Supplementary Offering Circular
Dated 27 August 2019

ANZ New Zealand (Int'l) Limited
(incorporated with limited liability in New Zealand under company number 328154 and registered as a branch in England & Wales under company number FC023994 and branch number BR006645)
as Issuer

ANZ Bank New Zealand Limited
(incorporated with limited liability in New Zealand under company number 35976)
as Issuer and Guarantor of Covered Bonds issued by ANZ New Zealand (Int'l) Limited

€8,000,000,000 ANZNZ Covered Bond Programme
unconditionally and irrevocably guaranteed as to payments of interest and principal by

ANZNZ Covered Bond Trust Limited
(incorporated in New Zealand with limited liability under company number 3220967)
as trustee of the ANZNZ Covered Bond Trust and Covered Bond Guarantor

This supplement (the "**Supplement**") to the offering circular of ANZ Bank New Zealand Limited ("**ANZ New Zealand**") and ANZ New Zealand (Int'l) Limited ("**ANZNIL**") dated 11 July 2019 (the "**Offering Circular**"), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 as amended and is prepared in connection with the €8,000,000,000 ANZNZ Covered Bond Programme established by ANZ New Zealand (as Issuer and Guarantor of Covered Bonds issued by ANZNIL) and ANZNIL (as Issuer).

The purpose of this Supplement is to:

(A) update the section entitled "*Recent Developments*" on pages 74-76 of the Offering Circular with information regarding (i) the FMA's announcement on its review of ANZ New Zealand's reporting of related party transactions; (ii) an outlook revision by Fitch; and (iii) APRA's announcement that it will reduce the limits for Australian ADIs' exposures to related entities by January 2021;

(B) update the section entitled *"Regulation and Supervision—Restrictions on ANZBGL's ability to provide financial support—Effect of APRA's Prudential Standards"* on pages 166-167 of the Offering Circular, with information about APRA's announcement that it will reduce the limits for Australian ADIs' exposures to related entities by January 2021.

Terms defined in the Offering Circular have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read and construed together with, the Offering Circular.

Each of ANZ New Zealand and ANZNIL accepts responsibility for the information contained in this Supplement and to the best of the knowledge of each of ANZ New Zealand and ANZNIL (which have taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

(A) Updates to the section entitled *"Recent Developments"*

(i) FMA review of related party transactions: The paragraph under the heading *"FMA review of related party transactions"* on page 76 of the Offering Circular is updated with the following:

In June 2019, it was reported in the media that a subsidiary of ANZ New Zealand sold an Auckland property to the wife of Mr. David Hisco, ANZ New Zealand's former Chief Executive Officer. The property was purchased for $7.55 million in early 2011 and sold for $6.9 million in July 2017. Following consultation with the FMA and the RBNZ, ANZ New Zealand provided relevant information regarding its reporting of related party transactions in its financial statements to the FMA.

On 22 August 2019, the FMA announced that it had determined that the ANZ New Zealand Group should have disclosed the sale as a related party transaction in its 2017 financial statements. In the FMA's view, the disclosure was material for financial reporting purposes given the nature of the transaction.

ANZ New Zealand disagrees with the FMA's finding. It considers the transaction was not material information on the basis that this disclosure would not influence the economic decisions of users of its financial statements.

The FMA has informed the RBNZ of its determination, reflecting the RBNZ’s role in banking supervision, and as part of the joint focus on conduct and culture. The Australian Securities and Investments Commission, as one of the primary regulators of ANZ New Zealand’s ultimate parent company, ANZBGL, has also been informed.

The FMA has engaged with Chartered Accountants Australia and New Zealand as the front line regulator for auditors in New Zealand, for it to consider whether to assess the auditor’s procedures in determining the disclosures in the 2017 financial statements.

The FMA noted that it has not assessed the appropriateness of the sale price of the property as this is a matter for other agencies to consider. The FMA is continuing to engage with ANZ New Zealand, and will require ANZ New Zealand to issue a corrective statement relating to the 2017 financial statements. The FMA also expects ANZ New Zealand to review its internal financial reporting in light of this issue.

(ii) Additional information: The following additional information is included at the end of the "*Recent Developments*" section on page 76 of the Offering Circular:

Fitch Outlook Revision

On 17 July 2019, Fitch announced that it had revised its outlook for ANZBGL's Long-Term Issuer Default Rating ("**IDR**") to Negative from Stable. ANZBGL's IDR was reaffirmed at AA- with all other ratings unchanged. The outlook is consistent with the other three major Australian banks.

Fitch stated that the main driver for the rating action was 'APRA's announcement on 11 July 2019 that it was applying additional operational-risk capital requirements to three major Australian banks, including ANZBGL.

As a result, Fitch also revised the outlook for ANZ New Zealand's IDR to Negative from Stable. Fitch reaffirmed ANZ New Zealand's IDR at AA- with all other ratings unchanged.

APRA confirms reduction in limits on Australian ADIs' related entities exposures

On 20 August 2019, APRA confirmed it will implement its previously announced proposal to reduce limits for Australian ADIs' exposures to related entities, reducing limits from 50% of Level 1 total capital to 25% of Level 1 Tier 1 Capital.

ANZBGL's exposure to the ANZ New Zealand Group is impacted by this change. ANZBGL's exposure to ANZ New Zealand is presently expected to be at or around the revised limit. APRA's announcement means that ANZBGL could have limited capacity to increase exposures to the ANZ New Zealand Group, although the final impact will be dependent on a number of factors, including the size and composition of ANZBGL's and the ANZ New Zealand Group's balance sheets at the time of implementation.

While the change announced will not be effective until January 2021, ANZ New Zealand notes APRA's statement that they are open to providing entity-specific transitional arrangements or flexibility on a case-by-case basis. ANZ New Zealand expects this flexibility could include the timeframe available to satisfy the new requirements and the circumstances under which an exemption may be available, such as periods of funding market disruption.

The changes outlined in APRA's announcement could adversely impact the ANZ New Zealand Group's Position, credit ratings and its ability to grow its business. The changes could have a material impact on the ANZ New Zealand Group and its business planning, such as requiring a higher proportion of earnings to be retained to meet increased capital requirements.

(B) Updates to the "Restrictions on ANZBGL's ability to provide financial support" section

By virtue of this Supplement, the paragraph on page 167 in the section entitled "*Regulation and Supervision—Restrictions on ANZBGL's ability to provide financial support—Effect of APRA's Prudential Standards*" that states "APRA is currently consulting on the proposed changes… implemented by January 1, 2020" is updated with the following:

On 20 August 2019, APRA confirmed it will implement its previously announced proposal to reduce limits for Australian ADIs' exposures to related entities, reducing limits from 50% of Level 1 total capital to 25% of Level 1 Tier 1 Capital.

ANZBGL's exposure to the ANZ New Zealand Group is impacted by this change. ANZBGL's exposure to ANZ New Zealand is presently expected to be at or around the revised limit. APRA's announcement means that ANZBGL could have limited capacity to increase exposures to the ANZ New Zealand Group, although the final impact will be dependent on a number of factors, including the size and composition of ANZBGL's and the ANZ New Zealand Group's balance sheets at the time of implementation.

While the change announced will not be effective until January 2021, ANZ New Zealand notes APRA's statement that they are open to providing entity-specific transitional arrangements or flexibility on a case-by-case basis. ANZ New Zealand expects this flexibility could include the timeframe available to satisfy the new requirements and the circumstances under which an exemption may be available, such as periods of funding market disruption.

The changes outlined in APRA's announcement could adversely impact the ANZ New Zealand Group's Position, credit ratings and its ability to grow its business. The changes could have a material impact on the ANZ New Zealand Group and its business planning, such as requiring a higher proportion of earnings to be retained to meet increased capital requirements.

A copy of this Supplement has been filed with the National Storage Mechanism and will be available for inspection at www.morningstar.co.uk/uk/nsm.

To the extent that there is any inconsistency between any statement contained in this Supplement and any other statement contained in the Offering Circular or any information or any of the documents incorporated by reference into, and forming part of, the Offering Circular, the statements contained in this Supplement will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Offering Circular has arisen or been noted, as the case may be, since the publication of the Offering Circular.