

# National Australia Bank GRI Index

This year we have applied Version 3.0 of the GRI's Sustainability Reporting Guidelines (G3) and report at an A+ application level in our 2013 GRI Index.

Where appropriate, the index refers the reader to suitable sources of the required information from our Annual Reporting suite of documents, including our 2013 Annual Review, 2013 Annual Financial Report, 2013 Dig Deeper papers, corporate responsibility supplements and online content ([www.nabgroup.com](http://www.nabgroup.com)).



Abigail Forsyth CEO, KeepCup

References to 'we', 'our', 'us', 'nab', 'NAB', the 'National', 'National Australia Bank' or the 'Company' are to National Australia Bank Limited ABN 12 004 044 937. The 'Group' refers to the National Australia Bank Limited and its controlled entities. All references are as at 30 September 2013, except where otherwise stated. Any references to changes (including an increase or decrease) relate to the previous year, unless otherwise stated. Forward-looking statements, including targets, are not guarantees of future performance. All figures quoted in this GRI Index are in Australian dollars, unless otherwise stated.



## Statement GRI Application Level Check

GRI hereby states that **National Australia Bank** has presented its report "National Australia Bank 2013 Annual Review" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines. For methodology, see [www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf](http://www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf)

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 17 January 2014

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a large, faint watermark of the GRI globe logo.

Nelmara Arbex  
Deputy Chief Executive  
Global Reporting Initiative



The "+" has been added to this Application Level because National Australia Bank has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance

*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 10 December 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

## GRI application level

The GRI's Sustainability Guidelines specify a classification system for the 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 the column for the relevant level in the diagram illustrated below.

Our 2013 Annual Reporting suite of documents (including this GRI Index) was prepared to meet the requirements of application level A+. Our 2013 Annual Review has been checked by the GRI and has been confirmed as A+.

### Document key

AFR	2013 Annual Financial Report
AR	2013 Annual Review
DDC	2013 Dig Deeper Customer paper
DDCM	2013 Dig Deeper Community paper
DDE	2013 Dig Deeper Environment paper
DDP	2013 Dig Deeper People paper
DDSC	2013 Dig Deeper Supply Chain paper
FYR	2013 Full Year Results
WEB	www.nabgroup.com

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	<b>G3 Profile Disclosures</b> 	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17	Report Externally Assured	Same as requirement for Level B	Report Externally Assured
	<b>G3 Management Approach Disclosures</b> 	Not required		Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category	
	<b>G3 Performance Indicators &amp; Sector Supplement Performance Indicators</b> 	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.		Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human rights, Labour, Society, Product Responsibility.		Report on each core G3 and Sector Supplement Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission	

## Profile disclosures

### Strategy and analysis

Profile disclosure	Description	Reported	Commentary or reference
1.1	Statement from the most senior decision-maker of the organisation.	Fully	<p><b>AR:</b> Chairman's Message (p 4-5), Group CEO (p 6-9)</p> <p><b>AR:</b> Chairman's Message (p 4-5), Group CEO (p 6-9), Our Business (p 2-3), Our Strategy (p 11-15), Our Non-Negotiables (p 16-23) Stakeholder engagement and future focus (p 24-25), Our Performance (p 26-29)</p> <p>Each year we conduct a materiality assessment to identify the corporate responsibility (CR) issues which are most important to our stakeholders and our business. Our materiality process is detailed in our online supplement 'Our approach to CR Reporting' available at <a href="http://www.nabgroup.com/annualreport">http://www.nabgroup.com/annualreport</a></p> <p>This year, the material issues identified through this process included:</p> <ul style="list-style-type: none"> <li>• responsible lending</li> <li>• diversity</li> </ul>
1.2	Description of key impacts, risks, and opportunities.	Fully	<ul style="list-style-type: none"> <li>• transparency and disclosure</li> <li>• customer service and satisfaction</li> <li>• a values-aligned culture</li> <li>• responsible credit practices</li> <li>• customer security and safety</li> <li>• ethics and business conduct</li> <li>• financial crime</li> <li>• transparency of products and services.</li> </ul> <p>Where possible, we have included key metrics on these matters, and a full list of these material issues are identified in our annual Dig Deeper papers. Our 2013 Dig Deeper papers are available at <a href="http://www.nabgroup.com/annualreport">http://www.nabgroup.com/annualreport</a></p>

## Organisational profile

Profile disclosure	Description	Reported	Commentary or reference
2.1	Name of the organisation.	Fully	National Australia Bank Limited (NAB)
2.2	Primary brands, products, and/or services.	Fully	<b>AR:</b> Our Business (p 2-3)
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	<b>AR:</b> Our Business (p 2-3)
2.4	Location of organisation's headquarters.	Fully	800 Bourke Street, Docklands, Victoria, Australia 3008
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	<b>AR:</b> Our Business (p 2-3) We operate in 11 countries worldwide, with our major operations in Australia, New Zealand, the United Kingdom and the United States of America. We are continuing to build our presence throughout Asia, though this region currently represents less than 1% of our total workforce.
2.6	Nature of ownership and legal form.	Fully	NAB has securities listed in Australia and overseas. <b>AFR:</b> Inside Cover/Shareholder Information (p 163-166)
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	<b>AR:</b> Our Business (p 2-3)
2.8	Scale of the reporting organisation.	Fully	<b>AR:</b> 2013 Results (p 1), Our Business (p 2-3), Group Performance (p 26-27)
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	<b>AFR:</b> Report of the Directors (p 3)
2.10	Awards received in the reporting period.	Fully	<b>AR:</b> Contents (inside cover), Snapshot, Non-Negotiables – People, Culture and Reputation (p 22-23). Our awards are also detailed throughout our Dig Deeper papers available at <a href="http://www.nabgroup.com/annualreport">http://www.nabgroup.com/annualreport</a> See the 'Other Matters' section (p 38) within our 2013 Full Year Results: <a href="http://www.nabgroup.com/annualreport">http://www.nabgroup.com/annualreport</a>

## Report parameters

Profile disclosure	Description	Reported	Commentary or reference
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	1 October 2012 – 30 September 2013
3.2	Date of most recent previous report (if any).	Fully	Our 2013 Annual Reporting suite of documents is published in November 2013. Available: <a href="http://www.nabgroup.com/annualreport">http://www.nabgroup.com/annualreport</a>
3.3	Reporting cycle (annual, biennial, etc.)	Fully	We produce an integrated report (incorporating CR performance) on an annual basis.
3.4	Contact point for questions regarding the report or its contents.	Fully	<b>AR:</b> Contact Details (p34) <b>AR:</b> Stakeholder engagement and future focus (p 24-25)  Each year we conduct extensive engagement both formally and informally with our investors, analysts, employees, consumer advocate groups and community groups ('materiality process') to understand the material CR issues that are most important to our business and ensure that our Annual Review is focused on the issues that matter most to our stakeholders and our business. Our approach has also been informed by the International Integrated Reporting Council's (IIRC) guidance on integrated reporting. As one of only 100 members of the IIRC Pilot Program, we are actively participating in the development of this reporting framework.
3.5	Process for defining report content.	Fully	We are constantly benchmarking our performance against our peers. We use internationally recognised indices such as the Dow Jones Sustainability Index and the FTSE4Good Index to help us understand where we focus our efforts.  Our annual peer and media review also helps us ensure that our CR agenda is in line with best practice.  Our approach is informed by taking all of the information above into account, including the GRI G3 framework, when we communicate with our stakeholders, in particular through our Annual Review.  Our materiality process is detailed in our online supplement 'Our approach to CR Reporting' available at <a href="http://www.nabgroup.com/annualreport">http://www.nabgroup.com/annualreport</a> <b>AR:</b> About this Annual Review / Contents page, Our Business (p 2-3)
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	Our CR Disclosures cover all major areas of operation, including wholly-owned subsidiaries, within Australia, New Zealand, the United Kingdom, North America and Asia. Where appropriate, we have also provided disclosures on specific divisions within our business.

## Report parameters cont.

Profile disclosure	Description	Reported	Commentary or reference
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	<b>AR:</b> About this Annual Review / Contents page Our CR disclosures cover all major areas of operation, where there are instances for which we are unable to disclose data for a specific region, this has been disclosed either in the body of the text or in footnotes where appropriate.
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	Fully	<b>AR:</b> About this Annual Review / Contents page (Inside Cover) The operations of our wholly-owned subsidiaries and majority-owned subsidiaries are covered by our 2013 CR disclosures. Disclosures do not incorporate any minority-owned joint ventures or outsourced operations unless otherwise stated.
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	Data measurement techniques for social and governance indicators are based on guidance provided in GRI indicator protocols. Methodologies used for our environmental data are referenced in the Environment Dig Deeper and on our website at: <a href="http://cr.nab.com.au/what-we-do/how-we-calculated-our-carbon-inventory">http://cr.nab.com.au/what-we-do/how-we-calculated-our-carbon-inventory</a> Methodologies and assumptions are identified in the body of the text where the data resides or otherwise in footnotes where appropriate.
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	Re-statements are footnoted and explained in the Annual Review and our Dig Deeper papers, none of which were material.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	No material changes in the scope, boundary or measurement methods applied in the report during this period. <b>AFR:</b> Report of the Directors (p 3) outlines structural changes and key appointments and retirements.
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	This document. Available at: <a href="http://www.nabgroup.com/annualreport">http://www.nabgroup.com/annualreport</a> <b>AR:</b> Ernst & Young Assurance Report (p 35)
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	<b>AFR:</b> Ernst & Young Auditor Independence Report (p 176) <b>DDE:</b> KPMG Assurance Statement over environmental reporting (p 33-34) and on our website at: <a href="http://cr.nab.com.au/what-we-do/environmental-targets-assurance-and-certification">http://cr.nab.com.au/what-we-do/environmental-targets-assurance-and-certification</a> Note – we have more than one assurance statement. We only include one in the report.

## Governance, commitments and engagement

Profile disclosure	Description	Reported	Commentary or reference
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	Fully	<p><b>AR:</b> Governance (p 18-19)</p> <p><b>AFR:</b> Report of Directors (p 19-27), Corporate Governance (p 52-63)</p> <p><b>DDE:</b> Environmental governance and risk management (p 14-15)</p>
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	Mr Michael Chaney AO is Chairman and non-executive director of NAB's Board of Directors. Mr Cameron Clyne is Managing Director and NAB Group CEO
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Fully	<p><b>AR:</b> Board of Directors (p 30-31)</p> <p><b>AFR:</b> Report of Directors (p 19-27), Corporate Governance (p 52-63)</p>
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	<p>Shareholders and employees of National Australia Bank are able to provide recommendations to the Principal Board through a number of mechanisms including:</p> <ul style="list-style-type: none"> <li>• in person or in writing at the Annual General Meeting</li> <li>• through the NAB Group Website feedback form</li> <li>• direct correspondence addressed to Company Secretary or Principal Board</li> <li>• direct correspondence addressed to NAB's Investor Relations department</li> </ul> <p><b>AFR:</b> Voting Rights section of Shareholder information (p 178-181)</p>
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	Fully	<p><b>AFR:</b> Corporate Governance (p 52-63), Report of the Directors including the Remuneration Report (p 29-50)</p> <p><b>AR:</b> Our remuneration framework (p 19)</p> <p><b>Web:</b> Remuneration management: <a href="http://www.nabgroup.com/corporategovernance">http://www.nabgroup.com/corporategovernance</a></p>
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	<p><b>AFR:</b> Corporate Governance (p 53)</p> <p><b>AR:</b> Governance (p 18-19)</p>
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics.	Fully	<p><b>AFR:</b> Corporate Governance (p 52-63), Report of the Directors (p 19-22)</p> <p><b>AR:</b> Board of Directors (p 30-31) and Executive Team (p 32-33)</p>

## Governance, commitments and engagement cont.

Profile disclosure	Description	Reported	Commentary or reference
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	<p>Our purpose is to do the right thing and help our people and customers realise their potential. This is part of who we are and guides how we do business. Our CR approach is founded on this purpose. It's focused on getting the fundamentals right for our customers, being a good employer and addressing our broader responsibility to society. We know that when we get it right for our shareholders and our customers, we also make NAB a great place to work and ensure the future prosperity of individuals and their communities.</p> <p><b>Web:</b> NAB Code of Conduct: <a href="http://www.nabgroup.com/corporategovernance">http://www.nabgroup.com/corporategovernance</a></p>
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	<p><b>AFR:</b> Operating and Financial Review (p 3-18), Corporate Governance (p 52-63)</p> <p><b>AR:</b> Risk and Compliance (p 18-21)</p> <p><b>DDE:</b> Environmental governance and risk management (p 14-15)</p>
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	<p><b>AFR:</b> Corporate Governance (p 52-63), Report of the Directors (p 29-51)</p>
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	Fully	<p>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 in our AFR, AR and on our NAB Group website at <a href="http://www.nabgroup.com">www.nabgroup.com</a></p> <p>This year we continued to embed risk thinking into our daily activities and decisions. Additionally, our environmental, social and governance (ESG) Risk Principles help us consider a broader set of risks in our day-to-day business decisions. We believe that by being aware of ESG risk, and having policies and tools to manage those risks, we are better able to deliver sustainable returns over the long-term. To help our employees better understand ESG Risk, we continue to include ESG Risk case studies in our annual risk awareness training, which was completed in 2013 by all Australian and Asian employees. In 2013 we also developed ESG content for risk induction training 'Risk Ready', to be undertaken by all new Australian-based employees.</p> <p><b>AR:</b> Risk and compliance (p 18-21)</p>

## Governance, commitments and engagement cont.

Profile disclosure	Description	Reported	Commentary or reference
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	Fully	<p>NAB is a signatory to the following internationally recognised initiatives:</p> <ul style="list-style-type: none"> <li>• UN Global Compact</li> <li>• Equator Principles</li> <li>• UNEP FI</li> <li>• CDP Investor Request (Climate Change) Water, Forestry and Carbon Action</li> <li>• Natural Capital Declaration</li> <li>• London Benchmarking Group</li> <li>• Universal Declaration of Human Rights</li> <li>• OECD Guidelines for Multinational Enterprises</li> <li>• UN Principles for the Empowerment of Women (New Zealand)</li> </ul> <p>In addition we have made public commitments to uphold:</p> <ul style="list-style-type: none"> <li>• Universal Declaration of Human Rights</li> <li>• OECD Guidelines for Multinational Enterprises</li> </ul>
4.13	Memberships in associations.	Fully	<b>Web:</b> <a href="http://cr.nab.com.au/how-we-work/memberships-industry-initiatives">http://cr.nab.com.au/how-we-work/memberships-industry-initiatives</a>
4.14	List of stakeholder groups engaged by the organisation.	Fully	Our stakeholder engagement process, including a list of stakeholders and the issues of importance to these stakeholders, is detailed in our online supplement 'Our approach to CR Reporting' available at <a href="http://www.nabgroup.com/annualreport">http://www.nabgroup.com/annualreport</a>
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	<p><b>AR:</b> Stakeholder Engagement and future focus (p 24-25)</p> <p>We are guided in our stakeholder engagement by the AA1000 Stakeholder Engagement Standard. This process included mapping of key stakeholder groups based on an assessment of their level of interest and influence. Outcomes of this assessment fed directly into our CR materiality assessment (issues identified by stakeholder groups which were assessed high priority on stakeholder maps were given higher scores in our assessment of material CR issues).</p> <p>Refer to Profile disclosure 4.14 of this document.</p>

**Governance, commitments and engagement cont.**

Profile disclosure	Description	Reported	Commentary or reference
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	Refer to Profile disclosure 4.14 of this document.
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	Fully	<p>Every year, we carry out a formal materiality review to identify the CR issues of most importance to our stakeholders and our business. The outcomes of this process guide the content of our Annual Review, our commitments for the coming year and link to the metrics in our CR Scorecard. This year we sought feedback from investors, analysts, employees, government, community partners, consumer advocacy groups, non-government organisations and business leaders on issues they felt were relevant to NAB. Key CR issues that were rated as material to our stakeholders and our business leaders included: values aligned culture, customer service, responsible finance, access to fair and affordable banking, customer hardship, responsible credit procedures and community investment.</p> <p>A full list of material CR issues, and detail on our stakeholder engagement process, is available in our online supplement 'Our approach to CR Reporting' available at <a href="http://www.nabgroup.com/annualreport">http://www.nabgroup.com/annualreport</a></p>

## Management approach and performance indicators

### Product and services impact

Product portfolio			
Performance indicator	Description	Reported	Commentary or reference
FS1	Policies with specific environmental and social components applied to business lines.	Fully	<p><b>AR:</b> Stakeholder engagement and future focus (p 24-25)</p> <p><b>DDC:</b> Responsible lending (p 8), Financial inclusion (p 8-10), Project financing (p 12)</p> <p><b>DDE:</b> Products and services (p 12-13), Environmental governance and risk management (p 14-15)</p>
FS2	Procedures for assessing and screening environmental and social risks in business lines.	Fully	<p><b>AR:</b> Corporate Governance (p 18-19), Stakeholder engagement and future focus (p 24-25)</p> <p><b>DDC:</b> Project financing (p 12)</p> <p><b>DDE:</b> Products and services (p 12-13), Environmental governance and risk management (p 14-15)</p>
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	Fully	<p><b>DDC:</b> Project financing (p 12), Socially Responsible Investment (p 13)</p> <p><b>DDE:</b> Products and services (p 12-13), Environmental governance and risk management (p 14-15)</p>
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	Fully	<p>This year we continued to embed ESG risk principles considerations, through our ESG Risk Principle, implemented in 2012, into our day-to-day business decisions. We consider that by being aware of ESG risk, and having policies and tools to manage those risks, we are better able to deliver sustainable returns over the long-term. It is compulsory for all employees in Asia and Australia to complete an ESG Risk Training module on an annual basis.</p>

## Product and services impact cont.

Product portfolio			
Performance indicator	Description	Reported	Commentary or reference
FS5	Interactions with clients/investors/business partners regarding environmental and social risks and opportunities.	Partially	<p>Every year, we carry out a formal materiality review to identify the CR issues of most importance to our stakeholders and our business. The outcomes of this process guide the content of our Annual Review, our CR commitments for the coming year and link to the metrics in our CR Scorecard. This year we sought feedback from investors, analysts, employees, government, community partners, consumer advocacy groups, non-government organisations and business leaders on CR issues they felt were relevant to NAB. Key CR issues that were rated as material to our stakeholders and our business leaders included: values aligned banking, customer service, responsible finance, access to fair and affordable banking, customer hardship, responsible credit procedures and community investment.</p> <p>Our materiality process and ongoing interaction with stakeholders is disclosed throughout our annual reporting suite and specifically available in our online supplement 'Our approach to CR Reporting' available at <a href="http://www.nabgroup.com/annualreport">http://www.nabgroup.com/annualreport</a></p> <p>Detail on our performance this year can be found in our Dig Deeper papers available at <a href="http://www.nabgroup.com/annualreport">http://www.nabgroup.com/annualreport</a></p>
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector.	Fully	<p><b>AR:</b> Our Performance (p 26-29)</p> <p><b>DDC:</b> Business Footings (p 3)</p> <p><b>FYR:</b> Review of Divisional Operations and Results (p 40-80)</p>
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	Fully	<p><b>DDC:</b> Detailed throughout our 2013 Customer Dig Deeper paper, including our micro finance loans program and other work that we undertake to improve financial inclusion and capability.</p>

## Product and services impact cont.

Product portfolio			
Performance indicator	Description	Reported	Commentary or reference
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	Fully	<p><b>DDE:</b> Detailed throughout our 2013 Environmental Dig Deeper paper.</p> <p><b>DDC:</b> See the 'Responsible Lending' section of our 2013 Customer Dig Deeper paper which describes our investment in renewable energy. We have reported the sector breakdown for our project finance portfolio, along with the percentage of the NAB Group's total loans and advances, including loans at fair value represented by our project finance.</p>
Audit			
Performance indicator	Description	Reported	Commentary or reference
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	Partially	<p><b>AR:</b> Risk and Compliance (p 17-21) Stakeholder Engagement (p 24)</p> <p><b>DDSC:</b> Sustainable Supply Chain Management (p 3)</p>
Active ownership			
Performance indicator	Description	Reported	Commentary or reference
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues.	Not	<p>We mostly take a 'Manager of Managers' approach to the provision of investment products; therefore we do not have direct access to the companies in which we invest.</p> <p>Our Business Banking and Products and Markets business units, in particular our Environmental Finance, Environmental Markets, Project Finance and Agri-business Banking teams, have regular conversations with clients on sustainability risks and opportunities.</p> <p>However, we do not have systems to collect quantitative data to allow us to fully report on this indicator.</p>

## Product and services impact cont.

Active ownership			
Performance indicator	Description	Reported	Commentary or reference
FS11	Percentage of assets subject to positive and negative environmental or social screening.	Fully	<p><b>DDC:</b> Responsible Investment (p 13)</p> <p>We offer a range of socially responsible investment (SRI) options. These investments are screened by the fund managers on social and environmental criteria. We make these investment options available through MLC's various investment platforms. Our SRI fund portfolio is shown online and it represents 0.30% of our total funds under management and administration.</p>
FS12	Voting policy(ies) applied to environmental or social issues for shares over which the reporting organisation holds the right to vote shares or advises on voting.	Fully	<p>Through MLC, our Australian wealth management business, we mostly take a 'Manager of Managers' approach to the provision of investment products. The outcome of this approach is an efficiently implemented portfolio, which is diversified across asset classes, within asset classes and across investment managers. This approach is based on a number of fundamental investment beliefs, one of which is that diversification leads to more consistent outcomes. For International holdings through 'Manager of Managers' investments, responsibility for proxy voting is delegated to the underlying fund managers.</p> <p>MLC's proxy voting policy for other Funds Under Management (FUM) is to access and vote all proxies for every resolution in respect of holdings beneficially owned by MLC entities in companies publicly listed in Australia (unless MLC has no discretion to vote). Where practicable, MLC votes on all proxies for every resolution in respect to Superannuation holdings beneficially owned by members of the products. MLC exercises proxy voting rights for domestic FUM and votes on resolutions as declared on <a href="http://www.mlc.com.au">http://www.mlc.com.au</a>.</p>

## Economic

### Management approach

#### Our goal

Our goal is to deliver sustainable and satisfactory returns to our shareholders. We believe that what is good for our customers is also good for business. So by focusing on the customer and by continuing to be a better bank for our people and the community, we can achieve great results for all our stakeholders.

#### Our responsibility

Doing the right thing is at the heart of everything we do. For us, Corporate Responsibility means getting the fundamentals right for our customers, being a good employer and addressing our broader responsibility to society.

We acknowledge that as a major financial institution we can contribute both economically and socially to society – by helping people to have a healthy relationship with money,

investing to build communities and taking steps today that positively impact our future.

Further information on the management of our Economic Performance, Market Presence and Indirect Economic Impacts is available within our Annual Review, Annual Financial Report and our series of Dig Deeper papers.

Economic performance			
Performance indicator	Description	Reported	Commentary or reference
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	<b>AFR:</b> Entire document <b>DDCM:</b> Our Economic Contribution (p 8)
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	Fully	<b>DDE:</b> Climate change and resource efficiency (p 5-9), Environmental governance and risk management (p 14-15) Refer to our 2013 CDP submission – <b>Web:</b> <a href="https://www.cdproject.net/en-US/Results/Pages/overview.aspx">https://www.cdproject.net/en-US/Results/Pages/overview.aspx</a>
EC3	Coverage of the organisation's defined benefit plan obligations.	Fully	<b>AFR:</b> Defined benefit superannuation plan assets and liabilities (p 116-118)
EC4	Significant financial assistance received from government.	Not	Not material

**Economic cont.**

Market presence			
Performance indicator	Description	Reported	Commentary or reference
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Fully	<p><b>DDSC:</b> Detailed throughout our 2013 Supply Chain Dig Deeper paper.</p> <p>Our practice is that we generally use local suppliers unless the relevant goods or service provision is negotiated as part of a master contract negotiated for the NAB Group. Suppliers are selected on the basis of a range of commercial requirements including CR criteria.</p> <p>See our 2013 Supply Chain Dig Deeper paper (p 4) for further detail.</p>
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	<p>NAB does not have a specific policy regarding local hiring, as our significant operations are based in major capital cities of OECD countries. However, we hire employees based on merit and appropriateness of their skill set for any advertised position. The majority of our employees are hired from the region in which each of our businesses operate.</p> <p><b>DDP:</b> Providing pathways to employment (p 8)</p>

**Economic cont.**

Indirect economic impacts			
Performance indicator	Description	Reported	Commentary or reference
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Partially	<p>We believe wealth is about a lot more than just money. It's about all the things that make life rich. That's why in 2013 we announced our plan to continue to create opportunities for all to enjoy that kind of wealth in their lives.</p> <p>This means helping people have a Healthy Relationship with Money, building Prosperous Communities, and ensuring we are contributing to the bigger picture and a Future Focused Nation.</p> <p><b>AR:</b> The bigger picture (p 23)</p> <p>Our 2013 Customer Dig Deeper paper details our investment in public benefit through commercial, in-kind and pro bono engagement, please refer to:</p> <p><b>DDC:</b> Responsible lending (p 8), Financial inclusion (p 8-10), Supporting indigenous communities (p 11), Project financing (p 12), Responsible investment (p 13)</p> <p><b>DDCM:</b> Entire document</p>
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	<p>We are a global organisation with over 42,000 employees – we pay salaries and invest in the development of our people. We are the leading provider of project finance to renewable energy projects in Australia – a position we've held for seven years. We have a focus on supporting sustainable business through our supply chain and work to ensure our customers have access to fair and affordable banking. In addition to the above, we make significant tax contributions in the areas in which we operate.</p> <p>See the Economic Contribution section of our 2013 Community Dig Deeper paper (p 8) for further information.</p>

## Environment

### Management approach

The world is changing quickly, so we think it's important to work together to plan for the challenges and opportunities that exist today, and those that will emerge in the future. Around the world, communities, businesses and governments are facing challenges to economic prosperity, human well being and environmental sustainability.

We recognise these challenges are linked and that real economic prosperity and wealth is about more than just money – human well being and environmental sustainability play a major part too.

Our environmental agenda is focused on three key environmental challenges – climate change, resource efficiency and natural value. We understand that each of these

environmental issues create both business risks and opportunities, and that they are increasingly critical to address.

We believe that addressing our environmental impacts and dependencies is not only the right thing to do – it's also responsible and smart business practice. By focusing on the future, we can ensure that the decisions and actions we take today can have a positive impact on the prosperity of our business and broader society.

Materials			
Performance indicator	Description	Reported	Commentary or reference
EN1	Materials used by weight or volume.	Fully	<b>DDE:</b> Note 4: Paper consumption (p 23) As a service based organisation, paper is the only material identified as material for reporting purposes.
EN2	Percentage of materials used that are recycled input materials.	Fully	<b>DDE:</b> Note 4: Paper consumption (p 23)
Energy			
Performance indicator	Description	Reported	Commentary or reference
EN3	Direct energy consumption by primary energy source.	Fully	<b>DDE:</b> Note 2: Energy consumption and production (p 19-20) provides total direct energy consumption.
EN4	Indirect energy consumption by primary source.	Fully	<b>DDE:</b> Note 2: Energy consumption and production (p 19-20) provides indirect energy consumption, Note 9: Offsetting activities (p 30-31)

## Environment cont.

Energy			
Performance indicator	Description	Reported	Commentary or reference
EN5	Energy saved due to conservation and efficiency improvements.	Fully	<p><b>DDE:</b> GHG emissions management and reduction (p 6), Reflecting on energy savings (p 7), Our approach to supporting GHG emissions abatement (p 7), Offsets from renewable energy projects (p 7), Initiatives to reduce our environmental footprint (p 7), Note 2: Energy consumption and production (p 19-20)</p> <p>Refer to our 2013 CDP submission –  <b>Web:</b> <a href="https://www.cdproject.net/en-US/Results/Pages/overview.aspx">https://www.cdproject.net/en-US/Results/Pages/overview.aspx</a></p>
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	<p><b>DDC:</b> Project financing (p 12)</p> <p><b>DDE:</b> Products and services (p 12-13)</p> <p>Refer to our 2013 CDP submission –  <b>Web:</b> <a href="https://www.cdproject.net/en-US/Results/Pages/overview.aspx">https://www.cdproject.net/en-US/Results/Pages/overview.aspx</a></p>
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	<p><b>DDE:</b> GHG emissions management and reduction (p 6), Reflecting on energy savings (p 7), Our approach to supporting GHG emissions abatement (p 7), Offsets from renewable energy projects (p 7), Initiatives to reduce our environmental footprint (p 7), Note 2: Energy consumption and production (p 19-20)</p>
Water			
Performance indicator	Description	Reported	Commentary or reference
EN8	Total water withdrawal by source.	Fully	<p><b>DDE:</b> Note 7: Water Consumption and Trade Effluent Discharge (p 26)</p>
EN10	Percentage and total volume of water recycled and reused.	Not	<p>We do not currently reuse or recycle water, we have implemented initiative for water harvesting in Australia and New Zealand, please refer to:</p> <p><b>DDE:</b> Note 7: Water Consumption and Trade Effluent Discharge</p>

## Environment cont.

Biodiversity			
Performance indicator	Description	Reported	Commentary or reference
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Not	Not applicable. We do not report on this issue as the disclosure is not material to our business because NAB's operations are all located in urban built environments and therefore have no direct impact on biodiversity rich habitats.
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Partially	<p>We not have any material direct impacts on biodiversity in protected areas and areas of high biodiversity value outside protected areas because NAB's operations are all located in urban built environments. We recognise that we can have indirect impacts on biodiversity through our supply chain and purchasing decisions as well as our lending and investment activities.</p> <p>As a result of this understanding, in December 2011, NAB became an one of two inaugural signatories to the Natural Capital Declaration (NCD). In fulfilling the commitment we made when our CEO signed this declaration we are working to better understand the impacts and dependencies our business has on natural capital, including biodiversity and ecosystem services.</p> <p>For further information on our activities related to natural value and our commitment to the NCD, please refer to:</p> <p><b>DDE:</b> Our environmental agenda (p 4), Natural Value (p 10-11)</p>
EN13	Habitats protected or restored.	Fully	<b>DDE:</b> Our environmental agenda (p 4), Our 2014 – 2016 Group-wide environmental performance targets (p 5), Considering natural value (p 10-11)
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Fully	<b>DDE:</b> Our environmental agenda (p 4), Our 2014 – 2016 Group-wide environmental performance targets (p 5), Considering natural value (p 10-11)

**Environment cont.**

<b>Emissions, effluents and waste</b>			
<b>Performance indicator</b>	<b>Description</b>	<b>Reported</b>	<b>Commentary or reference</b>
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	<b>DDE:</b> Environmental Performance Summary (p 16), Note 3: GHG Emissions (p 21-22)
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	<b>DDE:</b> Environmental Performance Summary (p 16), Note 3: GHG Emissions (p 21-22)
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	<b>DDE:</b> Climate change and resource efficiency (p 5-8), Environmental Performance Summary (p 16), Note 3: GHG Emissions (p 21-22)
EN19	Emissions of ozone-depleting substances by weight.	Fully	<b>DDE:</b> Note 3: GHG Emissions (p 21-22)
EN20	NOx, SOx, and other significant air emissions by type and weight.	Fully	<b>DDE:</b> Note 3: GHG Emissions (p 21-22)
EN21	Total water discharge by quality and destination.	Fully	<b>DDE:</b> Note 7: Water Consumption and Trade Effluent Discharge (p 26)
EN22	Total weight of waste by type and disposal method.	Fully	<b>DDE:</b> Note 5: Waste to landfill and recycle (p 24)
EN23	Total number and volume of significant spills.	Fully	<b>DDE:</b> Environment Compliance (p 15) There have been no significant spills from any NAB storage facility in the reporting year.

## Environment cont.

Products and services			
Performance indicator	Description	Reported	Commentary or reference
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	<p><b>DDE:</b> NAB's Environmental Agenda (p 4)</p> <p><b>Web:</b>  <a href="http://cr.nab.com.au/what-we-do#environment">http://cr.nab.com.au/what-we-do#environment</a>            (Under the Environment Tab)</p> <p>Financial products and services do not typically have direct environmental impacts. There is, however, an indirect impact through the activities of customers to whom we lend. Our stakeholders have told us that this indirect impact is of concern to them. NAB Group's adoption of the Equator Principles is one way we are reducing the potential environmental and social impact of our lending. Our environmental credit risk policies also help address the potential indirect environmental impacts of our lending. See our 2013 Customer Dig Deeper paper (p12) for information on our project finance lending.</p>
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Not	<p>Not applicable. We do not report on this indicator as the disclosure is not relevant to the types of products and services provided by our business. We continue to give shareholders and personal banking customers the option to receive electronic statements and communications and, in doing so, reduce their impact on the environment.</p> <p>As at 30 September 2013, approximately 1,212,000 customers in Australia (equating to around 3,478,000 accounts), and approximately 255,000 customers in NZ (equating to around 389,000 statement accounts), had opted in to paperless statements.</p> <p>These initiatives are reducing emissions by around 259 tCO<sub>2</sub>-e per annum.</p> <p><b>DDE:</b> Customer and shareholder services (p 12), Note 4. Office Paper purchased (p 23)</p>

## Environment cont.

Compliance			
Performance indicator	Description	Reported	Commentary or reference
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	<p><b>DDE:</b> Environmental compliance (p 15)</p> <p>During the 2013 environmental reporting period the Group was not subject to any material environmental fines or penalties and there were no significant spills from any Group storage facility.</p>
Transport			
Performance indicator	Description	Reported	Commentary or reference
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	Fully	<p><b>DDE:</b> Note 6: Transport and Travel (p 25)</p>
Overall			
Performance indicator	Description	Reported	Commentary or reference
EN30	Total environmental protection expenditures and investments by type.	Partially	<p>Refer to our 2013 CDP submission –</p> <p><b>Web:</b> <a href="https://www.cdproject.net/en-US/Results/Pages/overview.aspx">https://www.cdproject.net/en-US/Results/Pages/overview.aspx</a></p>

## Labour practices and decent work

### Management approach

#### We are committed to being the best employer

With over 42,000 employees, we play a significant role in the lives of a diverse range of people. Our focus on leadership, culture and capability helps us create a workplace where we

are focused on what matter to our people and on the bigger picture – helping to open doors for people with the future in mind. More than anything our commitment to our people develops an organisation with which our customers want to do business.

Employment			
Performance indicator	Description	Reported	Commentary or reference
LA1	Total workforce by employment type, employment contract, and region.	Partially	<b>AR:</b> Group Performance Table (p 26) <b>DDP:</b> Throughout entire document and specifically in the “About our People section (p 2)
LA2	Total number and rate of employee turnover by age group, gender, and region.	Fully	<b>AR:</b> Group Performance Table (p 26) <b>DDP:</b> Turnover (p 4)
Labour/management relations			
Performance indicator	Description	Reported	Commentary or reference
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	<b>DDP:</b> Workplace Relations (p 12)
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	<b>DDP:</b> Workplace Relations (p 12) NAB has a policy in place with respect to significant organisational change. In each business as part of our collective agreements, there are minimum notices periods and commitments to consult employees regarding significant organisational change prior to the implementation of that change.

## Labour practices and decent work cont.

Occupational health and safety			
Performance indicator	Description	Reported	Commentary or reference
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Fully	<b>AR:</b> Group Performance Table (p 26) <b>DDP:</b> Health & Well being (p 9-11)
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	<b>DDP:</b> Health & Well being (p 9-11) NAB is an active member of the Australian Bankers Association Pandemic Preparedness Working Group and has developed extensive policies and procedures consistent with the Working Group's guidelines to manage risks such as Pandemic disease outbreaks.
Training and education			
Performance indicator	Description	Reported	Commentary or reference
LA10	Average hours of training per year per employee by employee category.	Not	In 2013, we upgraded our online learning management system. This has impacted our ability to report this data with guaranteed accuracy so we have chosen not to disclose these figures in 2013. We will look to disclose these figures in future reporting years.
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	<b>DDP:</b> Supporting an ageing workforce (p 7)
Diversity and equal opportunity			
Performance indicator	Description	Reported	Commentary or reference
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Fully	<b>AFR:</b> Report of the Directors (p 19-22), Corporate Governance (p 56) <b>DDP:</b> Diversity (p 5-8)
LA14	Ratio of basic salary of men to women by employee category.	Fully	<b>DDP:</b> Diversity (p 6)

## Human rights

### Management approach

We have established a series of global policies and initiatives which support and uphold our commitment to the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the

Universal Declaration of Human Rights. Importantly, human rights is a key consideration in the development of policies impacting our people, such as in the areas of diversity, health and safety and equal opportunity. Additionally we consider human rights in our lending and sourcing activity through

our ESG Risk Principles and through application of Equator Principles to all project financing.

Further information on our approach to human rights can be found in our most recent UN Global Compact (UNGC) Communication on Progress.

Investment and procurement practices			
Performance indicator	Description	Reported	Commentary or reference
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Fully	Our operations are mainly in OECD countries which have legislation covering human rights issues. Therefore, this is not a material issue for the NAB Group. Where we invest in non-OECD countries, 100% of project finance deals are assessed against the Equator Principles. Our approach to human rights is described in our 2013 UN Global Compact Communication on Progress available at <a href="http://www.unglobalcompact.org/participant/13602-National-Australia-Bank">http://www.unglobalcompact.org/participant/13602-National-Australia-Bank</a>
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Fully	Based on our screening, no suppliers were declined and no conditions imposed, on the basis of not meeting Human Rights screening and criteria. For more information see our 2013 Supply Chain Dig Deeper paper.
Non-discrimination			
Performance indicator	Description	Reported	Commentary or reference
HR4	Total number of incidents of discrimination and actions taken.	Fully	<b>Web:</b> <a href="http://www.nabgroup.com/corporategovernance">http://www.nabgroup.com/corporategovernance</a>

## Human rights cont.

### Freedom of association and collective bargaining

Performance indicator	Description	Reported	Commentary or reference
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Fully	<b>DDP:</b> Collective Bargaining (p 12)

### Child labour

Performance indicator	Description	Reported	Commentary or reference
HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	Fully	NAB employs an adult professional workforce in all countries in which it operates.
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour.	Fully	NAB does not have operations at risk of forced or compulsory labour.

## Society

### Management approach

We are committed to building prosperous communities. We realise the unique role a bank has in helping to build prosperous communities. By investing in the organisations and industries that tie communities together – and supporting initiatives focused on education, community engagement and financial and social inclusion – we can help communities flourish.

We are a global organisation with over 42,000 employees – we pay salaries and invest in the development of our people. We are the leading arranger by market share of renewable energy in Australia. We have a focus on supporting sustainable business through our supply chain and we work to ensure our customers have access to fair and affordable banking. In addition to the above, we make significant tax contributions in the areas in which we operate.

See our 2013 Dig Deeper papers for more information on these areas.

Community			
Performance indicator	Description	Reported	Commentary or reference
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Fully	<b>DDCM:</b> Entire document
FS13	Access points in low-populated or economically disadvantaged areas by type.	Fully	<b>DDC:</b> Financial inclusion (p 8-10), Financial literacy (p 10-11), Rural coverage in Australia (p 14)
FS14	Initiatives to improve access to financial services for disadvantaged people.	Fully	<b>DDC:</b> Financial Inclusion (p 8-11) <b>DDCM:</b> Inclusion (p 4)
Corruption			
Performance indicator	Description	Reported	Commentary or reference
SO2	Percentage and total number of business units analysed for risks related to corruption.	Fully	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 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.  <b>Web:</b> NAB Code of Conduct <a href="http://www.nabgroup.com/corporategovernance">http://www.nabgroup.com/corporategovernance</a>

## Society cont.

Corruption			
Performance indicator	Description	Reported	Commentary or reference
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures.	Fully	<p>Anti-corruption training forms part of our compliance training related to our Code of Conduct. All employees must complete this training.</p> <p><b>Web:</b> NAB Code of Conduct <a href="http://www.nabgroup.com/corporategovernance">http://www.nabgroup.com/corporategovernance</a></p>
SO4	Actions taken in response to incidents of corruption.	Fully	<p>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 Whistle blower Protection Program to provide an avenue for employees to raise issues of concern.</p> <p>Each business unit considers risk of corruption as part of their overall operational assessment. Some specialised businesses have additional Codes of Conduct, in addition to the NAB Group Code of Conduct, where additional risk has been identified. The NAB Group also has an Anti-Fraud policy, which includes consideration of corruption.</p> <p><b>Web:</b> NAB Code of Conduct <a href="http://www.nabgroup.com/corporategovernance">http://www.nabgroup.com/corporategovernance</a></p>
Public policy			
Performance indicator	Description	Reported	Commentary or reference
SO5	Public policy positions and participation in public policy development and lobbying.	Fully	<p>The Australian Government introduced a Lobbying Code of Conduct and a Register of Lobbyists in 2008 which apply to lobbyists who act on behalf of third party clients. Although NAB is not captured under these processes, we are supportive of them. NAB makes submissions to Parliamentary and Government inquiries and these submissions are publicly available on the inquiry websites.</p>
Compliance			
Performance indicator	Description	Reported	Commentary or reference
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	<p><b>AFR:</b> Litigation and Disputes' section of the Report of the Directors (p 25)</p>

## Product responsibility

### We are committed to getting the fundamentals right

Key to our ongoing success are the deep relationships we build with our customers – by continuing to offer fair products and services that respond to what our customers tell us they want. We also want to support them to have a healthy relationship with money.

We believe that this commitment to our customers differentiates us from our competitors and allows us to add real value – by providing better, fairer products along with specialised help, guidance and advice.

Customer health and safety			
Performance indicator	Description	Reported	Commentary or reference
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Not	We do not report on this indicator as the disclosure 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 store brochures to help customers to manage their levels of debt.
Product and services labelling			
Performance indicator	Description	Reported	Commentary or reference
PR3	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.	Fully	<p>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 (100%). In Australia, this includes the Code of Banking Practice, the Corporations Act, Competition and Consumer Act and Privacy Act.</p> <p>Our website includes information on fees, rates, taxes and terms, as well as calculators and tools to help our customers choose the products that are right for them.</p> <p><b>Web:</b> <a href="http://www.nab.com.au/wps/wcm/connect/nab/nab/home/Personal_Finance/6">http://www.nab.com.au/wps/wcm/connect/nab/nab/home/Personal_Finance/6</a></p> <p><b>Web:</b> <a href="http://www.nab.com.au/wps/wcm/connect/nab/nab/home/Personal_Finance/1/4/">http://www.nab.com.au/wps/wcm/connect/nab/nab/home/Personal_Finance/1/4/</a></p>
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	<b>DDC:</b> Customer Satisfaction and complaints (p 4-7)

## Product responsibility cont.

Product and services labelling			
Performance indicator	Description	Reported	Commentary or reference
FS16	Initiatives to enhance financial literacy by type of beneficiary.	Fully	<p><b>DDC:</b> Financial Inclusion (p 8-11)</p> <p><b>DDCM:</b> Inclusion (p 4)</p>
Marketing and communications			
Performance indicator	Description	Reported	Commentary or reference
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	<p>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.</p> <p>The Australian Code of Banking Practice sets standards of good banking practice when dealing with individual or small business customers, prospective customers and their guarantors.</p> <p>All banks that adopt the Code are contractually bound by their obligations under the Code. NAB adopted the revised Code at the end of August 2003.</p> <p><b>Web:</b> <a href="http://www.nabgroup.com">www.nabgroup.com</a></p> <p><b>Web:</b> Australian Bankers Association <a href="http://www.bankers.asn.au">http://www.bankers.asn.au</a></p> <p><b>Web:</b> Corporate Governance (Continuous Disclosure) <a href="http://www.nabgroup.com/corporategovernance">http://www.nabgroup.com/corporategovernance</a></p>
Compliance			
Performance indicator	Description	Reported	Commentary or reference
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	<b>AFR:</b> Litigation and Disputes' section of the Report of the Directors (p 25)