



Target Market Determination

Commodity Swap

Determination Criteria	Description
Start date	29/08/2025
First and ongoing review period	The first review, and each ongoing review, must be completed within each consecutive 12 month period from the Start Date.
Product	Commodity Swap A commodity swap is an agreement that fixes the price received or payable for an agreed quantity of a commodity, on the maturity date.

Target Market

Target market & product attributes	Consumer needs and objectives	Product attributes
	<p>A customer that is a producer of a commodity seeking to manage the risk of a price falling.</p>	<p>For a producer of a commodity:</p> <ul style="list-style-type: none">On the maturity date, a cash settlement amount is payable to the customer if the fixed swap price is greater than the commodity reference price.On the maturity date a cash settlement amount is payable by the customer to NAB if the fixed swap price is less than the commodity reference price.On the maturity date, no amount is payable by the customer or NAB if the fixed swap price is equal to the commodity reference price parties.
	<p>A customer that is a consumer of a commodity and the intention is to manage the risk of a price increase.</p>	<p>For a consumer of a commodity:</p> <ul style="list-style-type: none">On the maturity date, a cash settlement amount is payable by NAB to the customer if the fixed swap price is less than the commodity reference price.On the maturity date, a cash settlement amount is payable by the customer to NAB if the fixed swap price is greater than the commodity reference price.On the maturity date, no amount is payable by the customer or NAB if the fixed swap price is equal to the commodity reference price. parties.

	Consumer financial situation	Product attributes
	A customer that will have the ability to settle the transaction on the maturity date.	This commodity swap transaction requires the settlement of the transaction on the maturity date.
Negative target market statement	Not suitable for a customer that intends to use commodity swap transactions for speculative purposes.	
Appropriateness statement	NAB has considered that the product including its key attributes is appropriate for the target market including the likely objectives, financial situation and needs of customers in the target market.	

Distribution Conditions

Authorisation This condition applies to all conduct	Condition 1 <p>A NAB commodity specialist must:</p> <ul style="list-style-type: none"> • hold the relevant accreditation to distribute the product • use only approved recorded channels to distribute the product for traceability, auditing, record-keeping and access control purposes • provide all relevant disclosures and information while reviewing and negotiating but before concluding a customer transaction, thereby allowing the customer to make an informed decision as to whether to transact or not, as evidenced through the Markets customer relationship management system • perform a check on any customer prior to dealing to determine whether or not there are any additional reporting/jurisdictional requirements due to that customer • ensure the customer has a suitable credit limit established with NAB. <p>This condition is appropriate as it ensures a NAB commodity specialist is appropriately authorised to provide the financial product and will comply with the conduct, disclosure, "know-your-customer" and other checks.</p>
General advice including Marketing This condition applies to general advice (including most marketing)	Condition 2 <p>A NAB commodity specialist must only provide general advice (such as marketing) if:</p> <ul style="list-style-type: none"> • a Target Market Determination (TMD) has been made and published for the product and has not been withdrawn • NAB complies with the terms of the TMD for the product • the general advice is consistent with the customer needs, objectives and financial situation defined in the target market for the product; • ASIC has not issued a Product Intervention Power restricting the publication of general advice for the product by NAB. <p>NAB may provide general advice (such as marketing) as to the product through limited public channels such as:</p> <ul style="list-style-type: none"> • advertising available on specialist periodicals related to commodity markets, specialist brochures and other marketing material available to the general public online and in NAB Retail Outlets as part of specific business service offerings • in customer communications through a NAB commodity specialist. <p>This condition is appropriate as the target market is relatively narrow as the product is specialised.</p> <p>It is intended that these channels may be available to customers who may not at that time require this kind of product, for example because they are not presently involved in any transaction that requires commodity-based risks to be managed. This is because the issue of the product is subject to Distribution Conditions 1, 3, and 4 which will ensure that the product is only issued to customers for whom it will be appropriate.</p>

<p>Retail product distribution conduct (other than General Advice)</p> <p>These conditions apply to all retail product distribution conduct that is not general advice</p>	<p>Condition 3</p> <p>NAB must only engage in retail product distribution conduct (other than general advice) if:</p> <ul style="list-style-type: none"> • a TMD has been made and published for the product and has not been withdrawn • the NAB commodity specialist complies with the terms of the TMD for the product • ASIC has not issued a Product Intervention Power restricting the distribution of the product for NAB; and • NAB complied with Condition 4. <p>NAB must only engage in retail product distribution conduct through:</p> <ul style="list-style-type: none"> • a NAB commodity specialist. <p>This condition is appropriate as the target market for issue of this product is narrow, limited to those that understand commodity products. It is also appropriate as NAB has distributed this product using these methods, with considered risk to customers.</p> <p>Condition 4</p> <p>A NAB commodity specialist must only engage in retail product distribution conduct (limited to dealing in the product)) where:</p> <ul style="list-style-type: none"> • the distribution of the product is consistent with the needs, objectives and financial situation • (defined in the target market for the product) are appropriate for the customer • the customer requires the product to manage an existing or contemplated commodity exposure, or has received appropriate financial advice; and • the customer will not use the product wholly or partly for any form of speculation. <p>This condition is appropriate as it requires NAB to confirm that the customer is in the target market.</p>
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Review Triggers

<p>Review triggers</p>	<p>NAB must cease all retail product distribution conduct (except excluded conduct) in respect of this product within 10 business days of NAB identifying a review trigger unless:</p> <ul style="list-style-type: none"> • NAB has determined that this TMD continues to be appropriate; or • a new TMD has been made. <p>The events and circumstances described below will trigger a review of this TMD if NAB determines it may relate to the appropriateness of the TMD having regard to NAB's internal policies.</p> <p>NAB will publish notice of a review on its website.</p>	
	<p>Material complaints</p>	<p>NAB actively monitors customer complaints and will review the appropriateness of the TMD where complaints in number or significance relate to customer understanding of risks, key terms, conditions or features of this product.</p>
	<p>Product performance</p>	<p>NAB actively monitors product performance indicators relevant to the product and will review the appropriateness of the TMD in circumstances where:</p> <ul style="list-style-type: none"> • evidence shows that customer usage is significantly different from NAB's original expectations (e.g. a different product purpose) • evidence shows that the product is no longer meeting the financial situation, needs and objectives of the target market for whom the product was designed evidence shows substantial sales outside of the Target Market.

	Feedback from distributors	Not distributed by third parties outside of NAB.
	Substantial product change	NAB makes a substantial change to the product terms, conditions or key product attributes including: <ul style="list-style-type: none"> • adding to, removing or changing a product attribute • a substantial pricing change which impacts the customer value proposition of the product • significant changes to a distribution channel and distribution strategy.
	Significant change to the external environment	<ul style="list-style-type: none"> • Regulatory or legislative environment for this product. • Economic and market conditions.
	Notification from ASIC	NAB receives a notification from ASIC requiring immediate cessation of product distribution or particular conduct in relation to the product.
	Significant dealings	Evidence that the distribution of the product or distributor conduct are significantly different to the expectations set out in the TMD.

Reporting

Reporting period	The Reporting Period for this determination is quarterly during each calendar year: <ul style="list-style-type: none"> • First reporting period ending on 31 March. • Second reporting period ending on 30 June. • Third reporting period ending on 30 September. • Fourth reporting period ending on 31 December. 	
Reporting information	NAB Commodity specialists that are authorised to distribute the products must provide the following information in writing as soon as practicable or within 10 business days after the reporting period unless otherwise specified.	
	Complaint information	Complaints related to the risks, key terms, conditions or key attributes of this product including: <ul style="list-style-type: none"> • the number of complaints • the nature and circumstances of the complaints • whether or not there has been or is likely to be customer harm or detriment, and if so, the nature of the harm or detriment.
	Feedback from distributors	Not distributed by third parties outside of NAB.
	Significant dealings	If NAB becomes aware of a significant dealing in the product or an issue with the NAB Commodity specialist's conduct that is not consistent with the TMD, NAB must notify the regulator in writing as soon as practicable, and in any event within 10 business days after becoming aware.