Kiwibank

Offer of unsecured subordinated notes – Investor Presentation

24 November 2026

Joint Lead Managers

bnz

CRAIGS INVESTMENT PARTNERS

FORSYTH BARR CAPITAL MARKETS

Important information

This presentation has been prepared by Kiwibank Limited (**Kiwibank**) in relation to its offer (**Offer**) of up to NZ$200 million of unsecured subordinated notes maturing on 4 June 2037 (**Notes**).

The Offer of Notes by Kiwibank is made in reliance upon the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 (**FMCA**). The Offer is an offer of debt securities that have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as Kiwibank's NZ$400 million unsecured subordinated notes with an interest rate for the first 5 years and 3 months of 4.93% per annum and a maturity date of 12 March 2036, which are currently quoted on the NZX Debt Market under ticker code KWB2T2 (**Existing Notes**). Accordingly, the Notes are the same class as the Existing Notes for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014. Kiwibank is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited (**NZX**) for the purpose of that information being made available to participants in the market and that information can be found by visiting www.nzx.com/companies/KWB. The Existing Notes are the only debt securities of Kiwibank that are in the same class as the Notes. Investors should look to the market price of the Existing Notes to find out how the market assesses the returns and risk premium for those notes.

The Notes are riskier than a bank deposit. The Notes are complex financial products that are not suitable for many investors. If you do not fully understand how they work or the risks associated with them, you should not invest in them.

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Kiwibank has not taken and will not take any action which would permit a public offering of Notes, or possession or distribution of any offering material in respect of the Notes, in any country or jurisdiction where action for that purpose is required (other than New Zealand). The Notes may only be offered for sale or sold in compliance with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered. By subscribing for or otherwise acquiring any Notes, each Holder agrees to indemnify, among others, Kiwibank, the Registrar, the Arranger and the Joint Lead Managers (and their respective directors, officers, employees, affiliates, agents or 24s) in respect of any loss incurred as a result of any breach by the Holder of these selling restrictions.

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Capitalised terms used but not defined in this presentation have the meaning given to them in the indicative terms sheet (**Terms Sheet**) for the Offer dated 24 November 2026. A copy of the Terms Sheet can be obtained from the Arranger or Joint Lead Managers.

Offer highlights

Issuer	Kiwibank Limited (**Kiwibank**)
Description	Unsecured subordinated notes (**Notes**)
Offer amount	Up to NZ$200 million
Term	10 years and 6 months, ending on the Maturity Date (4 June 2037) if not repaid earlier
Optional Redemption Dates	4 June 2032 and each quarterly Scheduled Interest Payment Date after that date
Interest rate	The interest rate will be fixed for a period of 5 years and 6 months, after which it will change to a floating rate that resets at quarterly intervals. The interest rate will not be less than 0%. Interest payments are subject to Kiwibank satisfying the Solvency Condition
Conversion, exchange or non-viability triggers	The Notes have no conversion or exchange options and no non-viability triggers
Events of default	The terms and conditions of the Notes contain very limited events of default
Credit rating	The Notes have been rated Baa2 by Moody's Ratings
Quotation	Application has been made to NZX for permission to quote the Notes on the NZX Debt Market NZX ticker code KWB3T2 has been reserved for the Notes
Purpose	The Offer will raise Tier 2 Capital for Kiwibank. The proceeds of the Offer will be used for Kiwibank's general corporate purposes.
Joint Lead Managers	Bank of New Zealand, Craigs Investment Partners Limited and Forsyth Barr Capital Markets Limited

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Kiwibank Overview

Kiwibank – who we are

Founded in 2002 to provide New Zealanders with a credible alternative to offshore-owned banks

Full-service nationwide bank serving personal and business customers

We are the largest New Zealand-owned bank, with $45b in assets and over one million customers

Over 2,500 employees and the largest physical banking network in New Zealand[3]

83% satisfaction score among main bank retail customers, ranking second among major New Zealand banks[4]

B Corp recertified, with a 12% increase on our 2021 Overall B Impact score[5]

Ownership Structure[1]



[1] The Notes will not be guaranteed by KGCL, the New Zealand Government or any other person
[2] Credit ratings: S&P / Moody's / Fitch
[3] Consisting of 53 Kiwibank branches and 77 Local for Kiwibank Agents
[4] Percent of main bank customers who are "quite satisfied" or "very satisfied" based on Insights HQ Retail Market Monitor for the year ending 30 June 2026. Major New Zealand banks are ANZ, ASB, BNZ, Kiwibank and Westpac
[5] 2025 Overall B Impact Score of 101.5 vs 2021 score of 90.3. Certified B Corporations are committed to considering the impact of their decisions on workers, customers, suppliers, community, and the environment. Further information available at: https://www.bcorporation.net/en-us/find-a-b-corp/company/kiwibank-limited/

This is Kiwi – our strategy

PURPOSE

Kiwi Making
Kiwi Better Off

GOAL

To be Customers'
1st Choice

OUR OFFER

Easy
Accessible
Expert
Care

BETTER BANK

Sustainable Growth
Impact
Trusted
Empowered

This is us.
NGĀ KAUWAKA

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

Me Māia
Rise *to the* ***Challenge***

Tapatahi
Better Together

Ngā Kiritaki
Customer *at the* ***Heart***

Transformation – positioning Kiwibank for future growth

Kiwibank's transformation programme is building a modern, resilient, and growth-ready bank. Our recent achievements include:

Challenging the market



First bank to deliver
Open Banking
for all customers



99% of customers now on our
Modern Digital Banking Platform

Supporting future growth

Thought Machine

Released the first retail savings product to customers on our new modern core platform in September 2026

ncino

First business lending products live on our new lending origination platform, enabling faster, scalable lending. On track for first retail offering in FY27

snowflake

Ongoing transition and migration of data to our new cloud data platform – trusted data is an enabler for responsible AI adoption

Strengthening resilience



Customer Protection & Fraud Commitments
delivered



Stronger cyber maturity has improved our security

Sustainability at Kiwibank

Our Sustainability Materiality Assessment[1]

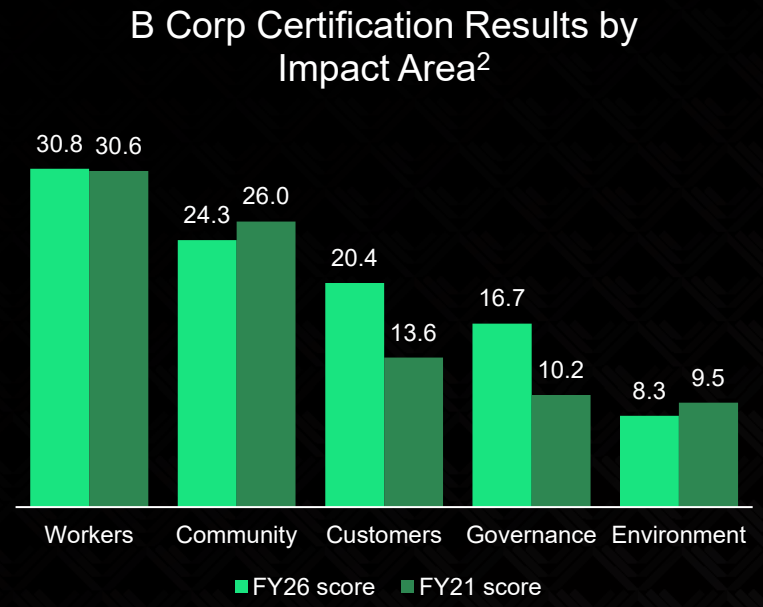
Material topics		Impact Materiality	Financial Materiality
Governance	Upholding the trust of Kiwi	Very high	Very high
	Maintaining strong sustainability foundations	High	Very high
Social	Upholding the trust of Kiwi	Very high	Very high
	Financing a more sustainable Aotearoa	Very high	High
	Supporting financial inclusion and wellbeing for our customers	High	High
	Supporting Māori and Pasifika economies	High	High
Culture	Growing a thriving and inclusive team	High	High
Environment	Managing our climate impacts and risks	High	Very high
	Managing our relationship with nature	Medium	Medium

Our B Corp recertification results

Kiwibank recertified as a Certified B Corporation™ in FY26, achieving an overall B Impact Assessment score of 101.5, an increase of 11.2 points (12.4%) from our initial certification score of 90.3 in 2021.

The score remains above the minimum certification threshold of 80 points. B Corp certification is reassessed every three years and evaluates performance across five impact areas: Governance, Workers, Community, Environment and Customers.

As a Certified B Corporation, we are committed to transparency regarding our social, environmental and governance performance. Information about our B Corp certification, including our overall B Impact Score and performance across the assessment impact areas, is publicly available through B Lab's Certified B Corporation directory.



Further information is available at:

https://www.bcorporation.net/en-us/find-a-b-corp/company/kiwibank-limited/

Memberships and certifications

Kiwibank's 2026 Sustainability Report and Climate Statement were published on 28 September 2026. For more information refer to https://www.kiwibank.co.nz/about-us/who-we-are/our-purpose/sustainability

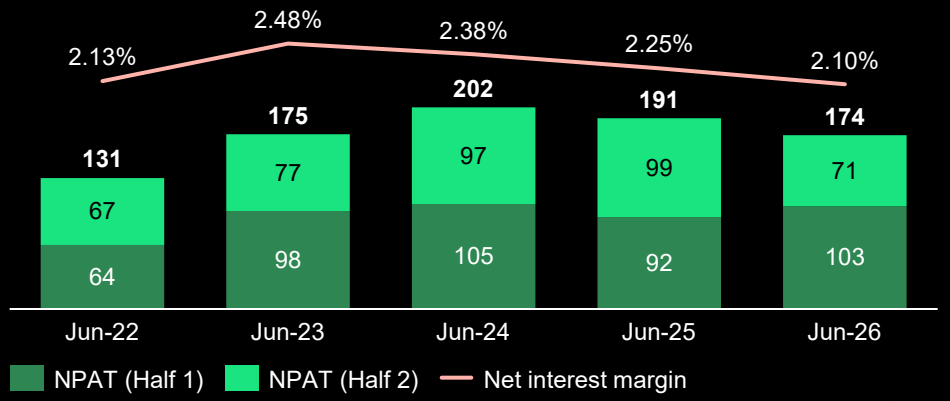
[1] We conducted a materiality assessment in FY25 to refresh our view of what sustainability means for Kiwibank. These results have informed our future FY30 sustainability ambitions, performance monitoring, and FY26 reporting. Material topics are evaluated based on Impact Materiality (impact to the environment, the economy and people) and Financial Materiality (risks for the business)

[2] Note that individual Impact Area scores do not sum to the total B Impact Assessment score due to weightings applied

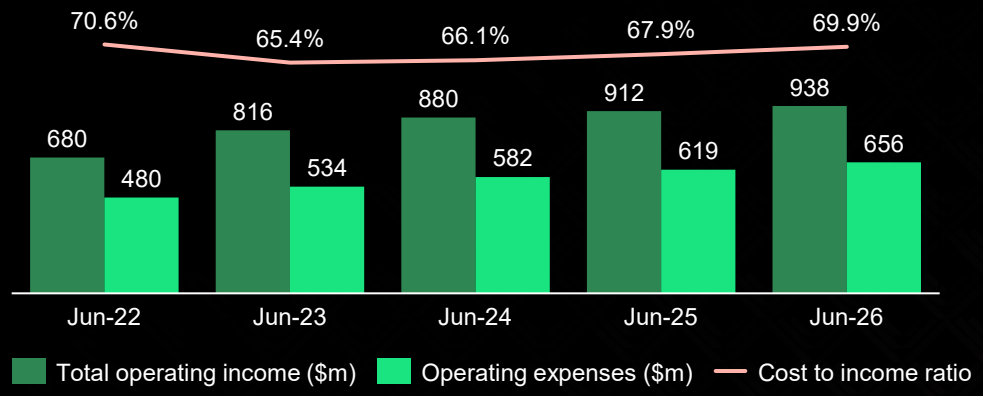
Financial Results

Financial performance snapshot

Net Profit After Tax ($m) and Net Interest Margin[1]



Cost to Income Ratio[2]



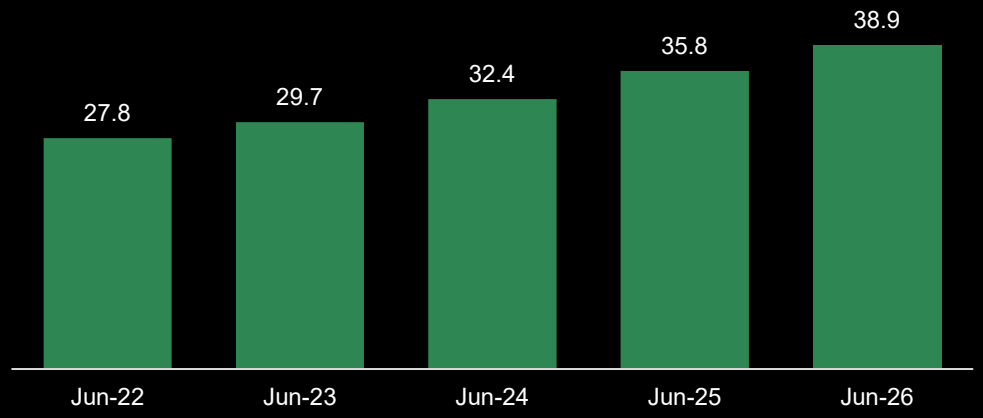
Financial Performance vs Prior Comparative Period[3]

Net interest income	**$873m**	▲ 2%
Net interest margin[1]	**2.10%**	▼ 15 bps
Total operating income	**$938m**	▲ 3%
Cost to income ratio[2]	**69.9%**	▲ 206 bps
Credit impairment charge	**$41m**	▲ 41%
Net profit after tax	**$174m**	▼ 9%

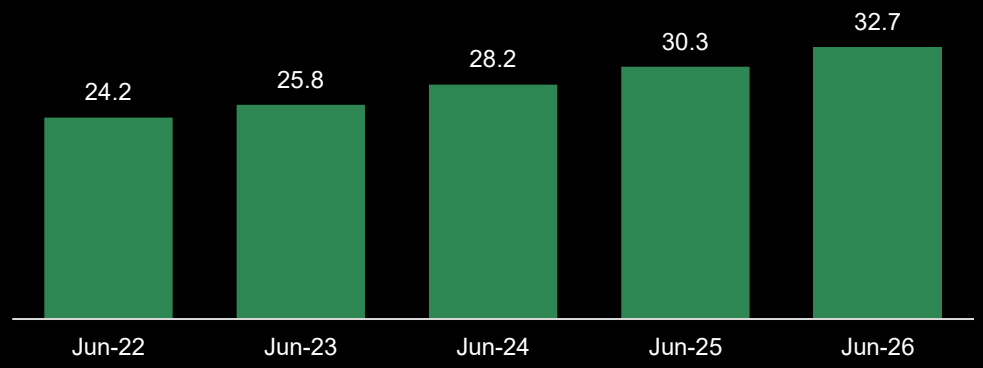
Sourced from Kiwibank's Disclosure Statements and management information
[1] Net interest margin = net interest income divided by daily average total interest and discount-bearing assets
[2] Cost to income ratio = operating expenses (including transformation programme spend) divided by total operating income
[3] Prior comparative period is the year ended 30 June 2025

More Kiwi backing Kiwibank

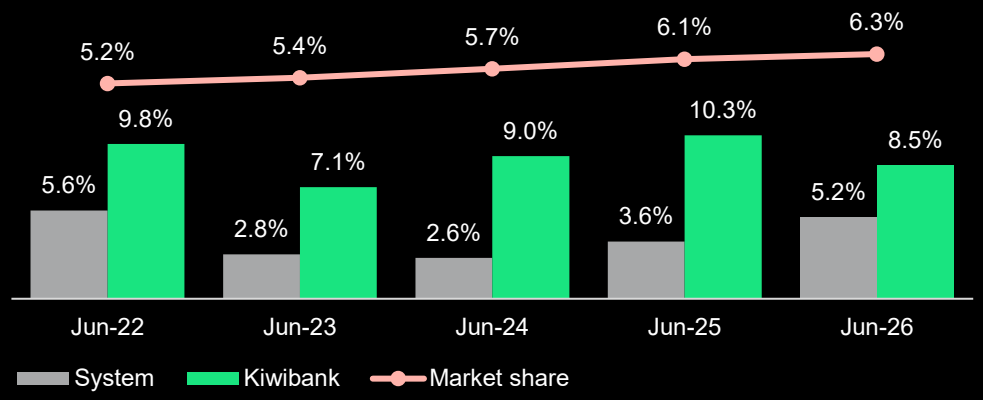
Loans and Advances ($b)[1]



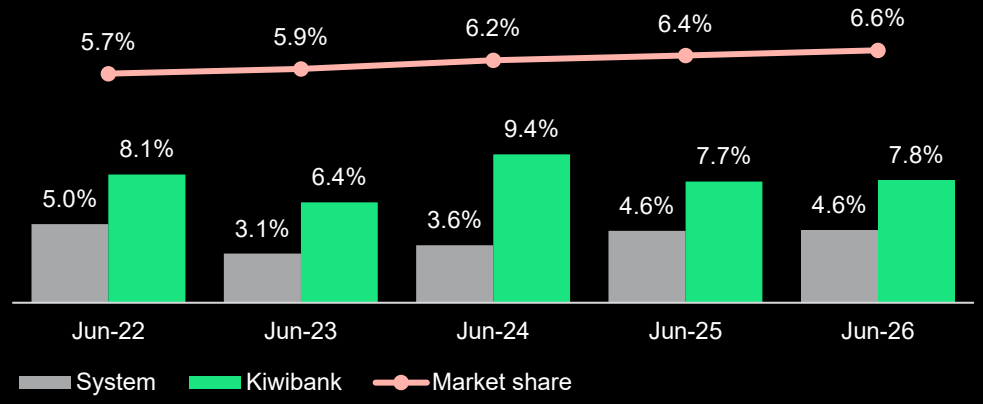
Deposits ($b)[1]



Lending Growth and Market Share[2,3]



Deposit Growth and Market Share[3]



[1] Sourced from Kiwibank's Disclosure Statements

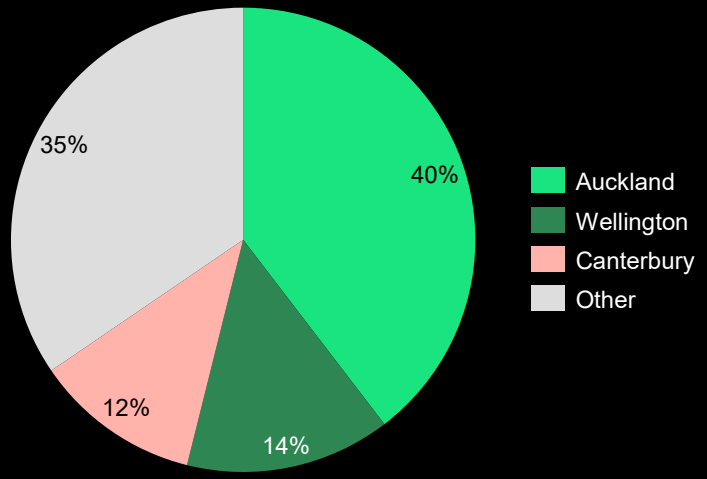
[2] Lending growth figures are calculated based on gross loans and advances excluding direct transaction costs, and so will differ from loans and advances per the Disclosure Statement

[3] System figures are based on the Reserve Bank's statistical series for registered banks (loans – S31 series; deposits – S40 series) and adjusted for series breaks where applicable. Market share is Kiwibank's total divided by system total at period end

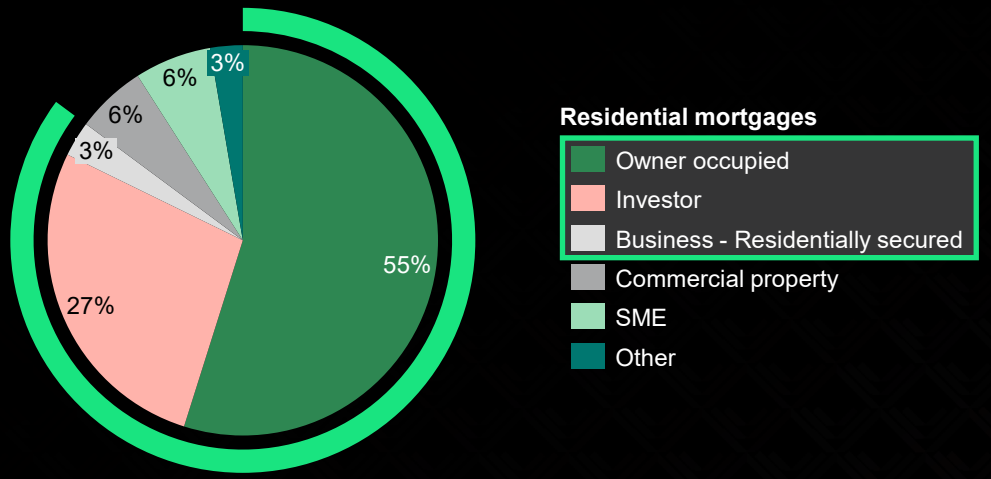
Loan Portfolio and Asset Quality

Lending portfolio

Total Loans by Region



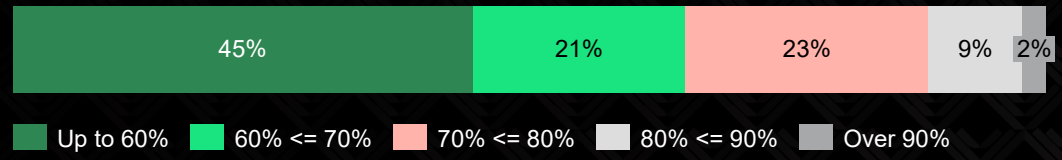
Total Loans by Category



- Key focus areas are residential mortgages and business lending to SME, commercial and corporate clients
- Institutional and agricultural lending are not part of our core business proposition

Residential Mortgage Portfolio	Jun-25	Jun-26
Total residential mortgage portfolio (gross)	$30.7b	**$33.3b**
Fixed / floating	86% / 14%	**91% / 9%**
Average customer balance (drawn)	$395k	**$414k**
Interest only and revolving	16.4%	**16.5%**
LVR > 80%	8.8%	**11.4%**

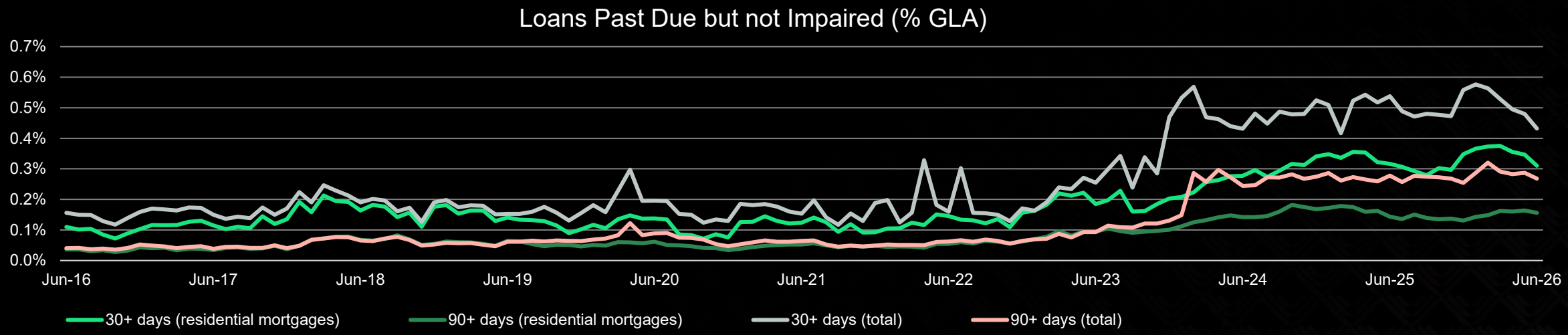
Residential Mortgages – Regulatory LVR[1] Profile

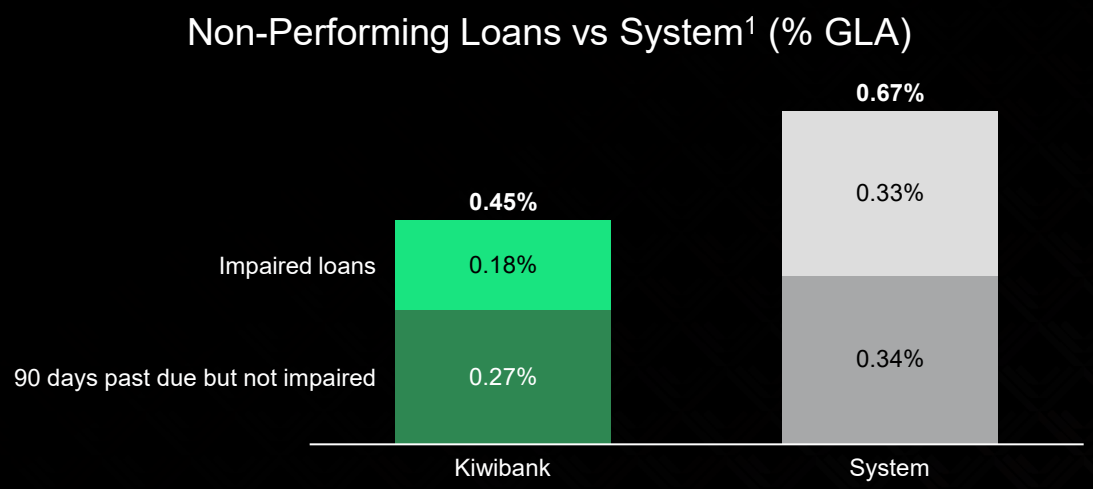


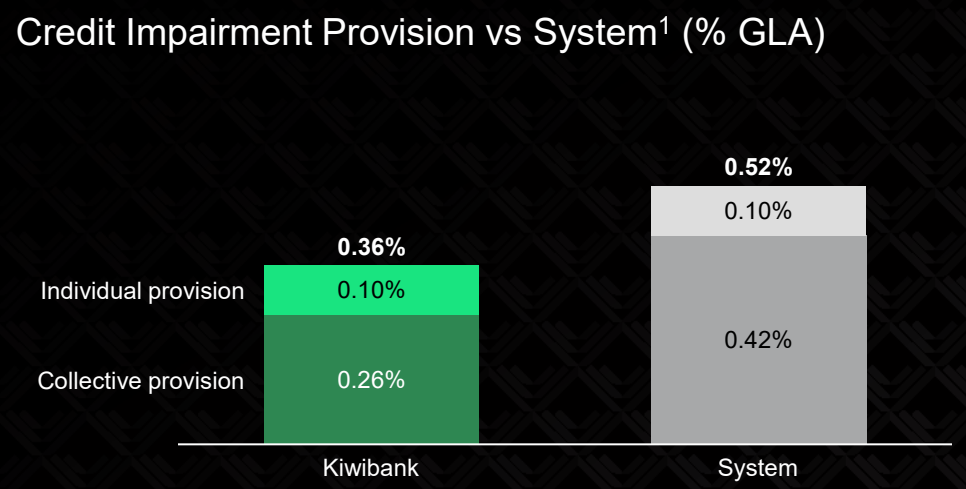
Sourced from management information

[1] Regulatory Loan-to-Valuation Ratios (**LVR**) are calculated in compliance with the Reserve Bank's requirements

Asset quality





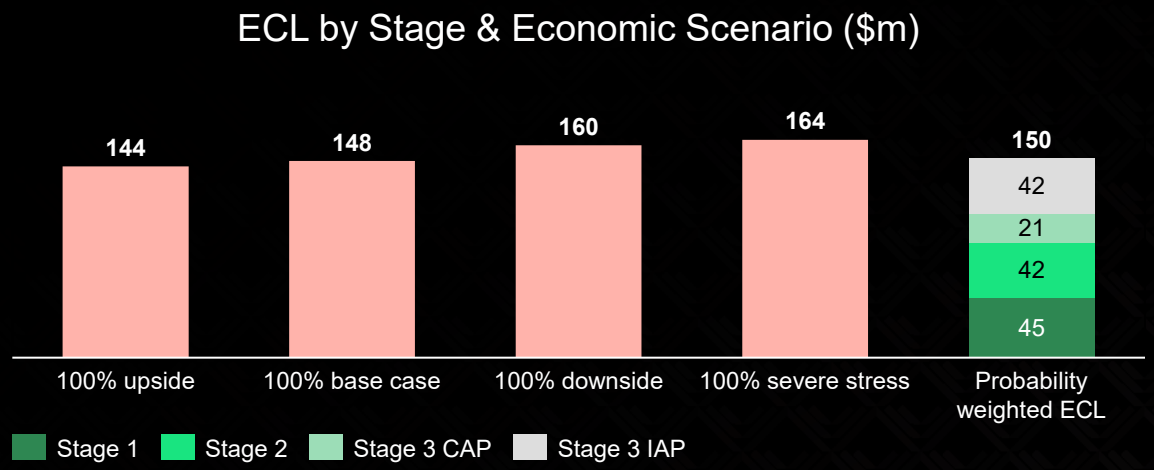


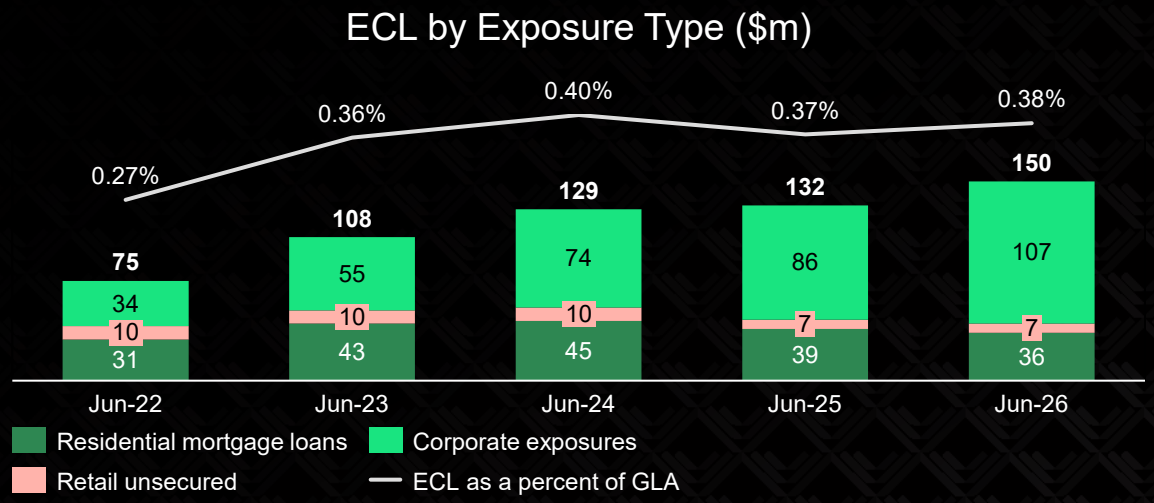
Sourced from Kiwibank's Disclosure Statements and management information
GLA: Gross Loans and Advances
[1] System figures are based on the Reserve Bank's statistical series S50: registered banks total loans. Figures exclude credit impairment provision on undrawn credit commitments

Credit impairment provisions

- Expected Credit Losses (**ECL**) are an estimate of forward-looking losses based on a probability weighted view of four different economic scenarios.
- The severe stress scenario is based on the Reserve Bank's *2025 Bank Solvency Stress Test*. It assumes a severe global trade shock and geopolitical tensions with a prolonged economic downturn, a significant contraction in economic activity, materially higher unemployment and a sharp decline in house prices, significantly above historical norms.
- The scenario weightings applied have been reassessed and adjusted to reflect the downside risk in the central scenario due to rising geopolitical tensions.

Economic Scenario Weightings Applied	Jun-25	Jun-26
Central / base case	50%	**65%**
Upside	10%	**10%**
Downside	30%	**15%**
Severe stress	10%	**10%**



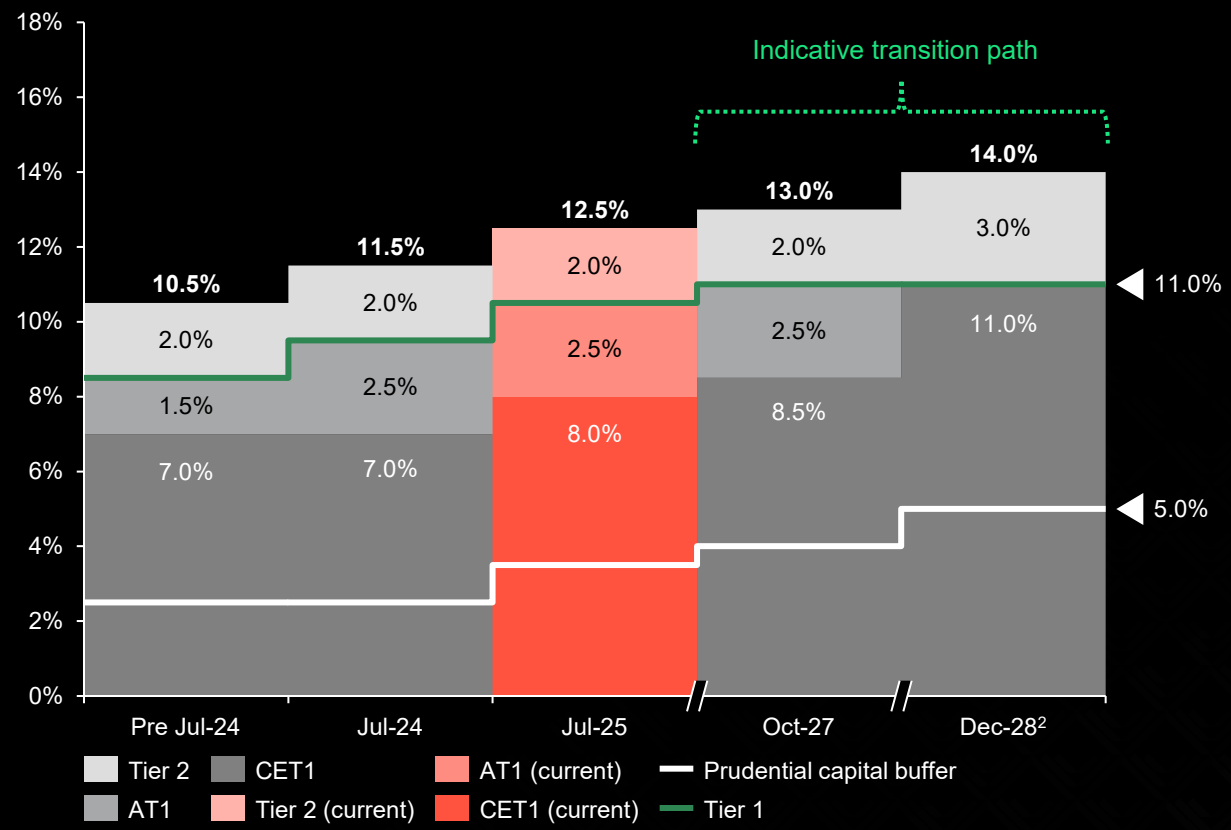


Sourced from Kiwibank's Disclosure Statements
ECL: Expected Credit Losses. Includes credit impairment provision on undrawn credit commitments
GLA: Gross Loans and Advances
Stage 1 exposures: performing; **Stage 2** exposures: credit quality deteriorated; **Stage 3** exposures: credit impaired
CAP: Collectively Assessed Provisions; **IAP**: Individually Assessed Provisions

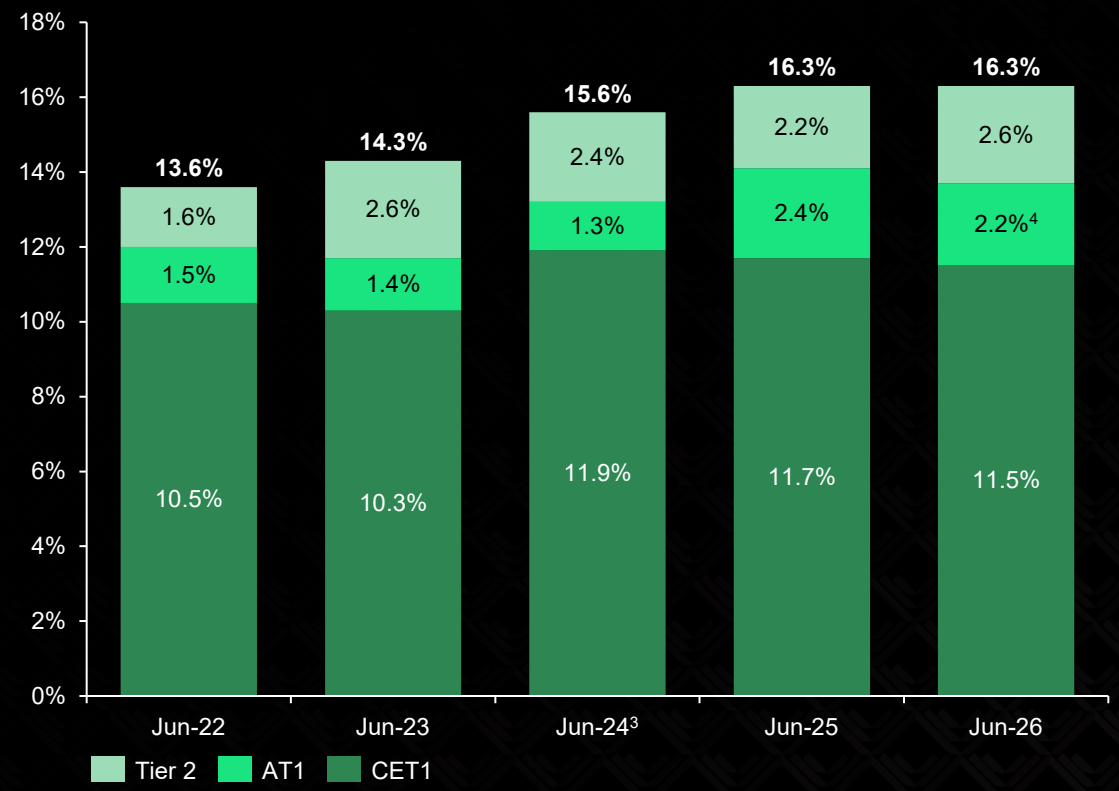
Capital, Funding and Liquidity

Capital profile

Reserve Bank Minimum Capital Requirements[1]



Kiwibank Capital Ratios



Kiwibank capital ratios and AT1 outstandings sourced from Kiwibank's Disclosure Statements

[1] Minimum capital requirements shown above are presented inclusive of the prudential capital buffer ratio and (for the pre-2026 requirements) were applicable to Kiwibank under the Reserve Bank's Banking Prudential Requirements or (for the post-2026 requirements) are based on the indicative transition path for Group 2 deposit takers (which includes Kiwibank) published in the Reserve Bank's 2025 review of key capital settings decision document (**2025 Decisions**)

[2] Under the indicative transition path, the maximum contribution of existing AT1 instruments to Tier 1 ratio minimums will be based on the amount the issuer has outstanding on 1 October 2026, decreasing as follows: 100% in Dec-28, 67% in Dec-29, 33% in Dec-30 and 0% in Dec-31

[3] Kiwibank received a $225m capital injection from KGCL on 31 July 2023 which increased CET1 by 1.3% at that time

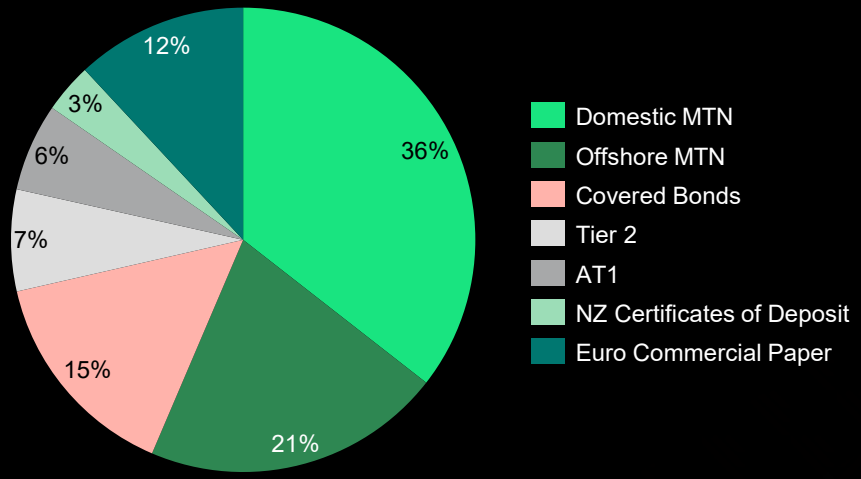
[4] Kiwibank subsequently redeemed $250m of AT1 on 2 November 2026, which reduced AT1 by 1.0% at that time. This is not shown in the chart above

The Reserve Bank's 2025 Decisions include a number of changes to capital requirements compared to the 2019 decisions which were being phased in through to 2028. These changes include the removal of AT1 capital; reductions in the minimum ratio requirements relative to the 2019 decisions for Group 2 Deposit Takers of 11.5% to 11% for CET1 and 16% to 14% for Total Capital; and the introduction of more granular standardised risk weights (which deposit takers may implement from Oct-26)

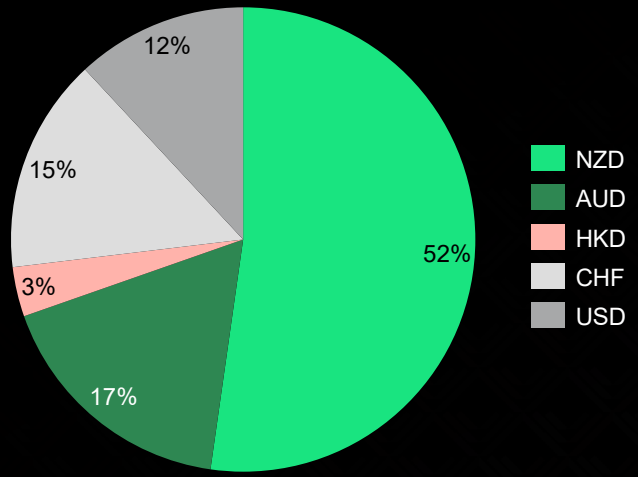
Capital ratios are expressed as a percentage of Risk-Weighted Assets (**RWA**). **CET1**: Common Equity Tier 1 Capital; **AT1**: Additional Tier 1 Capital

Funding profile

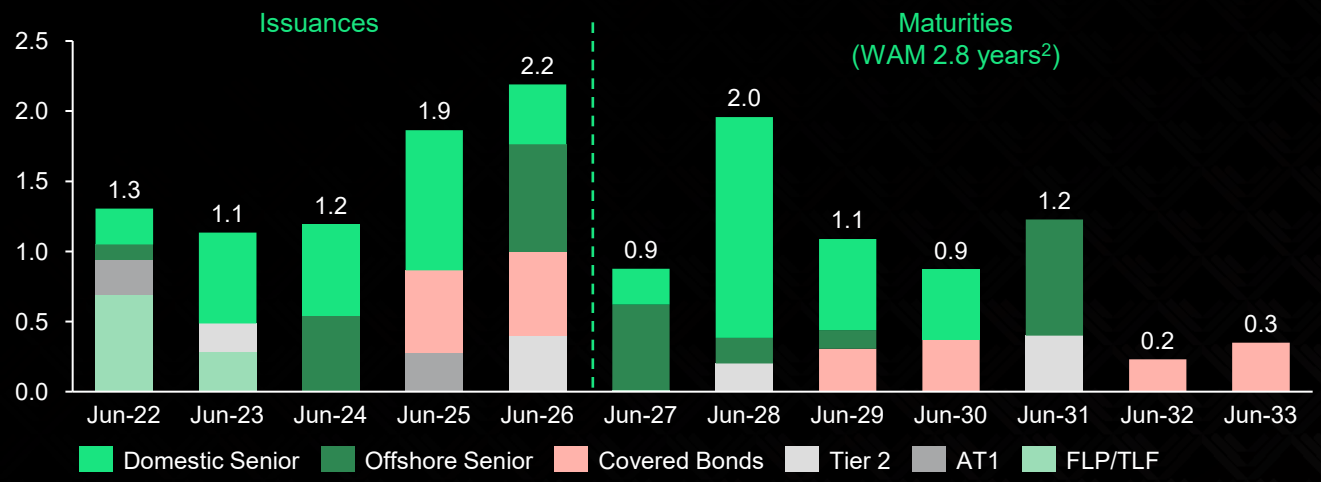
Non-Deposit Funding by Programme



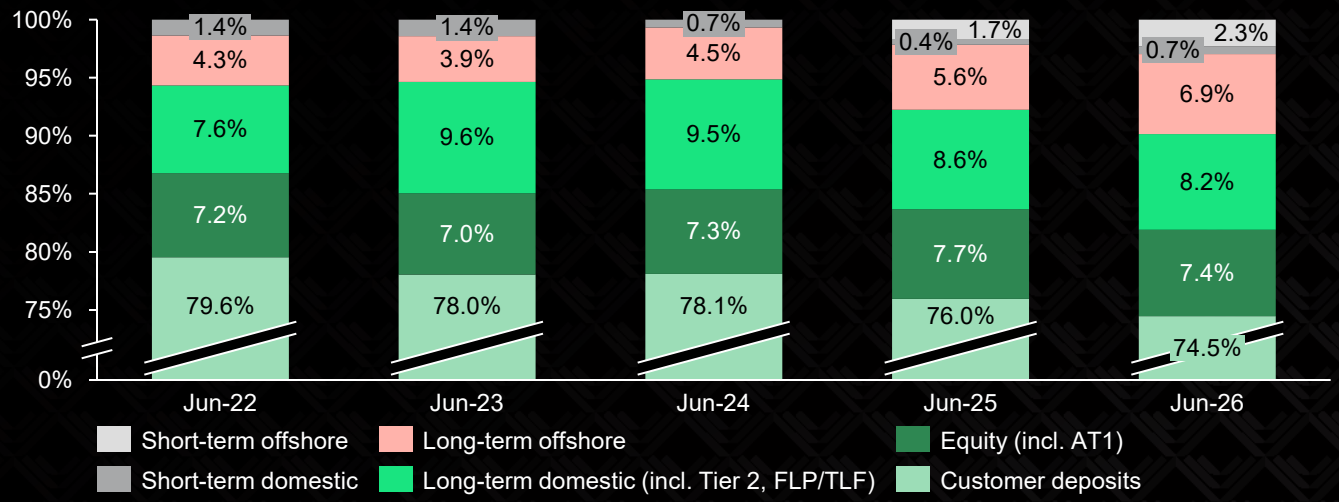
Non-Deposit Funding by Currency



Long-Term Funding[1,2] ($b)



Funding Composition[3]



Sourced from management information

[1] Not presented in accordance with NZ GAAP. Issuance amounts are based on historical FX rates, maturities are based on 30 June 2026 spot rates

[2] Maturity of Tier 2 instruments is based on the first optional redemption date for these purposes. AT1 instruments have no maturity date and are excluded from the maturities profile

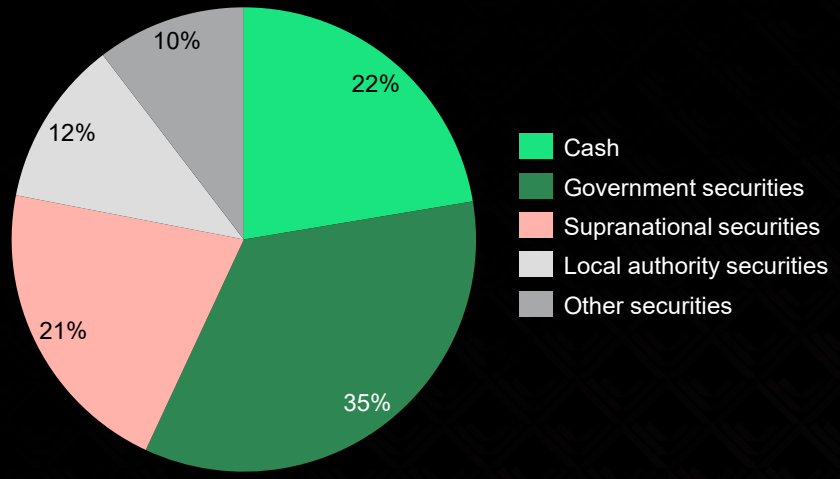
[3] Includes customer deposits, equity, debt issued by Kiwibank and FLP/TLF. Short-term means original maturity is <1 year

WAM: Weighted Average Maturity; **FLP/TLF**: The Reserve Bank's Funding for Lending Programme and Term Lending Facility

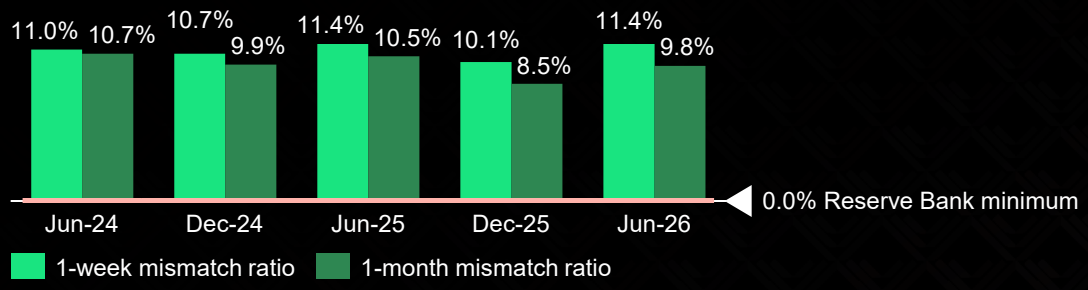
Liquidity

Liquidity Portfolio ($m)	Jun-25	Jun-26
Cash and cash equivalents	1,010	**1,099**
Government securities	1,235	**1,698**
Local authority and supranational securities	1,400	**1,605**
Other securities	420	**510**
Total liquidity portfolio	**4,065**	**4,912**
Unencumbered internal RMBS	3,660	**4,066**
Total including RMBS	**7,725**	**8,978**

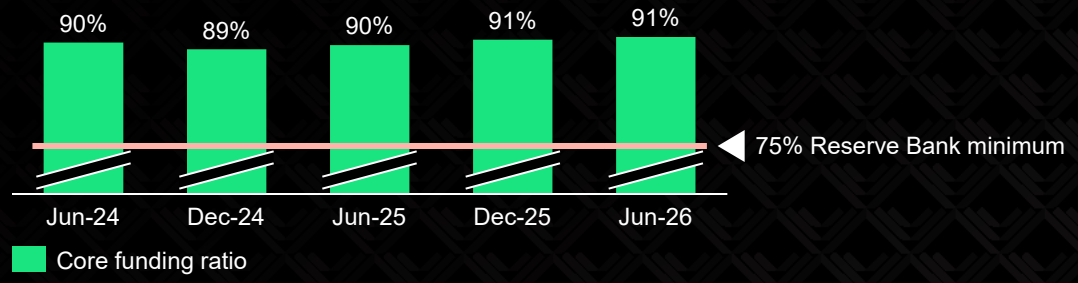
Liquidity Portfolio[1]



Mismatch Ratios (Quarterly Average)



Core Funding Ratios (Quarterly Average)



Sourced from Kiwibank's Disclosure Statements and management information
RMBS: Residential Mortgage-Backed Securities
[1] Excludes RMBS

Subordinated Notes Overview

Key terms of the Notes

Issuer	Kiwibank Limited (**Kiwibank**)
Description	Unsecured subordinated notes (**Notes**)
Ranking	In a liquidation of Kiwibank, the Notes will rank behind depositors and other unsubordinated creditors of Kiwibank, but ahead of Kiwibank's shareholders (including holders of perpetual preference shares)
Term	10 years and 6 months, ending on the Maturity Date (4 June 2037) if not repaid earlier
Early repayment	Kiwibank may choose to repay all of the Notes: • on an Optional Redemption Date; or • if a Tax Event or a Regulatory Event has occurred. Early repayment is subject to the Reserve Bank's prior approval and satisfaction of the Solvency Condition. Holders have no right to require that the Notes be repaid early
Optional Redemption Dates	4 June 2032 (the **First Optional Redemption Date**) and each quarterly Scheduled Interest Payment Date after that date
Interest rate	The interest rate until the First Optional Redemption Date will be a fixed rate equal to the sum of the Swap Rate (a reference rate for a period of 5 years and 6 months) on the Rate Set Date (27 November 2026) plus the Margin. The interest rate after the First Optional Redemption Date will be a floating rate which will be reset quarterly to be equal to the sum of the applicable 3 Month Bank Bill Rate (a benchmark interest rate for a 3 month period) plus the same Margin. The interest rate will not be less than 0%
Margin	The Margin is the percentage rate per annum determined by Kiwibank in consultation with the Joint Lead Managers following the Bookbuild. The Margin will be announced by Kiwibank via NZX on or about the Rate Set Date. The Margin for the Notes will not change
Interest payments	Interest payments are scheduled to be paid quarterly in arrear and are subject to Kiwibank satisfying the Solvency Condition. If interest is not paid on a Scheduled Interest Payment Date it will remain owing and will itself bear interest. Non-payment of interest due to failure to satisfy the Solvency Condition is not an Event of Default
No guarantee	The Notes are not guaranteed by any member of the Kiwibank Group, KGCL, the Government or by any other person

Repayment of the Notes

- Kiwibank must repay the Notes on the Maturity Date (4 June 2037) if not repaid earlier
- Kiwibank may, subject to the conditions described below, choose to repay all (but not some) of the Notes early:
  - on the First Optional Redemption Date (4 June 2032), or on any Scheduled Interest Payment Date after that date; or
  - on any date following a Tax Event or a Regulatory Event
- Kiwibank may only choose to repay the Notes early if:
  - the Reserve Bank has approved the early repayment of the Notes; and
  - the Solvency Condition is satisfied immediately after repayment of the Notes
- Holders will receive the Face Value of the Notes plus all accrued but unpaid interest on the Notes when the Notes are repaid on the Maturity Date or if the Notes are repaid early for any reason

Credit rating

- Kiwibank has an issuer credit rating of A1 from Moody's Ratings (**Moody's**)
- The Notes have been rated Baa2 by Moody's

Explaining the Baa2 credit rating of the Notes	
Kiwibank issuer credit rating	A1
• Deduction for removing shareholder support	3 Notches
• Deduction for subordination	1 Notch
Credit rating of the Notes	**Baa2**

Moody's Rating	Likelihood an issuer does not meet financial obligations
Aaa	Lowest
Aa	Very low
A	Low
Baa	**Moderate**
Ba	Substantial
B	High
Caa	Very high
Ca	Likely in, or very near default

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

The Offer

Key terms of the Offer

Purpose	The Offer will raise Tier 2 Capital for Kiwibank. The proceeds of the Offer will be used for Kiwibank's general corporate purposes.
Offer amount	Up to NZ$200 million
Minimum subscription amount	$5,000 and in multiples of $1,000 thereafter
Brokerage	0.35% on firm allocations plus 0.35% retail brokerage, payable by Kiwibank
Quotation	Application has been made to NZX for permission to quote the Notes on the NZX Debt Market NZX ticker code KWB3T2 has been reserved for the Notes
Joint Lead Managers	Bank of New Zealand, Craigs Investment Partners Limited and Forsyth Barr Capital Markets Limited

Important dates

Important dates for the Offer	
Opening Date	Tuesday, 24 November 2026
Closing Time	11.00am Friday, 27 November 2026
Rate Set Date	Friday, 27 November 2026
Issue Date/allotment date	Friday, 4 December 2026
Expected date of initial quotation and trading on NZX debt market	Monday, 7 December 2026
Important dates for the Notes	
First Scheduled Interest Payment Date	Thursday, 4 March 2027
Scheduled Interest Payment Dates	Each 4 March, 4 June, 4 September and 4 December during the Term
First Optional Redemption Date	Friday, 4 June 2032
Maturity Date	Thursday, 4 June 2037

Questions

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Tier 2 Subordinated Notes

Indicative Terms Sheet

For an offer of up to NZ$200 million unsecured subordinated notes

24 November 2026

This indicative terms sheet (**Terms Sheet**) sets out the key terms of the offer (**Offer**) by Kiwibank Limited (**Kiwibank**) of up to NZ$200 million of unsecured subordinated notes maturing on 4 June 2037 (**Notes**). The Notes will be issued under a deed poll dated 24 November 2026 made by Kiwibank (**Deed Poll**).

The Notes are riskier than a bank deposit. The Notes are complex financial products that are not suitable for many investors. If you do not fully understand how they work or the risks associated with them, you should not invest in them. You can seek advice from a financial advice provider to help you make an investment decision.

Holders are bound by, and are deemed to have notice of, the Deed Poll (including the conditions of the Notes set out in the Deed Poll). A copy of the Deed Poll is available on Kiwibank's website at www.kiwibank.co.nz/about-us/governance/investor-centre/kiwibank-capital-instruments.

Capitalised terms used but not defined in this Terms Sheet have the meaning given to them in the Deed Poll unless the context otherwise requires.

Any internet site addresses provided in this Terms Sheet are for reference only and, except as expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of, this Terms Sheet.

Important Notice

The Offer of Notes by Kiwibank is made in reliance upon the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 (**FMCA**).

The Offer contained in this Terms Sheet is an offer of debt securities that have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as Kiwibank's NZ$400 million unsecured subordinated notes with an interest rate for the first 5 years and 3 months of 4.93% per annum and a maturity date of 12 March 2036, which are currently quoted on the NZX Debt Market under ticker code KWB2T2 (**Existing Notes**).

Accordingly, the Notes are of the same class as the Existing Notes for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014.

Kiwibank is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited (**NZX**) for the purpose of that information being made available to participants in the market and that information can be found by visiting www.nzx.com/companies/KWB.

The Existing Notes are the only debt securities of Kiwibank that are in the same class as the Notes.

Investors should look to the market price of the Existing Notes to find out how the market assesses the returns and risk premium for those notes.

You should carefully consider the features of the Notes, which are different to the features of unsubordinated notes issued by Kiwibank or other issuers. See "Risks associated with the Notes specifically" on page 11 below.

Important dates for the Offer	
Opening Date	Tuesday, 24 November 2026
Closing Time	11:00am Friday, 27 November 2026
Rate Set Date	Friday, 27 November 2026
Issue Date/allotment date	Friday, 4 December 2026
Expected date of initial quotation and trading on NZX Debt Market	Monday, 7 December 2026

Important dates for the Notes	
First Scheduled Interest Payment Date	Thursday, 4 March 2027
Scheduled Interest Payment Dates	Each 4 March, 4 June, 4 September and 4 December during the Term
First Optional Redemption Date	Friday, 4 June 2032
Maturity Date	Thursday, 4 June 2037

Dates may change

The Closing Time may change. Kiwibank has the right in its absolute discretion to change the Closing Time to be earlier or later. If Kiwibank changes the Closing Time, the change will be announced as soon as reasonably practicable by Kiwibank via NZX and other key dates may be changed accordingly. Any such changes will not affect the validity of any applications received. The Interest Payment Dates are subject to the Business Day convention described in this Terms Sheet. Other dates may also be adjusted if they do not fall on a Business Day.

Kiwibank reserves the right to cancel the Offer and the issue of the Notes.

Key features of the Notes			
Issuer	Kiwibank Limited (**Kiwibank**).		
Description of the debt securities	Unsecured subordinated notes (**Notes**).		
Purpose	The Offer will raise Tier 2 Capital for Kiwibank. The proceeds of the Offer will be used for Kiwibank's general corporate purposes.		
Credit ratings		**Kiwibank senior credit rating**	**Notes credit rating**
	Moody's Ratings	A1 (stable outlook)	Baa2
	A credit rating is not a recommendation to buy, sell or hold the Notes or any securities issued by Kiwibank. The above ratings are current as at the date of this Terms Sheet and may be made subject to suspension, revision or withdrawal at any time by the assigning rating organisation.		
Offer amount	Up to NZ$200 million.		
Legal form	Debt.		
Regulatory treatment	Tier 2 Capital.		

Ranking in a liquidation

In a liquidation of Kiwibank, each Note gives the Holder the right to payment of an amount equal to the Face Value plus all accrued but unpaid interest. The right to repayment will rank:

- behind the claims of all depositors, holders of unsubordinated debt securities and other creditors of Kiwibank, except for the claims and rights described below;
- equally with the claims of other Holders and holders of any other Tier 2 Capital instruments or other securities and obligations of Kiwibank that rank equally with the Notes; and
- ahead of the rights of Kiwibank's shareholders (including holders of perpetual preference shares) and holders of any other securities and obligations of Kiwibank that rank behind the Notes.

The following diagram shows how Kiwibank's liabilities (including the Notes) and equity rank in a liquidation of Kiwibank. The diagram does not describe every type of liability or security that Kiwibank may have while the Notes are outstanding.

	Ranking in a liquidation of Kiwibank	Description	Examples	Indicative amount of existing liabilities and equity of Kiwibank as at 30 June 2026 (NZ$m)
Higher ranking ↑	**Liabilities that rank in priority to the Notes**	Secured debt and creditors preferred by law	Secured liabilities	1,268[1]
			Liabilities given preference by law including employee entitlements and certain taxes	93
		Unsubordinated unsecured debt	Depositors and other unsubordinated unsecured creditors	45,509
	Liabilities that rank equally with the Notes (including the Notes)	Subordinated debt	**The Notes**	200
			Kiwibank subordinated notes issued in May 2023 and December 2025	598
	Liabilities and preferred equity that rank below the Notes	Perpetual subordinated debt, preference shares and other equally ranked instruments	Kiwibank perpetual preference shares issued in November 2021[2] and October 2024	517[2]
Lower ranking ↓	**Equity**	Equity (other than preferred equity)	Ordinary shares, reserves and retained earnings	2,754

[1] Secured liabilities include:

- NZ$1,256 million (New Zealand dollar equivalent) of covered bonds issued by Kiwibank and guaranteed by Kiwi Covered Bond Trustee Limited as trustee of the Kiwi Covered Bond Trust. Covered bonds are an unsecured claim on Kiwibank but are secured over housing loan assets sold by Kiwibank to Kiwi Covered Bond Trustee Limited. Despite these housing loans being sold by Kiwibank, they are still recognised as assets in the financial statements of Kiwibank, but would not be available to creditors of Kiwibank in a liquidation of Kiwibank.

	• NZ$12 million of liabilities to the Reserve Bank under repurchase arrangements relating to the Reserve Bank's Term Lending Facility. Under these arrangements Kiwibank has sold residential mortgage-backed securities to the Reserve Bank for cash and has a liability to repurchase them for a repurchase cash amount. The housing loans underlying those residential mortgage-backed securities are still recognised as assets in the financial statements of Kiwibank, despite being sold by Kiwibank, but would not be available to creditors of Kiwibank in a liquidation of Kiwibank. [2] Kiwibank subsequently redeemed all of its NZ$250 million perpetual preference shares which were issued in November 2021 under ticker code KWBHA on 2 November 2026. This reduction in perpetual preference shares is not included in the ranking diagram above. Amounts in the table above (except for the estimated amount of the Notes) are indicative amounts derived from Kiwibank's unaudited management accounts for the year ended 30 June 2026. The actual amounts of liabilities and equity of Kiwibank at the point of its liquidation would be different to the indicative amounts set out in the diagram above. The table has been adjusted to include the issue of the Notes, based on an estimated issue size of NZ$200 million. The adjustment does not affect the other amounts listed in the table. Amounts shown are presented in millions of New Zealand dollars and may be subject to rounding adjustments.
No set-off	A Holder will not have any right to set-off any amounts owing to it by Kiwibank in connection with the Notes against any amount owing by it to Kiwibank (whether in connection with the Notes or otherwise).
No guarantee	The Notes are not guaranteed by any member of the Kiwibank Group, Kiwi Group Capital Limited, the Government or by any other person.
Face Value and Issue Price	NZ$1.00 per Note.
Minimum subscription amount	NZ$5,000 and in multiples of NZ$1,000 thereafter.
Term	10 years and 6 months, ending on the Maturity Date (4 June 2037) if not repaid earlier.
Repayment	The Notes must be repaid by Kiwibank on the Maturity Date (4 June 2037). However, Kiwibank may repay all (but not some) of the Notes earlier on the First Optional Redemption Date (4 June 2032) or on any Scheduled Interest Payment Date after that date. Kiwibank may also repay all of the Notes at any time if a Tax Event or Regulatory Event has occurred. If Kiwibank elects to repay the Notes early, it must give Holders at least 15 Business Days' notice. Early repayment is subject to certain conditions being met (including Kiwibank satisfying the Solvency Condition and obtaining the Reserve Bank's prior written approval). **Holders have no right to require that the Notes be repaid early.**
Amount that is payable to Holders if the Notes are repaid	Holders will receive the Face Value of the Notes plus all accrued but unpaid interest on the Notes when the Notes are repaid on the Maturity Date or if the Notes are repaid early on the First Optional Redemption Date or on any Scheduled Interest Payment Date after that date or following the occurrence of a Tax Event or a Regulatory Event.

Interest Payment Dates	Interest on the Notes is scheduled to be paid quarterly in arrear on: • each Scheduled Interest Payment Date, being 4 March, 4 June, 4 September and 4 December during the Term, commencing on 4 March 2027; and • the Redemption Date. Prior to the Maturity Date or the liquidation of Kiwibank, the payment of interest on each Scheduled Interest Payment Date is conditional on Kiwibank satisfying the Solvency Condition (as discussed below).
Interest rate	The interest rate will be a fixed rate for a period of 5 years and 6 months, after which it will change to a floating rate that resets at quarterly intervals. The interest rate for the first 5 years and 6 months until the First Optional Redemption Date (4 June 2032) will be a fixed rate equal to the sum of the Swap Rate (a reference rate for a period of 5 years and 6 months) on the Rate Set Date (27 November 2026) plus the Margin. The Margin and the initial interest rate for the first 5 years and 6 months will be determined by Kiwibank following the Bookbuild and will be announced by Kiwibank via NZX on or about the Rate Set Date. The interest rate after the First Optional Redemption Date will be a floating rate which will be reset quarterly to be equal to the sum of the applicable 3 Month Bank Bill Rate (a benchmark interest rate for a 3-month period) plus the same Margin. If the sum of the 3 Month Bank Bill Rate plus the Margin is less than 0% per annum, the interest rate will be 0% per annum.
Margin	The Margin (which may be above or below the indicative Margin range) will be determined by Kiwibank in consultation with the Joint Lead Managers on the Rate Set Date following the Bookbuild, and will be announced by Kiwibank via NZX on or about the Rate Set Date. The Margin for the Notes will not change.
Indicative Margin range	1.20% – 1.30% per annum.
Swap Rate	The mid-market swap rate for an interest rate swap of a term matching the period from the Issue Date to the First Optional Redemption Date, as calculated by Kiwibank in accordance with market convention with reference to Bloomberg page ICNZ2 (or its successor page) adjusted for quarterly payments and rounded to 2 decimal places if necessary, with five being rounded up.

3 Month Bank Bill Rate	In relation to an Interest Payment Date after the First Optional Redemption Date: • the FRA rate administered by the New Zealand Financial Benchmark Facility (**NZFBF**) (or any person that takes over the administration of that rate) for bank bills having a term of, or of about, 3 months, as displayed at or about 10:45am or such later time as Kiwibank may determine on the preceding Scheduled Interest Payment Date on Bloomberg BKBM page 'GDCO 2805' (or any successor page); or • if that rate is not displayed by 10:45am or such later time as Kiwibank may determine on that date, the equivalent rate provided by the NZFBF (or any person that takes over the administration of that rate) at or around that time on that date, in each case expressed as a percentage per annum and rounded, if necessary, to the nearest 4 decimal places with 0.00005% being rounded up. Kiwibank is able to replace the 3 Month Bank Bill Rate with an alternative reference rate if the 3 Month Bank Bill Rate becomes unavailable.
Calculation of interest payments	Until the First Optional Redemption Date (4 June 2032) interest will be calculated on an annual basis and payable in equal quarterly instalments on each Scheduled Interest Payment Date. After the First Optional Redemption Date the interest payable on each Interest Payment Date will be calculated on the basis of the actual number of days from (and including) the previous Interest Payment Date to (but excluding) that Interest Payment Date and a 365-day year.
Solvency Condition	The payment of interest or principal in respect of a Note prior to the Maturity Date (4 June 2037) or the liquidation of Kiwibank is conditional on Kiwibank satisfying the Solvency Condition. The Solvency Condition will be satisfied if Kiwibank is Solvent at the time the payment is due and Kiwibank is able to pay the amount and still be Solvent immediately after payment of the amount. The Solvency Condition does not apply to payments that are required to be made on the Maturity Date or if Kiwibank is in liquidation.
No event of default for failure to satisfy the Solvency Condition	No event of default arises if Kiwibank fails to pay an amount on the Notes because the Solvency Condition is not satisfied, other than on the Maturity Date.
Solvent	Solvent means satisfying the solvency test contained in section 4 of the Companies Act 1993.
Unpaid interest accumulates	If interest is not paid on the Notes on a Scheduled Interest Payment Date because the Solvency Condition is not satisfied, the unpaid interest will remain owing, will itself bear interest (at the same rate as the Notes), and will be payable on the earlier of the next date on which the Solvency Condition is satisfied and the date of repayment of the Notes.

Events of default	The Notes have very limited events of default and a Holder's rights are limited if an event of default occurs, as described below: • **Payment default**: an event of default will occur if Kiwibank does not pay any Face Value due in respect of the Notes within 7 days of its due date, or Kiwibank does not pay any interest due in respect of the Notes within 15 days of its due date. • **Commencement of liquidation**: an event of default will occur on the commencement of liquidation of Kiwibank. To the extent that a payment on the Notes is not required to be made because the Solvency Condition is not satisfied, the amount is not due and payable and a payment default cannot occur.
Limited enforcement rights	If a payment default occurs, a Holder may only bring proceedings: • to recover any amount then due and payable but unpaid on the Notes (subject to satisfaction of the Solvency Condition if the payment of the unpaid amount was subject to the Solvency Condition); • to obtain an order for specific performance of any other obligation in respect of the Holder's Notes; or • for the liquidation of Kiwibank. If Kiwibank is placed in liquidation, in addition to taking the actions above, the Holder is entitled to claim in the liquidation for the Face Value of each Note and all accrued but unpaid interest.
No restrictions on other securities or liabilities	There are no restrictions on Kiwibank issuing further securities or creating further liabilities after the Notes have been issued that rank equally with, or in priority to, the Notes in a liquidation of Kiwibank. Kiwibank could therefore, at any time after the Issue Date, issue further securities or create further liabilities that rank equally with or in priority to the Notes.
No other rights	A Holder of the Notes has no right to: • subscribe for new securities of Kiwibank; or • otherwise participate in the profits or property of Kiwibank, except by receiving payments on the Notes.
Conversion or exchange	Not applicable.
Business Days	A day on which commercial banks in New Zealand are open for general business (including dealings in foreign exchange and foreign currency deposits), not being a Saturday, a Sunday, a New Zealand "public holiday", as defined in section 44(1)(a)-(j) of the Holidays Act 2003, or a day which is not a business day according to a market notice issued by the New Zealand Financial Markets Association (or its successor).

Business Day convention	If an Interest Payment Date on or before the First Optional Redemption Date is not a Business Day, Kiwibank will make payment on the next Business Day, but no adjustment will be made to the amount of the interest payable as a result of the delay in payment. If an Interest Payment Date after the First Optional Redemption Date is not a Business Day, the Interest Payment Date will be the next Business Day, unless that day falls in the next calendar month, in which case it will be the preceding Business Day, and, in either case, the amount of the interest paid will be adjusted to reflect the actual payment date.
Record Date (for interest payment purposes)	10 calendar days before the relevant Interest Payment Date. If a Record Date is a day which is not a Business Day, then the Record Date will be the immediately preceding Business Day.
Brokerage	0.35% on firm allocations plus 0.35% retail brokerage, payable by Kiwibank.
Registrar	MUFG Pension & Market Services (NZ) Limited. The Notes will be accepted for settlement within the NZClear System.
Arranger	Forsyth Barr Capital Markets Limited.
Joint Lead Managers	Bank of New Zealand, Craigs Investment Partners Limited and Forsyth Barr Capital Markets Limited.
ISIN	NZKWBD03T2L8.
NZX quotation	Application has been made to NZX for permission to quote the Notes on the NZX Debt Market and all the requirements of NZX relating to that quotation that can be complied with on, or before the date of distribution of this Terms Sheet, have been complied with. However, the Notes have not yet been approved for trading and NZX accepts no responsibility for any statement in this Terms Sheet. NZX ticker code KWB3T2 has been reserved for the Notes. NZX is a licensed market operator and the NZX Debt Market is a licensed market under the FMCA.
Documents	This Terms Sheet. Deed Poll dated 24 November 2026.
Governing law	New Zealand.
Selling Restrictions	Kiwibank has not taken and will not take any action which would permit a public offering of Notes, or possession or distribution of any offering material in respect of the Notes, in any country or jurisdiction where action for that purpose is required (other than New Zealand). The Notes may only be offered for sale or sold in compliance with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered. By subscribing for or otherwise acquiring any Notes, each Holder agrees to indemnify, among others, Kiwibank, the Registrar, the Arranger and the Joint Lead Managers (and their respective directors, officers, employees, affiliates, agents and advisers) in respect of any loss incurred as a result of any breach by the Holder of these selling restrictions.

Non-reliance	This Terms Sheet does not constitute a recommendation by the Arranger, the Joint Lead Managers or any of their respective directors, officers, employees, agents or advisers to subscribe for, or purchase, any of the Notes. The Arranger and the Joint Lead Managers have not independently verified the information contained in this Terms Sheet. None of the Arranger, the Joint Lead Managers nor their respective directors, officers, employees, agents or advisers gives any warranty or representation that this Terms Sheet is accurate or reliable and they take no responsibility for it.
How to apply	All of the Notes will be reserved for clients of the Joint Lead Managers, institutional investors and other Primary Market Participants and other persons invited to participate in the Bookbuild. There will be no public pool for the Notes. Retail investors should contact any Joint Lead Manager, their financial adviser or any primary market participant for details on how they may acquire Notes. You can find a primary market participant by visiting www.nzx.com/learning/issuer-participant-resources/market-participants/find-a-participant. Any allotment of Notes will be at Kiwibank's discretion, in consultation with the Joint Lead Managers. Kiwibank reserves the right to refuse all or any part of an application without giving any reason. Each investor's financial adviser will be able to advise them as to what arrangements will need to be put in place for the investors to trade the Notes, including obtaining a common shareholder number (**CSN**), an authorisation code (**FIN**) and opening an account with a primary market participant, as well as the costs and timeframes for putting such arrangements in place.

Risks associated with the Notes specifically

You should carefully consider the features of the Notes, which are different to the features of unsubordinated notes issued by Kiwibank or other issuers. Those features include the subordinated nature of the Notes, the potential for interest to not be paid when scheduled, the change to floating rate interest after the First Optional Redemption Date (4 June 2032), no rights for Holders to require that the Notes are repaid early, the potential for Notes to be repaid early in some circumstances, and the potential effects of regulatory change. Key risks concerning those features are set out in more detail below.

This summary does not cover all of the risks of investing in the Notes. For example, whilst certain risks in relation to the Notes are set out in more detail below, those risks relating to Kiwibank, rather than the Notes themselves, are not set out below on the basis that information relating to Kiwibank and its operations is disclosed to the market already pursuant to Kiwibank's continuous disclosure obligations under the NZX Listing Rules. Also, the summary below sets out the risks in relation to the Notes that differ from risks in relation to unsubordinated notes. It does not cover the risks that are common to both the Notes and unsubordinated notes (such as risks around liquidity and your ability to sell the Notes at a given price, or at all).

You should carefully consider the features of the Notes (together with the other information in this Terms Sheet) before deciding to invest in the Notes. If you do not fully understand how the Notes work or the risks associated with them, you should not invest in them.

The statement of risks in this Terms Sheet also does not take account of your personal circumstances, financial position or investment requirements. Before making any investment decision, you should consider the suitability of an investment in the Notes in light of your individual risk profile for investments, investment objectives and personal circumstances (including financial and taxation issues) and consult your financial legal, tax and other professional advisers before deciding to invest in the Notes.

The interest rate for the 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.

In a liquidation of Kiwibank, it is unlikely that you will receive payment of any amount owing on your Notes

The Notes are subordinated. In a liquidation of Kiwibank, your right to payment of an amount equal to the Face Value plus all accrued but unpaid interest will rank behind depositors and other unsubordinated creditors of Kiwibank. It is unlikely that there will be surplus assets available for the liquidator to pay any amount to you in respect of your Notes. See "Ranking in a liquidation" above.

You have no rights against Kiwibank if interest is not paid because the Solvency Condition is not satisfied on the payment date

Kiwibank's obligation to pay interest on your Notes on a Scheduled Interest Payment Date is conditional on Kiwibank satisfying the Solvency Condition. If Kiwibank does not pay interest on a Scheduled Interest Payment Date because the Solvency Condition is not satisfied, it will not constitute a default by Kiwibank and you will have no right to take action against Kiwibank or any other person in respect of that non-payment. See "Solvency Condition" above.

The interest rate may fall and could go down to 0% per annum

The interest rate will be a fixed rate for a period of 5 years and 6 months, after which it will be a floating rate which will be reset quarterly to be equal to the sum of the applicable 3 Month Bank Bill Rate plus the Margin.

The 3 Month Bank Bill Rate changes to reflect market conditions over time, so will likely vary for each Interest Payment Date.

Depending on market conditions, the floating rate could be less than the fixed rate.

The 3 Month Bank Bill Rate may go down, including below 0% per annum. If the sum of the 3 Month Bank Bill Rate plus the Margin is less than 0% per annum, the floating rate will be deemed to be 0% per annum. See "Interest rate" above.

You have no right to require early repayment of your Notes and Kiwibank might not repay your Notes early

The Notes are a long-term investment with a Term of 10 years and 6 months. You have no right to require that your Notes be repaid early. Kiwibank is under no obligation to repay the Notes early. There is no certainty that:

- Kiwibank will choose to repay the Notes early on an Optional Redemption Date or if a Tax Event or Regulatory Event has occurred;
- if requested by Kiwibank, the Reserve Bank would give its approval to early repayment of the Notes; or
- Kiwibank will be able to satisfy the other conditions that apply to early repayment.

Unless the Notes are repaid early by Kiwibank, to realise your investment before the Maturity Date you will need to sell your Notes on the NZX Debt Market at the prevailing market price. You may not be able to sell your Notes, and even if you can, you may receive less than the Face Value. See "Repayment" above.

Kiwibank may repay your Notes early in certain circumstances

In certain circumstances, Kiwibank can repay your Notes early (see "Repayment" above). You may be disadvantaged if the Notes are repaid early. For instance, if the Notes are repaid early, you may not be able to reinvest the proceeds at a comparable return. See "Repayment" above.

Kiwibank's regulatory requirements may change

As a registered bank, Kiwibank is subject to regulatory requirements, including Conditions of Registration imposed by the Reserve Bank. The regulatory requirements that apply to Kiwibank may change from time to time and you may be disadvantaged by the changes. For instance, the Reserve Bank restricted banks from redeeming any capital instruments (such as the Notes) for a period during the COVID-19 pandemic. Under the Reserve Bank's 2025 capital review (the **2025 Capital Review**), requirements are to be imposed on Group 1 deposit takers (the four largest banks in New Zealand) to issue Tier 2 Capital internally and include additional 'loss absorbing capacity' features. The 2025 Capital Review does not propose any changes to the requirements in respect of the form of Tier 2 Capital issued by Group 2 deposit takers (such as Kiwibank), although the Reserve Bank has indicated it may revisit this at a later stage including as part of the implementation of its crisis management framework and development of resolution plans. For the avoidance of doubt, and in line with Reserve Bank guidance, as the 2025 Capital Review does not include any clearly defined policy intent or clear intention to implement changes, Kiwibank does not consider it to constitute a reasonably anticipated change to the regulatory capital treatment of the Notes for the purposes of the definition of "Regulatory Event" in the Deed Poll.

Contact information

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