



Wednesday, 18 November 2020

NATIONAL AUSTRALIA BANK LIMITED

ISSUE OF A\$1,250,000,000 SUBORDINATED MEDIUM TERM NOTES DUE NOVEMBER 2030

NOTICE UNDER SECTION 708A(12H)(e) CORPORATIONS ACT 2001 (CTH)

Pursuant to its domestic Debt Issuance Programme, National Australia Bank Limited (“**Issuer**”) will today issue A\$1,250,000,000 subordinated floating rate medium term notes due November 2030 (“**Subordinated MTNs**”).

The Subordinated MTNs convert into fully paid ordinary shares of the Issuer (or, in certain circumstances, an Approved NOHC) where the Australian Prudential Regulation Authority (“**APRA**”) determines this to be necessary on the grounds that the Issuer would otherwise become non-viable.

This notice is a cleansing notice prepared for the purposes of section 708A(12H)(e) of the Corporations Act 2001 (Cth) (“**Corporations Act**”) (as inserted by ASIC Corporations (Regulatory Capital Securities) Instrument 2016/71) to enable fully paid ordinary shares in the Issuer (“**Ordinary Shares**”) or an Approved NOHC which are issued on conversion of the Subordinated MTNs to be freely tradeable without further disclosure. Schedule 1 of this notice contains a description of the commercial particulars of the Subordinated MTNs, extracted from the Subordinated MTNs Pricing Supplement (“**Pricing Supplement**”).

The Information Memorandum for the Issuer’s domestic Debt Issuance Programme dated 30 October 2019 (“**Information Memorandum**”) that was lodged with the Australian Securities Exchange (“**ASX**”) on 6 November 2019 contains a description of:

- the rights and liabilities attaching to the Subordinated MTNs, in the section titled “MTN Terms and Conditions” (“**MTN Terms**”); and
- the rights and liabilities attaching to Ordinary Shares, in the section titled “Description of Ordinary Shares”.

Words and expressions defined in the Pricing Supplement or the MTN Terms have the same meanings in this notice unless the contrary intention appears.

The issue of Subordinated MTNs by the Issuer will not have a material impact on the Issuer’s financial position. If a Non-Viability Trigger Event occurs and the Issuer issues Ordinary Shares, the impact of Conversion on the Issuer would be to increase the Issuer’s shareholders’ equity. The number of Ordinary Shares issued on Conversion is limited to the Maximum Conversion Number. The Maximum Conversion Number is 251.8892 Ordinary Shares per Subordinated MTN (with a denomination of A\$1,000), based on an Issue Date VWAP of A\$19.85.

As a disclosing entity, the Issuer is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. Broadly, these obligations require the Issuer to prepare and lodge with the Australian Securities & Investments Commission (“**ASIC**”) both yearly and half

yearly financial statements, to report on its operations during the relevant accounting periods, and to obtain audit or review reports from its auditor in respect of those accounting periods.

Copies of documents lodged with ASIC may be obtained from or inspected at an ASIC office.

The Issuer must ensure that the ASX is continuously notified of information about specific events and matters as they arise for the purposes of ASX making the information available to the Australian securities market. In this regard, the Issuer has an obligation under the Corporations Act and ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information concerning it of which it becomes aware, and which a reasonable person would expect to have a material effect on the price or value of its quoted securities.

The Issuer will provide a copy of any of the following documents free of charge to any person who requests a copy before the Subordinated MTNs are issued:

- the Issuer's annual financial report for the year ended 30 September 2020;
- any continuous disclosure notices given by the Issuer in the period after the lodgement of the annual financial report of the Issuer for the year ended 30 September 2020 and before the date of this notice; and
- the Issuer's constitution.

All written requests for copies of the above documents should be addressed to:

Company Secretary
National Australia Bank Limited
Level 1
800 Bourke Street
Docklands VIC 3008

These documents are also available at www.nabgroup.com.

This notice is not a prospectus or other disclosure document in relation to the Subordinated MTNs and does not constitute an offer or invitation for the Subordinated MTNs or any Ordinary Shares for issue or sale in Australia. Subordinated MTNs are only available for sale to persons in Australia in circumstances where disclosure is not required in accordance with Part 6D.2 of the Corporations Act and the sale is not to a retail client for the purposes of Chapter 7 of the Corporations Act.

Louise Thomson
Group Company Secretary

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO THE UNITED STATES.

The Subordinated MTNs have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or any other applicable U.S. state securities laws and, accordingly, may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S of the Securities Act) except (i) pursuant to an exemption from registration under the Securities Act or to an effective registration statement under the Securities Act covering the Subordinated MTNs and (ii) in accordance with all applicable state securities laws of any state of the United States. This notice does not constitute an offer or invitation to any U.S. persons.

Schedule 1 – Description of the commercial particulars of the Subordinated MTNs

This description is extracted from Pricing Supplement.

1	Issuer:	National Australia Bank Limited
2	Type of Issue:	Syndicated Issue
3	Public Offer Test Compliant:	It is the Issuer's intention that this issue of MTNs will be issued in a manner which will seek to satisfy the Public Offer Test
4	Dealer:	National Australia Bank Limited
5	Lead Manager:	National Australia Bank Limited
6	Registrar:	Austraclear Services Limited (ABN 28 003 284 419)
7	Calculation Agent:	Issuer
8	If to form a single Series with an existing Series, specify date on which all MTNs of the Series become fungible, if not the Issue Date:	Not Applicable
9	Aggregate Principal Amount of Tranche:	A\$1,250,000,000
10	Aggregate Principal Amount of Series (including the Tranche)	A\$1,250,000,000
11	If interchangeable with existing Series:	Not Applicable
12	Issue Date:	18 November 2020
13	Issue Price:	100 per cent per Denomination
14	Denomination:	A\$1,000 (Subject to Condition 13.3(b)) The minimum aggregate consideration for offers or transfers of the Subordinated MTNs in Australia must be at least A\$500,000 (disregarding any moneys lent by the offeror, the transferor or their associates to the transferee), unless the offer or invitation resulting in the transfer does not otherwise require disclosure in accordance with Part 6D.2 or Chapter 7 of the Corporations Act of Australia and is not an offer or invitation to a retail client for the purposes of section 761G of the Corporations Act of Australia.
15	Type of MTNs	Subordinated Floating Rate

16	If MTNs are interest-bearing, specify whether they are:	
	(a) Fixed Rate:	No
	(b) Floating Rate:	Yes
	(c) Other MTNs:	No
17	If the MTNs are Fixed Rate, specify:	Applicable: No
	(a) Fixed Coupon Amount:	Not Applicable
	(b) Interest Rate:	Not Applicable
	(c) Interest Commencement Date:	Not Applicable
	(d) Interest Payment Dates:	Not Applicable
	(e) Business Day Convention:	Not Applicable
	(f) Additional Business Centre(s):	Not Applicable
	(g) Day Count Fraction:	Not Applicable
18	If the MTNs are Floating Rate, specify:	Applicable: Yes
	(a) Basis for determination of Base Rate	Bank Bill Rate Determination
	(b) Interest Commencement Date:	Issue Date
	(c) Interest Rate:	The aggregate of the Bank Bill Rate and the Margin (to five decimal places)
	(d) Interest Payment Dates:	Each 18 February, 18 May, 18 August and 18 November commencing 18 February 2021 to and including the Maturity Date, subject to adjustment in accordance with the Business Day Convention
	(e) Business Day Convention:	Modified Following Business Day Convention
	(f) Additional Business Centre(s)	Not Applicable
	(g) Margin:	plus 1.70 per cent. per annum
	(h) Minimum Interest Rate /Maximum Interest Rate:	Not Applicable
	(i) Day Count Fraction:	Actual/365 (Fixed)
	(j) Cut-Off Time	As specified in the MTN Terms and Conditions
	(k) Specified Period	Not Applicable
	(l) Linear Interpolation:	Applicable: No

[If ISDA Determination applies, complete the following items]

(m) **Floating Rate Option:** Not Applicable

(n) **Designated Maturity:** Not Applicable

(o) **Reset Date:** Not Applicable

[If Screen Rate Determination applies, complete the following items]

(p) **Relevant Screen Page:** Not Applicable

(q) **Relevant Time:** Not Applicable

(r) **Reference Rate:** Not Applicable

(s) **Interest Determination Date:** Not Applicable

- 19 **If the MTNs are not Fixed Rate or Floating Rate, is another rate or amount of interest payable?** Applicable: No
- 20 **Accrual of interest:** No change to Condition 11.6 of the MTN Terms and Conditions
- 21 **Default Rate:** Not Applicable
- 22 **Accrual Yield:** Not Applicable
- 23 **Reference Price:** Not Applicable
- 24 **Maturity Date:** Interest Payment Date falling in or nearest to November 2030
- 25 **Instalment Amount** Not Applicable
- 26 **Instalment Date** Not Applicable
- 27 **Redemption Amount:** Outstanding Principal Amount
- 28 **Early redemption at the option of the Issuer (Issuer call):**
- (a) **Are the MTNs redeemable before their Maturity Date at the option of the Issuer under Condition 12.6?** Applicable: Yes
 - (b) **If the amount payable on redemption is not the Redemption Amount together with any interest accrued on the MTNs, insert amount or full calculation provisions:** Not Applicable
 - (c) **Specify minimum notice period for the exercise of the call option:** 30 days
 - (d) **Specify maximum notice period for the exercise of the call option:** 60 days

	(e) Early Redemption Date (Call):	The Interest Payment Date falling on or nearest to 18 November 2025 and each Interest Payment Date thereafter up to but excluding the Maturity Date.
	(f) Specify any additional (or modifications to) conditions to exercise of option:	Not Applicable
	(g) Specify whether redemption at Issuer's option is permitted in respect of some only of the MTNs and, if so, any minimum aggregate principal amount and the means by which MTNs will be selected for redemption:	Yes, the Issuer may redeem all or some Subordinated MTNs at its discretion under Condition 12.6
	(h) Specify if MTN Holders are not to receive accrued interest on early redemption at the option of the Issuer:	Not Applicable
29	Early redemption at the option of MTN Holders (investor put):	
	(a) Are the MTNs redeemable before their Maturity Date at the option of MTN Holders under Condition 12.5?	Applicable: No
	(b) If the amount payable on redemption is not the Redemption Amount together with any interest accrued on the MTNs, insert amount or full calculation provisions:	Not Applicable
	(c) Specify minimum notice period for exercise of put option:	Not Applicable
	(d) Specify any relevant conditions to exercise of option:	Not Applicable
	(e) Specify if MTN Holders are not to receive accrued interest on early redemption at their option:	No change to the MTN Terms and Conditions
	(f) Early Redemption Date (Put)	Not Applicable
30	Early redemption for taxation reasons	
	(a) If the amount payable on redemption is not the Redemption Amount together with accrued interest (if any) thereon of the MTNs, insert amount or full calculation provisions:	Not Applicable
	(b) Specify if MTN Holders are not to receive accrued interest on early redemption for taxation reasons:	Not Applicable
31	Early Redemption of Subordinated MTNs for other taxation reasons	
	(a) Are the Subordinated MTNs redeemable before their Maturity Date	Applicable: Yes

	at the option of the Issuer under Condition 12.3?	
	(b) If the amount payable on redemption is not the Redemption Amount together with accrued interest (if any) thereon of the Subordinated MTNs, insert amount or full calculation provisions:	Not Applicable
	(c) Specify if Subordinated MTN Holders are not to receive accrued interest on early redemption for loss of tax deductibility:	No change to the MTN Terms and Conditions
32	Early redemption of Subordinated MTNs for regulatory reasons	
	(a) Are the Subordinated MTNs redeemable by the Issuer under Condition 12.4:	Applicable: Yes
	(b) If the amount payable on redemption is not the Redemption Amount together with any interest accrued on the Subordinated MTNs, insert amount or full calculation provisions:	Not Applicable
	(c) Specify minimum notice period for the exercise of this call option:	30 days
	(d) Specify maximum notice period for the exercise of this call option:	60 days
	(e) Specify whether redemption at Issuer's option is permitted in respect of some only of the Subordinated MTNs and, if so, any minimum aggregate principal amount and the means by which Subordinated MTNs will be selected for redemption:	Yes, the Issuer may redeem all or some Subordinated MTNs at its discretion under Condition 12.4
	(f) Specify if Subordinated MTN Holders are not to receive accrued interest on early redemption at the option of the Issuer:	No change to the MTN Terms and Conditions
33	Is the Write-Off option of the Subordinated MTNs applicable under Condition 13.11?	Applicable: No
34	Is the Conversion option of the Subordinated MTNs applicable under Condition 13.4?	Applicable: Yes
	(a) CD:	1%
	(b) VWAP Period:	As specified in the Schedule to the MTN Terms and Conditions
	(c) Issue Date VWAP:	As specified in the Schedule to the MTN Terms and Conditions
35	Redemption of Zero Coupon MTNs:	Not Applicable

36	Withholding tax exemptions	Conditions 16.3(a) and (b) are applicable
37	Alternate Currency	Not Applicable
38	Other relevant terms and conditions:	Not Applicable
39	ISIN:	AU3FN0057402
40	Common Code:	225882398
41	Common Depositary:	Not Applicable
42	U.S. selling restrictions:	Regulation S Compliance Category 2
43	Other selling restrictions:	Not Applicable
44	Listing:	Not Applicable
45	Additional (or modifications to) Events of Default:	Not Applicable
46	Additional or alternate newspapers:	Not Applicable
47	I&P Agent (Offshore):	Not Applicable
48	Stabilisation Manager:	Not Applicable
49	Other amendments	<p>Condition 13.2(a)(ii) of the MTN Terms and Conditions shall be deemed to be deleted and replaced with the following:</p> <p>“where the Issuer satisfies APRA that conversion or write-off of a proportion of Relevant Capital Instruments will be sufficient to ensure that the Issuer does not become non-viable, that proportion.”</p> <p>The Information Memorandum is deemed to incorporate by reference the following ASX announcement made by National Australia Bank Limited:</p> <ul style="list-style-type: none"> - 5 November 2020, “Appendix 4E”.