



# **National Australia Bank submission**

**ASIC Report 813: Regulatory Simplification**

15 October 2025

## Executive summary

National Australia Bank (**NAB**) welcomes the opportunity to provide feedback to the Australian Securities and Investments Commission (**ASIC**) in response to ASIC Report 813: Regulatory Simplification (**ASIC Report 813**).

Australia's regulatory environment has a critical role to play in supporting economic productivity and growth. Whilst regulation of business conduct is essential for consumer protection, excessive regulatory complexity can have adverse consequences for investment and innovation.

NAB strongly supports ASIC's focus on addressing complexities faced by Australian businesses and individuals, including ASIC's commitment to improve accessibility to, and the quality of, its regulatory information. NAB is Australia's largest business bank, representing nearly half of the nation's businesses. A recent NAB survey of small business owners found 37 per cent of small businesses identified government policies and regulation as one of their primary concerns. As such, NAB welcomes the willingness of regulators and government to work with businesses to deal with the challenge of creating a simpler and more efficient regulatory environment.

ASIC's review into Regulatory Simplification, alongside the Australian Government's broader productivity and economic reform agenda, provides an opportunity to drive meaningful change – and greater consistency, clarity and certainty for Australian businesses and consumers.

NAB's submission responds to the topics set out in ASIC Report 813.

## Improving access to regulatory information

NAB recognises the steps ASIC has taken to date to improve access to information, and notes that ASIC's new website has significantly improved the searchability and access to information. This enhancement is a positive step towards making ASIC's regulatory information more user-friendly.

### **Regulatory guidance materials**

Regulatory guidance materials should be consistent, clear and complete. This provides user certainty - better enabling individuals and businesses to understand their obligations and regulatory expectations - and promotes more effective compliance.

*Consistency:* Consistency in guidance materials, and between guidance materials and related documents, promotes regulatory certainty and facilitates more effective compliance by regulated entities. In undertaking the process of reviewing and simplifying individual guidance documents, it is vital that ASIC also maintains a holistic view of guidance documents and their interaction with each other, and with the relevant legislation. Discrepancies between legislation and regulatory guides, or between different guidance documents, can create confusion, inefficiencies and compliance challenges. This contributes to regulatory burden and cost, as regulated individuals and entities expend unnecessary resources on interpretation and understanding their obligations.

For example:

- RG 274: Product design and distribution obligations - references to actions that issuers and distributors "must" take may not align with "reasonable" steps obligations in Pt 7.8A of the Corporations Act 2001.
- RG 78 refers to the ability to group reportable situations where there is "similar, related or identical conduct" while s 912D of the Corporations Act refers to grouping events that involve "the same or substantially similar conduct."

*Clarity:* Regulatory uncertainty can lead to over-compliance through unnecessarily conservative interpretation, adoption of inconsistent interpretation between entities, and inefficient use of resources. NAB supports principles-based regulation, which emphasises desired policy outcomes as it can more readily adapt to changing technologies and other circumstances. Clarity can then be provided through guidance materials which:

- set out examples and scenarios that make clear ASIC’s expectations of regulated entities, as is ASIC’s current practice. Scenarios and examples enable industry to understand ASIC’s expectations on what compliance looks like.
- are targeted to the audience of that guidance. NAB recommends creating materials for different audiences highlighting nuances relevant to different groups.

*Completeness:* As identified in ASIC Report 813, it is often challenging for regulated entities to identify if they have access to all relevant information regarding particular regulatory obligations in circumstances where there might be a number of related guides, information sheets and other relevant documents. Grouping or consolidating guidance and providing clear indications to users as to the relevant set of materials, gives certainty to users that vital information relevant to an obligation has not been missed.

### ***Regulatory Roadmaps***

NAB supports ASIC’s development of Regulatory Roadmaps to provide clear and simple guidance, in each case tailored appropriately to its target audience. In respect of the ‘Roadmap for financial advice providers’, NAB would suggest including some additional references at each step, to assist those looking for greater technical direction. For example, the roadmap could include cross-references to the relevant legislation or ASIC Guidance.

## **Reducing complexity in regulatory instruments**

### *Enhancing regulatory materials*

NAB welcomes ASIC’s consultation with the Office of Parliamentary Counsel regarding approaches to reducing complexity in ASIC legislative instruments.

NAB is supportive of ASIC’s proposed best-practice drafting principles, including the provision of clear and precise policy outcomes to be achieved through the instrument. In NAB’s view, potential enhancements to the proposed best-practice drafting principles could include:

- Principle 8: Defined terms can improve clarity and certainty in regulatory instruments, if they are consistent and self-contained. Priority should be given to ensuring that defined terms are consistent across instruments and are aligned with primary legislation (to reduce confusion) and are self-contained (not requiring the reader to navigate through multiple instruments or pieces of legislation to find the complete definition for a particular term).
- Digital integration – Where amendments are made under a legislative instrument or regulation, ASIC should consider publishing freely available electronic, annotated versions of the relevant legislation which contains (or links to) the text of legislation as modified by those amendments

### *Consolidation of instruments*

NAB is supportive of ASIC’s consolidation of financial reporting, accounting and audit instruments. Consolidation will make it easier to find relevant information and remove possible inconsistency. NAB also supports the proposed simplification of platform instruments, which improves navigation for users.

NAB agrees that organising consolidated instruments by topic (e.g., financial reporting, disclosure) or by industry sector (e.g., platforms) will also improve user experience, by enabling users to more easily access a complete view of all the materials and obligations relevant to them.

### **Making it easier to interact with ASIC**

NAB welcomes ASIC's commitment to improve and simplify the way it engages with business and individuals. NAB is strongly supportive of:

- digitising the remaining paper-based forms (as well as accepting electronic signing for all ASIC forms from 1 October 2025); and
- uplifting and rationalising the number of ASIC registers required to manage company and licence details.

NAB supports ASIC actively facilitating the use of electronic documentation. Many entities prefer electronic methods of communication, and reducing the need for those entities to "opt in" to electronic communications (such as with CHES holding statements) would improve efficiency and reduce regulatory friction.

#### ***Channels of engagement***

Engagement must at its heart be fit for purpose. While simplification and modernisation are important tools, there will remain a number of circumstances in which it is more appropriate that direct engagement is available with relevant ASIC teams. When designing available channels of interaction, consideration must be given to the type of engagement to which the channel will apply and the purpose of that engagement. For example:

- lodging a reportable situation may best occur through a portal /Application Programming Interface (API), as benefit is gained through streamlining and simplifying the process; and
- responding to a request for information may best occur through direct contact with the ASIC team with the requisite knowledge of the entity and the purpose of the information sought, as efficiencies can be gained through eliminating double-handling.

NAB encourages ASIC to continue to improve coordination and information sharing between its teams regarding interactions with particular individuals and companies, to reduce confusion and double-handling for both ASIC and regulated entities.

#### ***Engagement in relation to data and information requests***

NAB strongly agrees with the feedback ASIC has received that it should engage with entities regarding the content of data collection requests when undertaking thematic surveillance, including, where possible, to provide an explanation of the intended use of or value in the data. NAB agrees that this engagement would help ensure the data collected is accurate, relevant and consistent, and that requests are practical and proportionate. It would also allow the entity to raise with ASIC any information or data already prepared that could be leveraged, in circumstances where an entity has received same or similar previous requests for data.

Additionally, it would be helpful if ASIC's ad-hoc data requests were drafted to permit regulators and other government agencies to share certain data rather than regulated entities having to field several requests for the same or similar data. Ad-hoc data collections are resource intensive, and when rushed create risks with definitions, interpretations and alignment to internal products and processes. More time to process such requests would be welcome, including allowing time early in the process to confirm and clarify definitions.

NAB would also strongly support the continued development of simpler and safer ways to furnish ASIC with responses to notices and other information requests, particularly where this involves the submission of a large number of documents, or transfer of large electronic files.

### ***Director Identification Numbers***

ASIC has indicated it will link director identification numbers (IDs) to its companies register and has stated that this will provide an additional measure to prevent fraudulent identities.

NAB is broadly supportive of the Director ID regime, however, considers ASIC should clarify how this linkage would act as an additional measure to protect directors' personal information, as external threats targeting registers with personal information become more advanced.

NAB suggests that the Director IDs could instead serve as the primary public identifier for Directors in Australia. If this were adopted, Directors would only need to provide an address for service, and other personal information such as residential addresses and dates of birth could be removed from public registers. If this approach is not adopted by ASIC, consideration should be given to broadening the circumstances in which Directors can request to have their personal details suppressed and to restrict Directors' publicly available information to show an address for service and birth month and year only.

Consideration should also be given to extending this type of protection to Company Secretaries.

### ***Electronic Product Disclosure Statement (PDS) library***

Financial advisers are required to provide their clients with a copy of, or an electronic link to, the PDS in respect of any product they recommend. Hyperlinks to PDSs that are available on the website of product issuers can become broken where issuers update, move or remove these documents within their websites over time. NAB considers that an ASIC-hosted, searchable electronic library of PDSs, with the ability to link directly to these documents, would provide clients and advisers with continued and reliable access to the PDS on which a client has made its investment decision and remove the need to print and retain hard copy documentation. This would also reduce the compliance burden on licensees.

### ***Improving co-ordination - Regulatory Initiatives Grid***

NAB is supportive of more proactive and extensive use of the Regulatory Initiatives Grid (**RIG**) to prioritise and phase regulatory change.

NAB supports use of the RIG to prioritise, sequence and harmonise reforms, rather than merely recording them. Each regulator should plan its timetable with reference to peers, update the RIG as dates shift, and design reform programs based on information provided by other regulators. In this way RIG could reduce duplication and uncertainty, ensuring that reforms are smoothly implemented so that benefits reach customers quickly.

Regulators should also utilise RIG processes to consult with one another prior to issuing guidance or expectations to regulated entities, to ensure that one regulator is not placing entities at risk of breaching another regulatory regime, or creating increased complexity through overlapping or inconsistent regulatory obligations.

NAB notes that the second edition of the RIG is due to be published shortly. This is the first update since the pilot was launched in December 2024. This provides relevant regulators with an opportunity to review the pilot to consider how many of the programs reflected in the timetable proceeded in the expected timeframe, and whether other programs were launched in that period.

## Simplification through law reform

NAB strongly supports the Australian Government's efforts to reduce regulatory burden and welcomes the opportunity to contribute to legislative simplification through law reform.

### **Reportable situations regime**

The reportable situations regime is particularly complex and burdensome for industry participants. The complexity of language and expectations in the regime are likely to result in licensees interpreting their obligations differently. This is contrary to the objectives of the regime: to achieve greater consistency of reporting between licensees by removing subjectivity and providing greater certainty for industry.

NAB welcomes ASIC's support of further reform to the reportable situations regime. We note the recommendation in the CFR Small and Medium-sized banks review to streamline the reportable situations regime for smaller banks. The CFR Review suggested:

- that small banks be exempted “from the obligation to report breaches that are deemed significant, instead requiring them to report only those breaches they assess to be significant, having regard to the factors set out in subsection 912D(5) of the Corporations Act 2001 and subsection 50A(5) of the National Credit Act”<sup>1</sup>
- “Consideration should be given to requiring small banks to instead maintain internal breach registers for these excluded breaches so that they properly identify and rectify breaches. These registers should be made available to ASIC upon request.”

Government may wish to consider whether these measures should be extended to all banks.

As identified in ASIC Report 813, a contributor to the regulatory burden is the time and resourcing required to investigate events and assess whether or not they meet the reporting thresholds. Relief that provides clear and consistent guidance to licensees about the circumstances in which it operates helps to alleviate this burden. Whilst targeted relief is appreciated, it can result in fragmented investigation processes and increasing inconsistency of application. Consideration should be given to how to simplify breach reporting uniformly – i.e. reducing the number of carveouts and exclusions by regulation and, instead, applying an overall significance rule which can be more consistently applied and monitored by ASIC.

NAB also recommends that when changes are made to reporting requirements, a lead time be provided to implement these changes. Investigation and reporting processes are often embedded within automated systems, which require reconfiguration when reporting requirements change.

NAB encourages ASIC's continued review of the reporting it receives pursuant to the regime, and identification of additional circumstances in which reporting relief might be appropriate.

### **Substantial Shareholder Notices**

The Treasury Laws Amendment Bill 2024, once enacted, will permit ASIC to approve the format of substantial holding notices. If passed, ASIC should consult the ASX to digitise substantial holding notices, in line with existing ASX appendices on ASX's online portal. NAB recognises there is already existing guidance for completing substantial holding notices and their annexures, however suggests the development of a standardised template to be used for completing annexures to ensure uniformity in the format of disclosure. In developing this template, consideration should be given to the level of disclosure that would most benefit the market.

### **Further areas of law reform**

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<sup>1</sup> [Review into Small and Medium-sized Banks](#) page 48

NAB encourages further reform to simplify the application of the law, to make it easier for businesses to meet their compliance obligations without creating risk for consumers.

Examples of reforms that should be considered are:

- Excluding basic banking products (which include simple and low risk products such as transaction accounts and term deposits) from the financial advice regime. This would enable bankers to more easily recommend basic banking products to customers. Alternatively, amending the definition of “personal advice” to exclude situations where the customer’s circumstances can be used to enable helpful personalised prompts for that customer (for example, “you could be earning interest on your deposit balance if you moved it to a savings account”)
- Amending National Consumer Credit Protection Regulation 28L to remove the rigid consent requirements for electronic delivery of disclosure documents. This would align with section 187 of the National Consumer Credit Protection Act which simply enables notices to be given in accordance with the Electronic Transactions Act 1999.
- Amending section 12DL of the ASIC Act to allow a replacement debit or credit card to be given to customers in response to a verbal request, to make it easier to take requests for these products verbally in branches or over the phone.
- Providing clarity on the role and application of ePayments Code for unauthorised transactions which are not scam related, given the impending introduction of a banking sector specific Code under the Scams Prevention Framework addressing liability for scams.
- Guidance around communicating electronically with companies, recognising a registered email address, similarly to the way a registered office is recognised on ASIC registry.

## Concluding comments

Regulatory simplification has a crucial role to play in supporting Australian businesses to grow and innovate, and particularly small businesses, who often bear a disproportionate compliance burden. Prioritising improvements to information access and regulatory engagement, and equipping business and individuals to clearly understand regulatory expectations, can both improve efficiency and lower compliance costs.

NAB appreciates the opportunity to respond to ASIC Report 813 and looks forward to continued engagement. We welcome further opportunities to discuss any of the ideas raised in this submission.