arranging or underwriting activity towards NAB's environmental finance target.
Environmental unit trading activity	• From the 2026 reporting year, the ambition includes the first recorded financing activity for NAB's environmental unit trading in ACCU. Eligible products are Buy/Sell-Back transactions on ACCUs, which are recognised at close of trade. • ACCU trades for thermal coal customers are excluded from contribution to the ambition.

BNZ: In scope lending activities

BNZ's Sustainable Finance Framework sets out the methodology for classifying finance as sustainable. This is outlined below.

Product	Inclusions	Eligible Green Sectors and Activities
Lending	• New or refinanced lending to a project, asset or activity that meets the criteria for an eligible climate-related sector or activity under the BNZ Sustainable Finance Framework. • New or refinanced financing provided to borrowers whose business activities, or to specific activities being financed, meet the applicable criteria for eligible climate-related sectors or activities under the BNZ Sustainable Finance Framework.	• Renewable energy • Energy efficiency • Green buildings • Environmentally sustainable management of living natural resources and land use • Clean transportation • Circular economy adapted products, production technologies, and processes • Climate change adaptation • Pollution prevention and control • Terrestrial and aquatic biodiversity conservation • Sustainable water and wastewater management • Green technologies

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Vulnerability of climate-related risks metrics methodology

The amount and percentage of assets or business activities vulnerable to climate-related transition and physical risks has been outlined in the *Climate-related risks* section on pages 53 to 57. The Group applied judgement to define vulnerability in the context of each identified climate-related risk. This was done by relating assets vulnerable to climate-related risk to the potential loss that might be experienced by the Group in the event that the risk materialises.

Sources of measurement uncertainty

The Group's vulnerability metrics are derived from granular outputs from complex risk models and are therefore uncertain.

1. The transition risk vulnerability metric is conditional on the selection and configuration of the climate scenario used as the basis for economic forecasts that, when processed by the Group's credit models, generate potential customer defaults.
2. The acute physical risk vulnerability metrics depend on downscaled insurance peril data that maps climate outcomes to physical geographic features like forests and floodplains. Additional uncertainty is introduced when this data is matched to the Group's geo-located property securities
3. The chronic risk vulnerability metric likewise depends on granular forecasts of the impacts of climate change, with additional uncertainty arising from matching this geographic data to NAB's Australian agribusiness lending.

The vulnerability metrics are considered to be decision-useful, with different thresholds investigated to confirm the validity of the outcomes in light of the known uncertainties.

Business lending vulnerable to climate-related transition risk driving credit risk	
Definition	Vulnerability to climate-related transition risk driving credit risk is defined as business lending exposures that would default if climate policies and carbon pricing suddenly changed to more strongly align to a 1.5°C temperature pathway (Accelerated Transition scenario). See details on the Accelerated Transition scenario in *Transition Scenarios* on page 59 .
Metric	$ and % EAD
Boundary	Includes all the Group's business lending customers. Business 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.
Methodology	The percentage of business lending vulnerable to climate-related transition risk equals business lending that would default (per the definition) divided by the Group's business lending EAD as at 30 September 2026. EAD reconciles to the corresponding exposure disclosed in the Group's Pillar 3 Report as at 30 September 2026.

Loans secured by residential and commercial properties vulnerable to climate-related physical risk (acute) driving credit risk	
Definition	This metric represents loans secured by residential and commercial properties situated in the riskiest 5% of locations in Australia, New Zealand or Europe. **5% riskiest locations definition** The Group exercised judgement and defined the riskiest 5% of locations as those with the highest combined threat rate across flood, fire, cyclone and storm. This was determined by aggregating annual threat rates, assessing the impact of different threshold options across the Group's portfolio, and selecting a value that captures a range of climate perils and exposures. Insurance data was used to identify the riskiest 5% of locations. The data, sourced from different providers in Australia, New Zealand and globally, combines the outputs of several climate models with historical claims experience and is consequently subject to certain limitations and significant uncertainty.
Metric	$ and % EAD
Boundary	Includes loans secured by residential and commercial properties in Australia, New Zealand or Europe.
Methodology	The vulnerability definition is applied to 2026 loans secured by residential and commercial properties. EAD is sourced from the Group's credit risk systems but is not otherwise externally disclosed. The percentage vulnerable equals EAD of residential and commercial property secured lending in the vulnerable locations divided by the Group's EAD secured by residential or commercial properties as at 30 September 2026.

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Loans secured by farms in LGAs with greatest potential decline in farm productivity to 2050	
Definition	This metric represents loans secured by Australian farms where at least one of each farm's land parcels is located in a LGA that is expected to lose the most productivity in the next 25 years (2050) under RCP 8.5. The percentage vulnerable equals EAD of agricultural lending with at least one parcel of land in the vulnerable locations divided by EAD of all Australian agricultural lending as at 30 September 2026. Potential decline in farm productivity was sourced from NAB's Farm-ID tool for each Australian LGA, for each of the three different farm type categories (dairy, livestock and cropping). Potential decline in farm productivity varied across the three farm type categories.
Metric	$ and % EAD
Boundary	All Australian farms held as collateral against NAB's Australian agricultural lending portfolio.
Methodology	The vulnerability to chronic risk definition was applied to Australian farms held as collateral against NAB Australian agricultural lending. Total agricultural lending is disclosed in NAB's Pillar 3 report. This metric covers Australia only, as the Group has not yet identified suitable farm-level metrics for this analysis in New Zealand.

Properties and material suppliers vulnerable to climate-related physical risk (acute) driving operational risk	
Definition	This metric represents the Group's properties and material suppliers situated in the riskiest 5% of locations for acute climate-related physical risk. **5% riskiest locations definition** The Group exercised judgement and defined the riskiest 5% of locations as those with the highest combined threat rate across flood, fire, cyclone and storm. This was determined by aggregating annual threat rates, assessing the impact of different threshold options across the Group's portfolio, and selecting a value that captures a range of climate perils and exposures. Insurance data was used to identify the riskiest 5% of locations. The data, sourced from different providers in Australia, New Zealand and globally, combines the outputs of several climate models with historical claims experience and is consequently subject to certain limitations and significant uncertainty.
Metric	# and % of properties/material suppliers
Boundary	Includes: • Properties: Include the Group's global offices and branches, business banking centres and ATMs in Australia and New Zealand. • Material suppliers: Are those on which the Group relies to undertake critical operation or that expose it to material operational risk, including data centres. The definition is aligned with APRA Prudential Standard CPS230 *Operational Risk Management*.
Methodology	The riskiest 5% of locations is applied against the Group's 2026 property listing and material supplier locations to determine the amount and percentage. The Group's material suppliers are recorded as part of the Group's CPS230 compliance but are not otherwise externally disclosed. The percentage is the number of material suppliers in vulnerable locations divided by total number of material suppliers.

Capital deployment methodology

The amount and percentage of capital deployed is outlined in the *Capital deployment and resourcing* section on page 57.

Capital deployment metric	
Definition	Capital deployment is the amount of capital expenditure, financing or investment directed towards addressing identified climate-related risks or pursuing identified climate-related opportunities. For the Group it includes capitalised investment spend, equity investment and capital used to support sustainable finance.
Metric	$
Boundary	Capital deployment is capital which directly links to the Group's identified climate-related risks and opportunities. It comprises eligible capitalised investment spend, climate-related equity investments and capital supporting sustainable finance. For each of these sub-categories the Group has defined the boundary as: • **Capitalised investment spend**: balance-sheet capitalised spend on climate initiatives, including systems, infrastructure, resources, tools or processes supporting mitigation, adaptation or resilience. • **Equity investment**: public or private market investments where climate materially informs the rationale or outcomes, and aligns with NAB's strategy. • **Capital to support sustainable finance**: capital for lending, credit facilities or other financing that helps customers address climate risks or pursue climate opportunities. The climate-aligned financing calculation measures financing (i.e., lending), only a proportion of which represents capital. Operating and business-as-usual expenditure, general lending and investments and amounts that cannot be reliably attributed or measured are excluded.
Methodology	The definition of Capital Deployment is applied to the 2026 Balance Sheet, Financial Statements and sustainable finance activities. The metric is calculated as: Capital Deployment ($m) = Climate-related Capitalised Investment Spend + Climate-related Equity Investments + Capital Supporting Sustainable Finance.

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Directors' declaration

Under section 296A of the *Corporations Act 2001* (Cth) (as modified by section 1707C(2)), the directors of National Australia Bank Limited declare that in their opinion the Group has taken reasonable steps to ensure that the substantive provisions of the Climate-related Disclosures for the year ended 30 September 2026, as set out on pages 43 to 108, are in accordance with the *Corporations Act 2001* (Cth), including:

(i) the Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures, and any further requirements in section 296C; and

(ii) the requirements of the climate statement disclosures in section 296D.

Signed in accordance with a resolution of the directors.



Philip Chronican
Chair
5 November 2026



Andrew Irvine
Group Chief Executive Officer
5 November 2026

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Independent auditor's report to the members of National Australia Bank Limited

Review conclusion on selective sustainability information

We have conducted a review of the following information in the Climate-related Disclosures as included in the Company's Annual Report ("Climate-related Disclosures") of National Australia Bank Limited (NAB) (the Company) and its subsidiaries (collectively the Group) for the year ended 30 September 2026 (the 'selective reviewed sustainability information') in accordance with Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010) issued by the Auditing and Assurance Standards Board (AUASB):

Selective reviewed sustainability information	Criteria: Reporting requirement of AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D)	Location in Climate-related Disclosures
Governance	Paragraph 6	'Governance' section on pages 87 to 88.
Strategy (risks and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	'Climate-related opportunities' section on page 51 and 'Climate-related risks' section on pages 53 to 56.

The requirements of AASB S2 identified in the table above form the criteria relevant to the selective reviewed sustainability information and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).
We have not become aware of any matter in the course of our review that makes us believe that the selective reviewed sustainability information specified in the table above does not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Audit opinion on selective sustainability information

We have conducted an audit of the following information in NAB's Climate-related Disclosures and its subsidiaries for the year ended 30 September 2026 (the 'selective audited sustainability information') in accordance with ASSA 5010:

Selective audited sustainability information	Criteria: Reporting requirement of AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D)	Location in Climate-related Disclosures
Scope 1 and 2 emissions[1]	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	'Scope 1 and 2 GHG emissions' section on page 69, 'GHG Operational emission methodology and reporting boundary' section on page 93 and 'Scope 1 and 2 methodology' section on pages 94 to 95.

The requirements of AASB S2 identified in the table above form the criteria relevant to the selective audited sustainability information and apply under Division 1 of Part 2M.3 of the Act.

In our opinion, the selective audited sustainability information specified in the table above is prepared in accordance with the *Corporations Act 2001*, including:

a. Subsection 296A(2) (contents of climate statements); and
b. Section 296C (compliance with Australian Sustainability Reporting Standard S2 *Climate-related Disclosures* issued by the Australian Accounting Standards Board and any Ministerial legislative instrument); and
c. Section 296D (climate statement disclosures).

The selective reviewed sustainability information and selective audited sustainability information are collectively referred to as the 'selective sustainability information'.

[1] Scope 1 and 2 emissions for the period 1 July 2025 to 30 September 2026 and 1 October 2025 to 30 September 2026.

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Review conclusion on subject matter

We have conducted a review of the subject matter in the Company's Annual Report ("AR") and Sustainability Data Pack ("SDP") as listed in Appendix A to Appendix G (the 'subject matter') for the reporting periods as listed in Appendix A to Appendix G.

Based on the procedures we have performed and the evidence we have obtained, we have not become aware of any matter in the course of our review that makes us believe that the subject matter listed in Appendix A to Appendix G for the Group is not prepared, in all material respects, in accordance with the criteria for the reporting periods outlined in Appendix A to Appendix G.

Basis for conclusions and opinion

Basis for conclusions

Our reviews have been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our reviews include obtaining limited assurance about whether the selective reviewed sustainability information and subject matter are free from material misstatement.

In applying the relevant criteria for the selective reviewed sustainability information, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusions are based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the *Summary of the Work performed for our review engagements* section of our report.

Basis for opinion

Our audit has been conducted in accordance with ASSA 5000. Our audit includes obtaining reasonable assurance that the selective audited sustainability information is free from material misstatement.

Basis for conclusions and opinion

Our responsibilities under ASSA 5000 are further described in the *Auditor's responsibilities* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the Act and the ethical requirements of *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code), that are relevant to reviews and audits of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

Our firm applies Australian Standard on Quality Management 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 and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions and opinion.

Other matter

Comparative information was not subject to an assurance engagement in the prior period, except for Scope 1 and 2 emissions and the subject matter presented in Appendix A to Appendix G[2]. In connection with our review and audit on the selective sustainability information, and our review on the subject matter, our responsibility is to determine whether the comparative information is appropriately presented, by evaluating its consistency with the disclosures presented in the prior period and the consistency of the criteria with the criteria applied in the current period. Our conclusions and opinion are not modified in respect of this matter.

Other information

The directors of the Company are responsible for the other information. The other information comprises the Company's Annual Report, including the Financial Report and the Climate-related Disclosures, and SDP but does not include the

[2] Prior-year assurance over the comparative information in Appendix G does not include metric 7. 'Cumulative progress against ambition to provide $60bn in financing to address housing affordability by 2030'.

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selective sustainability information and subject matter, and our review and audit report thereon.

Our conclusion and opinion on the selective sustainability information, and our conclusion on the subject matter, does not cover the other information and we do not express any form of assurance conclusion thereon in this review and audit report. We have issued separate auditor reports on the Financial Report and the Remuneration Report.

In connection with our review and audit of the selective sustainability information, and our review of the subject matter, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the selective sustainability information and the subject matter, or our knowledge obtained when conducting the reviews and 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 for the selective sustainability information and subject matter

The directors of the Company are responsible for:

- The preparation of the selective sustainability information in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the selective sustainability information, in accordance with the Act that is free from material misstatement, whether due to fraud or error.

Management of the Company are responsible for:

- The identification, selection and development of suitable criteria for the subject matter;
- The preparation of the subject matter in accordance with the criteria; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the subject matter, in accordance with the criteria that is free from material misstatement, whether due to fraud or error.

Inherent limitations

As discussed in the 'Forward-looking statements' section of the Climate-related Disclosures, climate-related risk management is an emerging area, and often uses data and methodologies that are developing and uncertain. The AR contains forward looking statements, including climate-related scenarios, targets, assumptions, climate projections, forecasts, statements of future intentions and estimates and judgements that have not yet occurred and may never occur. We do not provide assurance on the achievability of this prospective information.

Greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.

Auditor's responsibilities

Our objectives are to:

- Plan and perform the reviews to obtain limited assurance about whether the selective reviewed sustainability information and subject matter, defined in the *Review conclusions* section of our report, is free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusions.
- Plan and perform the audit to obtain reasonable assurance about whether the selective audited sustainability information, defined in the *Audit opinion* section of our report, is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our opinion.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the selective sustainability information and subject matter.

As part of our audit and review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- For an audit engagement:
  - Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether

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due to fraud or error, at the assertion level for the disclosures but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.

- Design and perform procedures responsive to assessed risks of material misstatement at the assertion level for the disclosures. 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.

- For a review engagement:
  - Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
  - Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. 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.

Summary of the work performed for our review engagements

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the selective reviewed sustainability information and the subject matter. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

The procedures we performed for the review of the Climate-related Disclosures included, but were not limited to:

- Considered the completeness of NAB's assessment of climate-related risks and opportunities
- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the selective sustainability information during the reporting period
- Read minutes of relevant committees to understand matters discussed and decisions made with respect to climate-related disclosures
- Assessed the appropriateness of the reporting boundaries applied
- Undertook analytical review procedures to support the reasonableness of the selective sustainability information
- Agreed the selective sustainability information disclosures made in the report with the underlying records
- Evaluated the presentation and disclosure of the selective sustainability information against the requirements of AASB S2

The procedures we performed for the review of the subject matter included, but were not limited to:

- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the subject matter during the reporting period
- Read minutes of relevant committees to understand matters discussed and decisions made with respect to the subject matter
- Assessed the appropriateness of the reporting boundaries applied
- Undertook analytical review procedures to support the reasonableness of the subject matter
- Agreed the subject matter disclosures made in the report with the underlying records
- Evaluated the presentation and disclosure of the subject matter against the requirements of the criteria

Ernst & Young

T M Dring
Partner
Melbourne
5 November 2026

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Appendix A

NAB's reported performance of its financed and facilitated emissions as included within the AR for selected sectors for the period 1 July 2024 – 30 June 2025, other than Transport – Shipping, which is 1 January 2025 to 31 December 2025:

Review subject matter	Location (AR)	Criteria applied by NAB
Absolute emissions for the following sectors: ▸ Power generation ▸ Thermal coal[1] ▸ Oil and gas[1] ▸ Aluminium ▸ Iron and steel[1] ▸ Transport – aviation ▸ Transport – road ▸ Transport – shipping ▸ Transport – other (incl. rail and heavy vehicles) ▸ Commercial real estate (CRE) – office ▸ Commercial real estate (CRE) – retail ▸ Commercial real estate (CRE) – other ▸ Residential real estate ▸ Agriculture ▸ Whole portfolio	AR pages 71, 86, 73 (Thermal coal), 74 (Oil and gas) and 75 (Iron and steel)	▸ The Global GHG Accounting and Reporting Standard Part A: Financed Emissions (Second Edition, PCAF, 2022) ▸ The Global GHG Accounting and Reporting Standard Part B: Facilitated Emissions (First Edition, PCAF, 2023) ▸ NAB Group's publicly disclosed Financed Emissions Methodology and Target Setting Baseline Methodology as reported in the AR
Facilitated emissions for the following sectors: ▸ Power generation ▸ Thermal coal[1] ▸ Oil and gas[1] Facilitated emissions includes an average of arrangements across a 3-year period, i.e. 2025 includes arrangements from 2023, 2024 and 2025.	AR page 71	
Portfolio emissions intensity for the following sectors: ▸ Power generation ▸ Aluminium ▸ Transport – aviation ▸ Transport – road ▸ Transport – shipping ▸ Commercial real estate (CRE) – office ▸ Commercial real estate (CRE) – retail ▸ Residential real estate	AR page 71, 72 (Power generation), 77 (Aluminium), 78 (Transport – road), 79 (Transport – aviation), 80 (Transport – shipping), 82 (CRE) and 84 (RRE)	
Coverage ratio, including percentage of EAD and percentage of financed emissions for the following sectors: ▸ Power generation ▸ Thermal coal[1] ▸ Oil and gas[1] ▸ Aluminium ▸ Iron and steel ▸ Transport – aviation ▸ Transport – road ▸ Transport – shipping ▸ Transport – other (incl. rail and heavy vehicles) ▸ Commercial real estate (CRE) – office ▸ Commercial real estate (CRE) – retail ▸ Commercial real estate (CRE) – other ▸ Residential real estate ▸ Agriculture ▸ Whole portfolio	AR pages 71 and 86	

[1]Inclusive of scope 3 emissions

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Appendix B

NAB's environmental financing and renewable energy disclosures as included in the AR and the SDP for period 1 October 2025 to 30 September 2026:

Review subject matter	Location (AR and the SDP)	Criteria applied by NAB
1. Large scale renewables	AR page 52 SDP tab 'Financing'	NAB's Environmental Finance Ambition (EFA) Methodology as reported in the AR
2. Green labelled business lending propositions (Agribusiness, CRE, Vehicles and Equipment)		
3. Energy efficient residential real estate lending		
4. Capital markets		
5. ACCU Trading activity		
6. NAB's reported performance of its renewable energy generation as a proportion (%) of NAB Group's exposure to the power generation sector, expressed as Exposure at Default (EaD)	AR page 65	NAB Group Methodology as reported in the AR

Appendix C

NAB's preparation and application of its materiality process as included in the AR for the period 1 October 2025 to 30 September 2026:

Review subject matter	Location (AR)	Criteria applied by NAB
1. NAB's preparation and application of its materiality process for NAB's ESG material themes against its Basis of Preparation drawing on 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 2026 AR.	AR page 24	Principles of materiality and completeness as defined by the Global Reporting Initiative ('GRI') Standard

Appendix D

NAB's reported performance on the performance data for the London Branch, NAB Group (excluding London Branch) and NAB Group as included in the SDP for the period 1 October 2025 to 30 September 2026:

Review subject matter	Location (SDP)	Criteria applied by NAB
1. Energy from gas consumption (KWh) 2. Energy from vehicle fleet fuel use (KWh) 3. Energy from electricity consumption (KWh) 4. Total energy for SECR reporting (KWh) 5. GHG emissions from energy use (Scope 1 – Gas) (tCO_2-e) 6. GHG emissions from vehicle fleet (Scope 1) (tCO_2-e) 7. GHG emission from energy use (Scope 2, location-based – electricity) (tCO_2-e) 8. Total gross Scope 1 and 2 GHG emissions for SECR reporting (tCO_2-e) 9. Total gross Scope 3 GHG emissions for SECR reporting (tCO_2-e)[1] 10. Intensity ratio: Energy (KWh)/$ Financial Metric 11. Intensity ratio: Gross Scope 1 and 2 GHG emissions (tCO_2-e)/$ Financial Metric 12. Intensity ratio: Energy (KWh)/m^2 13. Intensity ratio: GHG (tCO_2e)/m^2 14. Intensity ratio: Energy (KWh)/FTE 15. Intensity ratio: GHG (tCO_2-e)/FTE	SDP tab 'Indicators & Emissions'	▸ World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol and NAB Group's Environmental Reporting and Offset Management Policy ▸ Streamlined Energy and Carbon Reporting (SECR) obligation (implemented through the Companies (Directors Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (UK)

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Review subject matter	Location (SDP)	Criteria applied by NAB
16. Emissions from electricity use (Scope 2, market-based – electricity) (tCO_2-e) 17. Total net location-based Scope 1, 2 and 3 GHG emissions (after UK and Australian renewable energy) 18. Total net market-based Scope 1, 2 and 3 GHG emissions (after UK and Australian renewable energy) 19. Carbon offsets retired 20. Net carbon emissions (carbon neutral)		▸ NAB's Scope 3 methodology as reported in the AR

[1]Scope 3 emissions for the period 1 July 2025 to 30 September 2026 and 1 October 2025 to 30 September 2026. In addition to the SDP, Scope 3 emissions for NAB Group are also disclosed on page 69 of the AR.

Appendix E

NAB's specified GHG emissions and offset data (in tonnes of carbon dioxide equivalents (tCO_2-e) from operations in Australia, New Zealand, United Kingdom, France, United States and Asia as included in the SDP for the periods as specified below:

Review subject matter	Location (SDP)	Criteria applied by NAB
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 September 2026	SDP tab 'Indicators & Emissions'	NAB Group Environmental Reporting and Offset Management Policy and reporting methodologies
2. Actual quantity of carbon offsets purchased and retired for the year ended 30 September 2026		
3. Estimated consolidated Scope 1, Scope 2 (market-based method) and selected net GHG emissions for the forecast year ending 30 September 2027		
4. Actual quantity of carbon offsets purchased and retired for the market-based forecast for the year ending 30 September 2027		

Appendix F

NAB's reduction against Science-based Emissions Target (SBT) for the period as specified below:

Review subject matter	Location (AR)	Criteria applied by NAB
1. NAB's progress for the year ended 30 September 2026 towards its 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 2025 Climate Report, and disclosed in the 2026 AR.	AR page 68	Sectorial Decarbonisation Approach (SDA) methodology published by the Science-Based Target Initiative and developed jointly by CDP, the World Resources Institute and WWF

Appendix G

NAB's reported performance of 26 sustainability and 3 RAP non-financial performance metrics as included in the AR and the SDP for the period 1 October 2025 to 30 September 2026:

Review subject matter	Scope	Location (AR and SDP)	Criteria applied by NAB
Customers			
1a. Net Promoter Score (by segment)	Australia	AR page 3 SDP tab 'General'	NAB Group Methodology as reported in the AR and SDP
1b. Net Promoter Score (by segment)	NZ	AR page 3 SDP tab 'General'	

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Review subject matter	Scope	Location (AR and SDP)	Criteria applied by NAB
2a. 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	Australia	SDP tab 'General'	
2b. 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	NZ	SDP tab 'General'	
3. Total number of customer accounts in financial hardship	Australia	AR page 25 SDP tab 'Financial Health'	
4. Cure rate (percentage of customers with accounts back on track with repayments after 30 days/90 days)	Australia	SDP tab 'Financial Health'	
5a. Number and dollar value of microfinance loans written	Australia	AR page 26 SDP tab 'Financial Health'	
5b. Number and dollar value of microfinance loans and advances written	NZ	SDP tab 'Financial Health'	
6. Number of critical and high priority technology incidents	Australia	SDP tab 'General'	
7. Cumulative progress against ambition to provide $60bn in financing to address housing affordability by 2030[1]	Australia	AR pages 3 and 18 SDP tab 'Financing'	
8. Number of data breach notifications sent to the Office of the Australian Information Commissioner (OAIC)	Australia	AR page 31	
Conduct			
9a. Number of Code of Conduct breaches (by category and outcome)	Australia	SDP tab 'Culture'	NAB Group Methodology as reported in the AR and SDP
9b. Code of Conduct breaches identified that resulted in formal consequences	Australia & NZ	AR page 195	
10. Number of whistleblower disclosures received under the Whistleblower Policy (inc. partially or fully substantiated, not substantiated and remaining under investigation)	Australia	SDP tab 'Culture'	
Workforce			
11. Total workforce (by contract type, gender, headcount, age group, employment level, geographic region)	Group	SDP tab 'Employee Profile'	NAB Group Methodology as reported in the AR and SDP
12. Representation of women in total workforce and by employment level	Group	AR page 37 SDP tab 'Employee Profile'	
13. Representation of women in management and Executive Management	Group	AR page 37 SDP tab 'Employee Profile'	
14. Rate of employee turnover (voluntary/involuntary) by gender	Group	SDP tab 'Culture'	
15. Ratio of basic salary, women to men (by employment level and location)	Group	SDP tab 'Remuneration'	
16. Representation of women on Group Subsidiary Boards	Group	AR page 37 SDP tab 'Employee Profile'	

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Review subject matter	Scope	Location (AR and SDP)	Criteria applied by NAB
Culture, inclusion and diversity			
17. Workforce composition by diverse segment[2]	Group	SDP tab 'Employee Profile'	NAB Group Methodology as reported in the AR and SDP
18. Inclusive workforce culture – colleague inclusion score[2]	Group	AR page 37 SDP tab 'Employee Profile'	
19. Colleague engagement score[2]	Group	SDP tab 'Culture'	
20. Colleague engagement survey response rate[2]	Group	SDP tab 'Culture'	
21. Progress against 2024-2026 Inclusion & Diversity measurable objectives: Representation of women during FY26	Group	AR page 37 SDP tab 'Employee Profile'	
22. Gender pay gap[3]	Group	AR page 37 SDP tab 'Employee Profile'	
23. Return to work rate following parental leave (by gender)	Australia	AR page 36[4] SDP tab 'Culture'	
Community			
24. Community Investment (by dollar value, region, category, focus area)	Group	AR page 13 SDP tab 'Investment'	NAB Group Methodology as reported in the AR and SDP
Supply chain			
25. Spend with diverse suppliers during FY26	Australia	SDP tab 'Supply Chain'	NAB Methodology as reported in the SDP
26. Number of diverse suppliers engaged	Australia	SDP tab 'Supply Chain'	
RAP metrics			
RAP 1: Progress on First Nations procurement spend in FY26	Australia	AR page 13 and 19 SDP tab 'Supply Chain'	NAB Methodology as reported in the AR and SDP
RAP 2: Progress toward the $1 billion lending target to First Nations businesses and community organizations in FY26[1]	Australia	AR pages 3 and 19 SDP tab 'Financing'	
RAP 3: Number of self-identified First Nations employees[5]	Australia	AR page 20 SDP tab 'Employee Profile'	

[1] Lending calculated as at 30 June 2026

[2] Figures based on the colleague engagement survey conducted in July 2026

[3] Gender pay gap reflects 1 July to 30 June of the previous year (1 July 2024 to 30 June 2025)

[4] Return-to-work rate disclosed in the AR is the total across all genders only

[5] Figures based on the colleague engagement survey conducted in July 2026 and First Nations self-identification captured in NAB's human resources system as at 30 September 2026

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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 Inclusion and diversity policy and measurable objectives (pages 36 to 37)

- Risk management overview (page 146), including Sustainability Risk Management (pages 40 to 42)

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Corporate Governance Framework

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

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 2026.

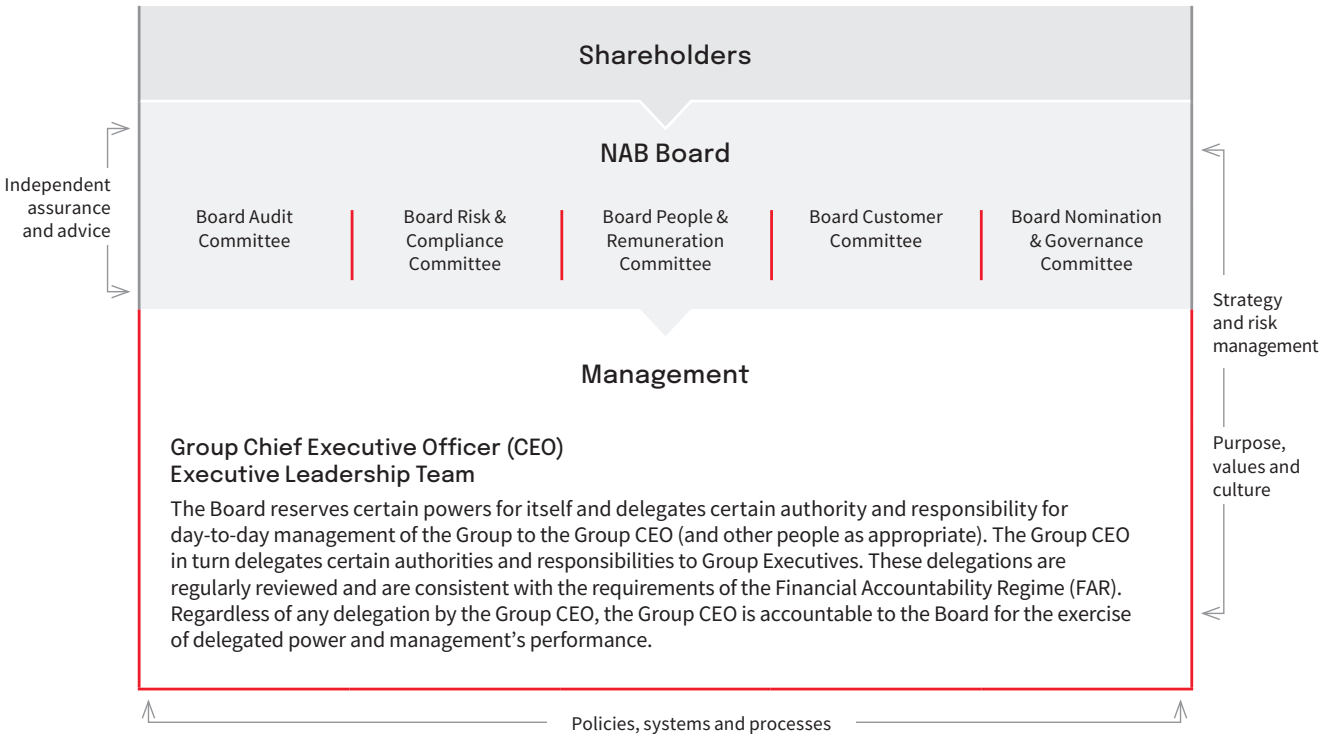
NAB aims to maintain and promote high standards of corporate governance to support strong business performance and retain the trust of shareholders, customers, colleagues, regulators and the community. NAB continually strives to improve its governance, accountability and risk management practices to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



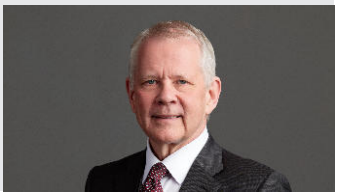
Board of Directors

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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 provided 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), FAICD, FCSI

Chair and independent non-executive director

Appointed: May 2016; Chair from November 2019.

Independent: Yes

Board committees: Nomination & Governance Committee (Chair)

Domicile: Sydney, Australia

Background & experience: Philip has more than 45 years' experience across banking and financial services in Australia and New Zealand. He was responsible for the Retail and Commercial business of Australia and New Zealand Banking Group Limited (ANZ) in Australia. Prior to joining ANZ, Mr Chronican had a long career at Westpac Banking Corporation (Westpac), including the roles of Group CFO of Westpac and Group Executive of its Institutional business. He also served as NAB Interim Group CEO from March to November 2019.

His diverse non-executive career spans financial services, food and consumer retail, medical research, economics and public policy.

Philip brings extensive strategic, financial and management expertise, including experience in M&A activity, transformation, business performance, risk management, capital management, financial reporting, stakeholder engagement, organisational leadership and governance. Philip has taken an active and public role in advocating for greater transparency and ethics in banking and promoting workforce diversity and has a strong interest in climate change.

Directorships of other listed entities in the last three years:

Woolworths Group Limited (October 2021–present).



Mr Andrew Irvine
BSc Business Management (Hons), MBA

Managing Director and Group Chief Executive Officer

Appointed: April 2024.

Independent: No

Domicile: Melbourne, Australia

Background and experience: Andrew has more than 27 years' experience in financial services. He joined NAB in 2020 as Group Executive, Business and Private Banking after a 12-year career with Bank of Montreal, where his roles included Head of Canadian Business Banking. He previously worked at McKinsey & Company in Canada, including as an Associate Principal advising financial services clients, and began his career in investment banking at Crédit Agricole in London.

Andrew brings deep customer, banking and executive leadership experience and has led businesses through significant change and growth. His experience using data, insights and technology to meet customer needs supports the Board's consideration of strategy, customer outcomes, transformation, organisational performance and execution of NAB's strategic priorities.

Other relevant interests: Director, Australian Banking Association; Director, Financial Markets Foundation for Children.



Ms Anna Bligh AC
BA

Independent non-executive director

Appointed: Independent non-executive director since September 2026. Member of the People & Remuneration Committee and the Board's Customer Committee.

Anna will stand for election at the 2026 AGM.

Independent: Yes

Board committees: People & Remuneration Committee and Customer Committee

Domicile: Sydney, Australia

Background and experience: Anna has more than 40 years' leadership experience across government, financial services, industry bodies and the not-for-profit sector. Anna served as Premier of Queensland from 2007 to 2012 and held senior ministerial portfolios including Deputy Premier, Treasurer and Minister for Finance, State Development, Trade and Innovation and Education. She was Chief Executive Officer of the Australian Banking Association from 2017 to 2025 and a Director of the International Banking Federation and previously served as Chief Executive Officer of YWCA NSW.

Her non-executive career spans financial services and the not-for-profit sector.

Anna brings deep expertise in governance, risk oversight, environmental and social, particularly through social policy, community and public sector experience, together with broad strategic experience in complex stakeholder, regulatory and commercial environments.

Directorships of other listed entities in the last three years:

Medibank Private Limited (December 2014–November 2023).

Other relevant interests: Chair, UNICEF Australia; Director, Australian Plays Transform.



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

Independent non-executive director

Appointed: December 2019.

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Independent: Yes

Board committees: People & Remuneration Committee (Chair) and Risk & Compliance Committee.

Domicile: Melbourne, Australia.

Background and experience: Kathryn has more than 40 years' commercial, operational, leadership and governance experience across banking, logistics, manufacturing and industrial businesses.

Her executive career included operational and strategic roles at ANZ, Linfox Logistics and BHP/BlueScope Steel.

Her diverse non-executive career spans financial services, industrials, manufacturing, science and innovation, environment and sustainability, public policy and the not-for-profit sector. She has served on the Reserve Bank of Australia board and chaired the CSIRO and Boral Limited boards.

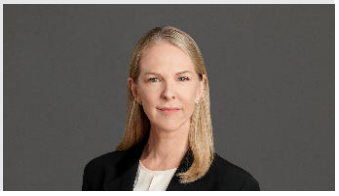
Kathryn brings extensive experience in strategy, business performance, risk management, customer experience, corporate development, stakeholder engagement, and people and culture across Australia, New Zealand and Asia.

Directorships of other listed entities in the last three years:

Djerriwarrh Investments Limited (May 2014–present); Medibank Private Limited (March 2022–present).

Other relevant interests: Chair, Watertrust Australia Limited; Director, The Grattan Institute; Director, The Myer Foundation.

Ms Christine Fellowes
BE, MAICD



Independent non-executive director

Appointed: June 2023.

Independent: Yes

Board committees: People & Remuneration Committee and Customer Committee.

Domicile: Singapore

Background and experience: Christine has more than 35 years of corporate experience in strategy, operations and driving digital transformation within multinational organisations in media, communications and technology. Most recently, she served as Managing Director of NBCUniversal's Global Networks and Direct to Consumer business in Asia-Pacific.

Her diverse non-executive career spans financial services, property development and investments, education, research and public policy.

Christine brings expertise in strategy, business performance, customer experience, stakeholder engagement, people and culture, data and analytics, and leading digital transformation while serving customer and community interests. She also brings deep experience in understanding the impact of technology on the workforce.

Directorships of other listed entities in the last three years:

GuocoLand Limited[1](January 2024–present).

Other relevant interests: Co-founder and director, NINEby9 Pte Ltd; Director, University of Western Australia (UWA) Business School.

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



Independent non-executive director

Appointed: December 2024.

Independent: Yes

Board committees: Audit Committee and Risk & Compliance Committee.

Domicile: Auckland, New Zealand

Background and experience: Warwick has more than 35 years' leadership, governance, commercial and strategic business experience through senior professional services firm roles, including as Managing Partner of PwC United Kingdom and Europe, Middle East and Africa. Warwick advised major organisations across sectors including financial services, aviation, oil and gas, sovereign wealth and agribusiness, and has led large firms through significant growth, transformation and digital change.

His non-executive career spans financial services, energy, retail, agribusiness, professional services and education.

Warwick brings extensive international experience across developed and emerging markets. His strategic, financial and management expertise includes deep experience in banking and global markets, financial and regulatory reporting, regulation, risk management and governance. Warwick was invested as an honorary Fellow of Kings College London in 2022.

Directorships of other listed entities in the last three years:

Genesis Energy Limited[2] (September 2022–present).

Other relevant interests: Chair and Independent Non-executive Director, Bank of New Zealand (a subsidiary of NAB); Trustee, Hargreaves Trust.

Ms Carolyn Kay
LLB, BA, GradDip Management, FAICD



Independent non-executive director

Appointed: July 2023

Independent: Yes

Board committees: Audit Committee, Risk & Compliance Committee and Nomination & Governance Committee.

Domicile: Sydney, Australia

Background and experience: Carolyn has more than 35 years' experience in financial services through executive and non-executive roles. Her career included executive roles with Morgan Stanley, JP Morgan and Linklaters & Paines in London, New York and Australia.

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

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Her diverse non-executive career spans banking and financial services, industrials, infrastructure, health, asset management, public-sector finance. In the finance sector she previously served on boards including The Future Fund, Commonwealth Bank of Australia, Treasury Corporation of Victoria and Victorian Funds Management Corporation.

Carolyn brings deep expertise in banking, governance, risk management, business performance, stakeholder engagement, public policy and investment oversight, together with experience in people and culture matters. She was awarded a Centenary Medal for services to Australian society in business leadership.

Directorships of other listed entities in the last three years:

Scentre Group Limited (February 2016–present).

Other relevant interests: Chair, Rothschild & Co Australia; Director, Myer Family Investments; Member, Foreign Investment Review Board; Trustee, Sydney Grammar School.

Ms Alison Kitchen AM

BA (Hons), FCA (Australia and NZ), FCA (England and Wales), FAICD



Independent non-executive director

Appointed: September 2023.

Independent: Yes

Board committees: Audit Committee (Chair) and Customer Committee.

Domicile: Melbourne, Australia

Background and experience: Alison has more than 35 years' experience in management, governance and audit. She was National Chair of KPMG Australia and served on KPMG's Global and Regional boards. In her executive career, she acted as lead external audit partner for major ASX-listed organisations and gained extensive experience in audit, transaction support, risk management, internal controls, business processes, regulatory change, corporate governance and sustainability across a diverse range of industries.

Her diverse non-executive career spans financial services, engineering and construction, data centres and digital infrastructure, education and public policy.

Alison brings deep expertise in auditing, financial reporting, governance, risk management, leadership, together with experience in sustainability and climate transition.

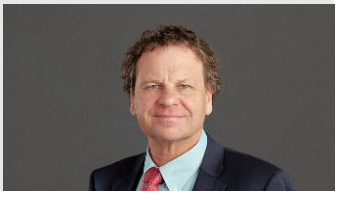
Directorships of other listed entities in the last three years:

Worley Limited (since July 2024)

Other relevant interests: Director, AirTrunk Australia.

Mr Simon McKeon AO

BCom, LLB, FAICD



Independent non-executive director

Appointed: February 2020.

Independent: Yes

Board committees: Risk & Compliance Committee (Chair), People & Remuneration Committee and Nomination & Governance Committee

Domicile: Melbourne, Australia

Background and experience: Simon has more than 45 years' experience across financial services, law, government and the not-for-profit sector. He previously held investment banking leadership roles at Macquarie Group, including Executive Chair of its Victorian business, and served as Chair of AMP Limited.

His diverse non-executive career spans public policy, science and innovation, technology, education and the not-for-profit sector. His leadership roles have included chairing the boards of CSIRO, Independent Schools Victoria, MS Research Australia, MYOB and serving as Chancellor of Monash University and the inaugural President of the Australian Takeovers Panel.

Simon brings deep expertise in strategy, business performance, risk management, legal and regulatory matters, stakeholder engagement and governance across private, public and social sectors. He also brings broad experience in client and people and culture matters.

Directorships of other listed entities in the last three years:

Rio Tinto Group (January 2019–May 2024).

Other relevant interests: Chair, Greater South East Melbourne; Chair, Australia's Challenge for the 38th America's Cup, Naples 2027; Chair, The Big Issue.

Ms Ann Sherry AO

BA, Grad Dip IR, FAICD, FIPAA



Independent non-executive director

Appointed: November 2017; standing down following the 2026 Annual General Meeting

Independent: Yes

Board committees: Customer Committee (Chair), People & Remuneration Committee

Domicile: Brisbane, Australia

Background and experience: Ann has more than 45 years' experience across financial services, public service, tourism and transport. She held senior business and people and culture roles at Westpac and was CEO and Chair of Carnival Australia.

Her diverse non-executive career spans financial services, transport and infrastructure, education, marketing and the not-for-profit sector. She has extensive interests in social and environmental matters, including First Nations affairs, children and vulnerable people, climate leadership and philanthropy.

She brings deep experience in strategy, business performance, operations, customer experience, stakeholder engagement, people and culture, marketing, diversity and inclusion. She also brings broad experience in risk management, capital management and technology.

Directorships of other listed entities in the last three years:

Enero Group Limited (from January 2020 to October 2024)

Other relevant interests: Co-Chair, NAB First Nations Advisory Group; Chancellor, Queensland University of Technology; Chair, Queensland Airports Limited; Chair, Circa; Chair, Super Members Council (SMC) Australia; Chair, Housing Australia.

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 provided 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.

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Executive Leadership Team

Executive Leadership Team

Details of NAB's Executive Leadership Team members are below.



Andrew Irvine
BSc Business Management (Hons), MBA

Refer to the *Board of Directors* on page 121 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, including senior executive roles with Bank of Montreal and TD Canada Trust.



Cathryn Carver
BEcon&Fin

Cathryn was appointed Group Executive, Corporate and Institutional Banking in July 2024. Cathryn joined NAB in 2016 and has more than 30 years' global experience across capital markets, corporate finance, wealth and institutional banking, including senior roles at ANZ, Westpac and Macquarie Bank.



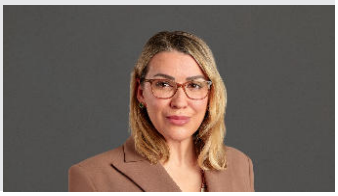
Shane Conway
BBus

Shane was appointed Group Executive, Transformation in December 2025 and took on a broader portfolio when appointed to the role of Group Executive, Transformation & Operations effective 1 October 2026. Shane has over 25 years' experience in financial services, across corporate finance, valuation, product, mergers and acquisitions, strategy, and planning. Shane has held senior leadership roles across NAB, including Executive, Enterprise Payments and Technology Modernisation.



Daniel Huggins
BCom (Hons), MBA, MEM

Daniel was appointed as BNZ's Managing Director and Chief Executive Officer in October 2021. Daniel has more than 20 years' experience in banking, corporate and financial services. Prior to joining BNZ in 2020, he worked at the Commonwealth Bank of Australia and McKinsey & Company.



Ana Marinkovic
BA, MBA

Ana was appointed Group Executive, Personal Banking in April 2024. Ana joined in 2019 and has more than 20 years' experience in senior banking roles across strategy, payments, mortgages, contact centres, technology and operations in consumer and commercial divisions.



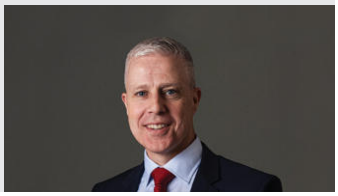
Inder Singh
BCom

Inder was appointed Group Chief Financial Officer and Group Executive, Strategy in March 2026. Inder has more than 25 years' experience across global financial services, with senior leadership roles spanning insurance, banking and asset management. Before joining NAB, Inder was Group Chief Financial Officer of QBE Insurance Group, a role he held from 2018.



Connie Sokaris
BCom

Connie was appointed Group Chief Risk Officer in August 2026. Connie has more than 30 years' experience in financial services, with expertise spanning risk, institutional banking, capital markets, corporate finance, strategy and enterprise transformation. Prior to joining NAB in 2003, Connie held risk positions with UBS and Deutsche Bank in Australia, the United Kingdom and the United States.



Pete Steel
BIT

Pete was appointed Group Executive, Digital, Data and Artificial Intelligence in November 2025 and took on a broader portfolio when appointed to the role of Group Executive, Technology & AI effective 1 October 2026. Pete has more than 30 years' experience in senior roles across banking, finance and technology. Prior to joining NAB, he held senior roles at Lloyds Banking Group in the UK, and spent 16 years at Commonwealth Bank of Australia, including Group Chief Digital Officer and Chief Information Officer for the Retail Bank.

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Sarah White

Sarah was appointed Group Executive, People & Culture in August 2023. Sarah has extensive experience across business partnering, coaching executives and senior leaders, leading complex change and business transformation, including senior people leadership roles at NAB. Sarah was previously the Chief of Staff to the Group Chief Executive Officer for more than five years.



Jon Benson
BCom LLB

Jon was appointed Group General Counsel in December 2025 and joined the Executive Leadership Team on 1 October 2026. Jon is responsible for NAB's Legal, Corporate Affairs, Regulatory Affairs and Governance functions. Jon has more than 25 years' experience in senior legal and management roles across Australia and Asia, specialising in financial services. Prior to joining NAB in 2021, Jon held senior legal roles at Westpac and The Royal Bank of Scotland plc, and worked at Mallesons in Sydney and Sidley Austin in London.

Former Executive Leadership Team members

Four Executive Leadership Team members announced they would retire from the Group during the 2026 financial year. One Executive was promoted to the Executive Leadership Team in an acting capacity before returning to his prior role. Their Key Management Personnel (KMP) status for the 2026 financial year is outlined in the Remuneration Report.

Les Matheson was appointed Group Chief Operating Officer in January 2021. Les has almost 30 years' experience in banking and finance across Australia, NZ, Europe and Asia Pacific. Prior to joining NAB, Les held executive roles at RBS Group and Citigroup. In August 2026, Les announced he would retire on 30 September 2026.

Patrick Wright was appointed Group Executive, Technology and Enterprise Operations in April 2017. Patrick has more than 30 years' experience across banking, technology, operations and transformation, including senior roles at Barclaycard and Barclays America. In August 2026, Patrick announced he would leave the Executive Leadership Team on 30 September 2026 and transition to retirement.

Following the retirement of Patrick Wright and Les Matheson, the responsibilities they held were primarily reallocated, largely by expanding the portfolios of two other Group Executives. Effective 1 October 2026, **Pete Steel** became Group Executive, Technology & AI, and **Shane Conway** became Group Executive, Transformation & Operations.

Shaun Dooley was appointed to the role of Group Chief Risk Officer in October 2018. He acted as the Group Chief Financial Officer for the period March 2025 to March 2026, before returning to the role of Group Chief Risk Officer. Shaun left that role on 2 August 2026 in his transition to retirement and ceased to be a KMP on that date. Shaun joined NAB in 1992.

From March 2025 to March 2026, **Peter Whitelaw** acted in the role of Group Chief Risk Officer while Shaun Dooley was acting in the role of Group Chief Financial Officer prior to Inder Singh commencing in that role. Peter returned to his prior role as Executive, Chief Resilience Risk Officer.

Refer to the 2025 Annual Report for information on **Sharon Cook**, who retired as Group Executive, Customer and Corporate Services on 31 December 2025.

For additional information on the changes, refer to the *Remuneration Report*.

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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 Group 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 AI, 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 including Climate-related Disclosures. • 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.

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Key Board activities

Key Board activities in 2026

- **Strategy and business performance** – The Board devoted significant time to overseeing execution of NAB's strategy, reviewing business performance, considering future growth opportunities and assessing the long-term sustainability of the Group's business model. At each major Board meeting, the Board received reports on business performance and strategy execution. The Board approved the Group's business plan in October 2025 and had several sessions with management during 2026 on the evolution of NAB's strategy having regard to changes in the external environment and internal context. This included workshops with management and engaging with external experts. Directors also met with investors and key regulators to hear their perspectives.
- **Risk management** – A substantial proportion of Board time was dedicated to oversight of risk management, financial crime prevention, operational resilience and prudential and compliance obligations. 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. The Board oversaw management's development of a risk management and governance framework for AI. Directors participated in workshops with management to deepen their understanding of specific risks, as well as on topics such as stress testing, geopolitical risks and resilience risk. Directors also participated in sessions with internal and 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.
- **Customers** – Customer outcomes, trust and advocacy remained central considerations in Board discussions across strategy, risk, operational and transformation agendas. Directors met with customers and customer advocates (internal and external) throughout the year to hear their feedback and perspectives. The Board and Customer Committee focused on matters impacting customers, including customer experience, complaints and remediation, as well as scams. Directors participated in several site visits, immersion sessions and engagement activities with customer-facing colleagues.
- **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.
- **Technology and transformation** - The Board maintained significant oversight of technology modernisation, cyber resilience and major transformation programs aimed at enhancing customer outcomes, efficiency and operational resilience. At each major Board meeting, the Board received reports from the Group Executive, Technology and Enterprise Operations. The Board also received updates on the development and execution of NAB's business-led technology modernisation strategy, as well as digital, data and AI strategies. The Board 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 quantum computing. The Board also met with external advisors on NAB's business-led technology modernisation and transformation programs. The Board also focused on the oversight of the strategic implications of AI, deployment of AI tools and workforce considerations. To build knowledge to support this focus, Directors participated in a study tour to the USA, where they met with leading AI firms, technology companies and banks and also participated in various external education programs.
- **Financial and capital management** – The Board maintained active oversight of NAB's financial performance, capital position, liquidity and shareholder outcomes. The Board received regular reports on financial performance, capital, funding and liquidity. The Board approved the 2025 full year and 2026 half year financial reports, the 2025 final and 2026 interim dividends, the Group's business plan, capital management strategy, funding plan and capital actions. Directors participated in workshops on balance sheet-related topics, including software capitalisation and asset distribution. The Chair and several directors met with a significant number of investors during the year to hear their perspectives.
- **People and culture** – The Board continued to oversee culture, conduct, workforce capability, succession and remuneration arrangements as key drivers of long-term performance and accountability. The Board and People & Remuneration Committee 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 and attended customer events. Some directors also visited NAB's business operations in overseas locations, including Delhi, Auckland, Hanoi, Ho Chi Minh City, Paris, Tokyo and New York. The Board also met with boards of some overseas subsidiaries during visits to Australia.
- **Regulatory and other stakeholder engagement** – The Board devoted considerable attention to governance, accountability and regulatory oversight in response to an evolving prudential and regulatory environment. 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 Board also met with external experts to hear insights on the regulatory landscapes in Australia and overseas.
- **Sustainability** – The Board remained 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 mandatory climate disclosures, high risk sectors and a human rights risk assessment. The Board participated in workshops to deepen directors' understanding of mandatory climate reporting requirements and climate-related risks, opportunities and trade-offs.

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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 four shorter Board meetings for specific purposes. In 2026, 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, several directors participated in external engagements and site visits, including operational site visits in Australia, NZ, the US, Europe, India, Japan 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 2026, the Board's priorities were: customer ambition; leadership succession planning and transition; risk culture; technology modernisation and business simplification; and reputation and market standing.

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 2026 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 2026, 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 2026* 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	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	10/10	-	-	-	-	8/8	9/9
Andrew Irvine[1]	10/10	-	-	-	-	-	8/9
Anna Bligh	1/1	-	-	-	-	-	1/1
Kathryn Fagg	10/10	-	6/6	5/5	-	8/8	9/9
Christine Fellowes	10/10	-	-	5/5	5/5	-	9/9
Warwick Hunt	10/10	5/5	6/6	-	-	-	9/9
Carolyn Kay	10/10	5/5	6/6	-	-	8/8	9/9
Alison Kitchen	10/10	5/5	-	-	5/5	-	9/9
Simon McKeon	10/10	-	6/6	5/5	-	8/8	9/9
Ann Sherry[1]	10/10	-	-	5/5	5/5	-	8/9

(1) Mr Irvine and Ms Sherry were unable to attend one concurrent meeting due to a known scheduling conflict, and gave their apologies and input to the meeting Chair.

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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 133.

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 121 to 123.

Board renewal

During the year, the Nomination & Governance Committee reviewed the three-year Board renewal strategy and plans in consultation with the Board. 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.

In August 2026, the Board announced the appointment of Anna Bligh as a non-executive director, effective 1 September 2026. Anna will stand as a Board-endorsed candidate for election by shareholders at the 2026 AGM, as required under NAB's Constitution. Anna will be a member of the Board's Customer and People & Remuneration Committees.

In 2026, the Board has recommended in the AGM Notice of Meeting that shareholders re-elect Christine Fellowes, Carolyn Kay, and Alison Kitchen for their second three-year term on the Board, and Simon McKeon for his third term.

One director, Ann Sherry, will stand down from the Board following the 2026 AGM. By that time, Ann will have completed three terms of three years on the Board.

Further details on NAB's directors are provided on pages 121 to 123.

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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 2026 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 – Agentic AI and business models in the AI-era, Quantum computing, Skills partnering and Digital assets.
- Risk management in banking – APRA CPS 900 Resolution Planning, geopolitical landscape, emerging risks, stress testing scenario design, financial crime risk and a scenario exercise.
- People-related topics – talent and succession planning and FAR.
- Mandatory climate reporting.
- Stakeholders – investor, customer, regulatory and government perspectives. This included meetings with representatives from each of these areas to hear and discuss their perspectives.

In addition to continuing education provided by NAB, directors personally invested in their own continuing education on topics including AI and sustainability.

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. Experience in governance of the use of AI, data and analytics, digital transformation and innovation and their impacts on customer experience, cyber security and other technology risks.	
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	Experience in overseeing environmental and social practices including strategies designed to respond to material climate-related risks and opportunities.	

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Board tenure and gender statistics[1]

Board tenure	%
0-3 years	22.2
3-6 years	33.3
6-9 years	33.4
9+ years	11.1

Board gender diversity	%
Female	66.7
Male	33.3

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. An independent external performance evaluation of the Board and its committees is conducted every three years, or as otherwise determined by the Board. In each intervening year, an evaluation is carried out. The next independent external performance evaluation is scheduled for 2028.

An internal evaluation was carried out in 2026. The process involved completion of a survey by directors, Group Executives, the Executive, Internal Audit, external auditor and the Group Company Secretary, covering matters such as roles and responsibilities, effectiveness, engagement and reporting. A report was prepared and provided to the Board.

The results of the internal evaluation were that the Board and each of its committees continue to operate effectively. In the spirit of continuous improvement, the Board and Committees agreed actions to further improve their effectiveness. Key actions included changes to the oversight of major programs and increased use of scenarios and stress testing considering the challenging and dynamic external environment.

Directors' individual performance is also assessed annually. Each director participated in an individual performance interview with the Chair in 2026 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. The committee reviews the design, operation and effectiveness of the Group remuneration framework and its alignment with the Group's strategy, risk management framework and applicable legal, regulatory and governance requirements.

NAB's remuneration approach is designed to provide fair and appropriate remuneration, promote the effective management of financial and non-financial risks, and support sustainable performance and the Group's long-term soundness. It reinforces NAB's focus on customers and colleagues and supports remuneration outcomes that reflect performance, conduct and alignment with NAB's values.

Within this broader approach, the executive remuneration framework is designed to attract, motivate and retain members of the Executive Leadership Team. Executive performance, risk, conduct and accountability are considered throughout the year, including through formal mid-year and year-end assessments. In considering these assessments, the Board may adjust variable remuneration outcomes where appropriate. The People & Remuneration Committee considers relevant input from the Board's Risk & Compliance Committee and recommends executive performance and remuneration outcomes to the Board for approval.

For colleagues more broadly, the Group remuneration framework supports fair and consistent remuneration arrangements across the Group, aligned with the Colleague Strategy. Remuneration outcomes recognise individual and collective performance and reinforce behaviours that support customers and help prevent and mitigate conduct risk.

Further details about NAB's remuneration framework, including executive and colleague remuneration arrangements and outcomes, non-executive director remuneration and remuneration governance are set out in the *Remuneration Report*.

Shareholder engagement

NAB values open, timely, transparent and accessible communication and engages with shareholders and investors through a range of channels, 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.
- NAB's share price information, periodic trading updates, financial results and reports, ASX announcements, investor presentations and briefings are available in the Shareholder Centre on our website at nab.com.au/shareholder.
- In situations when the Group hosts an analyst and investor presentation including for financial results announcements, 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 representation statistics are based on non-executive directors as at 30 September 2026, consistent with the NAB Board's gender representation measurable objective.

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- 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.
- Views received through shareholder engagement activities are monitored and considered when reviewing NAB's communications, reporting and engagement practice.

Annual General Meetings

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

NAB's 2026 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 2026 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, phone, email or via Computershare's online platform, Investor Centre by visiting http://www.investorcentre.com/nab. 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 2026, 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 2026, refer to the *Skills matrix* on page 131.

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 2026 that all non-executive directors identified on pages 121 to 123 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,

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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 at nab.com.au/about-us/corporate-governance.

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.

Apart from one new director, all other non-executive directors have met their minimum shareholding requirement. Anna Bligh, who is a recent appointee, is on track to meet the requirement within the policy period.

Minimum shareholding requirements for the Executive Leadership Team are:

- Group CEO: two times fixed remuneration (increasing to three times fixed remuneration from 1 October 2026).
- Group Executives: one times fixed remuneration (increasing to two times fixed remuneration from 1 October 2026).

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*.

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Board committees

Nomination & Governance Committee

Committee purpose	2026 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 external governance developments.	• Must have a minimum of three independent non-executive directors. • The Chair of the Board is Committee Chair. **2026 Members:** • Philip Chronican (Committee Chair) • Carolyn Kay • Simon McKeon Kathryn Fagg is leading the Chair succession planning process and attended all Committee meetings in 2026 in that capacity.

Audit Committee

Committee purpose	2026 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 corporate reporting, 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. **2026 Members:** • Alison Kitchen (Committee Chair) • Warwick Hunt • Carolyn Kay The Group Chief Financial Officer (CFO), Deputy Group CFO (or delegate), CFO Finance & Transformation, Executive, Internal Audit and senior executives of the Group's external auditor, EY, attended all eligible committee meetings.

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People & Remuneration Committee

Committee purpose	2026 areas of focus	Relevant information
Supports the Board in discharging its responsibilities relating to people and remuneration strategies, framework, 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, engagement and culture. • **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 2026 (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. **2026 Members:** • Kathryn Fagg (Committee Chair) • Anna Bligh (from September 2026) • Christine Fellowes • Simon McKeon • Ann Sherry The Board Chair, the Group CEO, the Group Chief Risk Officer (CRO), the Group Executive, People & Culture attended all major committee meetings. The Executive, Internal Audit attended the majority of all major meetings.

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Risk & Compliance Committee

Committee purpose	2026 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 & NAB Limited Risk Appetite Statement and the Group Risk Management Strategy, including existing and emerging financial and non-financial risks. • **Risk management:** reviewing the Board's annual Risk Management Declaration to APRA 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:** monitoring progress on key regulatory commitments including the implementation of material regulatory change programs. • **Control environment:** reviewing the health and effectiveness of controls. • **Audit matters:** reviewing key internal audit issues and 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, the external environment and applicable 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. **2026 Members:** • Simon McKeon (Committee Chair) • Kathryn Fagg • Warwick Hunt • Carolyn Kay 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	2026 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 consumer advocacy organisations. • **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 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. **2026 Members:** • Ann Sherry (Committee Chair) • Anna Bligh (from September 2026) • Christine Fellowes • Alison Kitchen The Group Executive, Customer & Corporate Services attended all meetings they were eligible to attend. The Group Chief Operating Officer attended the majority of meetings.

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Subsidiary boards

NAB has a number of subsidiary companies, each overseen by its own board of directors. The Board's confidence in the activities of its controlled entities is underpinned by the quality of directors serving on those subsidiary boards. Recognising jurisdictional requirements, the Group Subsidiary Governance Framework sets out the corporate governance expectations for subsidiaries operating within the Group, including the 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, we have a clear set of company values, 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 *Our Colleague Strategy* 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. We continue to embed Who We Are across talent management practices including our performance management framework and recruitment processes, as well as through increasing people leader and colleague capability. We are also focused on strengthening how we learn as an organisation and fostering a culture of continuous improvement. This includes ensuring every colleague understands their role in improving the customer experience. 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 at nab.com.au/about-us/corporate-governance. Information about NAB's measurable objectives is located in the *Inclusion and diversity* section of this Report.

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Conduct

NAB is committed to fostering a culture of acting lawfully, ethically and responsibly. This is supported by a suite of policies, frameworks, procedures and guidelines to promote honesty, accountability, sound decision-making and appropriate risk management. Compliance with these requirements is monitored, and management processes are applied where expectations are not met. Conduct, risk and accountability measures form part of the performance assessment of senior leaders.

NAB's Code of Conduct

NAB's Code of Conduct (the Code) was approved by the Board and sets out the behavioural expectations for directors, leaders, colleagues and contractors acting on behalf of NAB.

The Code reflects NAB's commitment to acting lawfully, ethically and responsibly and outlines the behaviours, principles and expectations that support positive outcomes for customers, colleagues and communities. It reinforces Who We Are, encourages individuals to 'Speak Up' about concerns, and provides guidance to support ethical decision-making and accountability.

The Code is supported by NAB's Colleague Conduct Framework, which provides a consistent approach to identifying, assessing and managing conduct matters, including consequence management where expectations are not met. Established forums across the organisation review conduct matters and outcomes to reinforce NAB's expectations of conduct, culture and accountability. Material breaches of the Code, or conduct materially inconsistent with its expectations, are reported through appropriate governance channels, including 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 and Executive Internal Audit) as 'Accountable Persons' with APRA and ASIC. NAB undertakes appropriate checks before appointing executives or putting someone forward for election as a director.

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 detailing their key responsibilities, which is lodged with APRA and ASIC.

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.

Escalation and whistleblower protection

The Group Whistleblower Protection Policy and Whistleblower Program reflect the Group's ambition to foster a culture 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.

Speaking up helps identify and address wrongdoing at an early stage, supports effective risk management and contributes to better outcomes for customers, colleagues and the Group.

The Group Whistleblower Program provides confidential reporting channels for eligible whistleblowers including current and former colleagues, officers, contractors and/or suppliers. This includes access to an independently monitored external hotline service.

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.

To support independence and effective oversight, the Program operates as an independent function with direct escalation and reporting lines to the Board's Audit Committee through the Group Whistleblower Committee.

The Group Whistleblower Protection Policy is available in the Code of Conduct section at nab.com.au/about-us/corporate-governance/code-of-conduct.

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/about-us/corporate-governance/managing-financial-crime.

Group disclosure and external communications 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 General Counsel or the General Counsel, Regulatory Affairs, Corporate & Customer 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 23.

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. Since 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/sustainability/reporting-policies-approach/performance-reporting.

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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 2026, 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, CFO Finance & Transformation, Group CRO, Group General Counsel (or delegate), 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 CFO Finance & Transformation 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 32 Remuneration of external auditor* in the Financial Report.

Legislation requires the rotation of the lead External Audit Partner and certain external audit senior personnel who are significantly involved in NAB's audit after five successive years.

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 (including Climate-related Disclosures), 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 2026 Annual 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 administrative 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 140.

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.

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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 2026.

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 2026 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.

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Risk Management

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Risk management overview

Risk includes the potential for harm and is an inherent part of our business. Managing risk 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, technology and information security risk, reporting risk, operational execution risk, financial crime and fraud risk, compliance risk and conduct risk.

NAB 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 and independent Risk function 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.

Risk governance refers to the formal structure to support risk-based decision-making, risk management review and challenge, and risk oversight across all Group 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.

Risk Appetite 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, including those to customers, colleagues and stakeholders.

Risk Frameworks are developed to articulate in greater detail, specific risk ecosystems that exist within NAB's RMF. These frameworks address how the RMF is implemented within a particular Material Risk Category (MRC) or Exposure (MRE). They describe the underlying principles and refer to the policies, procedures and processes relevant to their specific area.

Risk Policies are a mechanism for messaging obligations and directing colleague action and behaviour. They prescribe mandatory requirements, or 'must' statements, to help achieve NAB's strategic ambition, including to serve customers well, to operate within risk appetite and meet regulatory and legislative obligations.

Risk Management Practices focus on the systematic process of:

1. identifying
2. measuring
3. mitigating and evaluating; and
4. monitoring, escalating, reporting and remediating

all material risks we face in executing our Business Plan and meeting our commitments to customers, colleagues and stakeholders.

The Risk Management Strategy (RMS) and RAS are approved annually by the Board 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 CPS 220 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

Management of sustainability risk is discussed in the *Sustainability Risk Management section* on pages 40 to 42. Information on the Group's material exposures to sustainability-related risks is set out in *'Disclosure on risk factors'*. Details on how the Group manages risks presented by climate change can be found in the Group's Climate-related Disclosures. The Group's modern slavery statement is available at nab.com.au/about-us/sustainability/reporting-policies-approach/performance-reporting.

(1) For the purposes of FAR, NAB has registered certain individuals (the directors, Group Executives, Executive Internal Audit) 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. Risks may also be interconnected, such that the occurrence or escalation of one risk may increase the likelihood or severity of other risks and multiple risks may materialise concurrently. The combined effect of such risks may have a greater adverse impact on the Group than if those risks were to materialise independently. 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, Environmental, Social and Governance (ESG) matters and associated changes to processes and controls. 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 of 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 continues to operate in a dynamic and uncertain macroeconomic environment, which is being influenced by several factors, including geopolitical events, macro policy events, fiscal policy events and climate change. Elevated uncertainty and a changing social, macroeconomic and political environment may require the Group to change certain business practices, such as with respect to supplier dependency and customer exposures or strategic initiatives, which may increase the Group's costs or adversely affect its financial performance.

There continues to be competition across the core 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 and have business models, technology platforms or products that differ from or are more competitive than those of the Group. Additionally, some competitors are subject to less regulatory oversight, which may reduce their compliance costs and allow them to operate more efficiently.

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 more commoditised lines of business, such as home lending, where the providers with the lowest funding and operating costs may gain market share and industry profit pools may be eroded. The deposits and transactional banking market also remains competitive. 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 and sophistication of artificial intelligence (AI) and geopolitical and environmental factors have impacted and may continue to impact customer and other stakeholder needs and preferences along with shareholder expectations. The pace of change as it relates to AI presents both opportunities and risks for banks. 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 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 adoption of emerging technologies, including AI, may affect customer expectations and behaviours, competitive dynamics, operational models and the pace of change across the financial services industry. If the Group does not anticipate or respond to these developments effectively, it may experience strategic disadvantage, reduced competitiveness, increased costs or adverse impacts on customer experience, operations or financial performance.

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- 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 stablecoins, cryptocurrencies and other digital assets), the Reserve Bank of Australia's changes to credit card interchange settings and the shift away from traditional payment methods. If the Group does not respond to changes in the payments landscape, it may experience strategic disadvantage, reduced competitiveness, increased costs or adverse impacts on customer experience, operations or financial performance.
- 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, the United Kingdom (UK), Europe 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 continued implementation of the Consumer Data Right (CDR) in the Australian and New Zealand (NZ) banking sector. 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 continue to have exposure to a counterparty in relation to an acquisition or a divested business, following completion. 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 economic conditions across Australia and NZ may result in deterioration in the Group's credit risk profile in the short-to-medium term, including through 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, transport and storage 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 macroeconomic conditions may impact negatively on the Group's credit performance.

The Group has operations primarily in Australia and NZ and also across Asia, the 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 trade measures have intensified trade tensions. Given the continued use of tariffs and trade restrictions as policy tools in major economies, further changes to tariffs or retaliatory trade restrictions, supply-chain rerouting and other barriers to trade 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 and geopolitical tensions have disrupted supply chains, posing risks to commodity prices and increasing financial market volatility. Further escalations or disruptions to the supply of oil, gas and other energy products into Australia and NZ may increase fuel prices and exacerbate inflationary pressures, adversely affect trade-exposed industries and increase the risk of customer defaults. 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, 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, local taxation policies and structural changes in demand and supply. Variations in property prices, particularly in major cities such as Melbourne, Sydney, Brisbane 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. A sustained decline in property market conditions may adversely affect development and construction activity, increasing financial stress across the broader property ecosystem.

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 arise from customers with higher leverage positions, or where collateral values have deteriorated materially and there are no active forms of guarantees or insurance. 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 products).
- Higher critical input costs including fertiliser and fuel.
- Foreign exchange rate movements.
- Changes in consumer preferences and market access.
- Disease and introduction of pathogens and pests (e.g., the varroa mite and bird flu).
- Export and quarantine restrictions.
- Supply chain constraints and rerouting, together with increasing and potentially conflicting 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 and equity prices, particularly during periods of heightened market volatility or reduced liquidity. Market conditions continue to experience periods of volatility 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 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'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

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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 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, capital base and other funding sources, as well as the extent to which lending and deposit products can be repriced should interest rates change. Impacts from this exposure can include changes in the Group's net interest margin, movements in the value of the Group's balance sheet and changes in regulatory risk-weighted asset requirements.

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'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:

- From 1 January 2027, 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. There is no overall change to the minimum Total capital requirement. The leverage ratio and limits on large and related-party exposures will move from Tier 1 capital-based metrics to CET1 capital-based metrics, with the minimum requirement for the leverage ratio to reduce from 3.5% to 3.25%. Until 2032, existing AT1 capital instruments will be eligible to be included as Tier 2 capital until an instrument's first call date.
- Following the RBNZ's 2025 review of capital settings, changes for Group 1 deposit takers such as BNZ include a lower CET1 capital requirement of 12%, a Total capital requirement of 15%, removal of Additional Tier 1 capital instruments and the introduction of a 6% loss-absorbing capacity requirement, which may be met with Tier 2 capital. All Tier 2 and loss-absorbing capacity instruments are to be issued internally to the Australian parent bank, being NAB. The changes will span across a number of years. Revisions to introduce more granular risk weights under the RBNZ's standardised approach and removal of the ability to issue Additional Tier 1 capital are effective from 1 October 2026. The detail behind transition arrangements for existing Additional Tier 1 capital instruments and the new Tier 2 and loss-absorbing capacity framework remains subject to further consultation and final RBNZ decisions, with changes expected to take effect from December 2028. On 20 October 2026, the RBNZ opened consultation on six targeted changes to credit risk weights under the standardised approach. Any resulting changes are also expected to take effect from December 2028.

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.

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.

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.

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 the selection of, concentration of and reliance on suppliers, including cloud service providers. Supplier failures, including disruption or control failures at external service providers, or an inability to restore or recover systems and data or readily substitute a supplier in acceptable timeframes following severe but plausible technological disruptions to the Group or its external service providers, may affect critical services or lead to a compromise of customer information (as noted in "Information Security, Data and Privacy Breaches" below). These risks may also be amplified during periods of technology change, system implementation or transformation (including deployment of AI systems, as outlined under "Operational Execution Risk" below), process redesign and regulatory change across the Group.

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.

Information security, data and privacy breaches may adversely impact the Group's operations and reputation.

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 exposure to information security risks, from both insiders and external threat actors. Threats to information security are constantly evolving in speed, scope and sophistication, including through the use of AI (as outlined under "Operational Execution Risk" below) and other emerging technologies, including quantum computing, whereby threat actors identify vulnerabilities, automate attacks, evade detection or increase

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the scale and effectiveness of cyber-attacks. Insiders, including employees, contractors or other personnel with legitimate access to the Group's systems, data or facilities, or those of the Group's suppliers, may intentionally or inadvertently compromise the Group's information security. Intentional insider threats may include theft, fraud (as outlined under "Financial Crime and Fraud Risk" below), sabotage or unauthorised disclosure of confidential information, while inadvertent threats may arise from human error, failure to follow security protocols or susceptibility to social engineering or phishing attacks. The risk of insider threats may be heightened during periods of organisational change, workforce restructuring or increased reliance on external service providers. The Group's ability to detect, prevent and respond to insider threats may not always be adequate to identify or prevent harmful conduct before it occurs.

The Group may also fail to collect, use, disclose, retain or dispose of personal information appropriately, including where information is used for purposes that are not authorised, transparent or reasonably expected, or where access, consent, accuracy, retention or other privacy requirements are not adequately managed. This may result in customer or employee harm, loss of trust, regulatory action, remediation costs, litigation, financial loss or reputational damage.

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 that is not specifically required or permitted by legislation, thus increasing the potential impact of a 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.

Operational execution risk

Operational execution risk is the risk of loss, business disruption, customer harm, adverse decisions, regulatory breaches or non-compliance arising from weaknesses, vulnerabilities or failures in the execution, operation or governance of the Group's business services. This includes risks associated with transactions, processes, external service providers, statutory, tax and regulatory reporting, AI systems, third parties, models and people practices.

The increasing use of AI by external parties may amplify existing risks facing the Group.

The increasing availability, sophistication and adoption of AI, including agentic AI, by customers, competitors, external service providers, criminals and other threat actors may amplify existing risks facing the Group, including technology, information security, fraud, scams, financial crime, conduct, operational, compliance, strategic and reputational risks. The increasing use of AI may also affect external services, systems or infrastructure on which the Group or its customers depend, potentially amplifying existing technology, operational or other risks to the Group. AI is being used and may increasingly be used by criminals and other threat actors to identify and exploit technology vulnerabilities, automate or scale fraud and scam activity, create synthetic identities or fraudulent documents, generate misleading communications, manipulate information or circumvent controls.

The Group may not anticipate, detect or respond to these developments quickly or effectively enough or may need to make significant investment in capability, controls, monitoring, technology, data and specialist expertise to manage these risks. Failure to respond appropriately may adversely impact the Group's customers, operations, financial performance, regulatory standing, competitiveness or reputation.

The Group may fail to adequately design, deploy, use or oversee AI systems across their lifecycle.

The Group uses, and may increasingly use, AI systems, including machine learning, generative AI and agentic AI, across customer, lending, operational, risk management, fraud detection, cybersecurity and technology environments. The design, deployment and use of AI systems may introduce or amplify risks where data, models, algorithms, assumptions, prompts, controls, human oversight, monitoring or governance arrangements are inadequate or ineffective.

AI systems may produce inaccurate, unreliable, biased, discriminatory, misleading or inappropriate outputs (including hallucinations) or may be used in ways that are inconsistent with their intended purpose or the Group's policies, legal obligations, risk appetite or customer and community expectations, including through unauthorised use of AI tools. These risks may be heightened where AI systems are complex, opaque, rapidly evolving, deployed at scale across business processes, externally provided or embedded within third-party services, including

where NAB has limited visibility or control over their development, training data, testing or safeguards, while remaining accountable for outcomes arising from their use.

A failure to appropriately govern and control AI systems throughout their lifecycle, including through appropriate identification, validation, monitoring and human oversight, may result in customer harm, privacy or confidentiality breaches, unfair or inconsistent outcomes, operational disruption, regulatory non-compliance or enforcement action, litigation, remediation costs, financial loss or reputational damage.

The Group may fail to appropriately manage data, privacy, intellectual property and third-party risks arising from AI.

The Group's use of AI systems may amplify privacy, information security and data breach risks and may involve the collection, processing, generation, storage or transmission of large volumes of customer, employee, confidential, proprietary or commercially sensitive information across the Group's businesses, systems and external service providers. If AI systems, including those provided by external service providers, are not appropriately designed, configured, monitored or controlled, the Group may be exposed to privacy, confidentiality, data quality, data lineage, information security, intellectual property, record keeping, explainability and accountability risks.

Inadequate management of data used by or generated through AI systems may lead to decisions informed by data that are inaccurate, incomplete, unavailable, not current or otherwise unfit for purpose. Failure to appropriately manage and maintain the Group's data, including the use of data in a manner inconsistent with the Group's obligations and values, may also result in a loss of customer trust, reputational damage, operational disruptions, financial losses or regulatory action.

The Group may also be exposed to risks where AI outputs are generated using data, content or intellectual property for which appropriate rights, permissions or controls are not in place, or where AI-generated outputs are relied on without appropriate review. These risks may result in breaches of law or regulatory obligations, infringement or misappropriation of third-party intellectual property rights, customer or employee harm, contractual disputes, regulatory enforcement, litigation, financial loss or reputational damage.

Complexity of processes, external service providers and models gives rise to significant risks 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, may 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 addition, if the Group was found to have infringed or misappropriated a third-party patent or other intellectual property right, 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 relies on both automated and manual operational processes to deliver core services to customers and enabling services for the Group that rely on human interaction and oversight. The Group is exposed to operational risk due to human error in the performance of any of these processes, inadequate oversight or failure to follow required processes that could lead to adverse impacts to the Group, including direct financial loss, loss of customer, employee or commercially sensitive data, transaction or reporting errors, operational disruption, customer harm, regulatory breaches and penalties and reputational damage.

The Group may not be able to attract and retain suitable talent.

The Group is dependent on its ability to attract and retain executives, employees and Board members with the expertise required to govern and execute the Group's strategy, which includes its technology transformation agenda. The Group also relies on specialist technical capabilities and appropriate human judgement to manage key operational, compliance and other risks, and to adapt to changing customer, regulatory and industry requirements.

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 risks arising from workplace factors such as customer aggression, workload issues or poor change management) is an area of ongoing regulatory scrutiny and reputational risk and may adversely impact the Group's ability to attract and retain talent. In addition, the Group may face risks arising from disputes with employee representative bodies and unions, including collective bargaining challenges or regulatory scrutiny relating to employment practices. Such disputes may result in financial costs, operational disruption and reputational harm and could adversely impact the Group's relationship with its workforce and its 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.

The market for key executives, employees and Board members with the skills required by the Group is highly competitive, both domestically in Australia and relevant offshore locations. Significant organisational change or workforce reshaping, the unexpected departure of key personnel or challenges in attracting and retaining suitably qualified individuals may result in the loss of critical skills, capability, capacity or institutional knowledge and may adversely affect the Group's operational effectiveness, strategic execution, customer experience and stakeholder confidence. These talent-related risks may also extend to external

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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 the United States. It is dependent 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, communications, 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.

The Group may fail to comply with its reporting requirements where errors or omissions are identified in its regulatory submissions, financial statements or sustainability-related disclosures.

The Group is subject to extensive and evolving statutory, regulatory and tax 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 to submit 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 and mandatory sustainability-related disclosures involves the application of significant judgement, estimates and assumptions in respect of relevant accounting policies, disclosure requirements and reporting frameworks. If these judgements, estimates and assumptions are found to be incorrect, the Group may incur losses beyond those anticipated or provided for, or suffer regulatory scrutiny, financial loss or 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 is exposed to financial crime risk through the customers it banks, products it offers, channels through which it provides services, jurisdictions in which it operates and its employees, service providers and other parties. Financial crime may result in harm to customers and the community and expose the Group to financial loss, operational disruption and reputational damage. The Group is subject to evolving anti-money laundering and counter-terrorism financing (AML/CTF), anti-bribery and corruption (ABC) and financial sanctions requirements and associated risks across the jurisdictions in which it operates. The Group's ability to manage financial crime risk effectively depends on maintaining robust governance, risk management and control frameworks that can identify, assess and respond to existing and emerging threats. Where controls, oversight or remediation activities are inadequate or ineffective, the Group may also be exposed to regulatory scrutiny or enforcement, financial penalties and reputational damage.

Sanctions risks are heightened by the expansion of economic sanctions and export controls arising from ongoing geopolitical conflicts, increasing regulatory expectations concerning export control due diligence and attempts by sanctioned parties to evade or circumvent sanctions and export controls. These risks may be compounded by conflicting requirements across jurisdictions, including expanded measures adopted by the United States, the UK and the European Union targeting 'third-country' entities and China's counter-sanctions measures. Failure to comply with sanctions regulations could cause customer harm, financial losses, regulatory scrutiny and penalties and reputational harm.

Reforms to Australia's AML/CTF regime commenced on 31 March 2026, with certain changes commencing earlier. The amended regime expressly requires reporting entities to consider proliferation financing risks in addition to money laundering and terrorism financing risks and expands the range of entities subject to the regime to include providers of certain services in additional sectors, including lawyers, conveyancers, accountants and real estate professionals, some of whom may be customers of the Group. Proposed reforms to Australia's sanctions framework may also impose additional or amended obligations on the Group. These reforms may require significant changes to the Group's systems, processes and controls.

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 Chief Executive Officer confirmed that AUSTRAC had cancelled the Company's Enforceable Undertaking, while noting that the Company was undertaking additional transformation and remediation work outside the scope of the Enforceable Undertaking. The Group continues to identify and investigate AML/CTF compliance issues, uplift risk maturity, report to AUSTRAC or equivalent foreign regulators on these issues and perform appropriate remediation of the Group's systems, processes and controls, including in response to concerns raised by AUSTRAC regarding money laundering and terrorism financing risk management and reporting. A negative outcome arising from any breach and regulatory investigation may adversely impact the Group's customers, reputation, business operations, financial performance and position. Refer to *Note 29 Commitments and contingent liabilities* in *Notes to the financial statements* on pages 287 to 290 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 may involve the exploitation of banking products, telecommunications services and digital platforms, particularly social media.

The increasing availability and sophistication of AI may accelerate and increase the scale of fraud and scam activity, including by enabling criminals to create more convincing synthetic identities, fraudulent documents, impersonations and misleading communications. This may make fraud and scams more difficult to detect and prevent, reducing the effectiveness of the Group's existing controls.

The Group faces fraud and scam risks through its interactions with customers and service providers and through the actions of trusted insiders. Insiders may commit criminal acts against the Group or its customers, use the Group's products, systems or knowledge to facilitate criminal activity, or collaborate with organised criminal groups.

Organised criminal groups may coordinate large-scale fraud across multiple financial institutions, including through false or misleading loan applications, shell companies, compromised insiders and professional facilitators. Lending products and property transactions may be used to generate, move, conceal or legitimise criminal proceeds, and the Group may not identify or prevent these activities sufficiently quickly or effectively.

Fraud and scams may expose the Group to financial loss, customer and community harm, 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 erode customer trust and confidence.

Legislation has been enacted in Australia establishing a Scams Prevention Framework (SPF) that captures designated entities in the banking, telecommunications and digital platform industries. The SPF includes governance obligations, principles and requirements for internal and external dispute resolution, including binding determinations of liability. The Treasury has released updated draft codes and sector rules, with most SPF obligations commencing on 31 March 2027.

The SPF may expose the Group to liability for customer losses for which it may not previously have been responsible, including through the allocation of liability between designated entities. Failure to implement and maintain effective capabilities to comply with the SPF may expose the Group to increased customer compensation and remediation costs, regulatory investigation and enforcement, civil penalties, operational disruption and reputational damage.

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 a decrease in 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 and may result in increases in the Group's expected credit losses, provisioning and defaulted exposures. 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 such insurance is available 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.

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ESG due diligence requirements are becoming mandatory in an increasing number of 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 due diligence, disclosures and governance practices, modern slavery and greenwashing. As the focus and intensity of regulatory priorities continue to develop, the Group may require significant ongoing 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 to avoid customer harm and maintain appropriate market conduct.

The Group relies on its employees and contractors to put customers at the centre of the design and maintenance of its products and processes. Decisions made by employees, contractors and suppliers 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 suitable, transparent, accessible and easy for the Group's customers, including customers experiencing vulnerability, to understand and access.
- Failure to design policies and procedures that adequately articulate and drive appropriate standards of customer care.
- Failure to identify and adequately manage conflicts of interest.
- Ineffective learning and competency training requirements, or non-adherence to those 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 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 recurrence 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 failing 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 a number of 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 are significant costs 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. The Company has identified compliance risks relating to payroll-related benefits under Australian employment laws and current and historical enterprise agreements and has

reported compliance issues to the Fair Work Ombudsman (FWO). The Group continues to engage with the FWO in relation to these issues. Remediation work including, where applicable, the payment of remediation, is ongoing. Compliance issues could result in reputational damage, enforcement and/or 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. Such matters have resulted, and may continue to result in penalties, customer remediation, legal and compliance costs, operational changes and reputational harm. 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 pending or future regulatory actions and legal proceedings cannot be estimated with any certainty and could materially and adversely affect the Group.

The initiation or ongoing conduct of regulatory investigations or litigation involving the Group, as well as any negative outcome from such matters, 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 29 Commitments and contingent liabilities* in *Notes to the financial statements* on pages 287 to 290 for details in relation to certain 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 finalised by the Australian Government. These materials are essential to ensure the Group fully understands its compliance obligations. Given the scale and complexity of the changes, achieving compliance is expected to require substantial investment in the Group's systems, processes and controls and may expose the Group to liability for customer losses.
- Mandatory climate-related reporting requirements introduced under the *Corporations Act 2001* (Cth) and the Australian Accounting Standards Board (AASB) Standards. In NZ, 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 a significant and emerging area of focus for financial regulators including: (i) the European Banking Authority which has published various prudential guidelines including guidelines related to ESG risk management, ESG scenario analysis and stress testing; and (ii) the Monetary Authority of Singapore which has published prudential guidelines for Environmental Risk Management and Transition Planning for banks. Additionally, modern slavery legislation is evolving and increasing with modern slavery acts in the UK and Australia under review and a Modern Slavery Bill progressing through the parliamentary process in NZ. The emerging and increasing 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.
- The Reserve Bank of New Zealand is consulting on the modernisation of New Zealand's retail payment system. Depending on the outcome and implementation of this work, BNZ may be required to make significant changes to its payments infrastructure, technology platforms, operating model and industry arrangements, increasing implementation, operational resilience, compliance and conduct risks for the Group.
- The Interactive Gambling Amendment (Gambling Reform) Act 2026 (Cth) introduces new requirements from 1 January 2027 for financial institutions, including the Group, to take reasonably practicable steps to prevent certain payments or transfers of funds associated with designated interactive gambling services. The breadth of products, payment methods and customer segments potentially impacted may require significant changes to the Group's systems, processes and controls. Failure to effectively implement and sustain compliance with these requirements may result in regulatory action, financial penalties, operational disruption and reputational damage.

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.

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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 2026.
The following information forms part of the Report of the Directors:

- Our business (page 7)
- Strategic Overview (pages 6 to 12)
- Operating environment (page 14)
- Information on directors, company secretaries, and board meetings (pages 121 to 124 and 128 to 129)
- Risk factors (pages 147 to 157)
- Climate-related disclosures (pages 68 to 69)

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Operating and financial review

Principal activities

The Group provides banking and financial services to retail, business and institutional customers in Australia, New Zealand, Europe, the United States and Asia.

For further details on the Group's operations refer to *Our business* on page 7.

Significant change in the state of affairs

Board

Changes to the composition of the Board that occurred, or were announced, during 2026 and up to the date of this Report include:

- Anna Bligh AC was appointed as an independent non-executive director, effective 1 September 2026. Anna will stand for election at the 2026 Annual General Meeting.
- Ann Sherry will stand down from the Board following the 2026 Annual General Meeting.

Executive Leadership Team

Changes to the composition of the Executive Leadership Team (ELT) that have occurred, or were announced, during 2026 and up until the date of this Report include:

- Pete Steel joined NAB as Group Executive, Digital, Data and AI on 19 November 2025.
- Shane Conway was appointed Group Executive, Transformation on 1 December 2025.
- Sharon Cook, Group Executive, Customer & Corporate Services (CCS) and Group General Counsel retired on 31 December 2025.
- Shaun Dooley served as Acting Group Chief Financial Officer (CFO) until 4 March 2026 and Group Chief Risk Officer (CRO) from 5 March to 2 August 2026, prior to his retirement on 30 October 2026.
- Inder Singh joined NAB as Group CFO and Group Executive, Strategy on 2 March 2026.
- Connie Sokaris was appointed as Group CRO on 3 August 2026.
- Patrick Wright, Group Executive, Technology and Enterprise Operations ceased as a member of the ELT on 30 September 2026 and announced his intention to transition to retirement.
- Les Matheson, Group Chief Operating Officer (COO) retired on 30 September 2026.
- Effective 1 October 2026, responsibilities held by Mr Wright and Mr Matheson were primarily reallocated through changes to executive portfolios:
  - Pete Steel, previously Group Executive, Digital, Data and AI, became Group Executive, Technology and AI.
  - Shane Conway, previously Group Executive, Transformation, became Group Executive, Transformation and Operations.
- Ana Marinkovic, Group Executive, Personal Banking, assumed accountability for Ubank on 1 October 2026.
- Jon Benson, Group General Counsel, became a member of the ELT on 1 October 2026.

There were no other significant changes in the state of affairs of the Group that occurred during 2026 and up to the date of 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 annual reporting of energy use and greenhouse gas (GHG) emissions for the period 1 July to 30 June.

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. Following the Group's submission of an ESOS action plan for its London Branch in December 2025, the Group 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 2026 UK-based energy efficiency savings and GHG emissions and energy reporting to meet SECR requirements are provided in NAB's Sustainability Data Pack available at nab.com.au/annualreports.

For further information on the Group's environmental performance refer to the *Operational emissions* section in our *Climate-related Disclosures* on pages 68 to 69 and the Sustainability Data Pack at nab.com.au/annualreports.

Modern slavery

The Group is subject to both the *Modern Slavery Act 2018* (Cth) and the *UK Modern Slavery Act 2015* (UK). The Group has prepared a Modern Slavery Act statement which sets out actions taken by the Group during 2026 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 2026 at nab.com.au/about-us/sustainability/reporting-policies-approach/performance-reporting.

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 29 Commitments and contingent liabilities* of the *Financial Report* 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), accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB), 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.

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 interpretations issued by the AASB and is not audited or reviewed in accordance with Australian Auditing Standards.

Cash earnings for the 2026 financial year have been determined consistently with the 2025 financial year and excludes 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 statutory basis) expressed as a percentage of average interest earning assets.

Information about average balances

Average balances, including average equity attributable to owners of the Company, total average assets and average interest earning assets, are based on daily statutory average balances. Average risk-weighted assets (RWA) are calculated using the reporting date and the four preceding quarter-end RWA balances.

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 2026/183, 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.

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5 Year Financial Performance Summary

	Group				
	2026	**2025**	**2024**	**2023**	**2022**
	$m	**$m**	**$m**	**$m**	**$m**
Net interest income	**18,494**	17,403	16,757	16,807	14,840
Other operating income	**3,748**	3,469	3,875	3,841	3,730
Operating expenses[1]	**(12,008)**	(10,348)	(10,012)	(9,382)	(8,702)
Credit impairment charge	**(1,547)**	(833)	(741)	(816)	(124)
Profit before income tax	**8,687**	9,691	9,879	10,450	9,744
Income tax expense	**(2,535)**	(2,864)	(2,798)	(2,980)	(2,684)
Net profit for the year from continuing operations	**6,152**	6,827	7,081	7,470	7,060
Net profit/ (loss) after tax for the year from discontinued operations	**27**	(29)	(103)	(51)	(169)
Net profit for the year	**6,179**	6,798	6,978	7,419	6,891
Profit attributable to non-controlling interests	**36**	39	18	5	-
Net profit attributable to owners of the Company	**6,143**	6,759	6,960	7,414	6,891

(1) The 2026 financial year includes a charge of $1,347 million related to changes in the application of the Group's software capitalisation policy. Refer to *Note 1 Basis of preparation* for further information.

5 Year Key Performance Indicators

	Group				
	2026	**2025**	**2024**	**2023**	**2022**
Key indicators					
Statutory earnings per share - basic (cents)	**199.9**	221.0	224.6	236.4	214.1
Statutory earnings per share - diluted (cents)	**198.9**	219.9	222.7	228.7	205.6
Statutory return on equity	**9.9%**	10.8%	11.4%	12.3%	11.3%
Cash return on equity[1]	**9.9%**	11.4%	11.6%	12.9%	11.7%
Profitability, performance and efficiency measures					
Dividend per share (cents)	**170**	170	169	167	151
Net interest margin	**1.80%**	1.74%	1.71%	1.74%	1.65%
Level 2 Group capital					
Common Equity Tier 1 (CET1) capital ratio	**11.87%**	11.70%	12.35%	12.22%	11.51%
Tier 1 capital ratio	**13.42%**	13.74%	14.67%	14.19%	13.14%
Total capital ratio	**20.26%**	20.32%	20.92%	19.88%	18.17%
Risk-weighted assets ($bn)	**459.1**	440.6	413.9	435.0	449.9
Volumes ($bn)					
Gross loans and advances (GLAs)[2]	**822.4**	781.5	738.2	708.5	687.7
Average interest earning assets	**1,028.9**	1,001.2	978.7	966.7	900.3
Total average assets	**1,135.4**	1,103.4	1,074.7	1,065.1	991.5
Total customer deposits	**692.6**	658.4	612.8	587.4	566.7
Total average equity (attributable to owners of the Company)	**62.2**	62.4	61.0	60.1	60.8
Asset quality					
Impaired assets to GLAs	**0.34%**	0.29%	0.20%	0.14%	0.14%
Default but not impaired assets to GLAs[3]	**1.22%**	1.26%	1.19%	0.99%	0.81%
Full-time equivalent employees (FTE)					
FTE - Continuing operations (spot)	**43,271**	41,723	38,996	38,128	35,128
FTE - Continuing operations (average)	**42,499**	40,112	38,525	36,895	33,530

(1) For further information on cash earnings and non-cash earnings items refer to the *Financial Performance summary* section on page 161 and *Note 2 Segment information* of the *Financial Report* on page 223.
(2) Including loans and advances at fair value.
(3) 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.

Financial performance

	Group	
	2026 $m	2025 $m
Net interest income	**18,494**	17,403
Other operating income	**3,748**	3,469
Net operating income	**22,242**	20,872
Operating expenses[1]	**(12,008)**	(10,348)
Credit impairment charge	**(1,547)**	(833)
Profit before income tax	**8,687**	9,691
Income tax expense	**(2,535)**	(2,864)
Net profit for the year from continuing operations	**6,152**	6,827
Net profit / (loss) after tax for the year from discontinued operations	**27**	(29)
Net profit for the year	**6,179**	6,798
Profit attributable to non-controlling interests	**36**	39
Net profit attributable to owners of the Company	**6,143**	6,759

(1) The 2026 financial year includes a charge of $1,347 million related to changes in the application of the Group's software capitalisation policy. Refer to *Note 1 Basis of preparation* for further information.

September 2026 v September 2025

Net profit attributable to owners of the Company (statutory net profit) decreased by $616 million or 9.1%.

Net interest income increased by $1,091 million or 6.3%. This includes an increase of $105 million due to movements in economic hedges, offset in other operating income, and a decrease of $209 million due to the impact of exchange rate movements on translation of the Group's New Zealand operations. Excluding these impacts, the increase of $1,195 million or 6.8% 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, lower mix of liquid assets and lower wholesale funding costs. These increases were partially offset by lower lending margins.

Other operating income increased by $279 million or 8.0%. This includes a decrease of $105 million due to movements in economic hedges, offset in net interest income. Excluding this movement, the underlying increase of $384 million or 11.8% was primarily due to the gain from the sale of the Group's remaining 20% stake in MLC Life, higher NAB risk management income in Treasury and higher fees and commissions.

Operating expenses increased by $1,660 million or 16.0%. This includes a decrease of $99 million due to the impact of exchange rate movements on the translation of the Group's New Zealand operations and an accelerated amortisation charge of $1,347 million related to changes in the application of the Group's software capitalisation policy. Excluding these movements, the underlying increase of $412 million or 4.0% was primarily driven by salary expense inflation, a higher proportion of expensed investment spend following changes in the Group's software capitalisation policy, continued investment in technology capabilities and investment in additional bankers. These impacts were partially offset by productivity benefits achieved through process improvements and simplification of the Group's operations, combined with technology efficiency, lower payroll review and remediation costs and lower customer-related remediation costs.

Credit impairment charge increased by $714 million driven by a higher level of collective credit impairment charge including a net increase of $403 million in forward-looking provisions reflecting a more challenging economic outlook and higher individually assessed provision charges.

Income tax expense decreased by $329 million or 11.5% driven by a lower profit before income tax and a lower effective tax rate.

Review of group and divisional results

September 2026 v September 2025

Group

Net profit decreased by $616 million or 9.1%.

Business and Private Banking

Net profit increased by $349 million or 10.5%, driven by higher net operating income, partially offset by higher operating expenses and higher credit impairment charges.

Personal Banking

Net profit increased by $93 million or 7.5%, driven by higher net operating income, partially offset by higher operating expenses and higher credit impairment charges.

Corporate and Institutional Banking

Net profit decreased by $128 million or 6.9%, primarily driven by higher credit impairment charges, partially offset by higher net operating income and lower operating expenses.

New Zealand Banking

Net profit decreased by $173 million or 13.0%, primarily driven by a decrease of $95 million due to the impact of exchange rate movements on the translation of New Zealand Banking results. Excluding this impact, the decrease of $78 million or 6% was driven by higher credit impairment charges and higher operating expenses, partially offset by higher net operating income.

Corporate Functions and Other

Net loss increased by $757 million or 77.2%, driven by an accelerated amortisation charge of $1,347 million related to changes in the application of the Group's software capitalisation policy, higher operating expenses and credit impairment charges for forward-looking provisions, partially offset by higher net operating income and the gain from the sale of the Group's remaining 20% stake in MLC Life.

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Group balance sheet review

	Group	
	2026 $m	2025 $m
Assets		
Cash and liquid assets	**1,751**	2,604
Due from other banks	**73,010**	91,946
Collateral placed	**8,294**	5,763
Trading assets	**152,152**	144,571
Derivative assets	**22,803**	21,826
Debt instruments	**50,394**	46,947
Loans and advances[1]	**816,661**	776,561
All other assets[1]	**20,831**	18,601
Assets held for sale	**-**	243
Total assets	**1,145,896**	1,109,062
Liabilities		
Due to other banks	**9,622**	12,369
Collateral received	**4,506**	4,819
Other financial liabilities	**63,928**	70,464
Deposits and other borrowings	**786,046**	736,159
Derivative liabilities	**23,996**	20,203
Bonds, notes and subordinated debt	**168,574**	174,307
Debt issues	**7,108**	8,972
All other liabilities	**18,818**	18,122
Total liabilities	**1,082,598**	1,045,415
Total equity	**63,298**	63,647
Total liabilities and equity	**1,145,896**	1,109,062

(1) Comparative information has been restated to align to the presentation in the current period.

September 2026 v September 2025

Assets

Total assets increased by $36,834 million or 3.3%. The key movements are as follows:

- Cash and liquid assets decreased by $853 million or 32.8% due to a decrease in operating cash balances.
- Due from other banks decreased by $18,936 million or 20.6% due to a decrease in holdings with central and other banks.
- Collateral placed increased by $2,531 million or 43.9% due to higher collateral requirements on derivative positions.
- Trading assets increased by $7,581 million or 5.2% primarily driven by an increase in government and semi-government bonds, notes and securities, partially offset by a decrease in reverse repurchase agreements at fair value through profit or loss.
- Derivative assets increased by $977 million or 4.5% primarily driven by foreign exchange and interest rate movements during the period.
- Debt instruments increased by $3,447 million or 7.3% due to an increase in semi-government and corporate bonds, notes and securities.
- Loans and advances increased by $40,100 million or 5.2% driven by growth in housing and non-housing lending, partially offset by the impact of foreign exchange movements.
- All other assets increased by $2,230 million or 12.0% primarily due to an increase in securities sold not delivered and deferred tax assets, partially offset by a decrease in capitalised software assets.
- Assets held for sale decreased by $243 million due to the disposal of the Group's remaining 20% stake in MLC Life.

Liabilities

Total liabilities increased by $37,183 million or 3.6%. The key movements are as follows:

- Due to other banks decreased by $2,747 million or 22.2% due to a decrease in repurchase agreements and deposits held with banks.
- Collateral received decreased by $313 million or 6.5% due to lower collateral requirements on derivative positions.
- Other financial liabilities decreased by $6,536 million or 9.3% primarily due to a decrease in repurchase agreements at fair value through profit or loss, partially offset by an increase in short sold securities and commercial paper and other borrowings.
- Deposits and other borrowings increased by $49,887 million or 6.8% driven by growth in customer deposits, certificates of deposit and other borrowings, partially offset by the impact of foreign exchange movements.
- Derivative liabilities increased by $3,793 million or 18.8% primarily driven by interest rate movements during the period, partially offset by contract maturities.
- Bonds, notes and subordinated debt decreased by $5,733 million or 3.3% driven by a decrease in covered bonds and medium-term debt.
- Debt issues decreased by $1,864 million or 20.8% driven by the redemption of convertible notes.
- All other liabilities increased by $696 million or 3.8% primarily due to an increase in payables for securities purchased not delivered.

Equity

Total equity decreased by $349 million or 0.5%. The key movements are as follows:

- Contributed equity increased by $1,976 million or 5.5% primarily due to shares issued under the dividend reinvestment plan and dividend reinvestment plan underwritten allotments.
- Reserves decreased by $3,172 million primarily due to movements in the cash flow hedge reserve and foreign currency translation reserve.
- Retained profits increased by $903 million or 3.4% reflecting current period statutory profits, partially offset by dividends paid.

Strategic highlights

For further information on the Group's strategy including strategic highlights during 2026, refer to the *Strategic Overview* section on pages 6 to 14, which forms part of the information presented in this Report.

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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:

Additional Tier 1 capital changes

From 1 January 2027, large internationally active banks including NAB will replace 1.5% Additional Tier 1 (AT1) capital with 0.25% CET1 capital and 1.25% Tier 2 capital. There is no overall change to the minimum Total capital requirement. The leverage ratio and limits on large and related-party exposures will move from Tier 1 capital-based metrics to CET1 capital-based metrics, with the minimum requirement for the leverage ratio to reduce from 3.5% to 3.25%. Until 2032, existing AT1 capital instruments will be eligible to be included as Tier 2 capital until an instrument's first call date.

Reserve Bank of New Zealand capital changes

Following the RBNZ's 2025 review of capital settings, changes for Group 1 deposit takers such as BNZ include a lower CET1 capital requirement of 12%, a Total capital requirement of 15%, removal of AT1 capital instruments and the introduction of a 6% loss-absorbing capacity requirement, which may be met with Tier 2 capital. All Tier 2 and loss-absorbing capacity instruments are to be issued internally to the Australian parent bank, being NAB.

The changes will span across a number of years. Revisions to introduce more granular risk weights under the RBNZ's standardised approach and removal of the ability to issue AT1 capital are effective from 1 October 2026. The detail behind transition arrangements for existing AT1 capital instruments and the new Tier 2 and loss-absorbing capacity framework remains subject to further consultation and final RBNZ decisions, with changes expected to take effect from December 2028.

On 20 October 2026, the RBNZ opened consultation on six targeted changes to credit risk weights under the standardised approach. Any resulting changes are also expected to take effect from December 2028.

Other revisions to the capital framework

In June 2026, APRA commenced consultation on targeted amendments to the standardised capital framework to increase risk sensitivity and better align requirements with underlying risk. As part of this work, APRA proposes to make credit risk weights for selected forms of corporate lending more granular and risk sensitive. APRA expects changes will provide more flexibility for internal ratings-based ADIs that are bound by the standardised floor. APRA expects the revised requirements to take effect from 1 April 2027.

In calendar year 2027, APRA also intends to consult on implementation of a simplified version of the Basel Committee on Banking Supervision's Fundamental Review of the Trading Book standard.

Liquidity requirements

APRA is progressing proposed revisions to APS 210 *Liquidity* aimed at strengthening liquidity resilience across the industry. This is expected to include measures addressing risks not fully captured under current requirements (including intraday risk and cliff risk), enhancements to liquidity risk monitoring through Internal Liquidity Adequacy Assessment Process requirements and the potential broadening of HQLA eligibility.

On 23 October 2026, the Australian Government commenced consultation on the proposed *Banking Regulations 2026* (Cth) which, among other things, would increase the amount of an ADI's assets in Australia that may be committed to a covered bond pool from 8% to 12%. Consultation closed on 30 October 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 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. The Group's CET1 capital ratio operating target remains unchanged at greater than 11.25%.

For further information on NAB's Tier 2 issuances and AT1 refer to *Note 14 Bonds, notes and subordinated debt* and *Note 15 Debt Issues* in the *Financial Report* on pages 245 to 247.

Further details on the Group's Subordinated Notes issuance are available at nabcapital.com.au.

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 2026, the Group's NSFR was 116%, unchanged from 31 March 2026. Increases in available stable funding (ASF) from deposits were largely offset by increases in required stable funding (RSF) from a rise in lending volumes.

Term wholesale funding

The Group maintains a well-diversified funding profile across issuance type, currency, investor location and tenor.

During the 2026 financial year, NAB accessed term wholesale funding markets across a range of products and currencies.

In March 2026, global term funding markets weakened in response to the conflict in the Middle East and its impact on energy prices, with conditions improving between May and August as energy prices moderated. Since the end of August, term funding markets have been further impacted by heightened volatility in government bond markets and ongoing geopolitical tensions.

In the year to September 2026, the Group raised $38.3 billion of term wholesale funding, of which NAB raised $32.3 billion, including $6.2 billion of Tier 2 subordinated debt, and BNZ raised $6.0 billion.

The weighted average maturity of term wholesale funding issued by the Group in the 2026 financial year was approximately 5.2 years, excluding Residential Mortgage Backed Securities (RMBS). The weighted average remaining maturity of the Group's term wholesale funding portfolio is approximately 3.3 years, excluding AT1 and RMBS.

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 2026 financial 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), are materially offset by reverse repurchase agreements with similar tenors.

Liquidity Coverage Ratio

The LCR measures the adequacy of 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.

In addition to HQLA, other regulatory liquid assets include Alternative Liquid Assets (ALA). ALA are comprised of RBNZ repo-eligible securities that are eligible for inclusion under APS 210 *Liquidity.*

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 HQLA held through the September 2026 quarter was $212 billion.

The Group's LCR averaged 135% during the September 2026 quarter, unchanged from September 2025.

A detailed breakdown of quarterly average net cash outflows is provided in the September 2026 Pillar 3 Report.

Dividend and Dividend Reinvestment Plan

The final dividend in respect of the year ended 30 September 2026 has been determined at 85 cents, 100% franked, payable on 15 December 2026.

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 Dividend Reinvestment Plan (DRP) to reflect its capital position and outlook. The DRP discount for the 2026 final dividend is 1.5% with no participation limit. This is expected to provide an increase in share capital of approximately $0.9 billion, which is equivalent to a 20 basis point increase in NAB's CET1 capital ratio based on RWA as at 30 September 2026.

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Directors' information

For information on the directors, company secretaries and board meetings refer to the *Corporate Governance Statement* section of this Report on pages 121 to 124 and 128 - 129.

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 2026 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*.

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Other matters

Rights

As at the date of this Report, there are 3,113,984 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 2026 and 15 November 2034. 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 2026 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 33 Equity-based plans* of the *Financial Report* and Section 7.3 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, and as such this information has not been included in this Report.

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 20 October 2026, the Group announced changes to simplify its operating model, including an expected reduction of up to 2,500 roles during the year ending 30 September 2027. The Group expects to recognise a restructuring charge of approximately $300 million before tax in the 2027 financial year, primarily relating to redundancy, redeployment and organisational redesign costs.

There are no other items, transactions or events of a material or unusual nature that have arisen in the period between 30 September 2026 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 the *Corporate Governance Statement* section of this Report on pages 119 to 143 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 22 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 fourth year as signing partner on the 2026 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 2026 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 32 Remuneration of external auditor* of the *Financial Report* 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 2026.

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 2026 financial year 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 in the *Corporate Governance Statement* on page 142. A copy of EY's independence declaration is set out on page 210.

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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 Remuneration Report for the year ended 30 September 2026. NAB has delivered good performance in a year marked by heightened global and economic uncertainty, robust competition and rapid technological change. These conditions have created opportunities and challenges for our customers and our business. They have increased the importance of disciplined execution, productivity and investment for the future. This performance has resulted in shareholders receiving a total fully franked dividend of 170 cents per share.

The Board's evaluation of performance, as measured by the Group Performance Indicator (GPI), incorporated a comprehensive qualitative assessment of performance and risk. The Board concluded that the initial GPI scorecard result did not reflect the quality of underlying performance and therefore reduced the GPI outcome to 95% of target.

FY26 performance assessment

Key FY26 performance outcomes are summarised below, with further detail on those performance outcomes and their impact on GPI provided in Section 4.

- Cash earnings (expected loss basis) of $7,369 million were 4.5% above target.(1)
- Return on Total Allocated Equity (ROTAE) (expected loss basis) was 41 basis points above target.(1)
- Customer outcomes for FY26 showed momentum, with all five customer segments improving absolute Net Promoter Score (NPS) from baseline.(2)
- Main Financial Institution (MFI) share improved from baseline and exceeded target in both the Consumer and Business segments.(3)
- Strong progress on the technology modernisation objectives across all domains.
- Colleague engagement remained in line with the global top-quartile benchmark, with a 2026 Engagement Index of 78.(4)
- Solid progress against gender equality objectives, with women representing above 40% of leadership roles for the first time.(5)

The assessment of Group performance for the purposes of remuneration outcomes starts with the initial GPI scorecard result but does not end with it. While NAB performed strongly against the FY26 plan, the Board also considered the quality and sustainability of earnings including the impact of environmental factors beyond management's control. This included the following factors in determining a 14.8 percentage-point reduction to the GPI, comprising 9.0 percentage points for financial and shareholder considerations and 5.8 percentage points for performance against risk expectations:

- NAB benefited from favourable external market conditions, including stronger lending and deposit system growth and a higher interest rate environment than plan assumptions.
- The contribution of stronger Treasury income to the performance against plan.
- A consideration of broader shareholder outcomes over the year, reflecting the impact of capital actions and the associated earnings per share dilution.
- The shareholder impact of the changes to the Group's software capitalisation policy, including the large notable item that was excluded from cash earnings and ROTAE on an expected loss basis used in the scorecard.

For risk matters, the Board considered that FY26 highlighted limitations in the quality of risk management, control effectiveness and risk discipline. These matters are fundamental to the standard of operational excellence expected across the Group. While progress was made in some areas, the Board assessed that overall risk management practices and outcomes did not consistently meet expectations in FY26, including in financial crime, conduct and compliance risk, and delays in complex transformation programs and customer remediation programs.

The Board applied the same disciplined judgement in considering individual Group Executive accountability for risk and regulatory matters. The Board determined that downward performance adjustments of 5 percentage points should be applied to the Individual Performance Multiples (IPMs) of nine executives, including the Group CEO, reducing their FY26 Annual Variable Reward (AVR) outcomes by $399,463 in aggregate.

Prior-year consequence management

The Board reviews risk matters each year, including matters that emerge from prior years that may impact on variable remuneration awarded in respect of those prior years. This ensures that remuneration consequences reflect the full impact of decisions and actions, even where that impact crystallises over time.

During FY26, the Board considered the following four matters and applied downward adjustments to prior-year remuneration for 16 current and former executives, totalling approximately $1.685 million. The adjustments for each matter ranged from 5% to 30% of the AVR outcomes awarded for the year in which the matter related. Further information is provided in Section 1.2.

Account Management Practices: The Board identified limitations in the governance and monitoring of problem loan management within Business and Private Banking.

Execution of Consumer Business Acquisition: NAB completed the acquisition of Citigroup's Australian consumer business on 1 June 2022. Following the completion of the migration of Citigroup customers to NAB's systems in December 2025, the Board identified limitations in program execution.

(1) Cash earnings and ROTAE are assessed on an expected loss basis and exclude large notable items for FY26 GPI purposes. The expected loss basis provides a view of underlying performance that is less affected by year-to-year movements in credit impairment charges but remains sensitive to changes in the risk profile of the Group's portfolio. For information on the definition of cash earnings, non-cash earnings items and the reconciliation to statutory net profit attributable to owners of NAB, refer to Note 2 Segment information in the Financial Report.

(2) Net Promoter®, NPS®, NPS Prism® and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., NICE Systems, Inc. and Fred Reichheld. Net Promoter Score℠ and Net Promoter System℠ are service marks of Bain & Company, Inc., NICE Systems, Inc. and Fred Reichheld. Australian Consumer and Business Strategic NPS results are sourced from RFI Global – Atlas and measured on a six-month rolling average to August 2026 for FY26 GPI purposes. Corporate and Institutional NPS is sourced from the Coalition Greenwich Voice of Client Studies. Rankings are based on absolute scores and may not represent statistically significant differences.

(3) Consumer and Business MFI share results are sourced from RFI Global – Atlas and measured on a six-month rolling average to August 2026 for FY26 GPI purposes. Business MFI is based on all businesses and excludes Financial Institutions and Government.

(4) The Engagement Index is NAB's primary measure of colleague engagement and is based on four questions covering recommendation, employee satisfaction, belonging and wellbeing. The 2026 result of 78 represents the average of the February 2026 Engagement Index score of 78 and the July 2026 Engagement Index score of 77. Results are based on Viva Glint Heartbeat surveys and include colleagues in Australia, New Zealand (including BNZ), India, Vietnam and other international locations, but exclude Ubank, external consultants and outsourced service providers.

(5) Leadership roles comprise positions at Groups 4 to 6. The Gender Equality measure assesses the annual percentage-point increase in women's representation across those groups from 1 August 2025 to 31 July 2026 for FY26 GPI purposes.

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Payroll Remediation: The Board considered accountability for the issues contributing to NAB's payroll remediation program, which were disclosed in the 2025 Remuneration Report, following consequence management investigations in FY26.

Software Capitalisation: Following changes to the Group's software capitalisation policy in FY26, the Board considered the extent to which remuneration outcomes for FY23 to FY25 had benefited from the previous policy.

In reaching these decisions, the Board considered the nature and materiality of each matter, the accountability of the executives concerned, and the circumstances and consequences involved.

Remuneration outcomes

The Board remains focused on maintaining responsible levels of remuneration that align with business outcomes. The key outcomes in FY26 were:

- For the Group CEO, fixed remuneration will remain at $2.5 million for FY27. An FY26 AVR outcome of $1,692,188, being 90% of his target opportunity or 68% of maximum, was determined reflecting a year of good progress against strategy (as supported by the GPI scorecard outcome) and his accountability for risk and regulatory matters.
- FY27 fixed remuneration will increase for two Group Executives reflecting the accountabilities and responsibilities of their portfolios, experience in the roles, and the appropriate alignment to the financial services market.
- FY26 AVR outcomes for Group Executives ranged from 81% to 124% of target opportunity and from 61% to 93% of maximum opportunity.
- The four-year 2022 Long-Term Variable Reward (LTVR) award vested at 75% in December 2025. NAB achieved Total Shareholder Return (TSR) of 84.45% over the performance period from November 2021 to November 2025, ranking fourth among nine companies and at the 63rd percentile. After considering participant performance, risk management, conduct and remuneration consequences previously applied, the Board determined that no further reduction was required.
- The Board determined that the 2027 Long-Term Equity Awards (LTEA) and LTVR awards for the Group CEO and eligible Group Executives should be granted in full in December 2026, subject to performance conditions over the relevant performance period.

Alignment with shareholders

Introduced in FY24, our remuneration framework continues to serve us well, establishing a clear and credible connection to the performance of NAB and the value created over time. At target performance, approximately two-thirds of standard executive remuneration is variable, with more than half deferred to future years, although the mix varies by role. Our framework ensures that remuneration is not simply a reflection of a single year's results but remains aligned with the longer-term interests of shareholders.

From 1 October 2026, the Group CEO will be required to hold NAB equity equal to 300% of fixed remuneration (up from 200%) and Group Executives 200% (up from 100%). Additionally, at least 50% of fixed remuneration must be held in ordinary NAB shares rather than unvested or restricted awards. This ensures executives have meaningful personal capital exposed to the same share price and dividend outcomes as other shareholders. Further information on the Minimum Shareholding Requirement is provided in Section 1.4.

Non-executive director arrangements

At the 2026 Annual General Meeting (AGM), shareholders will be asked to approve an increase in the maximum aggregate non-executive director (NED) fee pool from $4.5 million to $5.5 million. The current aggregate fee pool was last approved by shareholders in 2008. Approval will not itself increase individual NED fees or mean that the full pool will be used. The proposed increase is intended to provide the Board with flexibility to adjust NED remuneration having regard to market practice, appoint additional NEDs where appropriate and support orderly Board renewal.

Looking ahead

NAB has significant opportunities ahead. Our ambition is clear: to be the most customer-centric company in Australia and New Zealand. We expect our leaders and colleagues to turn that ambition into results that strengthen customer relationships, improve productivity and capability, and build a resilient and trusted institution generating sustainable long-term value for shareholders. To further this objective, FY27 will see a strengthened focus on operational excellence.

We will continue to monitor the effectiveness of the remuneration framework and its alignment with NAB's strategy, risk appetite and long-term value creation. On behalf of the Board, I thank shareholders for their continued engagement and invite you to read this Remuneration Report which will be presented for adoption at the 2026 AGM.



Kathryn Fagg

People & Remuneration Committee Chair

5 November 2026

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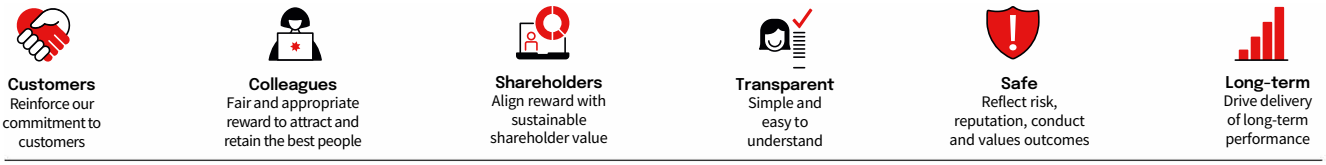
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Our remuneration framework at a glance

NAB's remuneration framework supports delivery of the Group Strategy by reinforcing the behaviours, decisions and outcomes that drive sustainable performance and long-term value. It aligns remuneration with customer and colleague outcomes, prudent risk management, accountability and shareholder interests across short- and long-term horizons.

The framework is also informed by the Colleague Strategy and Who We Are behaviours, which establish expectations for how performance is delivered. Further information on NAB's Group Strategy and strategic ambition is provided in the *Strategic ambition* within the Strategic Overview section of this Annual Report.

Our remuneration principles



These principles inform the design and operation of NAB's remuneration arrangements, including how performance, risk, conduct and accountability are reflected in remuneration outcomes.

Overview of our remuneration framework

The executive remuneration framework comprises fixed and variable remuneration components designed to align remuneration with Group and individual performance and long-term shareholder interests. The Board retains judgement and discretion to ensure that remuneration outcomes appropriately reflect both what was achieved and how it was achieved.

FRAMEWORK OVERLAY | Individual performance • Risk management • Conduct • Board discretion

FRAMEWORK	FIXED REMUNERATION	ANNUAL VARIABLE REWARD	LONG-TERM INCENTIVE
COMPONENT AND DELIVERY	**Base salary and superannuation** • Paid regularly throughout the financial year • Reviewed periodically, having regard to role scope, experience and market positioning	**Annual AVR assessment** Cash 60% Deferred rights 20% deferred rights vesting after year one Deferred rights 20% deferred rights vesting after year two • Rewards annual performance and delivery of strategic objectives • Standard opportunity: 75% of fixed remuneration at target and 100% at maximum • Group CRO opportunity: 50% at target and 65% at maximum • Group and individual performance determine the outcome	**Pre-grant individual performance, risk and conduct assessment** • 100% performance rights • Maximum opportunity: 140% of fixed remuneration: ○ **LTEA**: 70% of fixed remuneration / 50% of the LTI award ○ **LTVR**: 70% of fixed remuneration / 50% of the LTI award. • Both LTEA and LTVR apply to the Group CEO and eligible permanent Group Executives. Shares provided on the exercise of vested performance rights are released as follows: ○ **Group CEO**: one-third at the end of years 4, 5 and 6 ○ **Group Executives**: half at the end of years 4 and 5 • Four-year performance period • LTEA and LTVR are assessed separately

MINIMUM SHAREHOLDING REQUIREMENT | Supports ongoing alignment with shareholders

Further information about our executive remuneration framework is provided in Section 2.

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Section 1 - Key remuneration matters in 2026

1.1 Executive remuneration outcomes

NAB's executive remuneration framework supports delivery of the Group Strategy by linking remuneration outcomes to financial and non-financial performance, risk management, accountability and long-term shareholder interests. In determining outcomes for 2026, the Board considered both what was achieved and how it was achieved.

The table below summarises the principal FY26 remuneration outcomes and recent outcome history.

Fixed remuneration

As disclosed in the 2025 Remuneration Report, the Board approved fixed remuneration increases ranging from 3.7% to 8.7% for five Group Executives, effective 1 January 2026. The increases reflected expanded portfolio accountabilities, experience in their roles and market positioning. Fixed remuneration for Group Executives appointed during 2026 was determined with reference to comparable roles.

From 1 April 2026, Daniel Huggins' fixed remuneration increased by 0.5% to reflect the legislated increase in the minimum employer KiwiSaver contribution rate.

The standard annual fixed remuneration for the Group CEO role has remained unchanged at $2.5 million since 2019, except for a temporary voluntary 20% reduction from 1 April to 30 September 2020 in response to COVID-19, and will remain unchanged for FY27. For FY27, fixed remuneration will increase for Daniel Huggins and Shane Conway, with further information provided in Section 1.4.

AVR outcomes

The Board considered the final Group performance outcome together with each executive's individual performance and accountability, including the current-year performance adjustments applied to affected executives. The resulting FY26 AVR outcomes were:

Position	% of fixed remuneration	% of target opportunity	% of maximum opportunity
Group CEO	68	90	68
Group Executives[1]	43–93	81–124	61–93

The five-year overview below shows how Group CEO and Group Executive AVR outcomes have varied relative to target opportunity, reflecting differences in Group and individual performance and the application of Board judgement.

	% of target opportunity				
	2026	**2025**	**2024**	**2023**	**2022**
Group CEO AVR outcome[2]	90	92	90	108	111
Group Executive AVR outcomes[1]	81–124	83–120	72–108	81–117	93–111

LTVR vesting outcomes

The performance conditions for the 2022 LTVR award, granted in February 2022, were tested following the end of the four-year performance period on 15 November 2025. NAB's Total Shareholder Return (TSR) over the performance period was 84.45%, ranking fourth among the nine companies in the comparator group and corresponding to the 63rd percentile. This resulted in a formulaic vesting outcome of 75%.

The Board then considered participant performance, risk management and conduct, together with remuneration consequences previously applied, and determined that no further reduction was required. Accordingly, 75% of the eligible award vested and 25% lapsed.

The 2022 LTVR award preceded NAB's current two-component Long-Term Incentive (LTI) framework and did not include an LTEA component. The table below presents LTVR vesting outcomes over recent years.

	2022[3]	**2020**	**2019**	**2018**	**2017**
Grant date	Feb 2022	Feb 2021	Feb 2020	No award granted	Dec 2017
Performance period	4 years from 15 Nov 2021	4 years from 15 Nov 2020	4 years from 15 Nov 2019		4 years from 14 Nov 2017
Tested in	Nov 2025	Nov 2024	Nov 2023		Nov 2021
% vested	75	100	100		66
% lapsed	25	0	0		34

(1) For each year, the Group Executive range includes individuals who were KMP as Group Executives and participated in the AVR, including for part of the year. It excludes the Group CEO, Acting Group Executives and former Group Executives who ceased in the role before 30 September.
(2) The Group CEO changed during 2024. Outcomes for each year reflect the individual or individuals who served as Group CEO during the relevant period.
(3) The naming convention for LTVR awards changed from FY22; accordingly, the award with a performance period commencing on 15 November 2021 is labelled the 2022 LTVR award, with no separate 2021 award shown.

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1.2 Remuneration adjustments

The Board applies judgement to ensure that executive remuneration appropriately reflects performance, risk, conduct and accountability. The mechanisms applied during 2026 are outlined below.

Mechanism	What it affects	FY26 application
Board qualitative assessment	Initial weighted scorecard result and final GPI	5.8 percentage-point reduction for non-financial risk matters
In-year individual performance assessment adjustment	FY26 AVR, through the final IPM of affected executives	5 percentage-point reduction to the IPMs of affected executives
Prior-year remuneration adjustment	Remuneration awarded for earlier performance years	Applied where individual accountability was established for a matter that emerged after the original remuneration decision. $1.685m across 16 current and former executives

The Group-level adjustment is reflected in the final GPI and all FY26 AVR outcomes and is described in Section 4.2. The outcomes of the individual performance assessments and the separate adjustments to remuneration awarded for prior performance years are set out below.

FY26 individual performance assessment

Following its assessment of individual performance and accountability, including risk and conduct, the Board applied a 5 percentage-point reduction to the IPMs of nine executives, including the Group CEO. This reduced FY26 AVR outcomes by $399,463 in aggregate.

Adjustments to prior-year remuneration

Where further information about a matter emerges after the original remuneration decision, the Board may adjust remuneration awarded for the relevant prior performance period where individual accountability is established.

During 2026, the Board considered the following four matters:

- **Account Management Practices**: The Board identified limitations in the governance and monitoring of problem loan management within Business and Private Banking.
- **Execution of Consumer Business Acquisition**: NAB completed the acquisition of Citigroup's Australian consumer business on 1 June 2022. Following the completion of the migration of Citigroup customers to NAB's systems in December 2025, the Board identified limitations in program execution.
- **Payroll Remediation**: The Board considered accountability for the issues contributing to NAB's payroll remediation program, which were disclosed in the 2025 Remuneration Report, following consequence management investigations in FY26.
- **Software Capitalisation**: Following changes to the Group's software capitalisation policy in FY26, the Board considered the extent to which remuneration outcomes for FY23 to FY25 had benefited from the previous policy.

The table below shows the adjustment rate or range and aggregate adjustment for each matter.

Matter	Relevant performance year(s)	Adjustment rate or range[1]	Number of affected executives[2]	Aggregate adjustment $[3]
Account Management Practices	FY23	10%	1	(143,910)
Execution of Consumer Business Acquisition	FY24	10%–30%	2	(390,504)
Payroll Remediation	FY23	5%–30%	2	(359,168)
Software Capitalisation	FY23–FY25	7.09% across three years[4]	16	(791,051)
Total			**16**	**(1,684,633)**

(1) The adjustment rate or range represents the rate applied to relevant remuneration for the applicable matter and performance year. Where a range is shown, the rate varied according to the Board's assessment of individual accountability. Adjustments may be applied where warranted as relevant risk matters are resolved.
(2) An executive may have been affected by more than one matter. The counts are therefore not additive. In total, adjustments were applied to 16 current and former executives.
(3) Reductions to prior-year equity awards will be accounted for in accordance with applicable accounting requirements, and the amounts recognised may differ from those shown.
(4) The Software Capitalisation adjustment was applied to relevant remuneration for the applicable performance year or years. The adjustment rates were 2.84% for FY23, 2.51% for FY24 and 1.74% for FY25.

These adjustments are separate from the FY26 individual performance assessment adjustments described above.

Further information on FY26 performance assessments and final AVR outcomes is provided in Sections 4.3, 4.4 and 5.1. The consequence-management framework is described in Section 6.3, and related statutory remuneration disclosures are provided in Section 7.1.

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1.3 Executive appointments and exit arrangements

Name and role change	Material remuneration arrangement
Appointment: Pete Steel Group Executive, Digital, Data and Artificial Intelligence	• Joined NAB and became key management personnel (KMP) on 19 November 2025. • Annual fixed remuneration was set at $1.25 million. • Eligible for FY26 AVR and LTI awards. • Received a commencement award to replace remuneration forfeited on leaving his former employer, comprising $2.21 million in deferred cash and 58,268 restricted shares with a grant-date value of approximately $2.46 million. The award is scheduled to vest progressively to January 2031.(1) • Also received relocation assistance associated with moving from the United Kingdom to Australia, subject to an approved gross cap of $400,000. The amount provided during 2026 is included in statutory remuneration.
Appointment: Shane Conway Group Executive, Transformation	• Appointed Group Executive, Transformation and became KMP on 1 December 2025. • Annual fixed remuneration was set at $1 million. • Eligible for FY26 AVR and LTI awards. • No commencement award was provided.
Appointment: Inder Singh Group Chief Financial Officer and Group Executive, Strategy	• Joined NAB and became KMP on 2 March 2026. • Annual fixed remuneration was set at $1.7 million. • Eligible for prorated FY26 AVR and LTI awards. • Received a $10 million commencement award to replace remuneration forfeited on leaving his former employer, comprising $2 million in deferred cash and $8 million in restricted shares scheduled to vest progressively to June 2031.(1)
Appointment: Connie Sokaris Group Chief Risk Officer	• Appointed Group Chief Risk Officer and became KMP on 3 August 2026. • Annual fixed remuneration was set at $1.2 million. • AVR opportunity was aligned with the standard opportunity for the Group Chief Risk Officer role. • No commencement award or FY26 LTI award was provided.
Retirement: Sharon Cook Group Executive, Customer & Corporate Services and Group General Counsel	• Ceased as Group Executive and KMP on 30 November 2025 and retired on 31 December 2025 following a transition to a Strategic Adviser role. • Did not participate in FY26 AVR or LTI. • Existing deferred AVR and LTI awards were retained.(2) • On retirement, she received payment in lieu of her contractual notice period.
Retirement: Les Matheson Group Chief Operating Officer	• Retired and ceased as KMP on 30 September 2026. • Remained eligible for FY26 AVR, with the deferred component to be delivered in cash. • Existing deferred AVR and LTI awards were retained.(2) • On retirement, he received payment in lieu of his contractual notice period.
Retirement: Shaun Dooley Acting Group Chief Financial Officer and Group Chief Risk Officer	• Served as Acting Group Chief Financial Officer until 4 March 2026 and Group Chief Risk Officer from 5 March to 2 August 2026. • Ceased as Group Executive and KMP on 2 August 2026 and retired on 30 October 2026 following a transition to a Strategic Adviser role. • Remained eligible for FY26 AVR, reflecting his service in the applicable roles, with the deferred component to be delivered in cash. • Existing deferred AVR and LTI awards were retained.(2) • On retirement, he received payment in lieu of his contractual notice period.
Transition: Patrick Wright Group Executive, Technology and Enterprise Operations	• Ceased as Group Executive and KMP on 30 September 2026 and transitioned to a Strategic Adviser role, with retirement expected on 1 July 2027. • Remained eligible for FY26 AVR and the FY27 LTI award, determined through the applicable performance and governance processes. • Existing deferred AVR, LTI and Technology Modernisation Recognition Awards were retained.(2) • Under the transition arrangements, he is eligible to be considered for appropriate FY27 variable reward reflecting service during the transition period and subject to the applicable plan terms and performance and governance processes.
Acting: Peter Whitelaw Acting Group Chief Risk Officer	• Served in the acting role from 18 March 2025 to 4 March 2026. • Fixed remuneration, AVR target opportunity and Annual Equity Award for the substantive role remained unchanged. • Received an acting allowance of $219,743 for the FY26 portion of the acting arrangement, excluding superannuation. • FY26 AVR outcome in respect of the acting period was determined on a prorated basis, with the deferred component delivered in shares. • Did not participate in the Group Executive LTI plan.

(1) Unless otherwise stated, commencement awards remain subject to their applicable service, forfeiture, malus and clawback conditions and Board discretion.
(2) Unless otherwise stated, deferred awards retained following a transition or exit remain subject to their original terms, including applicable performance conditions, malus and clawback. Vesting has not been accelerated.

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1.4 Remuneration arrangements for FY27

Fixed remuneration

The fixed remuneration of Andrew Irvine, Group CEO, will remain unchanged at $2.5 million for FY27, being the amount applying since 2019.

The fixed remuneration of Daniel Huggins, Managing Director and CEO, Bank of New Zealand, is determined in New Zealand dollars and approved through the applicable BNZ governance process. For FY27, it will increase by 6.75% to the equivalent of approximately AUD 1.25 million[1], supporting closer alignment with comparable Group Executives.

The fixed remuneration of Shane Conway, Group Executive, Transformation and Operations, will increase by 10% to $1.1 million, reflecting the expanded scope and accountabilities of the Group Executive, Transformation and Operations role.

Fixed remuneration will remain unchanged for all other Group Executives.

FY27 LTI award

Following consideration of the relevant FY26 individual performance, risk management and conduct assessments and having regard to the remuneration consequences already reflected in FY26 AVR outcomes and other applicable adjustments, the Board approved the full FY27 LTI opportunity for the Group CEO and eligible permanent Group Executives.

The full opportunity has a face value of 140% of fixed remuneration, consistent with the existing LTI framework. The awards are expected to be allocated on 15 December 2026, with the Group CEO's award subject to shareholder approval at NAB's 2026 Annual General Meeting.

The value ultimately delivered will depend on performance against the applicable four-year performance measures and may be reduced to zero. The awards remain subject to four-year financial and risk performance conditions, individual risk and conduct assessment, and applicable malus and clawback provisions. Further information is provided in Section 2.3.

Minimum Shareholding Requirement

Consistent with NAB's remuneration strategy, meaningful executive shareholding aligns the interests of Executive Leadership Team (ELT) members with those of shareholders and ensures that ELT members maintain a meaningful personal investment in the Group's long-term performance and value. The Minimum Shareholding Requirement (MSR) applies to the Group CEO and other ELT members.

The Board strengthened the MSR with effect from 1 October 2026, as summarised below.

Feature	FY26 requirements	FY27 requirements
Required minimum holding	Group CEO: 200% of fixed remuneration Other ELT members: 100% of fixed remuneration	Group CEO: 300% of fixed remuneration Other ELT members: 200% of fixed remuneration
Ordinary shareholding	No separate requirement	As part of the total requirement, each ELT member must hold NAB ordinary shares with a value equivalent to at least 50% of fixed remuneration
Timeframe to meet	Five years from appointment to the ELT	Existing ELT members: five years from 1 October 2026 New ELT members: five years from appointment to the ELT
Qualifying holdings	• NAB ordinary shares • Unvested deferred shares and rights not subject to further performance conditions • Shares held directly or indirectly • Unvested commencement or recognition awards subject only to service conditions • Vested LTI subject to a restriction period	No change
Exclusions	Unvested LTI awards and unvested commencement or recognition awards subject to performance conditions	No change
Valuation basis	NAB share price at 30 September 2026	NAB share price at 30 September 2027

(1) The approximate Australian dollar equivalent has been calculated using the year-to-date average exchange rate as at August 2026 of AUD 1.00 = NZD 1.18363, consistent with the exchange rate used for the FY27 remuneration decision.

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Section 2 - Our executive remuneration framework

1 Key matters | **2 Framework** | 3 KMP | 4 Performance | 5 Outcomes | 6 Governance | 7 Executive disclosures | 8 NEDs | 9 Related parties

This section describes the fixed and variable remuneration components of NAB's executive remuneration framework and the key terms applying to each component.

2.1 Fixed remuneration

Fixed remuneration reflects the scope and accountabilities of the role and the executive's experience and capability. It supports the attraction and retention of executives with the skills required to deliver NAB's strategy.

Fixed remuneration is reviewed periodically against relevant market benchmarks, including Australian financial services peers and broader comparator groups. The Board also considers role scope, individual performance, internal relativities and market conditions.

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2.2 Annual variable reward

Annual Variable Reward (AVR) is NAB's annual variable remuneration arrangement for the Group CEO and Group Executives. It rewards annual Group and individual performance against financial and non-financial measures, while a significant proportion is deferred to support longer-term alignment and accountability.

The key features of the AVR framework are summarised below.

Feature	Description
Purpose and eligibility	AVR rewards the Group CEO and Group Executives for annual Group and individual performance that supports delivery of NAB's strategy and long-term sustainable outcomes.
Opportunity	Target and maximum AVR opportunities are expressed as a percentage of fixed remuneration.

Position	Target opportunity	Maximum opportunity
Group CEO and Group Executives, other than the Group CRO	75%	100%
Group CRO	50%	65%

An acting appointment does not automatically change an executive's AVR opportunity. Any different treatment is determined as part of the relevant appointment arrangements.

Performance assessment

Group performance is assessed through a weighted scorecard comprising financial and non-financial measures aligned with NAB's strategic priorities. The scorecard produces an initial weighted result, which the Board considers alongside a qualitative assessment to determine the final Group performance outcome. In applying its judgement, the Board considers the quality and sustainability of performance, risk outcomes, shareholder experience, external factors and how outcomes were achieved.

Individual performance is assessed against goals, strategic priorities and accountabilities relevant to each executive's role (including climate-related goals), together with leadership, risk and conduct, accountability considerations, and Who We Are behaviours. These considerations inform the executive's overall performance rating and Individual Performance Multiple (IPM).

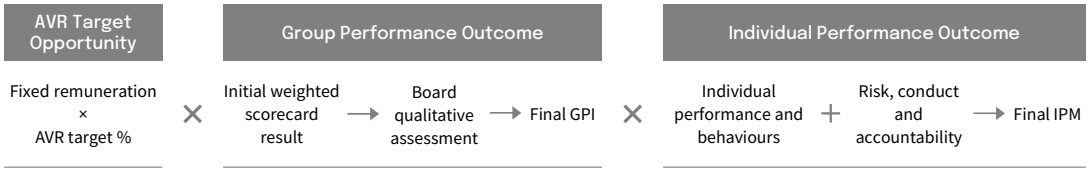
Where appropriate, the Board may adjust Group or individual outcomes to ensure remuneration appropriately reflects the quality and sustainability of performance.

Where relevant to an executive's accountabilities, climate-related considerations may be reflected in individual goals, including climate transition priorities and selected sector decarbonisation targets and goals, and in risk assessments. They are considered holistically alongside other financial and non-financial measures and are not separately weighted or assessed on a formulaic basis.

Further information on Group and individual performance assessment is provided in Section 4. Further information on NAB's climate-related strategy, governance, objectives and progress is provided in *Climate-related Disclosures* in this Annual Report.

Calculation and final determination

The applicable Group or business performance outcome and final IPM are applied to the executive's AVR target opportunity to calculate the AVR amount:



Risk, conduct and accountability considerations may be reflected in the final IPM. The Board then determines the final AVR award, having regard to the calculated amount and any other adjustment available under the applicable plan terms.

Delivery and deferral

AVR is delivered 60% in cash following the end of the performance year and 40% in deferred rights that are not subject to further performance conditions. Half of the deferred component is scheduled to vest after one year and half after two years.

Deferred rights remain subject to the applicable award terms, including malus and clawback, until vesting. A dividend equivalent payment is made on rights that vest for the applicable deferral period.

Separation

An executive who resigns before the end of the performance year is generally not eligible to receive an AVR award for that year, and any unvested deferred awards are generally forfeited.

Different treatment may apply in other separation circumstances under the applicable plan terms and subject to Board discretion. Where an unvested award is retained, it generally remains on foot under its original terms and vesting is not accelerated. Material individual separation arrangements are disclosed in Section 1.3.

Board discretion and adjustments

AVR is discretionary and not guaranteed. The Board may adjust an outcome, including reducing it to zero, having regard to performance, risk, conduct, accountability, financial soundness and other relevant matters. Further information on Board discretion is provided in Section 6.

BNZ CEO arrangement

For Daniel Huggins, the performance outcome applied in the AVR calculation is based on 25% NAB Group performance and 75% BNZ performance. All matters relating to his remuneration, including scorecard measures and performance assessment, are approved by the BNZ Board in accordance with BNZ's Conditions of Registration.

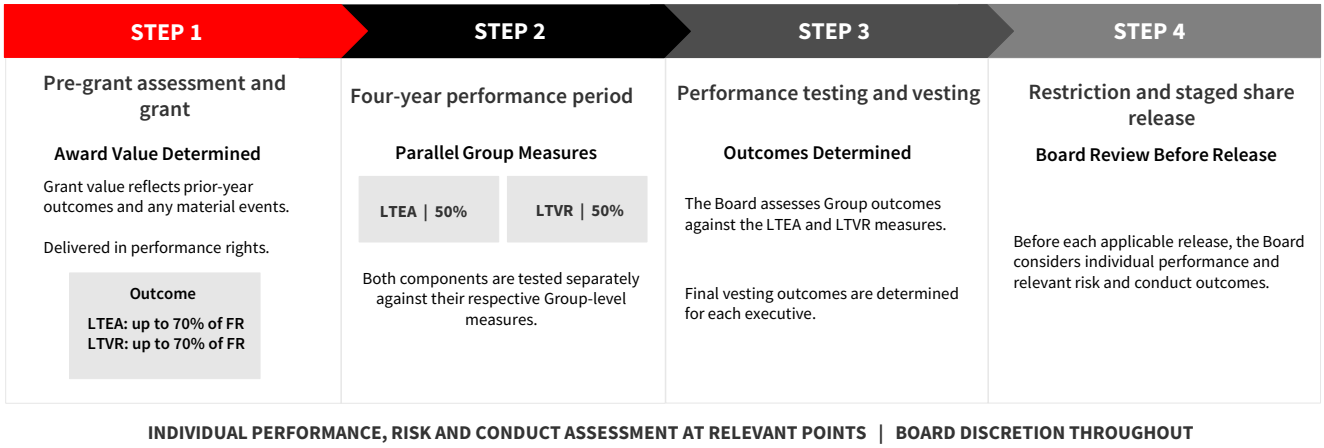
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2.3 Long-term incentive

Long-term Incentive (LTI) awards align the interests of the Group CEO and Group Executives with sustainable performance and long-term shareholder value creation. These awards are delivered in performance rights and remain subject to performance conditions over a four-year period, with subsequent restriction periods supporting continued alignment and accountability.

The current two-component LTI framework was introduced with the 2024 LTI award. It includes the Long-Term Equity Award (LTEA) and Long-Term Variable Reward (LTVR), which assess different aspects of long-term performance. Earlier awards, including the 2022 LTVR tested during 2026, included only LTVR.

The diagram below provides a high-level overview of the LTI lifecycle, from the Board's pre-grant assessment through to performance testing, vesting and the release of shares.



The key features of the LTI framework, including the performance measures applying to the LTEA and LTVR, are described in the table below.

Feature	Description
Purpose and eligibility	LTI supports long-term decision-making and aligns the interests of the Group CEO and permanent Group Executives with sustainable performance and long-term shareholder value creation. Eligibility is determined by the Board.
Pre-grant assessment and award opportunity	Before determining an LTI award, the Board considers the executive's individual performance, risk management and conduct outcomes from the preceding performance year. The maximum LTI opportunity is 140% of FR and has two equally weighted components: • LTEA: 70% of FR; and • LTVR: 70% of FR. The Board determines the actual grant value, which may be reduced, including to zero, based on the pre-grant assessment.
Award structure and performance period	LTI is delivered in performance rights that are subject to performance conditions over a four-year performance period: • LTEA performance rights assess long-term non-financial performance through NAB's risk outcomes. • LTVR performance rights assess long-term financial and shareholder performance through relative TSR. Each vested performance right entitles the holder to receive one NAB ordinary share on exercise.
Performance assessment	The LTEA and LTVR components are tested separately against Group-level performance measures over the four-year performance period. The outcome of one component does not determine or offset the outcome of the other. The number of rights ultimately released to each executive also remains subject to individual performance, risk and conduct assessment. **LTEA** assesses NAB's risk performance over the four-year performance period, including performance against its risk expectations and whether NAB maintained an acceptable level of risk exposure within the agreed risk appetite. The Group CRO provides an assessment for each year of the performance period. At the end of the performance period, the Board considers those assessments and relevant risk events holistically to determine the proportion of LTEA performance rights that vest. Unlike LTVR, the LTEA vesting outcome is not determined by a formulaic scale. **LTVR** assesses NAB's TSR relative to a comparator group applicable to the award. TSR measures the returns that a shareholder receives through dividends (and any other distributions) together with capital gains over the performance period. For the purposes of calculating TSR, the value of the relevant shares at the beginning and end of the performance period is based on the 30-trading-day volume-weighted average price up to and including the relevant date. The number of performance rights that vest at the end of the performance period is determined on a straight-line basis from 50% vesting where NAB's TSR ranks at the 50th percentile of the comparator group to 100% vesting where NAB's TSR ranks at or above the 75th percentile. All performance rights lapse where NAB's TSR ranks below the 50th percentile.

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Feature	Description
Vesting, restriction and release	Following performance-condition testing at the end of the four-year performance period, eligible LTEA and LTVR performance rights vest. Vested rights are then exercised and the resulting shares released according to the following schedule: • **Group CEO**: one-third at the end of each of years four, five and six. • **Group Executives**: half at the end of each of years four and five. Before vested rights are exercised, the Board assesses the executive's individual performance and any relevant risk and conduct outcomes and determines whether a downward adjustment is required.
Value delivered and dividend equivalents	The value ultimately delivered depends on the number of performance rights that vest and are exercised, and NAB's share price at the time of exercise. The value may be zero if the applicable performance conditions are not satisfied or the Board adjusts the outcome to zero. Dividends are not paid during the performance period. A dividend equivalent payment is made on rights that vest for dividends paid between vesting and exercise.
Separation	Performance rights are generally forfeited where an executive resigns. Different treatment may apply in other separation circumstances, including retirement and retrenchment, subject to the applicable award terms and Board discretion. Where performance rights are retained, they generally remain on foot under their original terms and are tested and released in accordance with the normal timetable.
Board discretion and adjustments	LTI awards are discretionary and not guaranteed. The Board may adjust an outcome, including reducing it to zero, having regard to performance, risk, conduct, accountability, financial soundness and other relevant matters. Further information on Board discretion is provided in Section 6.

2.4 Minimum Shareholding Requirement

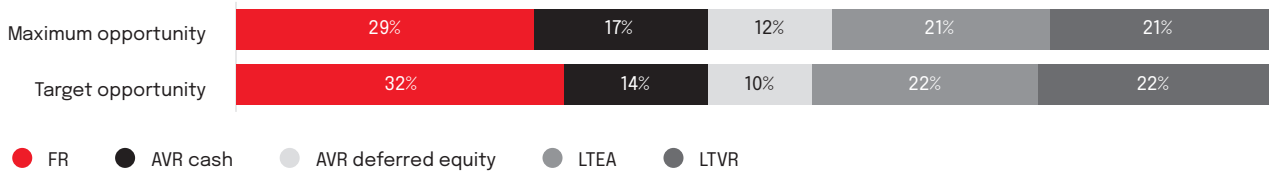
The MSR applying at 30 September 2026 was used to assess the shareholdings of relevant ELT members at that date. Acting ELT appointments were not subject to the MSR. The MSR was strengthened from 1 October 2026, as outlined in Section 1.4.

2.5 Remuneration mix

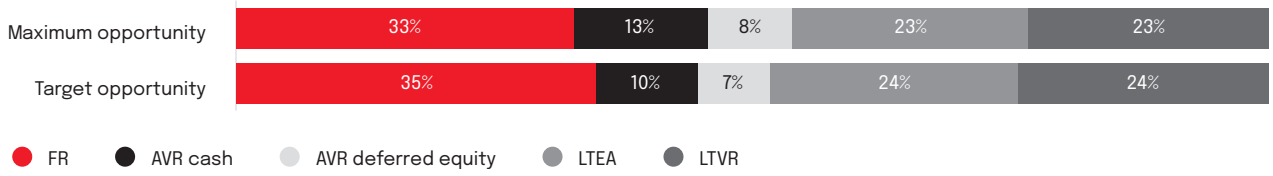
The standard remuneration mix for the Group CEO and Group Executives places a significant proportion of total remuneration at risk and in equity, supporting alignment with performance and long-term shareholder outcomes. At target, variable remuneration represents approximately two-thirds of total remuneration, with more than half deferred.

The mix below shows the fixed remuneration, AVR and LTI opportunities applying to the Group CEO and Group Executives, including the different AVR opportunity for the Group CRO. It excludes commencement, retention, recognition and other discretionary awards. Actual outcomes vary with Group and individual performance and the exercise of Board judgement.

Group CEO and Group Executives



Group CRO



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2.6 Colleague remuneration

Colleague remuneration frameworks are designed to support the delivery of the Group Strategy by reinforcing performance, customer outcomes and appropriate risk management behaviours across the broader workforce. These frameworks are aligned to the principles of the executive remuneration framework and support a consistent approach to remuneration across the Group.

Remuneration for colleagues comprises fixed remuneration and, where applicable, variable remuneration linked to individual and business performance. Outcomes are determined with reference to role scope, performance, market competitiveness and internal relativities. For eligible Australia-based colleagues, remuneration arrangements are governed by NAB's Enterprise Agreement.

Consistent with the executive remuneration framework, variable remuneration outcomes reflect financial and non-financial performance, including risk, conduct and customer considerations, and are subject to appropriate governance and oversight. Further information is provided in Section 6.

NAB's remuneration framework is based on the principle of equal pay for work of equal value. Remuneration decisions are monitored through the annual performance and reward review process to identify and address potential gender-based pay inequities.

	Fixed Remuneration (FR)	Annual Variable Reward (AVR)	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 includes 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 2, year 3 and year 4) • 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 2026	• 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 are standardised to ensure 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

(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 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 6.

Further information on NAB's Colleague Strategy, workforce composition, inclusion and broader colleague initiatives is provided in the *Sustainability Report* section of this Annual Report.

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Section 3 - Our key management personnel

1 Key matters | 2 Framework | **3 KMP** | 4 Performance | 5 Outcomes | 6 Governance | 7 Executive disclosures | 8 NEDs | 9 Related parties

The Board has determined the individuals who were KMP during 2026 having regard to whether they had authority and responsibility for planning, directing and controlling the activities of NAB and the Group. KMP comprise the non-executive directors, the Group CEO and the Group Executives listed below.

Name	Position	KMP term during 2026
Chair		
Philip Chronican	Chair	Full year
Non-executive directors		
Alison Kitchen	Director	Full year
Ann Sherry[1]	Director	Full year
Anna Bligh	Director	From 1 September 2026
Carolyn Kay	Director	Full year
Christine Fellowes	Director	Full year
Kathryn Fagg	Director	Full year
Simon McKeon	Director	Full year
Warwick Hunt	Director	Full year
Group CEO		
Andrew Irvine	Group Chief Executive Officer	Full year
Group Executives		
Ana Marinkovic	Group Executive, Personal Banking	Full year
Andrew Auerbach	Group Executive, Business and Private Banking	Full year
Cathryn Carver	Group Executive, Corporate and Institutional Banking	Full year
Connie Sokaris	Group Chief Risk Officer	From 3 August 2026
Daniel Huggins	Managing Director and CEO, Bank of New Zealand	Full year
Inder Singh[2]	Group Chief Financial Officer and Group Executive, Strategy	From 2 March 2026
Les Matheson	Group Chief Operating Officer	Full year
Patrick Wright	Group Executive, Technology and Enterprise Operations	Full year
Pete Steel	Group Executive, Digital, Data and Artificial Intelligence	From 19 November 2025
Sarah White	Group Executive, People and Culture	Full year
Shane Conway	Group Executive, Transformation	From 1 December 2025
Acting Group Executive		
Peter Whitelaw	Acting Group Chief Risk Officer	Until 4 March 2026
Former Group Executives		
Sharon Cook	Group Executive, Customer & Corporate Services and Group General Counsel	Until 30 November 2025
Shaun Dooley	Acting Group Chief Financial Officer; Group Chief Risk Officer	Acting Group CFO until 4 March 2026; Group CRO from 5 March to 2 August 2026

(1) Ann Sherry will stand down from the Board following NAB's 2026 Annual General Meeting.
(2) Inder Singh commenced as Group Chief Financial Officer on 2 March 2026. Shaun Dooley and Peter Whitelaw continued in their acting arrangements until 4 March 2026 to support an orderly handover during a scheduled Board program.

Biographical information about current ELT members is provided in *Executive Leadership Team* within the Corporate Governance Statement section of this Annual Report and on nab.com.au.

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Changes from 1 October 2026

The following changes to roles and accountabilities took effect from 1 October 2026 and provide context on the current ELT structure.

Name	Position from 1 October 2026	Change
Ana Marinkovic	Group Executive, Personal Banking	Assumed accountability for Ubank.
Pete Steel	Group Executive, Technology and AI	Portfolio expanded to lead NAB's enterprise-wide technology and AI agenda, bringing together technology, data and analytics, AI, cyber security, architecture and engineering.
Shane Conway	Group Executive, Transformation and Operations	Portfolio expanded to lead NAB's enterprise-wide transformation and operations agenda, including technology modernisation, enterprise simplification, customer experience and services, financial crime and fraud, digital, enterprise operations and NAB's innovation centres in India and Vietnam.

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Section 4 - Performance assessment and Group performance

Performance assessment connects the Group's financial and non-financial performance with executive remuneration outcomes. This section explains how the Board assesses Group and individual performance and how those assessments inform AVR outcomes for the Group CEO and Group Executives.

4.1 Group performance scorecard

NAB's Group Performance Indicator (GPI) is determined from a weighted Group performance scorecard and the Board's qualitative assessment. The scorecard comprises financial and non-financial measures aligned with NAB's strategic priorities.

In determining the final Group performance outcome, expressed as the GPI, the Board considers whether the initial weighted scorecard result appropriately reflects the quality and sustainability of performance, risk and control outcomes, shareholder experience, external conditions and how performance was delivered. The Board may adjust the initial result upwards or downwards, including reducing it to zero.

4.2 Group performance outcomes

The Group's performance against the financial and non-financial scorecard measures is set out below. Certain measures are assessed using measurement periods that differ from the Group's financial year, as specified in the relevant footnotes. Board adjustments are shown within the relevant goal or, for risk, applied to the overall outcome.

Goal and Measure	Weighting	Performance against target | Target ● Outcome	Weighted contribution[1]
Financial: *Deliver attractive returns, safe growth and the financial plan*			
Cash earnings, expected loss basis[2] Excluding large notable items, cash earnings on an expected loss basis of $7,369 million were $319 million above target, driven by stronger deposit margins and volumes and higher home lending and Treasury income. This was partly offset by higher operating and investment expenses following changes to the Group's software capitalisation policy.	20%		21.8%
Return on Total Allocated Equity (ROTAE), expected loss basis[2] Excluding large notable items, ROTAE on an expected loss basis of 11.51% was 41 basis points above target, reflecting higher cash earnings, partly offset by higher allocated equity.	20%		21.5%
Market Share[3] Three of four measures met or exceeded target. Business lending, business deposits and home lending grew, while household deposits declined.	10%		10.4%
Board adjustment – financial and shareholder considerations The Board considered that the financial results did not fully reflect the quality and sustainability of earnings, as performance was supported by factors outside management's control, including a higher interest rate environment, stronger system lending and deposit growth, and higher Treasury income. The Board also considered the earnings per share dilution from the partial underwriting of the interim Dividend Reinvestment Plan and the shareholder impact of the changes to the Group's software capitalisation policy.			(9.0%)
Customers: *Customers who trust us and choose us to be their bank*			
Strategic NPS and MFI[4] All five segments improved absolute NPS[5][6] from baseline, and three improved their relative position. Corporate and Institutional Banking ranked first in its market. Micro and Small Business and High Net Worth and Mass Affluent met or exceeded target. Medium and Large Business exceeded its absolute target but finished two points behind the leading major bank. Mass Consumer improved but remained below target on both elements. MFI share[7] increased by 50 basis points for Consumer and 260 basis points for Business, with both segments improving from baseline and exceeding their respective targets.	30%		31.9%

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Colleagues: *Customer obsessed colleagues who are proud to work at NAB*			
Colleague Engagement[8] The 2026 Engagement Index was 78, representing the average of the February and July survey results and in line with the global top-quartile benchmark. Satisfaction, wellbeing, belonging and recommendation scores were broadly stable. All FY26 Colleague Strategy commitments were delivered against the roadmap.	5%		5.2%
Gender Equality[9] Targets were exceeded at Groups 4 and 5 and overall across Groups 4 to 6, with women representing more than 40% of leadership roles for the first time. Group 6 improved but remained below target.	5%		6.0%
Strategic Priorities: *Delivery of the Group Strategy*			
Technology Modernisation Score (TMS) The TMS GPI Estate reduced by 12.1%, against a target reduction of 7.98%, achieving the maximum outcome. Legacy technology was modernised and decommissioned across the Group, reducing complexity and strengthening resilience.	10%		13.0%
Group performance outcome before risk adjustment			**100.8%**
Board adjustment – risk The Board Risk & Compliance Committee's assessment of FY26 risk performance informed the Board's determination. While progress was made in some areas, overall risk management practices and outcomes did not consistently meet expectations, including in financial crime, conduct and compliance risk, and in the timely delivery of complex transformation and customer remediation programs.			(5.8%)
Final Group performance outcome			**GPI: 95%**

(1) Weighted contribution reflects each measure's outcome after applying its assessment scale and weighting. Weighted contributions and Board adjustments sum to the final Group performance outcome.
(2) Cash earnings and ROTAE are assessed on an expected loss basis and exclude large notable items for FY26 GPI purposes. The expected loss basis provides a view of underlying performance that is less affected by year-to-year movements in credit impairment charges but remains sensitive to changes in the risk profile of the Group's portfolio. For information on the definition of cash earnings, non-cash earnings items and the reconciliation to statutory net profit attributable to owners of NAB, refer to Note 2 Segment information in the Financial Report.
(3) Market Share is a composite measure comprising Australian home lending, business lending, household deposits and business deposits, measured using a July 2025 baseline and July 2026 results for FY26 GPI purposes. Each component is assessed separately against its applicable target, based on APRA Monthly Authorised Deposit-taking Institution Statistics. The component outcomes and target ranges shown represent the minimum and maximum results across the four components.
(4) Strategic NPS and MFI share are weighted 20% and 10% respectively and presented as a combined outcome. Strategic NPS comprises five customer segments: Mass Consumer; High Net Worth and Mass Affluent; Micro and Small Business; Medium and Large Business; and Corporate and Institutional Banking.
(5) Net Promoter®, NPS®, NPS Prism® and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., NICE Systems, Inc. and Fred Reichheld. Net Promoter Score℠ and Net Promoter System℠ are service marks of Bain & Company, Inc., NICE Systems, Inc. and Fred Reichheld. Australian Consumer and Business Strategic NPS results are sourced from RFI Global – Atlas and measured on a six-month rolling average to August 2026 for FY26 GPI purposes. Rankings are based on absolute scores, may not represent statistically significant differences and are compared against the major Australian banks.
(6) Mass Consumer comprises customers aged 18 or over and excludes customers with personal income of $260,000 or more, investible assets of $2.5 million or more, or footings of more than $850,000. High Net Worth and Mass Affluent comprises customers meeting one or more of those thresholds. Micro and Small Business comprises businesses with turnover up to $5 million, and Medium and Large Business comprises businesses with turnover from $5 million to less than $200 million. Corporate and Institutional Banking NPS is sourced from the Coalition Greenwich Voice of Client Studies.
(7) Consumer and Business MFI share results are sourced from RFI Global – Atlas and measured on a six-month rolling average to August 2026 for FY26 GPI purposes. MFI is self-nominated by customers in response to which financial institution they consider to be their main bank or main financial institution. Business MFI is based on all businesses and excludes Financial Institutions and Government.
(8) The Engagement Index is NAB's primary measure of colleague engagement and is based on four questions covering recommendation, employee satisfaction, belonging and wellbeing. The 2026 result of 78 represents the average of the February 2026 Engagement Index score of 78 and the July 2026 score of 77. Results are based on Viva Glint Heartbeat surveys and include colleagues in Australia, New Zealand (including BNZ), India, Vietnam and other international locations, but exclude Ubank, external consultants and outsourced service providers.
(9) Leadership roles comprise positions at Groups 4 to 6. The Gender Equality measure assesses the annual percentage-point increase in women's representation across those groups from 1 August 2025 to 31 July 2026 for FY26 GPI purposes. The FY26 increase was 0.89 percentage points against a target increase of 0.70 percentage points.

The final Group performance outcome of 95% informed the assessment of executive performance and remuneration outcomes. The individual performance assessments for the Group CEO and Group Executives are described in Sections 4.3 and 4.4, with the resulting AVR outcomes provided in Section 5.1.

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4.3 Group CEO performance assessment

The final Group performance outcome described in Section 4.2 formed the Group performance component of the Group CEO's AVR assessment. The Board separately assessed the Group CEO's individual performance against individual objectives, leadership and contribution, risk and conduct, accountability, and demonstration of the Who We Are behaviours.

The assessment was informed by performance information from goal owners, the Group CEO's self-assessment, the Group CRO's independent risk and conduct assessment, and the Board Chair's evaluation. Having considered these inputs, the Board determined the Group CEO's individual performance rating and IPM, expressed as a percentage, before considering whether an additional in-year performance adjustment was appropriate.

Area	Board's assessment	Impact on outcome
Individual performance and behaviours	The Board assessed the Group CEO's delivery against the Group CEO's individual priorities, including execution of the Group Strategy, customer and colleague outcomes, leadership contribution and demonstration of the Who We Are behaviours. The Board assessed the Group CEO's individual performance as **Achieved**.	IPM: 100%
Risk, conduct and accountability	The Board recognised positive leadership and progress in a number of areas, including capital and liquidity management, technology modernisation and regulatory change. The Board assessed that overall risk management practices and outcomes did not consistently meet expectations in FY26, taking into account the Group CEO's self-assessment and the Group CRO's independent assessment of FY26 risk performance as **Focus Required**. In determining the final IPM, the Board had regard to the Group CEO's accountability for continuing to strengthen risk management and operational excellence across the Group.	In-year performance adjustment: 5 percentage-point reduction (IPM 100% → 95%)
	Individual performance outcome	**Final IPM: 95%**
	Group performance outcome	Final GPI: 95%
	AVR outcome	90% of target opportunity; 68% of maximum opportunity

4.4 Group Executive performance assessment

The Board assessed each Group Executive's individual performance, having regard to business or functional performance, delivery of strategic priorities, leadership, customer and colleague outcomes, risk and conduct, accountability, and demonstration of the Who We Are behaviours.

Each assessment was informed by the Group Executive's self-assessment, performance against individual goals and the Group CRO's independent risk and conduct assessment. Having considered these inputs, the Group CEO applied judgement in proposing an overall performance rating and IPM for each Group Executive. The proposed outcomes were considered by the People & Remuneration Committee and determined by the Board.

Eight Group Executives received a Focus Required risk rating[1], which the Board reflected in their final IPMs through a 5 percentage-point reduction.

The resulting FY26 AVR outcomes are presented in Section 5.1.

(1) Includes one Acting Group Executive.

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Section 5 - 2026 remuneration outcomes

1 Key matters | 2 Framework | 3 KMP | 4 Performance | **5 Outcomes** | 6 Governance | 7 Executive disclosures | 8 NEDs | 9 Related parties

This section presents the FY26 annual and long-term incentive outcomes for the Group CEO and Group Executives who were key management personnel during 2026 (Executive KMP), together with remuneration received or vested during the year. These outcomes reflect the performance assessments described in Section 4 and the remuneration framework described in Section 2.

The Executive KMP population and periods of KMP service are set out in Section 3. Detailed statutory remuneration and share-based remuneration disclosures are provided in Section 7.

5.1 Executive remuneration outcomes

Annual variable reward outcomes

AVR outcomes for 2026 reflect the Board's assessment of Group and individual performance, including financial and non-financial performance, risk, conduct and accountability, as described in Section 4. The table below sets out the AVR opportunity, outcome and delivery for Executive KMP and participated in the FY26 AVR. Sharon Cook did not participate in the FY26 AVR following her transition from Executive KMP during the year.

Name	Maximum AVR opportunity $	AVR outcome[1] $	AVR cash $	AVR deferred $	AVR outcome relative to target %	AVR outcome relative to maximum %
Group CEO						
Andrew Irvine	2,500,000	1,692,188	1,015,313	676,875	90	68
Group Executives						
Ana Marinkovic	1,250,000	1,113,281	667,969	445,312	119	89
Andrew Auerbach	1,250,000	1,157,813	694,688	463,125	124	93
Cathryn Carver	1,250,000	935,156	561,094	374,062	100	75
Connie Sokaris (for part year)[2]	126,082	82,923	49,754	33,169	86	66
Daniel Huggins[3]	1,167,320	1,061,094	636,656	424,438	121	91
Inder Singh (for part year)[2]	992,055	706,839	424,103	282,736	95	71
Les Matheson	1,250,000	757,031	454,219	302,812	81	61
Patrick Wright	1,537,500	985,922	591,553	394,369	86	64
Pete Steel (for part year)[2]	1,082,192	771,062	462,637	308,425	95	71
Sarah White	1,000,000	748,125	448,875	299,250	100	75
Shane Conway (for part year)[2]	832,877	534,082	320,449	213,633	85	64
Acting Group Executive						
Peter Whitelaw (for part year)[2][4]	363,288	163,934	98,360	65,574	90	45
Former Group Executives						
Shaun Dooley (for part year)[2]	910,000	565,250	339,150	226,100	81	62
Total[5]	**15,511,314**	**11,274,700**	**6,764,820**	**4,509,880**	**98**	**73**

(1) AVR outcomes reflect the applicable Group or business performance outcome and each executive's final IPM, including the in-year performance adjustments described in Sections 4.3 and 4.4.
(2) For individuals shown for part year, the AVR opportunity reflects the applicable award arrangements, including the relevant period of participation where applicable.
(3) Daniel Huggins' applicable performance outcome was based on 25% of NAB's 95% GPI and 75% of BNZ's 103% BPI, resulting in a weighted performance outcome of 101%.
(4) Peter Whitelaw's deferred AVR is delivered in shares, reflecting the arrangements applying to his acting appointment.
(5) The percentages in the total row are calculated using aggregate AVR outcomes and aggregate target and maximum opportunities for participating Executive KMP.

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Historical outcomes

The table below provides a five-year view of financial and shareholder performance, AVR outcomes and LTVR vesting outcomes. The measures should be considered across the period, recognising that AVR reflects performance in the relevant year while LTVR outcomes reflect performance over the applicable four-year performance period.

Measure	2026	2025	2024	2023	2022
Financial and shareholder performance					
Cash earnings ($m)[1]	7,090	7,091	7,102	7,731	7,104
Dividend paid during the year (cents per ordinary share)	170	170	168	161	140
Closing NAB share price ($)	39.15	44.15	37.35	29.07	28.81
One-year absolute TSR (%)	(7.5)	22.8	34.3	6.5	8.6
Four-year absolute TSR (%)[2]	59.1	81.6	141.9	14.9	22.5
Remuneration outcomes					
Group CEO AVR (% target opportunity)[3]	90	92	90	108	111
Average Executive KMP AVR (% target opportunity)[4]	97	93	92	101	97
LTVR award tested during the year: final vesting outcome (%)[5]	75	100	100	n/a	66
Relative TSR percentile for the LTVR award tested during the year[6]	63rd	75th	75th	n/a	71st

(1) Cash earnings is a non-statutory financial measure presented on a continuing operations basis. The 2026 amount excludes $949 million of large notable items after tax and differs from cash earnings assessed on an expected loss basis for remuneration purposes in Section 4.2.
(2) Represents NAB's absolute TSR over the four-year period ending in the relevant financial year.
(3) The Group CEO changed during 2024. Outcomes for each year reflect the individual or individuals who served as Group CEO during the relevant period.
(4) For each year, the average includes the Group CEO and all Group Executives eligible for AVR, including Acting Group Executives and relevant outgoing or former Group Executives.
(5) The vesting outcome relates to the LTVR award tested during the year shown. No LTVR award was tested during 2023 because no award was granted in 2018.
(6) Relative TSR is measured over the performance period of the relevant LTVR award against the comparator group applying to that award. Comparator groups may differ between awards.

Over the period shown, Group CEO and average Group Executive AVR outcomes varied around target, reflecting differences in Group and individual performance and the application of Board judgement. LTVR vesting outcomes reflect performance over the relevant four-year performance periods. Financial, shareholder and remuneration outcomes should therefore be considered across the full period rather than compared directly within a single year.

LTI awards granted in 2026

In December 2025, the Board granted the FY26 LTI award to the Group CEO and eligible permanent Group Executives after considering relevant FY25 individual performance, risk management and conduct assessments. The full LTI opportunity of 140% of fixed remuneration was granted, with equal LTEA and LTVR components of 70% each, with no reduction applied at grant. Further information on the LTI framework is provided in Section 2.3.

The pre-grant assessment and outcome were as follows:

Pre-grant assessment	Outcome
Individual performance	Met
Risk management	Met
Conduct, including Who We Are behaviours	Met
LTI opportunity granted	**100%**

2022 LTVR vesting outcome

Following testing of the 2022 LTVR award, the Board considered participant performance, risk management and conduct, together with remuneration consequences previously applied, and determined that no further reduction to the formulaic vesting outcome was required. The final outcome was therefore 75% vested and 25% lapsed.

The 2022 LTVR preceded NAB's current two-component LTI framework and did not include an LTEA component. The detailed assessment is set out below, with an overview of recent LTVR vesting outcomes provided in Section 1.1.

Award feature / assessment	2022 LTVR outcome
Grant date	23 February 2022
Performance measure and weighting	Relative TSR against the applicable comparator group: 100%
Performance period	15 November 2021 to 15 November 2025
NAB TSR	84.45%
Comparator group	AMP Limited, ANZ Group Holdings Limited, Bank of Queensland Limited, Bendigo and Adelaide Bank Limited, Commonwealth Bank of Australia, Macquarie Group Limited, Suncorp Group Limited and Westpac Banking Corporation.
Relative performance	Ranked fourth among NAB and the eight comparator companies, corresponding to the 63rd percentile.
Formulaic vesting outcome	75%
Board performance, risk and conduct assessment	No further reduction
Final vesting outcome	**75% vested; 25% lapsed**

Award-level information, including the number and value of rights vested and lapsed during 2026, is provided in Section 7.2.

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5.2 Realised remuneration

The realised remuneration table is a voluntary, non-statutory disclosure showing remuneration received or vested by the Group CEO and Group Executives during 2026. It comprises fixed remuneration and FY26 AVR paid in cash, together with the value at vesting of deferred AVR, LTI and other remuneration awarded in prior years. The table excludes acting appointments and former Group Executives who ceased as Group Executive before 30 September 2026. It is not prepared in accordance with Australian Accounting Standards.

Further information on equity vested or lapsed during 2026 is provided in Section 7.2, with movements in rights and resulting shareholdings provided in Section 7.3.

		2026			Other awards					
Name	Year	Fixed remuneration received[1] $	AVR cash $	Total current-year remuneration $	Deferred AVR vested[2] $	LTI vested[2] $	Other remuneration vested/paid[3] $	Total other awards vested/ paid $	Total realised remuneration $	Equity forfeited/ lapsed[2] $
Group CEO										
Andrew Irvine	**2026**	**2,518,993**	**1,015,313**	**3,534,306**	**1,040,816**	**1,789,809**	**151,689**	**2,982,314**	**6,516,620**	**(623,600)**
	2025	2,502,740	1,035,000	3,537,740	749,651	3,153,788	128,329	4,031,768	7,569,508	-
Group Executives										
Ana Marinkovic	**2026**	**1,226,094**	**667,969**	**1,894,063**	**366,974**	**-**	**246,458**	**613,432**	**2,507,495**	**-**
	2025	1,151,260	476,100	1,627,360	511,390	-	1,035,520	1,546,910	3,174,270	-
Andrew Auerbach	**2026**	**1,645,589**	**694,688**	**2,340,277**	**-**	**-**	**70,446**	**70,446**	**2,410,723**	**-**
	2025	359,110	151,705	510,815	-	-	-	-	510,815	-
Cathryn Carver	**2026**	**1,238,952**	**561,094**	**1,800,046**	**760,702**	**-**	**388,895**	**1,149,597**	**2,949,643**	**-**
	2025	1,188,466	645,840	1,834,306	1,118,241	-	1,268,636	2,386,877	4,221,183	-
Connie Sokaris (for part year)	**2026**	**196,462**	**49,754**	**246,216**	**500,415**	**-**	**458,019**	**958,434**	**1,204,650**	**-**
Daniel Huggins	**2026**	**1,048,834**	**636,656**	**1,685,490**	**618,052**	**1,706,855**	**-**	**2,324,907**	**4,010,397**	**(568,966)**
	2025[4]	1,162,238	606,723	1,768,961	394,004	-	-	394,004	2,162,965	-
Inder Singh (for part year)	**2026**	**1,094,354**	**424,103**	**1,518,457**	**-**	**-**	**1,161,288**	**1,161,288**	**2,679,745**	**-**
Les Matheson	**2026**	**1,261,043**	**454,219**	**1,715,262**	**665,173**	**1,566,098**	**93,876**	**2,325,147**	**4,040,409**	**(545,629)**
	2025	1,242,770	517,500	1,760,270	486,328	2,759,574	-	3,245,902	5,006,172	-
Patrick Wright	**2026**	**1,551,627**	**591,553**	**2,143,180**	**1,071,055**	**2,237,272**	**168,241**	**3,476,568**	**5,619,748**	**(804,797)**
	2025	1,539,186	572,873	2,112,059	854,957	3,942,253	-	4,797,210	6,909,269	-
Pete Steel (for part year)	**2026**	**1,265,681**	**462,637**	**1,728,318**	**-**	**-**	**1,802,088**	**1,802,088**	**3,530,406**	**-**
Sarah White	**2026**	**988,990**	**448,875**	**1,437,865**	**302,597**	**-**	**46,596**	**349,193**	**1,787,058**	**-**
	2025	938,192	412,965	1,351,157	155,154	-	44,822	199,976	1,551,133	-
Shane Conway (for part year)	**2026**	**834,612**	**320,449**	**1,155,061**	**316,783**	**-**	**265,783**	**582,566**	**1,737,627**	

(1) Fixed remuneration received includes cash salary, superannuation and payments on separation received during the relevant year. It excludes movements in annual leave and long service leave entitlements recognised in statutory remuneration.
(2) The value of equity awards vested is calculated using NAB's closing share price on the applicable vesting date. The value of equity awards forfeited or lapsed is calculated using NAB's closing share price on the applicable forfeiture or lapse date.
(3) Includes dividend equivalent payments and other remuneration vested or paid under commencement, retention, recognition, deferred cash or other incentive arrangements, including arrangements entered into before the individual became KMP.
(4) Daniel Huggins' FY25 comparative amounts for fixed remuneration received and other remuneration vested or paid have been updated following correction of the underlying KiwiSaver data and consistent application of the methodology for variable remuneration cash payments.

Section 6 - Remuneration governance and consequence management

1 Key matters | 2 Framework | 3 KMP | 4 Performance | 5 Outcomes | **6 Governance** | 7 Executive disclosures | 8 NEDs | 9 Related parties

This section describes the governance framework through which the Board exercises judgement in determining remuneration outcomes, including the mechanisms that support accountability and consequence management across the Group.

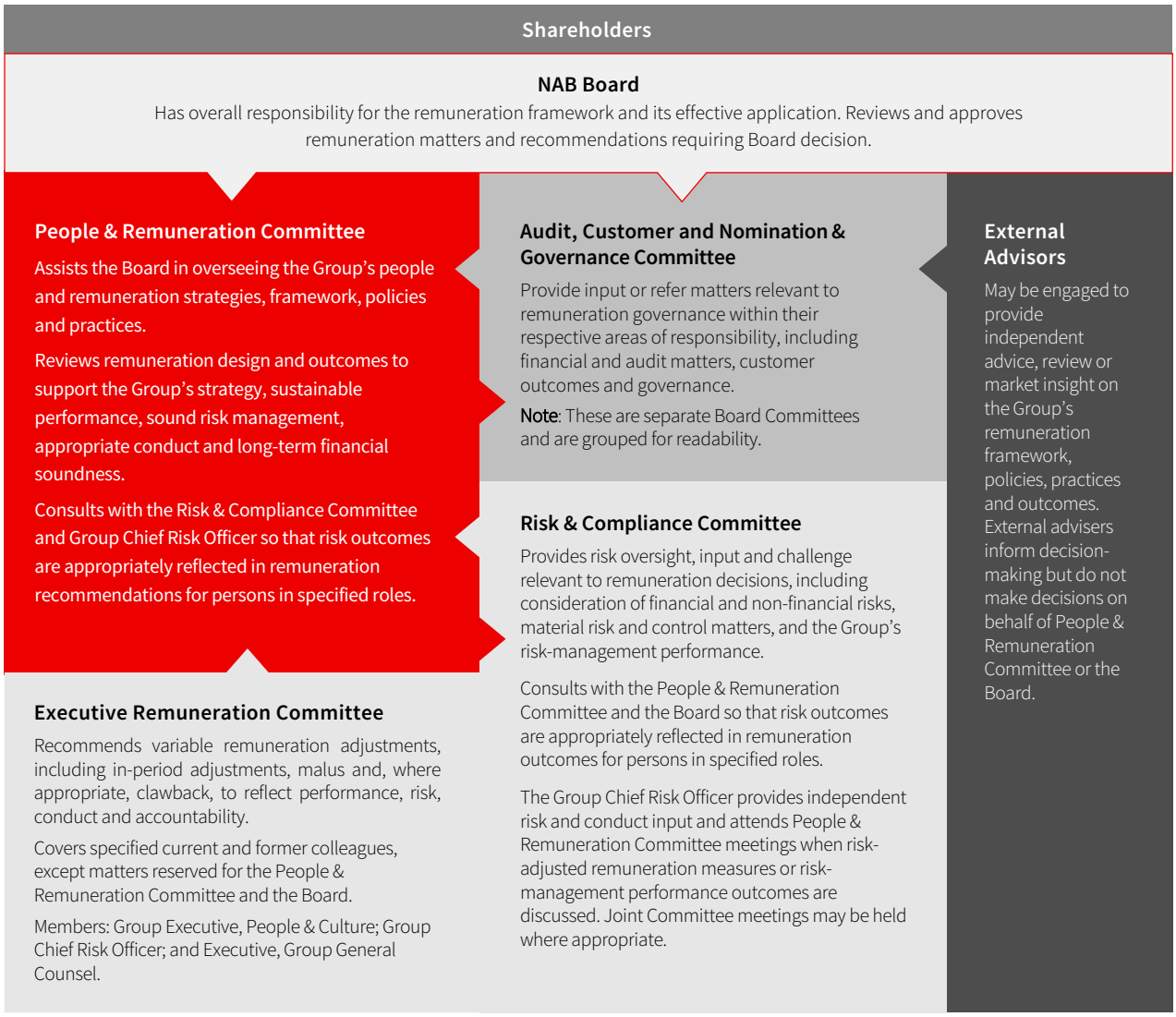
6.1 Governance framework and oversight

The Board has overall responsibility for NAB's remuneration framework and retains discretion to adjust remuneration outcomes where necessary to ensure they appropriately reflect performance, risk, conduct and accountability. The Board is supported by the People & Remuneration Committee and other Board Committees, management and control functions, as described below.

On behalf of the Board, the People & Remuneration Committee:

- oversees the effectiveness of remuneration frameworks and policies;
- makes recommendations to the Board on remuneration outcomes for the Group CEO, Group Executives and other roles subject to Board remuneration oversight under CPS 511;
- considers performance, risk and conduct outcomes and determines or recommends appropriate consequence management actions;
- oversees the alignment of remuneration practices with the Group's strategy, risk appetite and regulatory requirements, including CPS 511; and
- oversees broader people and remuneration strategies and practices.

Further information on the Committee's role is provided in the Corporate Governance Statement and the People & Remuneration Committee Charter, available on nab.com.au.



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6.2 Board discretion in relation to remuneration

The Board may exercise discretion throughout the remuneration lifecycle to ensure that outcomes appropriately reflect performance, risk, conduct and accountability.

Subject to the applicable plan terms and legal requirements, the Board's discretion includes:

- determining the initial value of an award and the performance and other conditions that apply;
- adjusting Group or individual performance and remuneration outcomes, including reducing an outcome to zero;
- reducing or forfeiting unvested remuneration;
- extending a deferral or restriction period;
- determining whether deferred remuneration should vest or be released; and
- recovering remuneration already paid or vested, to the extent legally permissible.

Further information on the discretion applying to AVR and LTI awards is provided in Sections 2.2 and 2.3. The application of Board discretion through NAB's consequence management framework is described in Section 6.3.

6.3 Consequence management framework

NAB's consequence management framework supports the identification of material matters, assessment of individual accountability and determination of a fair and proportionate response. A relevant matter may be reflected through:

- the individual's annual performance assessment;
- an additional in-year adjustment to the IPM;
- a reduction to an LTI award before grant; or
- an adjustment to remuneration awarded for a prior performance period.

Where a remuneration consequence is appropriate, the mechanism applied depends on the nature and timing of the matter, the individual's role, period and degree of accountability, the remuneration available for adjustment and any remuneration consequences previously applied.

The table below explains how conduct management and risk assessment are integrated into performance, remuneration and employment decisions.

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	Conduct management	Risk assessment
Scope	Conduct expectations apply to directors, leaders, colleagues and contractors acting on behalf of NAB. The Group CEO and Group Executives are subject to the same expectations. Conduct matters involving colleagues are managed in accordance with the Code of Conduct and Colleague Conduct Framework.	Risk management is a core accountability for all colleagues. Risk objectives and expectations are reflected in performance assessment as appropriate to each colleague's role. For the Group CEO and Group Executives, risk outcomes inform the Board's assessment of individual performance and remuneration outcomes.
Individual assessment	Conduct is considered throughout the performance year. Where a conduct matter arises, its nature and severity, impacts, individual actions and accountability, and steps taken in response are considered in determining an appropriate consequence. Material matters may be assessed under NAB's Risk, Conduct & Accountability Assessment Guide. Depending on the circumstances, this may involve establishing the relevant facts, identifying organisational learnings and investigating individual accountability. Colleagues subject to a consequence investigation are afforded procedural fairness.	Risk performance is considered throughout the performance year through ongoing performance and risk-management processes. Leaders assess whether colleagues have managed risk appropriately and met the risk expectations relevant to their roles. For the Group CEO and Group Executives, the Group CRO provides an independent assessment of risk and conduct outcomes. These assessments inform the Board's determination of individual performance and remuneration outcomes.
Executive and Board oversight	Leaders are responsible for identifying and responding to conduct matters and applying appropriate consequences within their authority. Material risk, conduct and accountability matters are considered through the relevant management, Committee and Board governance processes. Consequence recommendations for senior colleagues are considered and determined through the applicable governance pathway, having regard to the individual's role and accountability. The People & Remuneration Committee and the Board oversee material executive remuneration consequences, as applicable.	Risk functions provide oversight, challenge and independent input into performance and remuneration assessments. The Group CRO's assessments of the Group CEO and Group Executives are reviewed and considered through the relevant Board Committee and Board processes. The Board determines the individual remuneration outcomes of the Group CEO and Group Executives, including any adjustments required to reflect risk, conduct and accountability outcomes.
Potential impacts on employment and remuneration	Depending on the nature and severity of the matter and the individual's accountability, consequences may include: • coaching, counselling, a formal warning or termination of employment; • an impact on current-year individual performance assessment and AVR; • a reduction to an LTI award before grant; • reduction or forfeiture of unvested remuneration through malus; or • recovery of vested or paid remuneration through clawback, where permitted. The consequence applied depends on the circumstances, including the timing of the matter, remuneration available for adjustment, applicable award terms and any remuneration consequences previously applied. The Board may apply further consequences where warranted under the applicable framework and award terms.	

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Material risk, conduct and accountability matters

Where a material matter requires formal assessment under NAB's Risk, Conduct & Accountability Assessment Guide, the process may include:

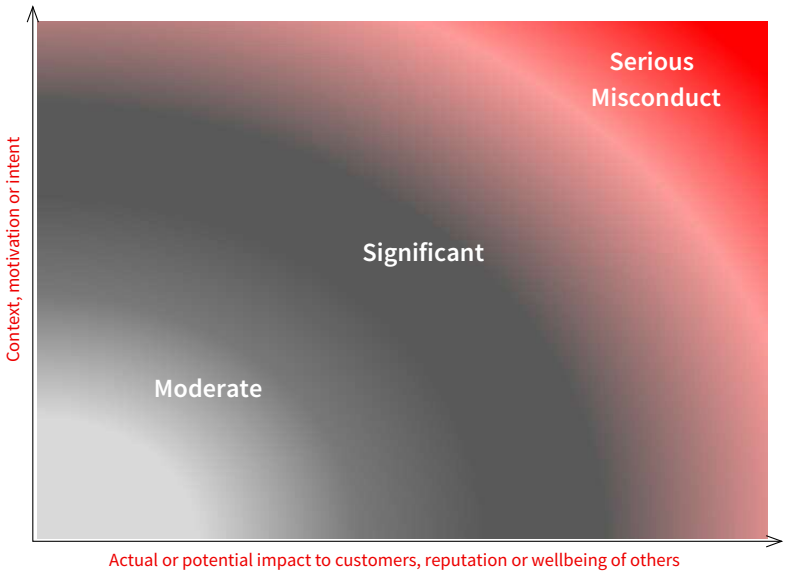
1. Identify and assess the matter
2. Establish the facts and identify learnings
3. Investigate individual accountability, where warranted
4. Determine and apply a fair and proportionate consequence

Not every matter progresses through each stage. The process applied depends on the nature and circumstances of the matter and the outcome of the preceding assessment.

The Consequence Severity Matrix supports the assessment of material matters and individual accountability. It considers the nature and impact of the matter, the individual's actions, behaviour and degree of accountability, and the context in which the matter arose.

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

In determining a consequence, the Board considers proportionality, individual accountability, consistency with comparable matters, actions taken by the individual and any previous remuneration treatment, including the need to avoid double counting. The Board retains ultimate discretion to ensure that the resulting remuneration outcome is appropriate.

These processes also support the assessment of accountability under the Financial Accountability Regime (FAR). Where an Accountable Person who receives variable remuneration fails to comply with an accountability obligation, FAR requires a proportionate reduction in variable remuneration. Further information on NAB's FAR governance and accountability arrangements is provided in the *Corporate Governance Statement* section of this Annual Report.

Group-wide conduct outcomes

The consequence management framework applies across the Group and is intended to reinforce accountability and support an appropriate risk culture. The table below summarises outcomes recorded through the formal conduct management process during 2026.

		Employee Category[1]			
	Year	Senior Managers[2]	Material Risk Takers	Risk and Financial Control Personnel	Other employees
Employees recognised for their positive contribution to risk culture	**2026**	**-**	**1**	**2**	**6,329**
	2025	1	6	2	6,458
Employees identified as not having met risk expectations and accountabilities	**2026**	**9**	**12**	**3**	**2,007**
	2025	-	1	-	2,183
Code of Conduct breaches identified that resulted in formal consequences	**2026**	**-**	**6**	**-**	**5,963**
	2025	-	5	2	7,424
Employees leaving due to consequence outcomes	**2026**	**-**	**-**	**-**	**200**
	2025	-	-	-	206
Employees receiving coaching, warnings or other remedial actions	**2026**	**-**	**6**	**-**	**5,514**
	2025	1	5	2	7,005
Employees recommended to receive an in-year performance rating and / or variable reward reduction of 5% to 100%	**2026**	**-**	**-**	**-**	**250**
	2025	-	-	-	209
Deferred VR forfeitures and in-year VR adjustments as a result of Code of Conduct breaches and revisiting previous reward decisions	**2026**	**-**	**-**	**-**	**-**
	2025	-	-	-	-

(1) Senior Managers, Material Risk Takers and Risk and Financial Control Personnel are regulatory employee categories under APRA Prudential Standard CPS 511 Remuneration. Further information on these categories is provided in NAB's separate CPS 511 remuneration disclosure.
(2) Executive KMP are reported within the Senior Managers category. The table excludes adjustments arising solely through the annual performance and risk assessment process.

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Section 7 - Executive KMP remuneration

1 Key matters | 2 Framework | 3 KMP | 4 Performance | 5 Outcomes | 6 Governance | **7 Executive disclosures** | 8 NEDs | 9 Related parties

This section provides detailed statutory and supporting remuneration disclosures for Executive KMP.

7.1 Statutory remuneration

The following table has been prepared in accordance with Australian Accounting Standards and section 300A of the *Corporations Act 2001* (Cth). It presents each element of remuneration recognised for Executive KMP for services provided during the period in which they were KMP, including AVR relating to performance during the relevant year that is paid after year-end.

Where an Executive KMP ceases employment and retains unvested awards, the awards remain on foot and continue to be subject to their applicable terms, including performance conditions, malus and clawback. The related share-based payment expense is recognised in accordance with AASB 2 *Share-based Payment*.

		Short-term benefits			Post-employment benefits		Share-based payments			
Name	Year	Cash salary[1] $	AVR cash[2] $	Non-monetary[3] $	Superannuation[4] $	Other long-term benefits[5] $	Shares[6] $	Rights[6] $	Other remuneration[7] $	Total[8] $
Group CEO										
Andrew Irvine	**2026**	**2,342,335**	**1,015,313**	**28,080**	**52,000**	**26,367**	**-**	**2,342,212**	**-**	**5,806,307**
	2025	2,427,091	1,035,000	31,608	27,704	24,634	3,662	2,075,138	-	5,624,837
Group Executives										
Ana Marinkovic	**2026**	**1,032,977**	**667,969**	**5,145**	**54,076**	**15,901**	**179,367**	**908,714**	**-**	**2,864,149**
	2025	1,052,101	476,100	566	28,584	14,131	380,358	602,850	-	2,554,690
Andrew Auerbach	**2026**	**1,524,554**	**694,688**	**190,913**	**53,912**	**6,857**	**696,785**	**665,738**	**-**	**3,833,447**
	2025	360,276	151,705	296,708	7,945	1,577	204,263	119,030	-	1,141,504
Cathryn Carver	**2026**	**1,209,059**	**561,094**	**61,473**	**53,866**	**18,950**	**368,912**	**932,515**	**-**	**3,205,869**
	2025	1,109,252	645,840	32,925	28,584	17,059	755,890	683,458	-	3,273,008
Connie Sokaris (for part year)	**2026**	**191,134**	**49,754**	**612**	**20,494**	**3,045**	**93,631**	**40,902**	**-**	**399,572**
Daniel Huggins	**2026**	**1,002,212**	**636,656**	**-**	**55,267**	**-**	**-**	**1,423,251**	**-**	**3,117,386**
	2025[9]	1,065,743	606,723	-	51,613	-	-	1,395,998	-	3,120,077
Inder Singh (for part year)	**2026**	**1,033,132**	**424,103**	**-**	**46,382**	**5,442**	**2,496,424**	**350,350**	**1,695,082**	**6,050,915**
Les Matheson[10]	**2026**	**1,144,776**	**454,219**	**2,915**	**53,938**	**13,183**	**-**	**3,098,305**	**625,000**	**5,392,336**
	2025	1,147,181	517,500	5,153	28,466	12,317	-	1,383,027	-	3,093,644
Patrick Wright	**2026**	**1,463,770**	**591,553**	**197,058**	**52,473**	**21,343**	**-**	**2,568,317**	**-**	**4,894,514**
	2025	1,575,931	572,873	177,408	28,125	20,876	-	2,213,810	-	4,589,023
Pete Steel (for part year)	**2026**	**1,227,051**	**462,637**	**106,337**	**54,538**	**5,936**	**725,391**	**512,273**	**2,082,628**	**5,176,791**

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		Short-term benefits			Post-employment benefits		Share-based payments			
Name	Year	Cash salary[1] $	AVR cash[2] $	Non-monetary[3] $	Superannuation[4] $	Other long-term benefits[5] $	Shares[6] $	Rights[6] $	Other remuneration[7] $	Total[8] $
Sarah White	**2026**	**926,042**	**448,875**	**566**	**51,441**	**32,307**	**52,209**	**940,182**	**-**	**2,451,622**
	2025	814,571	412,965	566	28,881	31,381	85,163	714,735	-	2,088,262
Shane Conway (for part year)	**2026**	**810,672**	**320,449**	**1,791**	**45,822**	**13,076**	**299,028**	**386,825**	**-**	**1,877,663**
Acting Group Executive										
Peter Whitelaw (for part year)	**2026**	**468,695**	**98,360**	**566**	**12,810**	**5,100**	**175,908**	**-**	**-**	**761,439**
	2025	649,461	108,663	-	14,983	6,158	190,228	-	-	969,493
Former Group Executives										
Sharon Cook (for part year)[10]	**2026**	**171,714**	**-**	**6,126**	**5,856**	**2,320**	**-**	**1,527,787**	**500,000**	**2,213,803**
	2025	968,498	372,600	4,974	28,762	13,578	-	1,130,466	-	2,518,878
Shaun Dooley (for part year)[10]	**2026**	**1,164,763**	**339,150**	**14,685**	**38,558**	**38,766**	**-**	**3,249,355**	**700,000**	**5,545,277**
	2025	1,305,046	484,380	566	28,406	44,589	-	1,395,631	-	3,258,618
Total	**2026**	**15,712,886**	**6,764,820**	**616,267**	**651,433**	**208,593**	**5,087,655**	**18,946,726**	**5,602,710**	**53,591,090**
Total	2025	12,475,151	5,384,349	550,474	302,053	186,300	1,619,564	11,714,143	-	32,232,034

(1) Includes cash salary, allowances, payroll-remediation payments, motor vehicle benefits, short-term compensated absences and related fringe benefits tax, where applicable.
(2) The FY26 AVR cash component is expected to be paid on 18 November 2026 in Australia and New Zealand.
(3) Includes relocation and other non-monetary benefits provided to the individual, together with related fringe benefits tax. For international assignments, this may include temporary accommodation, dependent travel, health benefits and tax advisory services.
(4) Includes employer superannuation contributions and employee contributions made through salary sacrifice, where applicable. Amounts recognised during 2026 include a transitional timing effect arising from the implementation of Payday Super from 1 July 2026 and the change in application of the maximum contribution base from a quarterly to an annual basis.
(5) Includes movements in long service leave entitlements determined in accordance with the applicable accounting requirements.
(6) Share-based payment expense reflects the grant-date fair value of applicable awards recognised over the relevant service period in accordance with AASB 2 Share-based Payment. The expense includes awards granted during 2026 and prior financial years. For Inder Singh and Pete Steel, the shares expense includes amounts recognised in relation to their commencement awards. Further information on the commencement arrangements and underlying awards is provided in Sections 1.3 and 7.2.
(7) Includes payments in lieu of notice and deferred cash commencement awards. Deferred cash commencement awards are recognised over the period from employee commencement to vesting, with the amount disclosed reflecting the expense attributable to the individual's period as KMP during the financial year.
(8) The proportion of total target remuneration that was performance-related was: Andrew Irvine 66%; Ana Marinkovic 73%; Andrew Auerbach 74%; Cathryn Carver 68%; Connie Sokaris 51%; Daniel Huggins 73%; Inder Singh 58%; Les Matheson 64%; Patrick Wright 65%; Pete Steel 64%; Sarah White 68%; Shane Conway 61%; Peter Whitelaw 12%; Sharon Cook nil; and Shaun Dooley 27%. Performance-related remuneration comprises the AVR outcome and LTI or other performance-related equity awarded for the relevant year, expressed as a proportion of total target remuneration. The calculation is based on Board-approved year-end remuneration outcomes and opportunities and is not derived from the amounts recognised in the statutory remuneration table.
(9) Daniel Huggins' FY25 comparative superannuation amount has been updated following correction of the underlying KiwiSaver contribution data.
(10) Other remuneration includes payments in lieu of notice of $625,000 for Les Matheson, $500,000 for Sharon Cook and $700,000 for Shaun Dooley.

7.2 Equity-based remuneration

This section provides information on share-based awards held by Executive KMP, including awards granted, vested, forfeited or lapsed during 2026. It explains the allocation and accounting valuation bases applying to awards granted during the year and provides further information on the 2022 LTVR award tested during 2026. Movements in Executive KMP share and rights holdings are presented in Section 7.3.

In this section, rights include deferred VR rights, LTI performance rights and any other deferred rights or performance rights granted under a current or previous VR plan. Each right entitles the holder to receive one NAB ordinary share, subject to satisfaction of the applicable performance, service and other award conditions. Awards are granted for no consideration and rights have a nil exercise price. All rights that vested during 2026 were automatically exercised on vesting. There have been no changes to the terms and conditions of the awards disclosed in this section, or any other awards held by Executive KMP, since those awards were granted.

Value of shares and rights

	Award details		2026 activity					
Executive KMP and award	Grant date	Granted[1] No.	Granted[2] $	Forfeited/ lapsed No.	Forfeited/ lapsed[3] $	Vested No.	Vested[4] $
Group CEO							
Andrew Irvine							
Deferred VR rights[5]	23 February 2022	7,148	-	-	-	7,148	296,499
LTVR rights[5]	23 February 2022	56,644	-	(14,161)	(596,603)	42,483	1,789,809
Deferred VR rights[5]	23 February 2023	11,490	-	-	-	5,745	238,303
LTVR rights[5]	23 February 2023	54,929	-	-	-	-	-
Deferred VR rights[5]	22 February 2024	18,660	-	(651)	(26,997)	5,569	231,002
LTI - LTEA rights[5]	22 February 2024	45,056	-	-	-	-	-
LTI - LTVR rights[5]	22 February 2024	45,056	-	-	-	-	-
Deferred VR rights	19 December 2024	13,260	-	-	-	6,630	275,012
LTI - LTEA rights	19 December 2024	45,919	-	-	-	-	-
LTI - LTVR rights	19 December 2024	45,919	-	-	-	-	-
Deferred VR rights	16 December 2025	15,854	632,733	-	-	-	-
LTI - LTEA rights	16 December 2025	40,211	1,445,988	-	-	-	-
LTI - LTVR rights	16 December 2025	40,211	911,583	-	-	-	-
Group Executives							
Ana Marinkovic							
Deferred VR shares[5]	23 February 2023	8,436	-	-	-	8,436	349,925
Deferred VR shares[5]	22 February 2024	13,823	-	-	-	2,739	113,614
Deferred VR rights	19 December 2024	2,760	-	-	-	1,380	57,242
Deferred VR shares	19 December 2024	3,999	-	-	-	1,333	55,293
LTI - LTEA rights	19 December 2024	21,122	-	-	-	-	-
LTI - LTVR rights	19 December 2024	21,122	-	-	-	-	-
Deferred VR rights	16 December 2025	7,292	291,024	-	-	-	-
LTI - LTEA rights	16 December 2025	20,104	722,940	-	-	-	-
LTI - LTVR rights	16 December 2025	20,104	455,758	-	-	-	-
Andrew Auerbach							
Commencement shares	13 August 2025	41,439	-	-	-	-	-
Deferred VR rights	16 December 2025	2,322	92,671	-	-	-	-
LTI - LTEA rights	16 December 2025	20,104	722,940	-	-	-	-
LTI - LTVR rights	16 December 2025	20,104	455,758	-	-	-	-
Cathryn Carver							
Deferred VR shares[5]	23 February 2023	17,520	-	-	-	17,520	726,730
Deferred VR shares[5]	22 February 2024	24,073	-	-	-	3,899	161,731
Deferred VR rights	19 December 2024	1,842	-	-	-	921	38,203
Deferred VR shares	19 December 2024	11,034	-	-	-	3,678	152,563
LTI - LTEA rights	19 December 2024	22,040	-	-	-	-	-
LTI - LTVR rights	19 December 2024	22,040	-	-	-	-	-
Deferred VR rights	16 December 2025	9,892	394,790	-	-	-	-
LTI - LTEA rights	16 December 2025	20,104	722,940	-	-	-	-
LTI - LTVR rights	16 December 2025	20,104	455,758	-	-	-	-

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	Award details		2026 activity					
		Granted[1]	Granted[2]	Forfeited/ lapsed	Forfeited/ lapsed[3]	Vested	Vested[4]
Executive KMP and award	**Grant date**	**No.**	**$**	**No.**	**$**	**No.**	**$**
Connie Sokaris (for part year)							
Deferred VR shares[5]	23 February 2023	12,700	-	-	-	12,700	526,796
Deferred VR shares[5]	22 February 2024	17,596	-	-	-	3,424	142,028
Deferred VR shares[5]	19 December 2024	15,879	-	-	-	5,293	219,554
Deferred VR shares[5]	16 December 2025	11,487	485,211	-	-	-	-
Daniel Huggins							
LTVR rights	23 February 2022	54,019	-	(13,505)	(568,966)	40,514	1,706,855
Deferred VR rights	23 February 2023	9,498	-	-	-	4,749	196,989
LTVR rights	23 February 2023	48,340	-	-	-	-	-
Deferred VR rights	22 February 2024	15,891	-	-	-	5,297	219,720
LTI - LTEA rights	22 February 2024	28,784	-	-	-	-	-
LTI - LTVR rights	22 February 2024	28,784	-	-	-	-	-
Deferred VR rights	19 December 2024	9,708	-	-	-	4,854	201,344
LTI - LTEA rights	19 December 2024	21,948	-	-	-	-	-
LTI - LTVR rights	19 December 2024	21,948	-	-	-	-	-
Deferred VR rights	16 December 2025	8,914	355,758	-	-	-	-
LTI - LTEA rights	16 December 2025	19,356	696,042	-	-	-	-
LTI - LTVR rights	16 December 2025	19,356	438,801	-	-	-	-
Inder Singh (for part year)							
Commencement shares	6 May 2026	189,750	7,595,693	-	-	-	-
LTI - LTEA rights	26 June 2026	15,956	511,390	-	-	-	-
LTI - LTVR rights	26 June 2026	15,956	215,087	-	-	-	-
Les Matheson							
Deferred VR rights	23 February 2022	3,605	-	-	-	3,605	149,535
LTVR rights	23 February 2022	49,564	-	(12,391)	(522,033)	37,173	1,566,098
Deferred VR rights	23 February 2023	8,378	-	-	-	4,189	173,760
LTVR rights	23 February 2023	48,063	-	-	-	-	-
Deferred VR rights	22 February 2024	13,815	-	(569)	(23,596)	4,036	167,413
LTI - LTEA rights	22 February 2024	27,834	-	-	-	-	-
LTI - LTVR rights	22 February 2024	27,834	-	-	-	-	-
Deferred VR rights	19 December 2024	8,412	-	-	-	4,206	174,465
LTI - LTEA rights	19 December 2024	22,958	-	-	-	-	-
LTI - LTVR rights	19 December 2024	22,958	-	-	-	-	-
Deferred VR rights	16 December 2025	7,926	316,327	-	-	-	-
LTI - LTEA rights	16 December 2025	20,104	722,940	-	-	-	-
LTI - LTVR rights	16 December 2025	20,104	455,758	-	-	-	-
Patrick Wright							
Deferred VR rights	23 February 2022	8,935	-	-	-	8,935	370,624
LTVR rights	23 February 2022	70,806	-	(17,702)	(745,785)	53,104	2,237,272
Deferred VR rights	23 February 2023	11,970	-	-	-	5,985	248,258
LTVR rights	23 February 2023	68,661	-	-	-	-	-
Deferred VR rights	22 February 2024	20,634	-	(813)	(33,715)	6,065	251,576
LTI - LTEA rights	22 February 2024	37,214	-	-	-	-	-
LTI - LTVR rights	22 February 2024	37,214	-	-	-	-	-
Recognition rights	22 February 2024	77,800	-	-	-	-	-
Deferred VR rights	19 December 2024	10,892	-	(610)	(25,297)	4,836	200,597
LTI - LTEA rights	19 December 2024	28,240	-	-	-	-	-
LTI - LTVR rights	19 December 2024	28,240	-	-	-	-	-
Deferred VR rights	16 December 2025	8,774	350,170	-	-	-	-
LTI - LTEA rights	16 December 2025	24,730	889,291	-	-	-	-
LTI - LTVR rights	16 December 2025	24,730	560,629	-	-	-	-

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		Award details	2026 activity					
Executive KMP and award	Grant date	Granted[1] No.	Granted[2] $	Forfeited/ lapsed No.	Forfeited/ lapsed[3] $	Vested No.	Vested[4] $
Pete Steel (for part year)							
Commencement shares	16 December 2025	58,268	2,461,240	-	-	-	-
LTI - LTEA rights	16 December 2025	20,104	722,940	-	-	-	-
LTI - LTVR rights	16 December 2025	20,104	455,758	-	-	-	-
Sarah White							
Deferred VR shares[5]	10 November 2022	650	-	-	-	650	26,962
Deferred VR shares[5]	23 February 2023	3,948	-	-	-	3,948	163,763
Deferred VR shares	22 February 2024	4,469	-	-	-	-	-
LTI - LTEA rights	22 February 2024	21,784	-	-	-	-	-
LTI - LTVR rights	22 February 2024	21,784	-	-	-	-	-
Deferred VR rights	19 December 2024	6,694	-	-	-	3,347	138,834
LTI - LTEA rights	19 December 2024	17,448	-	-	-	-	-
LTI - LTVR rights	19 December 2024	17,448	-	-	-	-	-
Deferred VR rights	16 December 2025	6,326	252,471	-	-	-	-
LTI - LTEA rights	16 December 2025	16,084	578,381	-	-	-	-
LTI - LTVR rights	16 December 2025	16,084	364,624	-	-	-	-
Shane Conway (for part year)							
Deferred VR shares[5]	23 February 2023	6,705	-	-	-	6,705	278,123
Deferred VR shares[5]	22 February 2024	9,053	-	-	-	1,685	69,894
Deferred VR shares[5]	19 December 2024	13,755	-	-	-	4,585	190,186
Deferred VR shares	16 December 2025	6,141	259,396	-	-	-	-
LTI - LTEA rights	16 December 2025	16,084	578,381	-	-	-	-
LTI - LTVR rights	16 December 2025	16,084	364,624	-	-	-	-
Acting Group Executive							
Peter Whitelaw (for part year)							
Deferred VR shares[5]	19 December 2024	7,644	-	-	-	2,548	105,691
Deferred VR shares	16 December 2025	10,113	427,173	-	-	-	-
Former Group Executives							
Sharon Cook (for part year)							
Deferred VR rights	23 February 2022	3,602	-	-	-	3,602	149,411
LTVR rights	23 February 2022	42,483	-	-	-	-	-
Deferred VR rights	23 February 2023	7,580	-	-	-	3,790	157,209
LTVR rights	23 February 2023	43,485	-	-	-	-	-
Deferred VR rights	22 February 2024	11,931	-	-	-	3,977	164,966
LTI - LTEA rights	22 February 2024	24,204	-	-	-	-	-
LTI - LTVR rights	22 February 2024	24,204	-	-	-	-	-
Deferred VR rights	19 December 2024	6,376	-	-	-	3,188	132,238
LTI - LTEA rights	19 December 2024	18,366	-	-	-	-	-
LTI - LTVR rights	19 December 2024	18,366	-	-	-	-	-
Deferred VR rights	16 December 2025	5,706	227,726	-	-	-	-
Shaun Dooley (for part year)							
Deferred VR rights	23 February 2022	3,853	-	-	-	3,853	159,822
LTVR rights	23 February 2022	51,924	-	(12,981)	(546,890)	38,943	1,640,669
Deferred VR rights	23 February 2023	7,149	-	-	-	3,575	148,291
LTVR rights	23 February 2023	54,929	-	-	-	-	-
Deferred VR rights	22 February 2024	11,301	-	-	-	3,767	156,255
LTI - LTEA rights	22 February 2024	31,466	-	-	-	-	-
LTI - LTVR rights	22 February 2024	31,466	-	-	-	-	-
Deferred VR rights	19 December 2024	6,754	-	-	-	3,377	140,078
LTI - LTEA rights	19 December 2024	24,796	-	-	-	-	-
LTI - LTVR rights	19 December 2024	24,796	-	-	-	-	-
Deferred VR rights	16 December 2025	7,420	296,132	-	-	-	-

	Award details		2026 activity					
Executive KMP and award	Grant date	Granted[1] No.	Granted[2] $	Forfeited/ lapsed No.	Forfeited/ lapsed[3] $	Vested No.	Vested[4] $
LTI - LTEA rights	16 December 2025	22,518	809,747	-	-	-	-
LTI - LTVR rights	16 December 2025	22,518	510,483	-	-	-	-

(1) Awards granted during 2026 include deferred AVR, LTI and commencement awards. LTI performance rights remain subject to the applicable service and performance conditions, while deferred AVR and commencement awards remain subject to their applicable award terms.
(2) The value granted represents the aggregate grant-date fair value of equity awards granted during 2026 to individuals who served as Executive KMP during the year. The minimum number and value of shares or rights that may ultimately vest is nil. The maximum number that may vest is the number shown in the "Granted No." column, and the maximum value will depend on NAB's share price at the time of vesting or exercise.
(3) The value of awards forfeited or lapsed is calculated using NAB's closing share price on the applicable forfeiture or lapse date.
(4) The value of awards vested is calculated using NAB's closing share price on the applicable vesting date.
(5) Includes award activity occurring before the individual commenced in the relevant Group CEO, Group Executive or Acting Group Executive role, including awards granted or vested before that date.

Equity awards granted during 2026

The table below summarises equity awards granted to Executive KMP during 2026. Awards are approved as a monetary value, with the number of shares or rights allocated determined by dividing the approved award value by the applicable allocation price and rounding down to the nearest whole instrument. Unless otherwise stated, the allocation price is the weighted average share price of NAB ordinary shares over the five trading days up to 30 September preceding the grant.

The allocation price is used only to determine the number of instruments allocated and is distinct from the grant-date fair value used for accounting purposes. For the awards shown below, the grant-date fair value of shares is based on NAB's closing share price on the grant date, while the grant-date fair value of rights is determined using an independent valuation reflecting the applicable award terms. Grant-date fair values are determined in accordance with AASB 2 *Share-based Payment* and are used to calculate the share-based payment expense included in statutory remuneration. The grant-date fair value shown represents the full accounting value of the award, which is generally recognised as an expense over the applicable vesting period rather than entirely in the year of grant. The Group CEO and Group Executives did not pay any amount for rights that vested and were exercised during 2026, and no amounts remain unpaid on the shares issued on exercise. No performance options were granted during 2026.

The vesting or restriction end dates shown below identify when the awards may vest or be released, subject to satisfaction of the applicable conditions. For awards granted during 2026, the maximum number of shares or rights that may vest or be released is the number shown for each Executive KMP in the table below. The maximum value of those awards cannot be determined because it depends on NAB's share price at the time of vesting or release, as applicable. The minimum number and value of shares or rights that may vest or be released is nil if the relevant award is fully forfeited or lapses.

Award	Instrument	Grant date	Allocation price	Grant-date fair value per instrument	Vesting/restriction end date(s)
Commencement award, Pete Steel[1]	Shares	16 December 2025	$38.76	$42.24	31 January 2027; 31 January 2030; 31 January 2031
Deferred VR	Restricted rights	16 December 2025	$43.52	Tranche 1: $40.71 Tranche 2: $39.11	15 November 2026 to 15 November 2029
Deferred VR	Shares	16 December 2025	$43.52	$42.24	15 November 2026 to 15 November 2029
2026 LTEA	Performance rights	16 December 2025	$43.52	$35.96	16 December 2029 to 16 December 2031
2026 LTVR	Performance rights	16 December 2025	$43.52	$22.67	16 December 2029 to 16 December 2031
Commencement award, Inder Singh	Shares	6 May 2026	$42.16	$40.03	31 December 2026; 30 June 2027, 2028, 2029, 2030 and 2031
2026 LTEA, Inder Singh[2]	Performance rights	26 June 2026	$43.52	$32.05	16 December 2029 to 16 December 2030
2026 LTVR, Inder Singh[2]	Performance rights	26 June 2026	$43.52	$13.48	16 December 2029 to 16 December 2030

(1) For Pete Steel's commencement award, the number of shares was specified under the applicable arrangement. The allocation price shown is the implied price derived from the Board-approved equity value and the number of shares allocated.
(2) The 2026 LTEA and LTVR awards granted to Inder Singh were prorated to reflect his commencement date.

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Overview of unvested LTI awards

The table below summarises the LTI awards that remain on foot at 30 September 2026 and the dates on which their performance periods and vesting conditions are scheduled to be completed.

The 2023 award has only an LTVR component. The 2024, 2025 and 2026 LTI awards each have two equally weighted components, LTEA and LTVR. Each component is assessed over the applicable four-year performance period. Further information on the performance measures applying to LTEA and LTVR is provided in Section 2.3.

Award	Grant date	Performance period	Scheduled vesting date[1]
2023 LTVR	23 February 2023	15 November 2022 to 15 November 2026	22 December 2026
2024 LTI - LTEA and LTVR	22 February 2024	15 November 2023 to 15 November 2027	22 December 2027
2025 LTI - LTEA and LTVR	19 December 2024	15 November 2024 to 15 November 2028	19 December 2028
2026 LTI - LTEA and LTVR	16 December 2025	15 November 2025 to 15 November 2029	16 December 2029

(1) The dates shown reflect the scheduled timing under the applicable award terms. Vesting is not guaranteed and remains subject to satisfaction of the relevant conditions and the Board's determination.

Hedging restrictions

NAB colleagues and, in relation to KMP, their closely related parties are prohibited from using derivatives or otherwise entering into hedging arrangements in relation to remuneration that is unvested or has vested but remains subject to forfeiture conditions.

Further information on restrictions on trading in NAB securities is provided in the *Corporate Governance Statement* section of this Annual Report and Group Securities Trading Policy, available on nab.com.au.

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7.3 Equity holdings and Minimum Shareholding Requirement

This section presents the status of relevant Executive KMP against the MSR at 30 September 2026, together with movements in share and rights holdings during 2026.

Share ownership

Name	MSR status at 30 September 2026[1]	Opening balance[2] No.	Granted as remuneration No.	Received on exercise of rights No.	Other changes[3] No.	Closing balance[2] No.
Group CEO						
Andrew Irvine	Met	125,317	-	67,575	(40,348)	152,544
Group Executives						
Ana Marinkovic	On track	75,128	-	1,380	(59,871)	16,637
Andrew Auerbach	Met	41,439	-	-	1,856	43,295
Cathryn Carver	Met	52,660	-	921	(26,018)	27,563
Connie Sokaris (for part year)	Met	103,726	-	-	-	103,726
Daniel Huggins	Met	-	-	55,414	(47,400)	8,014
Inder Singh (for part year)	Met	-	189,750	-	-	189,750
Les Matheson	Met	7,234	-	53,209	(47,141)	13,302
Patrick Wright	Met	28,000	-	78,925	(78,925)	28,000
Pete Steel (for part year)	Met	-	58,268	-	-	58,268
Sarah White	On track	9,067	-	3,347	(4,598)	7,816
Shane Conway (for part year)	Met	60,185	6,141	-	(10,582)	55,744
Acting Group Executive						
Peter Whitelaw (for part year)	n/a	37,971	10,113	-	(13,338)	34,746
Former Group Executives						
Sharon Cook (for part year)	n/a	16,560	-	14,557	-	31,117
Shaun Dooley (for part year)	n/a	164,700	-	53,515	(31,700)	186,515

(1) "On track" indicates that the individual was within the applicable five-year accumulation period at 30 September 2026 and was progressing towards meeting the requirement.
(2) For individuals who became or ceased as KMP during 2026, opening or closing balances are shown at the date they became or ceased as KMP, respectively.
(3) Other changes include acquisitions and disposals of shares, shares acquired under the Dividend Reinvestment Plan and other movements not separately shown in the table.

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Rights holdings

Rights were granted to Executive KMP during 2026 under NAB's equity plans, including deferred AVR, LTI and commencement, retention or recognition awards, where applicable. Rights represent an entitlement to receive NAB ordinary shares, subject to the applicable performance, service, restriction and other award conditions.

Rights that qualify towards the MSR are included in the assessment above in accordance with the framework set out in Section 1.4. Performance-contingent rights are excluded from qualifying holdings.

No rights or performance options are granted to related parties of the Group CEO or Group Executives. No performance options (being rights requiring payment of a subscription price on vesting) are currently held by the Group CEO or Group Executives.

All rights that vested during 2026 were automatically exercised on vesting. As at 30 September 2026, no rights held by the Group CEO or Group Executives were vested and exercisable, or vested but not yet exercised.

Name	Opening balance[1] No.	Granted No.	Exercised No.	Forfeited/ lapsed No.	Closing balance[1] No.
Group CEO					
Andrew Irvine	344,081	96,276	(67,575)	(14,812)	357,970
Group Executives					
Ana Marinkovic	45,004	47,500	(1,380)	-	91,124
Andrew Auerbach	-	42,530	-	-	42,530
Cathryn Carver	45,922	50,100	(921)	-	95,101
Connie Sokaris (for part year)	-	-	-	-	-
Daniel Huggins	238,920	47,626	(55,414)	(13,505)	217,627
Inder Singh (for part year)	-	31,912	-	-	31,912
Les Matheson	233,421	48,134	(53,209)	(12,960)	215,386
Patrick Wright	400,606	58,234	(78,925)	(19,125)	360,790
Pete Steel (for part year)	-	40,208	-	-	40,208
Sarah White	85,158	38,494	(3,347)	-	120,305
Shane Conway (for part year)	-	32,168	-	-	32,168
Acting Group Executive					
Peter Whitelaw (for part year)[2]	-	-	-	-	-
Former Group Executives					
Sharon Cook (for part year)	200,597	5,706	(14,557)	-	191,746
Shaun Dooley (for part year)	248,434	52,456	(53,515)	(12,981)	234,394

(1) For individuals who became or ceased as KMP during 2026, opening or closing balances are shown at the date they became or ceased as KMP, respectively.
(2) Peter Whitelaw's variable remuneration for his period as Acting Group Chief Risk Officer was granted in shares rather than rights.

7.4 Executive employment terms

The following table summarises the key employment terms applying to the Group CEO and permanent Group Executives. Plan-level separation provisions are described in Sections 2.2 and 2.3, and material individual arrangements are described in Section 1.3 where relevant.

Contractual term	Arrangement
Employment term	Ongoing employment with no fixed term.
Notice	26 weeks. The Board may approve payment in lieu of some or all of the notice period in appropriate circumstances. Termination payments are not generally made on resignation, summary termination or termination for unsatisfactory performance, subject to Board discretion.
Treatment on cessation of employment	Treatment of current-year AVR and unvested awards depends on the reason for cessation, the applicable award terms and Board discretion. Awards retained following cessation generally remain on foot under their original terms without accelerated vesting.
Post-employment restrictions	Non-compete and non-solicitation obligations apply.
Change of control	The Board retains discretion to determine the treatment of unvested shares and rights following a change of control. Vesting is not automatic or accelerated solely because a change of control occurs.

Section 8 - Non-executive director remuneration

This section sets out the fee policy, remuneration and shareholdings of non-executive directors. The non-executive directors who served as KMP during 2026 are identified in Section 3.

8.1 Remuneration framework

Non-executive directors receive fixed fees to recognise their responsibilities and time commitment in overseeing the Group. Fees are structured to reflect the role of the Board, its Committees and any additional responsibilities, such as advisory or subsidiary board roles.

Non-executive directors do not receive performance-based remuneration and are not eligible to participate in NAB's variable remuneration arrangements. This supports their independence and objectivity.

Fees include NAB's compulsory superannuation contributions and are periodically reviewed to ensure they remain appropriate having regard to market practice, role responsibilities and regulatory expectations.

Non-executive director shareholding requirement

Non-executive directors are required to acquire and hold NAB ordinary shares with an acquisition cost equivalent to their annual Board fee within five years of appointment, and to maintain that holding while serving on the Board.

The minimum number of shares required therefore varies between directors based on the acquisition cost of the shares purchased.

8.2 Fee policy and pool

Non-executive directors receive fees for service on the Board and Board Committees, with additional fees payable where applicable for service on boards of controlled entities or advisory groups.

As part of its annual review in December 2025, the Board considered the market positioning of NAB's non-executive director fees, shareholder and investor sentiment, and director workloads. Following this review, the Board determined that the annual fee schedule applying from 1 January 2025 would remain unchanged for 2026.

The total Board and Committee fees, including superannuation, paid to non-executive directors in 2026 were within the shareholder-approved aggregate fee pool of $4.5 million per annum.

The annual fee schedule applying during 2026 is set out below. Fees include compulsory employer superannuation contributions.

	2026		2025	
Annual fee	Chair $	Non-executive director $	Chair $	Non-executive director $
Board	850,000	245,000	850,000	245,000
Audit Committee	70,000	35,000	70,000	35,000
Risk & Compliance Committee	70,000	35,000	70,000	35,000
People & Remuneration Committee	70,000	35,000	70,000	35,000
Customer Committee	48,600	24,300	48,600	24,300
Nomination & Governance Committee	-	10,800	-	10,800
First Nations Advisory Group	35,000	-	35,000	-

Proposed aggregate fee pool increase

As outlined in the 2026 Notice of Meeting, NAB will seek shareholder approval at the 2026 Annual General Meeting to increase the maximum aggregate amount of remuneration that may be paid to non-executive directors in any one year from $4.5 million to $5.5 million. The current aggregate fee pool was last approved by shareholders in 2008.

The proposed increase is intended to provide the Board with flexibility to adjust non-executive director remuneration having regard to market practice, appoint additional non-executive directors where appropriate and support orderly Board renewal. If approved, the Board does not intend to use the increased aggregate fee pool in full in the immediate future.

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8.3 Statutory remuneration

		Short-term benefits		Post-employment benefits	
		Cash salary and fees	Non-monetary[1]	Superannuation[2]	Total
Name	Year	$	$	$	$
Chair					
Philip Chronican	**2026**	**819,375**	**-**	**47,025**	**866,400**
	2025	820,050	570	29,949	850,569
Non-executive directors					
Alison Kitchen	**2026**	**308,675**	**-**	**31,704**	**340,379**
	2025	307,651	6,406	29,949	344,006
Ann Sherry[3]	**2026**	**332,975**	**-**	**32,433**	**365,408**
	2025	323,376	-	29,949	353,325
Anna Bligh (for part year)	**2026**	**18,229**	**-**	**2,188**	**20,417**
Carolyn Kay[4]	**2026**	**325,800**	**-**	**-**	**325,800**
	2025	324,350	6,406	-	330,756
Christine Fellowes	**2026**	**237,675**	**-**	**66,654**	**304,329**
	2025	246,276	6,406	56,949	309,631
Kathryn Fagg	**2026**	**319,375**	**-**	**32,025**	**351,400**
	2025	318,176	-	29,949	348,125
Simon McKeon	**2026**	**330,175**	**-**	**32,349**	**362,524**
	2025	314,818	6,405	29,949	351,172
Warwick Hunt[5]	**2026**	**568,519**	**-**	**30,975**	**599,494**
	2025	487,528	-	24,961	512,489
Total	**2026**	**3,260,798**	**-**	**275,353**	**3,536,151**
Total	2025	3,142,225	26,193	231,655	3,400,073

(1) Non-monetary benefits comprise gifts and other incidental benefits provided to the individual. No amounts were classified as non-monetary benefits in 2026, as the expenses identified through the verification process were work-related. The classification basis was unchanged from 2025 and comparative amounts have not been reclassified.
(2) Includes employer superannuation contributions and employee contributions made through salary sacrifice, where applicable. Amounts recognised during 2026 include a transitional timing effect arising from the implementation of Payday Super from 1 July 2026 and the change in application of the maximum contribution base from a quarterly to an annual basis.
(3) Ann Sherry's fees include an additional fee for service as Co-Chair of the First Nations Advisory Group.
(4) Carolyn Kay elected to receive all of her remuneration as fees rather than superannuation contributions and therefore received nil superannuation contributions.
(5) Warwick Hunt's fees include NZD 337,500 received for service as Chair of BNZ. The Australian dollar equivalent of AUD 284,144 has been calculated using the year-to-date average exchange rate as at September 2026 of AUD 1.00 = NZD 1.18778.

8.4 Share ownership and minimum shareholding requirement

The table below sets out the number of NAB ordinary shares held directly and indirectly by each non-executive director and their related parties, together with their status against the shareholding requirement at 30 September 2026.

Name	Requirement status at 30 September 2026[1]	Opening balance[2] No.	Acquired No.	Other changes No.	Closing balance[2] No.
Chair					
Philip Chronican	Met	42,120	752	-	42,872
Non-executive directors					
Alison Kitchen	Met	7,417	-	-	7,417
Ann Sherry	Met	12,698	-	-	12,698
Anna Bligh (for part year)	On track	3,000	-	-	3,000
Carolyn Kay	Met	13,362	142	-	13,504
Christine Fellowes	Met	7,300	-	-	7,300
Kathryn Fagg	Met	9,426	-	-	9,426
Simon McKeon	Met	15,000	-	-	15,000
Warwick Hunt	Met	6,300	60	-	6,360

(1) "On track" indicates that the individual was within the applicable five-year accumulation period at 30 September 2026 and was progressing towards meeting the requirement.
(2) For individuals who became or ceased as KMP during 2026, opening or closing balances are shown at the date they became or ceased as KMP, respectively.

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Section 9 - Loans and other transactions and interests

9.1 Loans

Loans to non-executive directors are made in the ordinary course of business on terms equivalent to those applying in arm's-length transactions. Loans to Executive KMP may be made on terms and conditions generally available to other Group employees, subject to applicable legal and regulatory restrictions.

The disclosures below cover the period from 1 October to 30 September, or the relevant period of KMP service where an individual commenced or ceased during the year.

Aggregate loans to KMP and their related parties

Borrower category	Terms and conditions	Opening balance[1] $	Interest charged[2] $	Interest not charged[2] $	Write-offs[2] $	Closing balance[1] $
KMP[3]	Normal commercial	5,252,157	249,753	-	-	4,535,652
	Employee	31,723,195	1,317,782	-	-	39,098,859
Other related parties[4]	Normal commercial	11,178,918	488,512	-	-	11,032,010

(1) For individuals who became or ceased as KMP during 2026, opening or closing balances are shown at the date they became or ceased as KMP, respectively.
(2) Interest charged, interest not charged and write-offs relate only to the relevant period of KMP service.
(3) The closing aggregate loan balance includes loans held by 20 KMP.
(4) Related parties comprise close family members of KMP and entities controlled, jointly controlled or significantly influenced by the KMP or their close family members.

Aggregate loans to KMP and their related parties exceeding $100,000

	KMP and related parties					KMP only
Name	Opening balance[1] $	Interest charged[2] $	Interest not charged $	Write-offs $	Closing balance[1] $	Highest indebtedness during 2026[3] $
Non-executive directors						
Carolyn Kay	617,904	31,244	-	-	561,980	619,614
Kathryn Fagg	2,574,188	87,448	-	-	1,576,744	2,569,464
Simon McKeon	2,483,362	137,994	-	-	2,442,693	-
Group CEO						
Andrew Irvine	14,664,782	784,158	-	-	14,818,286	14,828,159
Group Executives						
Ana Marinkovic	6,792,639	330,003	-	-	8,011,983	8,001,851
Andrew Auerbach	755	49,073	-	-	5,510,556	5,583,385
Cathryn Carver	2,773,109	170,194	-	-	3,096,403	3,002,275
Connie Sokaris (for part year)	4,592,288	26,157	-	-	4,589,664	4,596,586
Daniel Huggins	4,249,287	143,713	-	-	2,627,798	4,263,986
Les Matheson[4]	1,012,550	40,585	-	-	839,240	85,711
Patrick Wright	1,791,770	43,805	-	-	1,770,315	72,014
Pete Steel (for part year)	-	14,020	-	-	2,204,718	2,207,449
Sarah White	2,449,854	120,812	-	-	2,373,719	2,450,023
Shane Conway (for part year)	537,076	15,271	-	-	724,502	722,303
Former Group Executives						
Sharon Cook (for part year)	2,215,485	14,059	-	-	2,190,411	820,164
Shaun Dooley (for part year)	1,348,129	47,478	-	-	1,315,649	550,314

(1) For individuals who became or ceased as KMP during 2026, opening or closing balances are shown at the date they became or ceased as KMP, respectively.
(2) Interest charged may reflect the effect of interest-offset facilities and relates only to the relevant period of KMP service.
(3) Represents the individual KMP's highest aggregate indebtedness during 2026 and excludes loans held by related parties.
(4) The opening balance for Les Matheson has been adjusted to reflect updated information regarding loans to a related party.

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9.2 Other transactions

KMP and their related parties may enter into transactions with the Group in the ordinary course of business, including holding investments in funds managed, related to or controlled by the Group and receiving financial or investment services. These transactions are conducted on terms equivalent to those applying in arm's-length transactions.

Other transactions with KMP and their related parties during 2026 were trivial or domestic in nature. For this purpose, transactions are trivial where they are of little or no interest to users of this Remuneration Report, and domestic where they relate to personal household activities.

9.3 Other equity instrument holdings

During the year ended 30 September 2026, 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 7 and 8.

9.4 Other interests

KMP or their related parties may from time to time invest in various debentures, registered schemes and securities offered by NAB and certain subsidiaries of NAB. The table below sets out the interests held directly and indirectly at 30 September 2026 or, for an individual who ceased as KMP during the year, at the date they ceased as KMP.

		Interest held
Name	**Product**	**No.**
Former Group Executives		
Sharon Cook[1]	NAB Capital Notes 3	2,000

(1) Balance shown at 30 November 2025, being the date Sharon Cook ceased as KMP. NAB Capital Notes 3 were subsequently redeemed in June 2026.

There are no contracts, other than those disclosed in the table 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.

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Directors' signatures

This report of directors is signed in accordance with a resolution of the directors:



Philip Chronican
Chair
5 November 2026



Andrew Irvine
Group Chief Executive Officer
5 November 2026

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Shape the future with confidence

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 and for the review and audit of the selective sustainability information in the Annual Report for the financial year ended 30 September 2026, 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 audits and review;

b. no contraventions of any applicable code of professional conduct in relation to the audits and review; and

c. no non-audit services provided that contravene any applicable code of professional conduct in relation to the audits and review.

This declaration is in respect of National Australia Bank Limited and the entities it controlled during the financial year.

Ernst & Young

T M Dring
Partner
5 November 2026

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Financial Report

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Financial Report

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Income statements

For the year ended 30 September	Note	Group 2026 $m	Group 2025 $m	Company 2026 $m	Company 2025 $m
Interest income					
Effective interest rate method		**49,287**	49,870	**47,640**	46,290
Fair value through profit or loss		**6,799**	6,909	**6,408**	6,432
Interest expense		**(37,592)**	(39,376)	**(39,203)**	(39,309)
Net interest income	3	**18,494**	17,403	**14,845**	13,413
Other operating income	4	**3,748**	3,469	**5,987**	5,268
Operating expenses	5	**(12,008)**	(10,348)	**(10,664)**	(9,356)
Credit impairment charge	12	**(1,547)**	(833)	**(1,428)**	(806)
Profit before income tax		**8,687**	9,691	**8,740**	8,519
Income tax expense	6	**(2,535)**	(2,864)	**(2,044)**	(2,152)
Net profit for the year from continuing operations		**6,152**	6,827	**6,696**	6,367
Net profit / (loss) after tax for the year from discontinued operations		**27**	(29)	**-**	-
Net profit for the year		**6,179**	6,798	**6,696**	6,367
Attributable to non-controlling interests		**36**	39	**-**	-
Attributable to owners of the Company		**6,143**	6,759	**6,696**	6,367
Earnings per share		**cents**	**cents**		
Basic	7	**199.9**	221.0		
Diluted	7	**198.9**	219.9		
Basic from continuing operations	7	**199.0**	221.9		
Diluted from continuing operations	7	**198.1**	220.8		

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Statements of comprehensive income

For the year ended 30 September	Group 2026 $m	Group 2025 $m	Company 2026 $m	Company 2025 $m
Net profit for the year from continuing operations	**6,152**	6,827	**6,696**	6,367
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	**(60)**	2	**(62)**	4
Revaluation of land and buildings	**(15)**	-	**-**	-
Equity instruments at fair value through other comprehensive income reserve:				
Revaluation (losses) / gains	**(59)**	(2)	**(6)**	4
Tax on items transferred directly to equity	**19**	-	**18**	(1)
Total items that will not be reclassified to profit or loss	**(115)**	-	**(50)**	7
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge reserve	**(3,028)**	663	**(2,869)**	486
Cost of hedging reserve	**(167)**	(9)	**(127)**	(33)
Foreign currency translation reserve:				
Currency adjustments on translation of foreign operations, net of hedging	**(1,168)**	(375)	**(196)**	121
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	**394**	233	**370**	232
Losses / (gains) from sale transferred to income statement	**(72)**	136	**(71)**	136
Tax on items transferred directly to equity	**859**	(304)	**809**	(246)
Total items that may be reclassified subsequently to profit or loss	**(3,182)**	325	**(2,084)**	677
Other comprehensive (expense) / income for the year, net of income tax	**(3,297)**	325	**(2,134)**	684
Total comprehensive income for the year from continuing operations	**2,855**	7,152	**4,562**	7,051
Net profit / (loss) after tax for the year from discontinued operations	**27**	(29)	**-**	-
Total comprehensive income for the year	**2,882**	7,123	**4,562**	7,051
Attributable to non-controlling interests[1]	**(20)**	6	**-**	-
Total comprehensive income attributable to owners of the Company	**2,902**	7,117	**4,562**	7,051

(1) The Group includes a $56 million foreign currency translation loss attributable to the non-controlling interests in BNZ (2025: $33 million loss).

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Balance sheets

As at 30 September	Note	Group 2026 $m	Group 2025 $m	Company 2026 $m	Company 2025 $m
Assets					
Cash and liquid assets	8	**1,751**	2,604	**1,328**	2,407
Due from other banks	8	**73,010**	91,946	**68,651**	86,451
Collateral placed		**8,294**	5,763	**7,547**	5,267
Trading assets	9	**152,152**	144,571	**137,473**	132,229
Derivative assets	17	**22,803**	21,826	**23,117**	20,695
Debt instruments	10	**50,394**	46,947	**47,235**	44,702
Loans and advances[1]	11	**816,661**	776,561	**719,688**	677,987
Due from controlled entities		**-**	-	**49,292**	55,638
Deferred tax assets	6	**4,190**	3,052	**3,753**	2,708
Property, plant and equipment		**2,703**	2,713	**2,074**	2,019
Investments in controlled entities		**-**	-	**11,118**	10,406
Goodwill and other intangible assets[2]	21	**4,371**	5,622	**2,019**	2,981
Other assets[3]	22	**9,567**	7,214	**8,607**	5,950
Assets held for sale	30	**-**	243	**-**	477
Total assets		**1,145,896**	1,109,062	**1,081,902**	1,049,917
Liabilities					
Due to other banks	8	**9,622**	12,369	**8,432**	9,239
Collateral received		**4,506**	4,819	**3,434**	4,081
Other financial liabilities at fair value	16	**63,928**	70,464	**50,933**	62,444
Deposits and other borrowings	13	**786,046**	736,159	**711,298**	659,256
Derivative liabilities	17	**23,996**	20,203	**24,612**	23,305
Current tax liabilities		**329**	871	**282**	661
Provisions	23	**1,643**	1,745	**1,408**	1,399
Due to controlled entities		**-**	-	**50,042**	51,920
Bonds, notes and subordinated debt	14	**168,574**	174,307	**150,146**	157,412
Debt issues	15	**7,108**	8,972	**7,108**	8,972
Other liabilities	24	**16,846**	15,506	**14,114**	12,502
Total liabilities		**1,082,598**	1,045,415	**1,021,809**	991,191
Net assets		**63,298**	63,647	**60,093**	58,726
Equity					
Contributed equity	25	**38,099**	36,123	**37,313**	35,337
Reserves	27	**(3,193)**	(21)	**(1,858)**	232
Retained profits		**27,723**	26,820	**24,638**	23,157
Total equity (attributable to owners of the Company)		**62,629**	62,922	**60,093**	58,726
Non-controlling interests	26	**669**	725	**-**	-
Total equity		**63,298**	63,647	**60,093**	58,726

(1) During the 2026 financial year, the Group revised the presentation of loans and advances to include loans and advances at fair value. Comparative information has been restated to align to the presentation in the current period.
(2) The 2026 financial year includes a charge of $1,347 million in Group and $1,041 million in Company related to changes in the application of the Group's software capitalisation policy. Refer to *Note 1 Basis of preparation* for further information.
(3) During the 2026 financial year, the Group revised the presentation of other assets to include other financial assets at fair value and current tax assets. Comparative information has been restated to align to the presentation in the current period.

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Statements of cash flows

For the year ended 30 September	Note	Group 2026 $m	Group 2025 $m	Company 2026 $m	Company 2025 $m
Cash flows from operating activities					
Interest received		**55,861**	57,271	**53,891**	53,218
Interest paid		**(36,878)**	(40,394)	**(38,354)**	(40,168)
Dividends received		**8**	10	**2,365**	2,410
Net trading income (paid) / received		**(6,588)**	4,196	**(6,731)**	3,205
Net other income received		**2,427**	2,601	**1,856**	1,938
Operating expenses paid		**(8,262)**	(7,708)	**(7,388)**	(7,027)
Income tax paid		**(3,334)**	(3,157)	**(2,611)**	(2,465)
Cash flows from operating activities before changes in operating assets and liabilities		**3,234**	12,819	**3,028**	11,111
Changes in operating assets and liabilities					
Net (increase) / decrease in					
Collateral placed		**(2,580)**	3,864	**(2,292)**	3,685
Deposits with central banks and other regulatory authorities		**10,647**	27,146	**10,647**	27,146
Trading assets		**(13,297)**	(8,589)	**(9,822)**	(9,148)
Loans and other financial assets at fair value		**229**	86	**229**	86
Loans and advances		**(50,882)**	(47,164)	**(44,869)**	(42,763)
Other assets		**(2,910)**	(616)	**(3,189)**	(933)
Net increase / (decrease) in					
Collateral received		**(250)**	(295)	**(640)**	(105)
Deposits and other borrowings		**58,046**	24,707	**54,277**	20,532
Other financial liabilities at fair value		**(6,875)**	984	**(10,650)**	(723)
Other liabilities		**1,027**	(370)	**1,128**	195
Net funds advanced to and receipts from other banks		**(1,969)**	(2,269)	**(1,410)**	(869)
Net movement in derivative assets and liabilities		**3,933**	(1,792)	**705**	230
Changes in operating assets and liabilities arising from cash flow movements		**(4,881)**	(4,308)	**(5,886)**	(2,667)
Net cash provided by / (used in) operating activities	35	**(1,647)**	8,511	**(2,858)**	8,444
Cash flows from investing activities					
Movement in debt instruments					
Purchases		**(36,755)**	(30,242)	**(35,176)**	(27,945)
Proceeds from disposal and maturity		**30,836**	25,968	**30,443**	25,842
Net movement in other debt and equity instruments		**(13)**	(25)	**23**	16
Net movement in amounts due from controlled entities		**-**	-	**4,190**	(4,416)
Net movement in shares in controlled entities		**-**	-	**98**	796
Net movement in shares in associates and joint ventures		**2**	(1)	**-**	-
Proceeds from sale of associates and joint ventures		**497**	-	**497**	-
Purchase of property, plant, equipment and capitalised software		**(1,227)**	(1,405)	**(1,004)**	(1,127)
Proceeds from sale of property, plant, equipment and software, net of costs		**-**	(3)	**-**	2
Net cash provided by / (used in) investing activities		**(6,660)**	(5,708)	**(929)**	(6,832)

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Statements of cash flows

For the year ended 30 September		Group 2026 $m	Group 2025 $m	Company 2026 $m	Company 2025 $m
Cash flows from financing activities					
Repayments of bonds, notes and subordinated debt		**(39,923)**	(33,407)	**(37,470)**	(29,222)
Proceeds from issue of bonds, notes and subordinated debt, net of costs		**46,539**	42,893	**38,846**	39,901
Payments for share buy-back		**-**	(616)	**-**	(616)
Purchase of shares for dividend reinvestment plan neutralisation		**(191)**	(388)	**(191)**	(388)
Proceeds from underwrite of dividend reinvestment plan		**850**	-	**850**	-
Repayments of debt issues		**(1,874)**	(600)	**(1,874)**	(600)
Dividends and distributions paid (excluding dividend reinvestment plan)		**(4,059)**	(4,828)	**(4,022)**	(4,789)
Repayments of other financing activities		**(299)**	(336)	**(273)**	(305)
Net cash provided by / (used in) financing activities		**1,043**	2,718	**(4,134)**	3,981
Net increase / (decrease) in cash and cash equivalents		**(7,264)**	5,521	**(7,921)**	5,593
Cash and cash equivalents at beginning of period		**24,818**	18,836	**20,240**	14,145
Effects of foreign exchange rates on cash and cash equivalents		**(1,115)**	461	**(911)**	502
Cash and cash equivalents at end of year	35	**16,439**	24,818	**11,408**	20,240

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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 2025						
Balance at 1 October 2024	36,581	(362)	25,236	61,455	758	62,213
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[3]	-	-	(5,177)	(5,177)	(39)	(5,216)
Balance at 30 September 2025	36,123	(21)	26,820	62,922	725	63,647
Year to 30 September 2026						
Net profit for the year from continuing operations	**-**	**-**	**6,116**	**6,116**	**36**	**6,152**
Net profit for the year from discontinued operations	**-**	**-**	**27**	**27**	**-**	**27**
Other comprehensive income for the year from continuing operations	**-**	**(3,200)**	**(41)**	**(3,241)**	**(56)**	**(3,297)**
Total comprehensive income for the year	**-**	**(3,200)**	**6,102**	**2,902**	**(20)**	**2,882**
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Issue of ordinary shares through dividend reinvestment plan	**958**	**-**	**-**	**958**	**-**	**958**
Dividend reinvestment plan underwritten allotments	**850**	**-**	**-**	**850**	**-**	**850**
Transfer from / (to) retained profits	**-**	**28**	**(28)**	**-**	**-**	**-**
Transfer from / (to) equity-based compensation reserve	**168**	**(168)**	**-**	**-**	**-**	**-**
Equity-based compensation	**-**	**168**	**-**	**168**	**-**	**168**
Dividends and distributions paid[3]	**-**	**-**	**(5,171)**	**(5,171)**	**(36)**	**(5,207)**
Balance as at 30 September 2026	**38,099**	**(3,193)**	**27,723**	**62,629**	**669**	**63,298**

(1) Refer to *Note 25 Contributed equity* for further details.
(2) Refer to *Note 27 Reserves* for further details.
(3) Refer to *Note 28 Dividends* for further details.

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Statements of changes in equity

Company	Contributed equity[1] $m	Reserves[2] $m	Retained profits $m	Total equity $m
Year to 30 September 2025				
Balance at 1 October 2024	35,795	(434)	21,964	57,325
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[3]	-	-	(5,177)	(5,177)
Balance at 30 September 2025	35,337	232	23,157	58,726
Year to 30 September 2026				
Net profit for the year from continuing operations	**-**	**-**	**6,696**	**6,696**
Other comprehensive income for the year from continuing operations	**-**	**(2,090)**	**(44)**	**(2,134)**
Total comprehensive income for the year	**-**	**(2,090)**	**6,652**	**4,562**
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Issue of ordinary shares through dividend reinvestment plan	**958**	**-**	**-**	**958**
Dividend reinvestment plan underwritten allotments	**850**	**-**	**-**	**850**
Transfer from / (to) retained profits	**-**	**-**	**-**	**-**
Transfer from / (to) equity-based compensation reserve	**168**	**(168)**	**-**	**-**
Equity-based compensation	**-**	**168**	**-**	**168**
Dividends and distributions paid[3]	**-**	**-**	**(5,171)**	**(5,171)**
Balance as at 30 September 2026	**37,313**	**(1,858)**	**24,638**	**60,093**

(1) Refer to *Note 25 Contributed equity* for further details.
(2) Refer to *Note 27 Reserves* for further details.
(3) Refer to *Note 28 Dividends* for further details.

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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 2026. 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 5 November 2026. 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 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 2026/183.

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

Accelerated amortisation of software assets

Following a review of its software capitalisation policy, the Group has revised the estimated useful life of its capitalised software assets from three to ten years down to three to five years, and made changes in the application of its software capitalisation policy. These changes are expected to better align the Group's accounting policies with a rapidly evolving technology environment. As a result, the 2026 financial year includes an accelerated amortisation charge of $1,347 million, presented within 'Operating expenses' with a corresponding reduction in the carrying value of capitalised software recognised within 'Goodwill and other intangible assets' on the balance sheet.

Except as explained above, the accounting policies applied in this report are consistent with those applied in the Group's 2025 Annual Report. There were no amendments to Australian Accounting Standards adopted during the year that have a material impact on the Group.

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Note 1 Basis of preparation (cont.)

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
- 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 2024-2 *Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments* (AASB 2024-2) includes clarification on derecognition of financial liabilities when settlement occurs through an electronic payment system, and assessing contractual cash flow characteristics of financial assets with environmental, social and governance and similar features. The amendments include additional disclosure requirements. AASB 2024-2 is effective for the Group from 1 October 2026. The adoption of these amendments are not expected to have a material impact on the Group.

AASB 18 *Presentation and Disclosure in Financial Statements* (AASB 18) was issued in June 2024 and replaces AASB 101 *Presentation of Financial Statements* (AASB 101) and will be effective for the Group from 1 October 2027. AASB 18 introduces enhanced presentation and disclosure requirements, including new defined subtotals in the income statement, enhanced disclosure of management-defined performance measures (e.g. cash earnings), and changes to the aggregation and disaggregation 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.

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Financial performance

Overview

The Group's reportable segments in the 2026 financial year are unchanged from the 2025 Annual Report.

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 and enterprise payments. 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, Digital, Data and AI, and group-wide elimination entries that arise on consolidation.

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 2026 financial year have been determined consistently with the 2025 financial year. It has been adjusted for hedging and fair value volatility, amortisation of acquired intangible assets, and gains and losses and certain other items associated with the acquisition, integration, disposal or 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.

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.

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Note 2
Segment information

	2026					
	Business and Private Banking $m	Personal Banking $m	Corporate and Institutional Banking $m	New Zealand Banking $m	Corporate Functions and Other $m	Total Group $m
Reportable segment information						
Net interest income	8,155	4,358	3,044	2,563	392	18,512
Other operating income	1,075	604	1,076	418	329	3,502
Net operating income	9,230	4,962	4,120	2,981	721	22,014
Operating expenses[1]	(3,337)	(2,705)	(1,386)	(1,198)	(3,013)	(11,639)
Underlying profit / (loss)	5,893	2,257	2,734	1,783	(2,292)	10,375
Credit impairment (charge) / write-back	(628)	(313)	(282)	(116)	(208)	(1,547)
Cash earnings / (loss) before tax and distributions	5,265	1,944	2,452	1,667	(2,500)	8,828
Income tax (expense) / benefit	(1,580)	(582)	(712)	(468)	691	(2,651)
Cash earnings / (loss) before non-controlling interests	3,685	1,362	1,740	1,199	(1,809)	6,177
Less: Non-controlling interests	-	-	-	(36)	-	(36)
Cash earnings / (loss)	3,685	1,362	1,740	1,163	(1,809)	6,141
Hedging and fair value volatility	(3)	-	(2)	6	(20)	(19)
Other non-cash earnings items	(22)	(37)	(1)	(10)	64	(6)
Net profit / (loss) for the year from continuing operations	3,660	1,325	1,737	1,159	(1,765)	6,116
Net profit from discontinued operations attributable to owners of the Company	-	-	-	-	27	27
Net profit / (loss) attributable to owners of the Company	3,660	1,325	1,737	1,159	(1,738)	6,143
Reportable segment assets[2]	299,876	276,972	309,149	120,875	139,024	1,145,896

(1) The 2026 financial year includes a charge of $1,347 million related to changes in the application of the Group's software capitalisation policy. Refer to *Note 1 Basis of preparation* for further information.
(2) Reportable segment assets include intercompany balances which are eliminated within the Corporate Functions and Other segment.

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Note 2 Segment information (cont.)

	2025					
	Business and Private Banking $m	Personal Banking $m	Corporate and Institutional Banking $m	New Zealand Banking $m	Corporate Functions and Other $m	Total Group $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(1)	277,562	271,786	292,964	119,438	147,312	1,109,062

(1) Reportable segment assets include intercompany 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)	
	2026 $m	2025 $m	2026 $m	2025 $m
Australia	**18,141**	16,435	**5,818**	6,755
New Zealand	**2,989**	3,182	**1,384**	1,689
Other International	**1,695**	1,699	**208**	233
Total before inter-geographic eliminations	**22,825**	21,316	**7,410**	8,677
Elimination of inter-geographic items	**(583)**	(444)	**-**	-
Total	**22,242**	20,872	**7,410**	8,677

(1) Non-current assets include goodwill and other intangible assets, property, plant and equipment and investments in joint ventures and associates.

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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.

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Interest income				
Effective interest rate method				
Amortised cost				
Due from other banks	**2,631**	3,621	**2,477**	3,336
Loans and advances	**43,836**	43,461	**39,135**	37,577
Due from controlled entities	**-**	-	**3,317**	2,909
Other interest income	**482**	651	**455**	377
Fair value through other comprehensive income				
Debt instruments	**2,338**	2,137	**2,256**	2,091
Total effective interest method	**49,287**	49,870	**47,640**	46,290
Fair value through profit or loss				
Trading instruments	**6,709**	6,791	**6,318**	6,314
Loans and advances	**90**	118	**90**	118
Total fair value through profit or loss	**6,799**	6,909	**6,408**	6,432
Total interest income	**56,086**	56,779	**54,048**	52,722
Interest expense				
Effective interest rate method				
Amortised cost				
Due to other banks	**230**	367	**217**	276
Deposits and other borrowings	**23,387**	24,518	**21,873**	21,824
Bonds, notes and subordinated debt	**9,289**	9,361	**8,692**	8,581
Due to controlled entities	**-**	-	**4,265**	3,992
Debt issues	**423**	489	**423**	489
Other interest expense	**267**	351	**175**	253
Total effective interest method	**33,596**	35,086	**35,645**	35,415
Fair value through profit or loss				
Trading instruments	**99**	46	**99**	46
Other financial liabilities	**3,442**	3,824	**3,016**	3,431
Total fair value through profit or loss	**3,541**	3,870	**3,115**	3,477
Bank levy	**455**	420	**443**	417
Total interest expense	**37,592**	39,376	**39,203**	39,309
Net interest income	**18,494**	17,403	**14,845**	13,413

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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.

	Group		Company	
	2026 $m	**2025 $m**	**2026 $m**	**2025 $m**
Net fees and commissions				
Lending fees	**1,183**	1,183	**971**	955
Net other fees and commissions				
Fees and commission income[1]	**1,009**	977	**800**	726
Fees and commission expense	**(148)**	(146)	**(120)**	(104)
Net investment management income				
Investment management income	**266**	238	**-**	-
Investment management expense	**(137)**	(127)	**-**	-
Total net fees and commissions	**2,173**	2,125	**1,651**	1,577
Gains less losses on financial instruments at fair value				
Trading instruments	**397**	1,125	**346**	987
Hedge ineffectiveness	**3**	42	**(5)**	36
Financial instruments designated at fair value	**784**	203	**662**	290
Realised gains / (losses) on sale of bonds at FVOCI	**72**	(136)	**71**	(136)
Total gains less losses on financial instruments at fair value	**1,256**	1,234	**1,074**	1,177
Other income				
Dividends[2]	**-**	10	**3,233**	2,410
Share of profit from associates and joint ventures	**24**	29	**-**	-
Other[3]	**295**	71	**29**	104
Total other income	**319**	110	**3,262**	2,514
Total other operating income	**3,748**	3,469	**5,987**	5,268

(1) In the 2026 financial year, the Group recognised customer-related remediation charges of $71 million (2025: $102 million) and the Company recognised customer-related remediation charges of $65 million (2025: $129 million) in other fees and commissions.
(2) In the 2026 financial year, the Company received a dividend of $873 million from National Equities Limited (following a dividend payment by BNZ) which was reinvested into additional ordinary shares.
(3) In the 2026 financial year, the Group recognised a $254 million gain from the sale of its remaining 20% stake in MLC Life.

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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 a liability is incurred.

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 23 Provisions* for balances of provisions for employee entitlements.

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Note 5 Operating expenses (cont.)

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Personnel expenses				
Salaries and related on-costs	**4,765**	4,552	**3,833**	3,679
Superannuation costs-defined contribution plans	**467**	430	**427**	395
Performance-based compensation	**742**	625	**664**	552
Other expenses[1]	**466**	491	**348**	400
Total personnel expenses	**6,440**	6,098	**5,272**	5,026
Occupancy and depreciation expenses				
Rental expense	**105**	109	**89**	99
Depreciation and impairment	**442**	436	**347**	349
Other expenses	**60**	58	**51**	52
Total occupancy and depreciation expenses	**607**	603	**487**	500
Technology expenses				
Computer equipment and software	**1,045**	1,039	**829**	823
Amortisation of software[2]	**2,111**	717	**1,711**	600
Depreciation of IT equipment	**172**	165	**149**	142
Data communication and processing charges	**91**	120	**78**	107
Communications	**46**	54	**35**	43
Impairment losses recognised	**4**	10	**3**	10
Total technology expenses	**3,469**	2,105	**2,805**	1,725
General expenses				
Amortisation of acquired intangible assets[3]	**49**	49	**35**	18
Advertising and marketing	**161**	174	**101**	109
Operational risk event losses and customer-related remediation	**73**	124	**28**	113
Postage and stationery	**85**	81	**72**	75
Professional fees	**673**	737	**564**	621
Impairment losses recognised	**-**	-	**67**	68
Other expenses[1]	**451**	377	**1,233**	1,101
Total general expenses	**1,492**	1,542	**2,100**	2,105
Total operating expenses	**12,008**	10,348	**10,664**	9,356

(1) Group and Company include payroll review and remediation costs of $75 million in Personnel expenses (2025: $101 million) and $nil in General expenses (2025: $29 million).
(2) The 2026 financial year includes a charge of $1,347 million in Group and $1,041 million in Company related to changes in the application of the Group's software capitalisation policy. Refer to *Note 1 Basis of preparation* for further information.
(3) 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	
	2026 $m	2025 $m	2026 $m	2025 $m
Profit before income tax	**8,687**	9,691	**8,740**	8,519
Prima facie income tax expense at 30%	**2,606**	2,907	**2,622**	2,556
Tax effect of permanent differences:				
Assessable foreign income	**14**	14	**14**	14
Foreign tax rate differences	**(70)**	(88)	**(31)**	(39)
Adjustments to deferred tax balances for tax losses and timing differences	**(17)**	(24)	**(17)**	(24)
Foreign branch income not assessable	**(15)**	(29)	**(15)**	(29)
Under / (over) provision in prior years	**(32)**	(52)	**(31)**	(45)
Restatement of deferred tax balances for tax rate changes	**(3)**	2	**(3)**	2
Non-deductible interest on convertible instruments	**127**	147	**127**	147
Dividend income adjustments	**-**	-	**(648)**	(413)
Gain on the Group's investment in MLC Life	**(76)**	-	**(6)**	-
Other	**1**	(13)	**32**	(17)
Income tax expense	**2,535**	2,864	**2,044**	2,152
Current tax expense	**2,964**	2,991	**2,372**	2,297
Deferred tax benefit	**(429)**	(127)	**(328)**	(145)
Total income tax expense	**2,535**	2,864	**2,044**	2,152

The Group became subject to the Global Anti-Base Erosion Rules (Pillar Two) from the 2025 financial year. The Group has assessed that there are no material Pillar Two income taxes for the 2026 financial year and has applied the mandatory temporary exception to the recognition and disclosure of deferred tax assets and liabilities related to such taxes.

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Note 6 Income tax (cont.)

Deferred tax assets and liabilities

The balance comprises temporary differences attributable to:

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Deferred tax assets				
Individually assessed provision for credit impairment	**354**	314	**299**	263
Collective provision for credit impairment	**1,595**	1,482	**1,404**	1,284
Employee entitlements	**291**	267	**266**	245
Tax losses	**80**	82	**77**	77
Other provisions	**100**	161	**89**	155
Internally generated software and property, plant and equipment	**781**	505	**679**	472
Reserves				
Cash flow hedge reserve	**805**	-	**793**	-
Other reserves	**93**	118	**58**	93
Other	**223**	317	**204**	301
Total deferred tax assets	**4,322**	3,246	**3,869**	2,890
Set-off of deferred tax liabilities pursuant to set-off provisions	**(132)**	(194)	**(116)**	(182)
Net deferred tax assets	**4,190**	3,052	**3,753**	2,708
Deferred tax liabilities				
Acquired intangible assets	**22**	26	**17**	21
Defined benefit superannuation plan assets	**15**	15	**13**	13
Reserves				
Cash flow hedge reserve	**-**	68	**-**	67
Other	**95**	85	**86**	81
Total deferred tax liabilities	**132**	194	**116**	182
Deferred tax liabilities set off against deferred tax assets pursuant to set-off provisions	**(132)**	(194)	**(116)**	(182)
Net deferred tax liabilities	**-**	-	**-**	-

Deferred tax assets not brought to account

Deferred tax assets have not been brought to account for the following losses as the utilisation of the losses is not regarded as probable:

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Capital gains tax losses	**1,980**	1,818	**1,980**	1,818
Income tax losses	**2**	20	**-**	18

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Note 7
Earnings per share

	Group			
	Basic		Diluted	
	2026	2025	2026	2025
Earnings ($m)				
Net profit attributable to owners of the Company	**6,143**	6,759	**6,143**	6,759
Potential dilutive adjustments				
Interest expense on convertible notes[1]	**-**	-	**230**	129
Adjusted earnings	**6,143**	6,759	**6,373**	6,888
Net (profit) / loss from discontinued operations attributable to owners of the Company	**(27)**	29	**(27)**	29
Adjusted earnings from continuing operations	**6,116**	6,788	**6,346**	6,917
Weighted average number of ordinary shares (millions)				
Weighted average number of ordinary shares (net of treasury shares)	**3,073**	3,059	**3,073**	3,059
Weighted average number of dilutive potential ordinary shares				
Convertible notes	**-**	-	**124**	64
Equity-based compensation	**-**	-	**7**	9
Total weighted average number of ordinary shares	**3,073**	3,059	**3,204**	3,132
Earnings per share attributable to owners of the Company (cents)	**199.9**	221.0	**198.9**	219.9
Earnings per share from continuing operations	**199.0**	221.9	**198.1**	220.8
Earnings / (loss) per share from discontinued operations	**0.9**	(0.9)	**0.8**	(0.9)

(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 the September 2026 and September 2025 financial years as they were anti-dilutive, however they could potentially dilute basic earnings per share in the future. Refer to *Note 15 Debt issues* for further details on convertible notes.

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Financial instruments

Overview

Financial instruments represent the majority of the Group's balance sheet, including loans and advances, deposits, trading assets and derivatives.

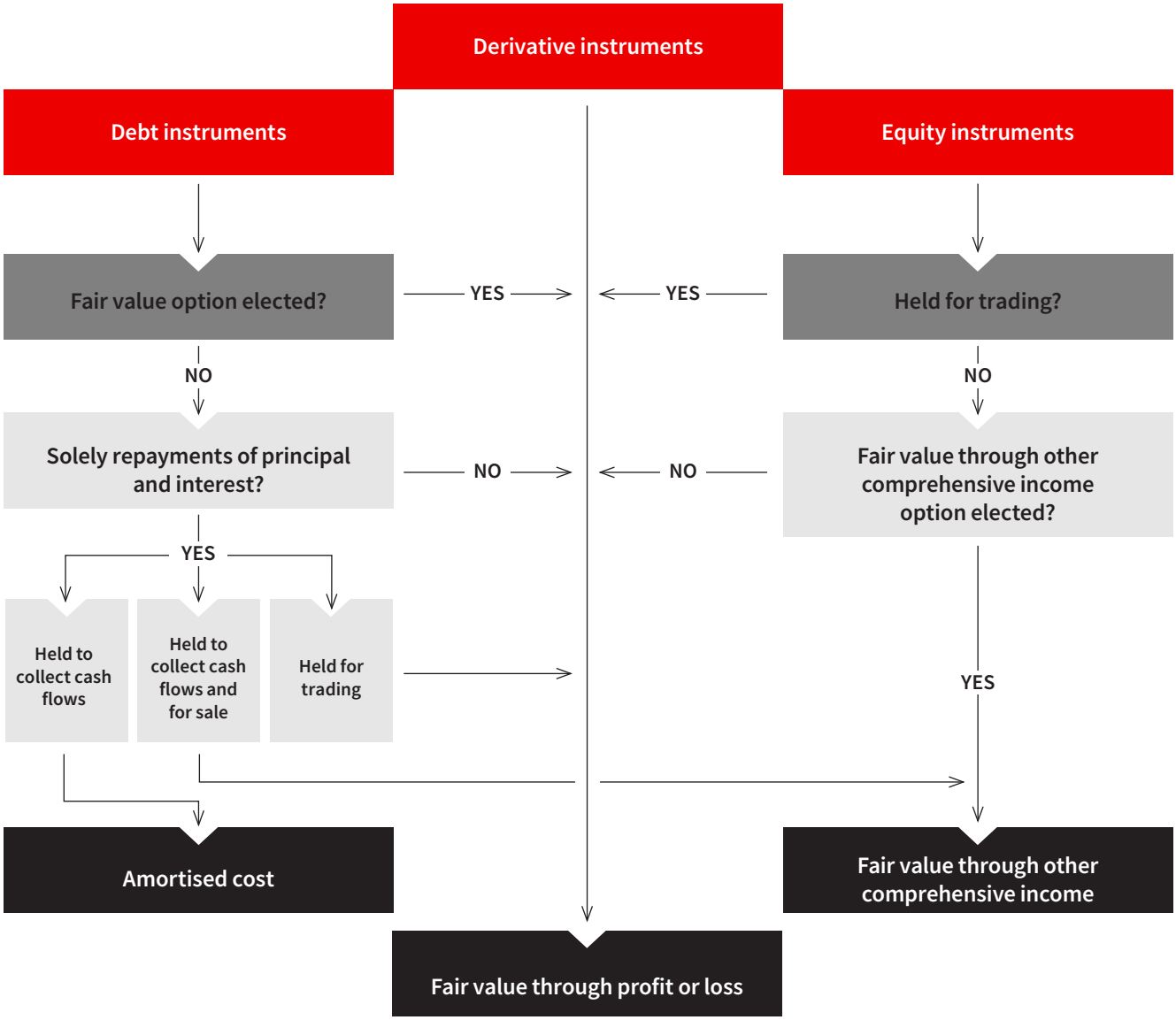
Initial recognition of financial instruments

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 characteristics of their contractual cash flows. 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.

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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 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 17 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 at fair value.* 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*.

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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 11 Loans and advances*
	Fair value through profit or loss	Loans and advances designated at fair value through profit or loss to eliminate an accounting mismatch	
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*
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 17 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	Financial liabilities are generally measured at amortised cost unless they are measured at fair value as detailed below	*Note 13 Deposits and other borrowings*
Bonds and notes			*Note 14 Bonds, notes and subordinated debt*
Convertible notes			*Note 15 Debt issues*
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 at fair value*
Repurchase agreements, securities sold short, 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 17 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 17 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.

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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 35 Notes to the statement of cash flows* for a detailed reconciliation of cash and cash equivalents.

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Cash and liquid assets				
Coins, notes and cash at bank	**1,125**	1,117	**793**	1,026
Other (including bills receivable and remittances in transit)	**626**	1,487	**535**	1,381
Total cash and liquid assets	**1,751**	2,604	**1,328**	2,407
Due from other banks				
Central banks	**65,152**	79,358	**61,694**	75,123
Other banks	**7,858**	12,588	**6,957**	11,328
Total due from other banks	**73,010**	91,946	**68,651**	86,451
Due to other banks				
Central banks[1]	**2,248**	3,654	**2,150**	1,747
Other banks	**7,374**	8,715	**6,282**	7,492
Total due to other banks	**9,622**	12,369	**8,432**	9,239

(1) Included within amounts due to central banks for the Group is $nil (2025: $1,791 million) relating to the Term Lending Facility and Funding for Lending Programme 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	
	2026 $m	2025 $m	2026 $m	2025 $m
Trading assets				
Government bonds, notes and securities	**37,841**	29,132	**34,400**	26,202
Semi-government bonds, notes and securities	**15,120**	13,788	**13,772**	11,520
Corporate and financial institution bonds, notes and securities	**5,090**	4,286	**3,362**	2,913
Reverse repurchase agreements	**90,686**	94,041	**82,526**	88,273
Commodity inventory and other commodity-related assets at fair value	**2,224**	1,860	**2,224**	1,860
Other bonds, notes, securities, equities and other assets	**1,191**	1,464	**1,189**	1,461
Total trading assets	**152,152**	144,571	**137,473**	132,229

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Note 10
Debt instruments

Accounting policy

Debt instruments are measured at fair value through other comprehensive income as they have contractual cash flows which represent solely payments of principal and interest, and are held in a business model with the objective of both collecting contractual cash flows and realising assets through sale.

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Debt instruments				
Government bonds, notes and securities	**3,935**	3,837	**1,701**	2,304
Semi-government bonds, notes and securities	**40,291**	36,959	**39,367**	36,247
Corporate / financial institution bonds, notes and securities	**4,806**	4,500	**4,806**	4,500
Other bonds, notes and securities	**1,362**	1,651	**1,361**	1,651
Total debt instruments	**50,394**	46,947	**47,235**	44,702

Note 11
Loans and advances

Accounting policy

Most 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.

These 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, these loans and advances are measured at amortised cost using the effective interest rate method, net of any provision for credit impairment.

Certain other loans and advances are measured at fair value through profit or loss where they have been designated as such to eliminate or reduce an accounting mismatch.

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Loans and advances				
Housing loans	**450,812**	436,613	**394,827**	380,142
Other term lending[1]	**327,895**	301,917	**289,395**	262,345
Asset and lease financing	**19,295**	19,278	**19,241**	19,219
Overdrafts	**6,330**	5,784	**4,495**	3,922
Credit card outstandings	**9,185**	10,043	**8,629**	9,375
Other lending	**8,897**	7,895	**8,381**	7,406
Total gross loans and advances[1]	**822,414**	781,530	**724,968**	682,409
Represented by:				
Loans and advances at fair value	**441**	435	**441**	435
Loans and advances at amortised cost	**821,973**	781,095	**724,527**	681,974
Total gross loans and advances	**822,414**	781,530	**724,968**	682,409
Unearned income and deferred net fee income	**(2,083)**	(2,013)	**(2,301)**	(2,174)
Capitalised brokerage costs	**3,131**	3,209	**2,943**	3,026
Provision for credit impairment	**(6,801)**	(6,165)	**(5,922)**	(5,274)
Total loans and advances[1]	**816,661**	776,561	**719,688**	677,987

(1) During the 2026 financial year, the Group revised the presentation of loans and advances to include loans and advances at fair value. Comparative information has been restated to align to the presentation in the current period.

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Note 12
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:

- Loans and advances at amortised cost,
- Guarantees and credit-related commitments, and
- Debt instruments measured at fair value through other comprehensive income.

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.

- 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.

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Note 12 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.

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Note 12 Provision for credit impairment (cont.)

Credit impairment charge

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Credit impairment charge				
New and increased provisions (net of collective provision releases)	**1,824**	1,061	**1,669**	986
Write-backs of individually assessed provisions	**(228)**	(178)	**(197)**	(136)
Recoveries of amounts previously written-off	**(49)**	(50)	**(44)**	(44)
Total charge to the income statement	**1,547**	833	**1,428**	806

Provision for credit impairment

	Group					
	2026			2025		
	Collective provision $m	Individually assessed provision $m	Total $m	Collective provision $m	Individually assessed provision $m	Total $m
Loans and advances at amortised cost	**4,771**	**1,391**	**6,162**	4,415	1,163	5,578
Guarantees and credit-related commitments	**639**	**-**	**639**	587	-	587
Total provision balance	**5,410**	**1,391**	**6,801**	5,002	1,163	6,165

	Company					
	2026			2025		
	Collective provision $m	Individually assessed provision $m	Total $m	Collective provision $m	Individually assessed provision $m	Total $m
Loans and advances at amortised cost	**4,220**	**1,199**	**5,419**	3,844	980	4,824
Guarantees and credit-related commitments	**503**	**-**	**503**	450	-	450
Total provision balance	**4,723**	**1,199**	**5,922**	4,294	980	5,274

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Note 12 Provision for credit impairment (cont.)

Group	Stage 1 Performing 12-mth ECL Collective $m	Stage 2 Performing Lifetime ECL Collective $m	Stage 3 Non-performing Lifetime ECL Collective $m	Stage 3 Non-performing Lifetime ECL Individually assessed $m	Total $m
Balance at 1 October 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
Changes due to financial assets recognised in the opening balance that have:					
Transferred to performing - 12-mth ECL - collective	**727**	**(673)**	**(54)**	**-**	**-**
Transferred to performing - Lifetime ECL - collective	**(108)**	**282**	**(174)**	**-**	**-**
Transferred to non-performing - Lifetime ECL - collective	**(4)**	**(175)**	**179**	**-**	**-**
Transferred to non-performing - Lifetime ECL - individually assessed	**-**	**(84)**	**(133)**	**217**	**-**
New and increased provisions (net of collective provision releases)	**(571)**	**995**	**257**	**1,143**	**1,824**
Write-backs of individually assessed provisions	**-**	**-**	**-**	**(228)**	**(228)**
Write-offs from individually assessed provisions	**-**	**-**	**-**	**(879)**	**(879)**
Foreign currency translation and other adjustments	**(11)**	**(38)**	**(7)**	**(25)**	**(81)**
Balance as at 30 September 2026	**679**	**3,476**	**1,255**	**1,391**	**6,801**

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 2026 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 $636 million compared to the balance as at 30 September 2025. Individually assessed provisions increased by $228 million compared to the balance as at 30 September 2025, primarily driven by new and increased provisions raised for a small number of customers in Corporate and Institutional Banking and for customers in Business and Private Banking; and Collective provisions increased by $408 million compared to the balance as at 30 September 2025, comprised of:

- Collective provision performing – 12-months ECL (Stage 1) increased by $33 million as a result of:
  - $223 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, partially offset by:
  - $180 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.
- Collective provision performing – Lifetime ECL (Stage 2) increased by $307 million as a result of:
  - a net increase in forward-looking provisions, and
  - $104 billion of loans and advances that were newly 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, partially offset by:
  - $89 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.
- Collective provision non-performing - Lifetime ECL (Stage 3) increased by $68 million as a result of:
  - $7 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.

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Note 12 Provision for credit impairment (cont.)

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, 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 2026:

	Base case			Downside		
	Financial year			Financial year		
	2027	2028	2029	2027	2028	2029
	%	%	%	%	%	%
GDP change (year ended September)	1.5	1.7	2.7	(2.1)	(1.8)	1.7
Unemployment (as at 30 September)	4.7	5.0	4.9	6.5	9.5	10.3
House price change (year ended September)	(4.9)	5.0	5.0	(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	
	2026	2025
	$m	$m
Total provisions for ECL		
Probability weighted	**6,801**	6,165
100% Upside	**4,168**	3,667
100% Base case	**4,484**	3,921
100% Downside	**9,651**	9,170

Applying the average provision coverage ratios by stage, if 1% of the Group's Stage 1 gross loans and advances, guarantees and credit-related commitments were included as Stage 2 the provision for ECL as at September 2026 would increase by $129 million (September 2025: $122 million).

Applying the average provision coverage ratios by stage, if 1% of the Group's Stage 2 gross loans and advances, guarantees and credit-related commitments were included as Stage 1 the provision for ECL as at September 2026 would decrease by $33 million (September 2025: $30 million).

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Note 12 Provision for credit impairment (cont.)

The table below shows weightings applied to the Australian portfolio to derive the probability weighted ECL:

	2026 %	2025 %
Macro-economics scenario weightings		
Upside	**2.5**	2.5
Base case	**52.5**	55.0
Downside	**45.0**	42.5

- The September 2026 total provisions for ECL in the 100% base and downside cases have increased since September 2025 mainly due to a net increase in forward-looking provisions of $403 million reflecting a more challenging economic outlook, the impact of volume growth and new and increased individually assessed provisions raised in the Corporate and Institutional Banking and Business and Private Banking portfolios.
- The downside scenario weighting for the Australian portfolio has increased from 42.5% as at September 2025 to 45.0% as at September 2026, reflecting a more challenging economic outlook.

The table below provides a breakdown of the probability weighted ECL by key portfolios:

	Group	
	2026 $m	2025 $m
Total provisions for ECL for key portfolios		
Housing	**1,478**	1,296
Business[1]	**4,855**	4,395
Other[1]	**468**	474
Total	**6,801**	6,165

(1) Comparative information has been restated to align to the presentation in the current period.

	Stage 1	Stage 2	Stage 3		
	Performing 12-mth ECL	Performing Lifetime ECL	Non-performing Lifetime ECL		
Company	Collective $m	Collective $m	Collective $m	Individually assessed $m	Total $m
Balance at 1 October 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
Changes due to financial assets recognised in the opening balance that have:					
Transferred to performing - 12-mth ECL - collective	**645**	**(602)**	**(43)**	**-**	**-**
Transferred to performing - Lifetime ECL - collective	**(89)**	**253**	**(164)**	**-**	**-**
Transferred to non-performing - Lifetime ECL - collective	**(3)**	**(164)**	**167**	**-**	**-**
Transferred to non-performing - Lifetime ECL - individually assessed	**-**	**(76)**	**(123)**	**199**	**-**
New and increased provisions (net of collective provision releases)	**(515)**	**915**	**230**	**1,039**	**1,669**
Write-backs of individually assessed provisions	**-**	**-**	**-**	**(197)**	**(197)**
Write-offs from individually assessed provisions	**-**	**-**	**-**	**(814)**	**(814)**
Foreign currency translation and other adjustments	**(1)**	**(1)**	**-**	**(8)**	**(10)**
Balance as at 30 September 2026	**546**	**3,015**	**1,162**	**1,199**	**5,922**

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Note 12 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 2026 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 $648 million compared to the balance as at 30 September 2025. Individually assessed provisions increased by $219 million compared to the balance as at 30 September 2025, primarily driven by new and increased provisions raised for a small number of customers in Corporate and Institutional Banking and for customers in Business and Private Banking; and Collective provisions increased by $429 million compared to the balance as at 30 September 2025, comprised of:

- Collective provision performing – 12-months ECL (Stage 1) increased by $37 million due to:
  - $191 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, partially offset by:
  - $153 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.
- Collective provision performing – Lifetime ECL (Stage 2) increased by $325 million due to:
  - a net increase in forward-looking provisions, and
  - $87 billion of loans and advances that were newly 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, partially offset by:
  - $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.
- Collective provision non-performing - Lifetime ECL (Stage 3) increased by $67 million due to:
  - $7 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 loans 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	
	2026 %	2025 %	2026 %	2025 %
Write-offs net of recoveries to gross loans and advances for key portfolios				
Housing	**0.01**	0.01	**0.01**	0.01
Business	**0.13**	0.07	**0.14**	0.07
Other[1]	**2.44**	2.11	**2.44**	2.11
Total	**0.10**	0.07	**0.11**	0.07

(1) Comparative information has been restated to align to the presentation in the current period.

The contractual amount outstanding on loans and advances that were written off during the 2026 financial year, which are still subject to enforcement activity, was $24 million (2025: $55 million) for the Group and $22 million (2025: $48 million) for the Company.

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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	
	2026 $m	2025 $m	2026 $m	2025 $m
Deposits and other borrowings				
Term deposits	**213,718**	205,021	**180,525**	170,964
On-demand and short-term deposits	**301,355**	286,867	**273,696**	257,558
Certificates of deposit	**64,943**	53,526	**64,943**	53,526
Deposits not bearing interest[1]	**141,710**	134,815	**128,396**	121,658
Structured deposits	**35,808**	31,727	**35,808**	31,727
Commercial paper and other borrowings	**28,512**	24,203	**27,930**	23,823
Total deposits and other borrowings	**786,046**	736,159	**711,298**	659,256

(1) Deposits not bearing interest include mortgage offset accounts.

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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	
	2026 $m	2025 $m	2026 $m	2025 $m
Bonds, notes and subordinated debt				
Medium-term notes	**100,950**	104,587	**92,278**	96,406
Securitisation notes	**3,411**	2,600	**-**	-
Covered bonds	**35,502**	40,419	**29,857**	35,082
Subordinated medium-term notes	**28,711**	26,701	**28,011**	25,924
Total bonds, notes and subordinated debt	**168,574**	174,307	**150,146**	157,412
Bonds, notes and subordinated debt by currency				
USD	**61,364**	61,394	**55,070**	54,670
AUD	**56,445**	53,316	**52,995**	50,675
EUR	**32,285**	36,097	**24,435**	29,528
GBP	**5,126**	11,925	**5,126**	11,937
HKD	**5,857**	3,417	**5,857**	3,417
CHF	**3,232**	4,196	**2,366**	3,210
JPY	**2,440**	2,448	**2,440**	2,448
Other	**1,825**	1,514	**1,857**	1,527
Total bonds, notes and subordinated debt	**168,574**	174,307	**150,146**	157,412

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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]	2026 $m	2025 $m
Subordinated notes issued by National Australia Bank Limited (Company)						
AUD	1,250	Float	2025	2030	-	1,250
GBP	600	Fixed	2026	2031	-	1,183
USD	1,500	Fixed	n/a	2030	**1,819**	1,967
AUD[4]	1,175	Float	2026	2031	**1,175**	1,175
AUD[4]	225	Fixed	2026	2031	**224**	219
USD	1,250	Fixed	n/a	2031	**1,536**	1,689
AUD	275	Fixed	2027	2032	**273**	272
JPY	17,000	Fixed	2027	2032	**154**	171
AUD	1,000	Fixed	2027	2032	**1,000**	1,000
AUD	250	Float	2027	2032	**250**	250
HKD	382	Fixed	2027	2032	**69**	74
AUD	950	Fixed	2028	2033	**950**	950
AUD	300	Float	2028	2033	**300**	300
HKD	640	Fixed	2028	2033	**116**	127
USD	1,250	Fixed	n/a	2033	**1,654**	1,875
AUD	1,100	Float	2029	2034	**1,100**	1,100
AUD	650	Fixed	2029	2034	**650**	650
USD	1,500	Fixed	2029	2034	**1,977**	2,136
HKD	400	Fixed	2030	2035	**70**	78
CHF	225	Fixed	2030	2035	**378**	427
AUD	205	Fixed	n/a	2035	**205**	205
AUD	1,100	Float	2030	2035	**1,100**	-
AUD	650	Fixed	2030	2035	**650**	-
USD	1,250	Fixed	2035	2036	**1,704**	1,964
EUR	1,000	Fixed	2031	2036	**1,557**	-
JPY	15,000	Fixed	2031	2036	**136**	-
USD	1,250	Fixed	2032	2037	**1,513**	1,676
AUD	85	Fixed	n/a	2037	**85**	85
USD	1,000	Fixed	2036	2037	**1,342**	-
AUD	1,250	Fixed	2034	2039	**1,250**	1,250
AUD	1,500	Fixed	2035	2040	**1,500**	1,500
AUD	215	Fixed	n/a	2040	**125**	137
AUD	245	Fixed	n/a	2040	**142**	157
AUD	100	Fixed	n/a	2040	**58**	64
JPY	18,000	Fixed	2035	2040	**150**	-
USD	1,250	Fixed	n/a	2041	**1,101**	1,295
AUD	195	Fixed	n/a	2041	**195**	195
AUD	1,000	Fixed	2036	2041	**1,000**	-
AUD	203	Fixed	n/a	2042	**203**	203
AUD	300	Float	2038	2043	**300**	300
Total subordinated notes issued by National Australia Bank Limited (Company)					**28,011**	25,924
Subordinated notes issued by Bank of New Zealand						
USD[5]	500	Fixed	2030	2035	**700**	777
Total subordinated notes issued by Bank of New Zealand					**700**	777
Total subordinated notes (Group)					**28,711**	26,701

(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) On 21 September 2026, NAB issued a redemption notice to holders specifying a redemption date of 18 November 2026.
(5) 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.

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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	
	2026 $m	2025 $m	2026 $m	2025 $m
Debt issues				
Convertible notes	**7,108**	8,972	**7,108**	8,972
Total debt issues	**7,108**	8,972	**7,108**	8,972

The table below highlights the key terms and common features of the Group's Tier 1 convertible notes.

					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	$nil	20 March 2019	Quarterly	4.00% above 3 month BBSW	Redeemed 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

(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 at fair value

Accounting policy

In certain circumstances, the Group fair values financial liabilities.

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 liabilities, changes in fair value due to own credit risk is recognised in other comprehensive income.

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 liabilities, changes in fair value due to own credit risk is recognised through profit or loss.

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Other financial liabilities designated at fair value				
Bonds, notes and subordinated debt	**10,235**	9,624	**4,787**	5,406
Deposits and other borrowings				
Certificates of deposit	**1,131**	799	**-**	-
Commercial paper and other borrowings	**5,231**	2,333	**-**	-
Other financial liabilities measured at fair value				
Repurchase agreements	**37,914**	52,708	**36,892**	52,158
Securities sold short	**7,318**	3,243	**7,157**	3,123
Other financial liabilities	**2,099**	1,757	**2,097**	1,757
Total other financial liabilities at fair value	**63,928**	70,464	**50,933**	62,444

The change in fair value of bonds, notes and subordinated debt attributable to changes in own credit risk that was recognised in other comprehensive income amounted to a $60 million loss for the 2026 financial year (2025: $2 million gain) for the Group and a $62 million loss (2025: $4 million gain) for the Company. The cumulative change in fair value of bonds, notes and subordinated debt attributable to changes in own credit risk that has been recognised in other comprehensive income amounted to a $224 million loss (2025: $164 million loss) for the Group and a $192 million loss (2025: $130 million loss) for the Company. The contractual amount to be paid at the maturity of the bonds, notes and subordinated debt is $11,413 million (2025: $10,122 million) for the Group and $6,015 million (2025: $6,069 million) for the Company.

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Note 17
Derivatives and hedge accounting

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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. If the hedged item is sold or repaid, the respective unamortised hedge adjustment is recognised immediately in the income statement.
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 reverse over the life of the hedging instruments.	

Note 17 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	
	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m
Trading derivatives	**20,202**	19,616	**21,897**	18,204	**21,841**	19,366	**23,299**	22,037
Hedging derivatives	**2,601**	2,210	**2,099**	1,999	**1,276**	1,329	**1,313**	1,268
Total derivatives	**22,803**	21,826	**23,996**	20,203	**23,117**	20,695	**24,612**	23,305

Trading derivatives

	Group				Company			
	Assets		Liabilities		Assets		Liabilities	
	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m
Foreign exchange rate-related contracts								
Spot and forward contracts	**7,837**	7,704	**7,139**	6,500	**6,856**	7,271	**6,663**	6,328
Cross currency swaps	**5,482**	4,583	**5,352**	5,669	**8,691**	5,696	**7,583**	10,010
Options / swaptions	**89**	111	**129**	133	**89**	111	**129**	134
Total foreign exchange rate-related contracts	**13,408**	12,398	**12,620**	12,302	**15,636**	13,078	**14,375**	16,472
Interest rate-related contracts								
Swaps	**5,905**	6,064	**7,807**	4,931	**5,311**	5,132	**7,448**	4,589
Options / swaptions	**633**	498	**794**	560	**632**	495	**793**	560
Total interest rate-related contracts	**6,538**	6,562	**8,601**	5,491	**5,943**	5,627	**8,241**	5,149
Credit derivatives	**74**	200	**144**	281	**74**	200	**144**	281
Commodity derivatives	**144**	420	**500**	104	**150**	425	**506**	109
Other derivatives	**38**	36	**32**	26	**38**	36	**33**	26
Total trading derivatives	**20,202**	19,616	**21,897**	18,204	**21,841**	19,366	**23,299**	22,037

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Note 17 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 and non-derivative hedging instruments such as foreign currency cash deposits to manage changes between the foreign currency and Australian and New Zealand dollars for the above-mentioned cash flows, as required.

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.

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Note 17 Derivatives and hedge accounting (cont.)

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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 aggregated notional amount of hedging instruments will 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			
			2026		2025		2026		2025	
	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[1]	Interest	**-**	**296,604**	-	197,105	**-**	**279,894**	-	183,497
Cash flow hedges	Cross-currency swaps	Currency	**2,455**	**104,938**	2,061	76,199	**1,154**	**62,799**	1,231	41,220
Cash flow hedges	Foreign exchange contracts	Currency	**5**	**2,470**	2	958	**5**	**2,470**	2	958
Fair value hedges	Interest rate swaps	Interest	**107**	**69,856**	137	102,316	**83**	**65,146**	91	79,990
Fair value and cash flow hedges	Cross-currency swaps	Interest and currency	**33**	**854**	10	2,086	**33**	**854**	5	308
Cash flow hedges	Futures[2]	Interest	**1**	**1,291**	-	399	**1**	**1,291**	-	399
Total derivative assets			**2,601**	**476,013**	2,210	379,063	**1,276**	**412,454**	1,329	306,372
Derivative liabilities										
Cash flow hedges	Interest rate swaps[1]	Interest	**1**	**439,586**	2	336,427	**1**	**422,624**	2	319,141
Cash flow hedges	Cross-currency swaps	Currency	**1,634**	**87,180**	1,619	127,322	**998**	**59,720**	1,097	85,941
Cash flow hedges	Foreign exchange contracts	Currency	**52**	**7,242**	38	1,912	**52**	**7,242**	38	1,912
Fair value hedges	Interest rate swaps	Interest	**254**	**109,923**	104	86,534	**209**	**71,937**	84	66,308
Fair value and cash flow hedges	Cross-currency swaps	Interest and currency	**158**	**2,721**	236	2,014	**53**	**443**	47	660
Cash flow hedges	Futures[2]	Interest	**-**	**120**	-	551	**-**	**120**	-	551
Total derivative liabilities			**2,099**	**646,772**	1,999	554,760	**1,313**	**562,086**	1,268	474,513
Non-derivative instruments										
Cash flow hedges	Foreign currency cash deposits	Currency	**-**	**-**	7,580	7,580	**-**	**-**	7,580	7,580
Total non-derivative instruments			**-**	**-**	7,580	7,580	**-**	**-**	7,580	7,580

(1) Carrying amount of interest rate swaps are presented post netting adjustments.
(2) Futures notional amounts are netted for presentation purposes.

Note 17 Derivatives and hedge accounting (cont.)

The following table shows the maturity profile of hedging instruments as at the reporting date based on their notional amounts.

	2026				2025			
	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	**622,890**	**226,858**	**66,221**	**915,969**	437,197	220,252	64,933	722,382
Foreign exchange contracts	**9,700**	**12**	**-**	**9,712**	2,760	110	-	2,870
Futures[1]	**1,381**	**30**	**-**	**1,411**	850	100	-	950
Cross-currency swaps - interest and currency	**2,441**	**850**	**284**	**3,575**	1,020	2,782	298	4,100
Cross-currency swaps - currency	**44,362**	**120,185**	**27,571**	**192,118**	59,039	111,721	32,761	203,521
Foreign currency cash deposits	**-**	**-**	**-**	**-**	7,580	-	-	7,580
Company								
Interest rate swaps	**604,736**	**175,475**	**59,390**	**839,601**	421,851	169,478	57,607	648,936
Foreign exchange contracts	**9,700**	**12**	**-**	**9,712**	2,760	110	-	2,870
Futures[1]	**1,381**	**30**	**-**	**1,411**	850	100	-	950
Cross-currency swaps - interest and currency	**488**	**525**	**284**	**1,297**	377	293	298	968
Cross-currency swaps - currency	**35,143**	**69,789**	**17,587**	**122,519**	36,183	69,668	21,310	127,161
Foreign currency cash deposits	**-**	**-**	**-**	**-**	7,580	-	-	7,580

(1) Futures notional amounts are netted for presentation purposes.

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Note 17 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	
	2026	**2025**	**2026**	**2025**
USD:AUD	**1.462**	1.467	**1.456**	1.458
EUR:AUD	**1.600**	1.578	**1.613**	1.576
GBP:AUD	**1.998**	1.910	**1.947**	2.003
USD:NZD	**1.585**	1.532	**n/a**	n/a
CHF:NZD	**1.554**	1.554	**n/a**	n/a
EUR:NZD	**1.840**	1.769	**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			
	2026		**2025**		**2026**		**2025**	
	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[1]	**0.25 to 4.88**	**1.44 to 7.30**	0.25 to 5.00	0.48 to 7.30	**1.95 to 4.55**	**n/a**	1.95 to 4.55	n/a
USD interest rates[1]	**0.61 to 5.70**	**n/a**	0.61 to 5.70	n/a	**0.61 to 4.22**	**n/a**	0.61 to 4.65	n/a
AUD interest rates	**1.08 to 3.19**	**0.34 to 7.02**	1.08 to 3.19	0.21 to 7.02	**1.08 to 3.19**	**0.34 to 7.02**	1.08 to 3.19	0.21 to 7.02
EUR interest rates[1]	**(0.19) to 3.71**	**n/a**	(0.19) to 3.71	n/a	**(0.19) to 3.19**	**n/a**	(0.19) to 2.73	n/a

(1) Comparative information has been restated to align to the presentation in the current period.

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Note 17 Derivatives and hedge accounting (cont.)

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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 27 Reserves*. The movements in hedging instruments recognised in other comprehensive income are reported in the statement of other comprehensive income. As at 30 September 2026, the amounts recognised in the Group's cash flow hedge reserve for which hedge accounting is no longer applied is a loss of $38 million (2025: $1 million loss). At the Company level, the corresponding balance is $nil (2025: $nil).

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			
	2026		2025		2026		2025	
	Carrying amount $m	Fair value hedge adjustments $m	Carrying amount $m	Fair value hedge adjustments $m	Carrying amount $m	Fair value hedge adjustments $m	Carrying amount $m	Fair value hedge adjustments $m
Debt instruments[1]								
Semi-government bonds, notes and securities	**38,499**	**-**	35,187	-	**35,340**	**-**	32,942	-
Loans and advances								
Other term lending	**257**	**(13)**	340	(11)	**257**	**(13)**	340	(11)
Bonds, notes and subordinated debt								
Medium-term notes	**47,265**	**(1,389)**	51,790	(484)	**38,593**	**(1,172)**	43,609	(425)
Covered bonds[2]	**32,362**	**(1,011)**	34,888	(145)	**-**	**-**	-	-
Subordinated medium-term notes	**16,872**	**(2,362)**	16,357	(1,605)	**16,171**	**(2,348)**	15,580	(1,627)

(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 in a designated hedge accounting relationship at the Group level.

Note 17 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	
	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m
Group						
Fair value hedges (interest rate risk)	**(466)**	596	**468**	(566)	**2**	30
Cash flow hedges (interest rate risk)	**(2,837)**	534	**2,831**	(533)	**(6)**	1
Cash flow hedges (currency risk)	**(7,171)**	6,358	**7,178**	(6,347)	**7**	11
Fair value and cash flow hedges (interest rate and currency risk)	**(13)**	91	**13**	(91)	**-**	-
Total	**(10,487)**	7,579	**10,490**	(7,537)	**3**	42
Company						
Fair value hedges (interest rate risk)	**479**	463	**(487)**	(436)	**(8)**	27
Cash flow hedges (interest rate risk)	**(2,716)**	402	**2,713**	(402)	**(3)**	-
Cash flow hedges (currency risk)	**(4,824)**	2,655	**4,830**	(2,646)	**6**	9
Total	**(7,061)**	3,520	**7,056**	(3,484)	**(5)**	36

The below table presents movements in the cash flow hedge reserve for each type of hedged risk.

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Cash flow hedge (interest rate risk)				
Cash flow hedges - gains / (losses) recognised in other comprehensive income	**(3,534)**	(215)	**(3,418)**	(327)
Amount reclassified from the cash flow hedge reserve to income statement	**702**	740	**705**	730
Cash flow hedge (currency risk)				
Cash flow hedges - gains / (losses) recognised in other comprehensive income	**(7,188)**	6,454	**(4,830)**	2,645
Amount reclassified from the cash flow hedge reserve to income statement	**6,992**	(6,316)	**4,674**	(2,562)
Total cash flow hedge reserve movement	**(3,028)**	663	**(2,869)**	486

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Note 18
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 articulates the Risk Management Framework and describes the Group's material risks and approach to managing them.

The Risk Management Framework consists of systems, policies, processes and people within the Group to manage material risks. The Risk Management Framework is comprehensively reviewed every three years for appropriateness, effectiveness and adequacy by an operationally independent party. The Board is ultimately responsible for the Risk Management Framework and oversees its operation by management.

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 and enabling units own risks and obligations, and the controls and mitigation strategies that help manage them.
- Line 2 - A functionally segregated and independent Risk function 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 Risk Management Framework.

Further risk management information for the Group is set out in *Risk management overview* on page 146.

Credit risk

Credit risk overview, management and control responsibilities

Credit risk is the risk that a customer will fail to meet their obligations to the Group in accordance with agreed terms. It is a financial risk that the Group consciously elects to take through both the Group's lending activities (banking book) and markets and trading activities (trading book).

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 sustainability-related and other emerging risks. Examples of how these risks may impact the Group include:

- 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 assets against certain physical risks, this may impact the value the Group can recover in the event of certain natural disasters.

The Group considers sustainability risks as part of the credit risk assessment and due diligence process before customers are granted credit and for new product development, as relevant. 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 sustainability risks. In addition, the Group may recognise FLAs to the provision for credit impairment associated with sustainability events that arise from sustainability risks. As at 30 September 2026, the Group recognised no such provisions for climate-related or other sustainability events (2025: $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.

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Note 18 Financial risk management (cont.)

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.

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	
	Footnote	2026 $m	2025 $m	2026 $m	2025 $m
Financial assets					
Cash and liquid assets	(a)	**626**	1,487	**535**	1,381
Due from other banks	(b)	**73,010**	91,946	**68,651**	86,451
Collateral placed	(c)	**8,294**	5,763	**7,547**	5,267
Trading assets	(d)	**152,138**	144,571	**137,459**	132,229
Derivative assets	(d)	**22,803**	21,826	**23,117**	20,695
Debt instruments	(e)	**50,394**	46,947	**47,235**	44,702
Gross loans and advances[1]	(f)	**822,414**	781,530	**724,968**	682,409
Due from controlled entities	(g)	**-**	-	**49,292**	55,638
Other assets[2]	(g)	**8,347**	5,997	**8,029**	5,625
Total		**1,138,026**	1,100,067	**1,066,833**	1,034,397
Bank guarantees and letters of credit	(h)	**26,073**	27,596	**24,588**	26,561
Credit commitments	(h)	**221,572**	218,596	**201,007**	198,040
Total		**247,645**	246,192	**225,595**	224,601
Total credit risk exposure		**1,385,671**	1,346,259	**1,292,428**	1,258,998

(1) During the 2026 financial year, the Group revised the presentation of loans and advances to include loans and advances at fair value. Comparative information has been restated to align to the presentation in the current period.
(2) During the 2026 financial year, the Group revised the presentation of other assets to include other financial assets at fair value. Comparative information has been restated to align to the presentation in the current period.

(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.

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Note 18 Financial risk management (cont.)

(f) **Gross loans and advances** primarily comprise of general lending and line of credit products. 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.
Housing loans are secured against residential property as collateral and, where applicable, Lenders Mortgage Insurance (LMI) is arranged to cover any shortfall in outstanding loan principal and accrued interest, primarily in Australia. 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.

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Note 18 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 amount reported on balance sheet' column in the tables below, and comprise the sum of the net amount of the 'Amounts offset on balance sheet' and 'Amounts not subject to enforceable netting arrangements'.

	2026								
	Amounts subject to enforceable netting arrangements							Amounts not subject to enforceable netting arrangements	Total amount reported on balance sheet
	Amounts offset on balance sheet			Amounts not offset on balance sheet					
Group	Gross amount $m	Amount offset $m	Net amount $m	Financial Instruments $m	Non-cash collateral $m	Cash collateral $m	Net Amount $m	$m	$m
Derivative assets[1]	29,158	(8,968)	20,190	(10,797)	(477)	(4,210)	4,706	2,613	22,803
Reverse repurchase agreements	111,497	(17,914)	93,583	-	(93,583)	-	-	-	93,583
Gross loans and advances	3,474	(3,368)	106	-	-	-	106	822,308	822,414
Total assets	144,129	(30,250)	113,879	(10,797)	(94,060)	(4,210)	4,812	824,921	938,800
Derivative liabilities[1]	(28,811)	8,968	(19,843)	10,587	48	7,843	(1,365)	(4,153)	(23,996)
Repurchase agreements	(55,829)	17,914	(37,915)	-	37,915	-	-	-	(37,915)
Deposits and other borrowings	(11,819)	3,368	(8,451)	-	-	-	(8,451)	(783,957)	(792,408)
Total liabilities	(96,459)	30,250	(66,209)	10,587	37,963	7,843	(9,816)	(788,110)	(854,319)
Company									
Derivative assets[1]	19,257	-	19,257	(9,303)	(378)	(3,247)	6,329	3,860	23,117
Reverse repurchase agreements	102,011	(16,588)	85,423	-	(85,423)	-	-	-	85,423
Gross loans and advances	3,140	(3,119)	21	-	-	-	21	724,947	724,968
Total assets	124,408	(19,707)	104,701	(9,303)	(85,801)	(3,247)	6,350	728,807	833,508
Derivative liabilities[1]	(20,048)	-	(20,048)	9,093	48	7,453	(3,454)	(4,564)	(24,612)
Repurchase agreements	(53,481)	16,588	(36,893)	-	36,893	-	-	-	(36,893)
Deposits and other borrowings	(9,504)	3,119	(6,385)	-	-	-	(6,385)	(704,913)	(711,298)
Total liabilities	(83,033)	19,707	(63,326)	9,093	36,941	7,453	(9,839)	(709,477)	(772,803)

(1) As at 30 September 2026, the amount offset for derivative assets includes $364 million (Company: $nil) of cash collateral netting and the amount offset for derivative liabilities includes $195 million (Company: $nil) of cash collateral netting.

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Note 18 Financial risk management (cont.)

	2025								
	Amounts subject to enforceable netting arrangements							Amounts not subject to enforceable netting arrangements	Total amount reported on balance sheet
	Amounts offset on balance sheet			Amounts not offset on balance sheet					
Group	Gross amount $m	Amount offset $m	Net amount $m	Financial Instruments $m	Non-cash collateral $m	Cash collateral $m	Net Amount $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
Gross 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
Gross 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.

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* (AASB 132) 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 amount is included within 'Overdrafts' in *Note 11 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.

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Note 18 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).
- Investment grade: broadly corresponds with Standard & Poor's ratings of BBB+ to BBB- (internal rating 7 to 11).
- 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 12 Provision for credit impairment* for further details.

	Stage 1 Performing		Stage 2 Performing		Stage 3 Non-performing		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
Group	$m	$m	$m	$m	$m	$m	$m	$m
Gross loans and advances								
Senior investment grade	**155,258**	142,029	**1,708**	971	**-**	-	**156,966**	143,000
Investment grade	**323,884**	304,072	**18,863**	16,940	**-**	-	**342,747**	321,012
Sub-investment grade	**157,256**	161,850	**152,606**	143,555	**-**	-	**309,862**	305,405
Default	**-**	-	**-**	-	**12,398**	11,678	**12,398**	11,678
Loans and advances at amortised cost	**636,398**	607,951	**173,177**	161,466	**12,398**	11,678	**821,973**	781,095
Guarantees and credit-related commitments								
Senior investment grade	**95,766**	100,599	**1,649**	1,401	**-**	-	**97,415**	102,000
Investment grade	**78,142**	77,715	**7,560**	7,075	**-**	-	**85,702**	84,790
Sub-investment grade	**30,706**	28,392	**33,408**	30,594	**-**	-	**64,114**	58,986
Default	**-**	-	**-**	-	**414**	416	**414**	416
Total guarantees and credit-related commitments	**204,614**	206,706	**42,617**	39,070	**414**	416	**247,645**	246,192
Total loans and advances at amortised cost, guarantees and credit-related commitments	**841,012**	814,657	**215,794**	200,536	**12,812**	12,094	**1,069,618**	1,027,287
Debt instruments								
Senior investment grade	**50,269**	46,947	**125**	-	**-**	-	**50,394**	46,947
Total debt instruments	**50,269**	46,947	**125**	-	**-**	-	**50,394**	46,947

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Note 18 Financial risk management (cont.)

Company	Stage 1 Performing 2026 $m	Stage 1 Performing 2025 $m	Stage 2 Performing 2026 $m	Stage 2 Performing 2025 $m	Stage 3 Non-performing 2026 $m	Stage 3 Non-performing 2025 $m	Total 2026 $m	Total 2025 $m
Gross loans and advances								
Senior investment grade	**115,702**	99,628	**820**	780	**-**	-	**116,522**	100,408
Investment grade	**301,732**	283,425	**13,220**	12,097	**-**	-	**314,952**	295,522
Sub-investment grade	**145,441**	149,893	**136,360**	125,651	**-**	-	**281,801**	275,544
Default	**-**	-	**-**	-	**11,252**	10,500	**11,252**	10,500
Loans and advances at amortised cost	**562,875**	532,946	**150,400**	138,528	**11,252**	10,500	**724,527**	681,974
Guarantees and credit-related commitments								
Senior investment grade	**87,948**	92,664	**1,592**	1,284	**-**	-	**89,540**	93,948
Investment grade	**72,367**	72,841	**5,807**	5,058	**-**	-	**78,174**	77,899
Sub-investment grade	**28,287**	25,905	**29,191**	26,451	**-**	-	**57,478**	52,356
Default	**-**	-	**-**	-	**403**	398	**403**	398
Total guarantees and credit-related commitments	**188,602**	191,410	**36,590**	32,793	**403**	398	**225,595**	224,601
Total loans and advances at amortised cost, guarantees and credit-related commitments	**751,477**	724,356	**186,990**	171,321	**11,655**	10,898	**950,122**	906,575
Debt instruments								
Senior investment grade	**47,110**	44,702	**125**	-	**-**	-	**47,235**	44,702
Total debt instruments	**47,110**	44,702	**125**	-	**-**	-	**47,235**	44,702

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Note 18 Financial risk management (cont.)

Collateral held against credit risk exposures

The following tables show the security coverage of credit risk exposures by key portfolios.

	Group[1]							
	2026				2025			
	Housing[2]	Business	Other[3]	Total	Housing[2]	Business	Other[3]	Total
Total loans and advances at amortised cost, guarantees and credit-related commitments ($m)	**515,403**	**519,319**	**34,896**	**1,069,618**	501,555	490,175	35,557	1,027,287
Fully secured (%)	**99.9**	**56.7**	**12.2**	**76.2**	99.9	57.3	10.8	76.7
Partially secured (%)	**0.1**	**20.5**	**0.2**	**10.1**	0.1	18.8	0.1	9.0
Unsecured (%)	**-**	**22.8**	**87.6**	**13.7**	-	23.9	89.1	14.3

	Company[1]							
	2026				2025			
	Housing[2]	Business	Other[3]	Total	Housing[2]	Business	Other[3]	Total
Total loans and advances at amortised cost, guarantees and credit-related commitments ($m)	**455,300**	**462,315**	**32,507**	**950,122**	441,130	432,505	32,940	906,575
Fully secured (%)	**99.9**	**57.2**	**13.1**	**76.3**	99.9	57.5	11.7	76.7
Partially secured (%)	**0.1**	**19.5**	**0.2**	**9.6**	0.1	17.7	0.1	8.5
Unsecured (%)	**-**	**23.3**	**86.7**	**14.1**	-	24.8	88.2	14.8

(1) As at 30 September 2026, the Group's total exposure in ECL Stage 3 was $12,812 million; 70% of these exposures were fully secured, 23% partially secured and 7% unsecured. The Company's total exposure in ECL Stage 3 was $11,655 million; 70% of these exposures were fully secured, 23% partially secured and 7% unsecured.
(2) For the purposes of collateral classification, housing loans are classified as fully secured, unless they are non-performing, in which case they may be classified as partially secured.
(3) Other includes the Group's unsecured retail and personal margin lending portfolios.

The collateral classifications used in the tables above are as follows:

- **Fully secured:** the exposure is less than or equal to 100% of the bank extended value of the security.
- **Partially secured:** the exposure exceeds 100% of the bank extended value of the security.
- **Unsecured:** No security is held and/or no value held against the security and negative pledge arrangements may be in place.

Bank extended value is calculated as a discount to market value based on the nature of the underlying security.

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Note 18 Financial risk management (cont.)

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 in terms of the types of industries it serves and geographically.

Industry concentration

	Loans and advances		Other financial assets[1]		Contingent liabilities and credit commitments		Total	
	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m
Group								
Accommodation and hospitality	**14,449**	12,302	**-**	-	**2,841**	2,464	**17,290**	14,766
Agriculture, forestry, fishing and mining	**62,808**	60,001	**-**	-	**13,797**	13,424	**76,605**	73,425
Business services and property services	**20,846**	19,502	**-**	-	**8,410**	8,148	**29,256**	27,650
Commercial property	**87,464**	79,775	**-**	-	**20,176**	18,878	**107,640**	98,653
Construction	**11,032**	9,966	**-**	-	**9,723**	8,520	**20,755**	18,486
Financial and insurance	**54,012**	49,927	**83,595**	103,039	**42,873**	49,297	**180,480**	202,263
Government and public authorities	**818**	976	**46,744**	39,960	**1,467**	1,326	**49,029**	42,262
Manufacturing	**15,394**	14,470	**-**	-	**8,585**	8,456	**23,979**	22,926
Personal	**11,157**	11,582	**-**	-	**21,506**	21,499	**32,663**	33,081
Residential mortgages	**449,321**	435,350	**1,359**	1,651	**64,591**	64,942	**515,271**	501,943
Retail and wholesale trade	**27,235**	24,643	**-**	-	**14,643**	12,963	**41,878**	37,606
Transport and storage	**13,429**	14,423	**-**	-	**9,507**	9,996	**22,936**	24,419
Utilities	**16,100**	14,822	**-**	-	**18,606**	16,533	**34,706**	31,355
Other	**31,548**	27,626	**-**	6	**10,920**	9,746	**42,468**	37,378
Total	**815,613**	775,365	**131,698**	144,656	**247,645**	246,192	**1,194,956**	1,166,213
Company								
Accommodation and hospitality	**12,871**	10,876	**-**	-	**2,639**	2,264	**15,510**	13,140
Agriculture, forestry, fishing and mining	**50,032**	46,437	**-**	-	**11,836**	11,474	**61,868**	57,911
Business services and property services	**18,850**	17,856	**-**	-	**7,375**	7,101	**26,225**	24,957
Commercial property	**80,430**	72,511	**-**	-	**18,988**	17,830	**99,418**	90,341
Construction	**9,621**	8,514	**-**	-	**8,474**	7,450	**18,095**	15,964
Financial and insurance	**51,013**	47,285	**78,202**	96,988	**41,157**	47,888	**170,372**	192,161
Government and public authorities	**813**	970	**43,872**	37,776	**981**	805	**45,666**	39,551
Manufacturing	**12,755**	11,378	**-**	-	**6,594**	6,287	**19,349**	17,665
Personal	**10,527**	10,852	**-**	-	**19,746**	19,604	**30,273**	30,456
Residential mortgages	**393,476**	379,019	**1,359**	1,651	**60,473**	60,988	**455,308**	441,658
Retail and wholesale trade	**23,035**	20,463	**-**	-	**12,659**	10,971	**35,694**	31,434
Transport and storage	**11,634**	12,620	**-**	-	**8,530**	8,996	**20,164**	21,616
Utilities	**14,903**	13,098	**-**	-	**16,553**	14,498	**31,456**	27,596
Other	**29,086**	25,256	**-**	5	**9,590**	8,445	**38,676**	33,706
Total	**719,046**	677,135	**123,433**	136,420	**225,595**	224,601	**1,068,074**	1,038,156

(1) Other financial assets represent amounts due from other banks, debt instruments and collateral placed.

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Note 18 Financial risk management (cont.)

Geographic concentration of financial assets

	Australia		New Zealand		Other International	
	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m
Group						
Cash and liquid assets	**411**	1,388	**-**	-	**215**	99
Due from other banks	**51,055**	64,135	**4,192**	5,287	**17,763**	22,524
Collateral placed	**7,460**	5,085	**732**	466	**102**	212
Trading assets	**81,019**	69,737	**8,908**	6,778	**62,225**	68,056
Derivative assets	**16,289**	15,460	**2,377**	2,179	**4,137**	4,187
Debt instruments	**40,726**	37,898	**3,159**	2,245	**6,509**	6,804
Loans and advances[1]	**697,685**	653,183	**96,085**	97,556	**22,891**	25,822
Other assets[2]	**7,228**	4,986	**941**	1,144	**1,146**	838
Total	**901,873**	851,872	**116,394**	115,655	**114,988**	128,542
Company						
Cash and liquid assets	**410**	1,374	**-**	-	**125**	7
Due from other banks	**51,055**	64,135	**-**	-	**17,596**	22,316
Collateral placed	**7,453**	5,067	**-**	-	**94**	200
Trading assets	**81,034**	69,734	**-**	-	**56,439**	62,495
Derivative assets	**18,862**	16,430	**-**	-	**4,255**	4,265
Debt instruments	**40,726**	37,898	**-**	-	**6,509**	6,804
Loans and advances[1]	**697,473**	652,839	**-**	-	**22,215**	25,148
Other assets[2]	**7,351**	5,053	**-**	-	**1,073**	714
Total	**904,364**	852,530	**-**	-	**108,306**	121,949

(1) During the 2026 financial year, the Group revised the presentation of loans and advances to include loans and advances at fair value. Comparative information has been restated to align to the presentation in the current period.
(2) During the 2026 financial year, the Group revised the presentation of other assets to include other financial assets at fair value. Comparative information has been restated to align to the presentation in the current period.

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Note 18 Financial risk management (cont.)

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 changes in market interest rates adversely affect the Group's earnings or the economic value of banking book positions. The banking book includes assets, liabilities and off-balance sheet exposures that are not held for trading purposes. When interest rates change, the present value of future cash flows changes, which in turn impacts the economic value of the Group's assets, liabilities and off-balance sheet items. IRRBB arises from differences in the repricing characteristics, maturities and cash flow profiles of these positions, as well as customer behaviours and product features that affect the timing or amount of expected cash flows.

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 level. 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 and Compliance Committee and ultimately the Board. These supplementary measures include stress testing, stop loss, position and sensitivity limits.

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Note 18 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	
	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m
Value at Risk at a 99% confidence level																
Foreign exchange risk	**1.2**	1.8	**2.6**	2.6	**1.1**	1.0	**6.0**	5.0	**1.4**	1.7	**2.7**	2.5	**1.1**	1.0	**5.9**	4.9
Interest rate risk	**4.2**	5.9	**6.4**	6.2	**3.3**	3.7	**12.4**	13.8	**4.2**	5.7	**6.2**	5.8	**3.0**	3.7	**14.9**	12.3
Volatility risk	**1.1**	0.6	**1.2**	0.9	**0.4**	0.5	**2.8**	1.5	**1.1**	0.6	**1.2**	0.9	**0.4**	0.5	**2.8**	1.5
Commodities risk	**0.9**	0.3	**0.6**	0.5	**0.1**	0.2	**1.9**	1.4	**0.9**	0.3	**0.6**	0.5	**0.1**	0.2	**1.9**	1.4
Credit risk	**2.7**	3.7	**3.0**	2.3	**1.9**	1.4	**4.3**	3.7	**2.4**	3.5	**2.9**	2.1	**1.9**	1.3	**4.2**	3.5
Inflation risk	**0.5**	0.7	**0.6**	1.0	**0.4**	0.6	**0.8**	1.9	**0.5**	0.7	**0.6**	1.0	**0.4**	0.6	**0.8**	1.8
Diversification benefit	**(5.2)**	(6.9)	**(7.2)**	(6.1)	**n/a**	n/a	**n/a**	n/a	**(5.3)**	(6.5)	**(7.3)**	(6.0)	**n/a**	n/a	**n/a**	n/a
Total Diversified VaR at 99% confidence interval	**5.4**	6.1	**7.2**	7.4	**5.1**	5.1	**11.6**	15.7	**5.2**	6.0	**6.9**	6.8	**4.8**	4.4	**14.3**	14.4
Other market risks	**3.1**	2.9	**2.7**	2.4	**1.6**	0.9	**3.8**	5.1	**3.1**	2.9	**2.7**	2.4	**1.6**	0.9	**3.8**	5.1
Total	**8.5**	9.0	**9.9**	9.8	**6.7**	6.0	**15.4**	20.8	**8.3**	8.9	**9.6**	9.2	**6.4**	5.3	**18.1**	19.5

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Note 18 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 adverse 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.

Interest rate risk management

The IRRBB management framework incorporates economic value and earnings-based approaches to support internal risk management and to meet the requirements of APRA Prudential Standard APS 117 *Interest Rate Risk in the Banking Book* (APS 117). The Board approves the risk appetite for IRRBB through the Risk Appetite Statement (RAS), including limits for earnings sensitivity, economic value impacts and IRRBB capital charge outcomes. The Group Interest Rate Risk in the Banking Book Policy and supporting procedures define the framework for the identification, measurement, management and reporting of IRRBB. Risk measurement techniques include Expected Shortfall (ES), Net Interest Income Sensitivity (NIIS), interest rate stress testing and Economic Value Sensitivity (EVS). Following the implementation of APS 117 in October 2025, ES and NIIS have respectively replaced the previous Value at Risk (VaR) and Earnings at Risk (EaR) metrics used to measure IRRBB exposures.

ES is a historical simulation measure with a holding period of 10 days and a 97.5% confidence level, using an eight-year observation period to generate interest rate scenarios. NIIS measures the change in projected net interest income over a 12-month period resulting from an instantaneous 200 basis point parallel shock in the yield curve.

The Group has APRA approval to use an internal model for determining its IRRBB regulatory capital requirement. Regulatory capital is determined in accordance with APS 117 using an ES methodology and incorporates embedded gains and losses where applicable.

The following table provides the Group and Company ES and NIIS for IRRBB:

	Group				Company			
	As at 30 September	Average value	Minimum value	Maximum value	As at 30 September	Average value	Minimum value	Maximum value
	2026 $m	2026 $m	2026 $m	2026 $m	2026 $m	2026 $m	2026 $m	2026 $m
Expected shortfall[1]								
Australia	1,093.2	1,096.6	1,031.9	1,160.0	1,093.2	1,096.6	1,031.9	1,160.0
New Zealand	268.9	281.8	238.6	319.5	-	-	-	-
Other International	132.4	112.3	87.6	132.4	132.5	112.3	87.5	132.5
Net interest income sensitivity[1]								
Australia	748.7	859.7	748.7	1,051.5	748.7	859.7	748.7	1,051.5
New Zealand	80.7	88.8	53.7	110.2	-	-	-	-
Other International	(6.5)	26.6	(6.5)	49.0	(8.0)	24.8	(8.0)	47.2

(1) The IRRBB management framework incorporates the revised APS 117 measures. Comparative information has not been restated. Refer to NAB's 2025 Annual Report for disclosures under the previous VaR and EaR measures.

Residual value risk

As part of its normal lending activities, the Group takes residual value risk on assets such as industrial, mining, manufacturing, transportation, aircraft, marine 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.

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Note 18 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 an 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 2026 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 2026 was $226,035 million (2025: $220,042 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 or similar facilities from the RBNZ. 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 2026, the cash value of unencumbered Internal RMBS held and available was $86,978 million (2025: $83,953 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 $38,345 million of term wholesale funding in the 2026 financial year (2025: $36,258 million[1]). The weighted average maturity of term wholesale funding issued by the Group was 5.2[1] years to first call (2025: 5.0[1] years). In addition, during the 2026 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 Residential Mortgage Backed Securities (RMBS).

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Note 18 Financial risk management (cont.)

	Less than 12 months		Greater than 12 months		No specific maturity		Total	
	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m
Group								
Assets								
Cash and liquid assets	**1,751**	2,604	**-**	-	**-**	-	**1,751**	2,604
Due from other banks	**72,923**	91,851	**87**	95	**-**	-	**73,010**	91,946
Collateral placed	**8,294**	5,763	**-**	-	**-**	-	**8,294**	5,763
Trading assets	**99,640**	103,991	**52,498**	39,631	**14**	949	**152,152**	144,571
Derivative assets	**424**	340	**2,177**	1,870	**20,202**	19,616	**22,803**	21,826
Debt instruments	**7,012**	6,231	**43,382**	40,716	**-**	-	**50,394**	46,947
Loans and advances[1]	**179,919**	162,939	**627,557**	603,579	**9,185**	10,043	**816,661**	776,561
All other assets[2]	**8,799**	6,694	**-**	-	**12,032**	12,150	**20,831**	18,844
Total assets	**378,762**	380,413	**725,701**	685,891	**41,433**	42,758	**1,145,896**	1,109,062
Liabilities								
Due to other banks	**9,342**	12,215	**280**	154	**-**	-	**9,622**	12,369
Collateral received	**4,506**	4,819	**-**	-	**-**	-	**4,506**	4,819
Other financial liabilities at fair value	**49,538**	58,383	**14,390**	12,081	**-**	-	**63,928**	70,464
Deposits and other borrowings	**712,919**	683,343	**73,127**	52,816	**-**	-	**786,046**	736,159
Derivative liabilities	**355**	508	**1,744**	1,491	**21,897**	18,204	**23,996**	20,203
Bonds, notes and subordinated debt	**35,858**	40,202	**132,716**	134,105	**-**	-	**168,574**	174,307
Debt issues	**-**	-	**-**	-	**7,108**	8,972	**7,108**	8,972
Lease liabilities	**255**	310	**1,694**	1,604	**-**	-	**1,949**	1,914
All other liabilities	**12,370**	11,359	**1,954**	2,040	**2,545**	2,809	**16,869**	16,208
Total liabilities	**825,143**	811,139	**225,905**	204,291	**31,550**	29,985	**1,082,598**	1,045,415
Net (liabilities) / assets	**(446,381)**	(430,726)	**499,796**	481,600	**9,883**	12,773	**63,298**	63,647
Company								
Assets								
Cash and liquid assets	**1,328**	2,407	**-**	-	**-**	-	**1,328**	2,407
Due from other banks	**68,564**	86,359	**87**	92	**-**	-	**68,651**	86,451
Collateral placed	**7,547**	5,267	**-**	-	**-**	-	**7,547**	5,267
Trading assets	**88,681**	96,545	**48,778**	34,735	**14**	949	**137,473**	132,229
Derivative assets	**475**	544	**801**	785	**21,841**	19,366	**23,117**	20,695
Debt instruments	**6,937**	6,186	**40,298**	38,516	**-**	-	**47,235**	44,702
Loans and advances[1]	**152,688**	134,668	**558,371**	533,944	**8,629**	9,375	**719,688**	677,987
All other assets[2]	**7,874**	5,712	**446**	484	**68,543**	73,983	**76,863**	80,179
Total assets	**334,094**	337,688	**648,781**	608,556	**99,027**	103,673	**1,081,902**	1,049,917
Liabilities								
Due to other banks	**8,311**	9,130	**121**	109	**-**	-	**8,432**	9,239
Collateral received	**3,434**	4,081	**-**	-	**-**	-	**3,434**	4,081
Other financial liabilities at fair value	**41,027**	54,217	**9,906**	8,227	**-**	-	**50,933**	62,444
Deposits and other borrowings	**641,864**	609,563	**69,434**	49,693	**-**	-	**711,298**	659,256
Derivative liabilities	**227**	276	**1,086**	992	**23,299**	22,037	**24,612**	23,305
Bonds, notes and subordinated debt	**32,284**	38,572	**117,862**	118,840	**-**	-	**150,146**	157,412
Debt issues	**-**	-	**-**	-	**7,108**	8,972	**7,108**	8,972
Lease liabilities	**231**	282	**1,270**	1,138	**-**	-	**1,501**	1,420
All other liabilities	**11,217**	10,159	**1,618**	1,510	**51,510**	53,393	**64,345**	65,062
Total liabilities	**738,595**	726,280	**201,297**	180,509	**81,917**	84,402	**1,021,809**	991,191
Net (liabilities) / assets	**(404,501)**	(388,592)	**447,484**	428,047	**17,110**	19,271	**60,093**	58,726

(1) During the 2026 financial year, the Group revised the presentation of loans and advances to include loans and advances at fair value. Comparative information has been restated to align to the presentation in the current period.

(2) During the 2026 financial year, the Group revised the presentation of other assets to include other financial assets at fair value. Comparative information has been restated to align to the presentation in the current period.

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Note 19
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).

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Note 19 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 2026 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:

	2026					2025				
	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	**816,220**	**-**	**6,431**	**809,164**	**815,595**	776,126	-	5,880	769,893	775,773
Total financial assets	**816,220**	**-**	**6,431**	**809,164**	**815,595**	776,126	-	5,880	769,893	775,773
Financial liabilities										
Deposits and other borrowings	**786,046**	**-**	**788,443**	**-**	**788,443**	736,159	-	738,185	-	738,185
Bonds, notes and subordinated debt	**168,574**	**-**	**168,809**	**924**	**169,733**	174,307	-	175,817	315	176,132
Debt issues	**7,108**	**6,893**	**465**	**-**	**7,358**	8,972	8,819	478	-	9,297
Total financial liabilities	**961,728**	**6,893**	**957,717**	**924**	**965,534**	919,438	8,819	914,480	315	923,614
Company										
Financial assets										
Loans and advances	**719,247**	**-**	**4,495**	**714,816**	**719,311**	677,552	-	3,922	673,357	677,279
Total financial assets	**719,247**	**-**	**4,495**	**714,816**	**719,311**	677,552	-	3,922	673,357	677,279
Financial liabilities										
Deposits and other borrowings	**711,298**	**-**	**713,767**	**-**	**713,767**	659,256	-	661,183	-	661,183
Bonds, notes and subordinated debt	**150,146**	**-**	**149,900**	**-**	**149,900**	157,412	-	158,777	-	158,777
Debt issues	**7,108**	**6,893**	**465**	**-**	**7,358**	8,972	8,819	478	-	9,297
Total financial liabilities	**868,552**	**6,893**	**864,132**	**-**	**871,025**	825,640	8,819	820,438	-	829,257

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Note 19 Fair value of financial instruments (cont.)

Fair value measurements recognised on the balance sheet

	2026				2025			
	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	**40,321**	**111,831**	**-**	**152,152**	31,735	112,836	-	144,571
Debt instruments	**3,936**	**46,354**	**104**	**50,394**	3,837	42,956	154	46,947
Loans and advances[1]	**-**	**441**	**-**	**441**	-	435	-	435
Derivative assets	**-**	**22,268**	**535**	**22,803**	-	21,378	448	21,826
Equity instruments[2]	**-**	**-**	**267**	**267**	-	-	313	313
Other financial assets[1]	**-**	**-**	**-**	**-**	-	253	-	253
Total financial assets measured at fair value	**44,257**	**180,894**	**906**	**226,057**	35,572	177,858	915	214,345
Financial liabilities								
Other financial liabilities	**5,598**	**58,330**	**-**	**63,928**	1,886	68,578	-	70,464
Derivative liabilities	**-**	**23,600**	**396**	**23,996**	-	19,842	361	20,203
Total financial liabilities measured at fair value	**5,598**	**81,930**	**396**	**87,924**	1,886	88,420	361	90,667
Company								
Financial assets								
Trading assets	**36,881**	**100,592**	**-**	**137,473**	28,803	103,426	-	132,229
Debt instruments	**1,702**	**45,429**	**104**	**47,235**	2,304	42,244	154	44,702
Loans and advances[1]	**-**	**441**	**-**	**441**	-	435	-	435
Derivative assets	**-**	**22,582**	**535**	**23,117**	-	20,247	448	20,695
Equity instruments[2]	**-**	**-**	**157**	**157**	-	-	149	149
Due from controlled entities[3]	**-**	**5,758**	**-**	**5,758**	-	5,797	-	5,797
Other financial assets[1]	**-**	**-**	**-**	**-**	-	253	-	253
Total financial assets measured at fair value	**38,583**	**174,802**	**796**	**214,181**	31,107	172,402	751	204,260
Financial liabilities								
Other financial liabilities	**5,505**	**45,428**	**-**	**50,933**	1,838	60,606	-	62,444
Derivative liabilities	**-**	**24,216**	**396**	**24,612**	-	22,944	361	23,305
Due to controlled entities[3]	**-**	**2,374**	**-**	**2,374**	-	2,051	-	2,051
Total financial liabilities measured at fair value	**5,505**	**72,018**	**396**	**77,919**	1,838	85,601	361	87,800

(1) During the 2026 financial year, the Group revised the presentation of loans and advances to include loans and advances at fair value, previously included in other financial assets. Comparative information has been restated to align to the presentation in the current period.
(2) Includes equity instruments at fair value through other comprehensive income and equity instruments at fair value through profit or loss.
(3) Comparative information has been restated to align to the presentation in the current period.

There were no material transfers between Level 1 and Level 2 during the 2026 or 2025 financial year for the Group or the Company.

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Note 19 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	
	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m
Group								
Balance at the beginning of year	**448**	416	**154**	248	**313**	483	**361**	265
Gains / (losses) on assets and (gains) / losses on liabilities recognised:								
In profit or loss	**103**	88	**-**	-	**4**	4	**36**	99
In other comprehensive income	**-**	-	**(1)**	(1)	**(59)**	(2)	**-**	-
Purchases and issues	**4**	65	**9**	46	**25**	22	**-**	2
Sales and settlements	**(8)**	(4)	**(124)**	(100)	**(17)**	-	**-**	-
Transfers into Level 3	**-**	9	**93**	109	**-**	-	**-**	-
Transfers out of Level 3	**(12)**	(127)	**(27)**	(145)	**-**	(193)	**(2)**	(5)
Foreign currency translation adjustments	**-**	1	**-**	(3)	**1**	(1)	**1**	-
Balance at end of year	**535**	448	**104**	154	**267**	313	**396**	361
Company								
Balance at the beginning of year	**448**	416	**154**	248	**149**	332	**361**	265
Gains / (losses) on assets and (gains) / losses on liabilities recognised:								
In profit or loss	**103**	88	**-**	-	**4**	5	**36**	99
In other comprehensive income	**-**	-	**(1)**	(1)	**(7)**	4	**-**	-
Purchases and issues	**4**	65	**9**	46	**10**	2	**-**	2
Sales and settlements	**(8)**	(4)	**(124)**	(100)	**-**	-	**-**	-
Transfers into Level 3	**-**	9	**93**	109	**-**	-	**-**	-
Transfers out of Level 3	**(12)**	(127)	**(27)**	(145)	**-**	(193)	**(2)**	(5)
Foreign currency translation adjustments	**-**	1	**-**	(3)	**1**	(1)	**1**	-
Balance at end of year	**535**	448	**104**	154	**157**	149	**396**	361

(1) Includes other financial assets at fair value and equity instruments.

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Note 20
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]	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
Carrying amount of transferred assets	**29,755**	37,709	**45,598**	46,396	**3,338**	2,553	**29,641**	35,138	**38,473**	40,835	**3,338**	2,680
Carrying amount of associated liabilities	**29,729**	37,053	**36,364**	40,538	**3,338**	2,553	**29,614**	35,104	**29,890**	35,096	**3,338**	2,680
For those liabilities that have recourse only to the transferred assets												
Fair value of transferred assets	**n/a**	n/a	**n/a**	n/a	**3,335**	2,552	**n/a**	n/a	**n/a**	n/a	**3,338**	2,679
Fair value of associated liabilities	**n/a**	n/a	**n/a**	n/a	**3,361**	2,580	**n/a**	n/a	**n/a**	n/a	**3,333**	2,703
Net position	**n/a**	n/a	**n/a**	n/a	**(26)**	(28)	**n/a**	n/a	**n/a**	n/a	**5**	(24)

(1) Securitisation assets exclude $100,943 million of assets (2025: $98,389 million) where the Company holds all of the issued instruments of the securitisation vehicle.

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Other assets and liabilities

Note 21
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 five 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 (FVLCD) or its value in use (VIU). 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 each CGU is determined using either FVLCD or VIU. The recoverable amount of the Personal Banking CGU is determined using FVLCD. The recoverable amounts of the Business and Private Banking, New Zealand Banking and Ubank CGUs are determined using VIU.

For the Personal Banking CGU, FVLCD is determined using a market-based price-to-earnings (P/E) multiple derived from comparable Australian financial services and banking businesses. A control premium of 30% is applied to reflect the value attributable to obtaining control of the CGU. This valuation is considered to be level 3 in the fair value hierarchy.

Assumptions used in determining recoverable amounts are based on management's approved forecasts and expectations for future performance. Cash flow projections used in VIU calculations are based on the latest management approved forecasts covering a period of five years and are then extrapolated using a constant growth rate for 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 in VIU calculations 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 is 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,
- the selection of P/E multiples and control premiums used in FVLCD, and
- the appropriate cash flow forecasts, growth rates and discount rates used in VIU.

Due to continuing technology modernisation and change, judgement is required in:

- determining the useful lives of software,
- obsolescence of software, and
- assessing whether software-related expenditure meets the criteria for capitalisation.

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Note 21 Goodwill and other intangible assets (cont.)

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Goodwill and other intangible assets				
Goodwill	**2,070**	2,070	**80**	80
Internally generated software	**2,095**	3,194	**1,762**	2,644
Acquired software	**101**	236	**88**	149
Customer relationships, core deposits and other acquired intangible assets	**105**	122	**89**	108
Total goodwill and other intangible assets	**4,371**	5,622	**2,019**	2,981
At cost	**9,342**	13,157	**5,676**	9,532
Deduct: Accumulated amortisation / impairment losses	**(4,971)**	(7,535)	**(3,657)**	(6,551)
Total goodwill and other intangible assets	**4,371**	5,622	**2,019**	2,981

Reconciliation of movements in goodwill and internally generated software

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $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	**3,194**	2,774	**2,644**	2,308
Additions from internal development	**922**	1,110	**739**	897
Disposals, impairments and write-offs	**(3)**	(7)	**(3)**	(7)
Amortisation[1]	**(2,045)**	(687)	**(1,650)**	(574)
Foreign currency translation, reclassifications and other adjustments	**27**	4	**32**	20
Balance at end of year	**2,095**	3,194	**1,762**	2,644

(1) The 2026 financial year includes a charge of $1,347 million in Group and $1,041 million in Company related to changes in the application of the Group's software capitalisation policy. Refer to *Note 1 Basis of preparation* for further information.

Goodwill allocation and recoverable amounts of CGUs

The key assumptions used in determining the recoverable amount of CGUs to which goodwill has been allocated are shown below. Management have assessed reasonably possible changes in key assumptions and determined that the recoverable amount would continue to exceed the carrying amount for each CGU.

	Goodwill		VIU		FVLCD
			Discount rate per annum	Terminal growth rate per annum	P/E multiple range
	2026 $m	2025 $m	2026 %	2026 %	2026
CGUs					
Business and Private Banking	**94**	94	**10.8**	**3.2**	**n/a**
New Zealand Banking	**258**	258	**11.1**	**3.1**	**n/a**
Personal Banking	**1,592**	1,592	**n/a**	**n/a**	**14.5 - 15.0**
Ubank	**126**	126	**11.3**	**3.2**	**n/a**
Total goodwill	**2,070**	2,070			

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Note 22
Other assets

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Other assets				
Accrued interest receivable	**2,334**	1,957	**2,153**	1,764
Prepayments	**383**	352	**293**	275
Receivables	**274**	231	**101**	85
Other debt instruments at amortised cost	**-**	-	**446**	483
Equity instruments at fair value through other comprehensive income	**244**	294	**134**	130
Investments in associates and joint ventures[1]	**336**	313	**-**	-
Securities sold not delivered	**5,555**	3,417	**5,158**	2,912
Other financial assets at fair value[2]	**-**	253	**-**	253
Current tax assets[2]	**38**	25	**38**	23
Other	**403**	372	**284**	25
Total other assets[2]	**9,567**	7,214	**8,607**	5,950

(1) Refer to section (b) in *Note 30 Interest in subsidiaries and other entities* for further details.
(2) During the 2026 financial year, the Group revised the presentation of other assets to include other financial assets at fair value and current tax assets. Comparative information has been restated to align to the presentation in the current period.

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Note 23
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.

Payroll review and remediation

Provisions for employee-related remediation include provisions to remediate payroll issues affecting current and former colleagues and associated program costs.

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 29 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	
	2026 $m	2025 $m	2026 $m	2025 $m
Provisions				
Employee entitlements	**1,067**	977	**894**	822
Operational risk event losses	**80**	96	**79**	95
Customer-related remediation	**157**	267	**110**	87
Other	**339**	405	**325**	395
Total provisions	**1,643**	1,745	**1,408**	1,399

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Note 23 Provisions (cont.)

Reconciliation of movements in provisions

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Operational risk event losses				
Balance at beginning of year	**96**	63	**95**	61
Provisions made	**75**	151	**75**	151
Payments out of provisions	**(91)**	(118)	**(91)**	(117)
Balance at end of year	**80**	96	**79**	95
Customer-related remediation				
Balance at beginning of year	**267**	276	**87**	122
Provisions made	**114**	218	**85**	91
Payments out of provisions	**(224)**	(227)	**(62)**	(126)
Balance at end of year	**157**	267	**110**	87

Note 24
Other liabilities

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Other liabilities				
Accrued interest payable	**5,234**	4,601	**4,843**	4,049
Payables and accrued expenses	**1,065**	1,115	**882**	870
Securities purchased not delivered	**4,831**	3,713	**4,504**	3,551
Lease liabilities	**1,949**	1,914	**1,501**	1,420
Trail commission payable	**2,096**	2,182	**1,639**	1,671
Other	**1,671**	1,981	**745**	941
Total other liabilities	**16,846**	15,506	**14,114**	12,502

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Capital management

Note 25
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, one vote 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	
	2026 $m	2025 $m	2026 $m	2025 $m
Issued and paid-up ordinary share capital				
Ordinary shares, fully paid	**38,099**	36,123	**37,313**	35,337
Total contributed equity	**38,099**	36,123	**37,313**	35,337

Reconciliation of movement in ordinary shares

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Balance at beginning of year	**36,123**	36,581	**35,337**	35,795
Shares issued:				
Dividend reinvestment plan	**958**	-	**958**	-
Dividend reinvestment plan underwritten allotments	**850**	-	**850**	-
Transfer from equity-based compensation reserve	**168**	158	**168**	158
Share buy-back	**-**	(616)	**-**	(616)
Balance at end of year	**38,099**	36,123	**37,313**	35,337

The number of ordinary shares on issue for the last two years as at 30 September was as follows:

	Company	
	2026 No. '000	2025 No. '000
Ordinary shares, fully paid		
Balance at beginning of year	**3,063,033**	3,074,038
Shares issued:		
Dividend reinvestment plan	**26,261**	-
Dividend reinvestment plan underwritten allotments	**22,948**	-
Bonus share plan	**1,032**	1,008
Equity-based payments	**4,203**	4,559
Share buy-back	**-**	(16,572)
Total ordinary shares (including treasury shares)	**3,117,477**	3,063,033
Less: Treasury shares	**(6,237)**	(7,464)
Total ordinary shares (excluding treasury shares)	**3,111,240**	3,055,569

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Note 26
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	
	2026 $m	2025 $m	2026 $m	2025 $m
Non-controlling interests				
BNZ perpetual preference shares	**669**	725	**-**	-
Total	**669**	725	**-**	-

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 2026 represents an AUD equivalent of $750 million of PPS issued less $81 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.

In December 2025, the RBNZ announced its decisions following its review of key capital settings, which included that AT1 capital will be removed from the regulatory capital stack and that the recognition of existing AT1 capital instruments will be phased out. The BNZ Board has determined that these changes constitute a "Regulatory Event" under the terms of the PPS issue. The occurrence of a Regulatory Event provides BNZ with an option to redeem the PPS issue prior to the first scheduled optional redemption date of each instrument, subject to certain conditions, including RBNZ approval. No decision has been made by BNZ to redeem the PPS.

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Note 27
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.

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Note 27 Reserves (cont.)

Reserves

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Foreign currency translation reserve	**(1,538)**	(426)	**(268)**	(72)
Asset revaluation reserve	**-**	19	**-**	-
Cash flow hedge reserve	**(1,801)**	321	**(1,851)**	157
Cost of hedging reserve	**(296)**	(179)	**(178)**	(89)
Equity-based compensation reserve	**234**	234	**234**	234
Debt instruments at fair value through other comprehensive income reserve	**200**	(26)	**182**	(27)
Equity instruments at fair value through other comprehensive income reserve	**8**	36	**23**	29
Total reserves	**(3,193)**	(21)	**(1,858)**	232

Foreign currency translation reserve

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Balance at beginning of year	**(426)**	(66)	**(72)**	(175)
Currency adjustments on translation of foreign operations, net of hedging	**(1,112)**	(341)	**(196)**	122
Transfer to the income statement on disposal or partial disposal of foreign operations	**-**	(19)	**-**	(19)
Balance at end of year	**(1,538)**	(426)	**(268)**	(72)

Note 28 Dividends

	Amount per share cents	Total amount $m
Dividends paid		
For the year ended 30 September 2026		
Final dividend determined in respect of the year ended 30 September 2025[1]	**85**	**2,604**
Interim dividend determined in respect of the year ended 30 September 2026	**85**	**2,607**
Deduct: Bonus shares in lieu of dividend	**n/a**	**(40)**
Dividends paid by the Company during the year ended 30 September 2026	**n/a**	**5,171**
Add: Dividends paid to non-controlling interests in controlled entities	**n/a**	**36**
Total dividends paid by the Group (before dividend reinvestment plan)	**n/a**	**5,207**
For the year ended 30 September 2025		
Final dividend determined in respect of the year ended 30 September 2024[1]	85	2,612
Interim dividend determined in respect of the year ended 30 September 2025[1]	85	2,604
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 interest in controlled entities	n/a	39
Total dividends paid by the Group (before dividend reinvestment plan)	n/a	5,216

(1) The DRP was satisfied in full through the on-market purchase and transfer of shares to participating shareholders (final 2025 dividend: 4,722,471 shares at $40.45; interim 2025 dividend: 5,255,033 shares at $37.51; final 2024 dividend: 4,843,438 shares at $39.44).

Dividends paid during 2026 were fully franked at a tax rate of 30% (2025: 30%).

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Note 28 Dividends (cont.)

Final dividend

On 5 November 2026, 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 2026	85	2,650	100

The 2026 final dividend is payable on 15 December 2026. The DRP discount for the 2026 final dividend is 1.5% with no participation limit. The financial effect of this dividend has not been brought to account in the financial statements for the year ended 30 September 2026 and will be recognised in subsequent Financial Reports.

Australian franking credits

The franking credits available to the Company as at 30 September 2026 are estimated to be $306 million (2025: $409 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 2026 dividend will utilise the balance of franking credits available as at 30 September 2026. 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 2026 will generate sufficient franking credits to enable the final 2026 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 2026 are estimated to be NZD $1,249 million (2025: NZD $1,350 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 2026 dividend payable by the Company. New Zealand imputation credits are only relevant for shareholders who are required to file New Zealand income tax returns.

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Other disclosures

Note 29
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 20 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	
	2026 $m	2025 $m	2026 $m	2025 $m
Bank guarantees and letters of credit				
Bank guarantees	**7,896**	6,680	**7,642**	6,936
Standby letters of credit	**6,436**	6,328	**6,129**	6,313
Documentary letters of credit	**1,275**	1,566	**1,146**	1,529
Performance-related contingencies	**10,466**	13,022	**9,671**	11,783
Total bank guarantees and letters of credit	**26,073**	27,596	**24,588**	26,561

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.

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Note 29 Commitments and contingent liabilities (cont.)

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Credit-related commitments				
Binding credit commitments	**221,572**	218,596	**201,007**	198,040
Total credit-related commitments	**221,572**	218,596	**201,007**	198,040
Credit-related commitments by geographical location				
Australia	**178,665**	174,161	**178,434**	173,888
New Zealand	**20,020**	19,858	**-**	-
Other International	**22,887**	24,577	**22,573**	24,152
Total credit-related commitments	**221,572**	218,596	**201,007**	198,040

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 $14,333 million (2025: $15,148 million) of commercial paper issuances by National Australia Funding (Delaware) Inc. Commercial paper of $582 million (2025: $380 million) has been issued.
- 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 recognise 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 the Enforceable Undertaking entered into by NAB on 29 April 2022. The Group is continuing its work in response to the final report issued by the independent auditor, including implementing its recommendations.

The Group continues to make improvements to its Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) systems, processes and controls and is engaging with AUSTRAC on its progress. In addition, the Group is remediating compliance issues and weaknesses, including concerns raised by AUSTRAC regarding money laundering and terrorism financing risk management and reporting. As this work progresses, compliance issues have been and may continue to be identified and reported to AUSTRAC or other regulators. Where this occurs, AUSTRAC or other regulators may investigate certain matters or require additional improvements to systems or controls. Further, these issues could amount to breaches of AML/CTF laws and result in potential regulatory penalties or reputational damage.

Significant changes to Australia's AML/CTF laws came into effect on 31 March 2026. As recognised by AUSTRAC in its public guidance of 18 December 2025, these changes require substantial changes to systems and processes. Given the scale and complexity of these changes, the Group is not yet fully compliant with the new laws. Consistent with AUSTRAC's guidance, NAB has developed a multi-year implementation plan to achieve compliance and in the interim continues to apply its existing controls to manage and mitigate risk. There is a possibility that aspects of the Group's implementation plan may not align with AUSTRAC's expectations, or that implementation may be delayed or may not deliver the intended compliance outcomes, and that the Group may be subject to regulatory scrutiny or enforcement action as a result.

The total costs associated with the above remain uncertain.

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Note 29 Commitments and contingent liabilities (cont.)

Banking matters

The Group regularly reviews matters that may have an adverse customer, colleague or stakeholder outcome, which in some cases are identified or under review by regulatory authorities. These matters include:

- incorrect fees and interest rates being applied in connection with certain products and/or services,
- issues with execution or documentation of pricing and terms, 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
- lending fraud against NAB (both internal and external), including application and origination fraud, and the ongoing review and uplift of NAB's internal controls, frameworks and policies in response.

The potential outcome and total costs associated with these matters remain uncertain, including regulatory, customer and other exposures.

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 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. 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.

Wealth - Advice remediation

The Group continues to review JBWere customers that may have received non-compliant financial advice. JBWere has identified potentially impacted customers, is assessing impacts to those customers and making remediation payments. Provisions have been recognised in relation to the remediation program based on the Group's best estimates of customer compensation and related costs at the reporting date. The remediation program is expected to be completed during the 2027 financial year, however, the final outcome and total costs associated with the remediation 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 Life transaction

On 31 October 2025, the Group completed the disposal of its remaining 20 per cent stake in MLC Life to Nippon Life Insurance Company. As part of the transaction, the Company 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 for a period of three years from completion of the transaction, subject to certain conditions being met, with the final terms subject to agreement and regulatory approvals.

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.

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Note 29 Commitments and contingent liabilities (cont.)

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. Judgment was delivered on 2 December 2024 in NULIS's favour. On 12 March 2025, the applicant filed an appeal of the judgment. The appeal was heard in March 2026 and judgment dismissing the appeal was delivered on 21 May 2026. The applicant sought special leave to appeal to the High Court of Australia and leave was granted on 10 September 2026. A date has not been fixed for the High Court hearing.

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.

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Note 30
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 2026:

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 18 Financial risk management* and capital adequacy requirements in *Note 34 Capital adequacy*.

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Note 30 Interest in subsidiaries and other entities (cont.)

(b) Investments in associates and joint ventures

The following table presents investments in significant associates and joint ventures of the Group as at 30 September 2026:

	Group				
	2026 $m	2025 $m	Ownership as at 30 Sep 2026	Country of incorporation	Principal activity
Entity name					
FirstCape NZ	**311**	313	42%	New Zealand	Wealth management
Total	**311**	313			

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 2026 is $1,152 million (2025: $1,116 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.

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Note 30 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	
	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m
Loans and advances	**28,897**	25,381	**3,878**	3,961	**32,775**	29,342
Debt instruments	**1,359**	1,651	**-**	-	**1,359**	1,651
Total carrying value of assets in unconsolidated structured entities	**30,256**	27,032	**3,878**	3,961	**34,134**	30,993
Commitment / contingencies	**7,163**	8,505	**464**	586	**7,627**	9,091
Total maximum exposure to loss in unconsolidated structured entities	**37,419**	35,537	**4,342**	4,547	**41,761**	40,084

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 18 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	
	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m
Senior investment grade	**29,893**	26,759	**1,451**	838	**31,344**	27,597
Investment grade	**275**	273	**2,038**	2,471	**2,313**	2,744
Sub-investment grade	**88**	-	**389**	652	**477**	652
Total(1)	**30,256**	27,032	**3,878**	3,961	**34,134**	30,993

(1) Of the total, $34,018 million (2025: $30,899 million) represents the Group's interest in senior notes and $116 million in subordinated notes (2025: $94 million).

(e) Assets held for sale

In 2025, assets held for sale included the Group's investment in MLC Life following NAB's agreement to sell its remaining 20 per cent stake to Nippon Life Insurance Company. This was subsequently derecognised upon completion on 31 October 2025.

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Note 31
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 29 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	
	2026	**2025**
	$m	**$m**
Balance at beginning of year	**3,718**	(791)
Net cash outflows / (inflows)	**(4,190)**	4,416
Net foreign currency translation movements and other amounts receivable	**(278)**	93
Balance at end of year	**(750)**	3,718

The table below shows material transactions with subsidiaries for the years ended 30 September:

	Company	
	2026	**2025**
	$m	**$m**
Net interest expense	**(948)**	(1,083)
Net management fees (expense)	**(853)**	(829)
Dividend revenue	**3,233**	2,400

Superannuation plans

The following payments were made to superannuation plans sponsored by the Group:

	Group		Company	
	2026	**2025**	**2026**	**2025**
Payment to:	**$m**	**$m**	**$m**	**$m**
National Australia Bank Group Superannuation Fund A	**250**	231	**250**	231
Other	**11**	10	**11**	10

Transactions between the Group and superannuation plans sponsored by the Group were made on commercial terms and conditions.

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Note 31 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 7.1 and Section 8.3 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:

	2026 $	2025 $
Short-term benefits		
Cash salary	**18,973,684**	17,173,597
Variable reward cash	**6,764,820**	5,586,708
Non-monetary	**616,267**	598,444
Post-employment benefits		
Superannuation	**926,786**	626,310
Other long-term benefits		
Other long-term benefits	**208,593**	190,100
Share-based payments		
Shares	**5,087,655**	1,812,941
Rights	**18,946,726**	12,156,768
Other		
Other remuneration	**5,602,710**	677,000
Total	**57,127,241**	38,821,868

Performance rights and shareholdings of KMP are set out in Section 7 of the *Remuneration Report* included in the *Report of the Directors*.

Loans to KMP and their related parties

During the 2026 financial year, loans made to KMP and other related parties of the Group and Company were $7.8 million (2025: $18 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 2026, the total loan balances outstanding were $55 million (2025: $68 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 Section 9 of the *Remuneration Report* within the *Report of the Directors*.

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Note 32
Remuneration of external auditor

	Group		Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
EY Australia - consolidated entities				
Audit services	**17,492**	14,551	**14,967**	12,272
Total audit services	**17,492**	14,551	**14,967**	12,272
Audit-related services				
Other statutory assurance services[1]	**4,589**	5,075	**4,213**	4,756
Other assurance services[2]	**1,636**	1,452	**1,636**	1,415
Total audit-related services	**6,225**	6,527	**5,849**	6,171
Other services				
Taxation-related services	**250**	400	**250**	400
Total other services	**250**	400	**250**	400
Total Australia	**23,967**	21,478	**21,066**	18,843
EY Overseas - consolidated entities				
Audit services	**3,724**	4,145	**1,204**	1,800
Total audit services	**3,724**	4,145	**1,204**	1,800
Audit-related services				
Other statutory assurance services[1]	**645**	341	**414**	264
Other assurance services[2]	**224**	481	-	-
Total audit-related services	**869**	822	**414**	264
Other services				
Taxation-related services	**10**	9	-	-
Non-audit services[3]	**60**	11	-	-
Total other services	**70**	20	**-**	-
Total Overseas	**4,663**	4,987	**1,618**	2,064
Total Australia and Overseas	**28,630**	26,465	**22,684**	20,907
Fees paid to the external auditor for services to non-consolidated entities of the Group	**208**	149	-	-
Total remuneration paid to the external auditor	**28,838**	26,614	**22,684**	20,907

(1) Other statutory assurance services relate to engagements required under prudential standards and other legislative or regulatory requirements.
(2) Other assurance services include non-mandatory assurance relating to climate and sustainability reporting, comfort letters over financing programmes as well as agreed upon procedures.
(3) The Board Audit Committee considered all non-audit services and was 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 $125,000 (2025: $112,000).

A description of the Audit Committee's pre-approval policies and procedures are set out in *Assurance and Control* on page 142 in the *Corporate Governance Statement* and included in the *Report of the Directors.*

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Note 33
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, typically using a 5 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 33 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 Executive Leadership Team (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.	Selected employees, determined on a case-by-case discretionary basis.	Selected employees, determined on a case-by-case discretionary basis.	Permanent employees in Australia who have completed at least 12 months' continuous service as at the annual eligibility cut-off date.

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Note 33 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.

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Note 33 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

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Note 33 Equity-based plans (cont.)

Employee share plan

	2026		2025	
	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	**991,427**	**43.42**	971,761	38.13
Commencement and Recognition Award	**487,536**	**41.90**	348,743	38.83
General Employee Share Offer	**607,296**	**40.58**	650,100	38.88
Long-Term Incentive	**-**	**-**	2,573	37.63
Variable Reward Deferred Shares	**1,501,178**	**43.48**	1,534,038	38.11

The closing market price of NAB shares as at 30 September 2026 was $39.15 (2025: $44.15). The 5-day volume weighted average share price during the year ended 30 September 2026 was $38.74 (2025: $43.52).

Rights movements

	2026	2025
Number of rights		
Opening balance as at 1 October	**3,454,808**	4,312,846
Granted[1]	**735,103**	779,920
Forfeited[1]	**(182,367)**	(233,963)
Exercised	**(893,560)**	(1,403,995)
Closing balance as at 30 September	**3,113,984**	3,454,808

(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 $38.74, being the 5-day volume weighted average share price of NAB shares during the financial year ended 30 September 2026 (2025: $43.52).

	2026		2025	
	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	**1,390,970**	**18**	1,956,187	18
Non-market hurdle[1]	**563,265**	**28**	562,010	40
Individual hurdle[1]	**1,159,749**	**24**	936,611	17

(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 $38.74, being the 5-day volume weighted average share price of NAB shares during the financial year ended 30 September 2026 (2025: $43.52).

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Note 33 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.

	2026	2025
Weighted average values		
Contractual life (years)	**3.9**	3.8
Risk-free interest rate (per annum) (%)	**4.11**	3.91
Expected volatility of share price (%)	**19**	19
Closing share price on grant date ($)	**42.03**	37.20
Dividend yield (per annum) (%)	**4.04**	4.54
Fair value of rights with a market hurdle ($)	**22.10**	15.12
Fair value of rights without a market hurdle ($)	**36.42**	32.31
Expected time to vesting (years)[1]	**3.38**	3.37

(1) Comparative amounts have been revised to reflect the calculation basis applied in the current period.

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Note 34
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 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.

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 domestic systemically important banks (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. The combination of the CET1 PCR and buffers sets a minimum CET1 requirement of 10.25%.

Under its loss-absorbing capacity framework, APRA has required 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 increased by 1.5% (to a total of 4.5%) of RWA on 1 January 2026. The Group is compliant with this requirement.

From 1 January 2027, 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. There is no overall change to the minimum Total capital requirement.

The leverage ratio and limits on large and related-party exposures will move from Tier 1 capital-based metrics to CET1 capital-based metrics, with the minimum requirement for the leverage ratio to reduce from 3.5% to 3.25%.

Until 2032, existing AT1 capital instruments will be eligible to be included as Tier 2 capital until an instrument's first call date.

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 is 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. The Group's CET1 capital ratio operating target remains unchanged at greater than 11.25%.

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Note 35
Notes to the statement of cash flows

Reconciliation of net profit attributable to owners of the Company to net cash provided by / (used in) operating activities

	Group		Company	
	2026 $m	2025 $m	2026 $m	2025 $m
Net profit attributable to owners of the Company	**6,143**	6,759	**6,696**	6,367
Adjustments for non-cash items in the income statement:				
(Increase) / decrease in interest receivable	**(336)**	414	**(342)**	363
Increase / (decrease) in interest payable	**714**	(1,018)	**849**	(860)
Increase / (decrease) in unearned income and deferred net fee income	**62**	(4)	**135**	42
Fair value movements on assets, liabilities and derivatives held at fair value	**(7,771)**	2,826	**(7,733)**	1,895
Increase in provisions	**1,259**	1,272	**1,175**	1,099
Equity-based compensation recognised in equity or reserves	**168**	143	**168**	143
Superannuation costs - defined benefit plans	**6**	(1)	**(2)**	(3)
Impairment losses on non-financial assets	**4**	10	**71**	78
Credit impairment charge	**1,596**	883	**1,472**	850
Gain on disposal of loans and advances	**(3)**	(4)	**(3)**	(4)
Depreciation and amortisation expense	**2,484**	1,360	**1,962**	1,110
(Increase) / decrease in other assets	**(518)**	306	**(1,263)**	204
Increase in other liabilities	**529**	106	**478**	137
(Decrease) in income tax payable	**(360)**	(212)	**(227)**	(197)
(Increase) in deferred tax assets	**(389)**	(154)	**(328)**	(162)
Increase / (decrease) in deferred tax liabilities	**(40)**	27	**(1)**	15
Operating cash flow items not included in profit	**(4,880)**	(4,307)	**(5,885)**	(2,668)
Investing or financing cash flows included in profit				
(Gain) / loss on sale of controlled entities, associates and joint ventures	**(262)**	(40)	**(27)**	(111)
(Gain) / loss on sale of other debt and equity instruments	**(72)**	136	**(71)**	136
Loss on sale of property, plant, equipment and other assets	**19**	9	**18**	10
Net cash provided by / (used in) operating activities	**(1,647)**	8,511	**(2,858)**	8,444

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Note 35 Notes to the statement of cash flows (cont.)

Reconciliation of liabilities arising from financing activities

	Group				Company			
	Bonds, notes and subordinated debt		Debt issues	Lease liabilities	Bonds, notes and subordinated debt		Debt issues	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 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
Cash flows								
Proceeds from issue	**2,273**	**44,264**	**-**	**-**	**143**	**38,703**	**-**	**-**
Repayments	**(533)**	**(39,390)**	**(1,874)**	**(299)**	**(43)**	**(37,427)**	**(1,874)**	**(273)**
Non-cash changes								
Additions to lease liabilities	**-**	**-**	**-**	**376**	**-**	**-**	**-**	**356**
Fair value changes, including fair value hedge adjustments	**(469)**	**(2,532)**	**-**	**-**	**(375)**	**(1,480)**	**-**	**-**
Foreign currency translation and other adjustments	**(660)**	**(8,075)**	**10**	**(42)**	**(344)**	**(7,062)**	**10**	**(2)**
Balance as at 30 September 2026	**10,235**	**168,574**	**7,108**	**1,949**	**4,787**	**150,146**	**7,108**	**1,501**

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Note 35 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	
	2026 $m	2025 $m	2026 $m	2025 $m
Assets				
Cash and liquid assets	**1,751**	2,604	**1,328**	2,407
Treasury and other eligible bills	**120**	139	**-**	-
Due from other banks (excluding mandatory deposits with supervisory central banks)	**22,306**	31,553	**18,045**	26,135
Total cash and cash equivalent assets	**24,177**	34,296	**19,373**	28,542
Liabilities				
Due to other banks	**(7,738)**	(9,478)	**(7,965)**	(8,302)
Total cash and cash equivalents	**16,439**	24,818	**11,408**	20,240

Non-cash investing activities

In the 2026 financial year, the Company received a dividend of $873 million from National Equities Limited (following a dividend payment by BNZ) which was reinvested into additional ordinary shares. These transactions were settled on a net basis and no cash was transferred. As these are transactions between entities within the Group they are eliminated in full upon consolidation.

Note 36
Events subsequent to reporting date

On 20 October 2026, the Group announced changes to simplify its operating model, including an expected reduction of up to 2,500 roles during the year ending 30 September 2027. The Group expects to recognise a restructuring charge of approximately $300 million before tax in the 2027 financial year, primarily relating to redundancy, redeployment and organisational redesign costs.

There are no other items, transactions or events of a material or unusual nature that have arisen in the period between 30 September 2026 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.

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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
Banked Inc.	Body corporate	United States	100%	Foreign	United States
Banked Ltd	Body corporate	United Kingdom	100%	Foreign	United Kingdom
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 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
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 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

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Consolidated entity disclosure statement

		Body Corporates		Tax residency[1]	
Entity name	**Entity type**	**Place formed or incorporated**	**% of share capital held**	**Australian or foreign**	**Foreign jurisdiction**
National Equities Limited	Body corporate	Australia	100%	Australian	N/A
National Margin Services Pty Ltd	Body corporate	Australia	100%	Australian	N/A
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
Studio H67 Pty Ltd	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	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 Australia Bank Staff Share Ownership Plan Trust	Trust	N/A	N/A	Australian[4]	N/A
National Australia Bank Staff Share Allocation Plan Trust	Trust	N/A	N/A	Australian[4]	N/A
National Australia Bank New Zealand Staff Share Allocation Plan Trust	Trust	N/A	N/A	Australian[4]	N/A
National RMBS Trust 2015-2	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
National RMBS Trust 2026-1	Trust	N/A	N/A	Australian	N/A
Entities In Liquidation					
Diners Club Pty Limited	Body corporate	Australia	100%	Australian	N/A
NAB Properties Australia Pty Ltd	Body corporate	Australia	100%	Australian	N/A
NBA Properties Pty Ltd	Body corporate	Australia	100%	Australian	N/A
The Bank Of Victoria	Body corporate	Australia	100%	Australian	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.
(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.

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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 2026, as set out on pages 211 to 306, 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 2026, and of the performance of the Company and the Group for the year ended 30 September 2026.

(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 2026.

(d) the consolidated entity disclosure statement, as required by section 295(3A) of the *Corporations Act 2001* (Cth) and as set out on pages 307 to 308, is true and correct.

Signed in accordance with a resolution of the directors.



Philip Chronican
Chair
5 November 2026



Andrew Irvine
Group Chief Executive Officer
5 November 2026

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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 2026;
- The Group consolidated and Company income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows 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 2026 and of 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 audits of the financial report of public interest entities 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.

Provision for credit impairment

Why significant	How our audit addressed the key audit matter
As at 30 September 2026 the Group has a provision for credit impairment of $6,801 million as disclosed in Note 12 *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 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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Impairment assessment of goodwill

Why significant	How our audit addressed the key audit matter
The Group has recognised goodwill of $2,070 million as at 30 September 2026. As disclosed in Note 21 *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 involved comparing the carrying amount of each cash generating unit (CGU) to which goodwill has been allocated with its recoverable amount. Judgement is involved in assessing the CGUs identified by the Group and determining their recoverable amounts. Recoverable amounts were determined using a value in use (VIU) basis for the Business and Private Banking, New Zealand Banking and Ubank CGUs, and fair value less costs of disposal (FVLCD) for the Personal Banking CGU. The determination of recoverable amounts incorporated a range of key assumptions, including: ▶ future cash flows forecasts; ▶ discount rates; ▶ terminal growth rate; and ▶ appropriate P/E multiples. 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 the Group's current market capitalisation against the recoverable amounts calculated within the Group's impairment models. In addition, we benchmarked implied valuation multiples derived from the VIU models, and the valuation multiple adopted in the Personal Banking FVLCD assessment, against comparable company valuation multiples. 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, the P/E multiple used in the Personal Banking FVLCD assessment, and to test the mathematical accuracy of the impairment models. We evaluated management's sensitivity analyses and performed additional sensitivities over future cash flow forecasts, discount rates and the P/E multiple to assess the effect of reasonably possible changes on recoverable amounts and impairment headroom. 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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Information Technology (IT) systems and controls over financial reporting

Why significant	How our audit addressed the key audit matter

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:
	  ▶ assessed compensating or mitigating controls that were not reliant on the IT control environment;
	  ▶ performed direct testing of IT application controls and/or IT dependent manual controls; or
	  ▶ 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 2026 Annual Report other than 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 in this auditor's report, with the exception of the Remuneration Report and our related assurance opinion. We have issued a separate auditor's report on selective sustainability information included in the Company's 2026 Annual Report.

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 Company or 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

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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 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 Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the 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.

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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 169 to 208 of the directors' report for the year ended 30 September 2026.

In our opinion, the Remuneration Report of National Australia Bank Limited for the year ended 30 September 2026 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

T M Dring
Partner
Melbourne
5 November 2026

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Shareholder Information

Shareholder Information

Ordinary shares

Twenty largest registered fully paid ordinary shareholders of the Company as at 12 October 2026

	Number of shares	% of total shares
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	826,075,610	26.50
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	567,377,791	18.20
CITICORP NOMINEES PTY LIMITED	365,975,940	11.74
BNP PARIBAS NOMS PTY LTD	71,625,663	2.30
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	64,440,204	2.07
BNP PARIBAS NOMS PTY LTD DEUTSCHE BANK TCA	29,775,129	0.96
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	23,040,549	0.74
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	20,405,078	0.65
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	16,980,166	0.54
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	16,806,160	0.54
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	10,067,065	0.32
BNP PARIBAS NOMS (NZ) LTD	7,015,649	0.23
ARGO INVESTMENTS LIMITED	5,799,685	0.19
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	5,349,892	0.17
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	4,338,124	0.14
MUTUAL TRUST PTY LTD	3,598,109	0.12
BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS>	3,028,391	0.10
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	2,972,934	0.10
CITICORP NOMINEES PTY LIMITED <143212 NMMT LTD A/C>	2,730,305	0.09
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	2,351,780	0.08
Total	**2,049,754,224**	**65.78**

Substantial shareholders

The following organisations have disclosed a substantial shareholding notice to ASX. As at 12 October 2026, the Company has received no further update in relation to these substantial shareholdings.

Name	Number of shares	% of voting power
State Street Corporation[1]	223,223,917	7.28%
The Vanguard Group, Inc[2]	218,744,495	7.017%
BlackRock Group[3]	177,651,034	6.02%
AustralianSuper Pty Ltd[4]	153,496,815	5.01%

(1) Substantial shareholding as at 20 May 2026, as per notice lodged on 22 May 2026.
(2) Substantial shareholding as at 28 September 2026, as per notice lodged on 2 October 2026.
(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	318,474	61.56	103,866,359	3.33
1,001 - 5,000	153,736	29.72	350,096,930	11.23
5,001 - 10,000	28,133	5.44	196,439,133	6.30
10,001 - 100,000	16,621	3.21	333,388,146	10.69
100,001 and over	339	0.07	2,133,686,420	68.45
Total	**517,303**	**100**	**3,117,476,988**	**100**
Less than marketable parcel of $500	14,349		76,920	

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.

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NAB Capital Notes 5 (NCN 5)

Twenty largest holders of NCN 5 as at 12 October 2026

	Number of securities	% of total securities
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,982,356	8.31
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	1,788,525	7.50
CITICORP NOMINEES PTY LIMITED	1,169,008	4.90
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	1,000,438	4.19
CITICORP NOMINEES PTY LIMITED <143212 NMMT LTD A/C>	606,563	2.54
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	430,299	1.80
MUTUAL TRUST PTY LTD	263,160	1.10
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	160,284	0.67
LEDA ASSETS PTY LTD	154,000	0.65
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	142,135	0.60
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	118,628	0.50
JOHN E GILL TRADING PTY LTD	107,866	0.45
BNP PARIBAS NOMINEES PTY LTD <PITCHER PARTNERS>	96,292	0.40
EASTCOTE PTY LTD <THE VAN-LIESHOUT FAMILY A/C>	77,729	0.33
GILMOUR SPACE TECHNOLOGIES PTY LTD	76,195	0.32
TAVERNERS NO 11 PTY LTD <BRENCORP NO 11 UNIT A/C>	73,016	0.31
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSI EDA	70,000	0.29
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	64,306	0.27
PAMDALE INVESTMENTS PTY LTD	60,290	0.25
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	54,176	0.23
Total	**8,495,266**	**35.61**

Distribution of NCN 5 holdings

	Number of security holders	% of holders	Number of securities	% of securities
Range (number)				
1 - 1,000	17,469	85.37	6,791,286	28.46
1,001 - 5,000	2,701	13.20	5,584,905	23.41
5,001 - 10,000	184	0.90	1,314,735	5.51
10,001 - 100,000	97	0.47	2,246,462	9.42
100,001 and over	13	0.06	7,922,292	33.20
Total	**20,464**	**100**	**23,859,680**	**100**
Less than marketable parcel of $500	8		18	

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 318 of this *Shareholder Information* section for NAB ordinary shares.

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NAB Capital Notes 6 (NCN 6)

Twenty largest holders of NCN 6 as at 12 October 2026

	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	1,827,108	9.14
CITICORP NOMINEES PTY LIMITED	1,029,621	5.15
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	581,006	2.91
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	419,313	2.10
MUTUAL TRUST PTY LTD	243,952	1.22
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	151,169	0.76
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	122,940	0.61
TANDOM PTY LTD	100,192	0.50
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	82,724	0.41
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	79,087	0.40
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSI EDA	75,000	0.38
BNP PARIBAS NOMINEES PTY LTD <PITCHER PARTNERS>	64,792	0.32
BNP PARIBAS NOMS PTY LTD	52,000	0.26
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
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	35,514	0.18
LEDA ASSETS PTY LTD	35,050	0.18
PAMDALE INVESTMENTS PTY LTD	34,102	0.17
Total	**10,292,710**	**51.49**

Distribution of NCN 6 holdings

	Number of security holders	% of holders	Number of securities	% of securities
Range (number)				
1 - 1,000	11,956	86.35	4,252,510	21.26
1,001 - 5,000	1,691	12.21	3,550,291	17.75
5,001 - 10,000	114	0.82	829,497	4.15
10,001 - 100,000	76	0.55	1,673,278	8.37
100,001 and over	10	0.07	9,694,424	48.47
Total	**13,847**	**100**	**20,000,000**	**100**
Less than marketable parcel of $500	5		10	

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 318 of this *Shareholder Information* section for NAB ordinary shares.

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NAB Capital Notes 7 (NCN 7)

Twenty largest holders of NCN 7 as at 12 October 2026

	Number of securities	% of total securities
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,009,118	16.07
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	548,300	4.39
CITICORP NOMINEES PTY LIMITED	520,092	4.16
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	310,660	2.49
MUTUAL TRUST PTY LTD	168,821	1.35
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	122,763	0.98
HIGHAM HILL PTY LTD	106,802	0.85
MR JOHN WILLIAM CUNNINGHAM	90,680	0.73
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	88,054	0.70
BNP PARIBAS NOMINEES PTY LTD <PITCHER PARTNERS>	77,668	0.62
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	59,861	0.48
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	50,518	0.40
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
BOND STREET CUSTODIANS LIMITED <RVK - D93096 A/C>	25,868	0.21
CORDALE HOLDINGS PTY LTD	25,000	0.20
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	**4,392,895**	**35.14**

Distribution of NCN 7 holdings

	Number of security holders	% of holders	Number of securities	% of securities
Range (number)				
1 - 1,000	8,887	83.96	3,551,104	28.42
1,001 - 5,000	1,531	14.47	3,186,551	25.49
5,001 - 10,000	104	0.98	757,779	6.06
10,001 - 100,000	54	0.51	1,218,010	9.74
100,001 and over	8	0.08	3,786,556	30.29
Total	**10,584**	**100**	**12,500,000**	**100**
Less than marketable parcel of $500	4		6	

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 318 of this *Shareholder Information* section for NAB ordinary shares.

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NAB Capital Notes 8 (NCN 8)

Twenty largest holders of NCN 8 as at 12 October 2026

	Number of securities	% of total securities
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,079,497	10.79
CITICORP NOMINEES PTY LIMITED	585,173	5.85
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	385,225	3.85
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	227,746	2.28
MUTUAL TRUST PTY LTD	152,681	1.53
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	128,757	1.29
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	114,618	1.15
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	90,490	0.90
SEYMOUR GROUP PTY LTD	64,010	0.64
IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	58,842	0.59
BNP PARIBAS NOMS PTY LTD	51,000	0.51
BNP PARIBAS NOMINEES PTY LTD <PITCHER PARTNERS>	50,104	0.50
HIGHAM HILL PTY LTD	50,000	0.50
MR JOHN WILLIAM CUNNINGHAM	49,500	0.50
BARRETT SUPERFUND PTY LTD <BARRETT SUPERFUND A/C>	35,535	0.36
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	31,923	0.32
PACIFIC INDUSTRIAL COMPANY(WA) PTY LTD <STEELFAB UNIT A/C>	30,000	0.30
BOWEN FAMILY SUPER CO PTY LTD <BOWEN FAMILY SUPER FUND A/C>	28,850	0.29
PDC 2018 PTY LIMITED <PDC A/C>	24,600	0.25
NONOME INVESTMENTS PTY LTD	23,795	0.24
Total	**3,262,346**	**32.64**

Distribution of NCN 8 holdings

	Number of security holders	% of holders	Number of securities	% of securities
Range (number)				
1 - 1,000	7,033	83.63	2,849,210	28.49
1,001 - 5,000	1,227	14.59	2,697,311	26.97
5,001 - 10,000	95	1.13	720,189	7.20
10,001 - 100,000	46	0.55	1,059,593	10.60
100,001 and over	8	0.10	2,673,697	26.74
Total	**8,409**	**100**	**10,000,000**	**100**
Less than marketable parcel of $500	3		11	

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 318 of this *Shareholder Information* section for NAB ordinary shares.

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Official quotation

Fully paid ordinary shares of the Company are quoted on the ASX.

The Group has also issued:

- 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 22 October 2026, the Company has 3,113,984 rights on issue, of which there are 66 holders (refer to the *Report of the Directors* on page 168 for further details).

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Chair

Mr Philip Chronican
BCom (Hons), MBA (Dist), FAICD, FCSI

Group Chief Executive Officer and Managing Director

Mr Andrew Irvine
BSc Business Management (Hons), MBA

Group Chief Financial Officer and Group Executive, Strategy

Mr Inder Singh
BCom

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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
Level 21
395 Bourke Street
MELBOURNE VIC 3000
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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

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Email: nabservices@computershare.com.au
Website: www.investorcentre.com/nab

United Kingdom Share Register

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United Kingdom

Tel: +44 370 703 0197
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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
28 Liberty Street
New York, NY 10005
USA
Direct Dial: +1 800 468 9716
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.

AASB S2
Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures.*

ABARES
Australian Bureau of Agricultural and Resource Economics and Sciences.

ABS
Australian Bureau of Statistics.

Accountable Person
An accountable person for the purposes of the Financial Accountability Regime Act 2023 (Cth).

ACCUs
Australian Carbon Credit Units.

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.

AEMO
Australian Energy Market Operator.

AER
Australian Energy Regulator.

AGM
Annual General Meeting of National Australia Bank Limited.

AML
Anti-Money Laundering.

Annual Variable Reward (AVR)
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.

ANZSIC
Australian and New Zealand Standard Industrial Classification (1993).

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.

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.

Capital markets activities
The definition of capital markets activities is drawn from the Partnership for Carbon Accounting Financials (PCAF) Facilitated Emissions Standard December 2023 being the primary issuance of capital market instruments (whether debt or equity-based) and loan syndication. For specific inclusions and exclusions refer to

- *Sustainability risk-related settings* on page 63.
- *NAB's Customer Transition Plan Assessment Framework* on page 66 .
- *Sector decarbonisation targets and goals methodology* on page 89.

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.

Climate Vulnerability Assessment
The Climate Vulnerability Assessment, a Council of Financial Regulators (CFR) initiative led by APRA, was an exercise adopting scenario analysis to assess the nature and extent of the financial risks that large banks in Australia may face due to climate change.

Climate-related opportunities
Refers to the potential positive impacts related to climate change on an organisation. Efforts to mitigate and adapt to climate change can produce opportunities for organisations, such as through resource efficiency and cost savings, the adoption and utilisation of low-emission energy sources, the development of new products and services, and building resilience along the supply chain. Climate-related opportunities will vary depending on the region, market and industry in which an organisation operates.

Climate-related risks
Refers to the potential negative impacts of climate change on an organisation. Physical risks emanating from climate change can be event-driven (acute) such as increased severity of extreme weather events (e.g. cyclones, droughts, floods, and fires). They can also relate to longer-term shifts (chronic) in precipitation and temperature and increased variability in weather patterns (e.g. sea level rise). Climate-related risks can also be associated with the transition to a lower-carbon global economy, the most common of which relate to policy and legal actions, technology changes, market responses and reputational considerations.

CO_2-e
Carbon dioxide equivalent (CO_2-e) is a measurement used to compare emissions from various GHG emissions based on their global warming potential. Other gas amounts are converted into the equivalent amount of carbon dioxide to provide a single emissions metric. Conversion factors vary based on the underlying assumptions.

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.

CRE
Commercial real estate.

CSIRO
Commonwealth Scientific and Industrial Research Organisation.

CTF
Counter-Terrorism Financing.

Customer deposits
The sum of interest bearing, non-interest bearing and term deposits (including retail and corporate deposits).

Customer Transition Plan (CTP)
A customer's time-bound decarbonisation plan which details the customer's interim and long-term emissions reduction targets, goals or ambitions and outlines the overall strategies and actions to meet those targets, goals or ambitions. Such plans may also cover other climate-related issues including governance, just transition and scenario analysis.

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, 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 issued by the Group other than ordinary shares, including perpetual preference shares issued by BNZ.

DRI
Direct Reduced Iron.

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.

ECL
Expected credit losses.

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).

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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 finance ambition (EFA)
NAB's ambition for eligible new lending, capital markets activity and trading activity as outlined on page 103.

ESG
Environmental, Social and Governance.

ESOO
Electricity Statement of Opportunities.

EViC
Enterprise Value Including Cash.

Executive Leadership Team (ELT)
Executive Leadership Team means the Group CEO and the Group Executives.

Exposure at Default (EAD)
EAD is an estimate of the credit exposure amount outstanding if a customer defaults and its calculation is as defined by APRA. EAD is presented net of eligible financial collateral.

Facilitated emissions
Facilitated emissions attributable from capital markets activity, including loan syndication, bond arranging and US private placement. Facilitated emissions are included within Category 15 'Investments' of the Greenhouse Gas Protocol Standard.

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) as 'Accountable Persons' with APRA and ASIC.

Farm capital (ABARES farm survey data)
ABARES measures the value of farm capital as the value of all the assets used on a farm, including the value of leased items but excluding machinery and equipment either hired or used by contractors. The valuation includes the value of land and fixed improvements used by each farm business in the survey, excluding land share farmed off the sample farm. Residences on the farm are included in the valuations. Livestock are valued at estimated market prices for the land use zones within each state. The total value of plant and machinery is based on market valuations provided by the owner–manager for broad categories of capital, such as tractors, vehicles and irrigation plant.

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.

Financial year
Year ended 30 September.

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. This does not include external consultants, IT professional services, outsourced service providers, non-executive directors and non-operational employees.

Gentailers
A vertically integrated energy company that combines generation and retailing.

Gold Standard
A certification standard established in 2003 by the World Wide Fund for Nature and other international NGOs.

Green, social, sustainability and sustainability-linked bond and loan transactions (including Green Bonds)
A designation of 'green', 'social', 'sustainable' and/or 'sustainability-linked' is based on the application of relevant external guidelines and principles, such as the International Capital Market Association (ICMA) Green/Social/Sustainability-Linked Bond Principles, ICMA Sustainability Bond Guidelines, Loan Market Association (LMA)/Asia Pacific Loan Market Association (APLMA)/Loan Syndications and Trading Association (LSTA) Green/Social/Sustainability-Linked Loan Principles and/or the Climate Bonds Standard sector criteria.

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, sulphur hexafluoride and nitrogen trifluoride.

Greenhouse Gas Protocol or GHG Protocol
Comprehensive global standardised framework to measure and manage GHG emissions from private and public sector operations, value chains and mitigation actions. The GHG Protocol supplies the world's most widely used GHG accounting standards.

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 advances (GLAs)
Total loans and advances, including unearned and deferred fee income, excluding associated provisions for expected credit losses. Calculated as the sum of '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.

IAI
International Aluminium Institute.

IAI GHG 2050 (2021)
The Aluminium Greenhouse Gas Initiative launched by the IAI at COP28.

ICAAP
Internal Capital Adequacy Assessment Process.

IEA
International Energy Agency.

IEA NZE 2050
The International Energy Agency's Net Zero by 2050 scenario.

IEA NZE 2050 (2021)
Refers to the International Energy Agency's Net Zero by 2050 scenario and report, October 2021 (4th revision).

IEA NZE 2050 (2022)
Refers to the International Energy Agency's Net Zero by 2050 scenario and report, October 2022 (5th revision).

IEA NZE 2050 (2023)
Refers to the International Energy Agency's Net Zero by 2050 scenario and report, September 2023 (6th revision).

IFRS
International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

IMO
International Maritime Organisation.

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 sufficient doubt exists about 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.

IPCC
Intergovernmental Panel on Climate Change.

ISP
Integrated System Plan.

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.

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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.

Large-scale generation certificate (LGC)
One LGC is evidence that one megawatt hour of electricity has been generated from renewable energy sources.

LCV
Light commercial vehicle.

LGCs
Large Scale Generation Certificates.

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.

Location-based accounting
An emissions accounting approach that calculates electricity emissions based on the average emissions intensity of the electricity grid in the location (state) in which the electricity consumption occurs. Location-based accounting therefore does not recognise the surrender of LGCs as evidence of renewable electricity use.

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 Green Finance for Agribusiness
The NAB Green Finance for Agribusiness is a tailored NAB business loan to finance eligible activities that are aligned to the independent taxonomy and requirements set out under the Climate Bonds Standard Agriculture Criteria.

NAB Green Finance for Vehicles and Equipment
Green Finance for Vehicles and Equipment refers to financing provided to categories of vehicles and equipment that NAB has determined are eligible to be financed under its Equipment Finance Green Asset framework.

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.

NABERS
National Australian Built Environment Rating System.

NatHERS
Nationwide House Energy Rating Scheme.

National Construction Code (NCC)
The NCC is a uniform set of technical provisions for the design, construction and performance of buildings and plumbing and drainage systems throughout Australia. The 2022 update includes, among other things, new requirements to facilitate the future installation of electric vehicle charging infrastructure in carparks.

National Greenhouse Accounts (NGA)
A collection of Australia's historical greenhouse gas emissions data. Australia uses this data to track progress towards national emissions reduction targets.

Net interest margin (NIM)
Net interest income derived on a statutory 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).

Network for Greening the Financial System (NGFS)
A group of authorities willing, on a voluntary basis, to exchange experiences, share best practices, contribute to the development of environment and climate risk management in the financial sector, and to mobilise mainstream finance to support the transition toward a sustainable economy.

New Vehicle Efficiency Standard (NVES)
A new vehicle efficiency standard is a legislative framework that regulates CO_2 emissions from vehicles, by applying an average CO_2 target to a suppliers' fleet of new vehicles.

New Zealand Banking (NZB)
New Zealand Banking is the Group's New Zealand segment, including the Bank of New Zealand and the Group's investment in FirstCape Group Limited.

NGERS
National Greenhouse and Energy Reporting Scheme.

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.

Paris Agreement
Refers to the agreement adopted within the United Nations Framework Convention on Climate Change in December 2015 and entered into force in November 2016. The agreement commits all participating countries to limit global warming to well-below 2°C, striving for 1.5°C above pre-industrial levels, to build resilience to adapt to impacts of climate change, and regularly increase efforts over time.

Paris Agreement Inventory 2022
Australia's greenhouse gas inventory reported under the United Nations Framework Convention on Climate Change, submitted under the Paris Agreement.

PCAF
Partnership for Carbon Accounting Financials.

Plenti
Plenti Group Limited.

Poseidon Principles (PP)
The Poseidon Principles are a global framework for assessing and disclosing the climate alignment of financial institutions' shipping portfolios

Power purchase agreement
An arrangement between an independent power generator and purchaser for the sale and supply of renewable energy.

PPS
Perpetual preference shares.

PRB
Principles for Responsible Banking.

RAS
Risk Appetite Statement.

RBA
Reserve Bank of Australia.

RBNZ
Reserve Bank of New Zealand.

RCP
Representative Concentration Pathway.

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 assets held, 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.

RFx
RFx is a collective term for different types of supplier market engagements or procurement requests such as Request for Information (RFI), Request for Quotation (RFQ) and Request for Proposal (RFP).

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.

RMF
Risk Management Framework.

RRE
Residential real estate.

SAF
Sustainable aviation fuel.

Salient human rights
Salient human rights are determined based on the risks to people, but with recognition of the correlation to business risk.

SBTi
Science Based Targets initiative.

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, heating or cooling.

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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' and 'Facilitated' emissions for further details.
- Refer to page 93 for the defined boundary of NAB's voluntary reported Scope 3 operational emissions.

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.

SSP
Shared Socio-economic Pathways.

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.

Streamlined Energy and Carbon Reporting (SECR)
Reporting of emissions sources required under the United Kingdom's Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

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.

Thermal coal
Coal that is almost exclusively used as a fuel for steam-electric power generation.

Tier 1 capital
Common Equity Tier 1 capital plus Additional Tier 1 capital.

Tier 1 capital ratio
Tier 1 capital divided by risk-weighted assets.

Tier 2 capital
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.

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.

Trade finance
Trade finance exposures included within NAB's sector decarbonisation targets are considered lending for the purpose of this requirement.

Transport - road (cars and LCVs)
Australian cars and light commercial vehicles.

Treasury shares
Shares issued to meet the requirements of employee incentive schemes which have not yet met the relevant milestone.

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
United Nations Environment Program Finance Initiative.

UNEP FI Guidance
UNEP FI Guidance for Climate Target Setting for Banks version 4.

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 a portfolio's potential losses for a given holding period and likelihood.

Verified Carbon Standard
A widely used greenhouse gas crediting program.

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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