

National Australia Bank GRI Index 2008



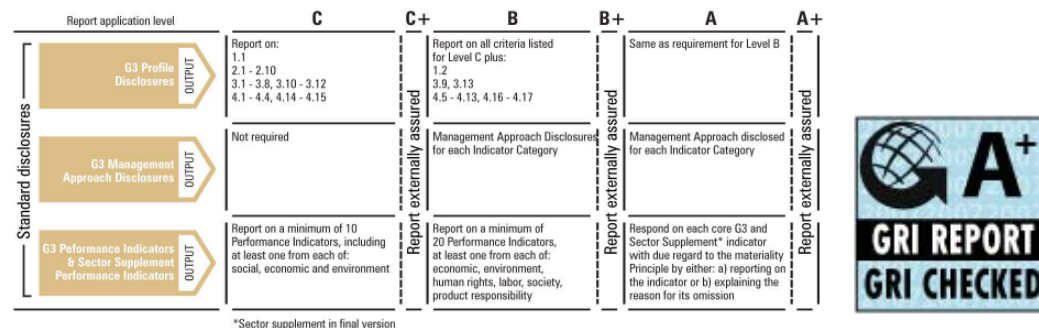
National Australia Bank GRI Index 2008

This Index provides a map to subjects and data provided throughout our 2008 Corporate Responsibility (CR) disclosures, as well as to the Global Reporting Initiative (GRI) indicators on which we have reported. The listing of GRI indicators is part of the requirements we must meet to produce GRI-based reporting requirements. For our 2008 CR reporting we have used Version 3.0 of the GRI's Sustainability Reporting Guidelines (G3). A full description of these requirements is available at: www.globalreporting.org. To achieve a reporting application level of A+ we are required to report on all core G3 and the relevant sector supplement indicators and provide an "if not, why not" response to any core indicator on which we have not reported on. Along side the Index we have included an explanation of the reasons we have not reported on omitted indicators. For each indicator we provide the indicator number, whether it is core, additional or part of the relevant sector supplement.. Where appropriate the index refers the reader to appropriate sources of the required information, including our 2008 Corporate Responsibility Review and online report, 2008 Annual Financial Report, 2008 Shareholder Review or group website.

Key	
GRI requirement fully complied with	1
GRI partly complied with	2
GRI indicator not included (see explanation of omission)	3
2008 Corporate Responsibility Review	CR
2008 Shareholder Review	SR
2008 Annual Financial Report	AFR
2008 Corporate Responsibility Review (online)	CR
www.nabgroup.com	WEB

GRI Application Level

The GRI's Sustainability Guidelines specify classification system for degree of application of the guidelines to reporting. Reports intended to qualify for level C, C+, B, B+, A or A+ must contain each of the criteria that are presented in column for the relevant level in the diagram illustrated below. Our 2008 CR reporting disclosures (designated web information, our 2008 CR Review and online reporting, and this GRI Index) were prepared to meet the requirements of application level A+. Our 2008 CR reporting has been checked by GRI and has been confirmed as A+.



GRI APPLICATION LEVEL CRITERIA

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
Strategy, Profile and Governance							
Strategy and Analysis	1.1	Chairman/CEO's statement	CR SR	CEO and Chairmans Statement CEO and Chairmans Statement	1 2-3	1	
	1.2	Key impacts risks and opportunities	CR	our profile our corporate responsibility strategy microfinance the business of offshoring increasing the trust factor our customers in need developments in fees and charges our environment our commitments	2 3 6-7 12-13 16 17 18 19-22 IBC	1	Last year we identified the key risks the organisation considered from a Corporate Responsibility standpoint. These were: - Human Rights and Workplace Practices - Financial Exclusion, poverty and consumer debt - Fees and Charges - Climate Change and environmental performance - Indirect Impacts of lending - Compliance - Security and Anti -Fraud - Each of these risks have maintained their importance and we explore these areas in more detail in the sections and case studies identified opposite
Organisational profile	2.1	Name of organisation	CR SR	our profile our organisation	2 18	1	
	2.2	Primary brands, products and services	CR SR	our profile our organisation	2 18	1	
	2.3	Operational structure of the organisation	CR SR	our profile our organisation	2 18	1	
	2.4	Location of headquarters	GRI	–		1	The global headquarters for NAB Group is Melbourne, Australia.
	2.5	Countries of operation	CR	our profile	2	1	
	2.6	Nature of ownership and legal form	GRI	–	2	1	National Australia Bank is publicly listed in Australia and overseas
	2.7	Markets served	CR SR	our profile our organisation	2 18	1	
	2.8	Scale of organisation	CR SR	our profile our organisation	2 18	1	
	2.9	Significant changes	CR	how to read this report	IFC	1	
	2.10	Awards received	CR	Awards	23	1	

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance	
Report parameters	3.1	Reporting period	CR	how to read this report	IFC	1		
Report profile	3.2	Date of most recent previous report	GRI	–		1	2007 Corporate Responsibility Review and Detailed Fact and Information Pack - Released December 2007	
	3.3	Reporting cycle	GRI	–		1	Our Corporate Responsibility reporting is performed annually	
	3.4	Contact point on the report	CR	BC		1		
Report scope and boundary	3.5	Process for determining content	CR	stakeholder engagement	4	1	Our reporting is produced utilising the following process: We performed a wide variety of feedback sessions with various stakeholders globally on our 2007 reporting to see what aspects they wanted continued and those areas for improvement. In addition we sought their input as to key issues that stakeholder groups would be interested in. This was complemented by seeking the input of our Corporate Responsibility specialists globally to identify those key areas to be discussed in detail. The result was the series of articles on areas of focus including offshoring, microfinance, hardship and fees and charges.	
	3.6	Boundary of the report	CR	how to read this report	IFC	1		
	3.7	Limitations on scope or boundary of the report	CR	how to read this report	IFC	1		
	3.8	Reporting on other entities	CR	how to read this report	IFC	1		
	3.9	Data measurement techniques	GRI					Data measurement techniques are identified where appropriate in footnotes or body of the text where the data resides
	3.10	Explanation of re-statements	GRI					Any restatements are identified where appropriate throughout the reporting
	3.11	Significant changes from previous report	CR AFR	how to read this report Report of the Directors	IFC 7	1		
GRI Content Index	3.12	GRI	WEB	–	This document	1		
Assurance	3.13	External assurance	CR	assurance and benchmarking	24	1		

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
Governance	4.1	Governance structure	AFR	Corporate Governance	32	1	Corporate Responsibility is specifically identified on page 32 as a direct responsibility of the Board
	4.2	Indicate if Chair of highest governance body is also executive officer	AFR	Corporate Governance	32	1	
	4.3	Independent and/or non-executive board members	AFR	Corporate Governance	32	1	
	4.4	Mechanisms to provide recommendations or direction to highest governance body	AFR	Corporate Governance	34-38	1	
	4.5	Linkage between compensation and organisational performance for governance body	AFR	Corporate Governance Report of the Directors	33 13-31	1	
	4.6	Conflicts of interest within the highest governance body	AFR	Corporate Governance	33	1	
	4.7	Qualifications and expertise of governance body	AFR	Corporate Governance Report of the Directors	33 3-5	1	
	4.8	Mission and values statements, codes of conduct and policies	AFR WEB	Corporate Governance www.nabgroup.com	38	1	http://www.nabgroup.com/0,,91276,00.html
	4.9	Procedures for overseeing identification and management of economic, social and environmental risk and performance	AFR WEB	Report of the Directors www.nabgroup.com	34-38	1	http://www.nabgroup.com/0,,96819,00.html
	4.10	Processes for evaluating the performance of the highest governance body	AFR	Corporate Governance	33	1	

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
Commitments to external initiatives	4.11	Explanation of whether and how a precautionary approach is addressed	GRI	–			NAB does not explicitly reference the precautionary approach in its risk management framework. However, in day-to-day operations, we employ sound risk management practices, which are described on our Group website at: www.nabgroup.com . We do not face material environmental challenges in terms of the direct environmental impacts of our operations. However, where environmental challenges are viewed as material and they are likely to impact on our operations or our credit risk processes, we undertake a risk assessment and may modify our processes and procedures to account for these risks.
	4.12	Externally developed, economic, environmental and social charters or principles	WEB	www.nabgroup.com		1	http://www.nabgroup.com/0,,91293,00.html
	4.13	Significant memberships in associations and/or advocacy organisations	CR WEB	our environment www.nabgroup.com	22	1	http://www.nabgroup.com/0,,91293,00.html
Stakeholder engagement	4.14	List of stakeholders engaged by organisation	CR	our Corporate Responsibility strategy Stakeholder Engagement	3 4	1	http://www.nabgroup.com/0,,77105,00.html
	4.15	Basis for identification and selection of stakeholders to engage	CR	Stakeholder Engagement	3	1	We are guided in our stakeholder engagement by the AA1000 Stakeholder Engagement Standard. Further detail is available on our Group website http://www.nabgroup.com/0,,77105,00.html
	4.16	Approach to stakeholder engagement	CR	Stakeholder Engagement	3	1	We are guided in our stakeholder engagement by the AA1000 Stakeholder Engagement Standard. Further detail is available on our Group website http://www.nabgroup.com/0,,77105,00.html
	4.17	Key topics and concerns raised through stakeholder engagement and response	CR	Stakeholder Engagement microfinance business of offshoring our customers in need fees and charges	3 6-7 12-13 17 18	1	

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
Economic Indicators							
Economic Performance	DMA		CR	our profile	3/extra information 5-8	1	
			SR	community investment messages from leadership	2-4		
	EC1	Economic value generated and distributed.	CR	our profile	3/extra information 5-8	1	
			SR	community investment selected financial data	20		
	EC2	Financial implications of climate change.	CR	our environment our customers	19-22 15	1	Also refer to our CDP5 submission – http://www.cdproject.net/responding-companies.asp
EC3	Pension plan obligations.	AFR	Note 32		84	1	
	EC4	Financial assistance from government.	GRI	–	Index	1	This is described in the GRI G3 Sustainability Reporting Guidelines as significant financial assistance received from a government in comparison with taxes paid as a measure of the host governments contributions' to the reporting organisation. Having regard to the nature of the Group's businesses and having made limited internal inquiries, we do not believe that the Group is a significant or material recipient of subsidies other than deductions allowed by tax legislation for all relevant or qualifying tax payers. Therefore, on the basis of materiality we have not reported this information.
Market Presence	EC5	Entry level wage.	GRI	Statement		1	The NAB employs an adult professional workforce in all countries in which it operates.
	EC6	Use of locally-based suppliers.	CR	Supply Chain	extra information	1	Our 2008 CR Review(online) Supply Chain section provides information about our supplier selection process. Although we do not have a specific policy, we state that we generally use local suppliers unless the relevant goods or service provision is negotiated as part of a master contract negotiated for the Group. Suppliers are selected on the basis of a range of commercial requirements, and where relevant CR criteria.
	EC7	Procedures for local hiring, etc.	GRI	Statement		1	NAB hires employees based on merit and appropriateness of their skill set for any advertised position. The majority of our employees are hired from within the region that each of our businesses operate.
Indirect Economic Impacts	EC8	Investments that provide public benefit.	GRI	Statement		1	Our business mainly operates in built up areas in cities and towns, therefore this indicator is not of direct relevance to our operations. We do not directly undertake infrastructure developments of the nature described by this indicator. We do provide in-kind support to not-for-profit organisations and NGOs from time to time in the form of access to our buildings and facilities.
	EC9	Indirect economic impacts.	CR	our profile	extra information		

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
ENVIRONMENTAL INDICATORS							
	DMA		CR	our environment	19-22	1	
Materials	EN1	Weight of materials used.	CR	our environment	extra information	1	
	EN2	Materials recycled	CR	our environment	extra information	1	
Energy	EN3	Direct energy consumption (on-site).	CR	our environment	extra information	1	
	EN4	Indirect Energy consumption (generated off-site and transport fuel).	CR	our environment	19-22 extra information	1	
	EN5	Energy saved due to conservation and efficiency improvements.(Renewable Energy)	CR	our environment	19-22 extra information	1	
	EN6	Initiatives to provide energy-efficient products and services and the reductions in energy use.	CR	our environment	19-22 extra information	1	
	EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	CR	our environment	19-22 extra information	1	
Water	EN8	Water consumption.	CR	our environment	extra information	1	
Biodiversity	EN11	Land managed in proximity of protected areas.		N/A		3	The NAB's operations are all located in urban built environments and therefore have no direct impacts on biodiversity rich habitats. This is not relevant to our operations.
	EN12	Impacts of activities on protected areas.		N/A		3	The NAB's operations are all located in urban built environments and therefore have no direct impacts on biodiversity rich habitats. This is not relevant to our operations.

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
Emissions, Effluents and Waste	EN16	Greenhouse gas emissions.	CR	our environment	19-22 extra information	1	
	EN17	Other relevant indirect greenhouse gas emissions.	CR	our environment	19-22 extra information	1	
	EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	CR	our environment	19-22 extra information	1	
	EN19	Emissions of ozone-depleting substances.		N/A		3	The only source of ODS from the NAB's operations would be a small quantity stored in our refrigeration or chilling equipment. We currently report this under our Scope 1 emissions and is included in our environment information.
	EN20	NOx, SOx, etc. emissions.		N/A		3	The only source of NOx from the NAB's operations would be a small quantity of emissions from fuel combustion in our vehicle fleet. NAB has no direct sources of SOx. However, we would contribute indirectly to emissions of SOx through our purchase of electricity. This is not a material impact of our operations.
	EN21	Water discharge.		N/A		3	The NAB's operations are all located in urban built environments and therefore have no direct impacts on biodiversity rich habitats. This is not relevant to our operations.
	EN22	Waste disposal.	CR	our environment	extra information	1	
	EN23	Spills to environment.	GRI	Zero			There have been no significant spills from any NAB storage facility in the reporting year, not in the previous reporting year.
Products and Services	EN26	Environmental impacts of products and services.	CR	Environment	22	3	Financial products and services do not typically have direct environmental impacts, rather their impact is indirect through the activities of customers to whom we may lend. Our stakeholders have told us that the key environmental impact of concern to them, and associated with our products and services, is an indirect one, related to the activities potentially undertaken by customers we lend to. NAB Group's adoption of the Equator Principles is one way we are reducing the potential environmental and social impact of our lending, in particular of our project finance lending. Our environmental credit risk policies also help address the potential indirect environmental impacts of our lending.
	EN27	Products reclaimed at the end of their useful life.		N/A			This indicator is not relevant to the types of products and services provided by our business.

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
Compliance	EN28	Fines and non-compliance.	GRI	Zero			No fines or penalties were issued in the reporting year
Transport	EN29	Environmental impacts of logistics.	CR	our environment	19-21 extra information	1	
HUMAN RIGHTS INDICATORS							
	DMA		CR	our people WEB	10-11/extra information www. nabgroup. com	1	http://www.nabgroup.com/0,,48934,00.html
Management Practices	HR1	Screening investments for human rights issues.	GRI CR	www.nabgroup.com 22	1		We use human rights screening on significant procurement activities including off-shoring and outsourcing and in our project finance lending. Our operations are mainly in OECD countries which have legislation covering human rights issues. Therefore, this has not been a material issue for the Bank's significant investments. Where our investment in non-OECD countries grows, we apply appropriate screening to meet our commitments to the Equator Principles, the OECD Guidelines for Multinational Enterprises and the UN Declaration of Human Rights. We have put in place a Commitment to Fair International Workforce policy to ensuring that we consider human rights in any outsourcing and offshoring activities. See: http://www.nabgroup.com/0,,91276,00.html
	HR2	Screening suppliers for human rights issues.	CR	Supply Chain	extra information	1	
Non-discrimination	HR4	Incidents of discrimination.	WEB	www.nabgroup.com		2	Our discrimination and equity policies are located here http://www.nabgroup.com/0,,91276,00.html
Freedom of Association	HR5	Freedom of association and collective bargaining.	CR	our people	extra information	1	
Child Labour	HR6	Child labour.	GRI	Statement		3	The NAB employs an adult professional workforce in all countries in which it operates.
Forced Labour	HR7	Forced or compulsory labour.	GRI	Statement		3	The NAB employs an adult professional workforce in all countries in which it operates.

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
LABOUR INDICATORS							
	DMA		CR	our people WEB	10-11 www.nabgroup.com	1	http://www.nabgroup.com/0,,48934,00.html
Employment	LA1	Breakdown of employment type.	CR	our people	extra information	1	
	LA2	Employee turnover.	CR	our people	extra information	1	
Labour-Management Relations	LA4	Trade union representation.	CR	our people	extra information	1	
	LA5	Practices relating to operational changes.	CR	our people business of offshoring	10 - 11 12 - 13	1	
Occupational Health and Safety	LA7	Rates of injury and lost time etc.	CR	our people	extra information		
	LA8	Programs relating to HIV/AIDS or other serious communicable diseases.	GRI	statement			In Australia and New Zealand, AIDS/HIV is covered by our general OHS policies and processes and our EEO policy. In the UK, the NAB has a specific policy on HIV/AIDS. In general, the Group deals with AIDs like any other long-term illness. NAB is an active member of the Australian Bankers Association Pandemic Preparedness Working Group and has developed policies and procedures consistent with the Working Group's guidelines to manage risks such as Pandemic disease outbreaks.
	LA9	Health and safety in formal agreements with trade unions.	CR	our people	extra information	1	
Training and Education	LA10	Workforce training.	CR	our people	extra information	1	
	LA11	Workforce skills management and development.	CR	our people	11	1	
	LA12	Performance review and career development.	CR WEB	our people www.nabgroup.com	11	1	Further information is maintained on our website at http://www.nabgroup.com/0,,91284,00.html
Diversity and Equal Employment Opportunity	LA13	Gender, age group, work role and other indicators of diversity.	CR	our people	11	1	
	LA14	Male/female average remuneration ratio.	CR	our people	11	1	

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
PRODUCT RESPONSIBILITY INDICATORS							
	DMA		CR	our customers	15-18 extra information	1	http://www.nabgroup.com/0,,48934,00.html
Customer Health and Safety	PR1	Management of health and safety throughout product life cycle.	GRI			3	This indicator is not relevant to the types of products and services provided by our business. However, we do provide 'health warnings' on our credit card-related direct mail and in branch brochures to help customers to manage their levels of debt.
	PR2	Product and service health and safety compliance.	GRI			3	This indicator is not relevant to the types of products and services provided by our business.
Product and Service Labelling	PR3	Procedures for product and service labelling.	GRI			2	Each of our key businesses meet product and service information and disclosure requirements relevant to the countries in which our products and services are sold.
Marketing Communication	PR6	Standards and voluntary codes for marketing communications.	GRI			1	Compliance training includes a module on trade practices compliance to ensure employees, particularly those in marketing and communications, understand their obligations to provide appropriate information for customers. We also have engaged in a program to simplify our customer communication. We include the appropriate and required product disclosure statements and general advice warnings on our products and services.
Customer Privacy	PR8	Substantiated Customer complaints on customer privacy.	CR	our customers	extra information	1	
	PR9	Compliance with laws and regulations.	GRI			1	No fines or penalties were issued in the reporting year

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
SOCIETY INDICATORS							
	DMA		CR CR WEB	community investment governance and management WEB	5-8 extra information www.nabgroup.com	1	http://www.nabgroup.com/0,,48934,00.html
Community	SO1	Impacts of operations on communities.	CR	community investment	5	1	
Corruption	SO2	Number of business units analysed for corruption risks	GRI			2	NAB has extensive risk management policies and processes in place to reduce the risk related to corruption. We have in place a Code of Conduct, which all employees are made aware of, and must complete training on. We also have operational procedures in place, for relevant areas, which include delegations of authority and role separation so we can reduce the risk of corruption. All business units are required to regularly go through operational risk assessment, therefore reporting on the percentage of business units analysed is not seen as material.
	SO3	Training and risk analysis to prevent corruption.	GRI	Statement		2	Anti-corruption training forms part of our compliance training related to our Code of Conduct. All employees must complete this training, therefore 100% of employees are expected to have undergone anti-corruption training.
	SO4	Response to instances of corruption.		Statement		2	NAB has in place a compliance training program associated with our Code of Conduct to ensure all employees understand that corrupt behaviour is not acceptable. We also have in place a Whistleblower Protection Program to provide an avenue for employees to raise issues of concern. Each business unit considers risk of corruption as part of overall operational assessment. Some specialised businesses have additional Codes of Conduct, in addition to the Group Code of Conduct, where there is additional risk that has been identified. The Group also has an Anti-fraud policy, which includes consideration on corruption.
Public Policy	SO5	Public policy development and lobbying.	CR	environment	extra information		
	SO6	Contributions to political parties.	GRI			2	Our political donations policy and availability of information is listed on our group website http://www.nabgroup.com/0,,82862,00.html
Anti-competitive Behaviour	SO7	Anticompetitive behaviour, anti-trust, and monopoly practices.	GRI			1	We do not currently have systems in place to allow us to easily report on this indicator. Limited enquiries did not identify any penalties of this nature
	SO8	Compliance with laws and regulations.	GRI			1	No fines or penalties were issued in the reporting year

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
FINANCIAL SECTOR SUPPLEMENT							
	FS1	Policies with environmental and social components applied to business lines	CR	microfinance increasing the trust factor our customers in need developments in fees and charges customers our environment	6-7 16 17 18 extra information 22	1	
	FS2	Procedures for assessing and screening environmental and social risks in business lines	CR WEB	our environment www.nabgroup.com	22	1	http://www.nabgroup.com/0,,91282,00.html
	FS3	Processes for monitoring client's implementation of and compliance with environmental and social requirements included in agreements or transactions	CR WEB	our environment www.nabgroup.com	22	1	http://www.nabgroup.com/0,,91282,00.html
	FS4	Processes for improving staff competency to implement the environmental and social policies as applied to business lines	CR	our environment carbon neutral	19/22/extra information 20-21	1	
	FS5	Interactions with clients/ investees/business partners regarding environmental and social risks and opportunities	CR	our environment carbon neutral supply chain	19/22/extra information 20-21 extra information	1	
	FS6	Percentage of the portfolio for business lines by specific region, size and by sector	CR	our customers our environment	extra information 22	1	
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	CR	microfinance our environment	6-7 22		
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	CR	our environment	22	1	NAB provides project finance for renewable energy infrastructure development. We do not currently provide other specific environmental products and services. We have reported the sector breakdown for our project finance portfolio in %, and along with the percentage of our Group's total loans and advances, including loans at fair value represented by our project finance portfolio.
	FS9	Coverage and frequency of audits to assess the implementation of environmental and social policies and risk assessment procedures	CR	governance and management	extra information	1	

Aspect	GRI Indicator	Description	Reference	Report Reference Section	Page	Compliance	Compliance
	FS10	Percentage and number of companies held in the institutions portfolio with which the reporting organisation has interacted on environmental or social issues	GRI			3	
	FS11	Percentage of assets subject to positive or negative environmental or social screening	CR	our customers	extra information	1	
	FS12	Voting policies applied to environmental or social issues over which the organisation holds the right to vote shares or advises on voting	GRI			1	Our wealth management products and services include insurance products. MLC observes the Australian Investment and Financial Services Association underwriting guidelines in relation to underwriting for HIV/AIDs, genetic testing, privacy and confidentiality and medical standards. These policies focus on preventing discrimination against individuals based on specific circumstances.
	FS13	Access points in low populated or economically disadvantaged areas by type	CR	customer	extra information	1	
	FS14	Initiatives to improve access to financial services for disadvantaged people	CR	microfinance	6-7	1	
	FS15	Policies for the fair design and sale of financial products and services	CR	microfinance increasing the trust factor our customers in need developing fees and charges	6-7 16 17 18		
	FS16	Initiatives to enhance financial literacy by type of beneficiary	CR	community investment microfinance	5 6-7	1	