

National Australia Bank
395 Bourke St
Melbourne VIC 3008



8 February 2022

Dear Bojana, Stephanie, Ana & Johan,

Thank you for your letter dated 13 December 2021 addressed to NAB Associate Director Sustainability Policy & Engagement Tomm Ben-David regarding Rio Tinto's activities in Serbia's Jadar Valley. As NAB's Executive, Social Impact, I am responding on NAB's behalf.

NAB is committed to doing business in a responsible manner in line with our values - this includes how we manage our operations and financing activities.

While NAB does not comment on individual customers or transactions due to privacy requirements, as a major financial institution, NAB is subject to a range of legal and regulatory requirements in many jurisdictions, which incorporate the protection of basic human rights. We demonstrate our commitment to human rights by being a signatory to, or otherwise committing to uphold a number of international commitments, including the UN Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, UN Global Compact, the UN Environment Program – Finance Initiative, the Equator Principles and the OECD's Guidelines for Multinational Enterprises.

Consideration of environmental, social, governance (ESG) risk has been integrated into our Risk Management Framework. ESG risks are not managed as a separate risk category of risk. They are integrated with our material risk categories and considered as part of our credit risk assessment, and due diligence processes, and factor into decisions about our operations and suppliers.

NAB also maintains a High Risk ESG Sectors and Sensitive Areas list. This helps our bankers know which sectors and activities may have a higher inherent exposure to ESG-related risks, so they can take extra precautions in these areas. As a result, we may conduct additional review and/or due diligence. The resources sector is included in NAB's High Risk ESG Sectors list. NAB regularly reviews the risks associated with these sectors and/or activities, a process which is part of prudent management of our business for the benefit of our customers, colleagues and shareholders. In addition, NAB is a signatory to the Equator Principles, and environmental and social risk is specifically considered for project-related finance as an Equator Principles requirement.

Where we identify there's a risk of a customer operating outside the law or not meeting NAB requirements, we will engage with the customer and review the relationship and, if appropriate, ask the customer to address this risk. If not addressed to our satisfaction, we may exit the relationship or decline to enter into a relationship.

Thank you again for contacting us and raising this important issue with us, which we will take into account and consider in the context of our regular review of the risks associated with financing for this sector.

Yours sincerely,

A handwritten signature in cursive script that reads 'Sasha Courville'.

Sasha Courville
General Manager, Social Impact
National Australia Bank