

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS

NAB

NAB08QW: Whether the valuations on infrastructure investments financed by the bank are:

- (a) independently completed?
- (b) whether they are completed and/or reviewed annually?
- (c) in reference to (b), if they are reviewed by whom?
- (d) in reference to (b), if not annually, how often, the trigger, and the average timeframe between review?

Answer:

- a) Not always. NAB has its own inhouse specialist technical team that assists with quality and valuation of infrastructure projects. We seek independent due diligence parties to verify and stress test the variables that impact the cash flows of the project. We do at times use independent parties for valuations should the need arise.
- b) Reviewed annually.
- c) Reviewed by the relevant area of the business, and NAB's credit team.
- d) Review annually at a minimum but may be reviewed more frequently if there is adverse news or concerns about a project.