



Commonwealth Bank

Commonwealth Bank Group Technology Strategy Enabling Growth and Productivity

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Disclaimer

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Speaker's Notes

- **Speaker's notes for this presentation are attached below each slide.**
- **To access them, you may need to save the slides in PowerPoint and view/print in "notes view."**



Agenda

- *Technology drivers*
- *Key technology opportunities*
- *Making it happen*



The Group strategic vision and business goals



Mandatory business requirements

Market of one

Single customer ID

Service anywhere, anytime,
anyhow

Knowledge driven

Self service

No paper

Absolutely secure

Immediate information
availability

Efficient & Effective Process Flows



Key requirement to achieve business goals: customer-focused sales and service

Simplification and Automation

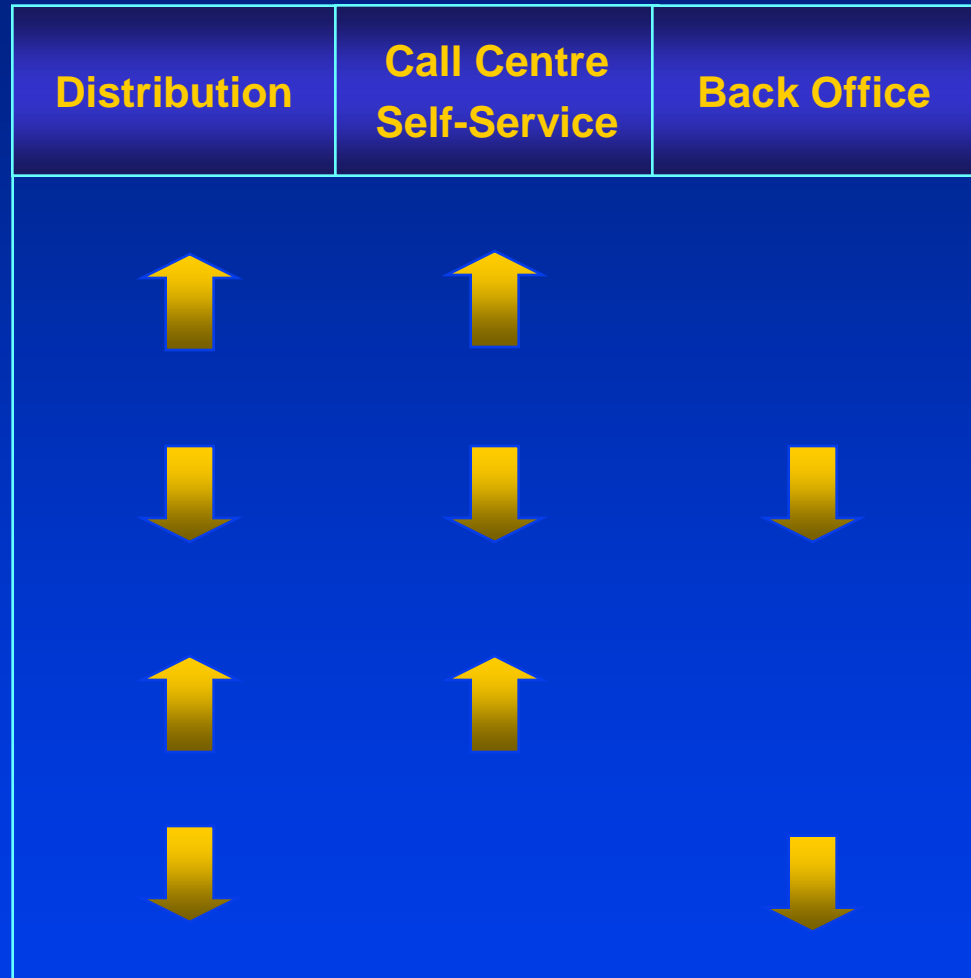
Sales Process

- **Enable** and equip front-end to focus on sales
- **Reduces** back-end administration effort

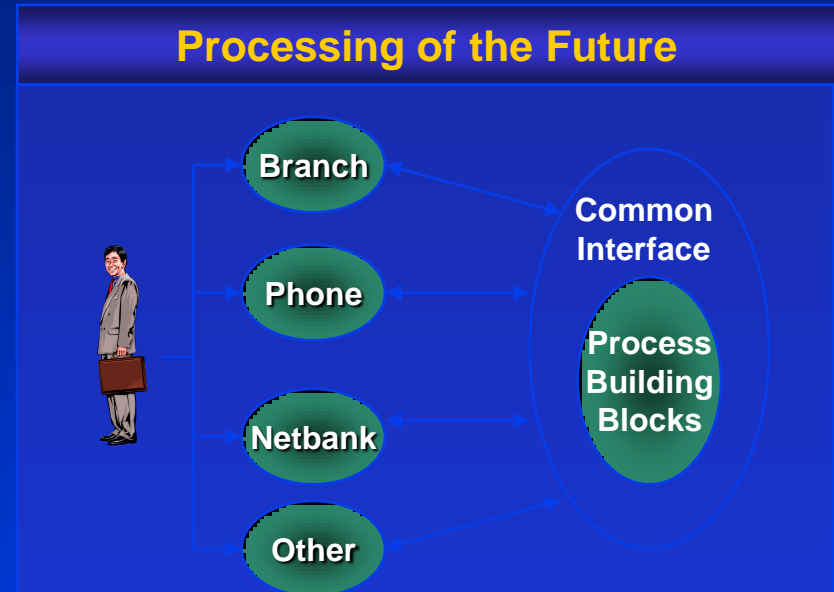
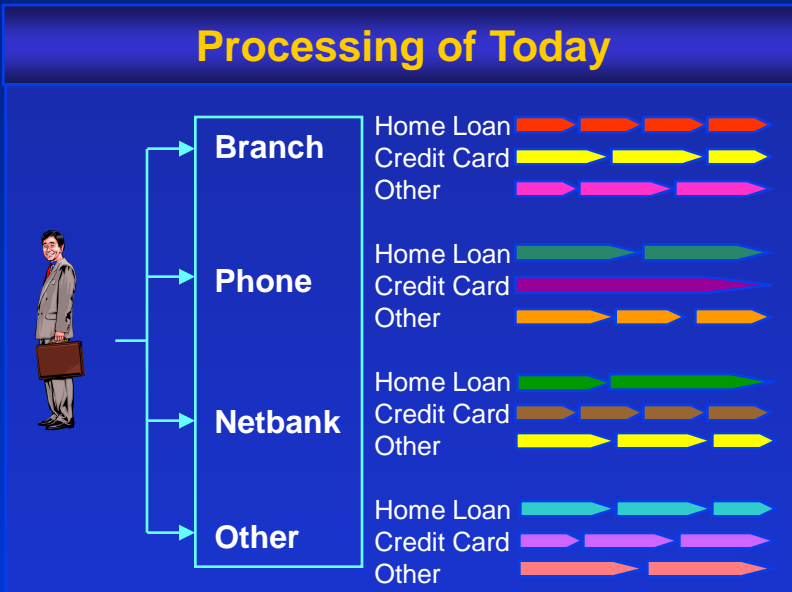
Service Process

- Enable access channels to be single point of resolution
- **Reduces** back-end maintenance effort

Maintenance



Processing transformation required to achieve customer focus sales and service

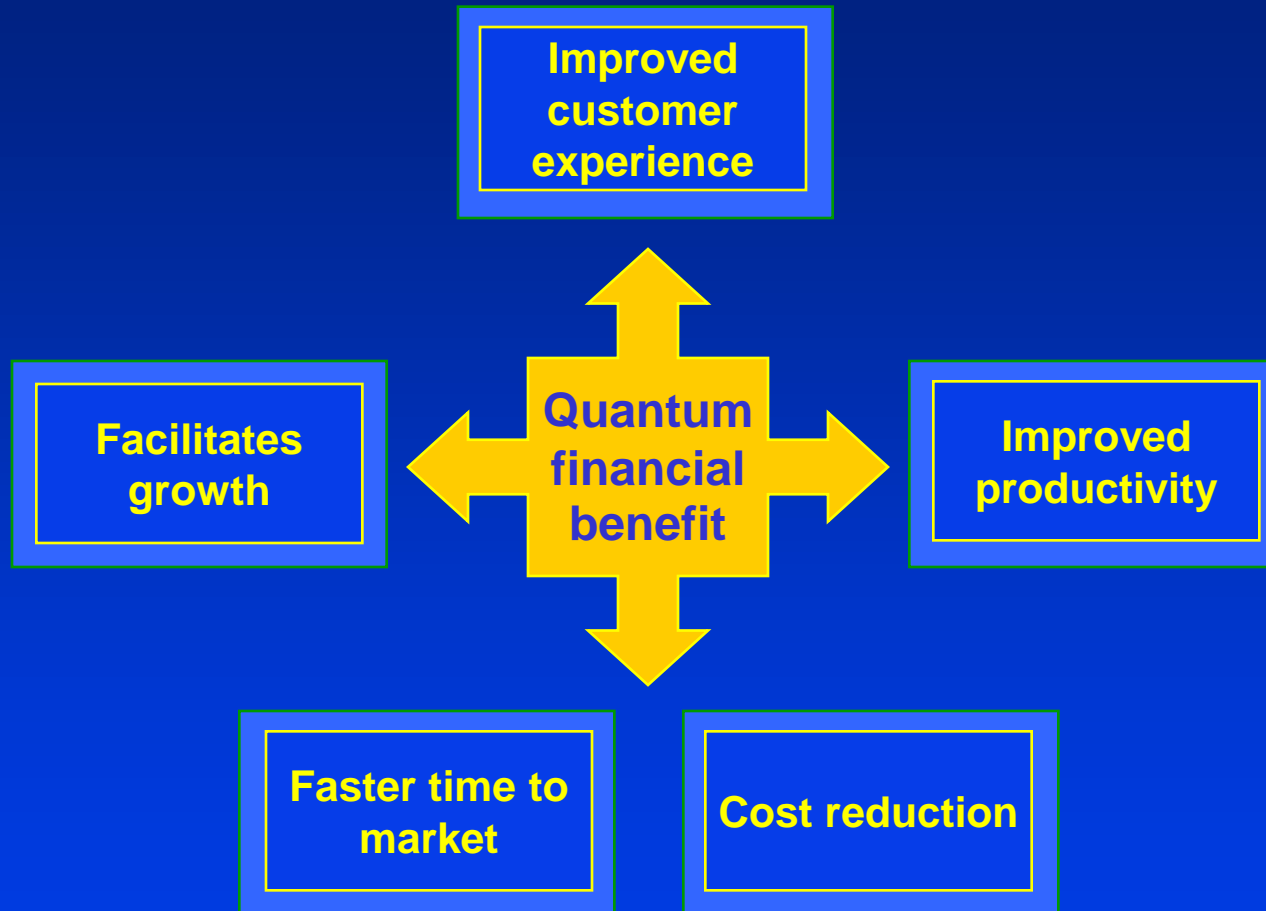


- Product-centric
- Channel dependent processing
- Diverse paper-based processing
- Costly people-intensive maintenance

- Customer-centric
- Channel independent processing
- Consistent electronic processing
- Self-service



Benefits of this future business environment



*Resulting in a more **agile** Commonwealth Group*



Technology strategy driven by stakeholder requirements

Retail Customers

- personalisation, differentiation
- consistent look/feel

Corporate Customers

- easy on-line access
- innovative, structured solutions delivered quickly
- non repudiated, secure transactions
- manage knowledge and settle

Agents / Distributors

- business support services

Suppliers

- auto fulfillment
- electronic invoice and payment

Staff

- personalised “where I work” portal
 - workflow and image enabled
 - access to all resources
 - collaborate with colleagues
 - manage our worklife and career
- flexibility and agility

Management

- information on-line
- external data source links

SMEs

- leverage our capabilities
- personalised differentiation

Investors, regulators and the community at large

- information on-line

Devices / Access

Channel Platforms

Products / Services



Essential technology characteristics

Browser based

Electronic touchpoint

Workflow enabled

Reusable and scaleable
technology

24x7

Master directory of data items

One integrated network

Best practice security

Intelligent call centers

Common technology and
business infrastructure

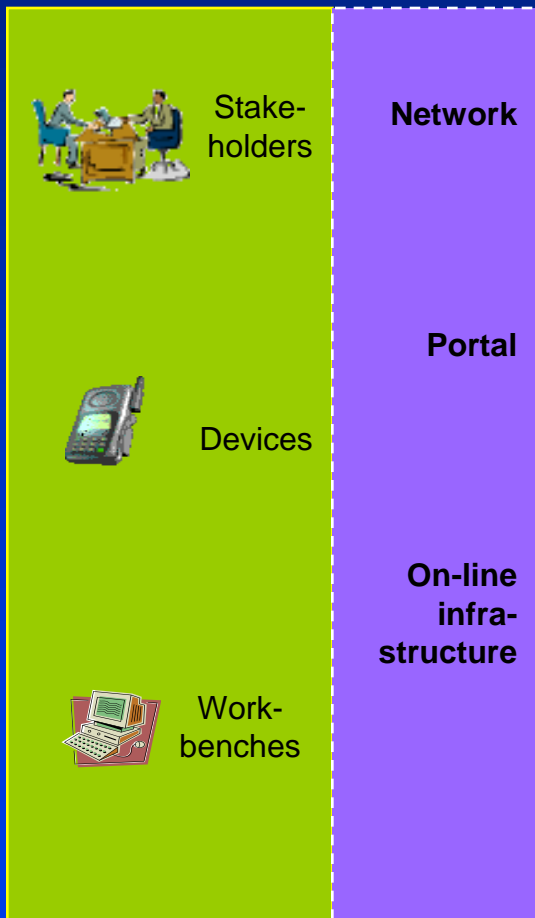
Real-time processing

CRM functionality in all
access systems



Technology blueprint that supports our future operating environment

Access



Enterprise management



Market Management

Common Analytical Services

Financial Reporting
Data Warehouse
Customer Value

Message Broker (Middleware)

Customer
Product
Channel

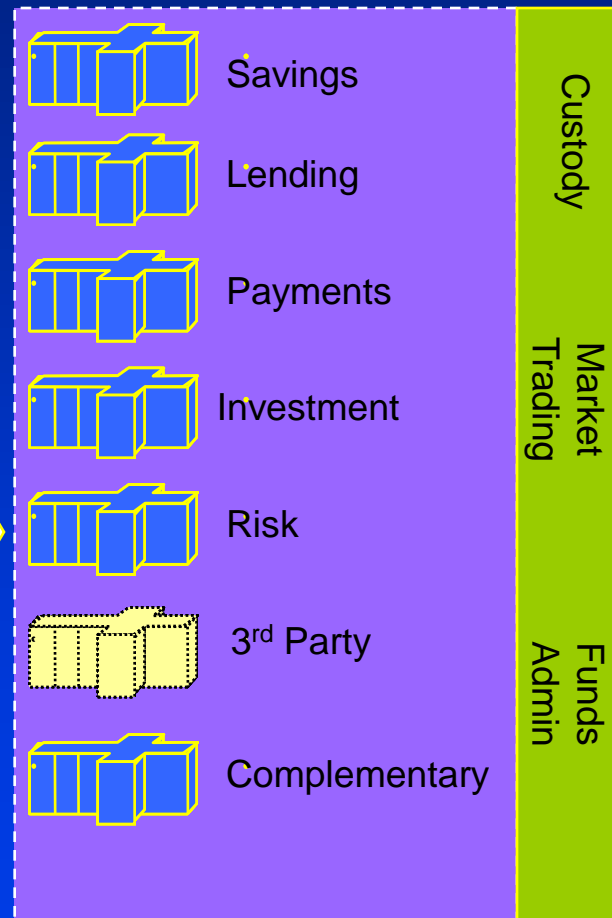
Common Operational Data

Workflow Manager (Middleware)



Shared Support Services

Product and Funds Administration



Progress against Blueprint

■ Shared applications:

- HR/Financials
- On-line eProcurement
- Data and customer relationship management

■ Lead business applications:

- Image item processing
- New Credit Card System

■ Infrastructure:

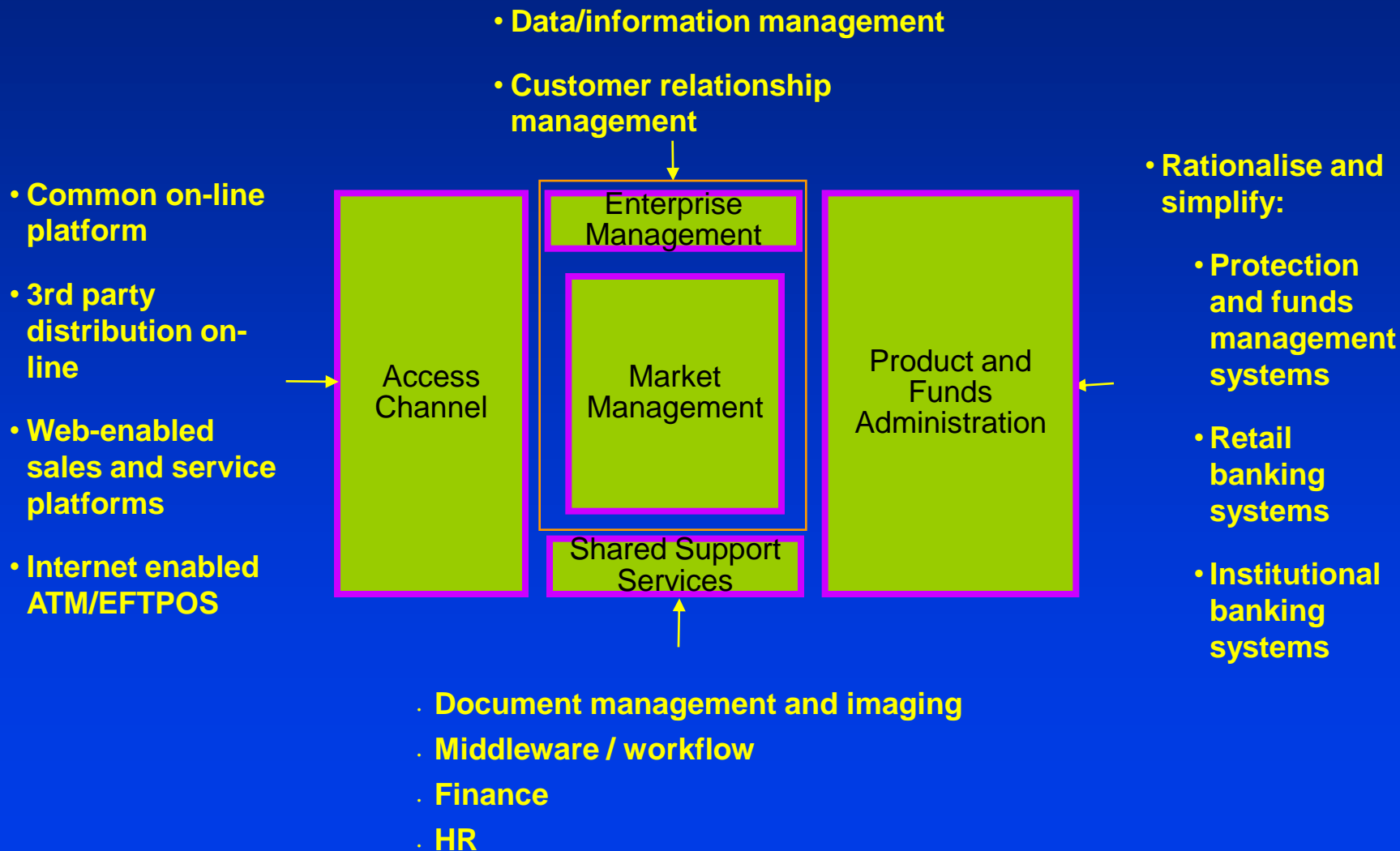
- IPNet
- Common security
- Intranet
- Common Office Environment

■ Service providers:

- Telecommunications outsourced to TCNZ
- Review of EDS arrangements to align services with future requirements



Key technology priorities

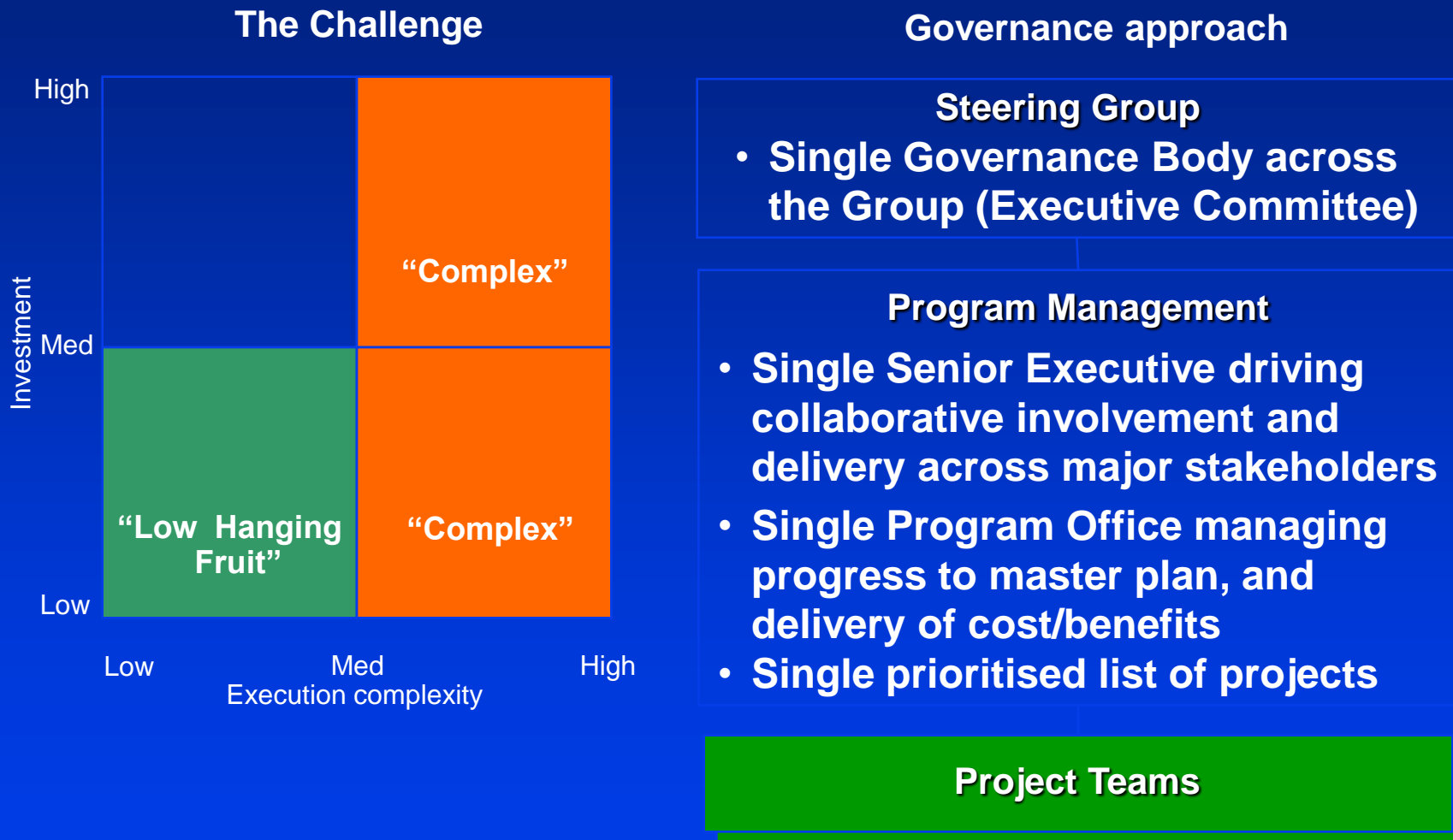


Technology Roadmap

- Year 1** **Quick wins and key infrastructure**
- Year 2** **Rationalisation and platform
integration efforts**
- Year 3** **Exploiting the infrastructure**



Business governance and compliance model is critical



Group-wide IT&T principles critical to focus change

IT&T Governance Principles

Policy

- Consistent enterprise-wide IT&T governance
- Business driven IT&T strategy with common architectures and standards managed centrally
- Transparent decision making

Service

- Vendors managed to:
 - Mitigate risks and align services to business goals
 - Achieve competitive differentiation

Investment

- Enterprise level IT decisions aligned to IT&T strategy
- Buy rather than build
- Process re-engineering and change management to support IT changes
- Minimise duplication
- Full lifecycle management of IT&T asset portfolios

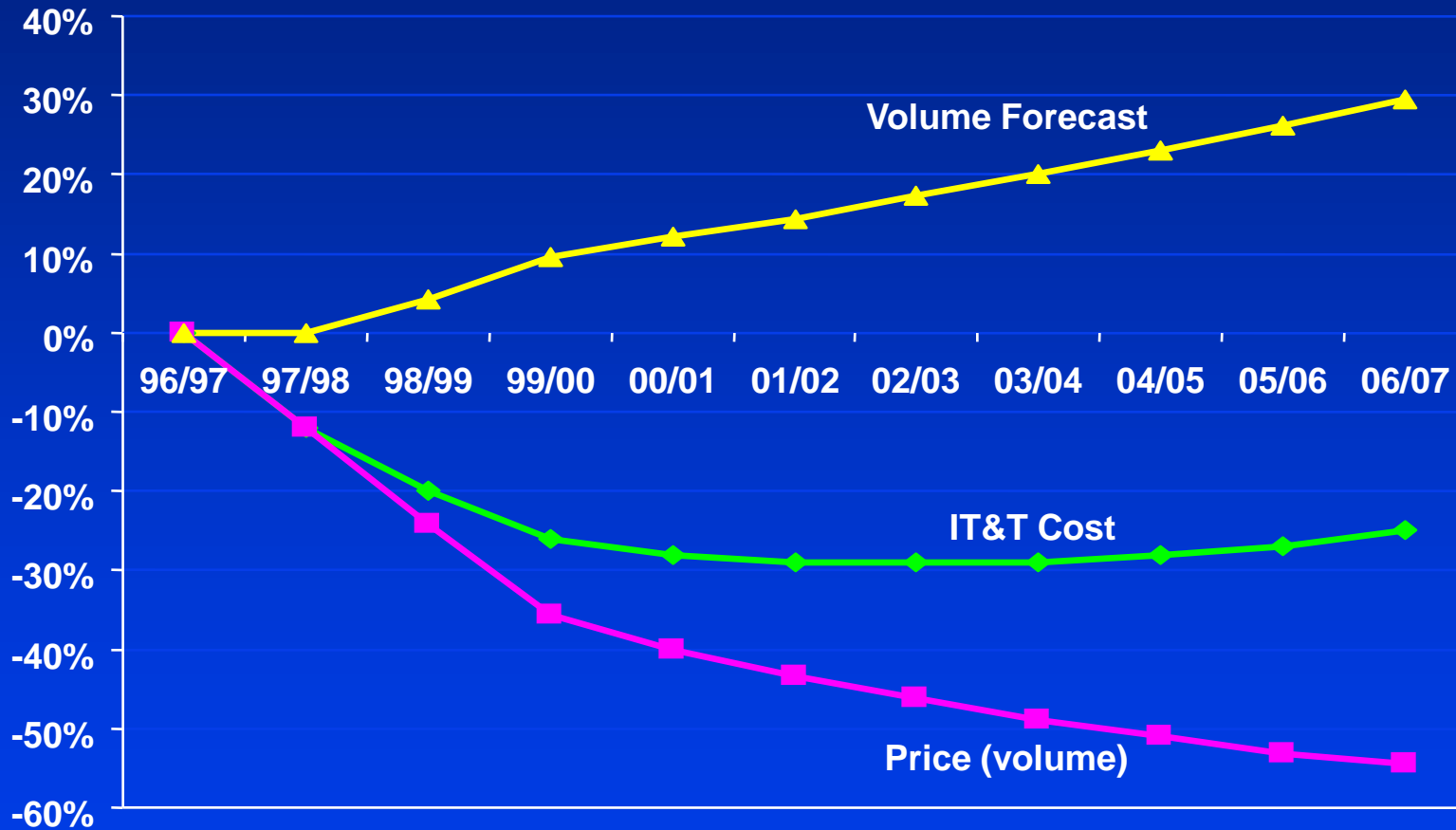
Technology alliances are essential

Existing primary partnerships

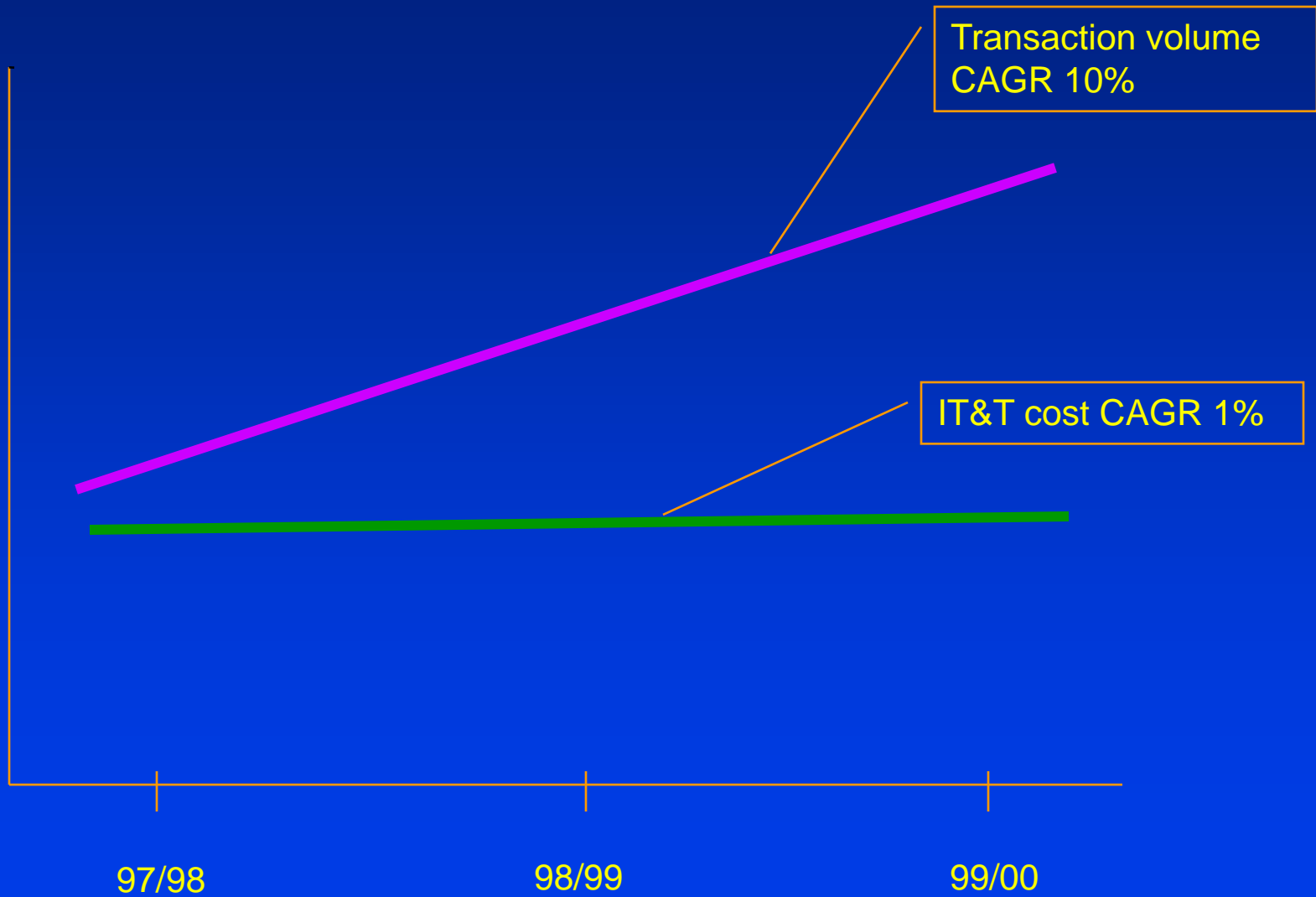
- ◆ EDS - Information technology (1997)
- ◆ Telecom New Zealand - Telecommunications (2000)
- *Being in a global industry dictated the need for global best practice partners*
- *Risk and knowledge can be shared*
- *Control does not require ownership*
- *Expect more software alliances, JVs, outsourcing and partnerships*



EDS contract pricing



Technology service delivery model enabled cost containment despite volume growth



Measure of Success

Successful Implementation will:

- Greatly Simplify our business model
- Allow us to be much more Agile
- Enable significant Reuse and Leverage of systems

Result:

- Customer Service and Productivity becoming Core Competencies

