

Thursday, 14 November 2024

ASX ANNOUNCEMENT

NAB RELEASES 2024 SUPPLEMENTAL INFORMATION

National Australia Bank Limited (NAB) today releases its 2024 Supplemental Information Report which provides certain statistical information regarding NAB. The Supplemental Information voluntarily continues the disclosure of some of the information NAB previously disclosed to the U.S. market in its U.S. periodic reports filed with the U.S. Securities Exchange Commission (SEC) when NAB was an SEC registrant.

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The release of this announcement was authorised by Nathan Goonan, Group Chief Financial Officer.



Supplemental information regarding National Australia Bank Limited **2024**



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Overview

The information in this Supplemental Information Report (Report) has been prepared in conjunction with the Group's U.S. debt funding disclosures. Sections A and B provide detail in relation to the Group's liquidity and funding resources and certain U.S. statistical bank disclosures. This document should be read in conjunction with the Group's 2024 Annual Report published on November 7, 2024 (2024 Annual Report). The 2024 Annual Report is prepared in accordance with the Corporations Act 2001 (Cth) and contains the Group's consolidated financial statements.

A reference in this Report to the 'Group' is a reference to National Australia Bank Limited (NAB) and its controlled entities. All currency amounts in this Report are expressed in Australian dollars unless otherwise stated. References in this document to the September 2024 full year are references to the twelve months ended September 30, 2024. Other twelve month periods are referred to in a corresponding manner.

Unless otherwise stated, the information for comparative periods has been stated on a consistent basis with the information for the September 2024 full year.

Presentation of financial information

Except as otherwise stated, the financial information presented in this Report has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). Certain differences exist between Australian Accounting Standards, IFRS and the Generally Accepted Accounting Principles applicable in the United States of America (US GAAP) which might be material to the financial information in this document.

The Group has not prepared a reconciliation of its consolidated financial statements and related disclosures between Australian Accounting Standards, IFRS and US GAAP. In making an investment decision, potential investors must rely upon their own examination of the Group, the terms of the offering and the financial information. Potential investors should consult their own professional advisors for an understanding of these differences, and if they affect the financial information in this document.

All amounts have been rounded to the nearest million dollars, except where indicated. The abbreviations \$m and \$bn represent millions and thousands of millions (i.e. billions) of Australian dollars respectively. Any discrepancies between total and sums of components in tables contained in this Report are due to rounding. This Report contains translation of certain Australian dollar amounts into US dollars at specified rates. These translations should not be construed as representations that the Australian dollar amounts actually represent such US dollar amounts or could be converted into US dollars at the rate indicated. Unless otherwise stated, the translation of Australian dollars into US dollars have been made at the rate of US\$0.6934 = A\$1.00, the noon buying rate in New York City for cable transfers in Australian dollars as certified for customs purposes by the Federal Reserve Bank of New York on September 30, 2024.

Other information in this Report has been derived from the 2024 Annual Report, including the Group's audited consolidated financial statements, notes to the financial statements and directors' declaration (2024 Financial Report), and the equivalent report for each prior financial year. Where certain items are not shown in the 2024 Annual Report, it has been prepared for the purpose of this Report. Accordingly, this information should be read in conjunction with and is qualified

in its entirety by reference to the Group's 2024 Financial Report and the equivalent report for each prior financial year.

Information in this Report is presented on a continuing operations basis, unless otherwise stated. Continuing operations are the components of the Group which are not discontinued operations.

Discontinued operations

On 31 May 2021, the Group completed the sale of MLC Wealth, comprising its advice, platforms, superannuation and investments, and asset management businesses to Insignia Financial Ltd (MLC Wealth Transaction). The Company also provided covenants and warranties in favour of Insignia Financial Ltd. Refer to *Note 31 Commitments and contingent liabilities* in the 2024 Financial Report for further details.

Information about average balances

Average balances, including total average equity (attributable to owners of the Company), total average assets and average interest earning assets are based on daily statutory average balances.

This methodology produces numbers that NAB believes more accurately reflect seasonality, timing of accruals and restructures (including discontinued operations), which would otherwise not be reflected in a simple average.

Forward-looking statements

This Report contains statements that are, or may be deemed to be, forward-looking statements within the meaning of section 21E of the United States Securities Exchange Act 1934. Forward-looking statements include all statements, other than statements of historical or present facts. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "ambition", "believe", "estimate", "plan", "project", "anticipate", "expect", "goal", "target", "intend", "likely", "may", "will", "could" or "should" or, in each case, their negative or other variations or other similar expressions, or by discussions of strategy, plans, objectives, targets, goals, future events or intentions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. You are cautioned not to place undue reliance on such forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group, which may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.

There are a number of other important factors that could cause actual results to differ materially from those projected in such statements, including (without limitation), a significant change in the Group's financial performance or operating environment; a material change to law or regulation or changes to regulatory policy or interpretation, including changes to applicable capital requirements; the impact of actual or potential litigation or enforcement actions; and risks and uncertainties associated with the ongoing impacts of the Russia-Ukraine and Middle Eastern conflicts and other geopolitical tensions, the Australian and global economic environment and capital market conditions. Further detail is contained on page 93 under Disclosure on Risk factors in the 2024 Annual Report for the September 2024 full year, available at www.nab.com.au.

Liquidity and funding

The Group's banking entities comply as required with the liquidity requirements of regulators in Australia, the United Kingdom, New Zealand, the United States and other geographies in which the Group operates. Liquidity within the Group is also managed in accordance with policies approved by the Board, with oversight from the Group Asset and Liability Committee.

The principal sources of liquidity for the Group are:

- cash
- amounts due to and from central and other banks
- repurchase agreements
- trading and other marketable securities
- proceeds from investments and repayments of customer lending facilities
- collateral associated with derivatives
- deposits
- proceeds from commercial paper, certificates of deposit, bonds, notes and subordinated debt issues
- interest income
- other operating income.

The Group's primary source of funding is from deposits and other borrowings which include on-demand and short-term deposits, term deposits, bank issued certificates of deposit and deposits not bearing interest. Of total liabilities at September 30, 2024 of \$1,018,035 million (2023: \$997,580 million; 2022: \$996,094 million), funding from customer deposits and certificates of deposit (including amounts accounted for at fair value) amounted to \$679,689 million (2023: \$644,163 million; 2022: \$616,713 million) or 67.0% (2023: 65%; 2022: 62%) of total liabilities. Although a substantial portion of customer accounts are contractually repayable within one year, on-demand, or at short-notice, such customer deposit balances have provided a stable source of core long-term funding for the Group.

Amounts due to other banks of \$12,328 million as at September 30, 2024 (2023: \$39,516 million; 2022: \$74,679 million)⁽¹⁾ supplement the Group's customer deposits. For further information, refer to *Note 8 Cash and balances with other banks* in the 2024 Financial Report. The Group also accesses the domestic and international debt capital markets under its various funding programs. As at September 30, 2024, the Group had on issue \$166,581 million (2023: \$149,386 million; 2022: \$134,344 million) of term debt securities (bonds, notes and subordinated debt including bonds, notes and subordinated debt accounted for at fair value) and the following funding programmes available to fund the Group's general banking business⁽²⁾.

Short-term funding programmes as at September 30, 2024

Europe		
Limit	Type	Issuer
USD20 billion	Euro Commercial Paper and Certificate of Deposit Programme	National Australia Bank Limited
USD10 billion	Global Commercial Paper Programme	BNZ International Funding Limited, acting through its London Branch (and guaranteed by Bank of New Zealand)
United States		
Limit	Type	Issuer
USD10 billion	Commercial Paper Program	BNZ International Funding Limited, acting through its London Branch (and guaranteed by Bank of New Zealand)
USD10 billion	Commercial Paper Program	Bank of New Zealand
USD45 billion	Commercial Paper Program	National Australia Bank Limited
USD10 billion	Commercial Paper Program	National Australia Funding (Delaware) Inc. (guaranteed by National Australia Bank Limited)
New Zealand		
Limit	Type	Issuer
Unlimited	Debt Issuance Programme	Bank of New Zealand

(1) Term Funding Facility provided by the Reserve Bank of Australia was fully repaid in June 2024 (2023: \$17,596 million; 2022: \$32,275 million), and the Term Lending Facility and Funding for Lending Programme provided by the Reserve Bank of New Zealand of NZ\$3,377 million (2023: NZ\$4,591 million; 2022: NZ\$3,453 million).

(2) National Australia Bank Limited is a legal entity separate and distinct from its subsidiaries, including Bank of New Zealand and BNZ International Funding Limited. There are statutory and regulatory limitations on the payment of dividends by, or other distributions from, certain of its subsidiaries and affiliates, including Bank of New Zealand and National Australia Bank Limited's New York Branch.

Long-term funding programmes and issuing shelves as at September 30, 2024

Global ⁽¹⁾		
Limit	Type	Issuer(s)
NZD10 billion	BNZ Covered Bond Programme	Bank of New Zealand guaranteed by CBG Trustee Company Limited as Trustee of the BNZ Covered Bond Trust ⁽²⁾
USD100 billion ⁽³⁾	Global Medium Term Note Programme	National Australia Bank Limited, Bank of New Zealand and BNZ International Funding Limited (acting through its London Branch and guaranteed by Bank of New Zealand)
USD40 billion ⁽⁴⁾	NAB Covered Bond Programme	National Australia Bank Limited (guaranteed by Perpetual Corporate Trust Limited as trustee of the NAB Covered Bond Trust)
Unlimited	National RMBS Trust	Perpetual Trustee Company Limited as trustee of the relevant National RMBS Trust (National Australia Bank Limited's roles include those of Seller and Servicer)

(1) Programmes have been listed in the jurisdictions within which issuances can be made and therefore may appear in multiple categories.

(2) Certain outstanding covered bonds were issued by BNZ International Funding Limited (BNZ-IF) (acting through its London Branch), guaranteed by CBG Trustee Company Limited as Trustee of the BNZ Covered Bond Trust and Bank of New Zealand. In addition, the payment of all amounts owing by BNZ-IF in respect of covered bonds issued by BNZ-IF is guaranteed by BNZ.

(3) Refers to total Global Medium Term Note Programme limit for all issuers in aggregate.

(4) Refers to total NAB Covered Bond Programme limit.

United States ⁽¹⁾		
Limit	Type	Issuer(s)
USD100 billion ⁽²⁾	U.S. Rule 144A sub-programme associated with the Global Medium Term Note Programme	Bank of New Zealand
USD100 billion ⁽²⁾	U.S. Rule 144A sub-programme associated with the Global Medium Term Note Programme	National Australia Bank Limited (guaranteed by Perpetual Corporate Trust Limited as trustee of the NAB Covered Bond Trust)
USD40 billion ⁽³⁾	U.S. Rule 144A sub-programme associated with the NAB Covered Bond Programme	National Australia Bank Limited (guaranteed by Perpetual Corporate Trust Limited as trustee of the NAB Covered Bond Trust)
USD25 billion	Section 3(a)(2) Medium Term Note (Series B) Program	National Australia Bank Limited (acting through its New York Branch)

(1) Programmes have been listed in the jurisdictions within which issuances can be made and therefore may appear in multiple categories.

(2) Refers to total Global Medium Term Note Programme limit for all issuers in aggregate.

(3) Refers to total NAB Covered Bond Programme limit.

Australia ⁽¹⁾		
Limit	Type	Issuer(s)
Unlimited	Debt Issuance Programme	National Australia Bank Limited
USD40 billion ⁽²⁾	NAB Covered Bond Programme	National Australia Bank Limited (guaranteed by Perpetual Corporate Trust Limited as trustee of the NAB Covered Bond Trust)
Unlimited	National RMBS Trusts	Perpetual Trustee Company Limited as trustee of the relevant National RMBS Trust (National Australia Bank Limited's roles include those of Seller and Servicer)
Unlimited	Capital Notes Programme (wholesale)	National Australia Bank Limited

(1) Programmes have been listed in the jurisdictions within which issuances can be made and therefore may appear in multiple categories.

(2) Refers to total NAB Covered Bond Programme limit.

Liquidity and funding (cont.)

New Zealand⁽¹⁾

Limit	Type	Issuer(s)
Unlimited	Debt Issuance Programme	Bank of New Zealand
NZD10 billion	BNZ Covered Bond Programme	Bank of New Zealand guaranteed by CBG Trustee Company Limited as Trustee of the BNZ Covered Bond Trust ⁽²⁾

(1) Programmes have been listed in the jurisdictions within which issuances can be made and therefore may appear in multiple categories.

(2) Certain outstanding covered bonds were issued by BNZ International Funding Limited (BNZ-IF)(acting through its London Branch), guaranteed by CBG Trustee Company Limited as Trustee of the BNZ Covered Bond Trust and Bank of New Zealand. In addition, the payment of all amounts owing by BNZ-IF in respect of covered bonds issued by BNZ-IF is guaranteed by BNZ.

Japan⁽¹⁾⁽²⁾

Limit	Type	Issuer(s)
JPY500 billion	Samurai Shelf	National Australia Bank Limited
JPY300 billion	Uridashi Shelf	National Australia Bank Limited

(1) Programmes have been listed in the jurisdictions within which issuances can be made and therefore may appear in multiple categories.

(2) As at September 30, 2024, the Shelf registration for each of the above programmes is not effective. They may be renewed in the future. The limit described refers to the limit of each program at its most recent expiry.

Credit ratings

At September 30, 2024, the Group's issuing entities credit ratings were as follows:

National Australia Bank	Short-term	Long-term	Outlook
S&P Global Ratings	A-1+	AA-	Stable
Moody's Investors Service	P-1	Aa2	Stable
Fitch Ratings	F1+	AA-	Stable
Bank of New Zealand	Short-term	Long-term	Outlook
S&P Global Ratings	A-1+	AA-	Stable
Moody's Investors Service	P-1	A1	Stable
Fitch Ratings	F1	A+	Stable
BNZ International Funding Limited (guaranteed by Bank of New Zealand)⁽¹⁾	Short-term	Long-term	Outlook
S&P Global Ratings	A-1+	AA-	Stable
Moody's Investors Service	P-1	A1	Stable
Fitch Ratings	(not rated)	A+	Stable

(1) Issue credit ratings.

Ratings are not a recommendation to purchase, hold or sell securities, and may be changed, superseded or withdrawn at any time.

The Group maintains well diversified and high-quality liquid asset portfolios to support regulatory and internal requirements in the various regions in which it operates. As at September 30, 2024, the Group held \$224,612 million of on balance sheet liquid assets (2023: \$222,463 million; 2022: \$220,415 million), of which NAB held \$209,978 million (2023: \$205,226 million; 2022: \$206,364 million).

In accordance with the Group Contingent Funding Plan, the Group Treasurer has the authority to direct any internal holder of unencumbered liquid assets to realise those assets for cash. In addition, as at September 30, 2024, the Group held \$733,268 million (2023: \$703,945 million; 2022: \$682,310 million) of net loans and advances to customers (including loans accounted for at fair value), of which \$150,969 million (2023: \$130,430 million; 2022: \$117,118 million) is due to mature within one year, although a proportion of these maturing customer loans will be extended in the normal course of business.

Based on the level of resources within the Group's businesses, and the ability of the Group to access wholesale money markets and issue debt securities should the need arise, overall liquidity is considered sufficient to meet current obligations to customers, policyholders and debt holders.

The following table sets out the amounts and maturities of the Group's contractual cash obligations for bonds, notes and subordinated debt, other debt issues, and other commitments as listed below at September 30, 2024. The table excludes deposits and other liabilities taken in the normal course of banking business and short-term and undated liabilities.

Liquidity and funding (cont.)

	Payments due by period		Total \$m
	Less than 1 year	Greater than 1 year	
	\$m	\$m	
Bonds, notes and subordinated debt – dated	30,995	135,586	166,581
Other debt issues – undated	–	9,560	9,560
Non-cancellable leases	360	2,057	2,417
Total contractual cash obligations	31,355	147,203	178,558

The following table sets out the amounts and maturities of the Group's contingent liabilities and other commercial commitments at September 30, 2024.

	Amount of commitment expiration per period		Total \$m
	Less than 1 year	Greater than 1 year	
	\$m	\$m	
Contingent liabilities			
Guarantees	3,230	2,338	5,568
Letters of credit	6,207	2,906	9,113
Performance-related contingencies	9,529	2,387	11,916
Other commercial commitments			
Other binding credit commitments	92,112	118,012	210,124
Total commercial commitments	111,078	125,643	236,721

Description of off-balance sheet arrangements (structured entities)

The Group enters into various arrangements with structured entities. The primary purposes of these structured entities are to:

- Assist customers to securitise their assets.
- Provide diversified funding sources to customers.
- Tailor new products to satisfy customers' funding requirements.

In accordance with AAS and IFRS, the Group will consolidate a structured entity where the Group has control over the structured entity. Generally, the Group does not have control over structured entities that have been established for purposes of providing funding to customers, and therefore these structured entities are not consolidated by the Group.

For further information on the Group's position regarding off-balance sheet arrangements, see *Note 21 Financial asset transfers*, *Note 31 Commitments and contingent liabilities* and *Note 32 Interest in subsidiaries and other entities* in the 2024 Financial Report.

Average balance sheet and related interest

The following tables present the major categories of interest earning assets and interest bearing liabilities, together with their respective interest rates earned or incurred by the Group. Averages are predominantly daily averages. Amounts classified as Other International represent interest earning assets and interest bearing liabilities of the controlled entities and overseas branches domiciled in Europe, the United States and Asia. Impaired assets are included within loans and advances in interest earning assets.

Average assets and interest income

	2024			2023			2022		
	Average balance	Average Interest	Average rate	Average balance	Average Interest	Average rate	Average balance	Average Interest	Average rate
	\$m	\$m	% pa	\$m	\$m	% pa	\$m	\$m	% pa
Average interest earning assets									
Due from other banks									
Australia	95,048	3,995	4.2	107,924	3,725	3.5	94,705	566	0.6
New Zealand	8,418	462	5.5	11,137	533	4.8	10,868	162	1.5
Other International	20,095	941	4.7	25,718	995	3.9	29,080	202	0.7
Trading assets and marketable debt securities									
Australia	96,502	4,821	5.0	73,398	2,627	3.6	70,737	1,050	1.5
New Zealand	8,904	372	4.2	7,067	266	3.8	6,868	91	1.3
Other International	59,545	3,313	5.6	13,563	467	3.4	10,562	66	0.6
Loans and advances – housing									
Australia ⁽¹⁾	313,336	18,071	5.8	305,519	14,403	4.7	287,046	8,107	2.8
New Zealand	52,085	3,136	6.0	49,778	2,348	4.7	47,826	1,570	3.3
Loans and advances – non-housing									
Australia	246,376	17,142	7.0	236,729	14,591	6.2	222,573	7,632	3.4
New Zealand	42,336	3,437	8.1	41,660	3,283	7.9	40,715	1,776	4.4
Other International	21,055	1,574	7.5	20,929	1,288	6.2	21,543	567	2.6
Other interest earning assets									
Australia	8,998	689	n/a	29,090	1,335	n/a	16,300	179	n/a
New Zealand	680	90	n/a	1,165	97	n/a	1,247	23	n/a
Other International	5,363	254	n/a	43,028	2,114	n/a	40,227	387	n/a
Total average interest earning assets and interest income by:									
Australia ⁽¹⁾	760,260	44,718	5.9	752,660	36,681	4.9	691,361	17,534	2.5
New Zealand	112,423	7,497	6.7	110,807	6,527	5.9	107,524	3,622	3.4
Other International	106,058	6,082	5.7	103,238	4,864	4.7	101,412	1,222	1.2
Total average interest earning assets and interest income	978,741	58,297	6.0	966,705	48,072	5.0	900,297	22,378	2.5
Average non-interest earning assets									
Other assets	101,768			103,702			96,278		
Provision for credit impairment									
Australia	(4,841)			(4,499)			(4,319)		
New Zealand	(888)			(784)			(694)		
Other International	(44)			(58)			(55)		
Total average assets	1,074,736			1,065,066			991,507		

(1) Includes \$7 million of average balance (2023: \$15 million, 2022: \$29 million) and \$nil interest (2023: \$nil, 2022: \$1 million) relating to the run-down of housing loans in Asia from the sale of NAB's Asian private wealth business in November 2017.

Average balance sheet and related interest (cont.)

Average liabilities and interest expense

	2024			2023			2022		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate	Average balance	Interest	Average rate
	\$m	\$m	% pa	\$m	\$m	% pa	\$m	\$m	% pa
Average interest bearing liabilities									
Due to other banks									
Australia	24,705	779	3.2	47,523	738	1.6	47,415	162	0.3
New Zealand	5,001	170	3.4	6,599	180	2.7	5,102	36	0.7
Other International	26,935	1,466	5.4	20,232	903	4.5	17,163	177	1.0
On-demand and short-term deposits									
Australia	274,299	9,429	3.4	270,723	7,028	2.6	275,577	1,199	0.4
New Zealand	28,969	1,160	4.0	28,817	951	3.3	32,670	203	0.6
Other International	2,254	96	4.3	4,377	148	3.4	6,159	51	0.8
Certificates of deposits									
Australia	33,451	1,527	4.6	33,502	1,204	3.6	30,932	177	0.6
New Zealand	1,066	60	5.6	1,822	88	4.8	2,292	37	1.6
Other International	31,304	1,593	5.1	20,483	779	3.8	24,670	178	0.7
Term deposits									
Australia	155,191	7,584	4.9	137,542	5,051	3.7	96,091	817	0.9
New Zealand	33,936	2,008	5.9	28,581	1,244	4.4	23,733	422	1.8
Other International	7,094	352	5.0	9,265	375	4.0	5,333	67	1.3
Other borrowings									
Australia	37,358	2,269	6.1	39,100	1,849	4.7	38,817	451	1.2
New Zealand	846	47	5.6	1,802	80	4.4	3,511	42	1.2
Other International	22,097	1,380	6.2	23,661	1,412	6.0	28,987	267	0.9
Bonds, notes and subordinated debt									
Australia	125,237	8,257	6.6	112,976	6,246	5.5	98,425	1,571	1.6
New Zealand	19,997	1,260	6.3	19,993	1,050	5.3	19,043	445	2.3
Other International	16,324	750	4.6	12,342	513	4.2	9,099	267	2.9
Other interest bearing liabilities									
Australia	16,840	1,243	n/a	21,437	1,311	n/a	15,565	937	n/a
New Zealand	1,685	96	n/a	1,894	87	n/a	1,381	21	n/a
Other International	263	14	n/a	734	28	n/a	562	11	n/a
Total average interest bearing liabilities and interest expense by:									
Australia	667,081	31,088	4.7	662,803	23,427	3.5	602,822	5,314	0.9
New Zealand	91,500	4,801	5.2	89,508	3,680	4.1	87,732	1,206	1.4
Other International	106,271	5,651	5.3	91,094	4,158	4.6	91,973	1,018	1.1
Total average interest bearing liabilities and interest expense	864,852	41,540	4.8	843,405	31,265	3.7	782,527	7,538	1.0

Average non-interest bearing liabilities and average equity

	2024 \$m	2023 \$m	2022 \$m
Average non-interest bearing liabilities			
Deposits not bearing interest			
Australia ⁽¹⁾	83,845	84,541	84,989
New Zealand ⁽¹⁾	12,032	13,599	11,965
Other International	6	7	8
Other liabilities	52,568	63,313	51,202
Total average non-interest-bearing liabilities	148,451	161,460	148,164
Total average liabilities	1,013,303	1,004,865	930,691
Average equity			
Total average equity (attributable to the owners of the Company)	61,039	60,094	60,816
Non-controlling interest	394	107	–
Total average equity	61,433	60,201	60,816
Total average liabilities and equity	1,074,736	1,065,066	991,507

(1) Includes mortgage offset accounts of \$46,710 million (2023: \$42,477 million, 2022: \$38,219 million) in Australia and \$2,318 million (2023: \$2,251 million, 2022: \$2,172 million) in New Zealand.

Net interest margin

	2024 %	2023 %	2022 %
Net interest margin - statutory basis	1.71	1.74	1.65

Average balance sheet and related interest (cont.)

Volume and rate analysis

The following table allocates movements in net interest income between changes in volume and changes in rate for the years ended September 30, 2024 and September 30, 2023. Volume and rate variances have been calculated on the movement in average balances and the change in interest rates on average interest earning assets and average interest bearing liabilities. The variance caused by changes of both volume and rate has been allocated in proportion to the relationship of the absolute dollar amounts of each change to the total.

	2024			2023		
	Increase / (decrease)			Increase / (decrease)		
	due to change in			due to change in		
	Average balance \$m	Average rate \$m	Total \$m	Average balance \$m	Average rate \$m	Total \$m
Interest earning assets						
Due from other banks						
Australia	(478)	748	270	90	3,069	3,159
New Zealand	(142)	71	(71)	4	367	371
Other International	(240)	186	(54)	(26)	819	793
Trading assets and marketable debt securities						
Australia	972	1,222	2,194	40	1,537	1,577
New Zealand	75	31	106	3	172	175
Other International	2,408	438	2,846	24	377	401
Loans and advances - housing						
Australia	377	3,291	3,668	553	5,743	6,296
New Zealand	113	675	788	66	712	778
Loans and advances - non housing						
Australia	613	1,938	2,551	514	6,445	6,959
New Zealand	54	100	154	42	1,465	1,507
Other International	7	279	286	(16)	737	721
Other interest earning assets						
Australia	(1,235)	589	(646)	228	928	1,156
New Zealand	(50)	43	(7)	(2)	76	74
Other International	(1,787)	(73)	(1,860)	29	1,698	1,727
Change in interest income	687	9,538	10,225	1,549	24,145	25,694

Average balance sheet and related interest (cont.)

	2024			2023		
	Increase / (decrease)			Increase / (decrease)		
	due to change in			due to change in		
	Average balance \$m	Average rate \$m	Total \$m	Average balance \$m	Average rate \$m	Total \$m
Interest bearing liabilities						
Due to other banks						
Australia	(470)	511	41	-	576	576
New Zealand	(49)	39	(10)	14	130	144
Other International	339	224	563	37	689	726
On-demand and short-term deposits						
Australia	94	2,307	2,401	(21)	5,850	5,829
New Zealand	5	204	209	(27)	775	748
Other International	(83)	31	(52)	(19)	116	97
Certificates of deposits						
Australia	(2)	325	323	16	1,011	1,027
New Zealand	(41)	13	(28)	(9)	60	51
Other International	497	317	814	(35)	636	601
Term deposits						
Australia	708	1,825	2,533	486	3,748	4,234
New Zealand	262	502	764	101	721	822
Other International	(98)	75	(23)	76	232	308
Other borrowings						
Australia	(86)	506	420	3	1,395	1,398
New Zealand	(49)	16	(33)	(28)	66	38
Other International	(96)	64	(32)	(58)	1,203	1,145
Bonds, notes and subordinated debt						
Australia	724	1,287	2,011	264	4,411	4,675
New Zealand	-	210	210	23	582	605
Other International	179	58	237	113	133	246
Other interest bearing liabilities						
Australia	(311)	243	(68)	359	15	374
New Zealand	(11)	20	9	11	55	66
Other International	(22)	8	(14)	4	13	17
Change in interest expense	1,490	8,785	10,275	1,310	22,417	23,727
Change in net interest income	(803)	753	(50)	239	1,728	1,967

Loan fees

Included within interest income is \$112 million (2023: \$140 million; 2022: \$178 million) relating to loan fees which are amortised over the effective life of the loan.

Investment portfolio

For information concerning the Group's investment portfolio, refer to *Note 9 Trading assets* and *Note 10 Debt instruments* in the 2024 Financial Report for the years ended September 30, 2024 and 2023.

Maturities

The following table analyses the maturity (according to when they are expected to mature, be recovered or settled) and weighted average yield of the Group's holdings of debt instruments at fair value through other comprehensive income at September 30, 2024:

	Less than 1 year		1 to 5 year(s)		5 to 10 year(s)		Over 10 years	
	\$m	yield pa	\$m	yield pa	\$m	yield pa	\$m	yield pa
Government bonds, notes and securities	1,545	3.0%	9	-	-	-	-	-
Semi-government bonds, notes and securities	953	4.5%	11,702	3.4%	14,533	2.2%	4,097	3.7%
Corporate / financial institution bonds, notes and securities	2,281	2.5%	4,112	5.8%	-	-	-	-
Other bonds, notes, securities and other assets	447	5.4%	2,320	5.4%	-	-	-	-
Total maturities at carrying value⁽¹⁾	5,226		18,143		14,533		4,097	

(1) The amount that best represents the maximum credit exposure at reporting date is the carrying value of these assets.

Loan portfolio

Loans and advances

The following table sets out the Group's portfolio of loans and advances, including provisions and capitalised brokerage costs, net of unearned and deferred net fee income, for the years indicated:

	2024 \$m	2023 \$m	2022 \$m
Australia			
Overdrafts	3,858	3,414	2,811
Credit card outstandings	8,733	8,771	7,958
Asset and lease financing	18,822	17,158	14,937
Housing loans	361,549	352,559	340,840
Other term lending	218,046	204,216	202,887
Other lending	6,365	6,591	6,992
Loans at fair value ⁽¹⁾	576	682	1,170
Total Australia	617,949	593,391	577,595
Overseas			
Overdrafts	2,028	2,045	1,878
Credit card outstandings	722	757	726
Asset and lease financing	57	56	51
Housing loans	55,209	53,739	48,284
Other term lending	61,395	57,304	57,600
Other lending	846	618	875
Loans at fair value ⁽¹⁾	-	561	706
Total Overseas	120,257	115,080	110,120
Total gross loans and advances	738,206	708,471	687,715
Deduct: Unearned income and deferred net fee income	(2,003)	(1,453)	(1,020)
Add: Capitalised Brokerage Costs ⁽²⁾	2,986	2,512	671
Provision for credit impairment	(5,921)	(5,585)	(5,056)
Total net loans and advances	733,268	703,945	682,310

(1) Loans at fair value represent "Other term lending" loans. This amount includes an unfavourable credit risk adjustment of \$nil (2023: \$27 million; 2022: \$28 million) for Australia, and an unfavourable credit risk adjustment of \$nil (2023: \$6 million; 2022: \$22 million) for overseas.

(2) The balance as at September 30, 2023 includes \$1,684 million for Australia and \$111 million for overseas of capitalised brokerage costs reflecting the revised accounting treatment of trail commissions payable to mortgage brokers. Comparatives have not been restated.

Loan portfolio (cont.)

The diversification and size of the Group is such that its lending is widely spread both geographically and in terms of the types of industries served. In accordance with U.S. Securities and Exchange Commission (SEC) guidelines, the following table shows comparative year-end detail of the loan portfolio for the years indicated. The table also demonstrates the concentration of credit risk by industry with credit risk represented by the carrying value less provision for credit impairment.

	Loans and advances by industry		
	2024	2023	2022
	%	%	%
Australia			
Accommodation and hospitality	1.3	1.2	1.1
Agriculture, forestry, fishing and mining	6.0	5.9	5.6
Business services and property services	2.5	2.5	2.5
Commercial property	9.1	9.1	9.1
Construction	1.1	1.0	1.0
Financial & insurance	4.6	4.2	4.9
Government & public authorities	0.1	0.2	0.4
Manufacturing	1.5	1.5	1.4
Personal	1.5	1.7	1.6
Residential mortgages	49.0	49.7	49.5
Retail and wholesale trade	2.4	2.3	2.3
Transport and storage	1.2	1.4	1.6
Utilities	0.4	0.4	0.4
Other	3.0	2.7	2.6
Total Australia	83.7	83.8	84.0
Overseas			
Accommodation and hospitality	0.2	0.2	0.2
Agriculture, forestry, fishing and mining	2.0	2.1	2.0
Business services and property services	0.2	0.2	0.2
Commercial property	1.0	1.0	1.1
Construction	0.2	0.2	0.2
Financial & insurance	1.5	1.3	1.8
Manufacturing	0.5	0.5	0.5
Personal	0.1	0.1	0.1
Residential mortgages	7.5	7.6	7.0
Retail and wholesale trade	0.7	0.7	0.7
Transport and storage	0.8	0.9	0.7
Utilities	1.2	1.2	1.1
Other	0.4	0.2	0.4
Total Overseas	16.3	16.2	16.0
Total	100.0	100.0	100.0

Loan portfolio (cont.)

The following tables show the contractual maturity distribution of loans and advances to customers and the nature of the interest rate applicable to such loans and advances for the Group as at September 30, 2024:

	Less than 1 year \$m	1 to 5 year(s) \$m	Over 5 years ⁽¹⁾ \$m	Total \$m
Australia				
Accommodation and hospitality	3,451	5,461	707	9,619
Agriculture, forestry, fishing and mining	21,195	22,315	1,116	44,626
Business services and property services	4,951	10,608	2,753	18,312
Commercial property	34,632	31,949	513	67,094
Construction	2,264	4,675	984	7,923
Financial & insurance	26,021	7,377	750	34,148
Government & public authorities	30	359	696	1,085
Manufacturing	3,726	5,811	1,249	10,786
Personal	1,072	725	9,284	11,081
Residential mortgages ⁽²⁾	9,018	779	351,752	361,549
Retail and wholesale trade	6,610	9,187	1,935	17,732
Transport and storage	1,445	6,680	1,068	9,193
Utilities	509	2,154	353	3,016
Other	5,220	12,560	4,005	21,785
Total Australia	120,144	120,640	377,165	617,949
Overseas				
Accommodation and hospitality	682	631	32	1,345
Agriculture, forestry, fishing and mining	7,667	6,728	308	14,703
Business services and property services	1,002	590	65	1,657
Commercial property	4,635	2,676	52	7,363
Construction	874	587	74	1,535
Financial & insurance	8,470	2,889	5	11,364
Government & public authorities	1	-	33	34
Manufacturing	2,439	890	47	3,376
Personal	76	3	722	801
Residential mortgages ⁽²⁾	1,060	1,039	53,110	55,209
Retail and wholesale trade	3,347	1,749	77	5,173
Transport and storage	1,532	3,624	539	5,695
Utilities	2,295	5,294	1,548	9,137
Other	1,737	1,069	59	2,865
Total Overseas	35,817	27,769	56,671	120,257
Total gross loans and advances	155,961	148,409	433,836	738,206

(1) Loans and advances which have no contractual maturity (including credit cards) are categorised as due over 5 years.

(2) Revolving mortgages are categorised as due less than 1 year.

	Less than 1 year \$m	1 to 5 year(s) \$m	Over 5 years \$m	Total \$m
Nature of interest rate applicable to loans and advances				
Variable interest rates				
Australia	83,209	66,593	346,040	495,842
Overseas	29,538	22,038	8,171	59,747
Fixed interest rates				
Australia	36,935	54,047	31,125	122,107
Overseas	6,279	5,731	48,500	60,510
Total gross loans and advances	155,961	148,409	433,836	738,206

Asset quality disclosures

Non-performing exposures are exposures in default aligned to the definitions in APS 220 *Credit Risk Management*. Default occurs when a loan obligation is contractually 90 days or more past due, or when it is considered unlikely that the credit obligation to the Group will be paid in full without remedial action, such as realisation of security.

The following table provides details on non-performing exposures.

	2024 \$m	2023 \$m	2022 \$m
Summary of non-performing exposures			
Gross impaired assets			
Australia	1,174	838	860
Overseas ⁽¹⁾	303	422	169
Total gross impaired assets	1,477	1,260	1,029
Default but not impaired assets			
Australia	8,043	6,051	4,923
Overseas	710	681	551
Total default but not impaired assets	8,753	6,732	5,474
Non-performing exposures			
Australia	9,217	6,889	5,783
Overseas	1,013	1,103	720
Total non-performing exposures⁽²⁾	10,230	7,992	6,503

(1) Increase during the full year to September 30, 2023 was due to customers affected by severe weather events in New Zealand. Collective provisions were held against these loans.

(2) Includes \$nil (2023: \$nil; 2022: \$32 million) of non-performing loans at fair value.

Summary of loan loss experience

The following tables set out details of the Group's provision for credit impairment and associated credit impairment charges for loans at amortised cost for the years indicated.

For further information regarding the Group's provision for credit impairment on loans at amortised cost, see *Note 17 Provision for credit impairment on loans at amortised cost* in the 2024 Financial Report.

Credit impairment charge on loans at amortised cost

	2024 \$m	2023 \$m	2022 \$m
New and increased provisions (net of collective provision releases)	968	1,043	355
Write-backs of individually assessed provisions	(132)	(148)	(161)
Recoveries of amounts previously written off	(95)	(79)	(70)
Total charge / (write-back) to the income statement	741	816	124

Provision for credit impairment on loans at amortised cost

	2024 \$m	2023 \$m	2022 \$m
Collective provision for credit Impairment - Performing 12 months ECL - Stage 1	666	529	448
Collective provision for credit Impairment - Performing lifetime ECL - Stage 2	3,400	3,540	3,276
Collective provision for credit Impairment - Non-performing lifetime ECL - Stage 3	1,099	977	817
Total collective provision for credit Impairment	5,165	5,046	4,541
Individually assessed provision for credit Impairment - Non-performing lifetime ECL - Stage 3	756	539	515
Total provision for credit impairment	5,921	5,585	5,056

Collective provision for credit impairment by geography

	Collective provision ⁽¹⁾		
	2024 \$m	2023 \$m	2022 \$m
Australia	4,299	4,220	3,872
Overseas	866	826	669
Total collective provision for credit impairment	5,165	5,046	4,541

(1) Collective provision includes collective provision performing 12 month ECL, collective provision performing lifetime ECL and collective provision non-performing lifetime ECL.

Summary of loan loss experience (cont.)

Individually assessed provision balances by industry category

	Individually assessed provision		
	2024	2023	2022
	\$m	\$m	\$m
Australia			
Accommodation and hospitality	18	21	23
Agriculture, forestry, fishing and mining	38	35	29
Business services and property services	61	56	43
Commercial property	31	17	50
Construction	58	63	54
Financial and insurance	13	16	15
Manufacturing	164	49	21
Personal	2	3	2
Residential mortgages	45	55	66
Retail and wholesale trade	142	75	53
Transport and storage	31	39	34
Utilities	1	3	2
Other	31	30	51
Total Australia	635	462	443
Overseas			
Accommodation and hospitality	-	-	3
Agriculture, forestry, fishing and mining	39	11	6
Business services and property services	37	43	35
Commercial property	1	1	5
Construction	1	1	-
Financial and insurance	5	-	-
Manufacturing	13	1	1
Personal	-	1	1
Residential mortgages	14	5	4
Retail and wholesale trade	8	8	4
Transport and storage	-	6	12
Other	3	-	1
Total Overseas	121	77	72
Total individually assessed provision for credit impairment	756	539	515

Total provision for credit impairment by geography

	Total provision		
	2024	2023	2022
	\$m	\$m	\$m
Australia	4,934	4,682	4,315
Overseas	987	903	741
Total provision for credit impairment	5,921	5,585	5,056

Write-offs from individually assessed provisions by industry category

	Write-offs from individually assessed provisions		
	2024 \$m	2023 \$m	2022 \$m
Australia			
Accommodation and hospitality	6	5	11
Agriculture, forestry, fishing and mining	11	3	12
Business services and property services	16	4	6
Commercial property	3	28	20
Construction	20	12	6
Financial and insurance	6	1	1
Manufacturing	3	6	20
Personal	290	208	136
Residential mortgages	30	25	36
Retail and wholesale trade	23	16	28
Transport and storage	31	5	6
Utilities	1	-	5
Other	18	33	10
Total Australia	458	346	297
Overseas			
Accommodation and hospitality	-	3	1
Agriculture, forestry, fishing and mining	5	2	11
Business services and property services	2	1	5
Commercial property	6	6	19
Construction	2	1	3
Manufacturing	1	1	1
Personal	21	19	18
Residential mortgages	3	1	1
Retail and wholesale trade	3	5	5
Transport and storage	6	-	1
Utilities	5	23	-
Other	-	1	-
Total Overseas	54	63	65
Total write-offs from individually assessed provisions	512	409	362

Summary of loan loss experience (cont.)

Recoveries of amounts previously written-off by industry category

	Recoveries of amounts previously written-off		
	2024 \$m	2023 \$m	2022 \$m
Australia			
Agriculture, forestry, fishing and mining	-	3	6
Financial and insurance	5	-	-
Personal	64	68	54
Residential mortgages	-	1	-
Retail and wholesale trade	20	-	-
Other	1	1	-
Total Australia	90	73	60
Overseas			
Commercial property	-	-	1
Financial and insurance	-	-	1
Personal	5	6	7
Residential mortgages	-	-	1
Total Overseas	5	6	10
Total recoveries of amounts previously written-off	95	79	70

Deposits and other borrowings

The following table sets out the Group's liabilities in respect of deposits and other borrowings for the years indicated:

	2024 \$m	2023 \$m	2022 \$m
Australia			
Term deposits	166,380	150,538	123,115
On-demand and short-term deposits	278,882	269,740	276,249
Certificates of deposit	29,777	32,443	27,663
Deposits not bearing interest ⁽¹⁾	85,163	82,747	89,022
Commercial paper and other borrowings	33,869	34,835	43,150
Repurchase agreements	16,330	13,712	4,751
Fair value adjustment	(2)	3	-
Total Australia	610,399	584,018	563,950
Overseas			
Term deposits	40,636	41,386	32,934
On-demand and short-term deposits	30,336	30,229	34,098
Certificates of deposit	37,117	24,336	22,365
Deposits not bearing interest ⁽¹⁾	11,398	12,744	11,267
Commercial paper and other borrowings	831	1,274	3,207
Repurchase agreements	38,351	33,020	19,189
Fair value adjustment	(13)	(12)	(6)
Total Overseas	158,656	142,977	123,054
Total deposits and other borrowings	769,055	726,995	687,004

(1) Deposits not bearing interest include mortgage offset accounts.

Maturities of deposits

The following table shows the maturity profile of all certificates of deposit, and additionally term deposits issued with a value of \$100,000 or more that are included within the deposits and other borrowings category at September 30, 2024:

	Less than 3 months \$m	3 to 6 months \$m	6 to 12 months \$m	Over 12 months \$m	Total \$m
Australia					
Term deposits	79,307	41,125	39,331	2,346	162,109
Certificates of deposit	9,619	18,020	2,138	-	29,777
Total Australia	88,926	59,145	41,469	2,346	191,886
Overseas					
Term deposits	13,703	10,368	6,985	1,913	32,969
Certificates of deposit	18,452	10,468	8,197	-	37,117
Total Overseas	32,155	20,836	15,182	1,913	70,086
Total maturities of deposits	121,081	79,981	56,651	4,259	261,972

Deposits and other borrowings (cont.)

Short-term borrowings

Short-term borrowings of the Group include the commercial paper programs of NAB, National Australia Funding (Delaware) Inc. and BNZ International Funding Limited. The following table sets out information concerning the Group's commercial paper programs for the years indicated:

	2024	2023	2022
	\$m	\$m	\$m
Balance outstanding at balance date	34,250	35,755	46,396
Maximum outstanding at any month end	35,810	41,893	48,771
Approximate average amount outstanding during the year	33,149	35,692	39,340
Approximate weighted average interest rate on average amount outstanding during the year (per annum)	5.6%	4.8%	1.1%