

National Australia Bank

700 Bourke Street
Docklands Vic 3008



31 August 2019

Mr Johan Frijns
Director
BankTrack

By email to johan@banktrack.org

Dear Mr Frijns

Thank for your letter to NAB dated 29 July 2019 and your continued interest in the Principles for Responsible Banking (the Principles). Rosemary Bissett has passed your letter onto me.

As you are aware, the Principles are ambitious and aspirational, and they contain a strong underlying commitment to transparency, accountability and impact. Their purpose is to provide signatory banks with guidance and one comprehensive framework to support each bank's approach to addressing sustainable development across its entire business.

Banks that sign up to the Principles are taking a leading step towards aligning their operations with society's goals and supporting their customers, clients and employees in adopting sustainable practices that create measurable, significant and positive impacts to realise the UN Sustainable Development Goals (SDGs) and the Paris Agreement. This includes strong underlying requirements and mechanisms about transparency and accountability which require banks to set targets and publicly report back to stakeholders on progress made.

Given the urgency of the recognised need to transform the business world, signatory banks are expected to start implementing their commitment immediately upon signing up. However, given the diversity of the banks around the world that have and are expected to sign on to the Principles, flexibility is needed to allow progress based on their respective businesses and at the appropriate pace for the markets in which each bank operates. This approach allows for future signatory banks to benefit from the practical experiences of the Founding Signatory banks as well as from other stakeholders such as research centres and experts, through the network community created through the UN Environment Programme Finance Initiative.

Development of the Principles included a six-month consultative process, in which more than 500 stakeholders provided valuable feedback. As a result, more than 100 banks are now poised to become signatories at the formal launch of the Principles in September 2019. With this high number of initial banks committed to supporting the achievement of the SDGs and the Paris Agreement, through the Principles, we expect significant positive change will ensue around the globe.

After the launch of the Principles in September 2019, through our public reporting as per the timeline of the Principles and their implementation framework, we look forward to sharing with you and our other stakeholders the targets we will set and the subsequent progress we will achieve towards these.

Thank you again for your interest in the Principles and your positive contribution to the public consultation process that contributed to their development.

Your sincerely,

Sasha Courville
General Manager, Social Impact
National Australia Bank