



ASX ANNOUNCEMENT

Wednesday 7 February 2024

Andrew Irvine appointed Group CEO of National Australia Bank

The NAB Board of Directors today announced the appointment of Andrew Irvine as Group Chief Executive Officer and Managing Director.

Mr Irvine, NAB's Group Executive Business and Private Banking since 2020, will succeed Ross McEwan CBE on 2 April 2024. Mr McEwan will retire from executive roles after a distinguished career in financial and insurance services.

NAB Chair Philip Chronican said Mr Irvine had key strengths supporting his appointment including passion for customer service, success leading Australia's largest business bank franchise, people leadership, risk management and international experience.

Prior to joining NAB, Mr Irvine was Head of Canadian Business Banking at the Bank of Montreal (BMO), Canada's oldest bank and one of its largest financial institutions. He held a range of roles at BMO over more than 12 years and previously worked for McKinsey & Company, Lycos Europe and Credit Agricole.

"Andrew is well suited to take NAB into its next chapter of growth and performance for our customers, colleagues and the communities we serve," Mr Chronican said.

"The customer is front and centre for Andrew. He has lifted our business and private banking performance and been a tireless advocate for the agricultural sector, small business and First Nations business.

His expertise in digitisation, transformation and modernising has created significant benefits for how our bank operates. He has made work simpler and easier for colleagues by deeply understanding their needs."

Mr Irvine said: "This is a humbling decision by the Board. I am excited by the opportunity to lead NAB, a bank that is core to the financial needs of so many Australians and New Zealanders.

"I have learned a great deal from Ross during his time as CEO. NAB is on the right trajectory to being a better bank and I will work with my colleagues to continue executing our strategic ambitions.

"I am very mindful of the responsibility of taking what has been built and continuing to grow our positive impact. This should benefit customers, colleagues and shareholders alike.

"This bank has a tremendous leadership team and colleagues who come to work every day wanting to deliver the best possible services."

Mr Chronican paid tribute to Mr McEwan, who joined NAB in December 2019 with a mandate for change in the wake of the Royal Commission.

"Ross has been exactly the CEO we needed. He came in at a critical time with significant international experience and expertise," he said.

“He reminded us of the value of getting the basics right, simplification and exceeding customer expectations. It was particularly pleasing that Ross has been able to foster internal talent to enable us to make this appointment from within the bank.

“He has rightly been recognised as a tremendous and reliable career banker. He has been a stabilising force for NAB and the industry and we wish him well for the future.”

Mr McEwan said he was delighted to see Mr Irvine announced as CEO after a lengthy assessment process.

“Andrew is a highly capable, internationally experienced banker who brings the right lens to us wanting to be Australia’s best relationship-driven bank,” he said.

“I have enjoyed the past four-plus years as CEO and the way in which NAB has improved its performance, standing, trust and reputation. I said when I joined NAB that Australians deserved for NAB to be a world class service provider and we are now closer to that ambition.

“I am confident to be leaving the bank’s customers in good hands with Andrew and the team.”

Mr Irvine will assume the position of Australian Banking Association Chair from Mr McEwan on behalf of NAB, which accepted Chair bank responsibilities for two years from December 2023.

A British-Canadian dual citizen, Mr Irvine has a Bachelor of Science (Hons) in Business Management and Commerce from King’s College London and a Master of Business Administration from Western University in Ontario, Canada.

A summary of Mr Irvine’s employment conditions is attached.

A new Group Executive Business and Private Banking will be selected in due course.

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Authorised for release by the NAB Board of Directors.

Annexure 1 – Summary of Terms of Employment for incoming Group CEO

The key terms of employment for the incoming Group Chief Executive Officer, Mr Andrew Irvine, are as follows:

Appointment

Mr Irvine will commence as Group Chief Executive Officer on 2 April 2024.

Term and Termination

Mr Irvine's contract is ongoing with Mr Irvine or NAB able to terminate by giving 26 weeks' notice. There are provisions for termination without notice in certain circumstances, including serious misconduct.

Remuneration components

- Fixed remuneration of \$2.5 million per annum, inclusive of superannuation and any salary sacrifice arrangements. Reviewed periodically in accordance with NAB's remuneration policy.
- Annual Variable Reward (AVR) target 75% of fixed remuneration with maximum 100% of fixed remuneration.
- Long Term Incentive (LTI) annual grant up to 140% of fixed remuneration provided in performance rights. The LTI award is comprised of the Long-Term Equity Award (LTEA) and Long-Term Variable Reward (LTVR). Annual grants will be determined at the end of the relevant performance year and are subject to shareholder approval.

Mr Irvine will be provided with an additional grant of 30,572 performance rights under the LTI plan in respect of the 2024 financial year, in addition to the LTI performance rights already awarded in connection with his current role. The additional performance rights are a "top up" grant to reflect the period of the 2024 financial year Mr Irvine will serve in the Group CEO role.

Participation in the AVR and LTI is subject to relevant incentive plans and NAB's Group Remuneration Policy. Vesting of variable rewards remain subject to ongoing Board review.

Further details of the NAB Group remuneration framework is provided in the 2023 Remuneration Report. Details of Mr Irvine's remuneration will be provided in NAB's 2024 Remuneration Report.

Annexure 2 – Summary of Retirement Arrangements for Mr McEwan

Date of transition

Mr McEwan will cease to be Managing Director and Group Chief Executive Officer on 2 April 2024. After a transition period, Mr McEwan will retire and cease employment from NAB on 1 July 2024.

Benefits

Mr McEwan will retain unvested deferred short-term and long-term variable reward awards in accordance with the terms of relevant plans.

Mr McEwan will remain eligible to participate in the Annual Variable Reward (AVR) plan for the 2024 financial year, subject to assessment of NAB Group and individual performance in accordance with the terms of the plan.

The Board has determined that Mr McEwan's allocation of LTI performance rights approved by the shareholders at the 2023 Annual General Meeting shall be reduced to reflect the period of service to 1 July 2024. Shareholder approval was provided for an allocation of 60,511 rights under the LTEA plan and 60,511 rights under the LTVR plan. In recognition of Mr McEwan's retirement on 1 July 2024, a total reduction of 30,256 rights shall be applied resulting in the retention of 45,383 rights under LTEA and 45,383 rights under LTVR.

All retained awards remain subject to the terms and conditions of the relevant plans, including relevant performance measures and restriction periods.

On retirement, Mr McEwan will receive a payment in respect of statutory and contractual notice entitlements. Further details will be provided in NAB's 2024 Remuneration Report.