



**national  
australia  
bank**

# **NATIONAL AUSTRALIA BANK LIMITED**

## **GROUP SECURITIES TRADING POLICY**

# 1. OVERVIEW

## 1.1 Purpose and Scope

- 1.1.1 This document sets out NAB's policy regarding NAB People engaging in:
  - (a) trading in Group Securities; or
  - (b) insider trading.
- 1.1.2 The objective of this Policy is to ensure that NAB and its representatives not only comply with the law, but are beyond reproach in their dealings in the Securities and Inside Information of the Group and other entities with which NAB deals. The requirements of this Policy are separate from, and may apply in addition to, the laws and regulations in relation to insider trading. Each jurisdiction in which the Group operates may have specific legal requirements. For the avoidance of doubt, NAB People must always comply with all jurisdictional legal requirements when Trading or Procuring a Trade in Group Securities and other Securities covered by this Policy, and if particular jurisdictional requirements or contractual obligations impose a higher standard than is described in this Policy, NAB People must comply with the higher standard. Appropriately dealing in Securities and Inside Information in accordance with this Policy builds trust and confidence with customers and the broader community.
- 1.1.3 Every NAB Person has an individual responsibility to ensure that they comply with the law relating to insider trading and this Policy. This Policy applies to each NAB Person in both their personal capacity (i.e. when they are acting for themselves) and in their capacity as a NAB Person (i.e. when they are acting for or on behalf of a Group entity). This Policy also extends (in certain respects) to the Immediate Family Members of NAB People, and to companies, trusts and entities controlled by them. NAB People must take all reasonable steps to ensure that those people, companies, trusts and entities comply with this Policy.
- 1.1.4 NAB expects all NAB People to understand and comply with the law relating to insider trading. Insider trading is prohibited by the law and this Policy.
- 1.1.5 NAB and NAB People must be beyond reproach when dealing in the Securities and Inside Information of the Group and other entities with which NAB has business interactions. They must be open and honest when notifying NAB of relevant transactions and must show prudence when dealing with Inside Information.
- 1.1.6 If there is an inconsistency between regional legislative requirements and this Policy, the regional requirements will take precedence unless the Policy places a higher requirement. In this case, the Policy will apply unless it results in a breach of local legislation.
- 1.1.7 Unless otherwise indicated, all defined terms used in this Policy have the meaning given in the Glossary.

## 1.2 Roles and Responsibilities

Function	Roles & Internal Allocation of Responsibilities
Policy Owner	<p>Communicate the requirements of this Policy, and any changes, to all NAB People</p> <p>Implement controls to enable compliance with this Policy. Monitor and review compliance</p> <p>Ensure this Policy meets regulatory requirements across applicable jurisdictions</p> <p>Review and update this Policy as required</p> <p>Analyse events to identify trends and systemic risks</p>
Business Units and Enabling Units	<p>Ensure all NAB People within their Business Unit or Enabling Unit (as applicable) are made aware of this Policy</p> <p>Implement this Policy into, and monitor compliance within, their Business Unit or Enabling Unit (as applicable)</p> <p>Deliver appropriate training, education and communication</p> <p>Report and escalate any breaches or matters requiring disclosure. Follow up and monitor progress of corrective actions and regulatory reporting obligations</p>
NAB People	<p>Responsible for complying with this Policy.</p> <p>Responsible for their trading decisions. The fact that an individual NAB Person has complied with the Policy (including, for example, by submitting and having a Compliance Certificate accepted by NAB in accordance with the Policy or having an exemption from this Policy approved by NAB) does not impose any responsibility on NAB for the decisions of the NAB Person.</p>

## 1.3 Related Documents

Guidance on the application of this Policy is set out in the Group Securities Trading Policy Guidance Note. Further guidance can also be obtained from Corporate Advisory Legal, the Group Executive, Customer & Corporate Services or the Group Company Secretary.

[Group Securities Trading Policy Guidance Note](#)

[Securities Trading Compliance Certificate – Director](#)

[Securities Trading Compliance Certificate – Designated NAB Employee](#)

[Group Disclosure & External Communications Policy](#)

[Group Disclosure & External Communications Policy Guidance Notes](#)

[Code of Conduct](#)

## Conflicts Framework

- Conflicts of Interest Policy
- Transactional Conflicts (SOP)
- Information Barriers Policy
- Personal Conflicts of Interest Policy
- Personal Account Dealing Policy
- Gifts & Entertainment Policy
- Related Party Transaction Policy (Singapore Branch)
- Capital Markets Allocation Policy

# 2. POLICY REQUIREMENTS

## 2.1 Prohibition Against Insider Trading

### *General Prohibition*

2.1.1 A NAB Person who possesses Inside Information in relation to the Securities of the Group or any other entity must not do any of the following things:

- apply for, acquire or dispose of those Securities or agree to do so, either on their own behalf or on behalf of someone else (**Trade**);
- procure, encourage, incite or induce any other person to Trade (**Procure a Trade**); or
- directly or indirectly communicate the Inside Information, or cause the Inside Information to be communicated, to any other person who would be likely to Trade or Procure a Trade.

2.1.2 Doing these things is not only a breach of this Policy, but also a breach of the prohibition against insider trading in the Corporations Act 2001 (Cth) (**Corporations Act**).

### *Relevant Definitions*

2.1.3 **Inside Information** is information that is:

- not Generally Available; and
- if it were Generally Available, a reasonable person would expect it to have a Material Effect on the price or value of the relevant Securities.

2.1.4 Information is **Generally Available** if:

- it consists of readily observable matter;
- it has been made known in a manner likely to bring the information to the attention of people who commonly invest in Securities of a kind whose price or value might be affected by the information, and, since it was made known, a reasonable period for it to be disseminated among such persons has elapsed

(for example where the information has been brought to the attention of investors by an ASX announcement and a period of at least 24 hours has elapsed since that announcement);

- it is derived from information which has been made public; or
- it consists of observations, deductions, conclusions or inferences made or drawn from other Generally Available information.

2.1.5 A reasonable person would expect information to have a **Material Effect** on the price or value of the relevant Securities if the information would, or would be likely to, influence persons who commonly acquire Securities in deciding whether or not to acquire or dispose of Securities.

Examples of information that might have a Material Effect on price or value include information relating to:

- financial performance (including the reaching or failure to reach consensus or stated forecast earnings targets);
- a major acquisition or sale of assets;
- an actual or proposed takeover or merger;
- an actual or proposed change to capital structure;
- entering into or terminating a material contract; or
- a material claim or other unexpected liability.

More examples of what information might be price sensitive, and therefore Inside Information, are provided in the Group Disclosure & External Communications Policy Guidance Notes.

#### *Trading in Securities of Other Entities*

2.1.6 The prohibited conduct under the Corporations Act includes Trading not only in Securities of the Group but also the Securities of other entities (including NAB's customers, contractors, suppliers or business partners) with whom the Group may be dealing, where a NAB Person possesses Inside Information in relation to that entity.

Some examples of where a NAB Person may have Inside Information about a non-Group entity include:

- where another company with whom the Group is dealing provides Inside Information about itself or a third party to a NAB Person; or
- where a NAB Person has information concerning the Group or actions which may be taken by the Group (for example, a planned transaction, strategic change or new supplier arrangement) which could have a Material Effect on the price or value of Securities of a third party company.

2.1.7 A NAB Person must not Trade in Securities of an entity whilst in possession of Inside Information in respect of those Securities.

Even if a NAB Person does not possess Inside Information relating to the Securities of a non-Group entity, in certain circumstances, the NAB Person may still need to obtain prior approval. Pre-approval requirements will depend upon whether the NAB Person is considered a “Prescribed Employee” pursuant to the [Personal Account Dealing Policy](#).

## 2.2 **Prohibition Against Short-term or Speculative Trading**

2.2.1 A NAB Person must not deal in Group Securities for short-term gain.

2.2.2 Speculating in short-term fluctuations in Group Securities does not promote shareholder and market confidence in the integrity of NAB or NAB People. For this reason:

- a NAB Person must not enter into any arrangements for short selling or stock lending in relation to Group Securities; and
- any acquisition of Group Securities by a NAB Person triggers a 30 day period where that type of Group Securities must not be sold.

2.2.3 The prohibition in this section 2.2 does not restrict the vesting or exercise of NAB performance rights, and the sale of underlying Group Securities to which the NAB Person has become entitled within the 30 day period. This also does not restrict the sale of Group Securities following expiry of the 30 day restriction period. However, it does restrict the sale of the Group Securities during a 30 day period after Group Securities have been purchased.

## 2.3 **Prohibition against Trading During Black-out Periods**

2.3.1 In addition to the general prohibition against insider trading set out in section 2.1, there are certain times during the year that, given proximity to the release of the Group’s financial results, no Director or Designated NAB Employee should Trade in Group Securities.

*Black-out Period for all Directors and Designated NAB Employees*

2.3.2 The bi-annual Black-out Periods are:

- from 12.01a.m. AEDT on March 16 to 10.00a.m AEST on the ASX trading day after the day on which NAB's half-year results are released to the ASX; and
- from 12.01a.m. AEST on September 16 to 10.00a.m AEDT on the ASX trading day after the day on which NAB's full-year results are released.

2.3.3 All Directors and Designated NAB Employees, their Immediate Family Members, and companies, trusts and entities controlled by the Directors and Designated NAB Employees and their Immediate Family Members, must not Trade in Group Securities during these Black-out Periods.

2.3.4 The individual Director and Designated NAB Employee must ensure applicable requirements of this Policy are complied with by their Immediate Family Members and associated entities.

2.3.5 In addition, NAB may impose ad hoc restrictions on the Trading of Group Securities from time to time when there is a heightened risk of NAB People having Inside Information (for example, as a result of a planned transaction, strategic change or new supplier

arrangement). Any such ad hoc restrictions could be imposed on all NAB People or individually identified employees, depending on the nature of the matter.

*Effect on share and performance rights plans*

2.3.6 The Black-out Periods do not restrict participation in Group share and performance rights plans but do apply in respect of any subsequent Trading in Group Securities to which Directors and Designated NAB Employees become entitled under those plans.

2.3.7 Performance rights must only be exercised outside the Black-out Periods.

**2.4 Compliance Certificates**

*When a Compliance Certificate is Required*

2.4.1 Directors and Designated NAB Employees must complete a Compliance Certificate before they:

- Trade in Group Securities;
- elect to participate in, or vary or withdraw their participation in, the Dividend Reinvestment Plan or NAB's Share Purchase Plans (see further details in section 2.4.4); or
- enter into Derivative transactions involving Group Securities (see further details in section 2.5).

2.4.2 Directors and Designated NAB Employees must also submit a Compliance Certificate if they are aware that an Immediate Family Member, or a company, trust or entity controlled by the Director or the Designated NAB Employee or their Immediate Family Member, proposes to Trade in Group Securities. They must take all reasonable steps to prevent the Trade occurring unless the Compliance Certificate has been acknowledged by NAB.

2.4.3 For the avoidance of doubt, NAB People are not required to complete Compliance Certificates for non-Group Securities. However, as referred to in section 2.1.7, in certain circumstances NAB People may still require pre-approval under the Personal Account Dealing Policy in order to Trade, or Procure a Trade, in non-Group Securities.

*Directors' Elections*

2.4.4 Directors must give a standing election with respect to the extent, if any, of their participation in NAB's Share Purchase Plans and Dividend Reinvestment Plans. The election must only be given while a Director does not possess any NAB Inside Information. Directors must not vary any such election while in possession of NAB Inside Information.

*How to Submit a Compliance Certificate*

2.4.5 The form of Compliance Certificate is available from the Forms Catalogue & Group Policy Central pages on NAB's intranet, from Computershare or from Group Governance. The

Compliance Certificate is a confirmation from that person that he or she does not possess any Inside Information.

2.4.6 All Compliance Certificates should be submitted to the following individuals:

Person Trading	Submit Compliance Certificate to:
Designated NAB Employee	Direct manager for acknowledgement, then the Group Company Secretary or delegate
Director (including the Group Chief Executive Officer)	Chair for acknowledgement, then the Group Company Secretary or delegate
Chair	Group Company Secretary or delegate

2.4.7 Acknowledgment of the Compliance Certificate by NAB is intended as a compliance monitoring function only, and is not an endorsement of the proposed transaction. Individuals remain responsible for their own investment decisions and their compliance with the law. If required, Designated NAB Employees who have not received an acknowledgement of their Compliance Certificate are solely responsible for following up with their direct manager for acknowledgment (or appropriately escalating the matter to the Group Company Secretary).

#### *Time Limit for Trading*

2.4.8 If a Trade is to occur, the Trade must occur within 5 business days of NAB's acknowledgement of the Compliance Certificate.

#### *Exemptions*

2.4.9 The Group Executive, Customer & Corporate Services or delegate may grant an exemption to the requirement to submit a Compliance Certificate in appropriate circumstances, including where a NAB Person wishes to acquire Group Securities under a pro-rata issue. Any exemption granted under this section will not affect the application of the remainder of this Policy to the relevant NAB Person or Trade, or the NAB Person's individual responsibility to comply with the law.

#### *Related notification obligations*

2.4.10 In addition to the compliance certification requirement set out above, Directors and NAB have an obligation at law to notify the market of any Trading in relation to their Notifiable Interests in NAB. To enable NAB, as agent for the Director, to notify the ASX (in accordance with ASX Listing Rule 3.19A) and other relevant exchanges, Directors must notify the Group Company Secretary immediately (and in any event not more than 1 business day after a Trade occurs) of sufficient details of any Trading in relation to their Notifiable Interests in NAB (e.g. upon the Director entering into an agreement to acquire Group Securities).

2.4.11 Executive Leadership Team members and directors and executives of certain Group subsidiaries may also have notification requirements in other jurisdictions for Trading

involving Group Securities. Details of any such requirements will be communicated to the relevant individuals.

## 2.5 **Derivatives and Hedging**

### *Prohibition Against Derivatives Over Unvested Group Securities*

- 2.5.1 Group share and performance rights are granted to certain NAB People as part of their remuneration. These grants are subject to the satisfaction of various time and performance hurdles, and are subject to other forfeiture or lapse conditions, to ensure alignment of employee rewards with Group objectives and performance.
- 2.5.2 The use of Derivatives over Unvested Group Securities could distort the proper functioning of these hurdles and reduce the intended alignment between management and shareholder interests.
- 2.5.3 Members of Key Management Personnel must not enter into Hedging Arrangements in relation to unvested elements of their remuneration as it is unlawful.
- 2.5.4 Accordingly, all NAB People (and in relation to Key Management Personnel, their Closely Related Parties) are prohibited from using Derivatives or otherwise entering into Hedging Arrangements in relation to any Unvested Group Securities.

### *Use of Derivatives Over Vested Group Securities*

- 2.5.5 For the purposes of this Policy, Group Securities are considered vested once the NAB-imposed time and performance hurdles have been satisfied, and the Group Securities are no longer subject to lapse or forfeiture conditions, irrespective of whether a NAB Person has opted for a longer period of restriction in addition to the NAB-imposed time and/or performance hurdles.
- 2.5.6 If Group Securities granted under an employee plan vest (as described above), then the appropriate use of Derivatives can encourage longer term holding of Group Securities by NAB People. Accordingly, once Group Securities have vested (as described above), Derivatives may be used by NAB People in relation to those vested securities in the following circumstances:
  - to protect the value of an asset supporting a loan taken out for the exercise price of options granted by NAB;
  - to protect the value of the Group Security where the employee has paid or is required to pay a tax liability at the tax cessation time; or
  - on a case-by-case basis with approval from either the Chair in relation to Directors, the Group Company Secretary in relation to the Chair or the Group Chief Executive Officer or delegate in relation to Executive Leadership Team members and all other NAB People.
- 2.5.7 Further, any use of Derivatives over vested Group Securities by NAB People must meet each of the following criteria:
  - the Derivative must have a maturity date that falls within the eight-week period that immediately follows the date on which either NAB's half-year or full-year financial results are released to the ASX; and
  - neither NAB nor any member of the Group can be a counterparty to the Derivative.

2.5.8 The use of Derivatives over vested Group Securities by Directors and Designated NAB Employees, like any other Trading in Group Securities, must comply with the law and with the Compliance Certificate process described in section 2.4 above.

*Disclosure*

2.5.9 NAB will publicly disclose all Derivative positions over Group Securities taken out by a Director or by Key Management Personnel of the Group. Disclosure must be made within any relevant prescribed period after the time of the Director or Key Management Personnel entering the transaction, and in NAB's Annual Financial Report following the transaction.

2.5.10 These disclosures must be made irrespective of whether or not the particular form of Derivative technically falls within the disclosure requirements of the ASX Listing Rules or the Corporations Act.

**2.6 Prohibition against Margin Loans**

2.6.1 Directors and Designated NAB Employees must not enter into a Margin Loan or agree to provide Group Securities as security for an existing margin loan or similar financing arrangement.

### 3. POLICY EXEMPTIONS

3.1 In Exceptional Circumstances, and subject always to compliance with the law, written exemptions from the operation of this Policy may be granted.

3.2 The Board delegates the approval of exemptions under section 3.1 to the following:

- Chair of the Board of Directors of NAB;
- Group CEO or delegate;
- Group CFO or delegate;
- Group Executive, Customer & Corporate Services or delegate; or
- Group Company Secretary or delegate.

3.3 Exemption requests must be submitted to one of the delegates listed above and will be granted at their discretion. Refer to the Exemptions Procedure Guide for further detail.

3.4 An exemption from the operation of this Policy granted in respect of:

- NAB Persons, is valid for 5 business days from the date it is given and is subject to both the NAB Person complying with section 2.4 of this Policy (i.e. the obligation to submit a Compliance Certificate) and the NAB Person's individual responsibility to comply with the law; and
- a business unit which is unable to comply with the mandatory requirements of this Policy and when immediate action cannot be taken to achieve compliance, is valid for a defined period no greater than 12 months.

An exemption must be in writing and may be given via email.

## 4. POLICY EXCEPTIONS

- 4.1 Exceptions are not permitted under this Policy.

## 5. POLICY BREACHES

- 5.1 A breach of the law relating to insider trading can have serious consequences, including individual criminal and civil liability. A breach of this Policy will be treated by NAB as serious misconduct, and may lead to disciplinary action, including termination of employment with NAB.
- 5.2 Breaches of this Policy (i.e. non-compliance that is not managed via the formal exemption process) must be managed in accordance with the Colleague Conduct Framework (including the Misconduct Procedure or any superseding policy or framework) and recorded per the Risk Management Practice Framework Guidance or regional equivalents.
- 5.3 All Policy breaches must be communicated immediately to divisional / regional Group Chief Risk Officer Teams. Any material or systemic breach of this Policy must be communicated to the policy owner and appropriate remediation measures agreed and implemented.

## 6. POLICY CHANGES

### 6.1 **Administrative Changes**

- 6.1.1 Administrative changes to this Policy may be approved by the Policy Owner (or if applicable their nominated delegate).

### 6.2 **Other Changes**

- 6.2.1 All other changes to this Policy must be submitted by Policy Owner/Manager and approved by the Approval Authority.

## 7. GLOSSARY

Term	Definition
AEDT	Australian Eastern Daylight Time.
AEST	Australian Eastern Standard Time.
ASX	Australian Securities Exchange.
Black-out Period	Has the meaning given in section 2.3.
BNZ	Bank of New Zealand.
Business Unit or Enabling Unit	For the purposes of this Policy, Business Unit or Enabling Unit incorporates all of the various naming conventions in place across the Group.
Closely Related Party	Has the meaning given in section 9 of the Corporations Act.
Corporations Act	Corporations Act 2001 (Cth).
Derivatives	Has the meaning given in s761D of the Corporations Act and includes options, forward contracts, futures, warrants, swaps, caps and collars.
Designated NAB Employees	<p>The Designated NAB Employees are:</p> <ul style="list-style-type: none"><li>• Office of the Group Chief Executive Officer;</li><li>• Members of the Executive Leadership Team and their direct reports;</li><li>• Directors of BNZ;</li><li>• Members of the executive leadership team of BNZ;</li><li>• Company Secretaries/General Counsels of NAB and BNZ;</li><li>• Executive Internal Audit and direct reports;</li><li>• Members of the Disclosure Committee;</li><li>• all NAB People employed or engaged in capital, funding or balance sheet management within Group Treasury;</li><li>• all NAB People employed or engaged in the following business units:<ul style="list-style-type: none"><li>◦ Group Investor Relations</li><li>◦ Corporate Affairs (external communications only)</li><li>◦ Group Development</li><li>◦ Corporate Advisory Legal</li><li>◦ Capital &amp; Funding Legal</li><li>◦ Group Governance</li></ul></li><li>• NAB People employed or engaged in Group Finance, Group Strategy, Risk and Enterprise Data &amp; Analytics who are likely to have access to material price-sensitive information and who are notified of such designation by the Group Company Secretary; and</li><li>• any other NAB Person or NAB People designated by the Group Company Secretary in writing from time to time for the purposes of this Policy. Where additional NAB people are designated as Designated NAB Employees, they will be notified by the Group Company Secretary.</li></ul>
Director	A director of NAB.
Divisions	All references to Division relate to Divisions, Divisional Areas, Business Line, Region or Legal Entity (NAB, or BNZ) unless otherwise stated.
Exceptional Circumstances	<ul style="list-style-type: none"><li>(a) severe financial hardship such as a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant Securities; or</li><li>(b) a court order, court enforceable undertaking, or other legal or regulatory requirement requiring a sale of Securities.</li></ul>

Executive Leadership Team	The senior executives of NAB who report directly to the Group Chief Executive Officer.
Generally Available	Has the meaning given in section 2.1.4.
Group	NAB and its controlled entities.
Group Security	Any Security issued by a member of the Group, including NAB ordinary shares, subordinated notes, convertible preference shares and capital notes.
Hedging Arrangement	An arrangement that would have the effect of limiting exposure to risk and includes, but is not limited to, arrangements referred to in Corporations Regulation 2D.7.01(1). Arrangements referred to in Corporations Regulation 2D.7.01(2) are excluded.
Immediate Family Member	In relation to a NAB Person means: <ul style="list-style-type: none"> <li>(a) the NAB Person's spouse/partner;</li> <li>(b) a child under 18 or dependent child of the NAB Person or the NAB Person's spouse/partner;</li> <li>(c) a relative whose main place of residence is the same household as the NAB Person and has been for a period of at least six months; and</li> <li>(d) any other family members of the NAB Person who may be expected to influence, or be influenced by, the NAB Person in his or her dealings with Securities.</li> </ul>
Inside Information	Has the meaning given in section 2.1.3.
Key Management Personnel	Has the meaning given in the applicable Australian Accounting Standards. At the current time, this is interpreted to include Directors and the Executive Leadership Team.
Margin Loan	A loan arrangement whereby NAB Securities are mortgaged, provided as security, lent, or charged to a financier.
Material Effect	Has the meaning given in section 2.1.5.
May	Means the action is discretionary.
Must	Means an action is an absolute requirement and any deviation from this will require a formal policy exemption.
Must not	Means an action is explicitly prohibited and any deviation from this will require a formal policy exemption.
NAB	National Australia Bank Limited.
NAB Person	Each director, officer, employee, secondee and contract-hire of NAB or of a member of the Group and NAB People has a corresponding meaning.
Notifiable Interest	Has the meaning given in rule 19.12 of the ASX Listing Rules (this definition is equivalent to section 205G(1) of the Corporations Act).
Procure a Trade	Has the meaning given in section 2.1.1(b).
Securities	Includes shares, options, rights, debentures, interests in a managed investment scheme, Derivatives and other financial products covered by s1042A of the Corporations Act.
Should	Means that in particular circumstances, valid reasons may exist to deviate from a requirement, but the full implications need to be understood and carefully weighed before choosing such a course of action.
Should not	Means in particular circumstances, valid reasons may exist where the discouraged action is acceptable or even useful, but the full implications should be understood and the case carefully weighed before choosing such a course of action.
Trade	Has the meaning given in section 2.1.1(a).
Unvested Group Securities	Means Group Securities that remain subject to the satisfaction of any time or performance hurdles, and forfeiture or lapse conditions.