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national australia bank

ASX ANNOUNCEMENT

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NAB simplifying operating model and improving alignment to customer priorities

National Australia Bank today announced actions to simplify its operating model and better align its workforce to prioritise growth and technology initiatives for customers.

NAB is implementing these changes as part of a broader review to identify the nature of the workforce required to support NAB's strategic ambition in an evolving operating environment.

These actions will help to make NAB a stronger bank, better placed to navigate risks and opportunities arising from more challenging economic conditions, increasing customer expectations, competitive intensity and rapid technological change.

They create capacity for ongoing investment in NAB's strategic ambition for customers and support priorities to grow business banking, drive deposit growth and strengthen proprietary home lending.

As part of these actions, NAB expects to reduce its internal workforce by up to 2,500 roles or ~6% in FY27. This will include up to 1,500 roles before the end of 2026. NAB will also materially reduce its use of consultants and external contractors.

NAB Group CEO, Andrew Irvine said: "Our ambition and strategy remain unchanged. We will improve productivity, risk outcomes and execution to be a simpler and more efficient bank.

"These changes are expected to improve outcomes for customers by reducing duplication and speeding up decision making.

"We are particularly focused on reducing the size of corporate functions. There will be no material impact to customer-facing banking roles.

"We have also deliberately made deeper changes to senior management positions which will broaden leadership responsibilities across the bank.

"This will simplify work between teams and improve cross-functional processes with clearer roles, priorities and accountabilities for our colleagues.

"We know this will be a difficult period for our colleagues impacted by these changes as well as the people around them. We will treat every person with dignity and respect."

Colleague support

NAB will commence consultation with colleagues and the Finance Sector Union. Consistent with established organisational change processes, NAB will support departing colleagues with:

- Consultation and engagement opportunities.
- Redeployment and reskilling opportunities.
- Career transition support.
- Redundancy entitlements in accordance with applicable industrial instruments and employment obligations.

Restructuring charge

NAB expects to recognise a restructuring charge of approximately $300m pre-tax in FY27. The charge relates to redundancy, redeployment and organisational redesign costs. This compares with a charge of approximately $80m pre-tax which has been incurred in each of FY25 and FY26.

Further details on the cost outlook for FY27 will be provided with the release of FY26 results on 5 November 2026.

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Authorised for release by NAB's Disclosure Committee.