

Answer to question in writing:

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE APRA ANNUAL REPORT 2019

APRA16QW:

An article in *The Age* and *Sydney Morning Herald* on 2 August 2019 reported that Dr Henry advised EY in an interview with EY partners on 13 June 2018 that “*he is confident that there are products currently being sold now that they will need to remediate in the future*”. An example was highlighted of Self-Managed Superannuation Funds (or SMSF’s) borrowing to invest in managed funds.

- a) Did NAB alert APRA there was a problem with these products. If so, on what date?
- b) How is APRA extending its supervision of NAB to address this?

Answer:

- a) NAB has not reported any prudential concerns associated with this product to APRA. NAB regularly reviews the regulatory compliance of this product.
- b) APRA has not conducted a specific review of these products at NAB. APRA’s focus is on NAB’s broader risk governance and risk management framework, including the remediation plans the bank is implementing in response to its risk governance self-assessment.