

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS  
REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS**

**NAB**

**NAB100QON: Dr MULINO:** Given the time constraints, could I ask you to provide on notice some high-level stats in relation to, for example, increasing the investment in people—the headcount that's devoted to particular high-risk areas—and other areas of resources that you have devoted. As you say, KYC is one of the particular areas. I'm interested in a summary of how your investment of resources in this space is tracking over time.

**Answer:**

In the period June 2017 – June 2021 NAB has spent approximately \$816.1 million to improve its financial crime and fraud controls. Approximately \$614.7 million of that sum has been spent on financial crime improvements. This includes expenditure in relation to personnel, technology systems, controls and operations

The number of personnel dedicated to managing financial crime risks has increased from about 200 personnel in 2018 to about 1000 in 2019 and to about 1,200 by the end of 2020. As at 31 August 2021, the number of personnel was just over 1,500.

NAB has spent \$614.7 million on areas of financial crime improvements including:

- establishing and funding the Financial Crime Change Program (FCCP) which is a program designed to transform how the NAB Group manages financial crime risk. The program objectives include strengthening the controls across the group by addressing the most significant matters impacting NAB's ability to meet AML/CTF obligations and effectively manage financial crime risk. As well as executing on its own portfolio of work, the FCCP supports other projects which intersect with financial crime technology or operations;
- the Customer Establishment Program which is an initiative to change the way customers are onboarded, to a future state where onboarding will occur using new technology applications that can be used irrespective of product;
- the Financial Crime Operations team which is involved in all aspects of the NAB AML/CTF Program; and
- the Financial Crime Technology unit.