Half Year Results

2024

Investor Presentation
2 May 2024

Andrew Irvine
Group Chief Executive Officer

Nathan Goonan
Group Chief Financial Officer

NAB 2024 Half Year Results Index

This presentation is general background information about NAB. It is intended to be used by a professional analyst audience and is not intended to be relied upon as financial advice. Refer to page 130 for legal disclaimer.

Financial information in this presentation is based on cash earnings, which is not a statutory financial measure. Refer to page 38 for definition of cash earnings and reconciliation to statutory net profit.

Overview

Andrew Irvine

Chief Executive Officer

Key messages

- 1H24 financial results reflect consistent execution across our businesses in a challenging environment
- Balance sheet settings remain prudent
- Majority of customers are resilient and we are supporting those who need it
- New Executive Leadership Team to take NAB forward
- Opportunity to evolve our strategic priorities – focus and disciplined execution remain key to long term performance

Financial results

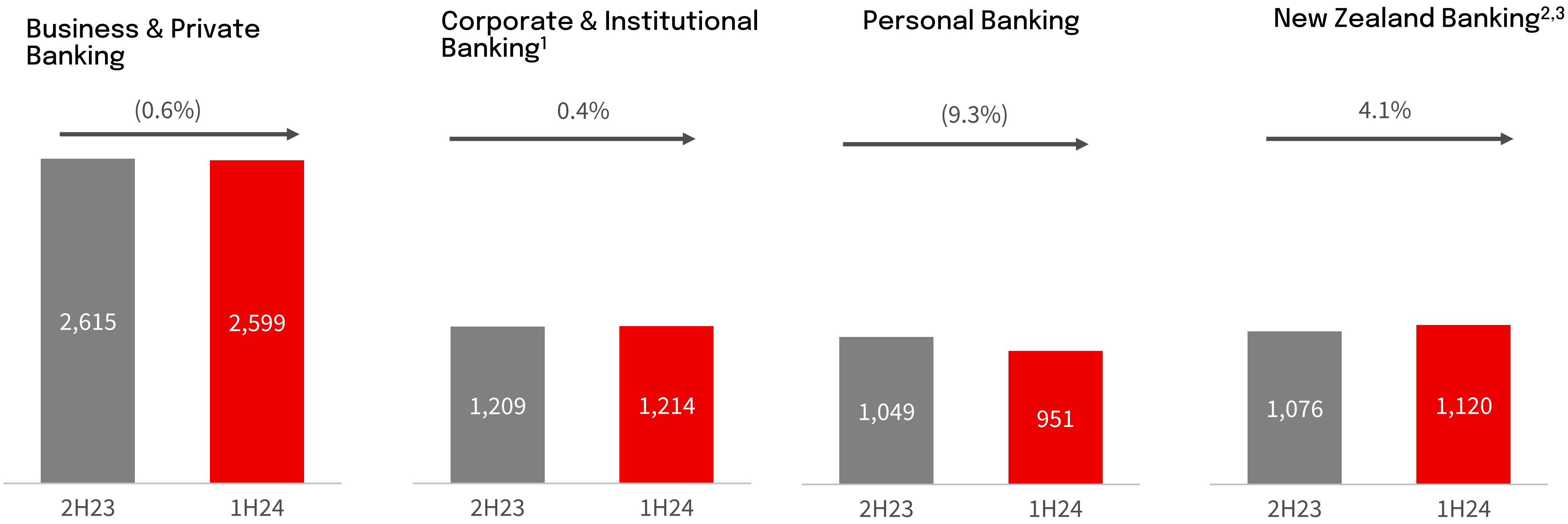
Metric	1H24	2H23	1H24 v 2H23
Statutory net profit ($m)	3,494	3,447	1.4%
Continuing operations - Cash earnings basis[1]			
Net operating income ($m)	10,138	10,125	0.1%
Operating expenses ($m)	(4,677)	(4,602)	1.6%
Underlying profit ($m)	5,461	5,523	(1.1%)
Cash earnings ($m)	3,548	3,661	(3.1%)
Dividend (cents)	84	84	-
Cash payout ratio[2]	73.7%	71.8%	190 bps

(1) Refer to page 38 for definition of cash earnings and reconciliation to statutory net profit
(2) Based on basic cash earnings per share (EPS)

Divisional performance aligned to our strategy

Underlying divisional profit

($m)



Cash earnings on average RWAs

Business & Private Banking	Corporate & Institutional Banking[1]	Personal Banking	New Zealand Banking[2,3]
2.15% → 2.17%	1.85% → 1.83%	1.70% → 1.41%	2.05% → 2.21%

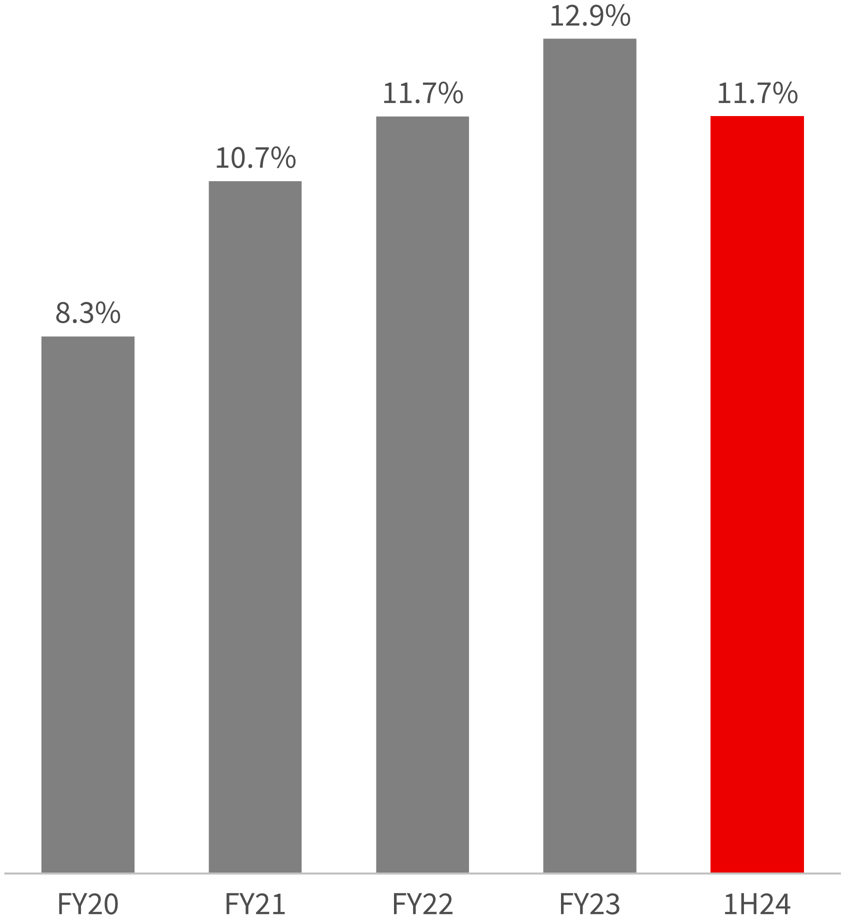
(1) Corporate & Institutional Banking included the Bank of New Zealand's Markets Trading operations up to 30 September 2023. From 1 October 2023, these operations are reported within New Zealand Banking. Comparative information has been restated accordingly

(2) From 1 October 2023, the Bank of New Zealand's Markets Trading operations and enabling units are reported within New Zealand Banking. Previously the Bank of New Zealand's Markets Trading operations were reported in Corporate & Institutional Banking and the enabling units within Corporate Functions & Other. Comparative information has been restated accordingly

(3) New Zealand Banking results in local currency. Cash earnings on RWA reflect higher CET1 requirements in NZ as RBNZ capital reforms are phased in

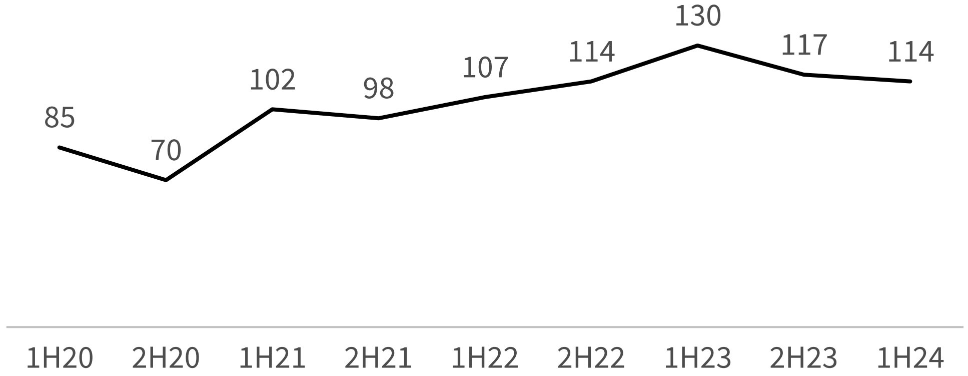
Delivering improved shareholder returns over time

Cash return on equity[1]



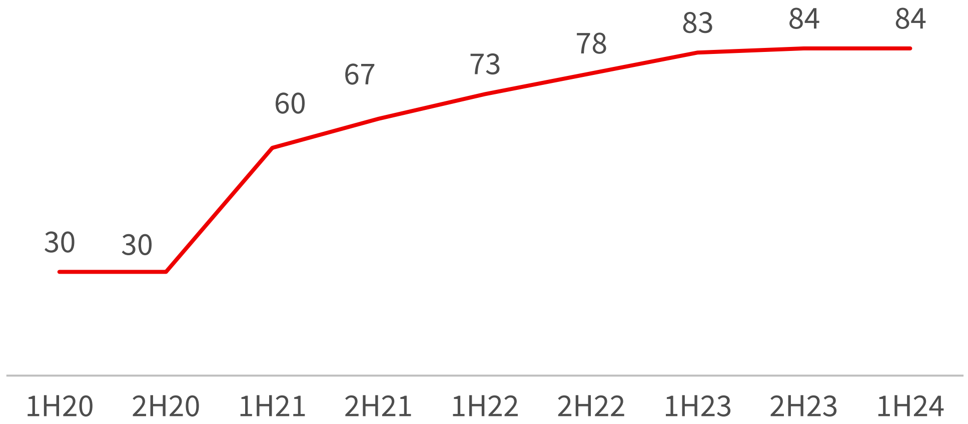
Basic cash EPS[1]

(cents)



Dividends per share

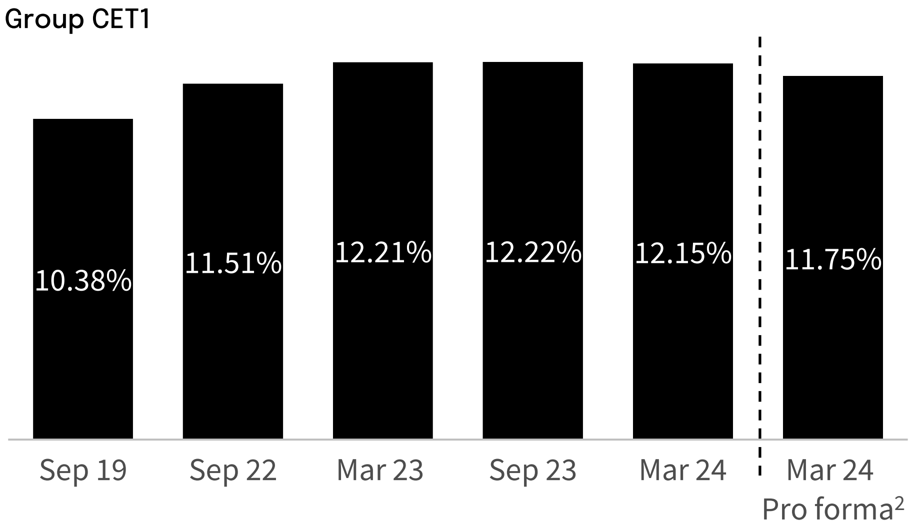
(cents)



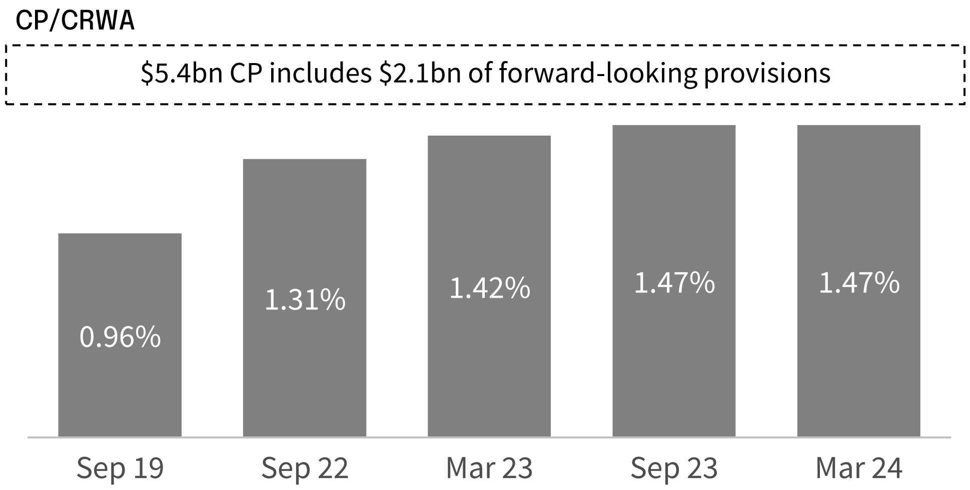
(1) FY20 ROE and cash EPS exclude large notable items

Maintaining prudent balance sheet settings

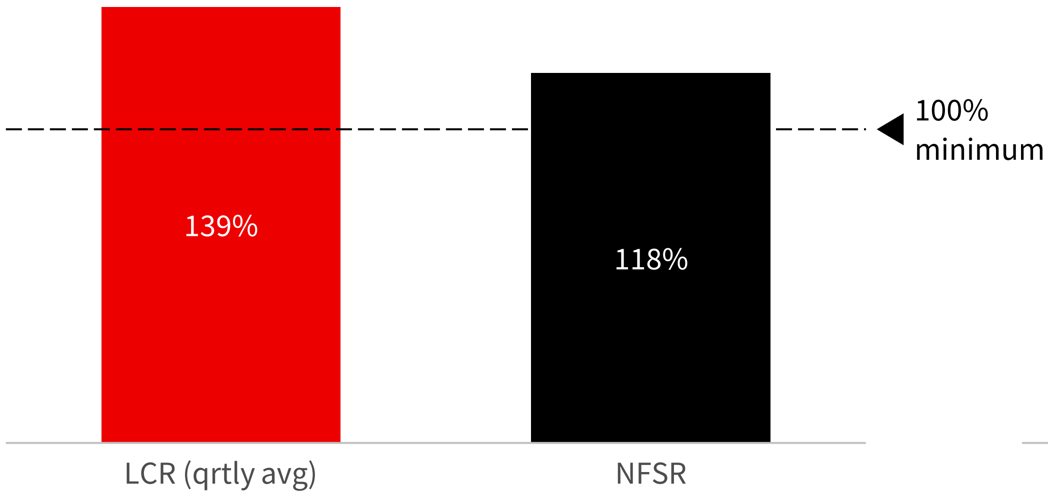
Capital ratio above target range of 11.0% - 11.5%[1]



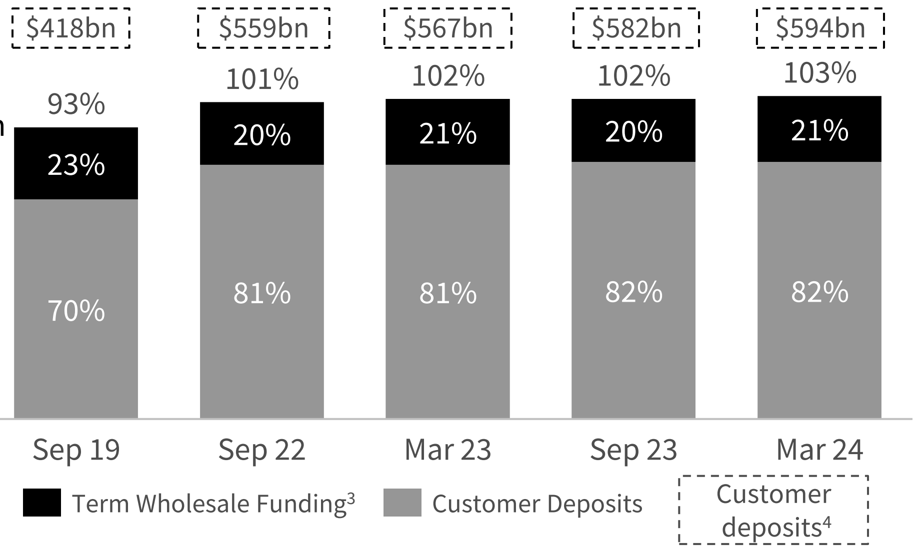
Strong provisioning[1]



LCR and NSFR well above regulatory minimums at Mar 24



GLAs increasingly funded by deposits



(1) Mar 23 and beyond reported under APRA's revised capital framework effective from 1 January 2023
(2) Pro forma CET1 ratio includes the impact of the remaining $1.7bn of announced share buy-backs
(3) Includes senior unsecured, secured (covered bonds and securitisation), subordinated debt, AT1 instruments, RBA TFF and RBNZ funding facility drawdowns with a remaining term to maturity or call date > 12 months
(4) Excludes customer deposits in New York and London

Supporting customers

Helping customers manage higher interest rates and cost of living pressures

NAB Assist

- Early and proactive customer engagement
- 7% increase in inbound and outbound NAB Assist customer call volumes in 1H24[1]
- Offering support options including reduced repayments and payment breaks, restructures and loan term extensions

Supporting customers with money management

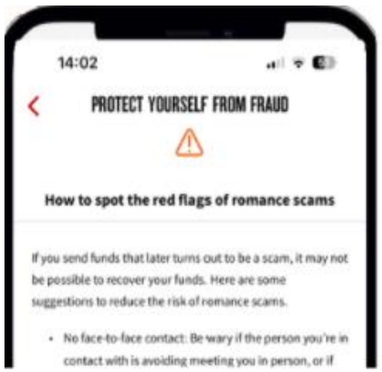
- Strong customer engagement with financial wellbeing tools in 1H24:

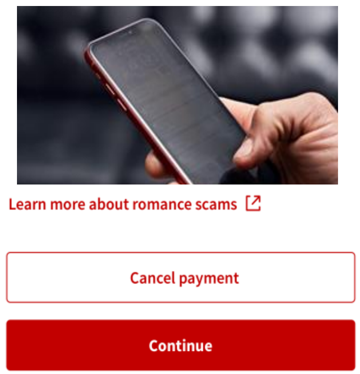
1.5m	>3m
customers used **digital spending tool**	digital **financial wellbeing interactions**[2]

- Upgraded digital spending tool to now predict upcoming customer bills and subscriptions; customer rollout commenced April

Protecting customers against scams & fraud and cyber security risks

- **Prevented and recovered >$260m in scam losses** for customers since Sep 21, including >$55m in 1H24
- **1H24 initiatives** included:
  - Real time customer payment alerts expanded to new scam typologies (e.g. invoice and romance)
    - Since Mar 23 launch of alerts, ~$90m of customer payments abandoned in app
  - Supporting business customers to detect more suspicious behaviour by extending the use of BioCatch biometrics technology to NAB Connect
  - Offering free cyber security protection to eligible small business customers for a year with global cyber firm CrowdStrike





(1) Consumer customers only
(2) Financial wellbeing interactions include customer uses of the spending and savings tools, and outbound financial wellbeing alerts and activities, via internet banking and mobile app

We have a clear long term strategic ambition

Why we are here

To serve customers well and help our communities prosper

Who we are here for

Colleagues
Trusted professionals that are proud to be a part of NAB

Customers
Choose NAB because we serve them well every day

What we will be known for

Relationship-led
Relationships are our strength

1. Exceptional bankers
2. Unrivalled customer value (expertise, data and analytics)
3. Truly personalised experiences

Easy
Simple to deal with

1. Simple products and experiences
2. Seamless - everything just works
3. Fast and decisive

Safe
Responsible & secure business

1. Strong balance sheet
2. Leading, resilient technology and operations
3. Pre-empting risk and managing it responsibly

Long-term
A sustainable approach

1. Commercial responses to society's biggest challenges
2. Resilient and sustainable business practices
3. Innovating for the future

Where we will grow

Business & Private
Clear market leadership

Corporate & Institutional
Disciplined growth

Personal
Simple & digital

BNZ
Personal & SME

ubank
Customer acquisition

How we work

- Excellence for customers
- Grow together
- Be respectful
- Own it

Measures for success

- Engagement
- NPS growth
- Cash EPS growth
- Return on Equity

Focusing on colleagues

Who we are here for

Colleagues
Trusted professionals that are proud to be a part of NAB

Customers
Choose NAB because we serve them well every day

Delivering better outcomes for our colleagues

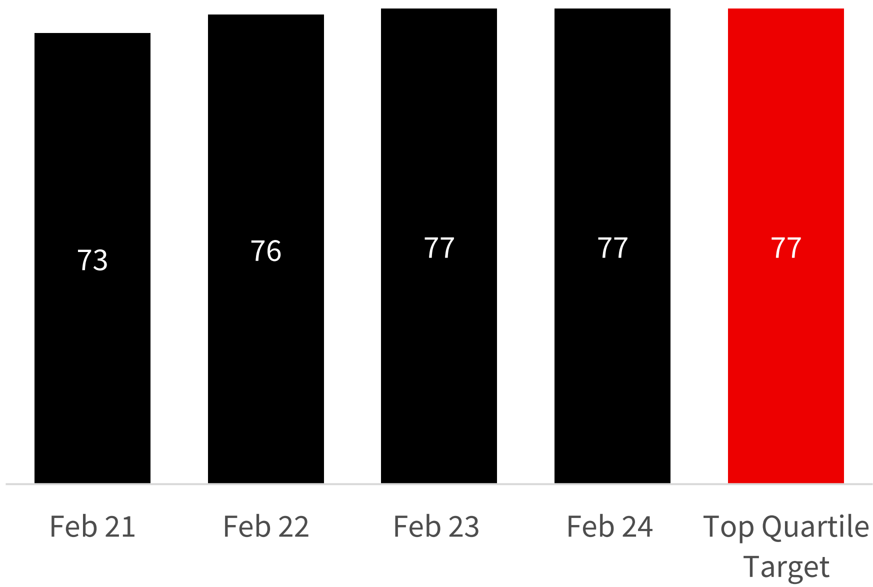
New Executive Leadership Team

- Internal appointments reflect investment in talent development and leadership capability

Simplifying and automating our processes to reduce manual work

- Increasingly automating our core lending processes and use of digital documentation
- Single CRM[1] platform used by 75% of bankers (up from 40% in FY23)
- Customer Brain generating new business and retention opportunities
- Piloting GenAI tools

Colleague engagement score remains top quartile[2]



(1) Customer relationship management
(2) Source NAB Heartbeat survey. Top quartile comparison is based upon Glint's client group (domestic and global, from all industries)

Focusing on customers

Who we are here for

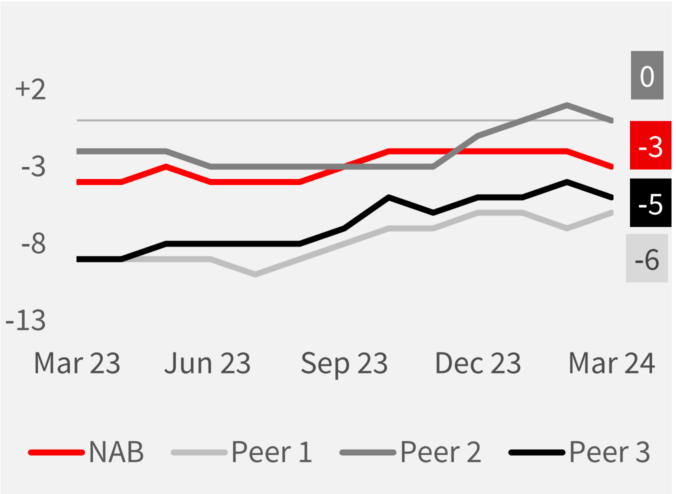
Colleagues
Trusted professionals that are proud to be a part of NAB

Customers
Choose NAB because we serve them well every day

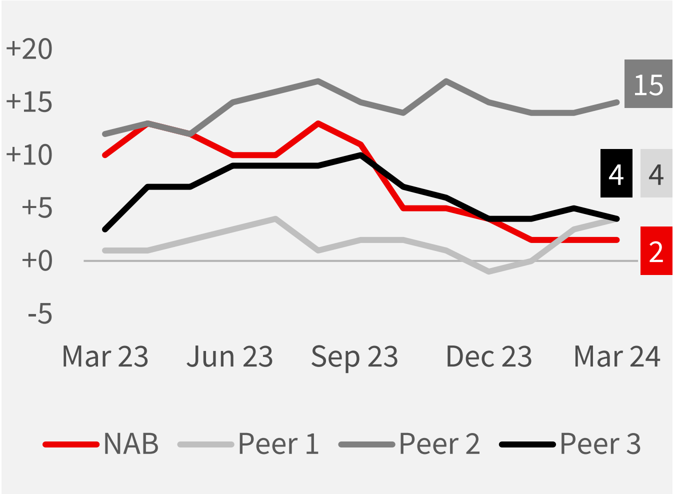
Focus on delivering improved customer experiences

Net Promoter Score relative to major bank peers

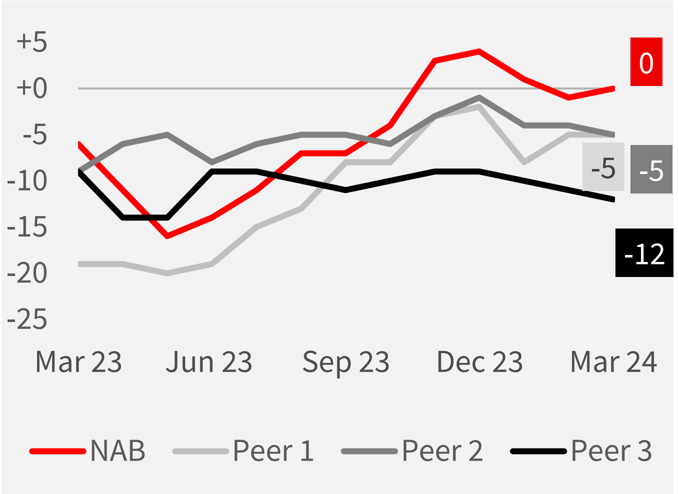
#2 Mass Consumer[1]



#4 in Business[2]



#1 in High Net Worth & Mass Affluent[3]



(1-3) Refer to sources and notes at the back of this presentation on page 129 for further details
Net Promoter® and NPS® are registered trademarks and Net Promoter Score and Net Promoter System are trademarks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld

Investing to grow Business & Private Banking

Relationship banking increasingly enabled by digital, data & analytics

Business lending – simplifying and digitising

- More customers, products and channels capable of origination via digital lending platform
- Increasing digital deal submission by bankers
- Expanding digital document eligibility

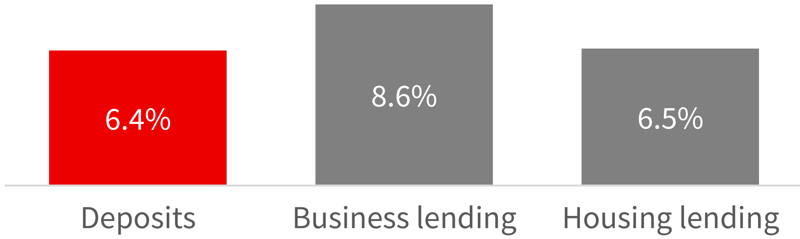
Deposits & payments – innovative solutions

- Growing transaction accounts with increasing digital origination
- Enhanced solutions for payments and cashflow management – new ecommerce and online functionality, NAB Bookkeeper

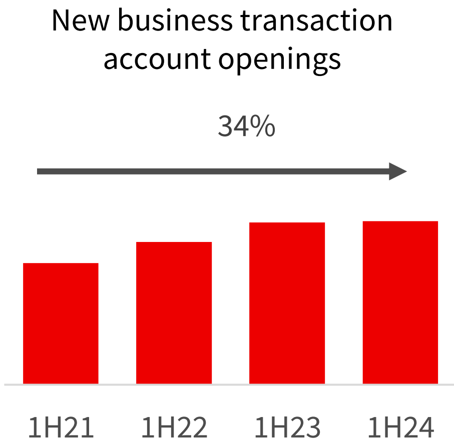
Integrated Private Wealth offering

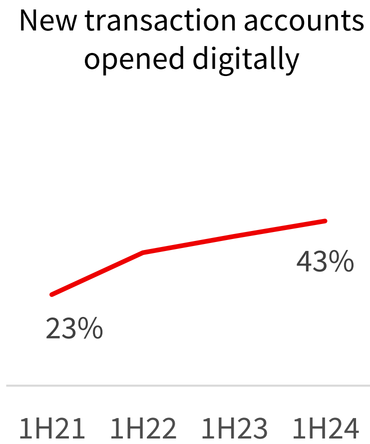
- Strong growth in Private Bank deposits and housing lending, supported by ongoing referrals across B&PB
- Expanded investment offering to include international bonds and multi currency facilities

Strong balance sheet growth YoY



Growing transaction accounts





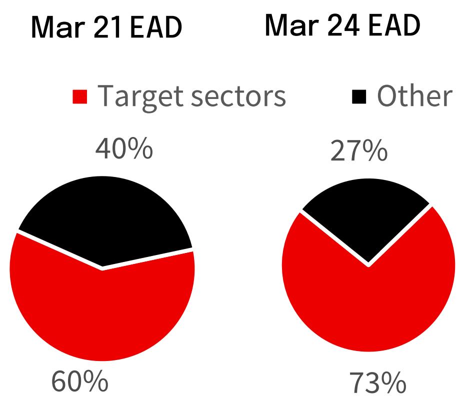
Disciplined growth in Corporate & Institutional Banking

Focused on consistent, through-cycle returns

- **Selective balance sheet usage**, disciplined portfolio management and prudent risk settings
- Strong **customer advocacy** and rankings
- Progressing our **climate transition** agenda – update to be provided in Jun 24 climate disclosures
- Leading **transaction banking capability** and focus on growing **at call deposits**

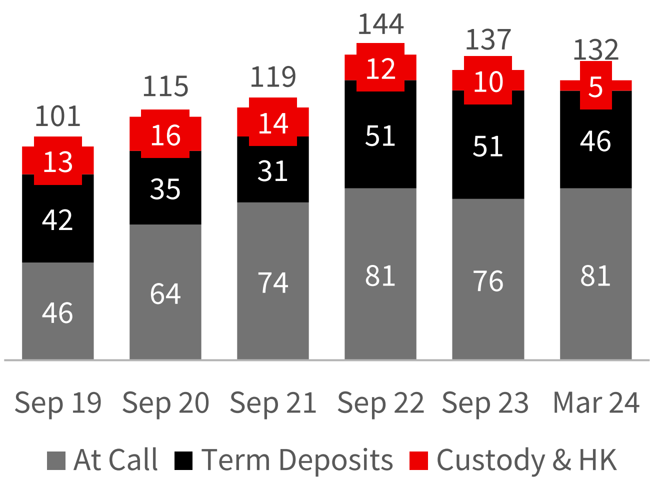
- Continued business and process **simplification:**
  - 3 year wind down of NAB Asset Servicing (custody) from Nov 22 & progressing closure of Hong Kong (HK) branch
  - Streamlined Markets business
  - Significantly reducing customer onboarding time
  - Simpler and more digital end-to-end business lending process improving banker experiences

Long term relationships with customers in target sectors[1]



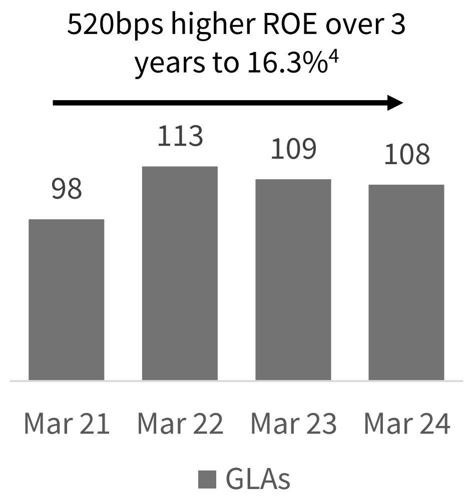
Growing at call deposits over time[2,3]

($bn)



Disciplined growth driving sustainable returns

($bn)



(1) Target sectors include NBFIs, Private Capital Strategic Investors, Infrastructure, Governments and Private Companies
(2) Corporate & Institutional Banking included Bank of New Zealand's Markets Trading operations up to 30 September 2023. From 1 October 2023, these operations are reported within New Zealand Banking. Comparative information has been restated from Sep 22 onwards
(3) Figures include impact of wind down of NAB Asset Servicing business over approximately three years from Nov 22
(4) Represents annualised ROE implied by reported return on average RWA using mid-point of Group's target CET1 ratio range in the applicable period

Building a simple and digital Personal Bank

Performance aligned to core strategic priorities

Simple Home Loans (SHL) delivery on track

- 95% Retail proprietary flow eligible through SHL in 1H24
- 68% reduction in retail banker touch time since FY19
- Digital nudges driving higher in-app customer engagement
- Customer Brain generating leads to bankers, resulting in +125k conversations with customers

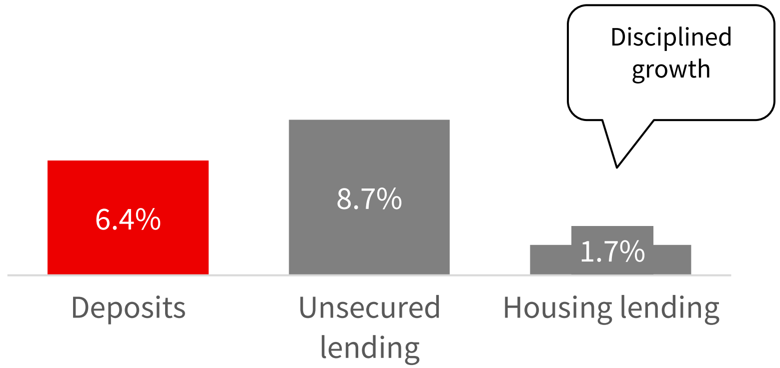
Sustainably growing deposits

- 30% growth in new transaction account openings since 1H21
- In-app budgeting and financial wellbeing tools supporting increase in digitally active customers

Scale in unsecured lending

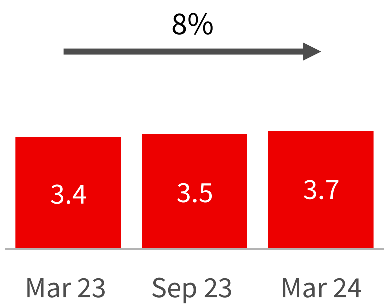
- Credit cards growing at 1.7x system[1] supported by new account growth across NAB and Citi portfolios

Deliberate balance sheet growth YoY

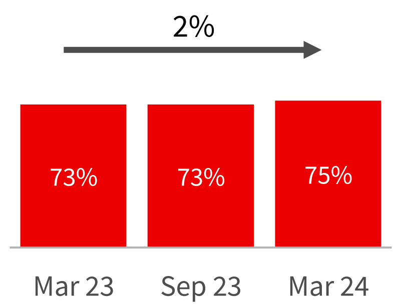


Increasing digital engagement

Digitally active banking customers[2] (m)



Simple everyday banking products opened digitally[3]



(1) APRA Monthly Authorised Deposit-taking Institution statistics. Latest data as at Mar 24 compared to Sep 23
(2) Excludes ubank and Citi Consumer Business customers. Includes NAB customers logging into NAB digital channels in the month
(3) Comprises Transaction, Savings, Credit Cards, NAB Now Pay Later and Personal Loan products in the month

Integration of Citi Consumer Business is a key priority

national australia bank

Integration and migration timeline

Key milestones delivered					Timeline extended by 12 months
Jun 22 Acquisition completed	**Sep 22** High Net Worth colleagues integrated into NAB Private Wealth	**Mar 23** New unsecured lending platform foundations complete	**Jun 23** New unsecured lending platform pilot commenced	**Mar 24** Mortgages, deposits and wealth customers fully integrated	**Dec 25**[1] Target date to complete migration and exit TSAs[2]

- Critical **talent retained** and top quartile colleague engagement
- Outperformed **retention** targets for Citi branded products
- Leveraging Citi capability
  - Enhanced **functionality** of NAB commercial cards
  - New **wealth** talent and products in B&PB

- **Complexity** of new platform build
- **Expanded scope:** upgrading related systems e.g. marketing, payments and collections
- **More time for migration to mitigate risks:** based on ubank experience

Cost synergies on track: Citi costs of <$300m p.a. expected post TSAs[2]; (estimated 2H24 run-rate ~$350m p.a.)[3]

(1) Integration and migration timeframe subject to change (including for deliverables by third party partners)
(2) Transitional Service Agreements
(3) Refer to key risks, qualifications and assumptions in relation to forward looking statements on page 130

NZ Banking – executing well in a challenging market

Delivering on ambition to grow Personal and Business

Re-weight to less capital intense segments

- Increasing market share in underweight household segments
- Strong focus on returns given increased capital requirements from RBNZ capital changes

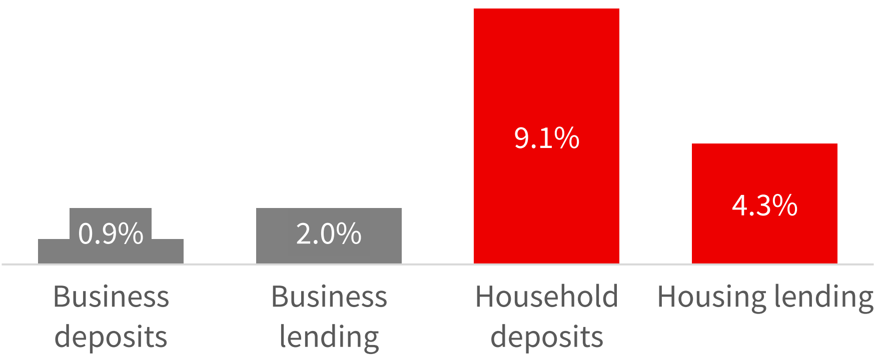
Simpler, more focused bank

- Simplified products - over 50% reduction in products since FY20
- Focus on improved service and simplified fees and processes, leading to:
  - Wait times and call abandonment more than halved
  - Significant reduction in customer complaints
  - Reduced onboarding times

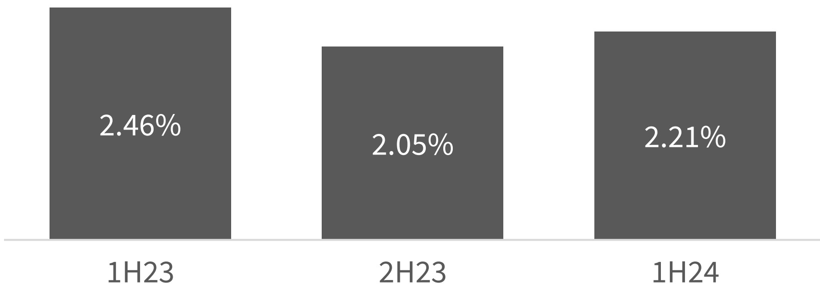
Improved digital capability supporting customer growth

- 8% growth in active customers from Mar 23
- Launched 24/7 virtual messaging

Strong growth in household segments YoY



Cash earnings on average RWA[1]

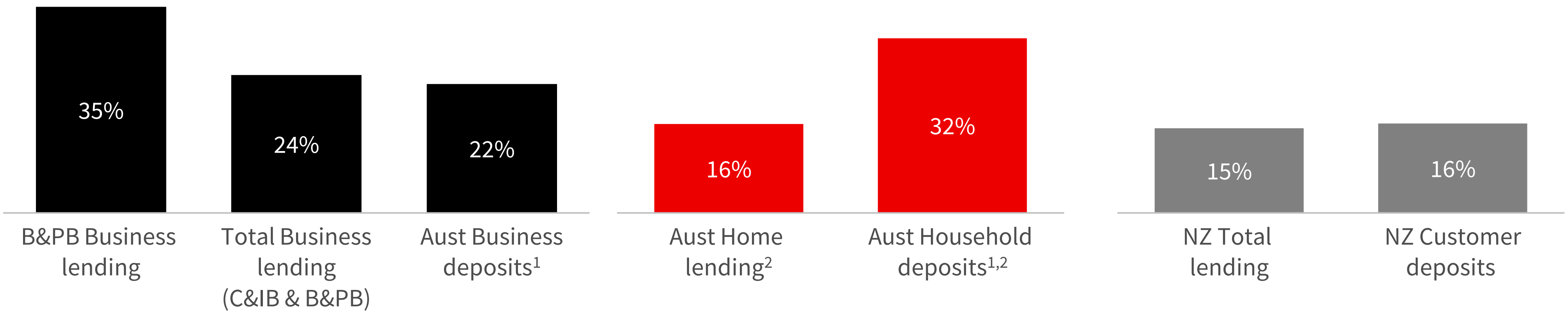


(1) Cash earnings on average RWAs reflect higher CET1 requirements in NZ as RBNZ capital reforms are phased in. From 1 October 2023 the Bank of New Zealand's Markets Trading operation and enabling units are reported within New Zealand banking. Previously the Bank of New Zealand Markets trading operations were reported in Corporate & Institutional Banking and the enabling units within Corporate Functions and Other. Comparative information has been restated accordingly

Execution of strategy delivering results

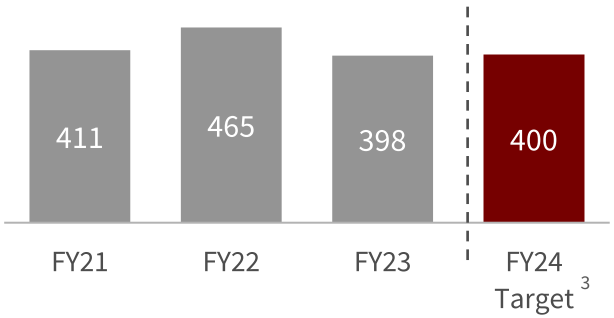
Balance sheet momentum aligned to long term strategy

3 years from March 2021 – Mar 2024



Cost discipline: delivering consistent productivity

($m)



Prudent balance sheet settings (Mar 24)

1.47% CP/ CRWA

11.75% Pro-forma CET1[4]

Attractive shareholder returns

Cash return on equity

Total buy-backs of ~$6.3bn completed

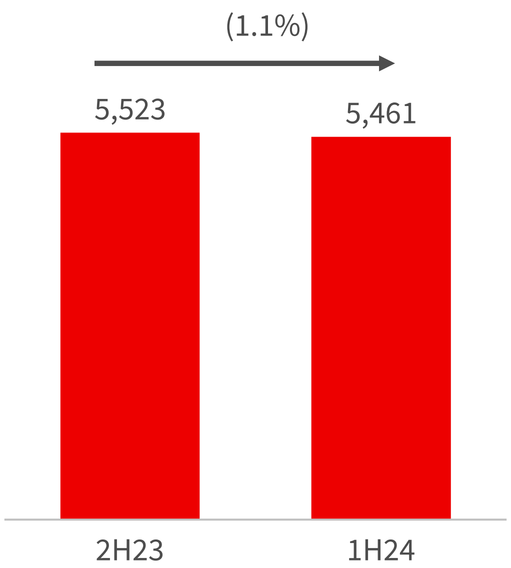
(1) APRA Monthly Authorised Deposit-taking Institution statistics. Latest data as at Mar 24. Business deposits exclude Government and Financial Institution deposits
(2) Excludes impact of Citi Consumer business
(3) Refer to key risks, qualifications and assumptions in relation to forward looking statements on page 130
(4) Pro forma CET1 ratio includes the impact of the remaining $1.7bn of announced share buy-backs (-40bps at Level 2 and –44bps at Level 1)

1H24 Financials

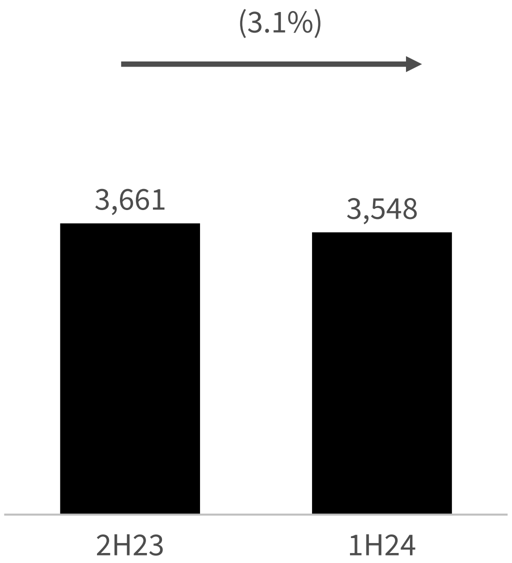
Nathan Goonan
Chief Financial Officer

Group financial results

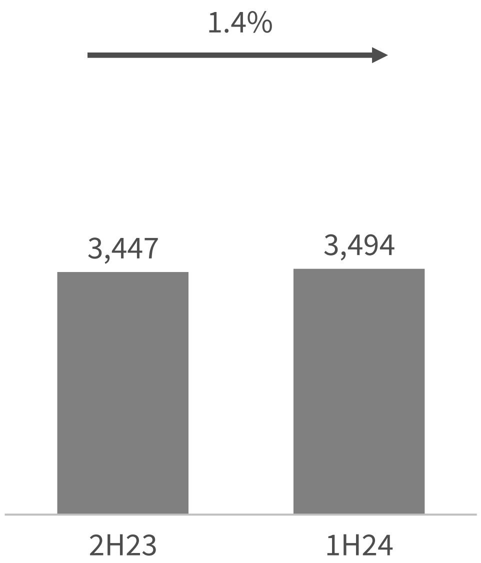
Underlying profit ($m)



Cash earnings[1] ($m)



Statutory profit ($m)

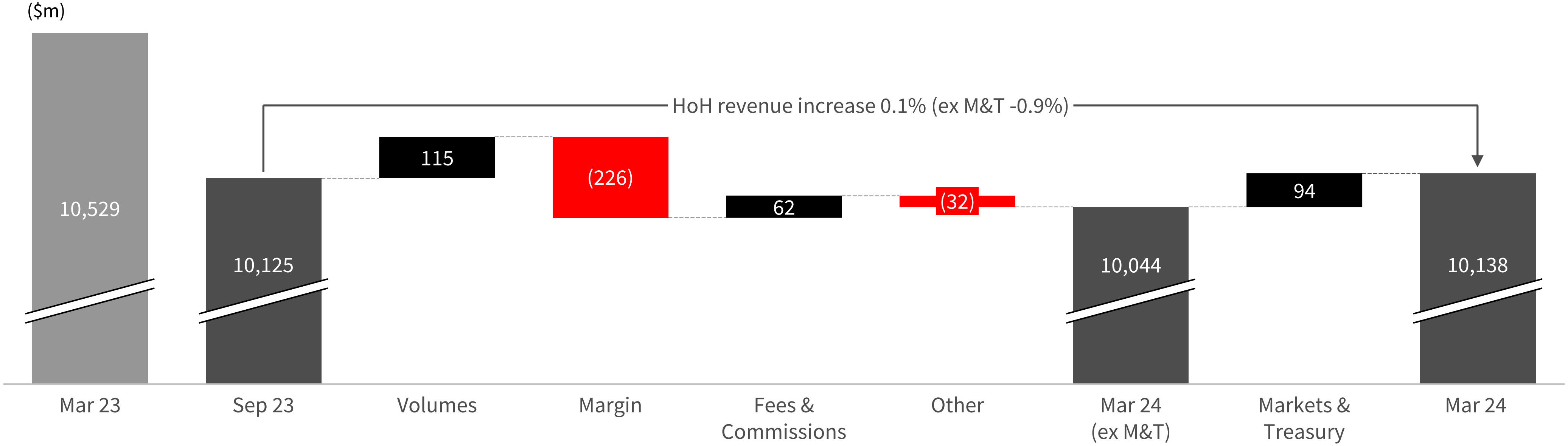


P&L key financial indicators	1H24 ($m)	1H24 v 2H23
Net operating income	10,138	0.1%
ex Markets & Treasury	9,282	(0.9%)
Operating expenses	(4,677)	1.6%
Credit impairment charge	(363)	(11.2%)

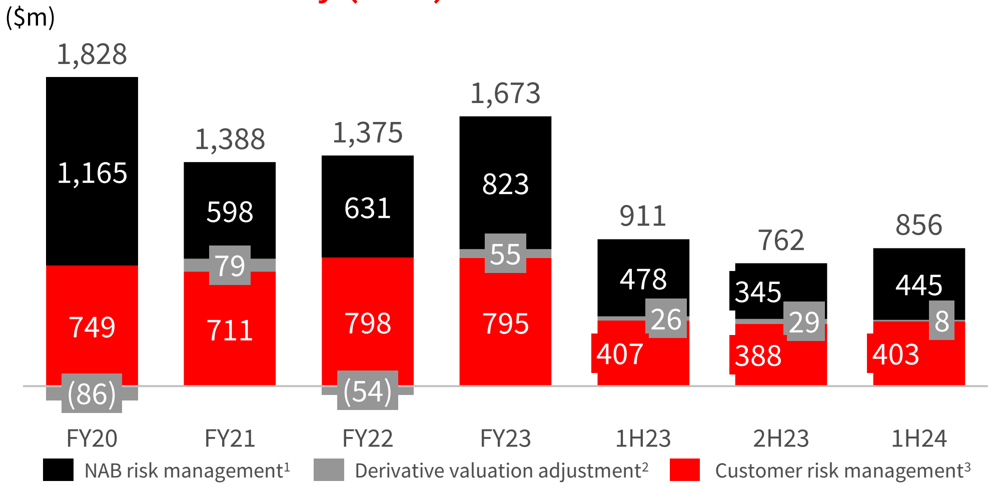
(1) Refer to page 38 for definition of cash earnings and reconciliation to statutory profit

1H24 revenue impacted by lower margins

Net operating income (HoH)



Markets & Treasury (M&T) income breakdown



Key revenue drivers HoH

- Margin impacted by competition, partly offset by the benefit of higher rates
- Higher Fees & Commissions primarily reflecting higher business lending and capital markets fees
- Revenue growth impacted by lower equity accounted earnings from investment in MLC Life ($22m) and higher customer remediation ($19m)

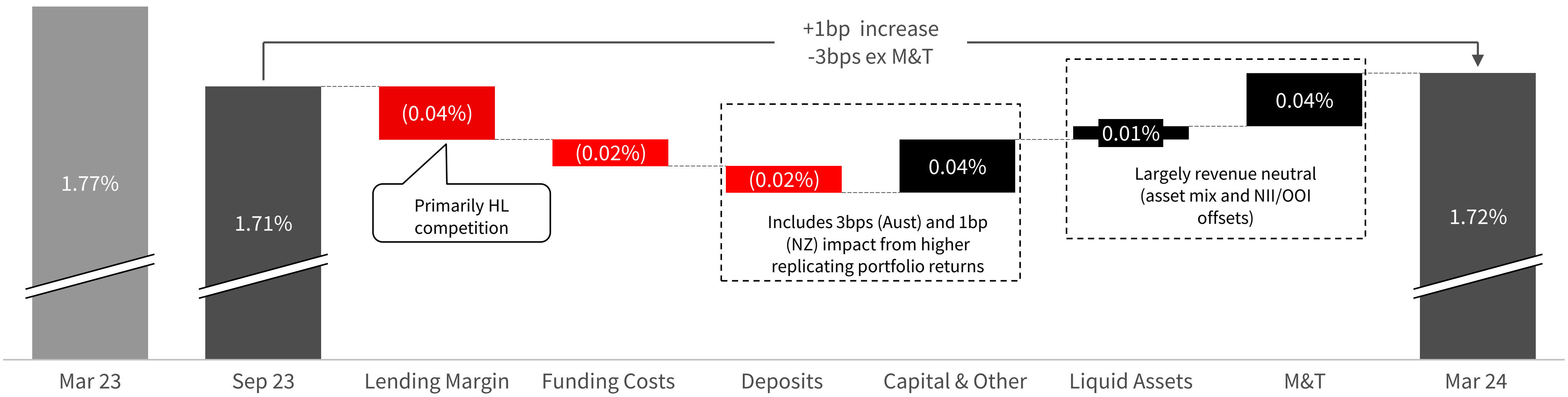
(1) NAB risk management comprises net interest income and other operating income and is defined as management of interest rate risk in the banking book, wholesale funding and liquidity requirements and trading market risk to support the Group's franchises. Markets forms part of Corporate & Institutional Banking and New Zealand Banking revenue. Treasury forms part of Corporate Functions and Other revenue

(2) Derivative valuation adjustment is shown net of hedging costs or benefits and includes credit valuation adjustments and funding valuation adjustments

(3) Customer risk management forms part of other operating income and reflects customer risk management in respect of Personal Banking, Business & Private Banking, Corporate & Institutional Banking and NZ Banking

Net interest margin

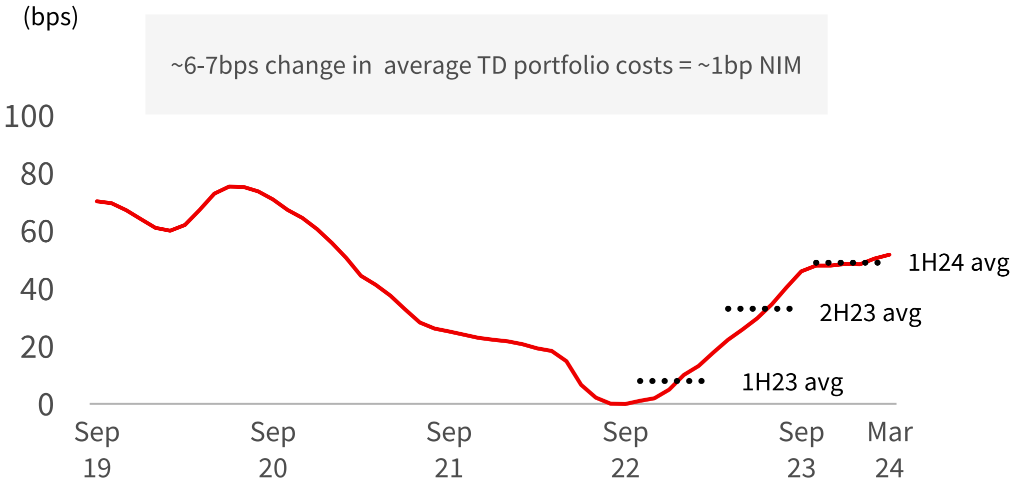
Net interest margin (HoH)



Key considerations for 2H24[1]

- Home lending margin competition and term deposit cost headwinds moderating
- Headwind from full period impact of 1H24 deposit mix changes
- Funding costs to include ~1bps impact of TFF refinancing and increased 3 month Bills/OIS sensitivity[2]
- Minimal impact from liquids (broadly neutral to revenue)
- Benefit of higher swap rates on deposit and capital replicating portfolios of ~4-5bp[3]

Australian term deposit portfolio costs[4]



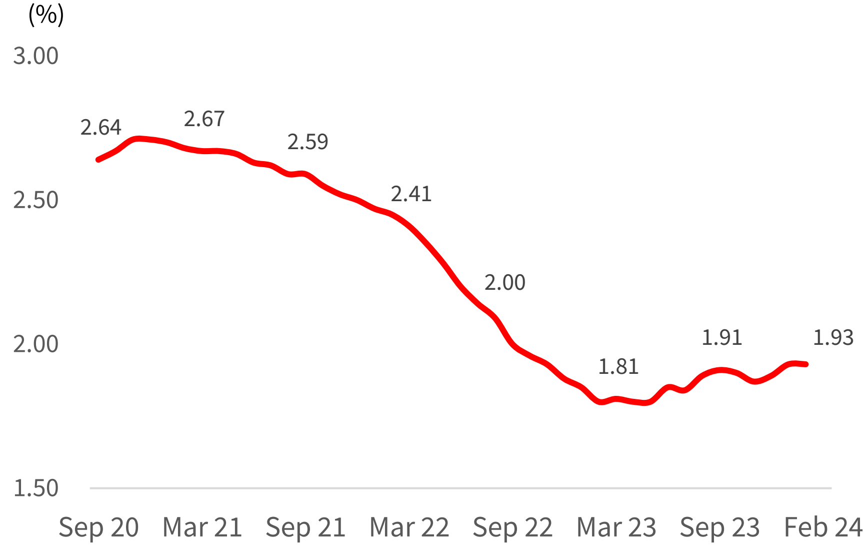
(1) Refer to key risks, qualifications and assumptions in relation to forward looking statements on page 130
(2) 6bps move in 3 month Bills/OIS equivalent to ~1bps of NIM based on 31 March 2024 rates and balances
(3) Based on market implied 3 and 5 year swap rates trajectory as of 31 March 2024 and stable balances for the Australian and New Zealand capital and deposit replicating portfolios respectively
(4) Based on management data. Total deposit portfolio cost over relevant market reference rate. NIM sensitivity based on Mar 24 balances

Australian housing lending

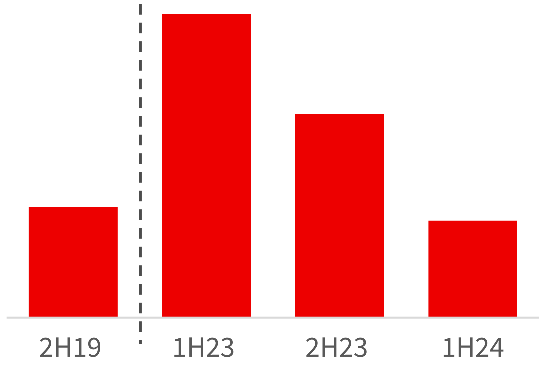
Margin considerations

- Front book/back book pricing pressures easing but margins remain below historical levels
- Refinance % of market volumes declining
    - More stable rate environment and lower fixed rate expiries
    - New purchase loans provide a better opportunity to differentiate on service
- Managing returns through a disciplined approach
    - Growing at 0.9x[2] system in 1H24
    - Implemented changes to improve flow through higher returning proprietary channels

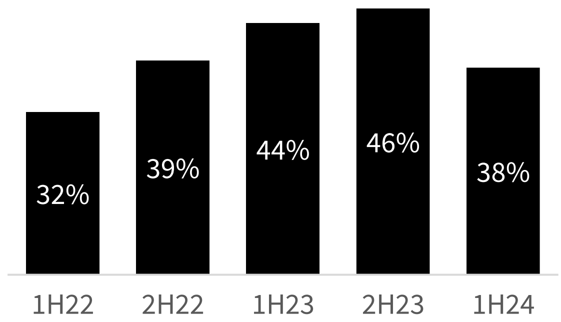
RBA owner occupier VR front book pricing[1]



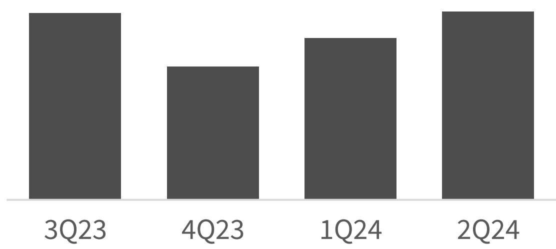
Avg volume of back book repricing has moderated from peak



Refinance as % of market[3]



Proprietary applications % (PB and B&PB)

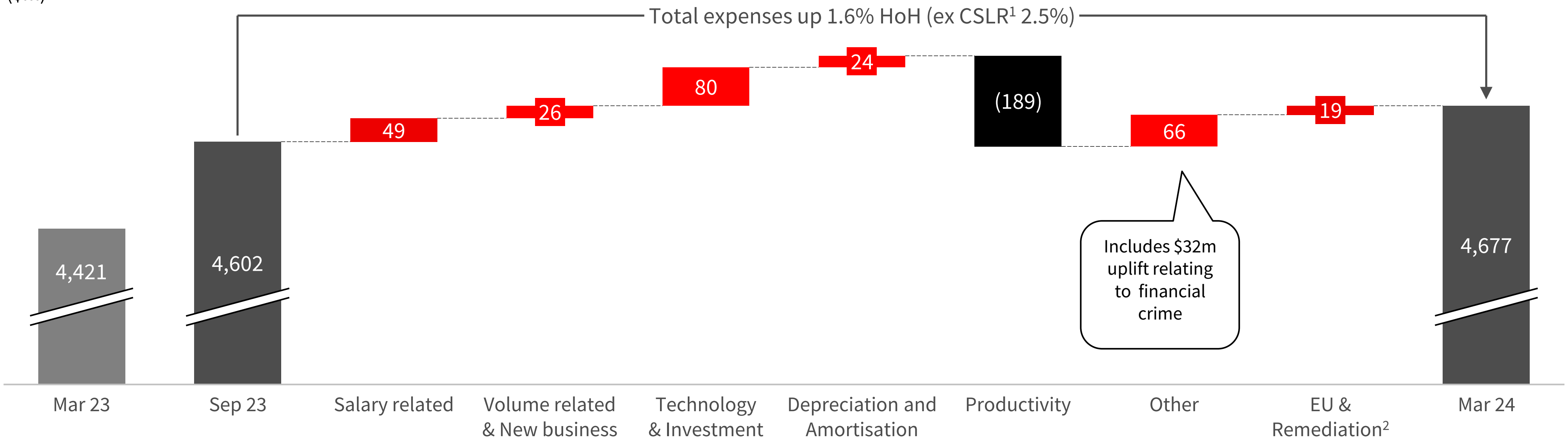


(1) Based on RBA Lenders' Interest Rates Feb 2024. Front book large institution owner occupier variable rate (net of cash rate)
(2) APRA Monthly Authorised Deposit-taking Institution statistics. Latest data as at Mar 24
(3) ABS Lending Indicators February 2024 release. 1H24 covers periods October 2023 to February 2024

Operating expenses

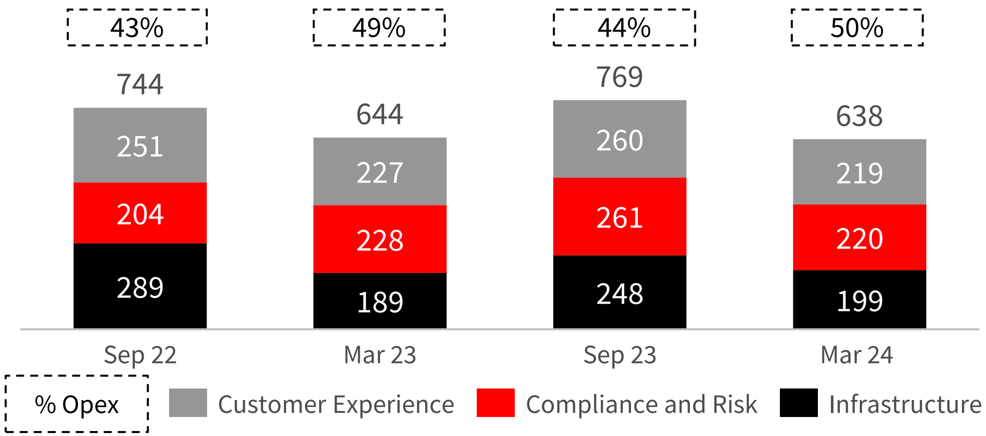
Operating expenses (HoH)

($m)



Investment spend

($m)



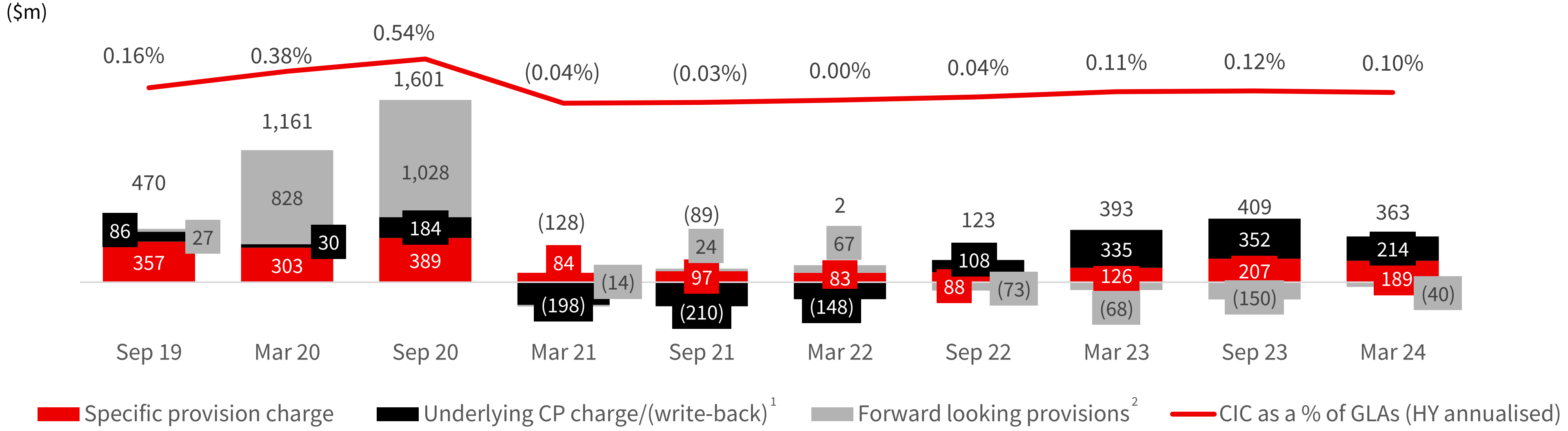
FY24 considerations remain unchanged[3]

- Opex growth expected to be lower than FY23 underlying growth of 5.6%[4]
  - Salary-related and Volume related headwinds expected to slow; 2H23 salary increase included $30m one off EA related payment
  - Ongoing headwinds from Technology & Investment and Depreciation & Amortisation[5]
- EU-related costs expected to be $80-120m
- Target productivity of ~$400m
- Investment spend expected to be ~$1.4bn

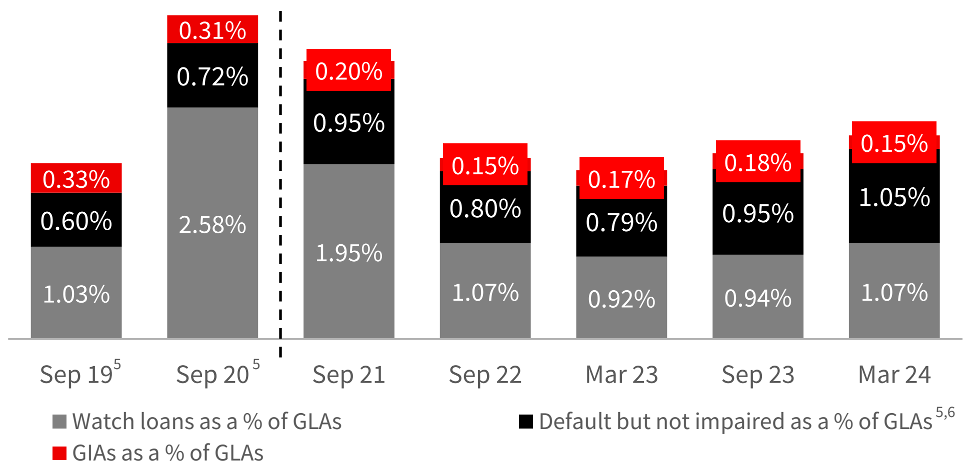
(1) CLSR – Compensation Scheme of Last Resort
(2) EU-related costs of $48m ($49m in 2H23). Customer related remediation $20m in 1H24 (nil in 2H23)
(3) Refer to key risks, qualifications and assumptions in relation to forward looking statements on page 130
(4) FY24 guidance excluding any large notable items
(5) Depreciation & Amortisation will be subject to nature of spend and timing of deployment

Asset quality

Credit impairment charge (CIC)



Watch loans[3] and Non-performing exposures[4] as a % of GLAs



Key 1H24 impacts

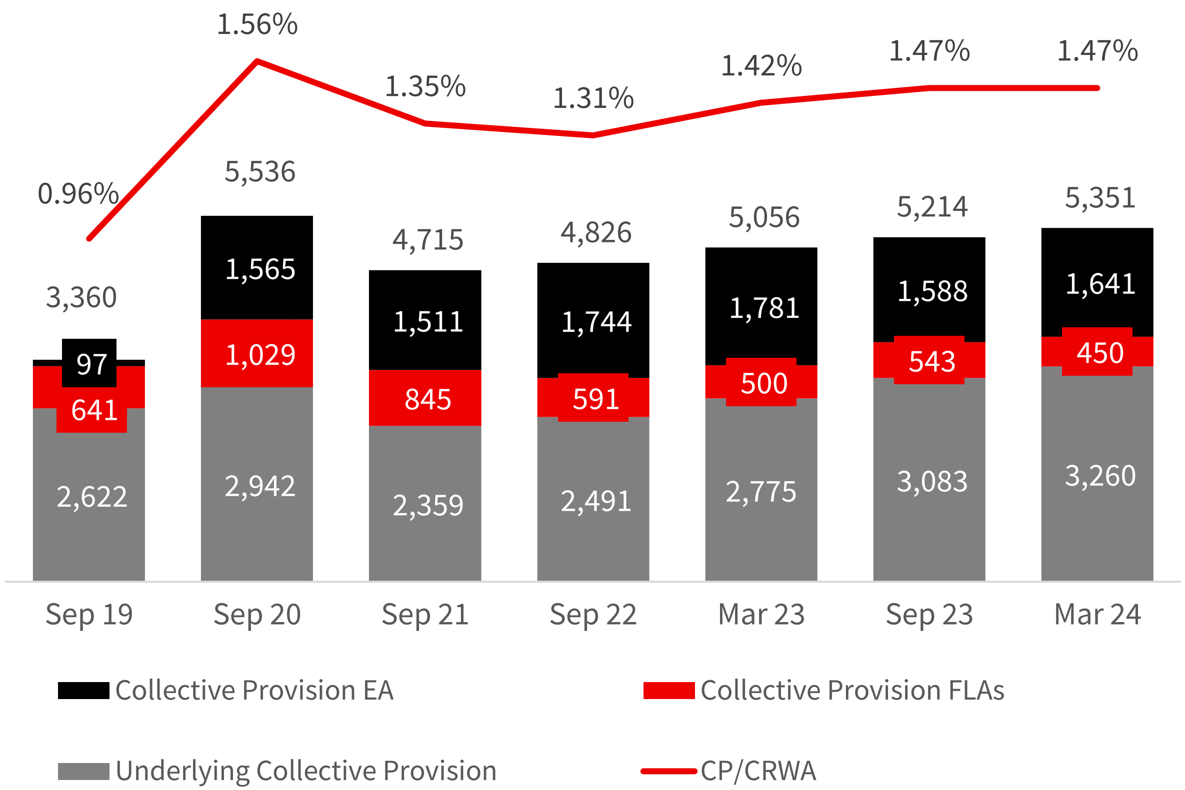
- CIC of $363m reflecting volume growth in B&PB, deterioration in asset quality, and a continued low level of specific provision charge, partially offset by net $40m release of forward looking provisions
- Watch loans and Default but not impaired ratio increase driven by B&PB and BNZ business lending portfolios, combined with higher home lending arrears across the Group
- Lower GIAs ratio includes a decrease in the portfolio of restructured loans relating to customers affected by severe weather events in New Zealand

(1) Represents collective credit impairment charge less forward looking provisions
(2) Represents collective provision EA and FLAs for targeted sectors
(3) Referral to Watch generally triggered by banker annual reviews through the year or as a result of performing customers experiencing cashflow pressures
(4) Non-performing exposures is aligned to the definitions in the revised APS 220 *Credit Risk Management*
(5) Default but not impaired includes 90+ DPD assets and Default <90 DPD but not impaired assets. Sep 19 & Sep 20 figures do not include 'Default <90 DPD but not impaired assets'
(6) Examples of items included in Default <90 DPD but not impaired are: cross defaults, expired facilities, bankruptcy and accounts serving the APS 220 probation period

Strong provisioning maintained

Collective provision (CP) balances higher[1]

($m)



Key considerations

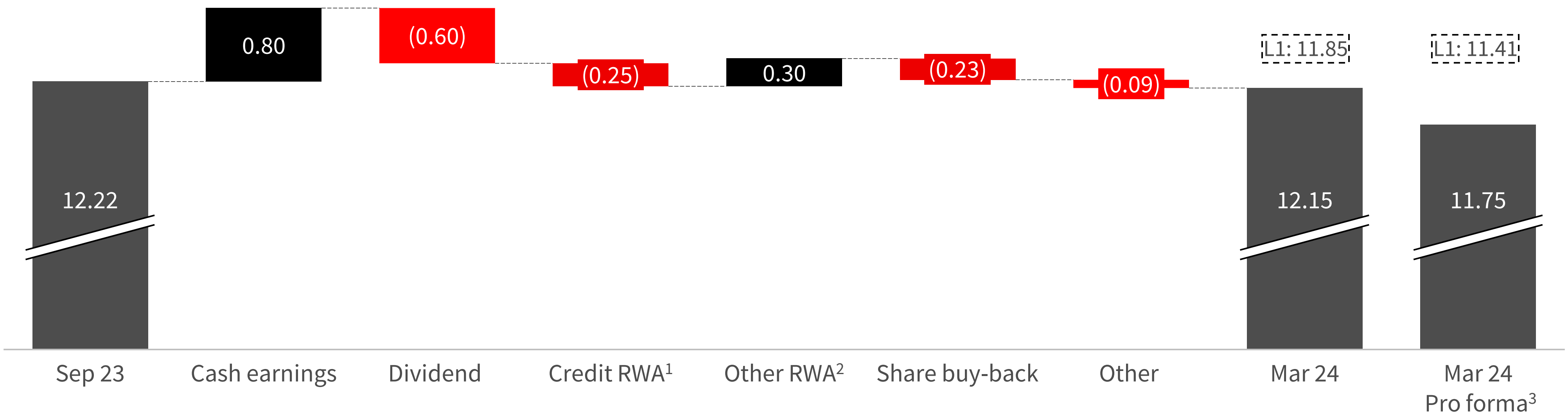
- Collective provisions of $5.4bn representing 1.47% CRWA
- Total provisions of $5.8bn represent 1.7x 100% base case (after excluding $450m in FLA balances from the 100% base scenario)
- Higher underlying CP reflects deteriorating asset quality
- Maintaining strong forward looking provisions given continued uncertainty including:
  - ability of customers to manage high interest rates and inflationary pressures over next 6-12 months
  - impacts of global instability including availability and cost of supplies – e.g. shipping disruptions, labour costs

(1) Mar 23 and beyond reported under APRA's revised capital framework effective from 1 January 2023

Capital remains above target range

Group Basel III CET1 capital ratio

(%)

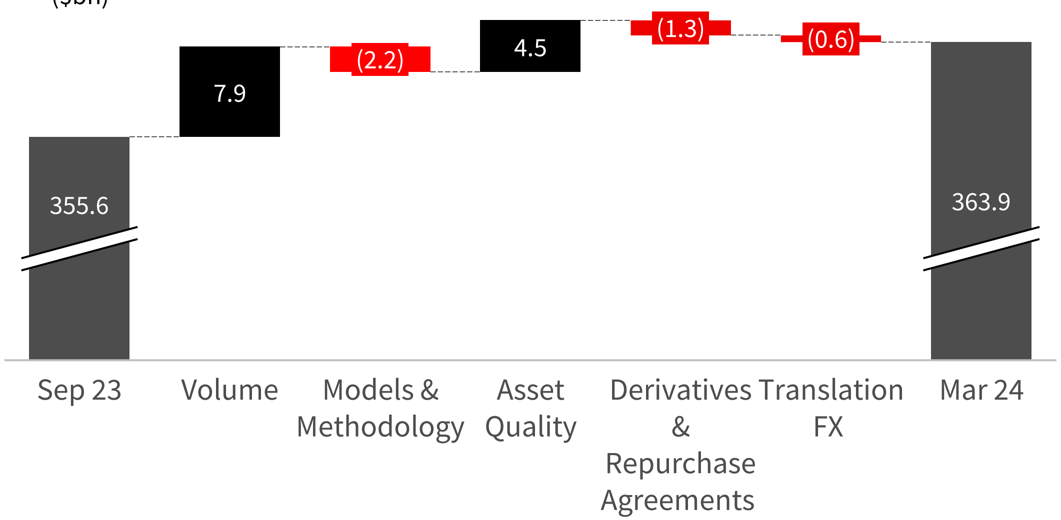


CET1 considerations

- CET1 target range of 11.0% - 11.5%
- Further $1.5bn share buy-back in addition to $0.2bn remaining share buy-back announced in Aug 23
- Credit RWA growth mainly driven by housing and business lending volumes. Asset quality deterioration mainly in housing
- Dividend payout ratio guided by a range of 65% – 75% of cash earnings, subject to Board determination based on circumstances at the relevant time

Credit risk-weighted assets

($bn)



(1) Excludes FX translation
(2) Other RWA includes a +17bps impact due to APRA's removal of NAB's Operational Risk capital add-on in Mar 24, and a +23bps impact from IRRBB RWA
(3) Pro forma CET1 ratio includes the impact of the remaining $1.7bn of announced share buy-backs (-40bps at Level 2 and –44bps at Level 1)

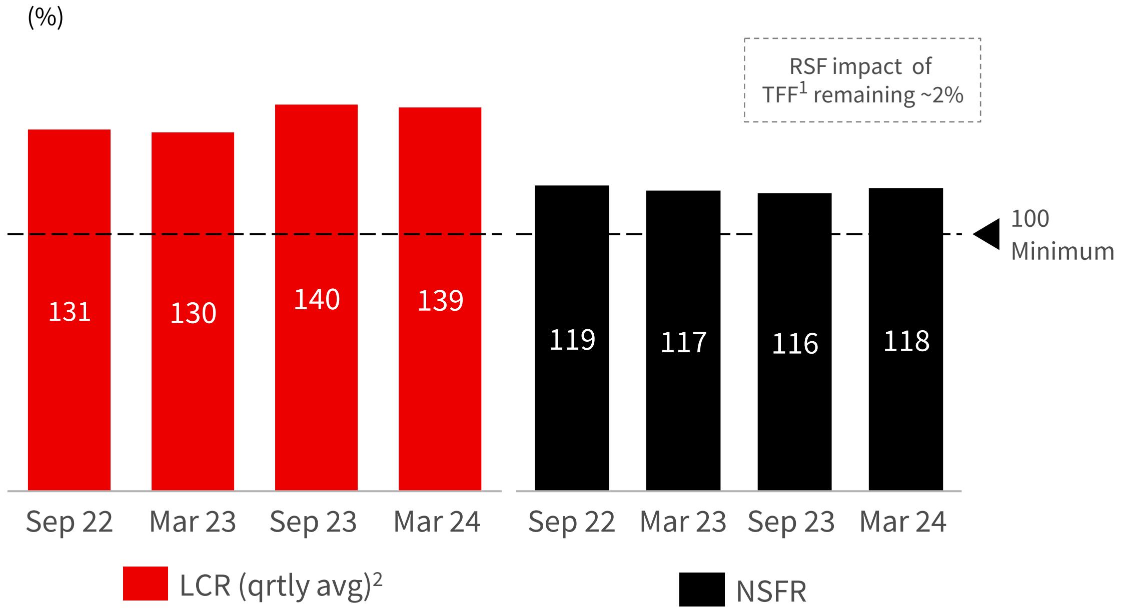
Strong funding and liquidity metrics

national australia bank

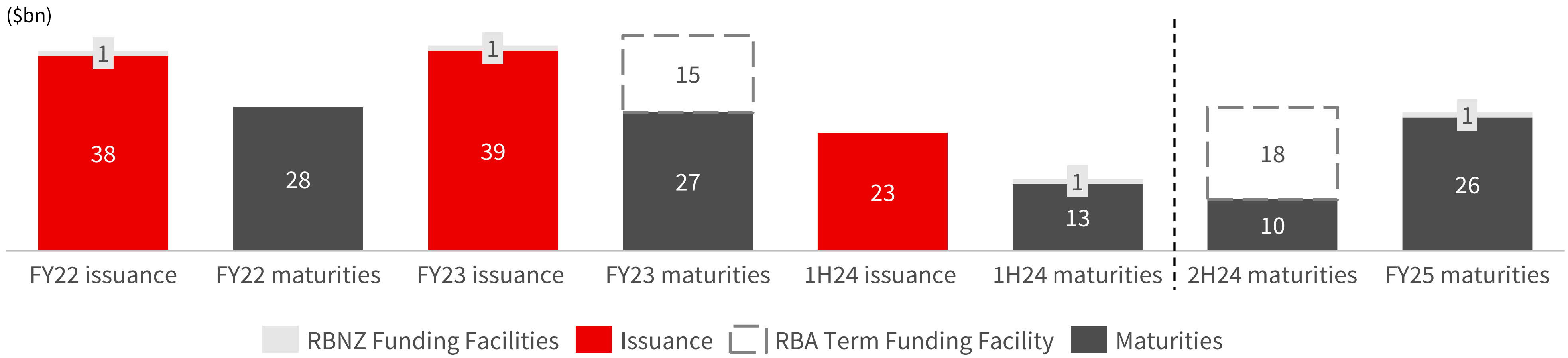
Key messages

- Funding and liquidity position remains strong
- Well placed for repayment of final tranches of the Term Funding Facility (TFF) in 3Q24
- Liquidity metrics well above regulatory minimums with NSFR expected to normalise to pre-COVID levels
- Term funding issuance diversified across product, currency and tenor to support balance sheet needs and manage ongoing refinancing requirements

Liquidity position well above regulatory minimums



Term funding issuance[3] & maturity profile[4]



(1) Group NSFR at 31 Mar 2024 includes a 2.0% benefit from the Required Stable Funding (RSF) treatment of TFF collateral. This will no longer be available following the repayment of the TFF
(2) Average LCR for the three months ended 30 September 2022 was restated from that previously disclosed. Details of the restatement are outlined in the Appendix to the Dec 22 Pillar 3 Report
(3) Includes senior unsecured, secured (covered and RMBS) and subordinated debt with an original term to maturity or call date greater than 12 months, excludes AT1 instruments. FX rate measured at time of issuance
(4) Maturity profile of funding with an original term to maturity greater than 12 months, excludes AT1 and RMBS. Spot FX rate at 31 March 2024

Closing comments

Andrew Irvine

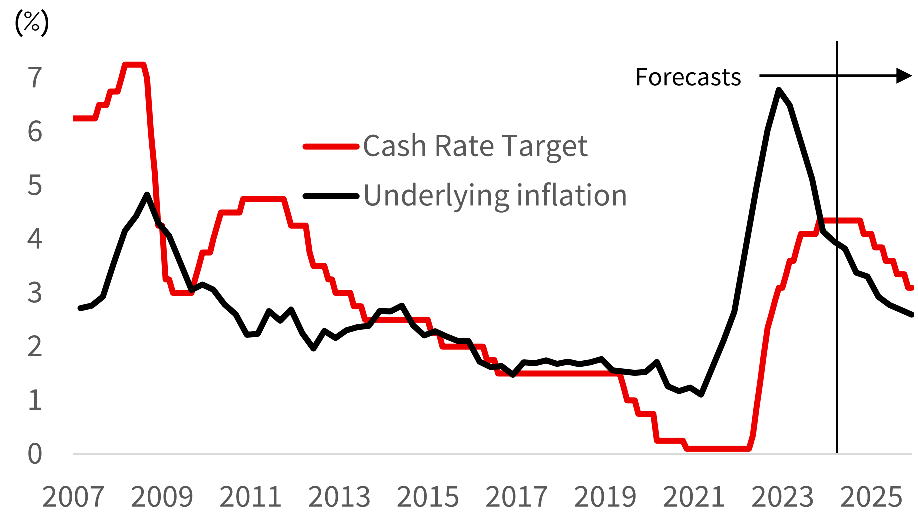
Chief Executive Officer

Australian economy on track for soft landing

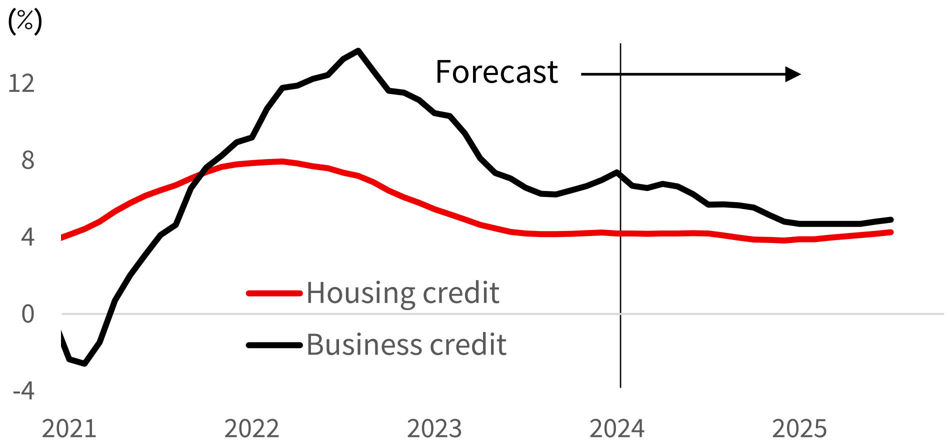
Economic growth to remain soft in 2024 before improving in 2025 and 2026

- Australian GDP growth of 1.7% expected in 2024, improving to around trend growth of 2.3% in 2025 and 2026
- Inflation moderated from peak and labour market strong
- Pressure on households expected to ease from 2H24
- Business conditions resilient, but confidence soft
- Geopolitical risks elevated
- Key to outlook is ongoing resilience of the consumer, labour market strength and inflation

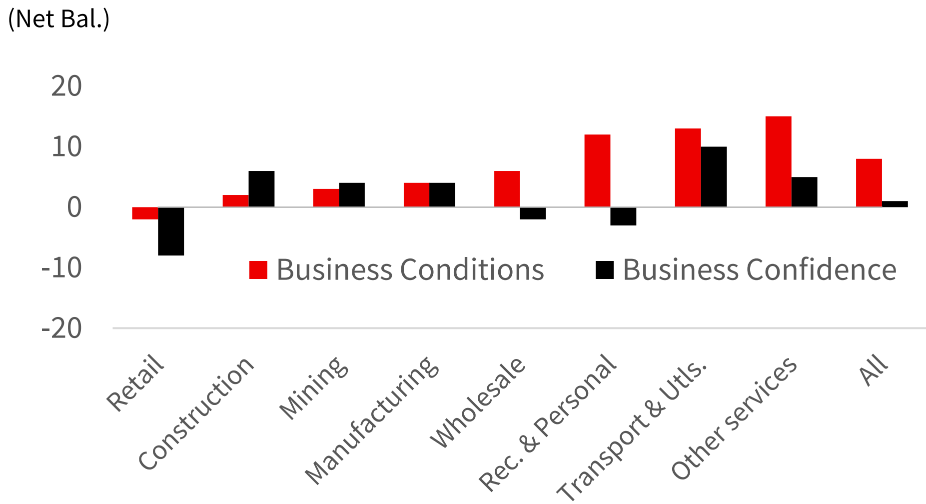
Cash rate expected to fall as inflation continues to moderate[1]



Business credit growth is expected to moderate over 2024; housing credit to remain stable[2]



Conditions above long run average; confidence improved but remains weak in retail[3]



(1) Source: ABS, NAB, RBA. Actual data to Mar 24, NAB forecasts to Dec 25
(2) Source: RBA Financial Aggregates as at Mar 24. Year-ended growth. Business lending includes select financial businesses. NAB forecasts to Sep 25
(3) Source: NAB Economics. Three-month average of net balance for confidence and conditions by industry from the NAB Monthly Business Survey as at Mar 24. Other services include finance, business and property

Leadership Team to take NAB forward

Andrew Irvine
Group Chief Executive Officer and Managing Director

Cathryn Carver
Corporate & Institutional Banking[1]

Daniel Huggins
New Zealand Banking

Ana Marinkovic
Personal Banking

Rachel Slade
Business & Private Banking

Sharon Cook
Legal and Commercial Services

Shaun Dooley
Chief Risk Officer

Nathan Goonan
Chief Financial Officer

Les Matheson
Digital, Data and COO[2]

Sarah White
People and Culture

Patrick Wright
Technology & Enterprise Operations

(1) From 1 July 2024
(2) Includes ubank

Evolving our strategic priorities

- No major pivot to our long term strategy
- Key focus areas include greater customer centricity and ongoing simplification
- Building on solid technology foundations and good progress on our digital & data program
- Cost discipline and cultural changes embedded across the organisation remain key to long term performance
    - Get basics right
    - Maintain focus – work on what matters
    - Disciplined execution and accountability
- Team in place to carry forward execution and maintain momentum
- Completion of major projects such as integration of Citi Consumer Business and AUSTRAC EU[1] will provide capacity for investment spend on new or accelerated projects

(1) External auditor for the AUSTRAC EU to provide a final report to NAB for the period to 31 March 2025. AUSTRAC EU will end on the date that the AUSTRAC CEO provides written consent to the cancelling or withdrawal of the EU. (refer to page 37)

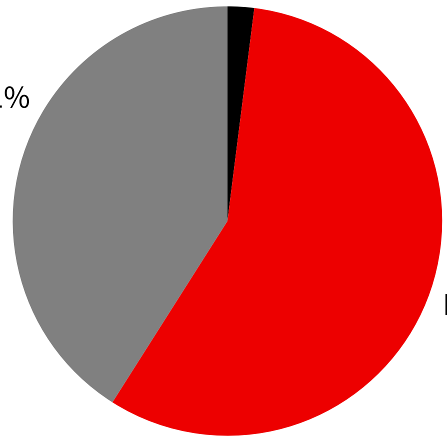
national australia bank

Additional Group Information

NAB at a glance

Cash earnings divisional splits [1]	% of Cash earnings
Business & Private Banking	47%
Personal Banking	16%
Corporate & Institutional Banking	25%
New Zealand Banking	20%
Corporate Functions & Other	(8%)
Cash earnings	100%

Gross loans & acceptances split



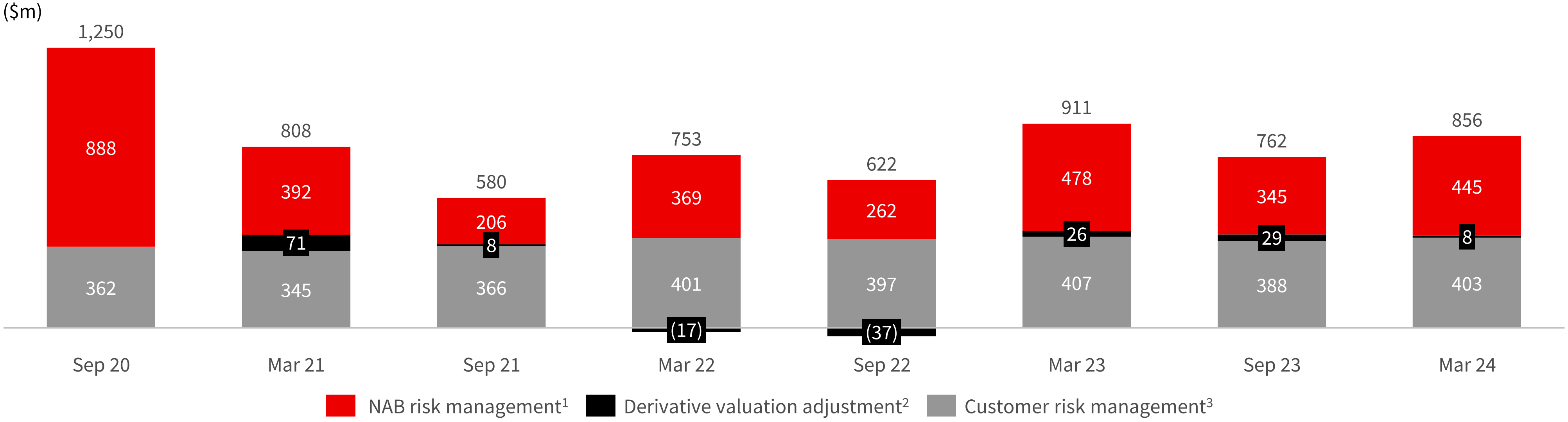
Credit Ratings NAB Ltd LT/ST	S&P AA-/A-1+ (Stable)	Moody's Aa2/P-1 (Stable)	Fitch A+/F1 (Stable)

Key financial data	1H24
Cash earnings[1]	$3,548m
Cash ROE	11.7%
Gross loans and acceptances	$725.3bn
Customer deposits	$596.5bn
90+ DPD and gross impaired loans as % of GLAs	0.79%
CET1 (APRA)	12.15%
NSFR (APRA)	118%
Australian market share	As at Mar 24
Business lending[2]	22.0%
Housing lending[2]	14.6%
Cards[2]	26.7%
Key non-financial data	1H24
# FTE[3]	38,499
# Branches / Business centres	620

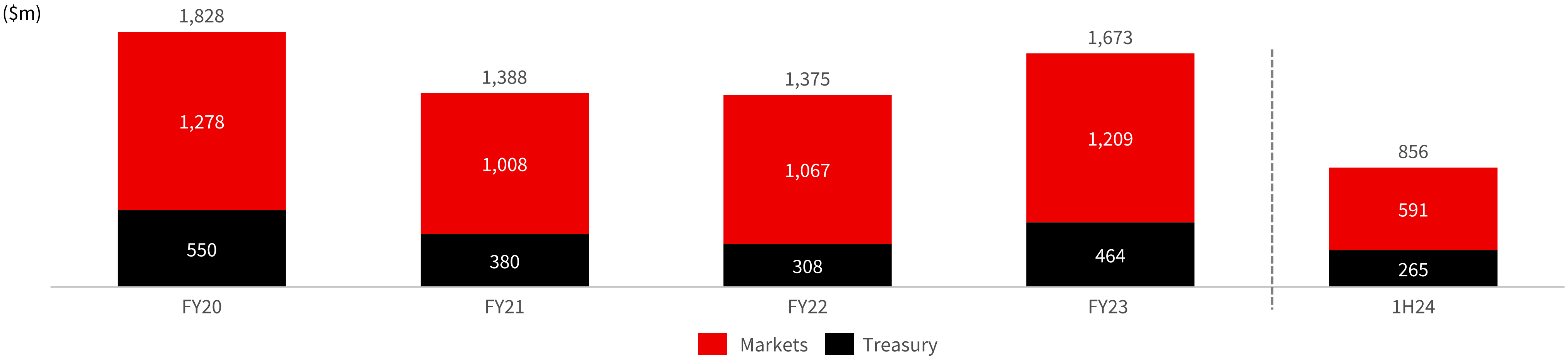
(1) Refer to page 38 for definition of cash earnings and reconciliation to statutory net profit
(2) APRA Monthly ADI statistics. Business lending represents non-financial business lending
(3) From continuing operations

Markets & Treasury income

Markets & Treasury income breakdown



Historical Markets & Treasury income



(1) NAB risk management comprises net interest income and other operating income and is defined as management of interest rate risk in the banking book, wholesale funding and liquidity requirements and trading market risk to support the Group's franchises. Markets forms part of Corporate & Institutional Banking and New Zealand Banking revenue. Treasury forms part of Corporate Functions and Other revenue

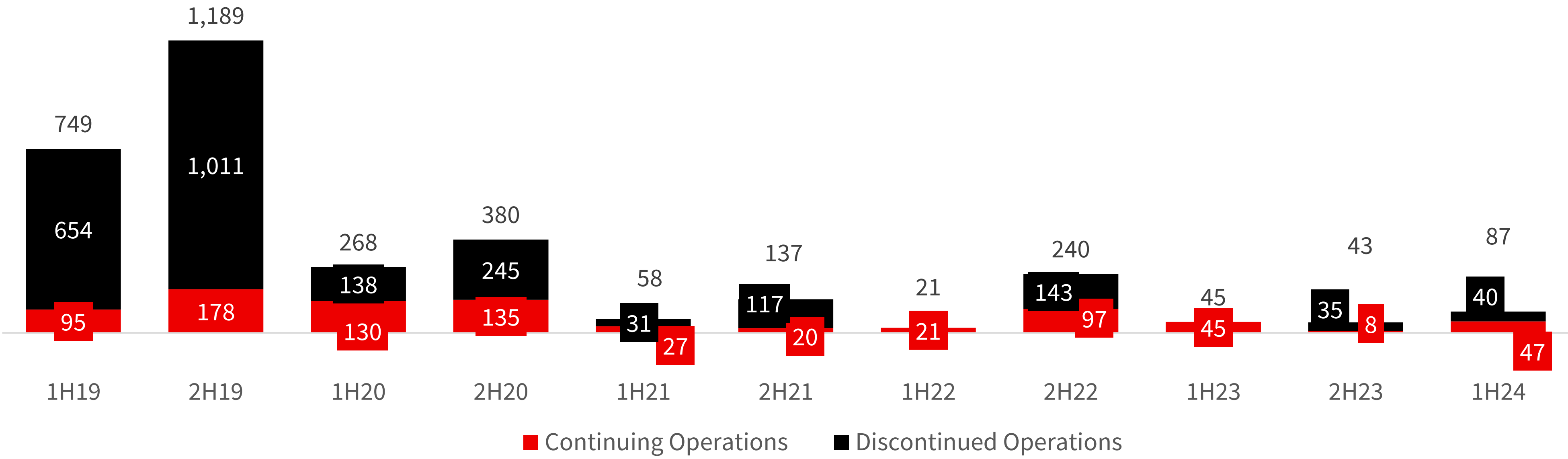
(2) Derivative valuation adjustment is shown net of hedging costs or benefits and includes credit valuation adjustments and funding valuation adjustments

(3) Customer risk management forms part of other operating income and reflects customer risk management in respect of Personal Banking, Business & Private Banking, Corporate & Institutional Banking and NZ Banking

Customer-related remediation

Customer-related remediation provision charges[1]

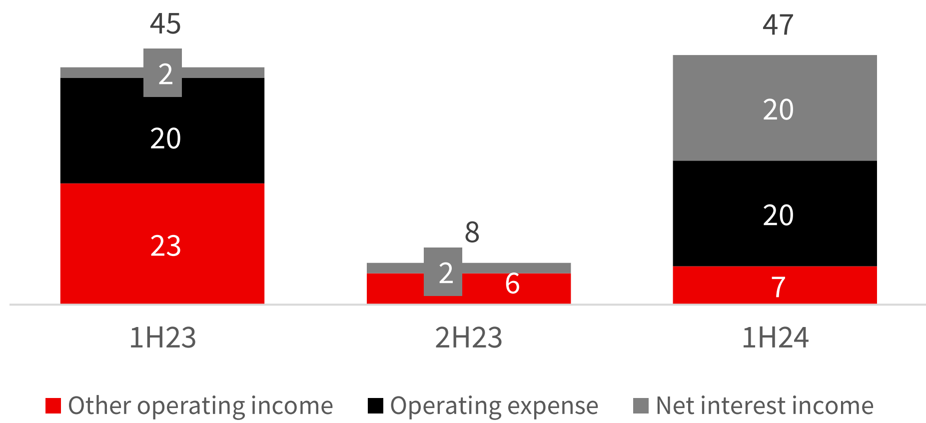
($m)



Customer remediation

- All NAB wealth remediation has achieved practical completion and regulatory close. Residual activities continue
- JBWere remediation remains outstanding, both Adviser Service Fee remediation and inappropriate advice remediation

Breakdown of charges in continuing operations



(1) Charges were included as large notable items in FY19 and FY20. Charges are shown pre-tax and include both operating expenses and contra revenue amounts

AUSTRAC Enforceable Undertaking

Overview of Enforceable Undertaking

- Following its investigation, AUSTRAC accepted an Enforceable Undertaking (EU) from NAB in Apr 22 to lift its compliance with Anti Money Laundering / Counter Terrorism Financing (AML/CTF)
- Under the terms of the EU, NAB is required to implement a comprehensive Remedial Action Plan (RAP) involving improvements in its systems, controls and record-keeping, including:
  - NAB's AML/CTF Program
  - Applicable customer identification procedures
  - Customer risk assessment and enhanced customer due diligence
  - Transaction monitoring
  - Governance and assurance
- NAB will obtain interim reports from the external auditor on a quarterly basis and an annual basis. The external auditor will provide a final report to NAB for the period up to 31 March 2025
- The EU will end on the date that the AUSTRAC CEO provides written consent to the cancelling or withdrawal of the EU

Status as at Mar 24

- An external auditor was appointed in May 22 and continues to report to NAB and AUSTRAC periodically
- NAB continues to work closely with AUSTRAC and the external auditor to monitor and deliver agreed actions
- NAB has completed more than three-quarters of its required activities under the RAP. A number of these activities require review by the external auditor, and some of the more complex activities under the RAP have longer timeframes for completion
- NAB continues to oversee delivery of the RAP commitments through dedicated EU Governance forums
- Estimated costs of $80-$120m for FY24, including $48m in 1H24. This is in addition to:
  - $103m in FY22
  - $105m in FY23

Group cash earnings reconciliation to statutory net profit

- NAB uses cash earnings (rather than statutory net profit attributable to owners of the Company) for its internal management reporting purposes and considers it a better reflection of the Group's underlying performance. Accordingly, information is presented on a cash earnings basis unless otherwise stated
- Cash earnings is not a statutory financial measure and is not presented in accordance with Australian Accounting Standards nor audited or reviewed in accordance with Australian Auditing Standards. Cash earnings is calculated by excluding discontinued operations and certain other items which are included within the statutory net profit attributable to owners of the Company. These non-cash earning items, and a reconciliation to statutory net profit attributable to owners of the Company, are presented in the table below
- The definition of cash earnings is set out on page 10 of the 2024 Half Year Results, and a discussion of non-cash earnings items and a full reconciliation of the cash earnings to statutory net profit attributable to owners of the Company is set out on pages 96-98 of the same document. The Group's financial statements, prepared in accordance with the Corporations Act 2001 (Cth) and Australian Accounting Standards, and reviewed by the auditors in accordance with Australian Auditing Standards, are set out in the 2024 Half Year Results

	1H24 ($m)	**2H23 ($m)**	**1H23 ($m)**	1H24 v 2H23 ($m)	1H24 v 1H23 ($m)
Cash earnings	**3,548**	**3,661**	**4,070**	(113)	(522)
Non-cash earnings items (after tax):					
Hedging and fair value volatility	14	(24)	(5)	38	19
Amortisation of acquired intangible assets	(15)	(15)	(15)	-	-
Acquisition, disposals and business closures	(3)	(139)	(68)	136	65
Net profit attributable to owners of the Company from continuing operations	**3,544**	**3,483**	**3,982**	61	(438)
Net loss attributable to owners of the Company from discontinued operations	(50)	(36)	(15)	(14)	(35)
Statutory net profit	**3,494**	**3,447**	**3,967**	47	(473)

Digital transformation, Technology and Innovation

Technology strategy

Focused on better outcomes for our customers and colleagues

Ambition Enabling best in class banking experiences for our customers and colleagues through safe, simple and modern technology

Across 8 pillars

- Digital First
- Data like Electricity
- Secure by Design
- Simplify & Automate
- Platform Mindset
- Expert Engineering
- Delivery Excellence
- Best Tech Colleagues

Delivering priority outcomes

(FY18 to 1H24)

1 Improved customer & colleague experiences

- 22 to 1 call centre systems
- 11 to 5 fraud management systems
- 3 to 1 collections systems
- 31 customer documents systems decommissioned
- 75+ capabilities consolidated into nabOne banker portal

2 De-risk bank and protect customers

- Enhanced customer protections through phishing, scam and identify features
- Reduced time to detect, respond to, and contain cyber threats
- 42% increase in NIST score[1] – improving capability to protect customers
- Cyber Security partnerships with Crowdstrike and Microsoft to help protect small business customers

3 Build resilience

- 82% of apps migrated to cloud (on track to 83% by end of FY24)
- 84% reduction in critical and high incidents
- Insourced 3rd party technology capability (~70% external to 38% external)
- Global Ops Centre – to monitor banking services and applications at an enterprise level

4 Accurate, available data & analytics

- New data platform, enabling foundations for Customer Brain and Gen AI
- Using AI to automatically match customers with bankers
- Generating acquisition and retention opportunities based on customer activity
- NAB's oldest data platform decommissioned

(1) The NIST (National Institute of Standards and Technology) Cybersecurity Framework provides guidance for how organisations can assess and improve their ability to prevent, detect, and respond to cyber attacks

Customer Brain

Using data and AI to better understand customers and drive more personalised experiences

Colleagues

From idea to action in four weeks

- Increasing speed to market and reducing operational cost

Customers

Timely, relevant and personalised conversations

- Driving improvement in customer engagement

Business & Private Bank

Strengthen NAB's business banking position

Personal Bank

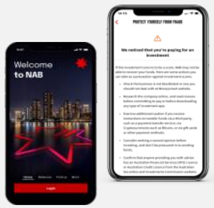
Deepen product experiences, engagement and recognition

Business account form abandonment	Customer Data Refresh	Home Lending banker leads	Transaction account payment limits
Some customers like a multi-channel approach to banking; that's why they start an application online but don't finish digitally. The Brain prompts customers to support them through the account opening journey, in their channel of choice.	Keeping customer details up-to-date to meet regulatory requirements. The Brain encourages customers when they're banking online to update their details, reducing reliance on more costly channels.	Using what we know about our customers, we automatically match them with a NAB banker. The Brain has initiated 50% more conversations, 3x more opportunities, most actioned within same day.	Customers with higher payment limits have a greater exposure to fraud, yet only 30% reduce limits after increasing. The Brain encourages customers to decrease limits, reducing their exposure to fraud.

The Brain is connected into channels that represent >75% of customer interactions, allowing us to regularly connect with customers at scale

Investing in our digital banking channels

NAB Mobile app



Manage your money securely, whenever and wherever you are

NAB Internet Banking

Desktop digital banking for personal and small business customers

NAB Connect

Digital banking platform for business and corporate customers

1H24 features delivered to provide simpler, safer and more personalised experiences for our customers

NAB Mobile app

- Australian first, provision PayPal directly via the app
- Proactive scams and fraud alerts extended to more typologies
- In-app calling extended to NAB Assist colleagues
- Business customers can block, unblock and reorder their Business Visa Debit cards

NAB Internet Banking

- New Pay anyone experience; enabling NPP payments and real time fraud checks on every payment
- NAB Bookkeeper launch - NAB's new online accounting and bookkeeping platform

NAB Connect

- Introduced new fraud tools into NAB Connect to identify and reduce fraud
- Removal of International payment fee when making a transfer that involves a FX conversion
- Online letters capability to allow NAB Connect users to view NAB letters/advices
- Menu navigation simplified to make it easier for our customers to apply for products

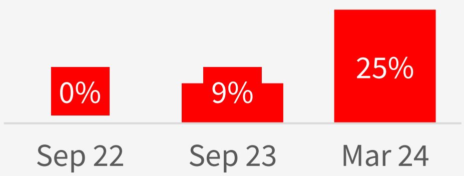
More seamless & digital SME business lending

Continued build-out of digital business lending platform

Increasing digital origination

- **Small business lending via Quickbiz[1]** - direct & banker enabled
  - Expansion of eligible customers and lending types
  - Increasing straight through processing of applications
- **Medium business lending** –banker enabled
  - Streamlined digital deal submission via single system (previously multiple systems), saving time and reducing errors and rework

% of Quickbiz applications straight through processed[2]

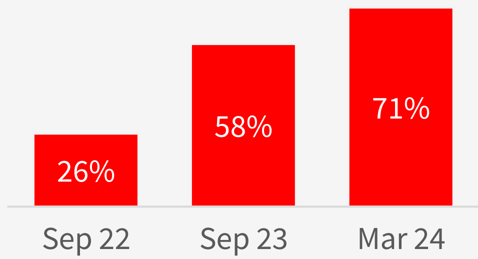


Banker deals submitted digitally[3]

Increasing digital fulfilment & management

- **Digital documentation & execution** - increasingly allowing customers to receive and sign documents same day speeding up time-to-cash and reducing touch time for bankers
  - Expanding eligibility across more customers, lending and products[4]
  - Enabling digital execution of more document types
- **New security database** replacing manual collateral inputs with data drawn digitally from title searches, property websites etc providing faster valuations and better data quality

Digital documents % of business lending documents



(1) Unsecured term lending up to $250k and Business Cards & Overdrafts up to $50k currently available via direct and banker channels to Sole Traders, Partnerships, Trusts and single and multi director private companies
(2) Number of applications straight through processed on QuickBiz as a proportion of the total number of approvals
(3) % of New/Increase lending deals submitted by bankers via Quickbiz or medium business streamlined single system
(4) Currently available for QuickBiz Lending, Term Lending, Simple Home Lending , Commercial Broker and Equipment Finance

Making payments easier for SMEs

Enhancing ecommerce and online payments solutions

- Continued enhancements to NAB Gateway - providing SMEs with a simple and secure way to accept customer payments online, featuring:
  - A fast and simple set-up process
  - Strong security and fraud detection features
  - Detailed and highly customisable reporting capabilities
  - Ability to accept digital wallet transactions (Apple Pay, Google Wallet, Samsung Wallet, and Click to Pay)
  - Easy integration to accept ecommerce transactions using a wide range of independent ‘shopping cart’ software vendors
  - Safe and secure storage of cardholder information on behalf of SMEs using NAB Gateway's Token solution

Nextgen EFTPOS terminal rollout continuing

- 4G connectivity
- Features include Merchant Choice Routing, surcharging, 30 days total settlement history
- Software platform that enables future addition of value added services e.g. QR codes, self service
- ~25k in-field currently

HICAPS: simplifying & innovating in healthcare payments

- Nextgen terminal rollout complete with ~47k now in-field
- Seamless and digital claims invoicing supported by increasing integrations with practice management systems, ongoing extension of claiming services and streamlined NDIS invoicing

- Digital self service via HICAPS Portal – providers can update details, view terminal details, configurations, view fees online and digitally onboard additional providers to terminal for claiming

Building a simple and digital Personal Bank

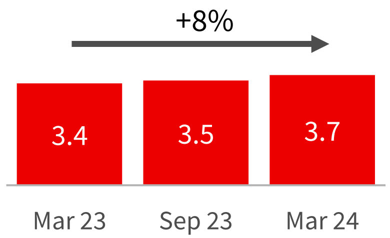
Enhancing the digital customer experience

Deepening customer relationships through our digital channels in 1H24

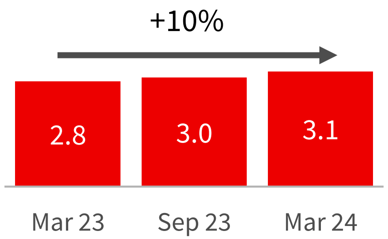
- ~54m personalised digital notifications sent
- ~22k customers linked NAB cards to PayPal wallet via the NAB app with >1.8m NAB cards already linked
- 1.5m customers used the spending tool across the NAB app and internet banking

More customers using digital

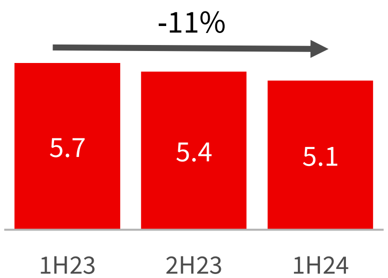
Digitally active banking customers[1] (m)



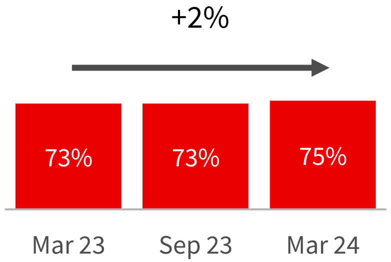
Mobile active banking customers[1] (m)

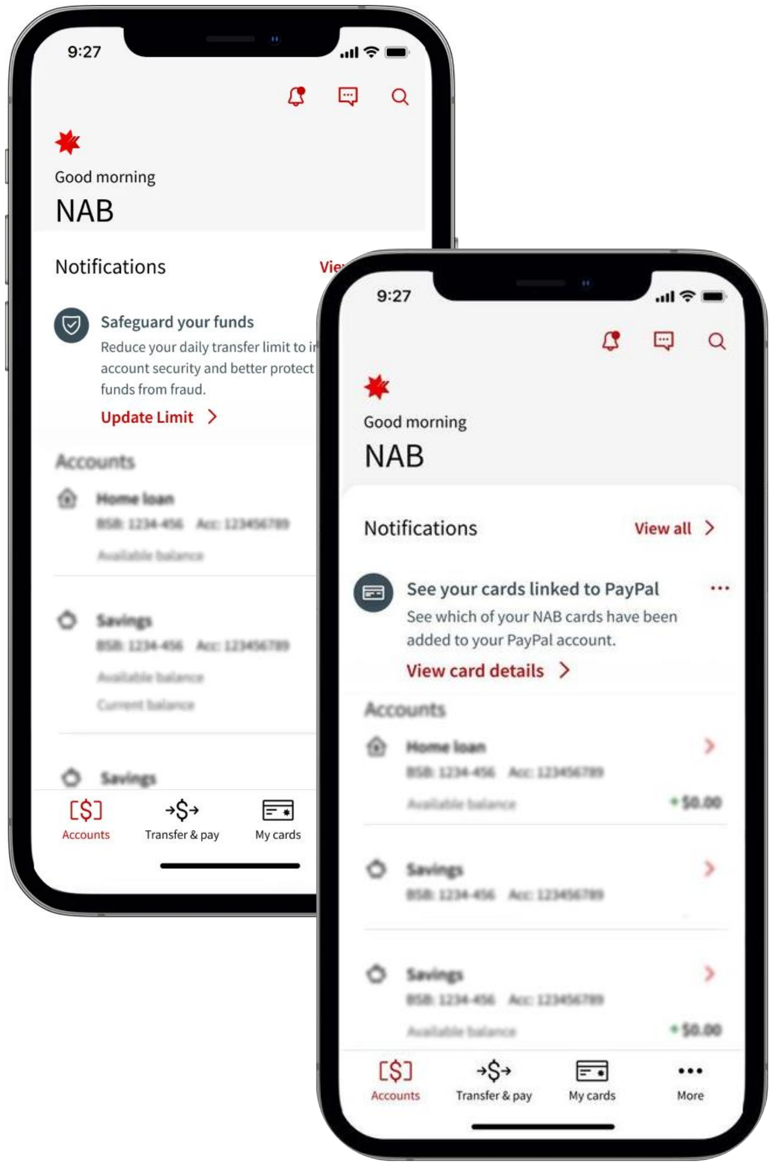


Over-the-counter transactions (m)



Simple everyday banking products opened digitally[2]





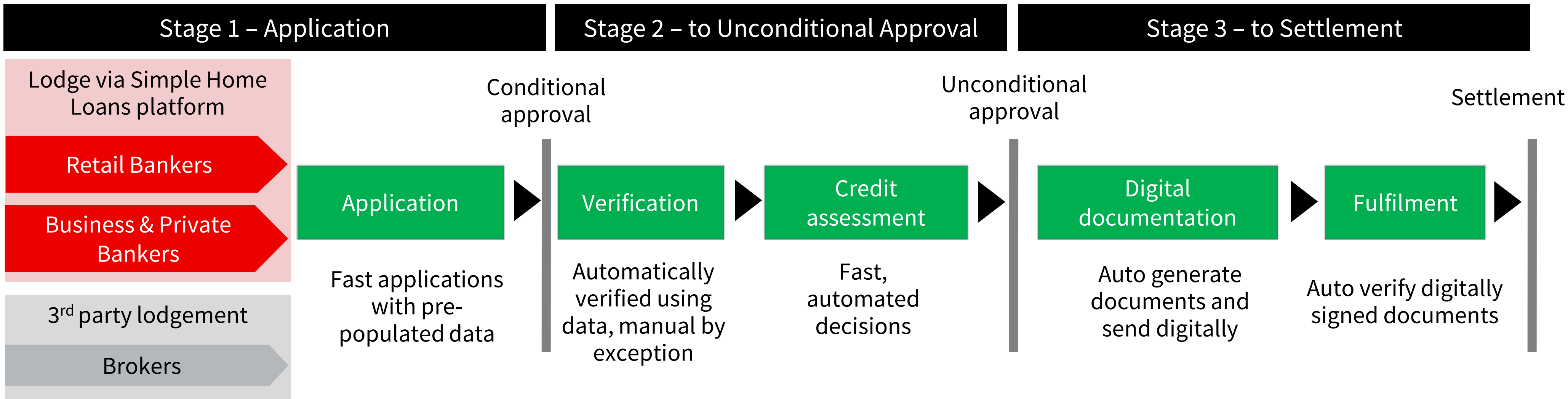
(1) Excludes ubank and Citi Consumer Business customers. Includes NAB customers logging into NAB digital channels in the month
(2) Comprises Transaction, Savings, Credit Cards, NAB Now Pay Later and Personal Loan products in the month

Our ambition to build Australia's simplest home loan

A digital end-to-end platform with 'intervention by exception' on track

1H24 update

- Expanding eligibility in broker channel with 24% broker home loans now approved via SHL (up from 15% in 2H23)
- 95% Retail proprietary flow eligible through Simple Home Loans
- End-to-end integration for proprietary home loans commenced
- Additional 35 minutes banker 'touch time' saved through further process simplification
- 20% uplift in digital valuations driving faster home loan approvals
- On track to decommission major legacy technology system for FY26



Innovating with NAB Ventures

national australia bank

NAB's venture capital arm that makes investments to promote strategic priorities

The NAB Ventures team:

- Works alongside other parts of the bank to incubate and test innovative new customer propositions and leverage new developments in technology
- Manages over 20 investments spread across our innovation themes
- Made follow-on investments in 1H24 into 4 portfolio companies

Innovation themes

- Data & AI
- Property/Home Lending
- Payments
- Fintech/Alternative Banking
- Alternative Lending
- Agtech
- Climate
- Cybersecurity
- Digital Assets

Follow-on investments in 1H24

Banked :	Develops a global cloud-based payments network to streamline payments for consumers, businesses and banks – improving payment security and efficiency
lighter capital	Provides revenue-based and term loan financing to technology companies
Archistar	Helps property professionals find, assess and design property development sites in Australia, analyse the feasibility and potential returns, generate building designs and assess compliance with the development approval process
bugcrowd	Enables organisations to access trusted and highly skilled security researchers to identify bugs and security vulnerabilities, reduce and mitigate previously unknown risks and protect their organisation

Additional Divisional Information

Divisional contributions

Divisional cash earnings[1]	Cash Earnings		Underlying Profit	
	1H24 ($m)	1H24 v 2H23	1H24 ($m)	1H24 v 2H23
Business & Private Banking	1,673	4.3%	2,599	(0.6%)
Personal Banking	553	(16.3%)	951	(9.3%)
Corporate & Institutional Banking[2]	899	(1.7%)	1,214	0.4%
New Zealand Banking[3,4]	750	7.1%	1,120	4.1%

(1) Refer to page 38 for definition of cash earnings and reconciliation to statutory net profit

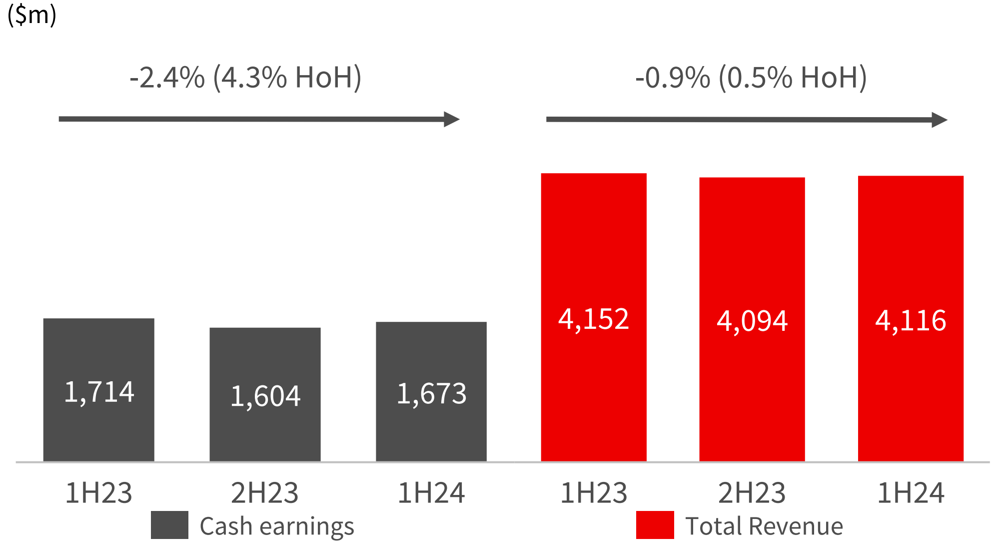
(2) Corporate & Institutional Banking included the Bank of New Zealand's Markets Trading operations up to 30 September 2023. From 1 October 2023, these operations are reported within New Zealand Banking. Comparative information has been restated accordingly

(3) From 1 October 2023, the Bank of New Zealand's Markets Trading operations and enabling units are reported within New Zealand Banking. Previously the Bank of New Zealand's Markets Trading operations were reported in Corporate & Institutional Banking and the enabling units within Corporate Functions & Other. Comparative information has been restated accordingly

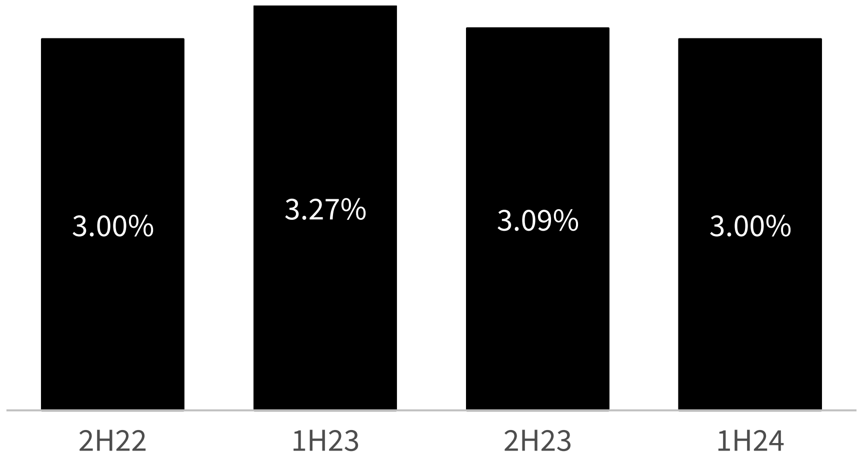
(4) New Zealand Banking in local currency

Business & Private Banking

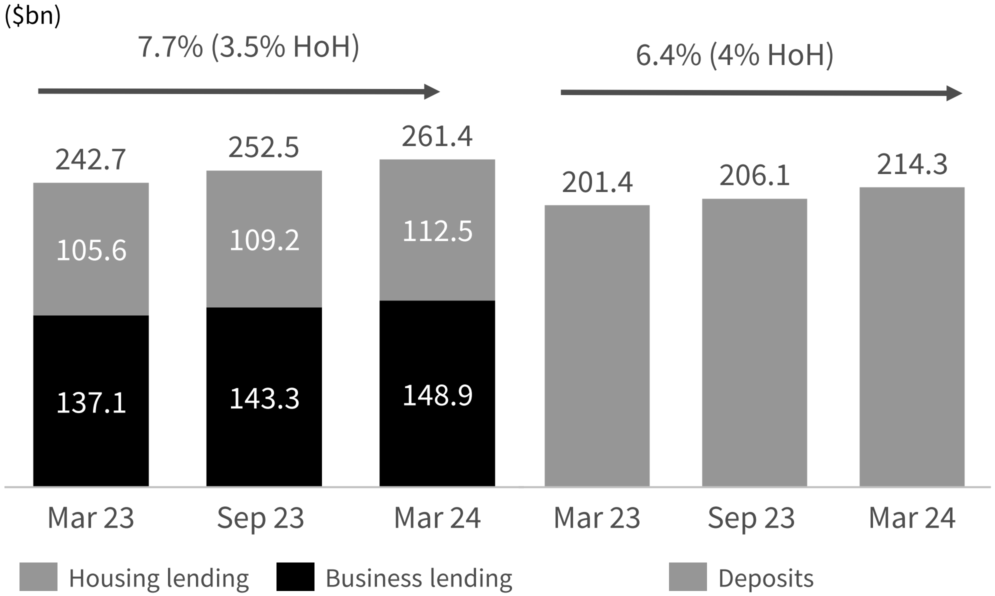
Cash earnings and revenue



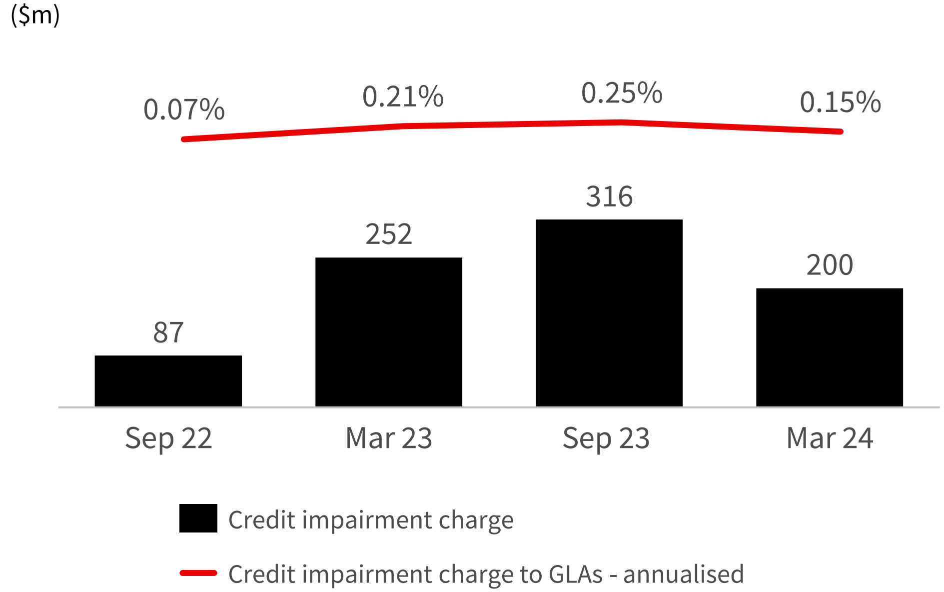
Net interest margin



Business and housing lending GLAs and deposits



Credit impairment charge and as a % of GLAs



Business & Private Banking

Australia's leading business bank servicing the business & personal banking needs of SME customers[1]

Relationship-led

Increasingly enabled by digital, data & analytics

More bankers in more places

>6,000 customer roles

~150 business centres

~450 branches with small business bankers

Deep sector specialisations

Agri, Health, CRE

Govt, Education & Community

Professional Services Franchising

Integrated High Net Worth offering

NAB Private

JBWere

nabtrade

Deep credit capability

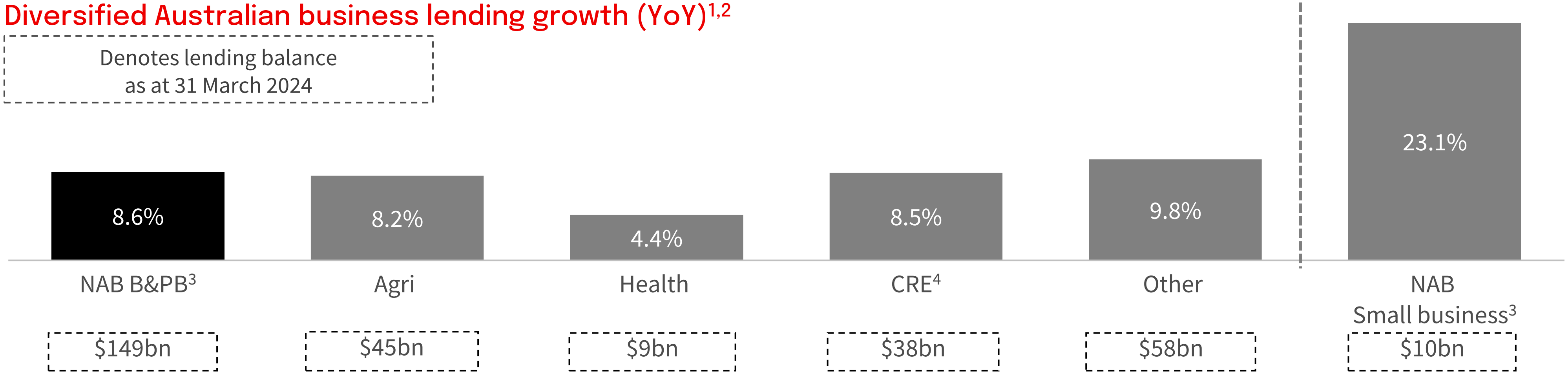
Well diversified, highly secured portfolio

Delivering better outcomes for customers, colleagues & shareholders

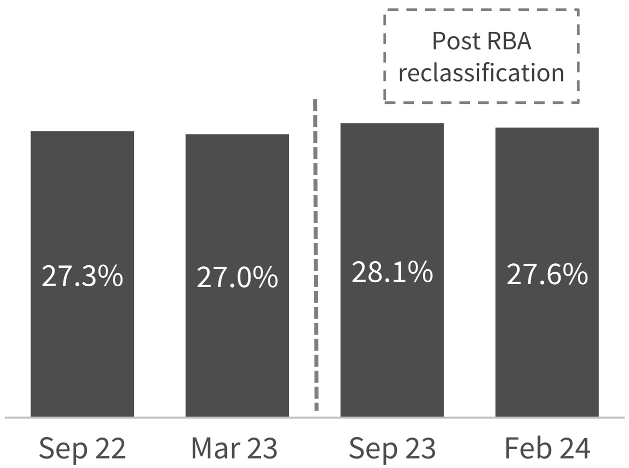
(1) Business & Private Banking customers typically have borrowings up to $50m and turnover less than $100m

Business & Private Banking business lending

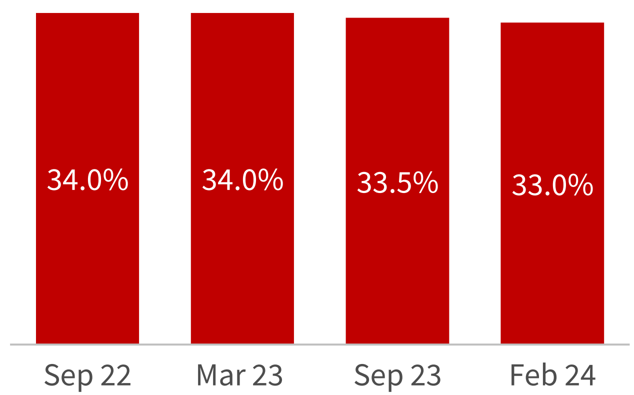
Diversified Australian business lending growth (YoY)[1,2]



SME lending market share (RBA)[5]



Agri business lending market share (RBA)



(1) Growth rates are on a customer segment basis and not industry

(2) NAB has modified its interpretation of the ARS 230 Commercial Property standard, with the guidance of APRA. This has seen an additional ~$2.5bn in Australian balances now qualifying for ARS 230 reporting at Mar 23 (previously presented as "Other"). To measure growth on a consistent basis the Mar 23 balances have been adjusted to include the impact of this reporting change

(3) B&PB customers typically have borrowings up to $50m and turnover less than $100m. NAB Small business reflects business lending by B&PB's Business Direct & Small Business unit

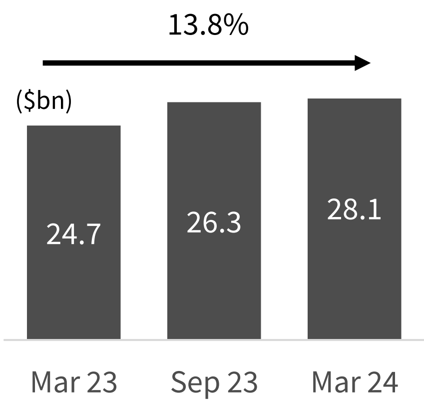
(4) CRE primarily represents commercial real estate investment lending across a range of asset classes including Retail, Office, Industrial, Tourism and Leisure, and Residential

(5) Derived from latst RBA statistics. Data to Mar 2023 represents the old definition where a business is classified as SME under APRA if the business has turnover of less than $50m and as a small business if exposure is less than $1m. Break in series for SME and small business post Mar 23. Starting Apr 23 APRA amended the rules for SME size classification to turnover less than $75m and the classification for small business to exposure less than $1.5m. Historical system numbers have not been restated. Both NAB and system data post Mar 23 include adjustments to align to new APRA size classifications

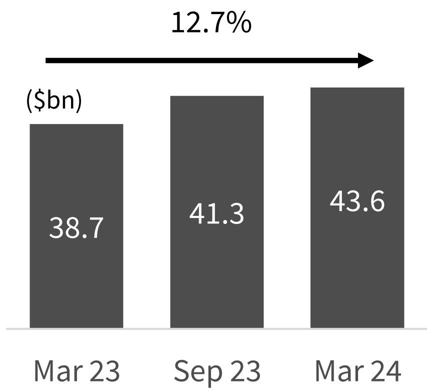
Integrated Private Wealth offering

- An **integrated offer** which brings together JBWere, NAB Private Investments, nabtrade and Private Banking to deliver banking, investments and advice for high net worth (HNW) customers
- **Strong growth** in deposits, housing lending and FUM, supported by ongoing referrals across Business & Private Banking
- **Integration of Citi private wealth business**[1] to NAB complete with Citi clients fully onboarded and funds transferred; leveraging new Citi colleague capability across broader Private Wealth business
- **Expansion of Private Investments offering** to now include international bonds and a multi currency facility
- Combining NAB's NZ wealth advice and asset management businesses (including JBWere NZ) with Jarden Wealth to create **a leading advice and asset management business for clients in New Zealand** called FirstCape, with expanded product offerings, distribution capability and scale

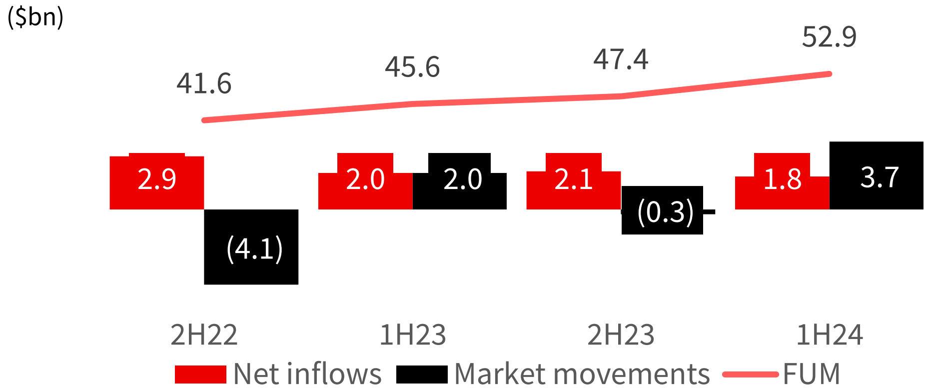
Private Banking housing lending balances



Private Banking deposit balances



JBWere net inflows and FUM



PWM The Banker GLOBAL PRIVATE BANKING AWARDS

Best Private Bank Australia 2022 & 2023

GLOBAL FINANCE[2]

Best Private Bank Australia 2022 & 2023

ASIAN PRIVATE BANKER AWARDS FOR DISTINCTION

Best Domestic Private Bank Australia 2021 & 2022

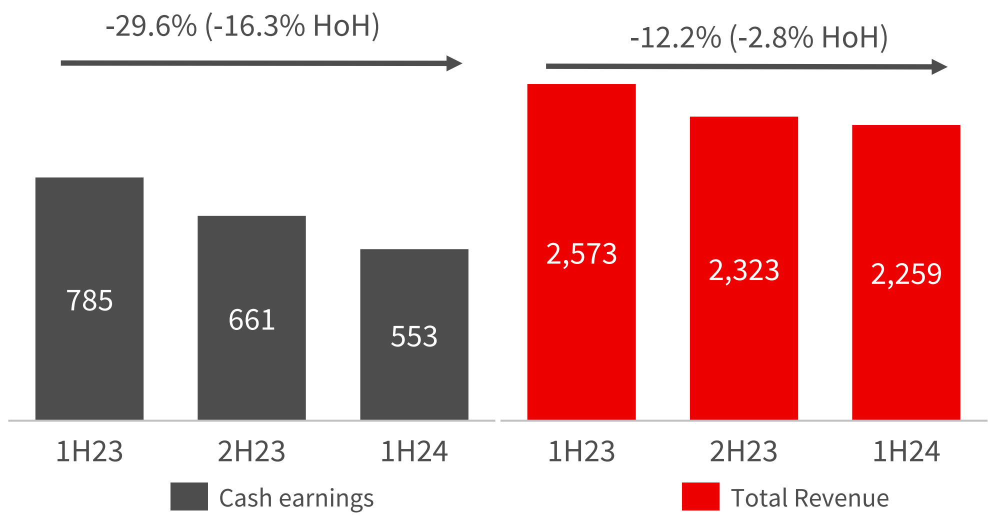
EUROMONEY GLOBAL PRIVATE BANKING AWARDS 2023[3]

Best in Australia 2023
- Domestic Private Bank
- For Ultra High Net Worth Individuals
- For Investment Research

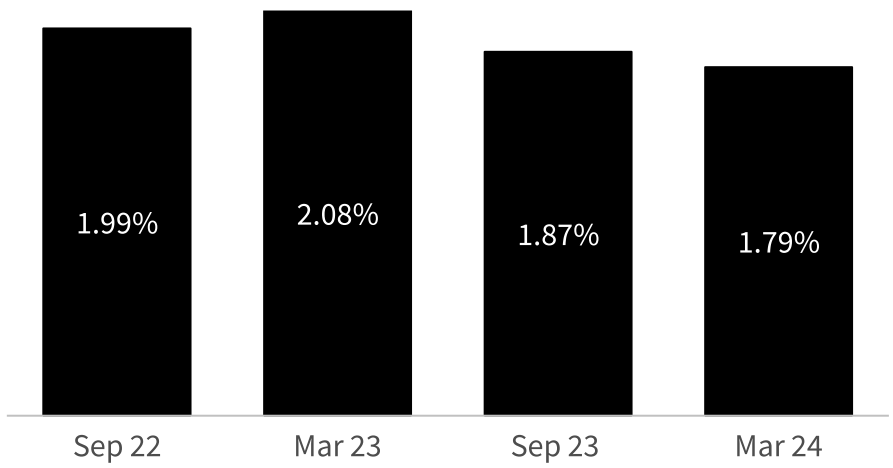
(1) Forming part of the Citi Consumer Business
(2) Best Private Bank in Australia at the Global Finance magazine Best Private Bank Awards 2022 & 2023
(3) Best Domestic Private Bank Australia, Best for Ultra High Net Worth Individuals and Best for Investment Research at the Euromoney Global Private Banking Awards 2023

Personal Banking

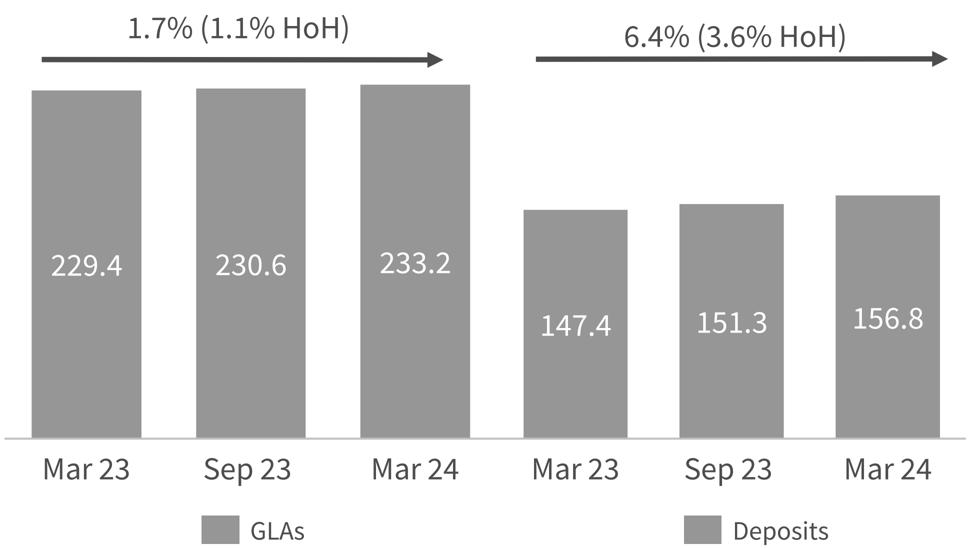
Cash earnings and revenue
($m)



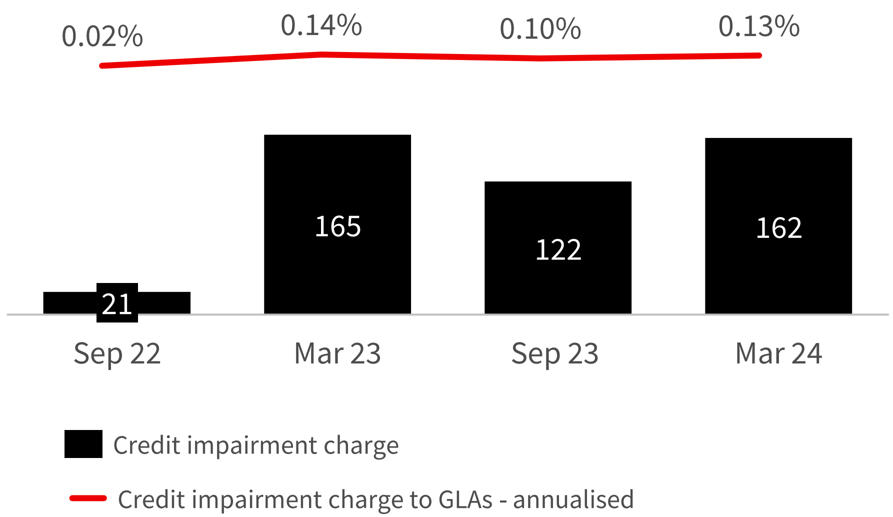
Net interest margin



Housing lending GLAs and deposits
($bn)



Credit impairment charge and as a % of GLAs
($m)



:ubank

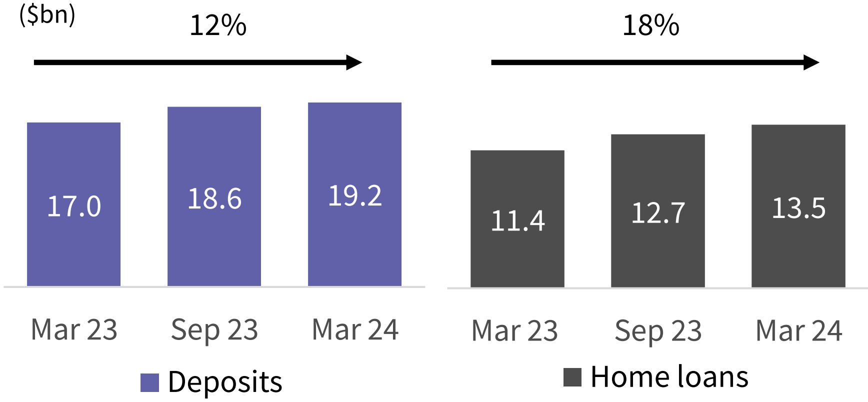
1H24 highlights

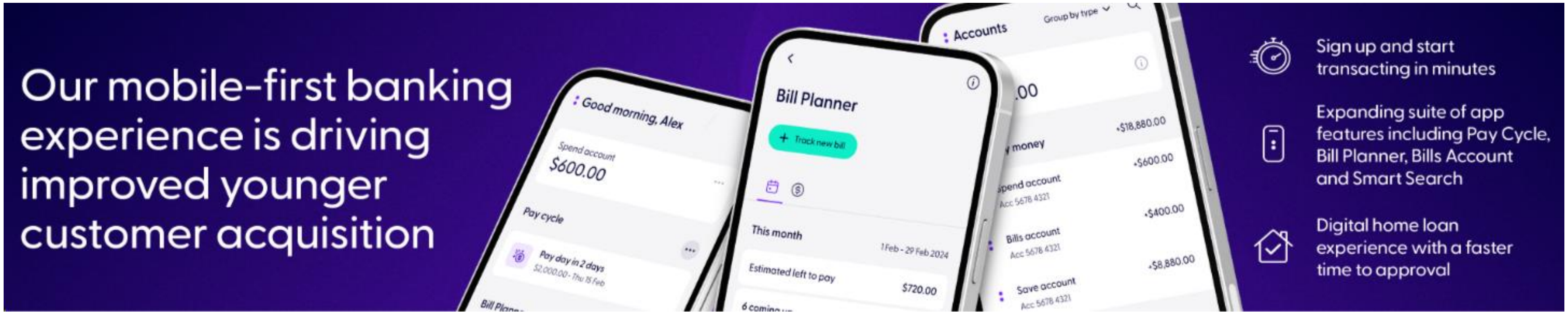
- Continued strong customer advocacy and volume growth
- 8% increase in total customers to ~800k with > 60% of new onboarded customers < 35 years of age
- New features released include:
  - ✓ 'Pay Cycle' helping customers manage their cashflow between paydays by displaying how long until their next payday
  - ✓ A new 'Bills' account enabling customers to set aside money for bills and see clearly how much of their money is committed vs available to spend or save
  - ✓ 'Bills Planner' which enables customers to add and edit bill reminders and see a timeline of their bills

Strong customer advocacy

Overall NPS[1]	NPS[1] <35 yrs	Highly rated app
+38	+41	4.7
#2 vs peers[2]	#2 vs peers[2]	out of 5[3]

Strong volume growth

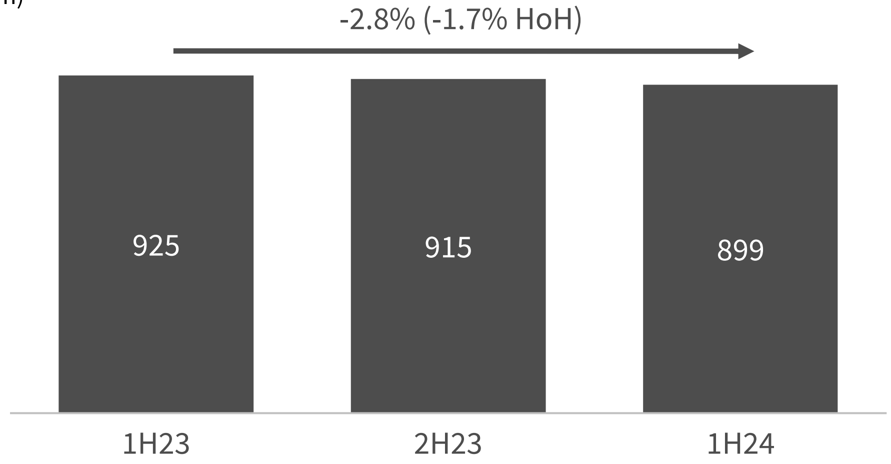




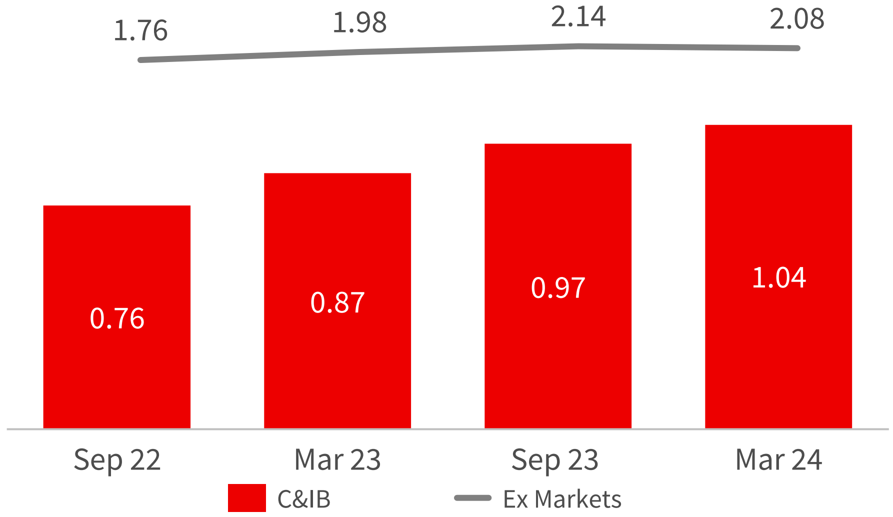
(1) DBM Consumer Atlas (part of RFI Global), measured on 6 month rolling average to Mar 24. Includes consumers 18+
(2) Rank based on position within competitor set (ubank, Up, Bendigo Bank, ING, ME Bank, Macquarie Bank)
(3) Apple store rating on 31 March 2024

Corporate & Institutional Banking[1]

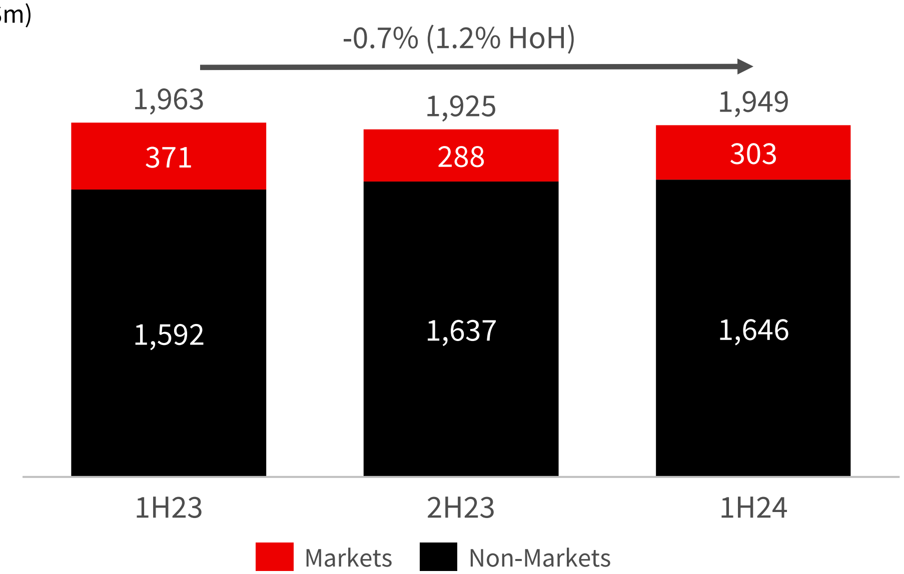
Cash earnings
($m)



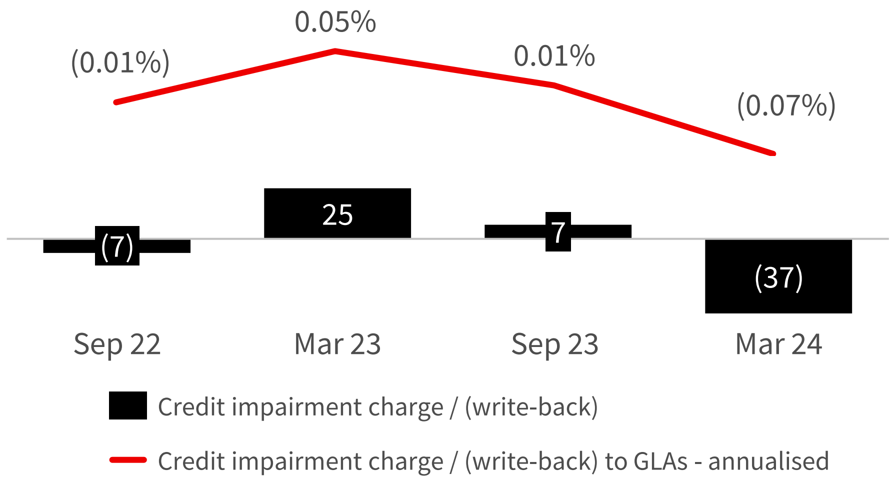
Net interest margin
(%)



Revenue breakdown[2]
($m)



Credit impairment charge and as a % of GLAs
($m)

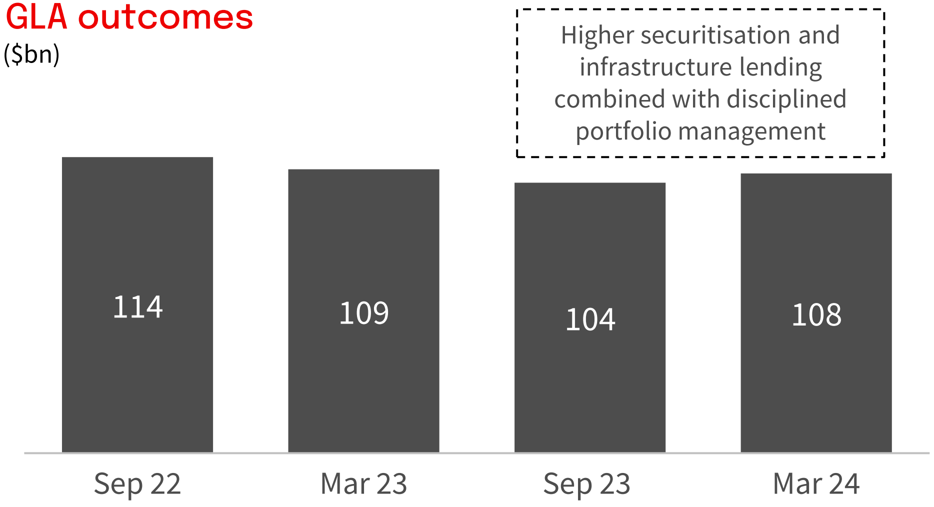


(1) Corporate & Institutional Banking included Bank of New Zealand's Markets Trading operations up to 30 September 2023. From 1 October 2023, these operations are reported within New Zealand Banking. Comparative information has been restated accordingly. Figures include impact of wind down of NAB Asset Servicing business over approximately three years from Nov 22
(2) Markets revenue represents Customer Risk Management revenue and NAB Risk Management Revenue. Includes derivative valuation adjustments

Disciplined growth in Corporate & Institutional Banking[1]

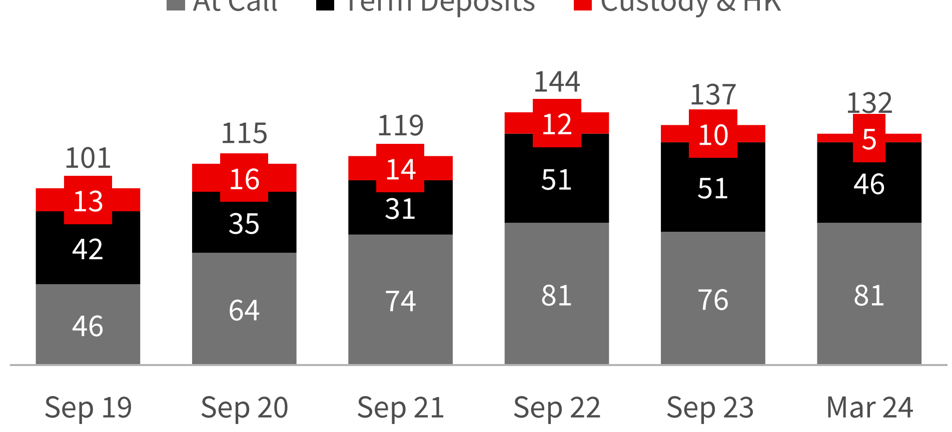
GLA outcomes

($bn)



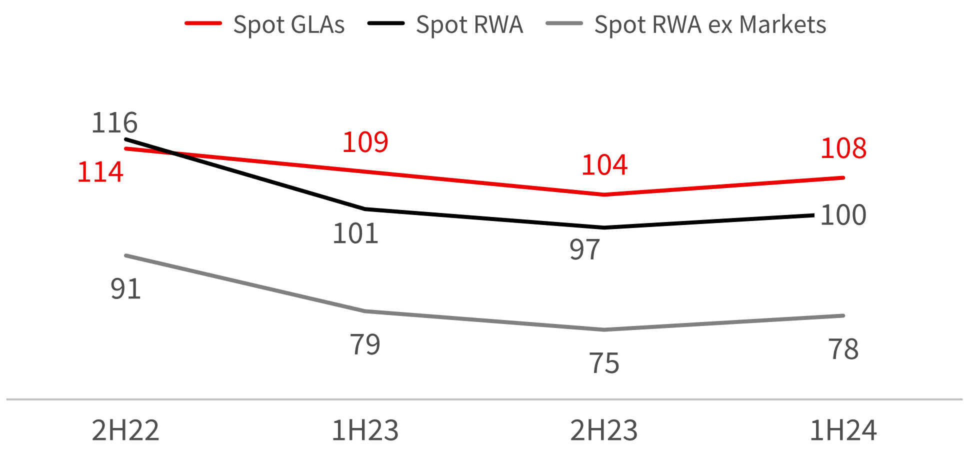
Growing at call deposits over time[2]

($bn)



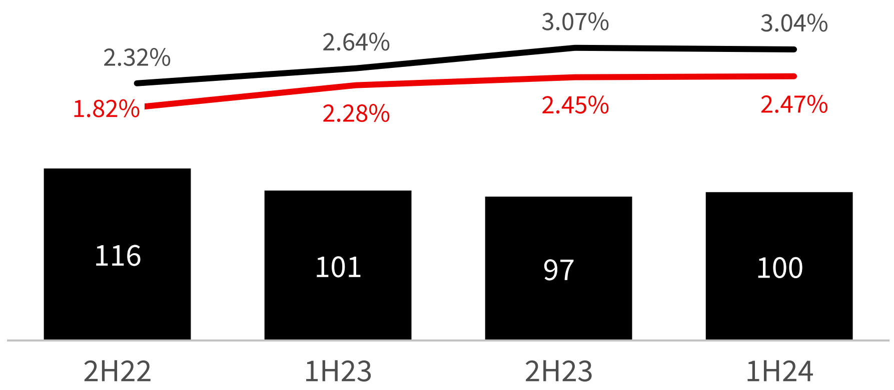
Disciplined capital usage[2,3,4]

($bn)



Returns focus[2,3,4]

($bn)



(1) Corporate & Institutional Banking included Bank of New Zealand's Markets Trading operations up to 30 September 2023. From 1 October 2023, these operations are reported within New Zealand Banking. Comparative information has been restated from Sep 22 onwards

(2) Figures include impact of wind down of NAB Asset Servicing business over approximately three years from Nov 22

(3) APRA's revised capital framework effective from 1 January 2023 resulted in a reduction of $10.0bn in spot RWAs and $9.2bn in ex Markets RWAs Sep 22 to Mar 23

(4) Ex Markets pre provision profit % of average RWA excludes Markets pre provision profit and average RWA

Corporate & Institutional Banking

Deep expertise & leading capabilities	Long term Australian & New Zealand focused relationship banking partnerships	Disciplined balance sheet usage

Long term relationships with customers in targeted segments

Private Capital Strategic Investors
NBFIs
Infrastructure
Government
Private Companies

Sustainability

Supporting customers decarbonise and build resilience with transition planning, innovative solutions, investment in climate capabilities

Leading Transaction Banking capability

Seamless domestic/ international payments, liquidity management & trade finance delivered via modern technology

Leading Debt Capital Markets offering

Asset distribution expertise, trusted investor relationships, execution excellence

Focused Global Markets offering

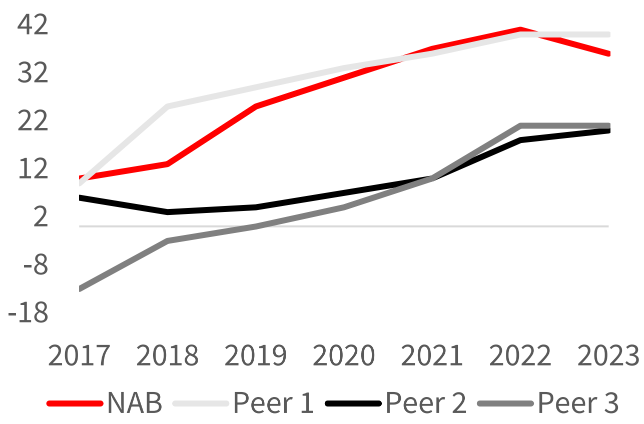
AUD & NZD currencies, strategic hedging, currency overlay, interest rate derivatives

Delivering better outcomes for customers, colleagues & shareholders

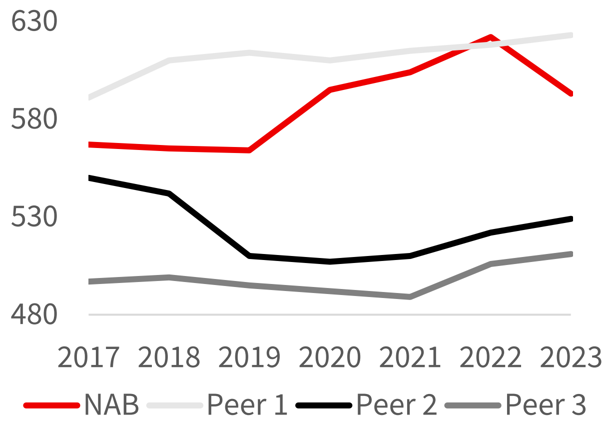
Corporate & Institutional Banking customer metrics

national australia bank

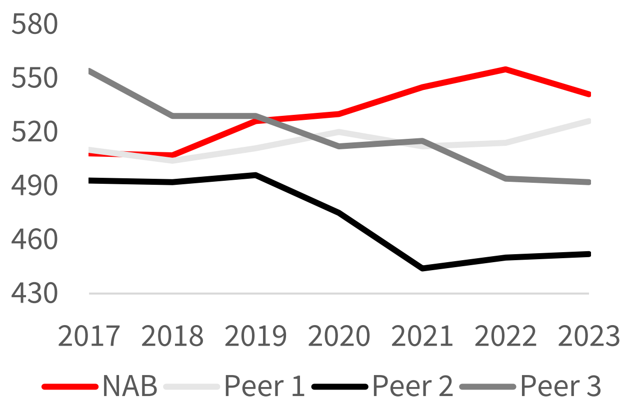
Large Corporate & Institutional – NPS[1]



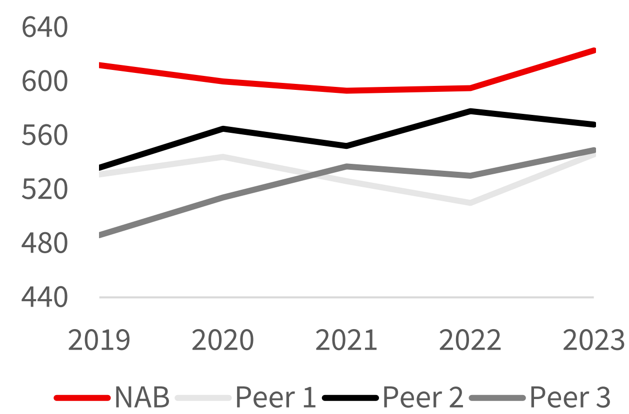
Large Corporate & Institutional – Relationship Strength Index[1]



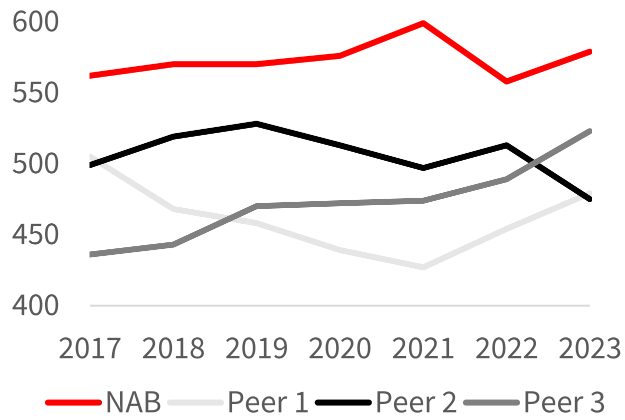
Transactional Banking – Relationship Strength Index[2]



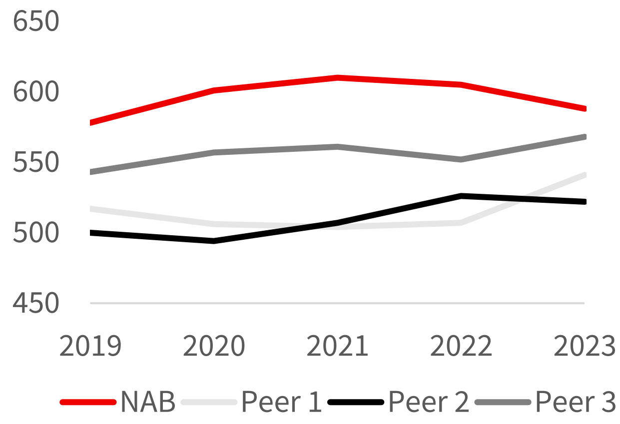
Interest Rate Derivatives - Relationship Strength Index[3]



Debt Capital Markets – Relationship Strength Index[4]



Foreign Exchange (Corporate) – Relationship Strength Index[5]

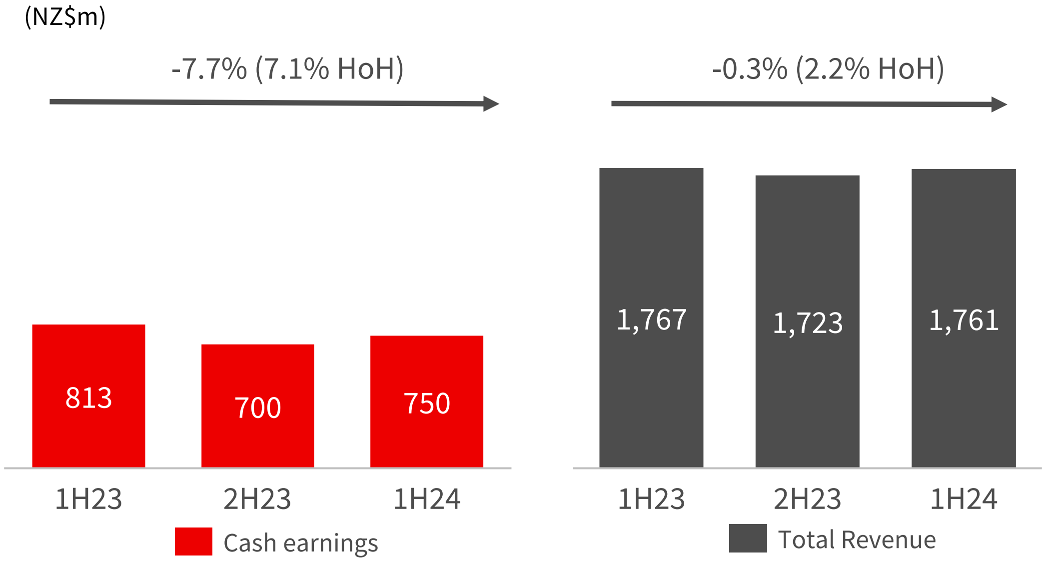


All data from the most recently available Peter Lee Associates surveys, Australia. Based on top four banks by penetration. Relationship Strength Index (RSI) is based on the results of key qualitative measures

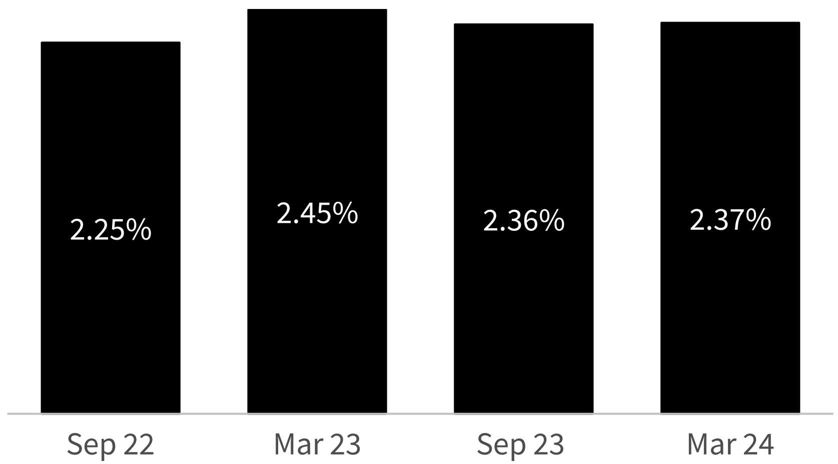
(1) Large Corporate & Institutional Relationship Banking Survey Jun 23
(2) Transaction Banking Survey Jun 23
(3) Interest Rate Derivatives Survey Dec 23
(4) Debt Capital Markets Survey Jun 23
(5) Foreign Exchange Survey, Corporate Respondents Dec 23

New Zealand Banking[1]

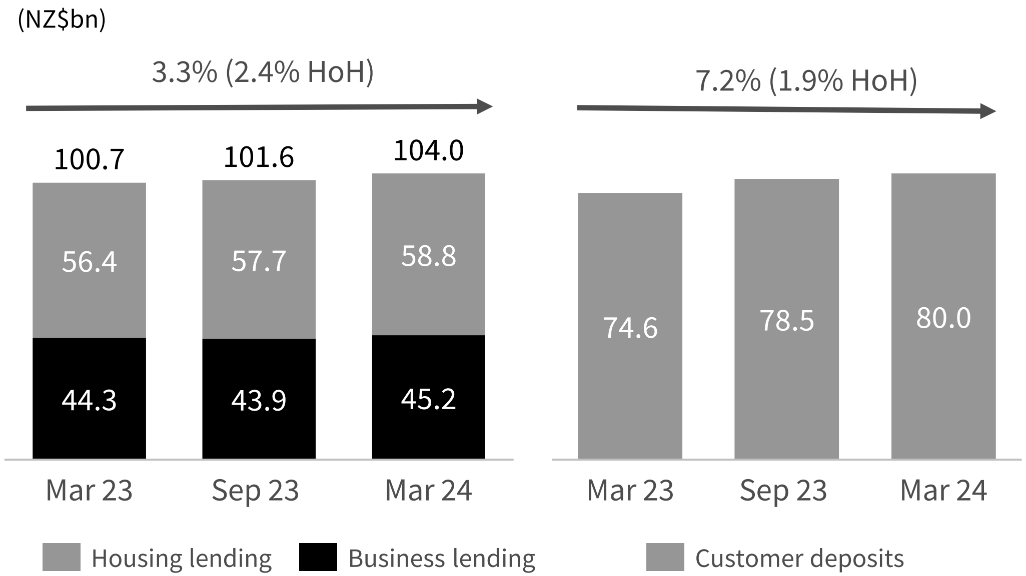
Cash earnings and revenue



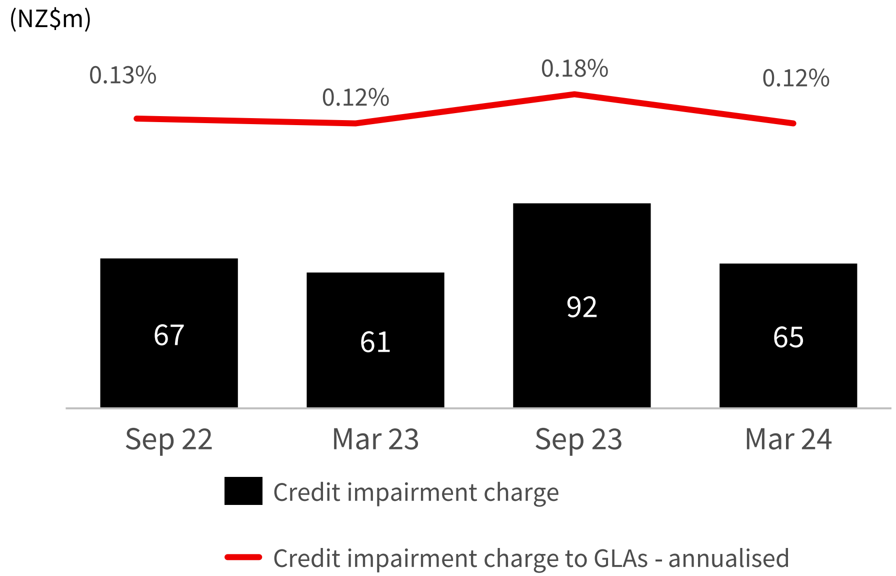
Net interest margin



Business and housing lending GLAs and deposits



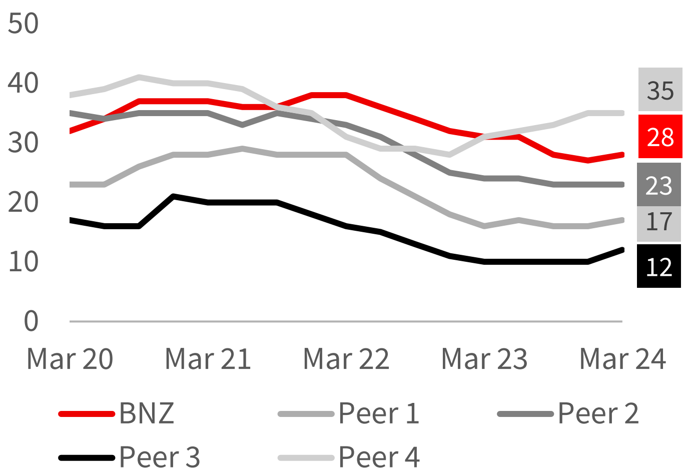
Credit impairment charge and as a % of GLAs



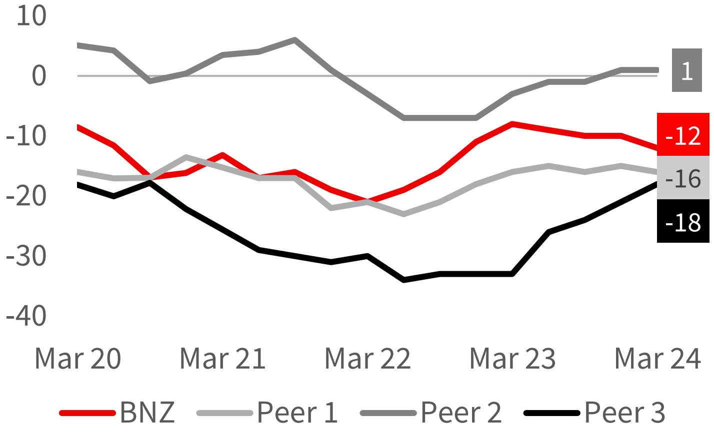
(1) From 1 October 2023 the Bank of New Zealand's Markets Trading operation and enabling units are reported within New Zealand banking. Previously the Bank of New Zealand Markets trading operations were reported in Corporate & Institutional Banking and the enabling units within Corporate Functions and Other. Comparative information has been restated accordingly

New Zealand Banking customer metrics

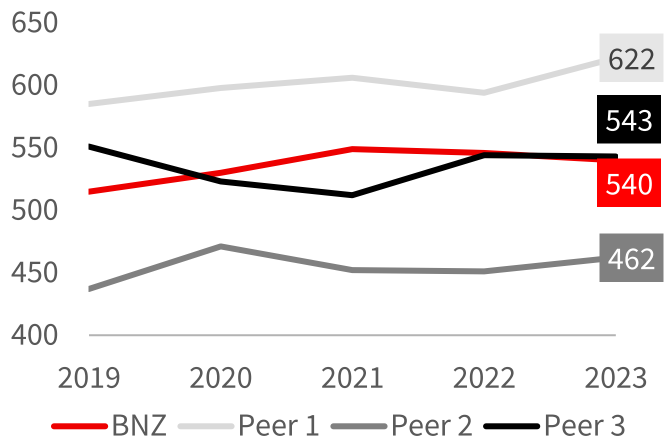
#2 BNZ Consumer NPS[1]



#2 BNZ Business NPS[2,3]



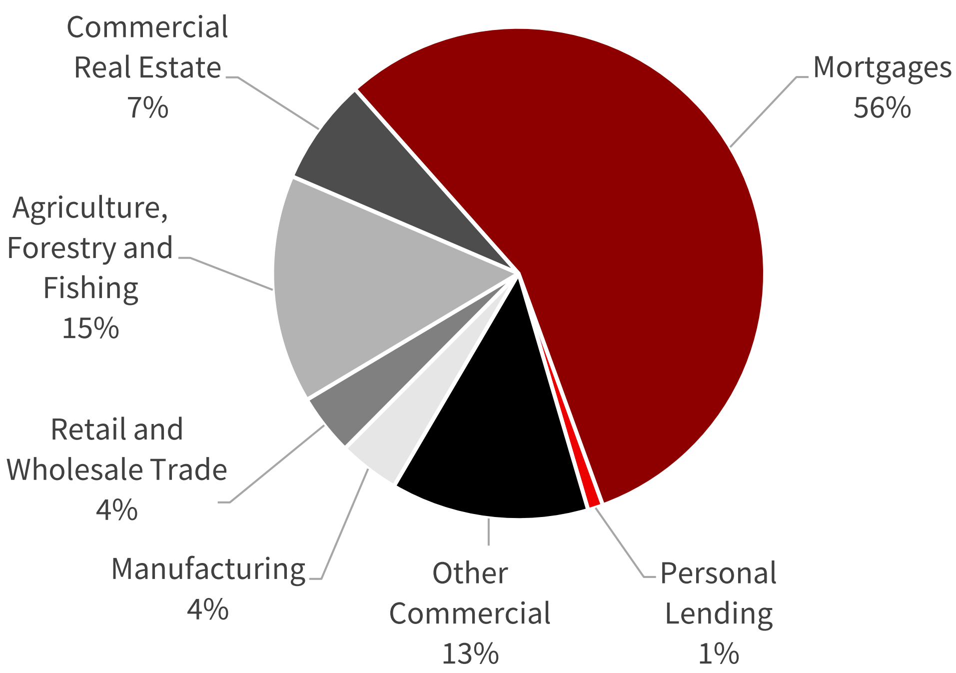
#3 BNZ Large Corporate Relationship Strength Index (RSI)[4]



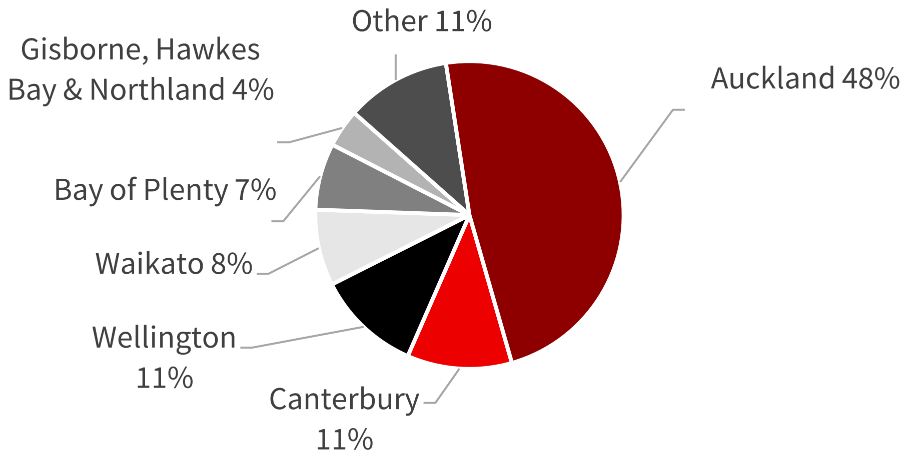
(1-4) Refer to sources and notes at the back of this presentation on page 129 for further details

New Zealand lending mix

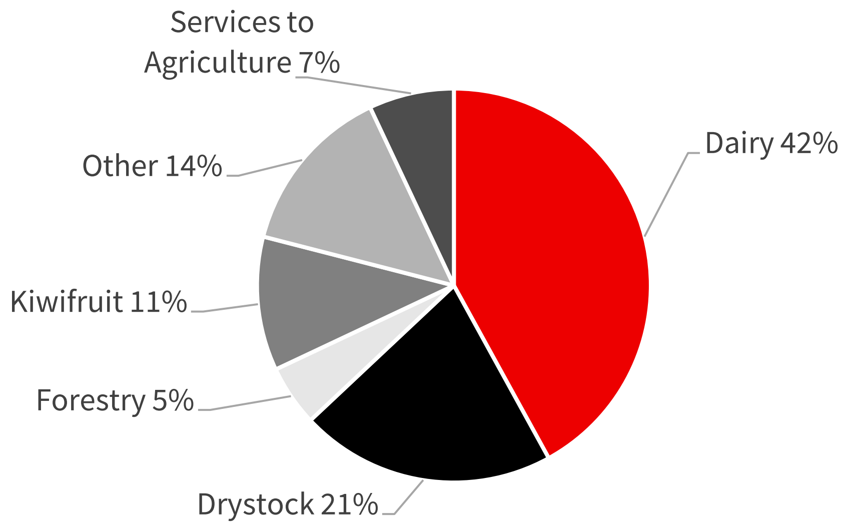
Portfolio breakdown by GLAs – Total NZ$104.9bn



Mortgage portfolio breakdown by geography – Total NZ$58.8bn



Agriculture, Forestry & Fishing portfolio breakdown by industry GLAs – Total NZ$15.5bn



New Zealand housing lending key metrics

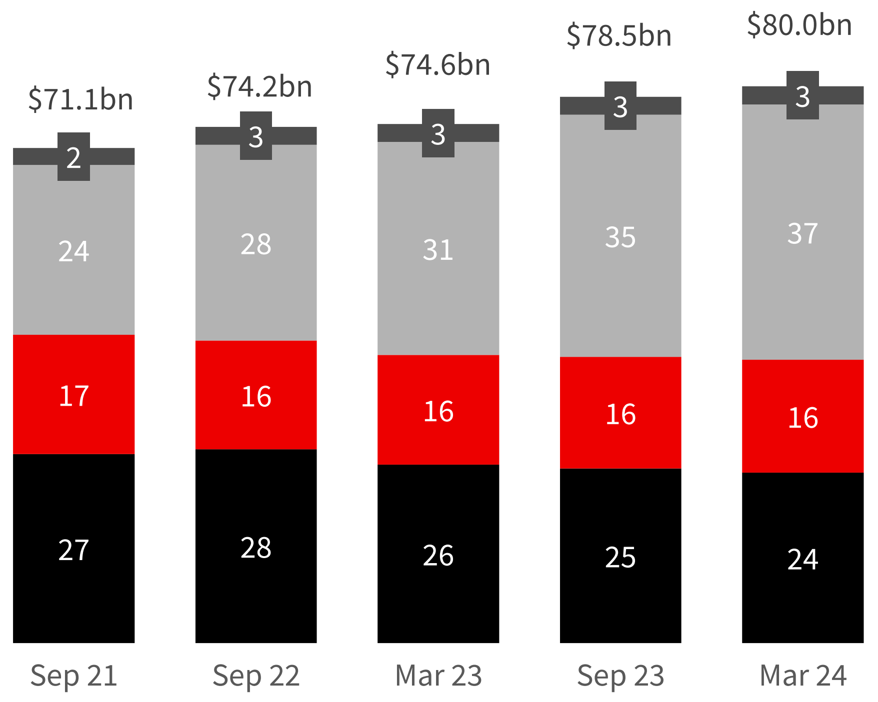
New Zealand housing lending	Sep 22	Mar 23	Sep 23	Mar 24		Mar 23	Sep 23	Mar 24
							Drawdowns[1]	
Total Balances (spot) NZ$bn	54.8	56.4	57.7	58.8		5.7	5.9	5.4
By product								
- Variable rate	9.7%	8.9%	8.4%	8.9%		10.1%	8.9%	11.1%
- Fixed rate	88.8%	89.6%	90.1%	89.5%		88.4%	89.3%	86.9%
- Line of credit	1.5%	1.5%	1.5%	1.6%		1.5%	1.8%	2.0%
By borrower type								
- Owner Occupied	66.2%	66.2%	66.3%	66.4%		67.4%	68.4%	68.7%
- Investor	33.8%	33.8%	33.7%	33.6%		32.6%	31.6%	31.3%
By channel								
- Proprietary	69.3%	67.3%	65.2%	63.7%		56.2%	51.9%	53.2%
- Broker	30.7%	32.7%	34.8%	36.3%		43.8%	48.1%	46.8%
Low Documentation	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Interest only[2]	17.5%	17.5%	17.7%	18.0%		23.8%	23.8%	24.0%
LVR at origination	63.3%	63.0%	63.1%	63.2%				
90+ days past due	0.11%	0.16%	0.17%	0.24%				
Impaired loans[3]	0.01%	0.01%	0.02%	0.09%				
Specific Impairment coverage ratio	15.0%	22.6%	14.2%	18.8%				
Loss rate[4]	0.00%	0.00%	0.00%	0.00%				

(1) Drawdowns is defined as new lending including limit increases and excluding redraws in the previous six month period
(2) Excludes line of credit products
(3) Excludes customers affected by severe weather events whose loans have been classified as “Restructured Loans” under APS 220 Credit Risk Management
(4) 12 month rolling Net Write-offs / Spot Drawn Balances

New Zealand customer deposits[1]

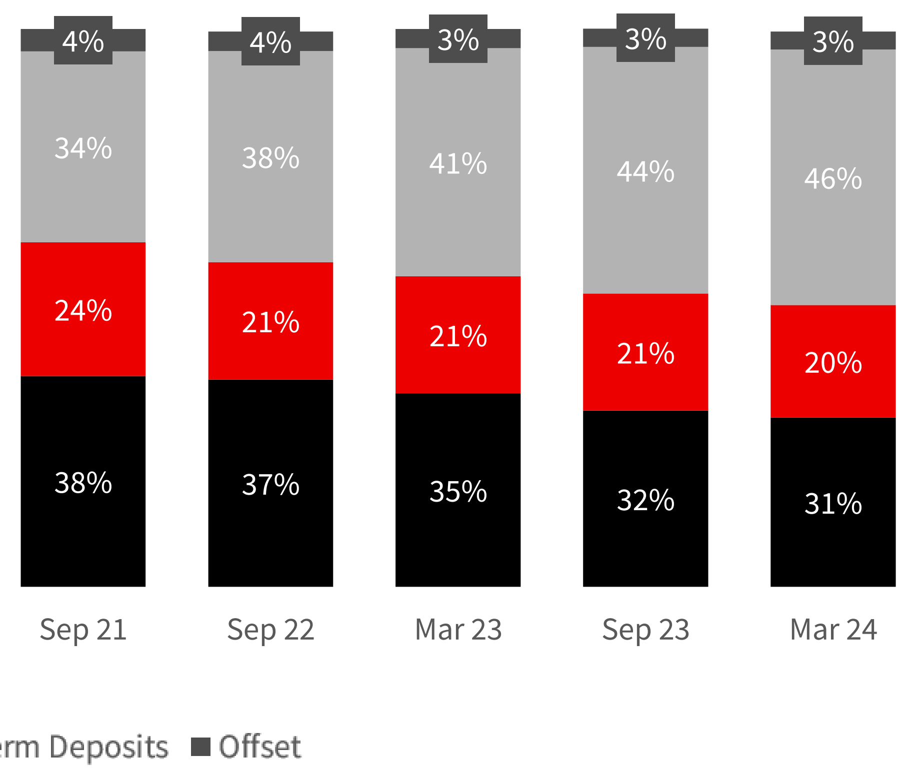
Customer deposits balances by product (NZD)

($bn)



Customer deposits percentage by product (NZD)

(%)



(1) Corporate & Institutional Banking included Bank of New Zealand's Markets Trading operations up to 30 September 2023. From 1 October 2023, these operations are reported within New Zealand Banking. Comparative information has been restated accordingly

Additional product information

Australian Housing Lending

Housing lending key metrics[1]

Australian housing lending	Sep 22	Mar 23	Sep 23	Mar 24	Mar 23	Sep 23	Mar 24
	Portfolio				Drawdowns[2]		
Total Balances (spot) $bn	329	333	338	344	35	40	39
Average loan size $'000 per account	334	345	358	371	526	536	564
By product type							
- Variable rate	63.4%	68.4%	76.8%	84.7%	95.3%	91.5%	97.5%
- Fixed rate	32.9%	28.2%	20.2%	12.6%	3.6%	7.6%	1.5%
- Line of credit	3.7%	3.4%	3.0%	2.7%	1.1%	0.9%	1.0%
By borrower type							
- Owner Occupied	65.5%	65.4%	65.3%	65.5%	62.2%	61.9%	62.3%
- Investor	34.5%	34.6%	34.7%	34.5%	37.8%	38.1%	37.7%
By channel							
- Proprietary	53.9%	52.3%	50.4%	48.6%	38.7%	35.7%	35.1%
- Broker	46.1%	47.7%	49.6%	51.4%	61.3%	64.3%	64.9%
Interest only[3]	13.4%	14.1%	14.7%	14.9%	24.0%	24.5%	23.8%
Low Documentation	0.2%	0.2%	0.2%	0.2%			
Offset account balance ($bn)	39	41	43	45			
LVR at origination	69.2%	68.9%	68.7%	68.4%	67.7%	67.6%	67.6%
Dynamic LVR on a drawn balance calculated basis	40.5%	42.6 %	41.2%	39.2%			
Customers with offset and redraw balances ≥1 month repayment[3]	66.4%	66.4%	67.4%	68.2%			
Offset and redraw balances multiple of monthly repayments	45.6	41.2	37.8	36.8			
90+ days past due	0.73%	0.67%	0.76%	0.90%			
Impaired loans	0.06%	0.06%	0.06%	0.05%			
Specific provision coverage ratio[4]	30.5%	28.9%	28.1%	25.6%			
Loss rate[5]	0.01%	0.01%	0.005%	0.01%			
Number of properties in possession	135	140	151	141			

(1) Excludes Citi Consumer Business and 86 400 platform (ubank housing lending originated on the 86 400 platform)
(2) Drawdowns is defined as new lending excluding limit increases and redraws in the previous six month period
(3) Excludes line of credit products
(4) Excludes Advantedge Specific Provisions in Mar 24
(5) 12 month rolling Net Write-offs / Spot Drawn Balances

Housing lending practices & policies

Key origination requirements

Income	• Income verified using a variety of documents including payslips and/or checks on salary credits into customers' accounts • 10% shading applies to rental income (Nov 22) • Rental expenses included in serviceability calculation post-household expenses calculation. Rental expenses floor set at minimum 10% of rental income (Mar 23) • 20% shading applies to other less certain income types
Household expenses	Assessed using the greater of: • Customers' declared living expenses, enhanced in 2016 to break down into granular sub categories • Household Expenditure Measure (HEM) benchmark plus specific customer declared expenses (e.g. private school fees). HEM is adjusted by income and household size
Serviceability	• Assess customers' ability to repay based on the higher of the customer rate plus serviceability buffer (3.0%[1]) or the floor rate (5.75%[2]) • Assess Interest Only loans on the full remaining Principal and Interest term • Lowered serviceability buffer to 1% for customers who meet certain criteria (Jul 23)
Existing debt	• Verify using declared loan statements and assess on the higher of the customer rate plus serviceability buffer (3.0%[1]) or the floor rate (5.75%[2]) • Assessment of customer credit cards assuming repayments of 3.8% per month of the limit • Assessment of customer overdrafts assuming repayments of 3.8% per month of the limit

Loan-to-value (LVR) limits

Principal & Interest – Owner Occupier	95%
Principal & Interest – Investor	90%
Interest Only – Owner Occupier	80%
Interest Only – Investor	90%
'At risk' postcodes	80%
'High risk' postcodes (e.g. mining towns)	70%

Other policies

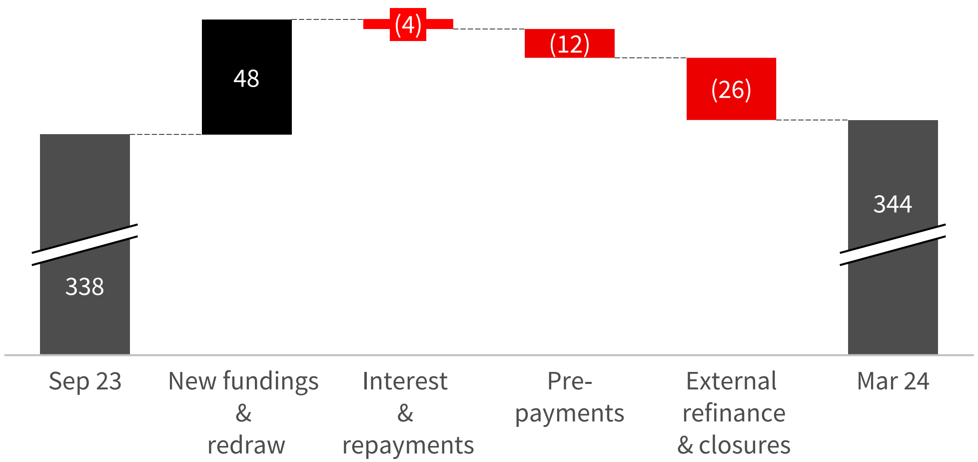
- DTI decline rule of >8x from May 22 for higher risk customers (> 9x for all others)
- Lenders' mortgage insurance (LMI) applicable for majority of lending >80% LVR
- LMI for inner city investment housing >70% LVR
- Apartment size to be 50 square metres or greater (including balconies and car park)
- NAB Broker applications assessed centrally – verification and credit decisioning
- Maximum Interest Only term for Owner Occupier borrowers of 5 years

(1) Serviceability buffer increased by 0.50% to 3.00% as of 1 November 2021
(2) Serviceability floor increased by 0.80% to 5.75% as of 9 September 2022

Housing lending volume and flow movements

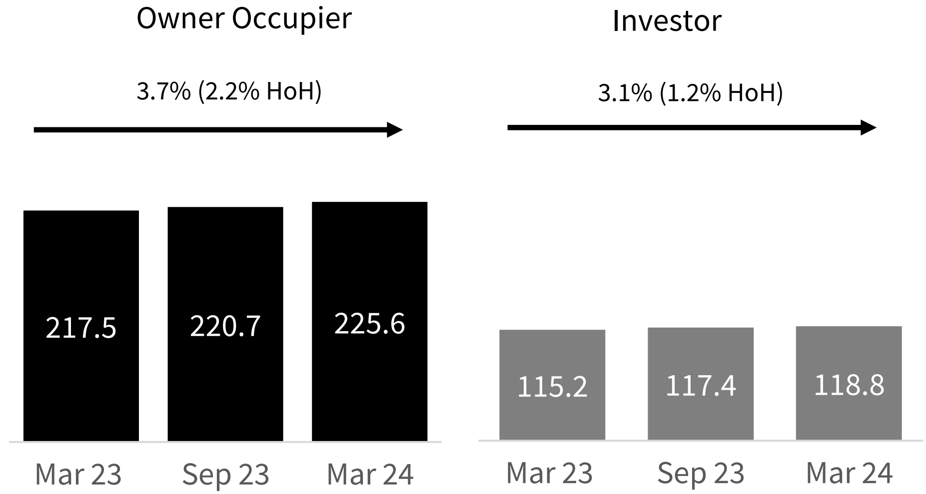
Housing lending flow movements[1]

($bn)



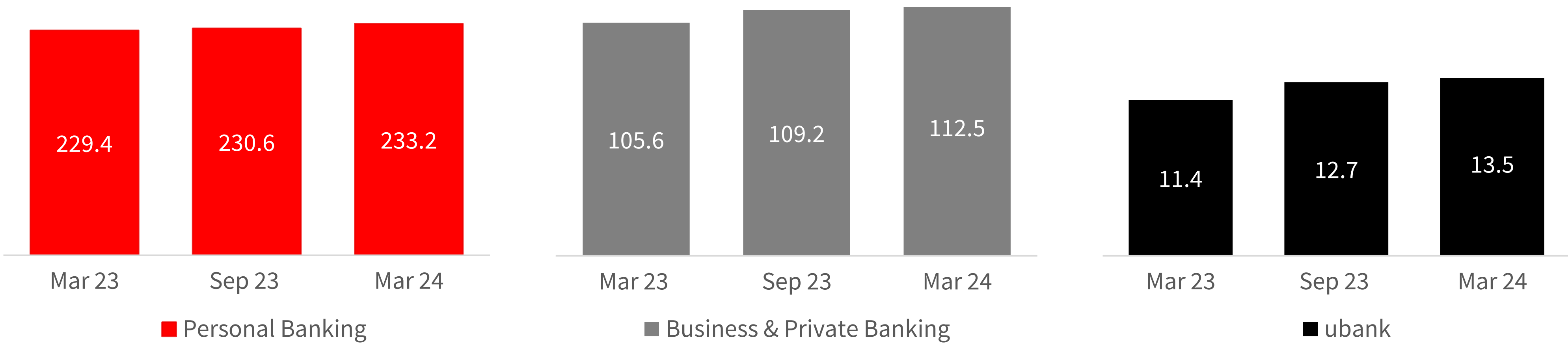
Housing lending volume growth[1]

($bn)



Housing lending by division

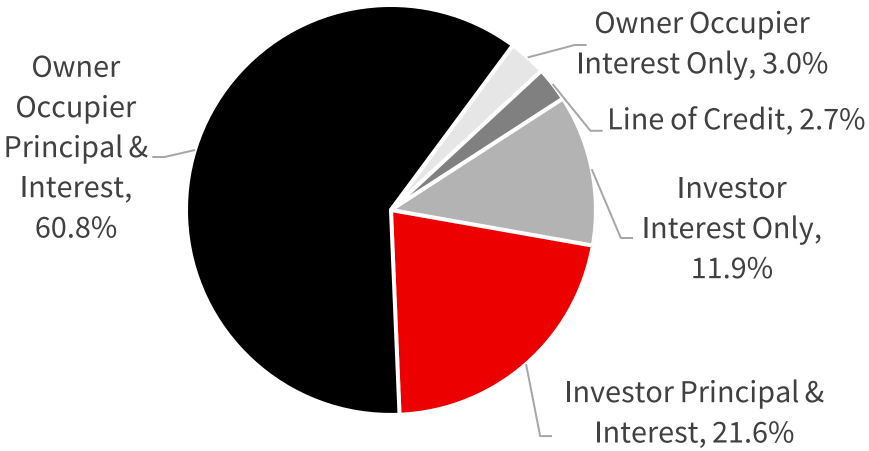
($bn)



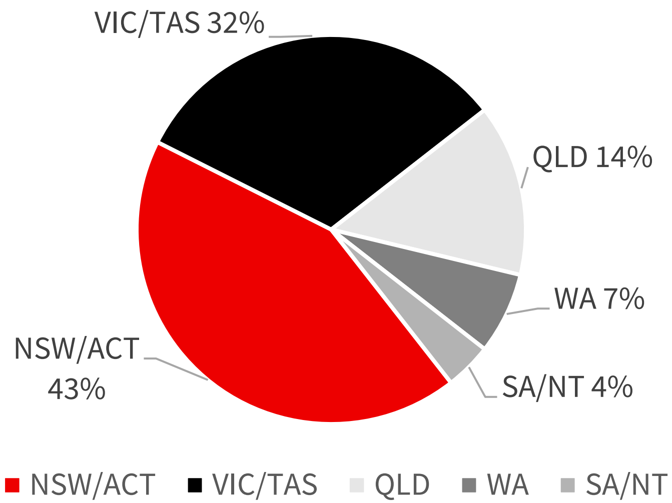
(1) Excludes 86 400 platform and Citi Consumer Business

Housing lending portfolio profile

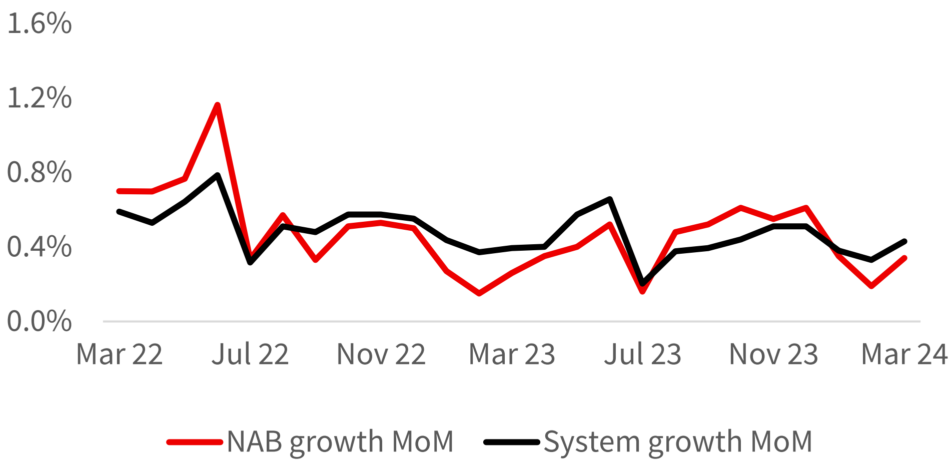
Housing lending volume by borrower and repayment type[1]



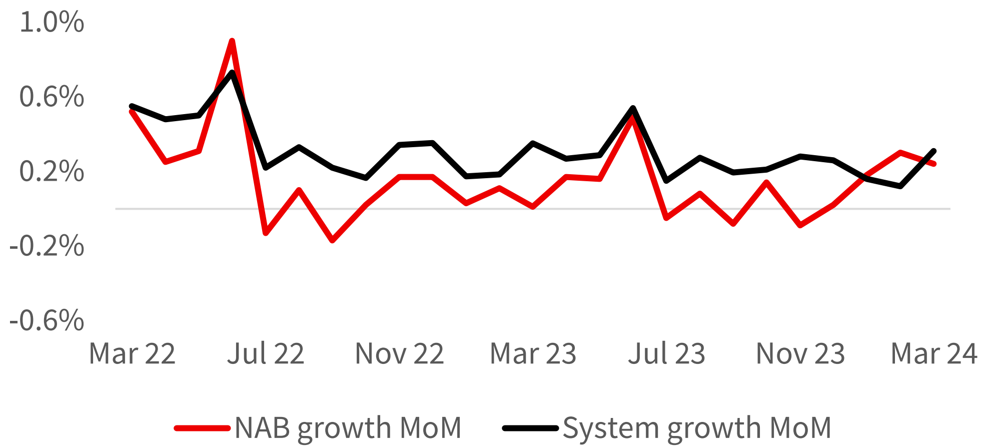
Australian mortgages profile[1]



Owner Occupier monthly growth[2,3]



Investor monthly growth[2,3]

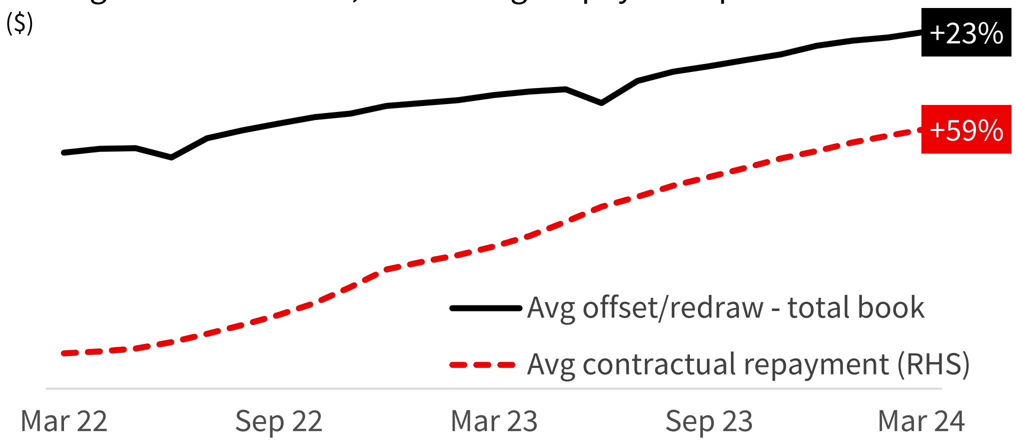


(1) Excludes 86 400 platform and Citi Consumer Business
(2) Only includes housing loans to households based on APRA ARF 720.1 reporting definitions, and excludes counterparties such as private trading corporations
(3) Includes 86 400 from May 2021 and Citi Consumer Business from Jun 2022. Contains a reclassification of ~$0.8-$0.9bn from Home Lending to Personal Lending (results in an approximate 5bps change overall), that occurred in Nov 22, with no historical restatements from APRA published data

Australian housing lending asset quality[1]

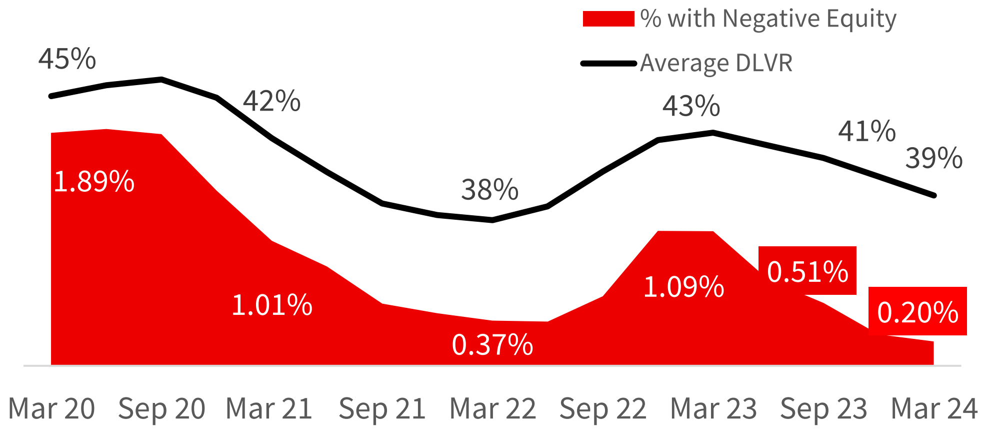
Offsets & redraws up despite higher mortgage repayments

Average offset & redraw, and average repayment per account[2]

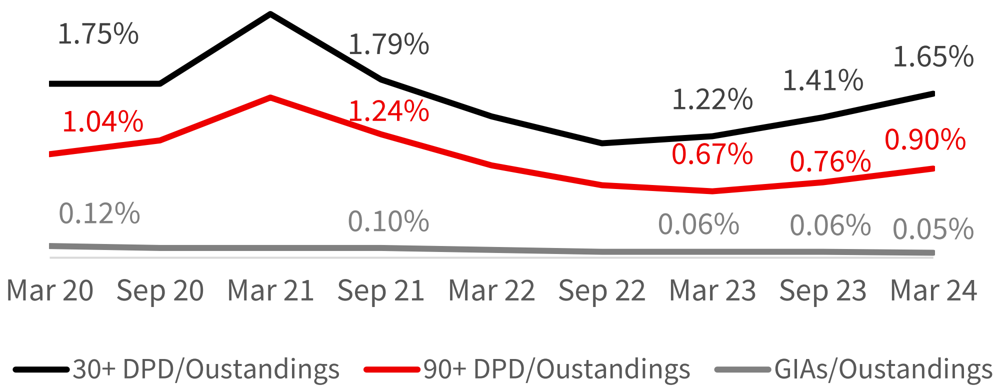


Higher house prices have improved average DLVR

Average DLVR and negative equity[3]



Arrears increasing as % of GLAs but limited impairment activity



Key considerations

- 1H24 arrears continue to reflect broad-based deterioration by loan types and regions
- 1H24 also impacted by seasonal impacts post-Christmas
- Limited impairment - strong security position, dwelling prices continue to increase up 3.0% 1H24
- Unemployment and house prices are key to outlook

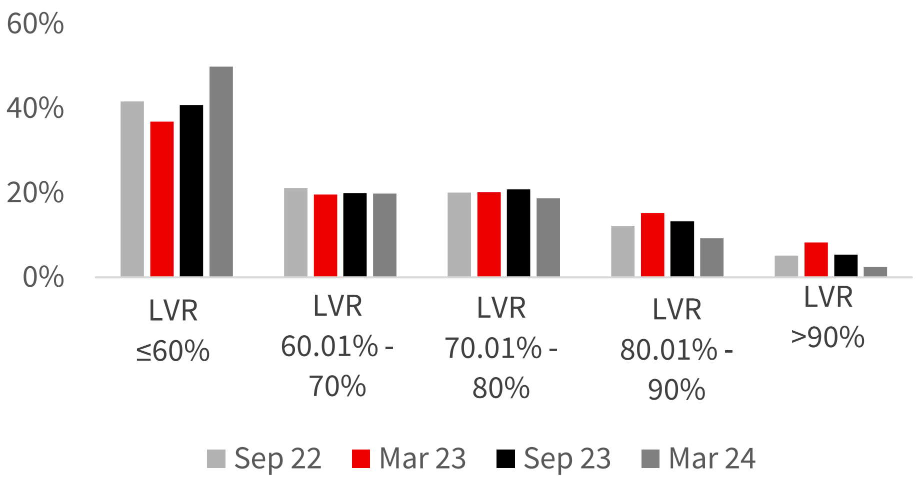
(1) Excludes 86 400 platform and Citi Consumer Business mortgages
(2) Growth rates refer to Mar 2024 vs Mar 2022
(3) Excludes the impact of offset accounts. Includes implementation of new CoreLogic indexing methodology in 1H24

Housing lending fixed rate portfolio profile[1]

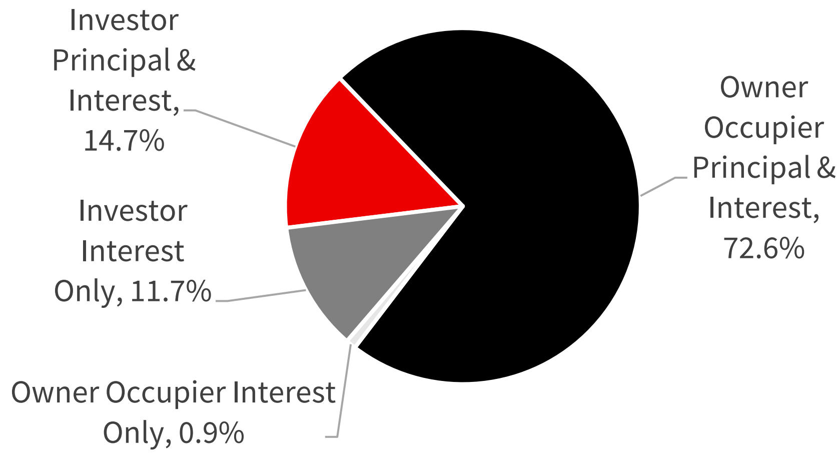
Fixed rate (FR) lending book

- $43bn FR book, rolls to variable rate (VR) loan at expiry
- ~$27bn (~63%) has customer rates below 3%, and only $6.9bn still to expire after Sep 25
- 72% originated since Oct 20
- Proactive customer engagement with customers rolling off FR loans – ~85% retention to date
- 55% of customers also have a VR loan i.e. split loan
- All loans originated in past 3 years assessed on P&I basis using floor of at least 4.95% (5.75% from Sep 22) or buffer of at least 2.5% (3% from Nov 21) whichever is higher

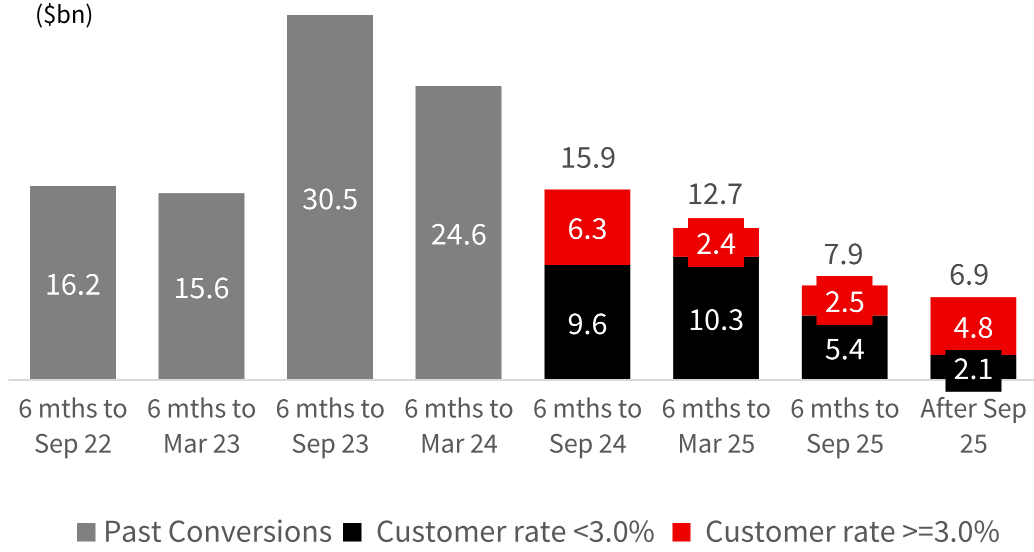
FR dynamic LVR



FR housing lending volume by borrower and repayment type



FR home loan contractual expiry profile



(1) Excludes 86 400 platform and Citi Consumer Business

Housing lending repayment profile

Key considerations

- All VR loan repayments subject to quarterly repayment reviews from Feb 23 (previously annual)
- $25bn FR loans expired in 1H24; 87% of all FR loans are P&I
- Early engagement underway for customers identified as potentially at repayment risk

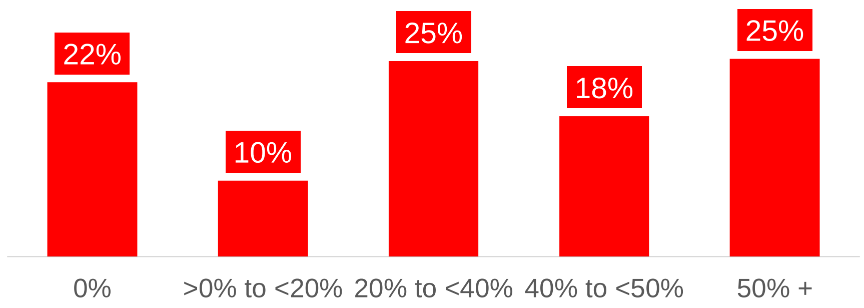
Profile of mortgage repayments at 4.35% cash rate[1,2,3]

Repayment profile from April 22 at 4.35% cash rate	VR P&I[4]	FR expiring by Mar 25
% of accounts with monthly repayment increase, **for which:**	78%	98%
- Ave monthly % increase	42%	59%
- Ave monthly $ increase	$676	$981
- % of accounts with >40% increase in monthly repayments	55%	69%

Profile of mortgage repayments at 4.35% cash rate[1,2,3]

Variable rate principal & interest book[4]

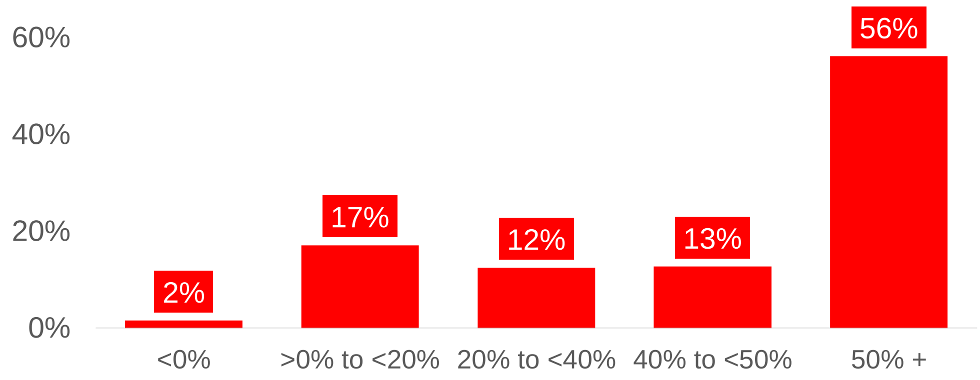
% of Portfolio



% increase in repayments from April 2022

Fixed rate book expiring by Mar 25 - $29bn

% of Portfolio

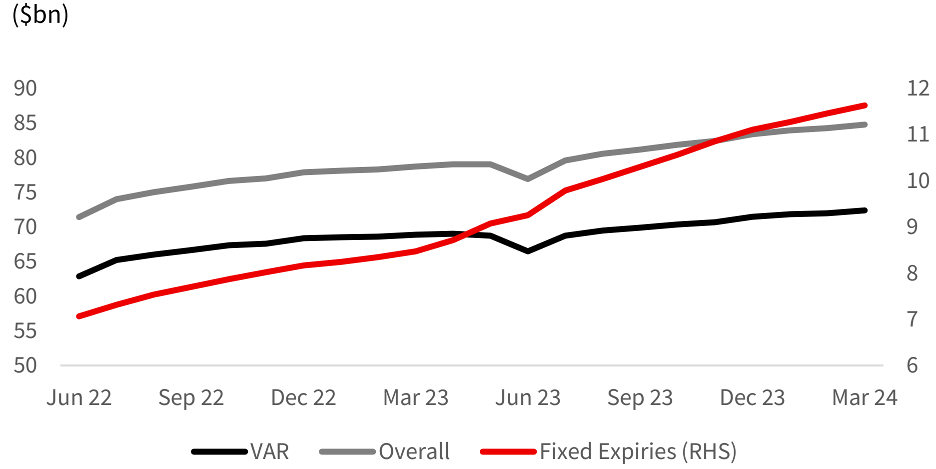


% increase in repayments at conversion

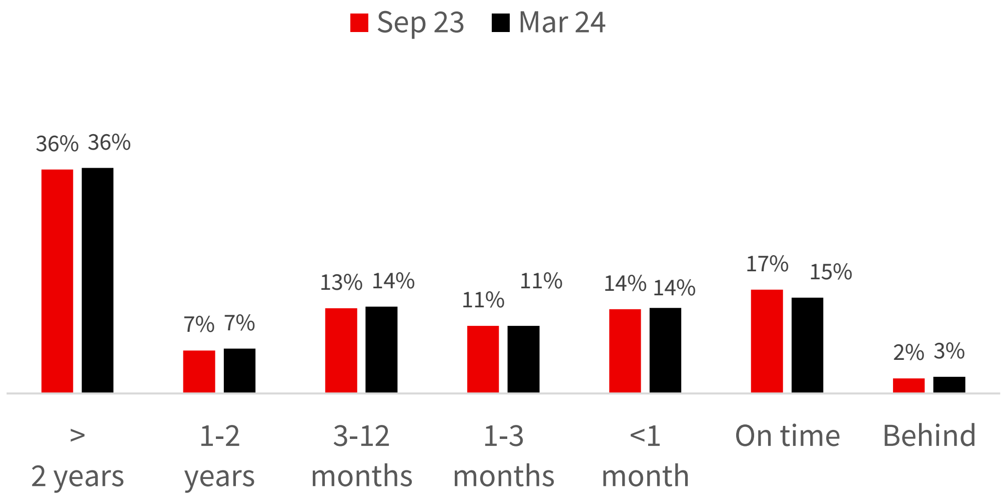
(1) Excludes line of credit, 86 400 platform and Citi Consumer Business
(2) By account
(3) Analysis assumes full pass through of cash rate increases to current customer rates
(4) Based on VR P&I loans on book at Apr 2022 and still on book at Mar 2024. Increase relative to customer repayments in Apr 2022

Housing lending offsets and redraw balances[1]

Offset & redraw balances continue to increase



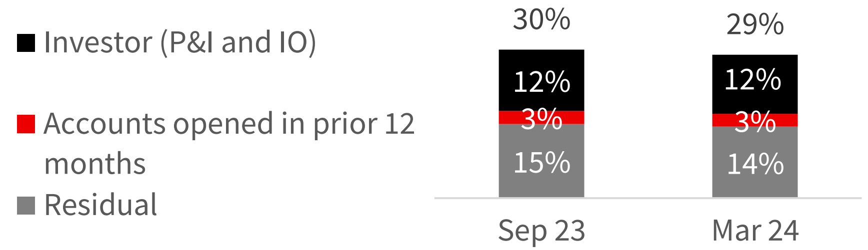
Offset and redraw balances multiple of monthly repayments[2]



Scenario analysis to identify higher risk exposures

	Dynamic LVR with no LMI or FHB guarantee		
	> 80%	of which >85%	of which >90%
Repayment buffer < 12 months (Total $225bn)	$16.6bn	$7.9bn	$4.3bn
***of which* Repayment buffer < 3 months (Total $176bn)**	$12.8bn	$5.7bn	$3.2bn

Profile of repayments <1 month, on time[2]



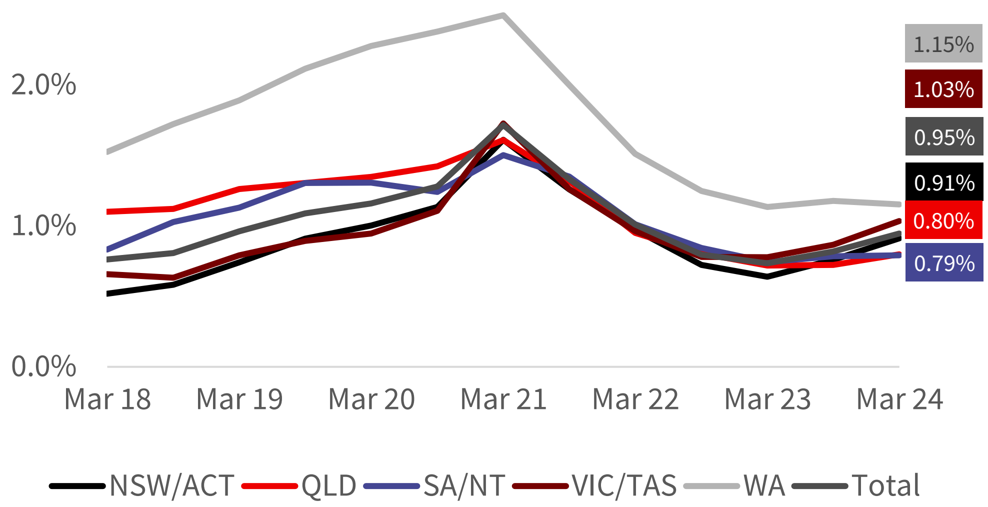
(1) Excludes line of credit, 86 400 platform and Citi Consumer Business
(2) By accounts

Housing lending arrears profile[1]

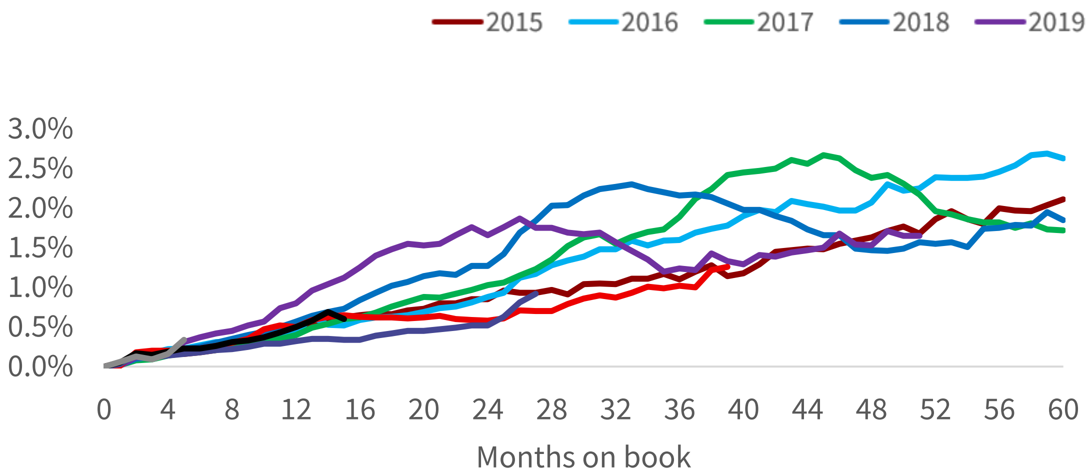
Key considerations

- Recent state-based 90+ DPD trends are mixed
- Trajectory of arrears for 2017, 2018 and 2019 vintages impacted by COVID-19 responses
- Mixed early arrears trends for loans originated during period of low interest rates: 2020 and 2021 vintages not dissimilar to earlier vintages, 2022 VR vintage seasoning modestly worse
- 2020 and 2021 vintages: FR arrears trending up from 24 months on book as many convert to higher variable rates
- Numerous serviceability and lending policy initiatives since FY18 to enhance risk outcomes

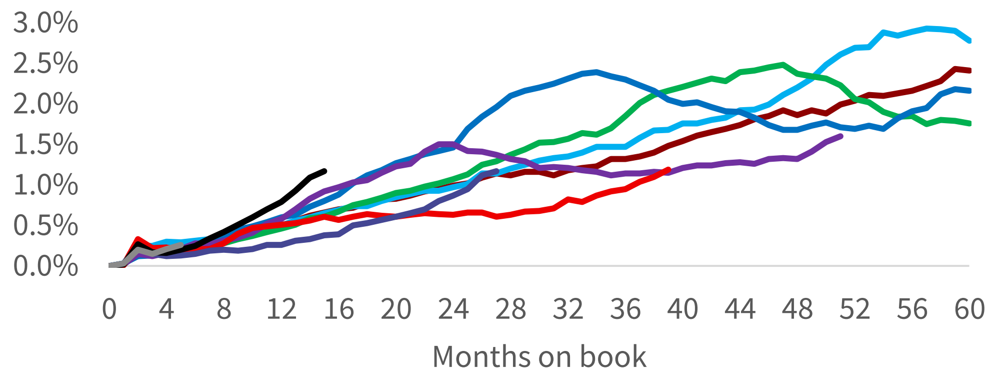
Housing lending 90+DPD & GIAs as a % of GLAs



Fixed rate 30+DPD as a % of GLAs by vintage year[2]



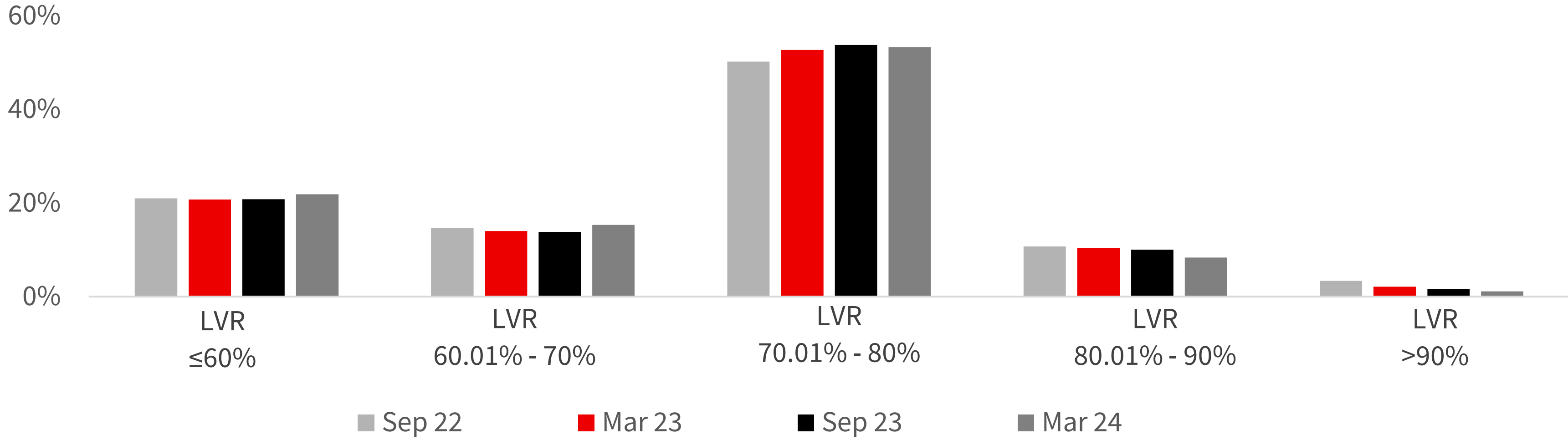
Variable rate 30+DPD as a % of GLAs by vintage year[2]



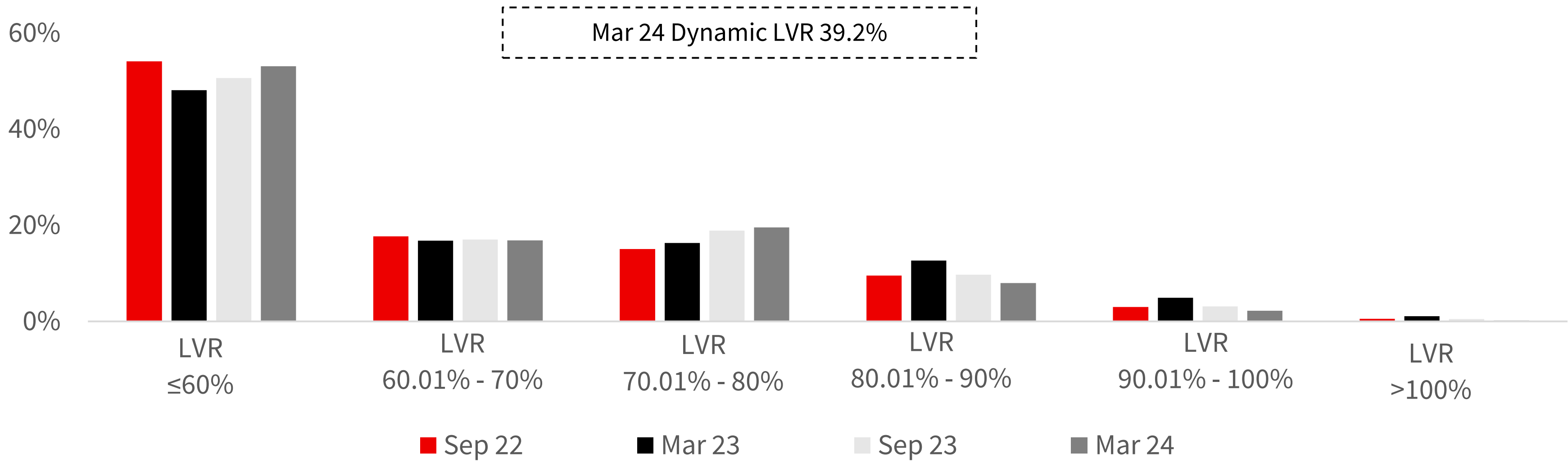
(1) Excludes 86 400 platform and Citi Consumer Business
(2) Calendar year

Housing lending LVR[1]

LVR breakdown at origination



Dynamic LVR breakdown of drawn balance[2]



(1) Excludes 86 400 platform and Citi Consumer Business
(2) Excludes the impact of offset accounts. Includes implementation of new CoreLogic indexing methodology in 1H24

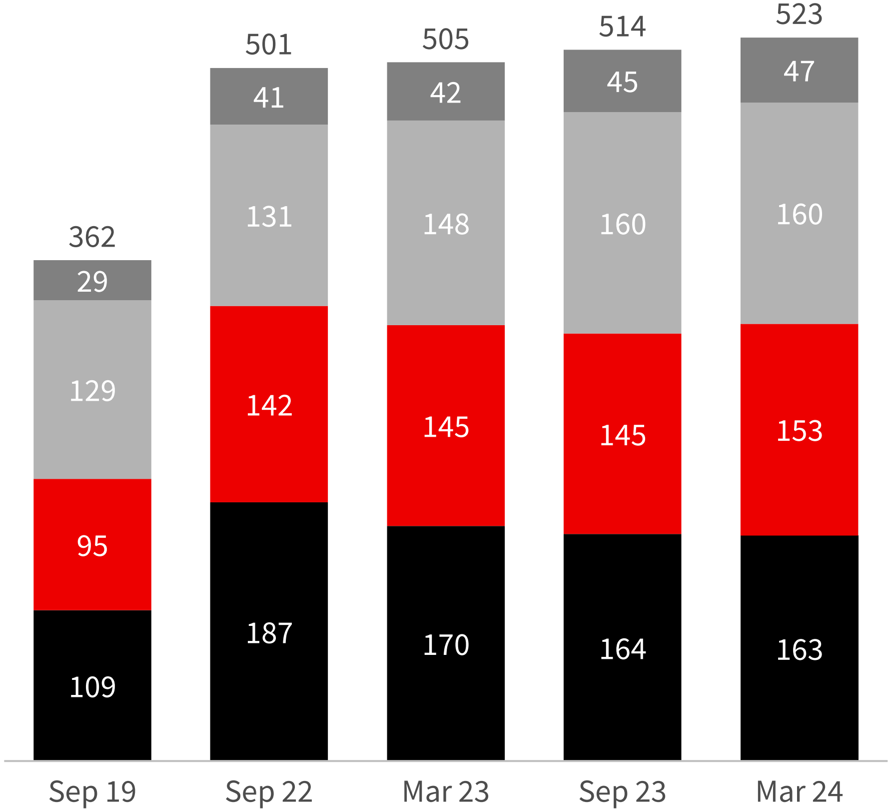
Additional product information

Australian Deposits and Unsecured Personal Lending

Deposits & transaction accounts[1]

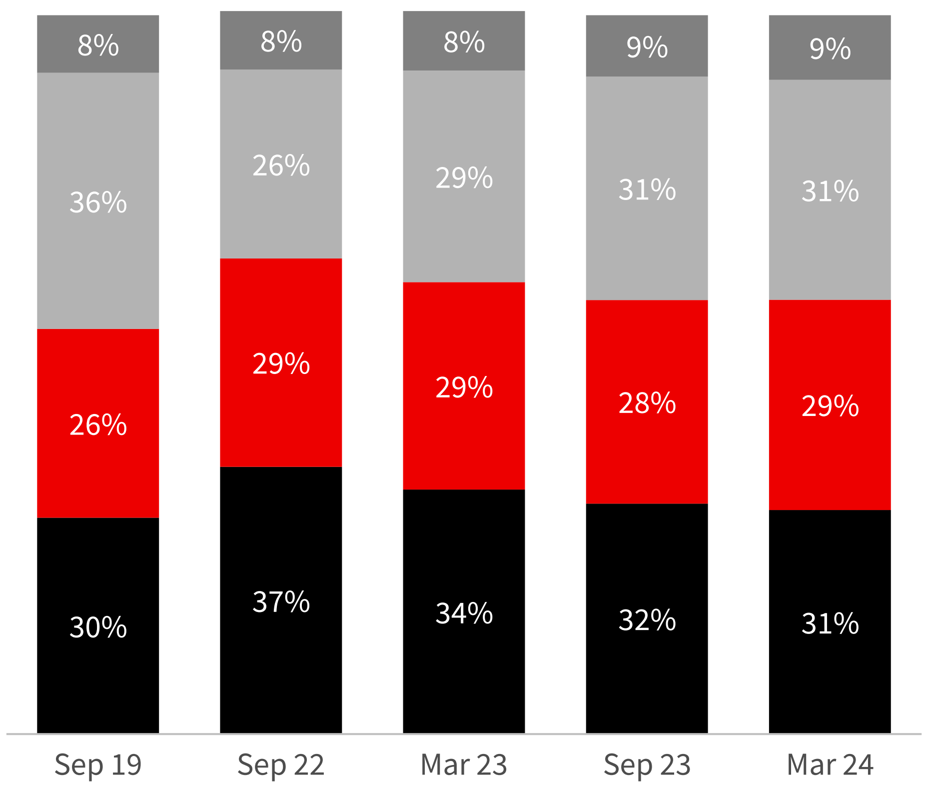
Customer deposit mix by product

($bn)



Customer deposit percentage by product

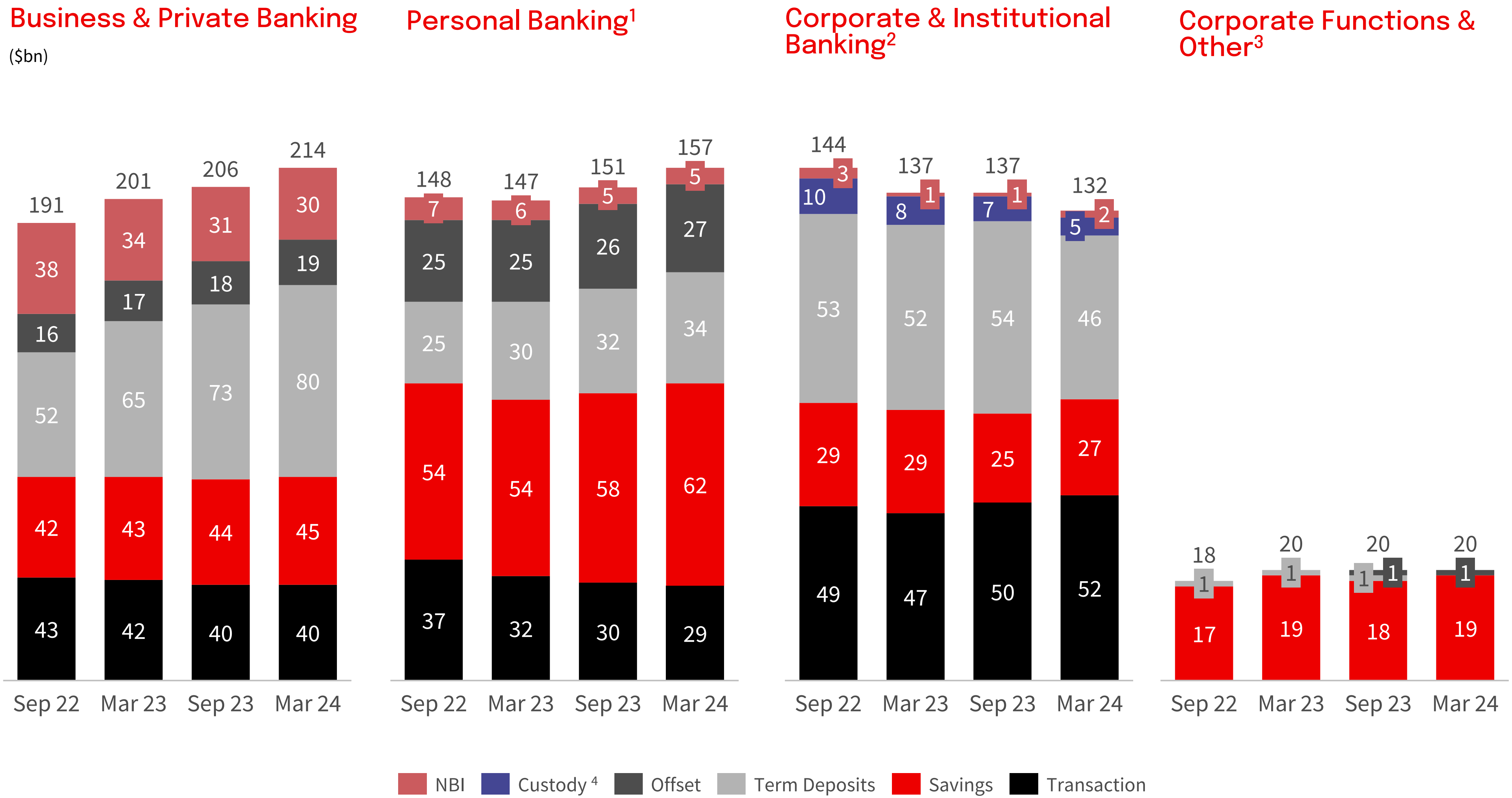
(%)



Offsets Term Deposits Savings Transaction (incl NBIs)[2]

(1) Balances from Sep 22 include Citi Consumer Business
(2) Transaction includes NBIs and Custody deposits

Deposits & transaction accounts[1]



(1) Balances from Sep 22 include Citi Consumer Business
(2) Corporate & Institutional Banking included Bank of New Zealand's Markets Trading operations up to 30 September 2023. From 1 October 2023, these operations are reported within New Zealand Banking. Comparative information has been restated accordingly
(3) Includes ubank and Treasury
(4) The NAB Asset Servicing business includes total deposits of approximately $8bn, of which $5bn relates to custody deposits. This business is being wound down over approximately three years from Nov 22

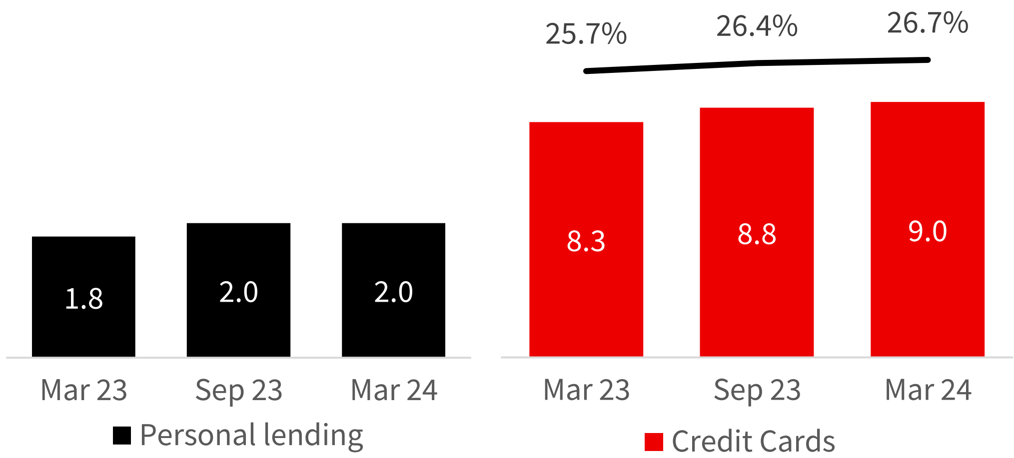
Unsecured lending

Key considerations

- Continued momentum in credit card growth in 1H24, supported by net account growth across the NAB and Citi portfolios
- Portfolio quality remains sound
  - Arrears increased in 1H24 but remain below pre-COVID 19 levels
  - Modest uptick in revolve rates ~62%, still below 2019 trend (~65-70%)

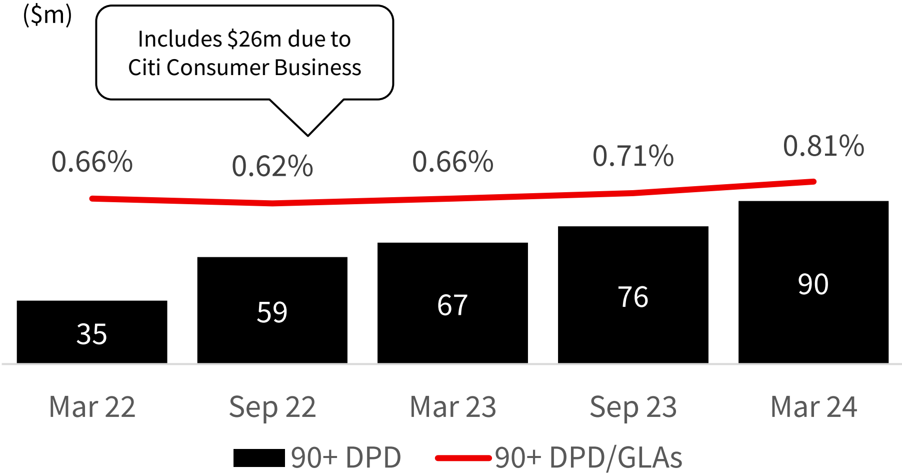
Balance and market share[1]

($bn)

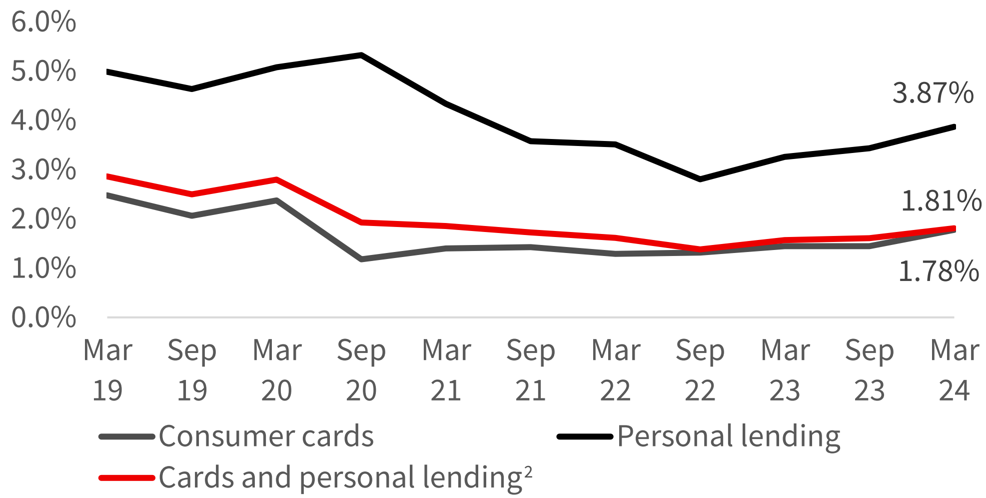


Cards[2] and personal lending 90+DPD and as a % of total cards and personal lending GLAs

($m)



30+DPD as % of outstandings



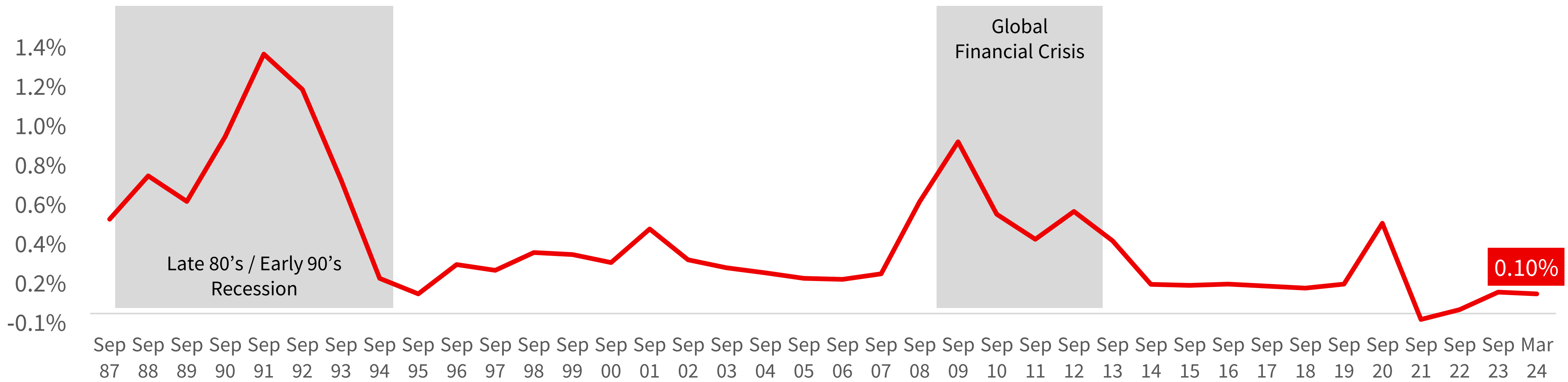
(1) Market share refers to consumer cards only. APRA Monthly ADI statistics
(2) Includes consumer and commercial cards

Additional information

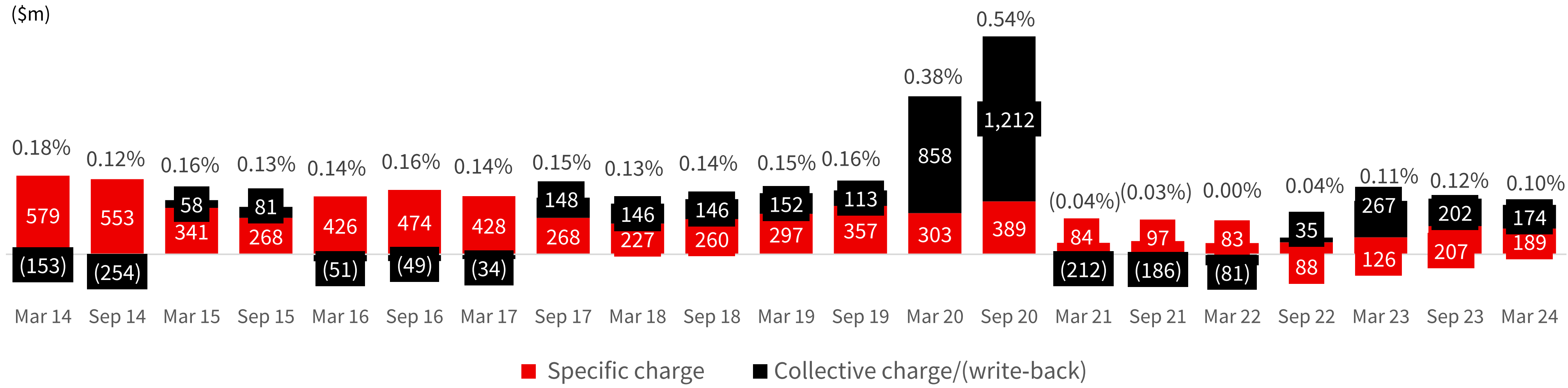
Group Asset Quality

Group credit impairment charge

Credit impairment charge as % of GLAs



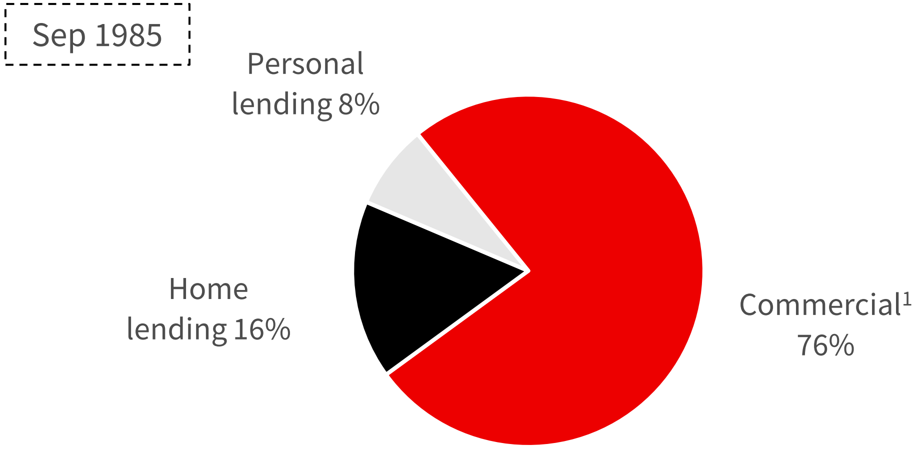
Credit impairment charge and as a % of GLAs[1]

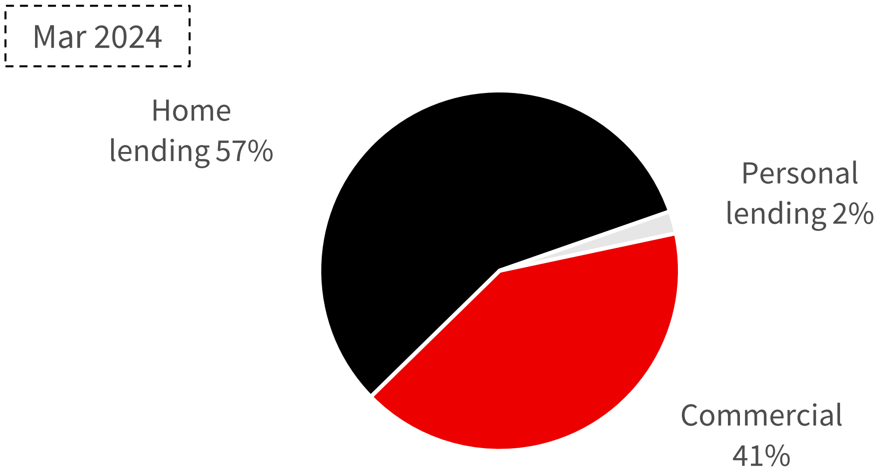


(1) Ratios for all periods refer to the half year ratio annualised

Group estimated long run loan loss rate

Group business mix – GLAs by category





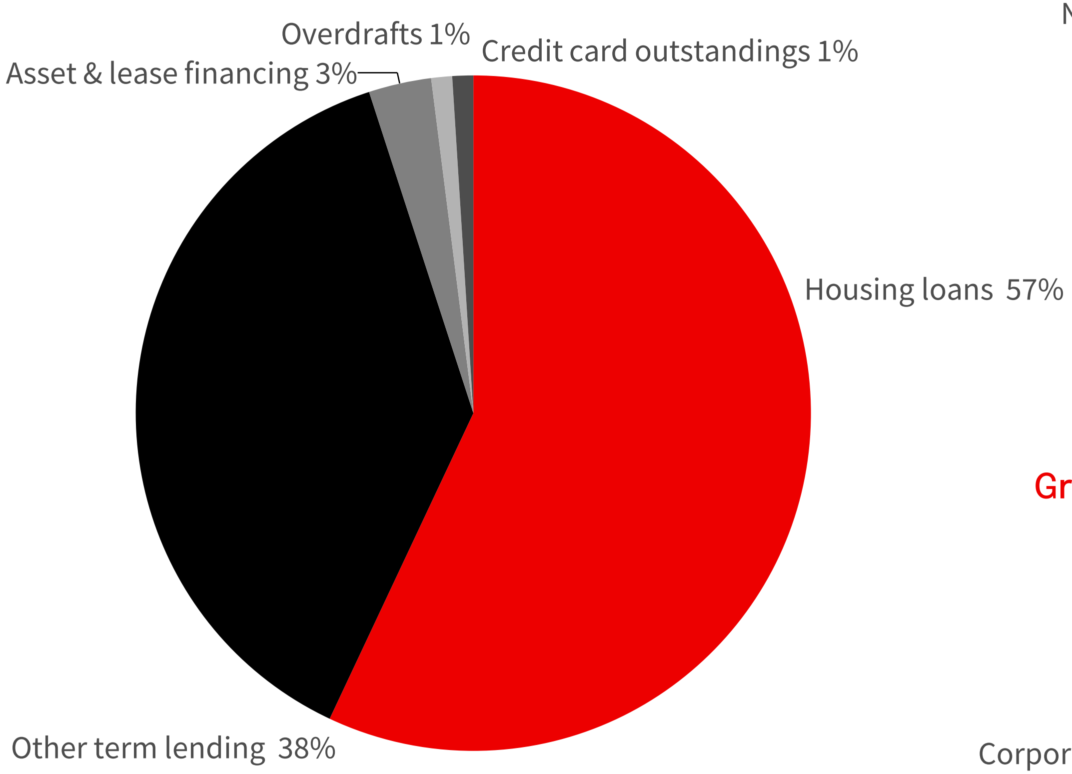
Estimating long run loan loss rate

NAB Australian geography net write off rates as a % of GLAs	Long run average (1985 – 2023[2])	Long run average (2004 – 2023[2])
Home lending[3]	0.03%	0.03%
Personal lending[3,4]	1.53%	2.20%
Commercial[3]	0.49%	0.36%
Australian average	0.31%	0.20%
Group average[5] based on 2024 business mix	0.24%	0.20%
Group average[5] based on 2024 business mix (excluding 1991-1993 and 2009-2012)	0.16%	n/a
Group average[5] based on 2024 business mix (excluding 2009-2012)	n/a	0.14%

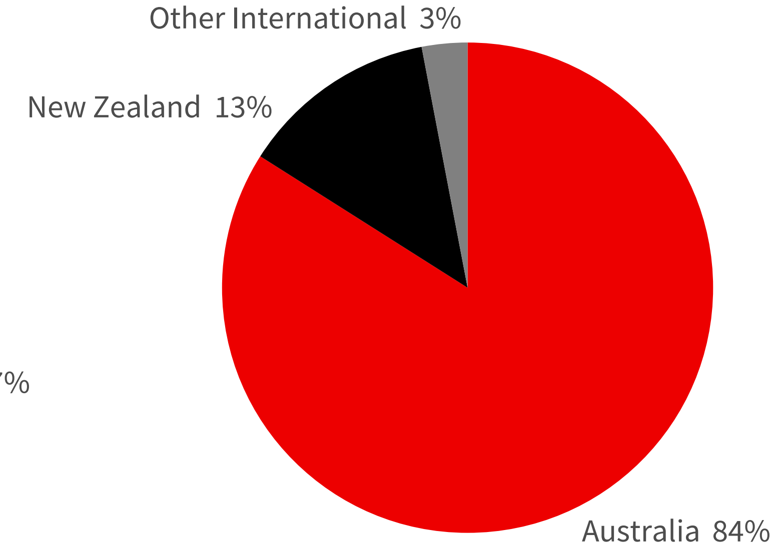
(1) For 1985 Group business mix, all overseas GLAs are allocated to Commercial category
(2) Data used in calculation of net write off rate as a % of GLAs is based on NAB's Australian geography and sourced from NAB's U.S. Disclosure Document (2021 - 2023), NAB's Supplemental Information Statements (2007 - 2020) and NAB's Annual Financial Reports (1985 - 2006)
(3) Home lending represents "Real estate – mortgages" category; Personal lending represents "Instalment loans to individuals and other personal lending (including credit cards)" category; Commercial represents "all other industry lending categories" as presented in the source documents as described in note 2 above
(4) Personal lending net write off rate since 2008 is above long run average of 1.53% (1985 – 2023) or 2.20% (2004 – 2023). Average net write off rate 2008 - 2023 is 2.43%
(5) Group average is calculated by applying each of the Australian geography long run average net write off rates by product to the respective percentage of Group GLAs by product as at 31 March 2024. Commercial long run average net write off rate has been applied to acceptances

Group lending mix

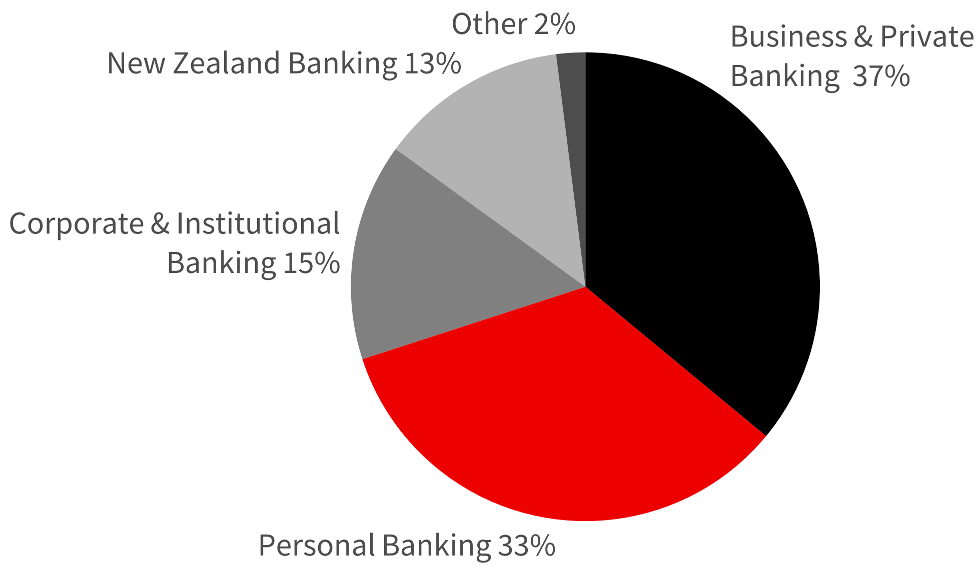
Gross loans and acceptances by product - $725.3bn



Gross loans and acceptances by geography[1]



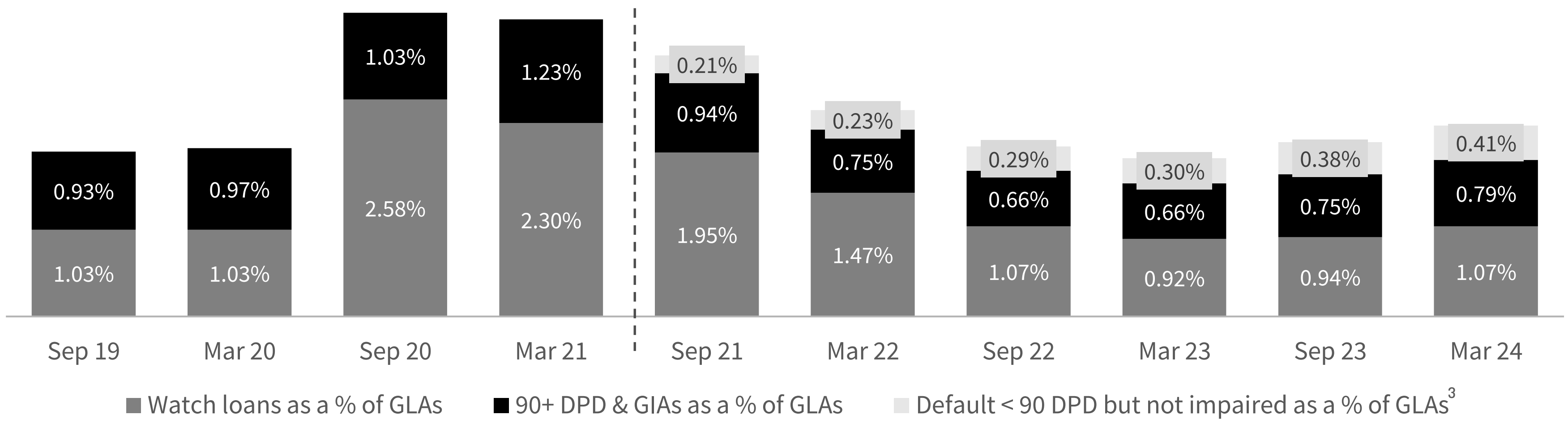
Gross loans and acceptances by business unit



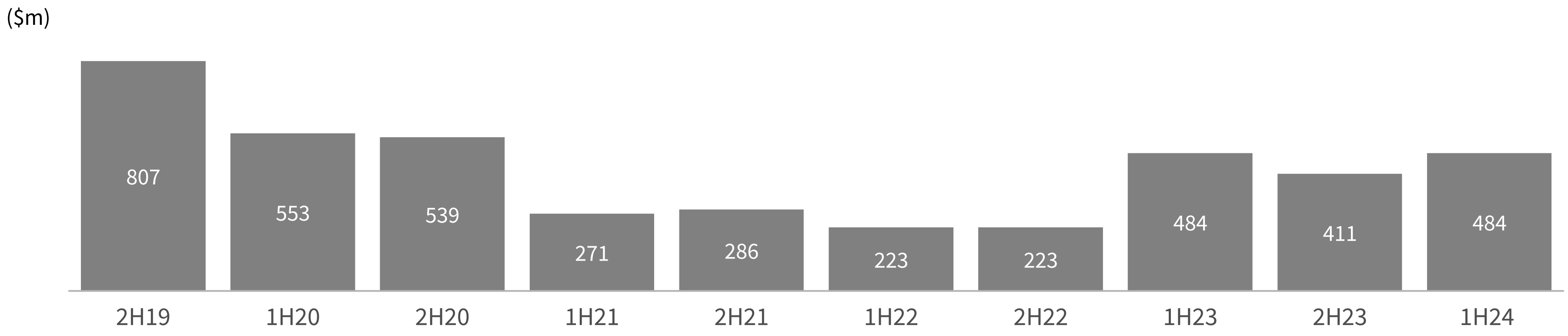
(1) Based on booking office where transactions have been recorded

Categorised assets

Watch loans[1] and Non-performing[2] exposures as % of GLAs



New impaired assets

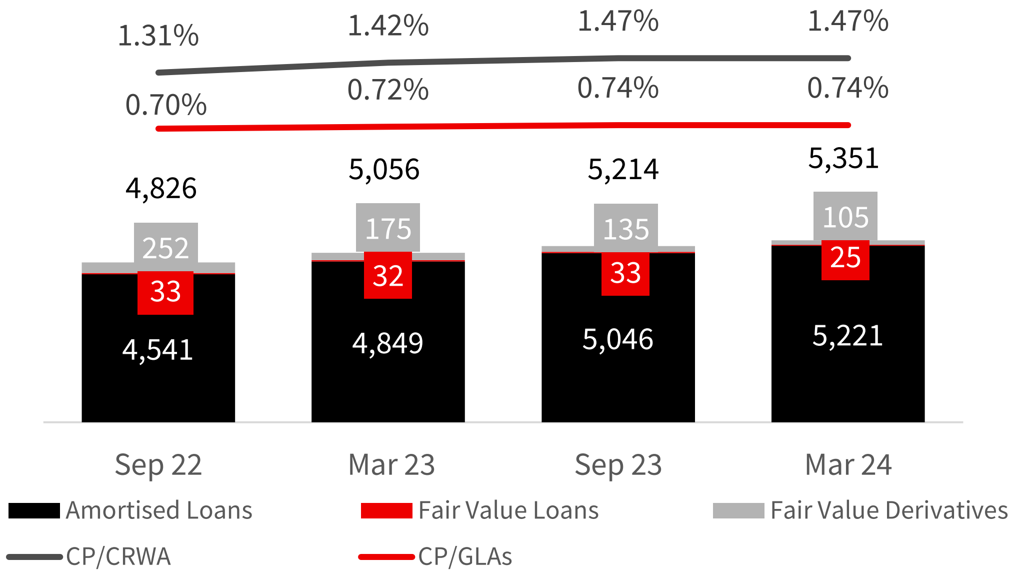


(1) Referral to Watch generally triggered by banker annual reviews through the year or as a result of performing customers experiencing cashflow pressures
(2) Non-performing exposures is aligned to the definitions in the revised APS 220 *Credit Risk Management*
(3) Default < 90 DPD but not impaired figures only shown from Sep-21 align to the revised APS220 *Credit Risk Management*. Examples of items included in Default <90 DPD but not impaired are: cross defaults, expired facilities, bankruptcy and accounts serving the APS 220 probation period

Group provisions

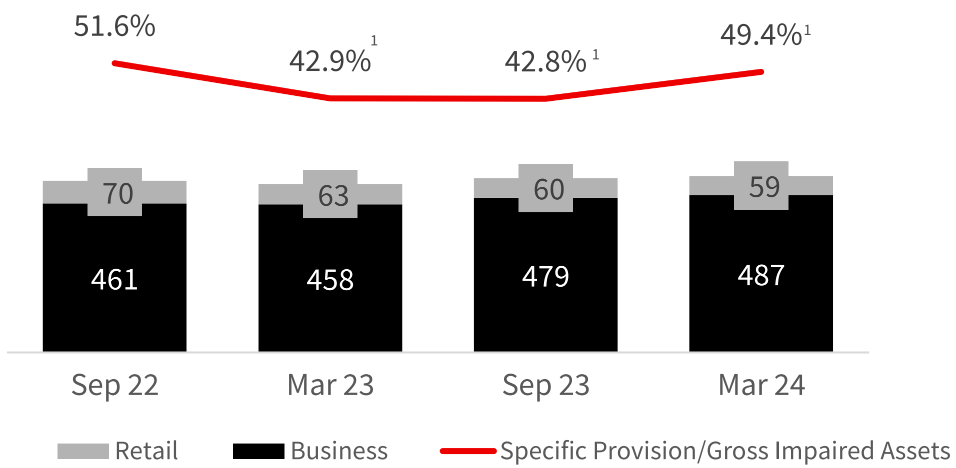
Collective provision

($m)



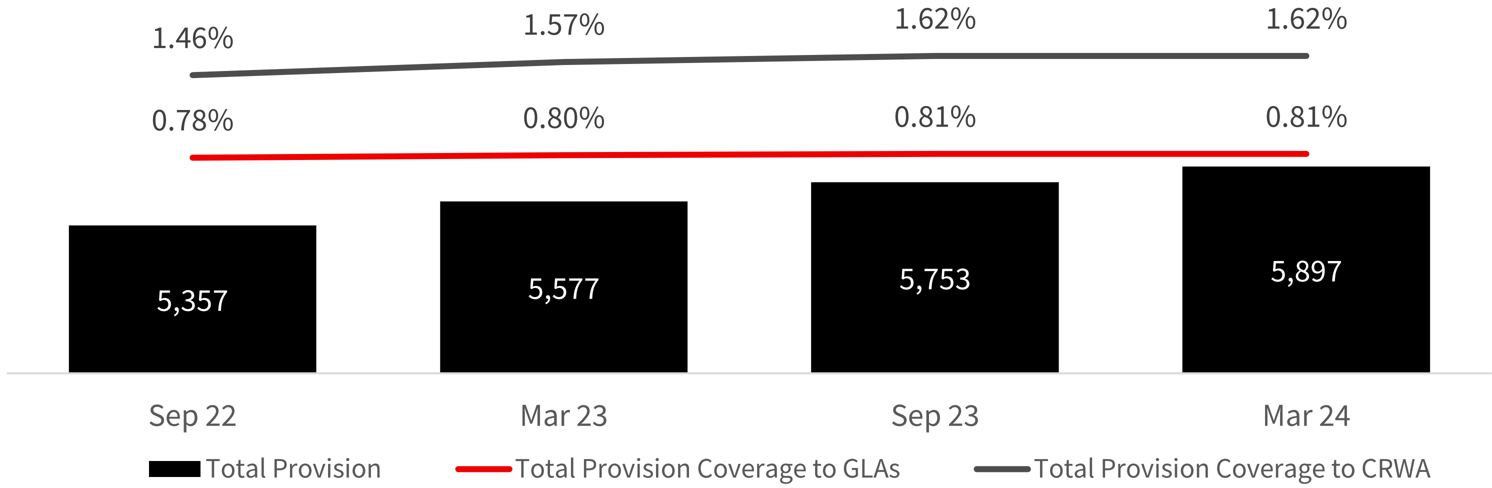
Specific provision

($m)



Total provision

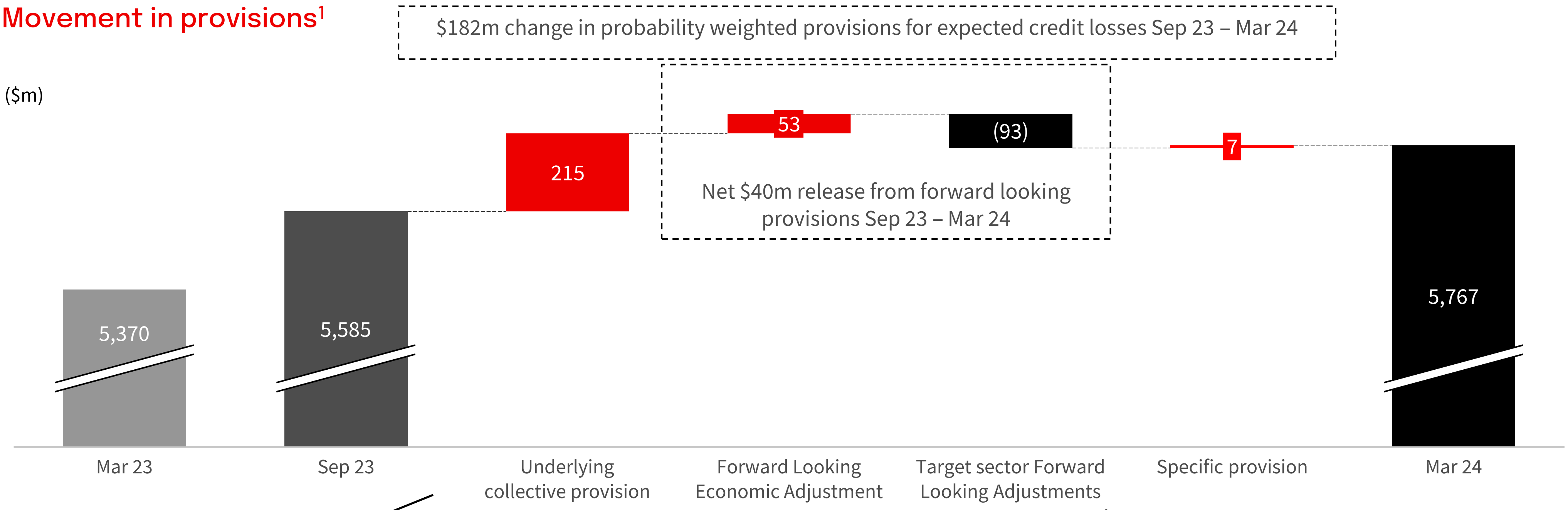
($m)



(1) Excluding the impact of NZ exposures affected by severe weather events classified as “Restructured loans” these ratios would be 50.1% at March 2024 (September 2023: 54.4%; March 2023: 51.1%). Collective provisions are held against these loans

Provisions

Movement in provisions[1]



Underlying CP

- Model outcomes based on point-in-time data
- 1H24 increase mainly reflects volume growth in B&PB and deterioration in asset quality for the Australian retail portfolio

Economic adjustment (EA)

- Forward view of additional stress across portfolio, according to 3 probability weighted scenarios (upside, base case & downside)
- Scenarios based on forward looking macro-economic data and granular PD and LGD assumptions
- EA top-up required where probability weighted EA higher over the period (and vice versa)
- 1H24 EA increase of $53m includes model and methodology changes, partly offset by improved base case economic outlook

Target sector FLAs

- Considers forward looking stress incremental to EA
- Net $93m decrease in target sector FLAs mainly driven by partial release of Australian mortgages and full release of Australian energy

(1) Excludes provisions on fair value loans and derivatives

Expected Credit Losses (ECL) assessment

ECL scenarios & weightings

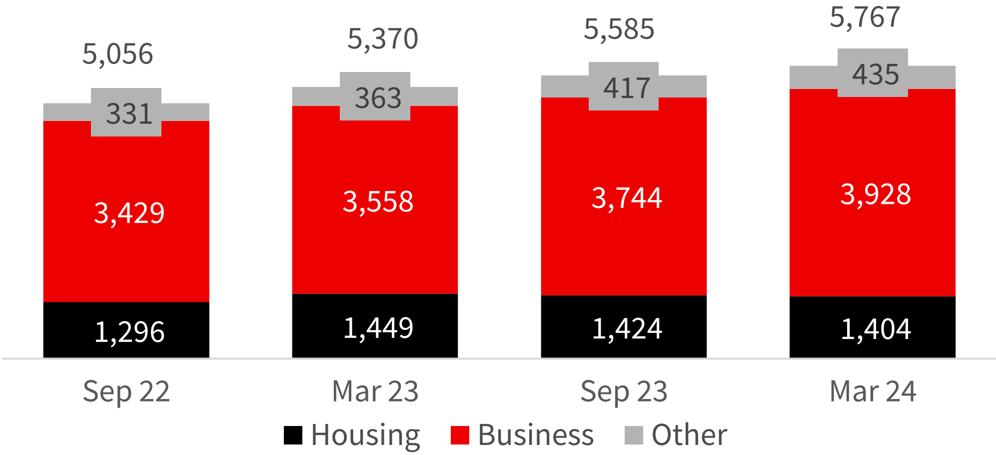
Total Provision for ECL[1,2,3]			
$m	**1H24 (probability weighted)**	**100% Base case**	**100% Downside**
Total Group	5,767	3,890	8,079
Increase/ (decrease) from Sep 23	182	(110)	533
Macro economic scenario weightings			
Group Portfolio (%)	**Upside**	**Base case**	**Downside**
30 Sep 23	2.5	52.5	45.0
31 Mar 24	2.5	52.5	45.0

Key considerations

- Increase in ECL vs Sep 23 reflects volume growth in B&PB and asset quality deterioration in the Australian retail portfolio. Partially offset by improved base case economic outlook and a net release of $40m from forward looking provisions
- 100% downside movement vs Sep 23 includes the impact of model and methodology changes
- NAB holds $2,327m in provisions above the 100% base case, after excluding $450m in FLA balances from the 100% base scenario

Total provision for expected credit losses[1]

($m)



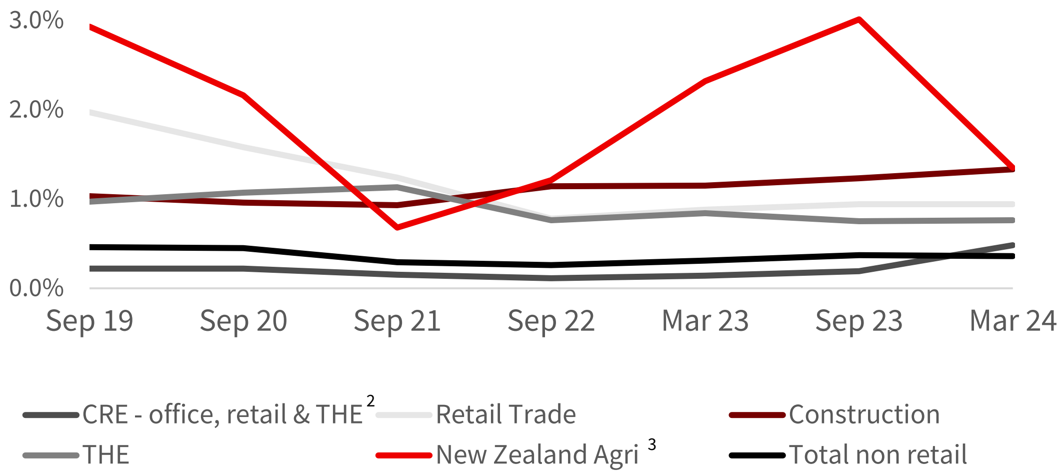
Economic assumptions

Australian economic assumptions considered in deriving ECL[2]						
	Base case			**Downside**		
%	**FY24**	**FY25**	**FY26**	**FY24**	**FY25**	**FY26**
GDP change YoY	1.5	2.0	2.6	0.7	(3.1)	0.0
Unemployment	4.5	4.5	4.4	4.7	7.9	9.1
House price change YoY	5.2	3.9	3.0	(6.9)	(28.1)	(5.2)

(1) ECL excludes provisions on fair value loans and derivatives
(2) Scenarios, prepared for purposes of informing forward looking provisions, rely on NAB Economics modelling and management judgement. The base case macro-economic variables are based on NAB Economics forecasts as at 31 March 2024
(3) 100% base case, 100% downside and probability weighted scenario all include $450m of FLAs

Sectors of interest

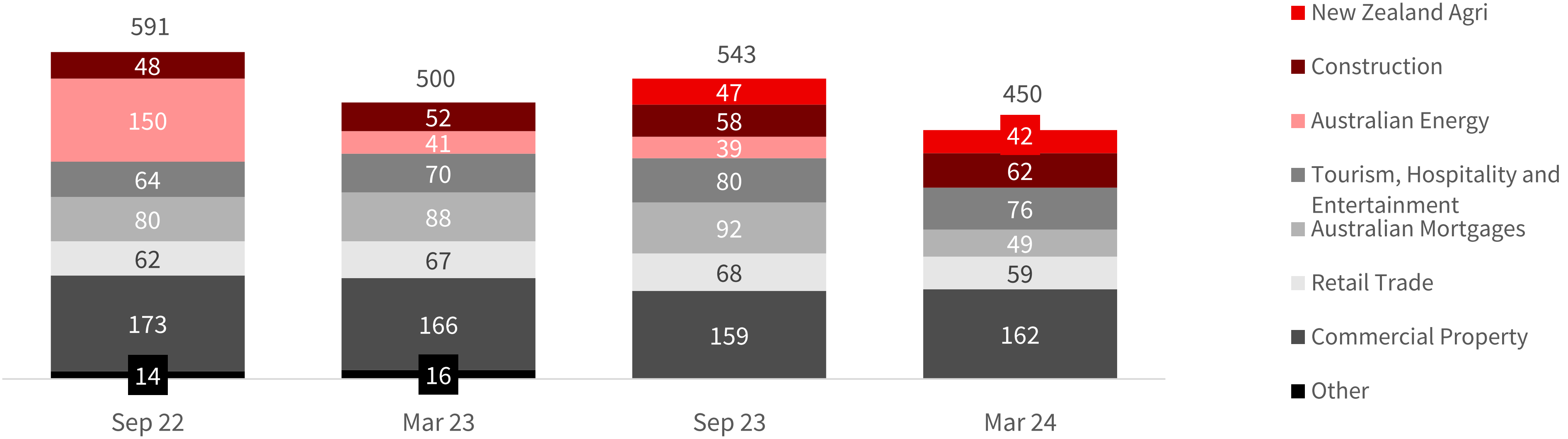
Non retail sectors of interest 90+ DPD and GIAs as % of EAD[1]



Mar 24	EAD $bn	EAD change since Mar 21[1]	90+ DPD and GIAs as % EAD
Retail Trade	15.7	8.3%	0.94%
Tourism, Hospitality & Entertainment (THE)	14.8	9.6%	0.76%
Construction	13.8	17.9%	1.33%
New Zealand Agri	16.2	3.2%	1.35%[3]
CRE - Office, retail & THE[2]	44.9	7.7%	0.48%
Non retail sectors of interest	**105.4**	**8.5%**	**0.83%**
Total non retail book	**606**	**16.5%**	**0.36%**

Collective provision target sector FLAs

($m)

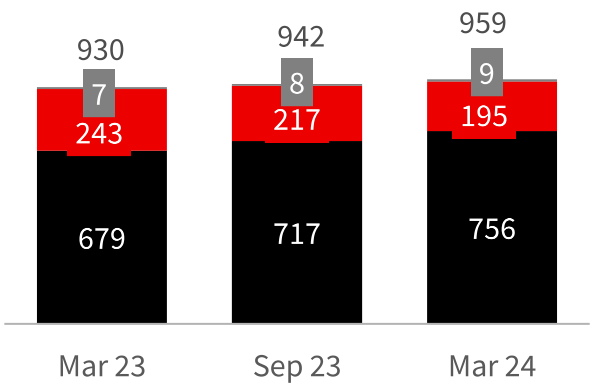


(1) Mar 23 and beyond reported under APRA's revised capital framework effective from 1 January 2023
(2) CRE EAD figures are limits based on ARS 230 definitions and CRE FLAs relate to total CRE portfolio with Office, Retail and THE CRE viewed as most at risk
(3) Includes New Zealand customers affected by severe weather events classified as "Restructured loans". Excluding the impact of restructured loans, 90+DPD and impaired ratio would be 1.19% at Mar 23, 1.46% at Sep 23 and 1.29% at Mar 24

ECL provisioning by stages

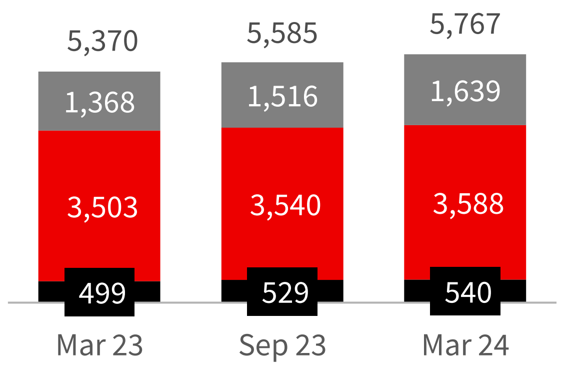
Loans and advances by stage[1]

($bn)



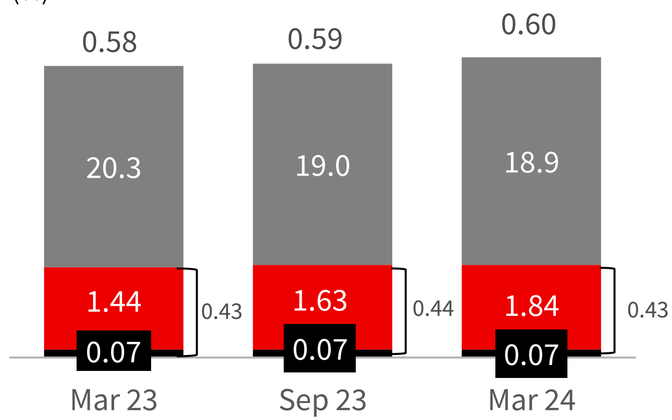
Provisions by stage[2]

($m)



Provision coverage by stage[3]

(%)



■ Stage 1 (12 month ECL) ■ Stage 2 (Lifetime ECL) ■ Stage 3 (Lifetime ECL)

	Status	Type of provision
Stage 1 (12 month ECL)	Credit risk not increased significantly since initial recognition; performing	Collective
Stage 2 (Lifetime ECL)	Credit risk increased significantly[4] since initial recognition but not credit impaired	Collective
Stage 3 (Lifetime ECL)	Credit impaired: default no loss Credit impaired: default with loss	Collective Specific

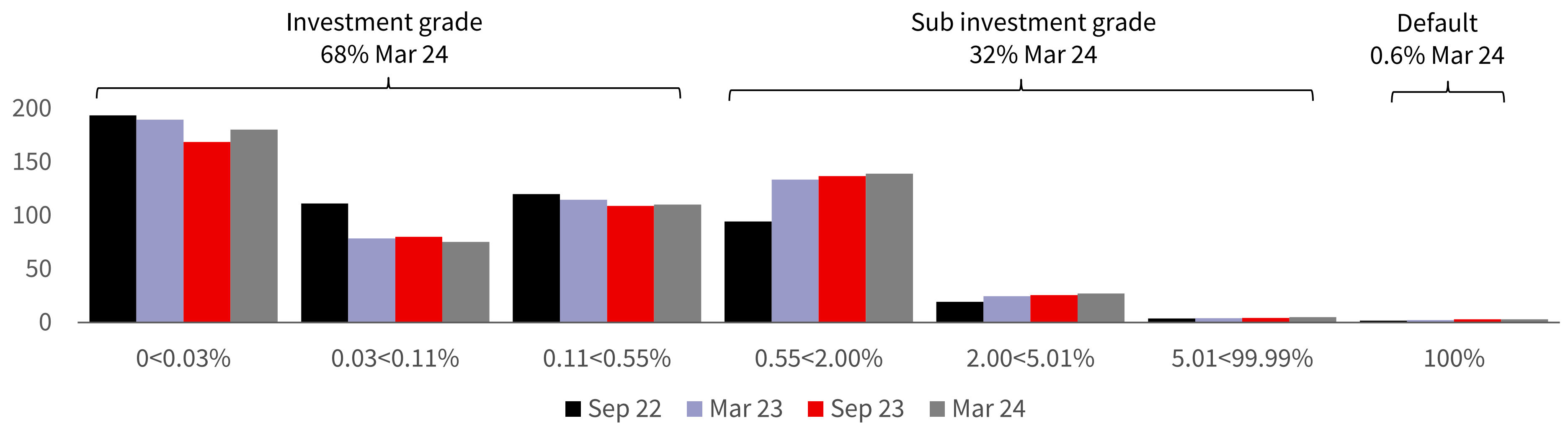
- Significant increase in credit risk rules are not prescribed by accounting or regulatory standards
- Migration assumptions included in forward looking adjustments
- Stage 2 includes majority of forward looking adjustments

(1) Notional staging of loans and advances, including contingent liabilities and credit-related commitments, incorporates forward looking stress applied in the ECL model
(2) Excludes collective provision on loans at fair value and derivatives which are not allocated to a stage under the ECL model
(3) Provision coverage: provisions as a percentage of loans and advances including contingent liabilities and credit-related commitments
(4) Significant increase in credit risk primarily determined by change in credit risk scores for business exposures and change in behavioural scoring outcomes for retail exposures

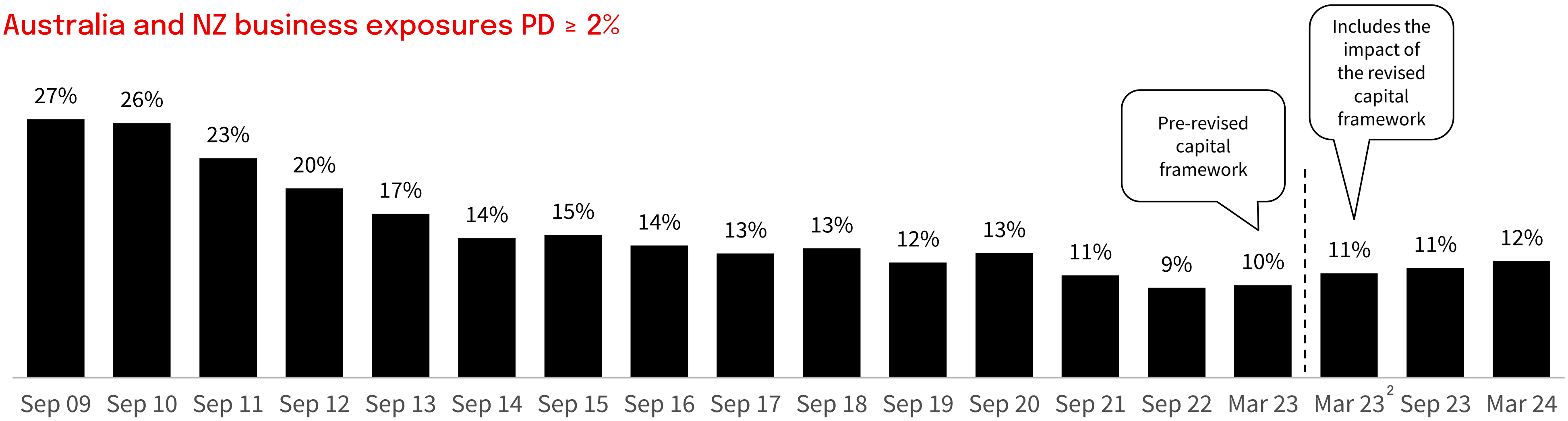
Probability of default (PD) analysis

Non-retail IRB EAD[1] by probability of default[2]

($bn)



Australia and NZ business exposures PD ≥ 2%

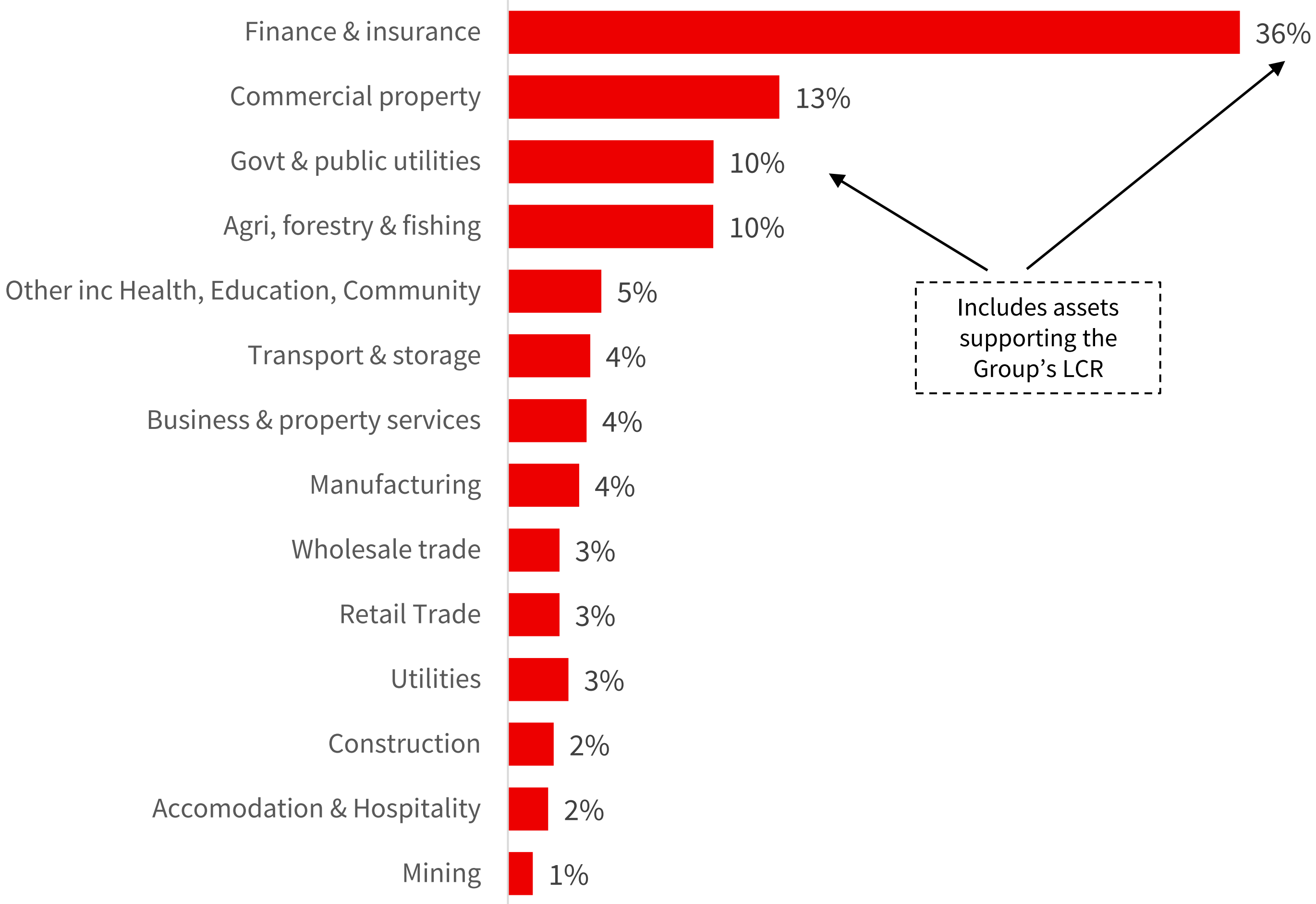


(1) Non-retail internal ratings based portfolios are aligned to those disclosed in the March 2024 Pillar 3 report – Table 4.3A. Total $540bn at Mar 2024, $528bn at Sep 2023, $548bn at Mar 2023 and $544bn at Sep 2022

(2) Mar 23 and beyond reported under APRA's revised capital framework effective from 1 January 2023

Non retail industry sector analysis

Non retail EAD by industry[1,2] – $606bn

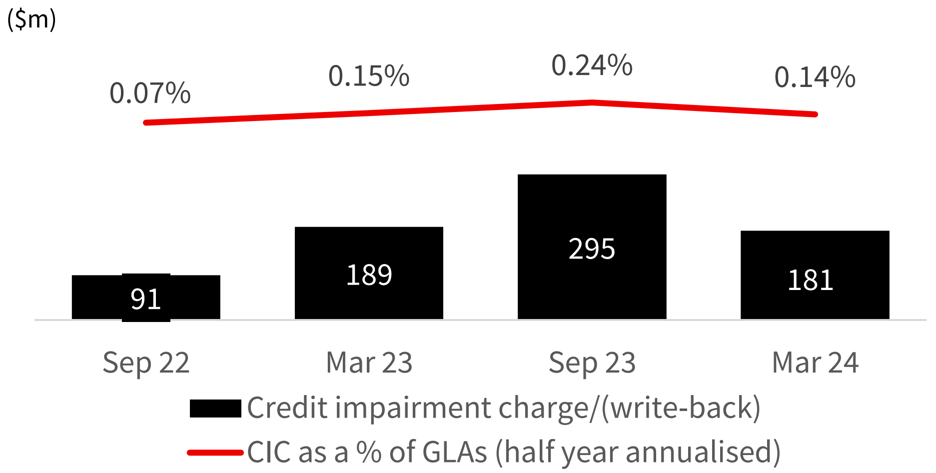


Industry	Share of non retail EAD	% of 90+ DPD and GIA: Mar 23	% of 90+ DPD and GIA: Sep 23	% of 90+ DPD and GIA: Mar 24
Finance & insurance	36%	0.02%	0.02%	0.02%
Commercial property	13%	0.26%	0.36%	0.51%
Govt & public utilities	10%	0.00%	0.00%	0.00%
Agri, forestry & fishing	10%	0.87%[3]	1.11%[3]	0.70%[3]
Other inc Health, Education, Community	5%	0.48%	0.48%	0.49%
Transport & storage	4%	0.46%	0.48%	0.47%
Business & property services	4%	0.93%	0.96%	1.02%
Manufacturing	4%	0.60%	0.84%	0.88%
Wholesale trade	3%	0.33%	0.67%	0.74%
Retail Trade	3%	0.88%	0.94%	0.94%
Utilities	3%	0.21%	0.01%	0.03%
Construction	2%	1.15%	1.23%	1.33%
Accomodation & Hospitality	2%	0.83%	0.73%	0.74%
Mining	1%	0.73%	0.71%	0.27%
Total		0.31%	0.37%	0.36%

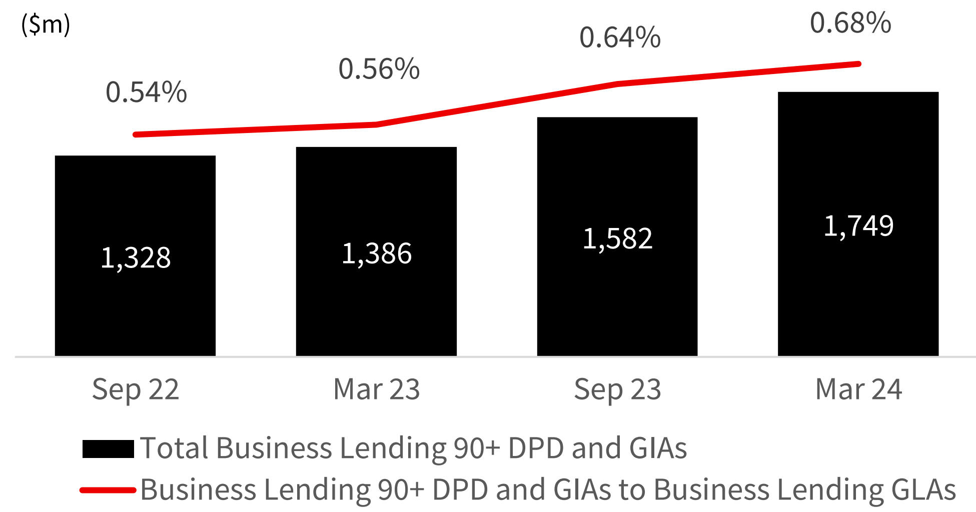
(1) Industry classifications are aligned to those disclosed in the 31 March 2024 Pillar 3 report – Table 5.1D. Non retail EAD shown excludes non-lending assets
(2) Non retail EAD shown excludes non-lending assets
(3) Mar 2024, Sep 2023 and Mar 2023 figures include the impact of NZ exposures affected by severe weather events classified as "Restructured loans" in accordance with APS 220 Credit Risk Management. Group 90+ DPD and GIA % of EAD excluding NZ restructured loans is 0.69% at Mar 24, 0.70% at Sep 23 and 0.57% at Mar 23

Australian Business lending asset quality

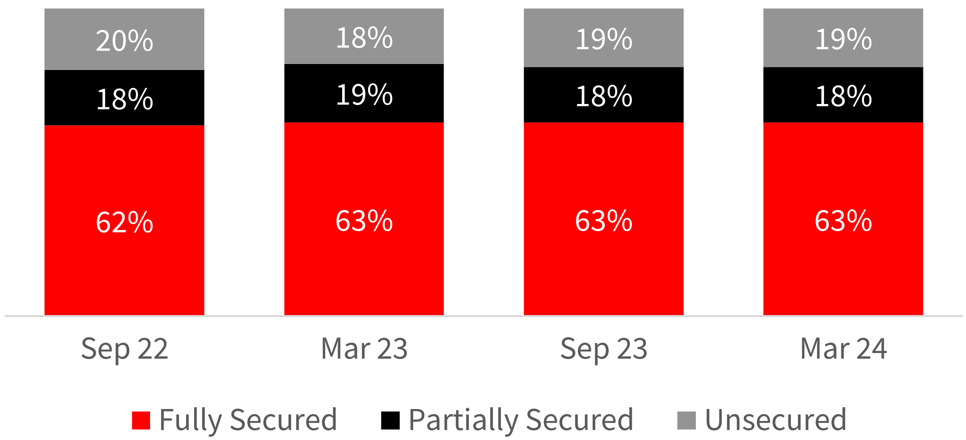
Business lending credit impairment charge and as a % of GLAs



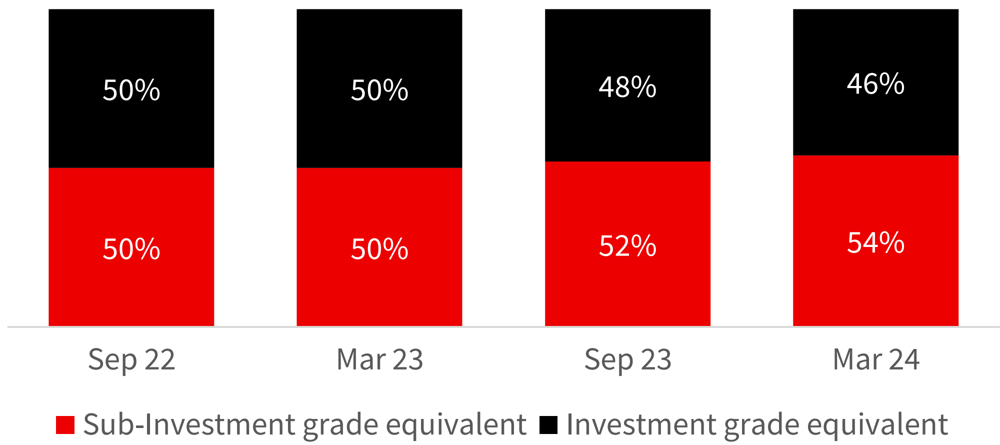
Business lending 90+DPD and GIAs and as % of GLAs



Total business lending security profile[1]



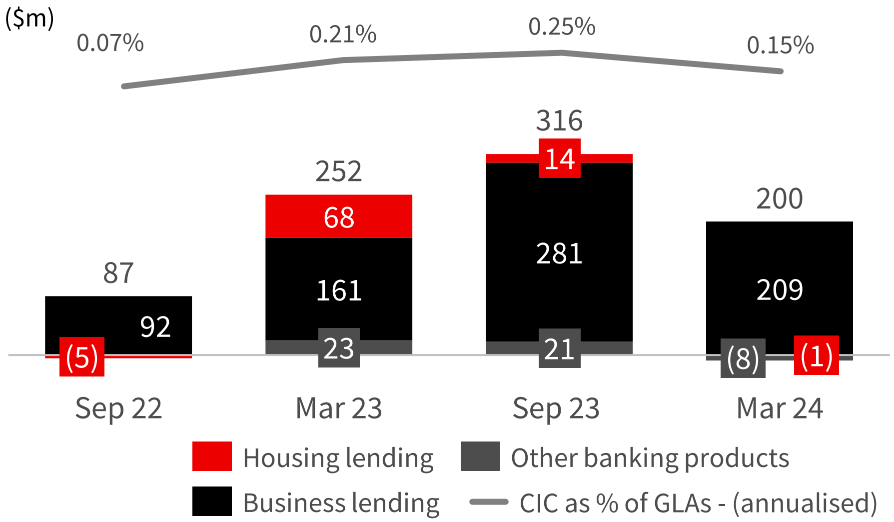
Business lending portfolio quality



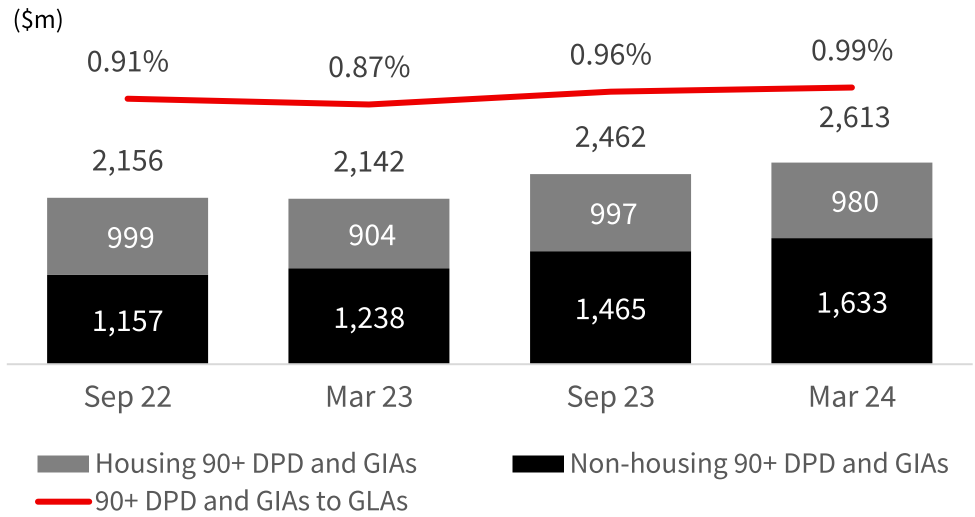
(1) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where no security is held and/or no value held against the security and negative pledge arrangements may be in place. Bank extended value is calculated as a discount to market value based on the nature of the underlying security

Australian Business & Private Banking asset quality

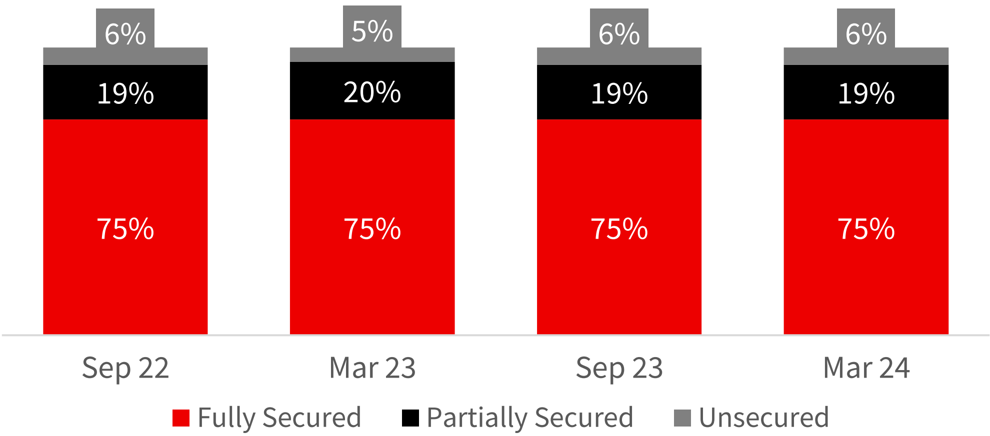
B&PB credit impairment charge and as % of GLAs[1]



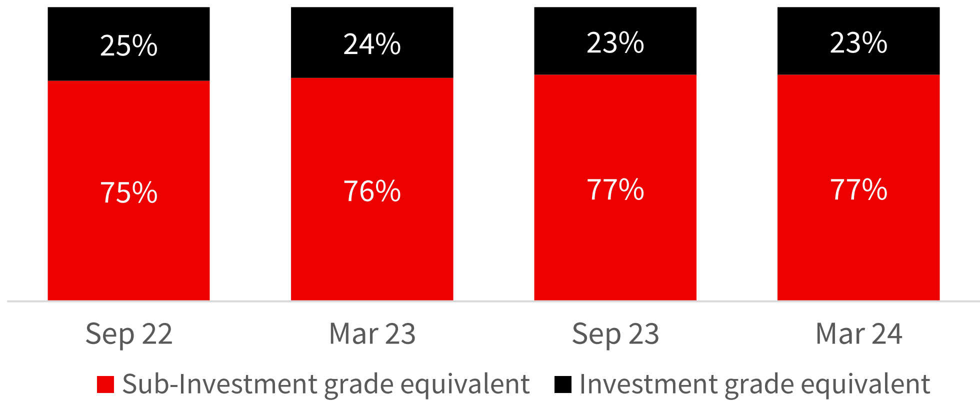
B&PB 90+DPD and GIAs and as % of GLAs[1]



B&PB business lending security profile[2]



Business lending portfolio quality



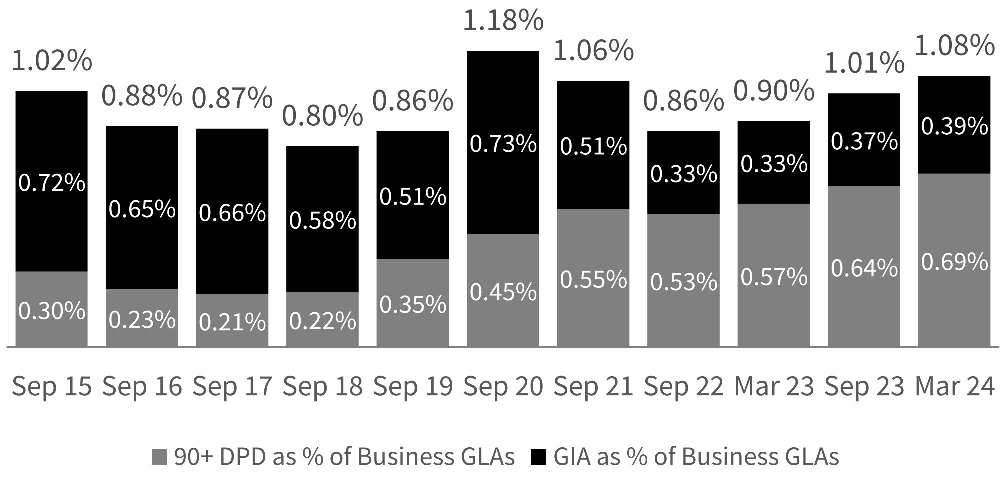
(1) B&PB credit impairment charges and 90+ DPD and GIAs reflect the total B&PB portfolio including mortgages
(2) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where 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

Business & Private Banking business lending $149bn

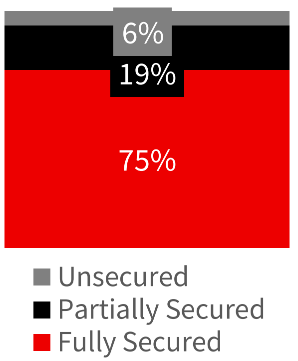
Key considerations

- SMEs entered more challenging period in good shape:
  - B&PB deposits up 42% since Sep 20 (up $8bn in 1H24)
  - Utilisation rates modestly higher vs 1H23 but remain below pre COVID levels
- Arrears continue to increase, albeit at a slower pace than 2H23, reflecting ongoing inflationary pressures & higher interest rates
- Broad based deterioration across industries
- Arrears for sectors of interest[1] remain above book average
- Impairment activity low given strong security profile
- Portfolio remains well diversified and highly secured with material discounts applied to market valuations

90+ DPD and GIAs as % of GLAs



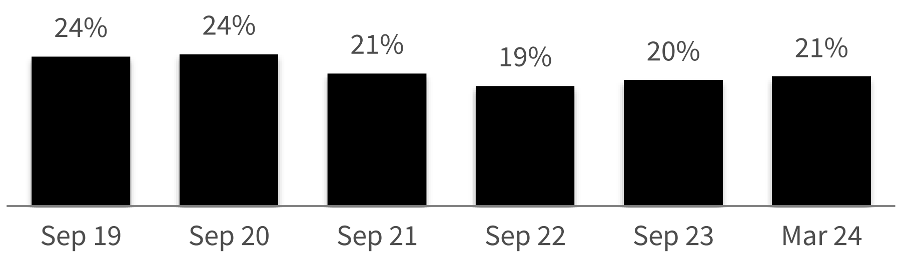
Security profile[2] Mar 24



Higher risk balances

$bn	Total balances with PD ≥ 2%
Not fully secured	~10.0
Of which: Unsecured	~2.0

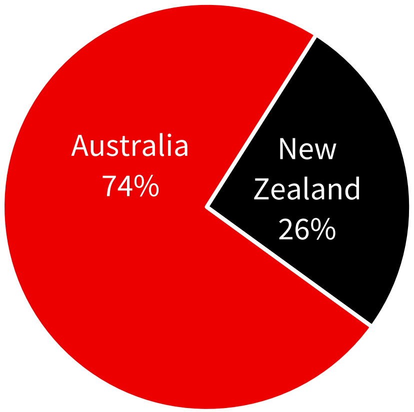
Exposures with probability of default (PD) ≥ 2%



(1) Sectors of interest refers to non-retail sectors with an FLA (Retail Trade, Tourism, Hospitality and Entertainment (THE), Construction and CRE)
(2) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where 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

Agriculture, forestry & fishing exposures[1]

Group EAD $61.6bn March 2024

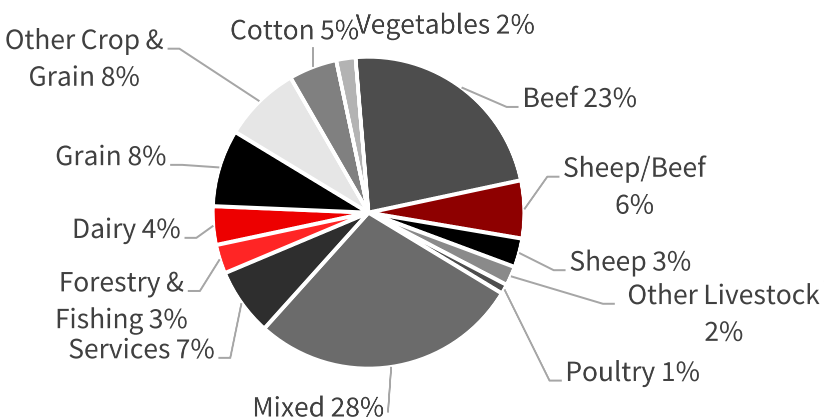


Key Australian considerations

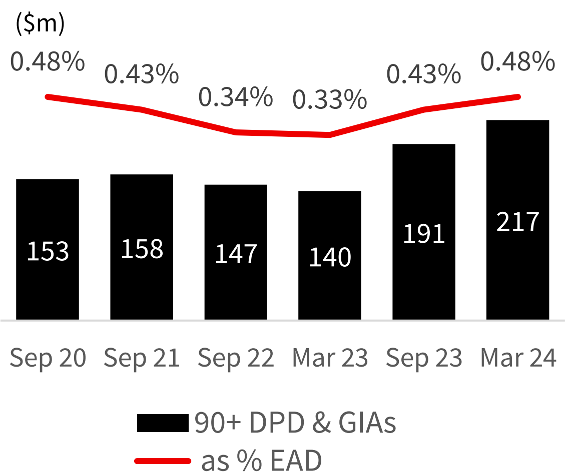
- Growing conditions have improved significantly since Sep 2023, with much of the East Coast seeing good rainfall which has benefitted crop and livestock production; West Australia has also seen improvement albeit to a lesser degree
- Improved sentiment has reversed the destocking activity since Sep 23 and has contributed to a turnaround in beef and sheep prices
- Labour supply remains a challenge for primary producers and processors
- Asset valuations remain stable
- While asset quality has deteriorated from recent lows it remains below 10-year average 90+ DPD and GIAs ratio of 0.68%
- ~10% of non-retail EAD

Australian Agriculture, Forestry & Fishing

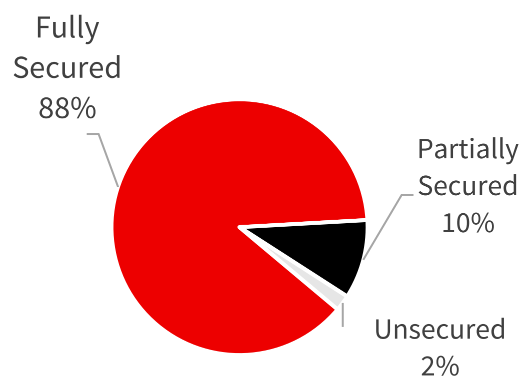
Portfolio EAD $45.4bn March 2024



Australian agriculture asset quality



Australian agriculture portfolio well secured[2]

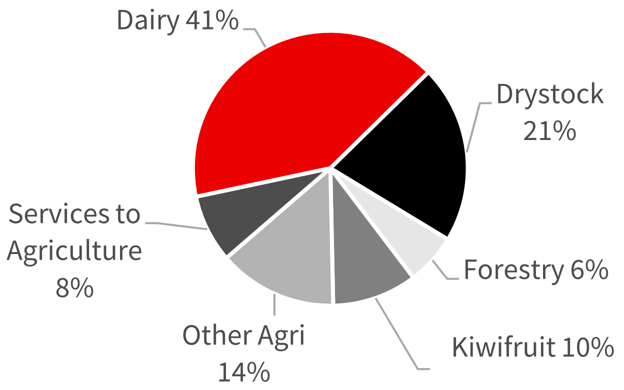


(1) Based on ANZSIC Level 1 classifications of the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties

(2) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where 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

New Zealand Banking agriculture exposures[1]

EAD NZ$17.5bn March 2024[1]

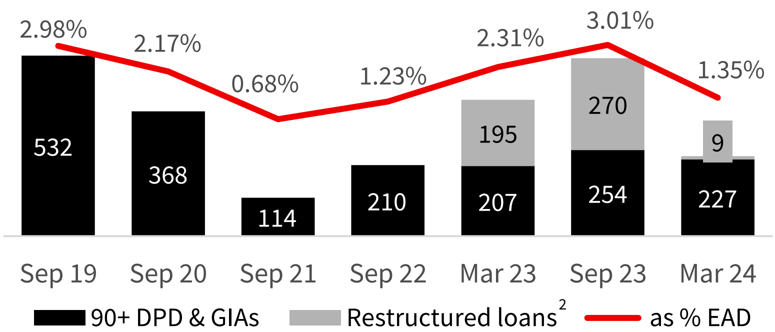


Key considerations

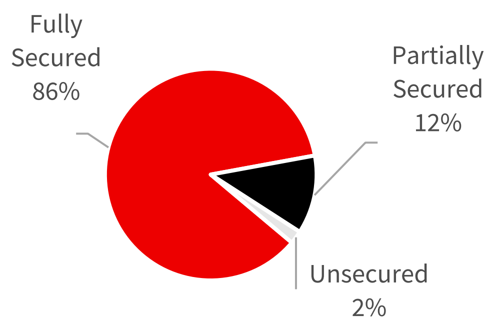
- 90+ DPD and impaired assets lower in 1H24 primarily due to a reduction in restructured loans relating to customers affected by severe weather events
- Farming sector remains challenged by high farm inputs inflation (fuel, fertiliser, wages) and high interest rates combined with volatility in global soft commodity prices
- Largest sector exposure is dairy at 41%, down from 56% at Sep 2016
  - outlook improved with partial recovery in Fonterra forecast Farm Gate Milk Solids price; total farm income forecast now above average production cost
  - most customers fully secured and benefitted from above average milk prices over recent years enabling amortisation of debt
- Reduced red meat returns due to softer global demand and increased supply
- Provisioning includes NZ Agri FLA of NZ$45m

New Zealand Agri asset quality

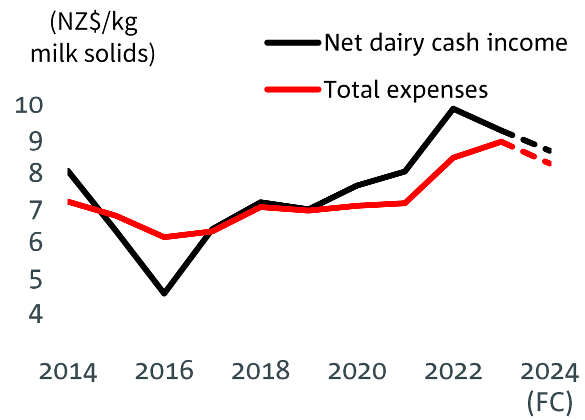
(NZ$m)



Portfolio well secured[1,3]



Dairy farm viability[4]



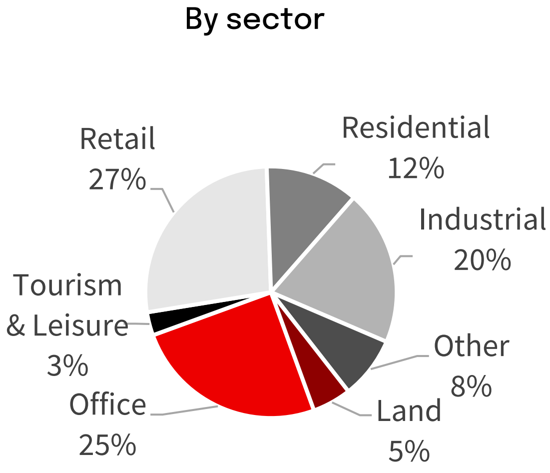
(1) Includes ANZSIC Level 1 classifications of agriculture, forestry & fishing based on the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties
(2) Mar 2024 includes a portfolio of customers affected by severe weather events. These customers have been classified as “Restructured loans” in accordance with APS 220 Credit Risk Management. Excluding the impact of the restructured loans, 90+DPD & GIA ratio would be 1.19% at Mar 23, 1.46% at Sep 23 and 1.29% at Mar 24
(3) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where 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
(4) Source: DairyNZ Econ Tracker. Net dairy income is cash received in the year from milk, dividends and net stock sales. Total Expense includes farm working expenses, interest and rent, net drawings, depreciation and tax. 2024 represents forecast period

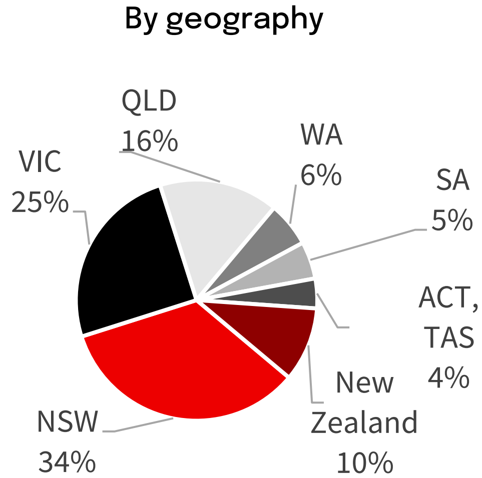
Commercial real estate (CRE)[1]

Gross loans & acceptances (GLAs)

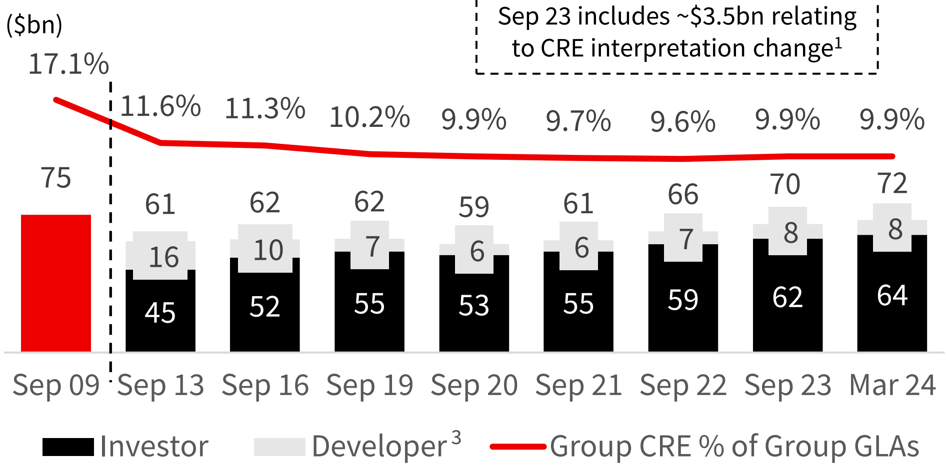
	Australia	New Zealand	Total[2]
Total CRE (A$bn)	64.7	6.8	71.5
Increase/(decrease) from Sep 23 (A$bn)	1.4	(0.2)	1.1
% of geographical GLAs	10.7%	7.0%	9.9%
Change in % from Sep 23	-	(0.3%)	-

Breakdown by total GLAs

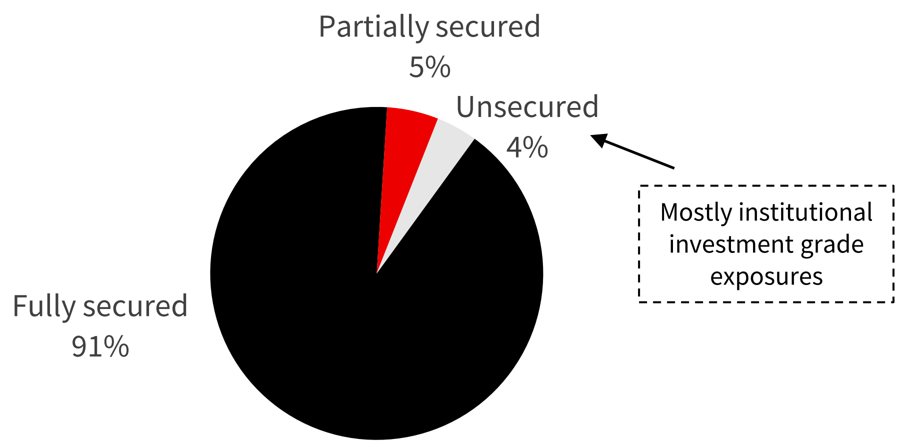




Balances over time



Group CRE Security Profile[4]



(1) Measured as balance outstanding as at 31 March 2024 per APRA Commercial Property ARF 230 definitions. NAB modified its interpretation of the ARS 230 Commercial Property standard during the September 2023 half, with the guidance of APRA. This resulted in an additional ~$3.5bn in Australian balances qualifying for ARS 230 reporting at Sep 23
(2) Includes overseas offices not separately disclosed
(3) Developer at March 2024 includes $1.7bn for land development and $3.5bn for residential development in Australia
(4) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where 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

Commercial real estate[1]

Key asset quality considerations

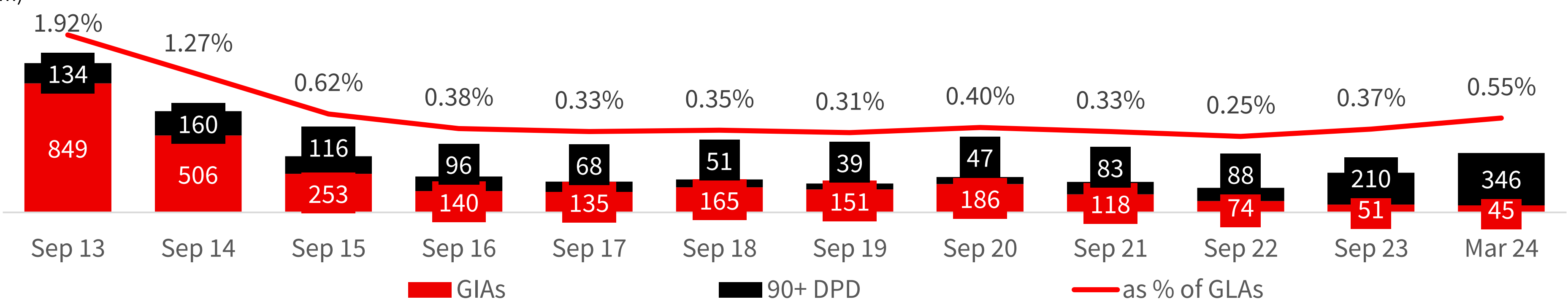
- **90+ DPD and GIAs** above low levels of recent years but remain below longer term historical levels. Current bias towards arrears where no loss is expected
- Higher arrears reflect customer specific situations including increased interest expenses unable to be offset by rental growth for investment lending and delayed project completions / cost over-runs in the development portfolio relating to builder/construction issues
- Higher interest rates driving down transaction **leverage (LVR)** at origination to satisfy **serviceability (ICR)** requirements
- Material portion of new and renewed CRE Investment lending over past 18 months associated with **LVRs** <60%
- Low level of **transacted volumes** reflecting a continued disconnect between vendor and purchaser price expectations
- Provisioning includes $162m target sector **FLA**

Sector considerations

- Slower lending momentum observed in **development** segment; labour shortages in construction sector continue to challenge new development starts
- **Discretionary income** exposed assets remain a focus given elevated interest rates and cost of living pressures
- Valuation pressure and elevated vacancy rates remain evident across **Office** markets. Secondary assets[2] lacking Green credentials deemed higher risk, particularly those with shorter lease expiries located in CBD-type locations.
  - C&IB portfolio (~65% of Australian office) biased towards Prime/A-grade assets
  - B&PB portfolio (~35% of Australian office) typically associated with C to D grade assets located in non-CBD locations

90+ DPD and GIAs and as % GLAs[3]

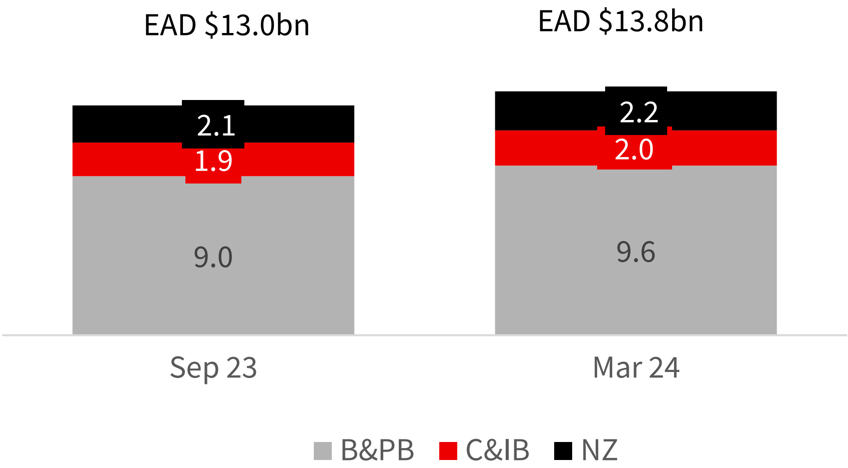
($m)



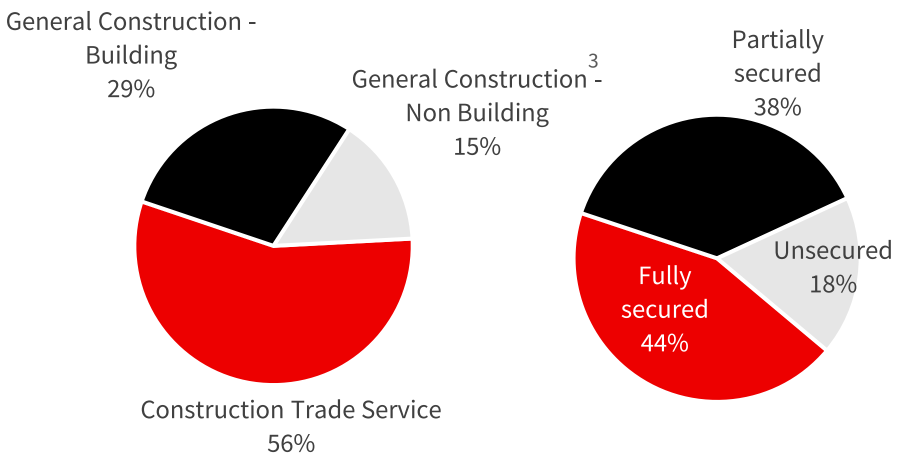
(1) Measured as balance outstanding per APRA Commercial Property ARS 230 definitions
(2) Refers to office assets below Prime and A-grade
(3) Sep 13 and Sep 14 figures have been restated to reflect continuing operations for Australia and New Zealand

Construction[1]

Exposure at default



EAD portfolio by sector and security[2]

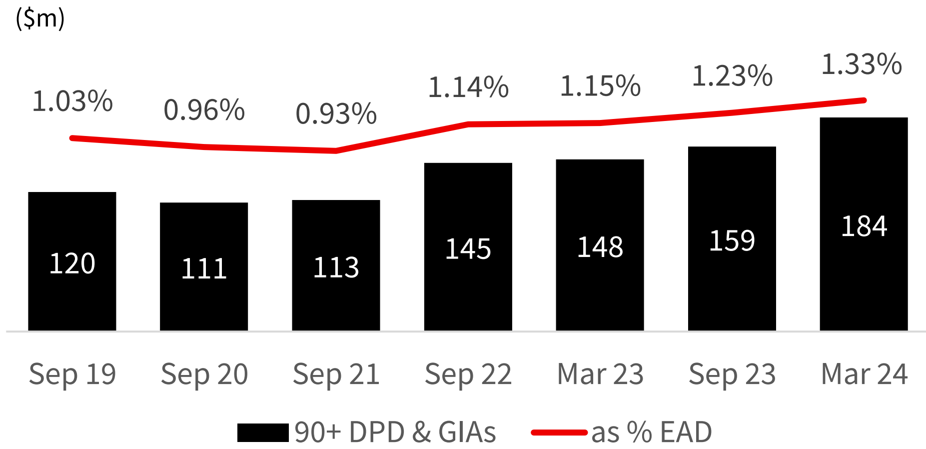


Key considerations

- Availability of labour and subcontractor risks remain key challenges; new housing starts have moderated in the face of rising interest & construction costs
- ~2% non retail EAD including subcontractors and construction services
- Highly diversified and secured portfolio
- Provisioning includes $62m target sector FLA
- ~60% of C&IB exposures are contingent facilities e.g. performance guarantees

Australian Construction	B&PB	C&IB	Total
EAD ($bn)	9.6	2.0	11.6
# customers	~26k	~300	~26k
% Fully or Partially Secured	94%	45%	82%

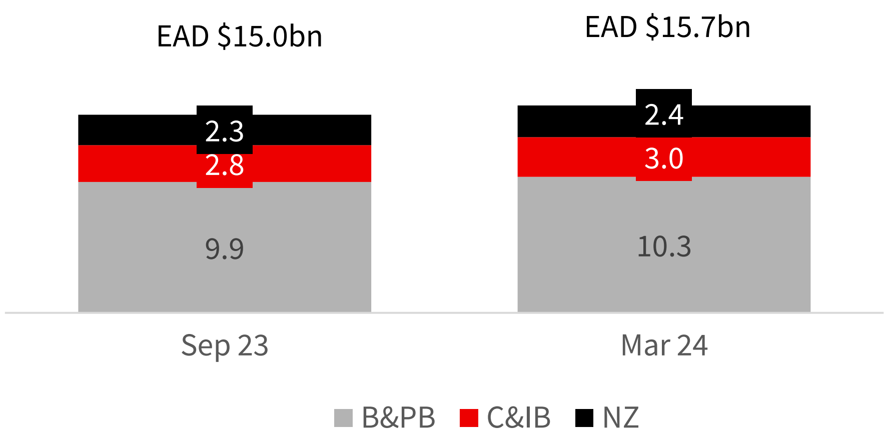
90+ DPD and GIAs and as % of sector EAD



(1) Based on ANZSIC Level 1 classifications of the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties
(2) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where 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
(3) General Construction – Non Building EAD includes construction activities such as infrastructure, leisure, irrigation, mining etc

Retail Trade[1]

Exposure at default

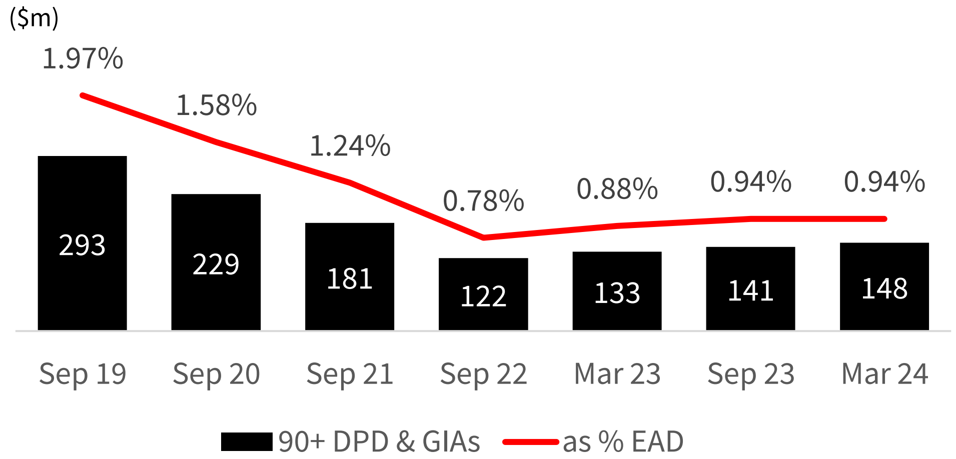


Key considerations

- Despite population growth and accumulated consumer savings, nominal retail trade demand is moderating reflecting continued pressure on consumers
- Consumption growth is expected to weaken over the balance of FY24, as overall conditions further impact consumer budgeting including ongoing reassessment of spending priorities
- Provisioning includes $59m target sector FLA
- ~3% non retail EAD

EAD portfolio by sector and security[2]

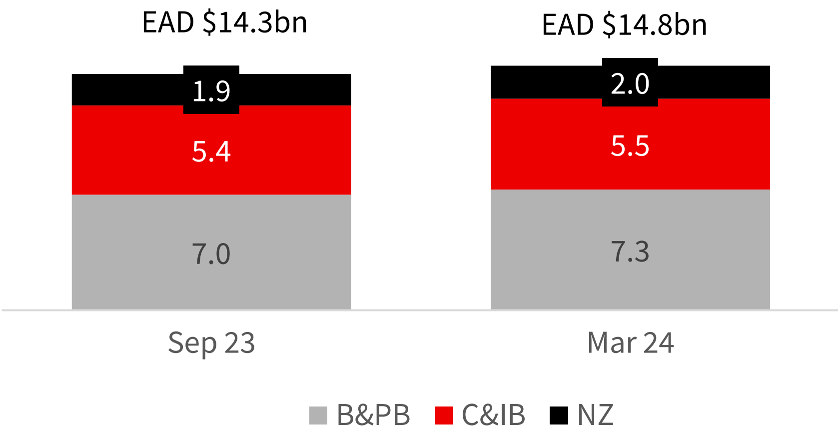
90+ DPD and GIAs and as % of sector EAD



(1) Based on ANZSIC Level 1 classifications of the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties
(2) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where 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

Tourism, hospitality and entertainment[1]

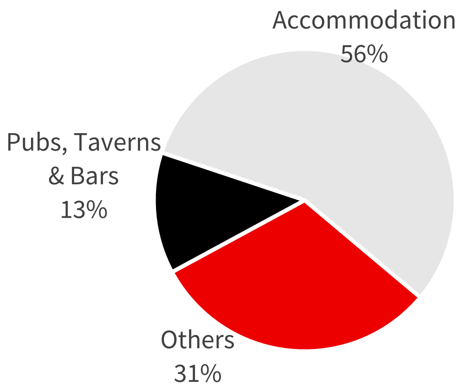
Exposure at default

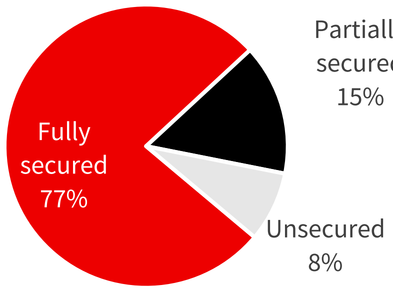


Key considerations

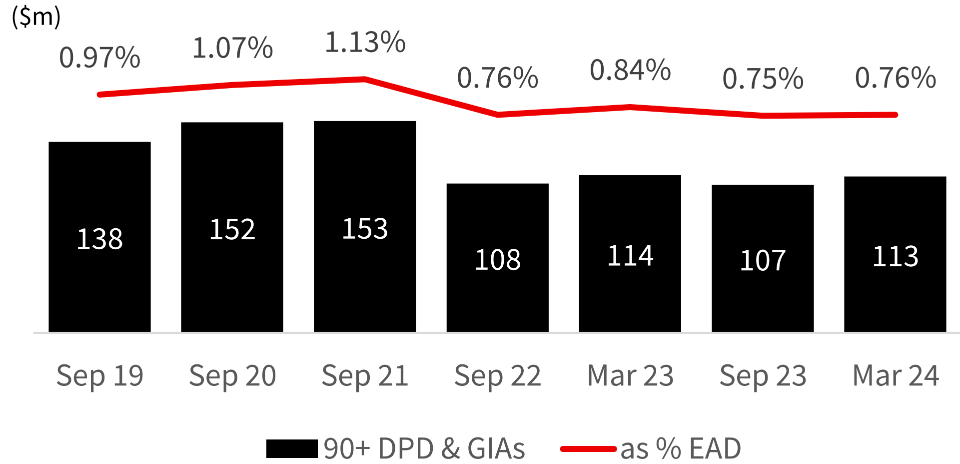
- Industry data suggests trading performance for Tourism and Entertainment operators remains robust, notwithstanding wage/energy cost increases and reduced savings levels
- Impacts of softer consumer confidence and discretionary spending, higher cost of living and increased interest rates not immediately reflected in current performance, but are likely to influence longer term outlook
- ~2% of non retail EAD
- Provisioning includes $76m target sector FLA

EAD portfolio by sector and security[2]





90+ DPD and GIAs and as % of sector EAD



(1) Based on the ANZSIC Level 1 classifications of accommodation and hospitality, plus cultural and recreational services; based on the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties

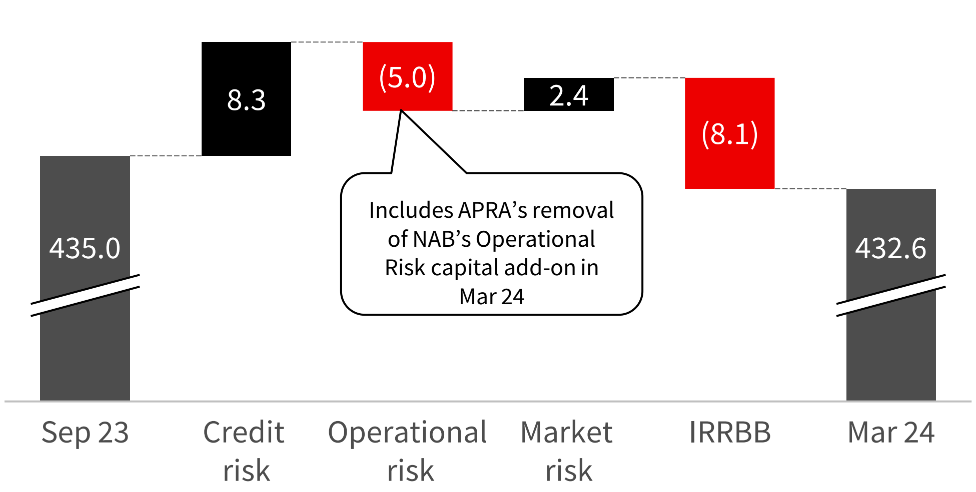
(2) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where no security is held and/or no value held against the security and negative pledge arrangements may be in place. Bank extended value is calculated as a discount to market value based on the nature of the underlying security

Additional information

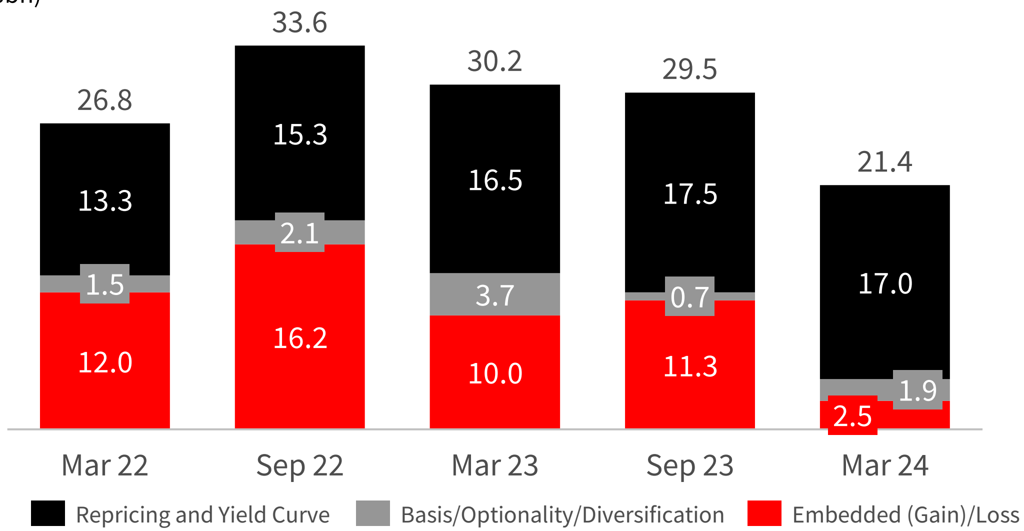
Capital, Funding & Liquidity

Risk-weighted assets and IRRBB

Risk-weighted assets



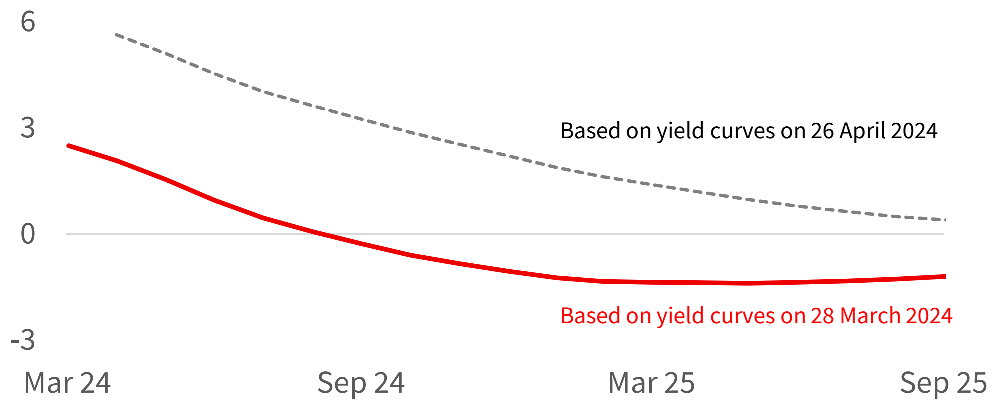
IRRBB risk-weighted assets



IRRBB RWA run off

- RWAs related to embedded loss on capital hedge reduced to $2.5bn at Mar 24 (7bps of CET1)
- Based on end Mar 24 rates, the embedded loss RWA is expected to run off by Sep 24 and move to an embedded gain in FY25
- Sensitivity for embedded loss/gains: +/- 10 bps swap rates equivalent to ~$0.5bn of RWA

Embedded (Gain)/Loss RWA profile



Capital & Deposit hedges

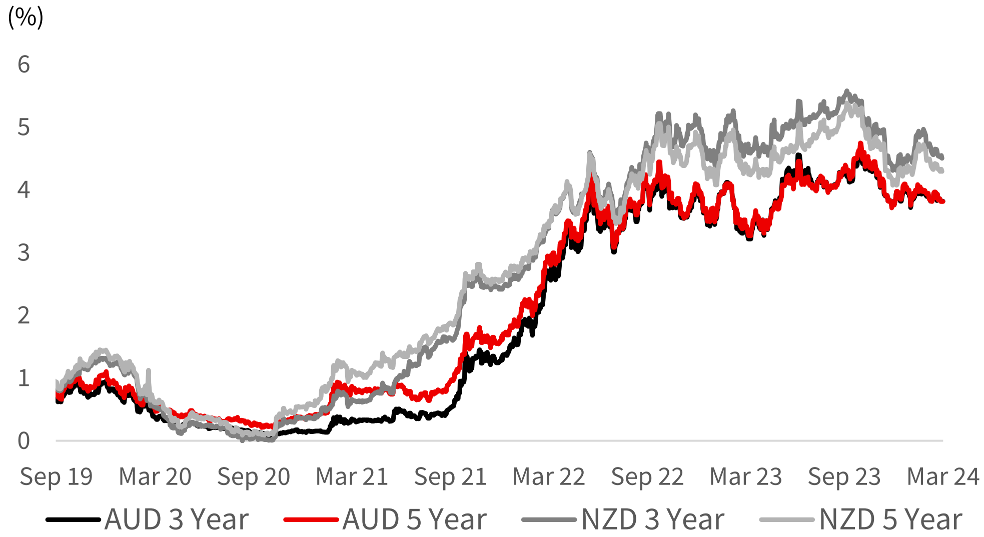
NAB replicating portfolios

Replicating portfolio		
	31 Mar 24 balance	Invested out to term of
Capital	AUD $41bn	3 years
Low rate deposits	AUD $73bn	5 years

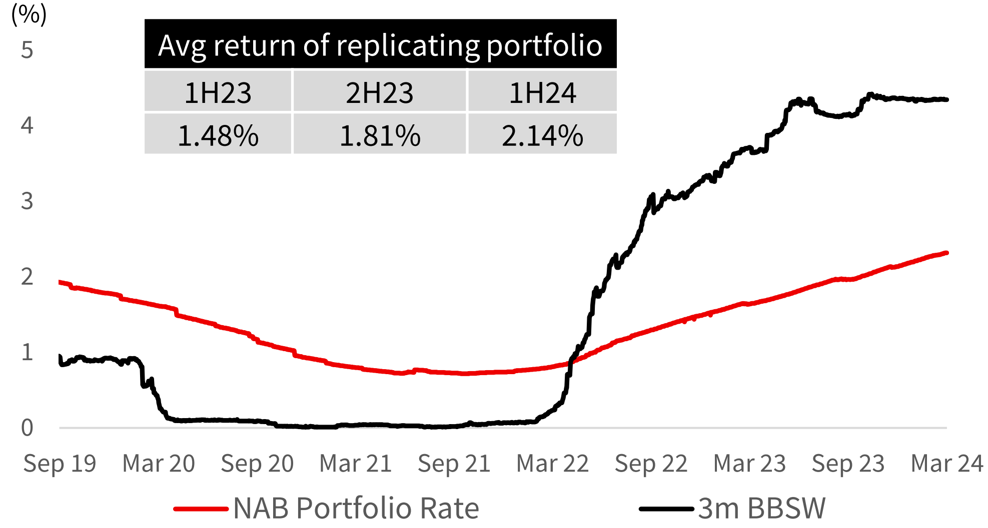
BNZ replicating portfolios

Replicating portfolio		
	31 Mar 24 balance	Invested out to term of
Capital	NZD $11bn	3 years
Low rate deposits	NZD $10bn	5 years

Swap rates[2]

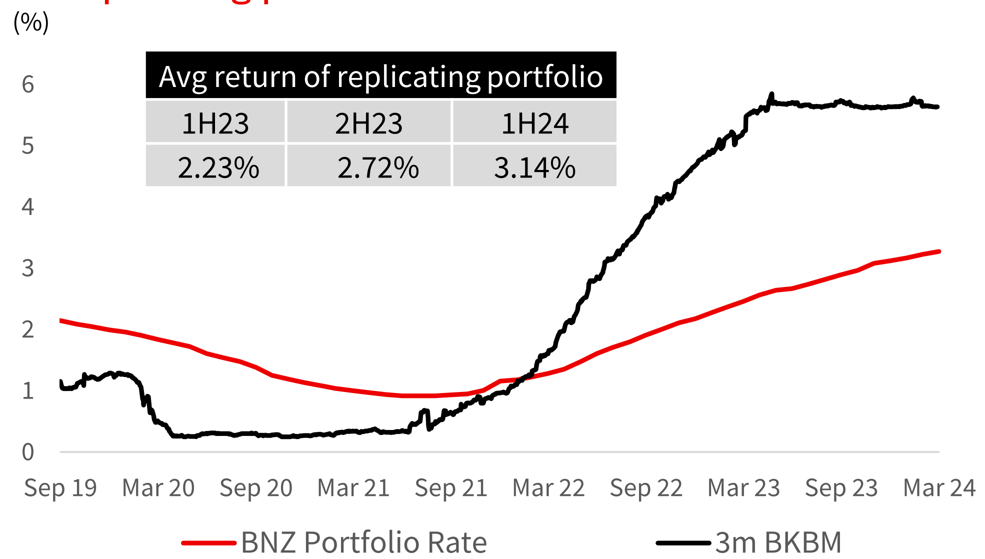


NAB replicating portfolios[1]



Avg return of replicating portfolio		
1H23	2H23	1H24
1.48%	1.81%	2.14%

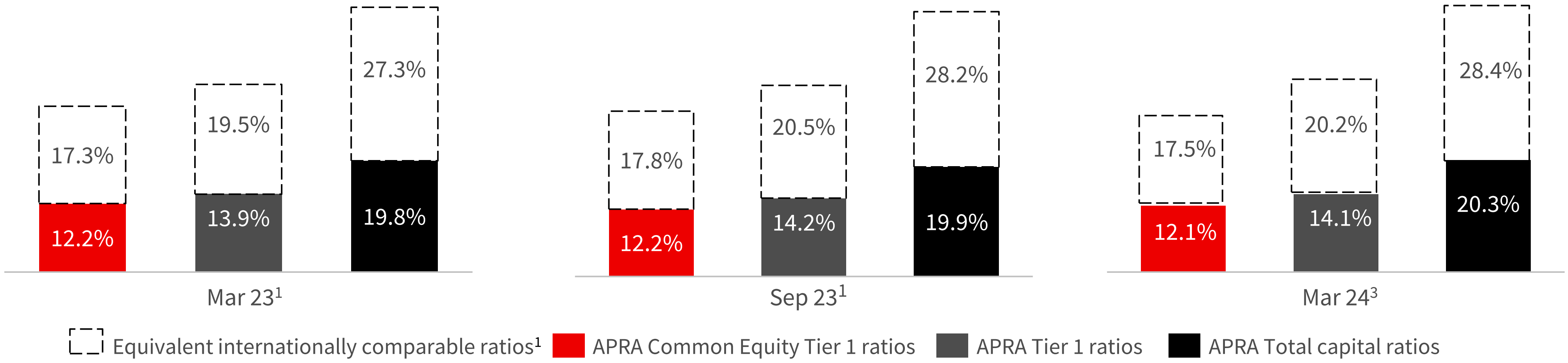
BNZ replicating portfolios[3]



Avg return of replicating portfolio		
1H23	2H23	1H24
2.23%	2.72%	3.14%

(1) Blended replicating portfolio (Australia only). Replicating portfolio includes capital, non-interest bearing and rate insensitive deposits
(2) AUD swap rates sourced from Bloomberg and NZD Swap Rates sourced from Reuters
(3) Blended replicating portfolio (New Zealand only). Replicating portfolio includes capital, non-interest bearing and rate insensitive deposits

Internationally comparable capital ratios



APRA to Internationally comparable CET1 ratio reconciliation	CET1 %
APRA CET1 ratio	**12.1%**
Deferred tax assets, capitalised expenses and equity exposures, net of deferred fee income deducted under APRA requirements, compared to being risk weighted (subject to thresholds) in the Basel framework	0.7%
APRA requirement for IRRBB risk-weighted assets (RWA) not in the Basel framework APRA requirement for IRRBB RWA not in the Basel framework	0.8%
APRA requirements for residential mortgages not in the Basel framework (i.e. APRA multipliers of 1.4, 1.7 or 2.5 and standardised treatment for non-standard mortgages)	1.4%
APRA internal ratings-based approach scaling factor of 1.1 not in the Basel framework (including for exposures of the RBNZ regulated banking subsidiary) APRA scaling factor of 1.1 not in the Basel framework (including for exposures of the RBNZ regulated banking subsidiary)	1.2%
APRA internal ratings-based approach Income-Producing Real Estate (IPRE) multiplier of 1.5 not in the Basel framework	0.5%
RBNZ requirements for credit RWA for the RBNZ regulated banking subsidiary not in the Basel framework (i.e. farm lending exposures, mortgages and specialised lending)	0.4%
Non-retail loss given default (LGD) differences between APRA and Basel framework for certain exposures under foundation IRB and advanced IRB approaches	0.2%
Other[2]	0.2%
Internationally comparable CET1 ratio[3]	**17.5%**

(1) Internationally comparable methodology based on the Australian Banking Association publication 'Basel 3.1 Capital Comparison Study' (March 2023), which compares APRA's revised capital framework, including RBNZ prudential requirements, with the Finalised post-crisis Basel III reforms

(2) Other includes the impact of concessional Credit Conversion Factors (CCFs) for certain credit commitments under the Basel framework, and APRA requirements for margin lending and specialised lending exposures not in the Basel framework

(3) The Internationally comparable CET1 ratio does not include the impact of the Basel capital floor. RWA used in the internationally comparable capital ratios are higher than 55% of RWA under APRA's standardised methodology, where 55% is the Basel transitional capital floor that applies from 1 January 2024. A 50% Basel transitional capital floor applied from 1 January 2023 to 31 December 2023

Key regulatory changes impacting capital and funding

Change	CY24	CY25	CY26
Additional Tier 1 Capital	Consult		
Market Risk (APS 116)	Consult		Implementation
Counterparty Credit Risk (APS 180)	Consult		Implementation
Interest Rate Risk in the Banking Book (APS 117)		Implementation	
Liquidity (APS 210)	Consult		Implementation
Public Disclosures (APS 330)		Implementation	
Loss-Absorbing Capacity	Implemented[1]		Implementation[1]
Remuneration (CPS 511)	Implemented		
Recovery and Resolution (CPG 190/ CPS 900/ CPG 900)	Implemented		
RBNZ Capital Review	Increases in capital are being phased in over a seven-year period from July 2022 through to July 2028		

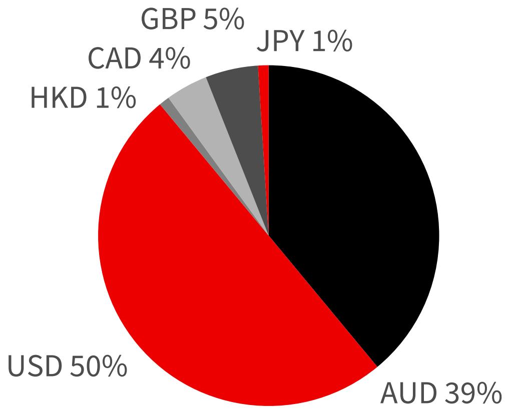
(1) In Dec 21, APRA finalised Loss-Absorbing Capacity requirements for D-SIBs, set as an increase to minimum Total Capital requirement of 4.5% of RWA from 1 January 2026. D-SIBs were required to hold the interim setting of an increase to minimum Total Capital requirement of 3% of RWA from 1 January 2024

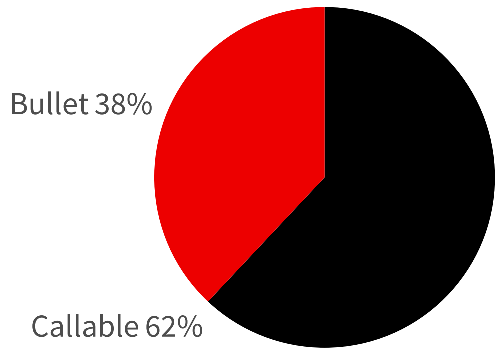
Loss-absorbing capacity

- Based on the Group's RWA and Total Capital position as at 31 Mar 24, NAB met the interim Group Total Capital requirement for Jan 24, and has an incremental $1.6bn requirement by Jan 26
- $3.4bn of NAB's existing Tier 2 Capital has optional redemption dates prior to Jan 26[1]

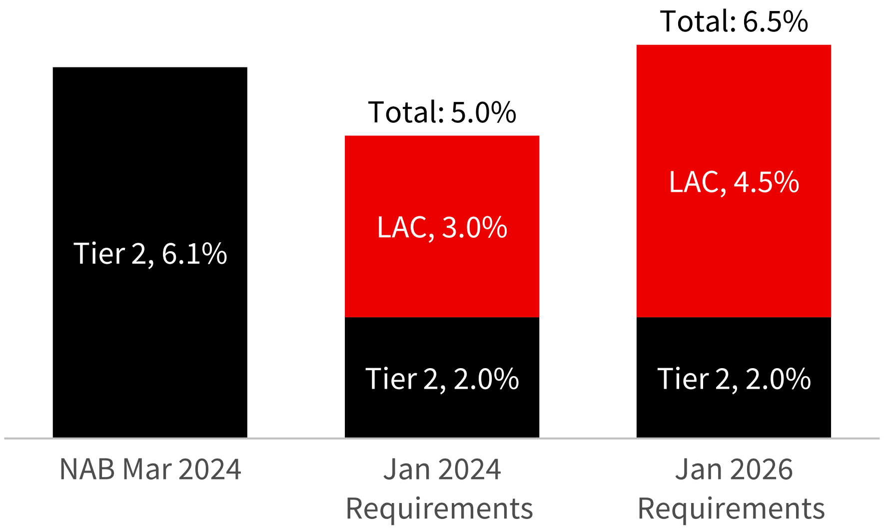
($bn)	Jan 26
Group RWA (at Mar 24)	432.6
Total Tier 2 Requirement (6.5% by Jan 26)[2]	28.1
Existing Tier 2 at Mar 24	26.5
Current Shortfall	1.6

NAB Tier 2 outstanding issuance

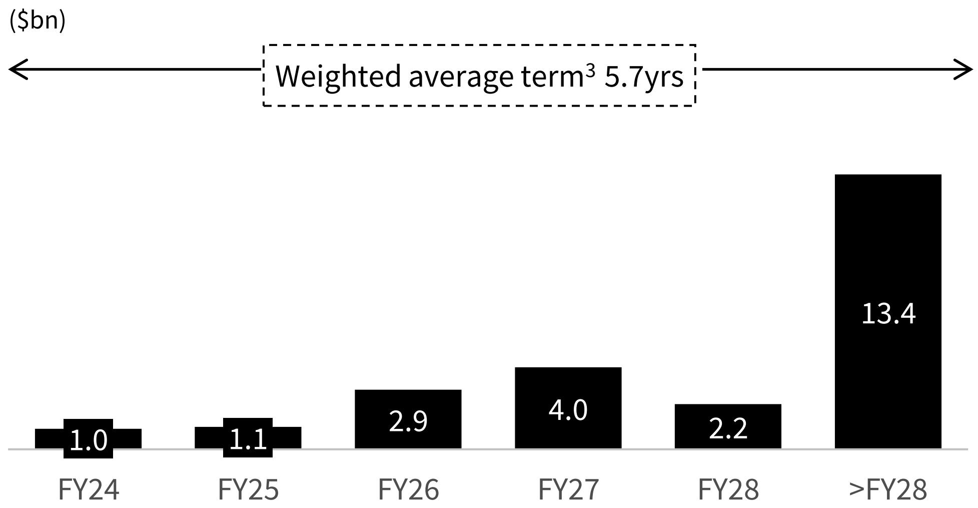




APRA changes to major banks' capital structures



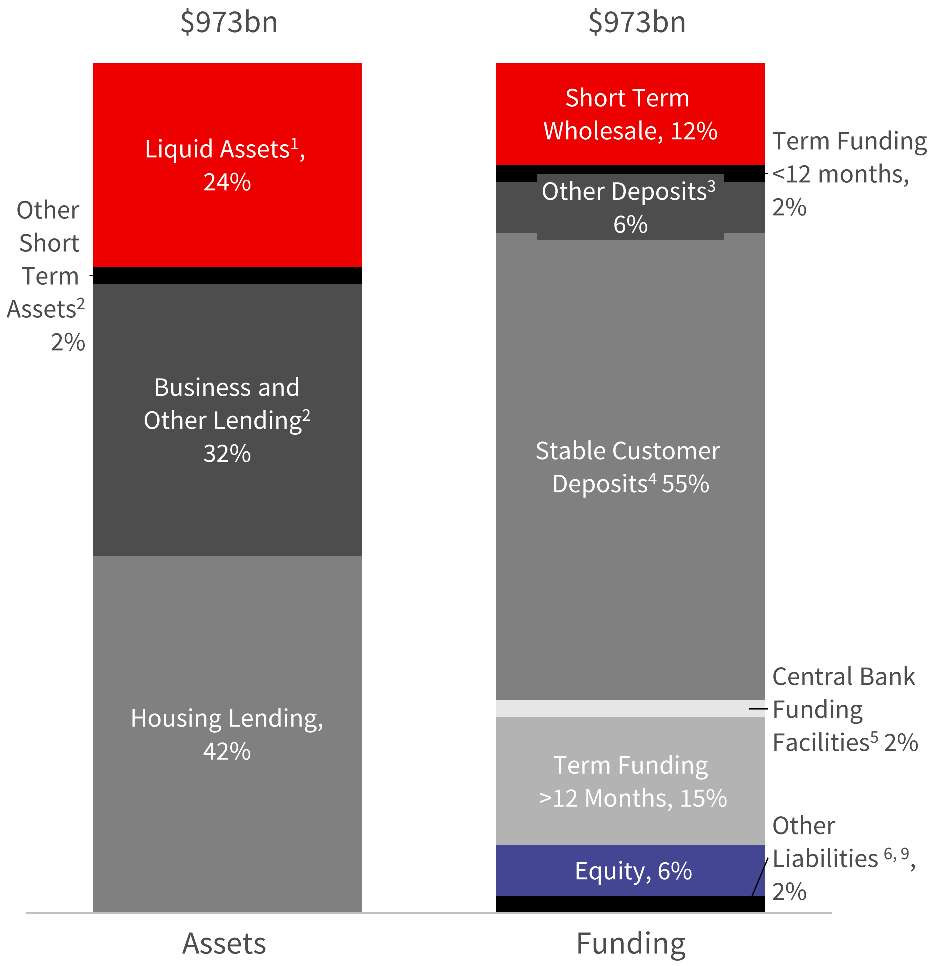
NAB Tier 2 runoff[2]



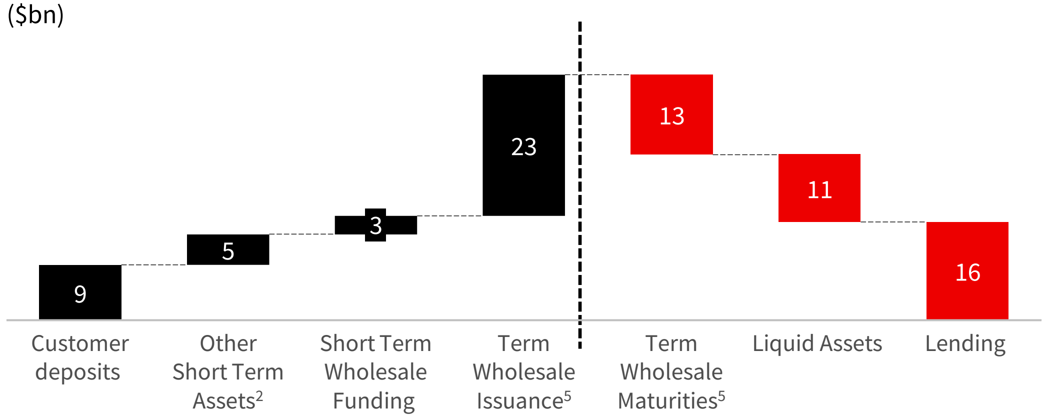
(1) Any early redemption would be subject to prior written approval from APRA (which may or may not be provided)
(2) Based on remaining term to maturity (adjusted for any capital amortisation) or to first optional call date (any early redemption is subject to APRA approval)
(3) Based on capital value, including adjustments for any capital amortisation

Asset Funding

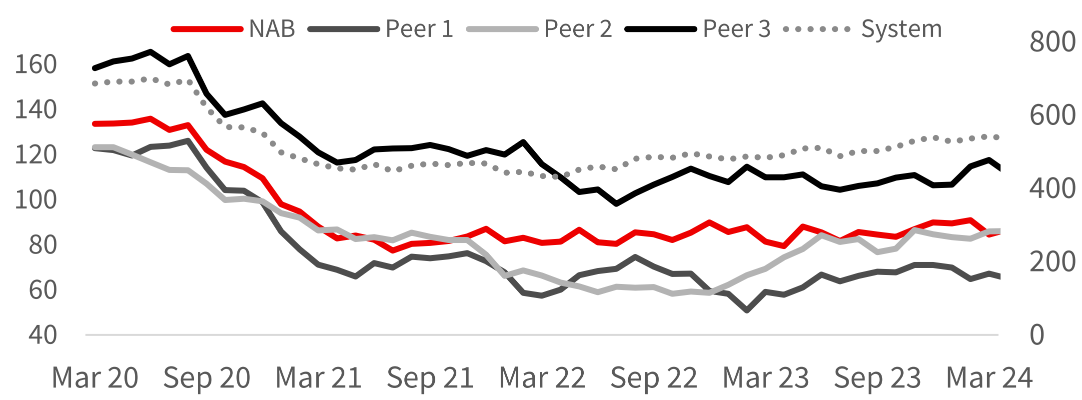
Funded balance sheet



Group source and uses of funds, 6 months to 31 March 24



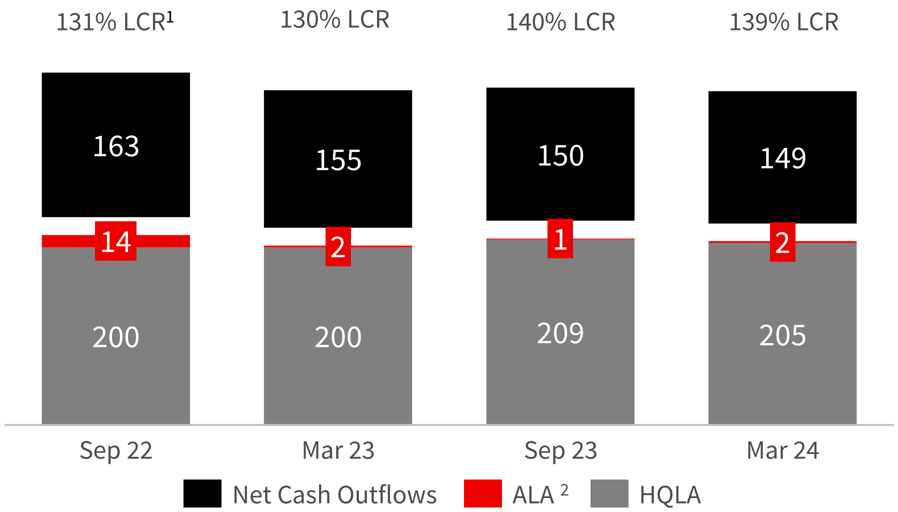
Australian core funding gap[7,8]



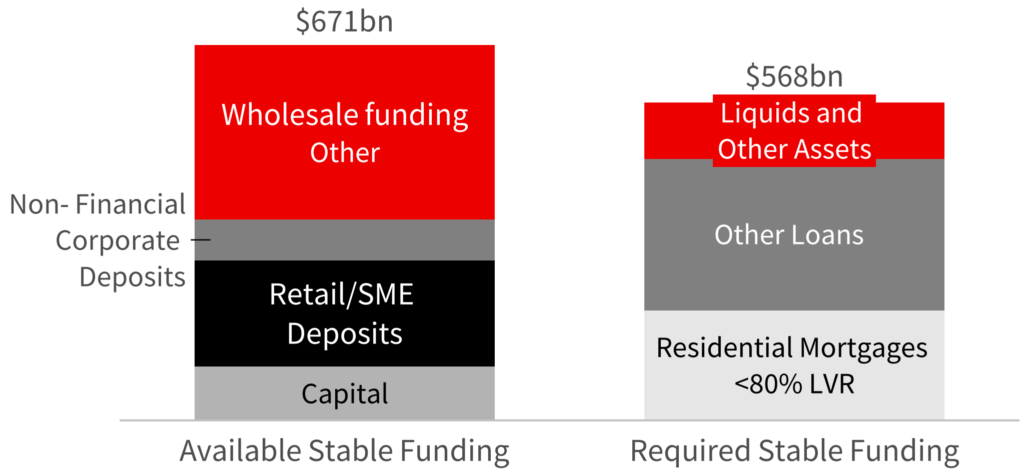
(1) Liquid asset securities are measured at fair value with valuation changes recognised immediately through profit or loss or other comprehensive income
(2) Trade finance loans are included in other short-term assets, instead of business and other lending
(3) Includes non-operational financial institution deposits and certain offshore deposits as defined in APRA standard APS 210 Liquidity
(4) Includes operational deposits, non-financial corporate deposits and retail / SME deposits and excludes certain offshore deposits as defined in APRA standard APS 210 Liquidity
(5) Issuance includes RBNZ funding facilities. Maturity includes RBA Term Funding Facility and RBNZ funding facilities
(6) The net position includes net derivatives, property, plant and equipment, all net of accruals, receivables and payables
(7) Australian core funding gap = Gross loans and advances plus acceptances less total deposits (excluding certificates of deposit)
(8) Statistics as at 31 March 2024
(9) Short-term collateral and settlements included in other liabilities

Liquidity

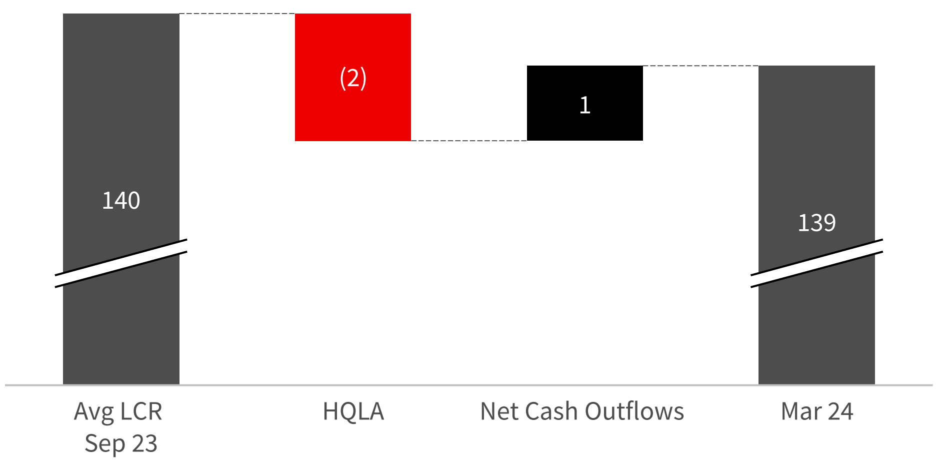
Liquidity coverage ratio (quarterly average)
($bn)



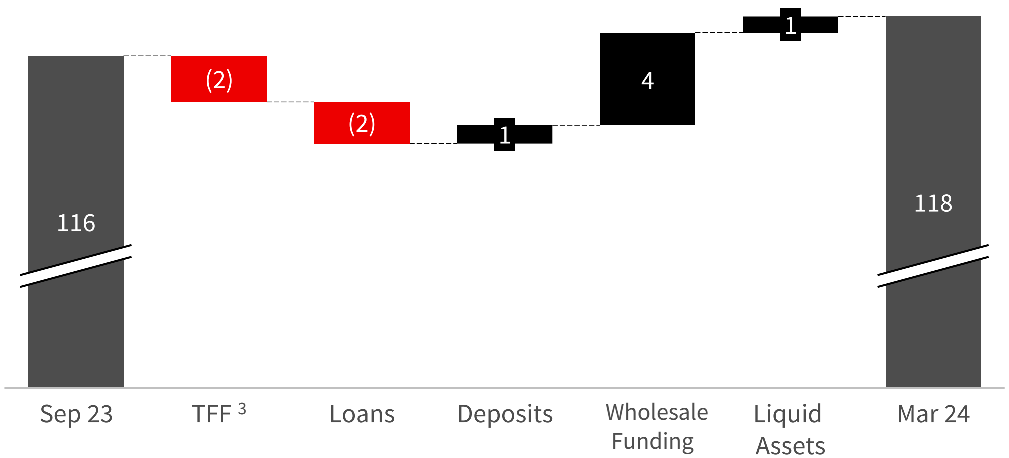
Net stable funding ratio composition
Group NSFR 118% as at 31 Mar 24



Liquidity coverage ratio movement
(%)



Net stable funding ratio movement
(%)



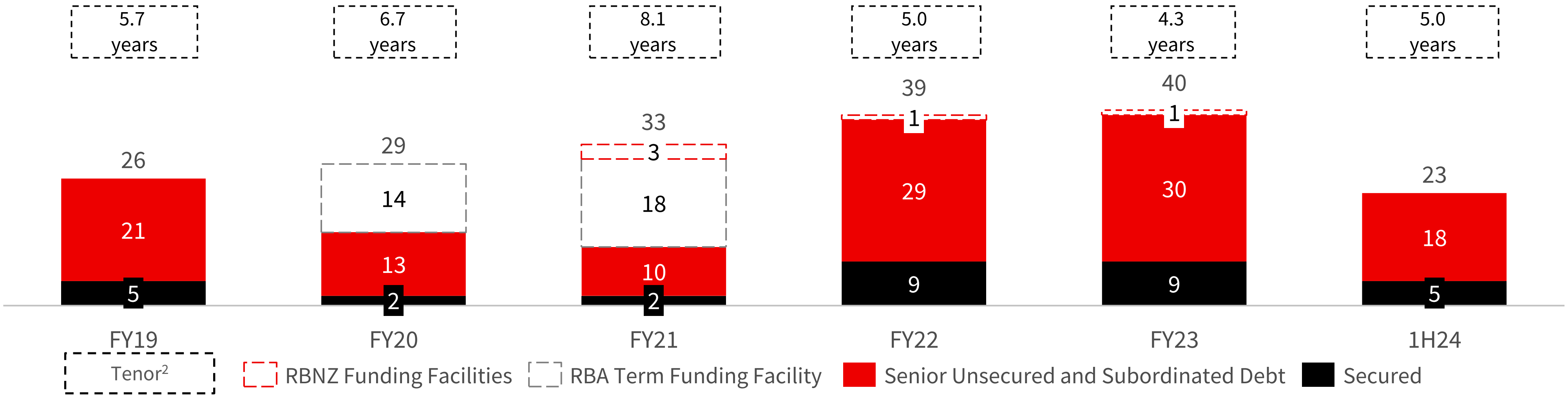
(1) Average LCR for the three months ended 30 September 2022 has been restated from that previously disclosed. Details of the restatement are outlined in the Appendix of Dec 22 Pillar 3 Report
(2) Alternative Liquid Assets (ALA). TFF values used in LCR calculation are the undrawn portion of the facility
(3) Includes the unwind of Available Stable Funding (ASF) and Required Stable Funding (RSF) benefits related to the TFF

Term wholesale funding profile

national australia bank

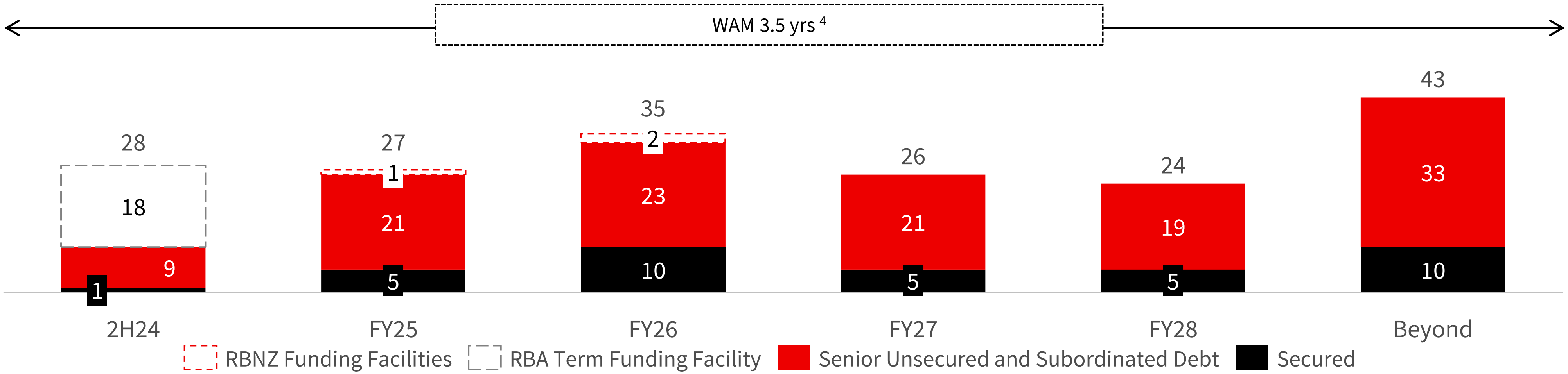
Historical term funding issuance[1]

($bn)



Term funding maturity profile[3]

($bn)



(1) Includes senior unsecured, secured (covered bonds and RMBS) and subordinated debt with an original term to maturity or call date of greater than 12 months, excludes Additional Tier 1 instruments and Citi's RBA Term Funding Facility. FX rate measured at time of issuance

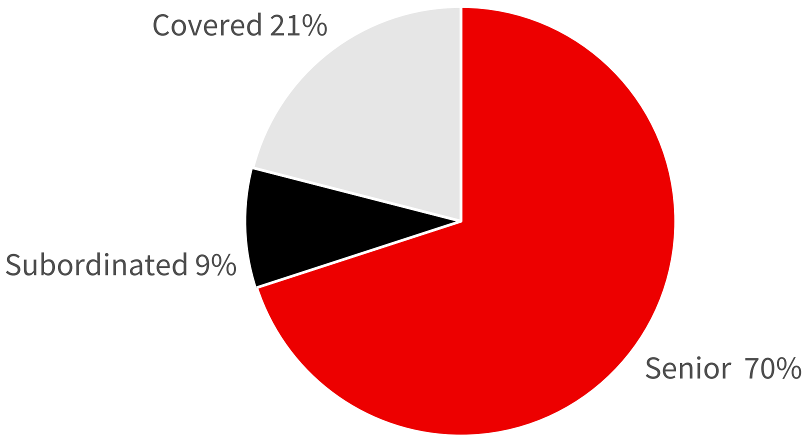
(2) Weighted average maturity of new issuance, excludes Additional Tier 1, RMBS, RBA Term Funding Facility and RBNZ funding facilities

(3) Maturity profile of funding with an original term to maturity greater than 12 months, excludes Additional Tier 1 and RMBS. Spot FX rate at 31 March 2024

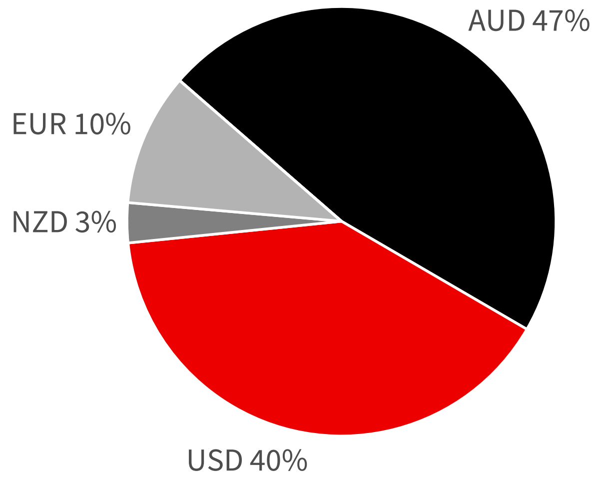
(4) Remaining weighted average maturity, excludes Additional Tier 1, RMBS, RBA Term Funding Facility and RBNZ funding facilities

Diversified & flexible term wholesale funding portfolio

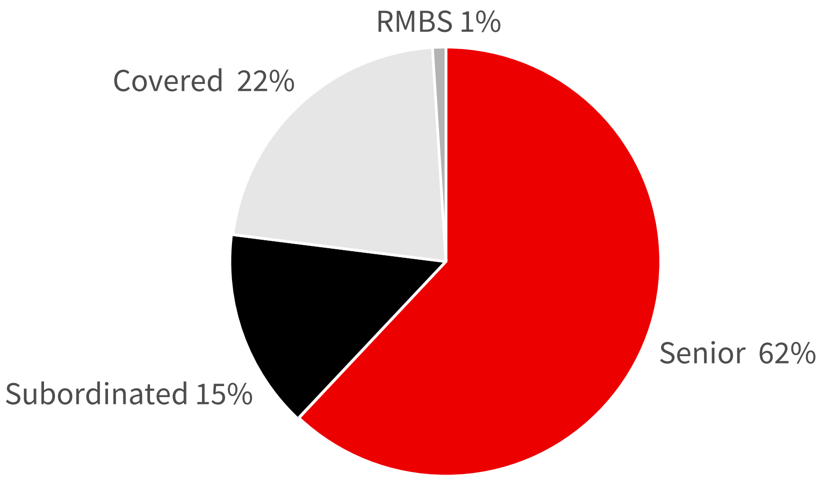
1H24 Issuance by product type[1]



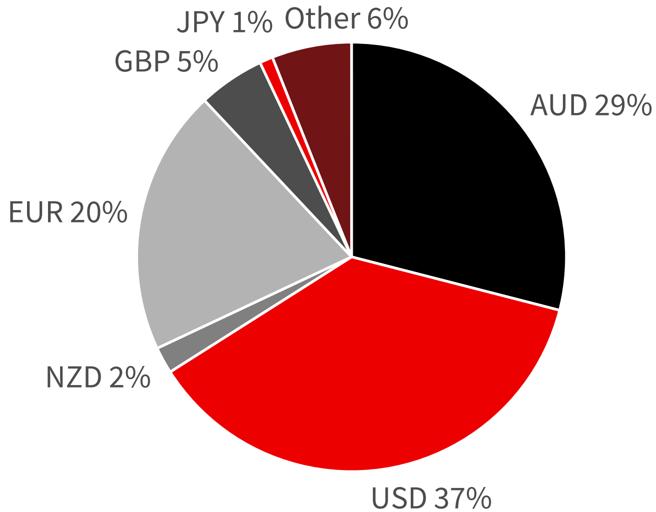
1H24 Issuance by currency[1]



Outstanding issuance by product type[1, 2]



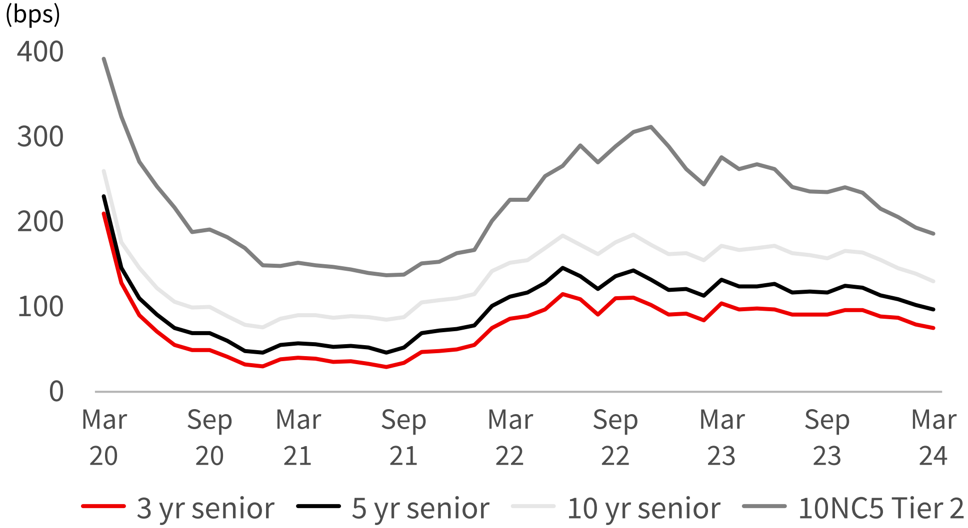
Outstanding issuance by currency[1]



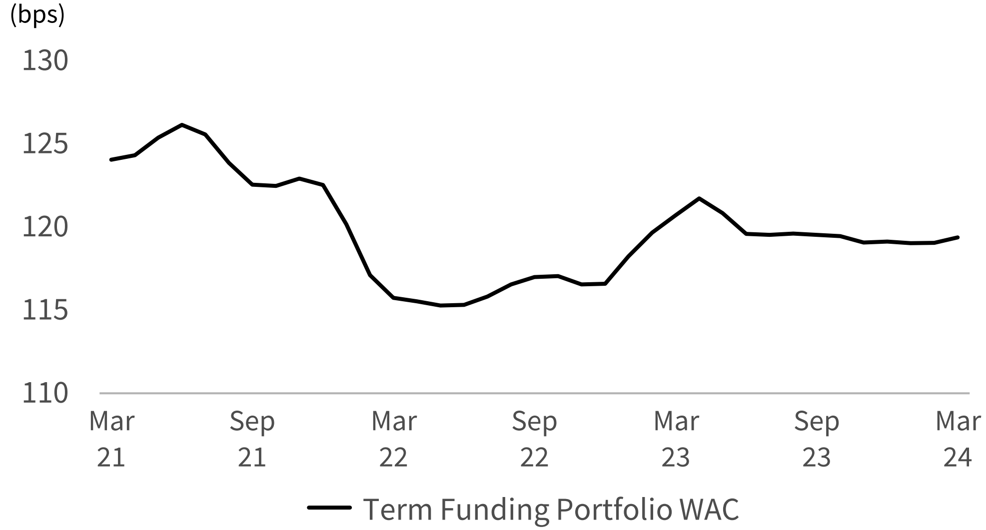
(1) Excludes Additional Tier 1, RBA Term Funding Facility and RBNZ funding facilities
(2) At 31 March 2024, NAB has utilised 46% of its covered bond capacity. Capacity based on current rating agency over collateralisation (OC) and legislative limit

Funding costs

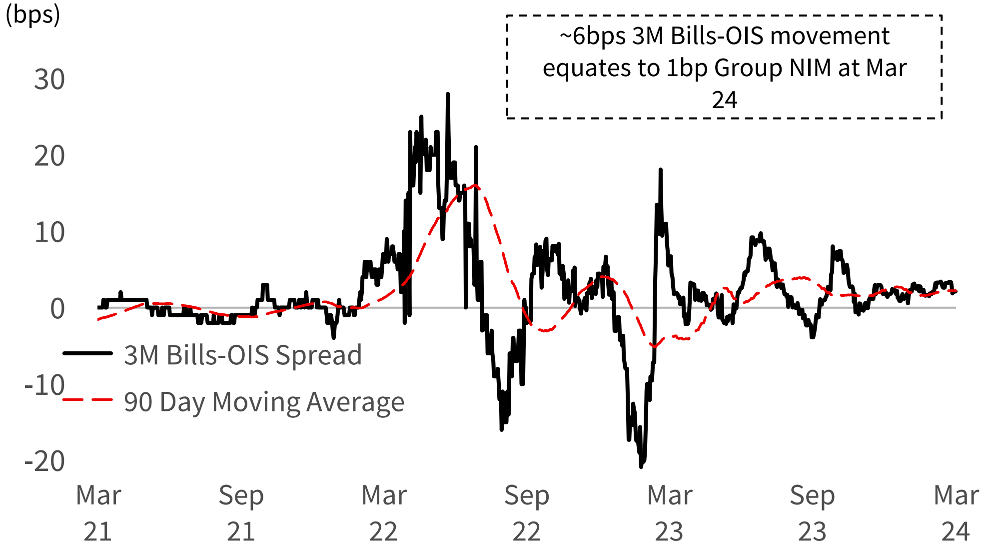
Indicative term wholesale funding issuance costs[1]



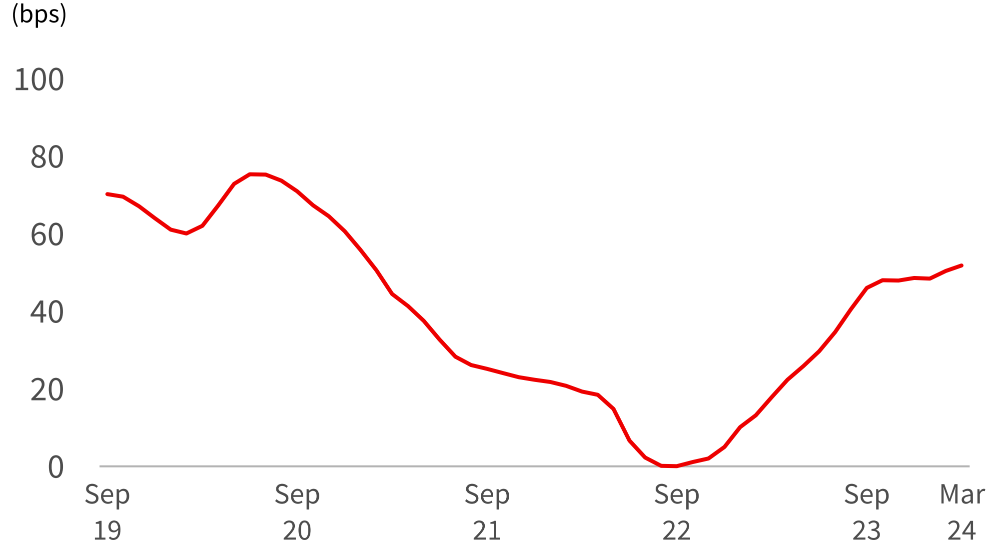
Average term wholesale funding portfolio costs[2]



Domestic short term wholesale funding costs[3]



Australian term deposit portfolio costs[4]



(1) Indicative major bank wholesale subordinated and senior unsecured funding rates over 3m BBSW using a blend of multi-currency inputs (3 years, 5 years, 10 years and 10-year non-call 5-years)
(2) NAB Ltd term wholesale funding costs >12 months at issuance (spread to 3 month BBSW), includes subordinated debt and excludes TFF
(3) Spread between 3 month AUD Bank Bill Swap Rate and Overnight Index Swaps (OIS). Data that is one day after an RBA cash rate change has been smoothed
(4) Based on management data. Total deposit portfolio cost over relevant market reference rate. Australia only

Additional information

Sustainability

Sustainability is embedded in our Group Strategy

national australia bank

Commercial responses to societal challenges

Resilient and sustainable business practices

Innovating for the future

Our priorities

- Climate and environmental action
- Affordable and specialist housing
- Economic advancement of First Nations people

- Colleagues and culture
- Inclusive banking
- Environmental, Social and Governance (ESG) risk management
- Supply chain management
- Human rights, including modern slavery

- Our future core business and market-leading data analytics
- Partnerships that matter

Aligned to six key United Nations Sustainable Development Goals[1] – where we can make the biggest impact

(1) www.un.org/sustainabledevelopment

1H24 progress on our responses to societal challenges

Climate and environmental action

NAB will publish supplementary climate disclosures in June 2024

- #1 Australian bank for global renewables transactions[1]
- Launched NAB Green Finance for Commercial Real Estate
- >7,700 colleagues have completed NAB's Climate Foundations training, developed in partnership with Melbourne Business School, as at 31 March 2024

Affordable and specialist housing

- $6bn target by 30 September 2029 to help more Australians access affordable housing, progress includes:
  - Supporting Good Shepherd to develop a new 40 home Marrickville site for women aged 50+
  - Supported key Community Housing Provider customers in their applications to access Housing Australia Future Fund's inaugural funding round
  - Financing customers Hacer and Local Residential to construct 400 new scalable buy-to-rent dwellings

Economic advancement for First Nations people

- $1bn target to more than double NAB's lending to First Nations businesses and community organisations by 31 December 2026 announced[2]
- >5,400 No Interest Loans (NILS) provided to First Nations customers in 1H24 (up 5% on 1H23), valued at ~$8.2m

Helping communities withstand natural disasters

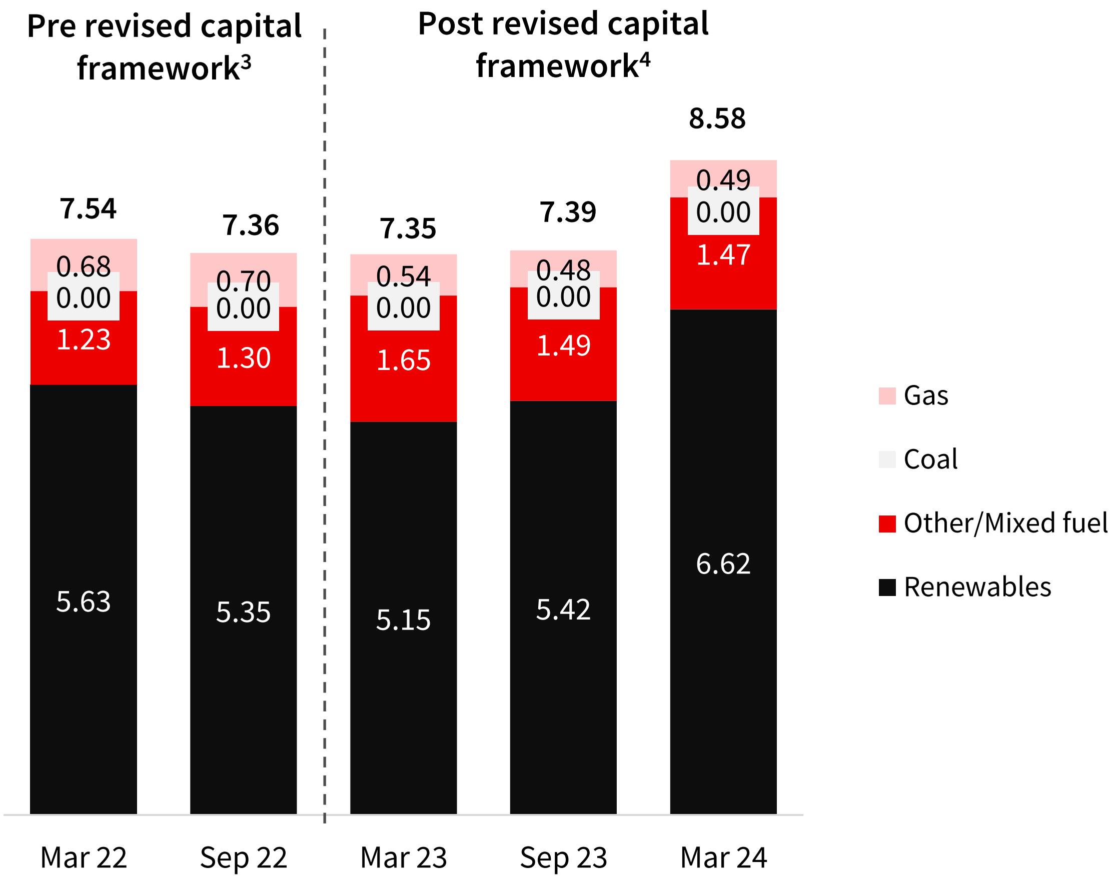
- ~$242k in disaster relief grants provided in 1H24 to customers and communities impacted by floods, fires and storms across Australia
- 142 colleagues deployed to Rochester in 1H24 to help NAB community partner, Disaster Relief Australia, with ongoing flood recovery efforts

(1) Rankings based on IJGlobal League Table MLA, Renewables, both data for the 6-month period ending 31 March 2024, as well as on a cumulative basis from 1 January 2010 to 31 March 2024
(2) Lending target position refers to 'Gross Loans and Advances' as at the target date of 31 December 2026 to customers who have been identified as a First Nations business or community organisation. Baseline position of $413.6m calculated as at 31 August 2023

Energy generation exposures

Energy generation EAD by fuel source[1,2]

(AUD$bn)



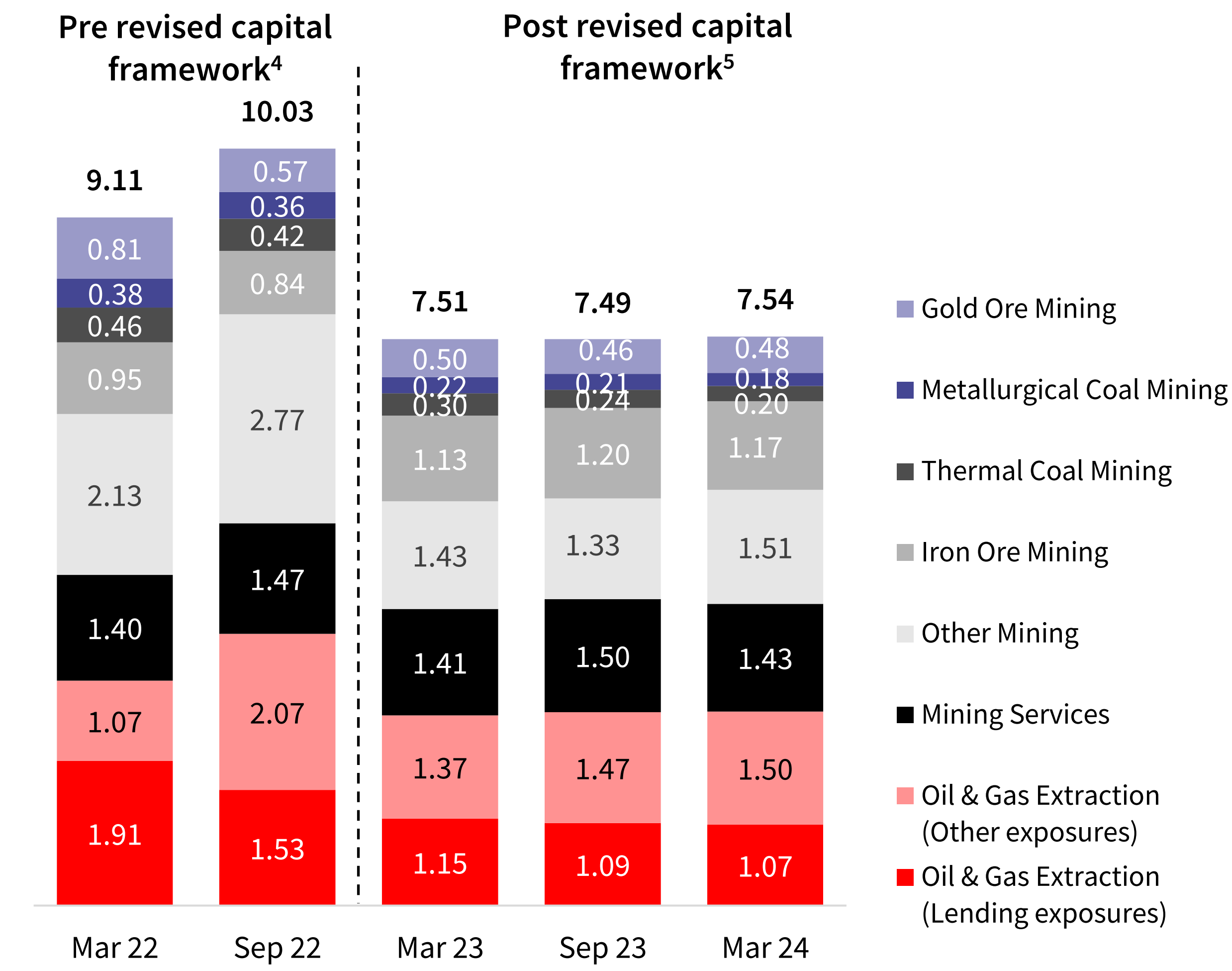
- 77% of total energy generation financing to renewables (increase from 73% at 30 September 2023)[2]
- Growth in renewable portfolio consistent with NAB's ambition to finance the energy transition and included in 1H24 closing out our 200th renewable financing transaction
- Renewable portfolio represents a mix of wind, hydro and solar energy sources
- NAB has no direct lending[2] to coal-fired power generation assets remaining
- NAB has set an interim sector decarbonisation target for power generation, details available in the 2023 Climate Report

(1) Totals presented in chart may not sum due to rounding
(2) NAB methodology (based upon the 1993 ANZSIC codes) at net EAD basis. Excludes exposure to counterparties predominantly involved in transmission and distribution. Vertically integrated retailers included and categorised as renewable where majority of their generation activities sourced from renewable energy. NAB 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 NAB's corporate level exposure to gentailers, which have a mix of generation assets (including coal, gas and renewables) within their generation portfolio
(3) The revised capital framework refers to revisions to APRA's capital adequacy and credit risk capital requirements for ADIs. For more information on the impact of the revised capital framework and impacts on NAB's reported EAD, see NAB's 1H23 Pillar 3 report
(4) Disclosures from Mar 23 reported under APRA's revised capital framework, effective from 1 January 2023

Resources exposures

Resources EAD by type[1,2,3]

(AUD$bn)

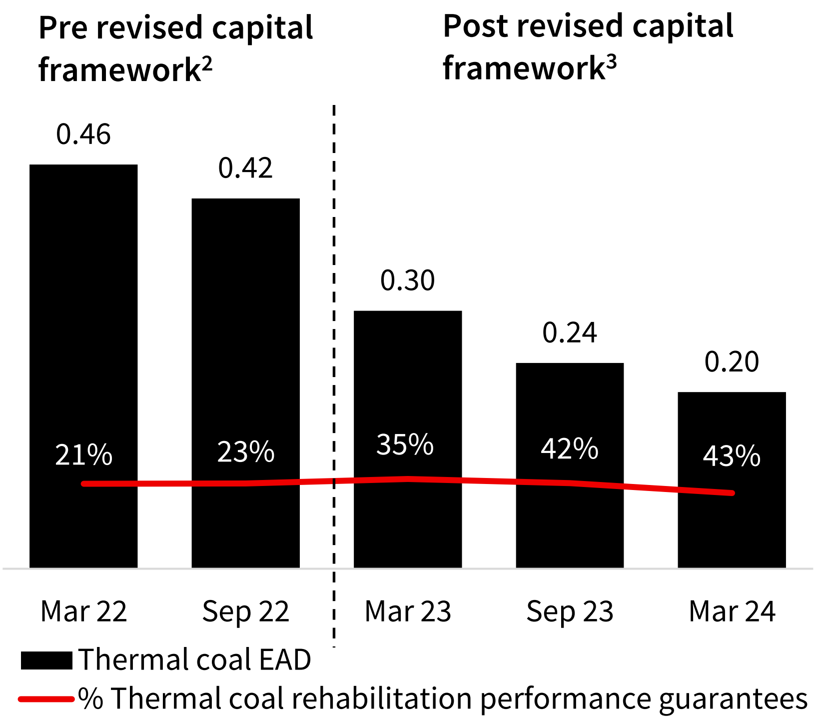


- Decreasing exposure to thermal coal, on track to be effectively zero[6] by 2030 excluding performance guarantees for rehabilitation of existing coal mining assets
- From 1 January 2023, the revised capital framework[4] came into effect. The primary impact of this change on NAB's resources exposures was a reduction in EAD due to changes in the calculation of off-balance sheet EAD for certain undrawn commitments

(1) Totals presented in chart may not sum due to rounding
(2) Oil and gas extraction exposures includes lending (e.g. revolving/term lending and guarantees) and other markets-related exposures (e.g. derivatives, foreign exchange, repurchase agreements)
(3) Thermal coal exposures includes direct exposure (including lending and guarantees) to customers whose primary activity is thermal coal mining. Includes financial guarantees and performance guarantees for the rehabilitation of existing coal mining assets. Excludes metallurgical coal mining and diversified mining customers
(4) The revised capital framework refers to revisions to APRA's capital adequacy and credit risk capital requirements for ADIs. For more information on the impact of the revised capital framework and impacts on NAB's reported EAD, see NAB's 1H23 Pillar 3 report
(5) Disclosures from Mar 23 reported under APRA's revised capital framework, effective from 1 January 2023
(6) 'Effectively zero' refers to the fact that the Group may still hold some exposures to thermal coal in 2030, only through residual performance guarantees to rehabilitate existing coal mining assets. These guarantees are excluded from the financed emissions coverage of NAB's thermal coal sector target

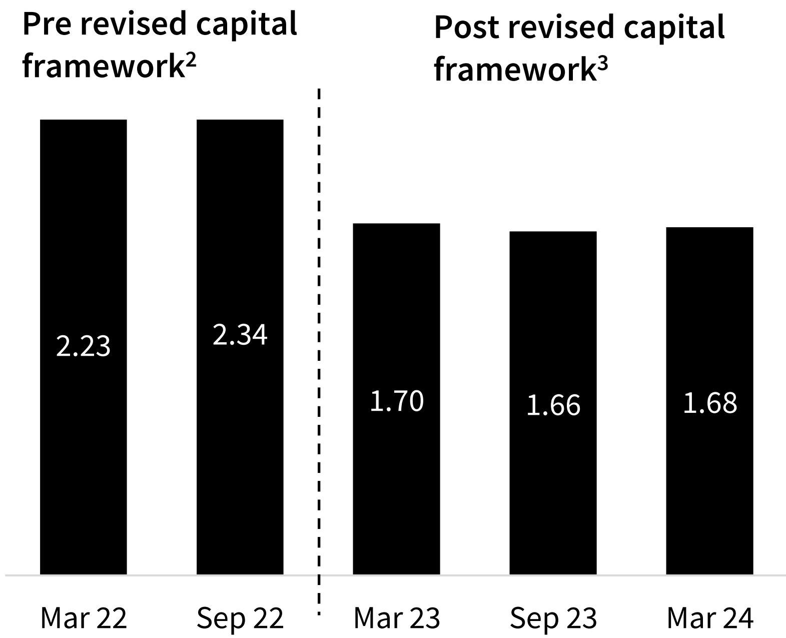
Thermal coal mining and oil and gas limits

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



- Since 30 September 2023, NAB no longer has any corporate lending to thermal coal mining customers or project finance in respect of thermal coal mining assets, NAB intends to maintain this position into the future
- BNZ is exiting all lending to thermal coal mining by the end of 2025

Oil and gas extraction – (USD$bn) exposure



- Oil and gas presented in USD as majority of portfolio is denominated in USD[4]
- NAB has set an interim sector decarbonisation target for oil and gas, details available in the 2023 Climate Report

(1) Thermal coal exposures includes direct exposure to customers whose primary activity is thermal coal mining. Includes financial guarantees and performance guarantees for the rehabilitation of existing coal mining assets. Excludes metallurgical coal mining and diversified mining customers
(2) The revised capital framework refers to revisions to APRA's capital adequacy and credit risk capital requirements for ADIs. For more information on the impact of the revised capital framework and impacts on NAB's reported EAD, see NAB's 1H23 Pillar 3 report
(3) Disclosures from Mar 23 reported under APRA's revised capital framework, effective from 1 January 2023
(4) Relevant exposure conversions based on rates of AUD/USD 0.72115 (Sep 21); AUD/USD 0.74855 (Mar 22); AUD/USD 0.64925 (Sep 22); AUD/USD 0.67140 (Mar 23); AUS/USD 0.64765 (Sep 23); AUS/USD 0.6529 (Mar 24)

Additional information

Economic data

Australia and NZ key economic indicators

Australian economic indicators (%)[1]

	CY21	CY22	CY23	CY24(f)	CY25(f)
GDP growth[2]	5.4	2.4	1.5	1.7	2.3
Unemployment[3]	4.7	3.5	3.9	4.5	4.4
Trimmed-mean inflation[4]	2.7	6.8	4.2	3.3	2.6
Cash rate target[3]	0.10	3.10	4.35	4.10	3.10

NZ Economic indicators (%)[1]

	CY21	CY22	CY23	CY24(f)	CY25(f)
GDP growth[2]	2.6	2.2	-0.3	1.2	3.1
Unemployment[3]	3.2	3.4	4.0	5.2	5.3
Inflation[4]	5.9	7.2	4.7	2.7	2.0
Cash rate (OCR)[3]	0.75	4.25	5.50	5.25	3.50

Australian system growth (%)[5]

	FY21	FY22	FY23	FY24(f)	FY25(f)
Housing	6.4	7.4	4.2	4.2	4.3
Personal	-5.4	-0.2	1.9	1.7	1.8
Business	4.1	13.3	6.6	5.9	4.9
Total lending	5.1	8.9	4.9	4.7	4.4
System deposits	8.2	7.7	5.3	5.4	3.9

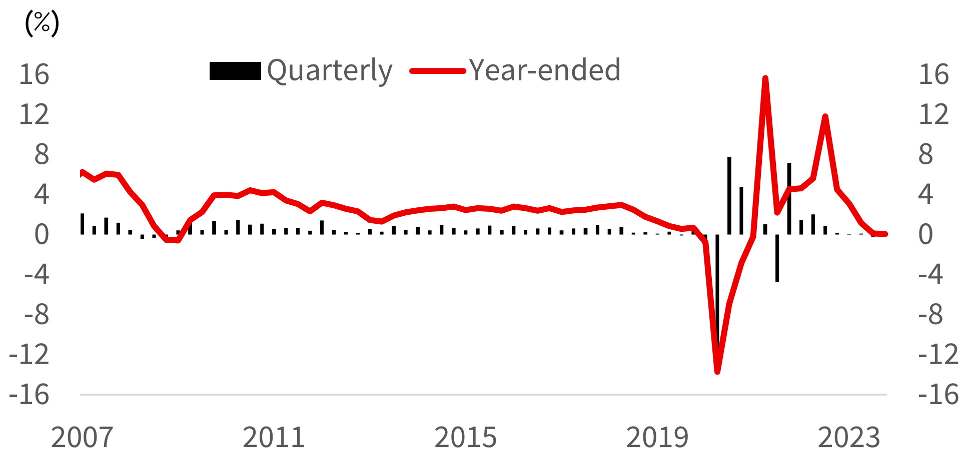
NZ System growth (%)[5]

	FY21	FY22	FY23	FY24(f)	FY25(f)
Housing	11.6	5.7	3.0	3.1	4.5
Personal	-7.7	1.9	4.9	-0.7	-3.6
Business	1.5	5.7	1.1	1.5	1.5
Total lending	7.3	5.6	2.4	2.5	3.3
Household retail deposits	4.5	7.7	5.3	3.7	3.3

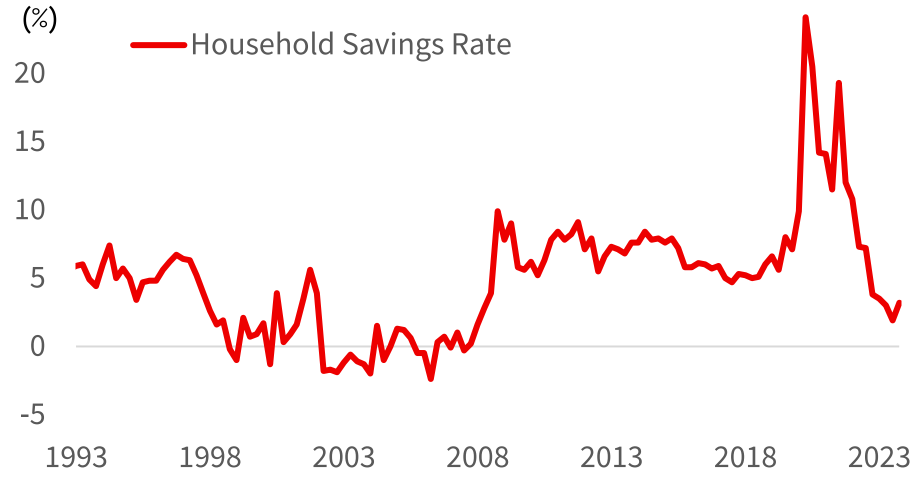
(1) Sources: ABS, Econdata DX, RBA, RBNZ, Stats NZ, NAB Economics
(2) December quarter on December quarter of previous year
(3) As at December quarter
(4) December quarter on December quarter of previous year. For Australia, trimmed-mean measure of underlying inflation
(5) Source: RBA, RBNZ, NAB. Bank fiscal year-ended (September). NZ business credit includes credit to Agriculture and is calculated from break adjusted data

Consumers are adjusting, but the labour market has held up

Consumption growth has slowed[1]

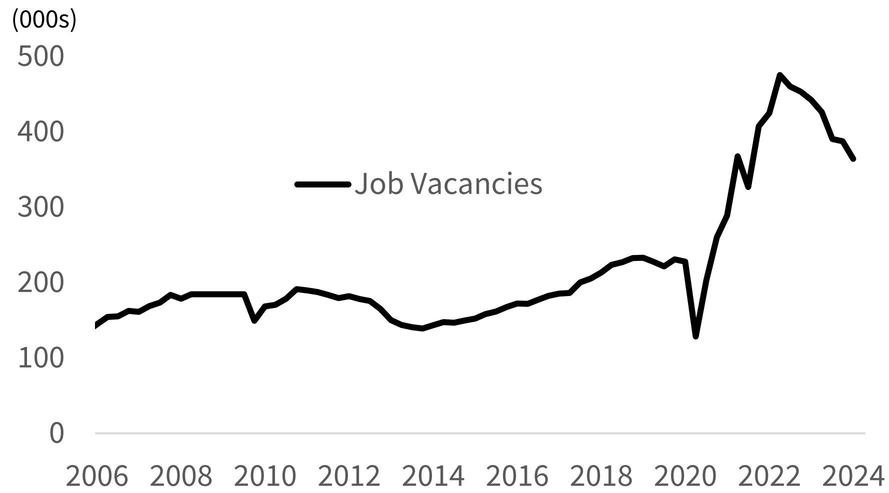


The household savings rate is now below pre-COVID levels[2]



The unemployment has edged up but remains low[3]

Job vacancies have fallen but remain elevated[4]

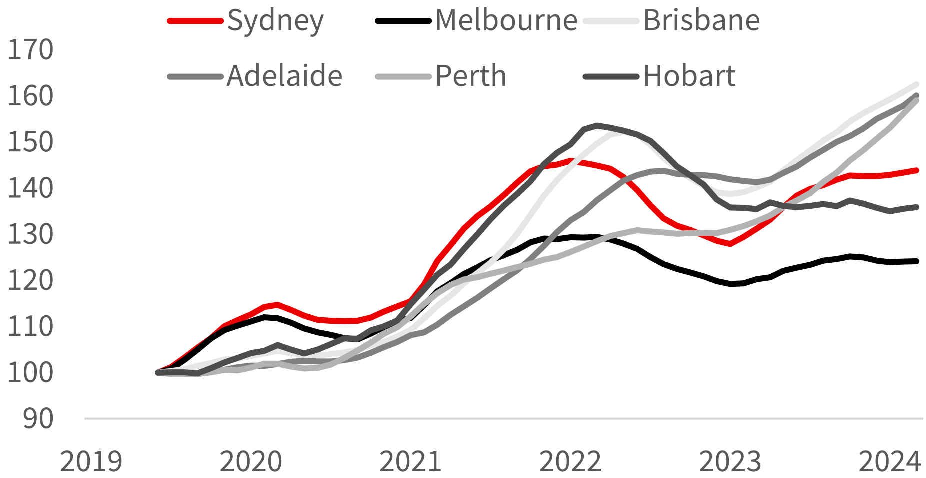


(1) Source: ABS, Macrobond. Analytical measures of consumption from the quarterly national accounts release. Data to Q4 2023
(2) Source: ABS, Macrobond. Net savings rate from the quarterly national accounts release. Data to Q4 2023
(3) Source: ABS, Macrobond. Data to Mar 24
(4) Source: ABS, Macrobond. Australia-wide job vacancies. Data to Q1 2024

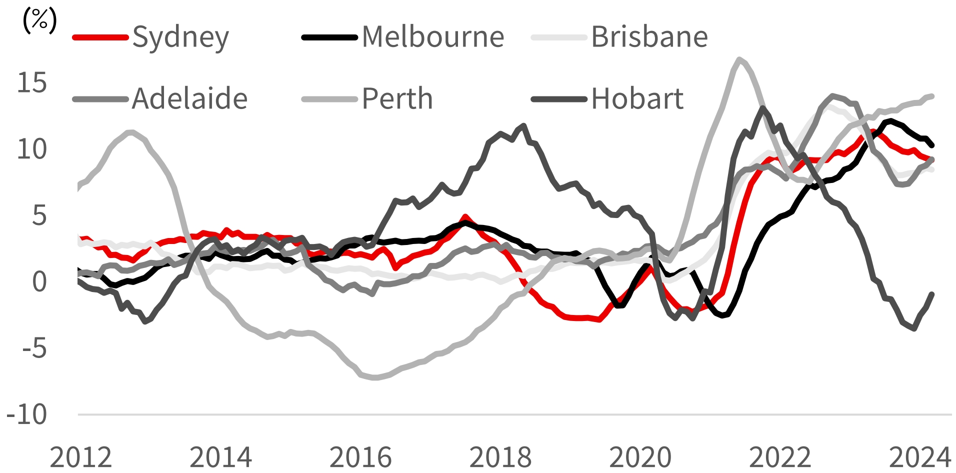
House prices have rebounded and rents remain strong

House prices have rebounded[1]

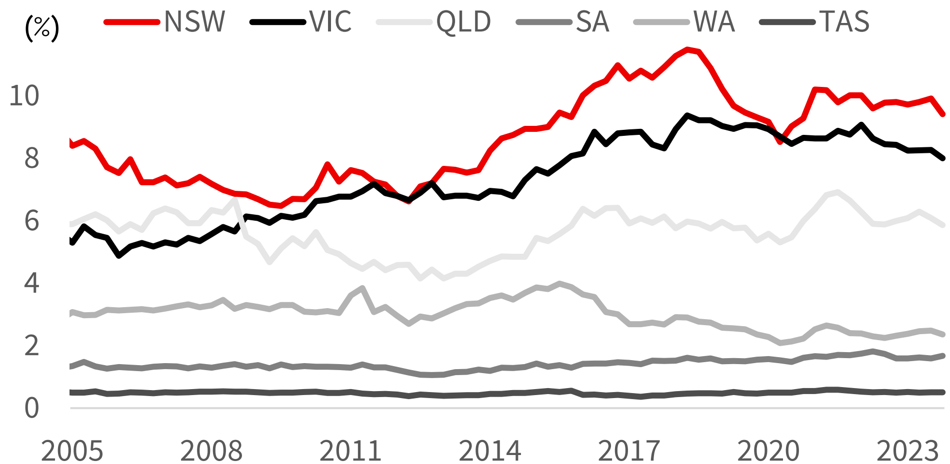
(Index)



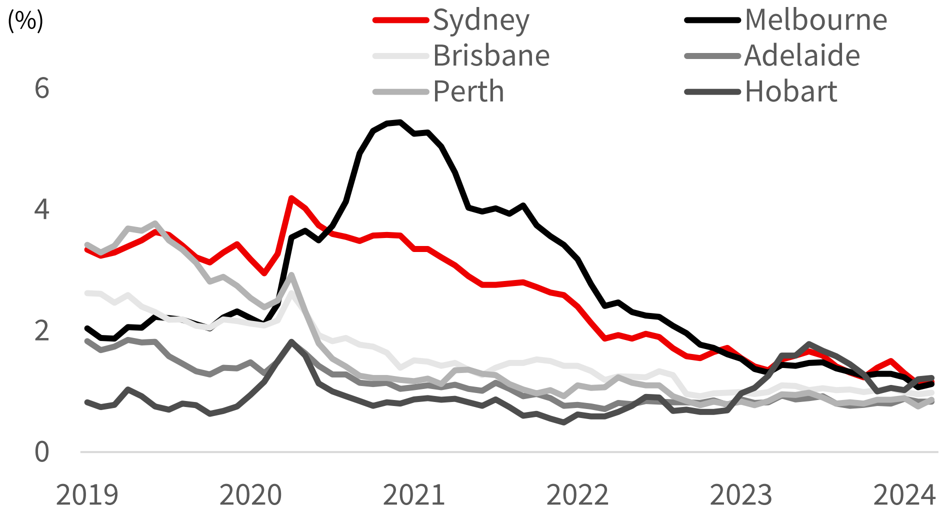
Rents growth is strong in most capital cities[2]



Dwelling investment has levelled off[3]



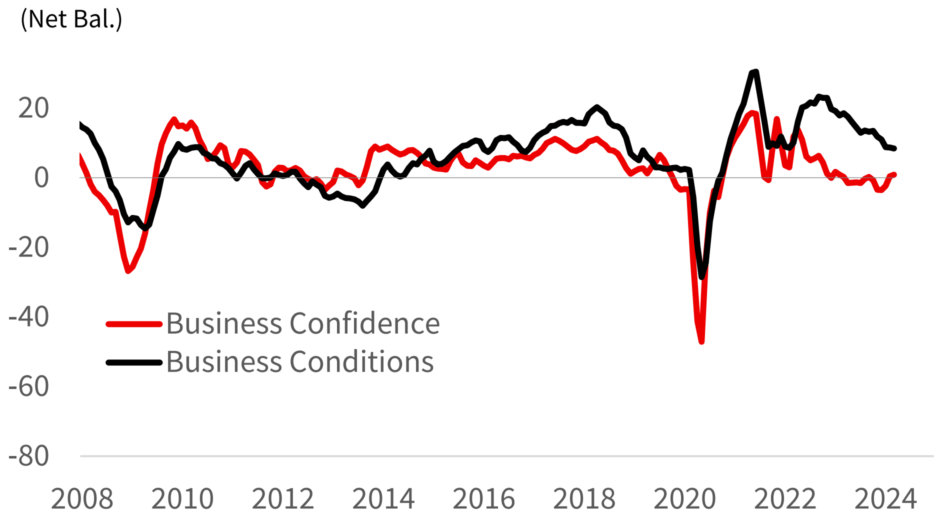
Rental vacancy rates are low[4]



(1) Source: CoreLogic. Greater Capital City Hedonic Dwelling Price Index, Index June 2019 = 100. Data to 31 March 2024
(2) Source: CoreLogic. Hedonic measure of advertised rents. Data to 31 March 2024
(3) Source: ABS, Macrobond. Chain volume measure (reference year 2019-20). Data to Q4 2023
(4) Source: PropTrack. Data to 31 March 2024

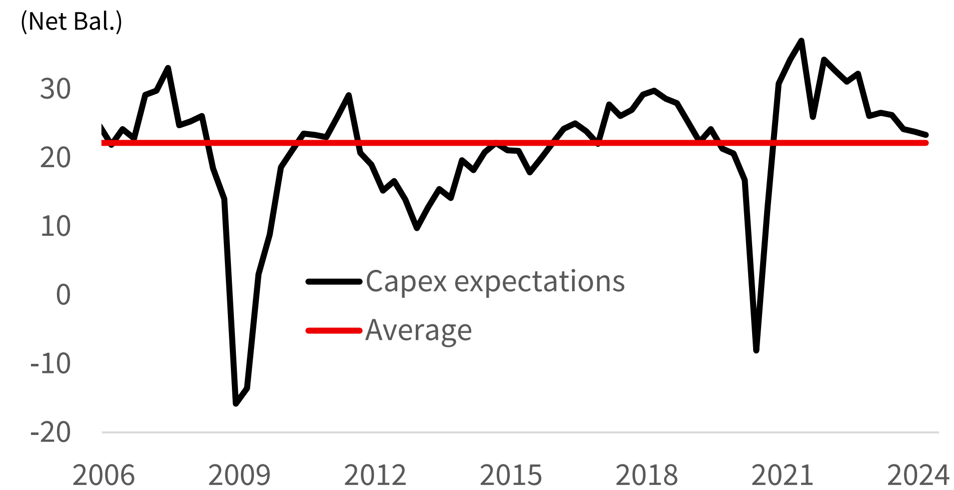
The business sector has remained resilient

Conditions are above average but confidence is soft[1]

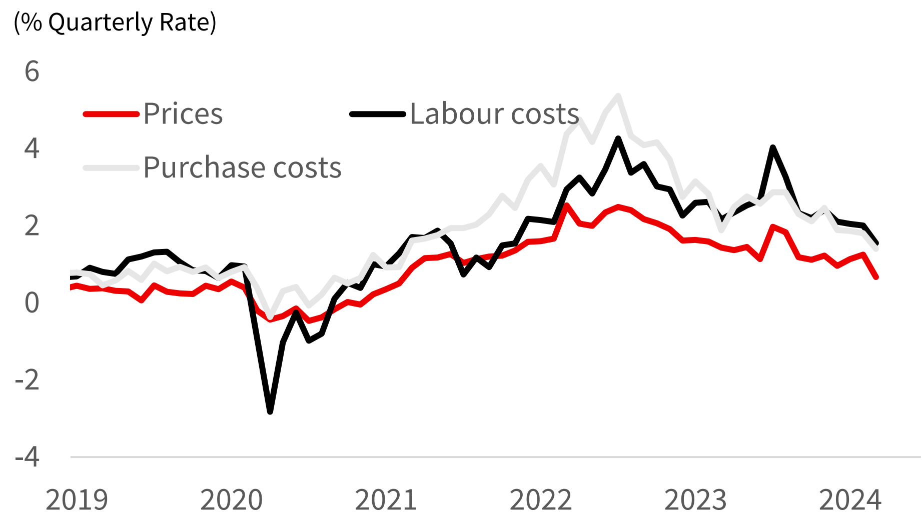


Capacity utilisation is high[2]

Investment Intentions are around average[3]



Price and cost growth remains strong[2]



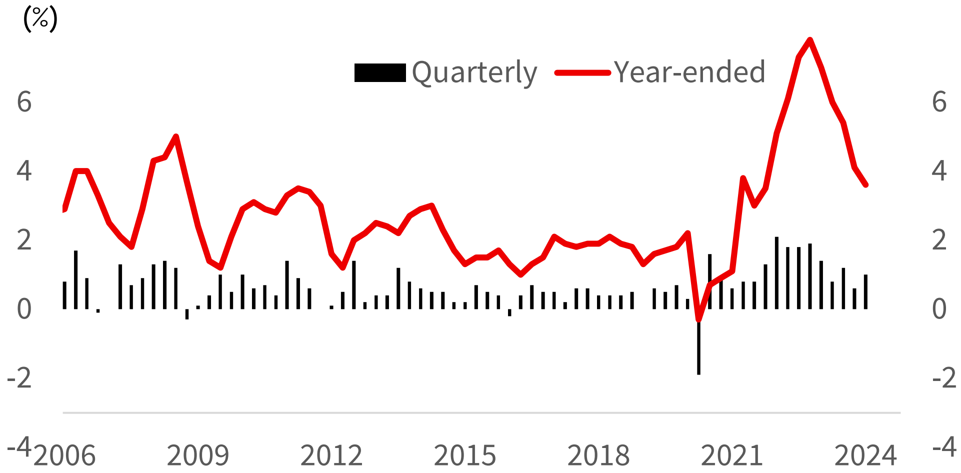
(1) Source: NAB Economics. Three-month moving average of all industry measures from the NAB Monthly Business Survey. Ppt deviation in the Net Balance from average since March 1997. Data to March 2024

(2) Source: NAB Economics. Data to Mar 24

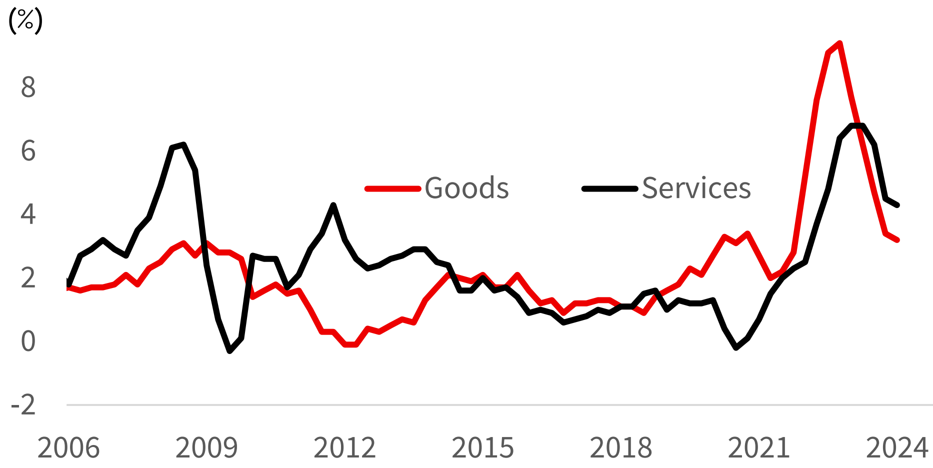
(3) Source: NAB Economics. NAB Quarterly Survey measure of 12-month Capex expectations. Data to Q1 2024

Inflation is high but moderating

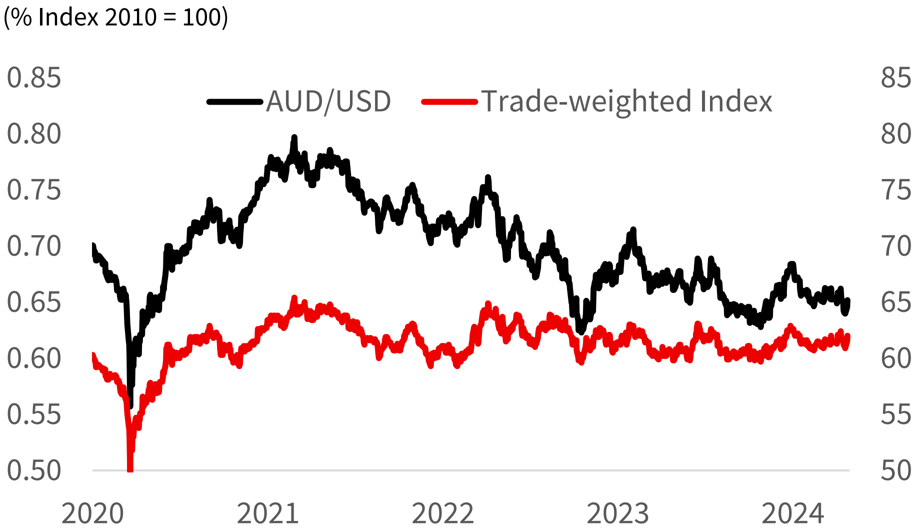
Inflation has peaked but remains volatile[1]



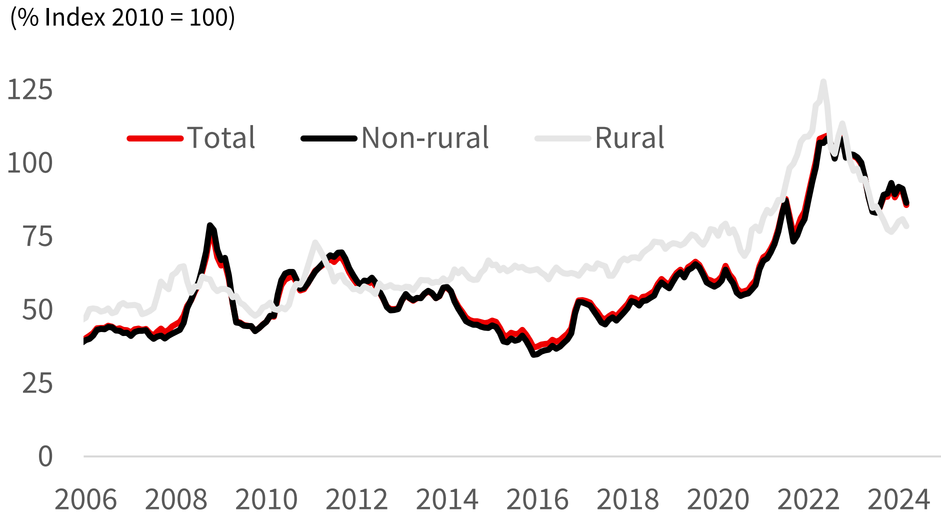
Services inflation has been more persistent[2]



The exchange rate has weakened[3]



Commodity prices are high[4]



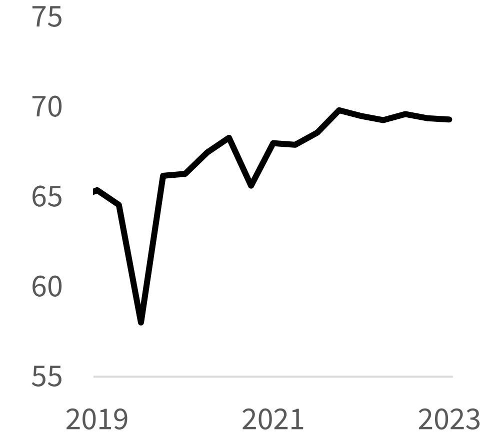
(1) Source: ABS, Macrobond. Headline, non-seasonally adjusted quarterly CPI. Data to Q1 2024
(2) Source: ABS, Macrobond. Market goods and services measures from the Quarterly CPI release. Data to Q1 2024
(3) Source: RBA, Macrobond. Data to 24 April 2024
(4) Source: RBA. Macrobond. Data to 31 March 2024

New Zealand economy

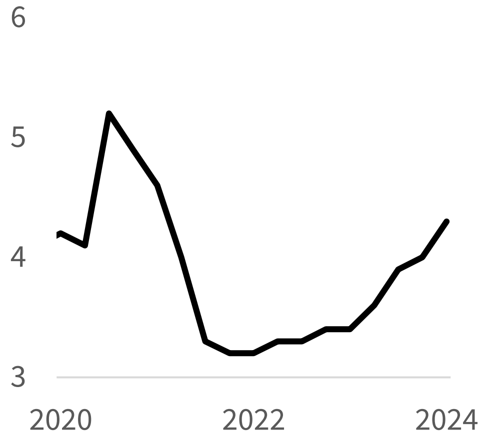
national australia bank

Economy has contracted since Q3 2022, unemployment rate still low but has moved up[1]

(GDP, $NZ billion, chain prices)

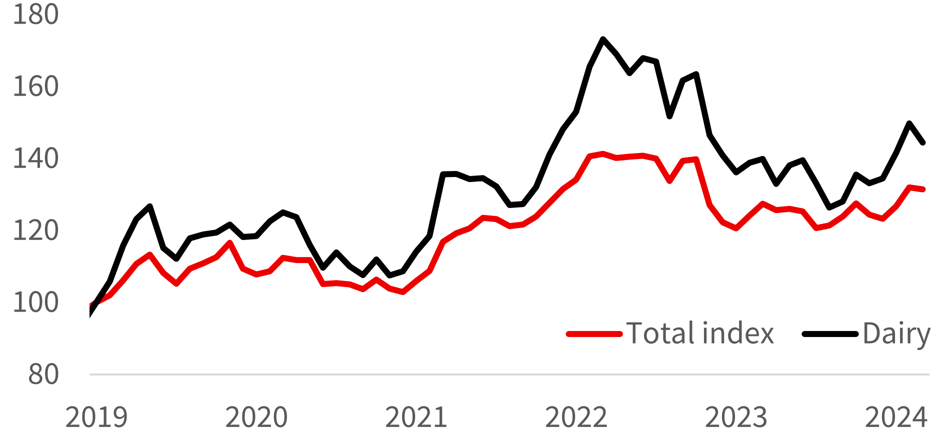


(Unemployment rate, %)



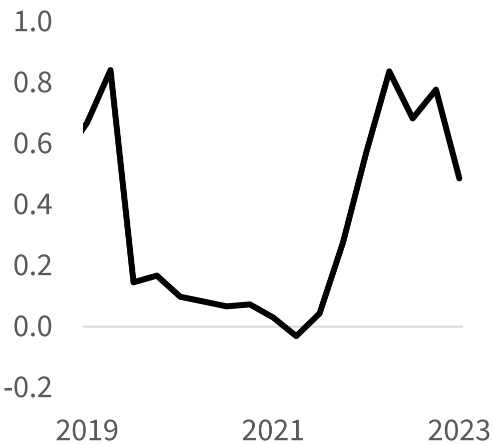
Commodity export prices (in NZ terms) have moved higher in recent months, including for dairy[2]

(Index, January 2019 = 100)

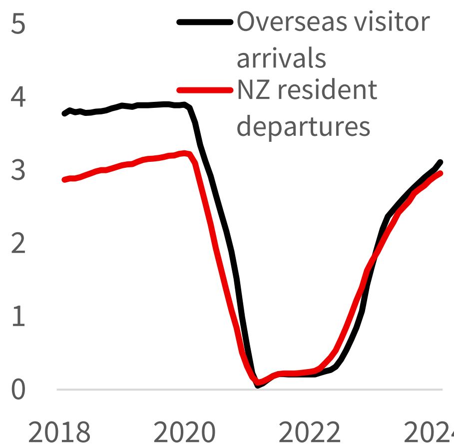


Growth stall despite strong population growth. Overseas visitor recovery continuing[3]

(Population, q/q%)

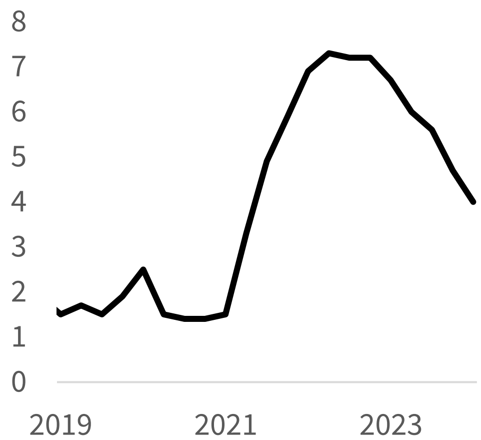


(millions, 12mth rolling sum)

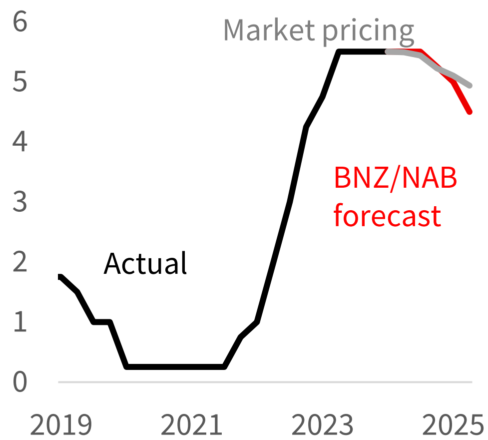


Inflation easing, while the RBNZ is expected to reduce the OCR starting later in CY24[4]

(CPI, % change on year earlier)



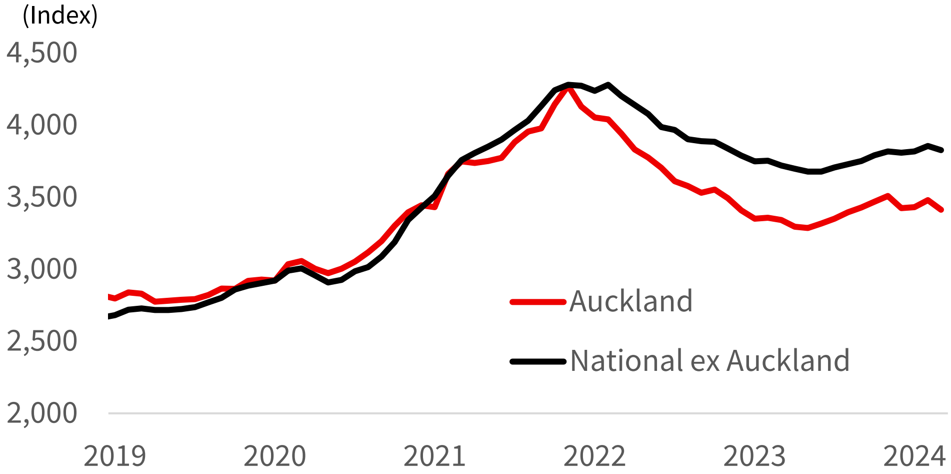
Official cash rate (end quarter %)



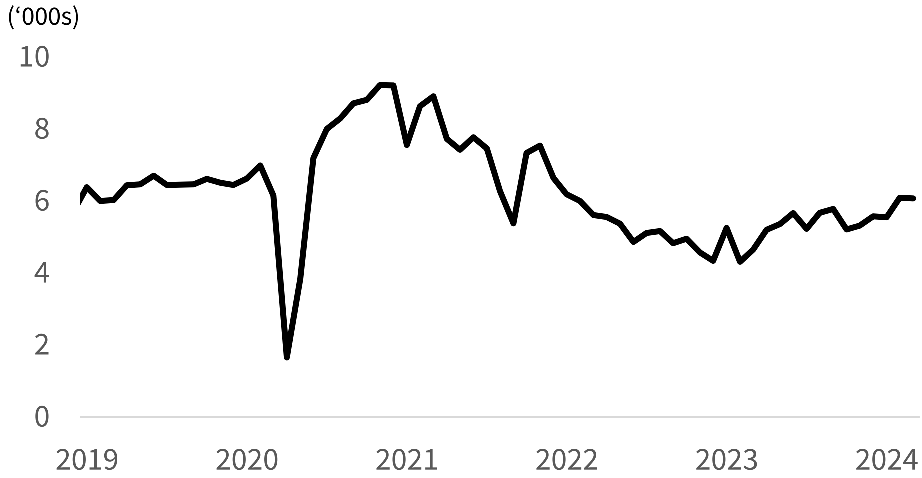
(1) Source: Refinitiv, Stats NZ. GDP data to Q4 2023, unemployment rate data to Q1 2024
(2) Source: Macrobond, ANZ Commodity Price Index, NZ dollar indices. Data to Mar 24
(3) Source: Refinitiv, Macrobond, Stats NZ. Population data to Q4 2023, arrivals/departures data to Feb 24
(4) Refinitiv, Stats NZ, RBNZ, BNZ, Market pricing as at 10.45am AEST 26 April 2024. CPI data to Q1 2024. Cash rate data to Q1 2024 (actual), Q2 2025 (projected)

New Zealand housing

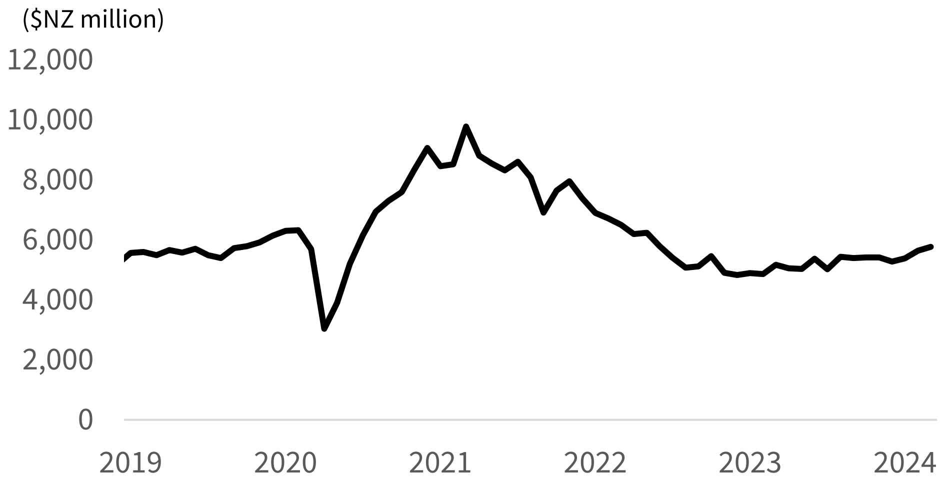
Gradual and uneven recovery in house prices which remain below their recent peak[1]



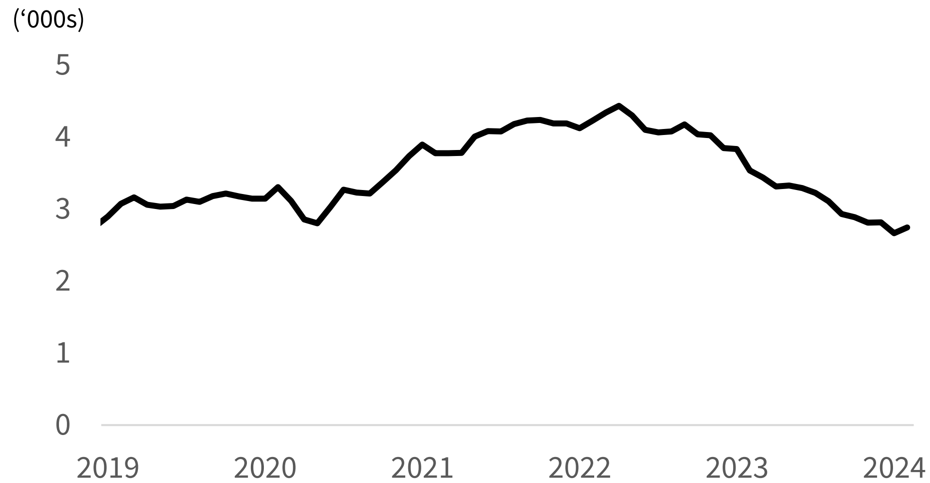
Sales volumes up over last year[2]



New residential mortgage lending also edging higher[3]



Dwelling approvals (consents) trending down[4]



(1) Source: Macrobond, REINZ. Data to Mar 24
(2) Source: Macrobond, REINZ. Seasonally adjusted by Macrobond. Data to Mar 24
(3) Source: RBNZ. Seasonally adjusted by Macrobond. Data to Mar 24
(4) Source: Refinitiv, Stats NZ. Three month moving average of seasonally adjusted new dwellings consented. Data to Feb 24

Abbreviations and disclaimers

Abbreviations

ALA	Alternative Liquid Assets
CET1	Common Equity Tier 1 Capital
CIC	Credit impairment charge
CLF	Committed Liquidity Facility
CP	Collective Provision
CTI	Cost to income ratio
Citi or Citi Consumer Business	Citigroup's Australian consumer business, acquired by the NAB Group on 1 June 2022
CSLR	Compensation Scheme of Last Resort
DPD	Days Past Due
DLVR	Dynamic Loan to Value Ratio
DRP	Dividend Reinvestment Plan
DTI	Debt to income ratio
EAD	Exposure at Default
EA	Economic Adjustment
ECL	Expected Credit Losses
EPS	Earnings Per Share
EU	AUSTRAC Enforceable Undertaking
FTEs	Full-time Equivalent Employees
GHG	Greenhouse Gas
GIAs	Gross Impaired Assets
GLAs	Gross Loans and Acceptances
HEM	Household Expenditure Measure
HQLA	High Quality Liquid Assets
IRB	Internal Ratings Based approach
ICMA	International Capital Market Association

LCR	Liquidity Coverage Ratio
LGD	Loss given default
LMA	Loan Market Association
LSTA	Loan Syndications and Trading Association
LVR	Loan to Value Ratio
MTM	Mark to market
NBI	Non Bearing Interest
NCO	Net Cash Outflow
NII	Net Interest Income
NPS	Net Promoter® and NPS® are registered trademarks and Net Promoter Score and Net Promoter System are trademarks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld
NSFR	Net Stable Funding Ratio
OIS	Overnight Index Swap
OOI	Other Operating Income
PD	Probability of Default
RCF	Revised capital framework
RMBS	Residential Mortgage Backed Securities
ROE	Return on Equity
RWAs	Risk-weighted assets
SFI	Stable Funding Index
SHL	Simple Home Loans
SME	Small and Medium Enterprise
TFF	RBA - Term Funding Facility

Source and notes

Slide 12

(1) Sourced from DBM Consumer Atlas (part of RFI Global), measured on 6 month rolling average to Mar 2024. Mass Consumer NPS excludes consumers with Personal income of $260k+ and/or investible assets of $2.5m+ and/or footings of over $850k). Ranking based on absolute scores, not statistically significant differences and compared against major peers
(2) Sourced from DBM Business Atlas (part of RFI Global), measured on 6 month rolling average to Mar 2024. Business Strategic NPS is constructed based on 25:25:50 weighting of underlying segments, allocated to Nano & Micro: Small: Medium & Large, respectively. Nano & Micro (Businesses with a turnover up to $1m or $1m-$5m with no perceived banker), Small (Businesses with a turnover $1m-$5m with a perceived banker), Medium & Large (Businesses with a turnover between $5m and <$200m). Ranking based on absolute scores, not statistically significant differences and compared against major peers
(3) DBM Consumer Atlas (part of RFI Global), measured on 6 month rolling average to Mar 2024. Includes Mass Affluent customers ($850k to $2.5M footings OR $260k+ income with less than $850k in footings and less than $2.5m in investible assets) and High Net Worth customers ($2.5m in footings or have investible assets of $2.5m+). No reweighting applied. Ranking based on absolute scores, not statistically significant differences and compared against major peers

Slide 61

(1) Source: Camorra Retail Market Monitor (data on 12-month roll). NPS for nominated main bank provider. The result reflects the 5 major banks in New Zealand. Rank is based on absolute results and may be within the confidence interval of another brand
(2) Source: Kantar Business Finance Monitor (data on 12-month roll). NPS for nominated main bank provider. Total business market up to annual turnover of $150m; includes Agribusiness with a turnover of $100k+. The result reflects Australian-owned banks in New Zealand. Rank is based on absolute results and may be within the confidence interval of another brand
(3) From July 2022 a new data collection approach was introduced for all banks. The use of the 12MRA means the impact of this change on results is small
(4) Source: Peter Lee Associates – Large Corporate Relationship Banking Survey New Zealand Aug 2023. Ranking against the four major domestic banks

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