

Wednesday, 18 December 2024

## **ASX ANNOUNCEMENT**

### **2024 Annual General Meeting (AGM) – Chair and CEO Address and Proxy Summary**

National Australia Bank Limited (NAB) attaches the following documents to be presented at the 2024 AGM being held today at 9:30am (AEDT) at Melbourne Convention and Exhibition Centre, 1 Convention Centre Pl, South Wharf, Melbourne (Plenary Room 2), and via Online at <http://meetnow.global/NAB2024> using the platform provided by NAB's share registry, Computershare Investor Services Pty Limited:

- Chair's address.
- CEO's address.
- Slide showing percentage of direct and proxy votes received on each resolution in advance of the meeting.

Further details on the direct and proxy votes received on each resolution in advance of the meeting are also provided in the attached schedule.

The results of the AGM will be communicated to the ASX shortly after the conclusion of the AGM.

Approved for distribution by Louise Thomson, Group Company Secretary

For further information:

#### **Media**

Mark Alexander  
M: +61 (0) 412 171 447

Jo Beckwith  
M: +61 (0) 411 208 101

#### **Investor Relations**

Sally Mihell  
Mob: +61 (0) 436 857 669

Natalie Coombe  
M: +61 (0) 477 327 540

## **2024 ANNUAL GENERAL MEETING - CHAIR'S ADDRESS**

### **Mr Philip Chronican, Chair**

My address today reflects on our performance for shareholders over the past year and discusses the future of our Bank.

#### **A new chapter**

During the past five years, NAB, our colleagues and our customers have benefitted from strong and stable leadership focused on consistent and disciplined execution of the Bank's strategy.

This has led to renewed strength, stability, and momentum in the Bank.

These attributes allow us to support our customers and the economy through cycles, including during the current period of high inflation and the impact of the higher cost of living.

We are providing better banking experiences for our customers and remain the Australian market leader in lending to businesses.

In February, Ross McEwan announced his retirement from NAB after a successful four-and-a-half-years as Chief Executive Officer and Managing Director.

Shareholders can be very pleased with Ross' leadership. NAB is now recognised as a good bank that consistently does the basics well for our customers.

The Board appointed Andrew Irvine as our new Chief Executive Officer to build on the work already underway and to address the opportunities and challenges of the future.

It was pleasing to have managed an internal leadership succession, the process highlighting the depth of talent within NAB.

Our colleague engagement improved during the year and remains above our top quartile target, reflecting persistent focus on the experience of our colleagues.

Culture, governance and accountability continue to be core to NAB. The Australian Prudential Regulation Authority removed our \$500m operational risk capital add-on in March, stating it was satisfied that NAB had adequately addressed the issues raised in its risk governance self-assessment and had completed its related remediation program.

We continue to make progress on the implementation of our Enforceable Undertaking with AUSTRAC and are investing heavily to help keep Australia's financial system safe.

While we don't always get it right, we do take action to resolve issues quickly.

Cyber security threats, scams and fraud represent a significant and ever-changing attack on our customers and the global financial system. Our collaboration with government authorities and industry on these issues remains critical.

#### **Financially secure bank**

NAB's second half performance benefitted from focused execution of our strategy and a more stable operating environment.

Our cash return on equity declined in financial year 2024 to 11.6% to be broadly in line with the returns achieved in financial year 2022 and ahead of two of our three major bank peers.

It was pleasing to deliver a modest increase in the dividend in a challenging environment. The Board determined dividends for the year of 169 cents per share, which reflected a payout ratio of 73.7%. This is in line with our target payout ratio range of 65 to 75%, which we believe is sustainable over time.

We are taking a disciplined approach to reducing our share count to support shareholder returns and have continued our on-market share buy-back, while maintaining a strong capital position.

In financial year 2024 NAB returned \$5.2 billion to shareholders, through dividends and share buy backs.

At 30 September, NAB had completed \$2.4 billion of the current \$3 billion share buy-back and our Common Equity Tier 1 capital ratio stood at 12.35%, comfortably above our target range of 11 to 11.5%.

During the three years to September 2024, we achieved a total shareholder return of 51.1%, against an average return of 24.6% for NAB's major bank peers.

Executive and employee remuneration outcomes for the year were determined by the Board based on the Bank's performance against the targets set by the Board at the start of the year.

These targets were aligned with shareholder outcomes and included financial performance, market share growth, customer outcomes and colleague engagement.

The Board determined a Group Performance Indicator outcome of 90% for the 2024 financial year for variable reward purposes.

This outcome reflected slight shortfalls in financial outcomes, Customer Net Promoter Score results, and gender diversity, despite some good progress on that measure, while also recognising pleasing colleague engagement and progress on technology modernisation.

## **Board renewal**

The Board is focused on creating value for our shareholders and customers.

We have continued to invest time in educating the Board on important matters such as climate transition, technology and digital innovation.

There have been a number of changes to the composition of the Board this year.

Doug McKay stood down from the Board of NAB's New Zealand subsidiary, The Bank of New Zealand, in May after serving nine years as Chair and 11 years as a Director.

Doug will retire from the NAB Board at the conclusion of this meeting, having served almost nine years as a NAB Director.

Anne Loveridge will also retire from the NAB Board at the conclusion of this meeting, having served nine years.

On behalf of all shareholders, I'd like to thank both Doug and Anne for their significant and valued contributions.

Doug's role at the Bank of New Zealand was filled by Warwick Hunt and in keeping with our recent practice we have appointed Warwick to the NAB Board, to be considered for election by shareholders as the first Item of Business at this meeting.

## Looking forward

Maintaining a long-term view and adjusting accordingly is critical for building sustainable value for shareholders, customers and communities.

Underlying growth in the Australian and major global economies underpins our optimism for the future, although global geopolitical risks remain elevated.

Technology is a critical enabler, and we continue to modernise and invest in digital, data and analytics, including artificial intelligence to support our customers and our bankers.

Climate transition remains a societal issue of global scale and complexity. NAB is supporting our customers to make investments to reduce emissions, to adapt and build resilience.

During the year we set a further five 2030 decarbonisation targets across two emissions-intensive priority sectors: real estate and transport.

Within the real estate sector, we set targets for commercial office, commercial retail, and residential. Within the transport sector we set targets for road and shipping.

This progress is in line with the requirements of the Net Zero Banking Alliance and our ambition to achieve net zero across our financed and facilitated emissions and operations by 2050.

Work to support NAB's agriculture customers to decarbonise is ongoing. Transition planning for this critical industry will be guided in part by Federal Government settings and the availability of commercially viable and scalable decarbonisation solutions.

The diversity of the agriculture industry, and the complexity of the challenges facing it, was made clear to me during time spent visiting NAB's customers this year.

I was fortunate to see terrific examples across cattle producers, farmers and wine makers, of Australian businesses seizing opportunity in the climate transition.

Supporting our customers, small and large, to invest in their transition – Australia's net-zero transition – is critical and NAB is playing its part.

Also important is NAB's support for indigenous communities. This is reflected in our 2024-2027 Reconciliation Action Plan, as well as our target to lend \$1 billion to First Nations businesses by the end of 2026.

Through the provision of banking services, business lending, employment and our partnership with Good Shepherd, NAB is making a real difference to First Nations communities and colleagues.

In closing, on behalf of the Board, I would like to thank you, NAB's shareholders, for your continued backing and your loyalty.

I would also like to recognise our team of 39,000 colleagues who serve our customers every day.

NAB is in good shape with good momentum and there is more we want to do to fulfil the ambition we hold for this organisation.

I am now pleased to welcome our new Chief Executive Officer, Andrew Irvine.

Thank you.

## **2024 ANNUAL GENERAL MEETING – CEO’S ADDRESS**

### **Mr Andrew Irvine, Managing Director & CEO**

Thank you, Chair.

Good morning, everyone.

Welcome to our shareholders in the room and online. I am delighted you could join us today.

I want to add my acknowledgement of country to that of the Chair and Sue-Anne.

This year is my first year as your National Australia Bank Group Chief Executive Officer.

I was honoured in April to be appointed to this role and continue NAB’s legacy of supporting customers for more than 160 years. Since my appointment as CEO, much of my time has been spent listening to customers and to colleagues.

I have appreciated hearing their views on what is working and where we can do better.

### **Strategy**

As the Chair noted, our strategy for the past five years has served us well, particularly under the leadership of Ross McEwan, who I am privileged to follow. To build on this, leaders across our bank worked this year to refresh our strategy.

The solid foundations of NAB and keeping the Bank and our customers safe are not changing. We will always prioritise stability, good governance and sustainable growth.

What is changing is our ambition to be better for our customers, to be simpler and to be a faster-paced organisation.

Customers must be at the centre of everything we do as a company.

### **Performance**

NAB’s results in financial year 24 reflected the focused execution of our strategy.

Cash earnings for the year were \$7.1 billion, 8.1% lower than the strong levels of financial year 23 due to lower revenue and higher costs.

In the second half of the year, a more stable operating environment has seen margin pressure ease.

We delivered a sound financial performance across each of our divisions, while operating in a challenging economic environment.

We continued to make deliberate decisions about where to invest to achieve the best outcomes for customers and for the Bank.

NAB’s performance highlights the strength of our relationships with customers, reflected in the consistent growth of our leading business bank.

This continues to be a terrific business that plays a key role in the Australian economy.

We are the largest lender to small and medium businesses in Australia. During the past four years we have boosted our business lending to \$155 billion to support them.

Businesses I talk to remain ambitious. They’re eager to invest and become more productive.

And we are ready to support them.

Small businesses are the heartbeat of the Australian economy and when they succeed, we all do. That's why we will continue to advocate for them and find solutions that help them grow. Many of the challenges they are facing aren't new, but new thinking is required to overcome them.

Corporate & Institutional Banking, Personal Banking, Bank of New Zealand and ubank also performed well, demonstrating NAB has the right mix in its customer facing businesses.

This year I renewed my executive leadership team, appointing from within. Rachel Slade was appointed Group Executive for Business and Private Banking, Cathryn Carver was appointed Group Executive for Corporate and Institutional Banking and Ana Marinkovic was appointed Group Executive for Personal Banking. They are all part of a great team of diverse bankers leading our colleagues to help our customers.

## **Economy**

Despite headwinds internationally and domestically, Australia's economy is in reasonable shape and we are optimistic about the longer-term outlook.

Business conditions are favourable and the job market is resilient, positioning us well compared with global peer economies.

Restrictive interest rates are working to bring inflation into the Reserve Bank's target range, and we do expect to see rates decrease in the first half of 2025.

In the meantime, we do recognise that many customers are finding the higher cost of living challenging and we are here to help. Our message is clear, please call us and call us early.

## **Supporting customers: scams**

We are also continuing to work relentlessly to protect our customers and our Bank from criminals.

In the past year, customers abandoned more than \$170 million of potential scam payments as a result of our payment alerts and customer losses from scams have fallen 20% compared with financial year 23.

In the year ahead, our teams will continue to work with government and other businesses, including telecommunications, social and digital media companies, to stop more scams.

## **Supporting the community: housing, access to banking, disasters, indigenous**

Housing availability in Australia remains an enormous societal and policy challenge.

While NAB has made good progress on our plan to deliver \$6 billion of support to more affordable and specialist housing by 2029, scalability is crucial to success.

Greater innovation in both housing types and methods of construction is key to help tackle this crisis.

Similar to many other industries, banking has seen a significant transformation driven by rapid technological advancement and changing customer behaviour.

Today, more than 93% of our customer interactions occur digitally. Many of these are routine transfers and bill payments.

But this doesn't mean that all banking should be done on a app.

While the number of people visiting our branches has decreased there are times when our customers seek expert advice from our bankers. That's why we're constantly assessing our branch network, our phone and online channels to ensure we are where our customers need us to be.

I have said publicly since becoming Chief Executive Officer that I will not close a busy bank branch and we have invested almost \$42 million across 28 locations, including in 11 regional towns this year. Towns such as Moree, Kalgoorlie, Devonport and Wangaratta.

We are also appointing more local home lenders to be there for our customers and support the biggest purchases in their lives, joining the many bankers we have on the road every day visiting customers in their homes and at their place of business.

Through NAB and the NAB Foundation we support regional and rural Australia. This includes initiatives such as NAB Ready Together which helps Australians to withstand and to recover from natural disasters.

We are working closely with customers and the community on the transition to net zero and have an environmental finance ambition of \$80 billion by 2030.

There needs to be an orderly transition to net zero that balances the social, the economic and the environmental requirements. We very much look forward to playing our role.

Additionally, by working with First Nations people, we are supporting financial resilience, increasing business and employment opportunities, and removing the barriers that traditionally made it more difficult to access financial services.

## **Close**

I want to thank you, our shareholders for your continued support. I also want to thank our 39,000 colleagues for doing their best for customers every single day.

I am pleased with how NAB is tracking and I hope you are too as the owners of our Bank. We have made significant progress and have the right foundations in place.

By working together, we can continue to fulfil our ambition of delivering exceptional experiences for our customers.

I am excited about the future and what we can achieve.

I will now hand back to our Chair.

# Direct and Proxy Votes (including Chair's open proxies)

national  
australia  
bank



Items of Business	% For	% Against	% Other Open
1 Election of Mr Warwick Hunt MNZM as a director	99.32	0.14	0.54
2 Remuneration Report	94.50	4.98	0.52
3(a) Grant of Deferred Rights to Group CEO	97.78	1.70	0.52
3(b) Grant of Performance Rights to Group CEO	97.62	1.86	0.52
4 Financial Report, Directors' Report and Auditor's Report			
5(a) Resolution requisitioned by shareholders - Amendment to Constitution	4.23	95.24	0.53
5(b) Resolution requisitioned by shareholders - Transition Plan Assessments (conditional upon 5a)	15.35	84.10	0.55



Schedule of Advance Voting Results at Close of Proxy and Direct Voting  
As at 9:30am AEDT Monday 16 December 2024

Resolution details		Instructions given to validly appointed proxies (as at proxy close)					Direct votes (as at close of direct voting)		
Resolution	Resolution Type	For	Against	Chair's Open Proxies	Other Open Proxies	Abstain	For	Against	Abstain
1 Election of Director - Mr Warwick Hunt	Ordinary	1,643,799,804	331,169	4,327,142	4,668,229	2,575,951	33,120,294	2,252,870	1,081,289
2 Remuneration Report	Ordinary	1,562,155,578	76,558,652	4,173,352	4,547,384	8,267,329	28,336,342	7,320,256	815,983
3(a) Grant of Deferred Rights - Group Chief Executive Officer	Ordinary	1,623,238,240	19,465,406	4,250,111	4,512,304	4,236,234	26,647,132	9,031,006	833,471
3(b) Grant of Performance Rights - Group Chief Executive Officer	Ordinary	1,619,831,998	22,137,957	4,293,534	4,512,801	4,922,025	26,622,451	9,028,126	854,597
5(a) Amendment to the Constitution	Special	61,972,836	1,527,815,030	4,322,893	4,467,912	57,123,624	6,924,137	27,835,932	1,736,566
5(b) Transition Plan Assessments	Ordinary	242,742,698	1,338,616,987	4,341,278	4,472,416	65,528,916	6,817,224	27,820,024	1,857,885