



Tuesday 17 July 2018

## **ASX Announcement**

### **NAB appoints Geoff Lloyd as CEO of MLC**

National Australia Bank (NAB) Group Chief Executive Officer Andrew Thorburn today announced the appointment of Geoff Lloyd as CEO of MLC, effective 1 September 2018.

The appointment follows NAB's announcement in May it will exit its Advice, Platform & Superannuation and Asset Management businesses, currently operating under MLC and other brands ("MLC"), to allow a focus on a simpler wealth offering through nabtrade and JBWere.

Mr Lloyd joins NAB after six years as CEO and Managing Director of ASX-listed financial services group Perpetual. He will report directly to Mr Thorburn.

"Geoff is a standout leader and the right person to lead through the transaction, establish a new standalone business and build it for the future," Mr Thorburn said.

"Geoff has been in wealth management his entire career and has a vision and passion for improving the financial prospects of Australians. He is a highly regarded executive with a proven track record of delivery, having successfully driven a major turnaround program at Perpetual through a period of significant structural change.

"The core MLC wealth management business is strong with great growth prospects and I am confident Geoff will not just assist in a successful transaction but also help realise the full potential of the new business."

Mr Lloyd said he was looking forward to starting in the new role.

"MLC has a great heritage and is a diverse portfolio of high quality and well-regarded businesses and brands that I am very passionate about.

"This is an exciting challenge and opportunity to lead a business that is well positioned to grow and continue delivering for clients in the decades ahead.

"I'm also looking forward to playing my role in responding to the external challenges for our industry and working to grow confidence and trust in the service we deliver our customers and helping them secure their financial future."

Mr Lloyd's appointment is subject to regulatory approvals, including any applicable APRA registration requirements.

### **Geoff Lloyd biography**

Geoff Lloyd has over 20 years' experience in the financial services industry, with an extensive understanding of the sector and demonstrated leadership skills. He joined ASX-listed financial services group Perpetual in August 2010 as Group Executive of Private Wealth and was appointed Managing Director and Chief Executive Officer in February 2012, a role he held until June 2018.

Before commencing at Perpetual he served as General Manager, Advice and Private Banking at BT Financial Group (BTFG) following the merger with St George's Wealth Management business. Prior to the merger, Geoff led St George's wealth management portfolio and was a member of the St George Bank Group Executive reporting to the CEO. He held many senior positions at BTFG, including Chief Legal Counsel and Head of the Customer and Business Services Division.

Geoff is chairman of the Financial Services Council, a role he assumed in July 2016.

He has completed the Harvard Business School Advanced Management Program and holds a Master of Laws, UTS (Distinction).

**Background:** On May 2 NAB announced plans to reshape its wealth management portfolio to focus on its core banking operations in Australia and New Zealand. The announcement followed a nine-month review, which determined NAB would seek to exit the Advice, Platform & Superannuation and Asset Management businesses operating under MLC and other brands, including NAB FP, with JBWere and nabtrade to be retained. Separation is targeted by the end of the 2019 calendar year via public market options including demerger and IPO, while maintaining flexibility to consider a trade sale. It is expected there will be ongoing arrangements between NAB and MLC, to offer NAB customers continued access to advice and products to meet their wealth management needs.

For further information:

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**\*Extract slide from NAB Half Year Results 2018 Investor Presentation**

## RESHAPING OF WEALTH MANAGEMENT

### MORE FOCUSED WEALTH OFFERING

- High net worth customers supported by JBWere and NAB's Private Bank
- Self directed customers supported through nabtrade
- Explore on-going arrangement with MLC to provide NAB customers with continued access to advice

### INTEND TO PURSUE DIVESTMENT OF MLC<sup>1</sup>

- Commenced strategic review in mid 2017
- Focus on core strengths in banking consistent with simplification agenda
- Opportunity for MLC to set independent strategy and investment priorities
- Expect NAB ROE to increase on separation

### EXAMINING A BROAD RANGE OF EXIT OPTIONS, INCLUDING PUBLIC MARKETS

- Public market options include demerger and IPO
- Targeting listing of MLC by end of 2019 calendar year, subject to market conditions and Board, regulatory and other approvals
- Flexibility to consider trade sale

### MLC MARKET POSITION

- Trusted brand and history spanning over 130 years
- Over 1,200 financial advisers<sup>2</sup> (proprietary and aligned)
- Largest retail superannuation fund in Australia with FUM of \$78bn<sup>3</sup>
- Leading corporate superannuation provider by market share<sup>4</sup>
- Asset Management AUM of \$199bn
  - \$141bn in Portfolio Management
  - \$58bn in Investment Management
- ~3,300 staff<sup>2</sup>
- 1H18 pro-forma cash earnings of \$102m<sup>5</sup>

(1) Includes Advice, Platform & Superannuation and Asset Management businesses

(2) Excludes JBWere and nabtrade

(3) As at 31 March 2018

(4) Source: Strategic Insight Market Overview as at 31 December 2017

(5) Based on earnings from businesses expected to be divested

