

**2.1 QW: The Committee requests documents, including board Chair documents and internal investigations, in relation to the wealth management division and its treatment of customers.**

**Answer**

NAB's Wealth Management division is a large commercial operation. Immediately before the recent sale and transfer of MLC Life to the Nippon Life Insurance Group, the Wealth Management division comprised more than 40 entities, employed over 5,000 staff with around 1,650 in the financial planner workforce (planners employed by NAB and aligned planners).

The Wealth Management division provides a broad range of products and services to a substantial number of customers. There are in excess of 1 million customers who currently hold a NAB wealth product.

On one view, the Committee's request for documents would require NAB to produce to the Committee all documents relating to NAB's Wealth Management division. That is, all documents relating to how all staff in NAB's Wealth Management division treats customers. NAB assumes this was not the Committee's intention and the request is for all documents, including board documents and internal investigations, which relate to the treatment of financial planning customers within the Wealth Management division.

There are tens of thousands of financial planning customers (over 86,000) who have a relationship with a NAB employed or aligned planner. Accordingly, a very significant number of documents would fall within the request for all documents that relate to the treatment of financial planning customers within the Wealth Management division.

The documents falling within such a request would contain private and confidential information about NAB customers, employees, contractors and agents, as well as commercially sensitive information. To protect the interests of our customers, employees, contractors and agents, NAB would seek their consent prior to providing that private and confidential information.

NAB is passionate about its values as they capture the essence of the bank's aspirational culture. NAB's 'Passion for customers' value requires staff to put themselves in the customer's shoes to ensure relationships of trust are built. Likewise, 'Do the right thing' and 'Respect for people' values requires NAB to give due consideration to the interests of customers, employees and others associated with NAB. People in these groups would have a reasonable expectation that NAB would consult them in relation to the production of any of their personal and financial information.

The process for obtaining that consent would be a time consuming and costly exercise pursuant to which NAB would need to identify and describe the information to be produced in order to obtain each customer's, employee's, contractor's and agent's consent to do so.

To assist the Committee with its inquiry, NAB has provided the following documents:

- 300 standards, management guides and other internal documents which relate to the treatment of financial planning customers within the Wealth Management division. The documents are provided to the Committee on the basis they are commercial-in-confidence documents. NAB requests that the Committee keep these documents confidential.
  - Accountant Licensee Standards October 2016 (22 documents) (**Annexure W**)
  - GPL Licensee Standards (41 documents) (**Annexure X**)
  - Licensee Standard - Gateway October 2016 (13 documents) (**Annexure Y**)
  - Meritum Licensee Standards (41 documents) (**Annexure Z**)
  - MLC Advice Licensee Standards (41 documents) (**Annexure AA**)
  - NAB FP Licensee Standards (37 documents) (**Annexure BB**)
  - NAB Self-employed Licensee Standards (39 documents) (**Annexure CC**)
  - Self Employed Licensee Standards (41 documents) (**Annexure DD**)

- Associate, Business Review (ABR) Half Yearly Supervision Supporting Documents June 2014 (**Annexure EE**)
- ABR Remediation (**Annexure FF**)
- ABR Half Yearly Onsite Lead Checklist June 2014 (**Annexure GG**)
- ABR Supervision Online Checklist June 2014 (**Annexure HH**)
- Advice Compliance Policy Guide (**Annexure II**)
- Advice Compliance Questionnaire Accountant Authority February 2015 (**Annexure JJ**)
- Advice Compliance Support Service Operating Procedures May 2015 (**Annexure KK**)
- Adviser Interview Due Diligence (**Annexure LL**)
- Customer Impact Assessment Report (**Annexure MM**)
- Guide for Backdating of Advice Documents June 2015 (**Annexure NN**)
- Guide to Advice Compliance Review Team Lead June 2014 (**Annexure OO**)
- Guide to Compliance Insight Collecting and Storing Data February 2015 (**Annexure PP**)
- Guide to Corporate Reviews November 2014 (**Annexure QQ**)
- Guide to DD Accountants (**Annexure RR**)
- Guide to Due Diligence July 2016 (**Annexure SS**)
- Guide to Due Diligence Self Employed Sept 2015 (**Annexure TT**)
- Guide to Events - ABR - July 2014 (**Annexure UU**)
- Guide to Events - Team Leads - June 2014 (**Annexure VV**)
- Guide to Focus Group - October 2015 v4 (Self Employed) (**Annexure WW**)
- Guide to Niche Products July 2012 (**Annexure XX**)
- Guide to On Watch v2.0 (NABFP) (**Annexure YY**)
- Guide to Self Reporting February 2015 (**Annexure ZZ**)
- Guide to Themed Reviews June 2014 (**Annexure AAA**)
- Pre BGM PDM Fact Find Due Diligence Checklist July 2015 (**Annexure BBB**)
- Compliance Obligations Management Policy SOP and Guidance (**Annexure CCC**)