

The Kiwi bank logo is located in the top right corner. It consists of the words "Kiwi" and "bank." stacked vertically in a white, sans-serif font, enclosed within a white square border with rounded corners. The background of the slide is a close-up photograph of green leaves, with a dark green gradient overlay.

Kiwi
bank.

Kiwibank Investor Update

3 October 2023

Steve Jurkovich (Chief Executive), Belinda Newman (Treasurer)

Disclaimer



This presentation has been prepared by Kiwibank Limited ("Kiwibank"). Any offer of notes ("Notes") by Kiwibank to retail investors will be made under the limited disclosure document dated 15 September 2023 ("LDD") for Kiwibank's Medium Term Note Programme, which has been lodged in accordance with the Financial Markets Conduct Act 2013 ("FMCA"). The LDD is available through <https://disclose-register.companiesoffice.govt.nz> and must be given to investors before they decide to acquire any Notes. No applications will be accepted or money received unless the applicant has been given the LDD.

The information in this presentation does not constitute financial product advice, investment advice or any recommendation by Kiwibank or any arranger or lead manager ("Joint Lead Managers") on any offer of Notes or any of their respective directors, officers, employees, affiliates, agents or advisers to subscribe for, or purchase, any Notes. No Joint Lead Manager nor any of their respective directors, officers, employees, affiliates or agents have independently verified the information contained in this presentation.

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This presentation may contain projections or forward-looking statements regarding a variety of items. Such projections or forward-looking statements are based on current expectations, estimates and assumptions and are subject to a number of risks, and uncertainties, including material adverse events, significant one-off expenses and other unforeseeable circumstances. Although Kiwibank believes these expectations, estimates and assumptions to be reasonable, they are inherently uncertain and there is no assurance that results contemplated in any of these projections and forward-looking statements will be realised. Actual results may differ materially from those projected in this presentation. No person is under any obligation to update this presentation at any time after its release or to provide you with further information about Kiwibank.

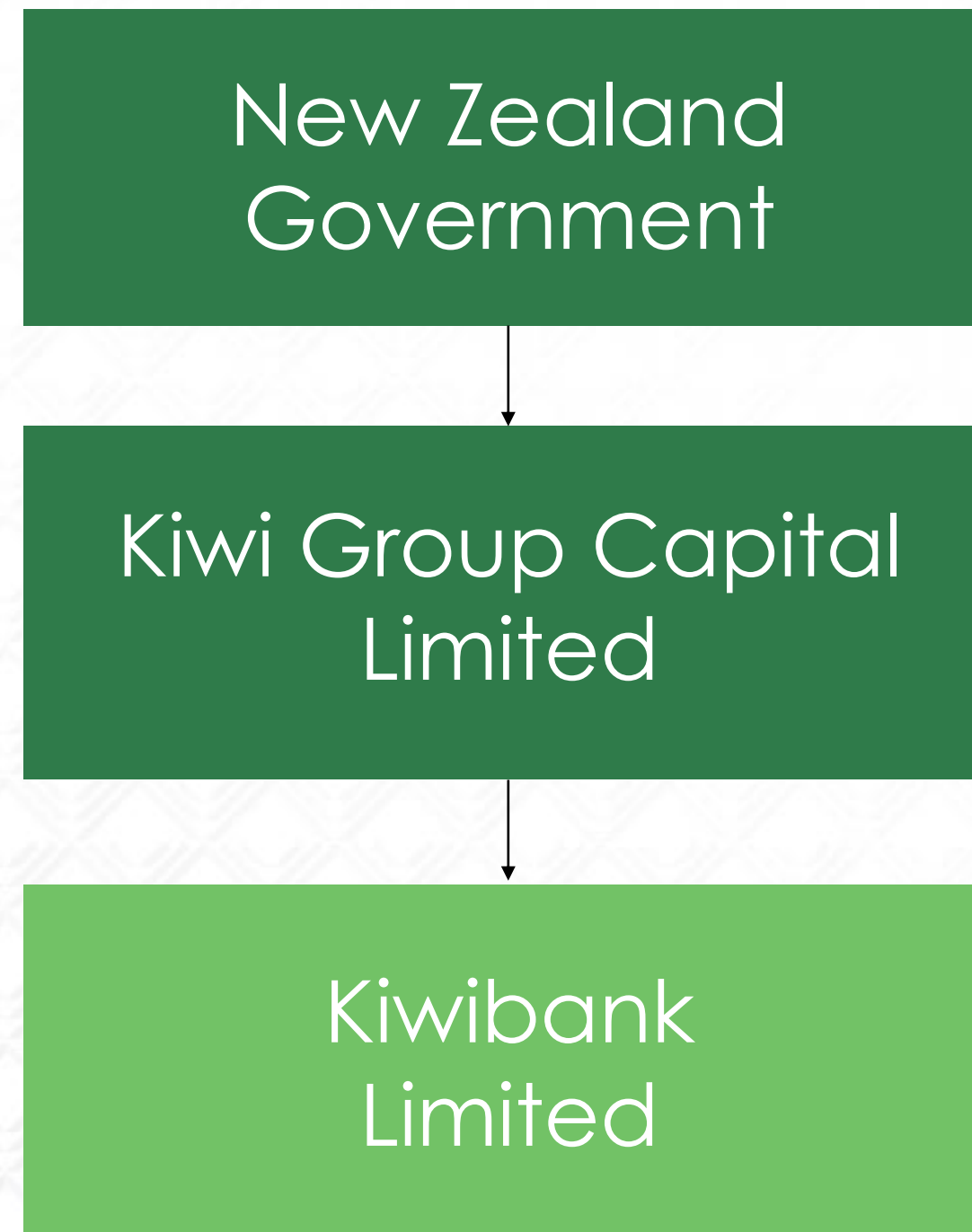
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Kiwibank Overview

Simple Ownership Structure



Kiwibank debt is not guaranteed by the New Zealand Government

This is Kiwi – our strategy



PURPOSE

Kiwi Making Kiwi Better Off

What we aim to achieve

- 1. Making our Tamariki better off | Access to financial education
- 2. Making Kiwi better off | Taking action to secure their financial future
- 3. Making Aotearoa better off | Delivering sustainable finance to improve Kiwi businesses

GOAL

To be Customers' 1st Choice

- 1. More Kiwi and Kiwi businesses prefer us for their banking needs
- 2. More Kiwi choose us for their Home Lending and Business needs

OUR OFFER

Simple
Easy
Accessible
Expertise

- It's simple for our customers to bank with us | We communicate clearly and offer simple solutions
- It's easy for our customers to get things done with us | We deal with our customers' needs quickly, first time
- Our customers can bank with us where and when they need us | We enable customers to choose us more often
- Our customers trust our expertise | We have the expertise to help make Kiwi better off

BETTER BANK

Sustainable Growth
Impact
Trusted
Empowered

- We aim to be financially sustainable as we grow
- We aim to be a leading purpose-led employer that has impact in our communities
- We aim to be a trusted bank – we deliver good customer outcomes every time
- We aim to take ownership and act quickly for our customers

This is us.
NGĀ KAUIWAKA

Ka Tīmata i a Tātou
A **Place** to **Belong**

Me Māia
Rise to the **Challenge**

Tapatahi
Better Together

Ngā Kiritaki
Customer at the **Heart**

The impact we made: Sustainability highlights - FY23



Reduced our carbon emissions by 9%
from our 2021 base year



57,142 students used Banqer, a financial educational platform, this year



Improved accessibility features of our cards to make them more user friendly for Kiwi



First NZ bank to offer CoGo carbon management tool to business customers



Lent more than \$46m in sustainable finance to Kiwi businesses



Developed a financial wellbeing programme for our people



Improved company culture by 8 points putting us in top 25% of companies surveyed globally¹



Supported 1,242 customers impacted by cyclone and flooding events



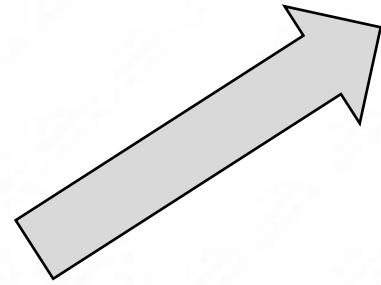
Donated more than 1,000 IT items to community groups

¹ As measured by Glint Inc.

Lending Portfolio

- Kiwibank is primarily a retail mortgage bank
- 7% share of mortgage market (source: RBNZ stats)

Lending Category	30 June 2023 (\$b)
Home Loans	\$24.2
Credit Cards	\$0.3
Overdrafts	\$0.2
Business Lending	\$4.4
Other Lending	\$0.5
Net Loans and Advances	\$29.7

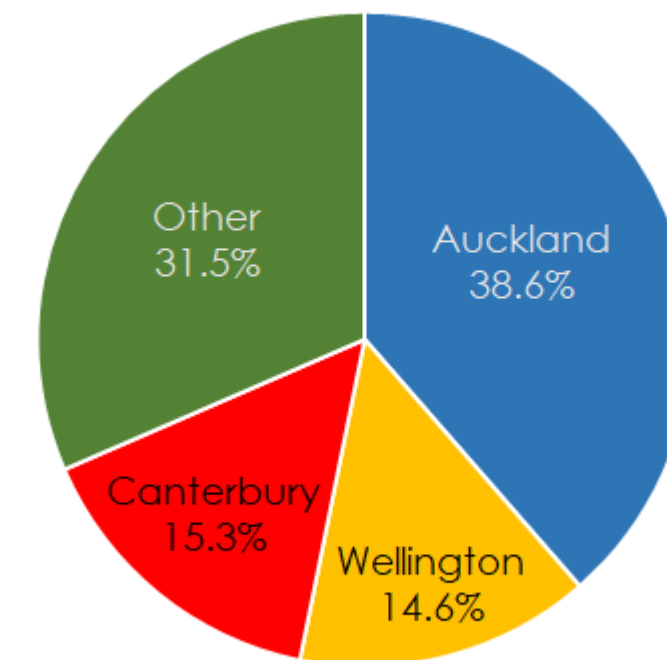


Source: Kiwibank Disclosure Statement June 2023

30 June 2023

Total home loan portfolio	\$24.2b
Fixed/Floating	92%/8%
Average home loan balance	\$385k
Interest only	16.5%
LVR >80%	6.5%

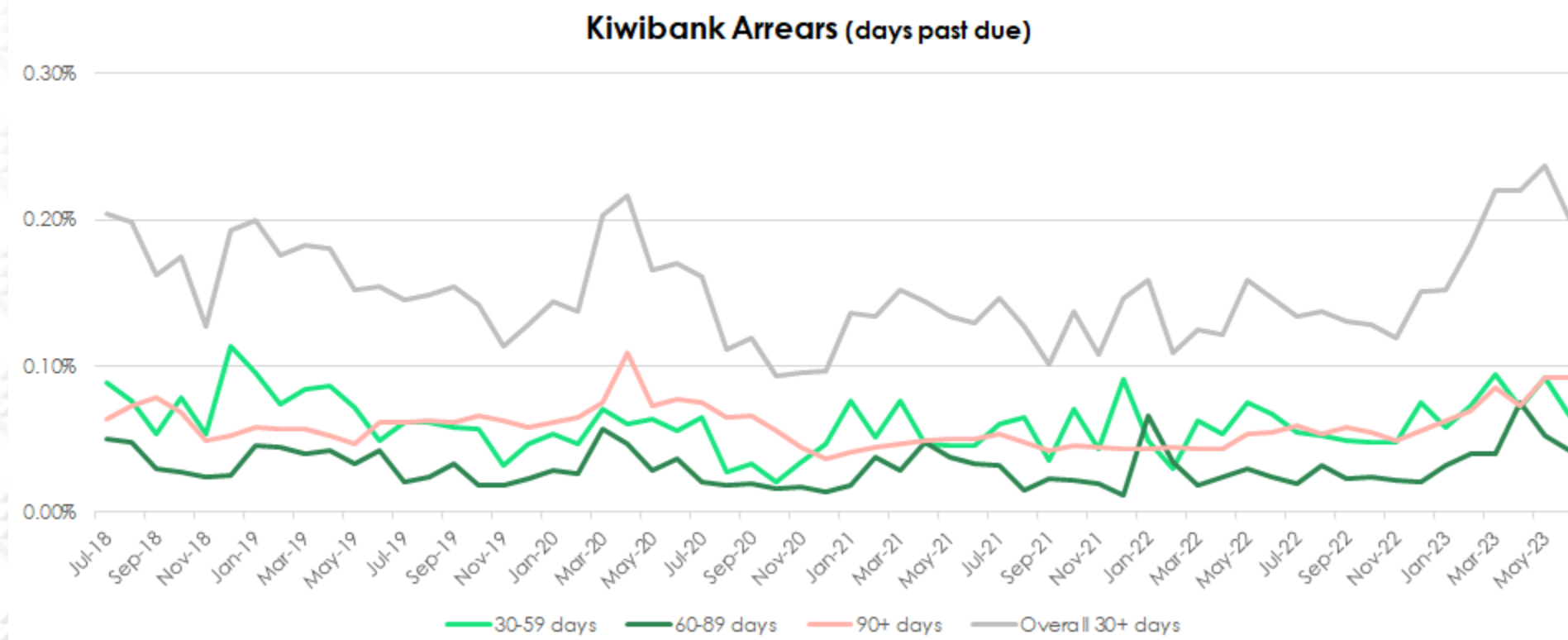
Home Loan Portfolio - Regional Profile



Source: Kiwibank

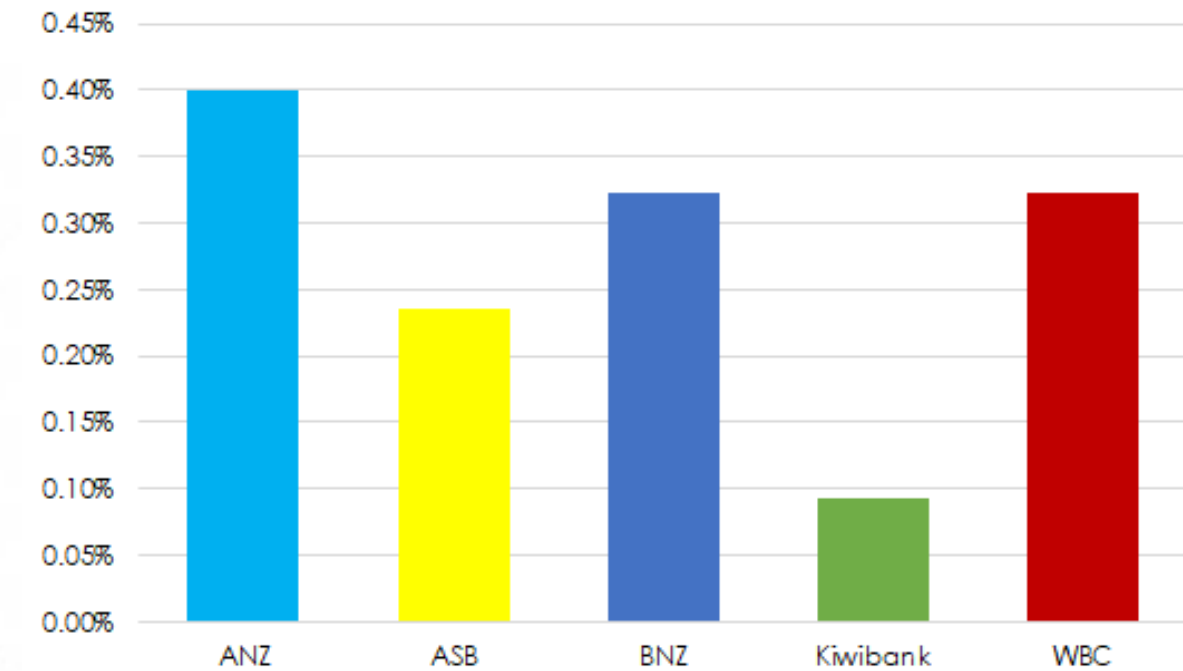
Asset Quality

- Small increase in arrears across the banking system but no strong indication of significantly increased credit stress
- Kiwibank mortgage arrears and impairments remain low, below the industry average
- Payment support options put in place to assist home loan borrowers who may struggle with higher interest rates

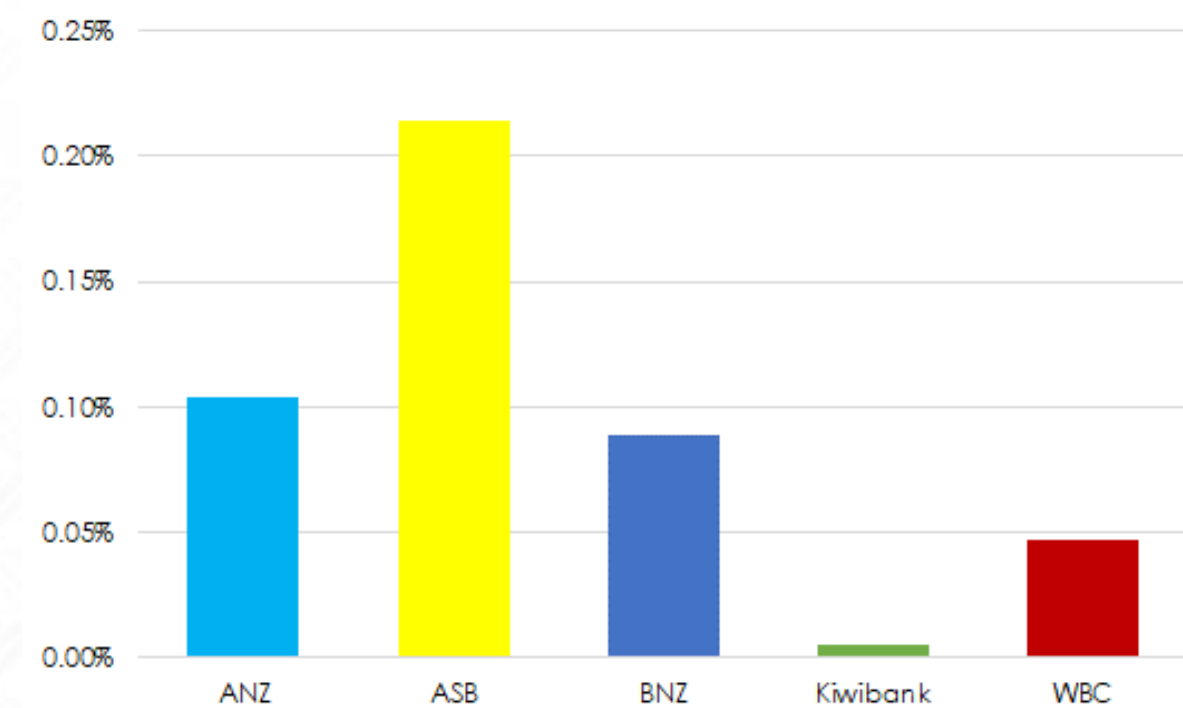


Source: Kiwibank

90+ days past due as a % of total loans
(excludes impaired loans)



Impaired loans as a % of total loans



Source: RBNZ Financial Strength Dashboard June 2023

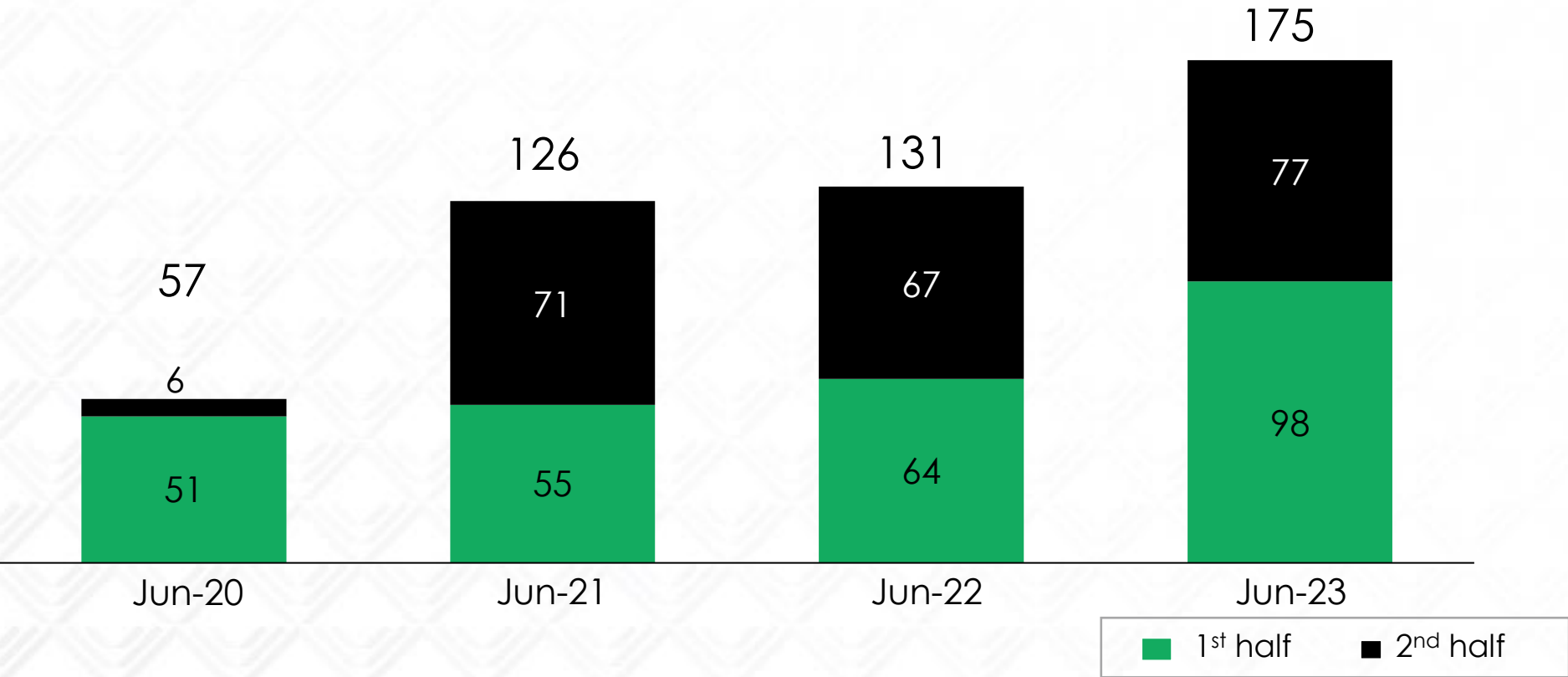


Financial Results

Profit underpinned by net interest income



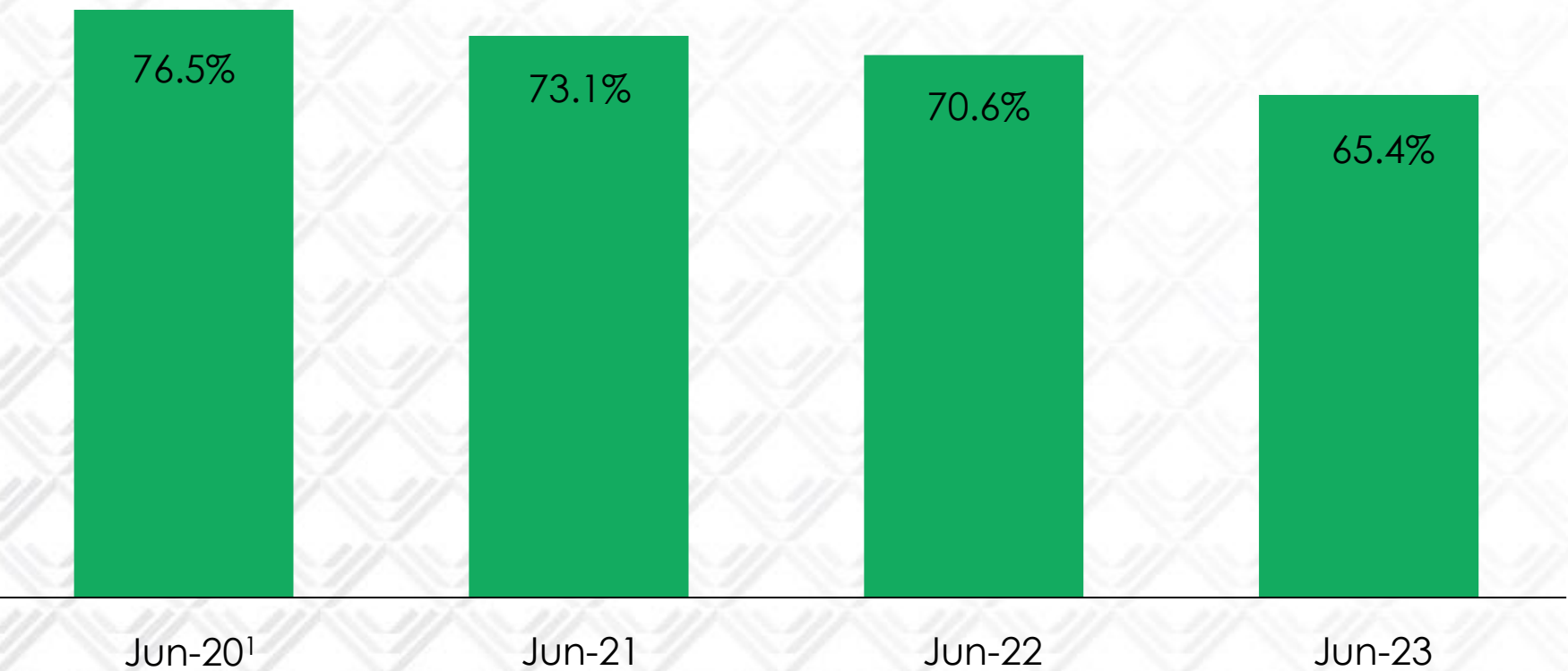
Reported Profit after Tax (\$m)



Highlights for FY23

- Profit after tax increased on prior period due to higher revenue
- Higher revenue is driven by net interest income being 26% above prior period due to strong lending growth and the rising interest rate environment
- Cost to Income (CTI) is calculated as Operating Expenses divided by Operating Income
- Improvement in CTI was underpinned by higher operating income, while continuing to exercise cost discipline

Cost to Income Ratio

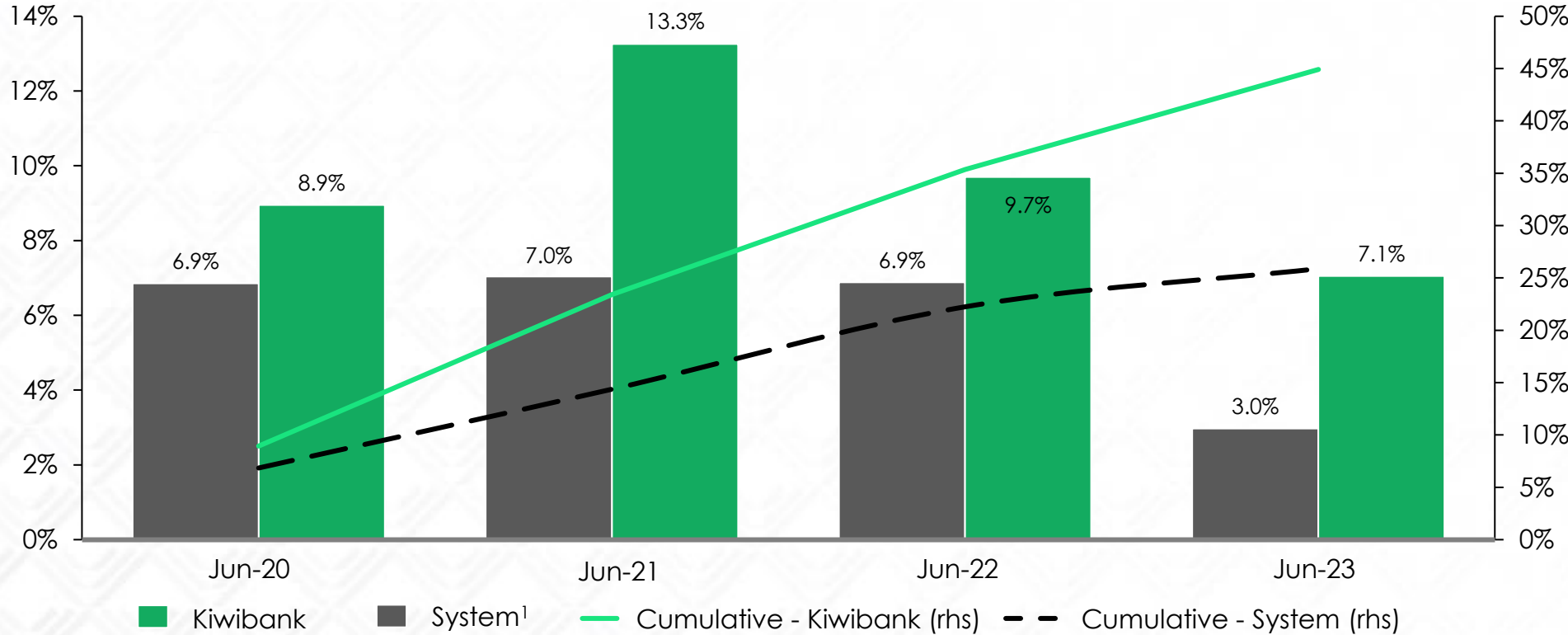


¹ FY20 comparatives have been restated to align with treatment of some expenses as direct fee expenses rather than operating expenses in FY21 Disclosure Statement

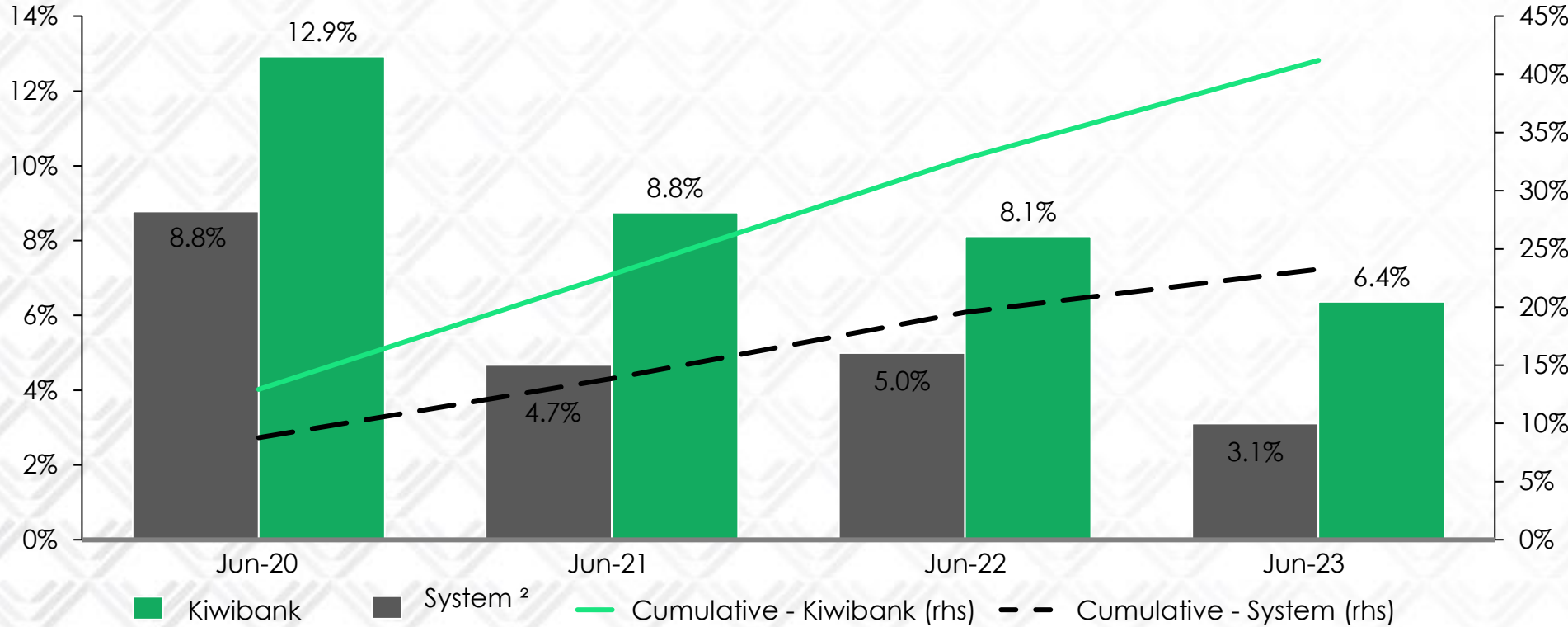
More Kiwi backing Kiwibank



Total Lending Growth (%)



Deposit Growth (%)

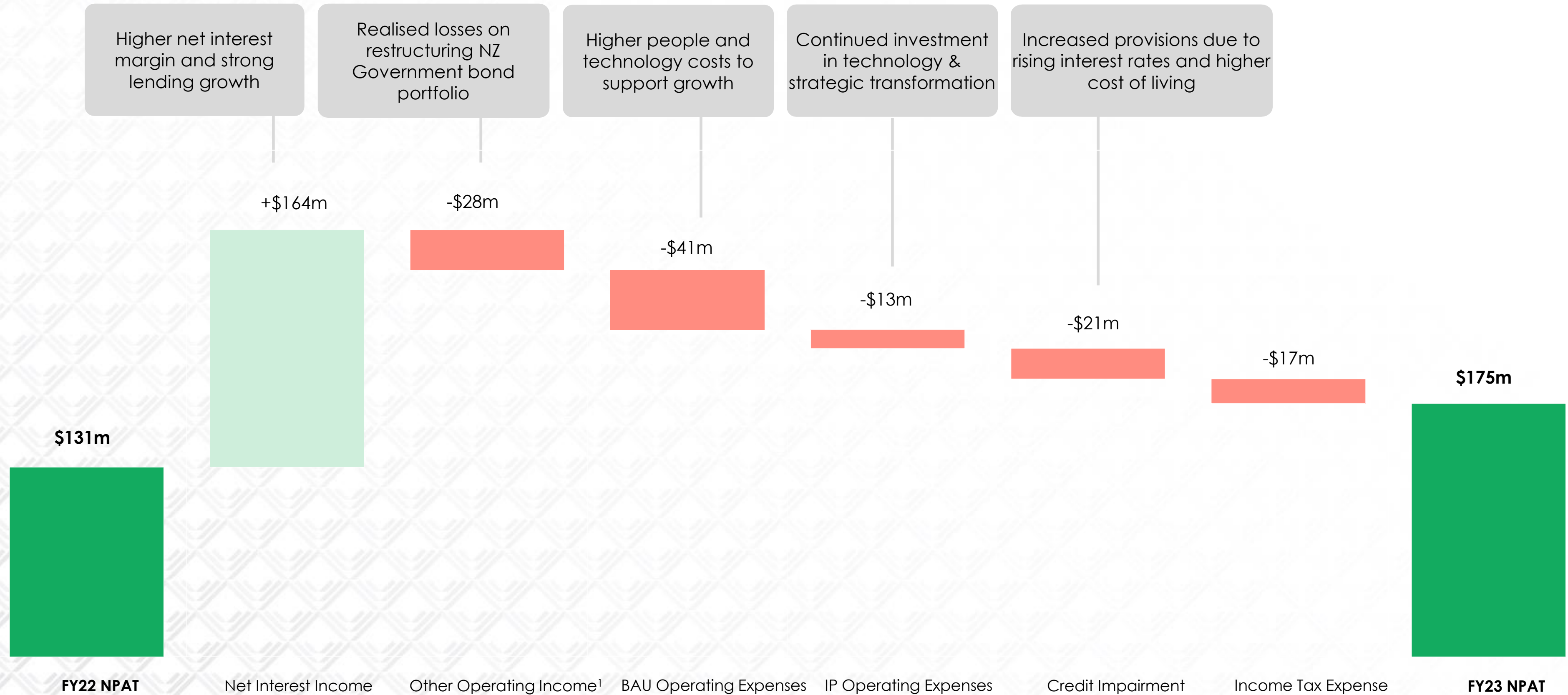


Key Focus Areas

- Kiwibank continues to outperform banking sector system growth in lending and deposits
- Kiwibank business lending was a standout with growth of \$0.9b over FY23 (9.0x system). This was achieved through raising awareness of products and services, and supporting customers through tough economic conditions
- Residential mortgage lending has grown by 5% over FY23, an increase of \$1.1b (1.5x system) over 2023. Kiwibank continues to grow its reach through advisers and an improving experience for customers

¹ Source: <https://www.rbnz.govt.nz/statistics/c5>
² Source: <https://www.rbnz.govt.nz/statistics/s40-banks-liabilities-deposits-by-sector>

Change in reported net profit between FY22 and FY23

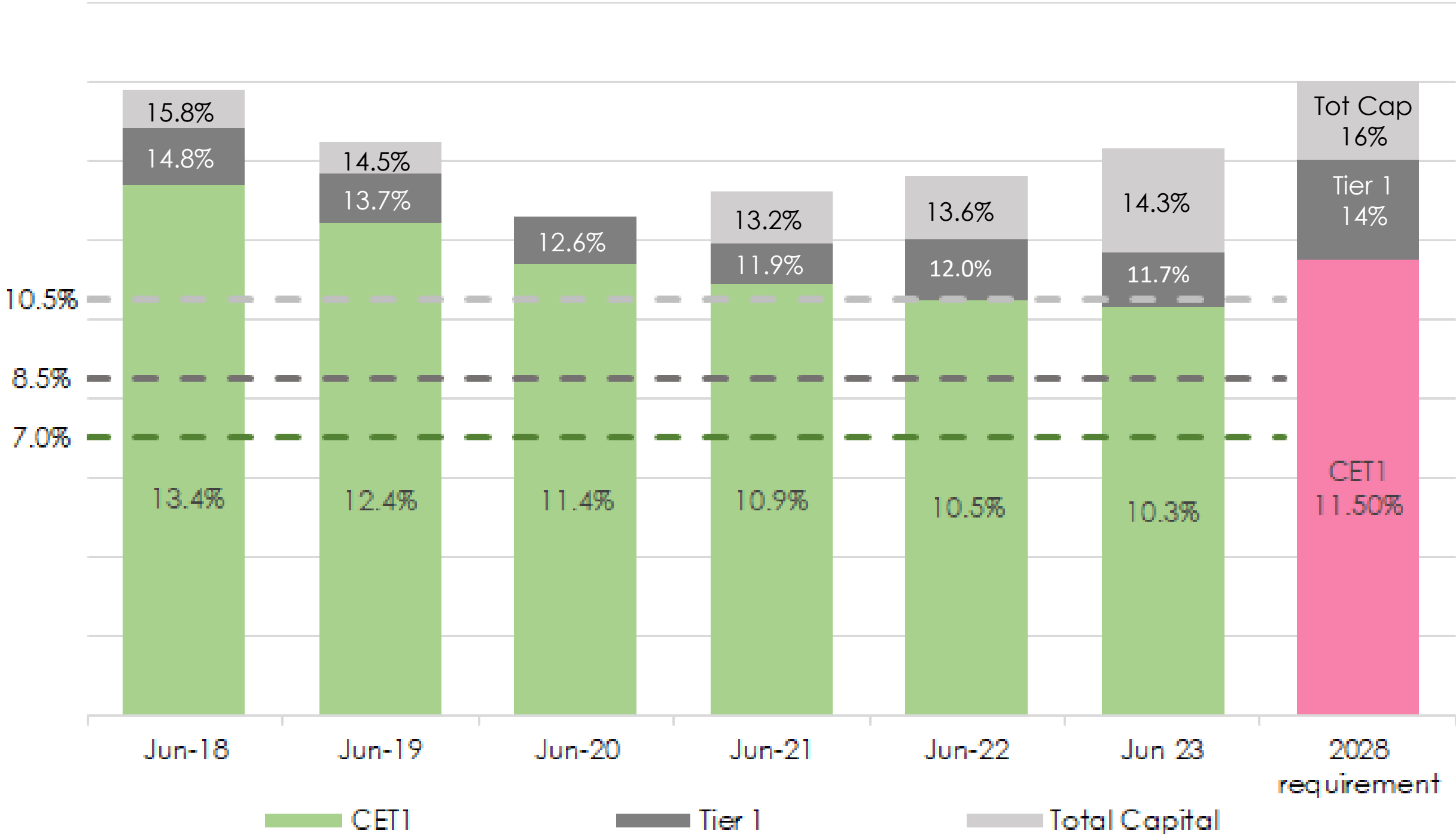


¹ Other Operating Income includes net gains on financial instruments



Funding and Capital

Regulatory Capital Ratios ¹



Key focus areas

- Capital as at 30 June 2023 remains more than sufficient to meet regulatory requirements
- Kiwibank is well placed to meet higher RBNZ capital requirements to be phased in by the 1 July 2028 transition date
- Chart does not include a \$225m capital injection from Kiwi Capital Group Limited on 31 July 2023 which added 1.3% to all June 2023 capital ratios

* includes 2.5% capital conservation buffer

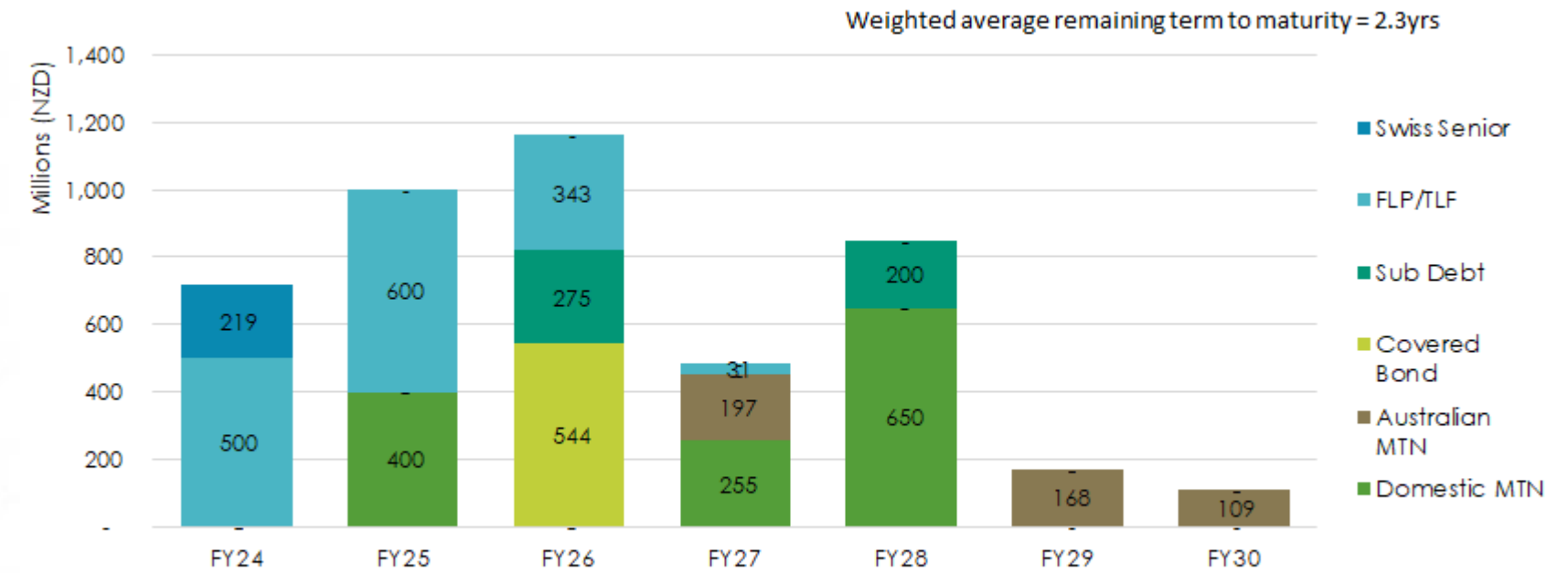
¹ as a percentage of Risk-Weighted Assets (RWA); CET1 means common equity tier 1 capital (CET1)

Funding mix

Issuer Credit Ratings

	Long-term	Short-term	Outlook
Fitch	AA	F1+	Stable
Moody's	A1	P-1	Stable

Term Funding Maturity Profile by Type*

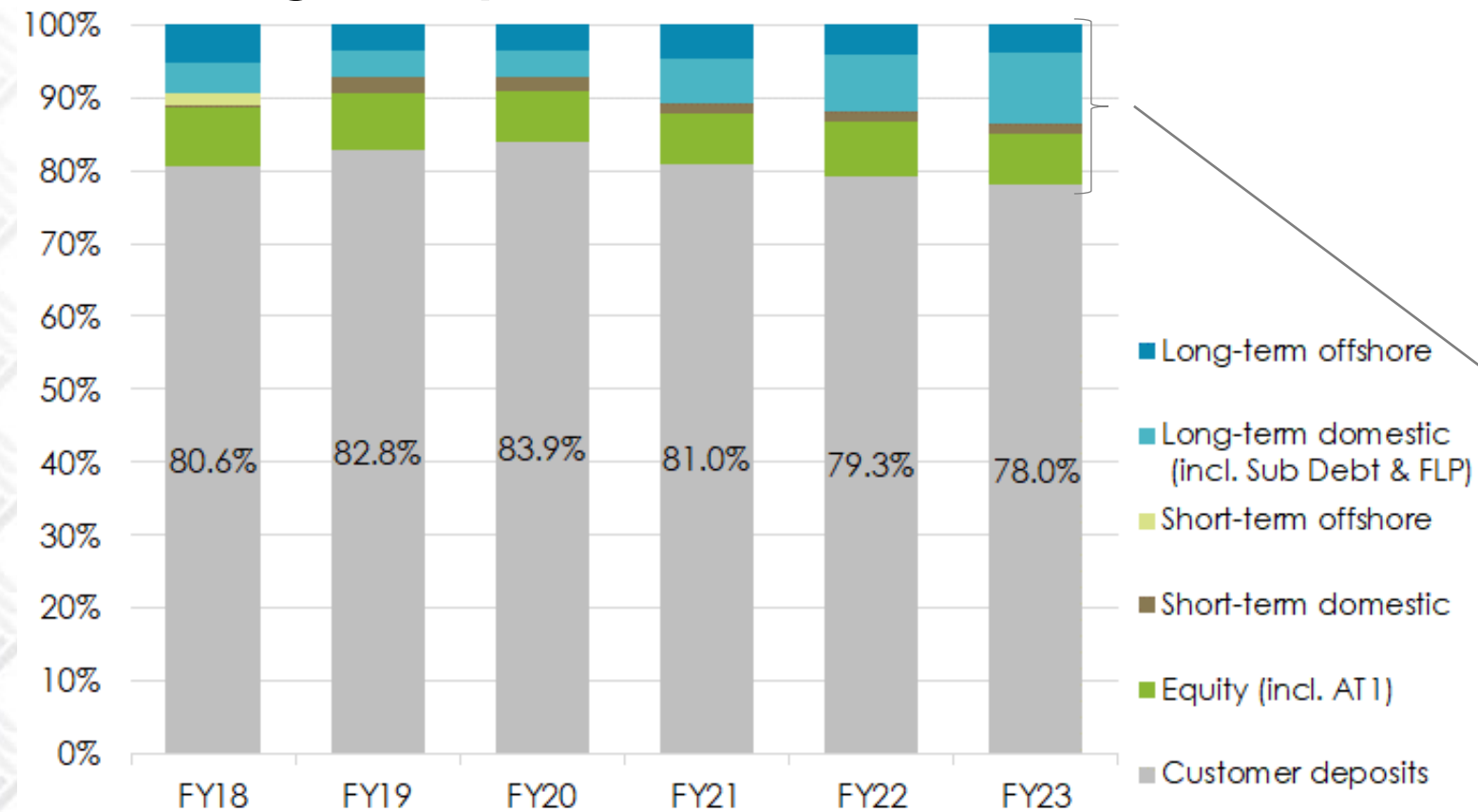


Source: Kiwibank as at 30 June 2023

* Excludes AT1

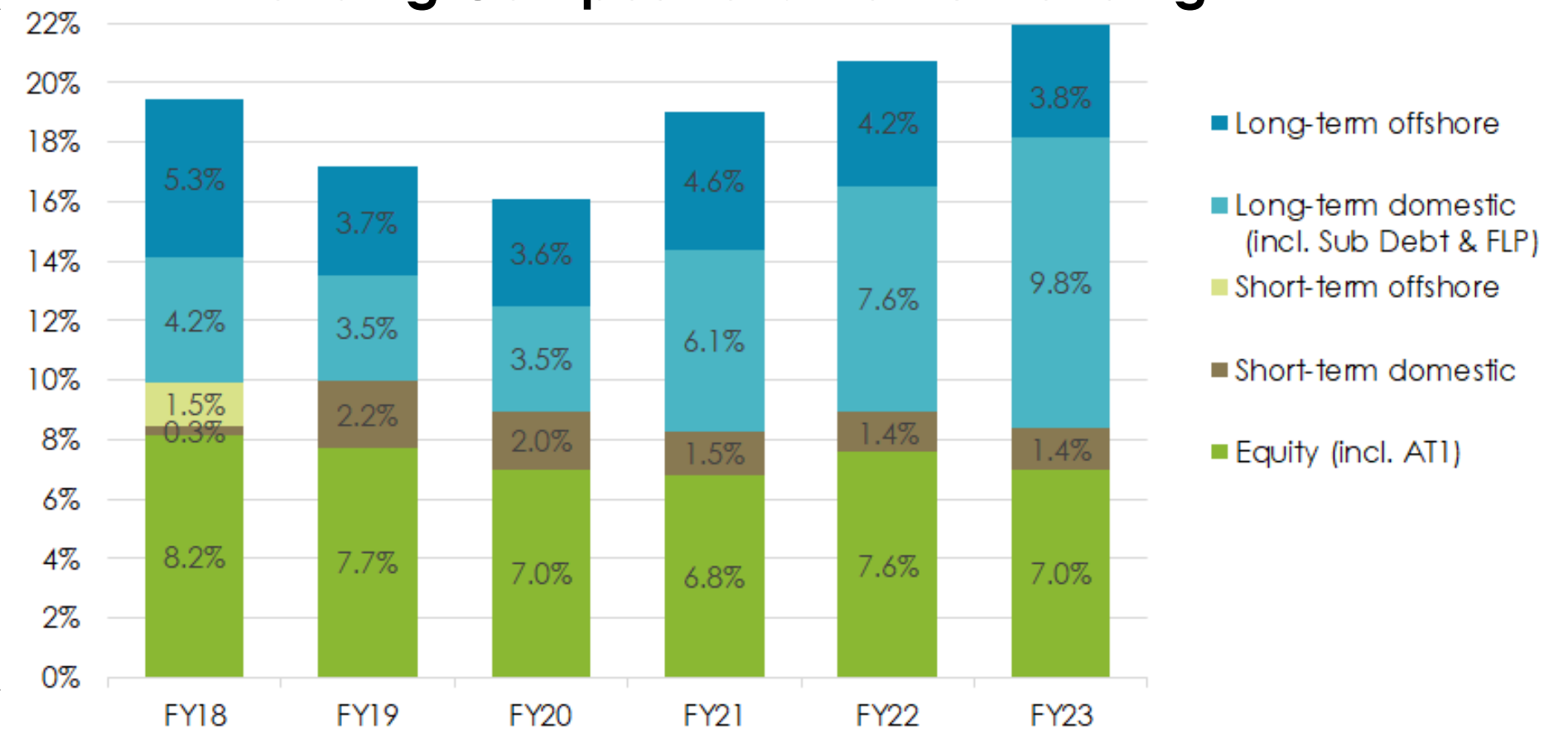
Sub debt profile based on the next callable date

Funding Composition



Source: Kiwibank as at 30 June 2023

Funding Composition: Market Funding



Source: Kiwibank as at 30 June 2023



Appendix

Performance history

NZ\$ (in millions)	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23
Interest income	933	894	761	907	1,389
Interest expense	(488)	(439)	(233)	(277)	(595)
Net Interest Income	445	455	528	630	794
Net gains on financial instruments at fair value	3	13	8	7	(17)
Other operating income	90	65	41	43	39
Operating expenses	(375)	(408)	(422)	(480)	(534)
Credit impairment expenses	(12)	(51)	19	(16)	(37)
Other impairment expenses	-	-	-	-	-
Profit before taxation	151	74	174	184	245
Income tax expense	(43)	(17)	(48)	(53)	(70)
Net profit after tax	108	57	126	131	175
Dividends paid on ordinary shares	(25)	(17)	(6)	(17)	(14)
Other distributions paid	(11)	(11)	(6)	(7)	(9)
Cost-to-income ratio ¹	69.7%	76.5%	73.1%	70.6%	65.4%

¹ Operating expenses / (Net Interest income + Net gains on financial instruments + Other operating income)

Balance sheet history

NZ\$ (in millions)	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23
Assets					
Loans and advances	20,443	22,222	25,283	27,751	29,682
Other assets	2,219	3,296	2,946	3,796	4,156
Total Assets	22,734	25,518	28,229	31,547	33,838
Liabilities					
Deposits and other borrowings	18,240	20,597	22,403	24,216	25,756
Debt securities issued	2,078	2,229	2,544	2,579	3,038
Other liabilities	867	1,122	1,558	2,550	2,733
Total Liabilities	21,185	23,948	26,505	29,345	31,527
Equity					
Share Capital	737	737	737	737	737
Perpetual Preference Shares	-	-	-	246	246
Reserves	812	833	987	1,219	1,328
Total equity	1,549	1,570	1,724	2,202	2,311

Source: Kiwibank Disclosure Statements



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Kiwibank Disclosure Report: https://media.kiwibank.co.nz/media/documents/General_Disclosure_Statement_Jun23.pdf

Kiwibank Sustainability Report: https://media.kiwibank.co.nz/media/documents/kiwibank_sustainability_report2023.pdf



MEDIUM TERM NOTE PROGRAMME

Limited Disclosure Document

Kiwibank Limited
as issuer

Effective 15 September 2023

This document is a replacement limited disclosure document, replacing the Limited Disclosure Document dated 29 September 2022 for Kiwibank's Medium Term Note Programme.

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on disclose-register.companiesoffice.govt.nz. Kiwibank Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.

1. Key Information Summary

What is this?

This is an offer of unsecured, unsubordinated medium term notes (“Notes”). Notes are debt securities issued by Kiwibank Limited (“Kiwibank”). You give Kiwibank money, and in return Kiwibank promises to pay you interest and repay the money at the end of the term. If Kiwibank runs into financial trouble, you might lose some or all of the money you invested.

About Kiwibank and its subsidiaries (together, the “Banking Group”)

Kiwibank is a registered bank that opened for business in 2002. Kiwibank offers a range of personal and business banking products.

Information about Kiwibank, including its financial statements (consolidated for the Banking Group), is published in disclosure statements required under the Banking (Prudential Supervision) Act 1989. Kiwibank’s disclosure statements are available at www.kiwibank.co.nz/about-us/governance/legal-documents-and-information/legal-documents/.

Purpose of this offer

The purpose of the offer of Notes is to raise funds which will be used for the general corporate purposes of Kiwibank, including making loans available to Kiwibank’s customers.

Key terms of the offer

Issuer:	Kiwibank
Description:	A retail programme for the issuance of unsecured, unsubordinated medium term notes
Series and tranches:	The Notes are issued in series and each series may be made up of one or more tranches of Notes issued on different dates. All the Notes in a series will have identical terms, except that different tranches in the series will have different issue dates, and may have different issue prices, first interest payment dates and interest commencement dates. Final terms will be prepared for each tranche of Notes, setting out the specific details of that tranche. See

	section 2 of this document (Terms of the Offer) for further details about the final terms
Issue price:	Notes are issued at an issue price which may be equal to, above or below their principal amount, as set out in the relevant final terms
Term:	The Notes will have an original term of 365 days or more, with the particular term set out in the relevant final terms
Interest rate:	Notes will bear interest at either: <ul style="list-style-type: none"> ▪ a fixed rate for the whole term of the Notes; or ▪ a floating rate calculated as a specific margin (which will apply for the whole term of the Notes) over the wholesale bank bill rate (the wholesale bank bill rate being determined at the start of each interest period). <p>The interest rate, or method by which the interest rate will be determined (and any relevant additional fallback provisions for unavailability of the wholesale bank bill rate), will be set out in the relevant final terms</p>
Interest periods:	Interest will be payable periodically in arrear on the interest payment dates, or after each interest period, set out in the relevant final terms. The first and/or last interest period of each tranche of Notes may be short or long, if so specified in the relevant final terms
Further payments, fees or charges:	By subscribing for or otherwise acquiring Notes, you agree to indemnify Kiwibank for any loss suffered by it as a result of any breach of the selling restrictions set out in section 4 of this document (Key Features of the Notes). You should also read section 6 of this document (Tax) for a description of payments relating to withholding tax, approved issuer levy and tax indemnities
Application amounts:	The minimum subscription amount is \$5,000 and multiples of \$1,000 thereafter

No guarantee

The Notes are not guaranteed by any member of the Banking Group, the Government or any other person. Kiwibank is solely responsible for the repayment of the Notes.

It is not expected that the Notes will be protected under the Depositor Compensation Scheme to be created under the Deposit Takers Act 2023.

How you can get your money out early

You cannot redeem the Notes before their maturity date unless there is an event of default in respect of the Notes (see section 4 of this document (Key Features of the Notes) for further details).

Kiwibank does not intend to quote these Notes on a market licensed in New Zealand but they will be able to be traded through dealers on established 'over-the-counter' markets. This means that you may be able to sell them through dealers on established 'over-the-counter' markets before the end of their term if there are interested buyers. If you sell your Notes, the price you get will vary depending on factors such as the financial condition of the Banking Group and movements in market interest rates. You may receive less than the full amount that you paid for them.

If you wish to sell your Notes on an 'over-the-counter' market, you should contact your broker or financial adviser for assistance. For any such sale of your Notes, you will be required to comply with the broker's or financial intermediary's terms, and are likely to pay brokerage fees at applicable rates.

There may not be an active trading market in the Notes. See section 5 of this document (Risks of Investing) for further details.

How the Notes rank for repayment

In a liquidation of Kiwibank, each Note gives you the right to payment of an amount equal to the principal amount of that Note plus all accrued but unpaid interest.

Your right to payment of this amount will rank:

- behind the claims of Kiwibank's secured creditors and creditors preferred by law (for example, Inland Revenue and employees).
- equally with the claims of all other unsecured unsubordinated creditors of Kiwibank (including other holders of Notes).
- ahead of the claims of Kiwibank's subordinated creditors (including subordinated bondholders) and shareholders.

You should also read section 4 of this document (Key Features of the Notes).

No security

The Notes are not secured against any asset of any member of the Banking Group, the Government or any other person.

Key risks affecting this investment

Investments in debt securities have risks. A key risk is that Kiwibank does not meet its commitments to repay you or pay you interest (credit risk). Section 5 of this document (Risks of Investing) discusses the main factors that give rise to the risk. You should consider if the credit risk of these debt securities is suitable for you.

The interest rate for these Notes should also reflect the degree of credit risk. In general, higher returns are demanded by investors from businesses with higher risk of defaulting on their commitments. You need to decide whether the offer is fair.

Kiwibank considers that the most significant risk factors are:

- *Risks relating to Kiwibank's information technology systems.*

Kiwibank's information technology systems and infrastructure could be disrupted for reasons including technical failure, human error, cyber-attacks or other criminal activity.

Any disruption to Kiwibank's information technology systems may be wholly or partially beyond Kiwibank's control, and may result in business interruption, data loss or corruption, the loss of customers, reputational damage and the weakening of Kiwibank's competitive position, all of which could have an adverse impact on Kiwibank's financial performance and position.

- *Increased credit risk arising from deteriorating economic conditions.*

Deteriorating economic conditions could increase credit risk across Kiwibank's lending portfolio. A potential impact for Kiwibank is an increase in the risk that customers will fail to meet their obligations to repay their loans. This could potentially result in an increase in credit losses. Kiwibank could also be required to increase its credit provisions (amounts it holds against possible non-repayment of loans in the future).

- *Risks relating to Kiwibank's ability to access funding and its ability to meet liquidity needs*

Disruptions, uncertainty and volatility in domestic and global debt capital markets may adversely affect Kiwibank's funding and liquidity position, increase the cost of funding, limit its ability to replace maturing liabilities in a timely manner or maintain a high-quality portfolio of liquid assets. Kiwibank's ability to raise funding may also be adversely affected if its credit ratings deteriorate.

If one or more of these risks eventuate, either individually or in combination, the financial position and performance of Kiwibank may be adversely affected which may in turn:

- increase the risk that Kiwibank does not meet its commitments to repay you or pay you interest on the Notes; and/or
- adversely affect the market price and/or liquidity of the Notes.

This summary does not cover all of the risks of investing in the Notes. You should also read section 5 of this document (Risks of Investing) and section 4 of this document (Key Features of the Notes).

What is the Notes' credit rating?

A credit rating is an independent opinion of the capability and willingness of an entity to repay its debts (in other words, its creditworthiness). It is not a guarantee that the financial product being offered is a safe investment. A credit rating should be considered alongside all other relevant information when making an investment decision.

The programme under which the Notes are offered has been rated by Moody's Investors Service Pty Limited ("**Moody's**") and Fitch Ratings Limited ("**Fitch**"). Moody's gives ratings from Aaa to Ca, excluding ratings attached to entities in default. Fitch gives credit ratings from AAA to C, excluding ratings attached to entities in default.

A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Current credit ratings of the programme under which the Notes are offered

As set out in the tables below, at the date of this document the programme is rated A1 by Moody's and AA by Fitch.

Moody's

Rating¹ Summary description

Credit risk:

Aaa	Minimal
Aa	Very Low
A	Low Moody's has given the programme a rating of A1
Baa	Moderate
Ba	Substantial
B	High
Caa	Very high
Ca	Likely in, or very near, default

Note 1: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Fitch

Rating² Summary description

AAA	Highest credit quality
AA	Very high credit quality Fitch has given the programme a rating of AA
A	High credit quality
BBB	Good credit quality
BB	Speculative
B	Highly speculative
CCC	Substantial credit risk
CC	Very high levels of credit risk
C	Near default

Note 2: The modifiers "+" or "-" may be appended to a Fitch rating to denote relative status within major rating categories. Such suffixes are not added to the 'AAA' obligation rating category, or to corporate finance obligation ratings in the categories below 'CCC'.

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2. Terms of the Offer

Issuer:	Kiwibank Limited (“ Kiwibank ”)
Description:	A retail programme for the issuance of unsecured, unsubordinated medium term notes (“ Notes ”)
Currency:	The Notes will be denominated in New Zealand dollars
Programme Limit:	The combined limit for this programme and Kiwibank’s wholesale debt issuance programme is \$3,000,000,000, as varied from time to time by Kiwibank
Dealers:	Kiwibank may appoint dealers from time to time at its discretion
Note Deed Poll and conditions of the Notes:	<p>The Notes are constituted and issued under the following documents:</p> <ul style="list-style-type: none"> ▪ a note deed poll dated 30 August 2019, as amended from time to time (“Note Deed Poll”). The Note Deed Poll is a contract binding on both Kiwibank and holders, and the general terms and conditions of the Notes are appended to it; and ▪ final terms in respect of each tranche of Notes. The final terms modify the general terms and conditions appended to the Note Deed Poll, with details for that specific tranche (including whether interest is fixed or floating and the issue date, issue price, maturity date, interest payment dates and interest rate)

Programme documentation:	You should also read the Note Deed Poll and the relevant final terms, which contain further information about the Notes. Copies of the Note Deed Poll and (after they have been signed) relevant final terms may be obtained from the offer register at disclose-register.companiesoffice.govt.nz (Offer number OFR12714)
Series and tranches:	The Notes are issued in series and each series may be made up of one or more tranches of Notes issued on different dates. All the Notes in a series will have identical terms, except that different tranches in a series will have different issue dates, and may have different issue prices, first interest payment dates and interest commencement dates
Issue price:	Notes are issued at an issue price which may be equal to, above or below their principal amount, as set out in the relevant final terms
Term:	The Notes will have an original term of 365 days or more, with the particular term set out in the relevant final terms
Redemption:	Unless previously redeemed (see “Events of default” in section 4 of this document (Key Features of the Notes)) or purchased by Kiwibank and cancelled, the outstanding principal amount of each Note and any accrued interest will, subject to any deductions on account of tax, be payable at maturity

Early redemption for tax reasons:	Kiwibank may be able to redeem Notes before their maturity date in certain limited circumstances, if specified in the relevant final terms. See section 4 of this document (Key Features of the Notes) for further details
Interest rate:	<p>Notes will bear interest at either:</p> <ul style="list-style-type: none"> ▪ a fixed rate for the whole term of the Notes; or ▪ a floating rate calculated as a specific margin (which will apply for the whole term of the Notes) over the wholesale bank bill rate (the wholesale bank bill rate being determined at the start of each interest period). <p>The interest rate, or the method by which the interest rate will be determined (and any relevant additional fallback provisions for unavailability of the wholesale bank bill rate), will be set out in the relevant final terms</p>
Interest periods:	Interest will be payable periodically in arrear on the interest payment dates, or after each interest period, set out in the relevant final terms. The first and/or last interest period of each tranche of Notes may be short or long, if so specified in the relevant final terms
Ranking:	In a liquidation of Kiwibank, each Note gives you the right to payment of an amount equal to the principal amount of that Note plus all accrued but unpaid interest.

	<p>Your right to payment of this amount will rank:</p> <ul style="list-style-type: none"> ▪ behind the claims of Kiwibank's secured creditors and creditors preferred by law (for example, Inland Revenue and employees). ▪ equally with the claims of all other unsecured unsubordinated creditors of Kiwibank (including other holders of Notes). ▪ ahead of the claims of Kiwibank's subordinated creditors (including subordinated bondholders) and shareholders. <p>You should also read section 4 of this document (Key Features of the Notes)</p>
Further payments, fees or charges:	<p>By subscribing for or otherwise acquiring Notes, you agree to indemnify Kiwibank for any loss suffered by it as a result of any breach by you of the selling restrictions set out in section 4 of this document (Key Features of the Notes).</p> <p>You should also read section 6 of this document (Tax) for a description of payments relating to withholding tax, approved issuer levy and tax indemnities</p>
Application amounts:	The minimum subscription amount is \$5,000 and multiples of \$1,000 thereafter
Note Registrar, Paying Agent and Calculation Agent:	Link Market Services Limited

3. Purpose of the Offer

The purpose of the offer of Notes is to raise funds which will be used for the general corporate purposes of Kiwibank, including making loans available to Kiwibank’s customers.

4. Key Features of the Notes

Form and status of the Notes

Each Note is a registered debt obligation of Kiwibank, constituted by, and owing under, the Note Deed Poll. This means that title to each Note will be conclusively determined by the name of the holder entered in the Note register, subject to correction for fraud or error. Kiwibank is entitled to deal exclusively with the person(s) named in the Note register for all purposes, including when making any payments.

The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of Kiwibank, ranking equally among themselves and at least equally with all other present and future unsecured and unsubordinated obligations of Kiwibank, except for liabilities mandatorily preferred by law. See below under the heading “Ranking”.

Ranking

In a liquidation of Kiwibank, each Note gives you the right to payment of an amount equal to the principal amount of that Note plus all accrued but unpaid interest.

Your right to payment of this amount will rank:

- behind the claims of Kiwibank’s secured creditors and creditors preferred by law (for example, Inland Revenue and employees).
- equally with the claims of all other unsecured unsubordinated creditors of Kiwibank (including other holders of Notes).
- ahead of the claims of Kiwibank’s subordinated creditors (including subordinated bondholders) and shareholders.

After the issuance of any Notes, Kiwibank may from time to time borrow or raise additional debt, or otherwise incur liabilities, without your consent, that:

- ranks equally with the Notes. This may include further issuances of Notes, and

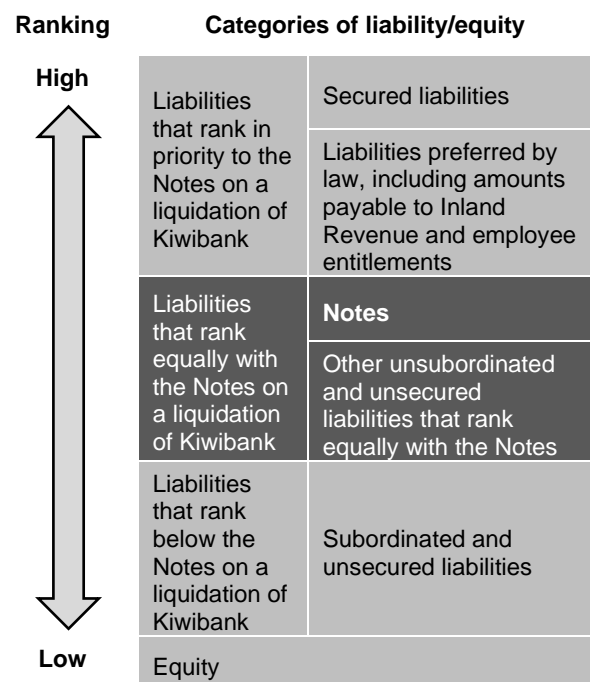
other unsubordinated, unsecured borrowings of Kiwibank; or

- ranks in priority to the Notes. This may include secured bonds, other secured borrowing of Kiwibank, and liabilities preferred by law.

Kiwibank is not restricted by the terms of any trust deed or other covenants with third parties from creating further liabilities that rank equally with, or in priority to, the Notes on a liquidation of Kiwibank. The creation of such further liabilities may reduce the amount recoverable by you in the case of liquidation of Kiwibank.

The below diagram summarises the ranking of the Notes on a liquidation of Kiwibank.

Ranking of the Notes on a liquidation of Kiwibank



A ranking diagram, including indicative amounts based on the financial position of Kiwibank as at its most recent balance date, is incorporated by reference into this document and is available on the offer register at disclose-register.companiesoffice.govt.nz (Offer number OFR12714).

Early redemption for tax reasons

If the relevant final terms specify that the Notes are subject to early redemption for tax reasons, Kiwibank may redeem those Notes before their maturity date in certain limited circumstances. The

principal amount of those Notes and any accrued interest (or such other amount as is specified in the relevant final terms) will, subject to any deductions on account of tax, be payable on such early redemption.

Such Notes may be subject to early redemption if Kiwibank has or will become obliged to pay any additional approved issuer levy as a result of changes to relevant New Zealand laws, regulations or rulings, as described in the Note Deed Poll, where such change becomes effective on or after the date of issue of the first tranche of such Notes and Kiwibank is still obliged to pay such additional amounts despite taking reasonable measures available to it. Kiwibank must also obtain a legal opinion and comply with certain administrative requirements described in the Note Deed Poll.

Events of default

If an event of default occurs and continues unremedied in relation to any Notes in a series, you may, by notice in writing to Kiwibank (with a copy to the Note Registrar) require your Notes in that series to be repaid early at their principal amount together with accrued interest, subject to any deductions on account of tax.

The events of default are:

- failure by Kiwibank to pay any amount in respect of the Notes within 14 days of the relevant due date; or
- an order being made, or an effective resolution being passed, for dissolution of Kiwibank other than for the purposes of a solvent reconstruction or amalgamation.

Selling restrictions

You may only offer for sale or sell any Note in conformity with all applicable laws and regulations in any jurisdiction in which it is offered, sold or delivered. No disclosure document, information memorandum, advertisement or other offering material in respect of any Note may be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws.

By subscribing for or otherwise acquiring Notes, you agree to indemnify Kiwibank for any loss suffered by it as a result of any breach by you of the above selling restrictions.

Transfers

You may transfer any of your Notes by:

- a written instrument of transfer in any commonly used form that complies with the standard form and procedures of the Note Registrar and applicable law;
- instructing the Note Registrar to transfer the Notes into the name(s) of the transferee(s) through NZClear in accordance with the standard form and procedures of the Note Registrar; or
- any other method of transfer of marketable securities that is not contrary to any law and that is approved by Kiwibank.

Interests in Notes entered into NZClear will be transferable in accordance with NZClear's rules and operating guidelines. See further below under the heading "Notes held in NZClear".

You may transfer part of your holding of Notes. However, no transfer of any part of your holding may be made if it would result in you or the transferee holding or continuing to hold Notes with an aggregate principal amount that is less than \$5,000 or is not a higher multiple of \$1,000.

Payments and record dates

The record date for any payment due in respect of the Notes is the close of business on the tenth day before the due date for that payment.

Payment in respect of each Note will be made to the person whose name appears in the Note register as the holder on the record date. If more than one person is named in the Note register, payment will be made to the first person named.

- For Notes which are not held in NZClear, payment will be made by the Paying Agent by direct credit to a bank account specified by you by notice in writing to the Note Registrar.
- For Notes held in NZClear, payment will be made by Kiwibank crediting on the relevant payment date the amount due to the account of the Paying Agent or other account previously notified by the Paying Agent or NZClear to Kiwibank.

If the due date for any payment is not a business day:

- If the relevant Note bears fixed rate interest, payment will be made on the next date which is a business day, but the record date and the amount paid will not be adjusted – that is, interest payments will be made in equal amounts for each interest period (except for any irregular first or last interest period).
- If the relevant Note bears floating rate interest, payment will be made on the next date which is a business day, unless that day falls in the next calendar month in which case payment will be made on the first preceding day that is a business day. The record date and the calculation of any accrued interest will be adjusted accordingly.

You may not require the transfer of any Note to be registered during the period from a record date until the relevant payment date.

Meetings and variation of the Notes

Meetings of holders may be called to consider matters affecting their interests generally. In such meetings, defined majorities may bind you and all other holders, even if you did not attend and vote at the relevant meeting or voted in a manner contrary to the majority.

The Notes may also be varied without your consent in certain limited circumstances, including if (in the reasonable opinion of Kiwibank) the variation is necessary or advisable to comply with any law, is of a formal, technical or administrative nature only, is made to cure any ambiguity or is not materially prejudicial to the interests of holders as a whole.

Notes held in NZClear

Notes offered to institutional and other investors may be held in NZClear. Investors may acquire interests in those Notes if they are members of NZClear, or through a nominee who is a member. If your Notes are held in NZClear your rights (and the rights of each other person holding an interest in the Notes) are subject to NZClear's rules and operating guidelines.

Kiwibank is not responsible for anything that NZClear does or omits to do or for any loss occasioned by the failure of NZClear.

5. Risks of Investing

General risks

Your investment in the Notes is subject to the following general risks:

Credit risk on Kiwibank

The main risk of holders not being able to recover in full their principal investment is that Kiwibank may become insolvent, may be placed in receivership, liquidation or statutory management or otherwise may be unable to and/or fail to make any payment. In that event, you might not recover all, or any of, your initial principal investment or receive the expected returns.

Secondary market risk

The Notes will be able to be traded through brokers on established 'over-the-counter' markets. However, there may be no active trading market and an investment in Notes may not be very liquid. In particular, the nature of 'over-the-counter' markets means there is no organised central location for investors to buy and sell Notes and it may be more difficult for brokers to find buyers and sellers for Notes at any time than it is in respect of highly liquid securities. Factors such as Kiwibank's creditworthiness, economic conditions, movements in market interest rates and regulatory change may impact the price and liquidity of the Notes in the secondary market.

Therefore, you may not be able to sell your Notes easily, at all, or at prices that will provide you with a return comparable to similar investments that have a developed and stable secondary market. You may receive less on a sale of your Notes than the full amount that you paid for them.

Specific risks relating to Kiwibank's creditworthiness

Kiwibank is exposed to risks that may affect its business and, as a result, its financial performance and creditworthiness over time.

Described below are the circumstances that Kiwibank is aware of that exist or could arise that significantly increase the risk that payments will not be made on the Notes. The assessment of these circumstances is based on Kiwibank's business as at the date of this Limited Disclosure Document. If the nature or scope of this business changes, other circumstances or events could give rise to this risk.

Kiwibank expects some of these risks to arise in the normal course of its business. When they do, this can lead to a loss, an increase in costs or a reduction in revenues. Kiwibank uses an enterprise risk framework to closely manage and escalate the reporting of these risks and in the normal course of business these risks are not expected to have a material adverse impact on Kiwibank.

However, unplanned for circumstances can also arise, such as unexpected events affecting the economy, widespread defaults in a particular sector, if markets cease functioning properly, or if major projects at Kiwibank are significantly delayed or not completed. The occurrence of any such circumstance may make the risks more difficult to manage and the impact on Kiwibank can be more severe.

In more severe circumstances, a failure to manage these risks over a sustained period could mean that Kiwibank is not able to make payments on the Notes. In addition, a deterioration in the financial performance and creditworthiness of Kiwibank may adversely affect its credit ratings and/or the market price of the Notes.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or external events.

Risks relating to Kiwibank's information technology systems

Most of Kiwibank's operations depend on technology. The reliability, resilience and security of Kiwibank's information technology systems and infrastructure therefore are essential to the effective operation of its business.

Kiwibank's information technology systems and infrastructure risk being disrupted for reasons including technical failure and human error. Kiwibank also faces external threats, such as cyber-attacks or other criminal activity, which may impact technology systems and operations. The growing sophistication and activities of organised crime have resulted in increased information security risks for banks including Kiwibank.

Kiwibank has systems and processes in place to manage these risks. However, any disruption to Kiwibank's information technology systems may be wholly or partially beyond Kiwibank's control. Also, threats to information security are constantly evolving and becoming increasingly sophisticated and it may not always be possible to anticipate a security threat. Accordingly, Kiwibank may not be

able to implement effective policies, procedures and controls to prevent or minimise the resulting damage.

Any disruption to Kiwibank's information technology systems may result in business interruption, data loss or corruption, the loss of customers, reputational damage and the weakening of Kiwibank's competitive position, all of which could have an adverse impact on Kiwibank's financial performance and position.

External events may adversely impact Kiwibank's operations

External events such as extreme weather, natural disasters, pandemics and other biological hazards may impact Kiwibank, including through business disruption and property damage. This may adversely affect Kiwibank's financial performance and business continuity and may lead to reputational damage if Kiwibank is not able to manage the impacts of an external event.

Kiwibank is exposed to the risk of external events across the country. It has significant operations in Wellington, Auckland and Hastings, which provides regional diversity. The risk to operations is further mitigated through the ability of staff to work remotely, away from corporate sites. Kiwibank also has business continuity and crisis management processes which have been successfully initiated to protect the health, safety and well-being of customers and employees at times.

Credit Risk

Credit risk is the risk that customers will fail to meet their obligations to Kiwibank in accordance with agreed terms. Credit risk arises from both Kiwibank's lending activities and its balance sheet management activities (such as buying and selling bonds and other securities).

Increased credit risk arising from deteriorating economic conditions

Deteriorating economic conditions could increase credit risk across Kiwibank's lending portfolio. New Zealand is a small and open economy that is affected by the impacts of global economic and financial events. Examples of these events include lower commodity prices, supply chain disruptions, currency fluctuations and weakening export demand. These types of events can lead to outcomes such as higher inflation, higher interest rates and higher unemployment and result in a reduction in disposable income for Kiwibank's customers.

A potential impact for Kiwibank is an increase in the risk that customers will fail to meet their obligations to repay their loans. This could potentially result in an increase in credit losses. Kiwibank could also be required to increase its credit provisions (amounts it holds against possible non-repayment of loans in the future).

A material decline in property market valuations may result in higher losses on defaulting loans

Kiwibank's lending portfolio is primarily made up of residential housing loans, and home lending activities account for most of Kiwibank's credit risk. A material decline in residential property prices, including as a result of a deterioration in economic conditions or policy changes, presents a risk for Kiwibank.

Any reduction in the value of residential property used as security by borrowers may give rise to greater losses to Kiwibank in the event of customer defaults, which may impact Kiwibank's financial performance and position.

Climate change and extreme climate patterns may lead to increased credit risk

Credit risk may arise as a result of climate change, including from:

- extreme weather and climate change-related events (such as rising sea levels, storm surges, flooding, fires and droughts) affecting the value of property provided as security and causing losses to Kiwibank customers in affected regions through damage to property as well as loss of employment and incomes;
- the effect of new laws and regulations designed to mitigate and adapt to climate change;
- assets becoming obsolete or stranded if businesses do not adapt to changing market preferences or new technologies in time; and
- the costs of transitioning to a renewable and low carbon-intensive economy.

In addition, increased insurance costs or the eventual inability to obtain insurance reflecting the increasing risks resulting from climate change may reduce the value of property provided as security as well as reduce the ability of customers to repay their loans from insurance proceeds in the event of material damage or loss.

Any of these events can cause increased credit risk and result in both higher provision requirements and an increase in Kiwibank's losses should customers default on their loan obligations

and have an adverse effect on Kiwibank's financial performance, financial position and prospects.

Geological and biological hazards may result in losses across Kiwibank's lending portfolio

New Zealand is a geologically active country in which seismic and volcanic events occur. Those events, which may occur in major metropolitan areas, could result in the loss of property provided as security, or reductions in the value of that property, as well as loss of employment and incomes for Kiwibank customers in affected regions.

In addition, plant or animal diseases or other extrinsic events, such as a communicable disease outbreak or pandemic, could have a negative effect on the New Zealand economy and on Kiwibank customers' income and employment and their ability to repay their loans.

If customers become unable to make their repayments then Kiwibank may suffer losses which could have an adverse effect on its financial condition.

Balance sheet and liquidity risk

Balance sheet and liquidity risk includes risks related to funding the bank and managing liquidity.

Risks relating to Kiwibank's ability to access funding and its ability to meet liquidity needs

Kiwibank accesses domestic and global debt capital markets to fund its business, together with customer deposits. It is exposed to the risk that it may not be able to fund its assets, or meet its payment obligations as they come due. Amounts Kiwibank owes under its borrowing activities will be due at different times to amounts it receives under its lending activities. This mismatch gives rise to liquidity risk.

Disruptions, uncertainty or volatility in any of those markets may adversely affect Kiwibank's funding and liquidity position, increase the cost of funding, limit its ability to replace maturing liabilities in a timely manner or maintain a high-quality portfolio of liquid assets. Kiwibank's ability to raise funding may be adversely affected if its credit ratings deteriorate, due to matters either within or outside its control.

Any of those outcomes could adversely affect Kiwibank's financial performance, financial position and prospects.

The Reserve Bank of New Zealand is currently undertaking a comprehensive review of its Liquidity Policy, and future changes may result in changes in how liquidity and funding risks are

being managed at Kiwibank and other New Zealand banks.

Compliance Risk

Compliance risk is the risk of failing to understand and comply with relevant laws, regulations, licence conditions, supervisory requirements, self-regulatory industry codes of conduct and voluntary initiatives.

Risks relating to the extensive regulation of Kiwibank

Kiwibank's banking activities are subject to extensive regulation. Kiwibank is unable to predict the nature of future regulatory change and its impact on Kiwibank. Implementing changes to meet new or amended regulations could result in additional cost. Further changes to regulations, including those affecting Kiwibank's required levels of capital, the size and composition of Kiwibank's liquid asset portfolio and/or the fees which Kiwibank can charge on the financial services it provides could have an adverse impact on Kiwibank's financial results or operations.

Failure to comply with laws, regulations or codes of practice (including in relation to consumer lending, money laundering, terrorist financing and sanctions) could result in regulatory enforcement actions, fines, penalties and proceedings brought by customers (including class actions). Such activities could cause loss for Kiwibank, adversely affect Kiwibank's regulatory or licensing status, or harm its reputation among customers and investors in the marketplace, and cause harm to Kiwibank's ability to do business and future prospects.

Kiwibank has an Enterprise Risk Management Framework in place to guide management of these risks, alongside compliance and legal functions that support the framework.

Strategic delivery risk

Strategic delivery risk is the risk associated with the delivery of Kiwibank's strategic objectives, including the risk that Kiwibank fails to make required changes effectively or in a timely manner.

Kiwibank is making significant changes to the way it carries on business to reduce risks, improve customer experience and make the bank more resilient and adaptable. Making these changes over the short-to-medium term depends on the successful management and implementation of a significant amount of work. This includes enhancing Kiwibank's information systems and technology and transforming customer service delivery. The required changes are ongoing and complex, and are being implemented

progressively. Carrying out these changes may take longer or cost more than planned. Failure to successfully carry out this work could have an adverse impact on Kiwibank's business, financial results, access to capital and competitive position.

Kiwibank has management and delivery frameworks in place to guide and monitor activities against its strategy and work plan.

Further information about the risks faced by Kiwibank, how risks are managed and its business more generally is contained in the disclosure statements that Kiwibank publishes under the Banking (Prudential Supervision) Act 1989.

Kiwibank's disclosure statements are available at www.kiwibank.co.nz/about-us/governance/legal-documents-and-information/legal-documents/.

6. Tax

New Zealand tax residents and non-residents that are engaged in business in New Zealand through a fixed establishment in New Zealand and either (1) hold the Notes for the purpose of that business or (2) are a registered bank in New Zealand will have resident withholding tax (**RWT**) deducted from the interest that is payable under the Notes, unless they have RWT exempt status on or before the record date for the relevant payment.

If you are subject to the deduction of RWT, you should provide the Note Registrar with your IRD number and your RWT rate. If you do not provide your IRD number, RWT will be deducted at the non-declaration rate of 45%. If you provide your IRD number, but not your RWT rate, RWT will be deducted at the default rate of 33% (or 28% if you are a company that is not a Māori authority).

Unless otherwise stated in the relevant final terms, if you are subject to the non-resident withholding tax rules in respect of the relevant payment, approved issuer levy will be deducted from payments to you in lieu of deducting non-resident withholding tax (except where you elect otherwise, or the payment of approved issuer levy will not reduce the rate of non-resident withholding tax to nil, or it is not possible under any applicable law, in which case non-resident withholding tax will be deducted). In the event of any change of law to the approved issuer levy regime, Kiwibank reserves the right not to pay the approved issuer levy described above. See the Note Deed Poll for further details.

In the relevant final terms, Kiwibank may undertake to pay the approved issuer levy on its own account, in which case Kiwibank will not deduct such approved issuer levy from interest

payments to you on the Notes. Notes may also be subject to early redemption for tax reasons as described in section 4 of this document (Key Features of the Notes).

If, in respect of any of your Notes, the Paying Agent or Kiwibank becomes liable to account for withholding taxes, or make any payment of, or on account of, tax payable by you, then the Paying Agent and Kiwibank shall be indemnified by you in respect of such liability. See the Note Deed Poll for further details.

There may be other tax consequences from acquiring or disposing of the Notes.

If you have any queries relating to the tax consequences of an investment in the Notes, you should obtain professional advice on those consequences.

The above generalised summary is based on the taxation laws in force in New Zealand as at the date of this document. Future changes to these or other laws may affect the tax consequences of an investment in the Notes.

7. How to Complain

Complaints about the Notes can be directed to Kiwibank at:

Head of Funding
Kiwibank Limited
Level 9, 20 Customhouse Quay
Wellington 6011

Tel: (04) 439 6932

Email: kiwibanktreasury@kiwibank.co.nz

Kiwibank is also a member of the Banking Ombudsman Scheme, which is an approved dispute resolution scheme. Complaints about the Notes can be directed to the scheme at:

Banking Ombudsman
Freepost 218002
PO Box 25327
Featherston Street
Wellington 6146

Tel: 0800 805 950

The Banking Ombudsman Scheme will not charge a fee to any complainant to investigate or resolve a complaint.

Complaints may also be directed to the Financial Markets Authority through its website at www.fma.govt.nz.

8. Where You Can Find More Information

Further information relating to Kiwibank and the Notes is available on the offer register at disclose-register.companiesoffice.govt.nz (Offer number OFR12714). A copy of information on the offer register is available on request to the Registrar of Financial Service Providers.

Further information about Kiwibank is contained in Kiwibank's most recent disclosure statement (which includes Kiwibank's most recent financial statements (consolidated for the Banking Group)). Kiwibank's most recent disclosure statement, and other information about Kiwibank, can be found online at www.kiwibank.co.nz/about-us/governance/legal-documents-and-information/legal-documents/.

Enquiries about the Notes can be made, and copies of the Note Deed Poll and further copies of this document can be obtained free of charge, on request, by contacting the Note Registrar (see section 10 of this document (Contact Information)).

9. How to Apply

You may apply for Notes by contacting Kiwibank (see section 10 of this document (Contact Information)) or any arranger or lead manager appointed in relation to an offer of Notes from time to time.

10. Contact Information

Issuer

Kiwibank may be contacted at:

Head of Funding
Kiwibank Limited
Level 9, 20 Customhouse Quay
Wellington 6011

Tel: (04) 473 6932

Email: kiwibanktreasury@kiwibank.co.nz

Note Registrar

The Note Registrar may be contacted at:

Link Market Services Limited
Level 30, PwC Tower
15 Customs Street West

Auckland 1010

Tel: (09) 375 5998

Email: enquiries@linkmarketservices.co.nz

