

**SUPPLEMENT DATED 23 JUNE 2020 TO THE PROSPECTUS DATED
11 DECEMBER 2019**

 **estpac Securities NZ Limited**

(incorporated with limited liability in New Zealand, company number 1859984)

€5 billion

**Global Covered Bond Programme
unconditionally guaranteed by**

 **estpac New Zealand Limited**

(incorporated with limited liability in New Zealand, company number 1763882)

and

unconditionally and irrevocably guaranteed as to payments of interest and principal by

 **estpac NZ Covered Bond Limited**

(incorporated with limited liability in New Zealand, company number 3201526)

This supplement (the “**Supplement**”, which definition shall also include all information incorporated by reference herein) to the prospectus dated 11 December 2019 (the “**Prospectus**”, which definition includes the Prospectus as supplemented, amended or updated from time to time and includes all information incorporated by reference therein) constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 and is prepared in connection with the Global Covered Bond Programme (the “**Programme**”) established by Westpac Securities NZ Limited, Westpac New Zealand Limited and Westpac NZ Covered Bond Limited. Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to and updates the Prospectus and must be read in conjunction with, and forms part of, the Prospectus and any other supplements to the Prospectus issued by Westpac Securities NZ Limited, Westpac New Zealand Limited and Westpac NZ Covered Bond Limited.

This Supplement has been approved by the United Kingdom Financial Conduct Authority (“**FCA**”), which is the United Kingdom competent authority for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) as a supplement to the Prospectus. The Prospectus constitutes a base prospectus prepared in compliance with the Prospectus Regulation for the purpose of giving information with regard to the issue of Covered Bonds under the Programme.

Westpac Securities NZ Limited (the “**Issuer**” or “**WSNZL**”), Westpac New Zealand Limited in its capacity as guarantor (the “**Group Guarantor**” or “**WNZL**”) and Westpac NZ Covered Bond Limited in its capacity as guarantor (the “**CB Guarantor**”) each accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer, the Group Guarantor and the CB Guarantor, the information contained in this Supplement is in accordance with the facts and this Supplement does not omit anything likely to affect the import of such information.

The purpose of this Supplement is to:

- (i) incorporate by reference into the Prospectus certain sections of WNZL’s disclosure statement for the six months ended 31 March 2020 (“**WNZL Disclosure Statement**”), namely the unaudited consolidated interim financial statements as at

- and for the six month period ended 31 March 2020 and the independent auditor's review report;
- (ii) incorporate by reference into the Prospectus certain sections of WSNZL's interim financial report for the six months ended 31 March 2020 ("**WSNZL Interim Financial Report**"), namely the unaudited non-consolidated interim financial statements as at and for the six month period ended 31 March 2020 and the independent auditor's review report;
 - (iii) update the section of the Base Prospectus entitled "*Risks relating to WNZL's business*" by including an additional risk factor in relation to communicable diseases;
 - (iv) update the risk factor in the Base Prospectus entitled "*Failure to maintain credit ratings could adversely affect WNZL's cost of funds, liquidity, competitive position and access to capital markets*" by including an additional paragraph, as described below;
 - (v) supplement the section of the Prospectus entitled "*The Portfolio*" in respect of updated information on the Loans in the Portfolio; and
 - (vi) update the no significant change statements in the Prospectus.

Incorporation by reference: WNZL Financial Statements and WNZL Auditor's Report

On 25 May 2020, WNZL released the WNZL Disclosure Statement containing, *inter alia*, the consolidated unaudited financial statements as at and for the six month period ended 31 March 2020 (including the notes thereto) as set out on pages 6 to 25 (inclusive) of the WNZL Disclosure Statement (the "**WNZL Financial Statements**") and the independent auditor's review report in respect of the WNZL Disclosure Statement as set out on pages 51 to 52 (inclusive) of the WNZL Disclosure Statement (the "**WNZL Auditor's Report**"). By virtue of this Supplement, the WNZL Financial Statements and the WNZL Auditor's Report are incorporated in and form part of this Supplement, and are thereby incorporated in and form part of the Prospectus.

A copy of the WNZL Disclosure Statement containing the WNZL Financial Statements and the WNZL Auditor's Report has been filed with the FCA. Any information in the WNZL Disclosure Statement which is not incorporated in and does not form part of this Supplement and therefore is not incorporated in and does not form part of the Prospectus is not relevant for investors or is contained elsewhere in the Prospectus.

Incorporation by reference: WSNZL Interim Financial Statements and WSNZL Auditor's Report

On 27 May 2020, WSNZL released the WSNZL Interim Financial Report containing, *inter alia*, its non-consolidated unaudited financial statements as at and for the six month period ended 31 March 2020 (including the notes thereto) as set out on pages 17 to 22 (inclusive) of the WSNZL Interim Financial Report (the "**WSNZL Interim Financial Statements**") and the independent auditor's review report in respect of the WSNZL Interim Financial Report as set out on page 23 of the WSNZL Interim Financial Report (the "**WSNZL Auditor's Report**"). By virtue of this Supplement, the WSNZL Interim Financial Statements and the WSNZL Auditor's Report are incorporated in and form part of this Supplement, and are thereby incorporated in and form part of the Prospectus.

A copy of the WSNZL Interim Financial Report containing the WSNZL Interim Financial Statements and the WSNZL Auditor's Report has been filed with the FCA. Any information in the WSNZL Interim Financial Report which is not incorporated in and does not form part of this

Supplement and therefore is not incorporated in and does not form part of the Prospectus is not relevant for investors or is contained elsewhere in the Prospectus.

Additional risk factor – communicable diseases

By virtue of this Supplement, the section of the Base Prospectus entitled “*Risks relating to WNZL’s business*” shall be updated by inserting the following additional risk factor on page 35 of the Base Prospectus immediately after the subheading “*Risks relating to WNZL’s financial situation*”:

“Outbreaks of communicable diseases or a pandemic like COVID-19 have had, and could in the future have, an adverse effect on WNZL

WNZL operates a large scale business and as part of the financial services industry delivers critical services which support the economy. WNZL is vulnerable to the impacts of a communicable disease outbreak or a pandemic. The current and ongoing COVID-19 pandemic has disrupted, and will continue to disrupt, numerous industries and global supply chains, while measures to mitigate the severity of the pandemic, such as restrictions on businesses, venues, transport, movement and public gatherings of people, workplace closures, and the closure of public institutions such as schools and universities will negatively affect economic activity. We currently expect the COVID-19 pandemic to impact on WNZL’s financial performance, among other adverse effects. At this time, however, it is not possible to estimate how long it will take to halt the spread of the virus or the longer term effects that the COVID-19 pandemic could have on the economy and WNZL’s business. The extent to which the COVID-19 pandemic impacts WNZL’s customers, business, financial performance and financial condition will depend on future developments which are evolving and highly uncertain.

The significant decrease in economic activity resulting from the COVID-19 pandemic has affected, and will continue, for an unpredictable time, to affect demand for WNZL’s products and services. We expect that the COVID-19 pandemic will result in increased impairments, defaults and write-offs, which are likely to be material, due to financial stress caused to WNZL’s customers and counterparties, particularly those in the transport, manufacturing, education, retail trade, entertainment and hospitality, travel, tourism, agriculture, food and beverage, commercial property, construction, consulting and financial services sectors. WNZL has increased its provisions for expected credit losses due to the impact of COVID-19, however, as the full impact of the pandemic is highly uncertain, it is possible that WNZL will need to further increase these provisions in the future.

The current COVID-19 pandemic has also resulted in declining asset values and volatility in global markets.

Further, adverse economic consequences may arise depending on how the COVID-19 pandemic progresses, potentially giving rise to a systemic economic shock.

In response to the current COVID-19 pandemic, WNZL has provided support to its customers by implementing a range of initiatives, such as lowering interest rates on certain products, waiving certain fees and granting deferrals of loan repayments to customers affected by the COVID-19 pandemic. These initiatives together with the impact of the COVID-19 pandemic on WNZL’s customers will likely have a negative impact on WNZL’s financial performance and may see WNZL assume a greater level of risk than it would have under ordinary circumstances. In addition, there is a risk that Governments or regulators require, or seek to require, banks (including WNZL) to provide further support

and accommodation to customers impacted by the COVID-19 pandemic in the future. This could involve WNZL being required to forego interest payments, forgive certain principal amounts owing on loans as well as limitations being placed on WNZL's ability to foreclose on loans and enforce security. If this were to occur, there would be a further adverse impact on WNZL's financial performance and level of risk assumed by WNZL.

Actions taken by regulators in response to the COVID-19 pandemic have impacted and could in the future impact WNZL. As an example, regulators in some overseas jurisdictions have exercised their powers to prevent banks from declaring dividends or undertaking share buy-backs. In New Zealand, the RBNZ made the decision to freeze the distribution of dividends on ordinary shares by all banks in New Zealand during the period of economic uncertainty caused by COVID-19.

WNZL's business activities and operations have been, and will be, disrupted by communicable disease outbreaks or pandemics (such as the COVID-19 pandemic). WNZL has been and may in the future be required to close workplaces and suspend providing services through certain offices, branches, ATMs or other channels. Any outbreak or pandemic may also negatively impact the ability of WNZL's back-office, support functions and key suppliers to operate, in turn disrupting WNZL's business and operations.

During the period when a communicable disease outbreak or pandemic (such as the COVID-19 pandemic) is occurring, WNZL may need to temporarily adjust its risk appetites, policies or controls so that it can respond to the broader impacts of the pandemic and protect the wellbeing of staff. These temporary adjustments could have unforeseen consequences and may, depending on the outcome, expose WNZL to increased regulatory oversight and/or regulatory action. Further, to respond to the impacts of an outbreak or pandemic (such as the COVID-19 pandemic) WNZL has been, and may in the future be, required to take steps or implement new measures in very short periods of time. Taking this type of action may increase the risk that an operational or compliance breakdown will occur, potentially leading to financial losses, impacts on customer service or regulatory or legal action.

Outbreaks of communicable diseases or pandemics (such as COVID-19), as with other large scale global events which have had a broad impact on the operation of economies around the world have had, and may in the future have, a negative impact on WNZL's business, prospects, financial performance and financial condition. There continues to be significant uncertainties associated with the COVID-19 pandemic, including with respect to the severity of the disease, the duration of the pandemic, actions that may be taken by governmental authorities and private businesses to attempt to contain the COVID-19 pandemic or to mitigate its impact and the potential for the COVID-19 pandemic to have longer term and lasting impacts on WNZL's customers, business and operations. WNZL continues to monitor the situation and assess further possible implications, which could be material and adverse, to WNZL's business, prospects, financial performance and financial condition. The COVID-19 pandemic may also have the effect of heightening other risks."

Addition to risk factor – credit ratings

By virtue of this Supplement, the risk factor in the Base Prospectus entitled "Failure to maintain credit ratings could adversely affect WNZL's cost of funds, liquidity, competitive position and access to capital markets" shall be updated by the addition of the following paragraph as the penultimate paragraph of the risk factor:

“The current and ongoing economic impacts of the COVID-19 pandemic have affected WNZL’s credit ratings and may continue to do so in the future. Credit rating agency Fitch Ratings recently downgraded its long-term and short-term ratings for the major Australian banks (including WBC) and WNZL by one notch, to A+ (from AA-) and F1 (from F1+) respectively, citing the significant economic consequences the WBC Group’s core markets of Australia and New Zealand caused by the COVID-19 pandemic and the actions taken by governments to try and slow its spread. S&P Global Ratings also revised its outlook for WNZL’s long term issuer credit rating to negative, in line with its outlook for WBC. As the economic impacts from the COVID-19 pandemic continue, there is a risk that there will be further negative movement in WNZL’s credit ratings.”

The Portfolio

The information set out below is as of 31 May 2020 and supplements the financial information set out under the heading Certain Information regarding the Loans in the section of the Prospectus entitled “The Portfolio”:

All amounts in New Zealand dollars

Portfolio Loan Summary

Reporting Date	31-May-2020
Number of Housing Loans	43,703
Housing Loan Pool Size (NZ\$)	6,618,826,669
Other Assets (Cash/Intercompany Balances) (NZ\$)	881,173,331
Average Housing Loan Balance (NZ\$)	151,450
Maximum Housing Loan Balance (NZ\$)	1,500,000
Weighted Average Current Loan-to-Value Limit	54.62%
Weighted Average Current Loan-to-Value Ratio (Unindexed)	52.74%
Weighted Average Current Loan-to-Value Ratio (Indexed) ¹	46.87%
Weighted Average Interest Rate (%)	3.97%
Weighted Average Seasoning (months)	52
Weighted Average Remaining Term to Maturity (months)	267
Maximum Remaining Term to Maturity (months)	360
% of insured mortgages in the cover pool	0.00%

¹ Index used: QV quarterly index. An error in relation to the indexed loan-to-value ratio number (and the corresponding Current Loan To Value Ratio (Indexed) distribution table below) previously published in the Prospectus has been corrected herein

Portfolio Profile Distribution	Balance		Number of loans	
	NZ\$	%		%
Payment Type				
Principal and Interest	5,810,523,742.68	87.79%	40,763	93.27%
Interest Only	806,452,032.63	12.18%	2,929	6.70%
Others	1,850,893.23	0.03%	11	0.03%
Total	6,618,826,668.54	100.00%	43,703	100.00%
Interest Rate Type				
Fixed Interest Amount	5,774,196,028.15	87.24%	33,393	76.41%

Variable Interest Amount	844,630,640.39	12.76%	10,310	23.59%
Total	6,618,826,668.54	100.00%	43,703	100.00%

Geographic Distribution	Balance		Number of loans	
	NZ\$	%		%
Auckland	2,622,161,011.61	39.62%	11,749	26.90%
Bay of Plenty	357,254,746.25	5.40%	2,557	5.85%
Canterbury/West Coast	941,163,257.72	14.22%	7,025	16.07%
Gisborne/Hawkes Bay	198,877,278.93	3.00%	1,763	4.03%
Nelson/Marlborough	212,028,605.49	3.20%	1,728	3.95%
Otago/Southland	467,182,239.12	7.06%	4,468	10.22%
Northland	140,182,554.42	2.12%	1,198	2.74%
Taranaki/Wanganui	196,023,645.72	2.96%	1,906	4.36%
Waikato	564,119,565.92	8.52%	4,277	9.79%
Wellington	919,833,763.36	13.90%	7,032	16.09%
Total	6,618,826,668.54	100.00%	43,703	100.00%

Current Loan Balance				
<=				
50,000	309,105,929.35	4.66%	12,460	28.50%
50,001 - 100,000	625,901,858.58	9.46%	8,333	19.07%
100,001 - 150,000	774,774,213.86	11.71%	6,230	14.26%
150,001 - 200,000	888,802,042.18	13.43%	5,084	11.63%
200,001 - 250,000	765,994,876.46	11.57%	3,419	7.82%
250,001 - 300,000	699,371,018.14	10.57%	2,551	5.84%
300,001 - 350,000	523,510,803.06	7.91%	1,615	3.70%
350,001 - 400,000	439,862,669.33	6.65%	1,175	2.69%
400,001 - 450,000	347,648,779.35	5.25%	820	1.88%
450,001 - 500,000	281,262,119.25	4.25%	592	1.35%
500,001 - 750,000	653,296,588.41	9.87%	1,095	2.51%
750,001 - 1,000,000	197,223,669.29	2.98%	233	0.53%
1,000,001 - 1,500,000	112,072,101.28	1.69%	96	0.22%
> 1,500,000	0.00	0.00%	0	0.00%
Total	6,618,826,668.54	100.00%	43,703	100.00%

	Balance		Number of loans	
	NZ\$	%		%
Current Loan To Value Ratio (Unindexed)				
Up to 50.00%	2,736,126,259.99	41.33%	23,895	54.66%
50.01% - 55.00%	575,165,179.79	8.69%	3,525	8.07%
55.01% - 60.00%	637,448,064.50	9.63%	3,557	8.14%
60.01% - 65.00%	661,320,018.04	9.99%	3,586	8.21%
65.01% - 70.00%	660,386,400.54	9.98%	3,350	7.67%
70.01% - 75.00%	656,386,185.36	9.92%	3,155	7.22%
75.01% - 80.00%	505,044,457.11	7.63%	1,989	4.55%
80.01% - 85.00%	118,305,856.94	1.79%	413	0.95%
85.01% - 90.00%	68,001,827.48	1.03%	231	0.53%
90.01% - 95.00%	642,418.79	0.01%	2	0.00%
95.01% - 100.00%	0.00	0.00%	0	0.00%
> 100.01%	0.00	0.00%	0	0.00%
Total	6,618,826,668.54	100.00%	43,703	100.00%
Current Loan To Value Ratio (Indexed) ²				
Up to 50.00%	3,650,702,641.81	55.17%	30,074	68.82%
50.01% - 55.00%	578,810,703.76	8.74%	3,151	7.21%
55.01% - 60.00%	548,280,468.94	8.28%	2,838	6.49%
60.01% - 65.00%	547,639,852.03	8.27%	2,621	6.00%
65.01% - 70.00%	470,926,394.18	7.11%	2,102	4.81%
70.01% - 75.00%	405,386,138.21	6.12%	1,590	3.64%
75.01% - 80.00%	309,649,094.63	4.68%	1,027	2.35%
80.01% - 85.00%	79,180,327.37	1.20%	226	0.52%
85.01% - 90.00%	27,608,628.82	0.42%	72	0.16%
90.01% - 95.00%	642,418.79	0.01%	2	0.00%
95.01% - 100.00%	0.00	0.00%	0	0.00%
> 100.01%	0.00	0.00%	0	0.00%
Total	6,618,826,668.54	100.00%	43,703	100.00%
2 Index used: QV quarterly index				
Current Limit Loan To Value Ratio				
Up to 50.00%	2,466,944,578.31	37.27%	21,534	49.27%
50.01% - 55.00%	573,558,403.90	8.67%	3,547	8.12%
55.01% - 60.00%	644,349,863.72	9.74%	3,911	8.95%
60.01% - 65.00%	676,354,050.07	10.22%	3,775	8.64%
65.01% - 70.00%	712,487,437.57	10.76%	3,790	8.67%
70.01% - 75.00%	742,759,485.63	11.22%	3,873	8.86%
75.01% - 80.00%	607,583,546.94	9.18%	2,565	5.87%
80.01% - 85.00%	115,241,920.46	1.74%	427	0.98%
85.01% - 90.00%	78,904,963.15	1.19%	279	0.64%
90.01% - 95.00%	642,418.79	0.01%	2	0.00%

95.01% - 100.00%	0.00	0.00%	0	0.00%
> 100.01%	0.00	0.00%	0	0.00%
Total	6,618,826,668.54	100.00%	43,703	100.00%

Seasoning	Balance		Number of loans	
	NZ\$	%		%
Less Than 6 mths	278,704,418.64	4.21%	1,569	3.59%
6 mths - 1yr	394,279,097.00	5.96%	2,263	5.18%
1yr - 2yrs	1,051,839,279.24	15.89%	6,242	14.28%
2yrs - 3yrs	945,190,932.73	14.28%	5,856	13.40%
3yrs - 4yrs	947,379,295.24	14.31%	5,563	12.73%
4yrs - 5yrs	886,605,149.52	13.40%	5,084	11.63%
5yrs - 6yrs	577,446,696.24	8.72%	3,719	8.51%
6yrs - 7yrs	438,187,463.85	6.62%	3,167	7.25%
7yrs - 8yrs	309,443,676.55	4.68%	2,360	5.40%
8yrs - 9yrs	198,824,074.49	3.00%	1,618	3.70%
9yrs - 10yrs	117,324,332.70	1.77%	1,150	2.63%
More Than 10yrs	473,602,252.34	7.16%	5,112	11.70%
Total	6,618,826,668.54	100.00%	43,703	100.00%

Interest Only Expiry Date Remaining Period				
Less Than 6 mths	141,713,823.26	17.58%	546	18.64%
6 mths - 1yr	118,432,780.88	14.69%	454	15.50%
1yr - 2yrs	228,412,608.99	28.32%	773	26.39%
2yrs - 3yrs	152,616,683.04	18.92%	579	19.77%
3yrs - 4yrs	85,834,711.76	10.64%	313	10.69%
4yrs - 5yrs	47,310,365.29	5.87%	174	5.94%
More Than 5 yrs	32,131,059.41	3.98%	90	3.07%
Total	806,452,032.63	100.00%	2,929	100.00%

Fixed Rate Expiry Date Remaining Period				
Less Than 6 mths	1,613,875,599.78	27.95%	9,537	28.55%
6 mths - 1yr	1,919,162,891.34	33.24%	10,388	31.11%
1yr - 2yrs	1,862,808,311.60	32.26%	11,142	33.37%
2yrs - 3yrs	315,521,301.94	5.46%	1,887	5.65%
3yrs - 4yrs	32,164,922.65	0.56%	230	0.69%
4yrs - 5yrs	30,663,000.84	0.53%	209	0.63%
More Than 5 yrs	0.00	0.00%	0	0.00%
Total	5,774,196,028.15	100.00%	33,393	100.00%

Remaining Tenor	Balance		Number of loans	
	NZ\$	%		%
Less Than 1 yr	1,687,793.25	0.03%	245	0.56%
1yr - 5yrs	49,496,028.90	0.75%	2,167	4.96%
5yrs - 10yrs	222,638,937.88	3.36%	3,866	8.85%
10yrs - 15yrs	557,943,627.68	8.43%	5,473	12.52%
15yrs - 20yrs	1,107,127,676.04	16.73%	8,666	19.83%
20yrs - 25yrs	1,945,349,281.85	29.39%	11,495	26.30%
25yrs - 30yrs	2,734,583,322.94	41.31%	11,791	26.98%
Total	6,618,826,668.54	100.00%	43,703	100.00%

Delinquencies Information				
31-60 days	372,240,375.98	5.62%	1,676	3.83%
61-90 days	32,984,691.01	0.50%	154	0.35%
91-120 days	0.00	0.00%	0	0.00%
121 + days	0.00	0.00%	0	0.00%
Total	405,225,066.99	6.12%	1,830	4.18%

Significant Change Statements

There has been no material adverse change in the prospects of the Issuer since 30 September 2019 and no significant change in the financial position or financial performance of the Issuer since 31 March 2020.

There has been no material adverse change in the prospects of WNZL and its controlled entities taken as a whole since 30 September 2019 and no significant change in the financial position or financial performance of WNZL and its controlled entities taken as a whole since 31 March 2020.

General

To the extent there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus prior to the date of this Supplement, the statements in (a) above will prevail.

Save as disclosed in this Supplement, any other supplement previously issued by the Issuer and the Prospectus, the Issuer, the Group Guarantor and the CB Guarantor are not aware of any other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus which is capable of affecting an informed assessment by investors of Instruments issued under the Programme since the publication of the Prospectus.

If documents which are incorporated by reference to this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Regulation except where such information or other documents are specifically incorporated by reference to this Supplement.

Factors which could be material for the purpose of assessing the risks associated with the Covered Bonds issued under the Programme are set out on pages 29 to 77 (inclusive) of the Prospectus, as supplemented.

A copy of the WNZL Disclosure Statement containing the WNZL Financial Statements and a copy of the WSNZL Interim Financial Report containing the WSNZL Interim Financial Statements are available for viewing at: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.