

17/2/2021

Branch Realignment and Multi-million Branch Reinvestment

Please attribute to Bernadette Inglis, Newcastle Permanent CEO.

The banking preferences and demands of our customers have evolved at an accelerated pace over the last year.

To meet the changing banking preferences of our customers, Newcastle Permanent has advised its employees and is in the process of advising customers about changes to its branch network.

These changes include the closure of our Medowie, Fletcher and Woy Woy branches from close of business Friday 26 March, a change in hours for nine regional NSW branches, and a major multi-million dollar investment program our branch network, starting with our Wallsend, Raymond Terrace and Gosford branches in 2021, to deliver a modernised, fit-for-purpose branch design to better support customer needs. Also, later this year Newcastle Permanent will launch its new flagship Branch of the Future design at Newcastle Mall.

All of our people working at our Medowie, Fletcher and Woy Woy branches will be redeployed to nearby branches when they close on March 26. Our people in the nine regional branches changing hours will spend the remainder of their work day remotely servicing other banking needs for our customers.

These changes are a realignment and adjust or move our valuable Newcastle Permanent resources from one area of our business to another, aligning our investment to better serve the changing home lending and digital banking needs of our customers.

Branch Closures

While our branches will remain a critical part of our future, in the past year we've seen our customer preferences change at an accelerated pace. Today we're seeing more reliance on digital banking services, increased digital confidence, and less use of cash and branch interactions from our customers.

We continue to assess and reshape our branch network. Through closing these branches, and realigning operating hours at other branches, we will be able to redirect investment in the coming years.

Branches remain a critical part of our future and, after this change, we will continue to maintain the largest branch network in the Hunter region.

All branch team members working at our Medowie, Fletcher and Woy Woy branches will be redeployed to nearby branches when they close on March 26.

We are working to advise customers of the change, including providing information on their nearest branch and help with digital and phone banking for those who do not wish to attend a branch. Newcastle Permanent's Customer Contact Centre will remain operational outside of branch hours to support customers in need of assistance by phone or online.

Across our network, less than 5% of customer transactions are completed in a branch; this is a drop of 15% year on year as customers move towards digital banking. In contrast, more than 90% of all transactions are now completed digitally or electronically.

Our 118-year history does not come through standing still. We will continue to adapt our business to deliver the banking services our customers want today and will need in the future.

Branch Reinvestment

Branches remain a critical part of our future and we are undertaking a multi-million investment program to deliver a modernised, fit-for-purpose branch design that better supports our customers with their evolving banking needs.

In 2021, our Wallsend, Raymond Terrace, and Gosford branches will be among the first across our branch footprint to undergo redevelopment.

Additionally, later this year we will be unveiling our new flagship Branch of the Future design at our Newcastle Mall branch.

Branch Hours

From late March, branch hours at nine of our branches will change to 9.00am-1.30pm to reflect customer usage patterns at these branches.

The operating hours will change at Dubbo, Lismore, Orange, Grafton, Ballina, Bathurst, Mudgee, Armidale and Muswellbrook. From Monday 29 March these branches will be closed from 1.30pm.

Customers of these branches are being contacted. There will be no impact to employee hours of work as a result of these changes. Employees in these branches will spend the remainder of their work day remotely servicing other banking needs for our customers.

Newcastle Permanent's Customer Contact Centre continues to support customers outside of branch hours by phone or online.