



Annual Remuneration Disclosures

30 September 2024

Incorporating the requirements of APS 330



Table of Contents

Section 1 Qualitative disclosures	2
Section 2 Quantitative remuneration disclosures for the Group	24
Section 3 Quantitative remuneration disclosures for the London Branch	26
Glossary	28

Section 1 – Qualitative disclosures

1.1 Introduction

This document has been prepared in accordance with the Australian Prudential Regulation Authority (APRA) Prudential Standard APS 330 *Public Disclosure* (APS 330), which requires disclosure of information to the market relating to risk management practices, including those relating to remuneration for National Australia Bank Limited (NAB) and its controlled entities (Group).

This document has also been prepared in accordance with the United Kingdom's Prudential Regulation Authority (PRA) Rulebook, covering senior managers, risk managers and other material risk takers of NAB's London Branch (London Branch) as defined by the Senior Managers and Certification Regime in the United Kingdom (UK).

These disclosures outline qualitative information on the Group's remuneration frameworks and policies including how risk management is incorporated. The qualitative information is relevant for all colleagues, including:

- senior managers and material risk takers of the Group (refer quantitative disclosures, section 2)
- senior managers, risk managers and other material risk takers of the London Branch (refer quantitative disclosures, section 3)















The Group provides detailed information specific to remuneration for the Executive Leadership Team (ELT), who are also senior managers of the Group, in the 2024 Remuneration Report (Remuneration Report) contained in the 2024 Annual Report (available on nab.com.au).














Colleagues in senior manager and material risk taker roles in the Group for the year ended 30 September 2024 (hereafter 2024) have been identified based on the definitions provided in APS 330 (paragraph 23) and APRA Prudential Standard CPS 511 *Remuneration* (CPS 511) (paragraph 20). The graphic on the following page illustrates the characteristics of the senior manager and material risk taker population of the Group for Australian regulatory purposes, and the senior manager, material risk taker and risk manager population of the London Branch for UK regulatory purposes.

CPS 511 will mandate NAB's public disclosure on remuneration from the 2025 financial year (from 1 October 2024). CPS 511 will require clear, comprehensive, meaningful, consistent, and comparable public disclosures and will replace the requirements under APS 330.

Section 1 - Qualitative disclosures

Overview of Senior Managers, Material Risk Takers and Risk Managers

Senior Managers											
Group (under APS 330)⁽¹⁾ 	Definition Includes members of the ELT, other Accountable Persons and Responsible Persons of the Group.	London Branch 	Definition Includes senior management of the London Branch operations and Group senior management who have significant management accountability for the London Branch.								
<table border="1"> <thead> <tr> <th>2024</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>  16 Senior Managers </td> <td>  16 Senior Managers </td> </tr> </tbody> </table>	2024	2023	 16 Senior Managers	 16 Senior Managers		<table border="1"> <thead> <tr> <th>2024</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>  12 Senior Managers </td> <td>  11 Senior Managers </td> </tr> </tbody> </table>	2024	2023	 12 Senior Managers	 11 Senior Managers	
2024	2023										
 16 Senior Managers	 16 Senior Managers										
2024	2023										
 12 Senior Managers	 11 Senior Managers										

Material Risk Takers											
Group (under APS 330)⁽¹⁾ 	Definition Material Risk Takers are colleagues whose activities have the potential to have a material impact on the Group's risk profile, performance and long-term financial soundness.	London Branch 	Definition Other Material Risk Takers includes colleagues performing significant influence functions, colleagues who have responsibility and accountability for activities that could have a material impact on the London Branch's risk profile, and colleagues in independent risk management, compliance or internal audit function roles.								
<table border="1"> <thead> <tr> <th>2024</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>  33 Material Risk Takers </td> <td>  37 Material Risk Takers </td> </tr> </tbody> </table>	2024	2023	 33 Material Risk Takers	 37 Material Risk Takers		<table border="1"> <thead> <tr> <th>2024</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>  28 Other Material Risk Takers </td> <td>  22 Other Material Risk Takers </td> </tr> </tbody> </table>	2024	2023	 28 Other Material Risk Takers	 22 Other Material Risk Takers	
2024	2023										
 33 Material Risk Takers	 37 Material Risk Takers										
2024	2023										
 28 Other Material Risk Takers	 22 Other Material Risk Takers										

(1) The Group includes NAB and its controlled entities including the Bank of New Zealand (BNZ). The population includes 4 BNZ colleagues (1 Senior Manager and 3 Material Risk Takers for the purposes of APS 330).

Risk Managers					
London Branch 	Definition Includes managers of credit and/or market risk.				
<table border="1"> <thead> <tr> <th>2024</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>  10 Risk Managers </td> <td>  18 Risk Managers </td> </tr> </tbody> </table>	2024	2023	 10 Risk Managers	 18 Risk Managers	
2024	2023				
 10 Risk Managers	 18 Risk Managers				

Senior managers and material risk takers of the Group for Australian regulatory purposes and senior managers, risk managers and other material risk takers of the London Branch are collectively referred to as Material Risk Takers throughout the remainder of this document.

Amounts in this document are presented in Australian dollars and rounded to the nearest thousand dollars (\$'000) except where indicated.

Section 1 - Qualitative disclosures

1.2 Remuneration governance

The Board is responsible for reviewing and approving remuneration related recommendations from the Board People & Remuneration Committee (Committee) and consults the Risk and Compliance Committee in the context of the Group Performance Indicator (GPI). The Group Chief Executive Officer (CEO) and the Group Chief Risk Officer (CRO) may also be consulted for remuneration matters for colleagues in Specified Roles (excluding Group Executives).

Summary of the Committee's structure and responsibilities



The Committee has been established by the Board to undertake activities that support the execution of the Group's strategy, including the Colleague Strategy, and in support of the Group's purpose, values and risk appetite. The Committee's responsibilities, set out in its Charter, emphasise the Committee's focus on long-term sustainable policy settings that foster desired culture while reinforcing compliance with NAB's Code of Conduct (Code), available on nab.com.au and fulfilling regulatory requirements across jurisdictions in which the Group operates.

Section 1 - Qualitative disclosures



Strategy execution and group performance

Monitors the impact from, and embeds key elements of the Colleague Strategy, including leadership, talent development, succession and engagement. Impact on Group performance for 2024 is considered (with the assistance of other Board committees) and consequently, Group Performance Indicator (GPI) recommendation is made to the Board for the Group Variable Reward Plan.



Executive performance

Evaluates individual executive performance in the context of Group performance, and recommends to the Board the fixed remuneration and variable reward outcomes for the Group CEO, Group Executives and colleagues in Specified Roles, and differentiates reward outcomes to reflect the contributions of each executive.



Committee structure

3 independent non-executive directors (including the Chair)
9 meetings in 2024 (8 meetings in 2023)



Committee purpose

Supports the Board in discharging its responsibilities relating to people and remuneration strategies, policies and practices of the Group. The Committee undertakes these activities with the objective that they align with and enable the overall Group Strategy and support the Group's purpose, values, strategic objectives and risk appetite (while not rewarding conduct or behaviours that are contrary to these aims).



Risk and conduct

Considers the findings of risk and conduct assessments for the Group CEO, Group Executives and colleagues in Specified Roles and determination of consequences.



Regulatory and compliance

Oversight of the Group's people and remuneration strategies, frameworks, policies and practices to ensure compliance with legal and regulatory requirements, market practice and trends, and the expectations of customers and shareholders.

Annual Committee membership fee

	2024	2023
Committee Chair	\$65,000	\$55,000
Committee members	\$32,500	\$27,500

The Committee may engage external remuneration consultants to independently review the Group's remuneration frameworks, policy and practices and provide relevant insights to inform Board and Committee decision making. The Committee did not engage external remuneration consultants in 2024.

The Committee's Charter sets out its scope, authority, duties and responsibilities. The full Charter is available online at nab.com.au.

Section 1 - Qualitative disclosures

1.3 Remuneration frameworks, policies, and principles

Group's remuneration frameworks

The executive remuneration framework and colleague remuneration framework outline how remuneration is managed for all colleagues of the Group including Board oversight, the remuneration structure, performance and conduct management, reporting and disclosure. The purpose of the frameworks are to:

- support the Group's purpose to serve our customers well and help our communities prosper by encouraging behaviours and performance consistent with the Group's values, business plan and strategic objectives, while preventing adverse risk outcomes through the making of prudent remuneration decisions.
- ensure variable reward (VR) components of remuneration are designed to encourage behaviour that supports:
 - the effective management of both financial and non-financial risks
 - the Group's long-term financial soundness
- the delivery of long-term sustainable performance and returns.
- the Group's risk management framework, which aids the prevention and mitigation of conduct risk.
- comply with jurisdictional remuneration regulations applicable to the Group and the Group's diversity, inclusion and pay equity (including gender pay equity) commitments.

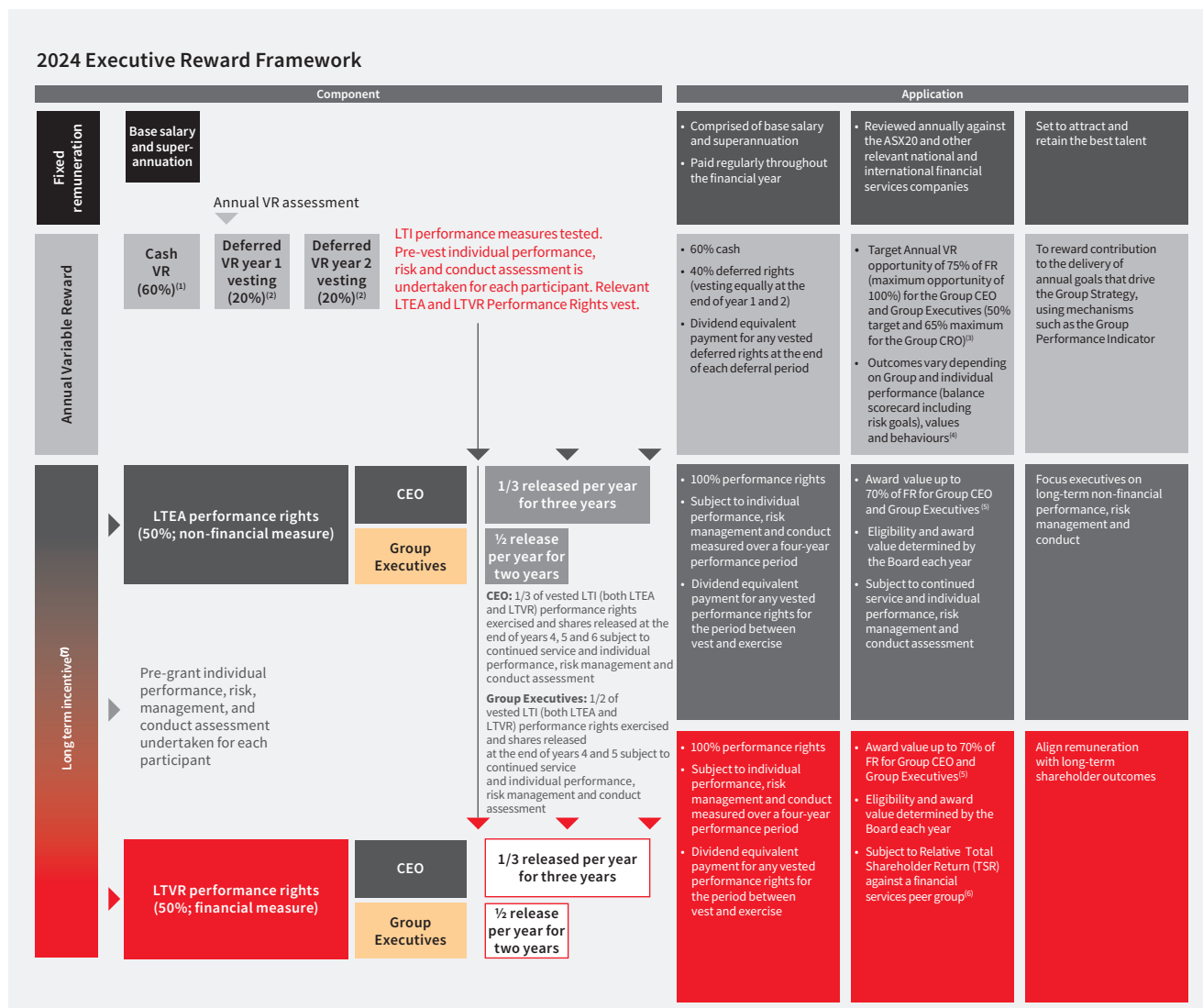
The frameworks cover the systems, structures, policies, processes and people within the Group that identify, measure, evaluate, monitor, report and control or mitigate all internal and external sources of risks relating to remuneration.

Updates to the executive remuneration framework

As foreshadowed in the 2023 Remuneration Report, our new executive remuneration framework came into effect on 1 October 2023. The new framework complies with CPS 511 while maintaining a strong focus on individual performance, the management of financial and non-financial risks and driving short and long-term performance, sustainable shareholder growth and a focus on customer outcomes. The components of the new executive remuneration framework are Fixed Remuneration (FR), Annual Variable Reward (VR), and Long-Term Incentive (LTI) comprising Long-Term Equity Award (LTEA) and Long-Term Variable Reward (LTVR).

Board discretion applies for qualitative matters including risk, reputation, conduct, and values to ensure sustainable performance (including malus and clawback). Further details about how the Board applies discretion on remuneration matters can be found in section 1.11. Further information about the changes to the executive remuneration framework is provided in section 1.2 of the Remuneration Report.

Section 1 - Qualitative disclosures



(1) Cash VR is paid at the end of the financial year.

(2) Deferred VR is exercised automatically on vesting. Vesting and exercise occurs at the end of the financial year.

(3) Target Annual VR opportunity is 75% of FR for the Group CEO and Group Executives (50% for the Group CRO).

(4) The outcome for the CEO and Managing Director, Bank of New Zealand (BNZ) will vary depending on overall Group and BNZ performance.

(5) The actual value delivered to the Group CEO or a Group Executive is subject to the level of achievement against the performance measures and NAB's share price at the time of exercise.

(6) The Relative TSR financial services peer group for the LTVR allocated on 22 February 2024 was AMP Limited, Australia and New Zealand Banking Group Limited, Bank of Queensland Limited, Bendigo and Adelaide Bank Limited, Commonwealth Bank of Australia, Insurance Australia Group Limited, Macquarie Group Limited, Medibank Private Limited, NIB Holdings Limited, QBE Insurance Group Limited, Suncorp Group Limited and Westpac Banking Corporation. The acquisition of the banking business of the Suncorp Group Limited (Suncorp Bank) by Australia and New Zealand Banking Group Limited in 2024 did not impact the TSR peer group.

(7) The Long-Term Incentive (LTI) comprises of 50% Long-Term Equity Award (LTEA) and 50% Long-Term Variable Reward (LTVR).

Section 1 - Qualitative disclosures

Colleague Remuneration Framework

Informed by our remuneration principles, the colleague remuneration framework as outlined below applies to colleagues below the Group Executive level.

	Fixed Remuneration (FR)	Annual Variable Reward (VR)	Annual Equity Award
WHO	Colleagues appointed to Group 1 – 6 roles ⁽¹⁾	Colleagues appointed to Group 3 – 6 roles ⁽¹⁾	Certain colleagues appointed to Group 5 and 6 roles ⁽¹⁾
WHAT	<ul style="list-style-type: none"> FR is comprised of base salary and superannuation Paid regularly during the financial year In addition to FR, a \$1,000 share or cash grant to eligible colleagues in Group 1 – 5 roles will be made after the end of the financial year⁽³⁾ 	<ul style="list-style-type: none"> Cash and restricted shares (where the Annual VR outcome meets the relevant deferral threshold)⁽²⁾ Cash component paid at the end of the financial year Restricted shares are allocated at the end of the financial year and vest over the deferral period applicable to the colleague's role 	<ul style="list-style-type: none"> 100% restricted shares (1/3 scheduled to vest at the end of year 1, year 2 and year 3) Allocated at the end of the financial year based on a pre-grant assessment of individual performance and conduct during the year
WHY	<ul style="list-style-type: none"> Market competitive remuneration for role and experience to attract and retain high performing individuals Only component of remuneration for some colleagues, providing certainty and encouraging stronger focus on customers The \$1,000 share or cash grant recognises colleague contribution to Group performance in the year 	<ul style="list-style-type: none"> To reward contribution to delivery of annual goals that drive the Group's strategy Motivates performance and safe growth for colleagues who have increased accountability for and influence over the Group's annual performance VR targets have been standardised to create more consistency and fairness 	<ul style="list-style-type: none"> To create shareholder alignment, drive continued sustainable performance and emphasise focus on risk management, good conduct and behaviour outcomes

Board discretion applies for qualitative matters including risk, reputation, conduct and values to ensure sustainable performance (including for malus and clawback)

At Risk

(1) Roles are defined in the NAB Enterprise Agreement 2024. Group 1 - 6 roles are roles below the Group CEO and Group Executives (which are Group 7 roles).

(2) Deferral thresholds and deferral periods are different depending on the incentive plan participated in and the seniority of the colleague.

(3) The grant of shares or cash and the value of the award is determined by the Board each year in its discretion.

Independence of risk and financial control colleagues

Risk and financial control colleagues (as defined in CPS 511) are persons whose primary role is in risk management, compliance, internal audit, financial control or actuarial control of the Group.

CPS 511 mandates that variable remuneration arrangements for risk and financial control personnel must reflect the independence and authority of those personnel in carrying out their functions as well as the purpose of their functions and not be unduly influenced by the performance of business activities they oversee. For these colleagues, this is achieved through the following:

- Setting the remuneration mix so VR is not significant enough to encourage inappropriate behaviours, while remaining competitive with the external market. Risk and financial control colleagues may receive a higher proportion of FR than other colleagues.
- Individual performance measures are based principally on non-financial measures and aligned to Group and individual objectives that are specific to the risk and financial control colleagues, and not linked to the performance of the business the role supports.
- To avoid potential conflicts of interest, VR for risk and financial control colleagues is not determined by managers of the business areas they are responsible for overseeing and challenging (except for the Group CRO).
- Group performance is used to calculate individual VR outcomes as appropriate. The GPI is one of two factors used to determine individual reward outcomes. Risk and financial control colleagues are impacted by the GPI and the Individual Performance Multiple, both of which are used for to calculate an individual's reward outcomes.
- Other than the Year End Share Offer, Group 1 to 5 Internal Audit colleagues do not participate in VR arrangements. Following Committee review, the Board will approve remuneration structures for these colleagues and oversee the overall remuneration outcomes for colleagues in these roles at least annually.

Section 1 - Qualitative disclosures

Group remuneration policy

The Group Remuneration Policy applies to all colleagues of the Group, including Material Risk Takers, except BNZ colleagues. BNZ has its own remuneration policy which complies with New Zealand and Australian regulatory requirements. The BNZ Remuneration Policy is approved by the NAB and BNZ boards.

The Group's remuneration arrangements:







- aim to attract and retain high quality colleagues who can deliver on the Group's strategy.
- are designed to ensure remuneration creates meaning and connection for the Group's business strategy ambition of being a bank known for being safe, easy, relationship-led and long-term focused.
- include fixed and variable elements, in addition to one-off and termination payments in limited circumstances.
- support the Group's risk management framework and culture, by encouraging appropriate risk behaviours and the prevention and mitigation of conduct risk.

In line with the Group Remuneration Framework, remuneration continues to be provided in two components:

- fixed remuneration (FR) provided as cash and benefits (including employer superannuation).
- variable reward provided in accordance with the following VR arrangements:
 - performance-based annual VR earned for delivery of annual goals that drive the Group's strategy under the Group Variable Reward Plan or Specialist Incentive Plans.
 - performance-based long-term VR to align the remuneration provided to the ELT with long-term shareholder outcomes under the Executive LTI.
 - an Annual Equity Award (AEA) granted to certain Group 5 and 6 colleagues to create shareholder alignment, drive continued sustainable performance and emphasise focus on risk management, good conduct and behaviour outcomes under the Annual Equity Award Plan.
 - any commencement or retention award offer.

Group remuneration principles

There are six underpinning remuneration principles used to demonstrate the approach to remuneration to all stakeholders, including our customers, regulators, communities and colleagues. Remuneration is intended to be fair, appropriate, simple and transparent. The Group's remuneration frameworks are governed by the Group Strategy and Group remuneration principles. These principles inform the remuneration frameworks, remuneration policy and remuneration structures.

 <p>Customers</p> <p>Reinforce our commitment to customers</p>	 <p>Colleagues</p> <p>Fair and appropriate reward to attract and retain the best people</p>	 <p>Shareholders</p> <p>Align reward with sustainable shareholder value</p>	 <p>Transparent</p> <p>Simple and easy to understand</p>	 <p>Safe</p> <p>Reflect risk, reputation, conduct and values outcomes</p>	 <p>Long-term</p> <p>Drive delivery of long-term performance</p>
--	---	---	--	---	--

The remuneration mix is balanced to ensure that the fixed component provides sufficient remuneration to take into account the possibility of paying no VR. VR is set to be sufficiently meaningful to drive individual performance without encouraging inappropriate risk-taking or conduct. The remuneration mix is based on market information and practices. In any year, actual remuneration will vary, given the overlay of business performance and individual performance on VR outcomes.

The Committee provides annual recommendations to the Board regarding the remuneration arrangements and VR outcomes of persons in Specified Roles and any other persons as determined by the Committee or the Board. These details are provided individually for senior managers and executive directors and on a cohort basis for Highly Paid Material Risk Takers, other material risk takers and risk and financial control personnel. The Board annually reviews the threshold definition for material risk takers, including quantitative indicators and qualitative criteria, as required by CPS 511. Regulated subsidiary boards will approve individual remuneration arrangements for senior managers of the subsidiary and other senior executives as determined by the subsidiary boards.

Effectiveness of remuneration at NAB

NAB's remuneration and related frameworks (i.e. performance management and consequence management frameworks) are reviewed triennially to ensure their effectiveness, and provide an opportunity to identify any weaknesses or potential improvements. The last review occurred in 2022 and indicated that NAB's remuneration and related frameworks were overall broadly fit for purpose, operating as intended, supporting effective risk, conducting and consequence management, as well as following sound remuneration governance processes. Minor areas of improvements were gradually implemented over the last two years to further align with the Group's Colleague Strategy.

Section 1 - Qualitative disclosures

CPS 511 annual compliance review

NAB completed its first annual CPS 511 compliance review in 2024. The objective of the compliance review was to assess whether the Group's remuneration framework, policies and practices, remuneration design (including performance measures and performance, vesting and deferral periods), remuneration outcomes, consequence management practices and governance structures are compliant with the requirements of CPS 511. The review was conducted by independent external advisors and found NAB to be compliant with the requirements of CPS 511, with minor areas for improvement. All recommended changes have been implemented in 2024 and the Group will continue to undertake annual compliance reviews to monitor and continuously improve its remuneration framework, policies and practices.

1.4 Remuneration framework changes for 2024

Regulatory updates

The Financial Accountability Regime (FAR), which replaced the Banking Executive Accountability Regime (BEAR), came into effect in March 2024. In preparation for the FAR, NAB reviewed the remuneration framework for the Group CEO, Group Executives and other colleagues and made changes to the Group's remuneration policy and variable reward plans including:

- incorporation of new accountabilities prescribed for Accountable Persons relating to dispute resolution, remediation programs and breach reporting.
- updates to definitions and incorporation of references (e.g. to the FAR) to comply with the FAR requirements.
- other minor changes for simplicity and clarity.

The Group's remuneration policy and practices are compliant with the FAR.

To encourage long-term sustainable decision making and to align with sound risk management principles, the deferral arrangements for our colleagues were updated in 2024 including:

- for colleagues in Group 3-6 roles, the threshold for deferral of incentives payments was increased to \$100,000 (from \$50,000 in 2023).
- for colleagues in Group 3-5 roles, the deferral period was increased to 3 years (from 2 years in 2023), and the percentage of total incentives to be deferred increased to 40% (from 30% 2023).
- the deferral period and deferral percentage for colleagues in Group 6 roles remained at 3 years and 40% respectively.

The Financial Markets Specialist Incentive Plan (FMSIP) was also updated in 2024. Changes include:

- updated performance measures to strengthen the compliance with CPS 511 and the existing customer outcomes/risk performance overlay that currently applies to FMSIP funding.
- updated to FMSIP pool funding approach to simplify funding creation, to ensure that funding is commensurate of participating business performance, and allows for the assessment of appropriateness of funding results as a part of the annual governance process.
- updated deferral arrangements and deferral thresholds for Highly Paid Material Risk Takers and other participants.

1.5 Variable reward (VR)

Material Risk Takers may participate in a number of performance-based VR plans as described below.

Group Variable Reward Plan (GVRP)

The purpose of the GVRP is to reward participants for the delivery of annual goals which drive long-term sustainable performance. The GVRP applies to the majority of colleagues in the Group. It provides an appropriate level of remuneration that varies based on Group performance (as determined by the Board) and the participant's performance for the financial year. The plan is not wholly formulaic. Judgement is applied through qualitative assessment (as determined by the Board).

The table on the following page outlines the key features of the 2024 GVRP. Further detail on the application of the GVRP for the Group CEO and Group Executives is provided in the Remuneration Report.

Section 1 - Qualitative disclosures

Feature	Description																																													
Annual VR opportunity	<p>Annual VR opportunity is expressed as a percentage of FR and is set having regard to a range of factors including the participant's role scope and accountabilities and market competitiveness.</p> <p>An eligible participant's actual VR outcome can be higher or lower than their target VR opportunity, and will:</p> <ul style="list-style-type: none"> not exceed their maximum VR opportunity (100% of target FR opportunity for ELT (65% for Group CRO); 250% of target VR opportunity for other material risk takers) depend on the participant's individual score and the Group's performance for the financial year. 																																													
Group performance	<p>Group performance is assessed on achievement of financial and non-financial measures (referred to as GPI) linked to the Group's key strategic priorities, overlaid by a qualitative assessment. The qualitative assessment may result in the outcome being adjusted upwards or downwards (including to zero) for risk, quality of performance (including consideration of financial, sustainability and customer outcomes, sustainability matters, and progress made against strategy) and any other matters as determined by the Board. Further details are on the 2024 GPI and outcomes is provided in section 4 of the Remuneration Report.</p>																																													
Individual performance	<p>Individual performance is assessed against a scorecard comprised of key financial and non-financial goals. The measures and weighting of each measure reflect the responsibilities for each individual's role. The Group CEO's 2024 scorecard is aligned to the GPI.</p> <p>Individual performance modifiers: The Board or leadership group (as appropriate) consider three individual performance modifiers which may result in an adjustment to the individual's performance and VR outcomes:</p> <ul style="list-style-type: none"> Risk: the individual's management of risk and compliance Employee conduct: individual performance and VR outcomes may be reduced where expected standards of conduct are not met How We Work: the individual's demonstration of NAB's values 																																													
Annual VR calculation	<p>Individual annual VR awards are calculated as follows:</p> <table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th style="background-color: #cccccc;">Target Opportunity</th> <th></th> <th style="background-color: #cccccc;">Group Scorecard Group Performance Indicators + Qualitative Assessment</th> <th></th> <th style="background-color: #cccccc;">Individual Scorecard Individual Performance + Individual Modifier</th> </tr> </thead> <tbody> <tr> <td>FR</td> <td>x</td> <td>Key financial and non-financial measures to deliver the Group's strategy</td> <td>+</td> <td>Risk Modifier</td> </tr> <tr> <td>Annual VR target %</td> <td>×</td> <td></td> <td></td> <td>Quality of performance</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>×</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>Individual performance measures</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>+</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>Risk</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>Employee conduct</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>How We Work</td> </tr> </tbody> </table>	Target Opportunity		Group Scorecard Group Performance Indicators + Qualitative Assessment		Individual Scorecard Individual Performance + Individual Modifier	FR	x	Key financial and non-financial measures to deliver the Group's strategy	+	Risk Modifier	Annual VR target %	×			Quality of performance					×					Individual performance measures					+					Risk					Employee conduct					How We Work
Target Opportunity		Group Scorecard Group Performance Indicators + Qualitative Assessment		Individual Scorecard Individual Performance + Individual Modifier																																										
FR	x	Key financial and non-financial measures to deliver the Group's strategy	+	Risk Modifier																																										
Annual VR target %	×			Quality of performance																																										
				×																																										
				Individual performance measures																																										
				+																																										
				Risk																																										
				Employee conduct																																										
				How We Work																																										
GVRP adjustments	<p>VR adjustments may be made for all colleagues during the performance measurement period, the deferral period or after vesting of deferred VR.</p> <p>In-year adjustments: An in-year adjustment may be applied to a colleague's VR during the performance measurement period. In-year adjustments typically occur for performance, misconduct and risk issues. The Board has absolute discretion, subject to compliance with the law, to determine the value of annual VR to be awarded from zero up to the maximum VR opportunity. The 2024 performance measures for the Group CEO and Group Executives and the Group CEO's performance against those measures is provided in section 4.1 of the Remuneration Report.</p> <p>Malus: The Board has absolute discretion under the relevant plan rules, subject to compliance with the law, to determine that all or some of the unvested amounts be forfeited prior to the vesting (or milestone) date in circumstances where conduct standards or risk expectations have not been met, including where a Malus Event (refer <i>Malus Event</i> in section 1.6) has occurred, for jurisdictional reasons or in any other circumstances contemplated by the Group Remuneration Policy and Guidelines.</p> <p>Clawback: Subject to the terms of a colleague's employment contract, the Board may clawback any reward provided to the colleague under the GVRP.</p>																																													
Award delivery and deferral	<p>Annual VR may be delivered in cash or a combination of cash and equity (shares or deferred rights) where the annual VR outcome is above a certain threshold. Cash components of annual VR are paid following the performance year to which they relate. Equity components of annual VR vest over a defined vesting period.</p>																																													
Separation	<p>If an employee resigns they will not receive any annual VR for that year and any unvested deferred VR will be forfeited.</p> <p>Unvested awards may be retained on separation in other circumstances prior to the end of the vesting period. The Board retains discretion to determine a different treatment.</p> <p>Vesting of any unvested awards retained will generally not be accelerated and will continue to be held by the individual on the same terms.</p>																																													
Committee oversight	<p>The Committee assists the Board to discharge its responsibilities relating to people and remuneration matters. In relation to remuneration, the Committee is focused on developing effective remuneration structures for colleagues, oversight of remuneration outcomes and performance and conduct management.</p> <p>The Committee receives input from other Board Committees, the Executive Remuneration Committee (ERemCo) and other management committees, senior management and external remuneration advisors as appropriate.</p>																																													
Board oversight and discretion	<p>The Board has overall responsibility for the Group's remuneration frameworks and their effective operation and is assisted by the Committee and other Board Committees as required.</p> <p>The Board has extensive discretion in relation to the GVRP awarded. Further detail on the governance of the GVRP is provided in section 1.9.</p>																																													

Section 1 - Qualitative disclosures

Financial Markets Specialist Incentive Plan (FMSIP)

The FMSIP applies to certain colleagues in the Markets and Corporate Finance businesses. The purpose of the FMSIP is to reward eligible participants for delivery of annual goals that drive long-term sustainable performance and provide market-competitive remuneration for colleagues in specialist roles. The table below outlines the features of the 2024 FMSIP.

Feature	Description
Funding (FMSIP pool)	Generation of funding is dependent on the participating business teams achieving a minimum Return on Allocated Equity (ROAE) hurdle as determined through the planning process and outlined in approved budgets. If the ROAE hurdle is achieved, the amount of FMSIP funding is determined as grossed-up cash earnings percentages for the Markets and Corporate Finance businesses. The level of funding is adjusted for appropriate risk and financial outcomes and to align with customer outcomes. The adjustment takes into account financial and non-financial factors such as customer, business risks, Intelligence Control Scores, compliance, conduct, shareholder expectations or the quality of the financial result and may be adjusted for Group performance outcomes. The Committee approves the FMSIP funding amount.
Individual performance	Individual performance is assessed against a scorecard comprised of key financial and non-financial goals. The measures and weighting of each measure reflect the responsibilities for each individual's role. Individual performance modifiers: The Board or leadership group (as appropriate) consider three individual performance modifiers which may result in an adjustment to individuals' performance and VR outcomes: <ul style="list-style-type: none"> • Risk: the individual's management of risk and compliance • Employee conduct: individual performance and VR outcomes may be reduced where expected standards of conduct are not met • How We Work: the individual's demonstration of NAB's values.
FMSIP awards	If FMSIP funding is generated, it is allocated to participants on a discretionary basis by taking into consideration the individual's financial performance against plan targets and performance relative to peers. Minimum performance and conduct conditions must be met for an award to be allocated.
FMSIP adjustments	FMSIP adjustments may be made for all colleagues during the performance measurement period, the deferral period or after the vesting of deferred VR. In-year adjustments: An in-year adjustment may be applied to a colleague's FMSIP award during the performance measurement period. In-year adjustments typically occur for performance, misconduct and risk issues. The Board has absolute discretion, subject to compliance with the law, to determine the value of annual FMSIP award to be awarded from zero up to the maximum FMSIP opportunity. Malus: The Board has absolute discretion under the relevant plan rules, subject to compliance with the law, to determine that all or some of the unvested amounts be forfeited prior to the vesting (or milestone) date in circumstances where conduct standards or risk expectations have not been met, including where a Malus Event (refer <i>Malus Event</i> in section 1.6) has occurred or in any other circumstances contemplated by the Group Remuneration Policy and Guidelines. Clawback: Subject to the terms of a colleague's employment contract, the Board may clawback any reward provided to the colleague under the FMSIP.
Award delivery and deferral	FMSIP awards may be delivered in cash or a combination of cash and equity (shares or deferred rights) where the FMSIP award outcome is above a certain threshold. Cash components of the award are paid following the performance year to which they relate. Equity components of the award vest over a defined vesting period.
Separation	If a participant resigns they will not receive an FMSIP award for that year and any unvested deferred awards will be forfeited. Unvested awards may be retained on separation in other circumstances prior to the end of the vesting period. The Board retains discretion to determine a different treatment. Vesting of any unvested awards retained will generally not be accelerated and will continue to be held by the individual on the same terms.
Committee oversight	The Committee assists the Board to discharge its responsibilities relating to people and remuneration matters. In relation to remuneration, the Committee is focused on developing effective remuneration structures for colleagues, oversight of remuneration outcomes and performance and conduct management. The Committee receives input from other Board committees, the ERemCo and other management committees, senior management and external remuneration advisors as appropriate.
Board oversight and discretion	The Board has overall responsibility for the Group's remuneration frameworks and their effective operation and is assisted by the Committee and other Board committees as required. The Board has extensive discretion in relation to awards under the FMSIP. Further detail on the governance of the FMSIP is provided in sections 1.6- 1.10.

Section 1 - Qualitative disclosures

BNZ Discretionary Variable Reward Plan (DVRP)

BNZ Material Risk Takers participate in the BNZ DVRP. The BNZ DVRP operates on a similar basis to the GVRP. In the BNZ DVRP, different employee groups have different business scores impacting their final VR outcome, in order to reflect the degree of impact and influence they have on business performance.

The purpose of the plan is to align decision making at executive and senior management levels with BNZ's strategic goals and outcomes, and appropriately capture the business risks related to the achievement of business outcomes and reflect these in discretionary VR.

The table below outlines the features of the 2024 BNZ DVRP.

Feature	Description									
Annual VR opportunity	Annual VR opportunity is expressed as a percentage of FR and is set with regard to a range of factors including the participant's role scope and accountabilities, and market competitiveness. An eligible participant's actual VR outcome can be higher or lower than their target VR opportunity. Individual performance plan ratings map to individual VR score guidelines. These guideline ranges are established at year end, with maximum ratio of VR generally set at 200% of FR unless determined otherwise by the BNZ Board.									
BNZ performance	BNZ performance is assessed using the BNZ performance scorecard (known as the Business Performance Indicator (BPI)) comprising financial and non-financial measures linked to BNZ's key strategic priorities, which is overlaid by a qualitative assessment to support any adjustment of the outcome. The qualitative assessment is integral to the outcome and may result in the outcome being adjusted upward or downward (including to zero) for risk, reputation, quality of performance or any other matters as determined by the BNZ Board. For 2024, the BNZ BPI pillars and metrics were Customers (20%), Colleagues (15%), Safe Growth (5%) and Financial (60%). The BNZ Board determines the BNZ BPI multiplier, with guideline ranges from 0.8 to 1.2.									
Individual performance	Individual performance is assessed against several areas, including conduct, customer, risk and, if the participant is a people leader, colleague leadership and engagement. Depending on their overall performance, the participant is awarded an individual score from zero to two. An individual's behaviour is assessed against the BNZ Code of Conduct which is used to adjust their performance outcome.									
VR calculation	Each participant's VR outcome is determined based on the combination of BNZ and individual performance. Any amount may be awarded from zero up to the participant's maximum VR opportunity. A participant's VR award is calculated as: <div style="text-align: center; margin-top: 10px;"> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center; border: 1px solid black; background-color: #cccccc; padding: 5px;">Participant's target VR opportunity (\$)</td> <td style="width: 33%; text-align: center; border: 1px solid black; background-color: #cccccc; padding: 5px;">One BNZ Score</td> <td style="width: 33%; text-align: center; border: 1px solid black; background-color: #cccccc; padding: 5px;">Participant's individual performance</td> </tr> <tr> <td style="text-align: center; padding: 5px;">FR x target %</td> <td style="text-align: center; padding: 5px;">×</td> <td style="text-align: center; padding: 5px;">Adjusted for qualitative assessment as determined by the BNZ Board</td> </tr> <tr> <td></td> <td style="text-align: center; padding: 5px;">×</td> <td style="text-align: center; padding: 5px;">Adjusted for behaviour assessment</td> </tr> </table> </div>	Participant's target VR opportunity (\$)	One BNZ Score	Participant's individual performance	FR x target %	×	Adjusted for qualitative assessment as determined by the BNZ Board		×	Adjusted for behaviour assessment
Participant's target VR opportunity (\$)	One BNZ Score	Participant's individual performance								
FR x target %	×	Adjusted for qualitative assessment as determined by the BNZ Board								
	×	Adjusted for behaviour assessment								
Award delivery and deferral	VR may be delivered in cash or a combination of cash and equity ⁽¹⁾ (shares or deferred rights) where the annual VR outcome is above a certain threshold. Cash components of VR are paid following the performance year to which they relate. Equity components of VR vest over a defined vesting period.									
Separation	If a participant provides notice of resignation prior to payment date, they will forfeit any VR in respect of that year. Any unvested deferred VR will also be forfeited. Unvested awards may be retained in exceptional circumstances on separation prior to the end of the vesting period. The Board retains discretion to determine a different treatment. Vesting of any unvested awards retained will generally not be accelerated and will continue to be held by the individual on the same terms.									
Board discretion	The BNZ Board has absolute discretion to adjust the VR of any participant down (including to zero) where appropriate including in circumstances where Group or individual performance outcomes have changed over time or for an act or omission that has impacted performance outcomes.									

(1) Deferral for the BNZ Executive Leadership team is by way of equity, for all other BNZ colleagues deferral is made using cash.

All matters relating to the remuneration of BNZ colleagues, including the BNZ DVRP, are approved by the BNZ Board as required under BNZ's Conditions of Registration which are set by the Reserve Bank of New Zealand.

Long-Term Incentive

The LTI in 2024 is comprised of two equally weighted components of remuneration which together provide material weight to financial and non-financial measures in compliance with APRA requirements. These two components are the LTEA and LTVR. The LTI is awarded to the Group CEO and Group Executives through the process described on the following page.

Section 1 - Qualitative disclosures

Pre-grant risk and conduct assessment	Performance period	Pre-vest risk and conduct assessment	Exercise of vested performance rights and allocation of shares ⁽¹⁾
Start of year 1	Year 1 - year 4	End of year 4	End of year 4 End of year 5 End of year 6
1. Pre-grant individual performance, risk management and conduct assessment	2. Assessment of LTEA and LTVR performance measures	3. Pre-vest individual performance, risk and conduct assessment	4. Assessment of Individual performance, risk and conduct prior to allocation of shares
<p>Performance Criteria</p> <ul style="list-style-type: none"> Individual performance Risk Management Conduct (How We Work) <p>Board discretion to adjust outcome</p> <p>Application Number of awards granted determined by the Board</p> <p>Outcome Performance rights granted</p>	<p>LTEA Non-financial measure: NAB Group meets or exceeds risk expectations and maintains an acceptable level of risk exposure within the agreed appetite levels for risks specific to NAB Group.</p> <p>LTVR Financial measure: Total Shareholder Return relative to a peer group of comparator companies.</p> <p>Application Preliminary vesting outcome determined by the Board</p>	<p>Performance Criteria</p> <ul style="list-style-type: none"> Individual performance Risk Management Conduct (How We Work) <p>Board discretion to adjust outcome</p> <p>Application Vesting outcome determined by the Board</p> <p>Outcome Performance rights vest</p>	<p>Performance Criteria</p> <ul style="list-style-type: none"> Individual performance Risk Management Conduct (How We Work) <p>Board discretion to adjust outcome</p> <p>Application Number of vested performance rights that will be exercised is modified by the Board where an event or matter justifies the adjustment</p> <p>Outcome Performance rights are exercised and shares are allocated</p>

(1) Shares are allocated to the Group CEO in three equal tranches at the end of years 4, 5 and 6 (i.e., 33% per year). Shares are allocated to the Group Executives in two equal tranches at the end of years 4 and 5 (i.e., 50% per year).

Individual performance, risk management, and conduct (How We Work) considerations are set out in our risk management and conduct framework in section 1.11.

The table below details the key features of the 2024 LTI award for the Group CEO and Group Executives.

Feature	Description
Purpose	The LTI award (comprising the LTEA and LTVR components) is granted by the Board to encourage long-term decision making critical to creating long-term value for shareholders. The LTI is determined and awarded independently from Annual VR decisions.
Participants	Group CEO and Group Executives as determined by the Board.
Award value	The maximum face value of the LTI award granted is 140% of FR for the Group CEO and Group Executives, with the LTEA and LTVR components being weighted equally (i.e. each 70% of FR). The actual value of the LTI award granted to the participant is determined by the Board based on the pre-grant assessment.
Instrument	The LTI award (comprising the LTEA and LTVR components) is provided as performance rights. Each vested performance right entitles its holder to receive one NAB share upon exercise.
Pre-grant assessment	At the end of the preceding performance year, an individual assessment of each participant is undertaken to determine the value of performance rights to be awarded to the participant. The Board assesses each participant based on individual performance in the preceding performance year, and risk and conduct considerations as detailed in our risk management and conduct framework in section 1.11.
Grant date	The 2024 LTI award (comprised of LTEA and LTVR components) was granted on 22 February 2024.
Allocation approach	The number of performance rights granted was calculated by dividing the LTEA and LTVR award face value by NAB's weighted average share price over the last five trading days of the preceding financial year. The weighted average share price used for the 2024 awards was \$28.92.
Performance period	Four years from 15 November 2023 to 15 November 2027.
Assessment of performance measures	The LTEA and LTVR components are assessed against their respective performance measures over the performance period to determine the number of performance rights that are eligible for vesting.
	<p>LTEA</p> <p>The risk management measure is a non-financial measure that tests whether NAB meets or exceeds risk expectations and maintains an acceptable level of risk exposure within the agreed appetite levels for risks specific to the Group over the performance period.</p>

Section 1 - Qualitative disclosures

Feature	Description										
Long-term Incentive (LTI)	LTVR										
	The LTVR component is tested by assessing NAB's TSR performance relative to the peer group as calculated by an independent provider.										
	TSR measures the return that a shareholder receives through dividends (and any other distributions) together with capital gains over a specific period. For the purposes of calculating TSR over the performance period, the value of the relevant shares on the start date and the end date of the performance period are based on the volume weighted average price of those shares over the 30 trading days up to and including the relevant date.										
	NAB's TSR over the performance period is measured against the TSR of each company in the TSR peer group to determine the level of vesting:										
	<table border="1"> <thead> <tr> <th>NAB's relative TSR outcome</th> <th>Level of vesting</th> </tr> </thead> <tbody> <tr> <td>At or above 75th percentile</td> <td>100%</td> </tr> <tr> <td>Between 50th and 75th percentiles</td> <td>Pro-rata vesting from 50% to 100%</td> </tr> <tr> <td>At 50th percentile</td> <td>50%</td> </tr> <tr> <td>Below 50th percentile</td> <td>0%</td> </tr> </tbody> </table>	NAB's relative TSR outcome	Level of vesting	At or above 75th percentile	100%	Between 50th and 75th percentiles	Pro-rata vesting from 50% to 100%	At 50th percentile	50%	Below 50th percentile	0%
	NAB's relative TSR outcome	Level of vesting									
At or above 75th percentile	100%										
Between 50th and 75th percentiles	Pro-rata vesting from 50% to 100%										
At 50th percentile	50%										
Below 50th percentile	0%										
The TSR peer group is AMP Limited, Australia and New Zealand Banking Group Limited, Bank of Queensland Limited, Bendigo and Adelaide Bank Limited, Commonwealth Bank of Australia, Insurance Australia Group Limited, Macquarie Group Limited, Medibank Private Limited, NIB Holdings Limited, QBE Insurance Group, Suncorp Group Limited and Westpac Banking Corporation.											
Pre-vest assessment	<p>Performance rights will vest at the end of the performance period subject to continued service and pre-vest individual performance, risk and conduct assessment. The Board assesses each participant based on individual performance over the performance period, and risk and conduct considerations as detailed in our risk management and conduct framework in section 1.11.</p> <p>The Board has extensive discretion to downward adjust the number of performance rights vesting for each participant, including to zero. Any performance rights that do not vest following testing will lapse.</p>										
Exercise of vested performance rights	<p>The vested performance rights will be exercised and converted into shares:</p> <ul style="list-style-type: none"> For the CEO, in three equal annual tranches commencing at the end of the performance period (i.e. 33%, 33% and 34% each year) For the ELT, in two equal annual tranches commencing at the end of the performance period (i.e. 50% per year) <p>Prior to the performance rights being exercised, the Board assesses each participant based on individual performance over the performance period, and risk and conduct considerations as detailed in our risk management and conduct framework in section 1.11.</p> <p>The number of vested performance rights that can be exercised may be modified by the Board where an event or matter justifies the adjustment.</p>										
Value of final outcome	<p>The final value delivered to each participant is determined by the number of performance rights that ultimately vest following testing, the number of vested performance rights which are exercised subject to individual performance, risk and conduct assessment, and NAB's share price at the time of exercise.</p> <p>The final value may be zero if performance measures are not achieved, or if the Board exercises its discretion to adjust any outcomes to zero.</p>										
Dividends	No dividends are paid throughout the performance period. A dividend equivalent payment is paid for any vested performance rights for the period between vesting and exercise.										
Separation	<p>The treatment of performance rights will depend on the reason for separation:</p> <ul style="list-style-type: none"> Resignation: performance rights will be forfeited in full All other circumstances including retrenchment and retirement: the performance rights will be retained in full unless otherwise determined by the Board in its absolute discretion⁽¹⁾ <p>Any performance rights a participant continues to hold will remain subject to the relevant performance measure, with the measure being tested in accordance with the normal timetable.</p>										
Board discretion	The Board has extensive discretion in respect of the LTEA and LTVR, including the initial value granted, the number of performance rights that vest, and any forfeiture or clawback applied. Further detail is provided in section 1.6.										

(1) For example, if a participant retires prior to the end of the financial year in which the performance rights are granted, generally the Board will exercise its discretion to allow the participant to retain a pro-rata portion of the performance rights reflecting the proportion of the LTI performance period served when the retirement occurs.

Section 1 - Qualitative disclosures

Year End Share Offer

The Year End Share Offer is an annual award provided to the majority of colleagues. The purpose of the plan is to build alignment with shareholder experience and recognise the role colleagues play in growing the business over the longer term.

Feature	Description
Award value	<p>For 2024, a \$1,000 grant of NAB shares will be made to colleagues who:</p> <ul style="list-style-type: none">• are a permanent employee of the Group with at least 12 months' continuous service as at 30 September 2024 and reside in Australia (excluding casual, fixed term and temporary employees and employees on career break)• are still a permanent employee of the Group on the allocation date (22 November 2024)• are not an Accountable Person or a senior executive (Group 6 and 7 colleagues)• did not receive a serious or significant conduct issue for the performance year ended 30 September 2024. <p>Eligible colleagues who do not meet the Australian residency requirement, including those who work in NAB international offices, may receive a cash equivalent payment in their local currency instead of the share grant.</p>
Restriction period	The award is restricted for three years. Dividends are payable on the award during the restriction period.
Separation	In circumstances where a participant leaves the Group before the end of the restriction period, the retained shares will be released on cessation of employment.

Annual Equity Award

Certain colleagues appointed to Group 5 and 6 roles may be eligible to receive an Annual Equity Award at the end of the financial year. This award is provided to create shareholder alignment, drive continued sustainable performance and emphasise focus on risk management, good conduct and behaviour outcomes. The allocation at the end of the financial year is based on a pre-grant assessment of individual performance and conduct during the year. Deferral arrangements for the Annual Equity Award are outlined on page 17.

Deferral arrangements

Long-term performance is reflected in the design of the Group's VR arrangements. VR plans contain performance metrics that are set to encourage long-term decision making, critical to creating long-term value for shareholders. Deferral of a portion of VR allows the reward to be adjusted after the initial performance assessment to reflect longer-term performance outcomes.

The quantum and period of deferral is commensurate with the level of risk within a role and the ability to reliably measure business outcomes. This allows time to confirm that the initial individual performance and business performance outcomes are realised and if not, for the deferred VR to be adjusted downwards. A summary of deferral arrangements is provided on the following page.

Section 1 - Qualitative disclosures

Colleague category	Incentives	Deferral arrangement
Regulated roles under Australian / United Kingdom requirements		
Group CEO	GVRP ⁽¹⁾	40% of VR is deferred over 3 years, vesting in equal amounts in years 2 and 3
	LTVR	100% of VR is deferred over 6 years, vesting in equal amounts in years 4, 5 and 6
	LTEA	100% of VR is deferred over 6 years, vesting in equal amounts in years 4, 5 and 6
Other ELT members	GVRP ⁽¹⁾	40% of VR is deferred over 3 years, vesting in equal amounts in years 2 and 3
	LTVR	100% of VR is deferred over 5 years, vesting in equal amounts in years 4 and 5
	LTEA	100% of VR is deferred over 5 years, vesting in equal amounts in years 4 and 5
Accountable Persons (other than ELT)	GVRP ⁽¹⁾	40% of VR is deferred over 4 years
	AEA	100% of VR is deferred over 3 years, vesting in equal amounts in years 1, 2 and 3
Highly Paid Material Risk Takers	GVRP ⁽¹⁾	40% of VR is deferred over 4 years, vesting in equal amounts in years 2, 3 and 4
	AEA (Group 6)	100% of VR is deferred over 3 years, vesting in equal amounts in years 1, 2 and 3
	FMSIP ⁽²⁾	50% of VR is deferred over 4 years, vesting in equal amounts in years 2, 3 and 4
Material Risk Takers and risk and financial control personnel	GVRP ⁽¹⁾	40% of VR is deferred over 4 years, vesting in equal amounts in years 2, 3 and 4
	AEA (Group 6)	100% of VR is deferred over 3 years, vesting in equal amounts in years 1, 2 and 3
United Kingdom - regulated roles		
UK senior managers ⁽³⁾⁽⁴⁾	GVRP ⁽¹⁾	<i>Higher paid material risk taker⁽⁵⁾</i> 40% of VR is deferred over 7 years, vesting no earlier than 3 years on a pro-rata basis
		<i>Non-higher paid material risk taker</i> 40% of VR is deferred over 4 years, vesting no earlier than 1 year on a pro-rata basis
	FMSIP ⁽²⁾	<i>Higher paid material risk taker⁽⁵⁾</i> 50% of VR is deferred over 7 years, vesting no earlier than 3 years on a pro-rata basis
		<i>Non-higher paid material risk taker</i> 50% of VR is deferred over 4 years, vesting no earlier than 1 year on a pro-rata basis
UK risk managers ⁽³⁾⁽⁴⁾	GVRP ⁽¹⁾	<i>Higher paid material risk taker⁽⁵⁾</i> 40% of VR is deferred over 5 years, vesting no earlier than 1 year on a pro-rata basis
		<i>Non-higher paid material risk taker</i> 40% of VR is deferred over 4 years, vesting no earlier than 1 year on a pro-rata basis
	FMSIP ⁽²⁾	<i>Higher paid material risk taker⁽⁵⁾</i> 50% of VR is deferred over 5 years, vesting no earlier than 1 year on a pro-rata basis
		<i>Non-higher paid material risk taker</i> 50% of VR is deferred over 4 years, vesting no earlier than 1 year on a pro-rata basis
UK other material risk takers ⁽³⁾⁽⁴⁾	GVRP ⁽¹⁾	40% of VR is deferred over 4 years, vesting no earlier than 1 year on a pro-rata basis
	FMSIP ⁽²⁾	50% of VR is deferred over 4 years, vesting no earlier than 1 year on a pro-rata basis
Non-regulated roles		
Group 3 to 6	GVRP ⁽⁶⁾	40% of VR is deferred over 3 years, vesting in equal amounts in years 1, 2 and 3
Group 6	FMSIP ⁽²⁾	50% of VR is deferred over 3 years
Below Group 6	FMSIP ⁽²⁾	50% of VR is deferred over 3 years, eligible to vest equally in years 1, 2 and 3

(1) Only applies if the individual's VR is \$50,000 or more.

(2) Only applies if the individual's deferred amount is \$2,000 or more.

(3) This does not apply if the individual meets the de minimis condition where total incentive is less than or equal to £44,000 and less than or equal to one-third of their total remuneration.

(4) If annual VR is exceeds £500,000, 60% of the incentive is deferred.

(5) An individual is a Highly Paid Material Risk Taker if their incentive exceeds £500,000, or if their incentive is greater than one-third of their total remuneration.

(6) Only applies if the individual's VR is \$100,000 or more.

Deferred VR is generally provided in either shares or rights.

For senior managers, risk managers and other material risk takers in the UK subject to deferral, half of any up-front VR (the non-deferred component of VR) is provided as cash. The remaining half is provided as equity.

Up-front VR is subject to a one year retention period for all UK Material Risk Takers who do not meet the de minimis conditions.

A retention period also applies to deferred VR after the VR performance conditions have been satisfied. A six months retention period applies to higher paid UK Risk Managers, and a 12 months retention period for all other UK Material Risk Takers.

The retained amounts are restricted from being sold, transferred, or exercised by the individual during the retention period. No further performance conditions apply to retention equity.

The Board has absolute discretion to extend the deferral period for any reason, including if the Board has reason to believe an individual is likely to have failed to meet threshold measures of conduct or comply with their accountability obligations.

Deferred awards are subject to malus and clawback (see *Other features of the Group's remuneration frameworks* for more information).

Section 1 - Qualitative disclosures

Unvested awards may be retained on separation in other circumstances, such as retrenchment or retirement. Where unvested awards do not lapse on cessation of employment, they will continue to be held by the individual subject to the terms and conditions of the offer.

Forms of VR

The Group provides VR in the following forms:

Form	When used
Cash	<ul style="list-style-type: none">• All or a portion of the VR that relates to the current performance year• Where a colleague is entitled to receive deferred VR but has ceased employment with the Group prior to allocation of any shares or rights, or for jurisdictional reasons• Retention and recognition awards• Commencement awards
Shares	<ul style="list-style-type: none">• Deferred VR• Annual Equity Awards• Year End Share Offers• Retention and recognition awards• Commencement awards
Rights	<ul style="list-style-type: none">• Deferred VR (includes VR which is retained by the Group for certain colleagues in the UK)• LTI (comprising LTEA and LTVR components)• Retention and recognition awards• Commencement awards

Generally, the Group aims to provide deferred VR as equity to align the interests of colleagues and shareholders. Rights are generally provided where the Group does not consider it appropriate to pay dividends during deferral or restriction periods, or for jurisdictional reasons. The mix of different forms of VR is dependent on the colleague's role as well as external market relativities and practice.

All permanent colleagues (except colleagues in Internal Audit and most Group 1 and 2 colleagues) are eligible to participate in a VR plan. VR will generally be provided in a combination of cash (including employer superannuation if required) and equity.

Retention, recognition, and commencement awards are provided to a colleague depending on circumstances. The quantum and form will vary depending on the specific circumstances at the time of the award.

1.6 Other features of the Group's remuneration frameworks

Forfeiture (forfeiture or lapsing of unvested VR)

Unvested amounts of VR (including commencement, retention and recognition awards) will generally be forfeited or lapsed prior to the vesting (or milestone) date in accordance with the relevant VR plan rules in the Board's absolute discretion:

- if the employee resigns
- if the Board determines that some or all of the unvested VR should be forfeited or lapsed as a result of:
 - cessation of employment with the Group (other than due to resignation, retirement or retrenchment).
 - failure to meet the relevant milestone conditions (if any).
 - following cessation of employment with the Group where there is a change in the individual's circumstances that means it is no longer appropriate for the individual to retain the deferred VR (for example where the individual purported to retire and subsequently recommenced employment).
 - failure to meet Employee Conduct Standards⁽¹⁾, or where a former colleague engaged in conduct that would have failed to meet the Employee Conduct Standards if they were still employed by the Group.
 - being provided in error or that the circumstances giving rise to the allocation of the deferred VR have changed (for example, the performance outcome has changed) and the colleague has been provided too much VR.
 - the occurrence of a Malus Event (see below).
 - the Board's ongoing monitoring and review of Performance Assurance Matters over the restriction period, including individual and Group performance taking into account various factors such as, the individual's or Group's under-performance or failings in matters relating to risk, conduct, values or sustainability measures; or
 - in any other circumstances contemplated by the Group Remuneration Policy or Guidelines.

Malus Event

A Malus Event will occur in respect of an individual if the individual is deregistered by APRA from being or acting as an Accountable Person for the purposes of the *Banking Act 1959* (Cth) (Banking Act) or the Board determines that:

- the individual has engaged in fraud, dishonesty, gross misconduct or misconduct that leads to significant adverse outcomes for the Group.
- the individual has engaged in behaviour that may negatively impact the Group's long-term financial soundness, prudential standing or prudential reputation.
- the financial results that led to the deferred VR being awarded are subsequently shown to be materially misstated.

(1) The required standards of conduct for colleagues of the Group set by the Board from time to time, including under the Code or any regional equivalent.

Section 1 - Qualitative disclosures

- there was a significant error in the decision that led to the deferred VR being awarded, or there was a significant misstatement of the criteria used in making that decision.
- the individual materially breached a representation, warranty, undertaking or any other obligations to any member of the Group.
- there is a significant and unintended deterioration in the financial performance of the Group or any member of the Group resulting directly or indirectly from an act or omission of the individual.
- the individual has behaved in a manner which brings the Group or any member of the Group into disrepute or which results in significant adverse outcomes for the Group's customers, beneficiaries or counterparties.
- the individual has not complied with his or her accountability, fitness and propriety or compliance obligations, including under the Banking Act or any other analogous or similar legislation or regulation applicable in the participant's jurisdiction; or
- there is a significant failure of financial or non-financial risk management resulting directly or indirectly from an act or omission of the individual.

Clawback (recovery of paid and vested VR)

Paid and vested VR, including retention rewards, is subject to clawback. The Board may apply clawback to the ELT, other Accountable Persons, some UK Material Risk Takers and other colleagues in certain circumstances. In the UK, clawback applies for up to seven years from the award date for some material risk takers and up to ten years from the award date for senior managers (under the Senior Managers and Certification Regime in the UK).

For Accountable Persons who have not complied with their accountability requirements under the Banking Act, the individual will be required to repay an amount determined by the Board (in its absolute discretion), including if the Board determines that clawback is required to comply with the Group's obligations under the Banking Act related to variable remuneration.

For UK material risk takers, the circumstances in which the Board may consider applying clawback include (but are not limited to) any circumstances where the Board considers that there is reasonable evidence:

- that there has been a material failure of risk management or regulatory compliance.
- that the individual participated in, or was responsible for, conduct which resulted in significant losses.
- of misbehaviour or material error on the part of the individual.
- that the individual has failed to meet appropriate standards of fitness and propriety.

Clawback may apply to other material risk takers and other colleagues of the Group depending on their individual employment arrangements and the terms and conditions of the VR plan.

Minimum shareholding requirements

To align with shareholder interests, executives are required to hold NAB shares to the value of 200% of FR (for the Group CEO) and 100% of FR (for Group Executives). Newly appointed executives are required to satisfy the minimum shareholding requirement within a five year period from the date of commencement in their role. The Group CEO and Group Executives have either met or are on track to meet their minimum shareholding requirement.

Holdings included in meeting the minimum shareholding requirement are NAB shares, unvested deferred shares and deferred rights not subject to further performance conditions held by the executive, and shares held by a closely related party or self-managed superannuation fund for the benefit of the executive.

Commencement, retention and guaranteed awards

Commencement awards are used to compensate a new colleagues for equity or other benefits forgone with a previous employer. The amount and timing of any commencement award is based on evidence provided by the new colleague of the benefit offered by their previous employer. Commencement awards are provided in the form of NAB equity or cash, subject to restrictions and certain forfeiture conditions, including forfeiture on resignation.

The Group provides retention awards for key individuals in roles where retention is critical over a medium-term timeframe (generally two to three years). These may be delivered in the form of NAB equity or cash, and are subject to performance, conduct, forfeiture conditions and clawback as appropriate. For UK Material Risk Takers, retention payments require prior approval from the regulator.

Guaranteed VR awards (not subject to performance conditions) do not support the Group's performance focus and are not consistent with sound risk management. There may be circumstances where, in order to attract and retain key talent, a colleague may be awarded VR or a bonus, without explicit performance conditions, using tenure-based requirements. Awards of this nature are rare and are generally provided only as part of a commencement award.

Under CPS 511, commencement, retention and guaranteed awards are all considered variable rewards. The vesting of the awards will comply with the prescribed deferral requirements under CPS 511 for the relevant personnel.

1.7 Linking performance and remuneration

Performance is linked to remuneration through FR and VR.

FR is set with consideration to role complexity and responsibilities, the individual's capabilities, experience and knowledge, individual performance, internal and external market role relativities and pay equity considerations.

VR is determined based on a combination of individual performance and business performance. Performance measures are selected which capture the effects of material risks and minimise actions that promote short-term results at the expense of

Section 1 - Qualitative disclosures

longer-term business growth and success. Further detail on performance measures and the link to remuneration outcomes is set out in section 1.5.

1.8 Linking individual remuneration to business performance

Individual remuneration is linked to business⁽¹⁾ and individual performance through the Group's VR plans' design elements:

- business performance is a component of the majority of VR plans, ensuring remuneration outcomes are smaller when business performance is less than target and higher when business performance is above target.
- a colleague's performance plan defines goals comprising performance measures and targets relevant to the colleague's role that support delivery of the Group's long-term sustainable performance.
- deferral of a portion of VR links remuneration to the future value of NAB shares and allows for adjustments to remuneration outcomes to be made if necessary.

1.9 Governance of variable reward

During a performance period, poor performance, conduct and/or risk outcomes at a business and individual level will be reflected in the individual's VR outcome for the current year and vesting of other VR awards from prior years. If performance, conduct and/or risk outcomes are poor, this may result in no or reduced VR being awarded for the performance year, forfeiture of prior year awards for malus and/or clawback of awards. In circumstances where a person is under investigation, VR will not vest until the investigation is closed. The Group applies its Colleague Conduct Framework (Conduct Framework) and Misconduct Procedure (along with relevant policies, procedures and processes) to govern employee conduct so matters of suspected and actual misconduct are managed fairly, proportionately and consistently. If a material risk is identified, the Board will manage an assessment with reference to input from the Committee and the Board Risk & Compliance Committee (BRCC).

The Committee consults with the BRCC and Group CRO to enable risk outcomes to be appropriately reflected in remuneration outcomes for persons in Specified Roles. The Group CRO has a standing invitation to attend Committee meetings and there are membership overlaps between the Committee and the BRCC to facilitate escalation to provide each respective committee relevant context to ongoing matters relevant to executive remuneration.

In adopting a prudential approach to identifying and addressing poor performance, risk and/or conduct issues, and to provide the better oversight at a global level, a mid-year performance, risk and conduct assessment is completed in addition to end of year assessments. The Committee and Board receive updates on notable activities for colleagues in regulated roles. This reflects a more proactive approach from last year, where all performance, risk and conduct activities occurred at the end of the performance year only.

This process is also supported by committees at the business, enabling unit and enterprise levels. The ERemCo, a sub-committee of the People & Culture Executive Committee (PCEC), reviews and makes recommendations in relation to accountability and consequence to the Committee and the Board to ensure risk, performance and conduct matters are appropriately reflected in remuneration outcomes. Where required, the ERemCo provides malus and clawback recommendations, endorsed by the PCEC, to the Committee.

1.10 Risk measures and aligning risk and reward

The Committee is responsible for assisting the Board in relation to the people and remuneration strategies, policies and practices of the Group so that they:

- are reasonable, fair and in line with the current governance, legal and regulatory requirements
- support the Group's purpose, values, strategic objectives and risk appetite
- responsibly reward individuals for performance, and encourage behaviour that is ethical, delivers sound customer outcomes, is aligned with the Group's purpose and values and supports prudent risk-taking and sustainable outcomes
- provide oversight to ensure risk outcomes are reflected in remuneration
- oversee the process to adjust VR outcomes for colleagues (including to zero), where they are found to be responsible for risk and conduct incidents ensuring appropriate financial consequences where material risk incidents have occurred.

This includes review of the principles and framework required for measuring the conduct and behavioural requirements of the Group on a regular basis and reporting and making recommendations to the Board on these matters as required. The Group's Conduct Framework and Misconduct Procedure set out the processes to be applied when there are adverse performance and risk outcomes and how they are reflected in individual and Group remuneration outcomes.

The framework for assessing risk management and conduct was reviewed and updated in 2023 to reflect CPS 511 requirements. The review resulted in:

- creation of Risk Framework Guiding Principles which guide annual risk and conduct assessments and the application of consequences.
- a new People & Remuneration Committee and Board Risk and Conduct Assessment Guide which provides steps and factors to be considered when assessing the nature and type of risk or conduct matter, and where required the adjustment criteria to be applied to VR.

The Committee regularly reviews Group and individual outcomes for risk, reputation, conduct and performance considerations. This includes oversight of the Conduct Framework which supports an appropriate risk culture across the Group. The Board, Group CEO and Group Executives influence culture by focusing on leadership behaviour, systems and colleagues, reinforced through performance and remuneration outcomes.

(1) For risk and financial control colleagues, business performance is limited to the overall Group performance reflected in the GPI.

Section 1 - Qualitative disclosures

In assessing and reaching decision where there are instances of risk and conduct matters, the Committee follows the following process:

1. **Identification of matters:** A 'material' risk and compliance matter is identified and captured in the ERemCo watchlist. The matter may be raised through a variety of channels.
2. **Assessment:** ERemCo reviews and assesses each matter and allocates a categorization for action. Where a matter is determined as requiring a fact find, the Committee will do so.
3. **Investigation:** On conclusion of the fact find, ERemCo will consider the required treatment.
4. **Consequences:** The Committee will consider and determine the appropriate consequence for Board consideration and approval. Board will determine the ultimate outcome.

CPS 511 requires that in circumstances involving a person under investigation, their variable remuneration must not vest until the investigation is closed. In such circumstances, the Committee will be provided with a request to defer the vesting of awards until completion of the investigation in line with CPS 511 and the FAR.

1.11 Performance, risk and remuneration assessment

How conduct and risk are integrated in our remuneration framework

	Conduct management	Risk assessment
Scope	<ul style="list-style-type: none"> Applies to all colleagues including the Group CEO and Group Executives Colleagues are required to comply with the Code and the Group's Employee Conduct Management Framework 	<ul style="list-style-type: none"> Applies to all colleagues including the Group CEO and Group Executives All colleagues (excluding the Group CEO) have a mandatory risk goal in their annual performance scorecard. The Group CEO has a risk modifier applied to his annual VR outcome
Individual assessment	<ul style="list-style-type: none"> Throughout the year: Leaders assess the severity of any employee conduct and risk matters and determine the appropriate consequence depending on the severity of the matter Consequences may include any combination of coaching, counselling, formal warnings, termination of employment, impacts to in-year performance assessment, reduction to VR outcomes and the application of malus or clawback Quarterly: Risk goals are discussed during quarterly performance check-ins. Conduct matters and risk issues are discussed as appropriate At year end: Leaders undertake a holistic conduct history review and evaluate achievement of the risk goal. These are translated into the colleague's performance rating. Remuneration decisions are informed by the performance rating 	
Executive and Board oversight	<ul style="list-style-type: none"> In assessing conduct and consequence, each business and enabling unit maintains a Professional Standards Forum which makes recommendations to the Executive Remuneration Committee The Executive Remuneration Committee oversees the effectiveness of the Framework, reviews material events, accountability and the application of suitable consequences The People & Remuneration Committee and the Board oversee VR adjustments for the Group CEO and Group Executives, as well as certain colleagues in designated roles as required by CPS 511 	<ul style="list-style-type: none"> Divisional Chief Risk Officers provide oversight, challenge and independent input into the performance review process The Group Chief Risk Officer prepares a detailed assessment of the risk outcomes for the Group CEO and each of the Group Executives The Risk & Compliance Committee reviews and challenges the Group Chief Risk Officer's risk management performance assessments. These assessments and the Risk & Compliance Committee's views are considered by the Board in determining individual VR outcomes for the Group CEO and Group Executives The VR for the Group CEO, Group Executives and employees will be reduced and other consequences may be applied if risk is not appropriately managed
Potential impacts on remuneration	<ul style="list-style-type: none"> Risk adjustment: On recommendation from the People & Remuneration Committee, the Board may adjust the in-year funding level of VR outcomes. The Board may also reduce VR for individuals to align with employee conduct or risk outcomes Malus: Grant and vesting of all VR is subject to the employee meeting the conduct standards outlined in the Code and risk expectations. The Board may determine that unvested awards should be adjusted or forfeited (including to zero) in circumstances where these conduct standards or risk expectations are not met Clawback: Clawback may be applied to paid and vested VR provided to any colleague including the Group CEO and Group Executives 	

Section 1 - Qualitative disclosures

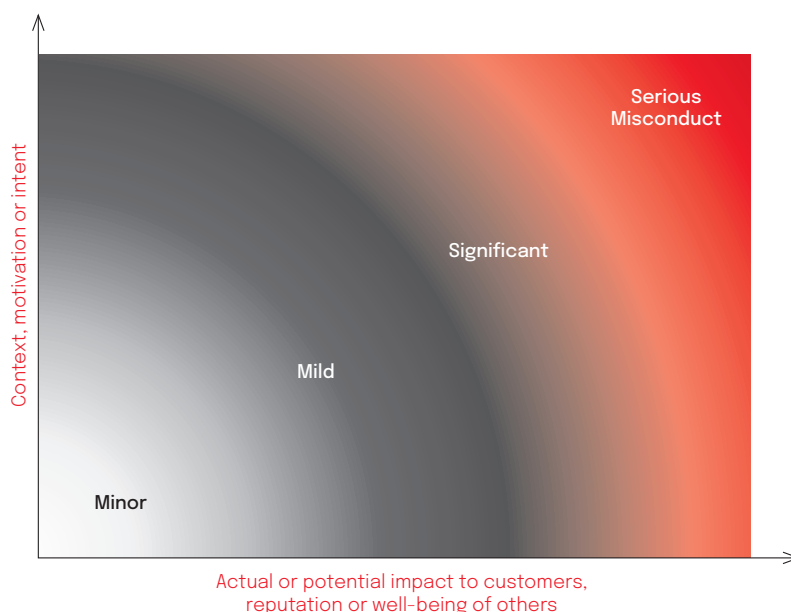
Risk and conduct

The risk management and conduct framework was reviewed and updated in 2023 to comply with CPS 511 requirements. The review resulted in:

- The creation of Risk Framework Guiding Principles which guide annual risk and conduct assessments and the application of consequences.
- The documentation of the risk event assessment process which outlines the two-step process to assess the severity of risk events and consider consequences to be applied.
- A new People & Remuneration Committee and Board Risk and Conduct Assessment Guide which provides steps and factors to be considered when assessing the nature and type of risk or conduct matter and where required the adjustment criteria to be applied to VR.

Consequence Severity Matrix

Intent	Behaviour
Intentional Wilful, deliberate, deceitful, fraudulent	Dishonest Covers up, blames others, does not take accountability
Error in judgement Negligent	Repeated behaviour Doesn't learn from mistakes or persists with misconduct despite warnings
Unintentional Mistake, factors out of their control, took reasonable preventative steps	Growth mindset Speaks up, shares learning, seeks to fix to prevent self or others making the same error



Nature	Non-adherence to standard practices	Breach of policy, procedures, guidelines or employment contract	Regulatory breach or breaking the law
Impact	No/Low impact	Moderate impact	Significant and material impact
Gain	Personal loss	No personal gain	Self-serving profited

The Group CEO and Group Executives actively demonstrate strong risk management to set the "tone from the top" about expectations and behaviours. Risk issues that are identified are prioritised, clear accountability is defined, and an action plan is created to resolve the issue. This has resulted in an improvement in conduct risk, driven by the increased use of analytical monitoring tools and implementation of assurance capabilities. Enhancements in the use of risk monitoring tools and clear guidance about the identification and assessment of risk events have resulted in improved identification of risk events and an increase in the number of risk cases investigated relative to 2023.

Section 2 – Quantitative remuneration disclosures for the Group

Table 2A: Total value of remuneration awards

The following table provides details of remuneration awarded to the Group's senior managers and material risk takers.

	During the year ended 30 Sep 24				During the year ended 30 Sep 23			
	Senior managers		Material risk takers		Senior managers		Material risk takers	
	Unrestricted	Deferred	Unrestricted	Deferred	Unrestricted	Deferred	Unrestricted	Deferred
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Fixed remuneration								
Cash-based ⁽¹⁾	15,000	-	23,799	-	16,889	-	26,020	-
Other ⁽²⁾	669	-	1,232	-	675	-	1,180	-
Variable remuneration⁽³⁾								
Cash-based	6,022	-	9,629	-	8,705	-	10,754	13
Equity ⁽⁴⁾	-	28,133	-	14,440	-	15,821	-	20,011

(1) Includes cash salary, cash allowances, short-term compensated absences (such as annual leave entitlements accrued but not taken during the year), motor vehicle benefits, parking, relocation costs and other benefits (including any related fringe benefits tax).

(2) Other FR includes employer contributions to superannuation (in Australia and New Zealand), superannuation allowances (in the UK) and long service leave entitlements accrued but not taken during the year. The long service leave entitlements are recognised as accruing on an annual basis subject to an actuarial calculation.

(3) 16 senior managers (2023: 16) and 33 material risk takers (2023: 37) received VR in respect of the relevant year. Some senior managers and material risk takers did not receive VR as they ceased employment with the Group or did not meet minimum service requirements.

(4) Equity includes shares and share-linked instruments. Amounts are determined based on the grant date fair value amortised on a straight line basis over the expected vesting period. The amount represents the accounting expense for the relevant year, which includes amounts relating to the relevant year and prior year awards (if any).

Table 2B: Deferred remuneration

The following table provides details of deferred remuneration for senior managers and material risk takers, including the amount outstanding as at the reporting date and the amount paid and reductions during the year. Reductions are split into implicit reductions (for example, due to fluctuations in the NAB share value and share-linked instruments) and explicit reductions (for example, reductions, forfeiture and lapses due to failure to meet performance hurdles, resignations or malus adjustments).

	Year ended 30 Sep 24		Year ended 30 Sep 23	
	Senior managers	Material risk takers	Senior managers	Material risk takers
	\$'000	\$'000	\$'000	\$'000
Outstanding deferred remuneration as at the reporting date⁽¹⁾⁽²⁾	65,530	43,432	54,247	39,025
of which: cash-based	609	949	-	231
of which: equity	64,920	42,483	54,247	38,794
Paid out during the year ⁽³⁾	13,024	13,156	7,190	6,872
Reductions due to explicit adjustments during the year ⁽⁴⁾	-	-	-	(39)
Reductions due to implicit adjustments during the year	(240)	(474)	-	(71)

(1) The value of deferred cash awards is the grant value and for deferred equity awards is the grant date fair value. Outstanding deferred remuneration provided as shares and share-linked instruments is fully exposed to ex post explicit and/or implicit adjustments.

(2) Figures for the year ended 30 September 2023 have been updated to reflect minor errors in calculations.

(3) Includes the value of vested awards using the closing share price of NAB shares on the vesting date.

(4) Calculated using the closing share price of NAB shares on the forfeiture or lapsing date.

Section 2 - Quantitative remuneration disclosures for the Group

Table 2C: Other remuneration

The following table provides details of the commencement awards and termination payments for senior managers and material risk takers.

	During the year ended 30 Sep 24				During the year ended 30 Sep 23			
	Senior managers		Material risk takers		Senior managers		Material risk takers	
	No. of individuals	Total amount \$'000	No. of individuals	Total amount \$'000	No. of individuals	Total amount \$'000	No. of individuals	Total amount \$'000
Commencement awards ⁽¹⁾	-	-	-	-	-	-	1	447
Termination payments ⁽²⁾	3	1,495	1	277	3	1,743	1	823

(1) The full value of the commencement awards provided.

(2) Termination payments are made in accordance with the relevant employee's employment agreement and may include statutory entitlements and support for transition to retirement. Employees may also retain shares and performance rights in accordance with the relevant terms and conditions of each grant, which remain subject to the relevant performance hurdles and restriction periods. These arrangements are consistent with the Group's policy and practice in such circumstances.

Section 3 – Quantitative remuneration disclosures for the London Branch

The following quantitative disclosures relate to senior managers, risk managers and other material risk takers of the London Branch. Amounts in this section are presented in British pounds unless otherwise stated and have been rounded to the nearest thousand pounds (£'000).

Table 3A: Total value of remuneration awards

	During the year ended 30 Sep 24		
	Senior managers	Risk managers & other material risk takers	Total
Number of material risk takers	12	38	50
	Senior managers	Risk managers & other material risk takers	Total
	£'000	£'000	£'000
Fixed remuneration	4,696	9,830	14,526
Variable remuneration (cash)	274	818	1,092
Variable remuneration (retained shares)	223	408	631
Deferred remuneration (equity) ⁽¹⁾	333	740	1,073
Deferred remuneration (cash) ⁽¹⁾	-	4	4
Total variable remuneration	830	1,970	2,800
Total remuneration	5,526	11,800	17,326

(1) The Group provides all deferred remuneration in NAB equity or cash.

Table 3B: Deferred remuneration

	Senior managers	Risk managers & other material risk takers	Total
	£'000	£'000	£'000
Outstanding - vested as at 30 Sep 2024	110	148	258
Outstanding - unvested as at 30 Sep 2024	980	1,847	2,827
Awarded during 2024	608	1,711	2,319
Vested during 2024	345	587	932
Reductions during 2024 through performance adjustments	-	(449)	(449)

Table 3C: Other remuneration

	During the year ended 30 Sep 24		
	Senior managers	Risk managers & other material risk takers	Total
Commencement payments (£'000)	-	-	-
Number of beneficiaries	-	-	-
Highest award to a single beneficiary (£'000)	-	-	-
Retention payments (£'000)	-	13	13
Number of beneficiaries	-	1	1
Highest award to a single beneficiary (£'000)	-	13	13
Termination payments (£'000)	-	477	477
Number of beneficiaries	-	4	4
Highest award to a single beneficiary (£'000)	-	175	175

Section 3 - Quantitative remuneration disclosures for the London Branch

Other remuneration information

In 2024 two senior managers were remunerated more than €1 million but less than €1.5 million. All other senior managers, risk managers and other material risk takers were remunerated less than €1 million. Total remuneration includes FR, allowances and VR. All values were converted using a rate of €1 = £0.8552, consistent with the European Commission's currency converter for September 2024.

Glossary

Accountable Person

An accountable person for the purposes of the Banking Act 1959 (Cth). Members of the Executive Leadership Team are included in the list of Accountable Persons for NAB.

ADI

Authorised Deposit-taking Institution.

Annual Equity Award (AEA)

The variable reward plan that certain senior colleagues below Group Executive level participate in. Each participant receives an award of shares vesting over a three year period.

APRA

Australian Prudential Regulation Authority.

APS

Prudential Standards issued by APRA applicable to ADIs.

BEAR

Banking Executive Accountability Regime.

BNZ

Bank of New Zealand.

BNZ Discretionary Variable Reward Plan (DVRP)

The annual variable reward plan that BNZ colleagues participate in.

Cash earnings

Cash earnings is defined as net profit attributable to owners of NAB from continuing operations, adjusted for the items NAB considers appropriate to better reflect the underlying performance of the Group. Cash earnings for the September 2024 financial year has been adjusted for the following:

- hedging and fair value volatility
- amortisation of acquired intangible assets
- acquisition, integration, disposal and closure of Group businesses.

CPS

Prudential Standards issued by APRA applicable to regulated entities, including ADIs.

Executive Leadership Team (ELT)

The Group CEO and the Group Executives.

Executive Remuneration Committee (ERemCo)

A sub-committee of the PCEC which reviews and makes recommendations in relation to accountability and consequence to the People & Remuneration Committee and the Board on the impact of risk, reputation, conduct, values and performance issues on remuneration outcomes.

FAR

Financial Accountability Regime.

Financial Markets Specialist Incentive Plan (FMSIP)

The annual variable reward plan that certain colleagues working in the Markets and Corporate Finance businesses participate in.

Fixed Remuneration (FR)

Base salary and superannuation paid regularly during the year.

Group

NAB and its controlled entities.

Group Performance Indicators (GPI)

A scorecard of financial and non-financial performance measures linked to the Group's key strategic priorities, overlaid by a qualitative assessment. The GPI is used to assess the Group's performance for the purpose of the GVRP.

Group Variable Reward Plan (GVRP)

The annual variable reward plan that the majority of colleagues across the Group participate in.

Hedging and fair value volatility

This volatility represents timing differences between the unrealised gains or losses recognised over the term of the transactions and the ultimate economic outcome which will only be realised in future. This volatility arises primarily from fair value movements relating to trading derivatives held for risk management purposes; fair value movements relating to assets, liabilities and derivatives designated in hedge relationships; and fair value movements relating to assets and liabilities designated at fair value.

Higher Paid Material Risk Taker

A material risk taker (a) whose annual variable remuneration exceeds 33% of their total remuneration, or (b) whose total remuneration exceeds £500,000, as defined in the PRA Rulebook.

Highly Paid Material Risk Taker

A material risk taker whose total fixed remuneration (including salary, superannuation, allowances and benefits) plus actual variable remuneration is equal to or greater than A\$1 million in a financial year, as defined in CPS 511.

How We Work

How We Work identifies the core elements of behaviour expected of colleagues for the Group to deliver its strategy and clearly articulate the Group's target culture. The core elements are: Excellence for customers, Grow together, Be respectful and Own it.

Long-Term Equity Award (LTEA)

The Long-Term Equity Award that the ELT participate in, where each participant receives a long-term performance-based reward, vesting after a four-year performance period subject to the applicable non-financial performance measure. From 1 October 2023, the LTEA forms one of two components of LTI.

Long-Term Incentive Award (LTI)

The Long-Term Incentive plan that the ELT participate in from 1 October 2023. The LTI is comprised of two equally weighted components being the Long Term Equity Award component (which is subject to a non-financial measure) and the Long Term Variable Reward component (which is subject to a financial measure).

Long-Term Variable Reward (LTVR)

The Long-Term Variable Reward plan that the ELT participate in. Each participant receives a long-term performance-based reward, vesting after a four-year performance period subject to the applicable financial performance measure. From 1 October 2023, the LTVR forms one of two components of the LTI.

NAB

National Australia Bank Limited ABN 12 004 044 937.

People & Culture Executive Committee (PCEC)

A committee established to provide oversight on people and culture matters including reviewing and making recommendations in relation to risk and conduct matters, accountability and consequence and remuneration outcomes to the Committee and Board.

Prudential Regulation Authority (PRA) Rulebook

A rulebook outlining rules made and enforced by the United Kingdom's Prudential Regulation Authority. The rulebook applies to all PRA-regulated firms.

Responsible Person

A person as defined in paragraph 20 of APRA Prudential Standard CPS 520 'Fit and Proper'.

Return on Allocated Equity (ROAE)

A function of cash earnings, risk-weighted assets, regulatory capital deductions and target capital ratios.

Risk-weighted assets

A quantitative measure of risk required by the APRA risk-based capital adequacy framework, covering credit risk for on and off-balance sheet exposures, market risk, operational risk and interest rate risk in the banking book.

Senior Managers and Certification Regime (SM&CR)

A regime in the UK which aims to reduce harm to consumers and strengthen market integrity by making individuals more accountable for their conduct and competence. This regime applies to Financial Conduct Authority solo regulated firms.

Specified Roles

Roles which are regulated under requirements such as the Corporations Act 2001 (Cth), APRA Prudential Standard CPS 520 Fit and Proper and APRA Prudential Standard CPS 511 Remuneration for Australia, SMCR and PRA Rulebook in the UK, and the European Banking Authority Directive 2013/36/EU for France.

Total Shareholder Return (TSR)

The return that a shareholder receives through dividends (and any other distributions) together with capital gains over a specific period.

Variable Reward (VR)

The variable reward component(s) of a colleague's total reward.

