

395 Bourke Street
Melbourne VIC 3000
AUSTRALIA
www.nabgroup.com



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ASX ANNOUNCEMENT

NAB releases HY 2025 Risk Factor Report

NAB has today released its "NAB HY 2025 Risk Factor Report" (attached).

For further information:

Media

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

Investor Relations

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

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

The release of this announcement was authorised by Shaun Dooley, Group Chief Financial Officer.

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NAB HY 2025 Risk Factor Report

2025 Half Year Results

This report (Report) must be read in conjunction with the unaudited financial statements of National Australia Bank Limited ABN 12 004 044 937 (Company) for the half year ended 31 March 2025, the notes thereto, the independent auditor review report and the report of the Company's directors, each provided in connection therewith (together, the Half Year Financial Statements), which have been published simultaneously with this Report.

Risks Specific to the Group

Set out below are the principal risks and uncertainties associated with the Company and its controlled entities (Group). It is not possible to determine the likelihood of these risks occurring with any certainty.

However, the risk in each category that the Company considers most material is listed first, based on the information known by the Company at the date of this Report, the Company's best assessment of the likelihood of each risk occurring and the potential negative impact to the Group should the relevant risk materialise. If one or more of these risks materialises, the Group's reputation, strategy, business, operations, financial condition, and future performance could be materially and adversely impacted.

The Group's Risk Management Framework and internal controls may not be adequate or effective in accurately identifying, evaluating, or addressing risks faced by the Group. There may be other risks that are unknown or deemed immaterial, but which may subsequently become known or material. These may individually, or in aggregate, adversely impact the Group. Accordingly, no assurances or guarantees of future performance, profitability, distributions or returns of capital are given by the Group.

1. Strategic Risk

Strategic risk is the risk to earnings, capital, liquidity, funding, or reputation arising from an inadequate response to changes in the external environment and the risk of failing to properly consider downstream impacts and achieve effective outcomes when executing material change programs.

1.1 Strategic initiatives may fail to be executed, may not deliver all anticipated benefits, or may otherwise change the Group's risk profile.

The Group invests significant financial, human and technology resources in the execution of initiatives that are aligned to its agreed strategy. These initiatives focus on areas that include, but are not limited to, customers, technology, security, resilience, digital and data assets, business improvement, forward looking scenario analysis planning, culture and employees, regulatory compliance, Environmental, Social and Governance (ESG) related matters including sustainability, climate change and changes to associated processes and controls, and in a number of cases have, and may in the future have, dependencies on external suppliers or partners and other factors outside the Group's control. There is a risk that these initiatives may not realise some or all their anticipated benefits and outcomes, or they could lead to conflicts between customer expectations and the need to comply with regulatory or legislative requirements. These initiatives may also increase operational, compliance, strategic and other risks, which may not be appropriately assessed or controlled.

Any failure by the Group to deliver in accordance with its strategy, or to execute delivery of strategic initiatives effectively, may result in material losses to the Group, reputational damage, breaches of law or obligations, or a failure to achieve anticipated benefits, and ultimately, may materially and adversely impact the Group's operations and financial performance and position.

1.2 The Group faces a continually changing external environment.

The Group operates in a dynamic and uncertain macro-economic environment influenced by geopolitical events, macro policy, and fiscal policy, such as the protracted period of elevated interest rates by central banks (see also section 2 – Credit Risk) and governments responding to cost of living pressures through various sector-based policies. Resultantly, overall financials (revenue and expense plans) continue to remain at potential risk due to ongoing navigation of uncertainty in the market.

There is substantial competition across the markets in which the Group operates. The Group faces competition from traditional financial services providers, online banks, and other parties, including foreign banks and non-bank competitors, such as private credit funds, asset managers, superannuation funds, family offices, insurance companies, mutual funds, hedge funds, securities brokerage firms, financial technology companies, digital platforms and large global technology companies. Some competitors have lower costs, or operating and business models, technology platforms or products that differ from, or are more competitive than, the Group's. Additionally, some competitors are subject to less regulatory oversight.

Competition for customers and the industry's increasing use of brokers may lead to a reduction in profit margins and/or a loss of market share and risks the disintermediation of customer relationships. Intense competition increases the risk of additional price pressure, especially in commoditised lines of business, such as mortgages, where the providers with the lowest unit cost may gain market share and industry profit pools may be eroded. Such factors may ultimately impact the Group's financial performance and position, profitability and returns to investors.

Evolving industry trends, technology changes, geopolitical, and environmental factors have impacted, and may continue to impact, customer and other stakeholder needs and preferences along with shareholder expectations. Changes may occur suddenly, and the Group may not predict these changes accurately or quickly enough or have the resources and flexibility to adapt in sufficient time to meet the needs and preferences of customers and other stakeholders and to keep pace with competitors. These risks are heightened in the current context in which technology, including its impacts on the financial services industry, continues to evolve at a rapid pace. Additionally, it may not be possible for the Group to meet the expectations of stakeholders regarding certain trends or factors when there are opposing expectations between different stakeholders.

Recent trends that may impact the Group include:

- The rapid development and deployment of artificial intelligence (AI) capabilities, including generative AI, which continues to be a key strategic consideration for the Group and for customers. Inadequate or lack of adoption of AI within business processes or customer propositions could pose a strategic disadvantage to the Group relative to its competitors who deploy AI tools successfully and could result in unwanted financial and non-financial consequences for the Group. At the same time, new applications of AI without sufficient controls, governance, and risk management may result in increased risks across all the Group's risk categories.
- Lending to assist customers in achieving their ESG-related performance objectives. There is currently no single, globally recognised set of accepted definitions for assessing whether activities are 'green' or 'sustainable' which may create greenwashing risks due to differences in interpretation.
- The evolving and increasingly complex payments landscape, including the increasing use of digital payments, new payments infrastructures and emerging technology (including continued consumer and institutional adoption of cryptocurrencies and other digital assets), and the shift away from traditional payment methods.

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- The continued implementation of the Consumer Data Right (CDR), known as 'Open Banking', in the Australian banking sector. The CDR seeks to increase competition and innovation between service providers by mandating and standardising the sharing of certain consumer and business customer data and data relating to their products and services. Where large global technology companies choose to participate in the CDR, there is potential for these companies to access more data which may increase their competitiveness including in other sectors, such as financial services.

1.3 Risks may arise from pursuing acquisitions and divestments.

The Group regularly considers a range of corporate opportunities, including acquisitions, divestments, joint ventures, and investments.

The pursuit of corporate opportunities inherently involves transaction risks, including the risk that the Group overvalues an acquisition or investment, or undervalues a divestment, as well as exposure to reputational damage or regulatory intervention. The Group may encounter difficulties in integrating or separating businesses, including failure to realise expected synergies, disruption to operations, diversion of management resources, or higher than expected costs. These risks and difficulties may ultimately have an adverse impact on the Group's financial performance and position. The Group may incur unexpected financial losses following an acquisition, joint venture, or investment if the business it invests in does not perform as planned, if customers, employees and supplier relationships are not retained as expected or if the business causes unanticipated changes to the Group's risk profile. For example, the Group continues to face risks associated with the Company's acquisition of Citigroup's Australian consumer business which completed on 1 June 2022. The Group continues to rely on Citigroup's regional shared technology infrastructure for transitional services, as well as Citigroup's support for data migration activities after the development of technology systems within the Group. There is a risk that as the integration project and the development of technology systems within the Group continue, complexity may increase, which may mean that costs may be higher than anticipated, timelines may be extended, more internal resourcing is required than previously anticipated, or that key customers, suppliers, or other stakeholders required for a successful transition, will not be retained.

The Group may also have ongoing exposures to divested businesses, including through a residual shareholding, the provision of continued services and infrastructure, or an agreement to retain certain liabilities of the divested businesses through covenants, warranties, indemnities and other ongoing contractual protections to the acquirer. These ongoing exposures may have an adverse impact on the Group's business and financial performance and position. For example, the Group continues to face risks relating to the Company's sale of its advice, platforms, superannuation and investments and asset management businesses to IOOF Holdings in May 2021, now named Insignia Financial. As part of this transaction, the Company provided Insignia Financial with indemnities relating to certain pre-completion matters, as well as covenants and warranties in favour of Insignia Financial. The Company retained the companies that operated the advice businesses and therefore retained all liabilities associated with the conduct of these businesses pre-completion. These ongoing exposures may have an adverse impact on the Group's financial performance and position if the Company fails to perform its contractual obligations.

2. Credit Risk

Credit risk is the risk that a customer will fail to meet their obligations to the Group in accordance with agreed terms. Credit risk arises from both the Group's lending activities and markets and trading activities.

2.1 A protracted period of elevated interest rates and ongoing economic headwinds across Australia and NZ may result in deterioration in the Group's credit risk profile in the short-to-medium term through accelerated increases in defaulted loans.

Elevated interest rates and cost of living pressures have resulted in increases in arrears, primarily in the home loan and small and medium business portfolios. Globally, central banks (including in Australia and New Zealand (NZ)) have begun reducing policy rates in response to inflation levels receding. While NZ is already into an easing cycle, Australia's cycle of easing has only recently commenced and, if this cycle is gradual or smaller than anticipated, interest rates will remain elevated for longer, which may continue to increase household and business financial stress, particularly for those customers who are highly geared and/or facing reduced income due to weaker economic activity. A further consequence of elevated rates over a protracted period is the negative impact on unemployment rates. While the Australian labour market remains relatively tight (unemployment rate of 4.1% in March 2025), an uptick in unemployment will contribute to increasing household stress. For NZ, where unemployment rates have continually increased from the COVID-19 lows of 3.2% to 5.1% (in the fourth quarter of 2024), there is a risk that rate reductions to counteract the impact of rising unemployment and slowing economic activity are less significant or more gradual than anticipated.

These factors may drive an increase in bankruptcies, business failures, and higher unemployment. Sectors exposed to changes in household discretionary spending (including retail trade, tourism, hospitality, and personal services) are particularly vulnerable to financial stress in the event of modifications to consumer spending behaviour.

The heightened credit risk in affected sectors and elevated levels of household and business financial stress may result in an increase in credit losses if customers default on their loan obligations.

2.2 Extreme weather events, and longer-term changes in climate conditions coupled with transition risk may lead to rising customer defaults.

Increasing weather volatility and extreme weather events, longer term changes in climate conditions, and changes to insurance affordability and availability, together with changes to energy costs, market access and other forms of transition risk, may result in increased losses from customer defaults or decreased valuations, and may ultimately have an adverse impact on the Group's financial performance and position. The rising severity and prevalence of these events pose a risk to the credit portfolio in the medium term.

2.3 Downturn in global macro-economic conditions and an increase in geopolitical tensions may adversely affect the Group and pose a credit risk.

The Group has operations primarily in Australia and NZ, and also across Asia, the United Kingdom, Europe and the United States. Levels of borrowing are heavily dependent on customer confidence, employment trends, market interest rates, and other economic and financial market conditions and forecasts. Pressures on the global economy therefore pose a heightened level of credit risk for the Group.

The recent change in the United States political administration and increasing fragmentation in democratic political systems are expected to yield a rise in anti-globalisation sentiment with major economies adopting more protectionist policies that restrict global trade activity. The introduction of tariff regimes by the United States and retaliatory tariffs introduced by its trade partners have increased trade tensions and ultimately could disrupt trade between major economies. Given that Australia and NZ are export-oriented economies, they remain vulnerable to the impositions of tariff regimes that hamper global trade activity. Such events could negatively impact many of the Group's customers who are exposed to global trade, commodity prices and the exchange rate and potentially lead to increased credit losses for the Group. There is also considerable uncertainty surrounding the United States administration's broader policy direction, with the changing landscape around trade tariffs being one example. The prevailing sense of uncertainty around policy approach has, and may continue to, erode business confidence which could ultimately result in adverse outcomes for the NAB Group's customers.

China is a major trading partner for Australia and NZ, with Australian and NZ export incomes and business investment exposed to changes in China's economic growth and trade policies. China's economy continues to face substantial headwinds, with growth forecast to slow going forward. In the short term this reflects subdued domestic consumption and weakness in the property sector in China, alongside an export sector challenged

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by protectionism in two major markets (the European Union and the United States). While this could negatively impact the global economy in general, the impact on the Australian and NZ economies, particularly in the agriculture and commodities sectors, may be more acute due to the concentration of trade in these sectors with China. The Group has a large market share among lenders to the Australian and NZ agricultural sectors. Sustained headwinds that negatively impact China's economy may therefore translate to increased financial strain on the Group's customers and lead to increased defaults.

Ongoing geopolitical risks may adversely affect the Group and lead to credit losses. These include:

- Elevated geopolitical instability due to the Russia-Ukraine and Middle Eastern conflicts which have negatively impacted, and could continue to negatively impact, the global and Australian economies, including by causing supply chain disruptions, rising prices for oil and other commodities, volatility in capital markets and foreign currency exchange rates, rising interest rates and heightened cybersecurity risks. Prices may remain elevated for an extended period, which would negatively impact most businesses and households, and may lead to increased credit losses for the Group.
- Tensions between the United States and China (along with other countries), including in relation to Taiwan, the South China Sea, and Asia-Pacific could increase as a result of the AUKUS pact or other similar agreements. Australia's involvement and diplomatic position regarding such arrangements may cause a reescalation of tensions with the Chinese government leading to a risk of trade restrictions being imposed on Australian exports. Any such restrictions could have a negative impact on the Group's customers.
- Disruptions to trade through the Red Sea would impact global supply chains and global economic growth.

2.4 A decline in property market valuations may give rise to higher losses on defaulting loans.

Residential housing loans and commercial real estate loans in Australia and NZ constitute a material component of the Group's total gross loans and acceptances. As a result, the Group has elevated credit risk exposure to those markets.

Australian residential property prices continued to rise for most of 2024, before softening at the end of 2024. Melbourne and Sydney house prices were weaker relative to other capital cities in the fourth quarter of 2024. So far in 2025 house prices have firmed, likely assisted by the Reserve Bank of Australia commencing an easing cycle. In NZ residential real estate prices declined in 2024. Commercial real estate prices have recorded mixed results, with favourable growth recorded in the Australian industrial sector offset by the ongoing structural adjustment in the office space.

When the value of residential or commercial real estate used as collateral (including in business lending) reduces below the value of the loan, the Group is exposed to losses in the event of any customer default. The most significant impact in the event of default is likely to come from residential mortgage or commercial real estate customers in high loan-to-value-ratio brackets. This may, in turn, impact the Group's financial performance and position and returns to investors.

2.5 Adverse business conditions in Australia and NZ, particularly in the agricultural sector, may give rise to increasing customer defaults.

The Group has a large market share among lenders to the Australian and NZ agricultural sectors. These sectors may be negatively impacted by several factors, including:

- Vulnerability to labour constraints.
- Trade restrictions and tariffs.
- Volatility in commodity prices (particularly agricultural product prices).
- Foreign exchange rate movements.
- Changes in consumer preferences and market access.
- Disease and introduction of pathogens and pests.
- Export and quarantine restrictions.
- Supply chain constraints and increasing supply chain producer responsibility, traceability, and transparency requirements.
- Extreme weather events (including substantial rainfall, drought, or bushfires).
- Expectations related to the management of nature-related risks such as declining soil health and deforestation, including both the environmental impacts and potential exposure from any illegal deforestation.

These factors may result in increased losses to the Group from customer defaults, and ultimately may have an adverse impact on the Group's financial performance and position.

More broadly, adverse business conditions (such as supply chain disruptions, labour constraints and rising input costs, including from volatile commodity and energy prices and the impact of rapid technological change) may also lead to stress in certain other sectors such as construction, wholesale trade and manufacturing. Rising household financial pressures also pose a risk to sectors that are reliant on household expenditure.

3. Market Risk

Market risk is the risk that the Group may suffer losses as a result of a change in the value of the Group's positions in financial instruments, bank assets and liabilities, or their hedges due to adverse movements in market prices. Adverse price movements impacting the Group may occur in credit spreads, interest rates, foreign exchange rates, and commodity and equity prices, particularly during periods of heightened market volatility or reduced liquidity. Market conditions remain volatile in response to an uncertain economic environment and elevated geopolitical risk.

The occurrence of any event giving rise to material market risk losses may have a negative impact on the Group's financial performance and position.

3.1 The Group is exposed to credit spread risk.

Credit spread risk is the risk that the Group may suffer losses from adverse movements in credit spreads, including increases in credit spreads resulting from financial markets instability. This is a significant risk in the Group's trading and banking books.

The Group's trading book is exposed to credit risk movements in the value of securities and derivatives as a result of changes in the perceived credit quality of the underlying company or issuer. Credit spread risk accumulates in the Group's trading book when it provides risk transfer services to customers seeking to buy or sell fixed income securities (such as corporate bonds). The Group may also be exposed to credit spread risk when holding an inventory of fixed income securities in anticipation of customer demand or undertaking market-making activity (i.e., quoting buy and sell prices to customers) in fixed income securities. The Group's trading book is also exposed to credit spread risk through credit valuation adjustments. A widening of credit spreads could negatively impact the value of the credit valuation adjustments.

The Group's banking book houses high-quality liquid assets which form the majority of the Group's liquidity portfolio required for managing the Group's liquidity risk. The Group is subject to credit spread risk through changes in spreads on its holdings of semi-government bonds. During

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periods of adverse credit spread movements, these positions can give rise to material volatility within the Group's treasury portfolio which is captured either in profit and loss or reserves. Positions in residential mortgage-backed securities that arise through the Group's warehousing, underwriting, and syndication operations also form part of the banking book and are exposed to changes in credit spreads.

3.2 The Group is exposed to interest rate risk.

The Group's financial performance and capital position are impacted by changes in interest rates.

The Group's trading book is exposed to changes in the value of securities and derivatives as a result of changes in interest rates. The Group's trading book accumulates interest rate risk when the Group provides interest rate hedging solutions for customers, holds interest rate risk in anticipation of customer requirements, or undertakes market-making activity in fixed income securities or interest rate derivatives.

Balance sheet and off-balance sheet items can create an interest rate risk exposure within the Group. As interest rates and yield curves change over time, the Group may be exposed to a loss in earnings and economic value due to the interest rate profile of its balance sheet. Such exposure may arise from a mismatch between the maturity profile of the Group's lending portfolio compared to its deposit portfolio (and other funding sources), as well as the extent to which lending and deposit products can be repriced should interest rates change, thereby impacting the Group's net interest margin.

3.3 The Group is exposed to foreign exchange risk.

Foreign exchange risks exist in the Group's trading and banking books.

Foreign exchange and translation risks arise from the impact of currency movements on the value of the Group's positions in financial instruments, profits and losses, and assets and liabilities due to participation in global financial markets and international operations.

The Group's ownership structure includes investment in overseas subsidiaries and associates which gives rise to foreign currency exposures, including through the repatriation of capital and dividends. The Group's businesses may therefore be affected by a change in currency exchange rates, and movements in the mark-to-market valuation of derivatives and hedging contracts.

The Group's financial statements are prepared and presented in Australian dollars unless otherwise stated, and any adverse fluctuations in the Australian dollar against other currencies in which the Group invests or transacts, and generates profits (or incurs losses), may adversely impact its financial performance and position.

3.4 The Group is exposed to market risk should it be unable to sell down its underwriting risk.

As financial intermediaries, members of the Group underwrite or guarantee different types of transactions, risks and outcomes, including the placement of listed and unlisted debt, equity-linked and equity securities. The underwriting obligation or guarantee may be over the pricing and placement of these securities, and the Group may therefore be exposed to potential losses, which may be significant if it fails to sell down some or all of this risk to other market participants.

4. Capital, Funding and Liquidity Risk

4.1 The Group is exposed to funding and liquidity risk.

Liquidity risk is the risk that the Group is unable to meet its financial obligations as they fall due. These obligations include the repayment of deposits on demand or at their contractual maturity, the repayment of wholesale borrowings and loan capital as they mature, the payment of interest on borrowings and the payment of operational expenses and taxes. The Group must also comply with prudential and regulatory liquidity obligations across the jurisdictions in which it operates. A significant deterioration in the Group's liquidity position for any reason may lead to an increase in the Group's funding costs, constrain the volume of new lending, or cause the Group to breach its prudential or regulatory liquidity obligations. This may adversely impact the Group's reputation and financial performance and position.

Funding risk is the risk that the Group is unable to raise short- and long-term funding to support its ongoing operations, regulatory requirements, strategic plans, and objectives. The Group accesses domestic and global capital markets to help fund its business, along with using customer deposits. A significant deterioration in the Group's ability to access these markets or of lenders to provide funding may adversely impact the Group's financial reputation, financial performance and position. The Group relies on offshore wholesale funding to support its funding and liquidity position. Periods of heightened market volatility and geopolitical factors may limit the Group's access to this funding source. Disruption in the global capital markets, reduced investor interest in the Group's securities for any reason and/or reduced customer deposits, may adversely affect the Group's funding and liquidity position. This may increase the cost of obtaining funds, reduce the tenor or volume of available funds, impose unfavourable terms on the Group's access to funds, constrain the volume of new lending, or adversely affect the Group's financial position.

4.2 The Group's capital position may be impacted by prudential requirements and the Group may face challenges in managing its capital position.

Capital risk is the risk that the Group does not hold an adequate level or composition of capital and reserves to capitalise on strategic opportunities, sustain day-to-day banking services, and to protect against unexpected losses. Capital is the cornerstone of the Group's financial strength. It supports the Group's operations by providing a buffer to absorb unanticipated losses from its activities.

The Group must comply with prudential requirements in relation to capital across the jurisdictions in which it operates. Compliance with these requirements, and any further changes to these requirements may:

- Limit the Group's ability to manage capital across the entities within the Group.
- Limit payment of dividends or distributions on shares and hybrid instruments.
- Require the Group to raise more capital (in an absolute sense) or raise more capital of higher quality.
- Restrict balance sheet growth.

The Group's capital ratios may be impacted by several factors including earnings, asset growth and quality, movements in the Group's risk weighted assets (RWA), changes in the value of the Australian dollar against other currencies to which the Group has exposures, changes in business strategy or risk appetite, and changes in regulatory requirements.

If the information or the assumptions upon which the Group's capital requirements are assessed prove to be inaccurate, this may adversely impact the Group's operations, financial performance and financial position.

Current regulatory changes that could impact the Group's capital position include loss-absorbing requirements for Domestic Systemically Important Banks, which include the Group. These changes require an increase to total capital by 4.5% of RWA by 1 January 2026, with an interim increase by 3% of RWA which came into effect on 1 January 2024. These requirements are expected to be met primarily through the issue of additional Tier 2 Capital which will further increase the Group's funding costs due to the higher cost of Tier 2 Capital issuance relative to senior debt.

In December 2024, the Australian Prudential Regulation Authority (APRA) confirmed it will phase out the use of Additional Tier 1 (AT1) capital

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instruments to seek to simplify and improve the effectiveness of bank capital in a crisis. APRA plans to finalise the changes to prudential standards that are required to effect this change before the end of 2025. For advanced banks such as the Company, APRA has proposed replacing 1.5% AT1 Capital with 0.25% Common Equity Tier 1 Capital and 1.25% Tier 2 Capital, from 1 January 2027. Changes to the requirements for AT1 Capital may impact the Group's capital position, and credit ratings for AT1 and Tier 2 instruments. This may also impact the Group's cost of funds.

Changes to the Reserve Bank of New Zealand (RBNZ) capital requirements are being phased in by 2028 and will require the Group to hold more capital in NZ, noting that in March 2025 the RBNZ announced its intention to conduct a review of key capital settings.

4.3 A downgrade in the Group's credit ratings or outlook may adversely impact its cost of funds and capital market access.

Credit ratings are an assessment of a borrower's creditworthiness and may be used by market participants in evaluating the Group and its products, services and securities. Credit rating agencies conduct ongoing review activities, which can result in changes to credit rating settings and outlooks for the Group, or credit ratings of sovereign jurisdictions where the Group conducts business. Credit ratings may be affected by operational and other market factors (e.g., ESG-related factors), or changes in a credit rating agency's rating methodologies.

A downgrade in the credit ratings or outlook of the Group, the Group's securities, or the sovereign rating of one or more of the countries in which the Group operates, may increase the Group's cost of funds or limit its access to capital markets. This may also cause a deterioration of the Group's liquidity position and trigger additional collateral requirements in derivative contracts and other secured funding arrangements. A downgrade to the Group's credit ratings relative to its peers may also adversely impact the Group's competitive position and financial performance and position.

5. Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or external events.

5.1 Privacy, information security and data breaches may adversely impact the Group's reputation and operations.

The Group collects, processes, stores, and transmits large amounts of personal and confidential information through its people, technology systems and networks and the technology systems and networks of its external service providers. Threats to information security are constantly evolving, including through the use of emerging technologies, such as advanced forms of AI (including generative AI), quantum computing and increasingly sophisticated techniques used to perpetrate fraud, scams and cyber-attacks. In addition, the number, nature, and resources of adverse actors that could pose a cyber threat to the Group are growing, including individual cybercriminals, criminal or terrorist syndicate networks and large sophisticated foreign governments with significant resources and capabilities.

There is a risk that the Group's efforts to maintain and improve its technology systems, networks and information security policies, procedures and controls may not be adequate to address these threats. Remediation of weaknesses is sometimes difficult to complete in a timely manner due to the complex technology environment including that of the Group's external service providers and the rapidly evolving nature of the threats, which leads to the continuing emergence of new vulnerabilities. As cyber threats continue to evolve, the Group may be required to expend significant additional resources to modify or enhance its layers of defence or to investigate or remediate any information security vulnerabilities.

The Group may also not always be able to anticipate a security threat, or be able to implement effective information security policies, procedures, and controls to prevent or minimise the resulting damage. A successful cyber-attack could persist for an extended period before being detected and, following detection, it could take considerable time for the Group to obtain full and reliable information about the cybersecurity incident and the extent, amount and type of information compromised. During an investigation, the Group may not necessarily know the full effects of the incident or how to remediate it, and actions and decisions that are taken or made to mitigate risk may further increase the costs and other negative consequences of the incident. Moreover, the Group may be required to disclose information about a cybersecurity event before it has been resolved or fully investigated.

The Group may also inadvertently retain information, which is not specifically required or permitted by legislation, thus increasing the impact of a potential data breach or non-compliance. Additionally, the Group uses select external providers (in Australia and overseas) to process and store confidential data and to develop and provide its technology services, including the use of cloud infrastructure. The Group is limited in its ability to monitor and control the security protocols that service providers implement on a day-to-day basis. Control failures by these providers may expose the Group and the data it stores to loss of confidentiality, integrity or availability.

The Group may also submit confidential information to its key regulators under a legal obligation or as part of regulatory reporting that is stored and processed by the regulators. The Group is limited in its ability to monitor and control the security protocols implemented by the regulators.

A breach of security within the Group, at any of these external providers or regulators may result in operational disruption, theft or loss of customer or employee data, a breach of privacy laws, regulatory enforcement actions, civil penalties, customer or employee redress, litigation, financial losses, or loss of market share, property, or information. This may be wholly or partially beyond the control of the Group and may adversely impact its financial performance and position. For example, some large Australian organisations have experienced significant cyber-attacks in recent years leading to intense public reactions and increased political and regulatory focus.

5.2 Disruption to technology and services may adversely impact the Group's reputation and operations.

Many of the Group's operations depend on technology and external service providers including financial market infrastructure such as systemically important payment systems, central counterparties and securities settlement facilities. Therefore, the financial strength, reliability, resilience, security, and performance of the Group's and its external service providers' information technology systems, processes and infrastructure are essential to the effective operation of the Group's business and consequently to its financial performance and position. The reliability, security and resilience of the Group's technology and services may be impacted by the complex technology environment, selection, concentration of and reliance on suppliers, as well as by failure to keep technology systems up to date, and an inability to restore or recover systems and data in acceptable timeframes as a consequence of severe but plausible technological disruptions to the Group or its external service providers.

The rapid evolution of technology in the financial services industry and the increased expectations of customers for internet and mobile services on demand expose the Group to a range of operational risks. Any disruption to the Group's technology and services or those of its external service providers may be wholly or partially beyond the Group's control and may result in operational disruption, regulatory enforcement actions, customer redress, litigation, financial losses, theft or loss of customer data, loss of market share, loss of property or information, or may adversely impact the Group's speed and agility in the delivery of change and innovation.

In addition, any such disruption may adversely affect the trust that internal and external stakeholders have in the Group's ability to protect key information (such as customer and employee records) and infrastructure. This may in turn affect the Group's reputation, which may result in loss of customers, a reduction in share price, ratings downgrades and regulatory censure or penalties.

5.3 Complexity of systems, processes and models gives rise to a significant risk to the Group's operations.

The Group's business involves the execution of many processes and transactions with varying degrees of complexity. The Group is reliant on its

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policies, processes, controls, and supporting infrastructure functioning as designed, and on external service providers appropriately managing their own operational risk and delivering services to the Group as required. A failure in the design or operation of these policies, processes, controls, and infrastructure, failure of the Group to manage external service providers, or the disablement of a supporting system, all pose a significant risk to the Group's operations and consequently its financial performance, reputation and the timeliness and accuracy of its statutory and prudential reporting.

Models are used extensively in the conduct of the Group's business, for example, in calculating capital requirements or customer compensation payments, and in measuring and stress testing exposures. If the models used prove to be inadequate, or are based on incorrect or invalid assumptions, judgements, or inputs, this may adversely affect the Group's customers and the Group's financial performance and position. In particular, the Group's use of AI and machine learning technologies is subject to risks that algorithms and datasets are flawed or may be insufficient. This could result in inaccurate or ineffective decisions, predictions or analyses, and give rise to potential ethical and social risks associated with its use (e.g., unintended discrimination, bias and disinformation). In addition, if the Group was found to have infringed or misappropriated a third-party patent or other intellectual property right (including where the Group or an external service provider has used generative AI outputs based on data for which the generative model did not have consent), the Group could, in some circumstances, be prohibited from providing certain products or services to its customers or from utilising and benefiting from certain methods, processes, copyrights, trademarks, trade secrets, or licences.

5.4 The Group is exposed to the risk of human error.

The Group's services, processes, controls and decisions rely on appropriate actions and inputs from its employees, agents, and those of its external service providers. The Group is exposed to operational risk due to human error in the performance of any of these tasks that could lead to adverse impacts to the Group, including direct financial loss, loss of customer, employee or commercially sensitive data, regulatory penalties and reputational damage.

5.5 The Group may not be able to attract, remunerate and retain suitable talent.

The Group is dependent on its ability to attract and retain key executives, employees and Board members with a deep understanding of banking and technology, who are capable of executing and governing the Group's strategy, including the technology transformation required to meet the changing needs of its customers. Equally, the Group is dependent on its ability to attract and retain key executives and employees with a deep understanding of technical skillsets necessary to address key operational and related compliance risks facing the Group.

Potential weaknesses in employment practices, including diversity, anti-discrimination, workplace flexibility, payroll management and compliance, workplace health and safety and employee wellbeing, together with a competitive labour market for critical skills, are sources of operational risk that can impact the Group's ability to attract and retain qualified personnel with the requisite knowledge, skills and capability. Psychosocial risk (including relating to workplace factors such as customer aggression, workload issues or poor change management) is an area of increasing regulatory scrutiny and reputational risk and may adversely impact the Group's ability to attract and retain talent.

The Group's capacity to attract and retain key talent also depends on its ability to adequately and appropriately respond to changes (internal or external) as well as design and implement effective remuneration and talent structures. This may be constrained by several factors, including significant applicable regulatory requirements.

The market for key executives, employees and Board members in the financial services industry and with the skills the Group requires is competitive both locally and offshore, noting the Group is currently growing its offshore workforce. The unexpected loss of key resources or the inability to attract personnel with suitable experience may adversely impact the Group's ability to operate effectively and efficiently, or to meet the Group's strategic objectives and may give rise to uncertainty among the Group's customers, investors, vendors, employees and others concerning the Group's future direction and performance. This risk may also impact external service providers (including offshore vendors) engaged by the Group, who may be experiencing similar personnel related challenges.

5.6 External events may adversely impact the Group's operations.

The Group has branches and office buildings in Australia, NZ, the United Kingdom, the United States, France, Japan, India, Vietnam, Singapore and China that may be impacted by climatic, biological, geopolitical or geological events such as flooding, epidemics, terrorism, armed conflict and earthquakes. Such events may have a material impact on the Group's operations, for example, through interruption of global supply chains, availability of talent, property damage and business disruption. In addition, if the Group is unable to manage the impacts of such external events, it may compromise the Group's ability to provide a safe workplace for its personnel and/or lead to reputational damage.

6. Sustainability Risk

Sustainability risk is the risk that ESG-related events or conditions arise that could negatively impact the sustainability, resilience, risk and return profile, value, or reputation of the Group or its customers and suppliers.

6.1 Physical and transition risks arising from climate change, other environmental impacts and nature-related risks may lead to increasing customer defaults and decrease the value of collateral.

Extreme weather, increasing weather volatility, and longer-term changes in climatic conditions, as well as environmental impacts such as land contamination and other nature-related risks such as deforestation, biodiversity loss and ecosystem degradation, may affect water security, property and asset values or cause customer losses due to damage, crop losses, existing land use ceasing to be viable, and/or interruptions to, or impacts on, business operations, supply chains or market access. Australia and NZ have experienced severe weather events, including drought conditions, heat waves, bushfires, cyclones and floods, in recent years, and may continue to be affected by extreme weather events.

The impact of climate and nature related risks such as biodiversity loss and ecosystem degradation can take time to be fully realised and can be widespread, extending beyond residents, businesses, and primary producers in highly impacted areas, to supply chains in other cities and towns relying on agricultural and other products from within these areas. The impact of these losses on the Group may be exacerbated by a decline in the value and liquidity of assets held as collateral and the extent to which these assets are insured or insurable, which may impact the Group's ability to recover its funds when loans default.

Climate-related transition risks are increasing as economies, governments, and companies seek to transition to low-carbon alternatives and adapt to climate change. Some of the Group's customers and external service providers may be adversely impacted as economies transition to renewable and low-emissions technology.

Decreasing investor appetite and customer demand for carbon intensive products and services, emerging requirements of sustainable finance taxonomies, increasing climate-related litigation and changing regulations and government policies designed to mitigate environmental impacts such as climate change, may adversely impact the Group's customers or products or services that serve those customers. Furthermore, management of transition risk is made more challenging due to the presence of social risks such as modern slavery in relevant supply chains (e.g., input materials and equipment required to support the low carbon transition).

These risks may increase expected and actual levels of customer defaults, thereby increasing the credit risk facing the Group and adversely

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impacting the Group's financial performance and position, profitability and returns to investors.

The impacts associated with climate change-related legislative and regulatory initiatives and customer requirements and the transition to a low carbon economy, including meeting new regulatory expectations, retrofitting of assets, energy efficient and low carbon investments, purchasing carbon credits or paying carbon taxes, may result in operational changes and additional expenditures that could adversely affect the Group and/or its customers.

6.2 The Group, its customers, or its suppliers may fail to comply with legal, regulatory, or voluntary standards or broader shareholder, community and stakeholder expectations concerning ESG risk performance.

Management of ESG issues is subject to legal, regulatory, voluntary and prudential standards, and community and stakeholder expectations that continue to change in scope, detail and levels of participation across industries, markets and geographies. Moreover, differing stakeholder perspectives regarding sustainability, including views about climate, nature, and human rights impacts, have affected and may continue to affect the Group's business activities, and increase the scrutiny and complexity of compliance requirements.

ESG due diligence requirements may become mandatory in some jurisdictions in which the Group operates, placing additional demands on the Group's processes and capability to manage, monitor and address ESG risks.

The Group may suffer adverse impacts, including litigation, fines, penalties, remedial costs, inability to attract or retain talent and reputational damage if it does not, or is perceived not to, effectively prepare for or manage the potential risks and opportunities associated with ESG issues or comply with ESG standards, requirements and voluntary commitments. These adverse impacts may arise from issues including, but not limited to, climate change, biodiversity loss and ecosystem degradation, invasive species, pollution, deforestation and illegal land clearing, human rights and modern slavery, fair working conditions, unfair and inequitable treatment of people including discrimination, product responsibility, appropriate remuneration, indigenous land rights and cultural heritage – including consideration of issues such as Free, Prior and Informed Consent, animal welfare, bribery and corruption, tax avoidance, greenwashing and greenhushing, and other false or misleading environmental or sustainability claims, cross industry collaboration practices, poor governance, lack of transparency, and supply chain traceability. ESG-related risks are complex and continue to evolve, as does their interaction with other risk factors relevant to the Group.

Regulators continue to focus on ESG-related regulatory requirements, including strengthening requirements and guidance relating to sustainability-related disclosures and governance practices, modern slavery and greenwashing. As the focus and intensity of regulatory priorities develop, the Group may require material investment in processes, controls, technical expertise, systems and data or may suffer adverse impacts, including litigation, fines, penalties, remedial costs and reputational damage from a failure to meet the required standards.

7. Conduct Risk

Conduct risk is the risk that any action (or inaction) of the Group, or those acting on behalf of the Group, will result in unfair outcomes for any of the Group's customers.

7.1 The Group is reliant on its employees, contractors and external suppliers acting in an appropriate and ethical way.

Organisational culture can greatly influence individual and group behaviours. Poor culture, including a failure to put customer outcomes at the centre of everything, can expose an organisation and lead to customer harm, financial loss and detriment. The behaviours that could expose the Group to conduct risk include:

- Failure to design products and services that are transparent, accessible, and easy for the Group's customers, including customers experiencing vulnerability, to understand and access.
- Unmanaged conflicts of interest that could influence behaviour that is not in the customer's best interest.
- Ineffective or non-adherence to applicable learning and competency training requirements.
- Selling, providing, or unduly influencing customers to purchase or receive products or services that may not meet their existing needs or that place the customer at risk of future hardship.
- Use of AI that is unethical, inappropriate or inconsistent with community and customer expectations, or the overreliance on algorithmic outcomes without adequate explainability, transparency or appreciation of the impacts.
- Making representations to customers about products or services of the Group which are inaccurate, misleading, or deceptive, including representations which may mislead customers on the extent to which the Group's practices are environmentally friendly, sustainable, or ethical.
- Being a party to fraud.
- Failure to identify and appropriately manage customer communications, hardship cases and debt collection.
- Failure to protect customers from fraud or scams when banking through digital channels or failure to respond adequately to customers impacted by external fraud or scams.
- Failure to anticipate and prevent malicious internal or external actors from using product or service features in unintended ways that result in harm to the Group's customers (e.g., financial abuse or perpetrators of domestic violence).
- Non-adherence to applicable requirements or providing financial advice which is not appropriate or in a customer's interests.
- Delays in appropriately escalating regulatory and compliance issues.
- Failure to resolve issues and remediate customers in a timely manner and in accordance with community expectations.
- Failure to deliver on product and service commitments.
- Failure to remediate ineffective business processes and stop the re-occurrence of issues in a timely manner.
- Failure to act in accordance with the Group's Code of Conduct or Financial Markets Conduct Policy.

If the Group's conduct-related controls were to fail significantly, be designed inappropriately, or not meet legal or regulatory requirements or community expectations, then the Group may be exposed to, among other things:

- Increased costs of compliance, fines, additional capital requirements, public censure, loss of customer confidence, class actions and other litigation, settlements, and restitution to customers or communities.
- Increased supervision, oversight, or enforcement by regulators or other stakeholders. For example, Australian Securities and Investments Commission (ASIC) released Report 782 in May 2024 after conducting an industry review on the approach to financial hardship in home lending, in which the Company was a participant. The report found it was difficult for customers experiencing hardship to access appropriate support from lenders. ASIC initiated civil penalty proceedings in the Federal Court against NAB and AFSH Nominees Pty Ltd

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(Advantaged) alleging failures to respond to financial hardship outcome notices within the time required by law.

- Unenforceability of terms which are deemed to be in contravention of Unfair Contract Terms legislation within standard form contracts such as loans, guarantees, and other security documents, which could possibly result in civil and/or monetary penalties.
- Enforced suspension of operations, amendments to licence conditions, or loss of licence to operate, all or part of the Group's businesses.
- Other enforcement or administrative action or agreements, including legal proceedings.

A failure of the Group's conduct-related controls to accurately reflect relevant legal, regulatory or community expectations may adversely impact the Group's reputation, financial performance and position, profitability, operations and returns to investors and can result in customer harm, financial loss and detriment.

8. Compliance Risk

Compliance risk is the risk of failing to understand and comply with relevant laws, regulations, licence conditions, supervisory requirements, self-regulatory industry codes of conduct and voluntary initiatives, as well as the internal policies, standards, procedures, and frameworks that support fair and equitable treatment of customers.

8.1 The Group may be involved in a breach or alleged breach of, laws governing bribery, corruption, and financial crime.

Supervision and regulation of financial crime and enforcement of anti-bribery and anti-corruption (ABC), financial sanctions, anti-money laundering and counter-terrorism financing (AML/CTF) laws have increased in recent years. In particular, the risks of sanctions violations have increased in the context of wide-ranging economic sanctions and export controls imposed since 2022 by the European Union, the United Kingdom, the United States, Australia and other countries as a result of the ongoing war between Russia and Ukraine. In addition, significant economic sanctions are in place on North Korea, Cuba, Iran and Syria, some of which can be extraterritorial in effect. There are rising expectations from regulators concerning export control due diligence by financial institutions, and compliance challenges are compounded by those subject to sanctions attempting to evade and circumvent their impact.

As a bank engaged in global finance and trade, the Group faces risks relating to compliance with AML/CTF, ABC and financial sanctions laws across multiple jurisdictions. The Group is required to monitor and comply with the applicable AML/CTF, ABC and financial sanctions laws and to implement appropriate policies and procedures to prevent and detect any violations of such laws. Undetected failure of internal controls, or the ineffective remediation of compliance issues could lead to breaches of such laws, resulting in potentially significant monetary and regulatory penalties (criminal or civil), fines, litigation, and restrictions on the Group's ability to access capital markets or conduct its business activities, which, in turn, may adversely impact the Group's reputation, financial performance, and position.

On 29 April 2022, the Company entered into an enforceable undertaking (EU) with the Australian Transaction Reports and Analysis Centre (AUSTRAC) to address AUSTRAC's concerns with the Group's compliance with certain AML/CTF requirements.

The Company has completed the delivery of its required activities under the Remedial Action Plan. On 30 April 2025 the external auditor delivered its final report under the EU. Under the terms of the EU, the EU will end on the date that the AUSTRAC Chief Executive Officer gives the Company written notice as to the cancellation or withdrawal of the EU. Refer to 'Notes to the Consolidated Financial Statements' Note 13 *Commitments and contingent liabilities*, on page 78 in the Half Year Financial Statements, 'Regulatory activity, compliance investigations and associated proceedings – AML and CTF program uplift and compliance issues' for more information.

The Group continues to investigate and remediate a number of known AML/CTF compliance issues and weaknesses. As this work progresses, further compliance issues may be identified and reported to AUSTRAC or equivalent foreign regulators, and additional enhancements of the Group's systems and processes may be required. A negative outcome to any investigation or remediation process may adversely impact the Group's reputation, business operations, financial position, and results.

8.2 The Group may fail to comply with applicable laws and regulations which may expose the Group to increased regulatory intervention, significant compliance and remediation costs, and regulatory enforcement action or litigation, including class actions.

The Group is highly regulated and subject to various regulatory regimes which differ across the jurisdictions in which it operates, trades, and raises funds.

Ensuring compliance with all applicable laws is complex. There is a risk the Group will be unable to implement adequate compliance arrangements including processes and controls required by relevant laws and regulations in a timely manner, or that the Group's compliance arrangements will prove to be inadequate or ineffective in ensuring compliance. There is also a potential risk of misinterpreting or misapplying new or existing laws, regulations or statutory instruments and of being unable to comply with detailed data requests from various regulators, including in respect of data collected from customers or in respect of employees, if data is inaccurate or incomplete.

There is significant cost associated with the systems, processes, controls and personnel required to comply with applicable laws and regulations. Such costs may negatively impact the Group's financial performance and position. Any failure to comply with relevant laws and regulations may have a negative impact on the Group's reputation and financial performance and position and may give rise to class actions, litigation, or regulatory enforcement, which may in turn result in the imposition of civil or criminal penalties, or additional regulatory capital requirements, on the Group.

Potential weaknesses in employment practices, including anti-discrimination, workplace health and safety, payroll compliance and the "right to disconnect" are areas of increasing regulatory scrutiny and reputational risk. In addition, there are also risks associated with the Group's compliance with Australian workplace laws and its obligations to employees under those laws and contractual agreements with its employees. Any instances of non-compliance could result in remediation costs, reputational damage, enforcement or other legal action (including potential federal criminal penalties for "wage theft" introduced under the Fair Work Legislation Amendment (Closing Loopholes) Act 2023 (Cth) that came into effect on 1 January 2025). Employment practices may become subject to heightened public scrutiny, either generally or following a specific adverse event, or because of activism by employees, unions, or special interest groups.

Entities within the Group have been, and may continue to be, involved from time to time in regulatory enforcement and other legal proceedings arising from the conduct of their business. There is inherent uncertainty regarding the possible outcome of any legal or regulatory proceedings involving the Group. It is also possible that further class actions, regulatory investigations, compliance reviews, civil or criminal proceedings, or the imposition of new licence conditions or regulatory capital requirements could arise in relation to known matters or other matters of which the Group is not yet aware. The aggregate potential liability and costs associated with legal proceedings cannot be estimated with any certainty.

A negative outcome to regulatory investigations or litigation involving the Group may impact the Group's reputation, divert management time from operations, and affect the Group's financial performance and position, profitability, and returns to investors. Refer to 'Notes to the Consolidated Financial Statements' Note 13 *Commitments and contingent liabilities* on pages 77-80 in the Half Year Financial Statements, for details in relation to certain current legal and regulatory proceedings, compliance reviews and associated remediation, and other contingent liabilities which may impact the Group.

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8.3 Extensive regulatory change poses a significant risk to the Group.

Globally, the financial services and banking industries are subject to significant and increasing levels of regulatory change, reviews and political scrutiny, including in Australia, NZ and other countries where the Group has, or may establish, offshore operations.

The Group's response to regulatory change may result in significant capital and compliance costs, changes to the Group's corporate structure, and increasing demands on management, employees and information technology systems. This may also impact the competitiveness of the Group in certain areas of its business, the viability of the Group's participation in certain markets or require the divestment of a part of the Group's business. The pace, volume, and complexity of change may also expose the Group to the increased risk of failure to adequately identify or comply with all applicable regulatory changes. Changes to laws and regulations or their interpretation and application can be unpredictable, are beyond the Group's control, and may not be harmonised across the jurisdictions in which the Group operates.

Operationalising large volumes of regulatory change presents ongoing risks for the Group. Examples of key specific reviews and regulatory reforms currently relevant to the Group, and which present a potential material regulatory risk include those set out below:

- In recent years the financial services industry has come under increasing pressure from governments, regulators, media and consumer groups to do more to protect customers from scams. The Australian Government passed legislation on 13 February 2025 that creates a Scams Prevention Framework for entities designated by the Australian Government. The legislation took effect on 20 February 2025 after receiving royal assent. The legislation, and the rules and codes that will be established under the legislation, will establish obligations that the Group must comply with in relation to governance, prevention, detection, response, disruption and reporting of scams. The legislation also establishes the framework for external dispute resolution of scam complaints which will include authority to make binding determinations of liability for scam losses against designated entities. Given the significant losses associated with scams and the potential penalties available to regulators there will be a requirement for additional expenditure by the Group to ensure compliance with the Scams Prevention Framework.
- The Australian Parliament passed a bill to amend the AML/CTF Act on 29 November 2024. Most of the associated changes will come into force on 31 March 2026. The changes include regulation for additional entities within Australia, some of whom will be customers of the Group. A draft version of the accompanying AML/CTF rules has been released for public consultation with a second exposure draft AML/CTF rules under development and subject to a second public consultation shortly.
- The NZ Government has introduced several initiatives designed to increase competition in NZ financial services. These initiatives include the Commerce Commission's final report into competition for personal banking, the current Select Committee inquiry into banking competition and the continued implementation of the CDR, known as 'Open Banking' in the NZ banking sector. In addition to heightened competition risks, these initiatives are also likely to increase compliance costs for banks, including Bank of New Zealand.
- A climate-related disclosures regime under the Financial Markets Conduct Act 2013 in NZ requires mandatory climate-related reporting. Similar requirements also came into effect in Australia on 1 January 2025 under the Corporations Act 2001 (Cth) and the Australian Accounting Standards Board (AASB) Standards. Increasing divergence in sustainability and climate-related disclosure requirements and expectations across jurisdictions may lead to complexity and give rise to risks associated with meeting compliance requirements and stakeholder expectations. The emerging nature of these requirements, and the lack of robust and mature data, particularly in areas like nature and modern slavery-related disclosures, may also contribute to disclosure risks.

The full scope, timeline and impact of current and potential inquiries, reviews and regulatory reforms such as those mentioned above, and how they will be implemented (if at all in some cases), is not known. Depending on the specific nature of the regulatory change requirements and how and when they are implemented or enforced, they may have an adverse impact on the Group's business, operations, structure, compliance costs or capital requirements, and ultimately its competitiveness, reputation, financial performance, or financial position.

8.4 The Group may be exposed to losses if critical accounting judgements and estimates are subsequently found to be incorrect.

Preparation of the Group's financial statements requires management to make estimates and assumptions and to exercise judgement in applying relevant accounting policies, each of which may directly impact the reported amounts of assets, liabilities, income, expenses and the disclosure of contingent liabilities. A higher degree of judgement is required for the recognition and estimates used in the measurement of provisions (including for customer-related remediation and other regulatory matters), the determination of income tax, the valuation of financial assets and liabilities (including fair value and credit impairment of loans and advances), and the valuation of goodwill and intangible assets arising from business acquisitions.

If the judgements, estimates, and assumptions used by the Group in preparing the financial statements are subsequently found to be incorrect, there could be a significant loss to the Group beyond that anticipated or provided for, which may adversely impact the Group's reputation, financial performance, and financial position.

9. Responsibility statement of the persons responsible for the Company in relation to the Company's financial statements

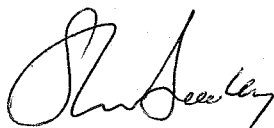
The Group Chief Executive Officer and the Group Chief Financial Officer of the Company confirm that, to the best of their knowledge:

- (a) The Company's reviewed, unaudited consolidated financial statements and the notes thereto for the half year ended 31 March 2025 as contained in the Company's Half Year Financial Statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001* (Cth), Australian Accounting Standards and Australian Accounting Interpretations of the AASB give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group; and
- (b) The Company's Half Year Financial Statements and this Report include:
 - (i) a fair review of the development and performance of the business and position of the Group; and
 - (ii) a description of the principal risks and uncertainties faced by the Group.

Dated this 7th day of May 2025:



Andrew Irvine
Group Chief Executive Officer



Shaun Dooley
Group Chief Financial Officer