

ASX Release

Level 18, 275 Kent Street
Sydney, NSW, 2000

27 March 2024

Westpac technology simplification update

Westpac Banking Corporation (“Westpac”) today provides the attached Westpac technology simplification update.

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This document has been authorised for release by Tim Hartin, Company Secretary.

WESTPAC TECHNOLOGY SIMPLIFICATION UPDATE

27 MARCH 2024

WESTPAC BANKING CORPORATION ABN 33 007 457 141

PETER KING

Chief Executive Officer

UNITE: ACCELERATING SIMPLIFICATION

Objectives

Better
customer experience

Improved
employee experience

Increased
shareholder return

Business led. Technology enabled.

These objectives are 'forward-looking statements' and are subject to assumptions, risks and other important information in the Disclaimer on page 18.

A STRATEGY FOR GROWTH AND RETURN

OUR PURPOSE

Creating better futures together

AMBITION

To be our customers' #1 bank and partner through life

PILLARS

Customer care at the heart

Easy to do business with

Expert solutions and tools

Advocate for positive change

FOUNDATIONS

Strong balance sheet

Proactive risk management and risk culture

Data-informed insights and decisioning

Passionate people who make a difference

MEASURES

Return on tangible equity

Market position

READY TO ACCELERATE



PORTFOLIO SIMPLIFICATION COMPLETE

Focused on banking in
Australia & New Zealand

10 businesses exited¹



CORE PROGRAM WELL PROGRESSED

Integrated plan
activities complete

Embedding risk
management practices



TECHNOLOGY SIMPLIFICATION UNDERWAY

Technology
foundations
simple and
modern

#1 Mobile
Banking App²

EFTPOS Air for
business
customers

AI-powered
Westpac SaferPay
to stop scams

¹ BT Personal and Corporate Super, Advance Asset Management, General Insurance, Australian Life Insurance, Lenders Mortgage Insurance, Motor Vehicle Dealer Finance and Novated Leasing, Strategic Alliances 'Vendor Finance', New Zealand Life Insurance, New Zealand Wealth Advisory, BT Private Portfolio Management. ² The Forrester Digital Experience Review: Australian Mobile Banking Apps, Q4 2023.

UNITE OBJECTIVES



BETTER CUSTOMER EXPERIENCE

- Simplified customer journeys
- End to end digital experiences
- Faster to market



IMPROVED EMPLOYEE EXPERIENCE

- More time with customers
- Better insights
- Enables innovation



INCREASED SHAREHOLDER RETURN

- Operating cost efficiency
- Reduced cost of change
- Improved risk

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SCOTT COLLARY

Chief Information Officer

BUILDING CUSTOMER-CENTRED TECHNOLOGY



Built to change



Evergreen



Automated



Digital to the core



World class experiences & platforms



#1
mobile banking app¹



Best engineers & infrastructure



Achieved top
decile productivity for engineers



Intelligent banking with AI & data



100%
data platform on cloud available



Protecting our customers



Westpac SaferPay



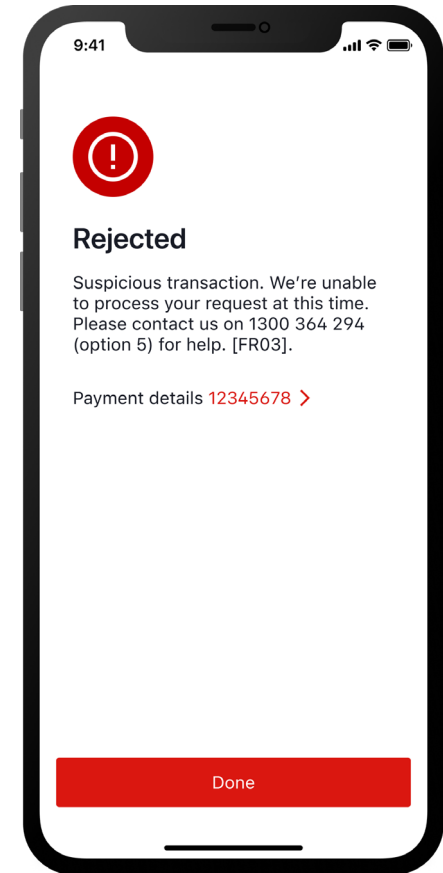
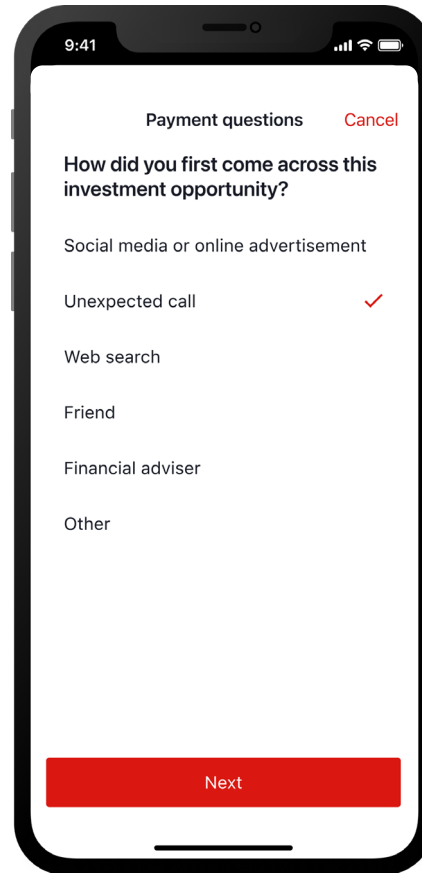
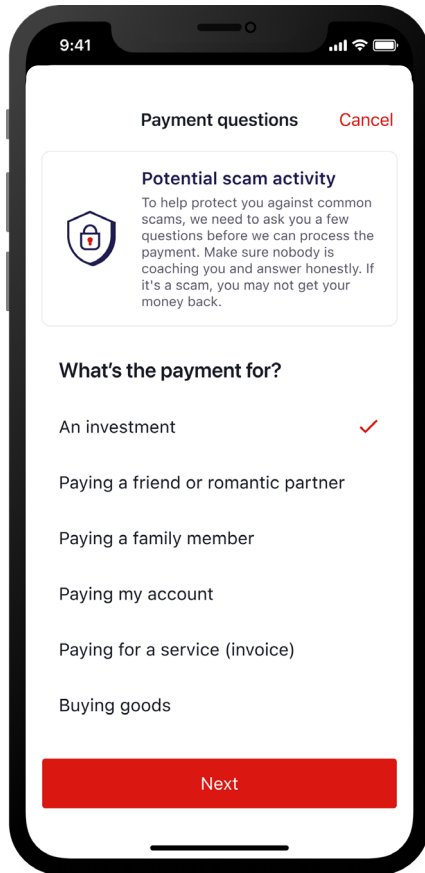
Simplifying & modernising our technology



9 to 1
networks consolidated

This page contains 'forward looking statements'. Please refer to the disclaimer on page 18.
¹ The Forrester Digital Experience Review: Australian Mobile Banking Apps, Q4 2023.

WESTPAC SaferPay: PROTECTING AUSTRALIANS FROM SCAMS

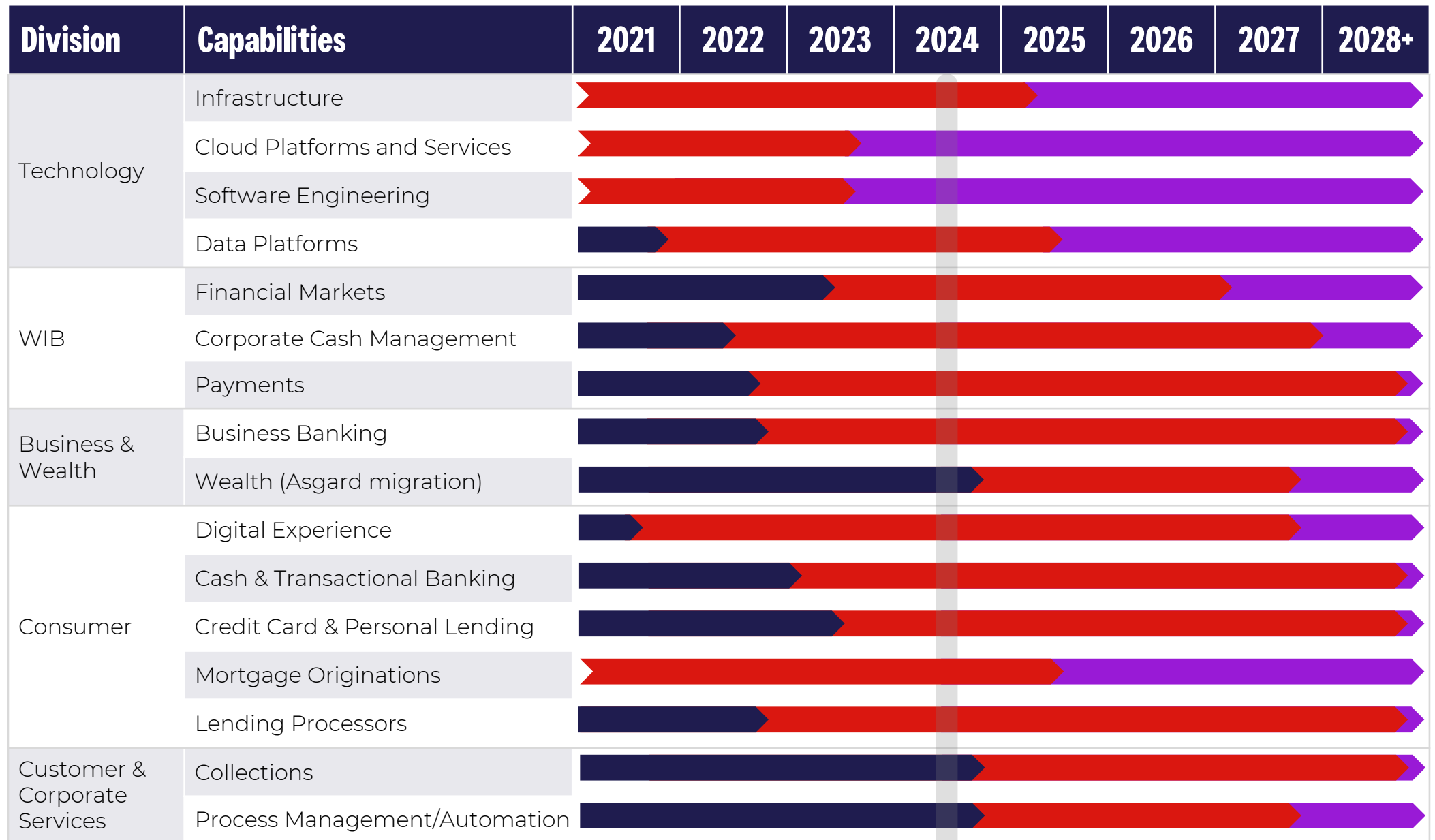


Potential scam identified using AI

Transaction checked with customer

Suspicious transaction blocked

ENTERPRISE TECHNOLOGY ROADMAP



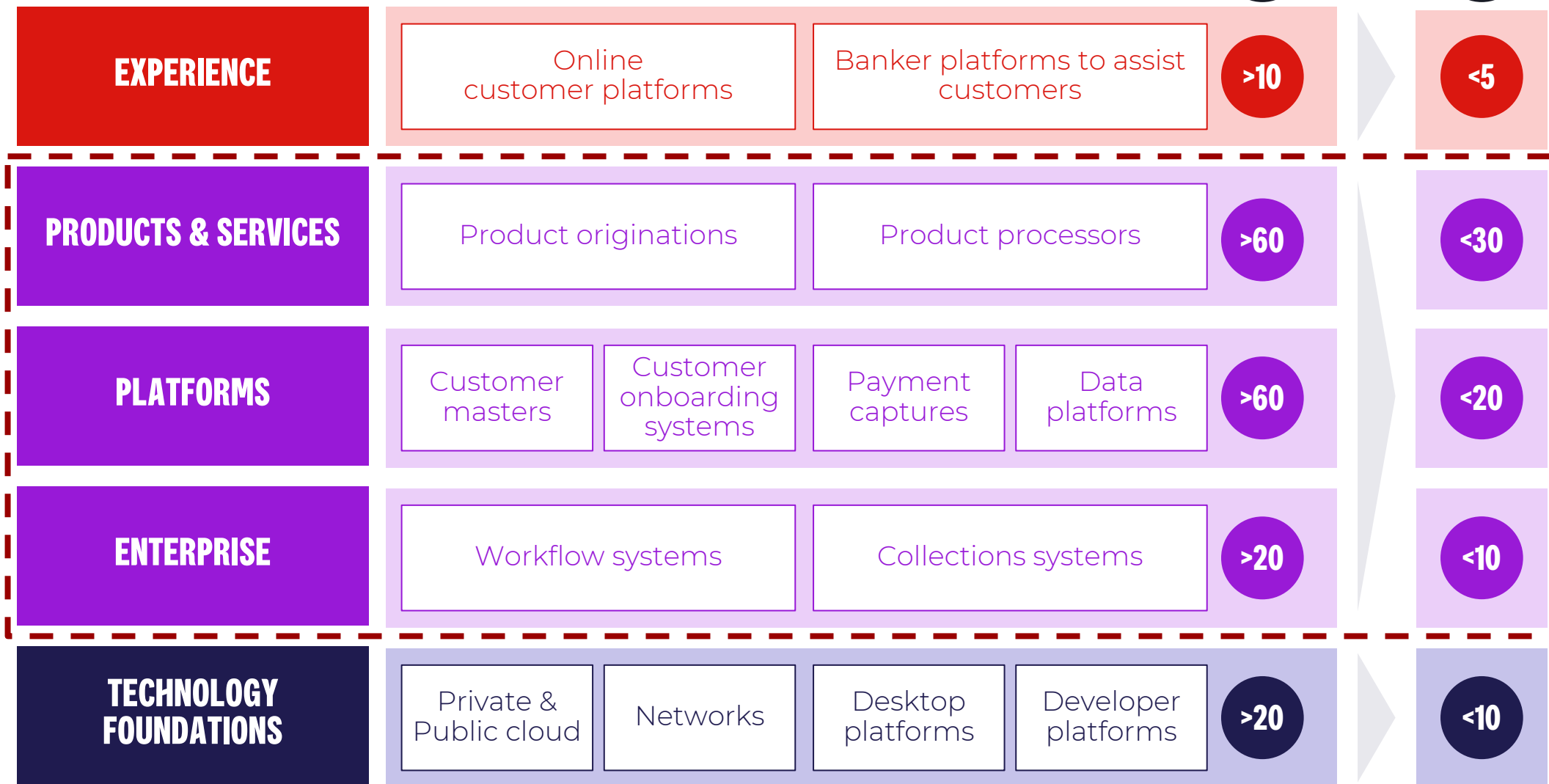
KEY: Preparation Simplification and modernisation Target state (Built for change, Evergreen, Automated, Digital to the core)

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UNITE: ACCELERATING SIMPLIFICATION¹

FY24 – FY28²

From **>180** To **<60**



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¹ Refers to Australian banking system simplification. ² Forecast reductions which will be confirmed in detailed planning through FY24.

UNITE IN PRACTICE: MAKING IT SIMPLE¹

Banker platforms to assist customers

From **6** ▶ To **3**

- Improved customer experience
- Easier for employees
- Increased banker productivity

Customer onboarding systems

From **11** ▶ To **1**

- Seamless verification experience for retail customers
- Safer and faster digital process

Collections systems

From **7** ▶ To **1**

- Better customer experience and faster response time
- Improved operational efficiency
- Strengthened compliance and risk position

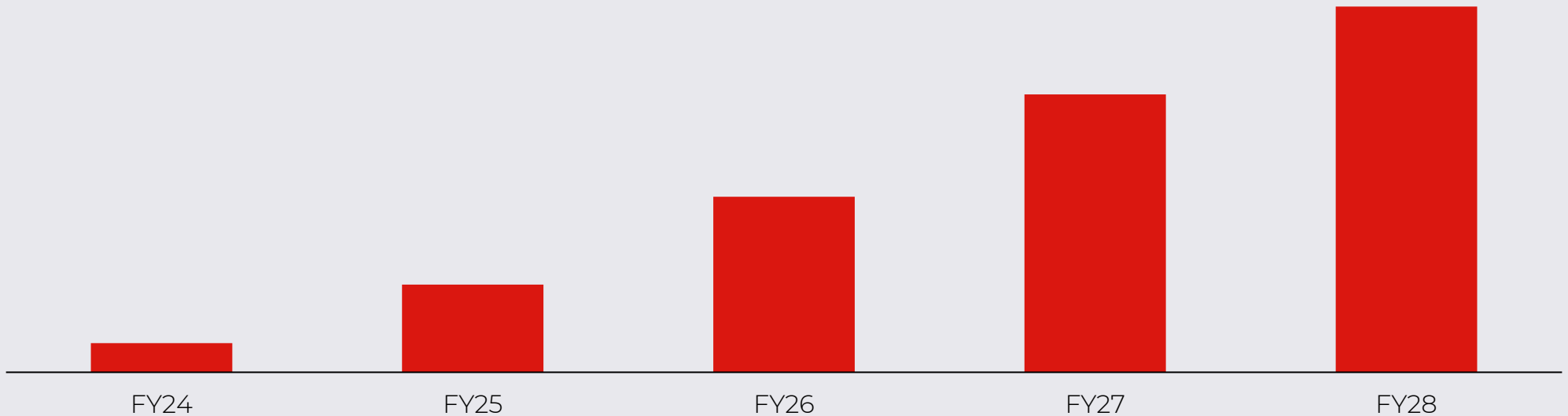
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¹ Forecast reductions which will be confirmed in detailed planning through FY24.

UNITE PLAN¹

c.85 sequenced individual initiatives

Simplify existing processes. Reduce technology complexity. Decommission of duplicated systems

CUMULATIVE INITIATIVES COMPLETION TIMELINE



Coordinated centrally for efficiency and control

Business, technology and data teams aligned to deliver

Business ownership and accountability

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¹ Plan will be confirmed in detailed planning through FY24.

KEY UNITE INITIATIVES COMMENCED IN FY24

Initiative

Outcomes

Electronic identity verification

- Consolidating from 22 retail electronic identity verification processes to 1
- Biometric enablement of the eIDV process

Consolidation of Asia WIB platforms

- Integration and migration of 2 Asian platforms to Australia
- Elimination of system duplication
- Leverage Group capability for offshore customers

Australian customer masters consolidated

- Customer masters from 3 to 1
- API enabled
- One common solution for Australian customers

Asgard migration

- Elimination of system duplication
- Consistent adviser and customer experience

Consolidating Australian collections platforms

- 7 to 1 systems
- Starting with Australian consumer finance and mortgages

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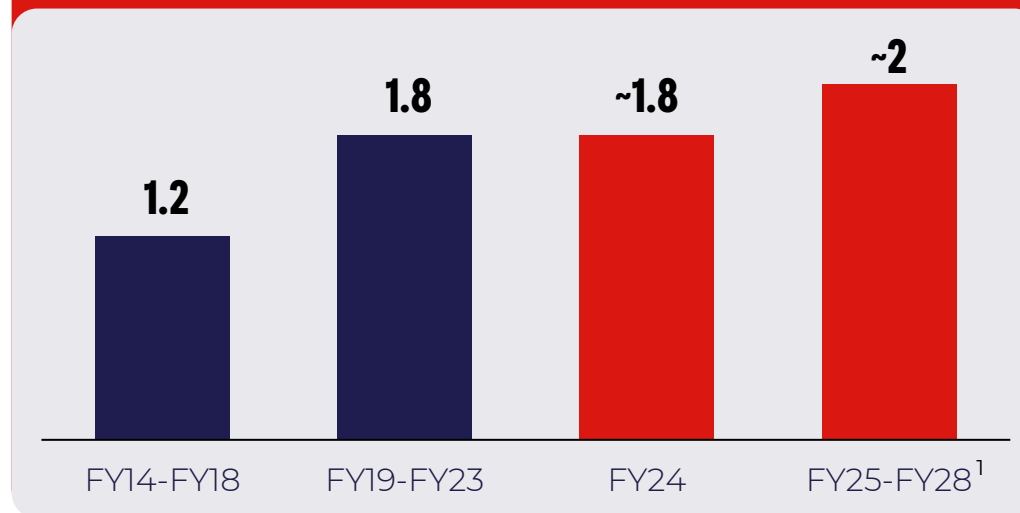
MICHAEL ROWLAND

Chief Financial Officer

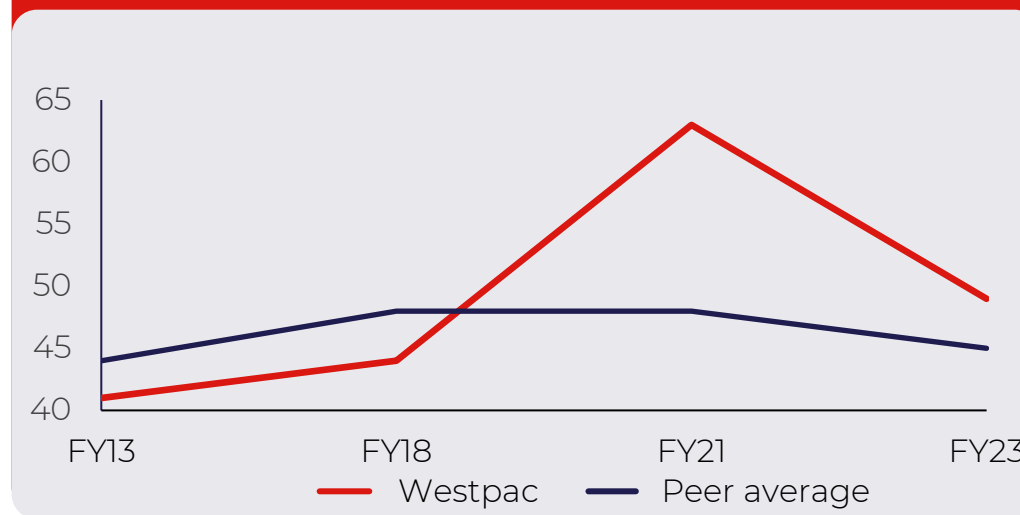
ANNUAL INVESTMENT SPEND

- UNITE incorporated within total annual investment spend
- Total investment spend expected to be:
 - ~\$1.8bn in FY24¹
 - ~\$2bn annually from FY25 to FY28¹
- UNITE
 - ~30% of total spend over FY24 to FY28
 - Significant proportion expensed
- UNITE a major driver to close the cost to income ratio gap to peers
 - Run cost efficiency benefits
 - Reduction in the cost of change

AVERAGE ANNUAL TOTAL INVESTMENT SPEND (\$BN)



COST TO INCOME RATIO (%)²



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¹ Based on forecast total investment spend. ² Peer average includes ANZ, CBA and NAB. Cost to income ratio is calculated on cash earning basis. For Westpac for FY23 this is statutory net profit adjusted for economic hedges and ineffective hedges.

INVESTOR RELATIONS TEAM

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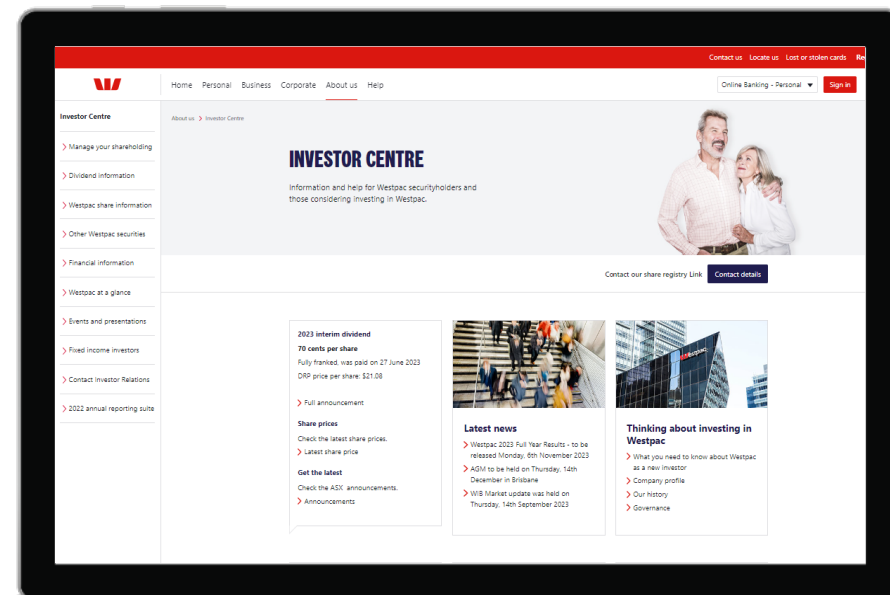
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All amounts are in Australian dollars unless otherwise indicated.

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We use words such as ‘will’, ‘may’, ‘expect’, ‘intend’, ‘seek’, ‘would’, ‘should’, ‘could’, ‘continue’, ‘plan’, ‘estimate’, ‘anticipate’, ‘believe’, ‘probability’, ‘indicative’, ‘risk’, ‘aim’, ‘outlook’, ‘forecast’, ‘f’cast’, ‘f’, ‘assumption’, ‘projection’, ‘target’, ‘goal’, ‘guidance’, ‘ambition’, or other similar words to identify forward-looking statements, or otherwise identify forward-looking statements. These forward-looking statements reflect our current views on future events and are subject to change, certain known and unknown risks, uncertainties and assumptions and other factors which are, in many instances, beyond our control (and the control of our officers, employees, agents and advisors), and have been made based on management’s expectations or beliefs concerning future developments and their potential effect upon us.

Any future benefits or objectives of the UNITE program described in this presentation are subject to a number of assumptions, including that the technology simplification will result in a better customer experience, reduced costs, reduced costs of change and lower risks with all other things being equal. Those benefits or objectives may also not arise or be met until after a period of investment and may not occur in a linear manner. Information in this presentation as to the timing of the UNITE program is subject to ongoing testing and validation as the program progresses. The future timing and costs of the UNITE program may also be adversely impacted by a variety of matters, both in and outside of our control, including, without limitation, mandatory regulatory change.

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