national australia bank

Green Bond Report
2024

National Australia Bank Limited ABN 12 004 044 937

Key information

This Green Bond Report (Report) includes general background information about the activities of National Australia Bank Limited ABN 12 004 044 937 (NAB) and its controlled entities (together, the Group) for the year ended 30 September 2024 (unless otherwise stated herein).

This Report does not constitute an offer or invitation for the sale or purchase of securities, nor does it form part of any prospectus or offering document relating to any securities of NAB. Distribution of this Report may be restricted or prohibited by law. Recipients are required to inform themselves of, and comply with, all such restrictions or prohibitions and NAB does not accept liability to any person in relation thereto.

While care has been taken in preparing the information in this Report, NAB does not warrant or represent that such information is accurate, reliable, complete, or current.

Anyone proposing to rely on or use such information should independently verify and check the accuracy, completeness, reliability, and suitability of the information and should obtain independent and specific advice from appropriate professionals or experts. Certain information in this Report has been sourced from third parties, and this Report also directs readers to publicly available third-party information over which NAB has no control.

In this Report, a designation of 'green', 'social', 'sustainable' and/or 'sustainability-linked' is based on the application of relevant external guidelines and principles, such as the International Capital Market Association (ICMA) Green/Social/Sustainability-Linked Bond Principles, ICMA Sustainability Bond Guidelines, Loan Market Association (LMA)/Asia Pacific Loan Market Association (APLMA)/Loan Syndications and Trading Association (LSTA) Green/Social/Sustainability-Linked Loan Principles and/or the Climate Bonds Standard sector criteria.

This Report contains statements that are, or may be deemed to be, forward looking statements, including climate-related goals, targets, pathways and ambitions. These forward looking statements may be identified by the use of forward looking terminology, including the terms "believe", "estimate", "plan", "project", "anticipate", "expect", "goal", "target", "intend", "likely", "may", "will", "could" or "should" or, in each case, their negative or other variations or other similar expressions, or by discussions of strategy, plans, objectives, targets, goals, future events or intentions. You are cautioned not to place undue reliance on such forward looking statements. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group. This may cause actual results to differ materially from those expressed or implied in such statements. There are uncertainties, assumptions and judgements underlying climate-related information (including climate-related metrics, methodologies and modelling) that limit the extent to which climate-related information is useful for decision-making and you are cautioned not to place undue reliance on the information in this Report. The forward looking statements in this Report reflect the Group's best estimates, assumptions and judgements (including in relation to customer and other third party data over which the Group has no control) as at the date of this Report, however, the uncertainty in climate-related information (including metrics, methodologies and modelling) may lead to the Group changing its views in the future.

The information in this Report has been prepared based on NAB's financial year ended 30 September 2024. Where the reporting period for third party data included in this Report does not align with NAB's financial year, the closest 12-month period available was used (ie. 1 July 2023 to 30 June 2024). Where third party data is only available for part of NAB's financial year, a pro-rata calculation is applied to that data to achieve a 12 month representation of the relevant data. In some instances, third party data was not available at the time of reporting, and therefore was not included.

Introduction

NAB is pleased to present its annual Green Bond Report (Report) for the financial year ended 30 September 2024. This Report relates to NAB's Green Bonds and NAB's Green Residential Mortgage-Backed Security (Green RMBS) tranches as at 30 September 2024 and provides reporting on the use of the proceeds of these instruments and their environmental impact.

NAB seeks to implement key aspects of best practice for annual impact reporting, based on guidelines developed by the International Capital Market Association (ICMA) set out in the June 2024 publication of the Harmonised Framework for Impact Reporting, together with input from investors, assurance providers and guidance from other sources including the Climate Bonds Initiative (CBI) and the Green Bond Principles (GBP). NAB continues to work with these stakeholders and seeks to improve its annual impact reporting and disclosure over time.

NAB's strategic ambition

NAB's strategic ambition is to be the most customer-centric company in Australia and New Zealand, where customers trust us and choose us to be their bank, and where colleagues are customer-obsessed and proud to work at NAB. This evolved ambition elevates existing components of the strategy, with a deep focus on:

- Relationship-led with exceptional bankers providing unrivalled customer service and personalised and proactive experiences.
- Exceptional experiences where NAB is brilliant at the basics; trusted in moments that matter; and is simple, fast, and easy to deal with.
- Safe and sustainable with a strong balance sheet and proactive risk management; secure, simple and resilient technology; and a long-term and sustainable approach.

NAB's climate strategy

NAB's climate strategy is aligned to our strategic ambition. NAB is seeking to act as a catalyst for climate action through the financing we provide and the insights we share with customers. Our climate strategy aims to maximise the climate transition's economic benefits for customers, NAB and the community. Since our climate strategy was released in 2022, we have leveraged our strength as a relationship-led bank, with the aim to support customers to reduce their emissions and finance associated opportunities. Our climate initiatives span our Business and Private Banking, Personal Banking, Corporate and Institutional Banking divisions and Bank of New Zealand (BNZ).

NAB Green Bonds provide an opportunity for investors to direct capital towards projects and assets or other related expenditures that may contribute towards the objectives of the Paris Agreement or may address environmental challenges including pollution reduction and control, reducing biodiversity loss and ecosystem degradation, improving water security and the development of a circular economy.

NAB regularly discloses progress against its climate strategy, including associated goals, targets, and risk settings.

Figure 1 presents a summary of NAB's climate change priorities. Detailed disclosure on NAB's management of the impacts of climate change, progress against targets and broader sustainability performance is available in NAB's 2024 Climate Report, as well as in the 2024 Annual Report and the 2024 Sustainability Data Pack. BNZ is a subsidiary of NAB and operates in New Zealand. BNZ has its own climate strategy reflecting the specific climate-related risks and opportunities of New Zealand. Refer to BNZ's Sustainability Reports for further details.

Figure 1: NAB's climate strategy priorities

Supporting our customers to decarbonise and to build resilience

- Funding customer transitions and commercial opportunities.
- Supporting customers with their transition plans.
- Connecting customers to carbon capital markets and sustainable investments.
- Financing and investing in new industries contributing to the sustainable energy supply chain.
- Providing measurements, insights and advice to customers to help them understand their climate transition needs and opportunities to reduce their emissions.

Investing in climate capabilities

- Investing in colleagues.
- Investing in data and technology.
- Investing in risk management.

Investing in climate advocacy and partnerships

- Progressing climate-related research and thought leadership including with community partners.
- Supporting 1.5°C-aligned climate advocacy through industry associations and memberships.
- Working with government, industry and community stakeholders on public policy that supports the transition to net zero emissions by 2050.

Reducing financed emissions

- Investing in colleagues, processes and technology to support emissions monitoring and achieving targets.
- Member of Net Zero Banking Alliance.
- Setting sector decarbonisation targets, prioritising emissions-intensive sectors, where there is sufficient data availability and quality.

Reducing operational emissions

- Target: source 100% renewable energy by 2025.
- Reducing operational footprint through emissions avoidance and reduction, offsetting residual emissions.

NAB's Green Bond Framework

NAB's Green Bond Framework

NAB has developed and implemented a NAB Green Bond Framework (Framework) which applies to its Green Bonds and its Green RMBS, which are certified under the Climate Bonds Standard (CBS) and also supports and contributes towards meeting the United Nations' Sustainable Development Goals (UN SDGs).

The Framework has been developed to help NAB meet the requirements of the CBS, which integrates the ICMA GBP. The Framework describes the processes to support NAB's Green Bond issuances, in the following areas:

(a) Use of proceeds.

(b) Process for evaluation and selection of eligible projects and assets.

(c) Management of proceeds.

(d) Reporting.

(e) External review and assurance.

Use of proceeds

NAB allocates an amount equivalent to the net proceeds of the Green Bonds and Green RMBS towards financing, or refinancing, a portfolio of projects and assets that are in accordance with the Framework and meet eligibility requirements for certification in compliance with the CBS and associated sector criteria.

Process for evaluation and selection of eligible projects and assets

NAB has established a Socially Responsible Investment Forum which oversees the Framework and Green Bond reporting.

The eligible projects and assets supporting the Green Bonds (Green Bond Collateral Pool) may be replenished as underlying loans are repaid, non-compliant projects or assets are removed, and additional eligible projects and assets are identified and funded or reallocated into the Green Bond Collateral Pool.

Management of proceeds

NAB has implemented processes for the identification, approval, tagging, tracking and reporting of lending for eligible green projects and assets within NAB's core systems. This includes monthly verification to confirm that an amount equivalent to the net proceeds of all outstanding NAB Green Bonds has been fully allocated against eligible projects and assets.

Reporting

NAB adopts annual Green Bond reporting in line with ICMA GBP for reporting, including an annual verification for the NAB Green Bonds and the Green RMBS. For the Green Bonds, this Report will contain details including, but not limited to:

- Net proceeds raised from the Green Bonds.
- Proceeds from the Green Bonds allocated against each of the Green Bond eligible categories identified within the Framework.
- A listing of eligible projects and assets included within the Green Bond Collateral Pool.
- Where possible, qualitative and/or quantitative environmental impact reporting measures for the eligible projects and assets within the Green Bond Collateral Pool, including calculation methodologies utilised in impact reporting.
- Any unallocated proceeds from the Green Bonds and details of temporary investments (if any).
- Confirmation from a verification agent that the use of proceeds of the Green Bonds complies with the Framework and CBS requirements.

Disclosure of information related to projects, assets and expenditures financed or re-financed by NAB Green Bond proceeds will be made subject to NAB's confidentiality obligations and the availability of information.

Amounts are presented in Australian dollars (unless otherwise stated), which is NAB's functional and presentation currency. Any discrepancies between total and sums of components in tables contained in this Report are due to rounding.

External review and assurance

On an annual basis, NAB will engage an appropriate verification agent or agents to provide limited assurance over the NAB Green Bond Report, including impact reporting.

The independent verification agent also provides limited assurance that the Green Bonds and Green RMBS remain compliant with the Framework and the post-issuance (programmatic certification) requirements of the CBS. Following this annual verification update, the verification agent issues its verification statement.

For the verification of this Report, NAB has engaged Ernst & Young ('EY') on a limited assurance basis as the independent verification agent for its Green Bonds and Green RMBS. The NAB annual Green Bond Report and Verification Statement are published on the NAB Capital & Funding website.

Green Bonds

Green Bonds summary

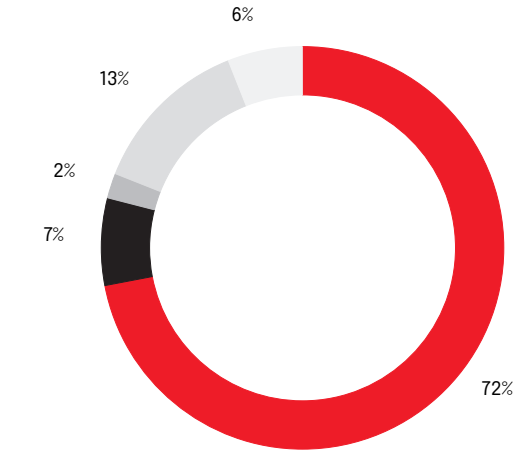
As at 30 September 2024, NAB had AUD 6,479,288,128 of assets in its Green Bond Collateral Pool located across Australia and New Zealand, the United Kingdom (UK) and Europe, and the United States of America (USA). With AUD 3,624,472,438 outstanding in the Green Bonds there was a surplus of AUD 2,854,815,690 of collateral as at 30 September 2024.

Issuances / Assets	Total (AUD)
Green Bond Collateral Pool	6,479,288,128
Green Bond Issuances	3,624,472,438
Surplus in Green Bond Collateral Pool	2,854,815,690

Geographic split of eligible assets in Green Bond Collateral Pool

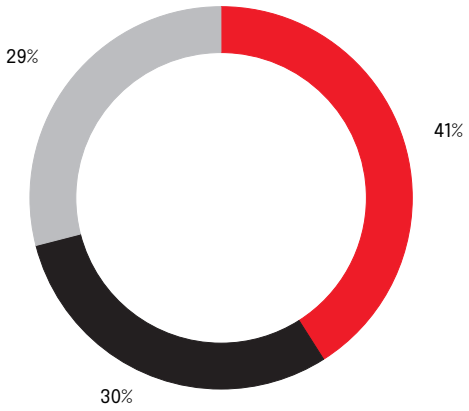
	Location			
Asset category	Australia & New Zealand (AUD)	UK & Europe (AUD)	USA (AUD)	Total (AUD)
Renewable energy, energy efficiency and pollution prevention and control	1,074,519,013	1,962,107,733	1,659,211,009	**4,695,837,755**
Low carbon transport	256,507,568	3,329,103	226,568,474	**486,405,145**
Sustainable water and waste water management	106,300,946	-	-	**106,300,946**
Green buildings	827,556,282	-	-	**827,556,282**
Environmentally sustainable management of living natural resources and land use	363,188,000	-	-	**363,188,000**
Grand Total	**2,628,071,809**	**1,965,436,836**	**1,885,779,483**	**6,479,288,128**

Eligible assets by category



- Renewable energy, energy efficiency and pollution prevention and control
- Low carbon transport
- Sustainable water and wastewater management
- Green buildings
- Environmentally sustainable management of living natural resources and land use

Eligible assets by region



- Australia & New Zealand
- UK & Europe
- USA

NAB's Green Bonds

As at 30 September 2024, NAB had two outstanding senior unsecured Green Bonds, certified in compliance with the CBS, with proceeds fully allocated to financing and refinancing a portfolio of CBS eligible projects located across Australia and New Zealand, the UK and Europe, and the USA. The identified portfolio of eligible projects is consistent with transitioning to a low-carbon economy and contributing towards meeting the UN SDGs.

	NAB EUR Green Bond	**NAB EUR Green Bond**
Format	Fixed Rate GMTN	Fixed Rate GMTN
Issue Amount	EUR 1 billion	EUR 1.25 billion
Issue Date	24 May 2022	29 August 2024
Final Maturity Date	24 May 2028	28 February 2030
ISIN	XS2484111047	XS2888621922
Certification and assurance	• Certified in compliance with the CBS and in accordance with the NAB Green Bond Framework. • Programmatic certification assured annually by CBS approved verification agent.	• Certified in compliance with the CBS and in accordance with the NAB Green Bond Framework. • Programmatic certification assured annually by CBS approved verification agent.
Use of Proceeds	Amount equivalent to net proceeds allocated to financing, or refinancing, a portfolio of projects and assets that meet eligibility requirements for certification under the CBS which also support and contribute towards the low-carbon transition and meeting the UN SDGs.	Amount equivalent to net proceeds allocated to financing, or refinancing, a portfolio of projects and assets that meet eligibility requirements for certification under the CBS which also support and contribute towards the low-carbon transition and meeting the UN SDGs.

Additional information about NAB Green Bonds can be found on the NAB Capital & Funding webpage.

Impact and use of proceeds

UN SDG Alignment and Contribution[1]

NAB allocates an amount equivalent to the net proceeds of NAB Green Bonds to financing, or refinancing, portfolios of projects and assets which meet eligibility requirements for certification under the CBS, and also support and contribute towards low-carbon transition and meeting the UN SDGs as described below. Eligible categories and project types are identified within the ICMA GBP and the CBI Climate Bonds Taxonomy and are supported by sector criteria published by the CBI.

Renewable energy, energy efficiency and pollution prevention and control

Aligns to:

Affordable & Clean Energy and towards UN SDG Target 7.2 – By 2030, increase substantially the share of renewable energy in the global energy mix.

Sustainable Cities & Communities and towards UN SDG Target 11.6 – By 2030, reduce the adverse per capita environmental impact of cities.

Smart meters

Affordable & Clean Energy and to UN SDG Target 7.3 – By 2030, double the global rate of improvement in energy efficiency.

Clean transportation

Aligns to:

Industry, innovation and infrastructure and to UN SDG Target 9.1 – Sustainable & resilient infrastructure.

Sustainable Cities & Communities and to UN SDG Target 11.6 – By 2030, reduce the adverse per capita environmental impact of cities.

Sustainable water and wastewater management

Aligns to:

Ensure availability and sustainable management of water and sanitation for all and to UN SDG Target 6.3 - By 2030, improve water quality.

Industry, innovation and infrastructure and to UN SDG Target 9.1 – Sustainable & resilient infrastructure.

Green buildings (commercial office)

Aligns to:

Affordable & Clean Energy and to UN SDG Target 7.3 – By 2030, double the global rate of improvement in energy efficiency.

Sustainable Cities & Communities and to UN SDG Target 11.6 – By 2030, reduce the adverse per capita environmental impact of cities.

Green buildings (residential for NAB Green RMBS)

Aligns to:

Affordable & Clean Energy and to UN SDG Target 7.3 – By 2030, double the global rate of improvement in energy efficiency.

Sustainable Cities & Communities and to UN SDG Target 11.6 – By 2030, reduce the adverse per capita environmental impact of cities.

(1) The above was sourced from the SDI Asset Owner Platform, Taxonomy, https://www.sdi-aop.org.

Environmentally sustainable management of living natural resources and land use

Aligns to:

Zero Hunger and to UN SDG Target 2.4 - By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.

Responsible Consumption and Production and to UN SDG Target 12.2 - By 2030, achieve the sustainable management and efficient use of natural resources.

Life On Land and to UN SDG Targets:

- 15.2 - By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally, and
- 15.3 - By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world.

Impact and use of proceeds by region

NAB's sequential numbering of assets reflects the dynamic and changing nature of the portfolio with assets consistently being added and removed from NAB's Green Bond Collateral Pool. Unless otherwise stated, dashes in the tables below indicate that information was not available for inclusion based on the methodologies on pages 19 - 20.

Refer to 6.0 'Complexities and limitations inherent in climate related methodologies' on page 20, that are relevant to NAB's impact reporting.

Renewable energy, energy efficiency and pollution prevention and control

Australia & New Zealand

Asset	CBI sector criteria	A/M[1]	Status (C/O)[2]	NAB's outstanding drawn debt amount (AUD)	Annual energy produced/ saved (MWh)[3]	Annual GHG emissions avoided (tCO_2-e)	NAB's % share of debt (attribution of impact)[4]	Annual GHG emissions avoided attributable to NAB (tCO_2-e)[5]
Fund 1	Wind	M	O	36,920,000	1,381,423	1,174,210	9%	108,380
Fund 2	Wind & Solar	M	O	70,776,453	1,035,676	846,153	9%	79,425
Portfolio 1	Wind & Hydropower	M	O	49,144,486	1,750,866	1,353,556	11%	150,380
Securitisation 1	Solar	M	O	34,816,793	-	-	17%	-
Smart Meters 1	Electrical grids and storage	M	O	12,884,905	-	-	2%	-
Smart Meters 2	Electrical grids and storage	M	O	28,171,903	-	-	19%	-
Smart Meters 3	Electrical grids and storage	M	O	109,249,426	-	-	8%	-
Smart Meters 4	Electrical grids and storage	M	O	28,000,000	-	-	43%	-
Smart Meters 5	Electrical grids and storage	M	O	43,666,667	-	-	5%	-
Solar 1	Solar	M	O	25,087,092	211,796	61,421	20%	12,004
Solar 2	Solar	M	O	17,266,513	228,342	66,219	16%	10,536
Solar 3	Solar	M	O	31,932,668	151,781	129,013	34%	44,043
Solar 4	Solar	M	O	6,700,000	428,212	304,031	100%	304,031
Solar 5	Solar	M	O	10,000,000	-	-	100%	-
Wind & Solar 1	Wind & Solar	M	O	157,449,040	2,595,739	1,986,844	6%	116,767
Wind & Solar 2	Wind & Solar	M	O	94,636,162	2,923,245	2,266,860	5%	113,524
Wind 1	Wind	M	O	50,281,229	428,098	363,884	20%	72,356
Wind 2	Wind	M	O	54,809,635	342,845	99,425	17%	16,571
Wind 3	Wind	M	O	3,510,638	176,306	51,129	100%	51,129
Wind 4	Wind	M	O	20,931,391	551,912	71,749	17%	12,196
Wind 5	Wind	M	O	19,143,468	400,938	284,666	28%	79,706
Wind 6	Wind	M	O	80,933,400	1,571,883	1,336,101	13%	168,757
Wind 7	Wind	M	C	25,577,942	-	-	8%	-
Wind 8	Wind	M	C	38,000,000	-	-	100%	-
Wind 9	Wind	M	O	24,629,202	801,626	440,894	5%	23,636
Total				**1,074,519,013**	**14,980,688**	**10,836,155**		**1,363,441**

(1) Column indicates whether the project aims to mitigate climate change (M) or adapt to climate change (A). Refer to 5.0 in the methodology on page 20 for further details.
(2) Column indicates whether the project was under construction (C) or operational (O) as at 30 September 2024. Certain multi-stage projects classified as 'operational' may still have portions of the project under construction.
(3) Refer to 1.1 in the methodology on page 19 for information relating to the annual energy (MWh) produced or saved by each asset.
(4) Calculated as NAB's committed debt limit/total group syndicate debt limit.
(5) Refer to 1.0 in the methodology on page 19 for calculations relating to emissions avoided for the renewables portfolio.

Renewable energy, energy efficiency and pollution prevention and control (cont.)

UK & Europe

Asset	CBI sector criteria	A/M[1]	Status (C/O)[2]	NAB's outstanding drawn debt amount (AUD)	Annual energy produced/ saved (MWh)[3]	Annual GHG emissions avoided (tCO2-e)	NAB's % share of debt (attribution of impact)[4]	Annual GHG emissions avoided attributable to NAB (tCO2-e)[5]
Energy from waste 1	Waste management	M	O	23,960,771	1,709,000	470,351	2%	9,459
Fund 1	Wind & Solar	M	C	78,962,620	-	-	45%	-
Fund 2	Wind & Solar	M	C	353,358,973	-	-	7%	-
Fund 3	Wind & Solar	M	C	191,848,304	-	-	31%	-
Fund 4	Wind & Solar	M	O	121,031,152	5,868,000	328,021	10%	34,252
Fund 5	Wind, Bioenergy, Hydropower & Solar	M	O	44,106,683	1,316,224	362,251	11%	41,354
Fund 6	Wind, Bioenergy, Hydropower & Solar	M	O	62,098,217	-	-	43%	-
Fund 7	Wind & Solar	M	O	23,887,690	637,847	124,437	21%	26,361
Portfolio 1	Wind & Solar	M	O	90,437,668	-	-	17%	-
Solar 1	Solar	M	O	25,560,671	211,183	58,122	9%	5,363
Solar 2	Solar	M	O	89,470,402	4,153,680	1,217,697	24%	294,055
Solar 3	Solar	M	O	52,985,516	-	-	5%	-
Wind 1	Wind	M	O	50,191,808	181,998	37,437	46%	17,319
Wind 2	Wind	M	O	68,941,105	1,563,700	430,362	13%	54,273
Wind 3	Wind	M	O	39,601,937	655,800	180,489	7%	13,176
Wind 4	Wind	M	O	15,815,032	105,652	35,098	100%	35,098
Wind 5	Wind	M	O	32,470,450	-	-	1%	-
Wind 6	Wind	M	O	98,066,632	889,134	244,707	19%	47,161
Wind & Solar 1	Wind & Solar	M	O	91,152,882	365,992	100,728	24%	23,698
Wind & Solar 2	Wind & Solar	M	O	94,995,467	393,622	108,333	33%	35,321
Wind & Solar 3	Wind & Solar	M	C	70,453,301	-	-	49%	-
Wind & Solar 4	Wind & Solar	M	O	242,710,452	-	-	10%	-
Total				**1,962,107,733**	**18,051,832**	**3,698,033**		**636,890**

(1) Column indicates whether the project aims to mitigate climate change (M) or adapt to climate change (A). Refer to 5.0 in the methodology on page 20 for further details.
(2) Column indicates whether the project was under construction (C) or operational (O) as at 30 September 2024. Certain multi-stage projects classified as 'operational' may still have portions of the project under construction.
(3) Refer to 1.2 in the methodology on page 19 for information relating to the annual energy (MWh) produced or saved by each asset.
(4) Calculated as NAB's committed debt limit/total group syndicate debt limit.
(5) Refer to 1.0 in the methodology on page 19 for calculations relating to emissions avoided for the renewables portfolio.

Renewable energy, energy efficiency and pollution prevention and control (cont.)

USA

Asset	CBI sector criteria	A/M[1]	Status (C/O)[2]	NAB's outstanding drawn debt amount (AUD)	Annual energy produced/ saved (MWh)[3]	Annual GHG emissions avoided (tCO2-e)	NAB's % share of debt (attribution of impact)[4]	Annual GHG emissions avoided attributable to NAB (tCO2-e)[5]
Fund 1	Wind & Solar	M	O	54,717,753	-	-	3%	-
Fund 2	Wind & Solar	M	C	16,831,560	-	-	1%	-
Geothermal 1	Geothermal energy	M	O	77,934,475	5,356,905	1,108,289	4%	40,367
Portfolio 1	Wind & Solar	M	O	139,509,403	2,622,495	963,720	13%	127,515
Solar 1	Solar	M	O	33,242,491	1,178,675	425,955	10%	43,568
Solar 10	Solar	M	C	56,407,079	-	-	12%	-
Solar 11	Solar	M	C	22,714,341	-	-	7%	-
Solar 12	Solar	M	O	57,057,831	2,591,025	1,162,188	10%	111,683
Solar 2	Solar	M	C	104,881,759	-	-	10%	-
Solar 3	Solar	M	C	195,081,910	-	-	26%	-
Solar 4	Solar	M	O	18,809,940	119,798	85,021	17%	14,043
Solar 5	Solar	M	O	199,780,387	940,380	245,766	28%	67,665
Solar 6	Solar	M	O	11,916,692	556,245	194,769	7%	13,936
Solar 7	Solar	M	O	32,555,851	-	-	19%	-
Solar 8	Solar	M	C	68,595,285	-	-	19%	-
Solar 9	Solar	M	C	92,322,995	-	-	20%	-
Wind & Solar 1	Wind & Solar	M	O	104,510,666	8,592,289	3,254,814	13%	427,578
Wind & Solar 2	Wind & Solar	M	O	29,889,602	-	-	4%	-
Wind & Solar 3	Wind & Solar	M	C	55,598,495	-	-	11%	-
Wind 1	Wind	M	O	30,598,765	5,888,119	2,299,310	11%	247,478
Wind 2	Wind	M	O	14,962,131	604,921	297,630	30%	89,880
Wind 3	Wind	M	O	32,342,275	288,710	59,731	13%	7,809
Wind 4	Wind	M	O	22,548,206	224,352	46,416	13%	6,068
Wind 5	Wind	M	O	72,327,711	439,302	153,821	20%	30,169
Wind 6	Wind	M	C	38,177,519	-	-	10%	-
Wind 7	Wind	M	C	39,226,776	-	-	9%	-
Wind 8	Wind	M	C	36,669,111	-	-	2%	-
Total				**1,659,211,009**	**29,403,216**	**10,297,430**		**1,227,759**

(1) Column indicates whether the project aims to mitigate climate change (M) or adapt to climate change (A). Refer to 5.0 in the methodology on page 20 for further details.
(2) Column indicates whether the project was under construction (C) or operational (O) as at 30 September 2024. Certain multi-stage projects classified as 'operational' may still have portions of the project under construction.
(3) Refer to 1.3 in the methodology on page 19 for information relating to the annual energy (MWh) produced or saved by each asset.
(4) Calculated as NAB's committed debt limit/total group syndicate debt limit.
(5) Refer to 1.0 in the methodology on page 19 for calculations relating to emissions avoided for the renewables portfolio.

Clean transportation

Australia & New Zealand

Asset	CBI sector Criteria	A/M[1]	Status (C/O)[2]	Number of electric vehicles and charging infrastructure	NAB's outstanding drawn debt amount (AUD)	Annual total number of passenger trips[3]	Annual total kilometres (Km)[3]	Operational information[3]
Low Carbon Transport 1	Low carbon transport	M	O	N/A	71,503,358	-	9,146,007[4]	• Trains utilise regenerative braking which feeds electricity back into the traction network. • A number of electricity contracts include renewable energy Power Purchase Agreements (PPA's), as well as renewable energy at maintenance facilities.
Low Carbon Transport 2	Low carbon transport	M	C	N/A	80,024,292	26,662,658[4]	-	• Contracted 100% renewable energy across operations, including trains. • Trains feature energy efficient lighting and regenerative breaking technology. • Solar panels installed on select stations and operations facilities produce up to an estimated 1,900 megawatt-hours of power per year.
Low Carbon Transport 3	Low carbon transport	M	O	N/A	14,995,777	N/A	N/A	• Asset consists of a hybrid diesel-electric crane which uses innovative hydro-pneumatic technology to increase energy efficiency and reduce diesel use.
Low Carbon Transport 4	Low carbon transport	M	C	N/A	47,009,318	N/A	N/A	• Electrified passenger rail fleet - 99% of construction and demolition waste reused or recycled. • 51% supplementary cementitious materials replaced.
Low Carbon Transport 5	Low carbon transport	M	O	N/A	42,974,823	-	13,281,488[5]	• Trains utilise Adaptive Climate Control to automatically modify temperature based on surrounding conditions and passenger load, Energy-Efficient Lighting (LED technology), and Regenerative Braking. • 5-star Global Real Estate Sustainability Benchmark (GRESB) rating since 2020, overall GRESB score of 96 out of 100 in 2023.
Total					**256,507,568**	**26,662,658**	**22,427,495**	

(1) Column indicates whether the project aims to mitigate climate change (M) or adapt to climate change (A). Refer to 5.0 in the methodology on page 20 for further details.
(2) Column indicates whether the project was under construction (C) or operational (O) as at 30 September 2024. Certain multi-stage projects classified as 'operational' may still have portions of the project under construction.
(3) Operational information has been provided by customers and has not been independently verified by NAB.
(4) LTM to September 2024.
(5) Last twelve months (LTM) to December 2024.

Clean transportation (cont.)

UK & Europe

Asset	CBI sector criteria	A/M[1]	Status (C/O)[2]	Number of electric vehicles and charging infrastructure	NAB's outstanding drawn debt amount (AUD)	Annual total number of passenger trips	Annual total kilometres (Km)	Operational information
Low Carbon Transport 1	Low carbon transport	M	O	-	3,329,103	-	-	-
Total					**3,329,103**			

(1) Column indicates whether the project aims to mitigate climate change (M) or adapt to climate change (A). Refer to 5.0 in the methodology on page 20 for further details.
(2) Column indicates whether the project was under construction (C) or operational (O) as at 30 September 2024. Certain multi-stage projects classified as 'operational' may still have portions of the project under construction.

USA

Asset	CBI sector criteria	A/M[1]	Status (C/O)[2]	Number of electric vehicles and charging infrastructure	NAB's outstanding drawn debt amount (AUD)	Annual total number of passenger trips	Annual total kilometres (Km)	Operational information
Low Carbon Transport 1	Low carbon transport	M	O	-	119,469,406	-	-	-
Low Carbon Transport 2	Low carbon transport	M	O	-	107,099,068	-	-	-
Total					**226,568,474**			

(1) Column indicates whether the project aims to mitigate climate change (M) or adapt to climate change (A). Refer to 5.0 in the methodology on page 20 for further details.
(2) Column indicates whether the project was under construction (C) or operational (O) as at 30 September 2024. Certain multi-stage projects classified as 'operational' may still have portions of the project under construction.

Sustainable water and wastewater management

Australia

Asset	CBI sector criteria	A/M[1]	Status (C/O)[2]	NAB's outstanding drawn debt amount (AUD)	Current installed capacity[3]	Annual total emissions (tCO_2-e)	Gigalitres of fresh drinking water made available in 2024[3]
Water Infrastructure	Water Infrastructure	A	O	106,300,946	In aggregate, the desalination plants can supply 241.25GL of water to their surrounds annually, if required.	-	31.2
Total				**106,300,946**			**31.2**

(1) Column indicates whether the project aims to mitigate climate change (M) or adapt to climate change (A). Refer to 5.0 in the methodology on page 20 for further details.
(2) Column indicates whether the project was under construction (C) or operational (O) as at 30 September 2024. Certain multi-stage projects classified as 'operational' may still have portions of the project under construction.
(3) Information has been provided by customers and has not been independently verified by NAB.

Green buildings

Australia

Green buildings have an important role to play in Australia contributing to the achievement of the Paris Agreement goals. Loans in the Green Bond Collateral Pool to finance green buildings had a total value of AUD 827,556,282. Commercial buildings in the Green Bond Collateral Pool have an average NABERS energy rating of 5.4, which is above the NABERS published Australian average of 4.9 stars for commercial buildings.

Asset	CBI sector criteria	A/M[1]	Status (C/O)[2]	NAB's eligible low carbon commercial buildings drawn debt amount outstanding (AUD)	Annual portfolio average NABERS energy rating[3]	Annual portfolio energy savings achieved (MJ)[4]	Annual portfolio GHG emissions avoided (tCO_2-e)[4]
138 Australian low carbon commercial office projects funded	Green buildings	M	O	827,556,282	5.4	329,380,115	71,950
Total				**827,556,282**	**5.4**	**329,380,115**	**71,950**

(1) Column indicates whether the project aims to mitigate climate change (M) or adapt to climate change (A). Refer to 5.0 in the methodology on page 20 for further details.
(2) Column indicates whether the project was under construction (C) or operational (O) as at 30 September 2024. Certain multi-stage projects classified as 'operational' may still have portions of the project under construction.
(3) Applies to the total portfolio area of all buildings in the portfolio rather than just NAB's % of debt.
(4) Refer to 2.0 in the methodology on page 19 for information relating to the annual energy savings and annual GHG emissions avoided.

Environmentally sustainable management of living natural resources and land use

Australia

Asset	CBI sector criteria	A/M[1]	Status (C/O)[2]	NAB's outstanding drawn debt amounts (AUD)	Estimated increase in area planted (Ha) 2024[3]	Estimated increase in number of new trees planted 2024[3]	Estimated biodiversity management area (Ha)[3]	NAB's % share of debt (attribution of impact)[4]	Estimated annual total GHG emissions sequestered (tCO_2-e)[3]	Annual GHG emissions avoided attributable to NAB (tCO_2-e)[3]
Forestry 1	Forestry	M	O	100,000,000	740	6.1 million seedlings planted in calendar year 2024.	48,000	83%	361,000	300,833
Forestry 2	Forestry	M	O	150,000,000	No increase in plantation size	Total of 990,000 seedlings planted in calendar year 2024. New planted area within estate totalled 680 ha.	1,011	48%	3,562,509	1,723,795
Forestry 3	Forestry	M	O	4,138,000	-	-	-	12%	-	-
Forestry 4	Forestry	M	O	55,000,000	-	-	-	100%	-	-
Forestry 5	Forestry	M	O	54,050,000	-	21.6m seedlings planted in calendar year 2024.	233,515	100%	920,000	920,000
Total				**363,188,000**	**740**		**282,526**		**4,843,509**	**2,944,628**

(1) Column indicates whether the project aims to mitigate climate change (M) or adapt to climate change (A). Refer to 5.0 in the methodology on page 20 for further details.
(2) Column indicates whether the project was under construction (C) or operational (O) as at 30 September 2024. Certain multi-stage projects classified as 'operational' may still have portions of the project under construction.
(3) Operational information has been provided by customers and has not been independently verified by NAB.
(4) Calculated as NAB's committed debt limit/total group syndicate debt limit.

NAB's Green Residential Mortgage-Backed Securities

NAB's Green RMBS

In 2018, NAB issued the first Australian Green RMBS (RMBS 2018-1, Green Tranche A1-G), and in 2022, NAB issued a second Australian Green RMBS (RMBS 2022-1), both certified in compliance with the CBS.

	NAB RMBS 2018-1 – Green Tranche A1-G	NAB RMBS 2022-1 – Green Tranche A1-G
Format	Green RMBS A1-G Notes	Green RMBS A1-G Notes
Issue Amount (AUD)	300 million	500 million
Outstanding Issue Amount as at 30 September 2024 (AUD)	47 million	236 million
Issue Date	15 February 2018	30 June 2022
Final Maturity Date	24 August 2049	22 December 2053
ISIN	AU3FN0040622	AU3FN0069035
Assurance	• Certified in compliance with the CBS. • Assurance provided by DNV GL.	• Certified in compliance with the CBS. • Assurance provided by DNV GL.
Use of Proceeds	Amount equivalent to net proceeds allocated to NAB originated mortgages for Australian residential properties that meet the CBS sector specific criteria for low carbon buildings.	Amount equivalent to net proceeds allocated to NAB originated mortgages for Australian residential properties that meet the CBS sector specific criteria for low carbon buildings.

Green buildings (residential) - eligible asset pool for NAB RMBS 2018-1 A1-G green tranche as at September 2024

Project name	Asset type	Details	A/M[1]	Status (C/O)[2]	Eligible low carbon residential mortgages balance outstanding (AUD)	Annual emissions avoided (tCO_2e)
Australian Residential Mortgages	Australian low carbon residential buildings	Mortgages for 448 residential properties which meet the CBS criteria for Australian low carbon residential buildings diversified across New South Wales, Victoria, and Tasmania.	M	O	87,967,556	94

(1) Column indicates whether the project aims to mitigate climate change (M) or adapt to climate change (A). Refer to 5.0 in the methodology on page 20 for further details.
(2) Column indicates whether the project was under construction (C) or operational (O) as at 30 September 2024.

Green buildings (residential) - eligible asset pool for NAB RMBS 2022-1 A1-G green tranche as at September 2024

Project name	Asset type	Details	A/M[1]	Status (C/O)[2]	Eligible low carbon residential mortgages balance outstanding (AUD)	Annual emissions avoided (tCO_2e)
Australian Residential Mortgages	Australian low carbon residential buildings	Mortgages for 1,104 residential properties which meet the CBS criteria for Australian low carbon residential buildings diversified across New South Wales, Victoria, and Tasmania.	M	O	373,859,383	369

(1) Column indicates whether the project aims to mitigate climate change (M) or adapt to climate change (A). Refer to 5.0 in the methodology on page 20 for further details.
(2) Column indicates whether the project was under construction (C) or operational (O) as at 30 September 2024.

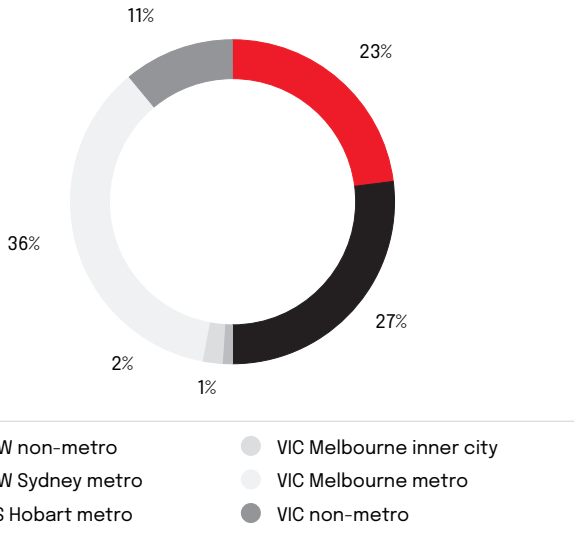
Breakdown of NAB RMBS 2018-1 green mortgage pool as at September 2024[1]

Green loan status as at September 2024	Number of loans	Balance of loans (AUD)	Number of loans (as a % of NAB RMBS 2018-1 total green and non-green mortgage pool)	Balance of loans (as a % of NAB RMBS 2018-1 total green and non-green mortgage pool)
Green mortgage	448	87,967,556	22%	25%
Non-green mortgage	1,617	268,124,762	78%	75%
Total	**2,065**	**356,092,318**	**100%**	**100%**

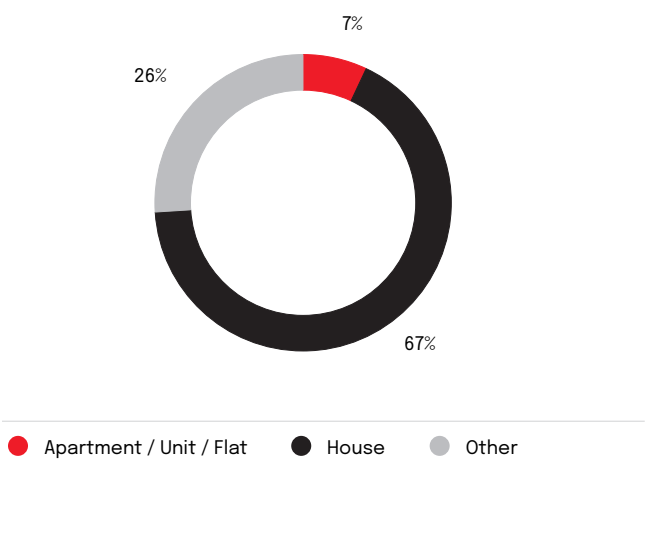
Green mortgages - Geographic distribution as at September 2024	Number of loans	Balance of loans (AUD)	Number of loans %	Balance of loans %
NSW non-metro	114	20,647,294	25%	23%
NSW Sydney metro	108	23,361,194	24%	27%
TAS Hobart metro	3	521,478	1%	1%
TAS non-metro	2	276,467	0%	0%
VIC Melbourne inner city	6	1,661,994	1%	2%
VIC Melbourne metro	153	31,629,657	35%	36%
VIC non-metro	62	9,869,472	14%	11%
Total	**448**	**87,967,556**	**100%**	**100%**

Green loans - Distribution of loans by Property Type as at September 2024	Number of loans	Balance of loans (AUD)	Number of loans %	Balance of loans %
Apartment/Unit/Flat	32	6,568,550	7%	7%
House	309	58,379,704	69%	67%
Other	107	23,019,302	24%	26%
Total	**448**	**87,967,556**	**100%**	**100%**

Balance of loans - geographic distribution



Balance of loans - property type



(1) NAB, Capital and Funding, https://capital.nab.com.au/secured-funding/securitisation-reporting.

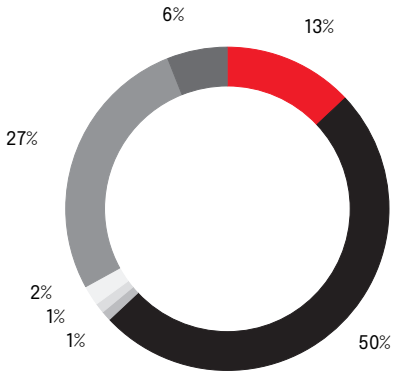
Breakdown of NAB RMBS 2022-1 green mortgage pool as at September 2024[1]

Green loan status as at September 2024	Number of loans	Balance of loans (AUD)	Number of loans (as a % of NAB RMBS 2022-1 total green and non-green mortgage pool)	Balance of loans (as a % of NAB RMBS 2022-1 total green and non-green mortgage pool)
Green mortgage	1,104	373,859,383	42%	48%
Non-green mortgage	1,540	397,656,330	58%	52%
Total	**2,644**	**771,515,713**	**100%**	**100%**

Green mortgages - Geographic distribution as at September 2024	Number of loans	Balance of loans (AUD)	Number of loans %	Balance of loans %
NSW non-metro	195	49,518,721	18%	13%
NSW Sydney inner city	7	3,847,023	1%	1%
NSW Sydney metro	444	186,317,043	40%	50%
TAS Hobart metro	10	2,944,498	1%	1%
TAS non-metro	4	780,895	0%	0%
VIC Melbourne inner city	22	7,295,996	2%	2%
VIC Melbourne metro	324	101,755,052	29%	27%
VIC non-metro	98	21,400,155	9%	6%
Total	**1,104**	**373,859,383**	**100%**	**100%**

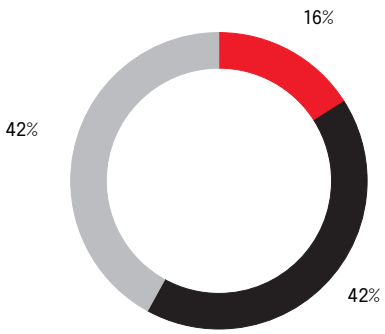
Green loans - Distribution of loans by Property Type as at September 2024	Number of loans	Balance of loans (AUD)	Number of loans %	Balance of loans %
Apartment/Unit/Flat	194	61,072,292	18%	16%
House	503	157,586,274	45%	42%
Other	407	155,200,817	37%	42%
Total	**1,104**	**373,859,383**	**100%**	**100%**

Balance of loans - geographic distribution



- NSW non-metro
- NSW Sydney metro
- NSW Sydney inner city
- TAS Hobart metro
- VIC Melbourne inner city
- VIC Melbourne metro
- VIC non-metro

Balance of loans - property type



- Apartment / Unit / Flat
- House
- Other[1]

(1) Other largely comprises of multi-unit and high-density apartments, and completed houses that were once vacant land.

(1) NAB, Capital and Funding, https://capital.nab.com.au/secured-funding/securitisation-reporting.

Methodology

1.0 Annual GHG Emissions avoided – Renewable energy, energy efficiency and pollution prevention and control

1.1. Australia

- Australian power generation data was sourced from the Clean Energy Regulator for the 2023-2024 reporting period and the Scope 2 emissions factors (electricity) and the associated Scope 3 emissions factors (transmission and distribution losses) were sourced from the 2008 NGERs Measurement Determination and the matching period National Greenhouse Accounts Factors (2023) respectively. In some instances, operational data was not available at the time of reporting, and therefore was not included.
- The emissions avoided calculation used was as follows: Annual energy produced (MWh) x applicable electricity emissions factor (kg CO_2-e/KWh) = tonnes CO_2-e avoided.
- Impact attributable to NAB was calculated by applying NAB's % of the total issued debt to the total GHG emissions avoided by each project or portfolio.

1.2 UK & Europe

- Amounts are presented in Australian dollars (unless otherwise stated), which is NAB's functional and presentation currency.
- UK and European power generation data was sourced from operational reports available for each renewable energy generation project. Where operational data does not align with NAB's financial year, the closest 12-month period available was used (ie. 1 July 2023 to 30 June 2024). Where operational data is only available for part of NAB's financial year, a pro-rata calculation is applied to that data to achieve a 12 month representation of the relevant data. In some instances, operational data was not available at the time of reporting, and therefore was not included.
- The emissions avoided calculation used was as follows: Estimated gross MWh of electricity produced per annum x applicable electricity emissions factor (per country) (kg CO_2-e/KWh) = tonnes CO_2 emissions avoided.
- The emissions factors for projects in the UK were sourced from the Department for Business, Energy & Industrial Strategy (DBEIS) UK Government Greenhouse gas reporting: conversion factors 2024.
- The emissions factors for Europe (Belgium, Finland, France, Germany, Greece, Ireland, Italy, Norway, Poland, Portugal, Spain and Sweden) were sourced from the International Energy Agency's (IEA) CO_2 emissions from fuel combustion 2023. The generation and Transmission & Distribution (T&D) factors also came from IEA.
- Impact attributable to NAB was calculated by applying NAB's % of the total issued debt to the total GHG emissions avoided by each project or portfolio.

1.3 USA

- Amounts are presented in Australian dollars (unless otherwise stated), which is the NAB's functional and presentation currency.
- US power generation data was sourced from operational reports available for each renewable energy generation project. Where operational data does not align with NAB's financial year, the closest 12-month period available was used (ie. 1 July 2023 to 30 June 2024). Where operational data is only available for part of NAB's financial year, a pro-rata calculation is applied to that data to achieve a 12 month representation of the relevant data. In some instances, operational data was not available at the time of reporting, and therefore was not included.
- The emission factors for the USA were sourced from The Climate Registry 2024 default emission factors and the T&D factors came from the IEA CO_2 emissions from fuel combustion 2023.
- Impact attributable to NAB was calculated by applying the NAB's % share of debt to the total GHG emissions avoided by each project or portfolio.

2.0 Green buildings (Annual energy savings and annual GHG emissions avoided)

- Commercial property data in reference to the buildings in NAB's CRE portfolio was sourced from a combination of:
  - internal reporting;
  - client reports;
  - company websites;
  - Australian Government's Commercial Building Disclosure Program (CBDP); and
  - Average NABERS Energy star rating, average energy intensity and annual carbon intensity sourced from NABERS Annual Report 2023-2024.
- Annual Portfolio Energy Savings achieved (MJ): (Average Statewide Base Building Energy Intensity (MJ/sqm)- Building 'A' Energy Intensity) (MJ/sqm) x Net Lettable Area (sqm) of Building 'A'.
- Annual Portfolio GHG Emissions Avoided (tCO_2-e): (Average Statewide Base Building Carbon Intensity (tCO_2-e/sqm) - Building 'A' Carbon Intensity (tCO_2-e/sqm)) x Net Lettable Area (sqm) of Building 'A'.
- Average NABERS Energy star rating, Annual Portfolio Energy Savings Achieved and Annual Portfolio GHG Emissions Avoided apply to the total portfolio area of all buildings in the portfolio rather than just NAB's % of debt.

3.0 Clean transportation

- Amounts are presented in Australian dollars (unless otherwise stated), which is the NAB's functional and presentation currency.
- Operational information has been provided by customers and has not been independently verified by NAB.

4.0 Green mortgages

The operational carbon emissions of specific dwellings within NAB's Green Mortgage Portfolio have been estimated as a function of the minimum energy performance (star rating) requirement that applied (if any) at the time of construction of the dwelling in the relevant jurisdiction, the dwelling type (which is associated with different average dwelling sizes, or gross floor area), and the dwelling's location (post code, which is associated with its climate zone under the National House Energy Rating Scheme (NatHERS)). Once the greenhouse gas emissions associated with the electricity and gas consumption as a function of jurisdiction are calculated they are compared with that of a 'stock average' dwelling, of the same type, size and location. This is then used to determine any estimated carbon savings from the Green Mortgage dwelling relative to the stock averages, in terms of annual tonnes of carbon dioxide equivalents (tCO_2-e) and percentages.

5.0 Adaptation and Mitigation

In this Report the decision as to whether an asset is denoted M (project aims to mitigate climate change) or A (project aims to adapt to climate change) is based on NAB's assessment of the nature and/or impact of the project, guided by the ICMA GBP, CBI sector criteria, CBI Climate Bonds Taxonomy, CBI CBS and relevant materials produced by the United Nations Framework Convention on Climate Change.

6.0 Complexities and limitations inherent in climate-related methodologies

Climate-related metrics are underpinned by methodologies containing uncertainties, assumptions and judgements that limit the extent to which they can be relied upon. This applies to all climate-related metrics, including (without limitation) historical metrics relating to emissions and forward-looking climate metrics, such as goals, targets, climate scenarios or projections and pathways. A summary of the Group's understanding of the main challenges associated with climate-related data, methodology and metrics relevant to NAB's Green Bonds and NAB's Green RMBS follows:

- Data availability, quality and timeliness vary considerably within and across businesses, industries and geographies. Climate-related metrics are, in many cases, based on estimates, and rely on data that the Group does not generate or control, including property valuations used for Commercial Real Estate calculations, building codes used as a proxy for carbon performance of RMBS assets, emissions factors, and operational generation data for renewable energy generation assets. This may result in under or overestimates of climate-related risks or performance.
- Reliance on third party data can lead to lags in time between available data and the publishing of the Group's annual Green Bond reporting.
- While the Group's Green Bond reporting is based on ICMA Harmonised Framework for Impact Reporting and other guidelines including the CBI, and the GBP, these and other climate-related frameworks and standards are often voluntary. A range of frameworks and methodologies are used by corporate organisations reporting on climate related information and metrics which may make comparison by investors and others evaluating the climate performance of corporate organisations difficult.
- Estimating emissions and emissions reductions for the purpose of impact reporting is complex and requires significant methodological choices, judgements and assumptions. Methodologies vary across jurisdictions and global standards are still emerging. This means methodologies used to estimate emissions and emissions reductions are likely to change over time, impacting existing estimates, and reduction estimates based on existing estimates.
- Climate science is continually evolving. Scenarios and projections adopted by projects funded by NAB's Green Bonds may have varying reliance on the commercialisation of currently unproven technologies to meet emissions reduction targets. Investment in these technologies may fail to achieve the intended outcomes. Overreliance on unproven technologies to meet project targets may impact the accuracy of estimates of emissions avoidable attributable to particular projects. Climate scenarios are modelled over a significantly longer time-frame than more traditional financial scenario modelling and therefore the complexity and risk of error is higher.

Contact us

NAB welcomes feedback from NAB's investors, other stakeholders, and market participants.
Please email your queries and comments to: **NAB Debt Investor Relations** at **debtinvestorrelations@nab.com.au**