

Independent Limited Assurance Statement to the Management and Directors of National Australia Bank Limited ('NAB')

Our Conclusion

Ernst & Young ('EY', 'we') was engaged by NAB to undertake limited assurance as defined by Australian Auditing Standards, here after referred to as a 'review', over 16 performance targets and results ('Performance Results') reported in NAB's 2019 RAP Scorecard ('Scorecard') for the year ended 30 September 2019. Based on our review, nothing has come to our attention that causes us to believe that the Performance Results have not been prepared and presented, in all material respects, in accordance with the Criteria defined below.

What our review covered

We reviewed 16 performance targets and results for the year ending 30 September 2019, which NAB has included in its 2019 RAP Scorecard. The details of the 16 performance targets and results are provided in Appendix A and can be found at <https://www.nab.com.au/about-us/corporate-responsibility/community/indigenous-australian-support>.

Criteria

In preparing the selected Performance Results, NAB has applied Criteria as publicly reported throughout the Scorecard.

Key Responsibilities

EY's responsibility and independence

Our responsibility was to express a limited assurance conclusion over the Performance Results as presented in the Scorecard.

We were also responsible for maintaining our independence and confirm that we have met the requirements of the APES 110 Code of Ethics for Professional Accountants including independence, and have the required competencies and experience to conduct this assurance engagement.

NAB's responsibility

NAB's management was responsible for selecting the Criteria, and preparing and fairly presenting the Performance Results in accordance with that Criteria. This responsibility includes establishing and maintaining internal controls, adequate records and making estimates that are reasonable in the circumstances.

Our approach to conducting the review

We conducted this review in accordance with the Auditing and Assurance Standards Board *Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ('ASAE 3000') and in accordance with the terms of reference for this engagement as agreed with NAB on 21 May 2019.

Summary of review procedures performed

Our assurance procedures included, but were not limited to:

- ▶ Gaining an understanding of NAB's business and approach to Reconciliation
- ▶ Conducting interviews with key personnel and collating evidence to understand NAB's process for reporting the Performance Results
- ▶ Checking that Criteria as per the Scorecard have been correctly applied when determining Performance Results
- ▶ Checking clerical accuracy of input data utilised to determine Performance Results
- ▶ Undertaking analytical procedures to support reasonableness of Performance Results
- ▶ Performing recalculations of Performance Results using input data and, on a sample basis, testing underlying source information to support accuracy of Performance Results
- ▶ Reviewing the accuracy and balance of statements within the Scorecard associated with the assured Performance Results.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Limited Assurance

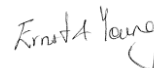
Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Use of our Assurance Statement

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of NAB, or for any purpose other than that for which it was prepared.

Our review included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement.



Ernst & Young
Melbourne, Australia
05 December 2019



Terence Jeyaretnam FIEAust EngExec
Partner

Appendix A:

Listing of assured performance targets and results:

#	Performance metric	Performance Indicator
1	Continue being the leading provider of microfinance services and products to Indigenous Australians, and increase the number of microfinance loans accessed	Provide 19,000 microfinance loans to Aboriginal and Torres Strait Islander customers (6,100 in 2019)
2	Support financial resilience and self-determination of organisations and communities	10 projects supported annually through the Indigenous Money Network
3	Commit to diversification of NAB supply chain and grow procurement opportunities with Indigenous business	Achieve \$2.6 million spend with Indigenous businesses (\$600,000 in 2019)
4	Support infrastructure for the Indigenous business sector	Review the benefits of diverse procurement at annual sessions with Supply Nation representatives and NAB procurement teams
5	Provide market leading financial opportunities for Indigenous businesses and organisations	Conduct internal research to identify gaps and barriers to support and access to financing for Indigenous business
6	Strengthen employment pathways and career development for Aboriginal and Torres Strait Islander employees so that employment representation continues to increase. Our long-term aspiration is that we achieve Indigenous employment parity, and aim for 2% by 2022	Implement an Aboriginal and Torres Strait Islander roadmap that outlines how we will attract, retain, and develop our Aboriginal and Torres Strait Islander employees.
7		Maintain a minimum 1% employment of Indigenous employees across the NAB Australian employee base (aim 2% by 2022)
8		Maintain engagement scores amongst Indigenous employees that are at least equivalent to the NAB engagement score in Australia
9	Support a range of employment options for Aboriginal and Torres Strait Islander employees across the NAB business	Provide 20 internships annually to Indigenous Australians currently completing tertiary study
10		Offer 70 flexible traineeships annually across both school based and adult trainees
11		Achieve an 80% completion rate of trainees on programs

#	Indicator	Scope
12	Invest in Aboriginal and Torres Strait Islander organisations and communities through our people	75 volunteer days contributed by our employees to supporting Indigenous initiatives and organisations (in addition to Jawun secondments) (approximately 25 days in 2019)
13		45 NAB secondees complete projects with Indigenous organisations through Jawun in the Kimberley and Western Sydney (15 secondees in 2019)
14	Celebrate NAIDOC and National Reconciliation Week (NRW) and provide opportunities for Aboriginal and Torres Strait Islander staff to engage with culture and community during NAIDOC and NRW	40 NRW events held and registered with Reconciliation Australia, and retail branches supported to participate
15	Improve cultural awareness of all NAB staff with a series of training and development offerings	Implement mandatory completion of Indigenous cultural e-learn for customer-facing roles in the Australian business
16		320 NAB and/or partner employees complete face to face culture awareness training (100 in 2019)