

Senate Economic References Committee- *Inquiry into micro-competition opportunities*

NAB response to Further Questions on Notice

- 1. How many updates have been provided to the NAB Board and Board Risk and Compliance Committee regarding CPS 230?**

Nine updates have been provided on CPS 230 to the NAB Board/BRCC since May 2023.

2. What risks has NAB identified by relying on paper-based settlements in event of an outage?

The majority of Australian states have legislated mandatory eConveyancing and don't allow paper settlements, with limited exceptions. In those states and territories that do not mandate eConveyancing the use of paper settlements is minimal.

In the event of an outage, NAB will activate our Business Continuity Plans (BCPs), and will investigate using alternative ELNOs (such as Sympli) to perform settlements. Where circumstances warrant it, NAB would seek to perform settlements via paper in line with our BCP process.

3. Has NAB engaged PEXA in any scenario planning regarding a potential outage?

Yes. NAB recently engaged with PEXA, industry peers, and external cyber specialists to conduct a comprehensive cyber security exercise. This work identified initiatives to enhance the resilience and crisis response maturity of the e-conveyancing ecosystem.

4. Rephrase your previous answer the following to be shared publicly:

In Mr Evans's response to some questions regarding the APRA CPS 230 requirement, he spoke of contingencies being put in place. So on notice, can each of the banks provide to the committee what contingencies are, or will be, in place should there be a significant incident relating to the PEXA platform?

NAB maintains comprehensive BCPs to manage potential disruptions to electronic settlement services, including those provided by PEXA and Sympli.

These plans are designed to ensure continuity of service and minimise disruption to customers, in alignment with regulatory obligations and industry standards. While these plans have not required activation to date, NAB remains prepared to respond to a range of scenarios.

In the event of a significant disruption, NAB would activate its internal response protocols to coordinate a structured and timely approach. Contingency measures include engaging proactively with government and regulatory stakeholders including ARNECC, Land Titles Offices, the Reserve Bank of Australia, State Revenue Offices, and the Australian Banking Association, to support coordinated, industry-wide responses.