

**national  
australia  
bank**



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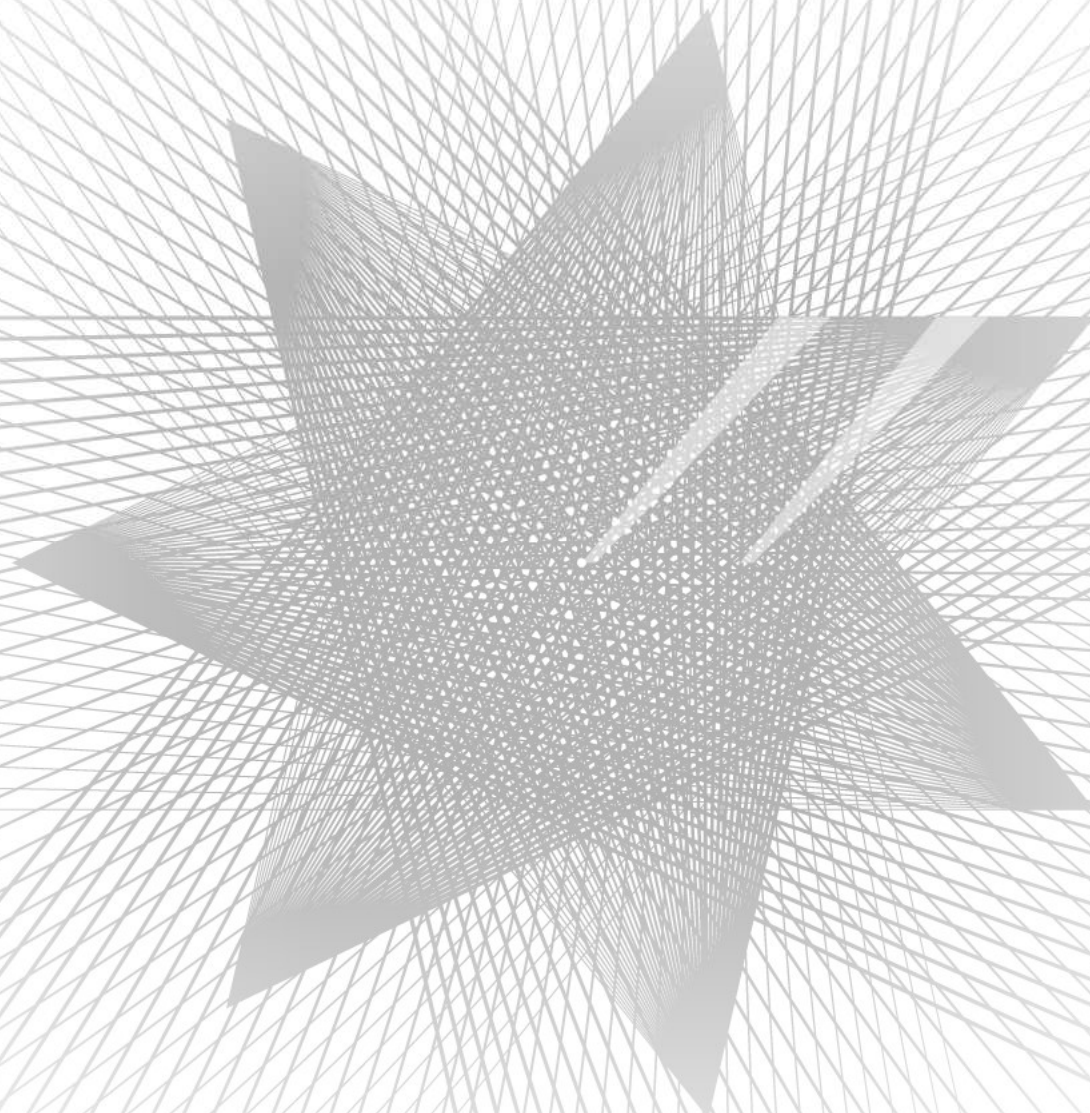
# Half Year Results

## 2025

Investor Presentation  
7 May 2025

**Andrew Irvine**  
Group Chief Executive Officer

**Shaun Dooley**  
Group Chief Financial Officer





# NAB 2025 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 128 for legal disclaimer.

Financial information in this presentation is based on cash earnings, which is not a statutory financial measure. Refer to page 36 for definition of cash earnings and reconciliation to statutory net profit.

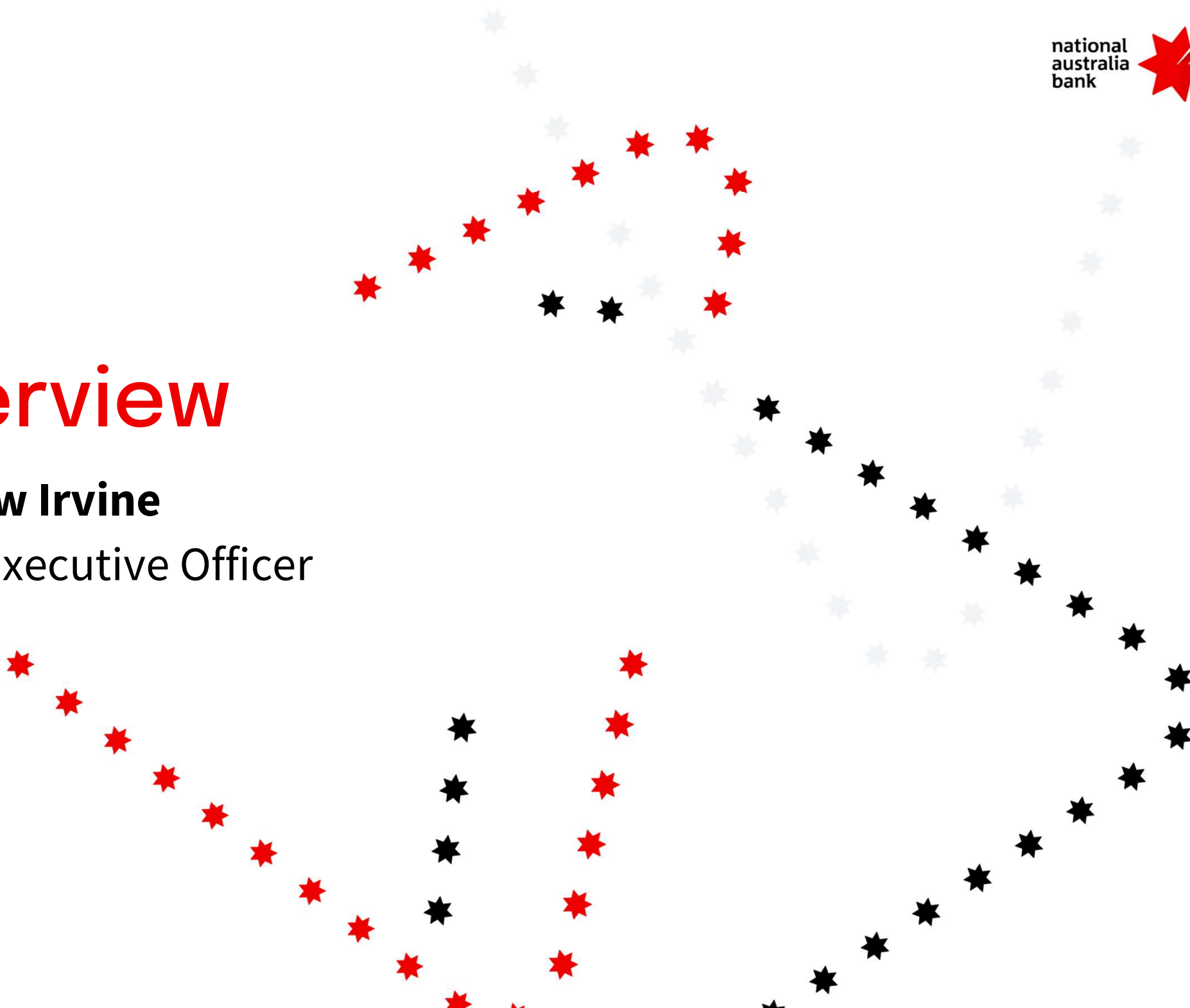
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# Overview

**Andrew Irvine**

Chief Executive Officer

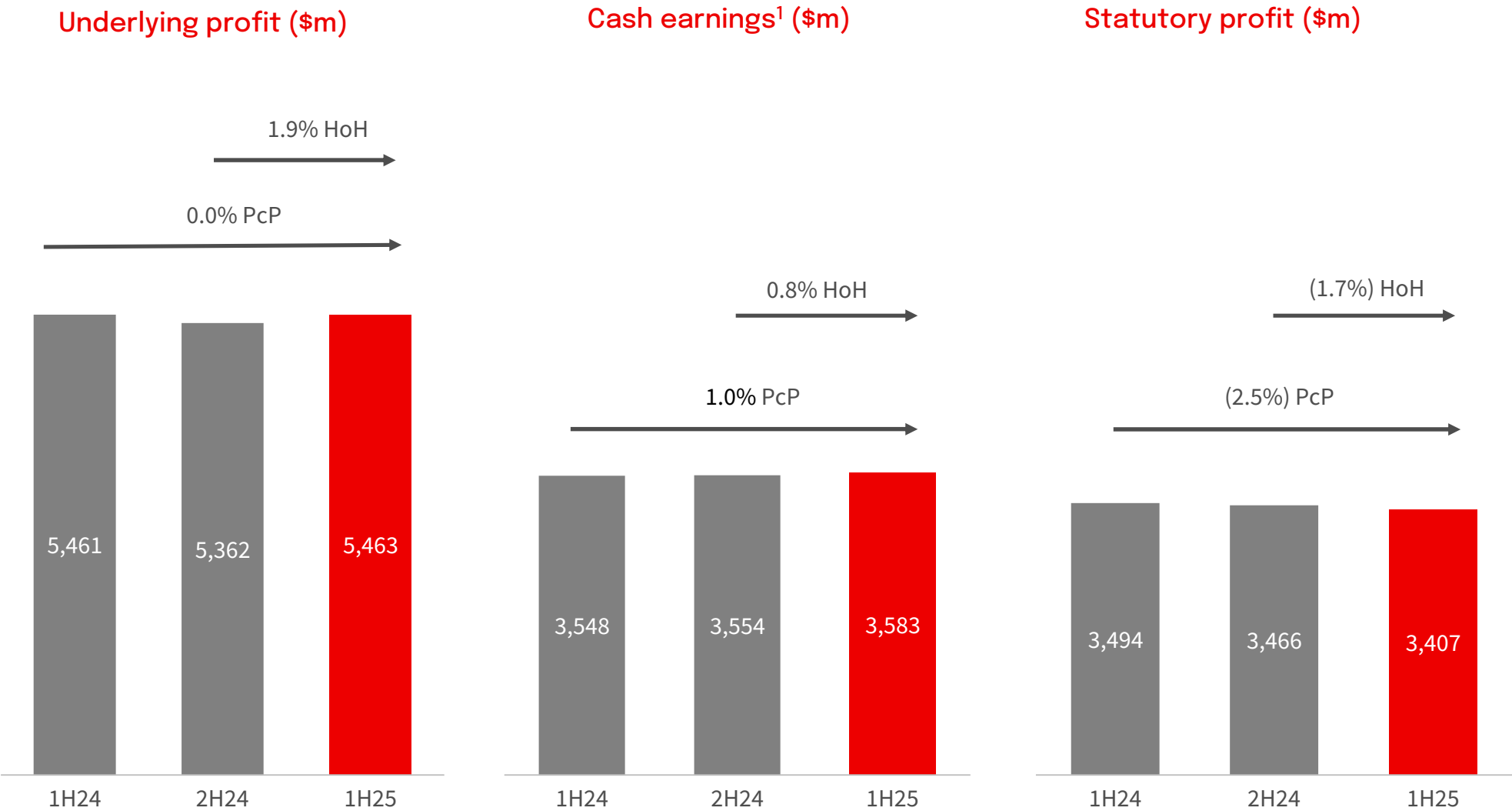


# Key messages

- Increased cash earnings and ROE in a challenging environment
- Capital ratios, provisioning and liquidity remain strong
- Execution of refreshed strategy delivering early, encouraging signs
- Three key priorities to drive stronger returns: business banking, deposits and proprietary home lending
- Reached important milestone under AUSTRAC EU – continue to uplift financial crime systems and controls
- Australia well positioned in an environment of heightened geopolitical uncertainty

# Financial results

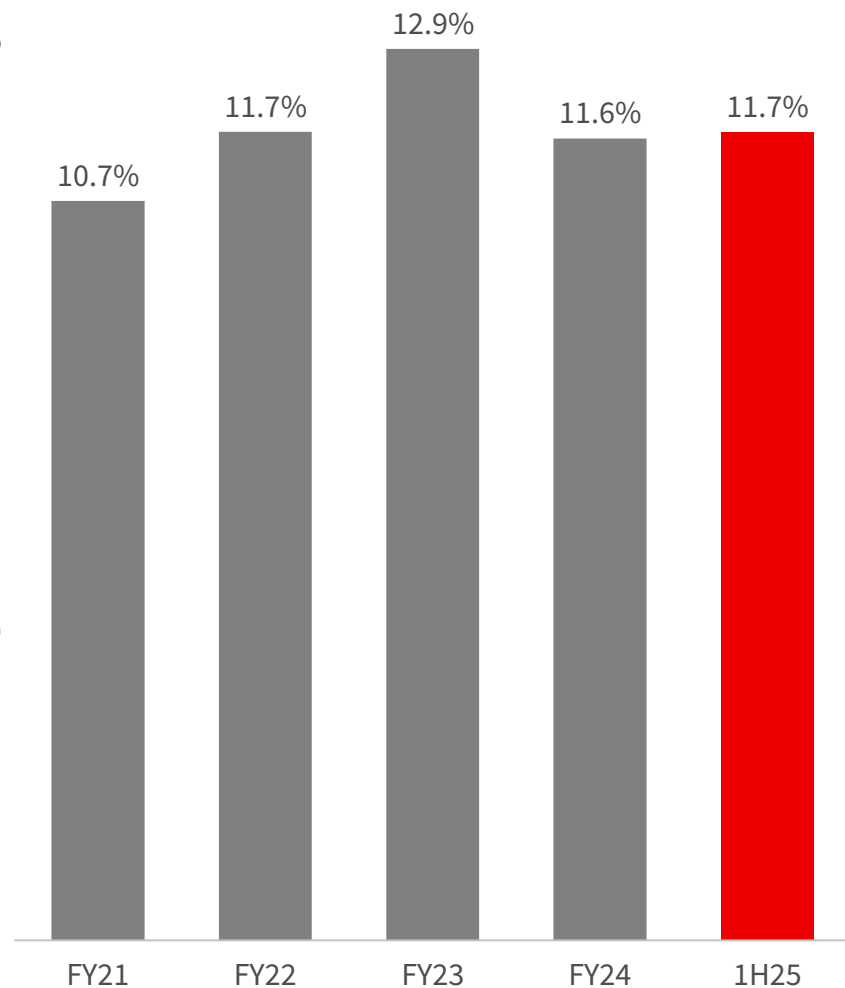
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(1) Refer to page 36 for definition of cash earnings and reconciliation to statutory profit

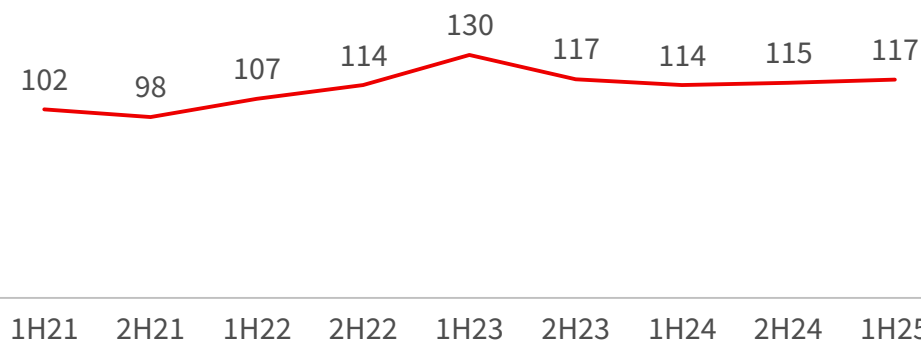
# Increased cash ROE and EPS

## Cash return on equity



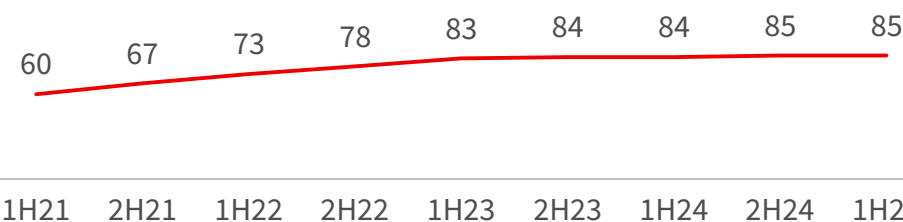
## Basic cash EPS

(cents)



## Dividends per share and payout ratio

(cents)



Dividend payout ratio – guided by a range of 65-75% of cash earnings<sup>1</sup>

59.1%	68.6%	68.3%	68.5%	64.1%	71.8%	73.7%	73.8%	72.7%
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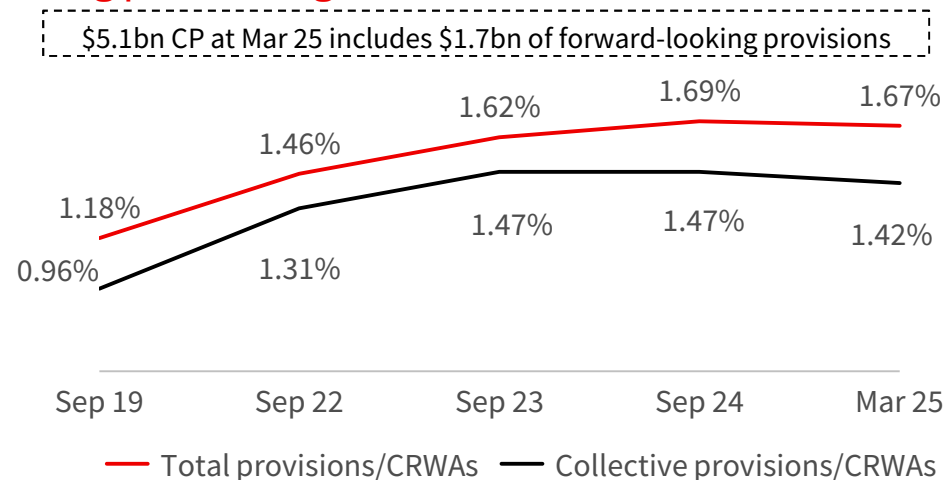
(1) Based on basic cash EPS. Dividend payout ratio subject to Board determination based on circumstances at the relevant time

# Balance sheet strength remains a key priority

## Approach to capital management

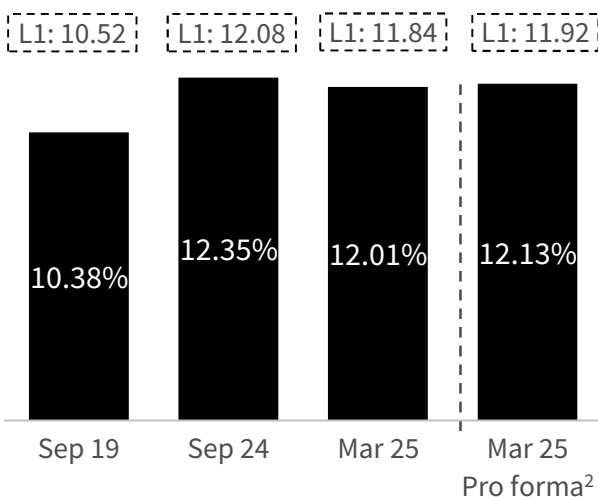
- CET1 target increased by 25bps to >11.25% (at Level 1 and Level 2) to reflect APRA's decision to phase out AT1
- Strong capital position important for balance sheet growth and to support customers through the cycle
- Retain bias to reduce share count to drive sustainable ROE and EPS
- Completed \$8bn of on-market buybacks since Aug 21
- DRP for 1H25 dividend to be neutralised

## Strong provisioning<sup>1</sup>

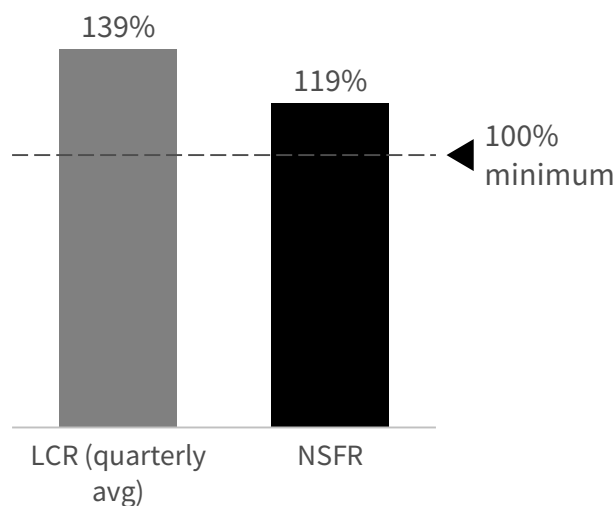


## Group CET1 remains strong<sup>1</sup>

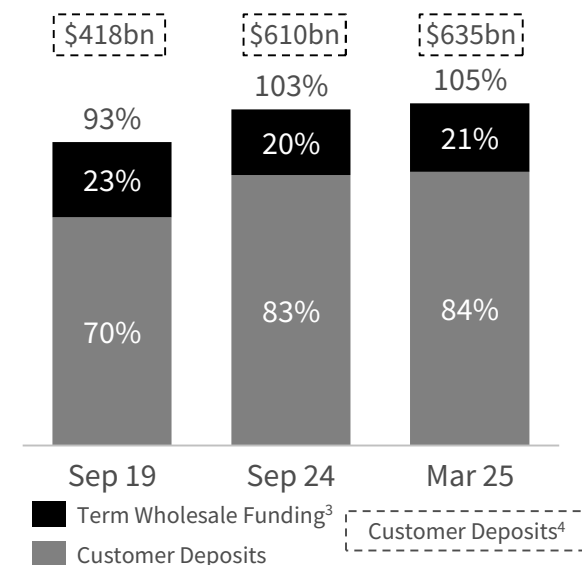
(%)



## LCR and NSFR at Mar 25



## GLAs increasingly funded by deposits



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

(2) Pro forma CET1 ratio reflects the impacts of the sale of the Group's remaining 20% stake in MLC Life Insurance to Nippon Life Insurance Company for \$500m. The proposed sale is expected to complete in the second half of calendar year 2025 and is subject to satisfaction of certain conditions including completion of the acquisition of the Resolution Life Group by Nippon Life Insurance Company, and regulatory approvals

(3) Includes senior unsecured, secured (covered bonds and securitisation), subordinated debt, AT1 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

# Continued focus on protecting customers against financial crime

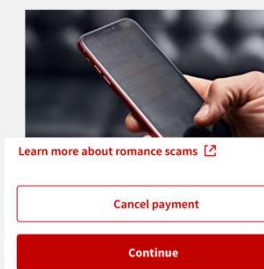
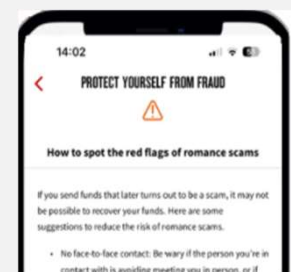


## Completed delivery of required activities under AUSTRAC Enforceable Undertaking

- In April 2022, AUSTRAC accepted an Enforceable Undertaking (EU) from NAB to lift its compliance with AML/CTF<sup>1</sup> requirements
- The EU required NAB to implement a comprehensive Remedial Action Plan (RAP) involving improvements in its systems, processes and controls
- NAB has completed the delivery of its required activities under the RAP
- On 30 April 2025 the External Auditor delivered its final NAB report under the EU
- AUSTRAC is currently considering the final report
- The EU will end on the date that the AUSTRAC CEO provides written consent to the cancelling or withdrawal of the EU

## Continue to invest in systems and controls to help protect the bank and our customers

- ✓ **Real-time payment alerts**
- ✓ **24/7 fraud assistance and colleague training**
- ✓ **Investing in security technologies**
- ✓ **Blocks on certain high-risk cryptocurrency platforms**
- ✓ **Targeting SMS and website phishing scams**
- ✓ **Involvement in joint security operations**
- ✓ **Customer education and cyber security hub**



(1) Anti Money Laundering / Counter Terrorism Financing



# Our long-term strategy

## Why we are here

To be the most customer-centric company in Australia and New Zealand

## Who we are here for



### Customers

Customers who trust us and choose us to be their bank



### Colleagues

Customer obsessed colleagues who are proud to work at NAB

## Who we are



**We are customer  
obsessed**



**We keep  
it simple**



**We move  
with speed**



**We  
own it**



**We win  
together**

## What we will be known for

### Relationship led

1. Exceptional bankers
2. Unrivalled customer service
3. Personalised and proactive

### Exceptional experiences

1. Brilliant at the basics
2. Trusted in moments that matter
3. Simple, fast and easy to deal with

### Safe and sustainable

1. Strong balance sheet and proactive risk management
2. Secure, simplified and resilient technology
3. Long term and sustainable approach

## Where we will grow

### Business & Private

Clear market leader

### Corporate & Institutional

Disciplined growth

### Personal

Deepen customer relationships

### BNZ

Personal & SME

### ubank

Customer acquisition

## What we will deliver



**Leading customer  
advocacy**



**Winning  
in market**



**Customer obsessed  
colleagues**



**Simple, fast,  
resilient**



**Strong  
returns**

# Focus on improving customer advocacy

Deliver sustainable returns through deeper customer relationships, improved retention and referrals

Identified 20 “**Must Win Battles**”  
– key customer experiences that  
influence advocacy

Design and rollout **customer  
feedback loops** to drive  
continuous improvement – Listen,  
Learn and Act

Track performance using granular  
customer experience metrics –  
accountability and alignment

## Initial rollout in Business Contact Centre showing encouraging results

- New frontline disciplines to capture and action customer feedback including:
  - Reviewing customer NPS survey feedback weekly
  - Customer call backs by team leaders to understand feedback

**> 100**  
customer  
experiences  
improved across  
people, process  
and technology  
changes



**Customer interaction NPS<sup>1</sup>**

**+36 points  
to 63**



**Colleague engagement<sup>2</sup>**

**+14 points  
to 89**

(1) Business Contact Centre Nov 24 to Mar 25 using 6 week rolling interaction NPS surveys

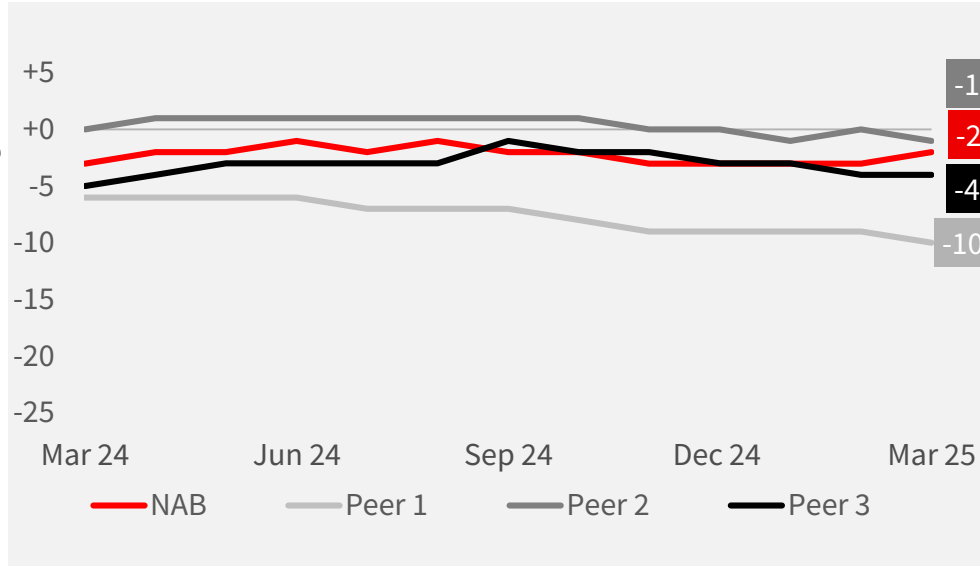
(2) Source: NAB Heartbeat survey response rate. Score refers to Business Contact Centre Pilot team Feb 25 compared to Jul 24 baseline

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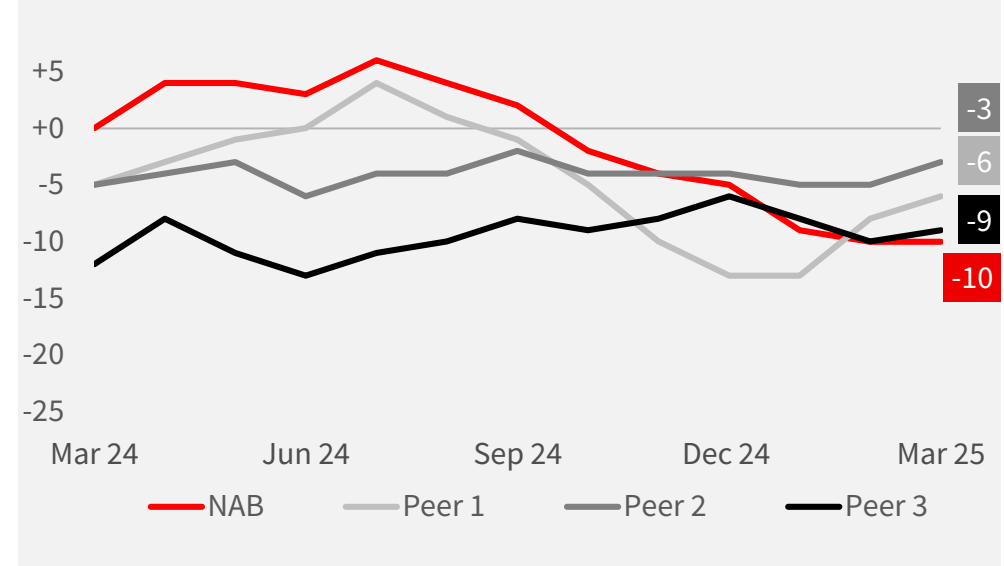
# Strategic NPS

Net Promoter Score relative to major bank peers

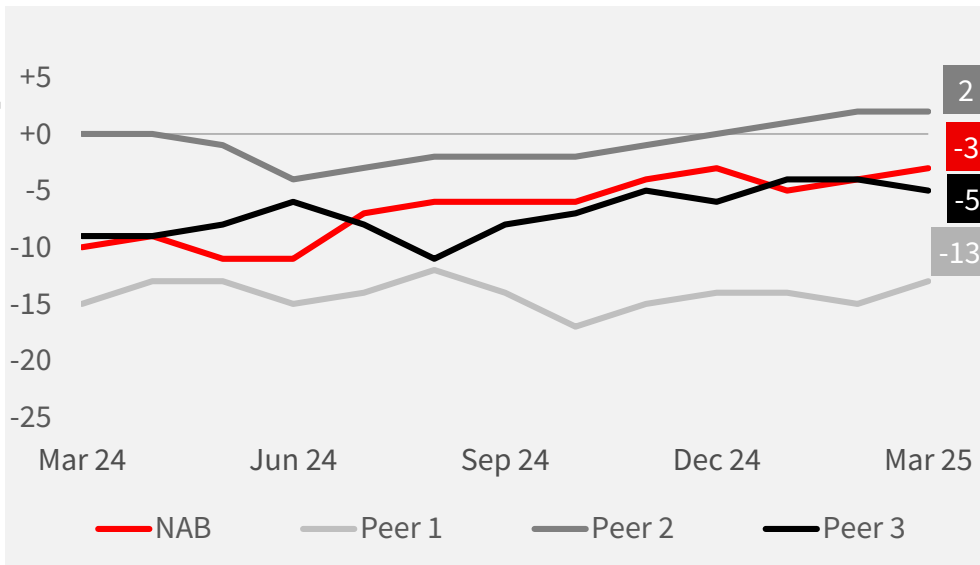
## #2 Mass Consumer<sup>1</sup>



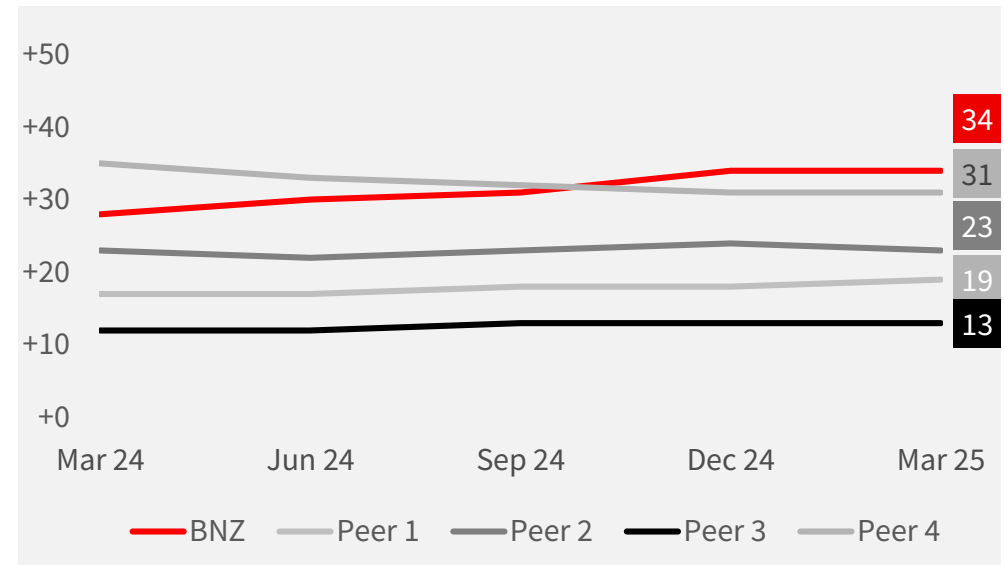
## #4 High Net Worth & Mass Affluent<sup>2</sup>



## #2 Business NPS<sup>3</sup>



## #1 BNZ Consumer NPS<sup>4</sup>



(1-4) Refer to sources and notes at the back of this presentation on page 127 for further details

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# “Customer obsessed” colleagues

Who we are



We are customer  
obsessed



We keep  
it simple



We move  
with speed

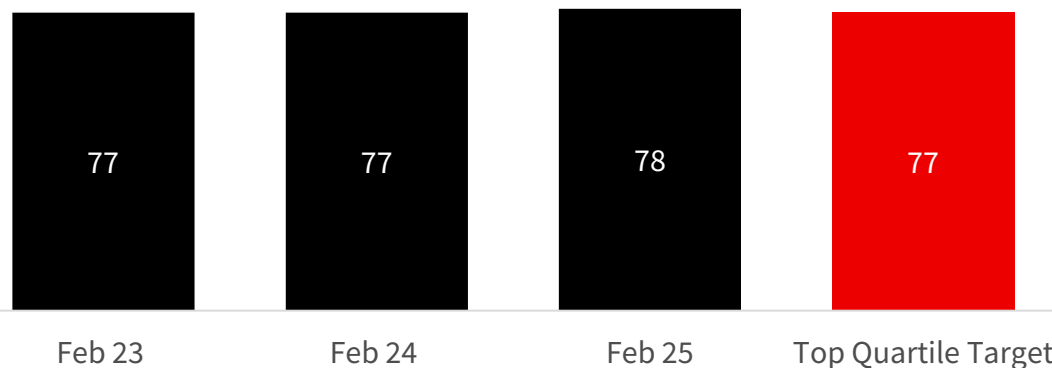


We  
own it



We win  
together

Colleague engagement remains top quartile<sup>1</sup>



86%  
Response rate

Colleague strategy supported by investment in AI and GenAI-powered tools

## Call Analytics

- Using an AI platform for analysis of call drivers, themes and insights for improved banker coaching and development conversations
- 98% of call volumes in Australia being transcribed

## Knowledge Management Tool

- GenAI-powered knowledge search interface being rolled out across contact centres
- Provides fast and accurate process, product and policy information to support bankers in responding to customer enquiries



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

# Three key priorities to drive strong sustainable returns

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## Business banking

Leading business bank for SMEs



- Consistent execution of long term strategy to drive growth in B&PB
- ✓ **Growing share in SME lending in 1H25<sup>1</sup>**

## Deposits

Consistent focus in recent years to address historical weakness



- Investing in innovative payment solutions for businesses
- Improving frontline capability for retail
- Premier banking strategy to service Mass Affluent segment
- ✓ **Growing above system in household<sup>2</sup> and business deposits<sup>3</sup> in 1H25**

## Proprietary home lending

Growth in proprietary channels has lagged brokers in recent years



- Uplifting banker capability
- Simplifying processes and policies
- ✓ **Encouraging early signs – 25% increase in proprietary drawdowns<sup>4</sup> YoY to Mar 25**

(1) Derived from latest RBA statistics. Latest data as at Feb 25 excluding financial businesses

(2) Represents household deposits under APRA Monthly Authorised Deposit-taking Institution statistics definitions. Latest data as at Mar 25

(3) Represents business deposits to non-financial businesses and community service organisations under APRA Monthly Authorised Deposit-taking Institution statistics definitions. Latest data as at Mar 25

(4) Excludes 86 400 platform (ubank housing lending originated on the 86 400 platform)



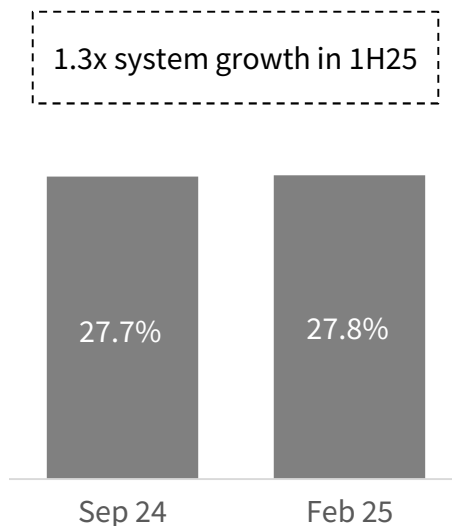
# Growing share of business lending in target segments



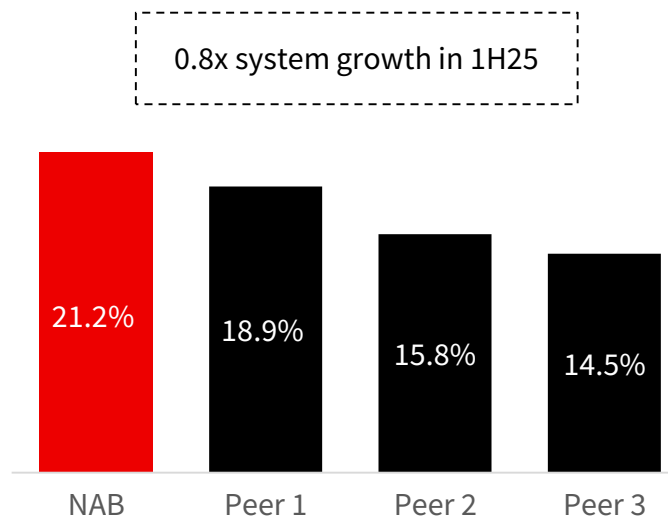
## Key 1H25 growth drivers

- #1 bank with increasing share in SME, driven by B&PB and corporates in C&IB
- Strongest share gains in Medium business segment, consistent with relationship-led approach
- Strong system credit growth driven by Large business segment
  - NAB growing at 0.8x system with continued disciplined growth in C&IB
- 3.8% growth in SME system reflected
  - weaker Agri growth due to stronger cyclical paydowns (-4.8% annualised)
  - strong growth in CRE (9.9% annualised)

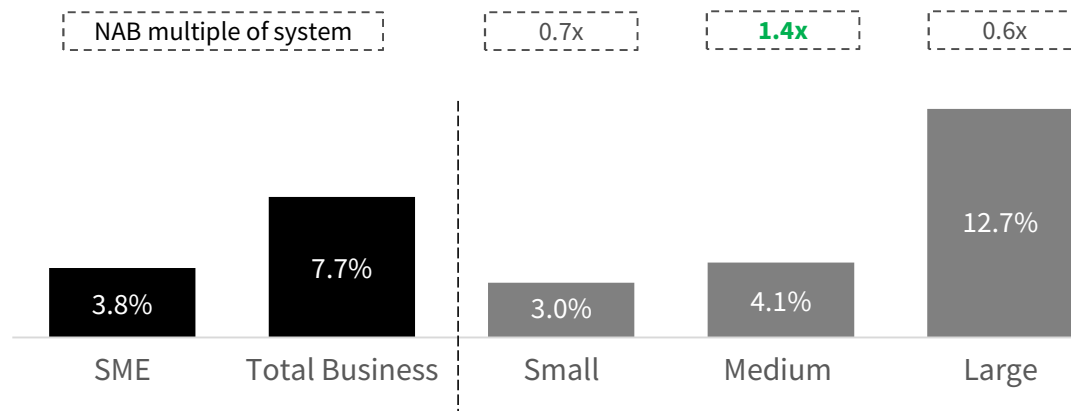
## #1 SME lending market share<sup>1</sup>



## #1 Business lending market share<sup>2</sup>



## Annualised 1H25 system<sup>2</sup> lending growth<sup>3</sup>



(1) Derived from latest RBA statistics. Latest data as at Feb 25 excluding financial businesses. NAB SME market share reflects lending to small and medium businesses by both B&PB and C&IB

(2) Represents business lending to non-financial businesses and community service organisations under APRA Monthly Authorised Deposit-taking Institution statistics definitions. Latest data as at Mar 25

(3) Growth represents 5 months to Feb 25 annualised

# Business & Private Banking (B&PB)

Australia's leading business bank servicing the business & personal banking needs of SME customers<sup>1</sup>

## Relationship-led

Increasingly enabled  
by digital, data &  
analytics

## More bankers in more places

>6,000 customer roles  
~150 business centres  
~440 branches with small  
business bankers

## Deep sector specialisations

Agri, Health, CRE  
Govt, Education &  
Community,  
Professional Services  
Franchising

## Integrated HNW offering

JBWere  
Private Bank  
nabtrade

## Deep credit capability

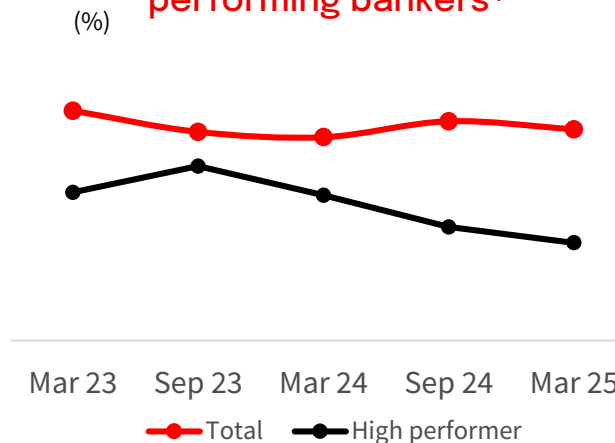
Well diversified,  
highly secured  
portfolio

Continued investment in franchise to deliver better customer and colleague experiences

**>10 year  
median customer tenure<sup>2</sup>**

**We bank  
1 in 4 of SME market<sup>3</sup>  
1 in 3 of Agri market<sup>3</sup>**

## Low and declining turnover of high performing bankers<sup>4</sup>



## Business lending

- ✓ Strong pipeline<sup>5</sup>, materially above PcP
- ✓ ~70% of sales<sup>6</sup> via proprietary channels
- ✓ Major migration to end-to-end lending platform completed 1H25, delivering faster, more seamless experiences for customers and bankers
- ✓ >90% of relationship managed customers have an active business transaction account

Focused on executing long term strategy to deliver sustainable growth at attractive returns

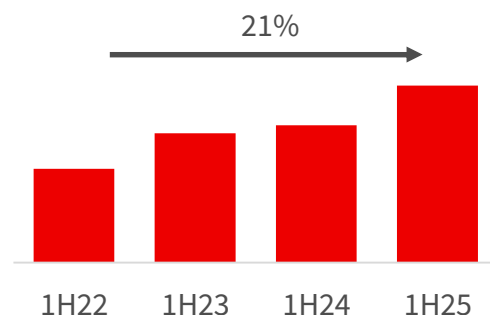
(1) B&PB customers typically have borrowings up to \$50m and turnover less than \$100m  
(2) For relationship managed customers  
(3) Derived from latest RBA statistics. Latest data as at Feb 25 excluding financial businesses  
(4) Voluntary turnover rolling 12 months for customer facing roles  
(5) Pipeline refers to value of applications, approvals and acceptances. Based on unaudited management information as at 28 March 2025  
(6) Sales refers to new and increased limits

# Investing to grow deposits

## Strong growth in retail and business deposits

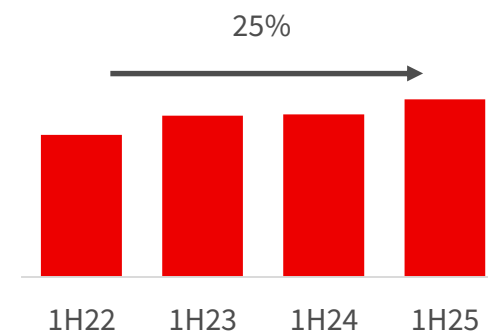
- ✓ Increased share of household deposits with **1.3x system growth** in 1H25<sup>1</sup>
- ✓ 32% increase in branch initiated retail transaction account openings in 1H25 (vs 1H24)
- ✓ Continue to target Mass Affluent segment through Premier banking strategy

### Retail new transaction account openings



- ✓ 22% share of business deposits with **1.6x system growth** in 1H25<sup>2</sup>
- ✓ Simplified customer onboarding in B&PB
- ✓ Further C&IB mandate wins in 1H25 including 5 year NSW Govt tender, leveraging NAB Liquidity+ and PayByBank solutions

### B&PB new business transaction account openings



## Investing in innovative payment solutions

### NAB PayByBank

- A fast, simple and secure way to initiate payments directly from customers' bank accounts
- PayByBank ("PayTo") available on Amazon.com.au



### NAB Liquidity+

- AI-enabled predictive cashflow treasury solution that aggregates customers' NAB and third-party accounts
- Real time visibility of cashflows, dynamic insights and precision forecasting

### NAB Portal Pay

- Real time processing of property sale deposits, tracking and reconciliation of rent payments
- Backed by NAB's PayByBank
- Integrated with MRI Property Tree which is used by more than 29,000 property management professionals

(1) Represents household deposits under APRA Monthly Authorised Deposit-taking Institution statistics definitions. Latest data as at Mar 25

(2) Represents business deposits to non-financial businesses and community service organisations under APRA monthly ADI Statistics definitions. Latest data as at Mar 25

# Improving performance in proprietary home lending

## Home lending strategy

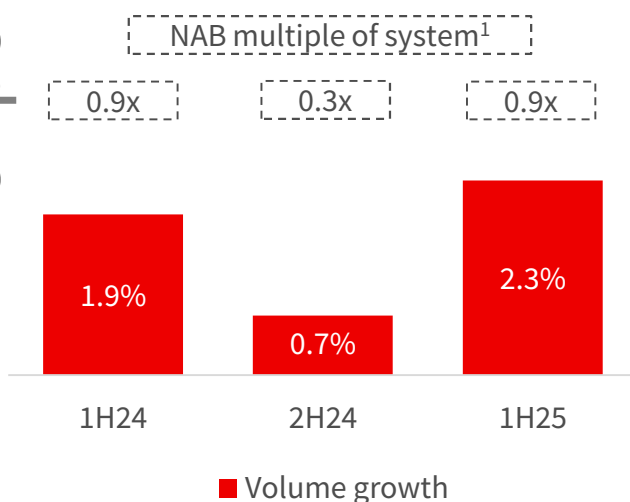
- Deliver seamless customer, banker and broker experiences supported by simplification of processes and policies and investment in modern technology
- Continue to manage portfolio returns through a disciplined approach including improved proprietary performance

## 1H25 actions

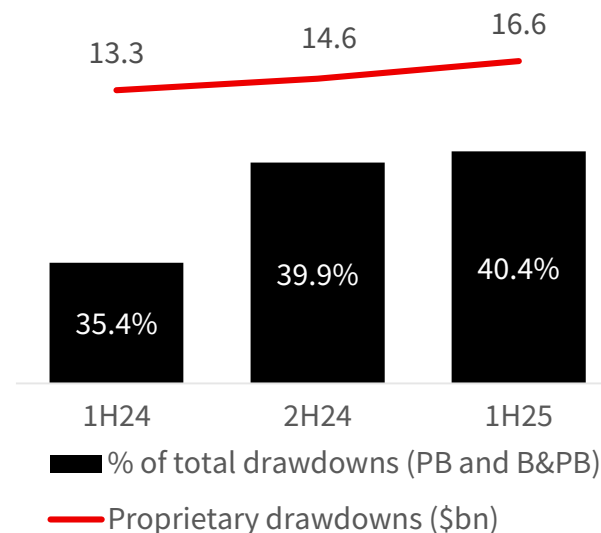
- Dedicated team for proprietary home lending
- Uplifted banker capability and support
- Banker scorecards aligned around “whole of customer”
- Enhanced digital tools and leads generation
- Enhanced product features e.g. multi-offsets



## Improved growth in Australian home lending



## 25% increase in proprietary drawdowns (YoY)²



## Uplifted banker capability in 1H25

~150 new home loan bankers onboarded³

(1) Source: APRA Monthly Authorised Deposit-taking Institution statistics. Latest data as at Mar 25

(2) Excludes 86 400 platform (ubank housing lending originated on the 86 400 platform)

(3) Offset by productivity – banker numbers stable in 1H25

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# 1H25 Financials

**Shaun Dooley**

Chief Financial Officer





# Financial results

Underlying profit (\$m)

1.9%

5,362

5,463

2H24

1H25

Cash earnings<sup>1</sup> (\$m)

0.8%

3,554

3,583

2H24

1H25

Statutory profit (\$m)

(1.7%)

3,466

3,407

2H24

1H25

P&L key financial indicators	2H24 (\$m)	1H25 (\$m)	1H25 v 2H24
Net operating income	10,112	10,281	1.7%
ex Markets & Treasury	9,374	9,273	(1.1%)
Operating expenses	(4,750)	(4,818)	1.4%
Credit impairment charge	(365)	(348)	(4.7%)

(1) Refer to page 36 for definition of cash earnings and reconciliation to statutory profit

# Divisional performance

Underlying profit  
(\$m)

Business & Private Banking

Corporate & Institutional  
Banking

Personal Banking

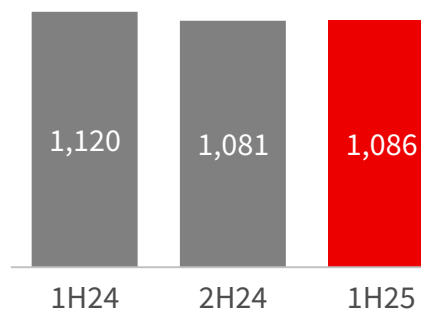
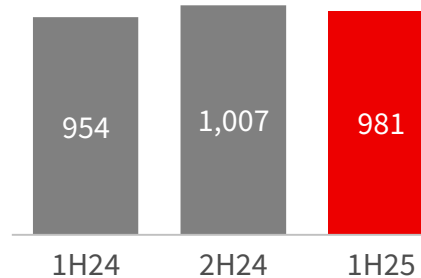
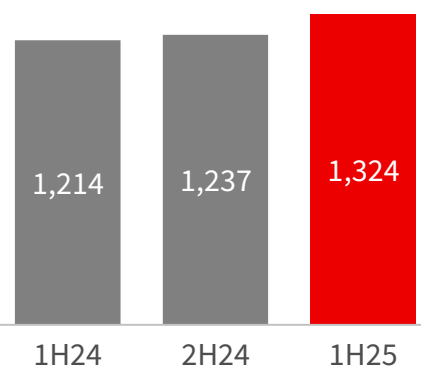
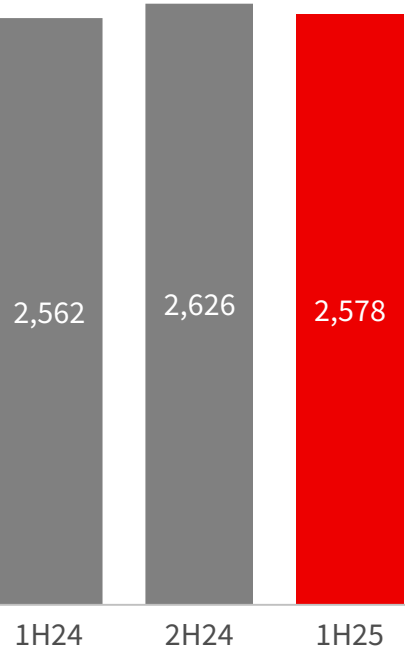
New Zealand Banking<sup>1</sup>

0.6% (-1.8% HoH)

9.1% (7.0% HoH)

2.8% (-2.6% HoH)

-3% (0.5% HoH)

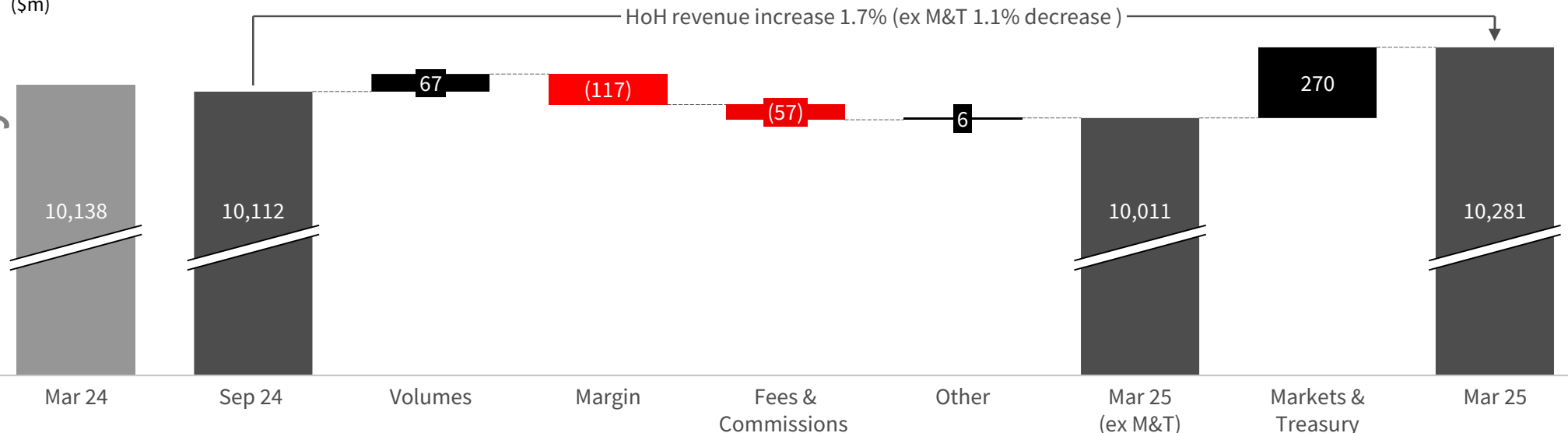


(1) New Zealand Banking results in local currency

# 1H25 revenue

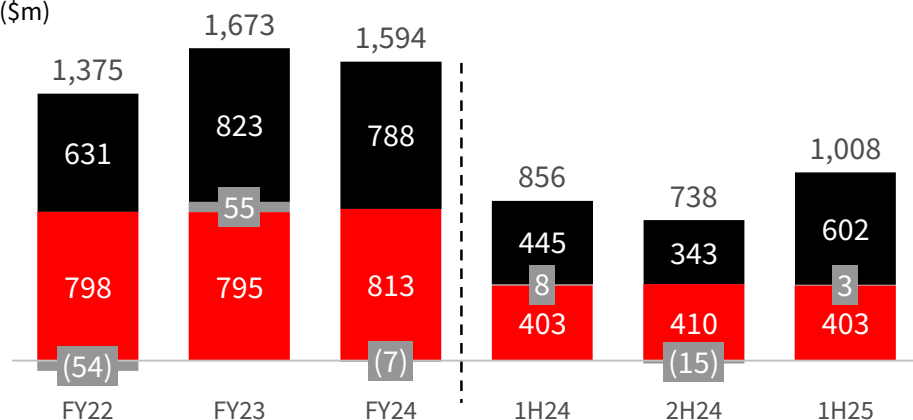
## Net operating income (HoH)

(\$m)



## Markets & Treasury (M&T) income breakdown

(\$m)



■ NAB risk management<sup>1</sup> ■ Derivative valuation adjustment<sup>2</sup> ■ Customer risk management<sup>3</sup>

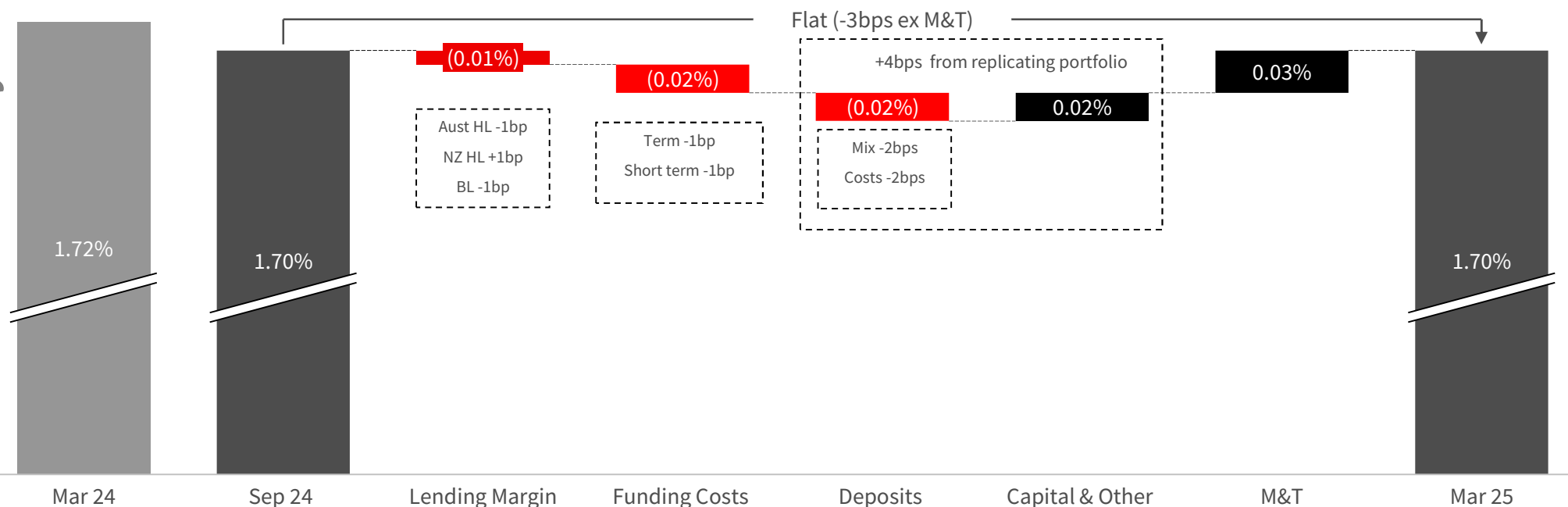
## Key revenue drivers HoH

- Volume growth offset by margin pressure
- Fees & Commissions impacted by higher customer-related remediation and headwinds from sale/run-off of businesses
- Higher M&T income benefitting from favourable interest rate positioning and \$54m gain on Subordinated Loan Notes issued by Insignia Financial Ltd<sup>4</sup>

- (1) NAB risk management comprises NII and OOI 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 C&IB and NZ Banking revenue. Treasury forms part of NZ Banking and 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 comprises NII and OOI and reflects customer risk management in respect of PB, B&PB, C&IB and NZ Banking
- (4) As part of its financing of the acquisition of MLC Wealth, Insignia Financial Ltd issued \$200 million of five-year structured Subordinated Loan Notes to NAB. NAB requested early redemption of the notes in March 2025, which was declined by Insignia Financial Ltd. As a result of the request for redemption the total return amount of the notes has been determined and the resultant fair value gain was recognised. The notes (including the increased total return amount) will be repaid in May 2026

# Net interest margin

## Net interest margin (HoH)



## Key considerations 2H25<sup>1</sup>

- Benefit of deposit and capital replicating portfolios of ~3-4bps<sup>2</sup>
- Impact of 25bps RBA cash rate cut on Australian unhedged low rate sensitive deposits estimated at ~1bp annualised<sup>3</sup>
- 7bps move in 3 month Bills/OIS equivalent to ~1bp of annualised NIM<sup>4</sup>

(1) Refer to key risks, qualifications and assumptions in relation to forward looking statements on page 128

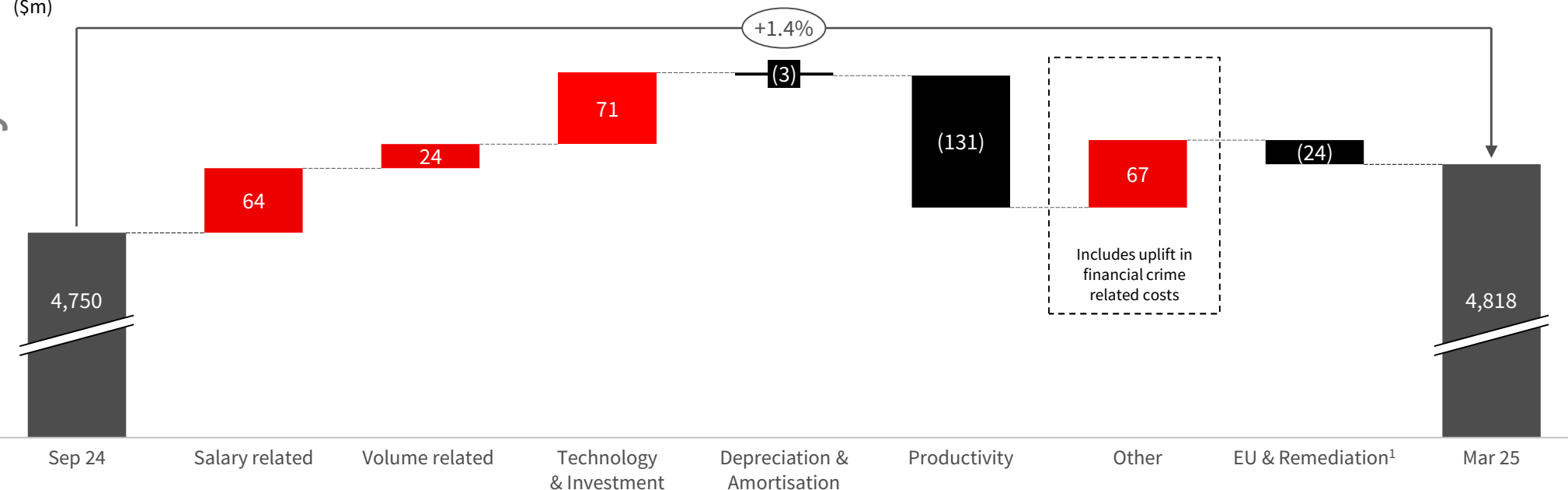
(2) Based on market implied 3 and 5 year swap rates trajectory as of 31 March 2025 and stable balances for the Australian and New Zealand capital and deposit replicating portfolios respectively

(3) Based on 31 March 2025 spot volumes and assumes certain pass-through rates on individual deposit products

(4) Based on 31 March 2025 rates and balances. Average 3 month Bills/OIS of ~10bps in 1H25

# Operating expenses

## Operating expenses (HoH) (\$m)

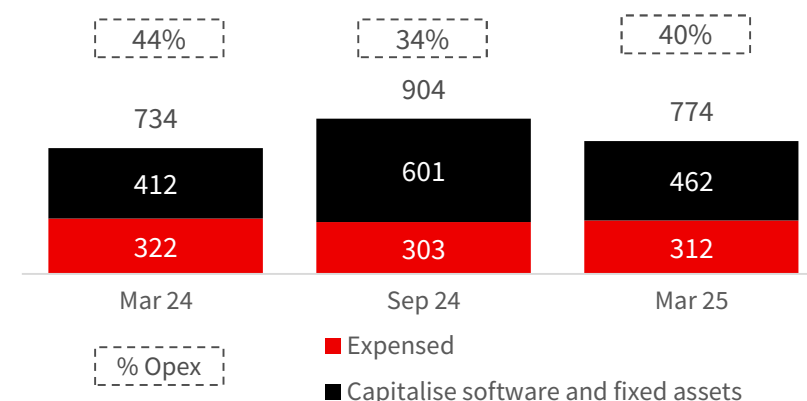


## FY25 considerations²

- Opex growth expected to be lower than FY24 growth of 4.5%³
- Investment spend expected to be ~\$1.8bn with opex ratio of ~40%
- No further EU-related costs expected in 2H25 (~\$17m in 1H25)⁴
- Targeting productivity >\$400m

## Investment spend

(\$m)

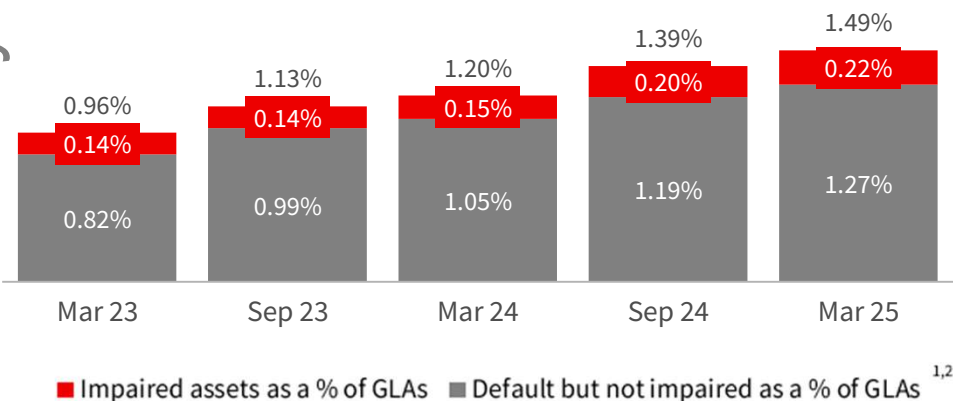


(1) EU-related costs of \$17m (\$41m in 2H24). Customer related remediation \$20m in 1H25 (\$20m in 2H24)  
 (2) Refer to key risks, qualifications and assumptions in relation to forward looking statements on page 128  
 (3) FY25 guidance excluding any large notable items  
 (4) Assumes AUSTRAC CEO provides consent to the cancelling or withdrawal of the EU

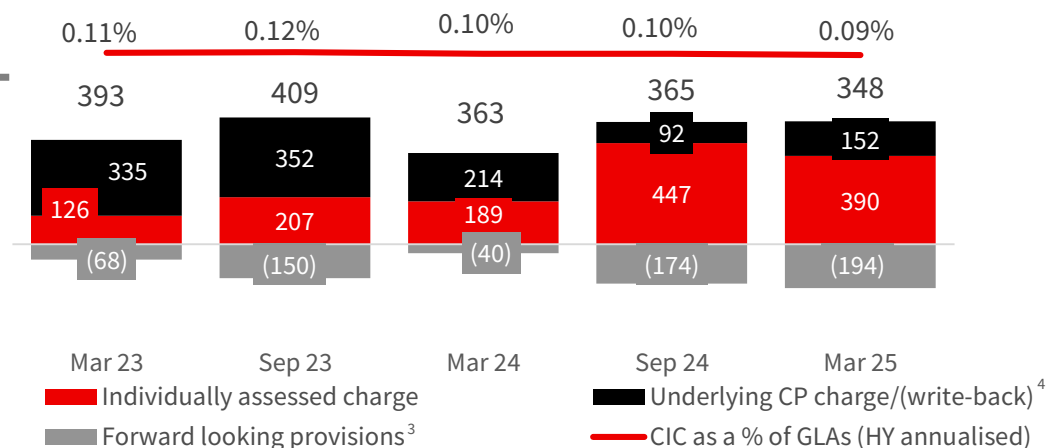


# Asset quality

## Non-performing exposures (NPL) as a % of GLAs



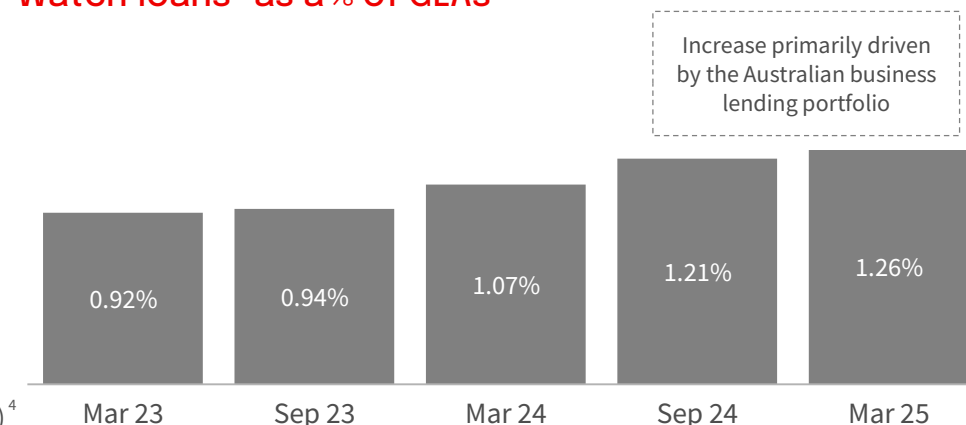
## Credit impairment charge (CIC)



## Key 1H25 impacts

- Pace of NPL increase slowing as Australian mortgage arrears stabilise; B&PB business lending the key driver of 1H25 uplift
- NPLs remain dominated by Default but not impaired exposures
- CIC of \$348m, down \$17m
  - Individually assessed charge of \$390m mainly reflects Australian business lending and unsecured retail portfolios
  - Underlying collective charge of \$152m reflects asset quality deterioration and volume growth
  - Net release of forward looking provisions of \$194m

## Watch loans<sup>5</sup> as a % of GLAs



(1) 'Default but not impaired' includes '90+ DPD but not impaired' assets and 'Default <90 DPD but not impaired' assets aligned to APS 220 Credit Risk Management  
 (2) 'Default but not impaired' includes loans that have been classified as restructured in accordance with APS 220 Credit Risk Management which are assessed as no loss based on security held  
 (3) Represents collective provision EA and FLAs for target sectors  
 (4) Represents collective credit impairment charge less forward looking provisions  
 (5) Watch loans are generally triggered by banker referrals or manual downgrades of customer ratings as part of reviews throughout the year

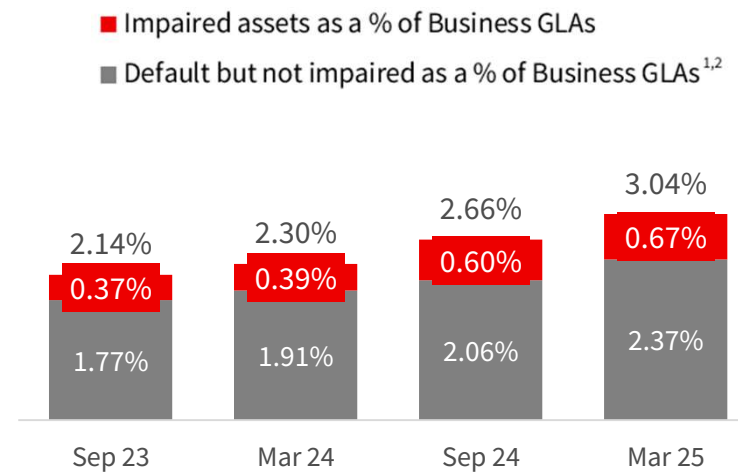
# Business & Private Banking business lending asset quality



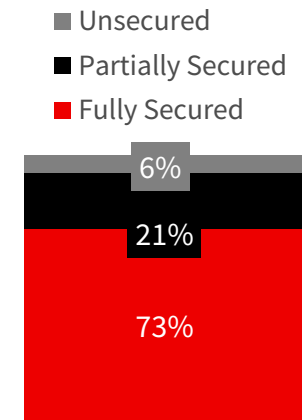
## Key 1H25 considerations

- Higher NPL ratio driven mainly by Default but not impaired exposures including:
  - seasoning impact of FY22 and FY23 vintages
  - broad-based deterioration across industries
  - continued challenging conditions for Victorian customers
- Well diversified and highly secured book
- NAB continues to work with customers through difficult periods

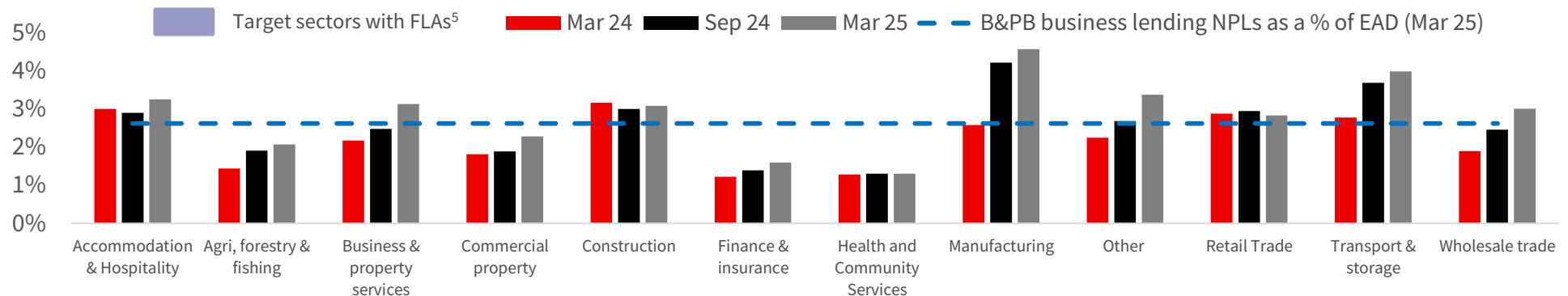
## Non-performing exposures (NPLs) as % of GLAs



## Security profile<sup>3</sup> Mar 25



## Non-performing exposures (NPLs) as % of lending EAD by regulatory industry categories<sup>4</sup>

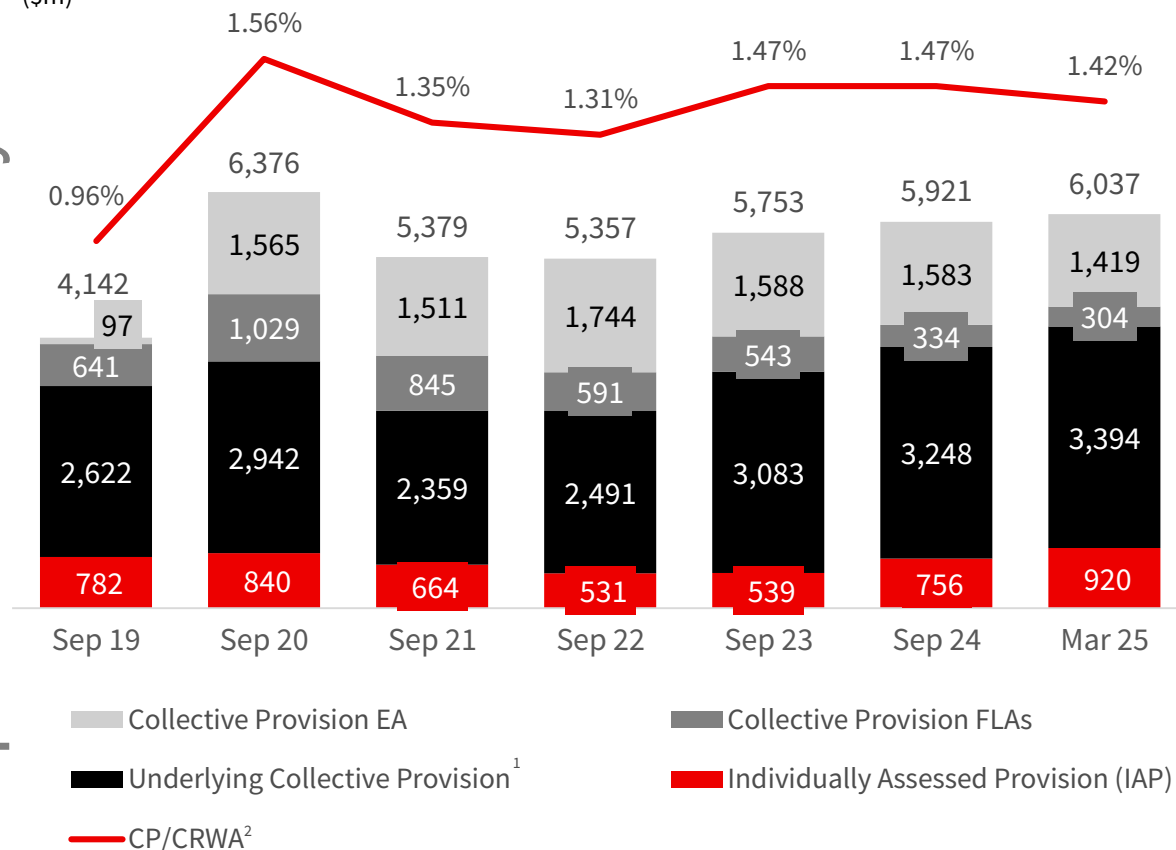


Industry % of non retail lending EAD	Accommodation & Hospitality	Agri, forestry & fishing	Business & property services	Commercial property	Construction	Finance & insurance	Health and Community Services	Manufacturing	Other	Retail Trade	Transport & storage	Wholesale trade
	<5%	24%	7%	25%	6%	<5%	5%	6%	<5%	6%	<5%	6%

- (1) 'Default but not impaired' includes '90+ DPD but not impaired' assets and 'Default <90 DPD but not impaired' assets aligned to APS 220 *Credit Risk Management*
- (2) 'Default but not impaired' includes loans that have been classified as restructured in accordance with APS 220 *Credit Risk Management* which are assessed as no loss based on security held
- (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) Based on ANZSIC Level 1 classifications of the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties
- (5) Target sectors with FLAs refers to non-retail sectors with an FLA provision: Retail Trade; Tourism, Hospitality & Entertainment (which includes Accommodation & Hospitality); Construction and CRE

# Strong provisioning maintained

## Total provision balances higher (\$m)



## Key considerations

- Total provisions of \$6.0bn (or 1.67% of CRWA) represent 1.7x 100% base case scenario<sup>3</sup>
- CP of \$5.1bn representing 1.42% CRWA
- Deteriorating asset quality in 1H25 evident in higher IAPs and underlying CP
- \$194m reduction in forward looking provisions since Sep 24 reflecting:
  - Economic Adjustment (EA) reduction due to anticipated asset quality deterioration transitioning from the forward outlook to the current period<sup>4</sup>
  - Net release of FLAs relating mainly to NZ Agri
- Maintaining strong forward looking provisions primarily reflecting heightened geopolitical tensions and global trade uncertainties; downside scenario weighting unchanged (42.5%)

(1) Underlying collective provision for Sep 23 and prior figures includes amounts for collective provisions on derivatives at fair value

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

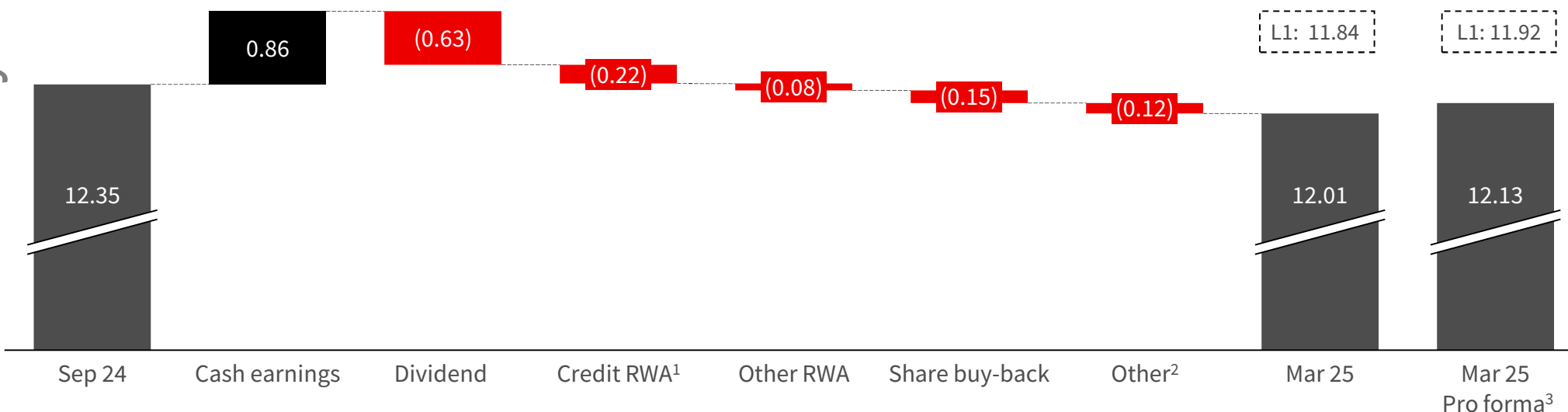
(3) After excluding \$304m in FLA balances from the 100% base scenario

(4) Scenarios, prepared for purposes of informing forward looking provisions, rely on NAB Economics forecasts at Feb 25 and management judgement

# Capital remains above operating target

## Group Basel III CET1 capital ratio

(%)

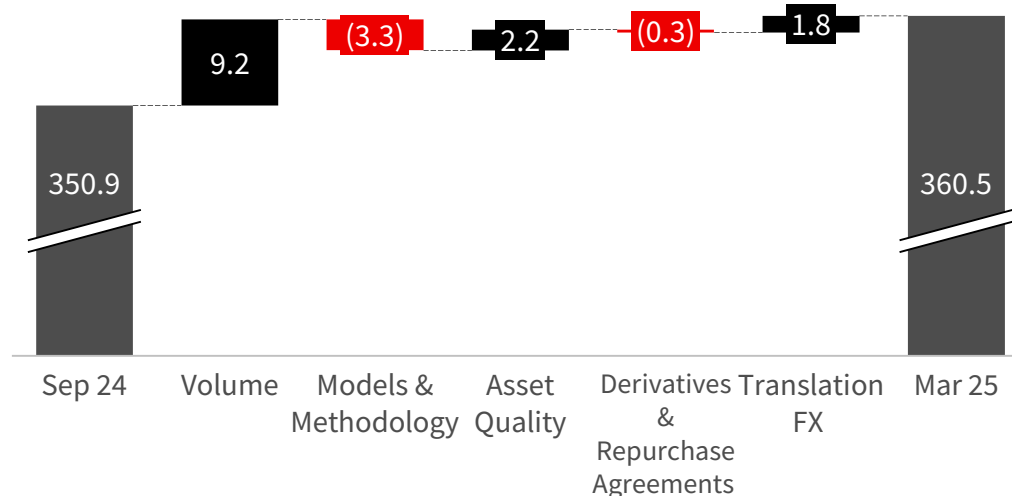


## 1H25 CET1 considerations

- Higher Credit risk-weighted assets (CRWA) mainly driven by business lending growth
- 1Q impact of volatility on CRWA largely unwound
- Other RWA includes annual Operational Risk refresh and impact of Capital Floor Adjustment (-4bps)
- Minimal impact to CET1 ratio from translation FX in 1H25
- On-market buy-back completed on 12 March 2025 (\$0.6bn bought back in 1H25)

## Credit risk-weighted assets

(\$bn)



(1) Excludes foreign exchange translation

(2) Other capital movements relate to net foreign exchange translation, non-cash earnings, capitalised software, capitalised expenses, reserves and other miscellaneous items

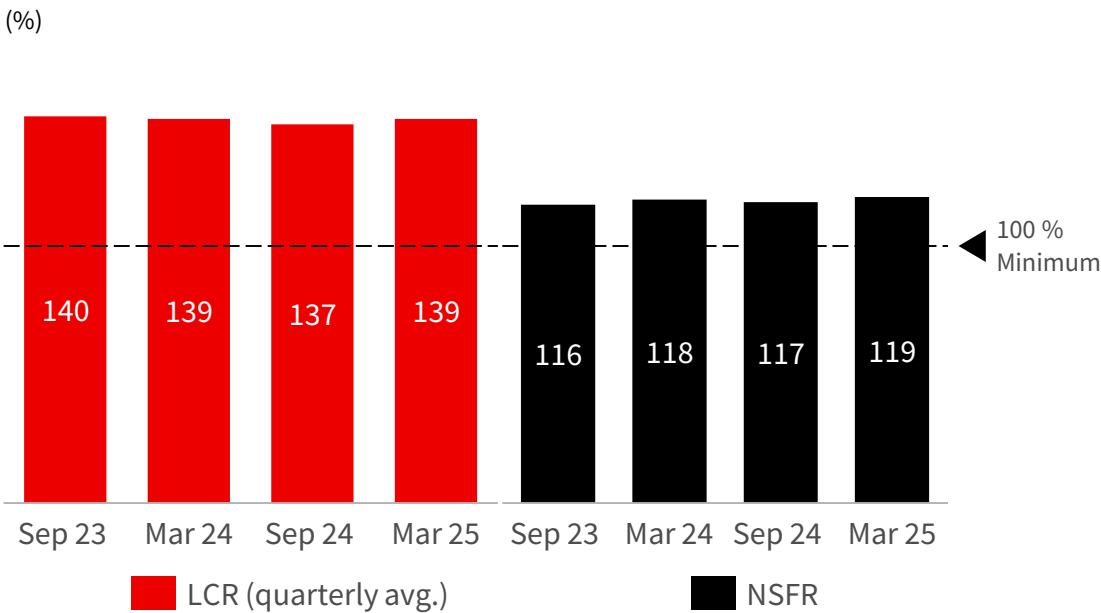
(3) Pro forma CET1 ratio reflects the impacts of the sale of the Group's remaining 20% stake in MLC Life Insurance to Nippon Life Insurance Company for \$500m. The proposed sale is expected to complete in the second half of calendar year 2025 and is subject to satisfaction of certain conditions including completion of the acquisition of the Resolution Life Group by Nippon Life Insurance Company, and regulatory approvals

# Strong funding and liquidity metrics

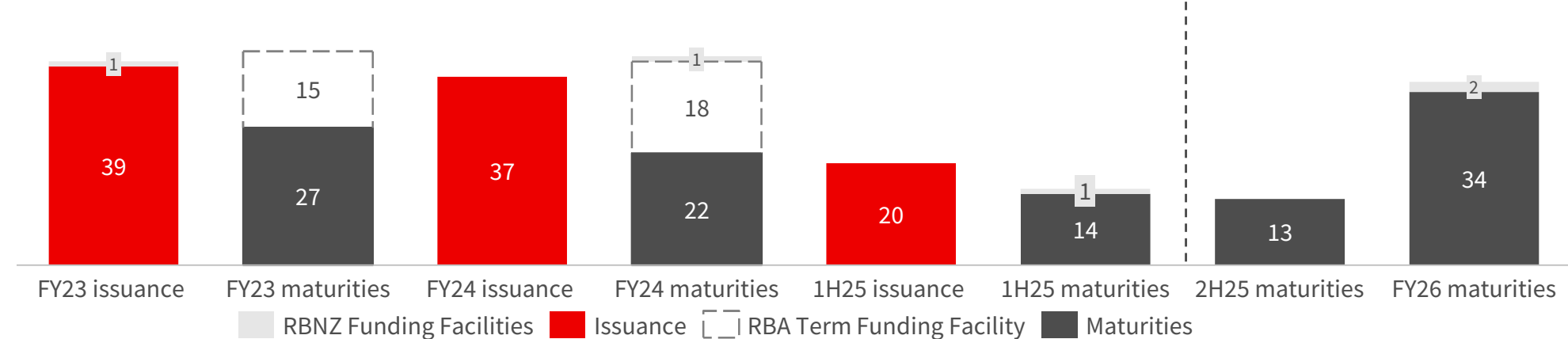
## Key messages

- Maintained strong funding and liquidity position with LCR and NSFR well above regulatory minimums
- Positioned to manage through periods of market volatility
- Well progressed on term funding task – \$20bn completed in 1H25 diversified across product, currency and tenors
- FY25 term funding issuance expected to be broadly in line with prior years

## Liquidity position well above regulatory minimums



## Term funding issuance<sup>1</sup> & maturity profile<sup>2</sup>



(1) 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

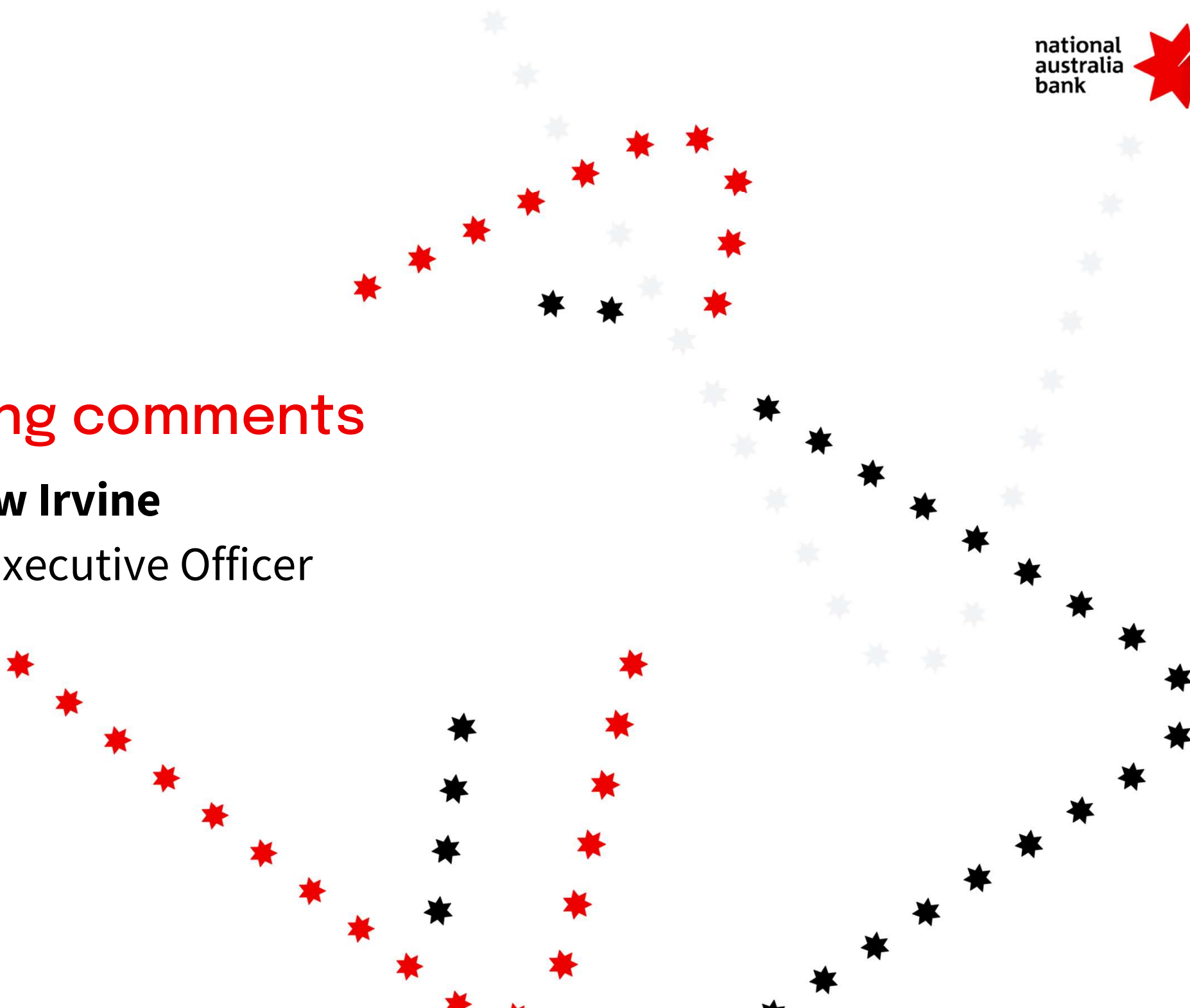
(2) Maturity profile of funding with an original term to maturity greater than 12 months, excludes AT1 and RMBS. Spot FX rate at 31 March 2025

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## Closing comments

**Andrew Irvine**

Chief Executive Officer



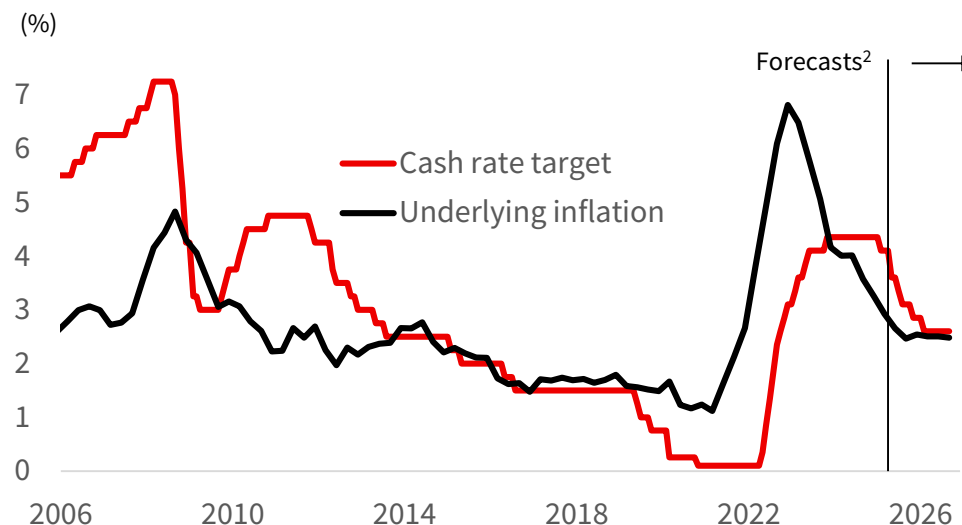


# Australian economy well positioned in volatile times

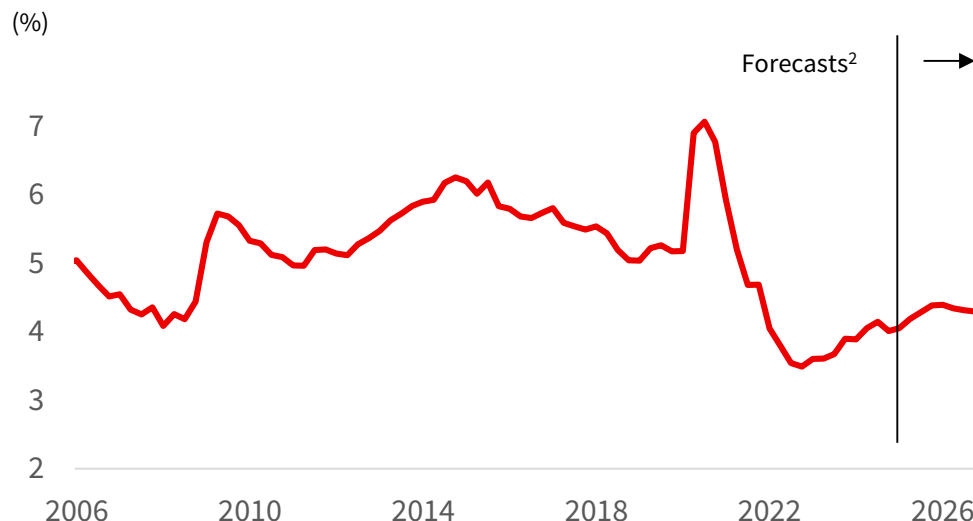
Australia enters this period of heightened geopolitical risks and weaker global growth in good shape

- Inflation moderating and economy continuing to grow
- Household incomes supported by resilient labour market, tax cuts and lower interest rates
- Real GDP growth improving, returning to trend levels
- Intensified global headwinds provide scope for RBA to ease rates more quickly

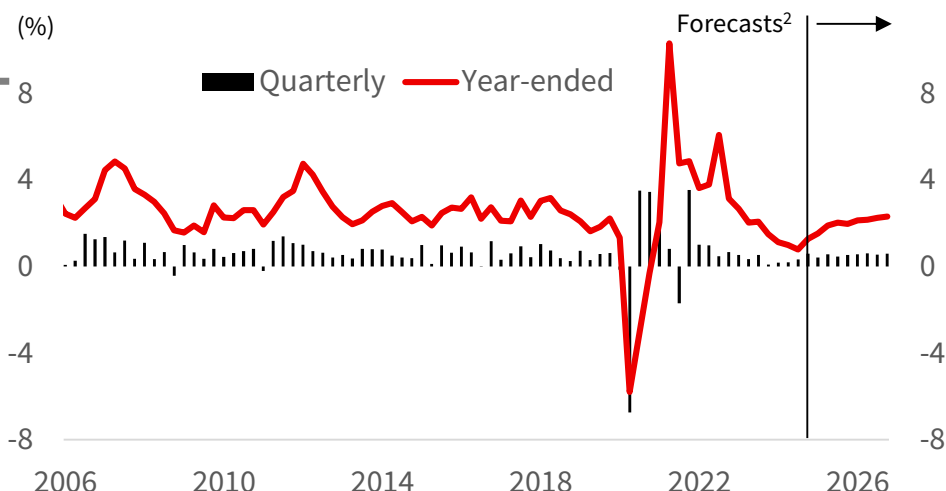
Cash rate expected to fall as inflation continues to moderate<sup>1</sup>



Unemployment rate<sup>4</sup>



GDP growth<sup>3</sup>



(1) Source: ABS, NAB, RBA. Actual data to March quarter 2025, NAB forecasts to Sep 26  
 (2) Refer to key risks, qualifications and assumptions in relation to forward looking statements on page 128  
 (3) Source: ABS, NAB. Actual data to December quarter 2024, NAB forecasts to December quarter 2026  
 (4) Source: ABS, NAB. Actual data to March quarter 2025, NAB forecasts to December quarter 2026

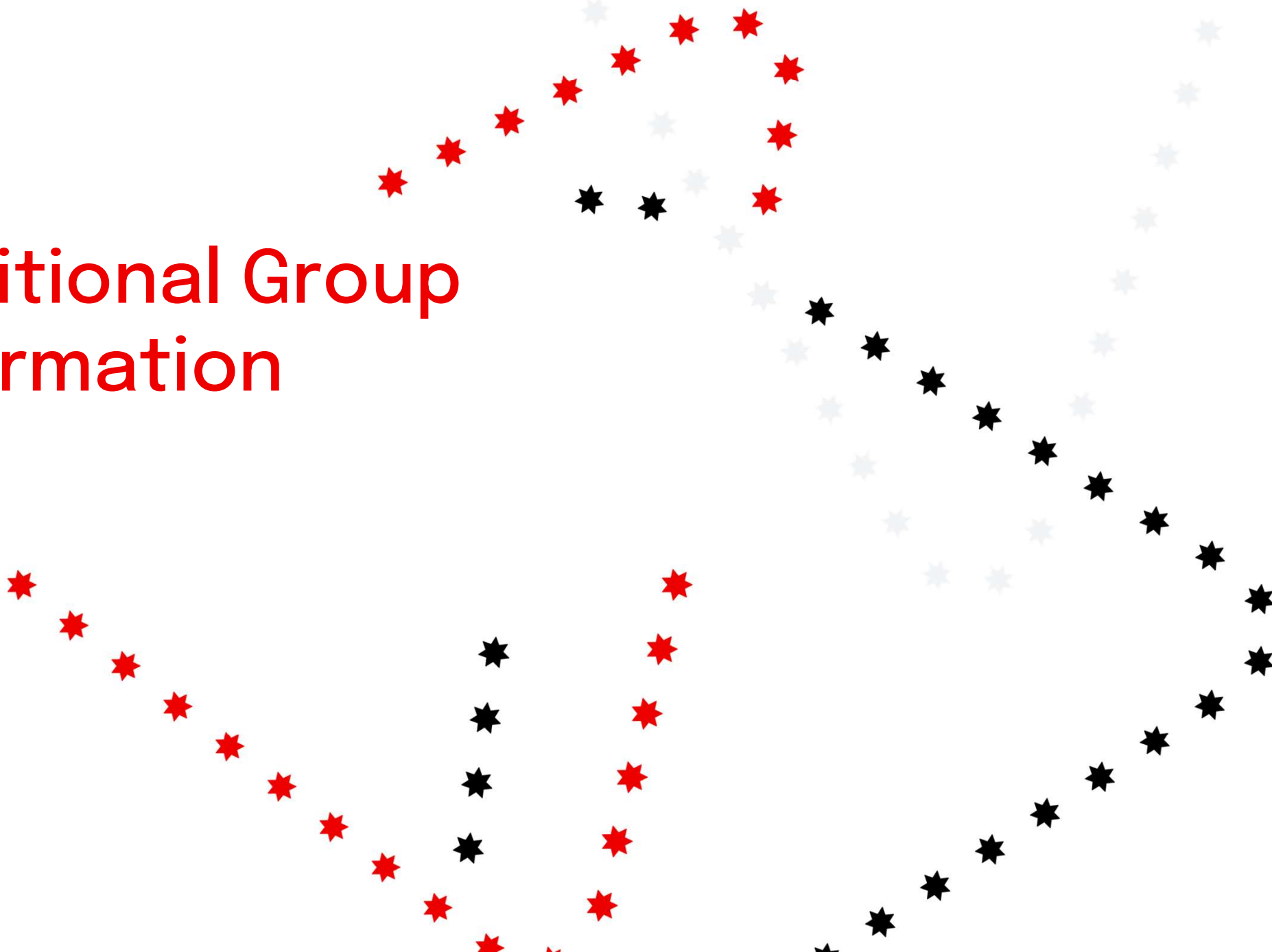
# Key priorities

- Execution of strategy to deliver improved customer advocacy, greater speed and simplification
- Focus on business banking, proprietary lending and deposit franchises to drive strong sustainable returns
- Maintain prudent balance sheet settings to support customers
- Disciplined approach to managing costs, with ongoing productivity helping to create capacity for investment
- Complete the migration of the Citi Consumer Business to new platform
- Strong management depth across top 100 leaders; new B&PB executive starting in June and CFO search underway

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# Additional Group Information

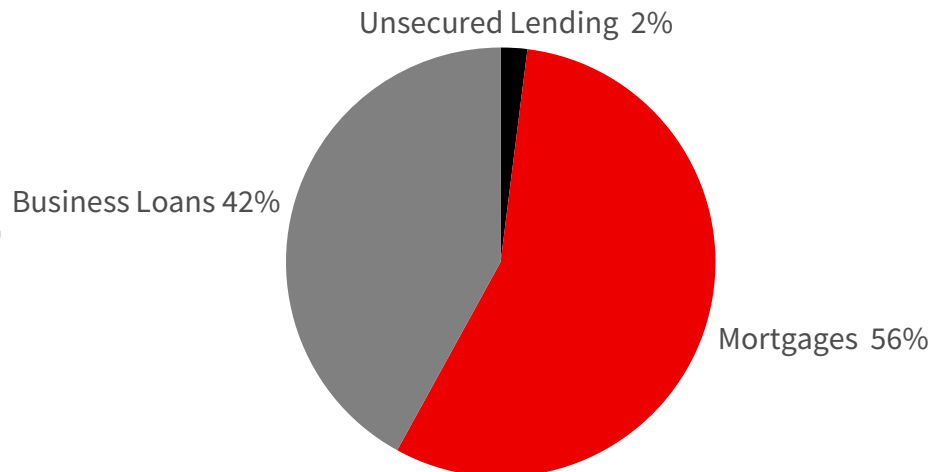


# NAB at a glance



Cash earnings divisional splits <sup>1</sup>	% of Cash earnings
Business & Private Banking	46%
Personal Banking	16%
Corporate & Institutional Banking	25%
New Zealand Banking	20%
Corporate Functions & Other	(7%)
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 AA-/F1+ (Stable)
---------------------------------	--------------------------	-----------------------------	---------------------------

Key financial data	1H25
Cash earnings <sup>1</sup>	\$3,583m
Cash ROE	11.7%
Gross loans and acceptances	\$756.3bn
Customer deposits	\$637.9bn
Impaired assets to GLAs	0.22%
Default but not impaired assets to GLAs <sup>2</sup>	1.27%
CET1 (APRA)	12.01%
NSFR (APRA)	119%
Australian market share	Mar 25
Business lending <sup>3</sup>	21.2%
Housing lending <sup>3</sup>	14.3%
Cards <sup>3</sup>	27.6%
Key non-financial data	1H25
# FTE	39,976
# Branches / Business centres	609

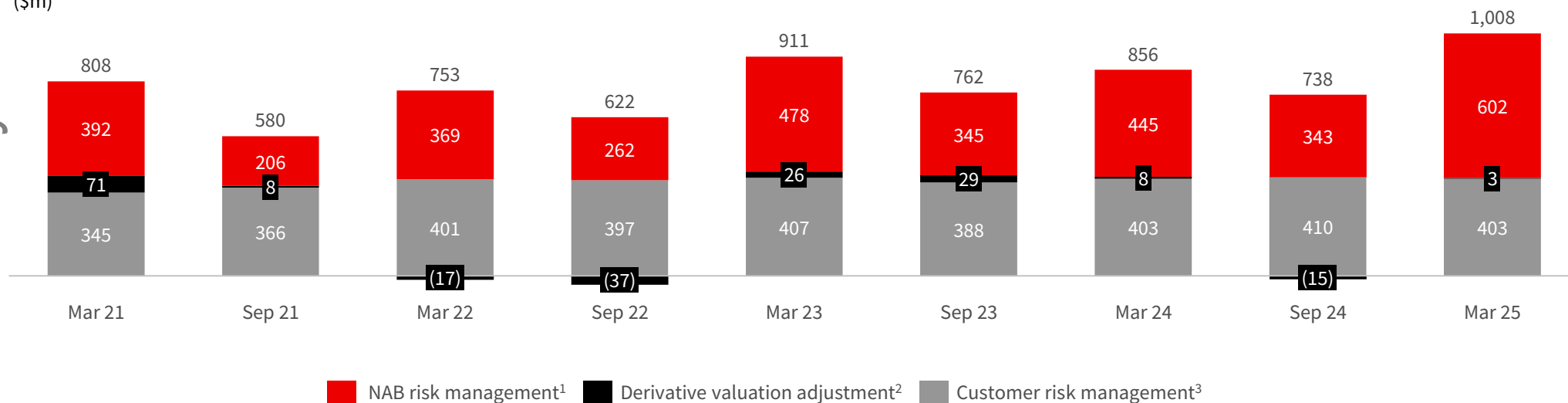
(1) Refer to page 36 for definition of cash earnings and reconciliation to statutory profit

(2) Includes loans that have been classified as restructured in accordance with APS 220 *Credit Risk Management* which are assessed as no loss based on security held

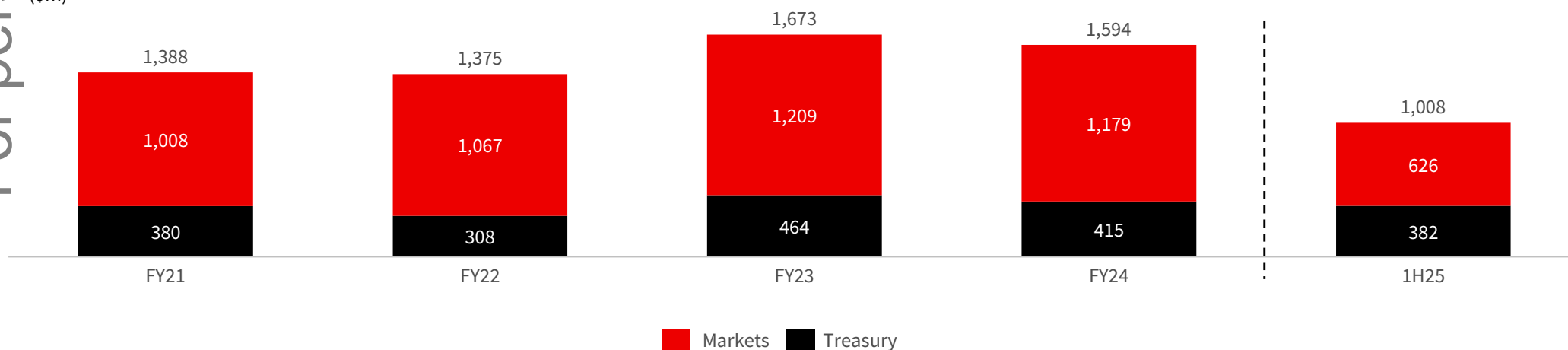
(3) APRA Monthly Authorised Deposit-taking Institution statistics. Latest data as at Mar 25. Business lending represents lending to non-financial businesses and community service organisations

# Markets & Treasury income

## Markets & Treasury income breakdown (\$m)



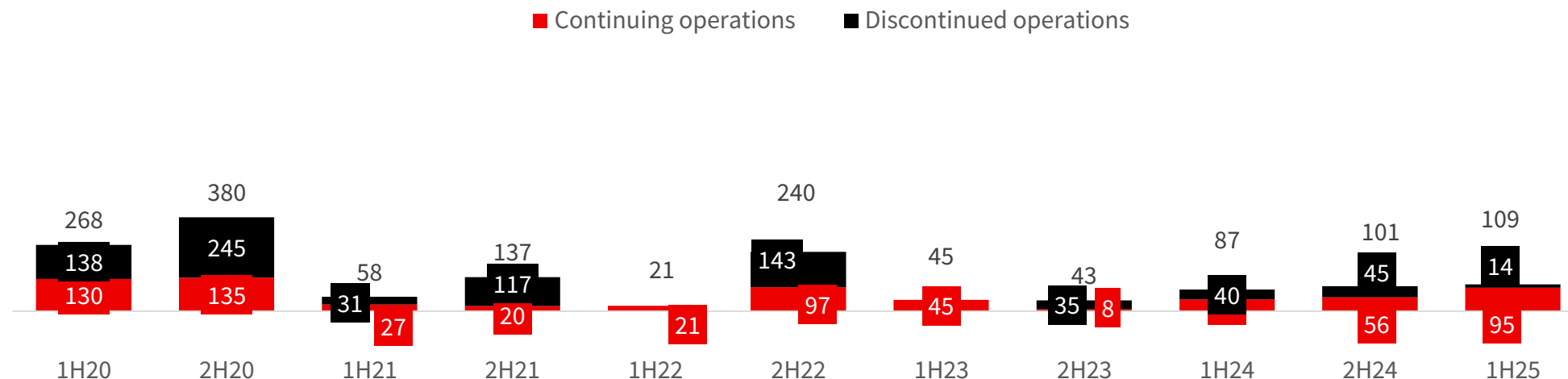
## Historical Markets & Treasury income (\$m)



- (1) NAB risk management comprises NII and OOI 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 C&IB and NZ Banking revenue. Treasury forms part of NZ Banking and 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 comprises NII and OOI and reflects customer risk management in respect of PB, B&PB, C&IB and NZ Banking

# Customer-related remediation

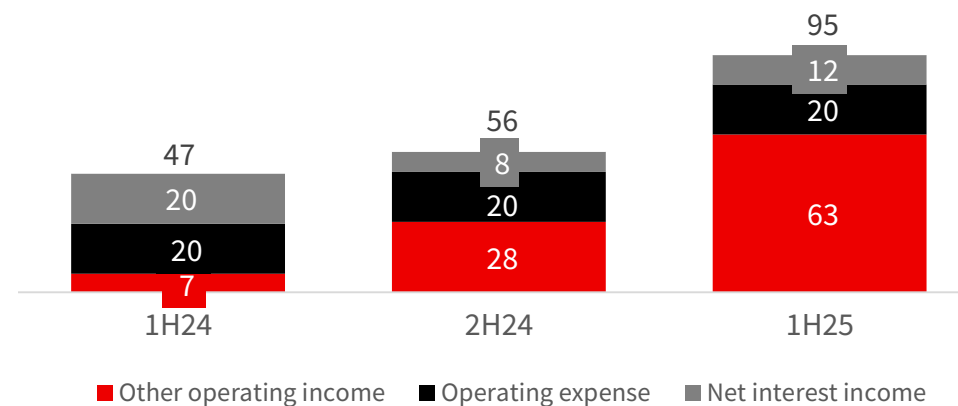
## Customer-related remediation provision charges<sup>1</sup> (\$m)



## Customer-related remediation

- NAB Wealth remediation residual activities continue, following the regulatory completion of major programs
- JBWere remediation for Adviser Service Fee and review for inappropriate advice continue

## Breakdown of charges in continuing operations (\$m)



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



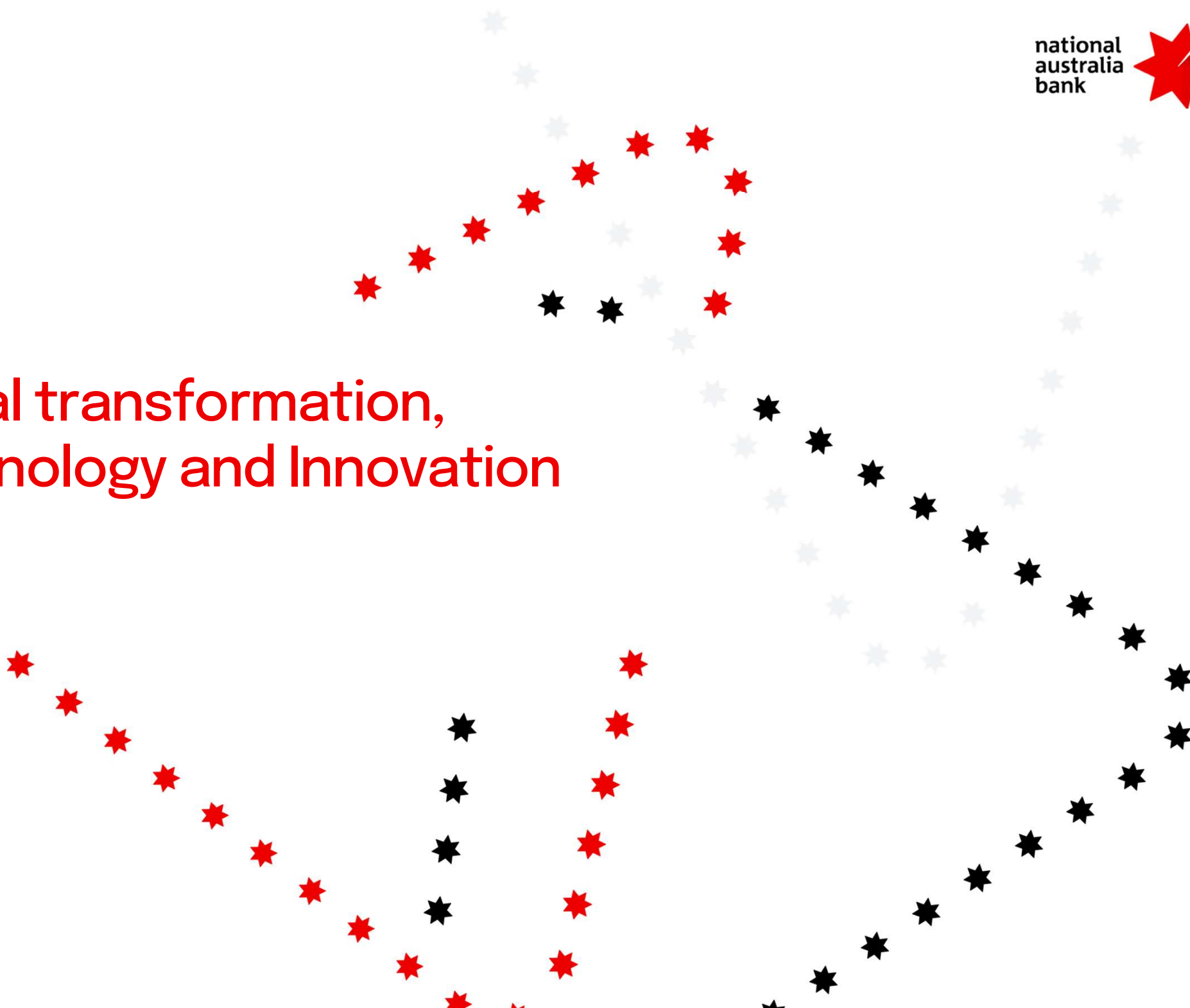
# Group cash earnings reconciliation to statutory net profit

- 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 2025 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 2025 Half Year Results

	1H25 (\$m)	2H24 (\$m)	1H24 (\$m)	1H25 v 2H24 (\$m)	1H25 v 1H24 (\$m)
<b>Cash earnings</b>	<b>3,583</b>	<b>3,554</b>	<b>3,548</b>	29	35
Non-cash earnings items (after tax):					
Hedging and fair value volatility	0	(20)	14	20	(14)
Amortisation of acquired intangible assets	(16)	(14)	(15)	(2)	(1)
Acquisitions, integration, disposals and business closures	(136)	(1)	(3)	(135)	(133)
<b>Net profit attributable to owners of the Company from continuing operations</b>	<b>3,431</b>	<b>3,519</b>	<b>3,544</b>	(88)	(113)
Net loss attributable to owners of the Company from discontinued operations	(24)	(53)	(50)	29	26
<b>Statutory net profit</b>	<b>3,407</b>	<b>3,466</b>	<b>3,494</b>	(59)	(87)

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# Digital transformation, Technology and Innovation



## Ambition

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

### Outcomes delivered

(FY18 to 1H25)

#### Improved customer & colleague experiences

- 22 to 1 call centre systems
- 11 to 5 fraud management systems
- 4 to 1 customer master systems
- 3 to 1 collections systems
- 75+ capabilities consolidated into nabONE banker portal
- Launched multi - offset accounts (up to 10)

#### De-risk bank and protect customers

- Reduced time to detect, respond to, and contain cyber security threats
- 42% increase in NIST score<sup>1</sup> – improving capability to protect customers
- Cyber and scam education provided to ~41,000 customers and community members
- One year free CrowdStrike cyber security offer for SME customers

#### Build resilience

- 85% of apps migrated to cloud
- 89% reduction in critical and high incidents
- Insourced 3<sup>rd</sup> party technology capability (~70% external to 38% external)<sup>2</sup>
- Scaled NAB workforce in India and Vietnam centres to provide access to critical technology skills

#### Accurate, available data & analytics

- New data platform, enabling foundations for Customer Brain and GenAI
- 42 legacy data assets decommissioned
- ~2,500 software engineers using GenAI enhanced tools for coding

FY25+

Modernising technology is a continuous, long-term journey. Technology modernisation includes:

- The gradual simplification and modernisation of complex and ageing core technology, to enable delivery of the bank's long term strategy
- Re-shaping the overall architecture to be a more digital bank
- Simplification of products, policies and processes
- Adopting a long-term, platform mindset

Key objectives of tech modernisation

1

Customer Advocacy

2

Simple and Fast

3

Safe and Resilient

(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  
(2) Includes insourced technology capability and the reduction of third-party consultants and external workforce

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



## Business & Private Bank

Strengthen NAB's business banking position



## Personal Bank

Deepen product experiences, engagement and recognition

### Colleagues

Increasing speed to market and reducing operational cost

### Customers

Timely, relevant and personalised conversations - driving improvement in customer engagement

#### Business Banking Onboarding

Helping onboard through a "whole of customer" approach

The Brain has been implemented across Business Lending, Deposits and Merchant Services enabling over 20,000 customers to quickly and efficiently set up new accounts in 1H25

#### Customer Data Refresh

Keeping customer details up-to-date to help ensure AML/CTF<sup>1</sup> compliance and reduces reliance on more costly channels

The Brain has enabled more than 2m customers to update their details through a fully digital experience

#### Banker leads

Using what we know about our customers, we automatically match them with a NAB banker

The Brain now delivers Deposit and Home Lending leads. Term Deposit expiry conversations have resulted in ~\$92m of retained deposits, and Home Lending leads have driven a 64% uplift in applications in 1H25<sup>2</sup>

#### Managing account closure

When customers close a credit card, it stays visible in the mobile app to comply with regulation

The Brain sends a confirmation message of the closure and notifies the customer that the transaction history will remain visible for 6-months, reducing inbound calls and complaints

**Real-time decision-making generating over 671m customer decisions and serving 298m customer interactions<sup>3</sup>**

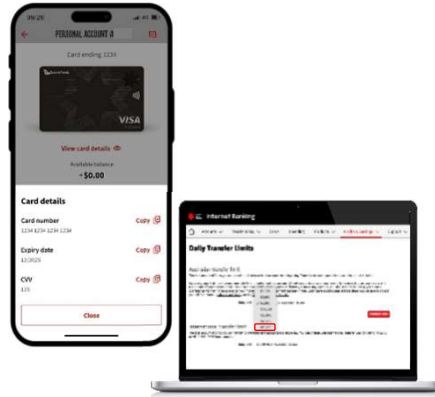
(1) Anti Money Laundering / Counter Terrorism Financing  
(2) Leads generated in proprietary home lending applications  
(3) Over the 6 months to Mar 25

# Investing in our digital banking channels

Mobile app and Internet Banking supporting Retail and SME customers

## NAB Mobile app

- Integrated multi-offset capability that supports up to 10 offset accounts per home loan
- Improved in-app search design and capability to align with other channels
- Enhanced digital card capabilities allowing customers to opt out of receiving physical cards
- Strengthened fraud and scams protection for Android customers

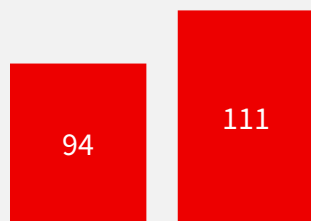


## NAB Internet Banking

- Increased daily payment limits (up to \$100k) enabling higher value payments through digital channels
- Integrated home loan and visa debit card services enabling customers to stay in-channel
- Customers can apply for a Plenti car loan
- Improved registration and password process
- Upgrade to 'Pay Anyone' feature to make simpler and faster payments

Monthly digital logins (m)<sup>1</sup>

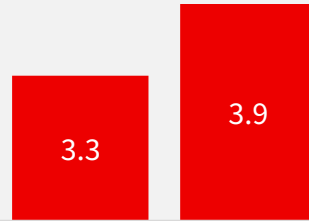
+18%



Mar 22 Mar 25

Monthly digitally active banking customers (m)<sup>2</sup>

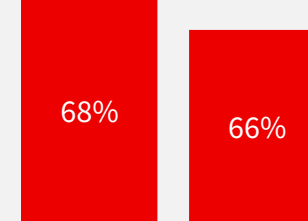
+18%



Mar 22 Mar 25

Simple everyday banking products opened digitally (%)<sup>3,4</sup>

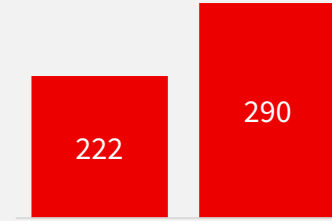
-2%



1H22 1H25

Volume of digital payments (m)<sup>4</sup>

+31%



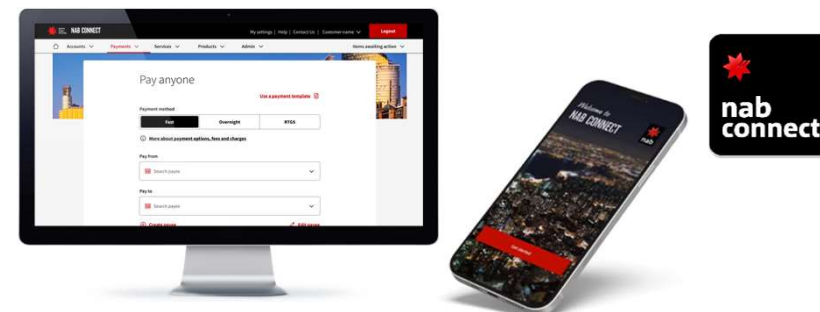
1H22 1H25

(1) Total number of secure logins to the NAB mobile app or internet banking in the month  
 (2) Data excludes Citi Consumer Business  
 (3) Transaction, savings, credit cards, NAB Now Pay Later and personal loan products  
 (4) Half-year basis

# Manage business banking from anywhere

NAB Connect supporting B&PB<sup>1</sup> and C&IB customers

- Customers can access the platform when needed with +99% service availability
- Clients can customise NAB Connect to their business needs through self and assisted service functions
- In-built fraud controls such as configurable payment approval rules, multifactor authentication and suspicious payment alerts to give business customers the tools to safely make and receive payments
- Highly flexible payment rules allowing NAB Connect customers to configure payment approvals to meet their specific business needs
- Integrated with back-office accounting packages and systems allowing customers to automate processes
- A consolidated view for institutional customers with an unlimited number of accounts
- Simplified NAB Connect onboarding process for large businesses enabling easier access to our digital channels
- Access to NAB specialist products and services including Corporate Cards Self Service, FX deals and Trade Finance Online



1H25 capabilities delivered:

- Improved customer experience for managing payment transfers
- Simplified security enabling greater control for users
- Improved fraud protection when customers log in and when they make outbound payments
- Training guides and links to onboard new NAB Connect users



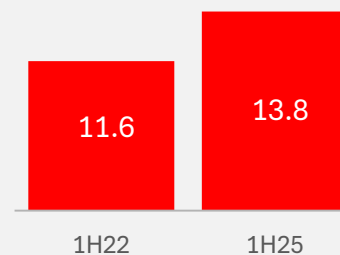
NAB Connect active  
banking customers

+15%



Volume of digital  
payments processed (m)<sup>2</sup>

+19%



**\$2.5tn payments  
processed through  
NAB Connect in 1H25**

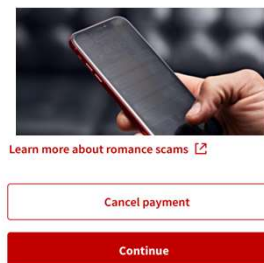
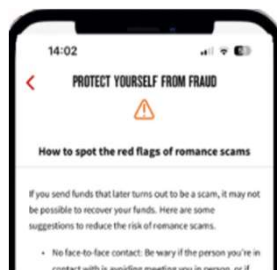
(1) Excludes small business customers with less complex needs who are serviced by NAB Mobile app and NAB Internet Banking

(2) 2024 Coalition Greenwich (formerly known as Peter Lee Associates) Large Corporate & Institutional Transaction Banking Survey, Australia. Ranking against the four major domestic banks

# Investing to protect customers against scams & fraud and cyber security risks



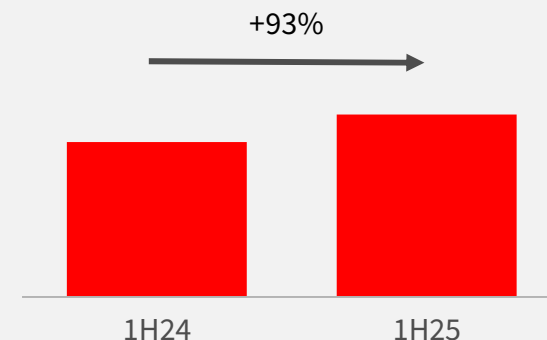
- For personal use only
- ✓ **Real-time payment alerts**  
Alert customers in real time to review payments in the NAB App and NAB Internet Banking to identify potential scams before proceeding
  - ✓ **24/7 fraud assistance and colleague training**  
Our team is available 24/7 to assist customers, with >700 investigations and fraud FTE. Branch and call centre teams trained to help spot potential scams and fraudulent activity
  - ✓ **Investing in security technologies**  
Investing in security technologies including advanced biometrics capabilities for Internet Banking, the NAB app, and NAB Connect
  - ✓ **Blocks on certain high-risk cryptocurrency platforms**  
Blocks on certain cryptocurrency platforms where scams are more prevalent
  - ✓ **Targeting SMS and website phishing scams**  
Removed unexpected links from SMS messages, to make it easier to spot a phishing message, and assisted with the removal of >600 illegitimate websites trying to impersonate NAB or our products
  - ✓ **Involvement in joint security operations**  
Collaborating with industry, law enforcement and government agencies to investigate organised transnational crime groups targeting Australians
  - ✓ **Customer education and cyber security hub**  
Building customer awareness and educating customers and businesses on cyber threats, fraud and scams, including via our cyber security resource hub



## 1H25 initiatives and outcomes included:

- **Prevented and recovered >\$340m in scam losses** for customers since Sep 21, including >\$48m in 1H25
- **>970k real-time customer payment alerts** sent with >\$195m in payments subsequently abandoned in 1H25
- Joined **BioCatch Trust Australia** - an inter-bank, intelligence-sharing network allowing member banks to share real-time information before a customer payment.
- Use of **biometrics technology in NAB Connect** (BioCatch) continued to increase the detection of suspicious behaviour

## NAB Connect suspicious behaviour alerts detected by biometrics technology





# Innovating with NAB Ventures

*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

23

Investments Managed

2

New investments in 1H25

0

Follow-on investment in 1H25

## Innovation themes

Data & AI

Property/Home Lending

Payments

Fintech/Alternative Banking

Alternative Lending

Agtech

Climate

Cybersecurity

Digital Assets

## New investments in 1H25

### VOYAGER

Fund II – Oct 24

A climate and decarbonisation focused venture fund investing in startups globally, poised for near-term commercialisation at large scale without requiring policy change or ongoing subsidy. NAB Ventures invested in Voyager Fund II to be able to co-invest in global climate startups and further NAB's climate ambition.



Series A – Nov 24

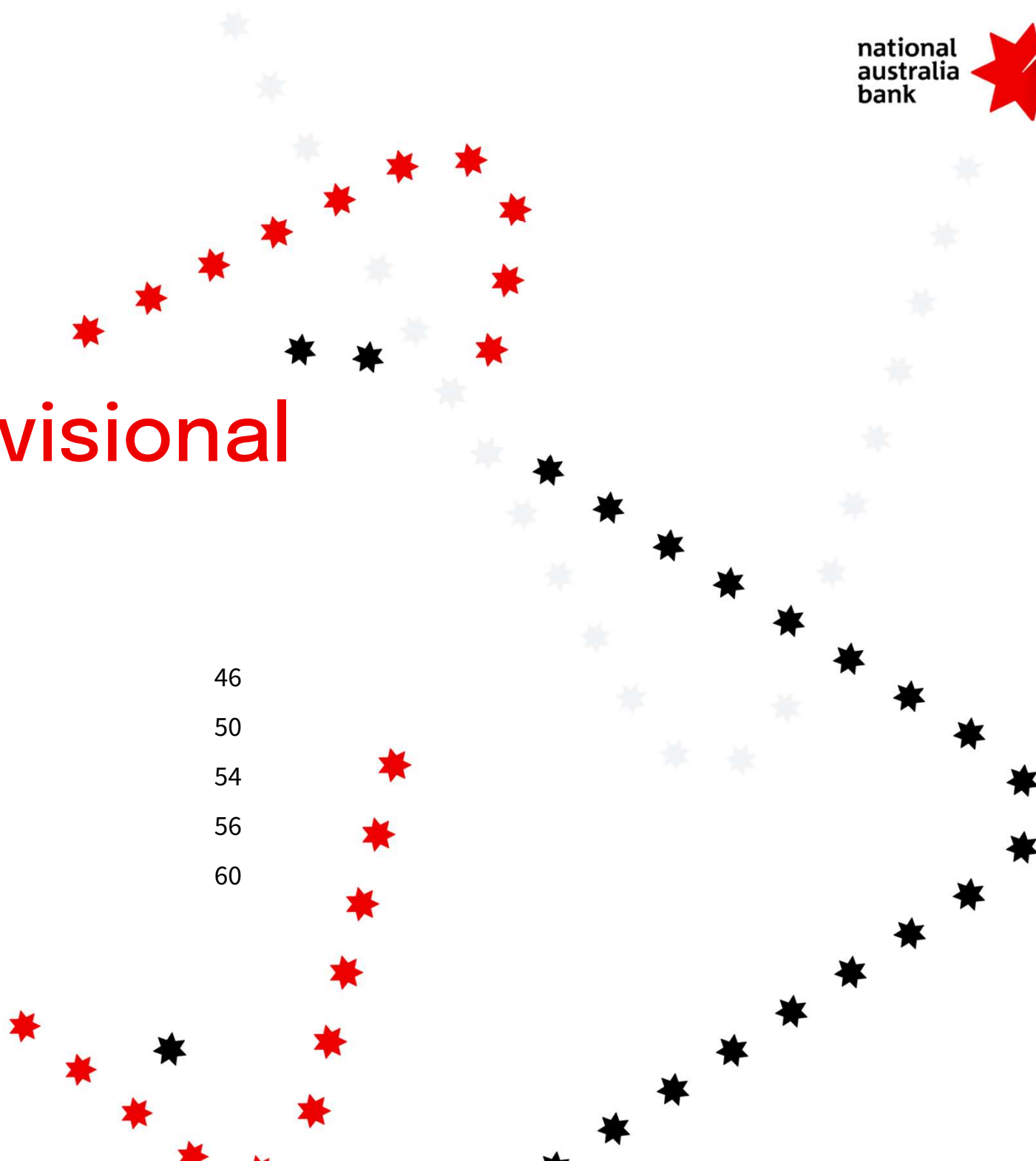
A digital platform that streamlines the commercial lending process for brokers, lenders and customers through automation, preparation of financing documents and facilitation of direct lodgement. Cito+ is focused on resolving challenges associated with broker-driven commercial lending

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# Additional Divisional Information

- Business & Private Banking
- Personal Banking
- ubank
- Corporate & Institutional Banking
- New Zealand Banking

46  
50  
54  
56  
60



# Divisional contributions

Divisional cash earnings <sup>1</sup>	Cash Earnings		Underlying Profit	
	1H25 (\$m)	1H25 v 2H24	1H25 (\$m)	1H25 v 2H24
Business & Private Banking	1,634	1.4%	2,578	(1.8%)
Personal Banking	576	(6.8%)	981	(2.6%)
Corporate & Institutional Banking <sup>2</sup>	909	4.1%	1,324	7.0%
New Zealand Banking <sup>3</sup>	781	12.5%	1,086	0.5%

(1) Refer to page 36 for definition of cash earnings and reconciliation to statutory net profit

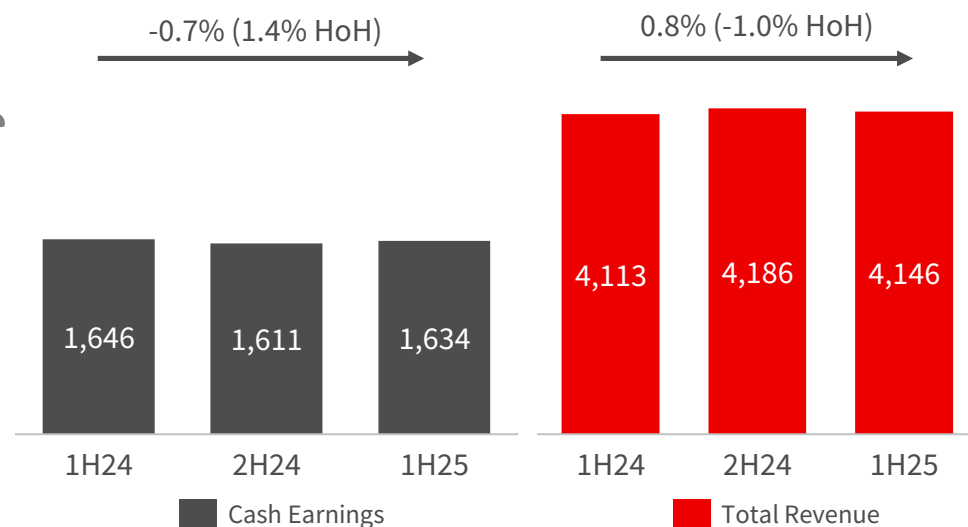
(2) Figures include impact of wind down of NAB Asset Servicing business over approximately three years from Nov 22

(3) New Zealand Banking results in local currency

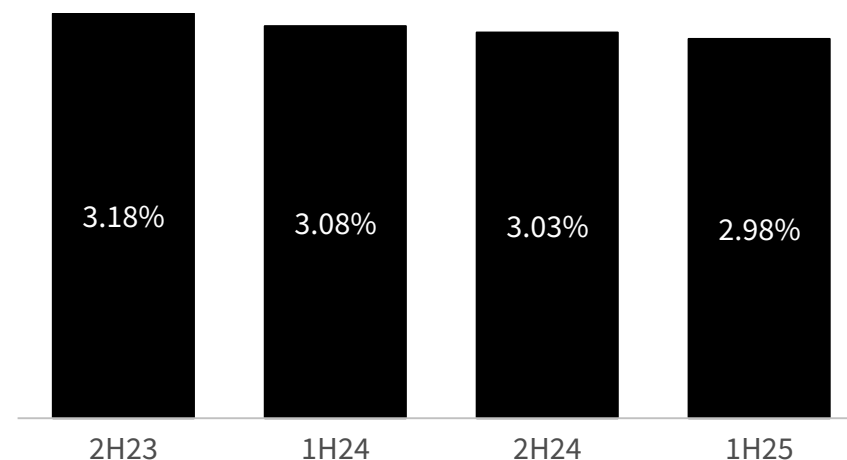
# Business & Private Banking

## Cash earnings and revenue

(\$m)

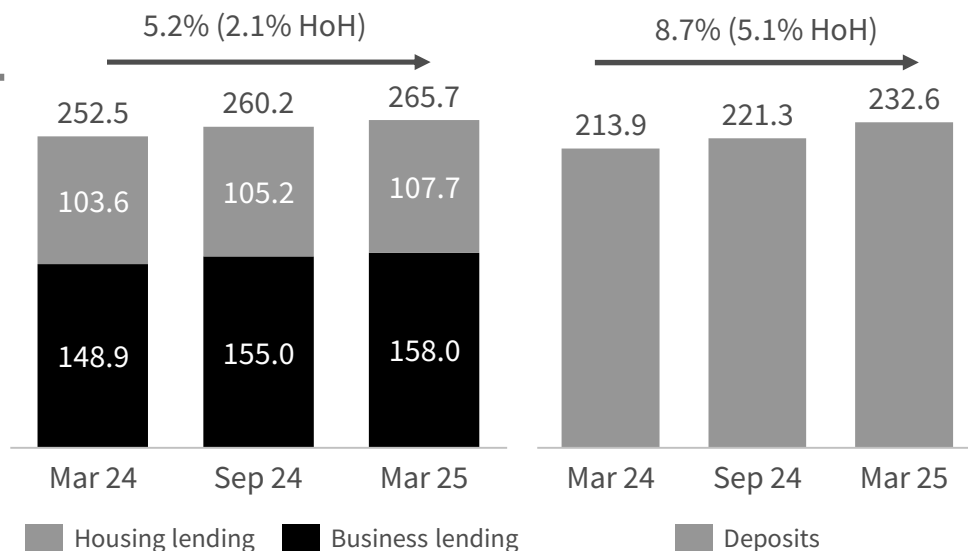


## Net interest margin



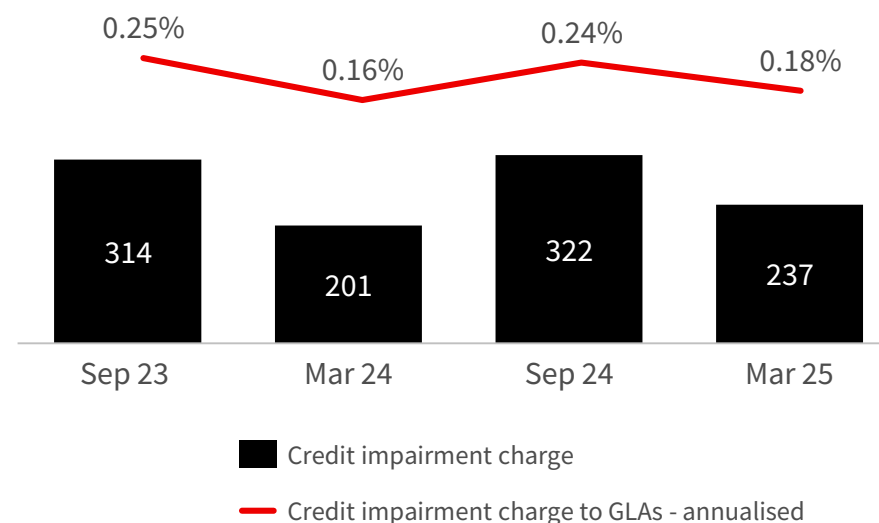
## Business and housing lending GLAs and deposits

(\$bn)



## Credit impairment charge and as a % of GLAs

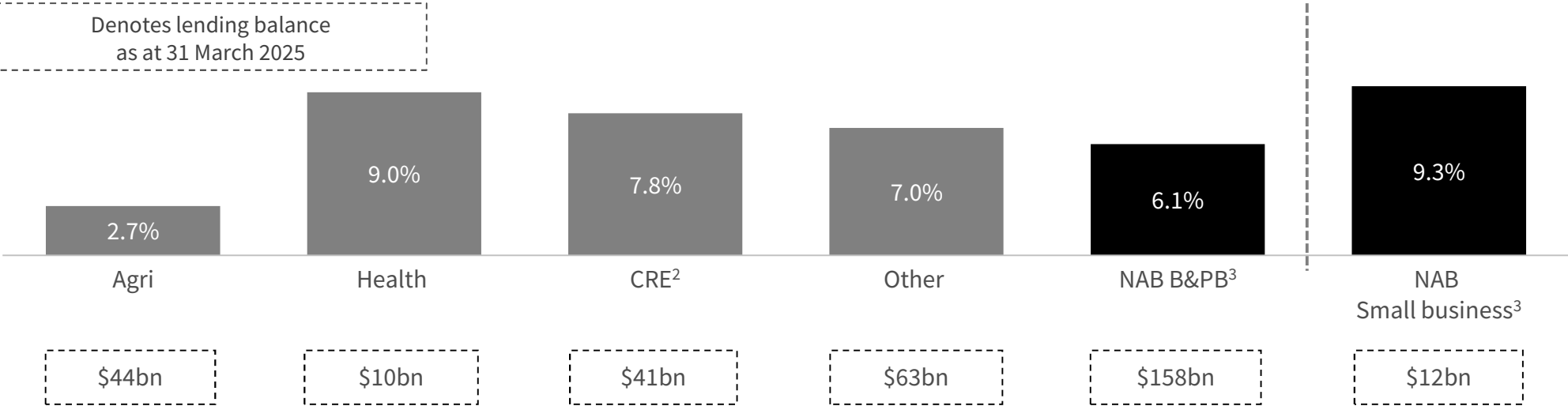
(\$m)



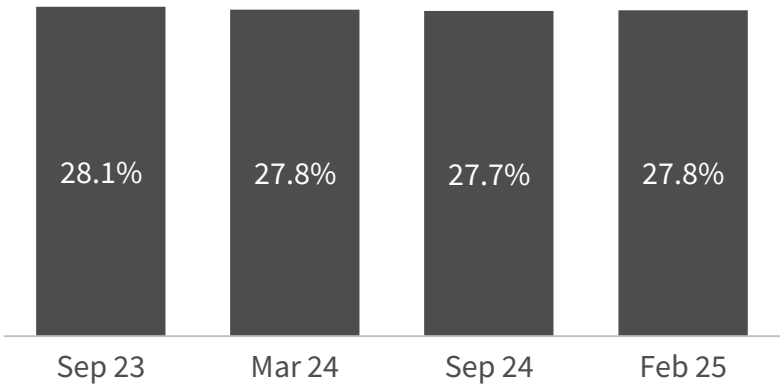
# Business & Private Banking business lending

## Diversified Australian business lending growth (YoY)<sup>1</sup>

Denotes lending balance  
as at 31 March 2025



## SME lending market share (RBA)<sup>4,5</sup>



## Business lending market share (APRA)<sup>5,6</sup>



(1) Growth rates are on a customer segment basis and not industry. During the year to 31 March 25 there have been some refinements to customer segmentation impacting Agri, Health and Other, with March 24 balances restated on an equivalent basis

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

(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) Derived from latest RBA statistics. Latest data as at Feb 25 excluding financial businesses. Comparative information has been restated to align to the presentation in the current period

(5) Includes business lending relating to both B&PB and some C&IB customers

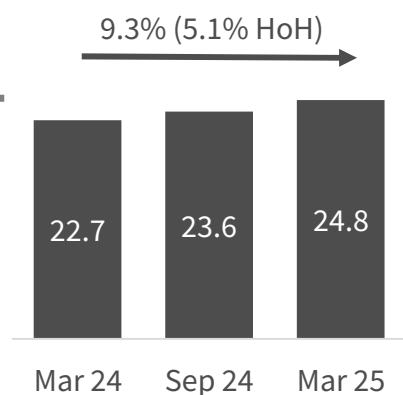
(6) Represents business lending to non-financial businesses and community service organisations under APRA monthly Authorised Deposit-taking Institution Statistics definitions. Comparative information has been restated to align to the presentation in the current period

# Private Wealth

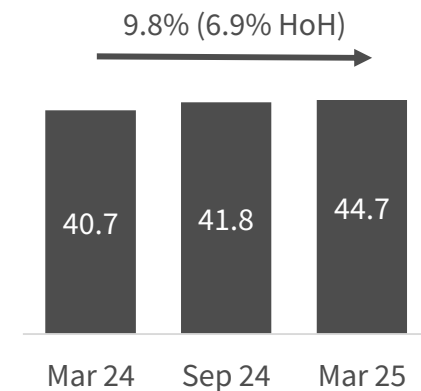
*Delivering banking, investments and advice to high net worth (HNW) customers via an integrated offer combining JBWere, NAB Private Investments, nabtrade and Private Banking*

- Good growth in **deposits and housing lending** along with strong **net inflows and FUM growth** in JBWere, supported by ongoing referrals across Business & Private Banking
- Winner Global Finance award for **best private bank in Australia**<sup>1</sup>
- Continued strong uptake of **Global Bond Service** launched in 1H24, providing high net worth customers with access to unlisted domestic and international bonds: ~\$4bn assets on the platform
- Improved onboarding experience for JBWere customers, **reducing time taken** through process simplification and streamlining

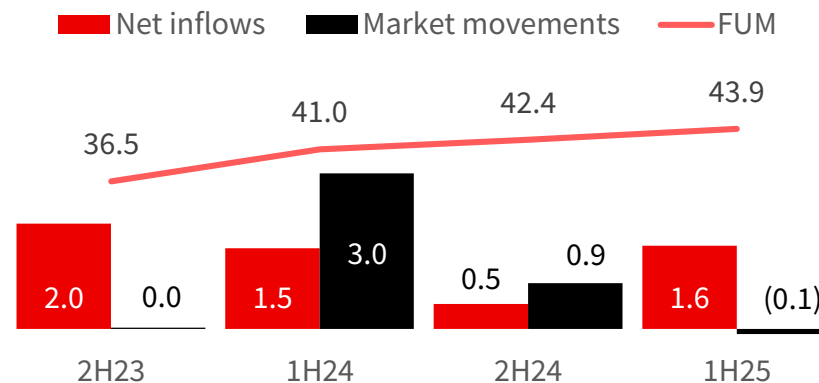
Private Banking housing  
lending  
(\$bn)



Private Banking deposits  
(\$bn)



JBWere net inflows and FUM<sup>2</sup>  
(\$bn)



(1) 2025 Global Finance Award: Best Private Bank in Australia category  
(2) FUM balances and components have been restated to reflect the sale of NZ wealth businesses

# Building an end-to-end digital business lending platform

Delivering faster, more seamless business lending experiences across small to complex customers

## Simple, digital application

High re-use of existing customer data

## Fast, automated verification & decisioning

Digital security database with fast valuations and strong data quality

## Increasing digital fulfillment, settlement & management

Digital documentation<sup>1</sup> & execution increasingly allowing customers to receive and sign documents same day

### Small & Medium secured business lending – banker originated

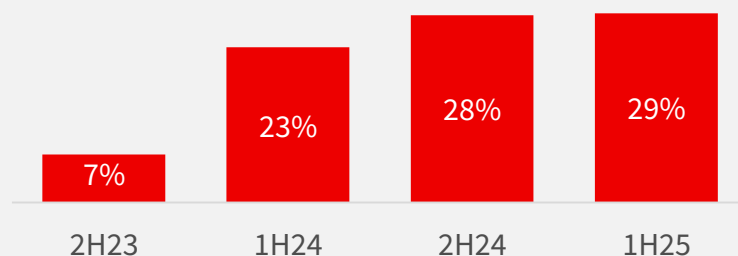
- Streamlined digital deal submission allowing bankers to structure and submit all customer lending requests with integration to decisioning
- Single system replacing multiple systems - saving time, reducing errors and duplicated work

### Small business unsecured lending via QuickBiz<sup>2</sup> – direct & banker originated

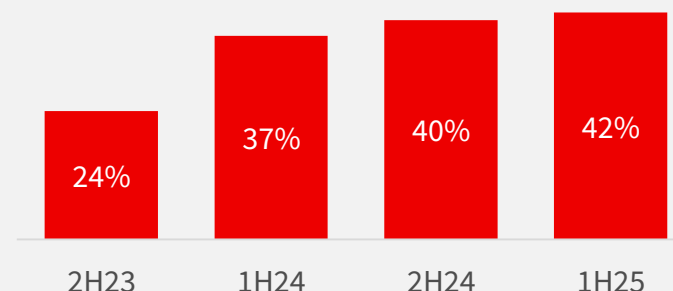
- Increasing portion of applications straight-through processed

Migration progressing with increasing portion of business lending now capable of origination via new platform

% of QuickBiz applications straight through processed<sup>3</sup>



Banker deals submitted digitally<sup>4</sup>



(1) Currently available for QuickBiz Lending, Term Lending, Simple Home Lending, Commercial Broker and Equipment Finance

(2) 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

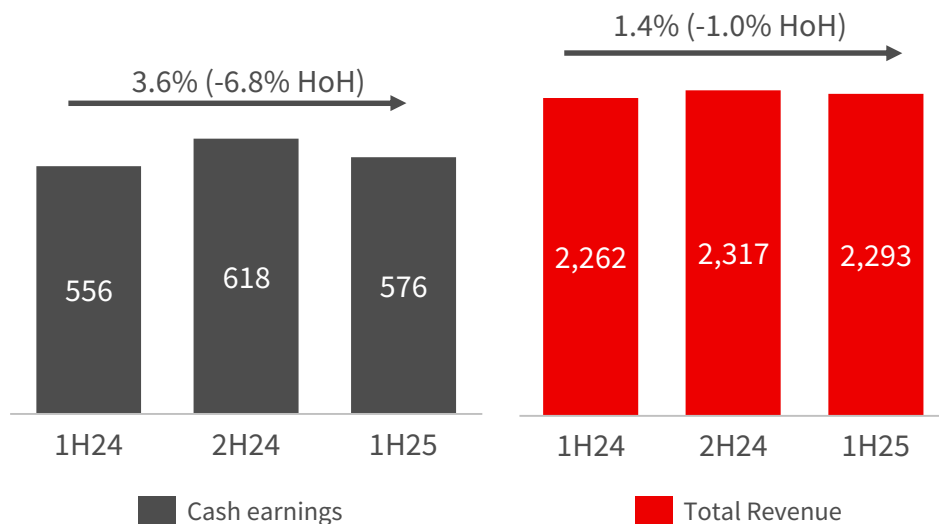
(3) Number of applications straight through processed on QuickBiz as a proportion of the total number of approvals

(4) % of New/Increase lending deals submitted by bankers via QuickBiz or via small and medium business lending streamlined single system

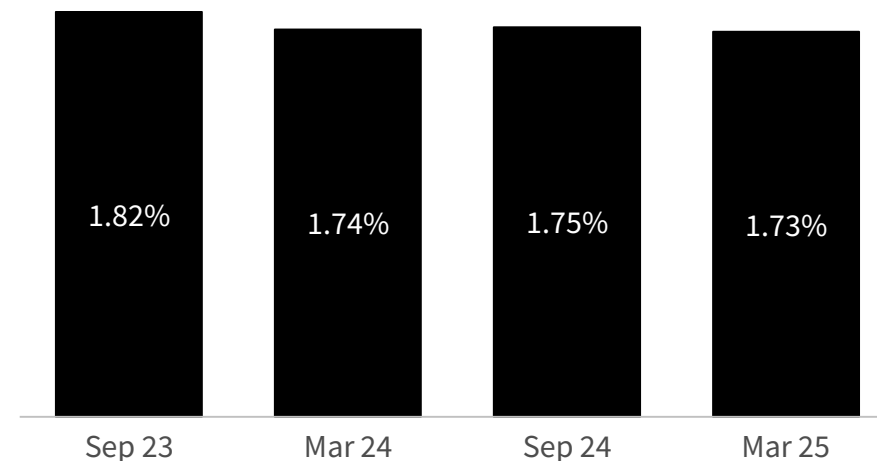


# Personal Banking

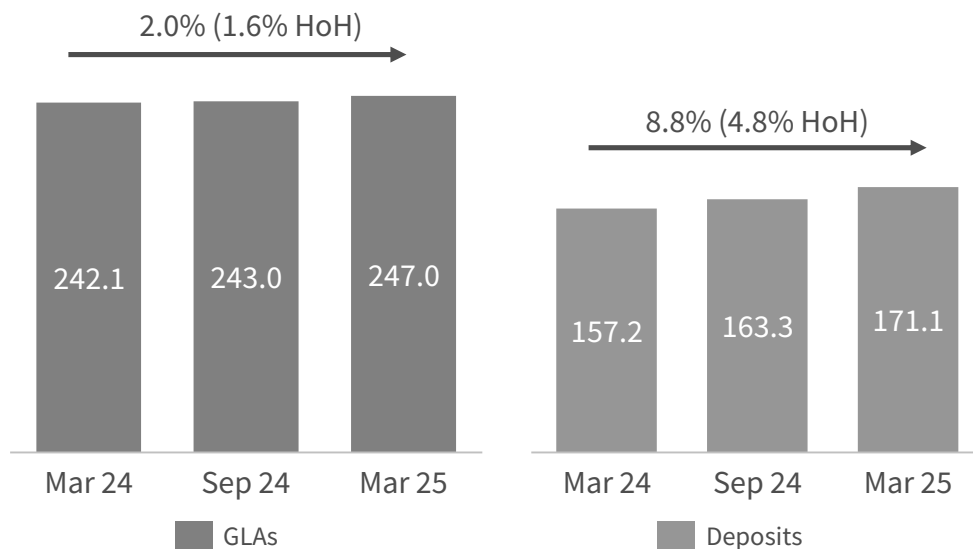
## Cash earnings and revenue (\$m)



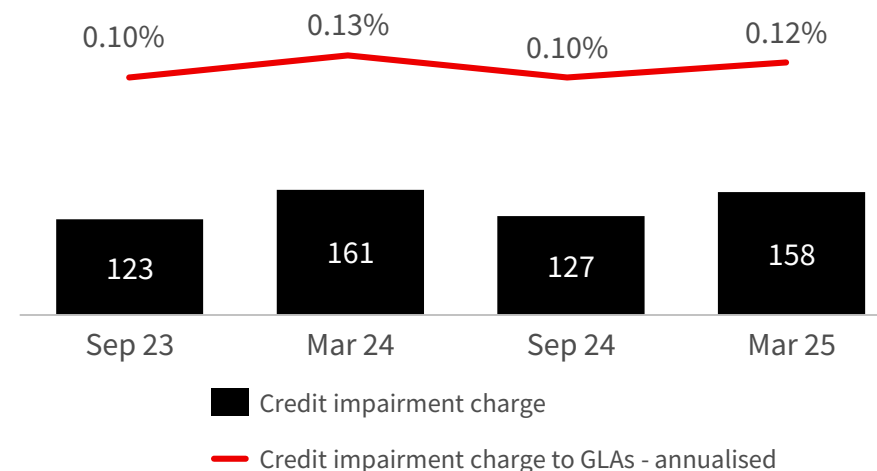
## Net interest margin



## Housing lending GLAs and deposits (\$bn)



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



# Personal Banking

## Deepening customer relationships



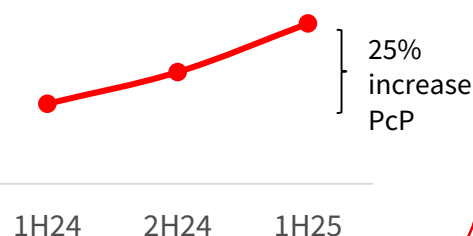
- 31 Saturday branch openings<sup>1</sup>
- Branch and ATM network investment
- Investing in contact centres to resolve customers' service and sales needs at first point of contact
- Providing bankers with GenAI Knowledge Management tools

## Growth in proprietary lending



- Uplifting banker capability and support
- Continued investment in a simplified mortgage process to deliver fast home loan decisions

### Proprietary drawdowns \$bn (PB and B&PB)

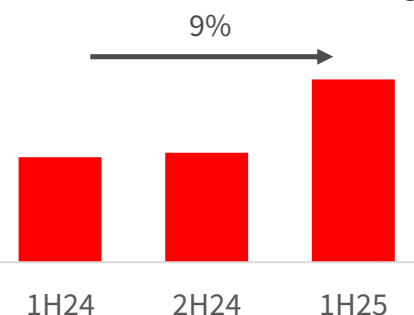


## Sustainably grow deposits



- Target growth segments incl. mass affluent to drive new account openings and deepen main bank relationships
- Investing in personalisation to deliver relevant offers and reward loyalty

### Transaction account openings

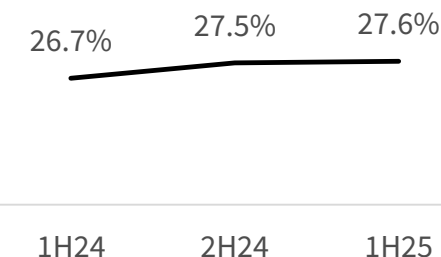


## Market leading in unsecured lending



- Building a modern platform to support customer experience, expanded white label and rewards partnerships

### Credit cards market share<sup>2</sup>



Enabled by our continued investment in personalisation through digital and data capabilities

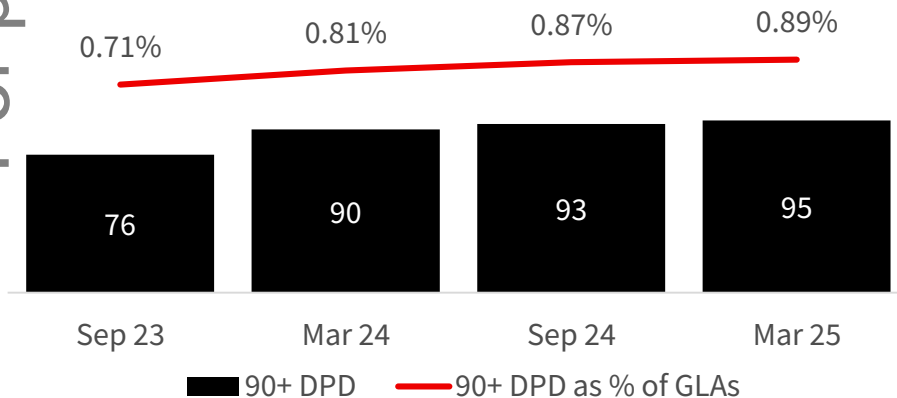
(1) Year to date 30 April 2025  
(2) APRA Monthly Authorised Deposit-taking Institution statistics

# Unsecured lending

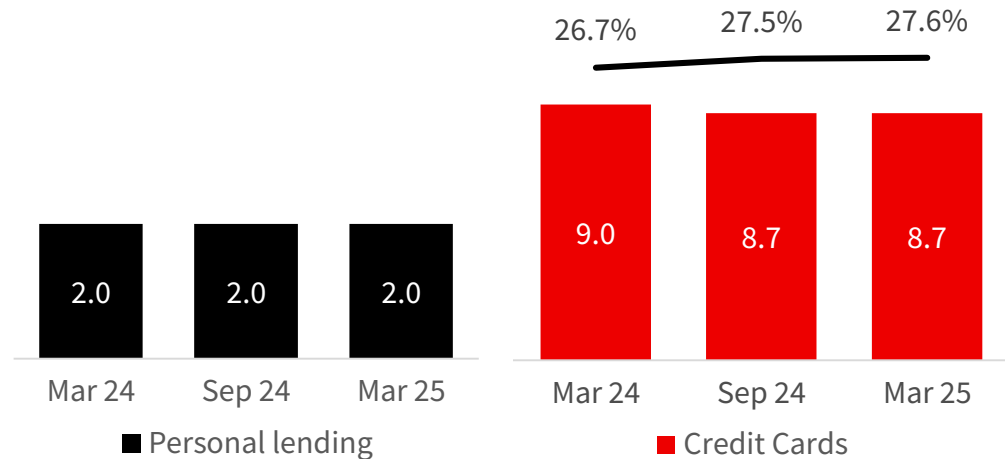
## Key considerations

- Strong customer acquisition and spend performance across NAB and Citi portfolios
- Portfolio quality remains sound
  - Arrears increased in 1H25 but remain below pre-COVID levels
  - Revolve rate of ~64% continues to trend upwards (62% in FY24), primarily driven by changes in interest free days for Citi cards. However, remains below 2019 trend (~65-70%)

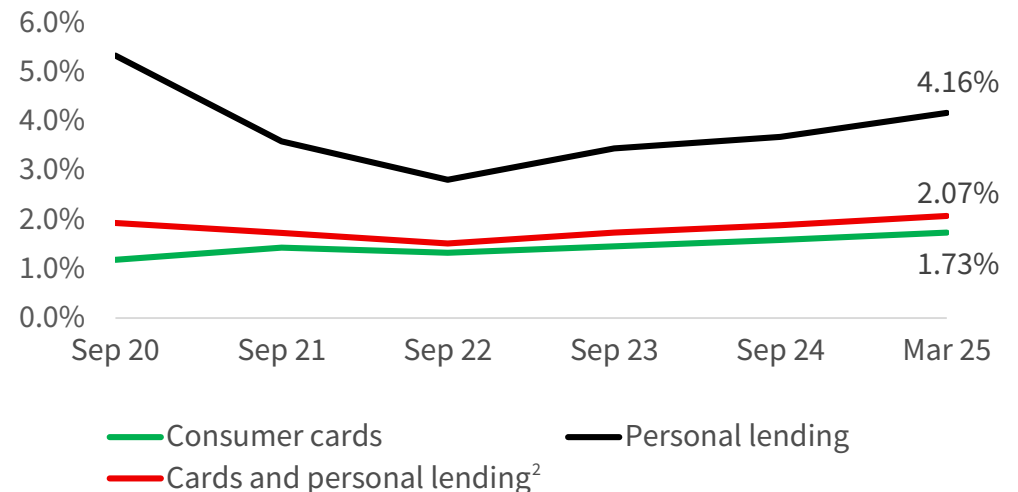
## Cards<sup>2</sup> and personal lending 90+DPD and as a % of total cards and personal lending GLAs (\$m)



## Balance and market share<sup>1</sup> (\$bn)



## 30+DPD as % of GLAs<sup>3</sup>



(1) Market share refers to consumer cards only. APRA Monthly Authorised Deposit-taking Institution statistics. Latest data as at Mar 25

(2) Includes consumer and commercial cards

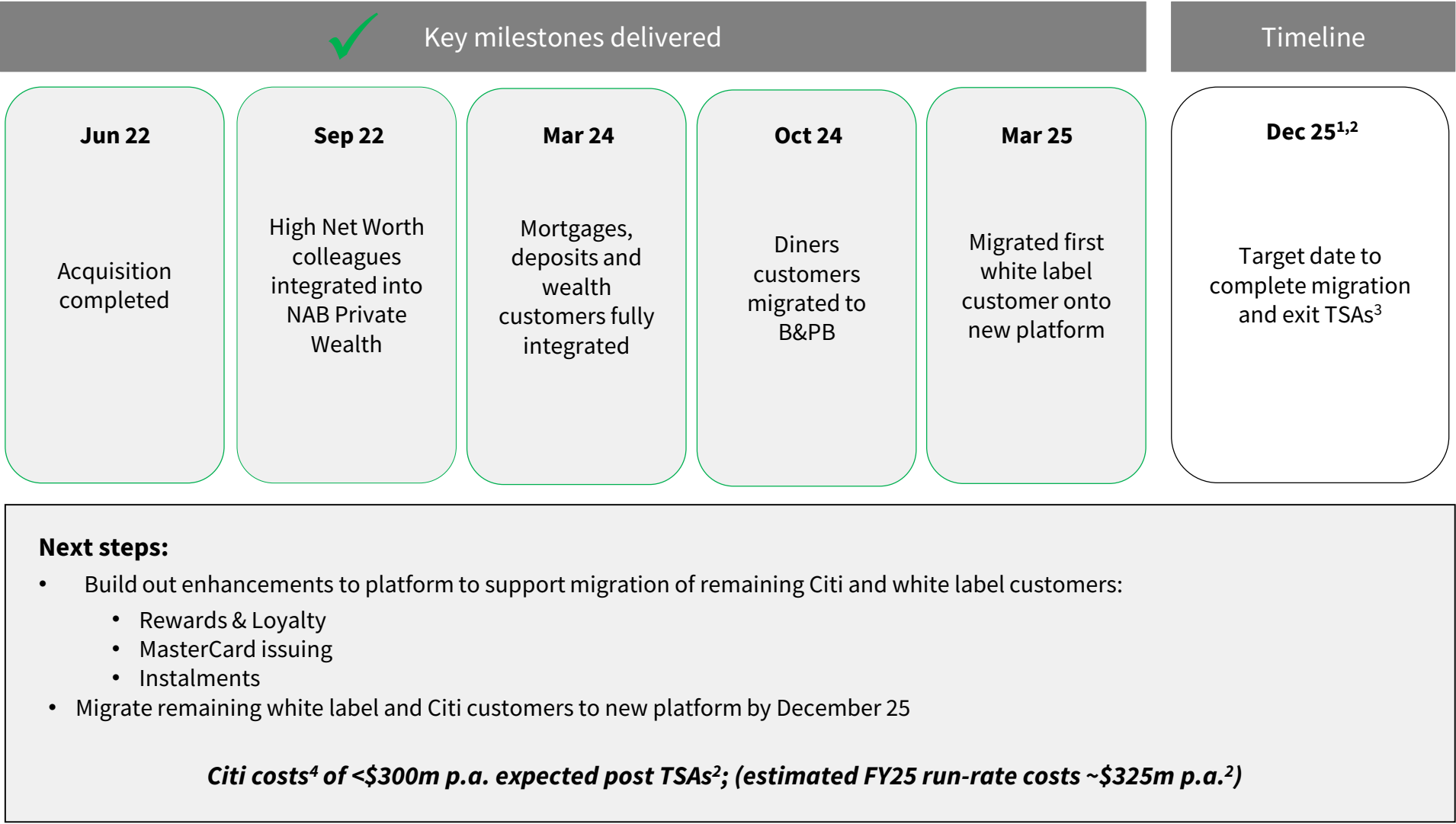
(3) Includes Citi Consumer Business from Sep 22

# Migration of Citi Consumer Business is a key priority



## Integration and migration timeline

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(1) Integration and migration timeframe subject to change (including for deliverables by third-party partners)  
(2) Refer to key risks, qualifications and assumptions in relation to forward looking statements on page 128  
(3) Transitional Service Agreements  
(4) Excludes depreciation and amortisation

# BRANCHLESS BANKING & SMART TECHNOLOGY

## HELPING YOUNG AUSTRALIANS DO BETTER WITH MONEY

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Continue to build momentum in executing core strategy

- Growing customer base with a clear focus on younger demographics (under 35)
- Deepening customer engagement with a focus on innovating to deliver an attractive customer proposition

Simple  
and digital

Relevant  
nudges

Tailored  
Solutions

Delightful and  
rewarding

#2

NPS<sup>1</sup> across peers<sup>2</sup>

>65%

Of onboarded  
customers under  
35 years of age

41%

Increase in average  
weekly transaction  
volumes in 1H25 vs 1H24

### Strong Customer Advocacy

Overall NPS<sup>1</sup>

**+37**

#2 versus peers<sup>2</sup>

Under 35 years  
of age NPS<sup>1</sup>

**+44**

#2 versus peers<sup>2</sup>

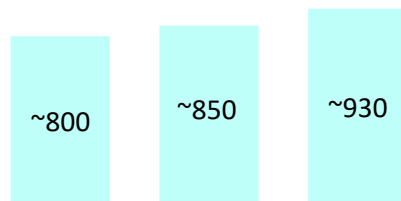
Highly rated app<sup>3</sup>

**4.7**

Out of 5

### Customer numbers (000)

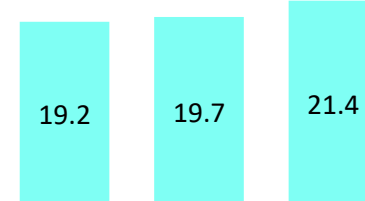
+16%



Mar 24 Sep 24 Mar 25

### Deposit growth (\$bn)

+11.5%



Mar 24 Sep 24 Mar 25

### Lending growth (\$bn)

+11.9%



Mar 24 Sep 24 Mar 25

(1) Sourced: RFI Global – Atlas, measured on 6 month rolling average to Mar 25. Includes consumers 18+

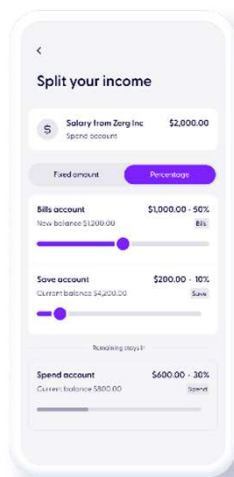
(2) Rank based on position within competitor set (Up, Bendigo Bank, ING, ME Bank, Macquarie Bank)

(3) Apple store rating on 31 March 2025

# EXPERIENCE AND FEATURE INNOVATION IN APP AND ONLINE

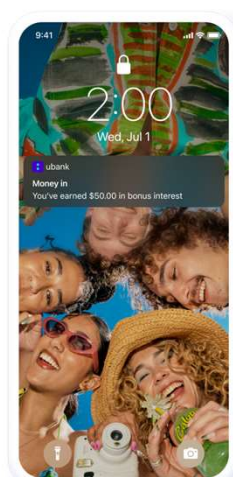
## We're not like other banks

We are helping young Australians do better with money by using smart technology to deliver tailored, relevant, and easy-to-understand insights – creating a simple and engaging customer experience



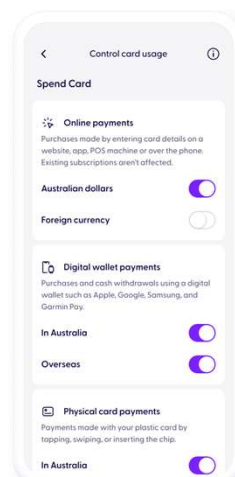
### Money System: Split Income

Splitting income on payday is the easiest way to budget. Customers can now automatically split their income between their Spend, Bills, and Save accounts on payday



### Interest Earned Push Notification

A simple nudge designed to support customers engaging with their savings



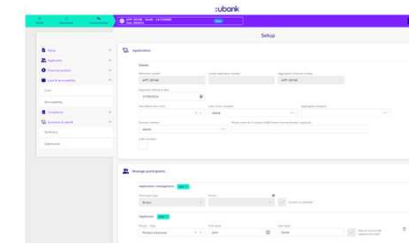
### Card Controls

Allowing customers to manage their spending by turning cards on and off and controlling payments as well as ATM withdrawals locally and abroad



### Money System: In & Out Uplift

Enhancements to the easy-to-read graph of money coming in and going out. Align the view to pay cycle frequency to get ahead pay to pay, explore Merchant level information, and seamlessly start tracking bills

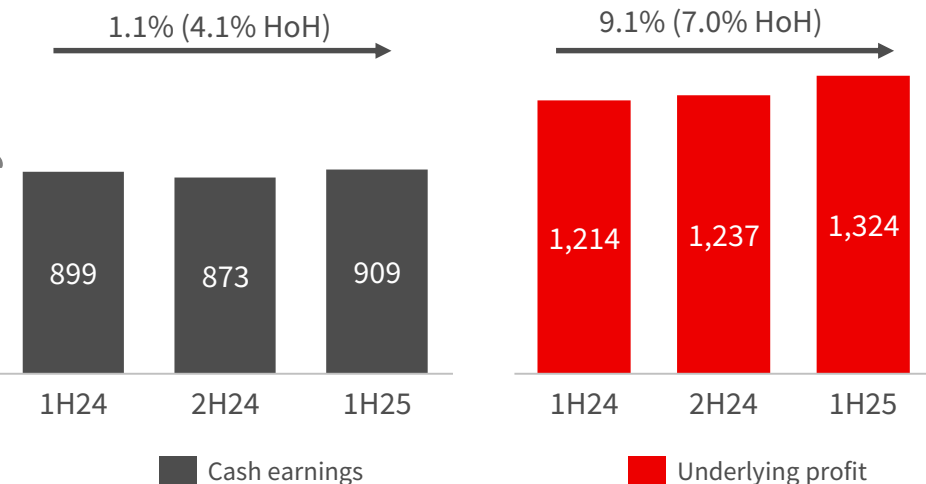


### Transformed Broker Lodgment Experience

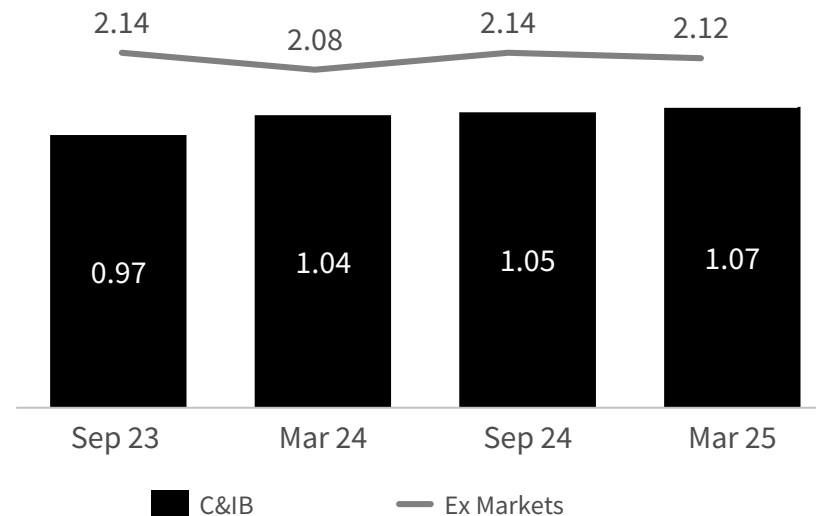
Improved connectivity with third party data, reducing double handling and streamlined time to submission with automatic pre-fill of data and a single touchpoint for all customers tasks

# Corporate & Institutional Banking<sup>1</sup>

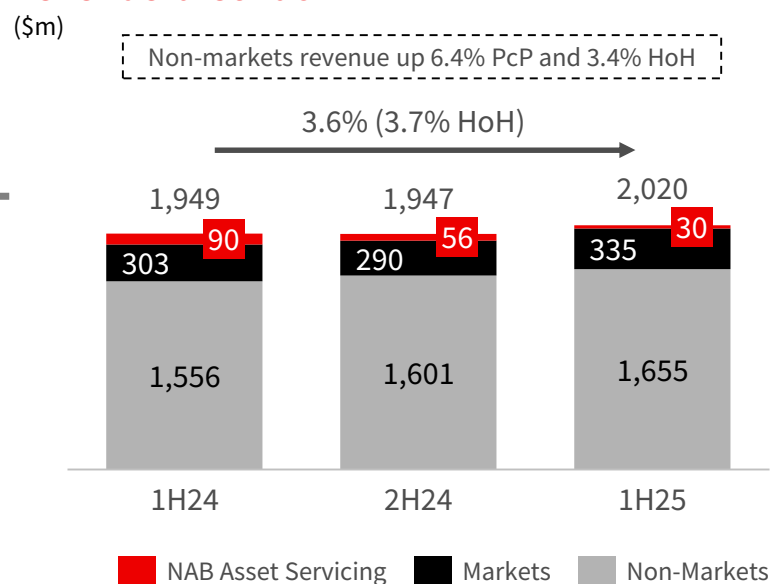
## Cash earnings and underlying profit (\$m)



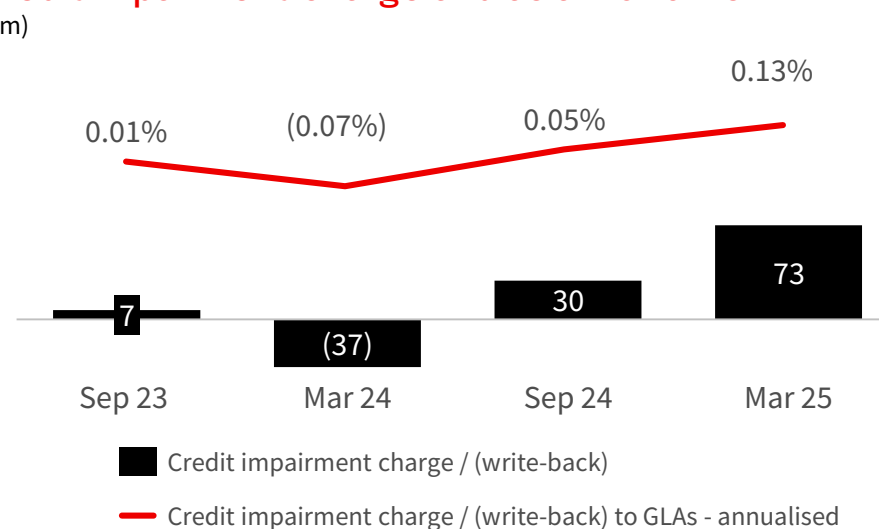
## Net interest margin (%)



## Revenue breakdown<sup>2</sup> (\$m)



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



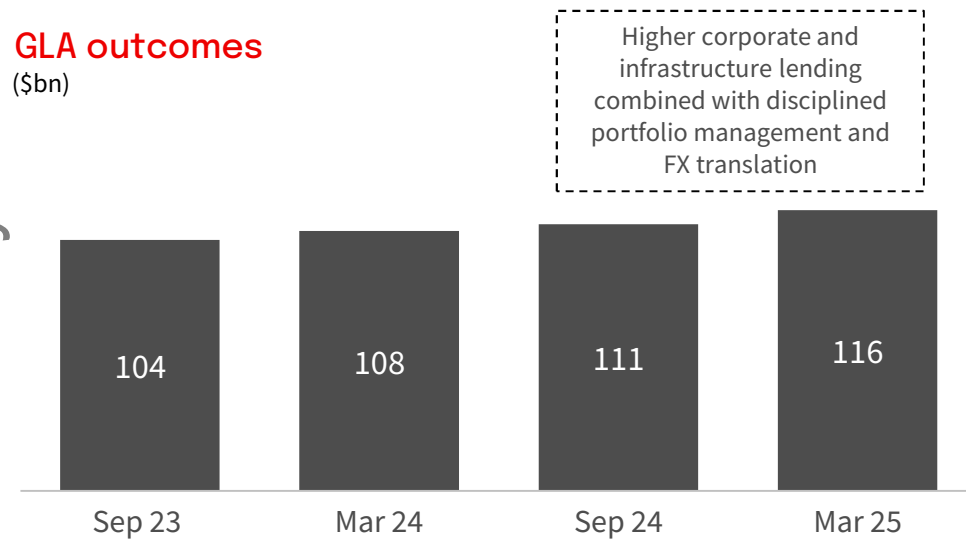
(1) Figures include impact of wind down of NAB Asset Servicing business over approximately three years from Nov 22

(2) Markets revenue represents Customer Risk Management revenue and NAB Risk Management revenue. Includes derivative valuation adjustments. NAB Asset Servicing (which is being wound down over approximately three years from November 2022), 1H24 revenue of \$90m (\$64m NII and \$26m OOI), 2H24 revenue of \$56m (\$39m NII and \$17m OOI) and 1H25 revenue of \$30m (\$21m NII and \$9m OOI)

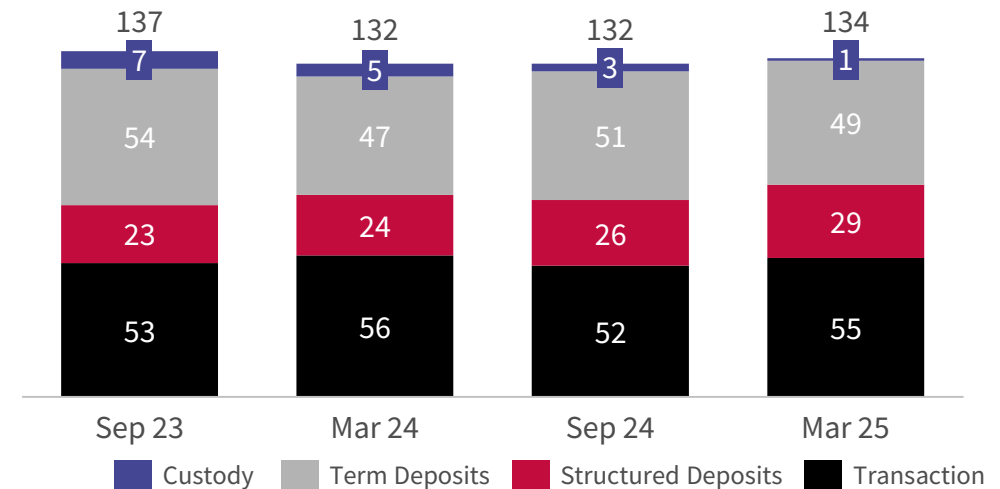
# Disciplined growth in Corporate & Institutional Banking<sup>1</sup>



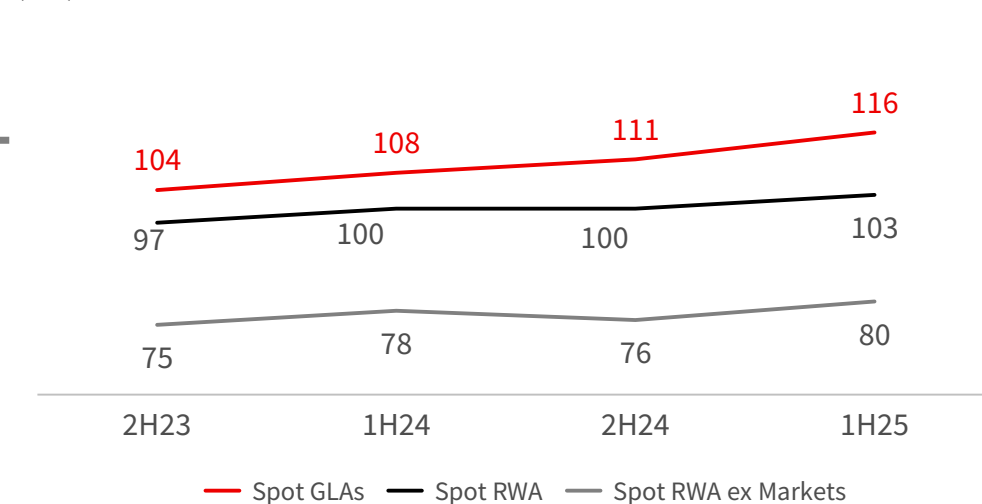
## GLA outcomes (\$bn)



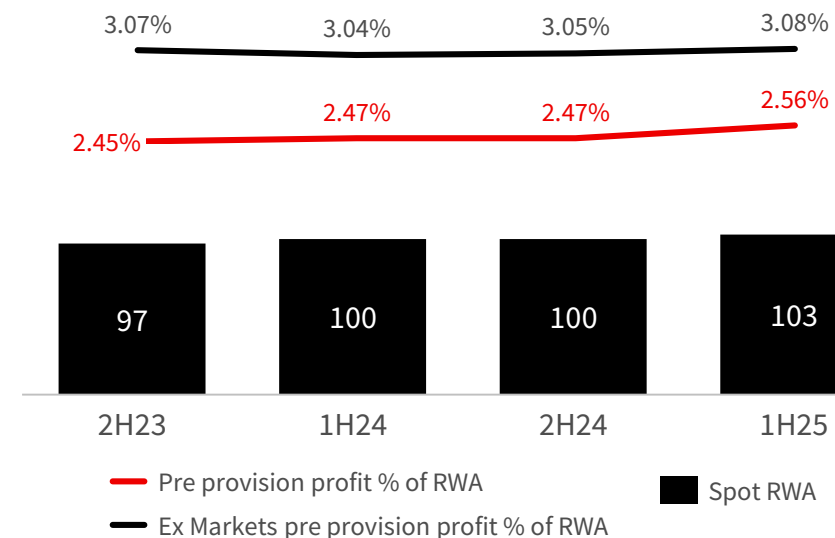
## Deposits<sup>2</sup> (\$bn)



## Disciplined capital usage (\$bn)



## Returns focus<sup>3</sup> (\$bn)



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

(2) Structured Deposits have notice periods which extend their behavioural maturity beyond their initial contractual maturity and pricing construct. They include Rolling Deposit Accounts, Retail Look Through and Notice Saver deposits

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



# Corporate & Institutional Banking

Deep expertise &  
leading capabilities

Tech-enabled solutions  
making doing business easier

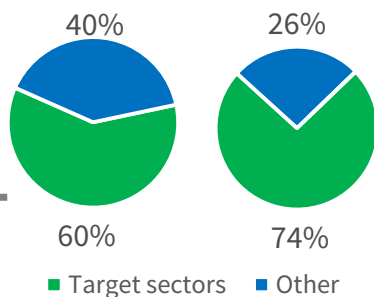
Ongoing simplification &  
disciplined balance sheet usage

Long term relationships  
with target segment  
customers<sup>1</sup>



Mar 21 EAD

Mar 25 EAD



Leading Transaction  
Banking capability



Seamless domestic/  
international payments,  
liquidity management &  
trade finance

**#1 Transaction Banking  
RSI<sup>2</sup>**  
**5 years in a row**

Leading Debt Capital  
Markets offering



Asset distribution  
expertise, trusted  
investor relationships,  
execution excellence

**# 1 DCM RSI<sup>3</sup>**  
**10 years in a row**

Sustainability



Transition planning,  
innovative solutions,  
investment in climate  
capabilities

**#1 bank for global  
renewables transactions<sup>4</sup>**

Focused Global  
Markets offering



AUD & NZD currencies,  
hedging, interest rate  
derivatives

**#1 Corporate FX RSI<sup>5</sup>**

**#2 Interest Rate  
Derivatives RSI<sup>6</sup>**

**Well rated research<sup>7</sup>**

Driving

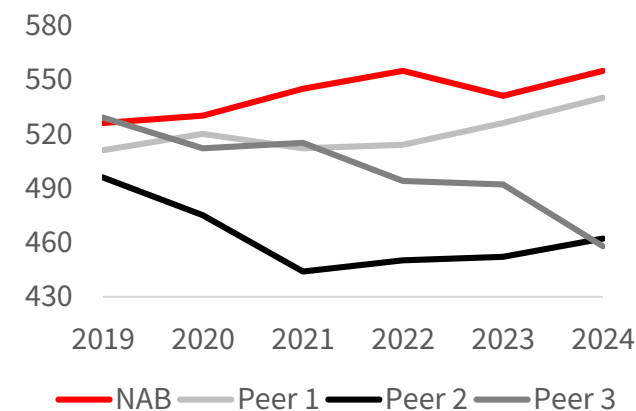
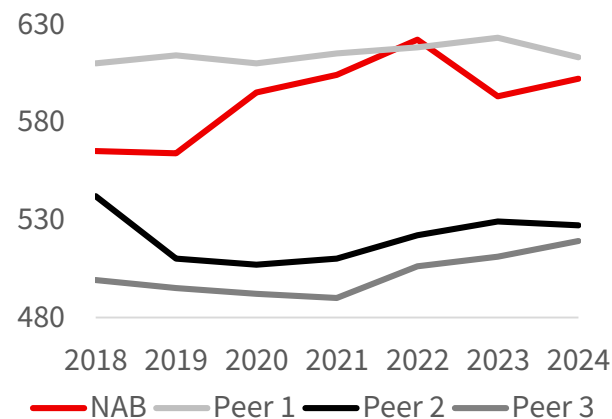
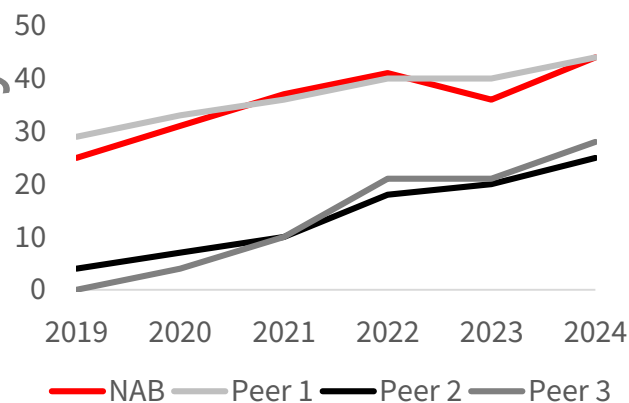
Strong customer advocacy & colleague engagement  
Attractive, sustainable returns: 1H25 cash ROE of 15.6%<sup>8</sup>

(1-8) Refer to sources and notes at the back of this presentation on page 127 for further details  
Relationship Strength Index (RSI) is based on the results of key qualitative measures

# Corporate & Institutional Banking customer metrics

Large Corporate & Institutional – NPS<sup>1</sup> Large Corporate & Institutional RSI<sup>1</sup>

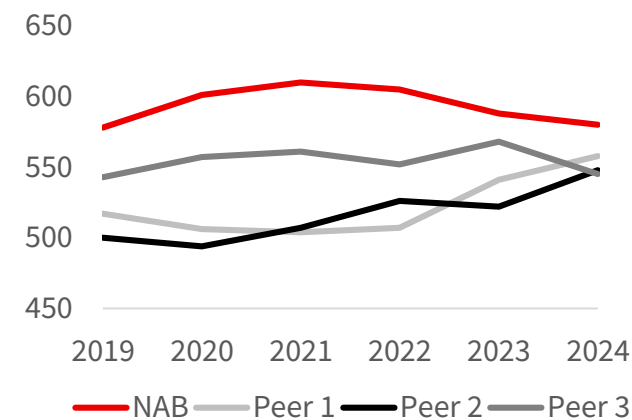
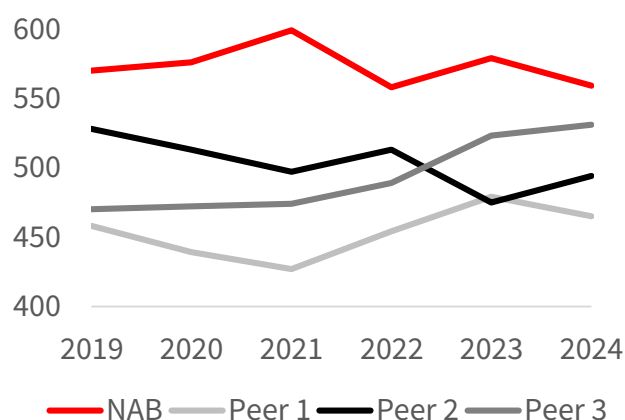
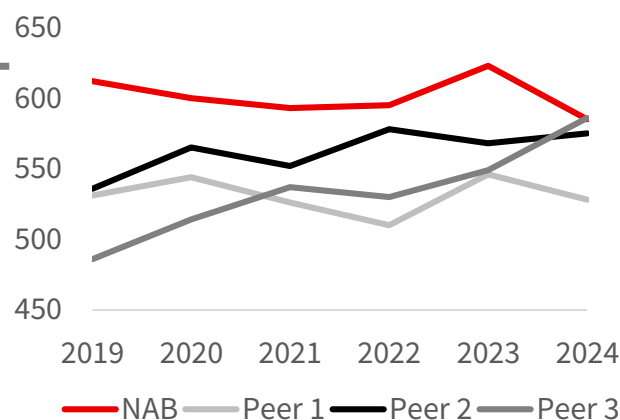
Transactional Banking – RSI<sup>2</sup>



Interest Rate Derivatives – RSI<sup>3</sup>

Debt Capital Markets – RSI<sup>4</sup>

Foreign Exchange (Corporate) – RSI<sup>5</sup>



Source: Coalition Greenwich Voice of Client Studies (formerly Peter Lee Associates). All data taken from the most recently available survey and rankings are against the four major domestic banks. Coalition Greenwich is a division of Crisil. Relationship Strength Index (RSI) is based on the results of key qualitative measures

(1) Large Corporate & Institutional Relationship Banking Survey Jun 24

(2) Transaction Banking Survey Jun 24

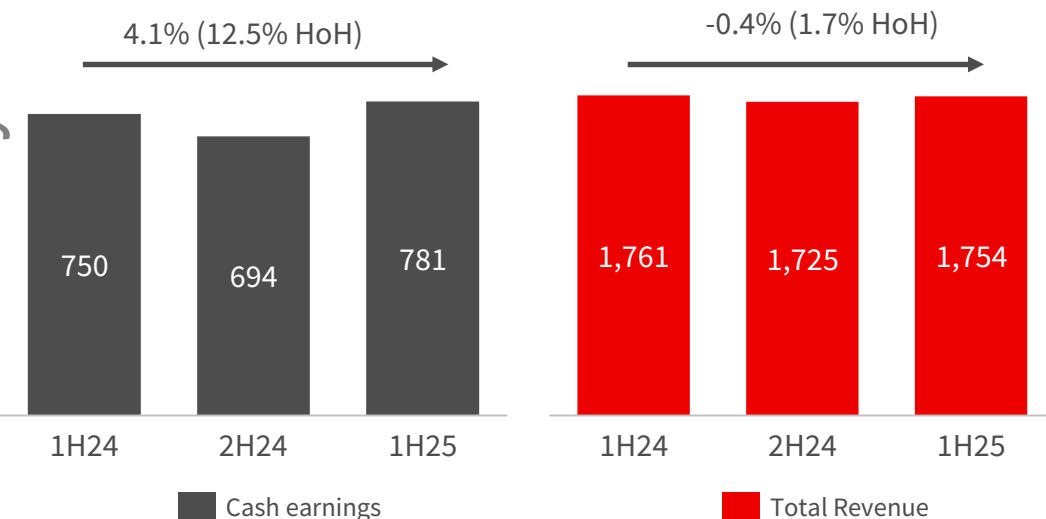
(3) Interest Rate Derivatives Survey Oct 24

(4) Debt Capital Markets Survey Jun 24

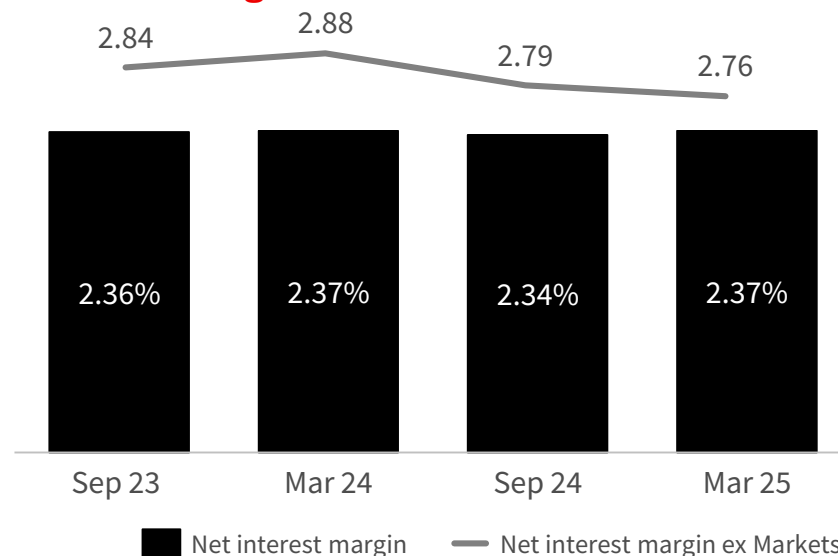
(5) Foreign Exchange Survey, Corporate Respondents Oct 24

## Cash earnings and revenue

(NZ\$m)

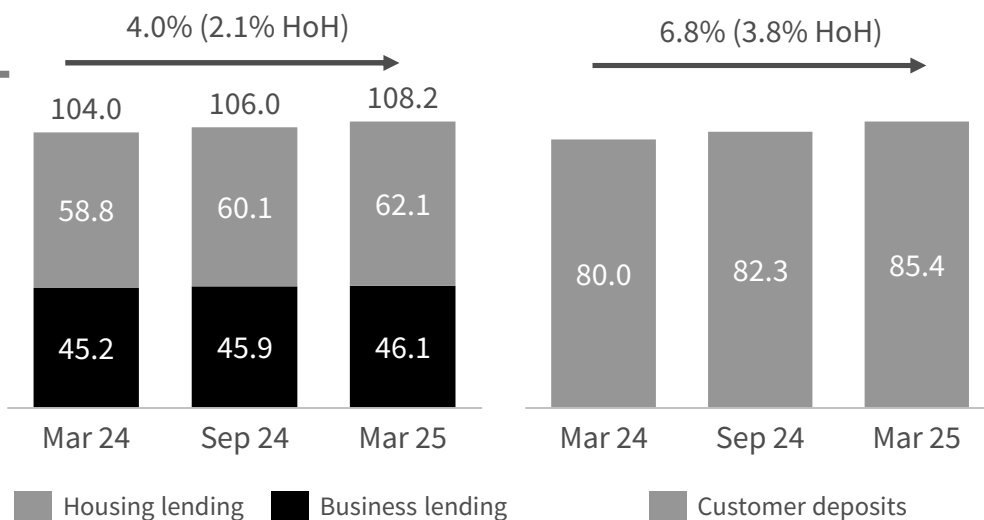


## Net interest margin



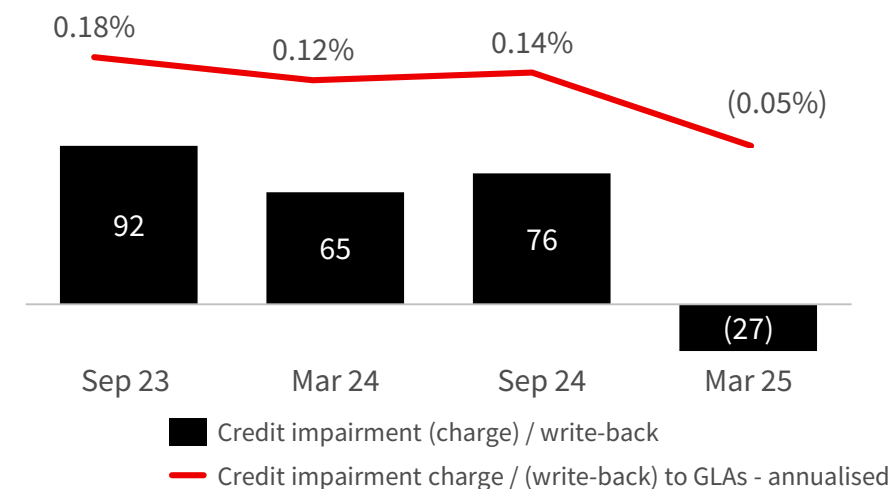
## Business and housing lending GLAs and deposits

(NZ\$bn)



## Credit impairment charge and as a % of GLAs

(NZ\$m)



## Customer obsession

- Strong customer growth with ~100k customers onboarded in the last 12 months
- Simplified products, fees and processes
- Focus on improved service and turnaround time
- Enhanced SME customer proposition, driving improved Business NPS +7 HoH

### #1 Consumer NPS<sup>1</sup>

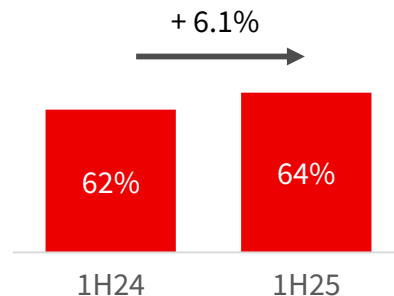


## Enhanced digital capability

- 57% customers onboarded through digital channels
- Payap launched providing merchant terminal customers with a market leading digital wallet and payments proposition



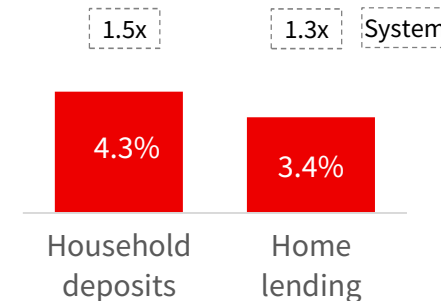
### Digitally active customers



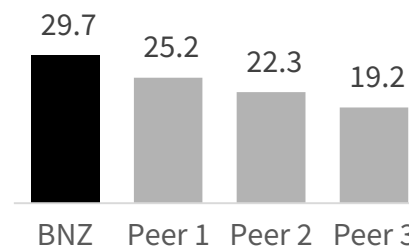
## Good balance sheet momentum

- Above system growth in household deposits and home lending
- #1 Business bank in New Zealand by lending<sup>2</sup>

### 1H25 balance sheet growth<sup>3</sup>



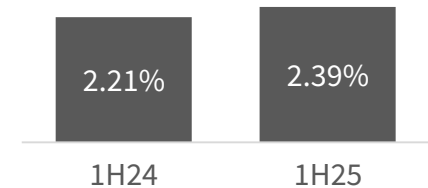
### Business lending<sup>2</sup> (\$NZbn)



## Focus on returns

- Strong focus on returns given increased capital requirements

### Cash earnings on average RWA



### Funding gap (\$NZbn)



(1) Source: Insights HQ (previously known as Camorra Research) 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

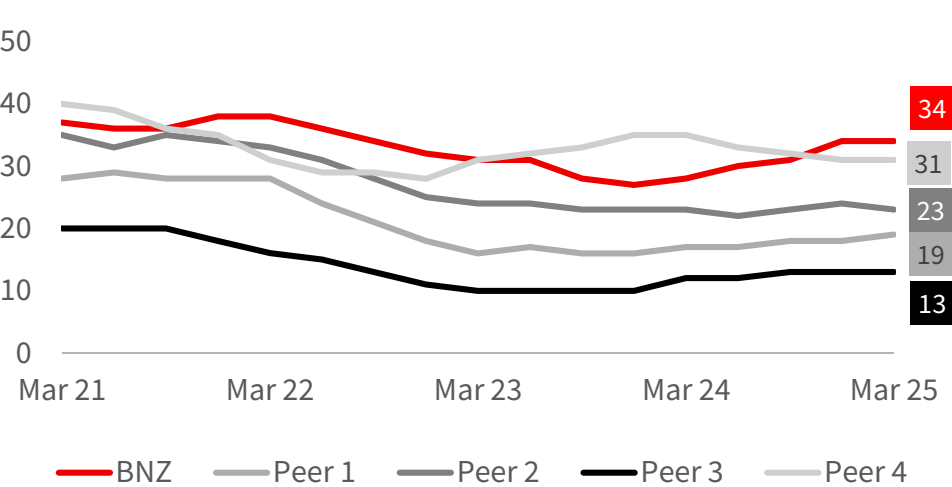
(2) RBNZ business lending data as at Dec 24

(3) RBNZ market share statistics. Latest data at Mar 25

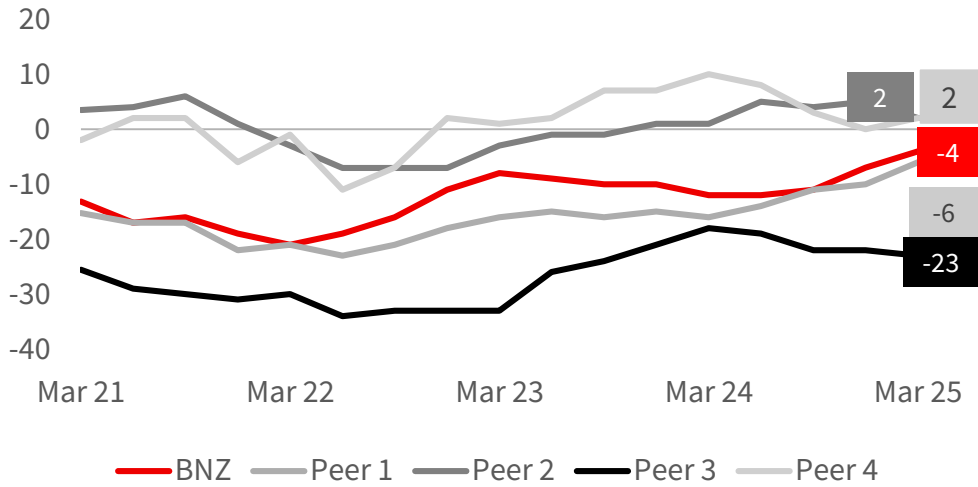
# New Zealand Banking customer metrics



#1 BNZ Consumer NPS<sup>1</sup>



#3 BNZ Business NPS<sup>2</sup>



(1-2) Refer to sources and notes at the back of this presentation on page 127 for further details

# New Zealand housing lending key metrics

New Zealand housing lending	Sep 23	Mar 24	Sep 24	Mar 25		Mar 24	Sep 24	Mar 25
						Drawdowns <sup>1</sup>		
Total Balances (spot) NZ\$bn	57.7	58.8	60.1	62.1		5.4	6.7	7.7
By product								
- Variable rate	8.4%	8.9%	9.6%	12.1%		11.1%	11.4%	15.5%
- Fixed rate	90.1%	89.5%	88.7%	86.2%		86.9%	86.9%	82.4%
- Line of credit	1.5%	1.6%	1.7%	1.7%		2.0%	1.7%	2.1%
By borrower type								
- Owner Occupied	66.3%	66.4%	66.3%	66.2%		68.7%	65.0%	65.4%
- Investor	33.7%	33.6%	33.7%	33.8%		31.3%	35.0%	34.6%
By channel								
- Proprietary	65.2%	63.7%	62.0%	61.1%		53.2%	52.4%	58.0%
- Broker	34.8%	36.3%	38.0%	38.9%		46.8%	47.6%	42.0%
Low Documentation	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Interest only <sup>2</sup>	17.7%	18.0%	18.4%	18.3%	24.0%	25.9%	26.3%	
LVR at origination	63.1%	63.2%	63.4%	63.9%				
90+ days past due	0.17%	0.24%	0.20%	0.21%				
Impaired loans	0.02%	0.09%	0.12%	0.09%				
Individually assessed Impairment coverage ratio	14.2%	18.8%	16.4%	17.2%				
Loss rate <sup>3</sup>	0.00%	0.00%	0.00%	0.01%				

(1) Drawdowns is defined as new lending including limit increases and excluding redraws in the previous six month period

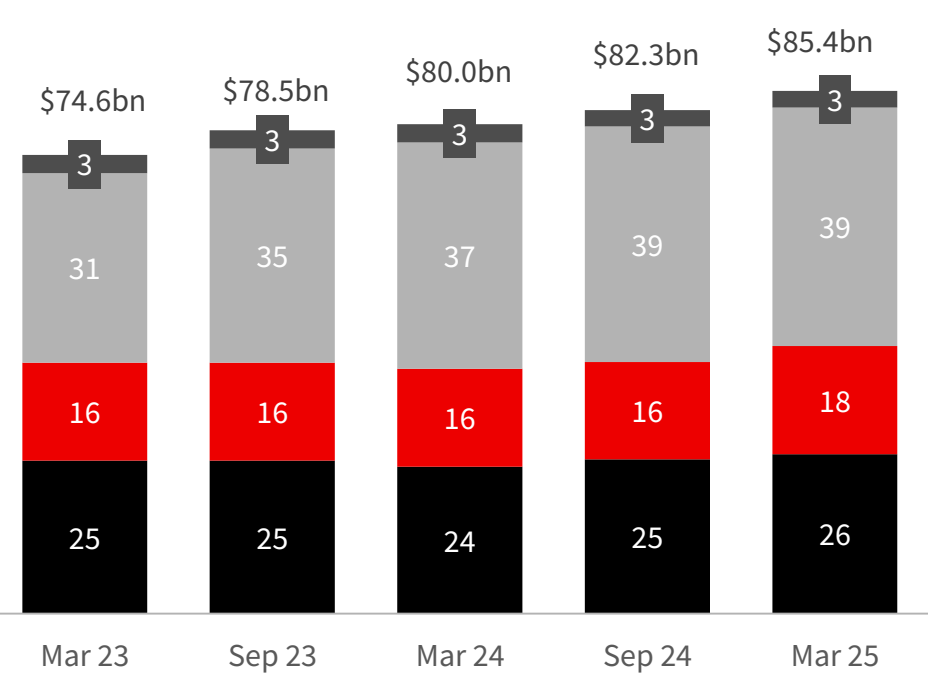
(2) Excludes line of credit products

(3) 12 month rolling Net Write-offs / Spot Drawn Balances

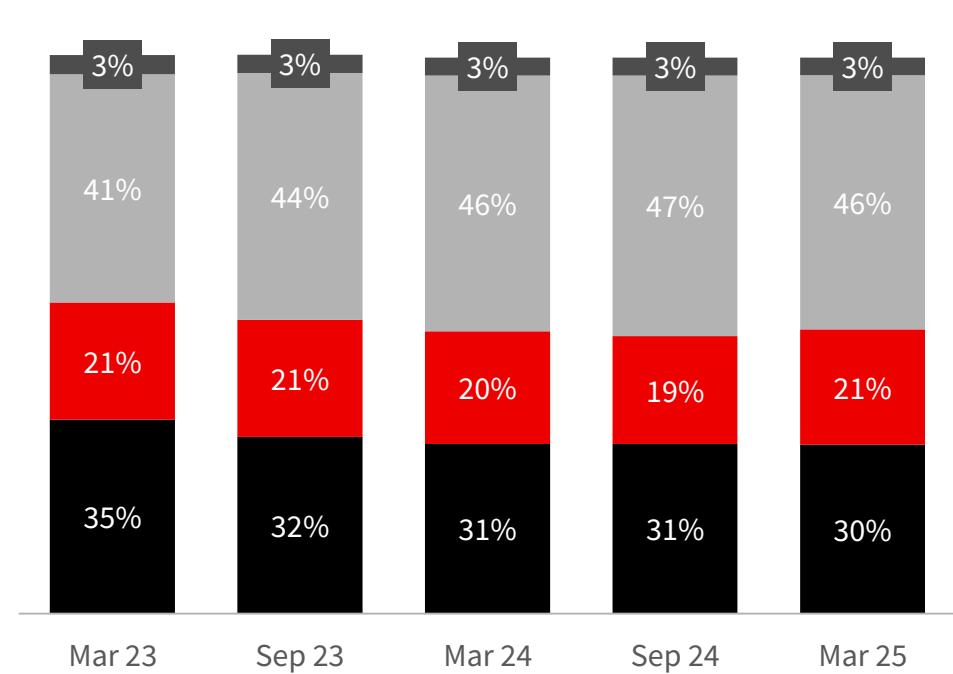
# New Zealand customer deposits



Customer deposits balances by product (NZ)  
(\$bn)



Customer deposits percentage by product (NZ)  
(%)



■ Transaction incl NBIs ■ Savings ■ Term Deposits ■ Offset

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# Additional product information

## Australian Housing Lending





# Housing lending key metrics<sup>1</sup>

Australian housing lending	Sep 23	Mar 24	Sep 24	Mar 25		Mar 24	Sep 24	Mar 25
	Portfolio					Drawdowns <sup>3</sup>		
Total Balances (spot) \$bn	338	344	353 <sup>2</sup>	359		38	37	41
Average loan size \$'000 per account	358	371	381	394		564	564	599
By product type								
- Variable rate	76.8%	84.7%	89.6%	93.2%		97.5%	96.8%	97.2%
- Fixed rate	20.2%	12.6%	7.9%	4.5%		1.5%	1.8%	1.6%
- Line of credit	3.0%	2.7%	2.5%	2.3%		1.0%	1.4%	1.2%
By borrower type								
- Owner Occupied	65.3%	65.5%	65.7%	65.7%		62.3%	60.5%	61.6%
- Investor	34.7%	34.5%	34.3%	34.3%		37.7%	39.5%	38.4%
By channel <sup>4</sup>								
- Proprietary	51.3%	49.6%	48.0%	47.1%		35.4%	39.9%	40.4%
- Broker	48.7%	50.4%	52.0%	52.9%		64.6%	60.1%	59.6%
Interest only <sup>5</sup>	14.7%	14.9%	15.1%	15.4%		23.8%	24.8%	24.1%
Low Documentation	0.2%	0.2%	0.1%	0.1%				
Offset account balance (\$bn)	43	45	48	52				
LVR at origination	68.7%	68.4%	68.0%	67.8%		67.6%	66.8%	67.0%
Dynamic LVR on a drawn balance calculated basis	41.2%	39.2%	38.5%	39.1%				
Customers with offset and redraw balances ≥1 month repayment <sup>5</sup>	67.4%	68.2%	69.5%	70.5%				
Offset and redraw balances multiple of monthly repayments	37.8	36.8	36.6	37.6				
90+ days past due <sup>6</sup>	0.76%	0.90%	1.08%	1.15%				
Impaired loans	0.06%	0.05%	0.05%	0.05%				
Individually assessed provision coverage ratio <sup>7</sup>	28.1%	25.6%	26.2%	25.4%				
Loss rate <sup>8</sup>	0.005%	0.01%	0.01%	0.00%				
Number of properties in possession	151	141	144	134				

(1) Excludes 86 400 platform (ubank housing lending originated on the 86 400 platform). Includes Citi Consumer Business from Sep 24

(2) Includes Citi Consumer Business from Sep 24 of \$6.0bn

(3) Drawdowns is defined as new lending including limit increases and excluding redraws in the previous six month period

(4) Portfolio and drawdowns balances restated due to refinement in customer channel classifications

(5) Excludes line of credit products

(6) Includes loans that have been classified as restructured in accordance with APS 220 *Credit Risk Management* which are assessed as no loss based on security held

(7) Excludes Advantedge Individually assessed provisions from Mar 24

(8) 12 month rolling Net Write-offs / Spot Drawn Balances

# Housing lending practices & policies



## Key origination requirements

Income	<ul style="list-style-type: none"> <li>Income verified using a variety of documents including payslips and/or checks on salary credits into customers' accounts</li> <li>10% shading applies to rental income (Nov 22)</li> <li>Rental expenses included in serviceability calculation post-household expenses calculation. Rental expenses floor set at minimum 10% of rental income (Mar 23)</li> <li>20% shading applies to other less certain income types</li> </ul>
Household expenses	<p>Assessed using the greater of:</p> <ul style="list-style-type: none"> <li>Customers' declared living expenses, enhanced in 2016 to break down into granular sub categories</li> <li>Household Expenditure Measure (HEM) benchmark plus specific customer declared expenses (e.g. private school fees). HEM is adjusted by income and household size</li> </ul>
Serviceability	<ul style="list-style-type: none"> <li>Assess customers' ability to repay based on the higher of the customer rate plus serviceability buffer (3.0%<sup>(1)</sup>) or the floor rate (5.75%<sup>(2)</sup>)</li> <li>Assess Interest Only loans on the full remaining Principal and Interest term</li> <li>Lowered serviceability buffer to 1% for customers who meet certain criteria (Jul 23)</li> </ul>
Existing debt	<ul style="list-style-type: none"> <li>Verify using declared loan statements and assess on the higher of the customer rate plus serviceability buffer (3.0%<sup>(1)</sup>) or the floor rate (5.75%<sup>(2)</sup>)</li> <li>Assessment of customer credit cards assuming repayments of 3.8% per month of the limit</li> <li>Assessment of customer overdrafts assuming repayments of 3.8% per month of the limit</li> </ul>

## 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

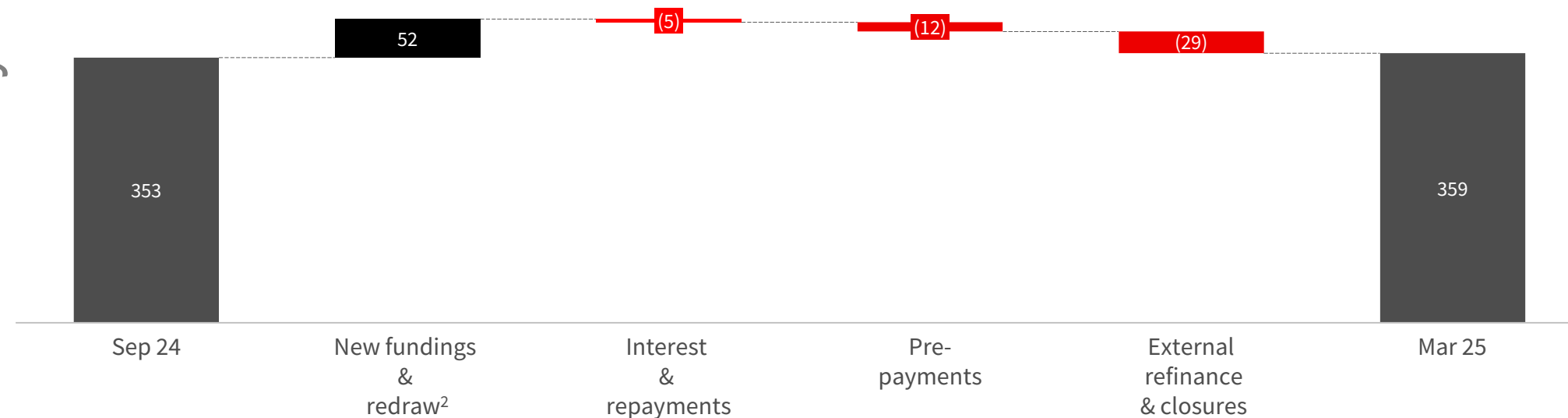
- Risk based approach for high DTI lending, decline rule of >8x for higher risk customers, > 9x manually reviewed
- Lenders' mortgage insurance (LMI) applicable for majority of lending >80% LVR
- LMI for inner city investment housing >70% LVR
- Apartment size to be 50 square metres or greater (including 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

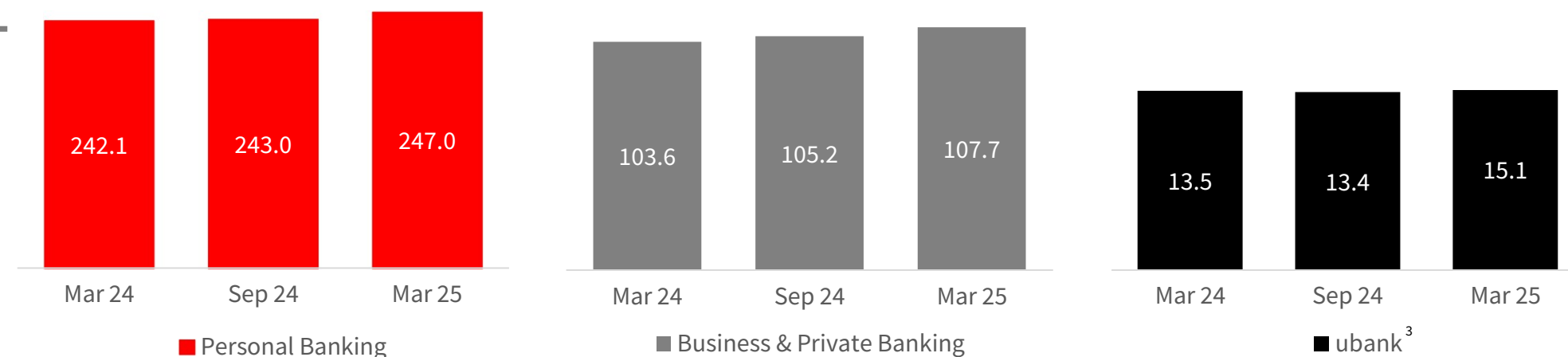
(2) Serviceability floor increased by 0.80% to 5.75% as of 9 September 2022

# Housing lending volume and flow movements

Housing lending flow movements<sup>1</sup>  
(\$bn)



Housing lending by division<sup>2</sup>  
(\$bn)



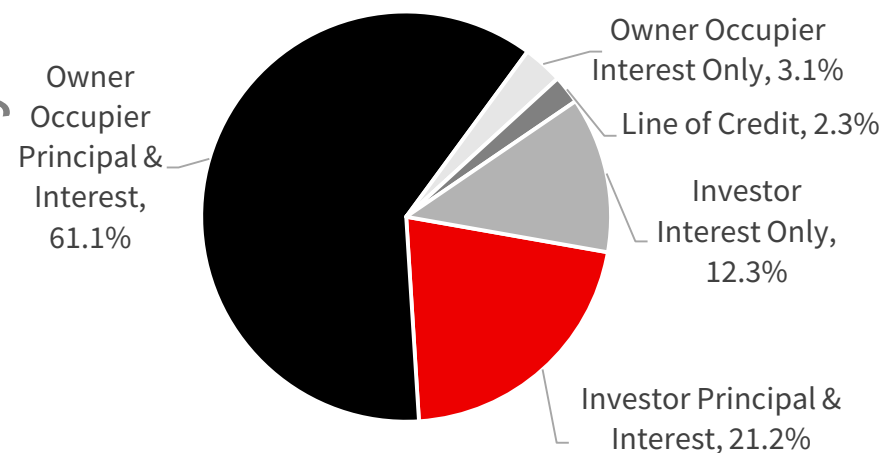
(1) Excludes 86 400 platform

(2) Includes redraws, limit increases and line of credit product

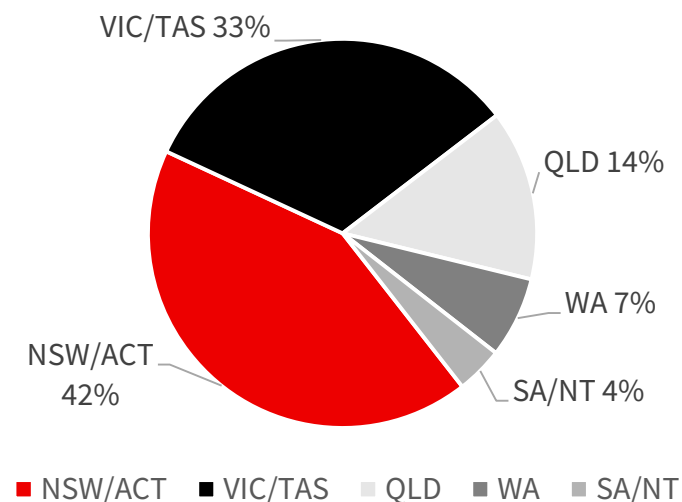
(3) Includes 86 400 platform

# Housing lending portfolio profile

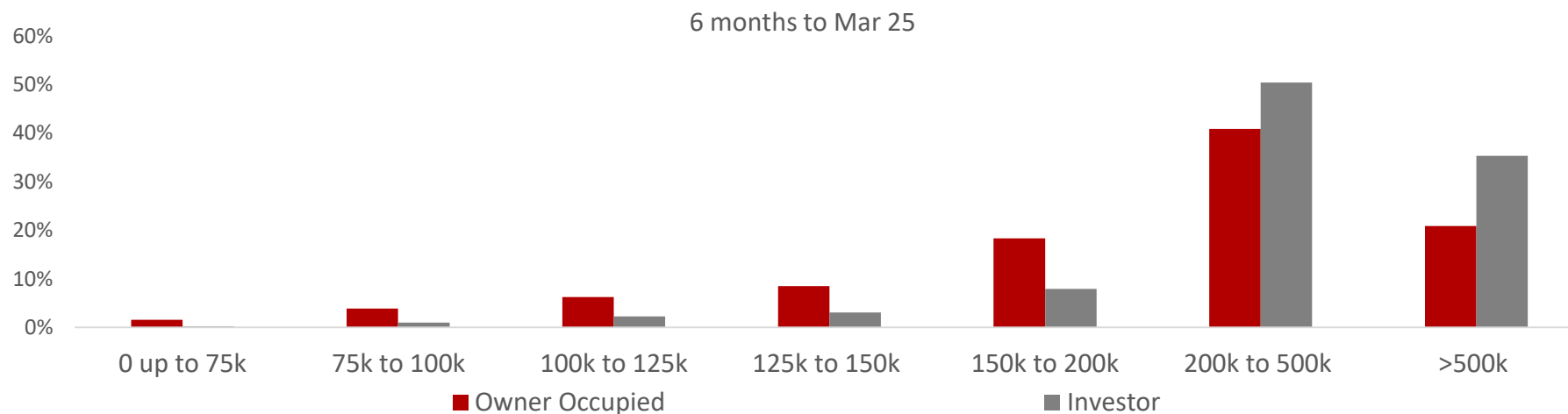
Housing lending volume by borrower and repayment type<sup>1</sup>



Australian mortgages profile<sup>1</sup>



Application gross income band<sup>2</sup>



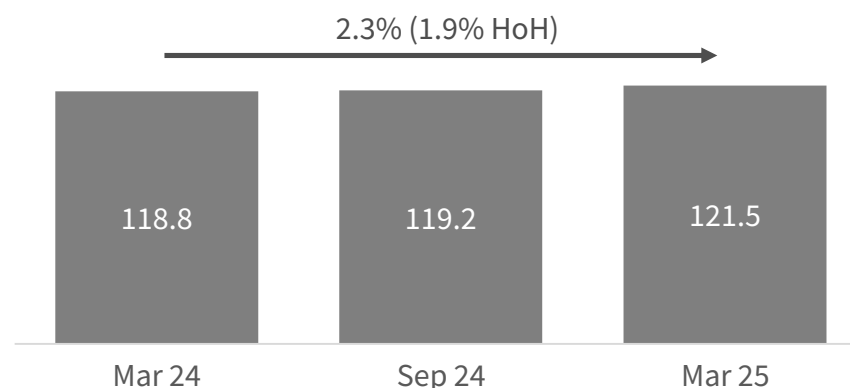
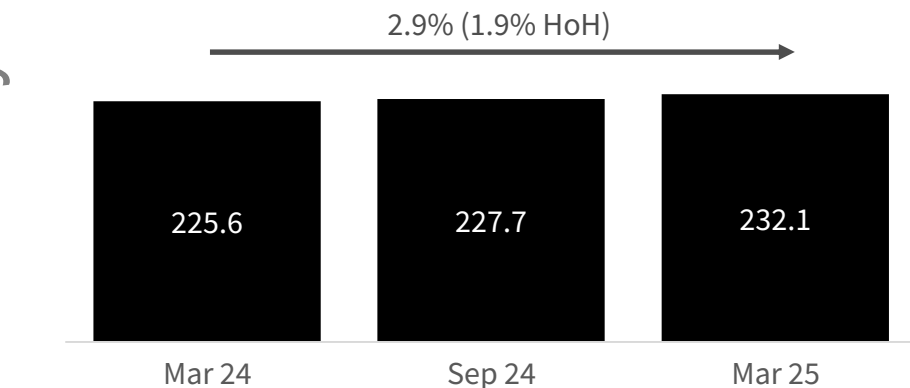
(1) Excludes 86 400 platform

(2) Excludes applications which were manually decided including more complex lending and applications such as those involving trusts and companies, multiple securities etc

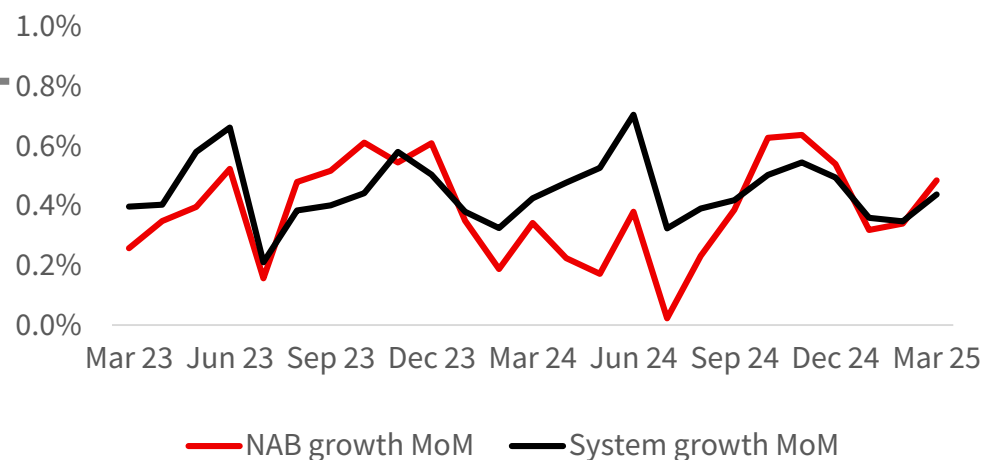
# Housing lending portfolio profile

Owner occupied lending volume growth<sup>1</sup>  
(\$bn)

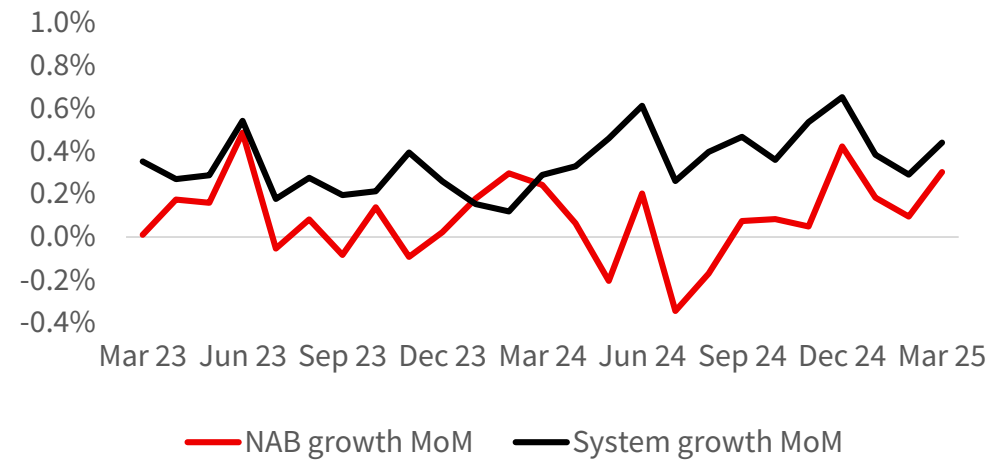
Investor lending volume growth<sup>1</sup>  
(\$bn)



Owner Occupier monthly growth<sup>2</sup>



Investor monthly growth<sup>2</sup>

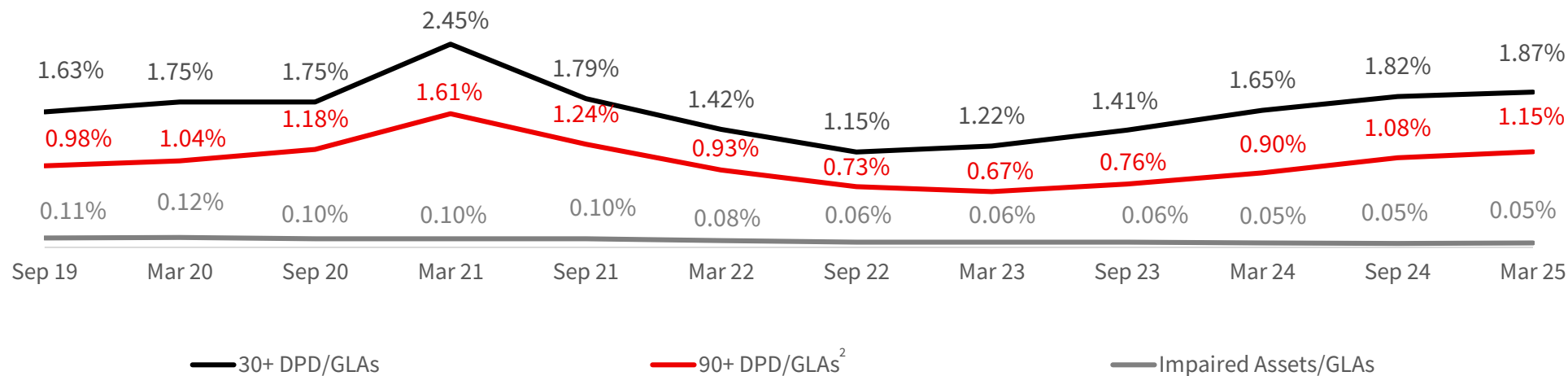


(1) Excludes 86 400 platform and Citi Consumer Business

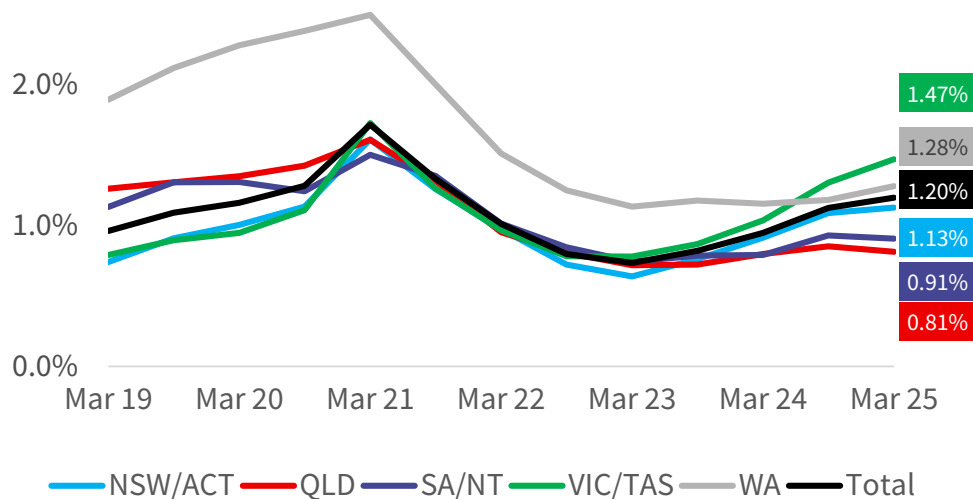
(2) Only includes housing loans to households based on APRA ARF 720.1 reporting definitions, and excludes counterparties such as private trading corporations

# Housing lending arrears profile<sup>1</sup>

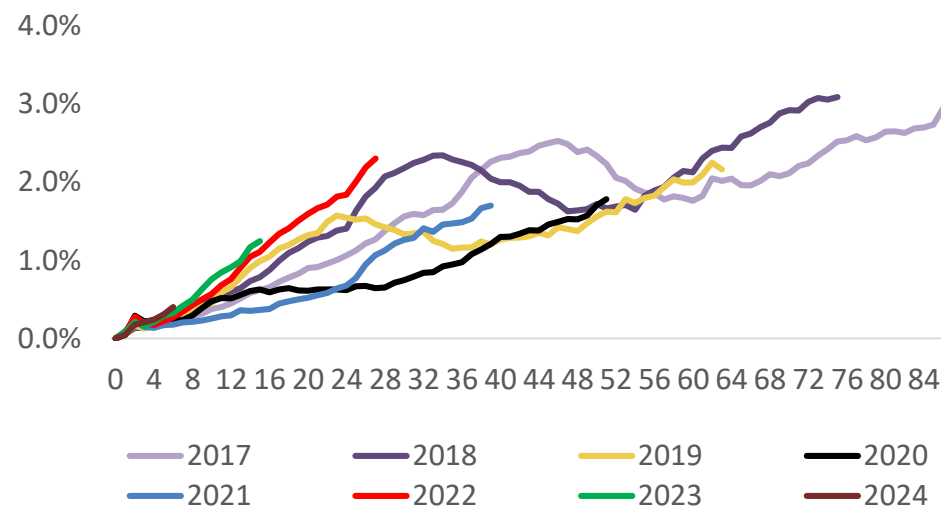
Arrears slowing as % of GLAs but limited impairment



90+ DPD² & Impaired assets as a % of GLAs



30+ DPD as a % of GLAs by vintage calendar year

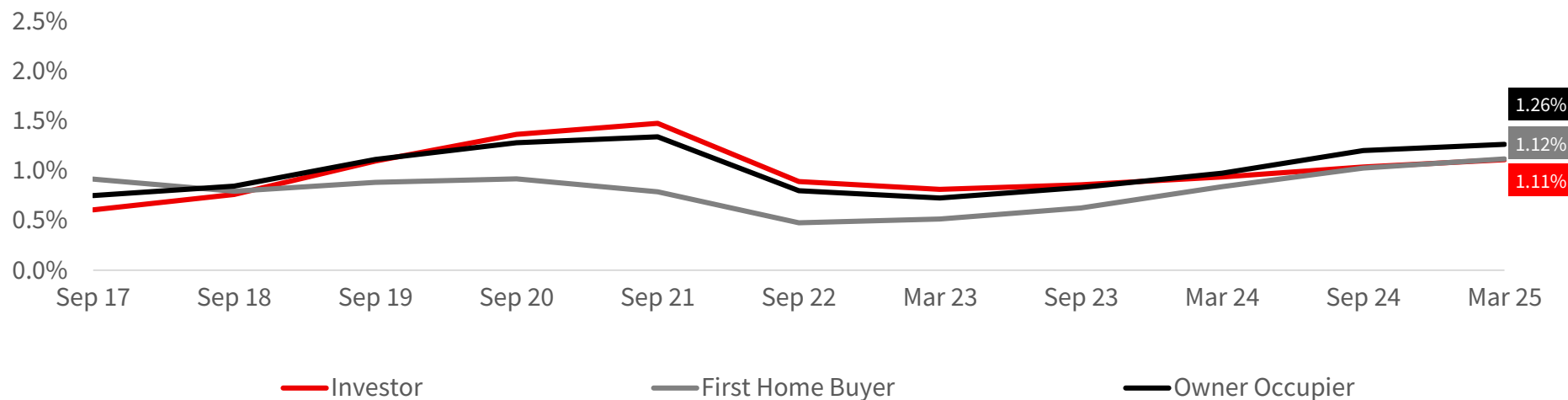


(1) Excludes 86 400 platform. Includes Citi Consumer Business from Sep 24

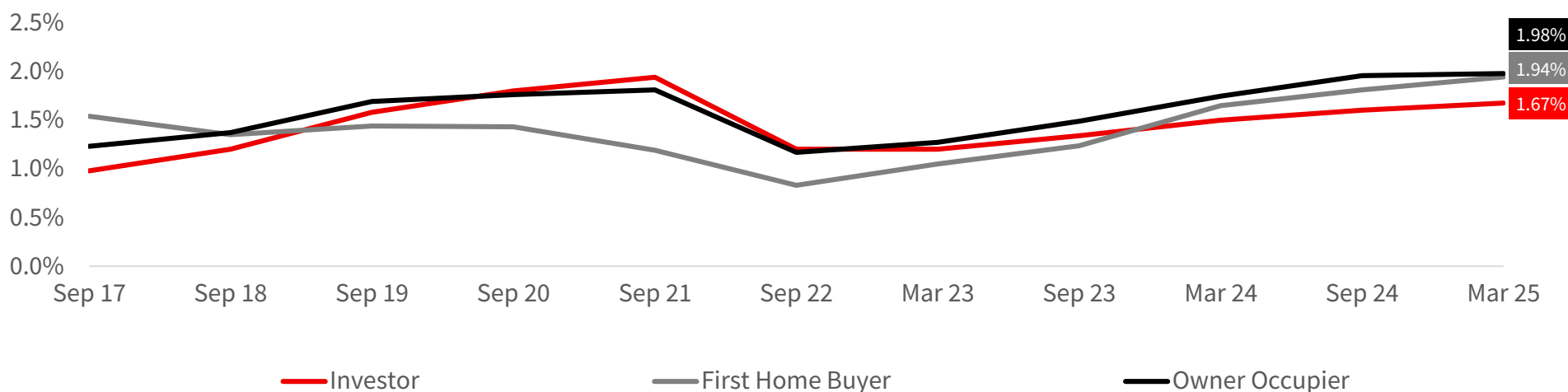
(2) Includes loans that have been classified as restructured in accordance with APS 220 Credit Risk Management which are assessed as no loss based on security held

# Housing lending arrears profile<sup>1</sup>

## 90+ DPD<sup>2</sup> & Impaired assets as a % of GLAs by purpose



## 30+ DPD as a % of GLAs by purpose

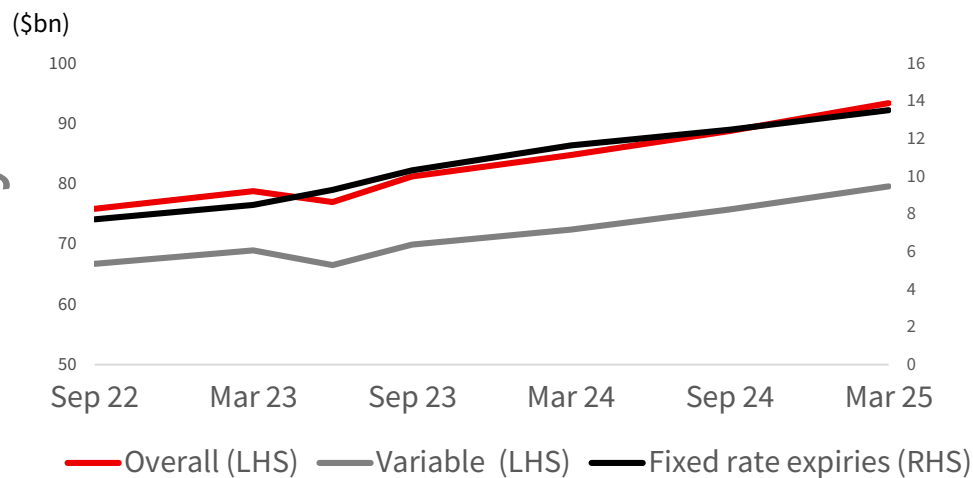


(1) Excludes 86 400 platform. Includes Citi Consumer Business from Sep 24

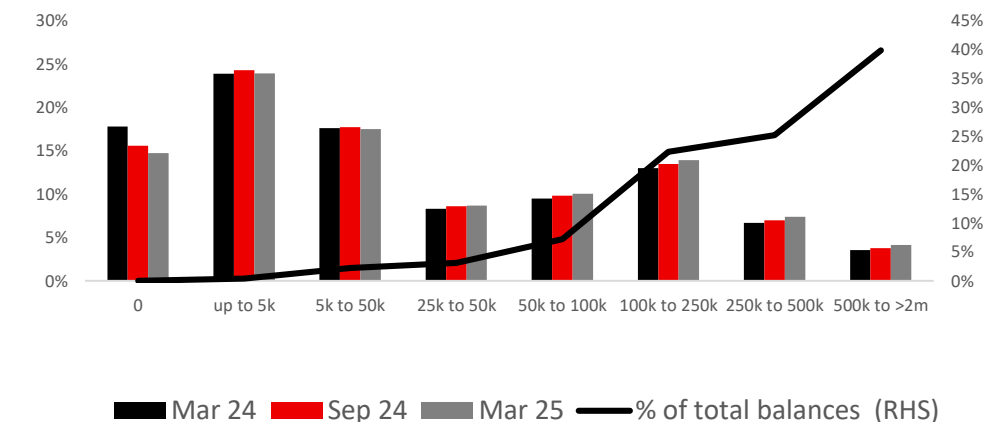
(2) Includes loans that have been classified as restructured in accordance with APS 220 *Credit Risk Management* which are assessed as no loss based on security held

# Housing lending offset and redraw balances<sup>1</sup>

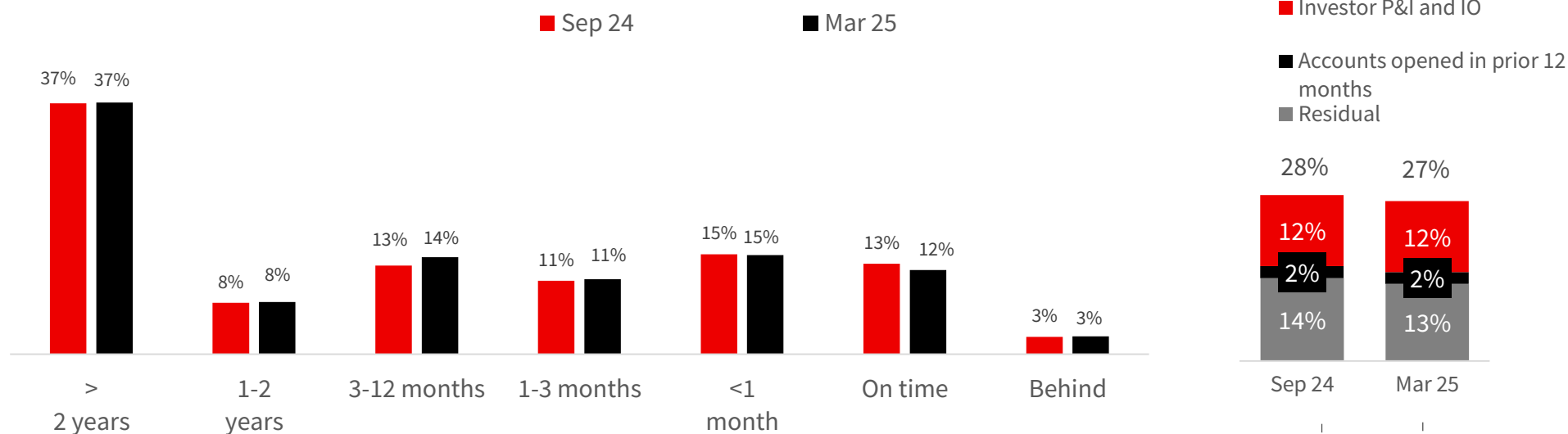
## Offset & redraw balances



## Offset & redraw balances distribution by number of accounts



## Offset and redraw balances, by monthly repayments<sup>2</sup>



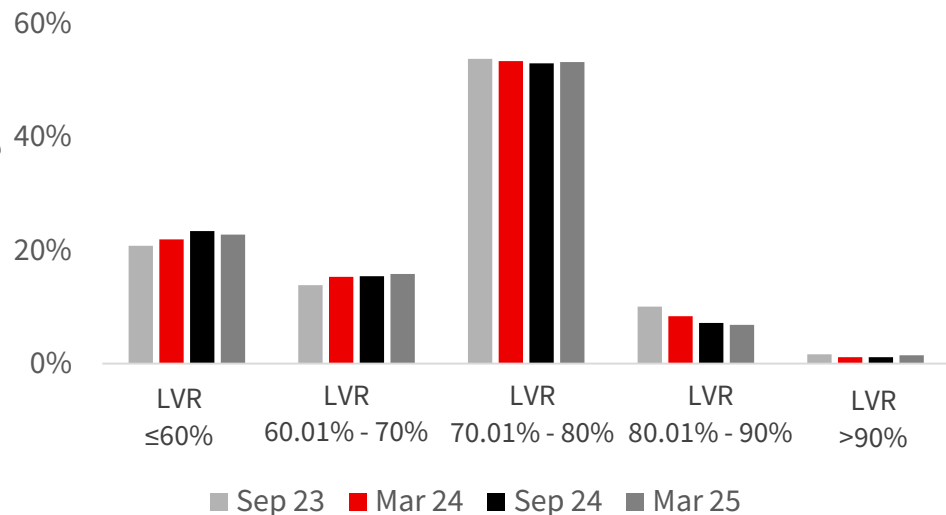
(1) Excludes 86 400 platform. Includes Citi Consumer Business from Sep 24

(2) By accounts

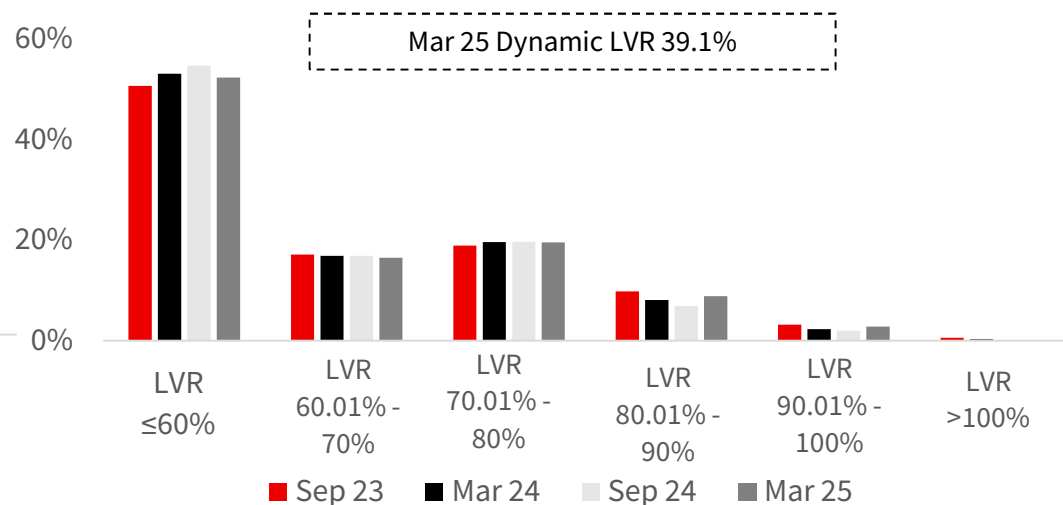


# Housing lending LVR<sup>1</sup>

## LVR breakdown at origination

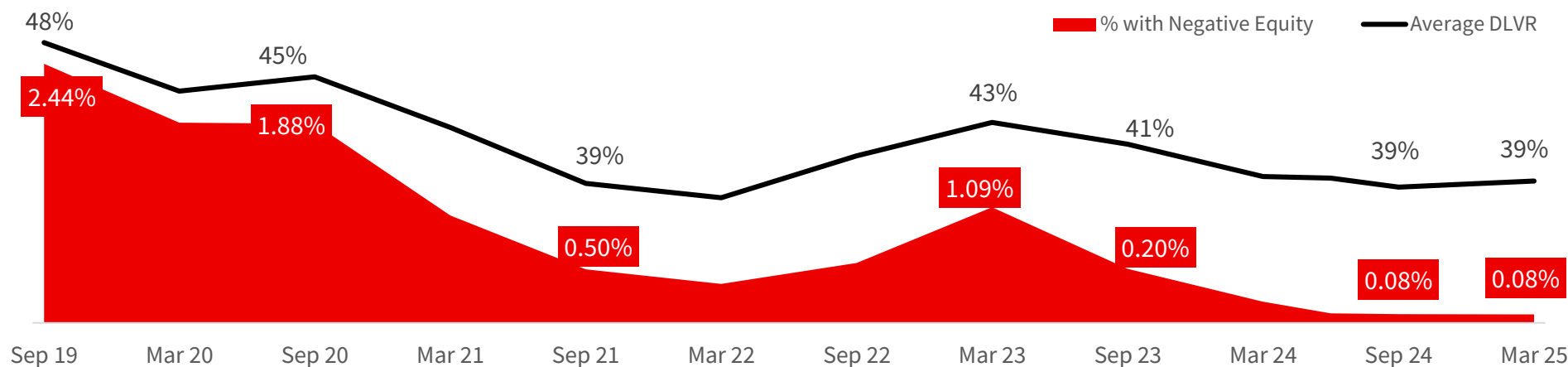


## Dynamic LVR breakdown of drawn balance<sup>2</sup>



## Higher house prices have improved average DLVR

Average DLVR and negative equity<sup>2</sup>



(1) Excludes 86 400 platform. Includes Citi Consumer Business from Sep 24

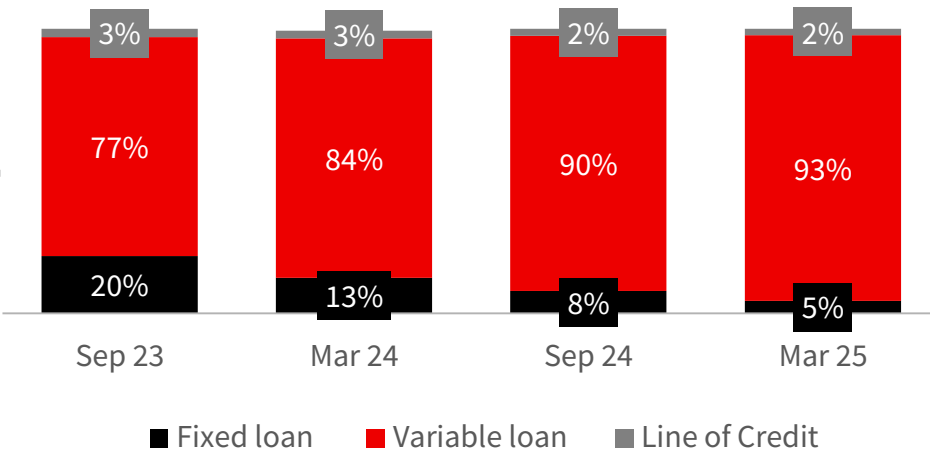
(2) Excludes the impact of offset accounts. Includes implementation of new CoreLogic indexing methodology in 1H24

# Housing lending fixed rate portfolio profile<sup>1</sup>

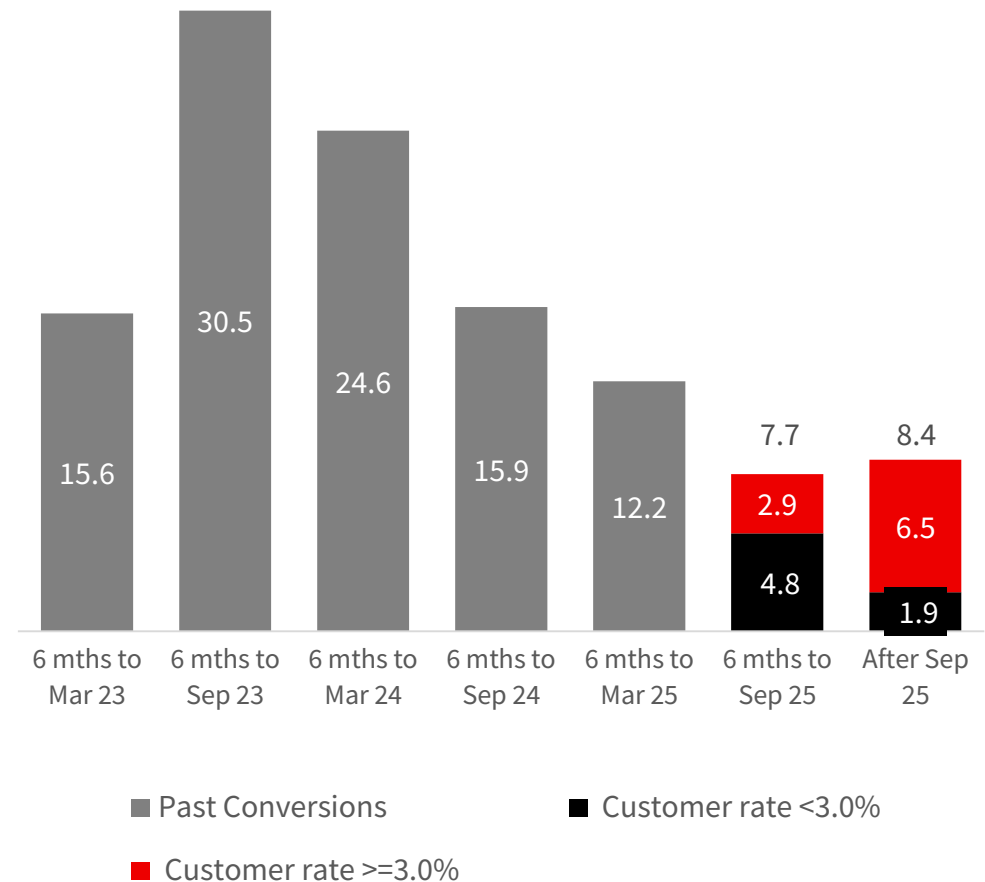
## Fixed rate (FR) lending book

- \$16bn FR book at Mar 25, rolls to variable rate (VR) loan at expiry
- ~\$7bn (~42%) has customer rates below 3%, and only \$8.4bn still to expire after Sep 25
- ~85% retention for customers rolling off FR loans to date
- 53% of customers also have a VR loan i.e. split loan

## Loan product by type



## FR home loan contractual expiry profile (\$bn)



(1) Excludes 86 400 platform. Includes Citi Consumer Business from Sep 24

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# Additional product information

## Australian Deposits



# Deposits & transaction accounts

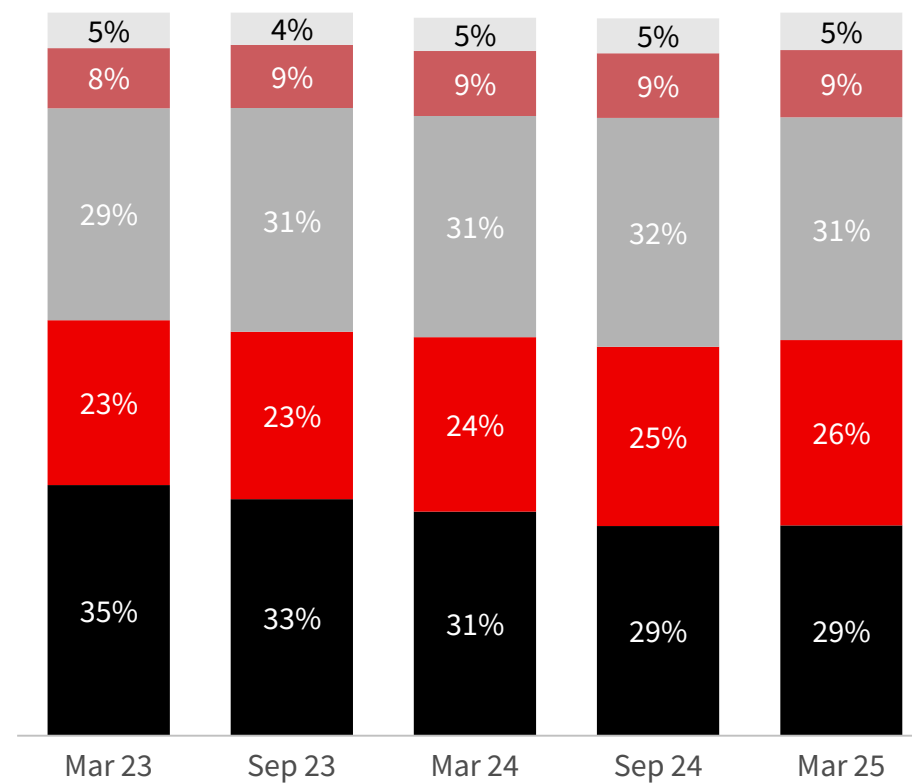
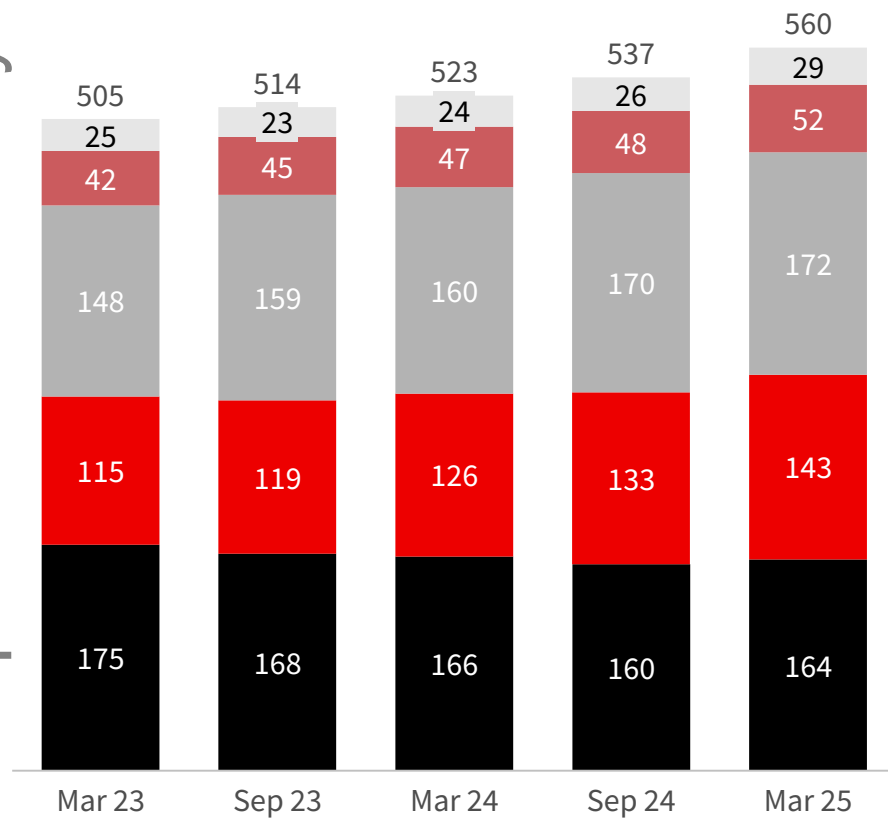
Customer deposit mix by product

(\$bn)

Customer deposit percentage by product

(%)

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Structured Deposits<sup>1</sup> Offsets Term Deposits Savings Transaction (incl NBIs)<sup>2</sup>

(1) Structured Deposits have notice periods which extend their behavioural maturity beyond their initial contractual maturity and pricing construct. They include Rolling Deposit Accounts, Retail Look Through and Notice Saver deposits

(2) Transaction includes NBIs and Custody Deposits

# Deposits & transaction accounts

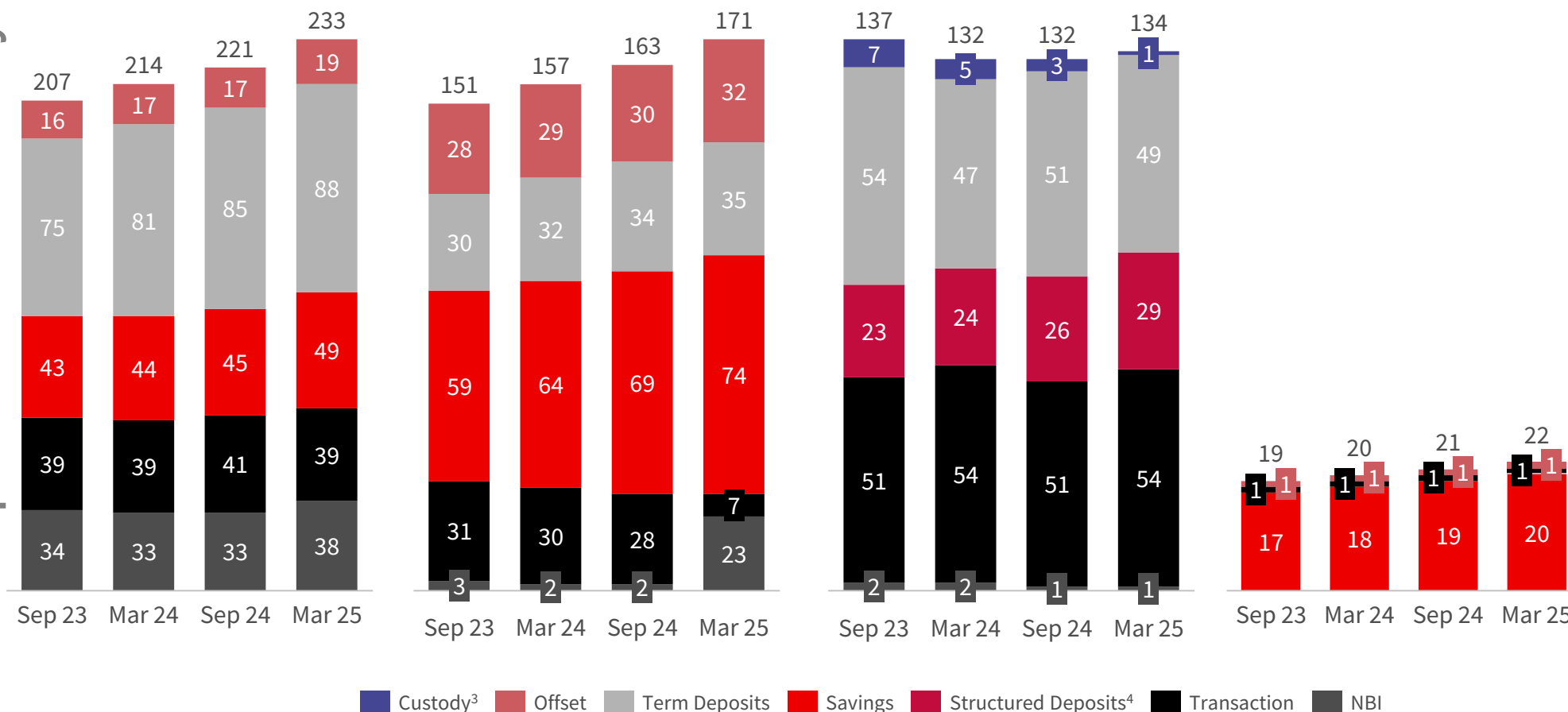
## Business & Private Banking<sup>1</sup> (\$bn)

## Personal Banking<sup>1</sup>

## Corporate & Institutional Banking

## Corporate Functions & Other<sup>2</sup>

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- (1) From 1 November 2024, the terms of certain transaction accounts were amended. As a result, \$5bn of balances in Business & Private Banking and \$20.8bn of balances in Personal Banking at 30 September 2024 have moved from Transaction Accounts to NBIs
- (2) Includes ubank and Treasury
- (3) At Mar 25 the NAB Asset Servicing business includes total deposits of approximately \$2.6bn, of which \$1bn relates to custody deposits. This business is being wound down over approximately three years from Nov 22
- (4) Structured deposits have notice periods which extend their behavioural maturity beyond their initial contractual maturity and pricing construct. They include Rolling Deposit Accounts, Retail Look Through and Notice Saver Deposits

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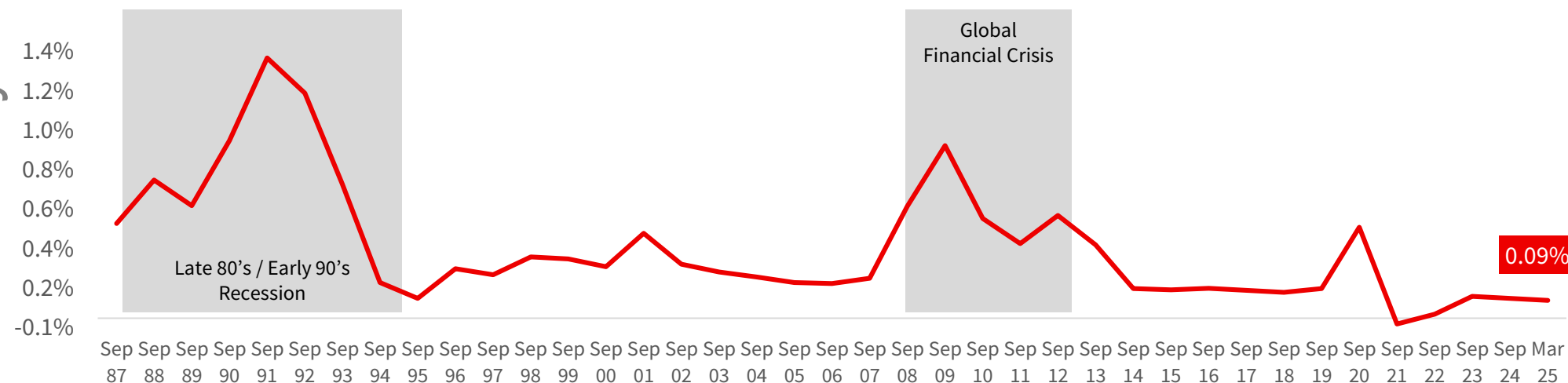
# Additional information

## Group Asset Quality

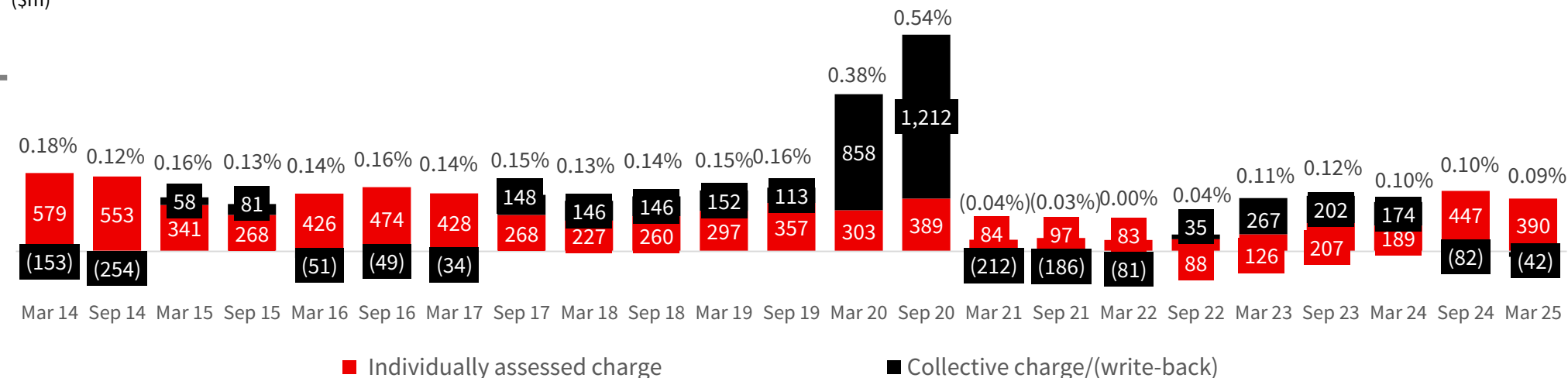


# Group credit impairment charge

## Credit impairment charge as % of GLAs



## Credit impairment charge and as a % of GLAs<sup>1</sup>

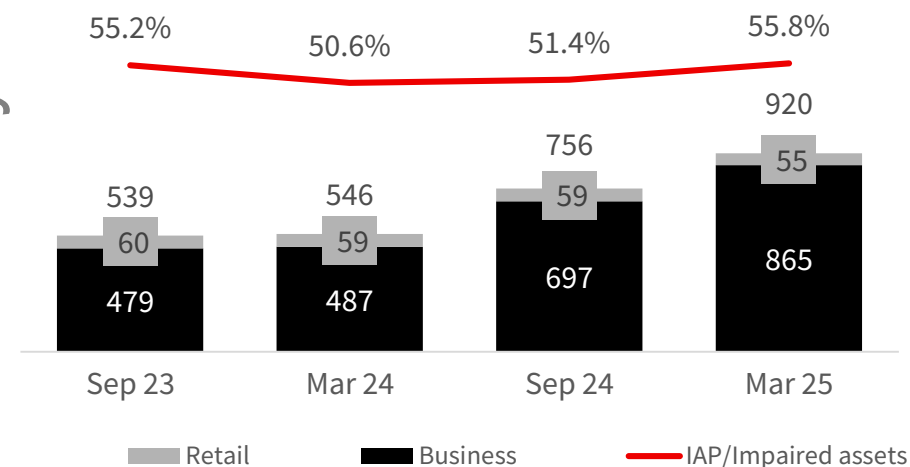


(1) Ratios for all periods refer to the half year ratio annualised

# Individually assessed provisions and charges

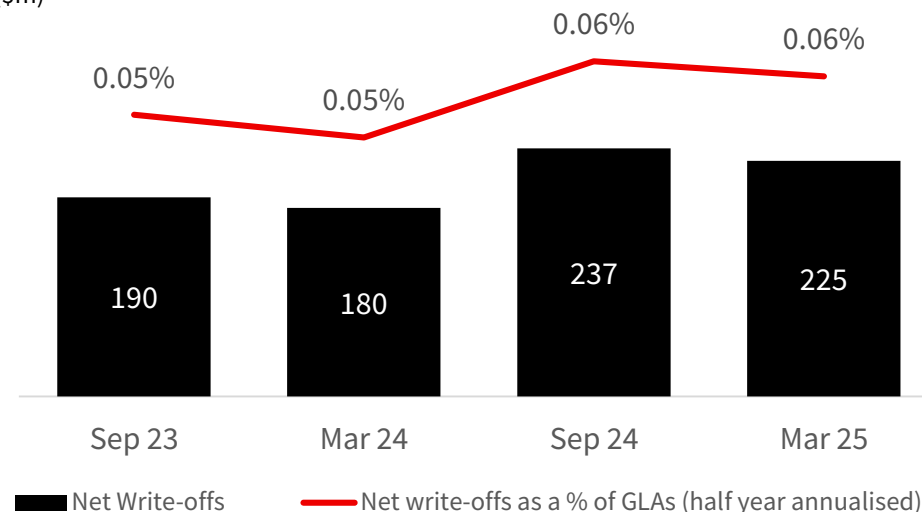
## Individually assessed provision (IAP)

(\$m)



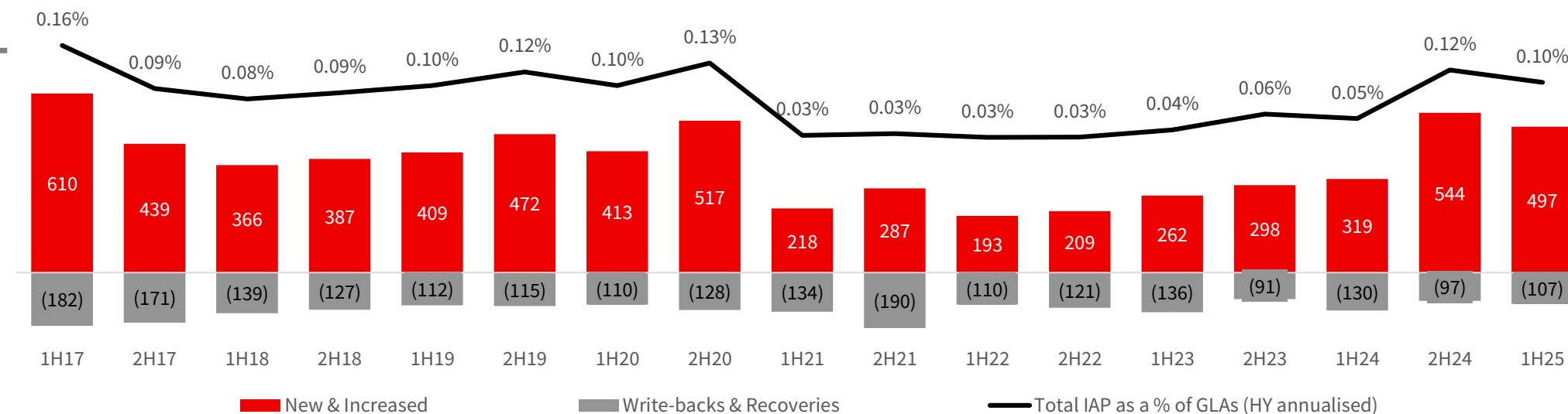
## Net write-offs

(\$m)



## Composition of IAP charge

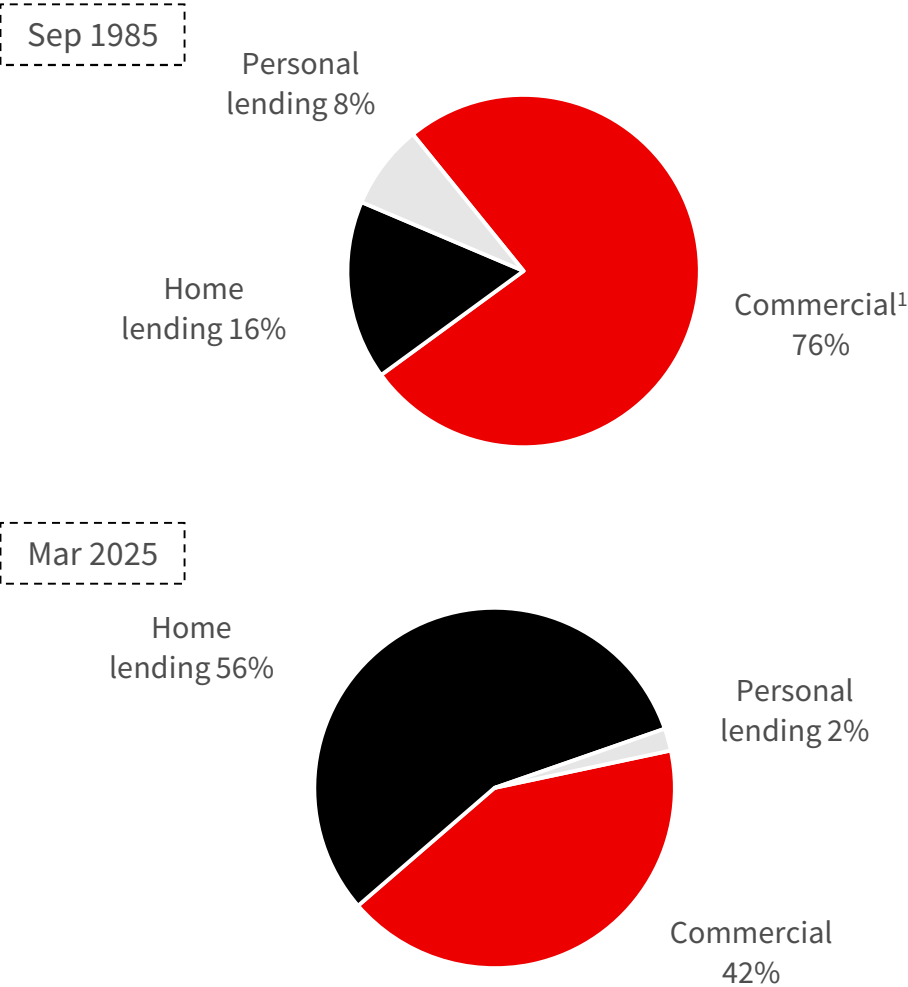
(\$m)





# 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 – 2024 <sup>2</sup> )	Long run average (2005 – 2024 <sup>2</sup> )
Home lending <sup>3</sup>	0.03%	0.03%
Personal lending <sup>3,4</sup>	1.55%	2.27%
Commercial <sup>3</sup>	0.48%	0.34%
Australian average	0.30%	0.19%
Group average <sup>5</sup> based on 2025 business mix	0.24%	0.19%
Group average <sup>5</sup> based on 2025 business mix (excluding 1991-1993 and 2009-2012)	0.16%	n/a
Group average <sup>5</sup> based on 2025 business mix (excluding 2009-2012)	n/a	0.13%

(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 - 2024), 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)

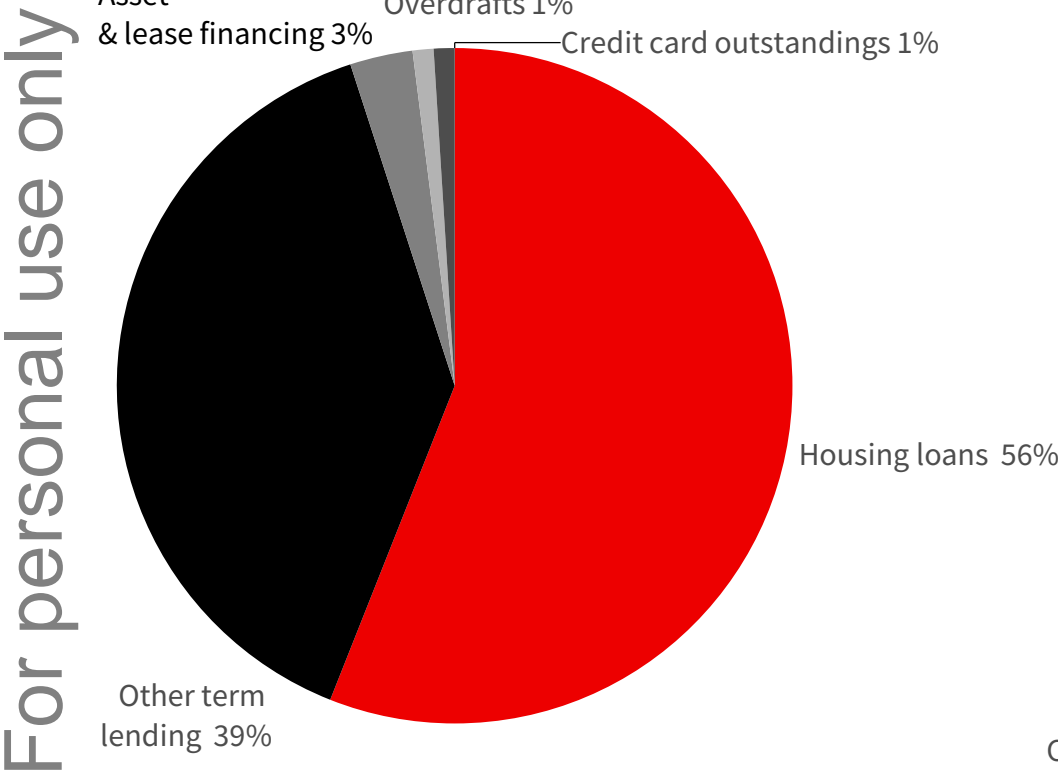
Personal lending net write off rate since 2008 is above long run average of 1.55% (1985 – 2024) or 2.27% (2005 – 2024). Average net write off rate 2008 - 2024 is 2.41%

(5)

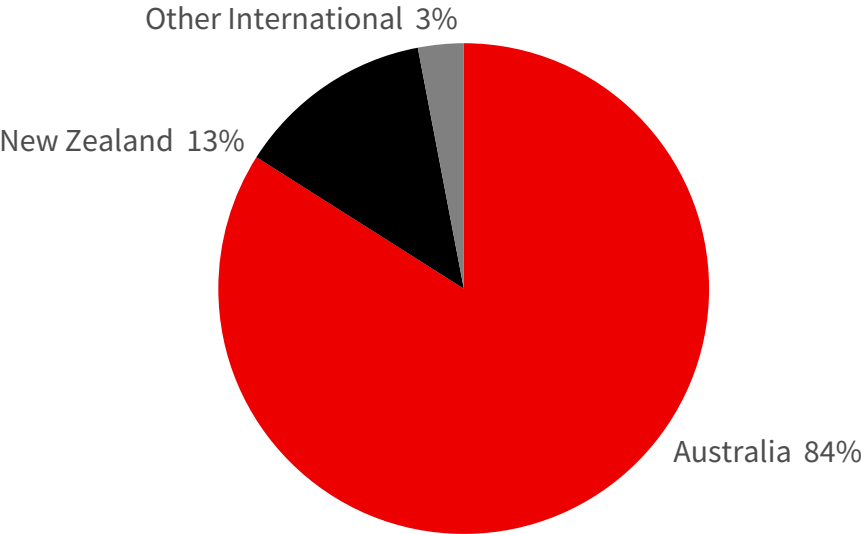
Group average is calculated by applying each of the Australian geography long run average net write off rates by product to the respective percentage of Group GLAs by product as at 31 March 2025. Commercial long run average net write off rate has been applied to acceptances

# Group lending mix

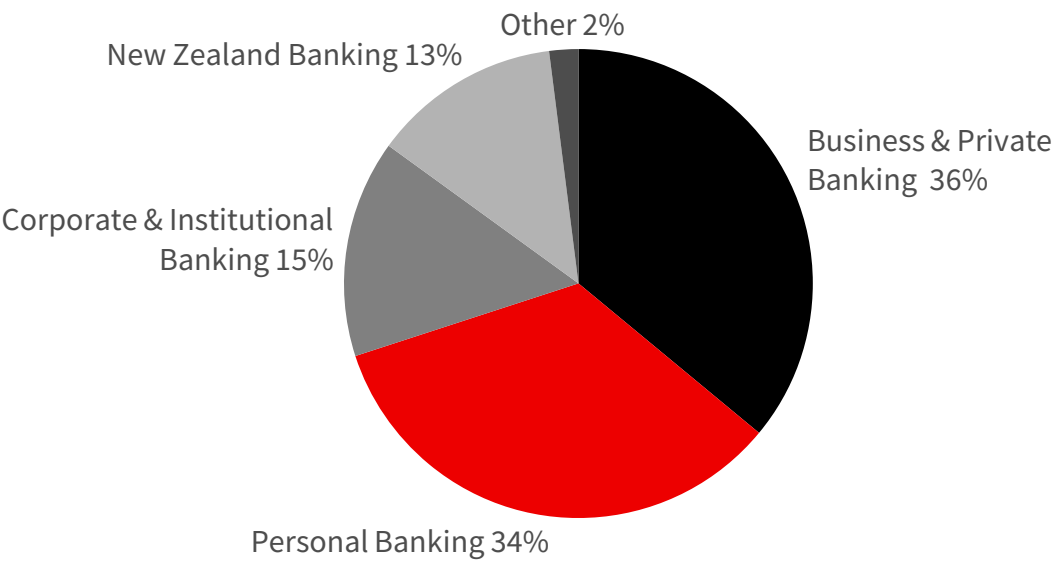
Gross loans and acceptances by product - \$756.3bn



Gross loans and acceptances by geography<sup>1</sup>



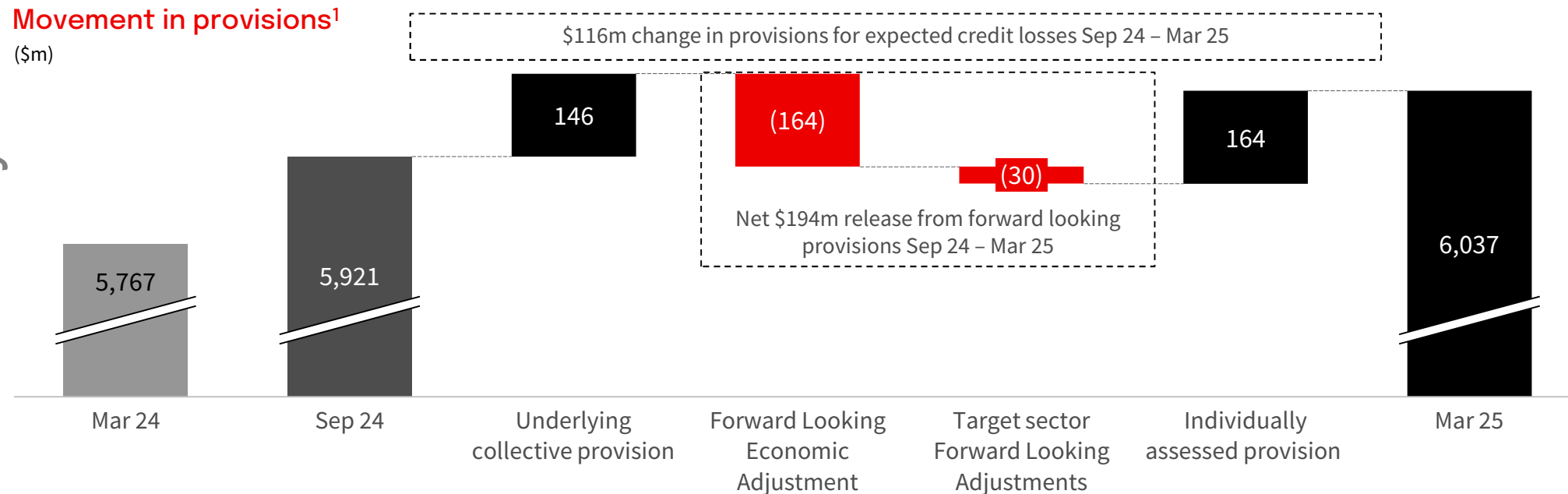
Gross loans and acceptances by business unit



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

# Provisions

## Movement in provisions<sup>1</sup> (\$m)



### Underlying CP

- Model outcomes based on point-in-time data
- 1H25 increase mainly reflects deterioration in asset quality and volume growth

### 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)
- 1H25 EA decrease of \$164m reflecting anticipated asset quality deterioration transitioning from the forward outlook to the current period<sup>2</sup>

### Target sector FLAs

- Considers forward looking stress incremental to EA
- Net \$30m decrease in target sector FLAs including partial release from NZ Agri

### IAP

- Provision for loss where realisable security value is less than defaulted exposure value
- \$164m increase in 1H25 mainly related to Australian business lending

(1) Excludes provisions on fair value loans and derivatives for Mar 24

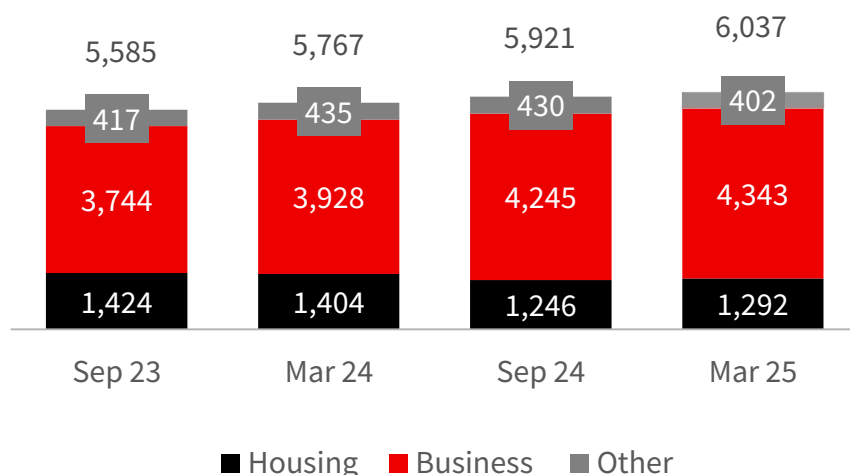
(2) Scenarios, prepared for purposes of informing forward looking provisions, rely on NAB Economics forecasts at Feb 25 and management judgement

# Expected Credit Losses (ECL) assessment

## ECL scenarios & weightings

Total Provision for ECL <sup>1,2</sup>			
\$m	1H25 (probability weighted)	100% Base case	100% Downside
Total Group	6,037	3,949	8,878
Increase / (decrease) from Sep 24	116	(167)	545
Macro economic scenario weightings			
Australian Portfolio (%)	Upside	Base case	Downside
30 Sep 24	2.5	55.0	42.5
31 Mar 25	2.5	55.0	42.5

## Total provision for expected credit losses<sup>3</sup> (\$m)



## Key considerations

- Increase in ECL vs Sep 24 primarily reflects deterioration in asset quality and volume growth, partially offset by a net release of \$194m from forward looking provisions:
  - EA reduction reflects anticipated asset quality deterioration transitioning from the forward outlook to the current period<sup>1</sup>
  - Net release of FLAs mainly relating to New Zealand Agri
- Total provision for ECL represents 1.7x 100% base case scenario (after excluding \$304m in FLA balances from the 100% base scenario)

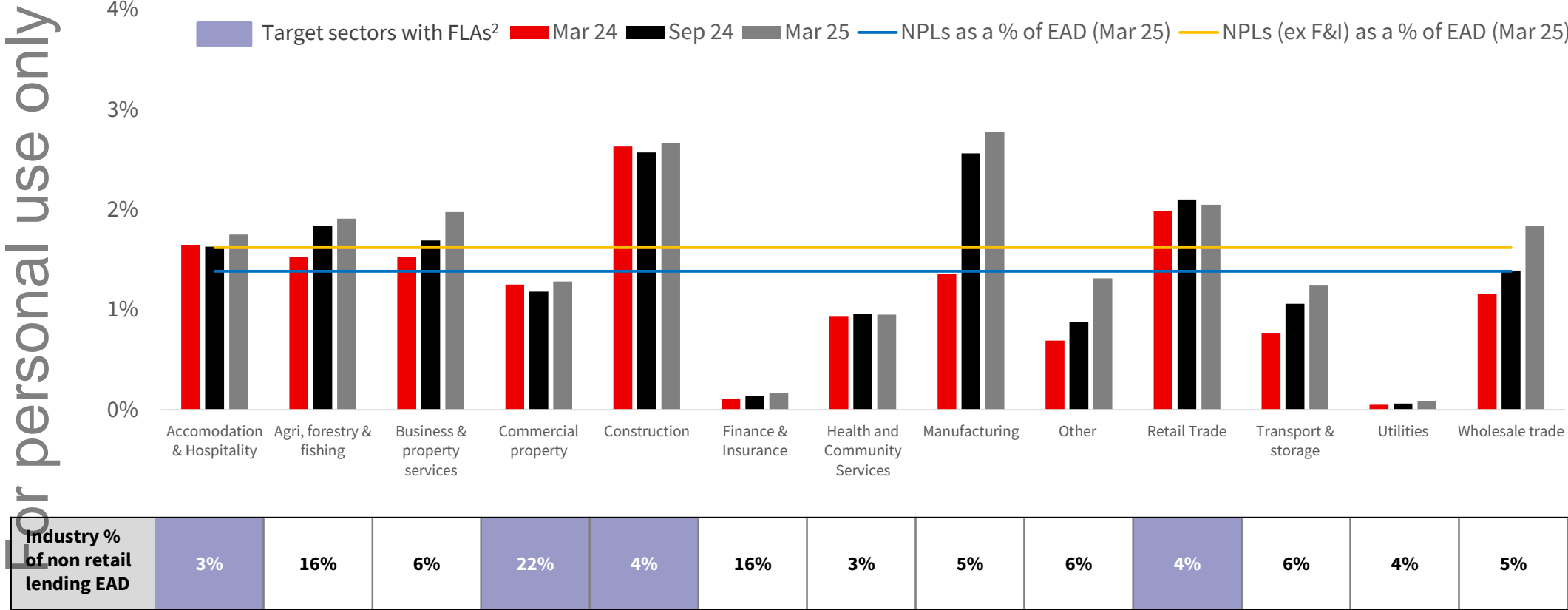
## Economic assumptions

Australian economic assumptions used in deriving ECL <sup>1</sup>						
	Base case			Downside		
%	FY25	FY26	FY27	FY25	FY26	FY27
GDP change YoY	1.9	2.3	2.3	1.1	(3.1)	0.0
Unemployment	4.3	4.1	4.2	4.7	7.9	9.1
House price change YoY	4.1	3.0	3.0	(7.6)	(28.1)	(5.2)

(1) Scenarios, prepared for purposes of informing forward looking provisions, rely on NAB Economics forecasts at Feb 25 and management judgement  
 (2) 100% base case, 100% downside and probability weighted scenario all include \$304m of FLAs  
 (3) ECL excludes provisions on fair value loans and derivatives for Mar 24 and prior periods

# Group non-retail lending industry sector analysis

Non-performing exposures (NPLs) as % of lending EAD by regulatory industry categories<sup>1</sup>



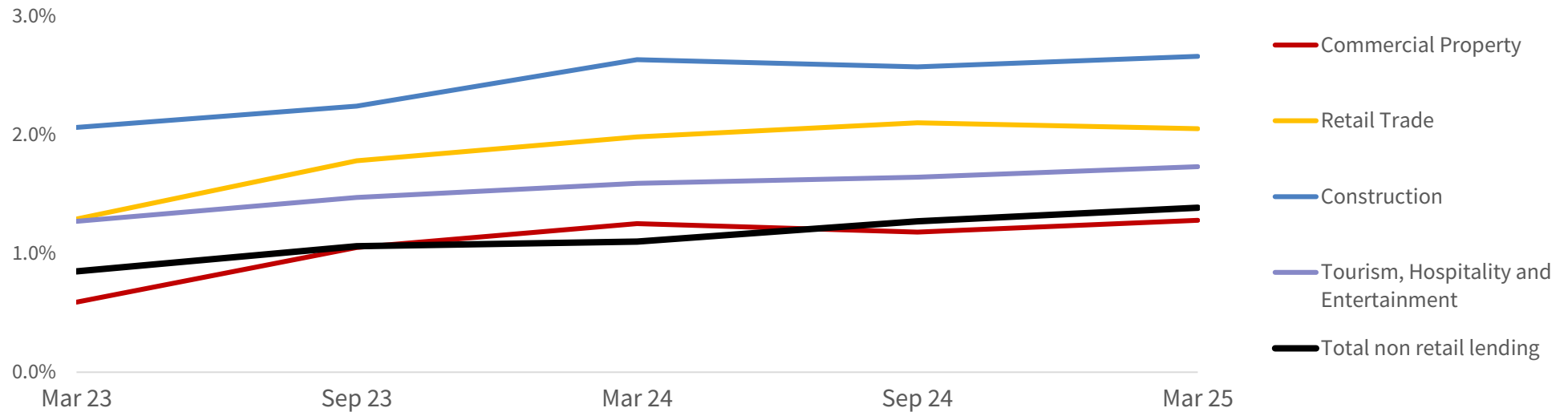
(1) Based on ANZSIC Level 1 classifications of the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties

(2) Target sectors with FLAs refers to non-retail sectors with an FLA provision relating to Australian exposures: Retail Trade; Tourism, Hospitality & Entertainment (which includes Accommodation & Hospitality); Construction and CRE

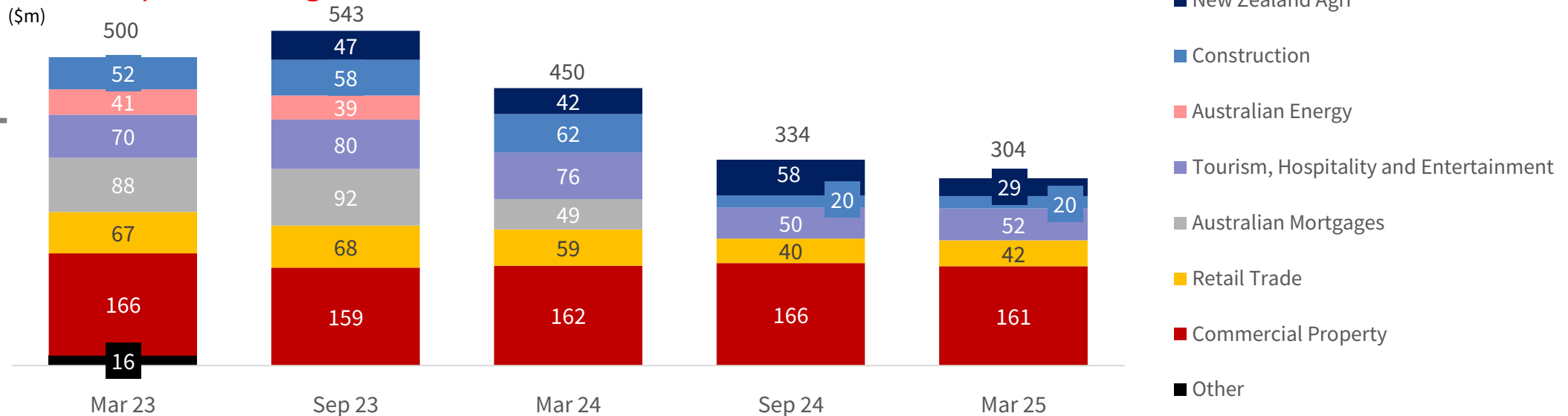
86

# Target sector forward looking adjustments (FLAs)

Non retail target sectors non-performing exposures as % of non-retail lending EAD<sup>1</sup>



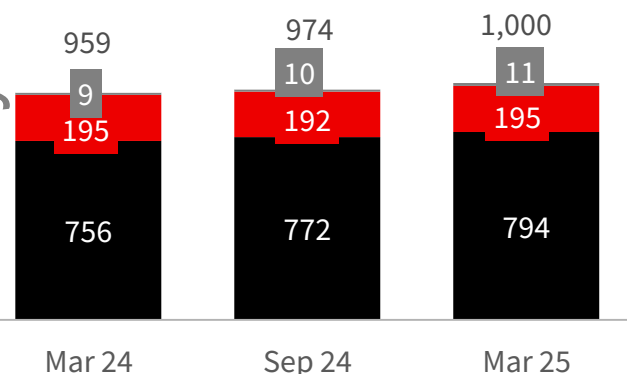
Collective provision target sector FLAs



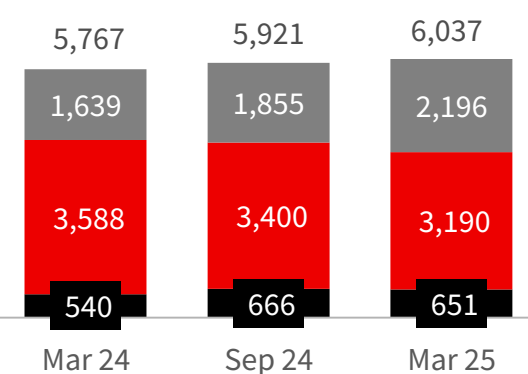
(1) Based on ANZSIC Level 1 classifications of the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties

# ECL provisioning by stages

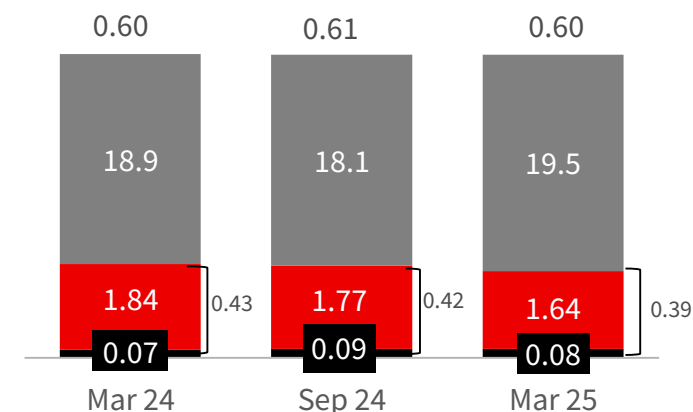
Loans and advances by stage<sup>1</sup>  
(\$bn)



Provisions by stage<sup>2</sup>  
(\$m)



Provision coverage by stage<sup>3</sup>  
(%)



■ 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 <sup>4</sup> since initial recognition but not credit impaired	Collective
Stage 3 (Lifetime ECL)	Credit impaired: default no loss Credit impaired: default with loss	Collective Individually assessed

- Significant increase in credit risk rules are not prescribed by accounting or regulatory standards
- Stage allocations include the impact of forward looking economic information applied in the expected credit loss model
- Stage 2 includes majority of forward looking adjustments

(1) Notional staging of loans and advances, including guarantees and credit-related commitments, incorporates forward looking stress applied in the ECL model

(2) Mar 24 figures exclude collective provision on loans at fair value and derivatives which are not allocated to a stage under the ECL model

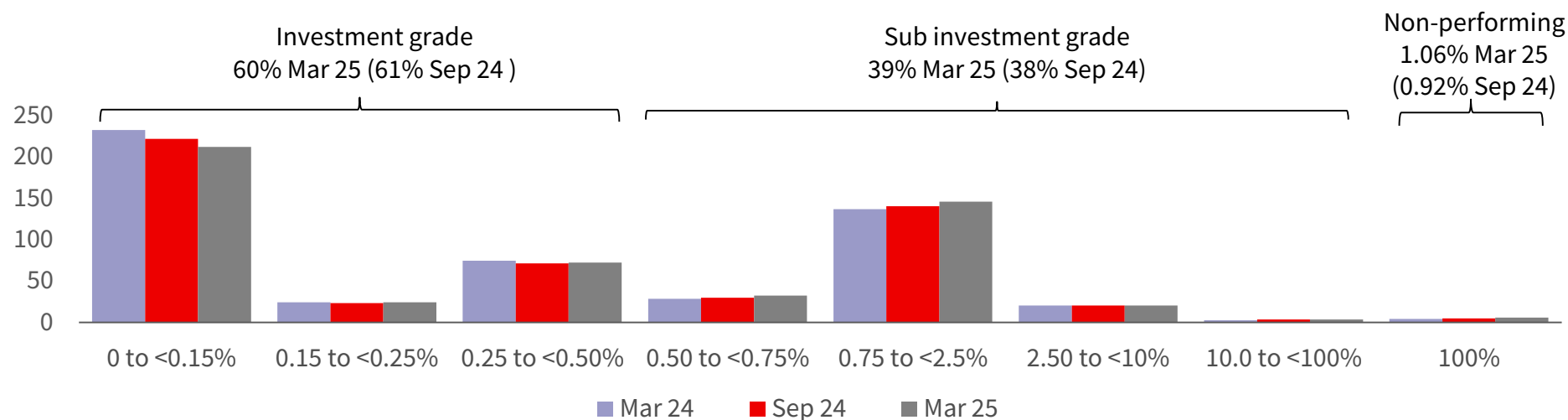
(3) Provision coverage: provisions as a percentage of loans and advances including guarantees and credit-related commitments

(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

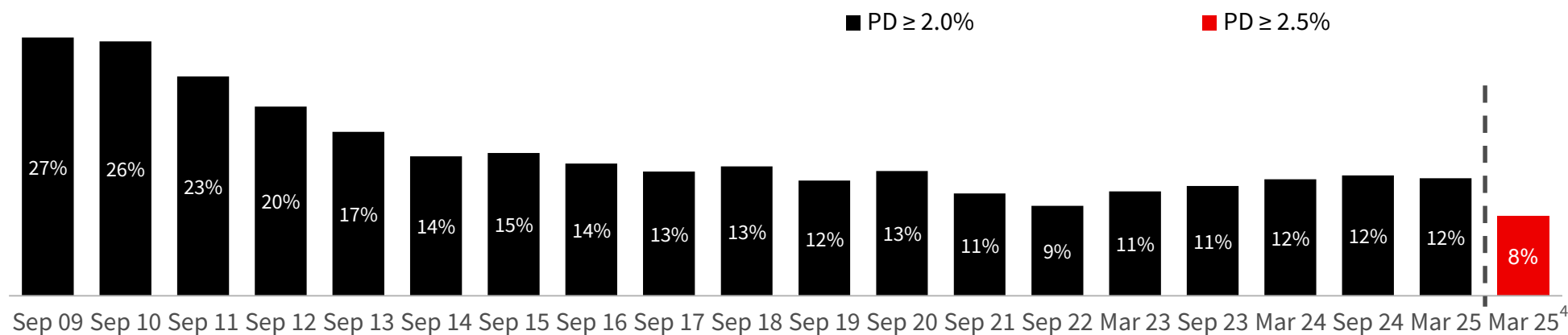
# Probability of default (PD) analysis

## Group non-retail IRB EAD<sup>1</sup> by probability of default

(\$bn)



## Australia<sup>2</sup> and NZ business lending exposures<sup>3</sup>



(1) Includes Sovereign, Corporate, Financial institution, Corporate (incl. SME) & Retail SME asset classes where the internal rating-based approach (both A-IRB & F-IRB) is applied. PD bandings are aligned to those disclosed in the Mar 25 Pillar 3 report – Table CR6. Comparative information has been restated to align to the presentation in the current period

(2) Australia includes business lending exposures booked within the Australian business units including Business and Private Banking, Corporate & Institutional Banking and Personal Banking

(3) Business lending exposures excludes non-lending assets and certain assets supporting the Group LCR

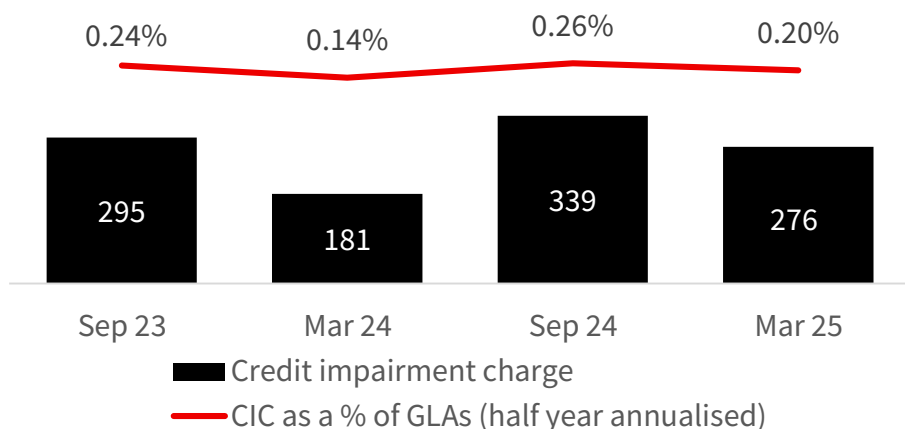
(4) Mar 25 PD ≥ 2.5% is aligned to Mar 25 Pillar 3 report – Table CR6. Comparative historical information has not been restated to align to the presentation in the current period



# Australian business lending asset quality

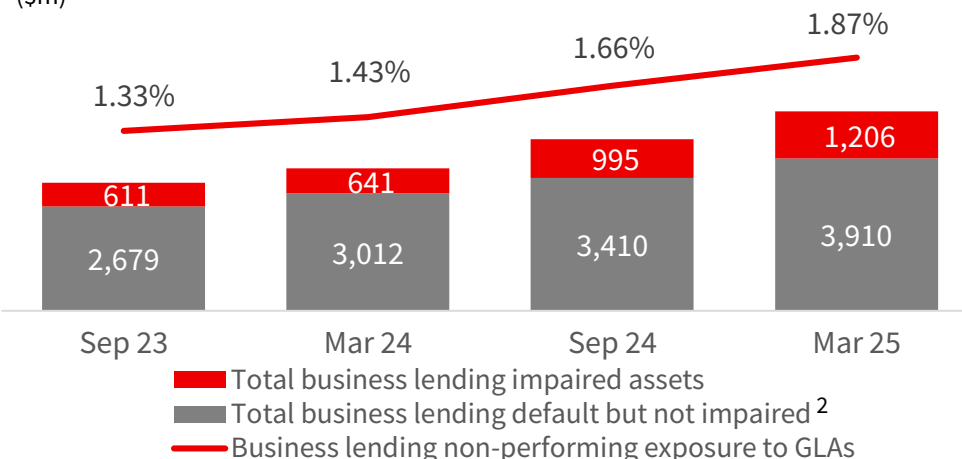
## Business lending credit impairment charge and as a % of GLAs

(\$m)

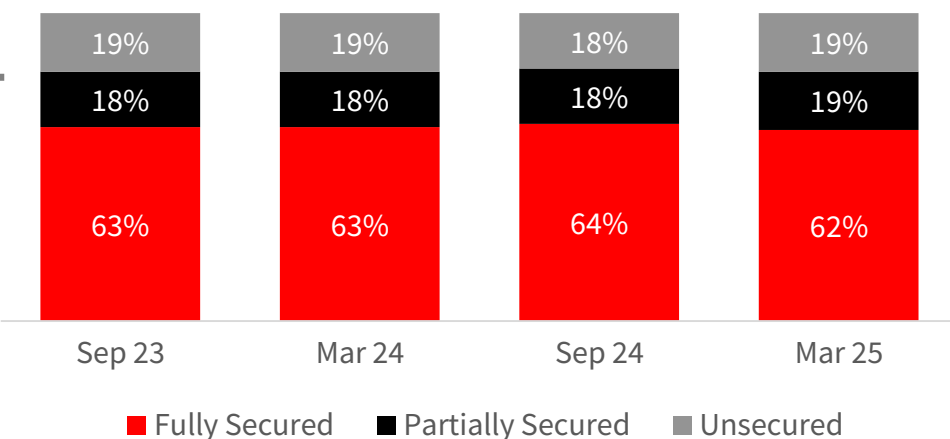


## Business lending non-performing exposure as % of GLAs

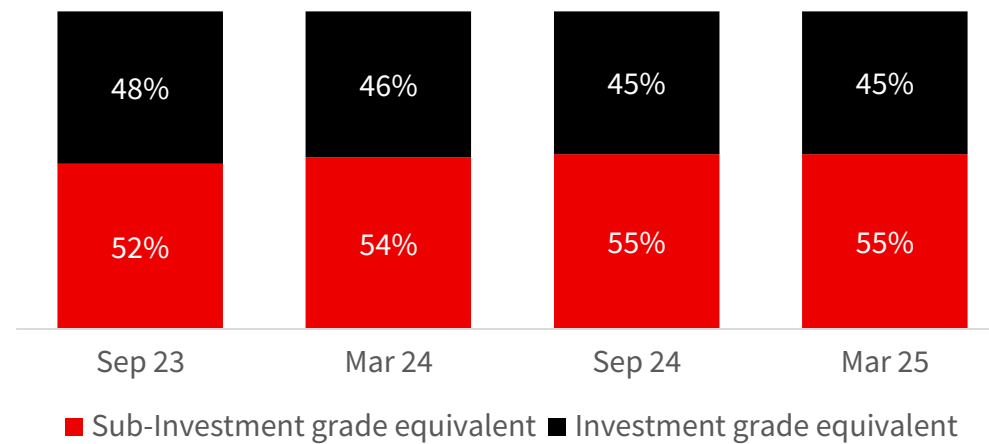
(\$m)



## Total business lending security profile<sup>1</sup>



## Business lending portfolio quality

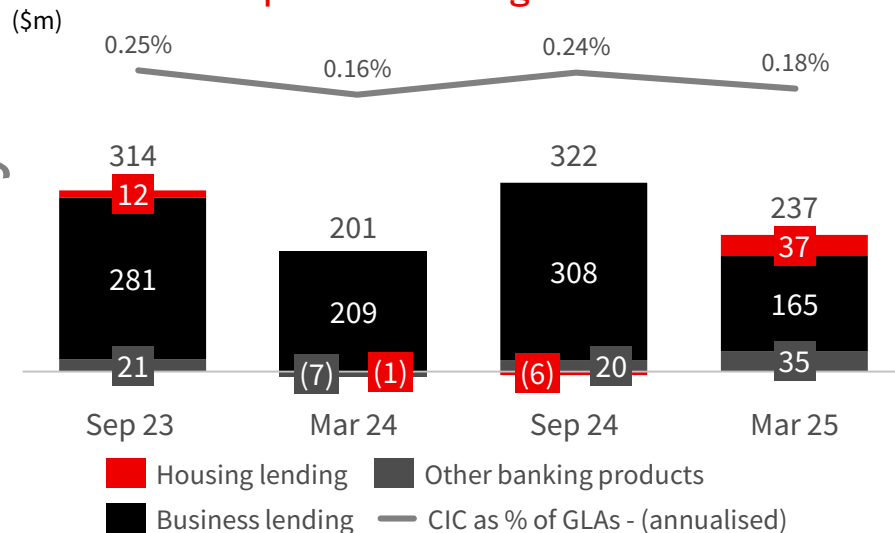


(1) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where no security is held and/or no value held against the security and negative pledge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

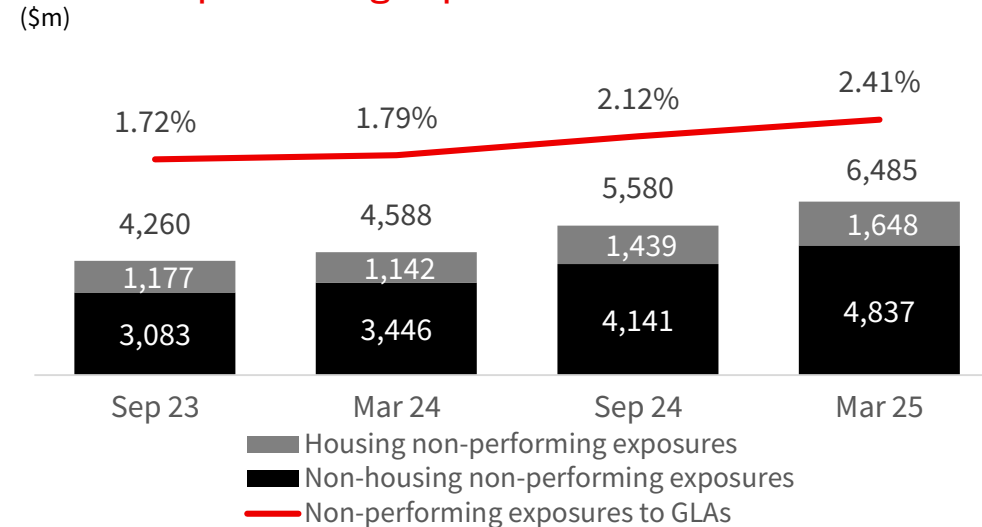
(2) 'Default but not impaired' includes loans that have been classified as restructured in accordance with APS 220 *Credit Risk Management* which are assessed as no loss based on security held

# Australian Business & Private Banking asset quality

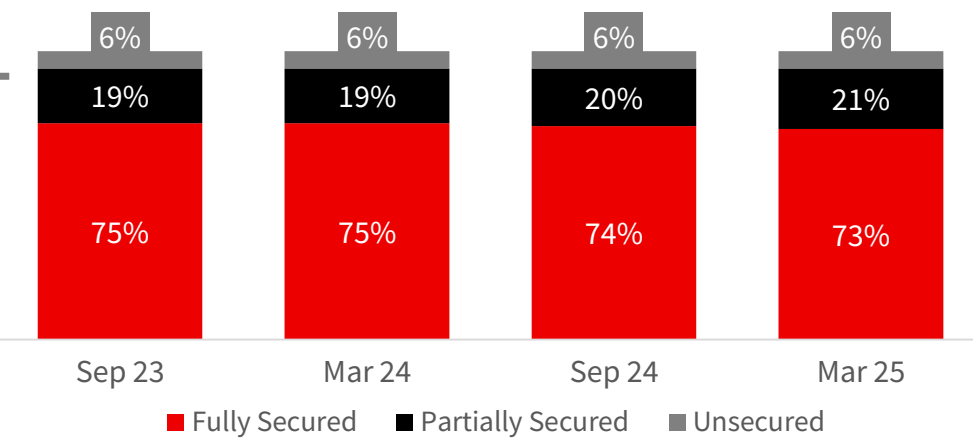
## B&PB credit impairment charge and as % of GLAs<sup>1</sup>



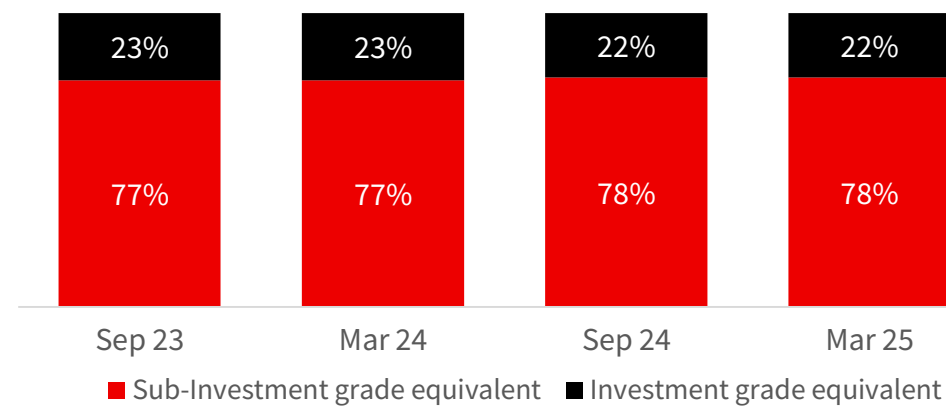
## B&PB non-performing exposures and as % of GLAs<sup>1</sup>



## B&PB business lending security profile<sup>2</sup>



## B&PB business lending portfolio quality

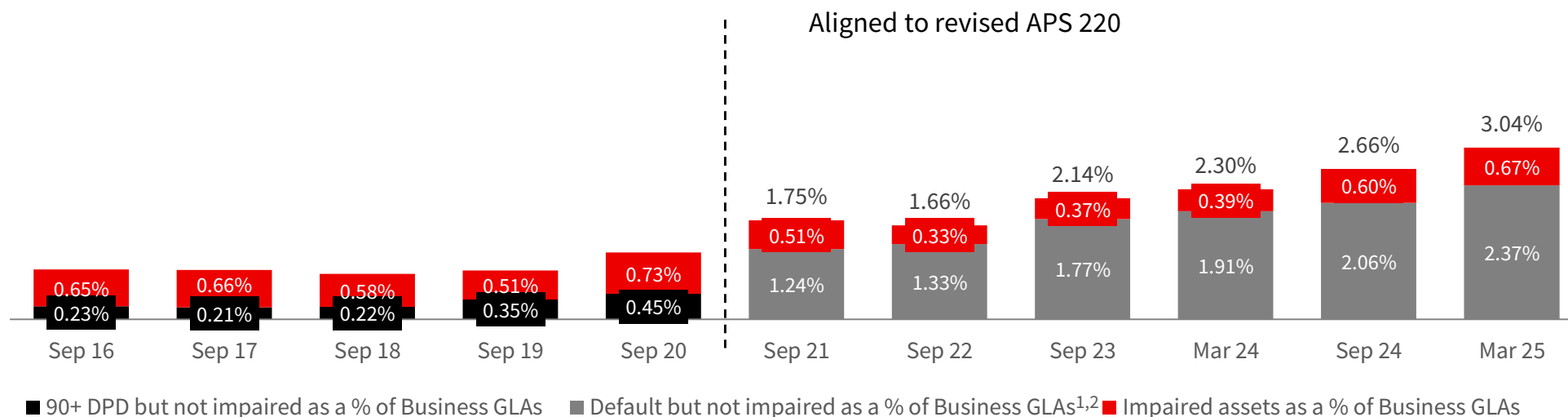


(1) B&PB credit impairment charges and non-performing exposures reflect the total B&PB portfolio including mortgages

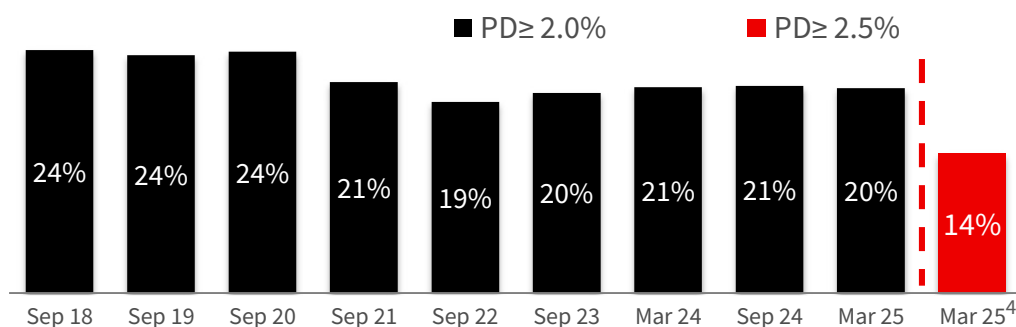
(2) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where no security is held and/or no value held against the security and negative pledge 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

## Non-performing exposures (NPLs) as % of GLAs



## Business lending exposures<sup>3</sup>



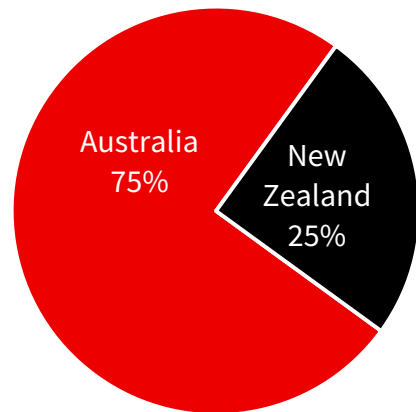
## Higher risk balances<sup>5</sup>

\$bn	Total balances with PD ≥ 2.5%
Not fully secured	~8.4
Of which: Unsecured	~1.6

- (1) 'Default but not impaired' includes '90+ DPD but not impaired' assets and 'Default <90 DPD but not impaired' assets aligned to APS 220 *Credit Risk Management*
- (2) 'Default but not impaired' includes loans that have been classified as restructured in accordance with APS 220 *Credit Risk Management* which are assessed as no loss based on security held
- (3) Business lending exposures excludes non-lending assets and certain assets supporting the Group LCR
- (4) March 2025 PD ≥ 2.5% is aligned to Mar 25 Pillar 3 report – Table CR6. Comparative historical information has not been restated to align to the presentation in the current period
- (5) 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<sup>1</sup>

Group EAD \$61.8bn March 2025

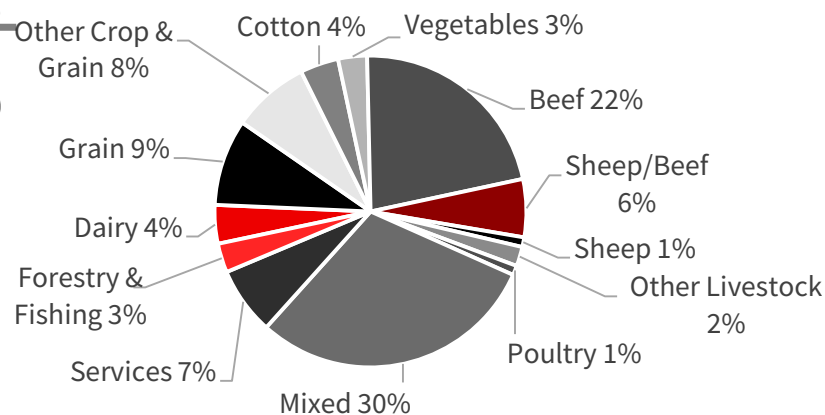


## Key Australian considerations

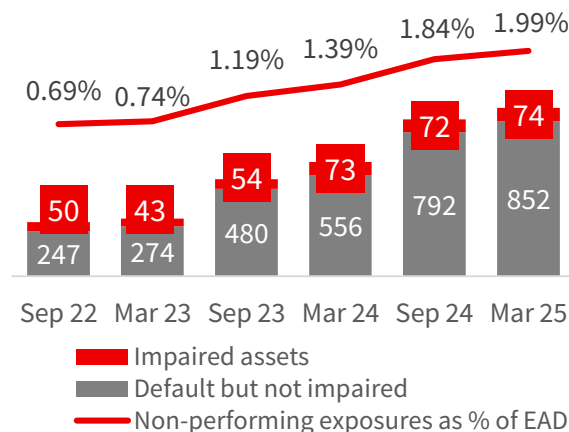
- Weather conditions have been mixed, with favourable conditions on most of the East Coast and rains in Western Australia, but dry conditions in Western Victoria and South Australia
- Sentiment generally remains positive with expectation of reasonable harvests, and asset valuations remain robust except for specific sub-sectors such as wine grapes
- Uplift in NPL ratio has slowed in 1H25, assisted by improved commodity prices and stabilising interest rates and input costs
- ~16% of non-retail lending EAD

## Australian agriculture, forestry & fishing

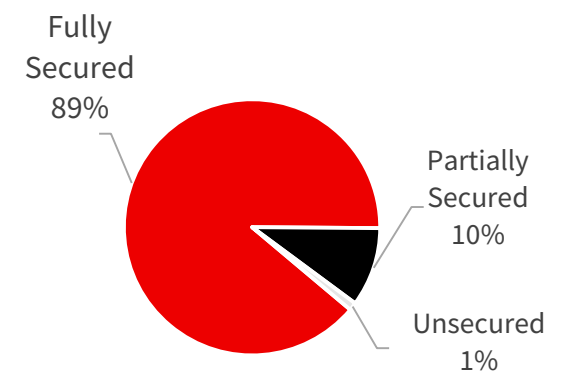
Portfolio EAD \$46.5bn March 2025



## Australian agriculture asset quality (\$m)



## Australian agriculture portfolio well secured<sup>2</sup>



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

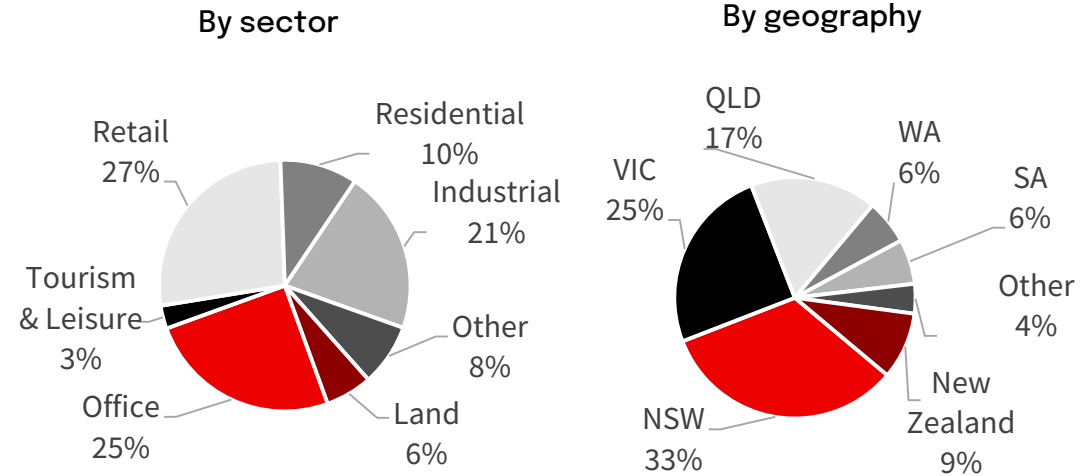
(2) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where no security is held and/or no value held against the security and negative pledge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

# Commercial real estate (CRE)<sup>1</sup>

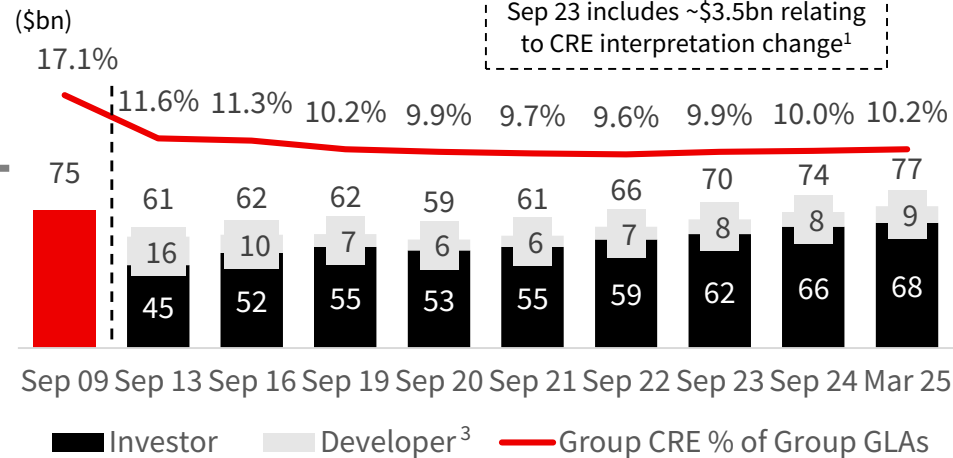
## Gross loans & acceptances (GLAs)

	Australia	New Zealand	Total <sup>2</sup>
Total CRE (A\$bn)	69.9	7.2	77.1
Increase/(decrease) from Sep 24 (A\$bn)	2.8	0.2	3.0
% of geographical GLAs	11.0%	7.3%	10.2%
Change in % from Sep 24	0.1%	0.1%	0.2%

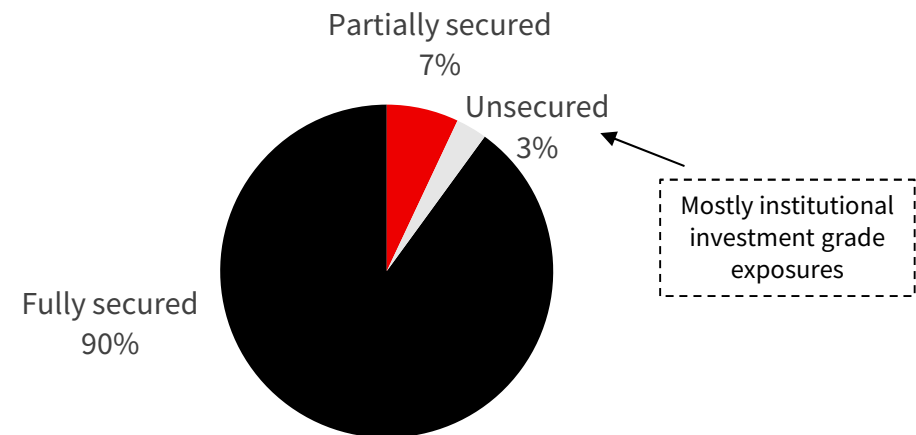
## Breakdown by total GLAs



## Balances over time



## Group CRE Security Profile<sup>4</sup>



- (1) Measured as balance outstanding as at 31 March 2025 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 Mar 25 includes \$2.2bn for land development and \$3.0bn 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<sup>1</sup>

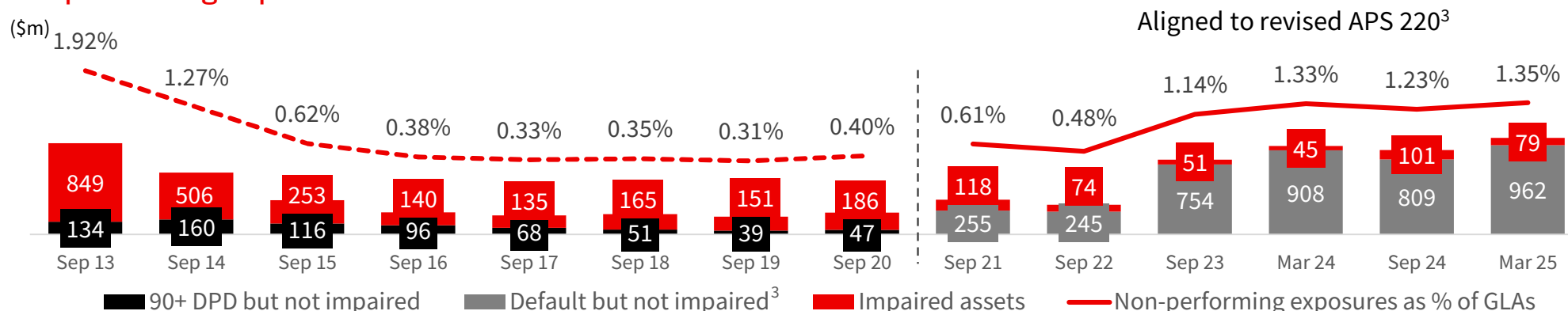
## Key asset quality considerations

- **Non-performing exposures** above low levels of recent years but remain below longer term historical levels; current experience remains biased towards default but not impaired exposures
- Higher default but not impaired since Sep 22 are being influenced by increased interest expenses that are not offset by sufficient rental growth for investment lending and delayed project completions / cost over-runs in the development portfolio relating to builder / construction issues
- Outlook for further interest rate reductions in conjunction with rental growth is expected to improve **serviceability (ICR)** and support **asset values (LVR)**
- Material portion of new and renewed CRE Investment lending over past 18 months associated with **LVRs** <60%
- **Transaction volumes** have increased indicating liquidity is returning to the market
- Provisioning includes \$161m target sector **FLA**

## Non-performing exposure and as % GLAs

## Sector considerations

- Increased activity in the **Development** sector (particularly **Residential**) is supporting lending growth in the segment however, project feasibility is still challenged in some markets as developers factor in higher construction costs
- **Discretionary income** exposed assets remain challenged by elevated interest rates and cost of living pressures
- Valuation pressure and elevated vacancy rates evident across **Office** markets, however confidence is returning for Prime assets in most markets. Secondary assets<sup>2</sup> lacking Green credentials deemed higher risk, particularly those with shorter lease expiries located in CBD-type locations
  - C&IB portfolio (~2/3rd of Australian office) biased towards Prime / A-grade assets
  - B&PB portfolio (~1/3rd of Australian office) typically associated with C to D grade assets located in non-CBD locations



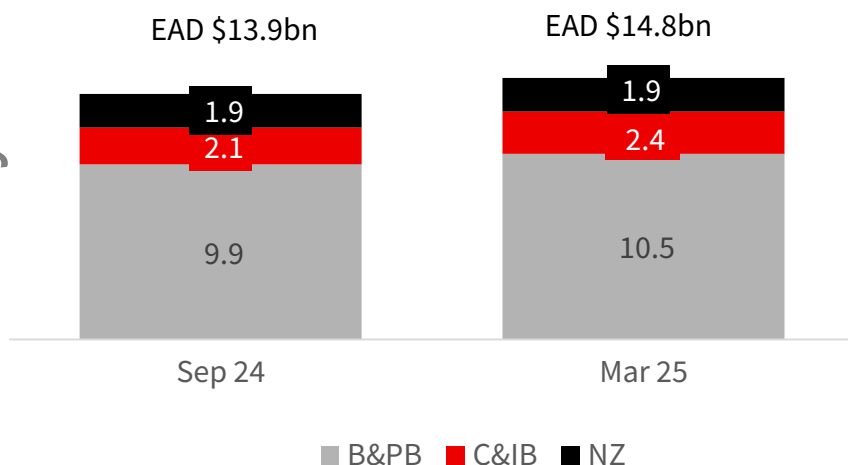
(1) Measured as balance outstanding per APRA Commercial Property ARS 230 definitions

(2) Refers to office assets below Prime and A-grade

(3) 'Default but not impaired' includes '90+ DPD but not impaired' assets and 'Default <90 DPD but not impaired' assets aligned to APS 220 Credit Risk Management

# Construction<sup>1</sup>

## Exposure at default

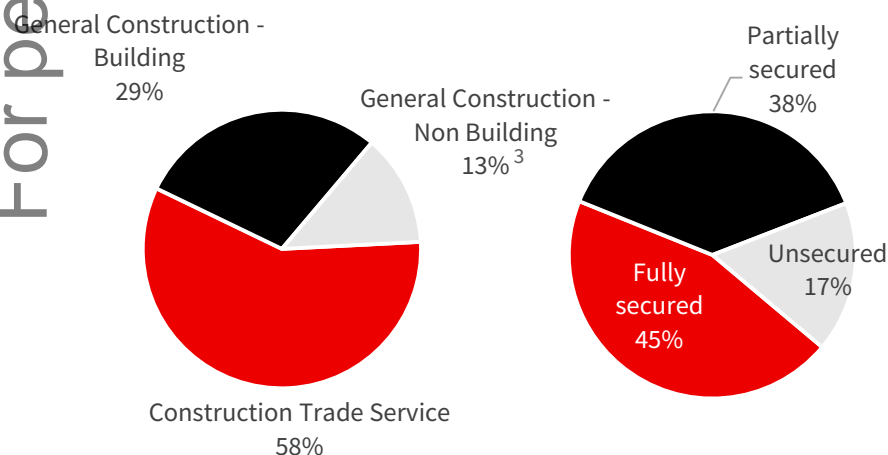


## Key considerations

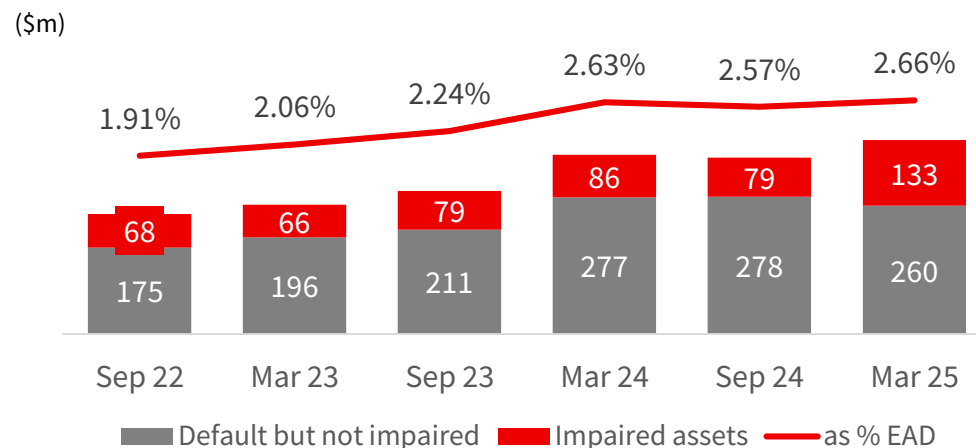
- While NPL trends have stabilised, challenges persist around labour availability and subcontractor issues (availability and completion risk); ~4% non retail lending EAD including subcontractors and construction services
- Highly diversified and secured portfolio
- Provisioning includes \$20m target sector FLA
- ~50% of C&IB exposures are contingent facilities e.g. performance guarantees

Mar 25 Australian Construction	B&PB	C&IB	Total
EAD (\$bn)	10.5	2.4	12.9
# customers	~30k	~300	~30k
% Fully or Partially Secured	94%	45%	82%

## EAD portfolio by sector and security<sup>2</sup>



## Non-performing exposure and as % of sector EAD



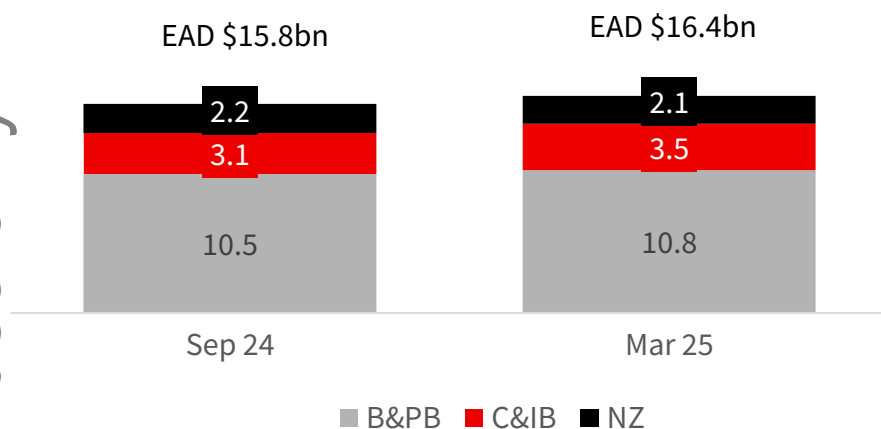
(1) Based on ANZSIC Level 1 classifications of the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties

(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<sup>1</sup>

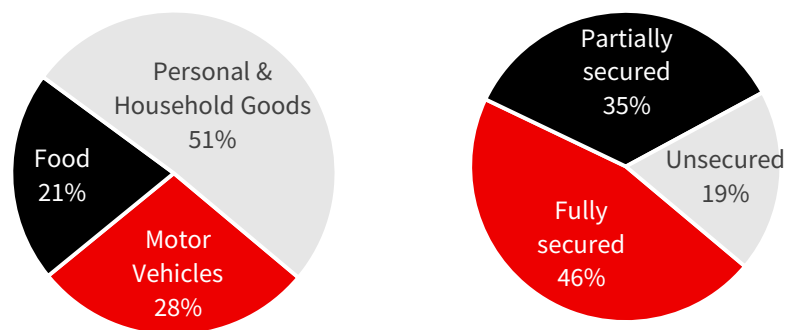
## Exposure at default



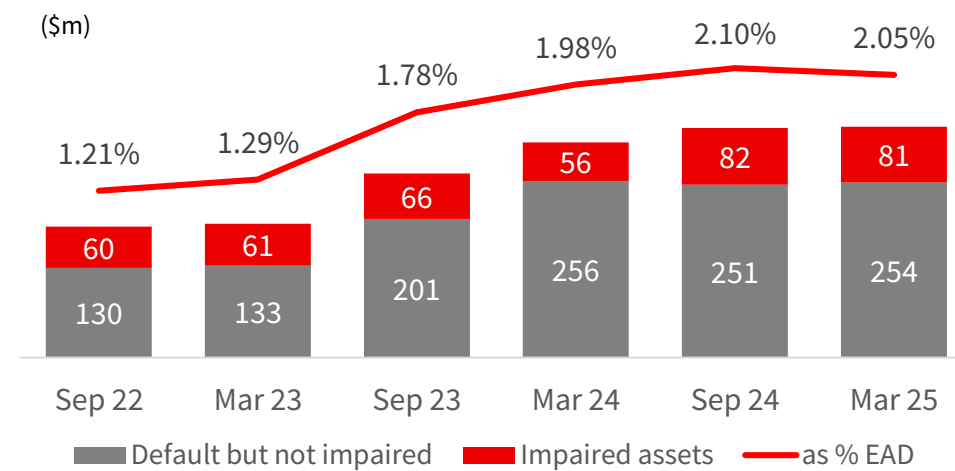
## Key considerations

- NPL trends have stabilised
- Total consumer spending is improving, benefitting from tax cuts and easing of 'cost of living' pressures, with further support expected from interest rate reductions
- However margins remain under pressure and discounting generally is still required to drive volume growth, although impacts vary across retailers
- Provisioning includes \$42m target sector FLA
- ~4% non retail lending EAD

## EAD portfolio by sector and security<sup>2</sup>



## Non-performing exposure as % of sector EAD



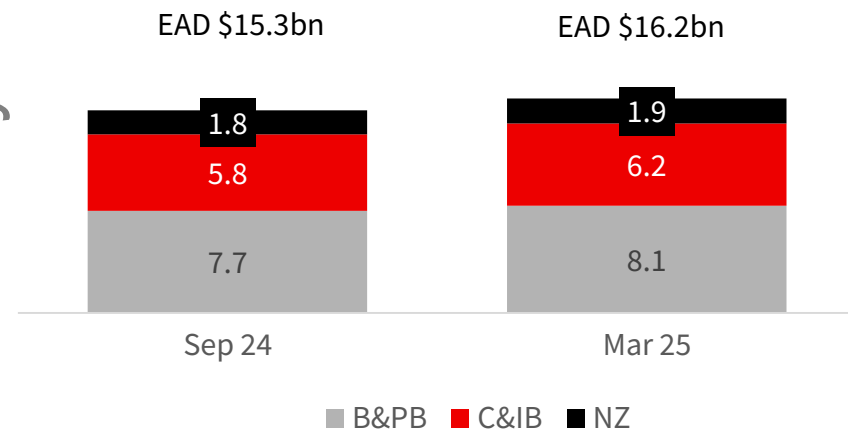
(1) Based on ANZSIC Level 1 classifications of the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties

(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

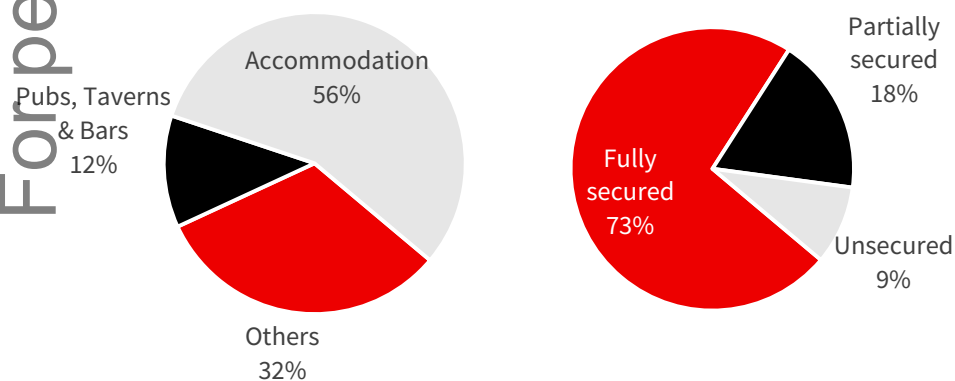


# Tourism, hospitality and entertainment<sup>1</sup>

## Exposure at default



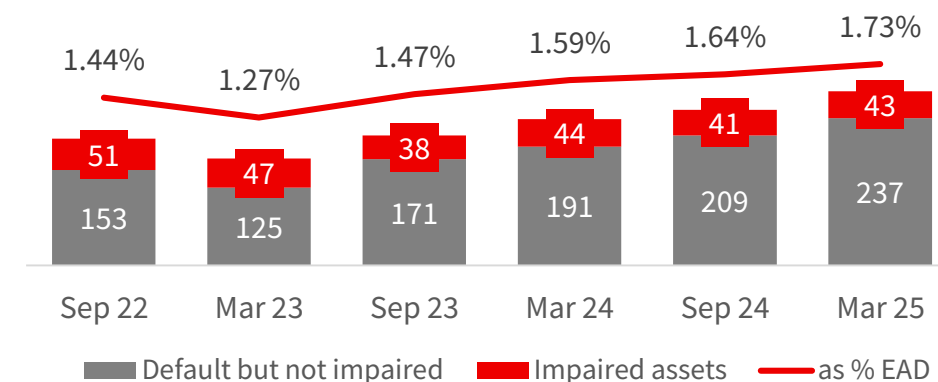
## EAD portfolio by sector and security<sup>2</sup>



## Key considerations

- Consumer spending is improving, benefitting from tax cuts, easing of 'cost of living' pressures, and continued recovery in inbound tourism, with further support expected from interest rate reductions
- However, outcomes continue to differ by demographics and geography (including the impact of recent adverse weather-related events)
- ~4% of non retail lending EAD
- Provisioning includes \$52m target sector FLA

## Non-performing exposure as % of sector EAD (\$m)

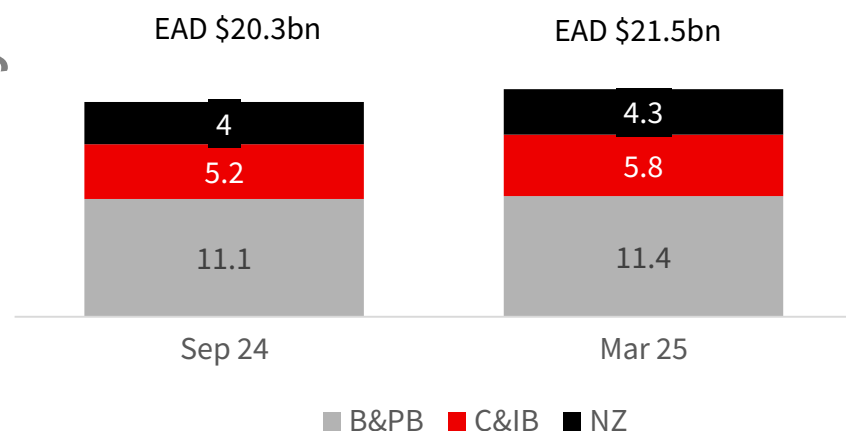


(1) Based on the ANZSIC Level 1 classifications of accommodation and hospitality, plus cultural and recreational services; based on the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties

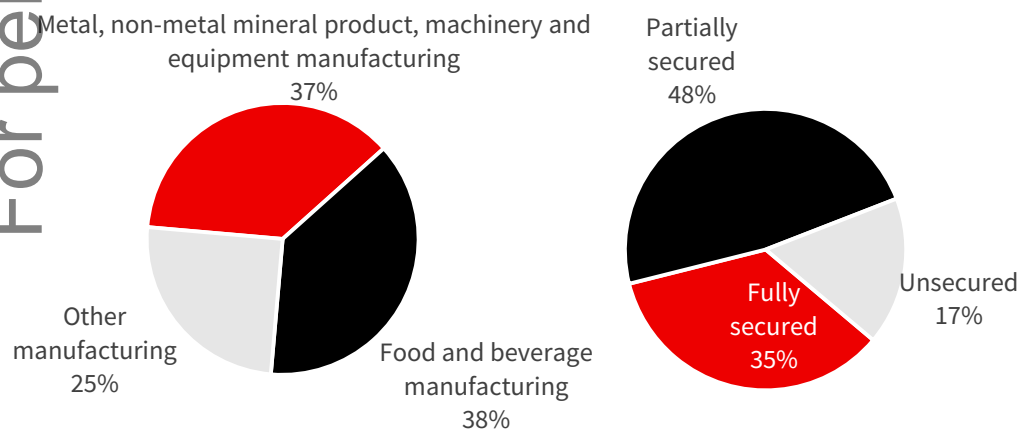
(2) Fully Secured is where the loan amount is less than 100% of the bank extended value of security; Partially Secured is where the loan amount is greater than 100% of the bank extended value of security; Unsecured is where no security is held and/or no value held against the security and negative pledge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

# Manufacturing<sup>1</sup>

## Exposure at default



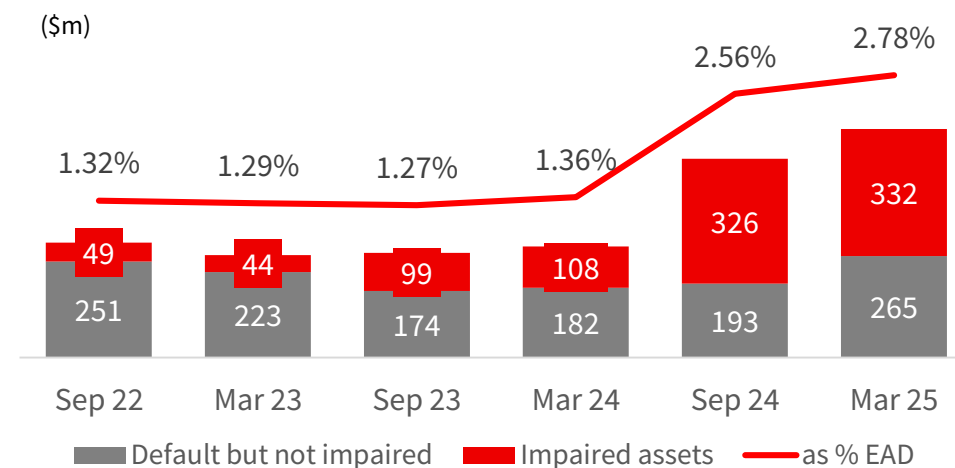
## EAD portfolio by sector and security<sup>2</sup>



## Key considerations

- Manufacturing sector remains challenged by the impacts of interest rate and input cost increases over recent years and the limited ability to pass these on to customers, particularly for those manufacturers within the food and beverage supply chain
- Deteriorating NPL trends in 2H24 includes a step-up in impaired assets in 2H24 resulting from a small number of larger customers
- ~5% of non retail lending EAD

## Non-performing exposure as % of sector EAD



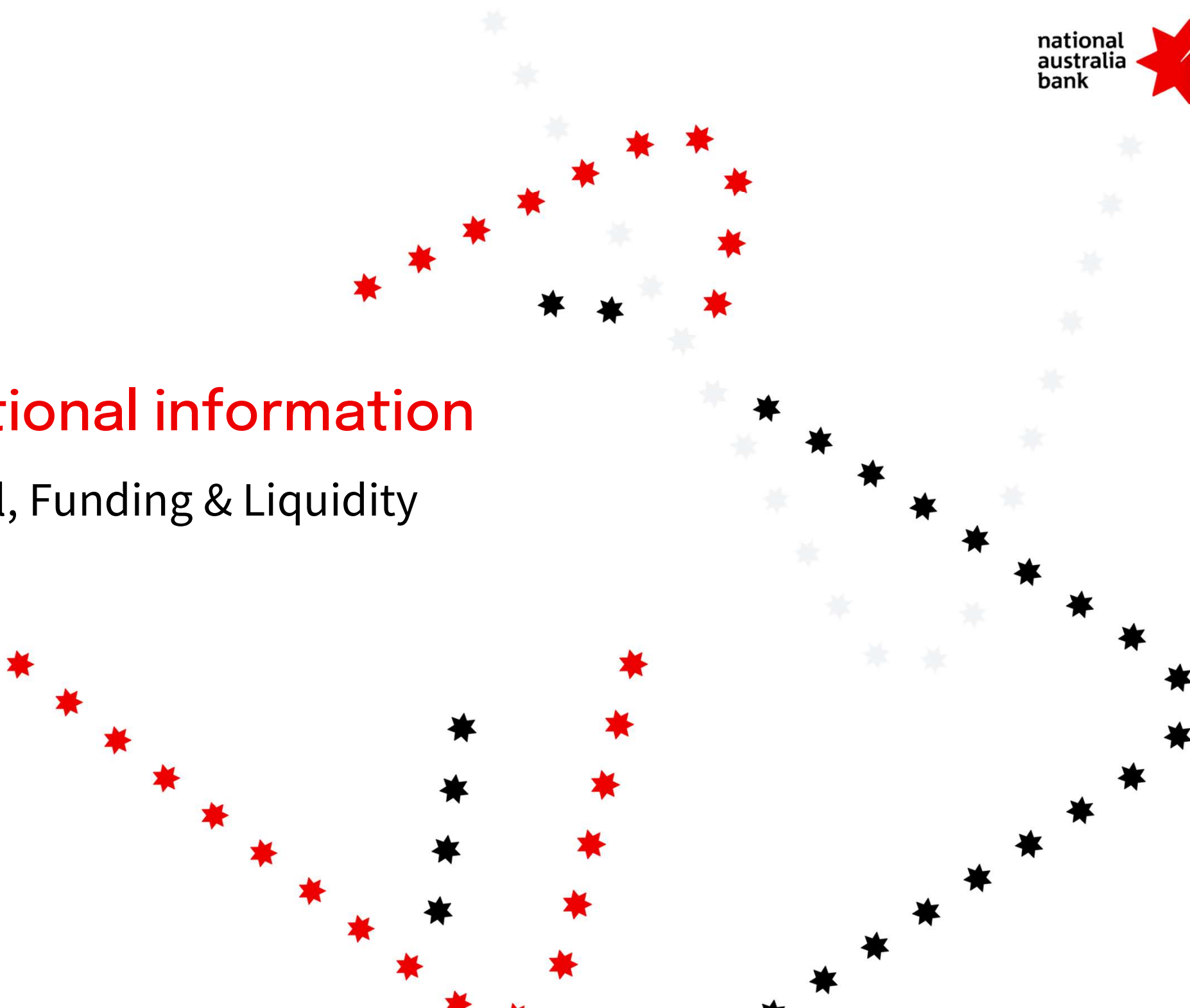
(1) Based on ANZSIC Level 1 classifications of the counterparty to which the Group is exposed to credit risk, including guarantors and derivative counterparties

(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

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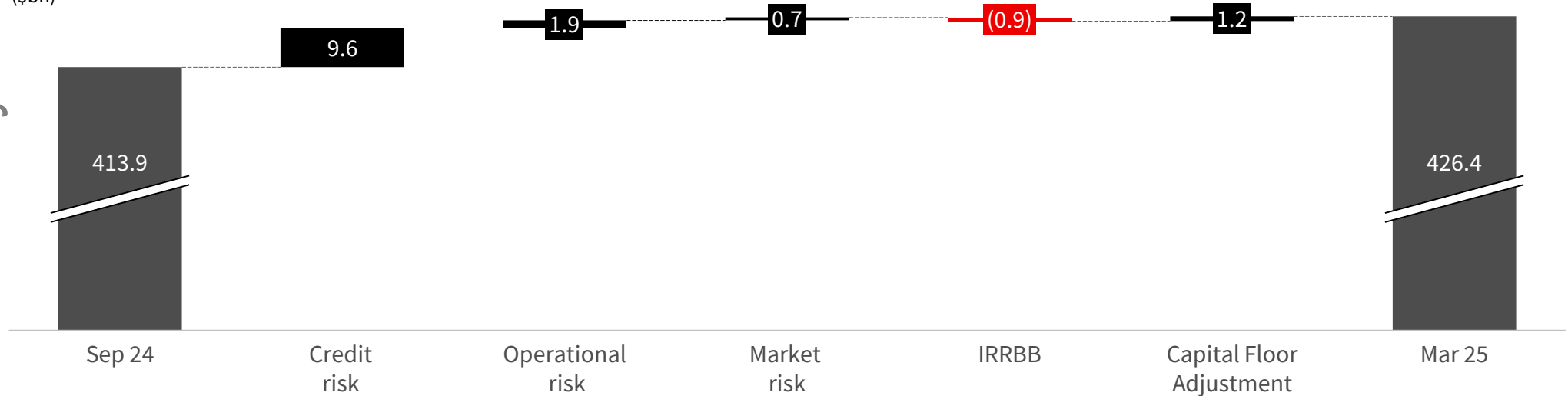
# Additional information

Capital, Funding & Liquidity



# Risk-weighted assets

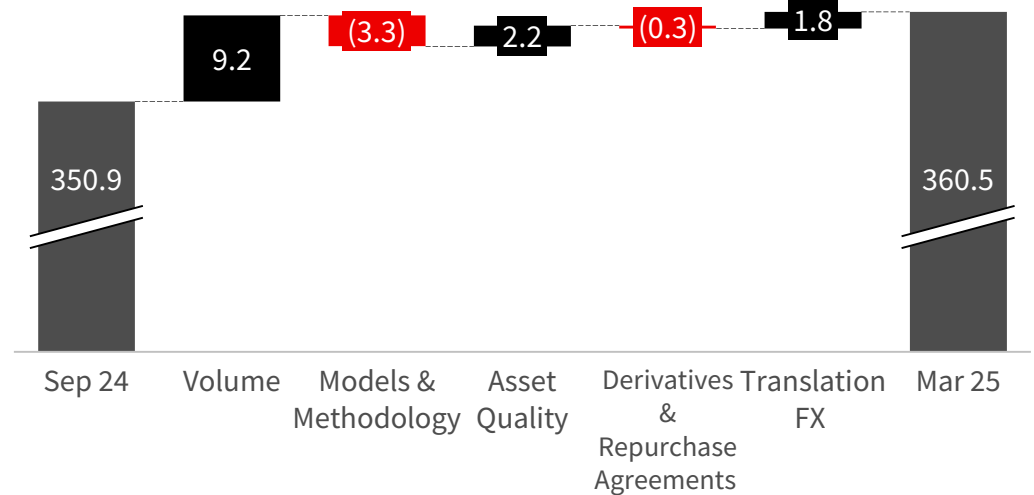
Risk-weighted assets  
(\$bn)



Risk-weighted assets

- CRWA mostly driven by business lending growth. Model and methodology changes offsetting other movements
- IRRBB sensitivity for embedded loss/gains: +/- 10 bps swap rates equivalent to ~\$0.5bn of RWA

Credit risk-weighted assets  
(\$bn)



# Capital & Deposit hedges

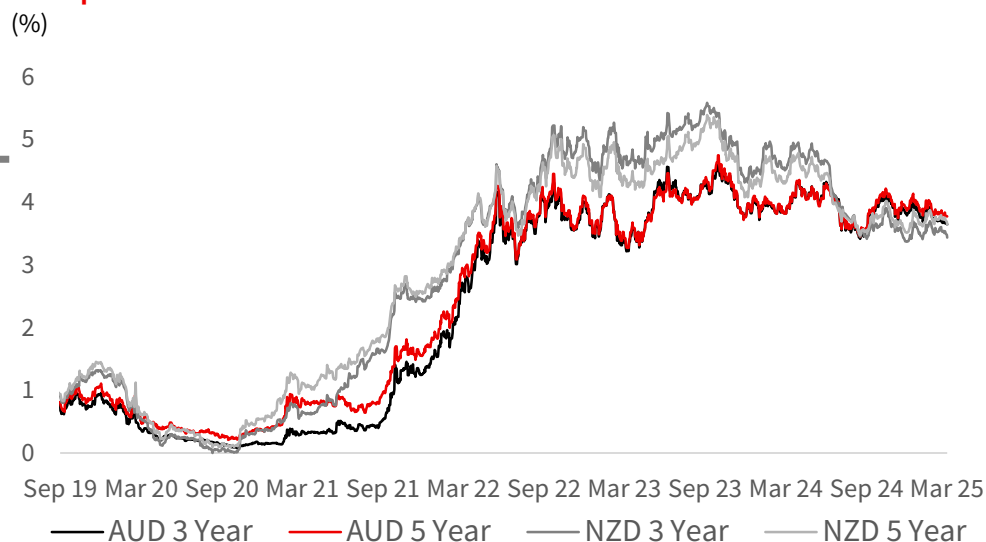
## NAB replicating portfolios

Replicating portfolio		
	Mar 25 balance	Invested out to term of
Capital	AUD \$40bn	3 years
Deposits	AUD \$73bn	5 years

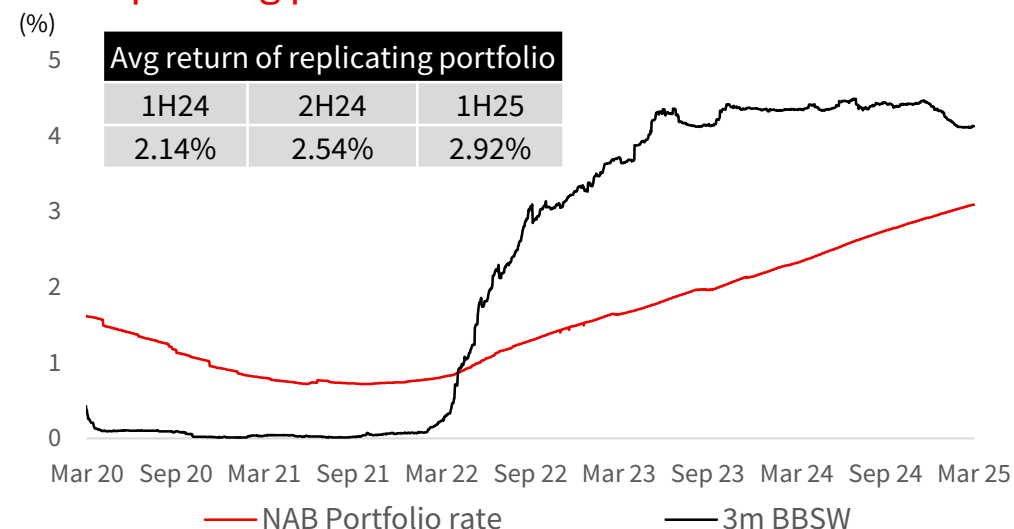
## BNZ replicating portfolios

Replicating portfolio		
	Mar 25 balance	Invested out to term of
Capital	NZD \$12bn	3 years
Deposits	NZD \$9bn	5 years

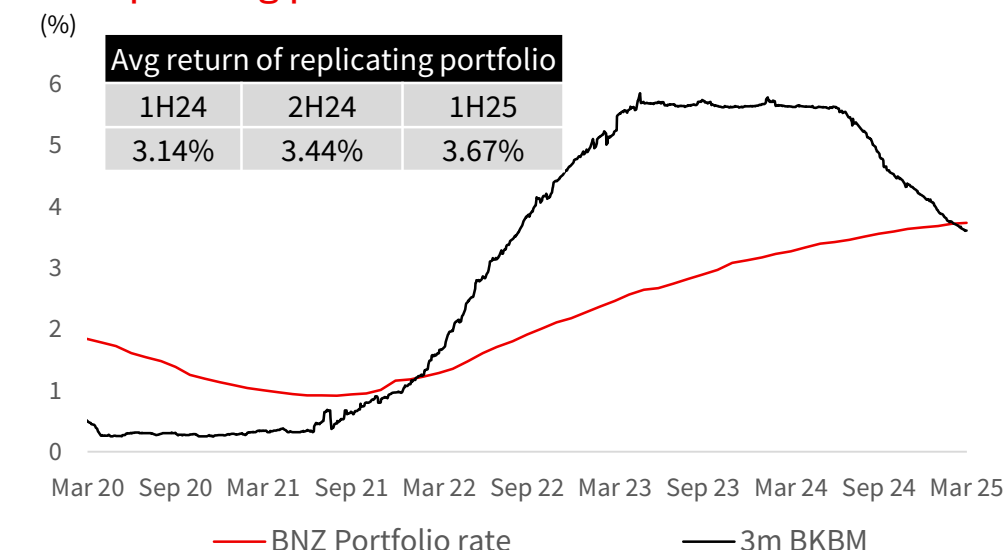
## Swap rates<sup>2</sup>



## NAB replicating portfolios<sup>1</sup>



## BNZ replicating portfolios<sup>3</sup>

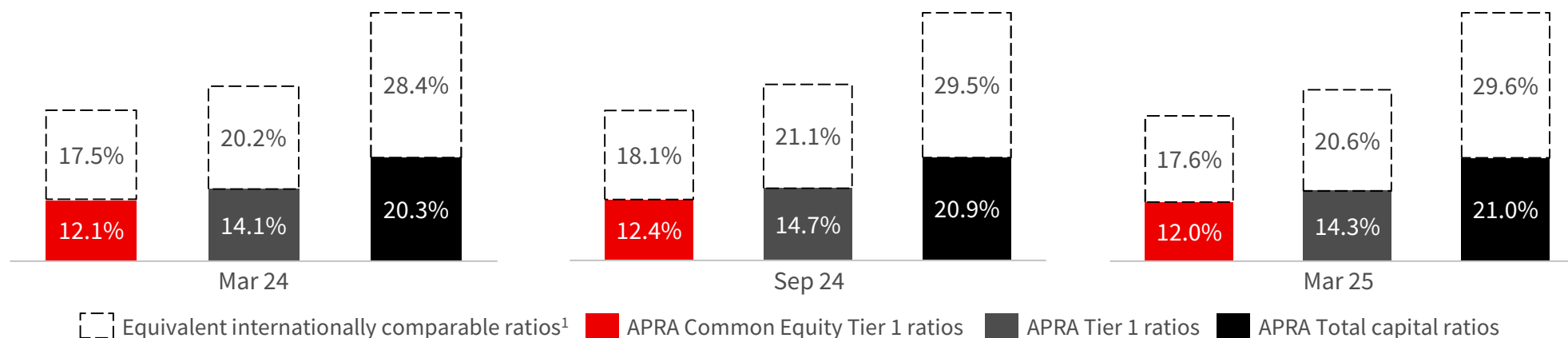


(1) Blended replicating portfolio (Australia only) includes capital, non-interest bearing and rate insensitive deposits

(2) AUD swap rates sourced from Bloomberg and NZD Swap Rates sourced from Reuters

(3) Blended replicating portfolio (New Zealand only) includes capital, non-interest bearing and rate insensitive deposits

# Internationally comparable capital ratios



APRA to Internationally comparable CET1 ratio reconciliation <sup>1</sup>		CET1 %
<b>APRA CET1 ratio</b>		<b>12.0</b>
Decrease in risk-weighted assets (RWA) without the APRA floor adjustment. The internationally comparable CET1 ratio does not include the impact of the Basel capital floor		<0.1
Regulatory capital differences (i.e. fee income eligible as regulatory capital and deduction of capitalised expenses not in the Basel framework) and items deducted under APRA requirements compared to being risk-weighted (subject to thresholds) in the Basel framework (i.e. deferred tax assets and equity exposures)		0.9
APRA requirement for Interest Rate Risk in the Banking Book (IRRBB) risk-weighted assets (RWA) not in the Basel framework		0.6
APRA requirements for residential mortgages not in the Basel framework (i.e. APRA multipliers of 1.4, 1.7 or 2.5, higher APRA loss given default (LGD) floor, APRA risk-weight floor and standardised treatment for non-standard mortgages)		1.5
APRA internal ratings-based approach 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)		0.5
Non-retail LGD differences between APRA and Basel frameworks for certain exposures under foundation IRB and advanced IRB approaches		0.2
Other <sup>2</sup>		0.2
<b>Internationally comparable CET1 ratio</b>		<b>17.6</b>

- (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 Reserve Bank of New Zealand (RBNZ) prudential requirements, with the Finalised post-crisis Basel III reforms. The Internationally comparable capital ratios do not include the impact of the Basel capital floor, where 60% is the Basel transitional capital floor that applies from 1 January 2025
- (2) Other includes the impact of concessional Credit Conversion Factors (CCFs) for certain credit commitments in the Basel framework, and APRA requirements for margin lending and specialised lending exposures not in the Basel framework

# Key regulatory changes impacting capital and funding

Change	2025	2026	2027
Additional Tier 1 (AT1) Capital	Consultation		Implementation
Loss-Absorbing Capacity	Implementation <sup>1</sup>		
Interest Rate Risk in the Banking Book (APS 117)	Implementation		
Public Disclosures (APS 330)	Implementation		
Liquidity (APS 210)	Consultation		
Market Risk (APS 116)	Consultation <sup>2</sup>		Implementation <sup>2</sup>
RBNZ Capital Review	Increases to capital phased in over a seven-year period to July 2028 <sup>3</sup>		

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(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. NAB has met the 3% of RWA Total Capital requirement

(2)

Estimated date

(3)

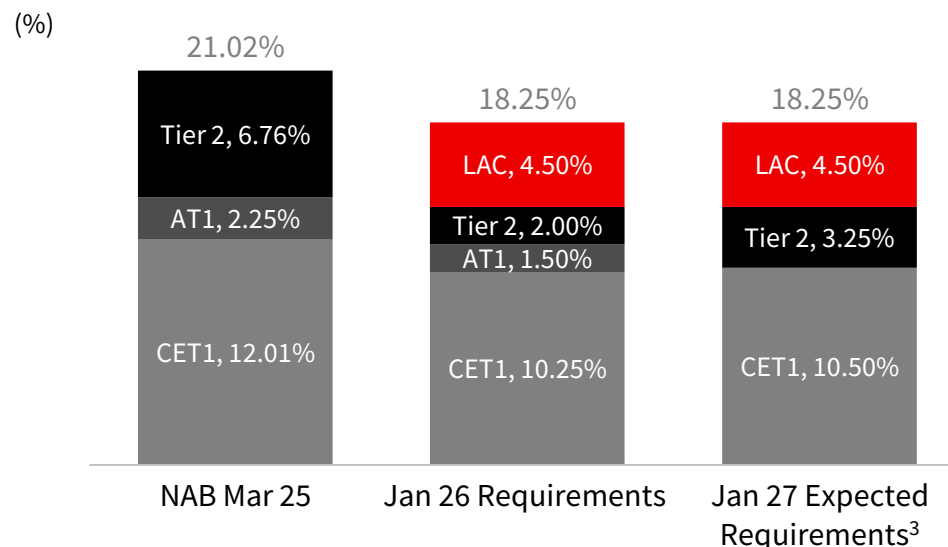
In Mar 25, the RBNZ announced its intention to conduct a subsequent review of key capital settings

# Loss Absorbing Capacity and Additional Tier 1<sup>1</sup>

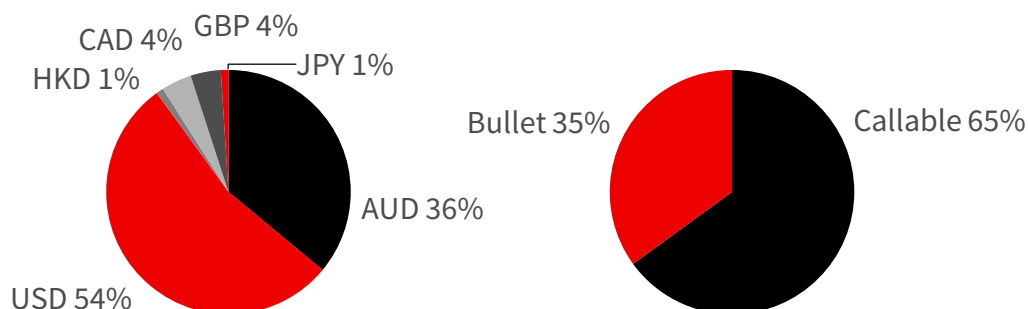
## Key messages

- Based on the Group's RWA and Total Capital position at 31 March 25, NAB meets APRA's Jan 26 LAC requirements
- NAB has \$0.6bn of existing AT1 and \$2.4bn of existing Tier 2 with optional redemption dates prior to Jan 26<sup>2</sup>
- APRA released an industry letter in Dec 24 which confirmed that it will replace 1.5% AT1 with 0.25% CET1 and 1.25% Tier 2, from Jan 27<sup>3</sup>
- NAB has \$9.6bn of AT1 as at 31 March 25, which would continue to contribute to Total Capital until first call date through to 2032, under APRA's current proposal

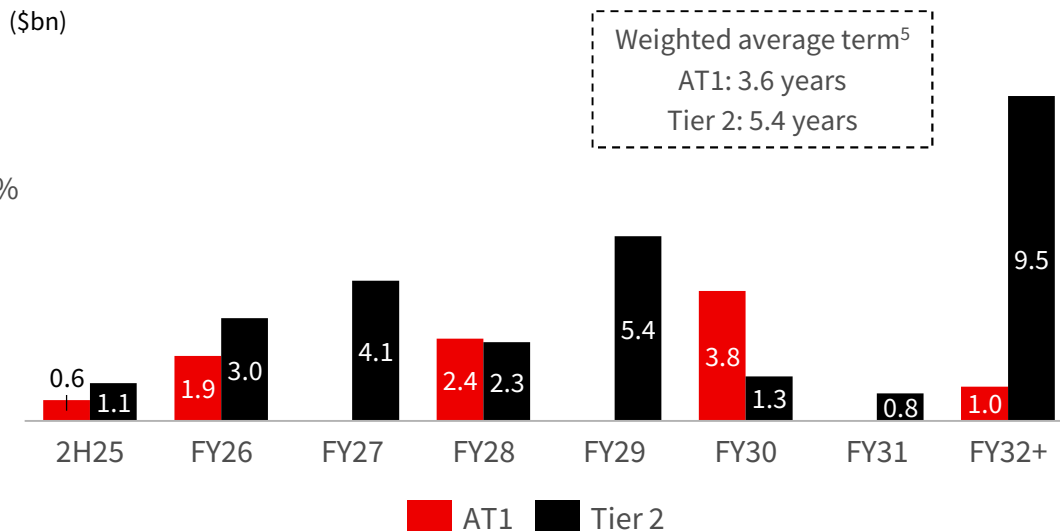
## APRA changes to major banks' capital minimums



## NAB Tier 2 outstanding issuance



## NAB AT1 and Tier 2 runoff<sup>4</sup>

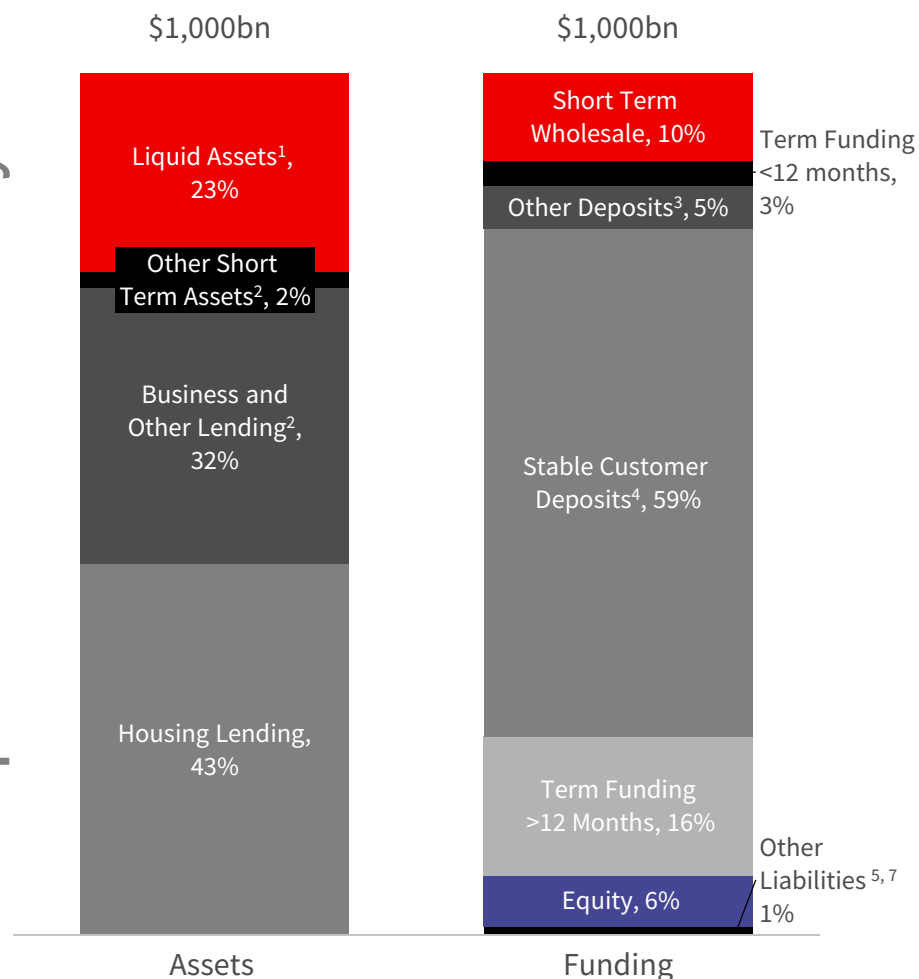


- Excludes BNZ issuance which does not contribute to Group capital ratios
- Any early redemption would be subject to prior written approval from APRA (which may or may not be provided)
- Under APRA's approach for large, internationally active banks in the discussion paper: 'A more effective capital framework for a crisis', released on 10 September 2024 and subsequent industry letter dated 9 December 2024
- Based on first optional call date (subject to APRA approval, which may or may not be provided) or maturity date (adjusted for any capital amortisation)
- Based on remaining term to maturity, with maturity equal to first optional call date where applicable (subject to APRA approval, which may or may not be provided), and adjusted for any capital amortisation

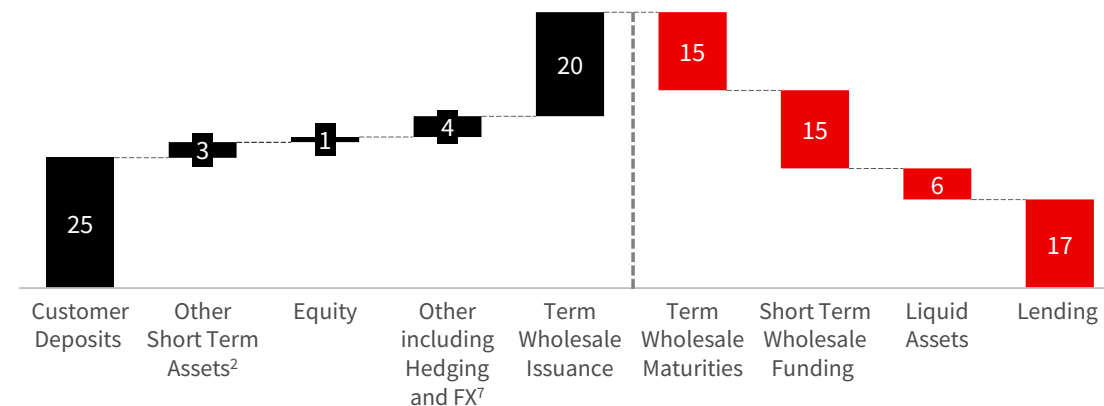


# Asset Funding

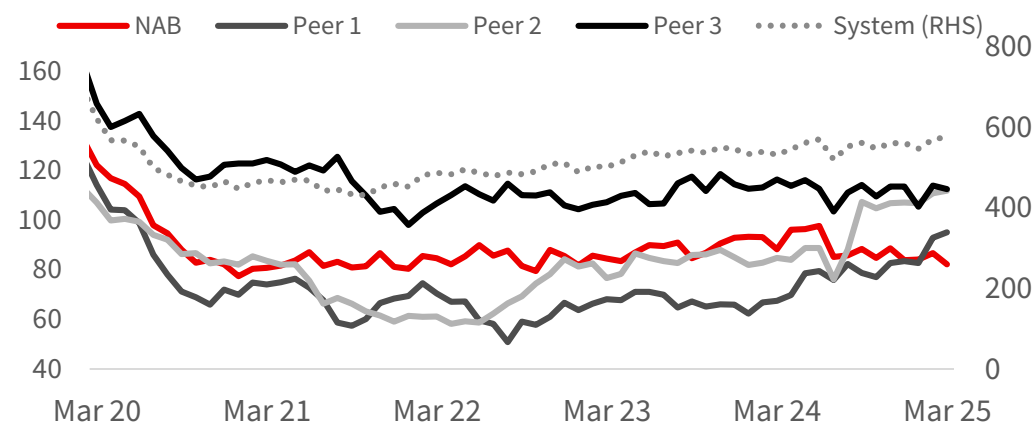
## Funded balance sheet



## Group sources and uses of funds, 6 months to 31 March 25 (\$bn)



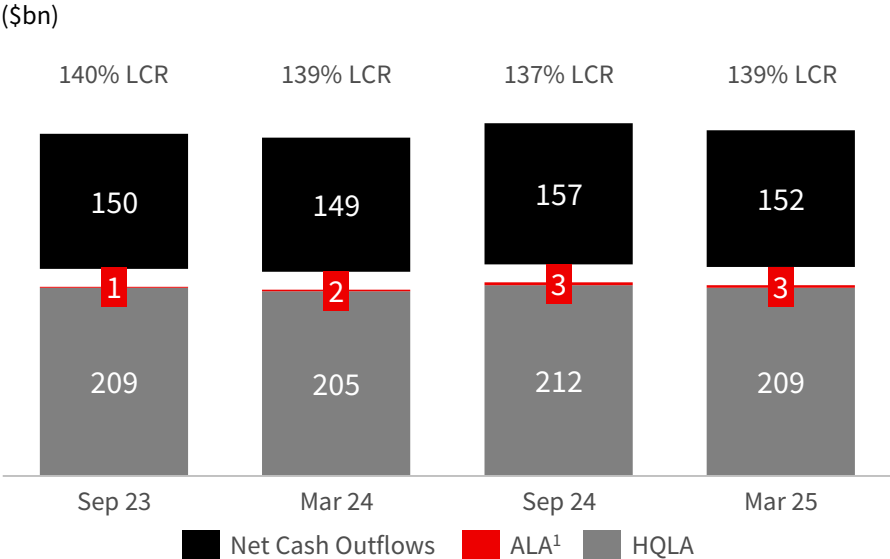
## Australian core funding gap<sup>6</sup> (\$bn)



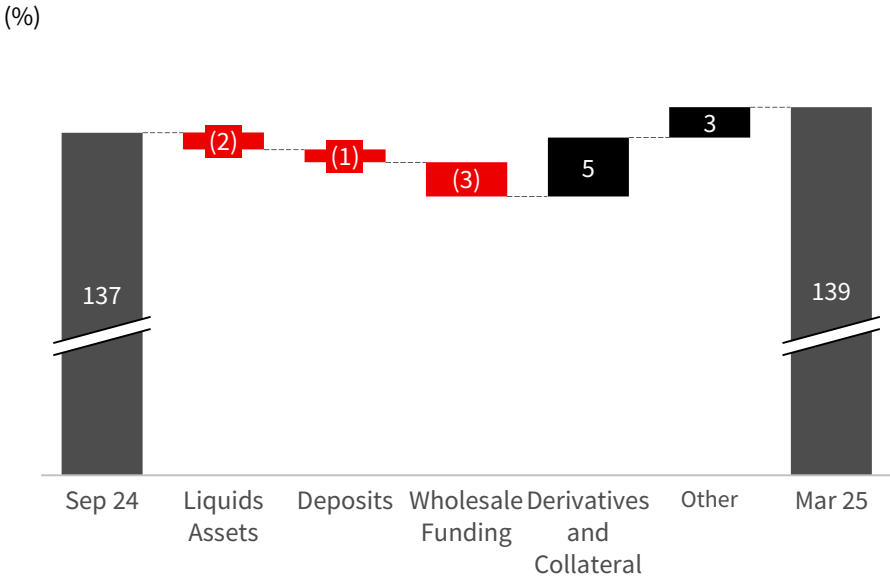
- (1) Liquid asset securities are measured at fair value with valuation changes recognised immediately through profit or loss or other comprehensive income
- (2) Trade finance loans are included in other short-term assets, instead of business and other lending
- (3) Includes non-operational financial 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) The net position includes net derivatives, property, plant and equipment, all net of accruals, receivables and payables
- (6) Australian core funding gap = Gross loans and advances plus acceptances less total deposits (excluding certificates of deposit). Source: APRA. Latest data as at Mar 25
- (7) Includes short-term collateral and settlements

# Liquidity

## Liquidity coverage ratio (quarterly average)

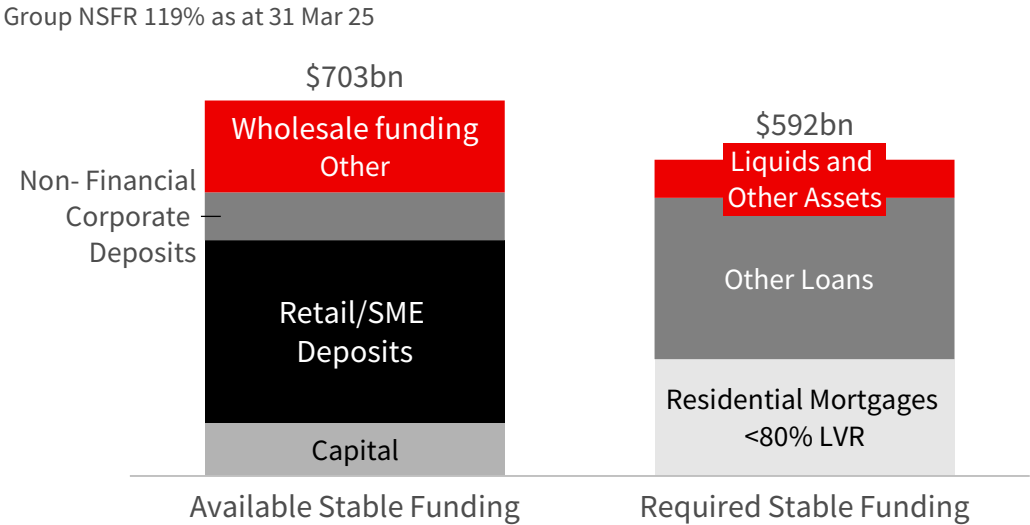


## Liquidity coverage ratio movement



(1) Alternative Liquid Assets

## Net stable funding ratio composition

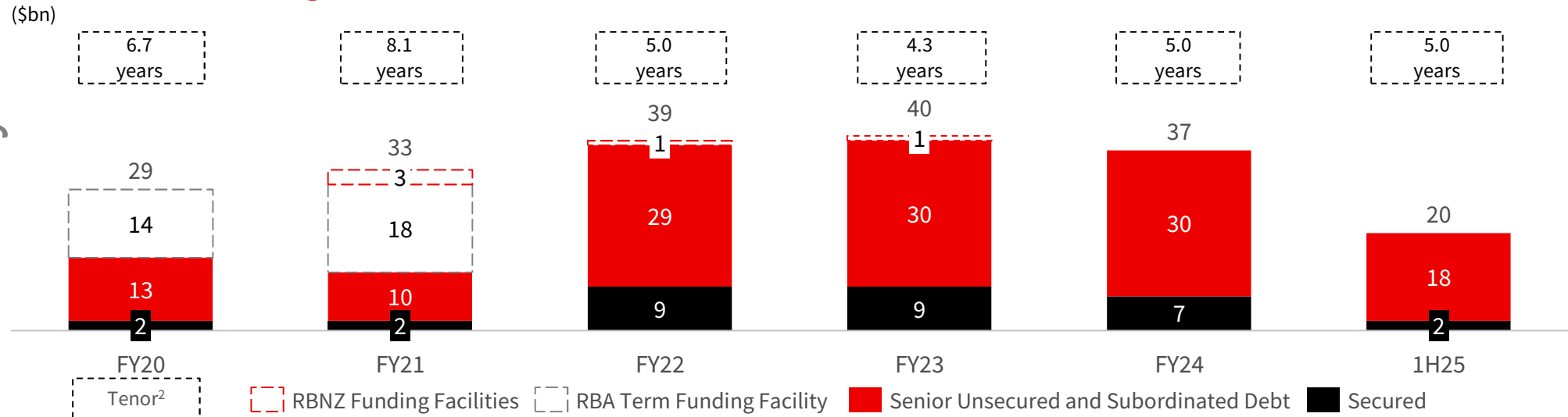


## Net stable funding ratio movement

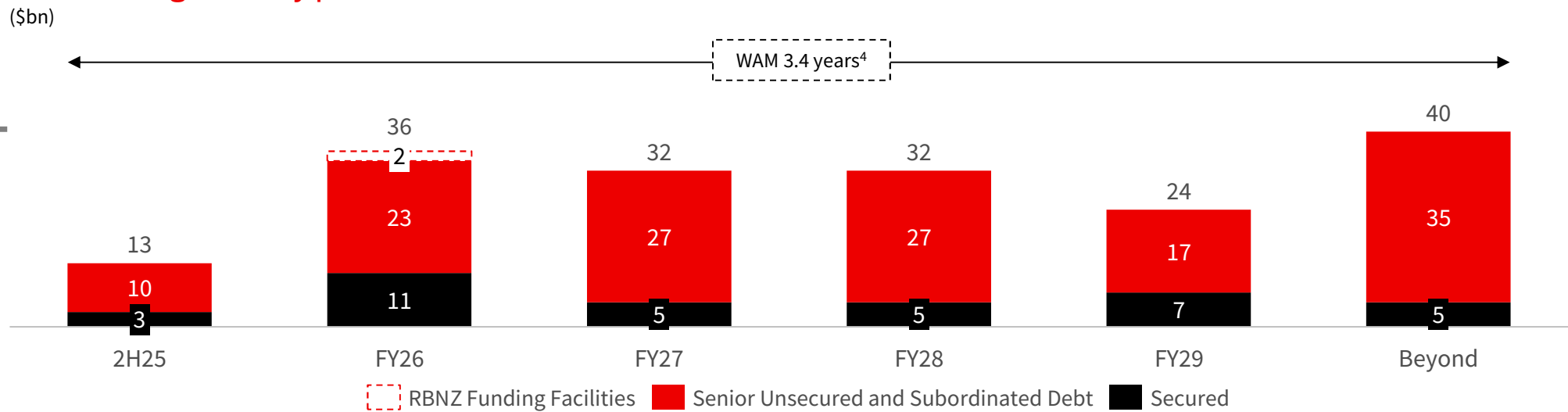


# Term wholesale funding profile

## Historical term funding issuance<sup>1</sup>



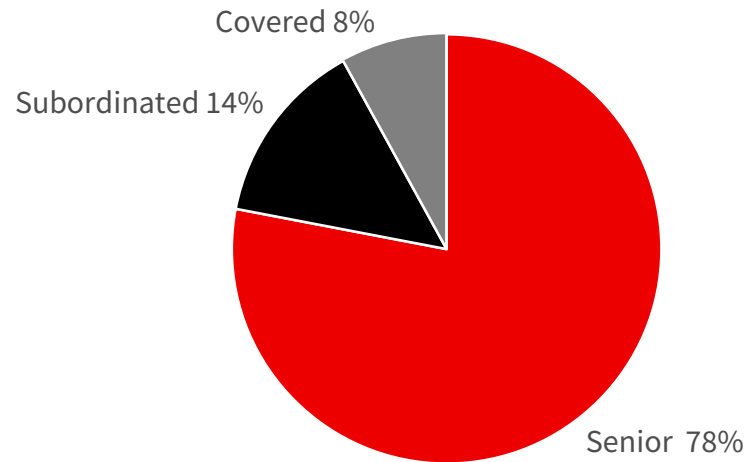
## Term funding maturity profile<sup>3</sup>



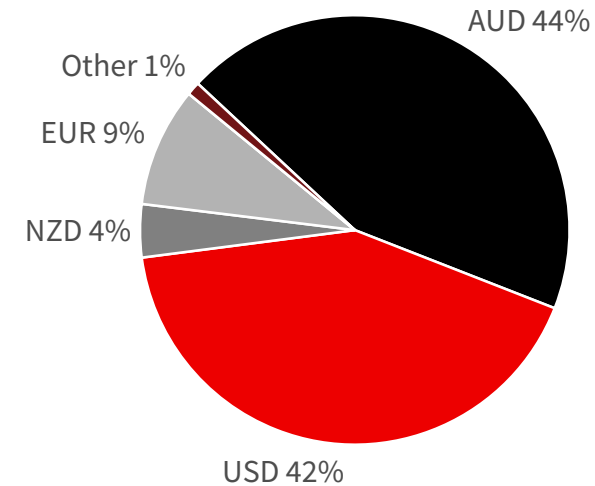
- (1) Includes senior unsecured, secured (covered bonds and RMBS) and subordinated debt with an original term to maturity or call date of greater than 12 months, excludes AT1 and Citi's RBA Term Funding Facility. FX rate measured at time of issuance
- (2) Weighted average maturity of new issuance, excludes AT1, 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 AT1 and RMBS. Spot FX rate at 31 March 2025
- (4) Remaining weighted average maturity, excludes AT1, RMBS and RBNZ funding facilities

# Diversified & flexible term wholesale funding portfolio

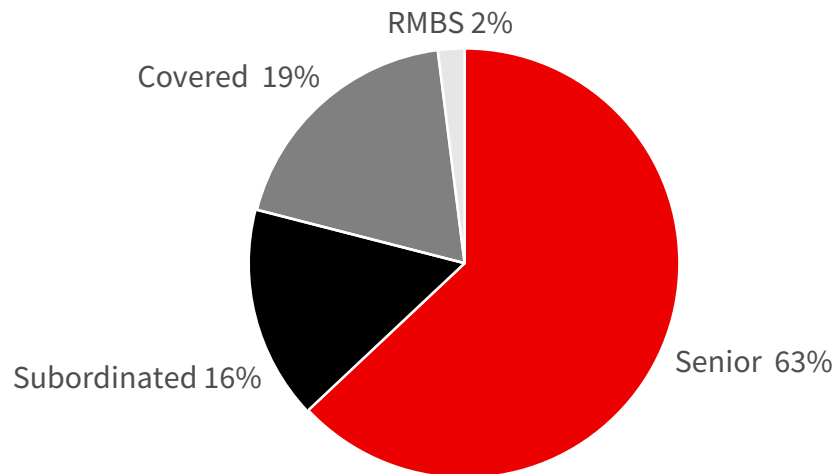
1H25 Issuance by product type<sup>1</sup>



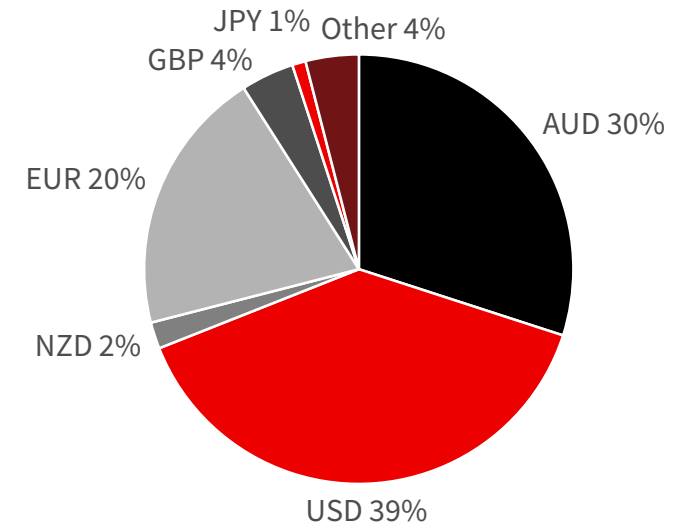
1H25 Issuance by currency<sup>1</sup>



Outstanding issuance by product type<sup>1, 2</sup>



Outstanding issuance by currency<sup>1</sup>

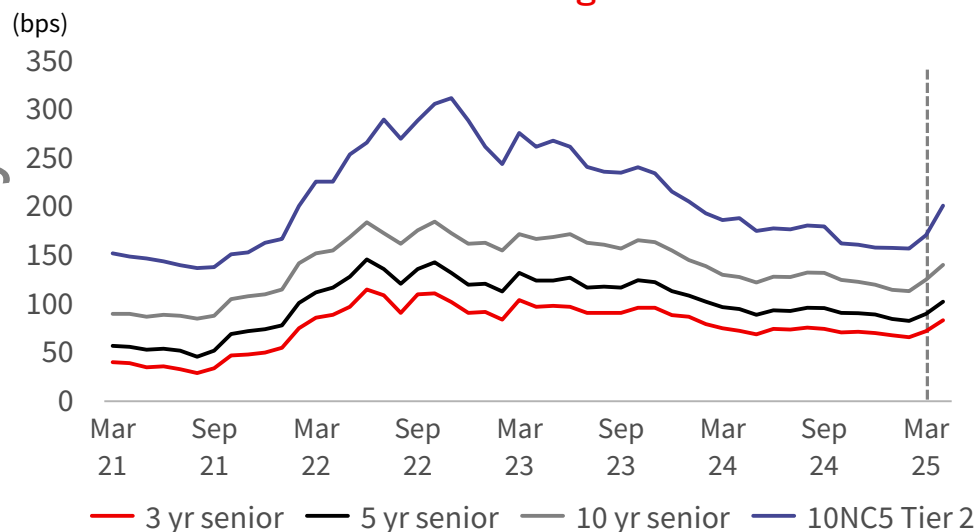


(1) Excludes AT1, RBNZ funding facilities

(2) At 31 March 2025, NAB has utilised 45% of its covered bond capacity. Capacity based on current rating agency over collateralisation (OC) and legislative limit

# Funding costs

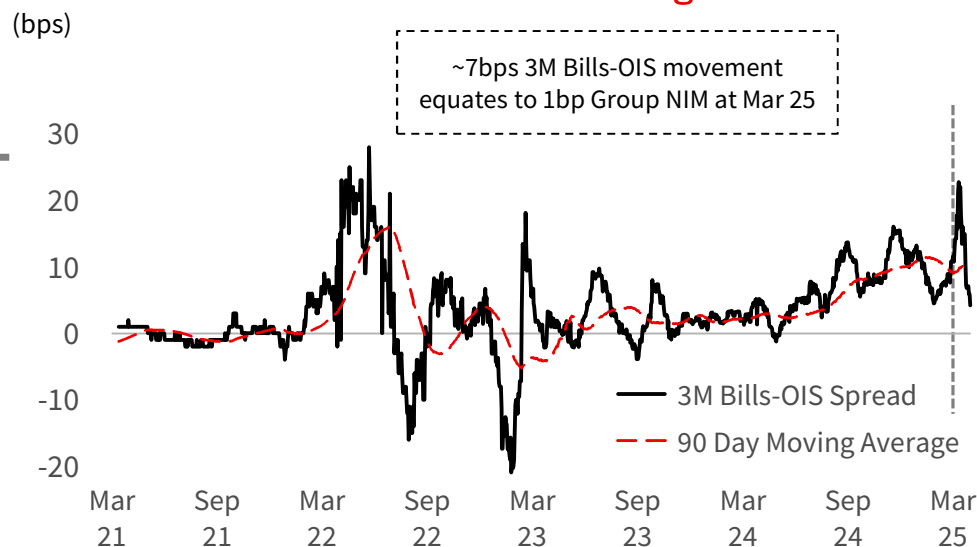
## Indicative term wholesale funding issuance costs<sup>1</sup>



## Average term wholesale funding portfolio costs<sup>2</sup>



## Domestic short term wholesale funding costs<sup>3</sup>



## Australian term deposit portfolio costs<sup>4</sup>



(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

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Additional information

Sustainability



# Sustainability is embedded in our Group Strategy



Prioritising support for customers in three areas:

## Climate action

**\$80bn**

Environmental  
finance ambition  
by 2030  
(cumulative basis)<sup>1</sup>

## Access to affordable housing

**\$6bn**

Affordable and specialist  
housing lending  
ambition by 2029  
(cumulative basis)<sup>2</sup>

## First Nations economic advancement

**\$1bn**

First Nations business and  
community organisation  
lending ambition by end of  
2026  
(spot basis)<sup>3</sup>

## Underpinned by resilient and sustainable business practices

Getting the basics right and managing sustainability matters responsibly across our business



Colleagues  
and culture



Inclusive  
banking



Risk  
management



Supply chain  
management



Human  
rights

## Aligned to six key United Nations Sustainable Development Goals

Where we can make the biggest impact



[www.un.org/sustainabledevelopment](http://www.un.org/sustainabledevelopment)

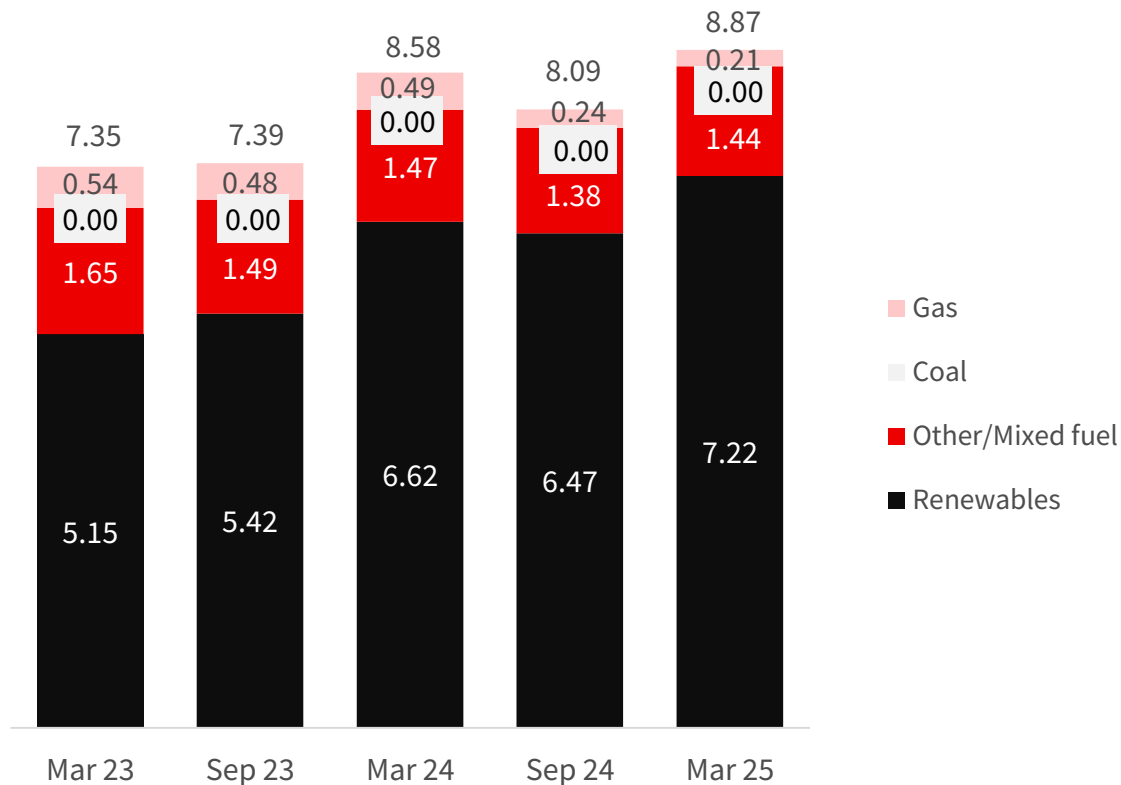
Progress reported annually in NAB's reporting suite: [nab.com.au/annualreports](http://nab.com.au/annualreports)

- (1) Ambition reflects cumulative total of new financing activity from 1 October 2023 to 30 September 2030. See page 63 of NAB's 2024 Climate Report for further information
- (2) Ambition period commenced 1 October 2022. Includes affordable housing, specialist disability accommodation and sustainable housing. This includes loans made under the First Home Buyer Guarantee, Regional First Home Buyer Guarantee, Family Home Guarantee and New Home Guarantee, as part of the Home Guarantee Scheme for properties under the national median house price, and for borrowers with taxable income below the national median household income. Based on total lending facilities committed, where first draw down occurred during the ambition period, or additional funding was provided during the ambition period for a pre-existing loan facility. Does not reflect debt balance
- (3) Lending position refers to 'Gross Loans and Advances' to both direct Indigenous Businesses (with >50% Indigenous Ownership) and community organisations whose purpose contributes to Indigenous communities

# Energy generation exposures

## Energy generation EAD by fuel source<sup>1,2</sup> (AUD\$bn)

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- 81.4% of total energy generation financing to renewables (increase from 77% at 1H24)
- Renewable portfolio represents a mix of wind, hydro and solar energy sources
- NAB has set an interim sector decarbonisation target for power generation, details available in the 2024 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 portfolios

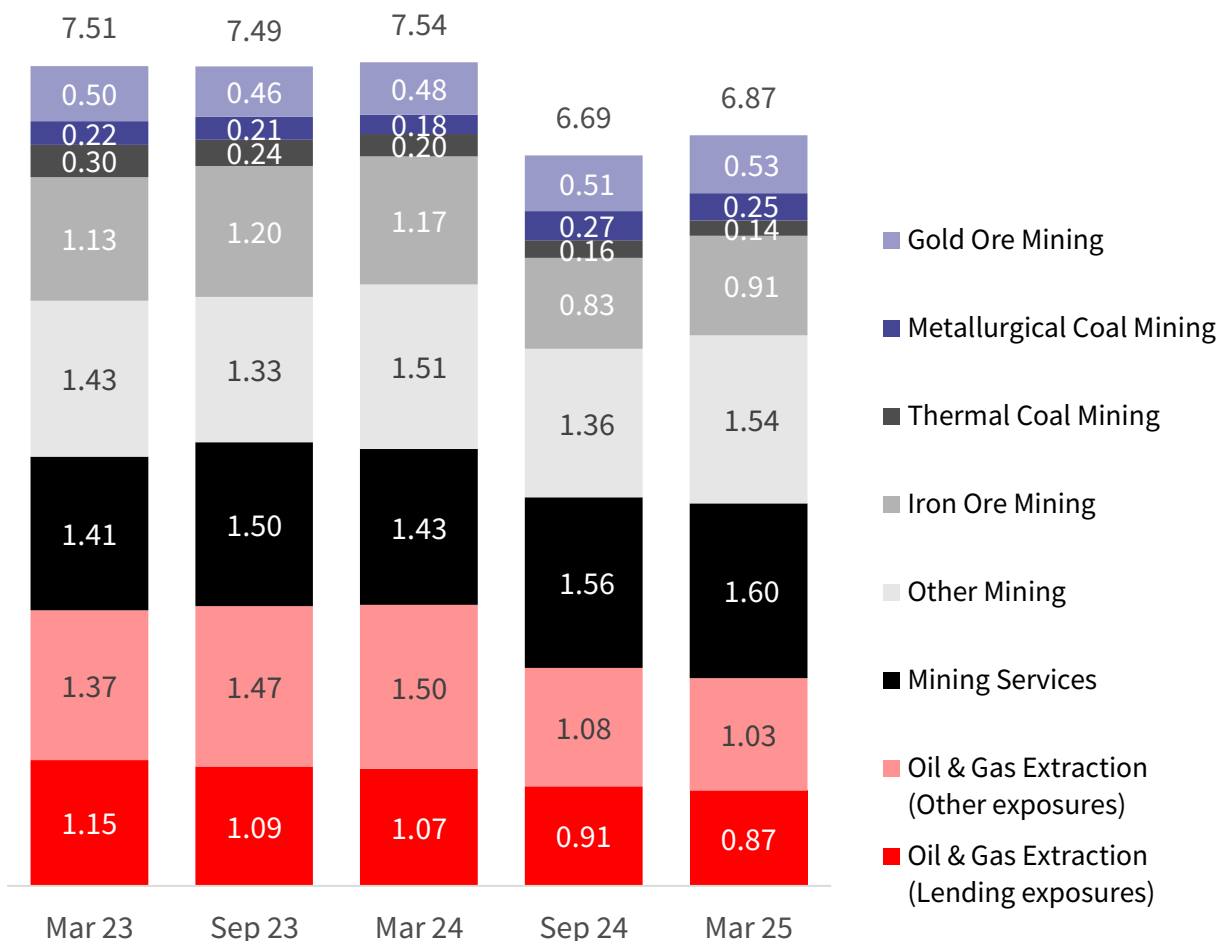


# Resources exposures

## Resources EAD by type<sup>1,2,3</sup>

(AUD\$bn)

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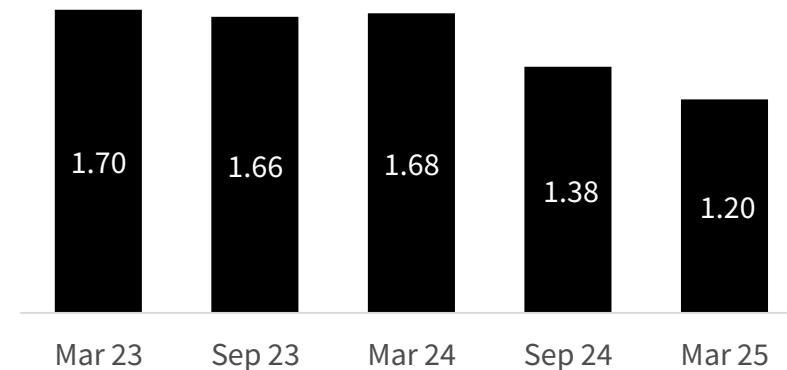
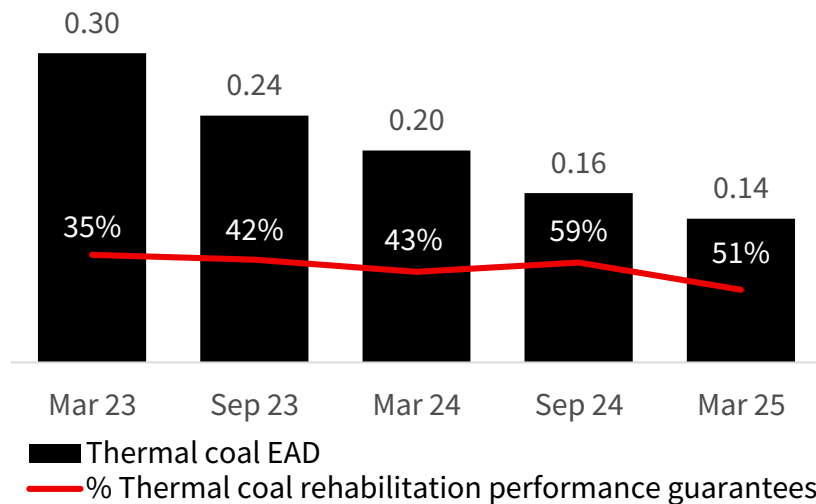
- Exposure to thermal coal on track to be effectively zero<sup>4</sup> by 2030 excluding performance guarantees for rehabilitation of existing coal mining assets

- Totals presented in chart may not sum due to rounding
- Oil and gas extraction exposures includes lending (e.g. revolving/term lending and guarantees) and other markets-related exposures (e.g. derivatives, repurchase agreements)
- Thermal coal exposure means direct exposure to customers and projects whose primary activity is thermal coal mining, based upon the recorded 1993 ANZSIC codes on a net EAD basis. Includes lending, derivatives, financial guarantees and performance guarantees for the rehabilitation of existing assets. It excludes metallurgical coal mining, diversified mining customers and transactional banking (including deposit services) that do not give rise to EAD and similar ancillary products and services
- '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 and facilitated emissions coverage of NAB's thermal coal sector target

# Thermal coal mining and oil and gas limits

Thermal coal mining (AUD\$bn) exposure<sup>1</sup>

Oil and gas extraction – (USD\$bn) exposure<sup>2</sup>



- 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
- Rehabilitation performance guarantees make up 51% of exposure at Mar 25, remainder is predominantly financial guarantees

- Oil and gas presented in USD as majority of portfolio is denominated in USD<sup>3</sup>
- NAB's oil and gas sector decarbonisation target guides intended financed and facilitated emissions reduction. See 2024 Climate Report for full details

NAB's coal and oil and gas related policies and risk appetite settings are available on pages 26-27 of NAB's 2024 Climate Report

(1) Thermal coal exposure means direct exposure to customers and projects whose primary activity is thermal coal mining, based upon the recorded 1993 ANZSIC codes on a net EAD basis. Includes lending, derivatives, financial guarantees and performance guarantees for the rehabilitation of existing assets. It excludes metallurgical coal mining, diversified mining customers and transactional banking (including deposit services) that do not give rise to EAD and similar ancillary products and services

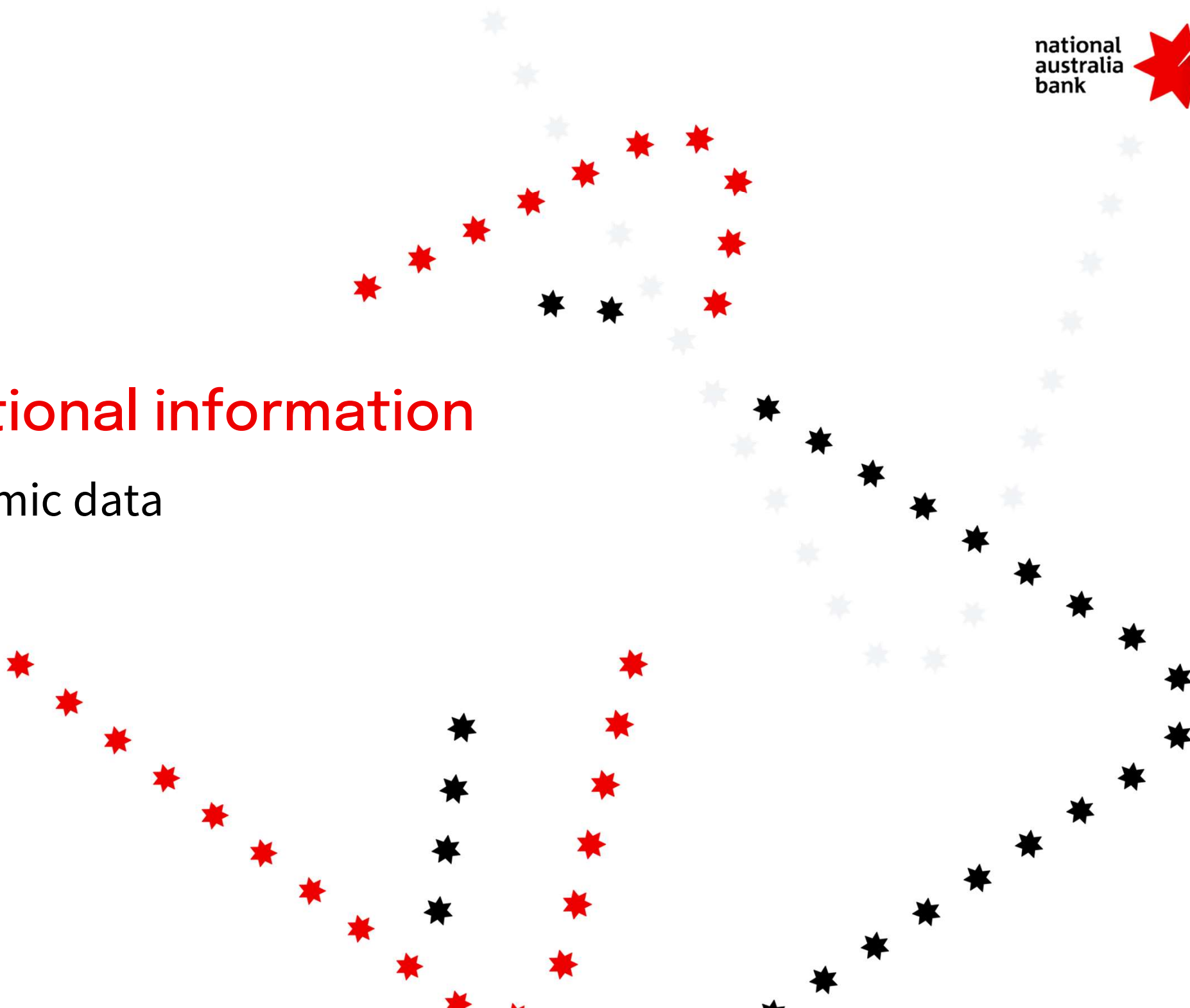
(2) Oil and gas extraction exposures includes lending (e.g. revolving/term lending and guarantees) and other markets-related exposures (e.g. derivatives, repurchase agreements)

(3) Relevant exposure conversions based on rates of AUD/USD 0.67140 (Mar 23); AUS/USD 0.64765 (Sep 23); AUS/USD 0.6529 (Mar 24); AUS/USD 0.69295 (Sep 24); AUS/USD 0.62855 (Mar 25)

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**Additional information**

Economic data



# Australia and NZ key economic indicators

## Australian economic indicators (%)<sup>1</sup>

	CY22	CY23	CY24	CY25(f)	CY26(f)
GDP growth <sup>2</sup>	3.1	1.5	1.3	2.0	2.3
Unemployment <sup>3</sup>	3.5	3.9	4.0	4.4	4.3
Trimmed-mean inflation <sup>4</sup>	6.8	4.2	3.3	2.5	2.5
Cash rate target <sup>3</sup>	3.10	4.35	4.35	2.85	2.85

## NZ Economic indicators (%)<sup>1</sup>

	CY22	CY23	CY24	CY25(f)	CY26(f)
GDP growth <sup>2</sup>	3.1	0.9	-1.1	2.0	2.6
Unemployment <sup>3</sup>	3.4	4.0	5.1	5.4	4.9
Inflation <sup>4</sup>	7.2	4.7	2.2	2.6	2.0
Cash rate (OCR) <sup>3</sup>	4.25	5.50	4.25	2.75	3.25

## Australian system growth (%)<sup>5</sup>

	FY22	FY23	FY24	FY25(f)	FY26(f)
Housing	7.4	4.2	5.1	5.8	6.0
Personal	-0.3	1.9	2.5	1.9	2.4
Business	13.3	6.6	7.5	7.6	6.2
Total lending	8.9	4.9	5.8	6.2	5.9
System deposits	7.7	5.4	5.6	5.0	4.6

## NZ System growth (%)<sup>5</sup>

	FY22	FY23	FY24	FY25(f)	FY26(f)
Housing	5.7	3.0	3.3	5.0	4.9
Personal	1.9	4.9	1.3	0.8	0.9
Business	5.7	1.1	1.9	0.7	3.8
Total lending	5.6	2.4	2.8	3.4	4.4
Household retail deposits	7.7	5.3	5.5	4.9	4.4

(1) Sources: ABS, Econdata DX, RBA, RBNZ, Stats NZ, NAB Economics

(2) December quarter on December quarter of previous year

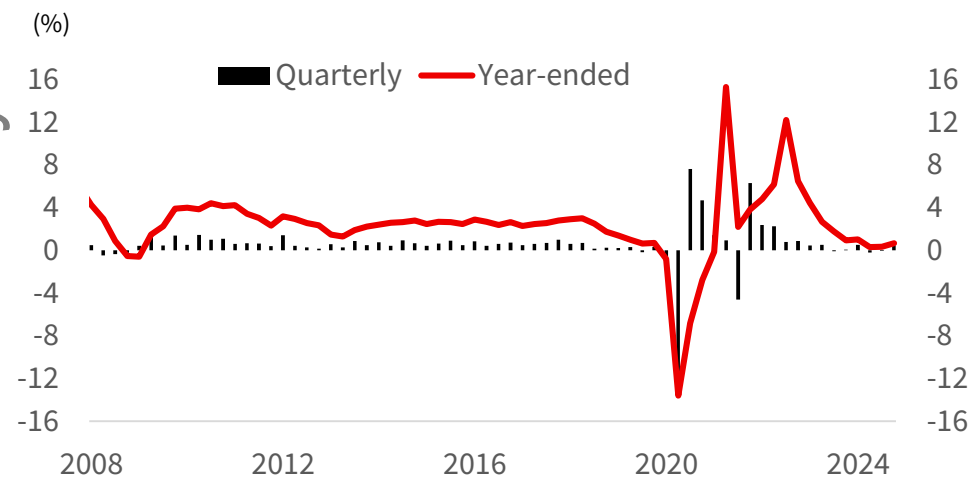
(3) As at December quarter

(4) December quarter on December quarter of previous year. For Australia, trimmed-mean measure of underlying inflation

(5) Sources: RBA, RBNZ, NAB. Bank fiscal year-ended (September). NZ business credit includes credit to Agriculture and is calculated from break adjusted data

# Consumer spending expected to be supported by real income growth

Consumption growth has started to pick-up<sup>1</sup>



The household savings rate has risen from post-pandemic lows<sup>2</sup>



The unemployment rate remains low<sup>3</sup>



Job vacancies have stabilised<sup>4</sup>



(1) Source: ABS, Macrobond. Household final consumption expenditure from the ABS Quarterly National Accounts release. Data to December quarter 2024

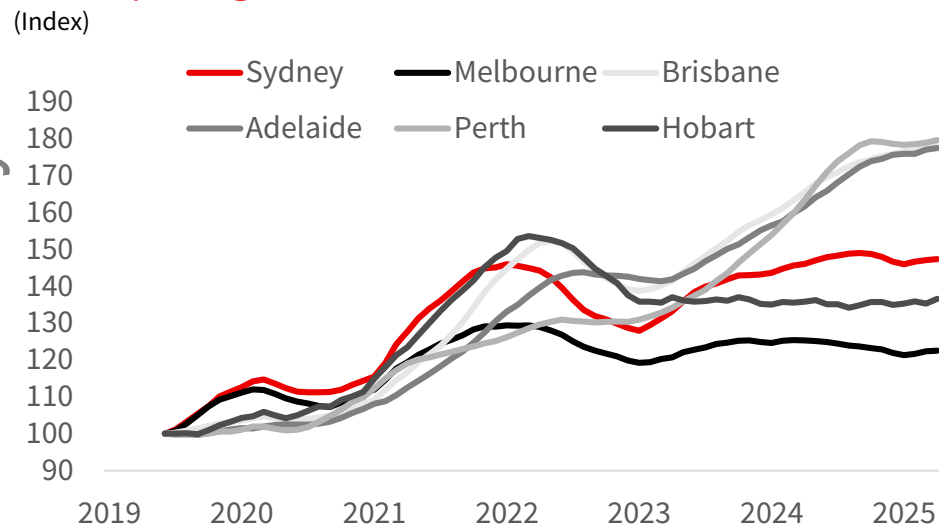
(2) Source: ABS, Macrobond. Net savings rate from the ABS Quarterly National Accounts release. Data to December quarter 2024

(3) Source: ABS, Macrobond. Data to Mar 25

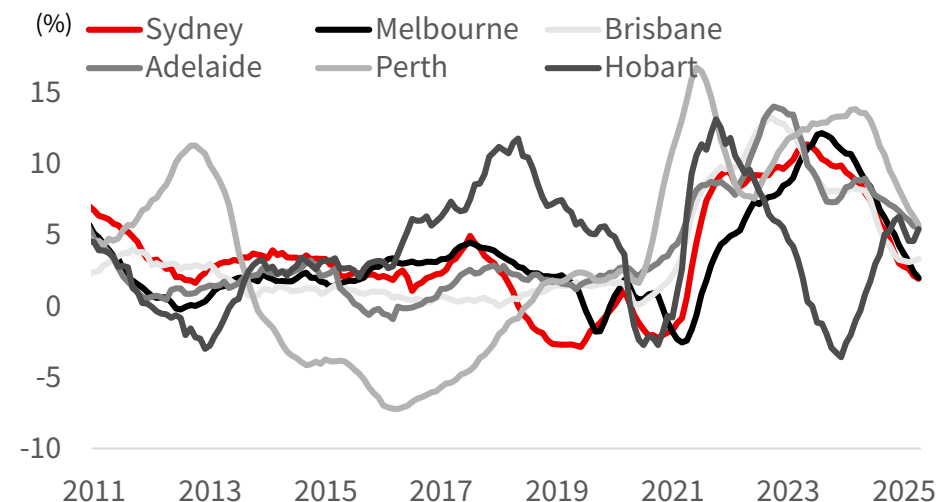
(4) Source: ABS, Macrobond. Australia-wide job vacancies. Data to Feb 25

# House price and rents growth has slowed

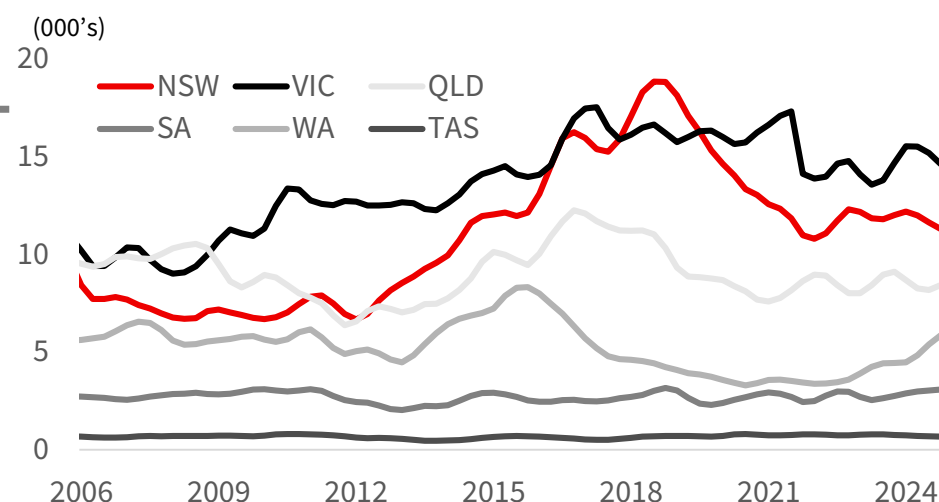
## House price growth has slowed<sup>1</sup>



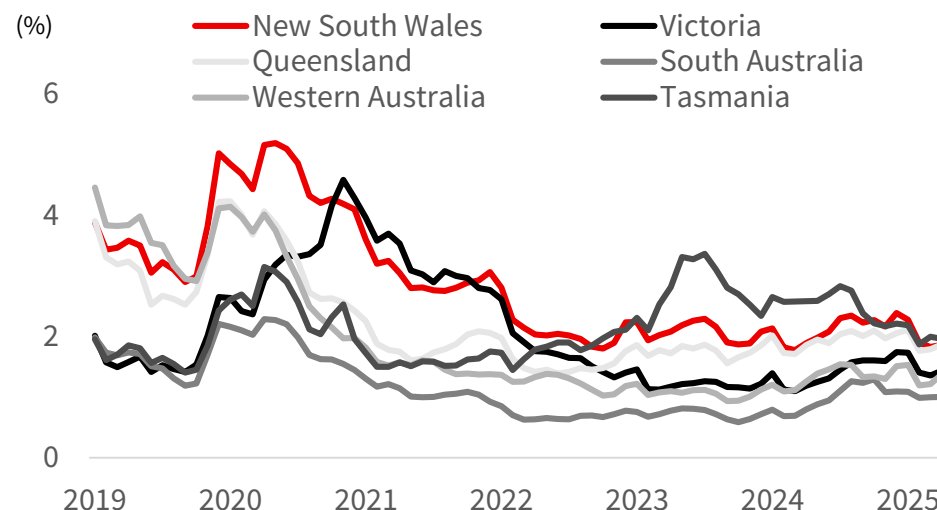
## Rents growth has eased<sup>2</sup>



## Dwelling completions remain low relative to demand<sup>3</sup>



## Rental vacancy rates remain low<sup>4</sup>



(1) Source: CoreLogic. Greater Capital City Hedonic Dwelling Price Index, Index June 2019 = 100. Data to 30 April 2025

(2) Source: CoreLogic. Hedonic measure of advertised rents. Data to 30 April 2025

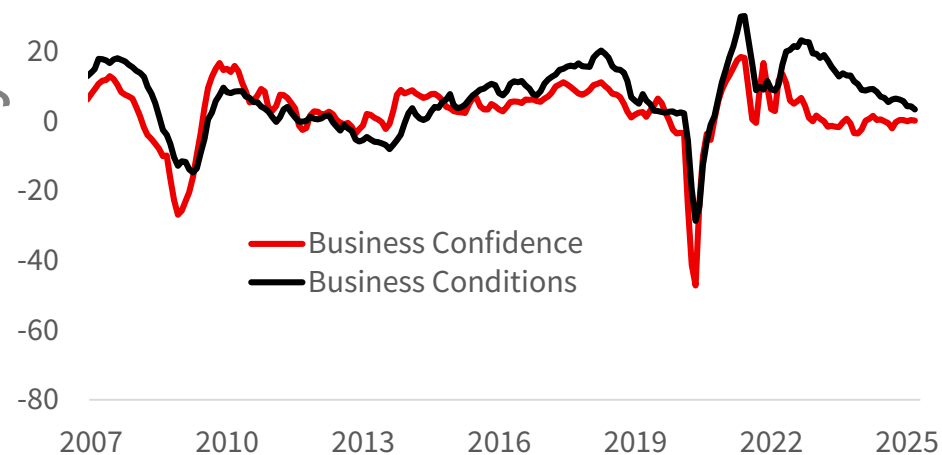
(3) Source: ABS, Macrobond. Data are ABS Building Activity Dwelling completions by state (Trend). Data to December quarter 2024

(4) Source: CoreLogic. Data to 30 April 2025

# The business sector has remained cautious

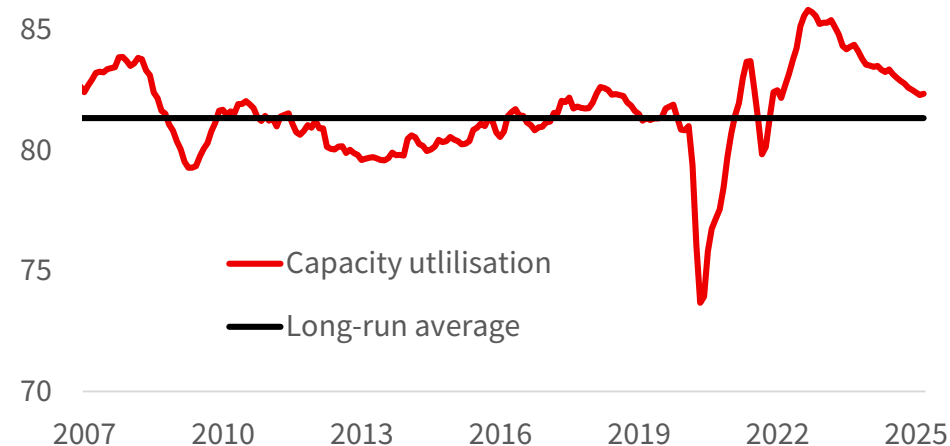
## Confidence and conditions remain weak<sup>1</sup>

(Net Bal.)



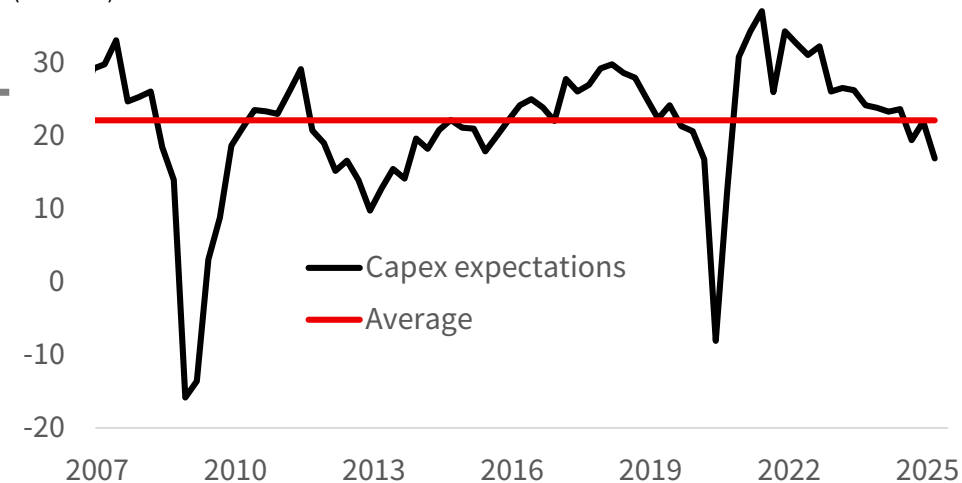
## Capacity utilisation remains above average<sup>1</sup>

(%)



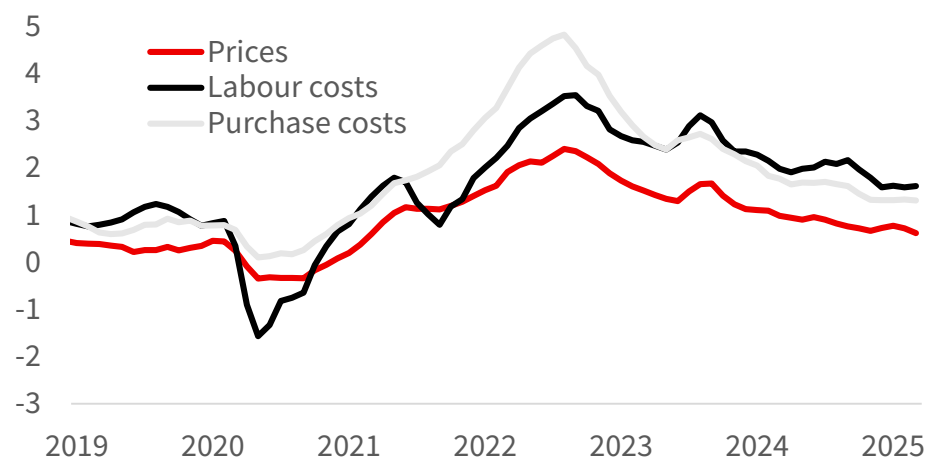
## Investment intentions are now below average<sup>2</sup>

(Net Bal.)



## Price and cost growth is plateauing<sup>1</sup>

(% Quarterly Rate)

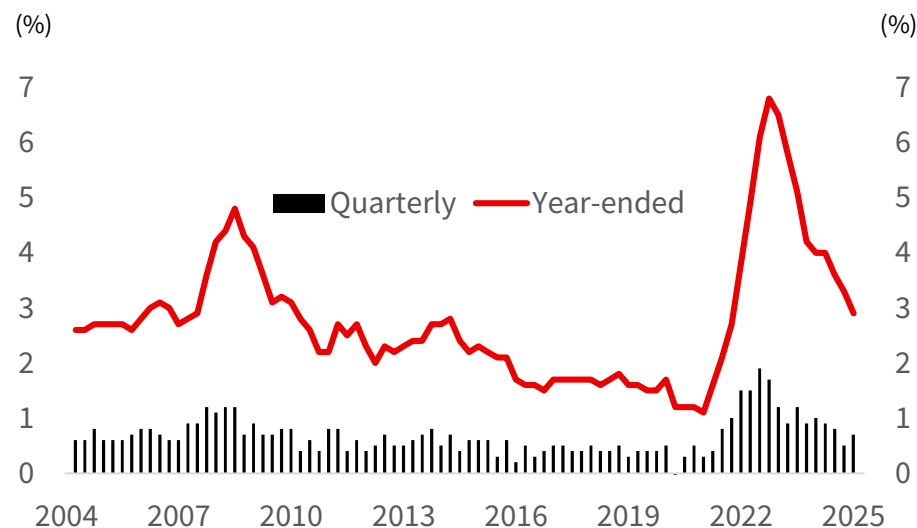


(1) Source: NAB Economics. Three-month moving average of all industry measures from the NAB Monthly Business Survey. Data to Mar 25

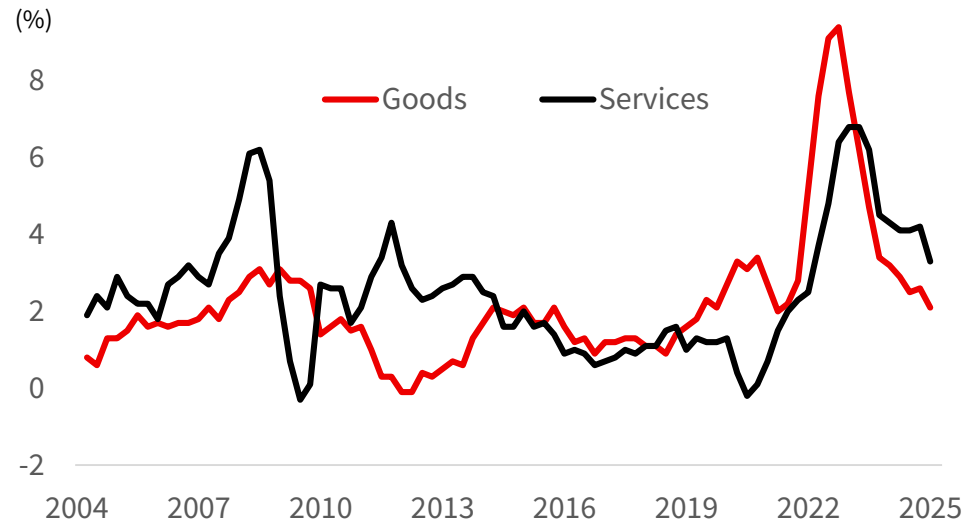
(2) Source: NAB Economics. Data to March quarter 2025

# Inflation pressures continue to ease

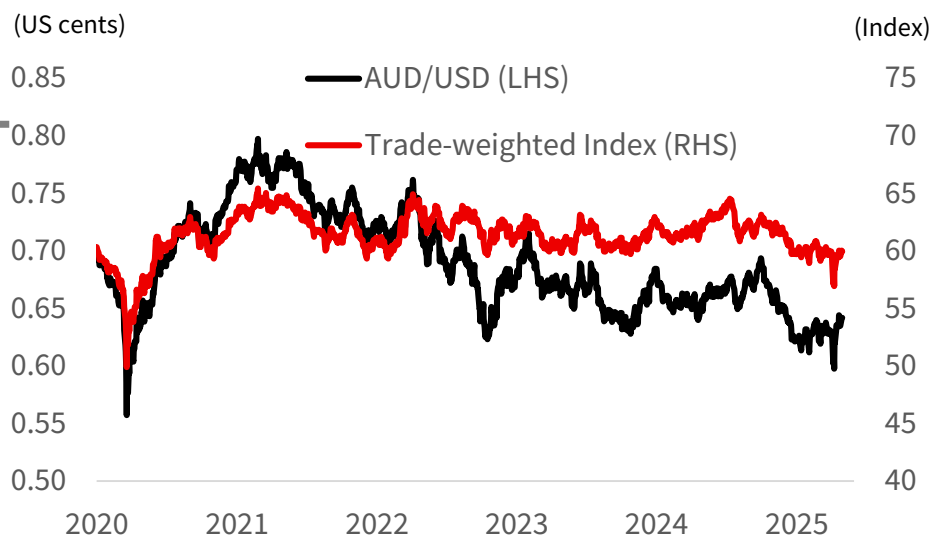
## Underlying inflation has moderated<sup>1</sup>



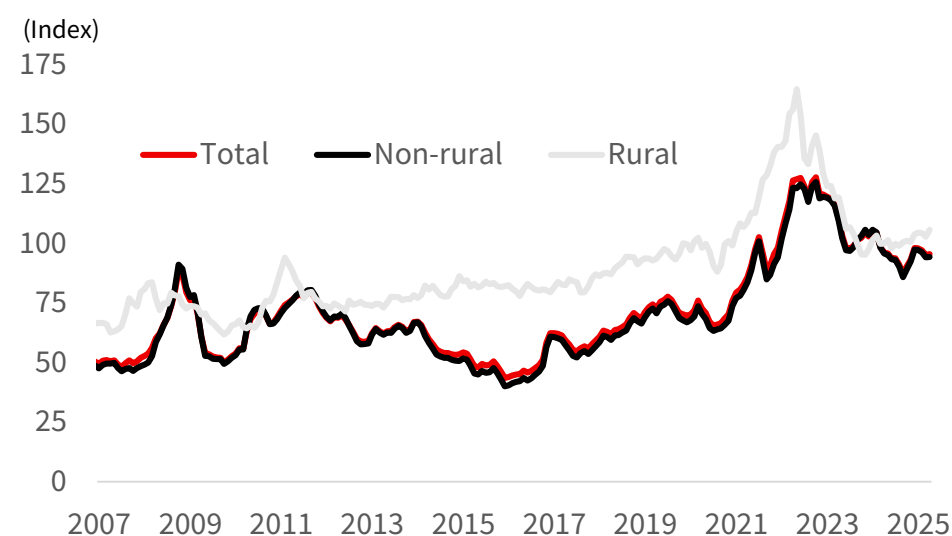
## Services inflation is now also easing<sup>2</sup>



## The exchange rate is tracking around US63c<sup>3</sup>



## Commodity prices have eased but remain high<sup>4</sup>



(1) Source: ABS, Macrobond. ABS Trimmed-mean measure of CPI Inflation. Data to March quarter 2025

(2) Source: ABS, Macrobond. Market goods and services measures (excluding volatile items) from the ABS Quarterly CPI release, year-ended growth. Data to March quarter 2025

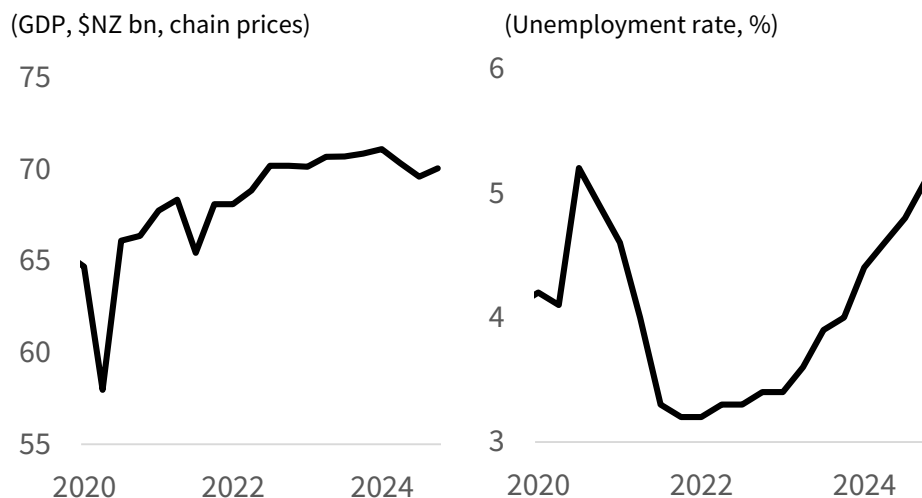
(3) Source: RBA, Macrobond. TWI index base May 1970 = 100. Data to 30 April 2025

(4) Source: RBA, Macrobond. Index base 2022/23 = 100. Data to 30 April 2025

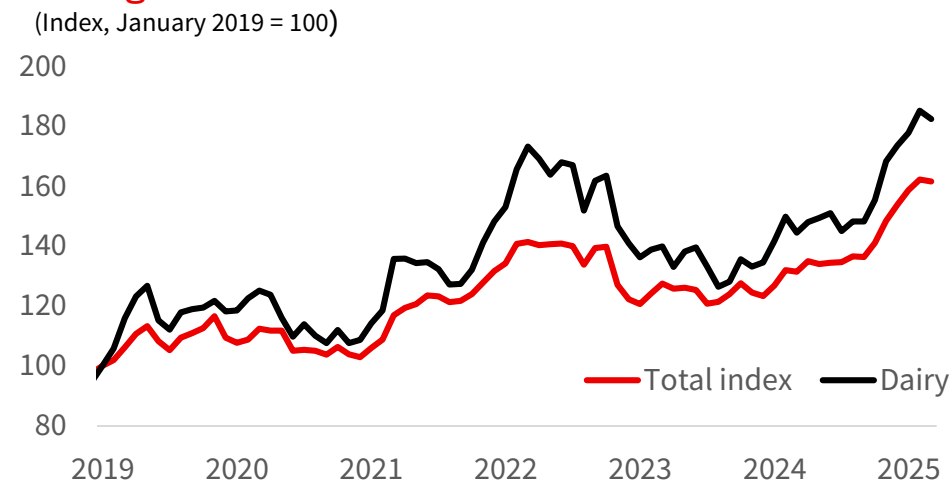


# New Zealand economy

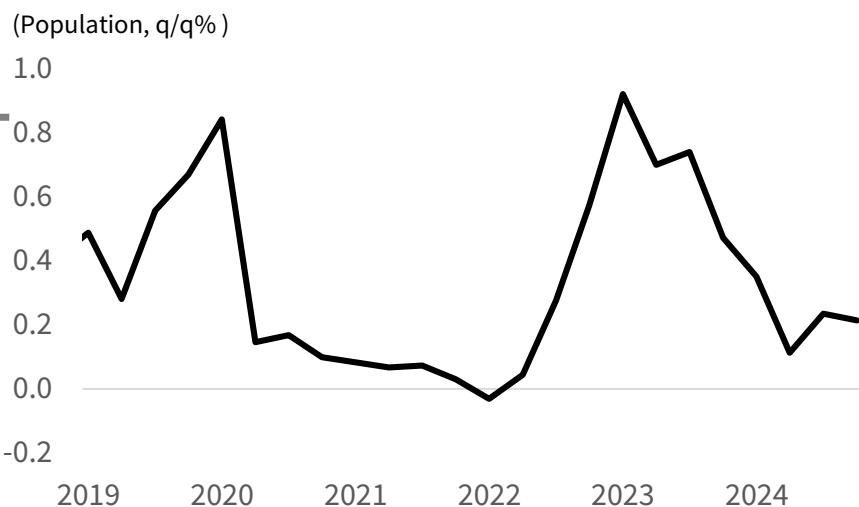
Economy started growing again from the end of calendar 2024 but unemployment rate was still rising<sup>1</sup>



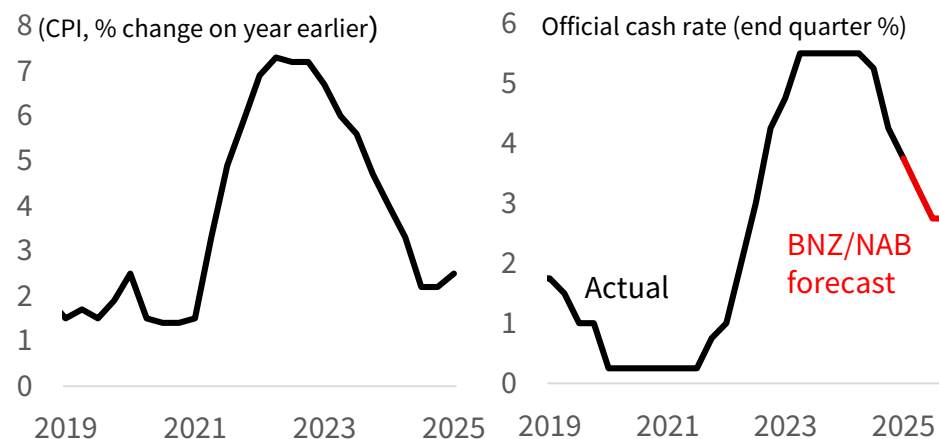
Commodity prices up strongly over last 12 months, reaching new highs in \$NZ terms<sup>2</sup>



Population growth remains low but has stabilised<sup>3</sup>



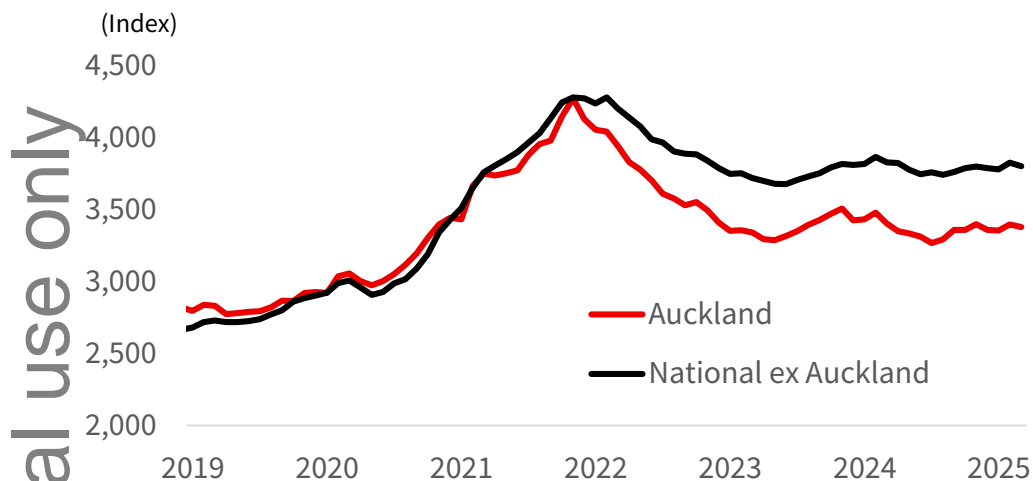
Inflation has normalised and RBNZ is expected to further reduce the OCR<sup>4</sup>



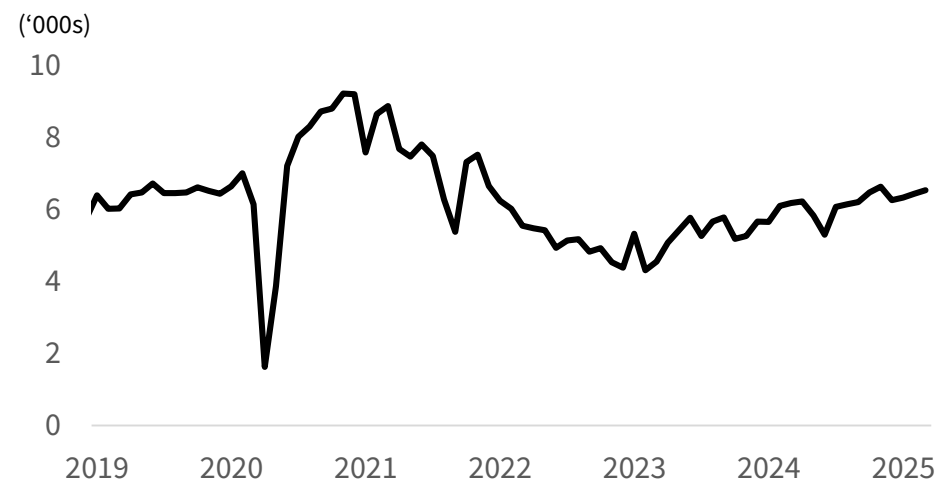
- (1) Source: Refinitiv, Stats NZ. GDP data to December quarter 2024, unemployment rate data to December quarter 2024  
 (2) Source: Macrobond, ANZ Commodity Price Index, NZ dollar indices. Data to Mar 25  
 (3) Source: Refinitiv, Macrobond, Stats NZ. Population data to December quarter 2024  
 (4) Refinitiv, Stats NZ, RBNZ, BNZ. CPI data to March quarter 2025. Cash rate data to Mar 25 (actual), Dec 25 (projected)

# New Zealand housing

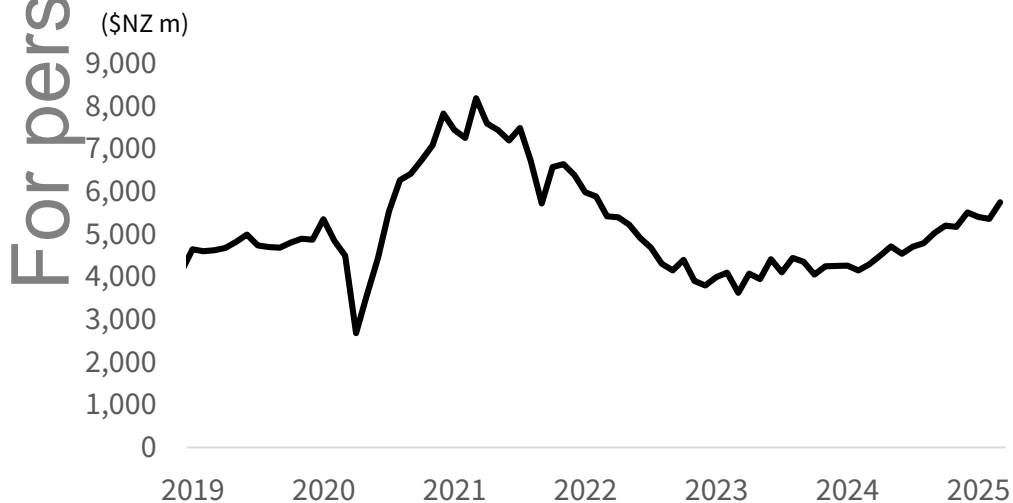
## House prices broadly stable<sup>1</sup>



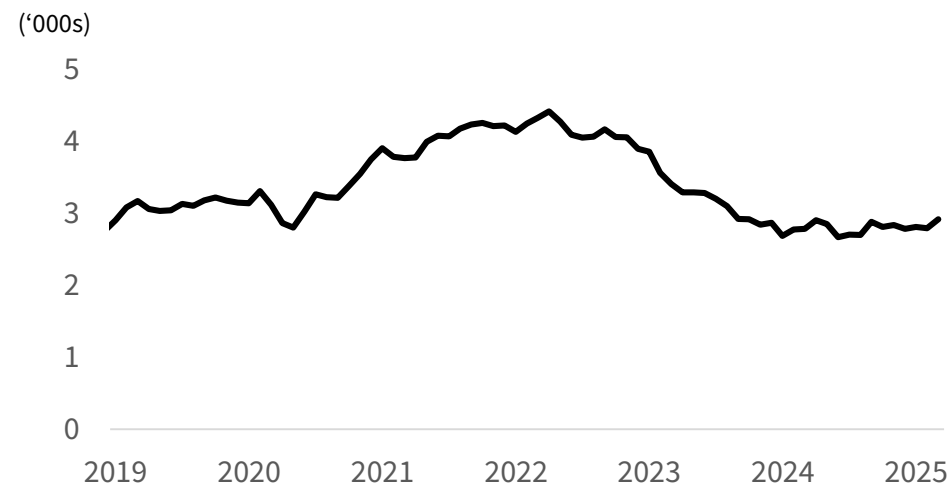
## Sales volumes have shown some gradual improvement<sup>2</sup>



## New residential mortgage lending has strengthened<sup>3</sup>



## Dwelling approvals (consents) stable<sup>4</sup>



(1) Source: Macrobond, REINZ. Data to Mar 25

(2) Source: Macrobond, REINZ. Seasonally adjusted by Macrobond. Data to Mar 25

(3) Source: RBNZ. Seasonally adjusted by Macrobond, excludes loans where purpose is change in loan provider. Data to Mar 25

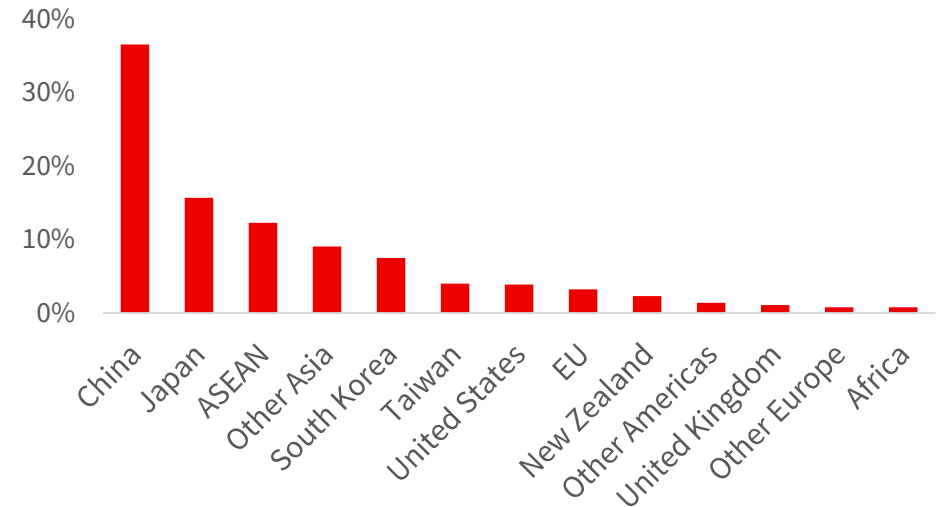
(4) Source: Refinitiv, Stats NZ. Three month moving average of seasonally adjusted new dwellings consented. Data to Mar 25

# US tariffs and Australian-US trade

Australian goods exports to the US by commodity (\$AUD bn)<sup>1</sup>



Country share of Australian goods exports<sup>2</sup>



Global growth to slow on tariff impacts<sup>3</sup>



- (1) Source: Department of Foreign Affairs, Macrobond. Data for 2024 calendar year  
 (2) Source: Department of Foreign Affairs, Macrobond. Data for 2023 calendar year  
 (3) Data to 2023 - IMF estimates of world GDP growth. Data for 2024 to 2026 - NAB estimates

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# Abbreviations and disclaimers



# Abbreviations



ALA	Alternative Liquid Assets
CET1	Common Equity Tier 1 Capital
CIC	Credit impairment charge
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
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
FLA	Forward Looking Adjustments
FHB	First home buyer
FTEs	Full-time Equivalent Employees
GHG	Greenhouse Gas
IAS	Impaired Assets
GLAs	Gross Loans and Acceptances
HEM	Household Expenditure Measure

HQLA	High Quality Liquid Assets
IRB	Internal Ratings Based approach
LCR	Liquidity Coverage Ratio
LGD	Loss given default
LVR	Loan to Value Ratio
NBI	Non Bearing Interest
NII	Net Interest Income
NPS	Net Promoter® and NPS® are registered trademarks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Net Promoter Score <sup>SM</sup> is a service mark 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
RMBS	Residential Mortgage Backed Securities
ROE	Return on Equity
RWAs	Risk-weighted assets
SFI	Stable Funding Index
ST	Short term funding
SME	Small and Medium Enterprise
TFF	RBA - Term Funding Facility

# Sources and notes

## Slide 11

- (1) Sourced from RFI Global – Atlas, measured on 6 month rolling average. Based on all consumers, 18+ and excludes consumers with personal income of \$260k+ and/or investible assets \$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 RFI Global – Atlas, measured on 6 month rolling average. Based on all consumers, 18+ with personal income of \$260k+ and/or investible assets \$2.5m+ and/or footings of over \$850k. Ranking based on absolute scores, not statistically significant differences and compared against major peers.
- (3) Sourced from RFI Global – Atlas, measured on 6 month rolling average. Based on all businesses. Ranking based on absolute scores, not statistically significant differences and compared against major peers
- (4) Source: Insights HQ (previously known as Camorra Research) 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

## Slide 58

- (1) Target sectors include NBFIs, Private Capital Strategic Investors, Infrastructure, Governments and Private Companies
- (2) Transactional Banking survey Jun 2024\*
- (3) Debt Capital Markets survey Jun 2024\*
- (4) Rankings based on IJGlobal League Table MLA, Renewables, both cumulative data from 1 January 2010 to 30 September 2024 and for the 12 months ending 30 September 2024
- (5) Foreign Exchange survey Oct 2024, corporate respondents\*
- (6) Interest Rate Derivatives survey Oct 2024\*
- (7) Most Useful Analysis of the Economy (2<sup>nd</sup>), Most Useful Interest Rate Forecasts & Trend Analysis (2<sup>nd</sup>) and Most Useful Written Materials on Strategies and Recommendations (2<sup>nd</sup>)– Interest Rate Derivatives survey 2024\*; Most Valuable Commentary on Currency Markets (1<sup>st</sup>) and Most Valuable Domestic Economic Analysis (1<sup>st</sup>)– Corporate Foreign Exchange survey 2024\*
- (8) Represents annualised ROE implied by reported return on average RWA using mid-point of Group's target CET1 ratio range in the applicable period.

\*Source: Coalition Greenwich Voice of Client Studies (formerly Peter Lee Associates). All data taken from the most recently available survey and rankings are against the four major domestic banks. Coalition Greenwich is a division of Crisil. Relationship Strength Index (RSI) is based on the results of key qualitative measures

## Slide 62

- (1) Source: Insights HQ (previously known as Camorra Research) 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

# Disclaimer

The material in this presentation is general background information about the NAB Group current at the date of the presentation on 7 May 2025. The information is given in summary form and does not purport to be complete. It is intended to be read by a professional analyst audience in conjunction with the verbal presentation and the Half Year Results 2025 (available at [www.nab.com.au](http://www.nab.com.au)). It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. No representation is made as to the accuracy, completeness or reliability of the presentation.

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