

# Floating Rate Capital Note Pricing Supplement

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**PRIIPs Regulation / Prohibition of sales to EEA retail investors** – The Capital Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (“MiFID2”); or (ii) a customer within the meaning of Directive 2002/92/EC (“IMD”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID2. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”) for offering or selling the Capital Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Capital Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Series No.: 2

Tranche No.: 1

**National Australia Bank Limited**  
(ABN 12 004 044 937)

## Capital Notes Programme

Issue of  
**A\$600,000,000 Floating Rate Capital Notes (the “Capital Notes”)**

This Pricing Supplement (as referred to in the Information Memorandum in relation to the above Programme) relates to the Tranche of Capital Notes referred to above. The date of this Pricing Supplement is 15 July 2020. It is supplementary to, and should be read in conjunction with the Capital Notes Deed Poll dated 30 October 2019 made by National Australia Bank Limited (ABN 12 004 044 937) (“NAB”).

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Capital Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

The particulars to be specified in relation to the Tranche of Capital Notes referred to above are as follows:

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|----------|-----------------------------|--|
| <b>1</b> | <b>Issuer:</b>              | NAB  |
| <b>2</b> | <b>Type of Issue:</b>       | Syndicated Issue   |
| <b>3</b> | <b>Relevant Dealers:</b>    | National Australia Bank Limited (ABN 12 004 044 937), Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832), Deutsche Bank AG, Sydney Branch (ABN 13 064 165 162), The Toronto-Dominion Bank, Bell Potter Securities Limited (ABN 25 006 390 772), Crestone Wealth Management Limited (ABN 50 005 311 937), Escala Partners Pty Ltd (ABN 74 155 884 236), E&P Corporate Advisory Pty Limited (ABN 21 137 980 520), JBWere Limited (ABN 68 137 978 360) and Morgan Stanley Wealth Management Australia Pty Ltd (ABN 19 009 145 555) |
| <b>4</b> | <b>Joint Lead Managers:</b> | National Australia Bank Limited (ABN 12 004 044 937), Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832), Deutsche Bank AG, Sydney Branch (ABN 13 064 165 162) and The Toronto-Dominion Bank  |

5	<b>Registrar:</b>	Austraclear Services Limited (ABN 28 003 284 419)
6	<b>Calculation Agent:</b>	National Australia Bank Limited (ABN 12 004 044 937)
7	<b>If to form a single Series with an existing Series, specify date on which all Capital Notes of the Series become fungible, if not the Issue Date:</b>	Not applicable
8	<b>Aggregate Principal Amount of Tranche:</b>	A\$600,000,000
9	<b>Aggregate Principal Amount of Series (including the Tranche)</b>	A\$600,000,000
10	<b>If interchangeable with existing Series:</b>	Applicable: No
11	<b>Issue Date:</b>	17 July 2020
12	<b>Issue Price:</b>	100.00 per cent of the Aggregate Principal Amount of Tranche
13	<b>Denomination:</b>	A\$1,000  <i>The minimum aggregate consideration for offers or transfers of the Capital Notes in Australia must be at least A\$500,000 (disregarding any moneys lent by the offeror, the transferor or their associates to the transferee), unless the offer or invitation resulting in the transfer does not otherwise require disclosure in accordance with the Part 6D.2 or Chapter 7 of the Corporations Act of Australia and is not an offer or invitation to a retail client for the purposes of section 761G of the Corporations Act of Australia.</i>
14	<b>Type of Capital Notes</b>	Floating Rate Capital Note
15	<b>If the Capital Notes are Fixed Rate Capital Notes, specify:</b>	Applicable: No
16	<b>If the Capital Notes are Floating Rate, specify:</b>	Applicable: Yes
	<b>(a) Basis for determining Base Rate</b>	Bank Bill Rate Determination
	<b>(b) Margin</b>	4.00 per cent per annum
	<b>(c) Distribution Commencement Date:</b>	Issue Date
	<b>(d) Distribution Payment Dates:</b>	Each 17 January, 17 April, 17 July and 17 October, commencing on 17 October 2020
	<b>(e) Business Day Convention:</b>	Modified Following Business Day Convention
	<b>(f) Day Count Fraction:</b>	Actual/365 (Fixed)
17	<b>Scheduled Mandatory Conversion Date</b>	17 July 2027

18	<b>Scheduled Optional Conversion Date</b>	17 July 2025
19	<b>Scheduled Optional Redemption Date</b>	17 July 2025
20	<b>Scheduled Optional Resale Date</b>	17 July 2025
21	<b>Modification to notice periods</b>	Not applicable
22	<b>Modifications to payment provisions</b>	Not applicable
23	<b>ISIN:</b>	AU3FN0055224
24	<b>Common Code:</b>	Not applicable
25	<b>U.S. selling restrictions:</b>	Regulation S Compliance Category 2
26	<b>Other selling restrictions:</b>	Not applicable
27	<b>Listing:</b>	Not applicable
28	<b>Additional or alternate newspapers:</b>	Not applicable
29	<b>Relevant Time</b>	10:00 am
30	<b>Other amendments</b>	<p>The following amendments are made to the disclosure in the Information Memorandum:</p> <ol style="list-style-type: none"> <li>1) The first paragraph of page 91 of the Information Memorandum is deleted and replaced with the following text: <p style="margin-left: 40px;">“One such rule (in section 207-158 of the Income Tax Assessment Act 1997) applies when a franked distribution gives rise to a foreign income tax deduction for the issuer of the instrument (here, the Issuer). This provision would apply to Distributions paid on Capital Notes if those Distributions give rise to a foreign income tax deduction for the Issuer, even if that foreign income tax deduction is not for the full amount of a Distribution or only for a small component of the Distribution.</p> <p style="margin-left: 40px;">The Government is aware of this issue and, in May 2020, introduced legislation into Parliament to amend this rule retrospectively (“<b>Amending Legislation</b>”). If enacted in its current form, the Amending Legislation would ensure that investors (here, Resident Holders) would not be denied franking credits or tax offsets on their distributions. In addition, the ATO has released guidance confirming that the ATO is not planning to take any action in respect of investors’ compliance with the current law at this time.”</p> </li> <li>2) The second paragraph of page 92 of the Information Memorandum is deleted and</li> </ol>

