



# Bank of New Zealand

## Quarterly Investor Report

### Reporting Dates

|                             |           |
|-----------------------------|-----------|
| Collection Period End Date: | 17-Jun-20 |
| Calculation Date:           | 18-Jun-20 |
| Trust Payment Date:         | 30-Jun-20 |

### Transaction Parties

|                        |  |
|------------------------|--|
| Issuers                | Bank of New Zealand<br>BNZ International Funding Limited, acting through its London Branch |
| Seller                 | Bank of New Zealand  |
| Guarantor              | Bank of New Zealand  |
| Covered Bond Guarantor | CBG Trustee Company Limited  |
| Security Trustee       | New Zealand Permanent Trustees Limited   |
| Bond Trustee           | Deutsche Trustee Company Limited   |
| Trust Manager          | BNZ Facilities Management Limited  |
| Servicer               | Bank of New Zealand  |
| NZ Paying Agent        | Computershare Investor Services Limited  |
| UK Paying Agent        | Deutsche Bank AG, London Branch  |
| Asset Monitor          | Ernst & Young  |
| Calculation Manager    | Bank of New Zealand  |

### Other Tests

|  |      |
|--|------|
| Issuer Event of Default                                    | No   |
| Covered Bond Guarantor Event of Default                    | No   |
| Yield Shortfall Test                                       | N/A  |
| Interest Rate Shortfall Test                               | N/A  |
| Asset Coverage Test  | Pass |
| Pre-Maturity Test (only applicable to Hard Bullet Covered) | N/A  |

### BNZ's Unsecured Ratings

|         | Short Term | Long Term |
|---------|------------|-----------|
| Fitch   | F1         | A+        |
| Moody's | P-1        | A1        |
| S&P     | A-1+       | AA-       |

### BNZ's Covered Bond Ratings

|         | Long Term |
|---------|-----------|
| Fitch   | AAA       |
| Moody's | Aaa       |

| Bond Issuance |                     |                     |                   |                                |
|---------------|---------------------|---------------------|-------------------|--------------------------------|
| ISIN          | Bonds               | Issue Date          | Principal Balance | Principal Balance (NZD Equiv.) |
| NZBCBDT004C1  | Series 8 Tranche 1  | 3 February 2016     | NZD 300,000,000   | \$300,000,000                  |
| XS1434582703  | Series 9 Tranche 1  | 17 June 2016        | EUR 750,000,000   | \$1,205,117,271                |
| XS1639238820  | Series 10 Tranche 1 | 3 July 2017         | EUR 750,000,000   | \$1,154,689,655                |
| XS1850289171  | Series 11 Tranche 1 | 3 July 2018         | EUR 750,000,000   | \$1,279,714,912                |
| Total         |                     |                     |                   | \$3,939,521,838                |
| ISIN          | Listing             | Coupon Frequency    | Coupon Rate       | Interest Rate Type             |
| NZBCBDT004C1  | Unlisted            | Semi-annual         | 4.261% p.a.       | Fixed rate                     |
| XS1434582703  | LUX                 | Annual              | 0.125% p.a.       | Fixed rate                     |
| XS1639238820  | LUX                 | Annual              | 0.500% p.a.       | Fixed rate                     |
| XS1850289171  | LUX                 | Annual              | 0.625% p.a.       | Fixed rate                     |
| ISIN          | Note Type           | Final Maturity Date | Common Code       |                                |
| NZBCBDT004C1  | Soft Bullet         | 3 February 2023     | n/a               |                                |
| XS1434582703  | Soft Bullet         | 17 June 2021        | 143458270         |                                |
| XS1639238820  | Soft Bullet         | 3 July 2024         | 163923882         |                                |
| XS1850289171  | Soft Bullet         | 3 July 2025         | 185028917         |                                |

BNZ Covered Bond Programme  
Mortgage Loan Portfolio Characteristics and Asset Coverage

| Total Portfolio Characteristics                |                  |
|--|------------------|
| Total Amount:                                  | 4,727,985,431.77 |
| Number of Loans:                               | 29,875           |
| Weighted Average Interest Rate (%):            | 3.92%            |
| Weighted Average Interest Rate - Fixed (%):    | 3.83%            |
| Weighted Average Interest Rate - Variable (%): | 4.30%            |
| Average Loan Balance:                          | 158,258.93       |
| Max Loan Balance:                              | 2,236,102.33     |
| Weighted Average Term To Maturity (Months):    | 264.73           |
| Max Term Remaining (Months):                   | 357              |
| Weighted Average Seasoning (Months):           | 60.32            |
| Weighted Average LVR (%):                      | 45.87%           |
| Weighted Average LVR Indexed (%):              | 38.60%           |

| Loan Size Distribution           |                  |                    |                  |                    |
|----------------------------------|------------------|--------------------|------------------|--------------------|
| Table 1                          | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
| <= \$100,000                     | 678,559,964.86   | 14.35%             | 13,571           | 45.43%             |
| > \$100,000 and <= \$150,000     | 549,381,949.08   | 11.62%             | 4,403            | 14.74%             |
| > \$150,000 and <= \$200,000     | 626,646,025.88   | 13.25%             | 3,596            | 12.04%             |
| > \$200,000 and <= \$250,000     | 555,150,063.79   | 11.74%             | 2,474            | 8.28%              |
| > \$250,000 and <= \$300,000     | 507,481,101.92   | 10.73%             | 1,854            | 6.21%              |
| > \$300,000 and <= \$350,000     | 386,055,133.57   | 8.17%              | 1,193            | 3.99%              |
| > \$350,000 and <= \$400,000     | 307,943,465.06   | 6.51%              | 825              | 2.76%              |
| > \$400,000 and <= \$500,000     | 431,159,070.02   | 9.12%              | 969              | 3.24%              |
| > \$500,000 and <= \$750,000     | 441,694,822.75   | 9.34%              | 750              | 2.51%              |
| > \$750,000 and <= \$1,000,000   | 134,810,801.72   | 2.85%              | 158              | 0.53%              |
| > \$1,000,000 and <= \$1,500,000 | 72,920,829.26    | 1.54%              | 62               | 0.21%              |
| > \$1,500,000 and <= \$2,000,000 | 27,666,094.36    | 0.59%              | 16               | 0.05%              |
| > \$2,000,000 and <= \$2,500,000 | 8,516,109.50     | 0.18%              | 4                | 0.01%              |
| Total                            | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |

| Loan Interest Rate Distribution |                  |                    |                  |                    |
|---------------------------------|------------------|--------------------|------------------|--------------------|
| Table 2                         | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
| <= 4.00%                        | 3,018,871,961.39 | 63.85%             | 17,766           | 59.47%             |
| > 4.00% and <= 5.00%            | 1,602,959,482.50 | 33.90%             | 11,451           | 38.33%             |
| > 5.00% and <= 6.00%            | 102,103,646.54   | 2.16%              | 623              | 2.09%              |
| > 6.00% and <= 7.00%            | 3,579,477.80     | 0.08%              | 32               | 0.11%              |
| > 7.00% and <= 8.00%            | 470,863.54       | 0.01%              | 3                | 0.01%              |
| Total                           | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |

| Term to Legal Documented Maturity |                  |                    |                  |                    |
|-----------------------------------|------------------|--------------------|------------------|--------------------|
| Table 3                           | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
| <= 5 years                        | 25,115,303.48    | 0.53%              | 778              | 2.60%              |
| > 5 years and <= 10 years         | 118,667,785.75   | 2.51%              | 2,138            | 7.16%              |
| > 10 years and <= 15 years        | 299,553,745.13   | 6.34%              | 2,979            | 9.97%              |
| > 15 years and <= 20 years        | 1,022,912,830.75 | 21.64%             | 7,514            | 25.15%             |
| > 20 years and <= 25 years        | 1,813,024,642.78 | 38.35%             | 10,306           | 34.50%             |
| > 25 years and <= 30 years        | 1,448,711,123.88 | 30.64%             | 6,160            | 20.62%             |
| Total                             | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |

| LVR Distribution |                  |                    |                  |                    |
|------------------|------------------|--------------------|------------------|--------------------|
| Table 4          | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
| <= 25%           | 812,129,740.86   | 17.18%             | 8,641            | 28.92%             |
| > 25% and <= 30% | 312,789,301.31   | 6.62%              | 2,114            | 7.08%              |
| > 30% and <= 35% | 342,103,476.30   | 7.24%              | 2,113            | 7.07%              |
| > 35% and <= 40% | 364,917,869.42   | 7.72%              | 2,192            | 7.34%              |
| > 40% and <= 45% | 391,369,142.97   | 8.28%              | 2,262            | 7.57%              |
| > 45% and <= 50% | 382,890,996.50   | 8.10%              | 2,199            | 7.36%              |
| > 50% and <= 55% | 396,369,304.79   | 8.38%              | 2,176            | 7.28%              |
| > 55% and <= 60% | 401,891,193.71   | 8.50%              | 2,068            | 6.92%              |
| > 60% and <= 65% | 389,356,686.08   | 8.24%              | 1,981            | 6.63%              |
| > 65% and <= 70% | 364,282,776.05   | 7.70%              | 1,775            | 5.94%              |
| > 70% and <= 75% | 320,000,138.43   | 6.77%              | 1,407            | 4.71%              |
| > 75% and <= 80% | 249,884,805.35   | 5.29%              | 947              | 3.17%              |
| Total            | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |

| LVR Indexed Distribution |                  |                    |                  |                    |
|--------------------------|------------------|--------------------|------------------|--------------------|
| Table 5                  | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
| <= 25%                   | 1,167,773,597.10 | 24.70%             | 11,386           | 38.11%             |
| > 25% and <= 30%         | 446,129,636.36   | 9.44%              | 2,774            | 9.29%              |
| > 30% and <= 35%         | 471,376,308.90   | 9.97%              | 2,751            | 9.21%              |
| > 35% and <= 40%         | 491,425,242.04   | 10.39%             | 2,780            | 9.31%              |
| > 40% and <= 45%         | 446,519,838.59   | 9.44%              | 2,412            | 8.07%              |
| > 45% and <= 50%         | 400,877,429.94   | 8.48%              | 2,008            | 6.72%              |
| > 50% and <= 55%         | 341,985,197.03   | 7.23%              | 1,662            | 5.56%              |
| > 55% and <= 60%         | 288,331,175.53   | 6.10%              | 1,345            | 4.50%              |
| > 60% and <= 65%         | 264,952,803.98   | 5.60%              | 1,151            | 3.85%              |
| > 65% and <= 70%         | 208,107,671.66   | 4.40%              | 897              | 3.00%              |
| > 70% and <= 75%         | 170,177,128.59   | 3.60%              | 599              | 2.01%              |
| > 75% and <= 80%         | 30,329,402.05    | 0.64%              | 110              | 0.37%              |
| Total                    | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |

**Geographic Distribution**

| <b>Table 6</b>   | <b>Loan Size Amount</b> | <b>Loan Size Amount %</b> | <b>Loan Size Volume</b> | <b>Loan Size Volume %</b> |
|------------------|-------------------------|---------------------------|-------------------------|---------------------------|
| Ashburton        | 43,272,147.88           | 0.92%                     | 321                     | 1.07%                     |
| Auckland         | 907,596,518.53          | 19.20%                    | 4,317                   | 14.45%                    |
| Blenheim         | 30,642,669.27           | 0.65%                     | 242                     | 0.81%                     |
| Christchurch     | 578,181,986.90          | 12.23%                    | 3,998                   | 13.38%                    |
| Coromandel       | 54,506,127.08           | 1.15%                     | 431                     | 1.44%                     |
| Dunedin          | 180,632,735.00          | 3.82%                     | 1,391                   | 4.66%                     |
| Gisborne         | 27,177,368.99           | 0.57%                     | 230                     | 0.77%                     |
| Hamilton         | 338,456,449.70          | 7.16%                     | 2,391                   | 8.00%                     |
| Hawkes Bay       | 115,759,521.98          | 2.45%                     | 846                     | 2.83%                     |
| Masterton        | 19,287,162.83           | 0.41%                     | 154                     | 0.52%                     |
| Nelson           | 75,878,687.07           | 1.60%                     | 547                     | 1.83%                     |
| North Shore      | 528,025,046.69          | 11.17%                    | 2,676                   | 8.96%                     |
| Northland        | 96,883,861.88           | 2.05%                     | 759                     | 2.54%                     |
| Oamaru           | 15,659,230.44           | 0.33%                     | 144                     | 0.48%                     |
| Palmerston North | 102,738,126.51          | 2.17%                     | 895                     | 3.00%                     |
| Rotorua          | 59,578,863.92           | 1.26%                     | 432                     | 1.45%                     |
| South Auckland   | 614,550,235.33          | 13.00%                    | 3,168                   | 10.60%                    |
| Southland        | 44,872,715.13           | 0.95%                     | 476                     | 1.59%                     |
| Taranaki         | 47,044,258.55           | 1.00%                     | 341                     | 1.14%                     |
| Tauranga         | 204,737,525.83          | 4.33%                     | 1,372                   | 4.59%                     |
| Timaru           | 60,284,454.47           | 1.28%                     | 520                     | 1.74%                     |
| Wanganui         | 40,165,471.96           | 0.85%                     | 399                     | 1.34%                     |
| Wellington       | 500,123,761.09          | 10.58%                    | 3,454                   | 11.56%                    |
| West Coast       | 18,791,839.46           | 0.40%                     | 184                     | 0.62%                     |
| Whakatane        | 23,138,665.28           | 0.49%                     | 187                     | 0.63%                     |
| <b>Total</b>     | <b>4,727,985,431.77</b> | <b>100.00%</b>            | <b>29,875</b>           | <b>100.00%</b>            |

**Mortgage Insurance**

| Table 7                  | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
|--------------------------|------------------|--------------------|------------------|--------------------|
| Not PMI Mortgage Insured | 4,725,289,873.62 | 99.94%             | 29,854           | 99.93%             |
| PMI Mortgage Insurance   | 2,695,558.15     | 0.06%              | 21               | 0.07%              |
| Total                    | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |

**Seasoning**

| Table 8               | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
|-----------------------|------------------|--------------------|------------------|--------------------|
| >= 3 and < 6 months   | 22,124,138.11    | 0.47%              | 150              | 0.50%              |
| >= 6 and < 12 months  | 115,688,263.41   | 2.45%              | 668              | 2.24%              |
| >= 12 and < 18 months | 129,309,506.54   | 2.73%              | 757              | 2.53%              |
| >= 18 and < 24 months | 549,918,530.18   | 11.63%             | 2,623            | 8.78%              |
| >= 24 and < 36 months | 559,679,534.62   | 11.84%             | 3,433            | 11.49%             |
| >= 36 and < 48 months | 497,577,036.81   | 10.52%             | 3,104            | 10.39%             |
| >= 48 and < 60 months | 464,375,121.94   | 9.82%              | 2,700            | 9.04%              |
| >= 60 months          | 2,389,313,300.16 | 50.54%             | 16,440           | 55.03%             |
| Total                 | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |

**Interest Rate Type**

| Table 9  | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
|----------|------------------|--------------------|------------------|--------------------|
| Fixed    | 3,881,148,685.33 | 82.09%             | 21,625           | 72.38%             |
| Variable | 846,836,746.44   | 17.91%             | 8,250            | 27.62%             |
| Total    | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |

**Fixed Rate Maturity**

| Table 10           | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
|--------------------|------------------|--------------------|------------------|--------------------|
| <= 1 year          | 2,142,257,019.71 | 45.31%             | 11,602           | 38.84%             |
| > 1 and <= 2 years | 1,507,409,119.70 | 31.88%             | 8,719            | 29.18%             |
| > 2 and <= 3 years | 178,955,004.28   | 3.79%              | 1,004            | 3.36%              |
| > 3 and <= 4 years | 17,759,110.52    | 0.38%              | 100              | 0.33%              |
| > 4 and <= 5 years | 33,863,929.02    | 0.72%              | 194              | 0.65%              |
| > 5 and <= 6 years | 695,600.52       | 0.01%              | 2                | 0.01%              |
| > 6 and <= 7 years | 208,901.58       | 0.00%              | 4                | 0.01%              |
| Total              | 3,881,148,685.33 | 82.09%             | 21,625           | 72.38%             |

**Principal Amortisation**

| Table 11                        | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
|---------------------------------|------------------|--------------------|------------------|--------------------|
| Principal and Interest          | 4,138,185,924.53 | 87.53%             | 27,070           | 90.61%             |
| Interest only, reverting to P&I | 589,799,507.24   | 12.47%             | 2,805            | 9.39%              |
| Total                           | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |

| Remaining Interest Only Period |                  |                    |                  |                    |
|--------------------------------|------------------|--------------------|------------------|--------------------|
| Table 12                       | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
| <= 1 year                      | 486,613,325.29   | 10.29%             | 2,407            | 8.06%              |
| > 1 and <= 2 years             | 47,075,049.48    | 1.00%              | 189              | 0.63%              |
| > 2 and <= 3 years             | 19,873,038.05    | 0.42%              | 70               | 0.23%              |
| > 3 and <= 4 years             | 15,193,089.82    | 0.32%              | 69               | 0.23%              |
| > 4 and <= 5 years             | 20,507,822.87    | 0.43%              | 67               | 0.22%              |
| > 6 and <= 7 years             | 507,906.73       | 0.01%              | 2                | 0.01%              |
| > 7 years                      | 29,275.00        | 0.00%              | 1                | 0.00%              |
| Total                          | 589,799,507.24   | 12.47%             | 2,805            | 9.39%              |

| Arrears              |                  |                    |                  |                    |
|----------------------|------------------|--------------------|------------------|--------------------|
| Table 13             | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
| Current              | 4,724,909,354.71 | 99.93%             | 29,857           | 99.94%             |
| 1-30 days in arrears | 3,076,077.06     | 0.07%              | 18               | 0.06%              |
| Total                | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |

| Loan Documentation |                  |                    |                  |                    |
|--------------------|------------------|--------------------|------------------|--------------------|
| Table 14           | Loan Size Amount | Loan Size Amount % | Loan Size Volume | Loan Size Volume % |
| Full Documentation | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |
| Total              | 4,727,985,431.77 | 100.00%            | 29,875           | 100.00%            |

| Asset Coverage Test   |  |  |   |                           |
|---|--|--|---|---------------------------|
| <b>Aggregate Current Principal Balance of Mortgage Loans</b>          |  |  |   | <b>\$4,727,985,431.77</b> |
| less: Aggregate Defaulted Mortgage Loans                              |  |  | - | \$0.00                    |
| less: Aggregate amount of loan balances over 80% of Indexed Valuation |  |  | - | \$0.00                    |
| <b>Adjusted Mortgage Loan Balance Amount</b>                          |  |  |   | <b>\$4,727,985,431.77</b> |
| Asset Percentage (%)  |  |  | x | 91.00%                    |
| "A"   |  |  | + | <b>\$4,302,466,742.91</b> |
| "B" : Term and/or Demand Loan Advances not applied                    |  |  | + | \$0.00                    |
| "C" : Substitution Assets & Authorised Investments                    |  |  | + | \$14,568.23               |
| "D" : Mortgage Loan Principal Receipts in GIC Account                 |  |  | + | \$0.00                    |
| "E" : Sale Proceeds in Pre-Maturity Ledger                            |  |  | + | \$0.00                    |
| "Z" : 3.3 x \$3,940m x 0 (WAM x CB x NCF)                             |  |  | - | \$0.00                    |
| <b>Adjusted Aggregate Mortgage Loan Amount</b>                        |  |  |   | <b>\$4,302,481,311.14</b> |
| <b>Principal Amount Outstanding</b>                                   |  |  |   | <b>\$3,939,521,838.24</b> |
| <b>Asset Coverage Test Results</b>                                    |  |  |   | <b>PASS</b>               |