



# **PUBLIC DISCLOSURE STATEMENT**


**NATIONAL AUSTRALIA BANK LIMITED**

**ORGANISATION CERTIFICATION**

**FY2022–23**

Australian Government  
**Climate Active  
Public Disclosure Statement**



<b>NAME OF CERTIFIED ENTITY</b>	National Australia Bank Limited
<b>REPORTING PERIOD</b>	1 July 2022 – 30 June 2023 Arrears report
<b>DECLARATION</b>	<p><i>To the best of my knowledge, the information provided in this public disclosure statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.</i></p>  <p>Nathan Goonan Group Chief Financial Officer 26/06/2024</p>



**Australian Government**  
**Department of Climate Change, Energy,  
the Environment and Water**

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Version August 2023.



# 1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	40,480 tCO <sub>2</sub> -e <sup>1</sup>
CARBON OFFSETS USED	69.46% VCU <sub>s</sub> , 30.54% ACCU <sub>s</sub> <sup>2</sup>
RENEWABLE ELECTRICITY	97.54% <sup>3</sup>
CARBON ACCOUNT	Prepared by: NAB Australia Bank Limited
TECHNICAL ASSESSMENT	17/11/2023 for FY2022-23 report Julia Bilyanska, KPMG Australia  Next technical assessment due: FY2025-26 report

## Contents

1. Certification summary.....	3
2. Certification information.....	4
3. Emissions boundary.....	6
4. Emissions reductions.....	8
5. Emissions summary.....	11
6. Carbon offsets.....	13
7. Renewable Energy Certificate (REC) Summary.....	16
Appendix A: Additional Information.....	18
Appendix B: Electricity summary.....	18
Appendix C: Inside emissions boundary.....	21
Appendix D: Outside emissions boundary.....	22

<sup>1</sup> References to years, e.g., "2023" are based on NAB's environmental reporting year (1 July – 30 June), unless otherwise stated. This number reflects NAB's 2023 Australian Climate Active liability. The Group offset a total of 64,776 tCO<sub>2</sub>-e to maintain carbon neutrality across the entirety of the Group's operations for 2023.

<sup>2</sup> This is the percentage breakdown of offsets allocated to neutralise NAB's 2023 Australian Climate Active liability.

<sup>3</sup> This renewable electricity percentage covers electricity consumption for our Australian operations only and, in accordance with Climate Active requirements, includes the Renewable Power Percentage (RPP). This figure differs from the NAB Group's % renewable electricity used to track progress against our RE100 target due to the inclusion of the RPP.

## 2. CERTIFICATION INFORMATION

### Description of certification

National Australia Bank Limited (ABN 12 004 044 937) is certified carbon neutral for its Australian business operations<sup>4</sup>. NAB<sup>5</sup> was the first Australian bank to be certified carbon neutral under the National Carbon Offset Standard (NCOS) Carbon Neutral Program in 2010 and is working to drive further reductions in its emissions.

Unless otherwise indicated, references to greenhouse gas (GHG) emissions in this Public Disclosure Statement ('PDS') are references to NAB's operational GHG emissions.

The Group's climate strategy is designed to maximise the climate transition's economic benefits for customers, NAB and the community, and to help achieve emissions reduction consistent with a maximum temperature rise of 1.5°C above pre-industrial levels by 2100. To achieve this ambition, the Group's climate strategy has five pillars:

- Grow by supporting our customers to decarbonise and to build resilience
- Investing in climate capabilities
- Investing in climate advocacy and partnerships
- Reducing financed emissions
- Reducing operational emissions.

Importantly, while this certification is for NAB's Australian-based operational emissions, the Group is also focused on reducing financed emissions by supporting its customers to decarbonise and build resilience. NAB is working to reduce the emissions attributable to our financing, with the ultimate goal of reducing emissions in the real economy, aligned with pathways to net zero by 2050. In 2021, NAB joined the Net Zero Banking Alliance, an industry-led, UN-convened alliance bringing together a group of leading global banks committed to transitioning their lending and investment portfolios to align with pathways to net zero emissions by 2050. Further information about our financed emissions and sector decarbonisation targets is detailed in the Group's [2023 Climate Report](#).

This PDS provides an overview of NAB's approach to maintaining its Climate Active carbon neutral (organisation) certification and achievements in managing and reducing our carbon emissions<sup>6</sup>. NAB has engaged a Climate Active registered consultant from KPMG Australia to undertake an independent technical assessment of this report in accordance with the rules of the Climate Active Carbon Neutral Standard. The Group's [2023 Climate Report](#) provides further detail on its approach to managing climate-related risks and opportunities, available at <https://www.nab.com.au/about-us/shareholder-centre/financial-disclosures-and-reporting/annual-reporting-suite>.

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<sup>4</sup> Emissions generated internationally are offset annually so that the NAB Group remains carbon neutral across its global operations. NAB's Climate Active certification covers emissions from Australian-based operations only.

<sup>5</sup> For the remainder of this document the word "NAB" refers to the Australian operations of National Australia Bank Limited and its controlled entities.

<sup>6</sup> In this document, the term 'carbon emissions' covers GHG emissions from all relevant Kyoto Protocol gases and some CFCs and HFCs under the Montreal Protocol.

## Organisation description

NAB and its controlled entities (together, the Group) is a financial services organisation that provides a comprehensive and integrated range of banking and financial products and services. The majority of the Group's businesses operate in Australia and New Zealand, with operations in the United Kingdom (UK), the United States (US), Europe and parts of Asia. We have four customer-facing units, including Business and Private Banking, Personal Banking, Corporate and Institutional Banking, and Bank of New Zealand (BNZ). These are supported by enabling units. These are Technology and Enterprise Operations; Digital, Data and Analytics; Finance; Risk; Commercial Services, People and Culture and the Chief Operating Office. ubank operates as a customer-facing unit under the leadership of the Chief Operating Office.

During NAB's 2021 financial year ending 30 September 2021, NAB sold MLC Wealth (MLC) to Insignia Financial Limited (formerly known as IOOF Holdings Limited). At the time of NAB's financial year 2021 Climate Active certification submission, NAB calculated the emissions impact of the sale of MLC and deemed it to be immaterial relative to NAB's total emissions footprint. Given its immateriality, NAB did not restate its 2010 Climate Active emissions baseline.

NAB applies an operational control-based approach to determine its organisational reporting boundary for environmental performance data. This PDS principally reports on emissions management and related activities for the Australian-based operations of the Group as is required by Climate Active.

The operating subsidiaries listed in the Table below, contribute to NAB's operational GHG emissions and are covered by this certification. Other subsidiaries<sup>7</sup> do not have a physical operating presence that employ people and occupy buildings, and therefore they do not contribute to the Group's carbon emissions, so they have not been listed. Subsidiaries that are dormant or in liquidation have not been included as they do not contribute to the Group's carbon emissions. For confidentiality reasons, Group subsidiaries and other related entities, including Trusts are not listed. This information has been shared with Climate Active commercial-in-confidence and reviewed by the Group's Climate Active Technical Assessor.

Legal entity name	ABN	ACN
National Australia Bank Limited	12 004 044 937	004 044 937

<sup>7</sup> Other subsidiaries include special purpose vehicles (SPVs) and Trusts that are formed to perform financial functions but do not have an operating profile (they do not employ people or occupy buildings) that generate carbon emissions.

## 3.EMISSIONS BOUNDARY

### Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

**Quantified emissions** have been assessed as relevant and are included in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however, are **optionally included**.

**Non-quantified emissions** have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. Further detail is available in Appendix C. There are no non-quantified sources in the emission boundary that require a data management plan.

### Outside the emissions boundary

**Excluded emissions** are those that have been assessed as not relevant to an organisation's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim.

The Scope 3 category of "Investments"<sup>8</sup>, which includes financed emissions, is outside NAB's operational emissions boundary and is not included in NAB's carbon neutrality claims. NAB separately reports financed emissions attributable to its lending. To meet NAB's NZBA commitment, NAB is setting targets for the financed emissions attributable to its lending portfolio for 'carbon-intensive' sectors defined by the United Nations Environment Programme Finance Initiative's Guidelines for Climate Target Setting for Banks. Further details about NAB's financed emissions, including the scope of financing activities included in NAB's financed emissions calculations, are available in NAB's 2023 Climate Report available at: <https://nab.com.au/annualreports>.

NAB's Climate Active certification is for its Australian operations only. BNZ and JBWere NZ are both Toitū net carbonzero organisation certified. While emissions associated with NAB's international operations are excluded from its Climate Active certification, NAB does actively seek to avoid and reduce emissions for its international operations, as well as retiring offsets for residual emissions from international operations. For further detail on NAB's approach to carbon neutrality, see page 57 of its 2023 Climate Report, available at <https://nab.com.au/annualreports>.

Further detail about exclusions is available in Appendix D.

<sup>8</sup> As defined in the Climate Active Technical Guidance and Greenhouse Gas Protocol Scope 3 Accounting and Reporting Standard.

## Inside emissions boundary

### Quantified

- Stationary Energy – Diesel
- Stationary Energy – Gas
- Vehicle fleet fuels
- Building-based refrigerant leakage
- Vehicle fleet refrigerant leakage
- Stationary Energy – Electricity
- Stationary Energy – Base Building Gas
- Stationary Energy – Base Building Electricity
- Stationary Energy – Diesel (T&D losses)
- Stationary Energy – Gas (T&D losses)
- Vehicle fuels (T&D losses)
- Stationary Energy – Electricity (T&D losses)
- Stationary Energy – Base Building Gas (T&D losses)
- Stationary Energy – Base Building Electricity (T&D losses)
- Business flights
- Vehicle Personal fuels
- Taxi fuels
- Office paper
- Hotel Stays
- Rental vehicle fuels
- Waste to landfill
- Water
- Working from home
- Postage and freight

### Non-quantified

## Outside emission boundary

### Excluded

- Capital goods
- Upstream transportation and distribution
- Employee commuting
- Downstream transportation and distribution
- Processing of sold products
- Use of sold products
- End-of-life treatment of sold products
- Downstream leased assets
- Franchises

## 4. EMISSIONS REDUCTIONS

### Emissions reduction strategy

NAB has a well-established governance framework to ensure oversight of its environmental performance, including maintenance of its carbon neutrality. This includes detailed review of its environmental performance data at a business unit level, a review by Risk and assurance by an independent assurance service provider. Our Group Credit & Market Risk Committee (GCMRC) provides oversight of Sustainability Risk.

As outlined on NAB's [website](#), the Group defines carbon neutrality as a process involving five steps:

- Defining and measuring the Group's carbon (GHG) inventory,
- Reducing the Group's carbon emissions through energy efficiency and demand management (employee behavioural change) and transitioning to lower emissions energy sources, where practical,
- Avoiding emissions through the purchase of renewable energy (where we choose to use renewable energy to support our strategy of investing in local emissions abatement),
- Offsetting remaining emissions by purchasing quality accredited carbon offsets, and
- Verifying and reporting on the Group's progress by:
  - regularly assessing the Group's carbon neutrality and emissions reduction targets (see Table 1),
  - obtaining annual external verification and assurance of the Group's carbon accounts (inventory and offsets) and carbon neutral position, and
  - reporting regularly to key internal stakeholders and annually to external stakeholders.

The above summarises the Group's operational emissions reduction strategy. In 2023, the Group updated its Scope 1 and 2 (market-based) science-based GHG emissions reduction target to align its ambition to be net zero by 2050 with the best available science and pathway for a 1.5°C warming scenario. The Group's new target is for a 72% reduction in Scope 1 and 2 (market-based) GHG emissions by 2030 from a 2022 baseline.

Table 1 on the following page provides a summary of how the Group is tracking against its new science-based Scope 1 and 2 (market-based) GHG emissions reduction target and its other non-GHG 2025 environmental performance targets.

Further information regarding activities to help meet these targets can be found in the Group's [2023 Climate Report](#) and NAB's [2023 Sustainability Data Pack](#). Reducing carbon emissions and achieving resource efficiency targets are key elements that support the Group's climate strategy.



Indicator	Baseline	Target	Target date	2023 reduction	Status
<b>Emissions reduction target</b>	<b>2022</b>				
Science-based GHG emissions, Scope 1 & 2 market-based (tCO <sub>2</sub> -e) <sup>10</sup>	23,018	▼72%	2030	35%	On track
<b>Resource efficiency targets</b>	<b>2019</b>				
Energy use (GJ)	759,096	▼30%	2025	47%	On track
Office paper (A3, A4 & A5) (tonnes)	514	▼20%	2025	63%	On track
Customer eStatements (proportion online)	64%	▲ to 80%	2025	▲ to 74%	On track
Water use (potable water withdrawal) (kL)	385,005	▼5%	2025	53%	On track
Waste to Landfill (tonnes)	1,871	▼10%	2025	67%	On track
Vehicle Fuels (GJ) (Aus & BNZ only)	120,686	▼50%	2025	37%	Slow progress

## Emissions reduction actions

NAB Group's carbon emissions (net of renewable electricity and carbon neutral products) have increased from 60,829<sup>11</sup> tCO<sub>2</sub>-e in 2022 to 64,566 tCO<sub>2</sub>-e in 2023<sup>12</sup>. The increase in carbon emissions compared with 2022 is largely attributable to:

- increased travel, as business activity resumes after COVID-19 related restrictions have been lifted.
- quantifying and including new items in the Group's carbon inventory.

Australian carbon emissions account for 89% of the Group's gross global emissions<sup>13</sup>. In 2023, the Group has included emissions associated with courier, postage and freight in its Scope 3 emission reporting.

In 2023, the Group voluntarily surrendered 63,284 Large Generation Certificates (LGCs) within Australia. These LGCs, alongside RECs and renewable electricity purchases for overseas operations accounted for 88.33%<sup>14</sup> of the Group's total electricity consumption in 2023. Please refer to page 57 of the [Climate](#)

<sup>10</sup> In 2023, the Group updated its operational science-based Scope 1 and 2 (market-based method) GHG emissions reduction target to align its ambition to be net zero by 2050 with the best available science and pathway for a 1.5°C warming scenario. The Group's new target of 6,366 tCO<sub>2</sub>-e is for a 72% reduction in market-based Scope 1 and 2 emissions by 2030 from a 2022 baseline of 23,018 tCO<sub>2</sub>-e, and includes all direct GHG emissions (Scope 1) and indirect GHG emissions from consumption of purchased electricity (Scope 2) across all GHGs required under the GHG Protocol Corporate Standard. The target has been prepared in accordance with the Sectoral Decarbonisation Approach (SDA) 'Services Buildings' methodology published by the Science Based Target initiative and uses the Science-Based Target Initiative (SBTi) target setting tool, v2.1.2. It aligns with a well-below 1.5°C scenario.

<sup>11</sup> NAB has changed its methodology for calculating market-based emissions to more closely align with the Department of Climate Change, Energy, the Environment and Water (DCCEEW) in its Australian National Greenhouse Accounts Factors August 2023 manual. NAB has restated its 2022 market-based emissions number from 77,236 to 60,829 tCO<sub>2</sub>-e. Market-based figures vary from Climate Active reporting as the Climate Active methodology for calculating market-based emissions incorporates the renewables applicable to the Large-scale Renewable Energy Target (LRET) for the reporting period. The renewables applicable to the LRET are not included in NAB's other publicly reported market-based emissions calculations due to applicable emissions accounting requirements.

<sup>12</sup> "2023" in this document refers to the 2023 environmental reporting year (1 July 2022 – 30 June 2023) unless otherwise specified.

<sup>13</sup> This number does not reflect NAB's Australian Climate Active-related liability of 40,480 tCO<sub>2</sub>-e. The Climate Active methodology for calculating market-based emissions incorporates the applicable renewable power percentage (RPP) for the reporting period. The RPP is not included in NAB's publicly reported market-based emissions calculations due to applicable emissions accounting requirements. Refer to [NAB's 2023 Sustainability Data Pack](#) for more information on the Group's publicly reported market-based emissions.

<sup>14</sup> This number does not reflect NAB's Australian Climate Active renewable energy percentage of 97.54% NAB does not include the renewables attributed to LRET or jurisdictional renewables in its calculation.

[Report](#) for more details.

The Group continues to purchase certified carbon neutral products and services. In Australian offices, NAB uses carbon neutral certified A3 and A4 office paper (see Table 4). Other certified carbon neutral paper products are also used in the Group's NZ offices. This reduced the Group's carbon footprint by 119 tCO<sub>2</sub>-e in 2023. BNZ (the Group's NZ banking subsidiary) uses NZ Post across NZ. NZ Post is Toitū certified carbon neutral<sup>15</sup> for all of its person-to-person deliveries. Using these services reduced the Group's emissions from freight and postage by 740 tCO<sub>2</sub>-e.

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<sup>15</sup> Toitū Envirocare is the wholly-owned subsidiary of Manaaki Whenua – Landcare Research, a New Zealand Government-owned Crown Research Institute. They provide Toitū carbonreduce, Toitū net carbonzero and Toitū enviromark programmes and certifications for businesses in New Zealand and many countries globally.

## 5. EMISSIONS SUMMARY

### Emissions over time

NAB Australia emissions since base year		
		Total tCO <sub>2</sub> -e
Base year:	2009–2010	255,154
Year 1:	2010–2011	248,433
Year 2:	2011–2012	238,455
Year 3:	2012–2013	243,001
Year 4:	2013–2014	231,434
Year 5:	2014–2015	216,479
Year 6:	2015–2016	196,890
Year 7:	2016–2017	172,901
Year 8:	2017–2018	166,695
Year 9:	2018–2019	155,060
Year 10:	2019–2020	136,906 (Market-based)
Year 11:	2020–2021	77,555 (Market-based)
Year 12:	2021–2022	40,445 (Market-based)
Year 13:	2022–2023	40,480 <sup>1617</sup> (Market-based)

### Significant changes in emissions

Emissions source	Previous year emissions (t CO <sub>2</sub> -e)	Current year emissions (t CO <sub>2</sub> -e)	Reason for change
Accommodation and facilities	621	1,381	The Group resumed business activities post the easing of COVID-19 related restrictions.
Transport (Air)	3,255	13,200	The Group resumed business activities post the easing of COVID-19 related travel restrictions.
Transport (Land and Sea)	4,449	6,153	The Group resumed business activities post the easing of COVID-19 related restrictions.
Working from home	13,039	8,733	Colleagues returned to office after the easing of COVID-19 related restrictions.
Office equipment and supplies	88	265	Colleagues returned to office after the easing of COVID-19 related restrictions.
Electricity (market-based)	14,632	1,933	Consolidation of commercial buildings and closure of network sites. The Group also purchased additional LGCs.

<sup>16</sup> Refer to footnote 1.

<sup>17</sup> Emissions from courier, postage and freight were disclosed for the first time in 2023 and formed part of the external assurance scope.

## Use of Climate Active carbon neutral products, services, buildings or precincts

Certified brand name	Product used
COS	A3 and A4 office paper

## Emissions summary<sup>18</sup>

The electricity summary is available in Appendix B. Electricity-related scope 2 emissions were calculated using a market-based approach.

Emission category	Scope 1 emissions (t CO <sub>2</sub> -e)	Scope 2 emissions (t CO <sub>2</sub> -e)	Scope 3 emissions (t CO <sub>2</sub> -e)	Total emissions (t CO <sub>2</sub> -e)
Accommodation and facilities	-	-	1,380.60	1,380.60
Electricity	-	1,502.40	430.61	1,933.01
Office equipment and supplies	-	-	265.34	265.34
Postage, courier and freight	-	-	4,081.06 <sup>19</sup>	4,081.06
Refrigerant leakage	1,445.05	-	-	1,445.05
Stationary Energy (gaseous fuels)	458.34	-	1,709.99	2,168.33
Stationary energy (liquid fuels)	66.79	-	16.46	83.25
Transport (Air)	-	-	13,200.29	13,200.29
Transport (land and sea)	4,088.51	-	2,063.35	6,151.85
Waste	-	-	716.48	716.48
Water	-	-	320.62	320.62
Working from home	-	-	8,733.49	8,733.49
<b>Total</b>	<b>6,058.69</b>	<b>1,502.40</b>	<b>32,918.29</b>	<b>40,479.38<sup>20</sup></b>

## Uplift factors

N/A – none applied.

<sup>18</sup> NAB's Climate Active emissions inventory has been calculated using Climate Active calculators (Carbon Inventory, Electricity and Working from Home), except for (1) Refrigerant Leakage, (2) Postage, courier and freight – provided by suppliers, and (3) Accommodation – Rest of World. Please refer NAB's [2023 Carbon Inventory and Emission factors](#) document for more information on how these emission sources were calculated.

<sup>19</sup> We have identified a source of Courier-related Scope 1 emissions not included in the equivalent carbon inventory item in NAB's FY23 Sustainability Data Pack (SDP). These Scope 1 emissions have been included in NAB's 2023 Climate Active PDS and an equivalent number of offsets have been retired for these emissions. This will produce an immaterial inconsistency with the equivalent carbon inventory item in the FY23 SDP. NAB will update the relevant FY23 SDP figures in our FY24 SDP, scheduled for release in Nov 2024.

<sup>20</sup> Refer to footnote 1.

## 6. CARBON OFFSETS

### Offsets retirement approach

This certification has taken a forward purchasing approach to offsetting. The emissions total requiring offset is 40,480<sup>21</sup> tCO<sub>2</sub>-e. The total number of eligible offsets used in this report is 40,480. Of the total eligible offsets used, 28,116 were previously banked and 7,990<sup>22</sup> were purchased during the reporting period and retired. 93,871 offsets are remaining and have been banked for future use.

### Non-carbon benefits

Since 2020, the Group has only purchased offsets from Australian generated and retailed sources. Prior to 2020, offsets were purchased domestically and internationally, and the Group retains a bank of these offset purchases.

All offsets purchased are from projects that seek to deliver social, cultural and/or environmental non-carbon benefits in addition to carbon emissions reduction. These may include protecting or enhancing biodiversity, or local economic development opportunities. In line with NAB's Reconciliation Action Plan, a major focus is on purchasing offsets from projects that are owned, generated, and retailed by Indigenous Australians.

During 2023, 69.46% of allocated offsets were sourced from previously contracted international projects and 30.54% from Australian Indigenous savanna burning projects that incorporate traditional land practices.<sup>23</sup>

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<sup>21</sup> This number represents NAB's Australian Climate Active liability. It does not represent NAB's Group emissions and associated Group offsets.

<sup>22</sup> These offsets were purchased and retired on 31/10/2022 and were disclosed in our 2022 PDS.

<sup>23</sup> These are the percentages of offsets allocated to neutralise NAB's 2023 Australian Climate Active liability.

## Eligible offsets retirement summary

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total
Australian Carbon Credit Units (ACCUs)	12,364	30.54%
Verified Carbon Units (VCUs)	28,116	69.46%

### Offsets retired for Climate Active certification

Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity retired (tCO <sub>2</sub> -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	Quantity used for additional Group emissions this reporting period	Percentage of total (%)
Bundled Solar Power Project by Solararise India Projects PVT. LTD	VCU	Verra	26/04/2019	<a href="#">6647-329216685-329232121-VCU-034-APX-IN-1-1762-01012017-31122017-0</a>	2017	-	15,437	5,202 <sup>24</sup>	0	10,235	0	25.28%
Bundled Solar Power Project by Solararise India Projects PVT. LTD	VCU	Verra	26/04/2019	<a href="#">6646-329154366-329216684-VCU-034-APX-IN-1-1762-01012018-25042018-0</a>	2018	-	62,319	0	46,633	0	15,686	0%
Tiwi Islands Savanna Burning for Greenhouse Gas Abatement <sup>25</sup>	ACCU	ANREU	7/7/2021	3,772,978,789 - 3,772,988,162	2018-19	-	9,374	5,000	0	4,374	0	10.81%

<sup>24</sup> This includes 785 offsets which were used for additional Group emissions in the 2021/2022 reporting period. No offsets remain from the original 15,437 offsets retired.

<sup>25</sup> These retired offsets are not visible in a public registry. Documentation has been provided to Climate Active.

Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity retired (tCO <sub>2</sub> -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	Quantity used for additional Group emissions this reporting period	Percentage of total (%)
Savanna Burning Investment Ready Project - Cape York Pilot Aurukun <sup>25</sup>	ACCU	ANREU	31/10/2022	8,328,144,897 – 8,328,156,066	2020-21	-	11,170	0	3,180	7,990	0	19.74%
CECIC HKC Gansu Changma Wind Power project	VCU	Vera	11/04/2019	<a href="#">6494-323911901-323981900-VCU034-APX-CN-1-717-01012017-31122017-0</a>	2017	-	70,000	0	44,058	17,256	8,686	42.63%
Sarbari-I small hydro project of DSL Hydrowatt Limited (DSLHL), Himachal Pradesh, India	VCU	Vera	03/04/2018	<a href="#">5707-256004976-256005600-VCU-034-APX-IN-1-483-01012018-31012018-0*</a>	2018	-	625	0	0	625	0	1.54%
<b>Total eligible offsets retired and used for this report</b>										<b>40,480</b>	<b>24,372</b>	
<b>Total eligible offsets retired this report and banked for use in future reports</b>									<b>93,871</b>			

## 7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

### Renewable Energy Certificate (REC) summary

The following RECs have been surrendered to reduce electricity emissions under the market-based reporting method.

<b>1. Large-scale Generation certificates (LGCs)*</b>	63,284
<b>2. Other RECs</b>	N/A

\* LGCs in this table only include those surrendered voluntarily (including through PPA arrangements) and does not include those surrendered in relation to the LRET, GreenPower, and jurisdictional renewables.

Project supported by LGC purchase	Project location	Eligible unit type	Registry	Surrender date	Accreditation code	Certificate serial number	Generation year	Fuel source	Quantity (MWh)
Knox Solar	VIC, Australia	LGC	REC Registry	26 Aug 2022	SRPVVC87	307-328	2022	Solar	22
Knox Solar	VIC, Australia	LGC	REC Registry	15 Sep 2022	SRPVVC87	329-364	2022	Solar	36
Knox Solar	VIC, Australia	LGC	REC Registry	17 Oct 2022	SRPVVC87	365-393	2022	Solar	29
Crowlands Windfarm	VIC, Australia	LGC	REC Registry	17 Oct 2022	WD00VC32	95803-97221	2022	Wind	1,419
Knox Solar	VIC, Australia	LGC	REC Registry	11 Nov 2022	SRPVVC87	394-441	2022	Solar	48
Willogoleche Windfarm	SA, Australia	LGC	REC Registry	11 Nov 2022	WD00SA21	88936-99501	2022	Wind	10,566



Project supported by LGC purchase	Project location	Eligible unit type	Registry	Surrender date	Accreditation code	Certificate serial number	Generation year	Fuel source	Quantity (MWh)
Willogoleche Windfarm	SA, Australia	LGC	REC Registry	11 Nov 2022	WD00SA21	59192-59876	2022	Wind	685
Willogoleche Windfarm	SA, Australia	LGC	REC Registry	11 Nov 2022	WD00SA21	3883-30131	2022	Wind	26,249
Knox Solar	VIC, Australia	LGC	REC Registry	16 Dec 2022	SRPVVC87	442-491	2022	Solar	50
Knox Solar	VIC, Australia	LGC	REC Registry	13 Jan 2023	SRPVVC87	505-574	2023	Solar	70
Knox Solar	VIC, Australia	LGC	REC Registry	13 Jan 2023	SRPVVC87	492-504	2023	Solar	13
Crowlands Windfarm	VIC, Australia	LGC	REC Registry	7 Feb 2023	WD00VC32	212675-212771	2023	Wind	97
Willogoleche Windfarm	SA, Australia	LGC	REC Registry	9 Jun 2023	WD00SA21	1-24000	2023	Wind	24,000
<b>Total LGCs surrendered this report and used in this report</b>									<b>63,284</b>

## APPENDIX A: ADDITIONAL INFORMATION

N/A

## APPENDIX B: ELECTRICITY SUMMARY

There are two international best-practice methods for calculating electricity emissions – the location-based method and the market-based method. Reporting electricity emissions under both methods is called dual reporting.

Dual reporting of electricity emissions is useful, as it provides different perspectives of the emissions associated with a business's electricity usage.

### *Location-based method:*

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

### *Market-based method:*

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

**For this certification, electricity emissions have been calculated using the market-based approach.**

Market Based Approach Summary			
Market Based Approach	Activity Data (kWh)	Emissions (kg CO <sub>2</sub> -e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	1,474,956	0	2%
<b>Total non-grid electricity</b>	<b>1,474,956</b>	<b>0</b>	<b>2%</b>
LGC Purchased and retired (kWh) (including PPAs)	63,284,000	0	77%
GreenPower	0	0	0%
Climate Active precinct/building (voluntary renewables)	0	0	0%
Precinct/Building (LRET)	0	0	0%
Precinct/Building jurisdictional renewables (LGCs surrendered)	0	0	0%
Electricity products (voluntary renewables)	0	0	0%
Electricity products (LRET)	0	0	0%
Electricity products jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LGCs surrendered)	287,087	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	72,808	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	15,114,255	0	18%
Residual Electricity	2,024,098	1,933,014	0%
<b>Total renewable electricity (grid + non grid)</b>	<b>80,233,106</b>	<b>0</b>	<b>98%</b>
<b>Total grid electricity</b>	<b>80,782,248</b>	<b>1,933,014</b>	<b>96%</b>
<b>Total electricity (grid + non grid)</b>	<b>82,257,205</b>	<b>1,933,014</b>	<b>98%</b>
Percentage of residual electricity consumption under operational control	88%		
<b>Residual electricity consumption under operational control</b>	<b>1,781,411</b>	<b>1,701,247</b>	
Scope 2	1,573,194	1,502,400	
Scope 3 (includes T&D emissions from consumption under operational control)	208,217	198,847	
<b>Residual electricity consumption not under operational control</b>	<b>242,687</b>	<b>231,766</b>	
Scope 3	242,687	231,766	

<b>Total renewables (grid and non-grid)</b>	<b>97.54%</b>
<b>Mandatory</b>	<b>18.46%</b>
<b>Voluntary</b>	<b>77.28%</b>
<b>Behind the meter</b>	<b>1.79%</b>
<b>Residual scope 2 emissions (t CO<sub>2</sub>-e)</b>	<b>1,502.40</b>
<b>Residual scope 3 emissions (t CO<sub>2</sub>-e)</b>	<b>430.61</b>
<b>Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO<sub>2</sub>-e)</b>	<b>1,502.40</b>
<b>Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO<sub>2</sub>-e)</b>	<b>430.61</b>
<b>Total emissions liability (t CO<sub>2</sub>-e)</b>	<b>1,933.01</b>
<i>Figures may not sum due to rounding. Renewable percentage can be above 100%</i>	

Location-based approach summary						
Location-based approach	Activity Data (kWh) total	Under operational control			Not under operational control	
Percentage of grid electricity consumption under operational control	88%	(kWh)	Scope 2 Emissions (kg CO <sub>2</sub> -e)	Scope 3 Emissions (kg CO <sub>2</sub> -e)	(kWh)	Scope 3 Emissions (kg CO <sub>2</sub> -e)
ACT	387,276	340,842	248,814	20,451	46,434	36,683
NSW	16,262,128	14,312,316	10,447,991	858,739	1,949,812	1,540,352
SA	1,908,951	1,680,070	420,018	134,406	228,881	75,531
VIC	50,577,346	44,513,175	37,836,199	3,115,922	6,064,171	5,579,037
QLD	7,084,698	6,235,250	4,551,733	935,288	849,448	747,514
NT	552,664	486,400	262,656	34,048	66,264	40,421
WA	3,598,999	3,167,483	1,615,416	126,699	431,516	237,334
TAS	410,185	361,004	61,371	3,610	49,181	8,853
<b>Grid electricity (scope 2 and 3)</b>	<b>80,782,248</b>	<b>71,096,541</b>	<b>55,444,198</b>	<b>5,229,162</b>	<b>9,685,707</b>	<b>8,265,724</b>
ACT	0	0	0	0		
NSW	452,904	452,904	0	0		
SA	121,248	121,248	0	0		
VIC	435,469	435,469	0	0		
QLD	431,837	431,837	0	0		
NT	0	0	0	0		
WA	26,029	26,029	0	0		
TAS	7,469	7,469	0	0		
<b>Non-grid electricity (behind the meter)</b>	<b>1,474,956</b>	<b>1,474,956</b>	<b>0</b>	<b>0</b>		
<b>Total electricity (grid + non grid)</b>	<b>82,257,205</b>					

Residual scope 2 emissions (t CO <sub>2</sub> -e)	55,444.20
Residual scope 3 emissions (t CO <sub>2</sub> -e)	13,494.89
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO <sub>2</sub> -e)	55,444.20
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO <sub>2</sub> -e)	13,494.89
<b>Total emissions liability (t CO<sub>2</sub>-e)</b>	<b>68,939.08</b>

### Operations in Climate Active buildings and precincts

Operations in Climate Active buildings and precincts	Electricity consumed in Climate Active certified building/precinct (kWh)	Emissions (kg CO <sub>2</sub> -e)
N/A	0	0
<p><i>Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their building or precinct certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the building/precinct under the market-based method is outlined as such in the market-based summary table.</i></p>		

### Climate Active carbon neutral electricity products

Climate Active carbon neutral product used	Electricity claimed from Climate Active electricity products (kWh)	Emissions (kg CO <sub>2</sub> -e)
N/A	0	0
<p><i>Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their electricity product certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the electricity product under the market-based method is outlined as such in the market-based summary table.</i></p>		

## APPENDIX C: INSIDE EMISSIONS BOUNDARY

### Non-quantified emission sources

The following emissions sources have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. They have been non-quantified due to one of the following reasons:

1. **Immaterial** <1% for individual items and no more than 5% collectively
2. **Cost effective** Quantification is not cost effective relative to the size of the emission but uplift applied.
3. **Data unavailable** Data is unavailable, but uplift applied. A data management plan must be put in place to provide data within 5 years.
4. **Maintenance** Initial emissions non-quantified but repairs and replacements quantified.

N/A – no relevant emission sources were non-quantified in this reporting period.

### Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

# APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

## Excluded emission sources

The below emission sources have been assessed as not relevant to this organisation's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emissions sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions.
2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.
3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
5. **Outsourcing** The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.

## Excluded emissions sources summary

The emissions sources set out in the Table on page 25 showing '*Emission sources tested for relevance*' have been excluded from the Group's 2023 carbon inventory for operational carbon emissions as they are either not applicable to the Group's business model or have not passed two or more criteria of the relevance test as outlined in the table below.

The Scope 3 category of "Investments"<sup>26</sup>, which includes financed emissions, is outside NAB's operational emissions boundary and is not included in NAB's carbon neutrality claims. NAB separately reports financed emissions attributable to its lending. To meet NAB's NZBA commitment, NAB is setting targets for the financed emissions attributable to its lending portfolio for 'carbon-intensive' sectors defined by the United Nations Environment Programme Finance Initiative's Guidelines for Climate Target Setting for Banks. Further details about NAB's financed emissions, including the scope of financing activities included in NAB's financed emissions calculations, are available in NAB's 2023 Climate Report available at: <https://nab.com.au/annualreports>.

NAB's Climate Active certification is for its Australian operations only. BNZ and JBWere NZ are both Toitū net carbonzero organisation certified. While emissions associated with NAB's international operations are excluded from its Climate Active certification, NAB does actively seek to avoid and reduce emissions for its international operations, as well as retiring offsets for residual emissions from international operations. For further detail on NAB's approach to carbon neutrality, see page 57 of its [2023 Climate Report](#), available at <https://nab.com.au/annualreports>.

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<sup>26</sup> As defined in the Climate Active Technical Guidance and Greenhouse Gas Protocol Scope 3 Accounting and Reporting Standard.

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
<b>Products and services</b>	N	N	N	N	N	NAB's emissions boundary includes certain sub-categories of the emissions category 'products and services' and excludes certain other sub-categories. NAB includes the following sub-categories in our operational emissions boundary; A3, A4 and A5 paper purchased, customer statement purchased paper, courier, freight, and postage. We have disclosed the 'Purchased goods and services' category as part of this exclusions table as there are two sub-categories, Food and catering and Cleaning services, that NAB test for relevance. Food and catering and Cleaning services are excluded from NAB's operational emissions boundary as both are assessed as not relevant. Both Food and catering and Cleaning services are not large emission sources relative to NAB's total emissions, do not contribute to significant GHG risk exposure, are not deemed relevant by key stakeholders, and are not activities NAB has previously undertaken within its boundary. The potential to influence the reduction of carbon emissions is limited to on-site food catering only.
<b>Capital goods</b>	N	N	N	N	N	NAB Group as a financial services provider, is not a significant purchaser of capital goods that have material climate change impacts compared to other sectors. NAB leases some capital goods it uses such as buildings, cars and photocopiers. The GHG emissions arising from the use of these capital goods are generally accounted for in the calculation of other sources of Scope 1, 2 and 3 GHG emissions that NAB Group currently reports.
<b>Employee commuting</b>	Y	N	N	N	N	The 'Employee commuting' category refers to emissions associated with employees travelling to and from their place of work and emissions associated with colleagues working from home. Emissions associated with colleagues working from home are included in the Group's emissions boundary, but emissions associated with employee commuting are excluded from the Group's emissions boundary. For employee commuting in environmental year 2023, NAB assessed 'Size' as the only criteria to be passed under the relevance test. NAB's influence on its employees' commuting decisions is limited but changing, as hybrid working behaviours and expectations are developed and embedded. NAB offers end-of-trip facilities at many of its locations, though this intervention does not materially influence emissions reduction associated with employee commuting. NAB intends to further engage with stakeholders directly on this emissions source in 2024. While NAB has estimated emissions associated with employee commuting in 2023, its ability to accurately measure this source is limited. NAB is currently compiling data and developing its methodology to improve data quality. BNZ has commenced quantifying and disclosing emissions associated with employee commuting as part of its emissions boundary for Toitū net carbonzero certification. Offsetting requirement under the Toitū programme is for a minimum inventory which does not include employee commuting.



Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
<b>Upstream transportation and distribution<sup>27</sup></b>	N	N	N	N	N	Due to the intangible nature of financial products and services we do not require upstream transportation and distribution of a physical product. Accordingly, we have assessed this source of emissions as being not relevant to our industry sector and business.
<b>Downstream transportation and distribution</b>	N	N	N	N	N	Due to the intangible nature of financial products and services we do not require downstream transportation and distribution of a physical product. Accordingly, we have assessed this source of emissions as being not relevant to our industry sector and business.
<b>Processing of sold products</b>	N	N	N	N	N	Due to the intangible nature of financial products and services we do not require downstream transportation and distribution of a physical product. Accordingly, we have assessed this source of emissions as being not relevant to our industry sector and business.
<b>Use of sold products</b>	N	N	N	N	N	NAB Group as a financial services provider, is not a significant purchaser of capital goods that have material climate change impacts compared to other sectors. NAB leases some capital goods it uses such as buildings, cars and photocopiers. The GHG emissions arising from the use of these capital goods are generally accounted for in the calculation of other sources of Scope 1, 2 and 3 GHG emissions that NAB Group currently reports.
<b>End-of-life treatment of sold products</b>	N	N	N	N	N	NAB Group as a financial services provider, is not a significant purchaser of capital goods that have material climate change impacts compared to other sectors. NAB leases some capital goods it uses such as buildings, cars and photocopiers. The GHG emissions arising from the use of these capital goods are generally accounted for in the calculation of other sources of Scope 1, 2 and 3 GHG emissions that NAB Group currently reports.
<b>Downstream leased assets</b>	N	N	N	N	N	NAB has an immaterial number of downstream leased assets in the form of a small number of buildings that are owned and leased to tenants. The tenancy agreements for these assets give the tenant operational control of the energy use of the asset and the tenant pays the energy bills. Emissions from downstream leased assets are not large relative to NAB's total emissions, do not contribute to significant GHG risk exposure, are not deemed relevant by key stakeholders, and are not activities NAB has previously undertaken within its boundary. NAB has limited ability to influence emissions from this source. Accordingly, for the purposes of our carbon inventory the GHG emissions from these downstream assets are not considered relevant.
<b>Franchises</b>	N	N	N	N	N	NAB Group does not have franchises, therefore this emissions source is not relevant.

<sup>27</sup> Courier, freight, and postage services have been included under Purchased goods and services.



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