
Pricing Supplement

Housing Australia Debt Issuance Programme



A\$35,000,000 2.38% Social Bonds due 28 March 2029 (Notes)

(to be consolidated and form a single Series with the Issuer's existing A\$315,000,000 2.38% Social Bonds due 28 March 2029, issued on 28 March 2019)

Guaranteed by the Commonwealth of Australia

Series No: 1
Tranche No: 2

The date of this Pricing Supplement is 1 December 2023.

This Pricing Supplement (as referred to in the Information Memorandum dated 13 March 2019 (**Information Memorandum**) issued by the Issuer) relates to the Tranche of Notes referred to above. It is supplementary to, and should be read in conjunction with, the terms and conditions of the Notes contained in the Information Memorandum (**Conditions**), the Information Memorandum and the Note Deed Poll dated 27 February 2019 made by the Issuer. Unless otherwise indicated, terms defined in the Conditions have the same meaning in this Pricing Supplement.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE (THE SFA) – In connection with section 309B of the Securities and Futures Act and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (**CMP Regulations**), the Issuer has determined, and hereby notifies all relevant persons (as defined in section 309A(1) of the SFA), that the Notes are “prescribed capital markets products” (as defined in the CMP Regulations) and “Excluded Investment Products” (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

The particulars to be specified in relation to the Tranche of Notes referred to above are as follows:

1	Issuer	:	Housing Australia (formerly known as National Housing Finance and Investment Corporation)
2	Guarantor	:	The Commonwealth of Australia
3	Type of Notes	:	Fixed Rate Notes
			The Notes are Social Bonds which are issued in accordance with the Issuer's Sustainability Bond Framework (the Framework) (available at https://www.housingaustralia.gov.au/investor-relations) which has been developed in accordance with the International Capital Market Association (ICMA) Green Bond Principles 2021, Social Bond Principles 2021, and Sustainability Bond Guidelines 2021 (together referred to as the ICMA Principles).
4	Method of Distribution	:	Syndicated Issue
5	Lead Manager	:	Deutsche Bank AG, Sydney Branch (ABN 13 064 165 162)
6	Dealer	:	Deutsche Bank AG, Sydney Branch
7	Registrar	:	Austraclear Services Limited (ABN 28 003 284 419)
8	Issuing and Paying Agent	:	Austraclear Services Limited
9	Calculation Agent	:	Not Applicable

- 10 Series Details : The Notes are to be consolidated and form a single Series with the Issuer's existing A\$315,000,000 2.38% Social Bonds due 28 March 2029, issued on 28 March 2019
- 11 Principal Amount of Tranche : A\$35,000,000
- Aggregate Principal Amount of Series : A\$350,000,000
- 12 Issue Date : 6 December 2023
- 13 Issue Price : 90.216% of the Aggregate Principal Amount of Tranche (plus A\$157,850 in respect of 69 days of accrued interest for the period from, and including 28 September 2023 to, but excluding 6 December 2023).
- Interest for the full first Interest Period will be paid on 28 March 2024.
- 14 Currency : A\$
- 15 Denomination : A\$5,000 per Note, provided that the aggregate consideration payable for the issue and transfer of Notes in Australia will be at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act.
- 16 Maturity Date : 28 March 2029
- 17 Condition 6 (Fixed Rate Notes) : Applicable
- Fixed Coupon Amount : Not Applicable
- Interest Rate : 2.38% per annum
- Interest Commencement Date : 28 September 2023
- Interest Payment Dates : 28 March and 28 September in each year, commencing on 28 March 2024, and ending on (and including) the Maturity Date
- Business Day Convention : Following Business Day Convention
- Day Count Fraction : RBA Bond Basis
- 18 Condition 7 (Floating Rate Notes) : Not Applicable
- 19 Partly Paid Note provisions : Not Applicable
- 20 Condition 9.4 (Noteholder put) : Not Applicable
- 21 Condition 9.5 (Issuer call) : Not Applicable
- 22 Minimum / maximum notice period for early redemption for taxation purposes : As per Condition 9.3
- 23 Additional information : The statements and information set out in Schedule 1 hereto are supplementary to, and are incorporated by reference in and form part of, the Information Memorandum (as it relates to the Notes).
- 24 Clearing System : Austraclear System

*Interests in the Notes may be held through Euroclear Bank SA/NV (**Euroclear**) or Clearstream Banking, SA (**Clearstream, Luxembourg**). In these circumstances, entitlements in respect of holdings of interests in the Notes in Euroclear would be held in the Austraclear System by a nominee of Euroclear (currently, HSBC Custody Nominees (Australia) Limited) while entitlements in respect of holdings of interests in the Notes in Clearstream, Luxembourg would be held in the Austraclear System by a nominee of Clearstream, Luxembourg (currently, BNP Paribas, Australia Branch).*

- 25 ISIN : AU3CB0262038
- 26 Common Code : 196898131
- 27 Selling Restrictions : The selling restrictions set out in the Information Memorandum are amended as set out in Schedule 1 to this Pricing Supplement.
- 28 Listing : An application has been made for the Notes to be listed on the Australian Securities Exchange as non-quoted securities (wholesale).
- 29 Use of proceeds : *The Portfolio*

The Issuer intends to allocate the net proceeds of the issuance of the Notes towards financing a portfolio (the **Portfolio**) of senior secured loans that meet the eligibility requirements set out in the 'Eligibility Criteria' of the Issuer's Framework and which are also aligned with the ICMA Social Bond Principles and a selection of the United Nations Sustainable Development Goals (**SDGs**). In particular, the Issuer intends to allocate the net proceeds of the issuance of the Notes towards financing or refinancing the senior secured loan described in Schedule 3 to this Pricing Supplement. Such senior secured loans are made by the Issuer under the Affordable Housing Bond Aggregator business and will form part of the Portfolio.

The Issuer may at any time and from time to time change the composition of the Portfolio. Any unallocated proceeds through the life of the Notes may be held in accordance with the Framework.

Further information on the use of proceeds is set out in Schedules 2 and 3 to this Pricing Supplement.

Unless otherwise indicated, terms defined in the Information Memorandum have the same meaning in this item 29 and in Schedule 2 to this Pricing Supplement.

- 30 Credit ratings : The Notes are expected to be rated "AAA" by S&P Global Ratings.

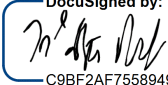
A credit rating is not a recommendation to buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. Credit ratings are for distribution only to a person who is (a) not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.

The Issuer accepts responsibility for the information contained in this Pricing Supplement (except as provided in Schedule 2 and Schedule 3) and confirms that the issuance of the Notes has been duly authorised by the Housing Australia Board.

Confirmed

For and on behalf of
Housing Australia (formerly known as National Housing Finance and Investment Corporation)

By:

DocuSigned by:

C9BE2AF75589490.....

Nathan Dal Bon, Chief Executive Officer

Schedule 1

Supplementary Disclosure



The following statements and information are supplementary to, and are incorporated into and form part of, the Information Memorandum (as it relates to the Notes). Any statement or information contained in the Information Memorandum shall be modified or superseded to the extent that a statement or information contained herein modifies or supersedes such earlier statement or information (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of the Information Memorandum (as it relates to the Notes). Unless otherwise indicated, terms defined in the Information Memorandum have the same meaning in this Schedule.

Housing Legislation Package

On 14 September 2023, the Australian Parliament passed the Housing Legislation Package and this legislation received Royal Assent on 28 September 2023. The Housing Legislation Package delivers on the Australian Government's election commitments to establish the Housing Australia Future Fund to support the delivery of 30,000 social and affordable dwellings, establish Housing Australia, and establish the National Housing Supply and Affordability Council.

Effective 12 October 2023, the National Housing Finance and Investment Corporation (**NHFIC**) changed its name to Housing Australia.

The Housing Legislation Package consists of the following:

- 1 **Housing Australia Future Fund Act 2023** (commenced 1 November 2023):
 - This Act established the Housing Australia Future Fund, to be managed by the Future Fund Board of Guardians, and provides for returns from the fund to be used to make grants in relation to acute housing needs, social housing or affordable housing and to make payments to Housing Australia for the purposes of enabling Housing Australia to make grants and loans in relation to acute housing needs, social housing or affordable housing.
- 2 **National Housing Supply and Affordability Council Act 2023**:
 - This Act established the National Housing Supply and Affordability Council as an independent advisory body to the Commonwealth Government on matters relating to housing supply and affordability.
- 3 **Treasury Laws Amendment (Housing Measures No. 1) Act 2023** (partially commenced 12 October 2023, remainder commenced 1 November 2023):
 - This Act amended the "*National Housing Finance and Investment Corporation Act 2018*" to rename the National Housing Finance and Investment Corporation to Housing Australia; the renamed "*Housing Australia Act 2018*" (**Housing Australia Act**) to streamline the functions of Housing Australia; establish an annual review mechanism for the National Housing Infrastructure Facility and extend the Commonwealth guarantee of the liabilities of Housing Australia to apply to contracts entered into until 30 June 2028; and make consequential amendments to 10 other Acts.

Proposed Amendments to the Housing Australia Investment Mandate Direction

On 25 October 2023, the Australian Government commenced consultation on the exposure draft amendments to the National Housing Finance and Investment Corporation Investment Mandate Direction (to be renamed the Housing Australia Investment Mandate Direction) for the Housing Australia Future Fund and National Housing Accord. Consultation closed on Wednesday, 8 November 2023.

The purpose of consultation was to seek feedback on the draft amendments and accompanying explanatory statement that will enable Housing Australia's delivery of the Australian Government's commitments under the Housing Australia Future Fund and the National Housing Accord.

The draft amendments and accompanying explanatory statement, including further information on the consultation process, are available on the Treasury website.

As at the time of this Supplementary Disclosure, the Australian Government has not amended the Investment Mandate or made further public announcements on the outcomes of the public consultation.

National Housing Infrastructure Facility

On Monday 11 September 2023, the Australian Government announced that an additional A\$1 billion would be invested in the National Housing Infrastructure Facility to support new homes. This investment is in addition to the Australian Government's decision in 2022 to amend the Investment Mandate to broaden the remit of the National Housing Infrastructure Facility to allow it to be used to directly finance social or affordable housing projects in addition to financing housing-enabling infrastructure (refer below).

As at the time of this Supplementary Disclosure, the Australian Government has not amended the Investment Mandate or made further public announcements regarding the additional A\$1 billion investment under the National Housing Infrastructure Facility.

2023-24 Federal Budget

The Australian Government announced the 2023-24 Budget on Tuesday, 9 May 2023. The Budget included an increase to the cap on Housing Australia's total liabilities (Liability Cap) of A\$2.0 billion to A\$7.5 billion effective 1 July 2023.

The Australian Government also announced an expansion of the Home Guarantee Scheme eligibility. From 1 July 2023:

- all Guarantees are now available to eligible home buyers who are Australian permanent residents, expanded from only Australian citizens,
- the Family Home Guarantee has been expanded from eligible single natural or adoptive parents of at least one dependent to include eligible single legal guardians of at least one dependent – such as aunts, uncles and grandparents,
- the First Home Guarantee and the Regional First Home Buyer Guarantee have been expanded from eligible first home buyers to also include those who have not owned a property in Australia in the last ten years,
- the First Home Guarantee and the Regional First Home Buyer Guarantee are now open to two applicants broadly, i.e. friends, siblings, and other family members to make joint applications. These Guarantees were previously restricted to married or de-facto couples, in addition to single applicants; and
- the Regional First Home Buyer Guarantee (which commenced 1 October 2022) now includes an exemption to the requirement to live in the region or adjacent region for the preceding 12-month period, which may apply to some employees required by their current employer to relocate. An exemption was previously only available to Australian Defence Force members.

National Housing Accord

The National Housing Accord (**Accord**) was announced in the Australian Government's October 2022-23 Budget. The Accord brings together all levels of government, investors, and the residential development, building and construction sector to unlock quality, affordable housing supply over the medium term. Housing Australia has responsibility for the delivery of the Australian Government's commitment under the National Housing Accord to support 10,000 affordable dwellings over 5 years from 2024-25 through an availability payment model, with dwellings to be delivered at an energy level efficiency rating of seven stars or greater.

Amendments to the Investment Mandate – Investment Mandate Amendment (National Housing Accord—Preparatory Work) Direction 2023

The Investment Mandate Amendment (National Housing Accord – Preparatory Work) Direction 2023 amended the Investment Mandate to confer authority on Housing Australia to undertake preparatory work for the delivery of the Australian Government's commitment under the National Housing Accord 2022 to support 10,000 affordable dwellings.

Amendments to the Investment Mandate – Investment Mandate Amendment (Enhancing the Home Guarantee Scheme) Direction 2023

The Investment Mandate Amendment (Enhancing the Home Guarantee Scheme) Direction 2023 amended the Investment Mandate to enhance the operation of the Home Guarantee Scheme. These enhancements seek to increase opportunities for more Australians to realise home ownership sooner by overcoming the deposit barrier and improve the Scheme's operation as well as the experience of home buyers participating in the Scheme. The amendments are:

- expanding access to guarantees for home purchases to any two adults as well as sole parents with certain dependent adult children;
- allowing concurrent settlement and purchase of an existing home by a single parent under the Family Home Guarantee;
- expanding eligibility for guarantees by extending access to Australian permanent residents;
- extending eligibility to relocate for a resident subject to a guarantee to circumstances where one borrower is required to relocate by their current employer of at least 12 months and it is not practical to remain in the property, or where relocation is required because of a serious illness of the borrower, or the borrower has carer responsibilities for a person who suffers from a serious illness and it is impractical to continue to live in the property as an owner-occupier;
- removing the requirement for Housing Australia to recommend changes to property price caps; and
- making a number of other minor changes.

Amendments to the Investment Mandate – Investment Mandate Amendment (Liability Cap Update) Direction 2023

The Investment Mandate Amendment (Liability Cap Update) Direction 2023 amended the Investment Corporation Investment Mandate Direction 2018 (**Investment Mandate**) to increase the cap on Housing Australia's total liabilities (**Liability Cap**) by A\$2.0 billion from A\$5.5 billion to A\$7.5 billion (effective 1 July 2023).

Amendments to the Investment Mandate – Investment Mandate Amendment (Removal of Limit on Major Bank Guarantees) Direction 2023

The Investment Mandate Amendment (Removal of Limit on Major Bank Guarantees) Direction 2023 amended the Investment Mandate to remove the limit imposed on guarantees that can be issued to major banks under the First Home Guarantee scheme and create a new principle requiring Housing Australia to ensure a proportion of guarantees are issued to smaller lenders in the 2022-23 financial year and onwards. This amendment ensures that eligible home buyers are not impeded from accessing the First Home Guarantee scheme. This is achieved by ensuring that the number of guarantees issued under the scheme are maximised, whilst the participation of smaller lenders is encouraged.

Amendments to the Investment Mandate – Investment Mandate Amendment (Social and Affordable Housing) Direction 2022

The Investment Mandate Amendment (Social and Affordable Housing) Direction 2022 amended the Investment Mandate to broaden the remit of the National Housing Infrastructure Facility (**NHIF**) to allow it to be used to directly finance social or affordable housing projects in addition to financing housing-enabling infrastructure.

Widening the remit of the NHIF in this way has provided additional flexibility for that financing to be used to attract more private capital into the social and affordable housing sector to further help improve the returns available, including from superannuation funds and other institutional investors. This is consistent with the Housing Australia's mandate to encourage other financiers to increase the supply of housing, particularly social and affordable housing, in response to a recommendation from the Statutory Review of the Operation of the *National Housing Finance and Investment Corporation Act 2018*.

Amendments to the Investment Mandate – Investment Mandate Amendment (Regional First Home Buyer Guarantee) Direction 2022

The Investment Mandate Amendment (Regional First Home Buyer Guarantee) Direction 2022 amended the Investment Mandate to establish the Regional First Home Buyer Guarantee (RFHBG). This gives effect to the Australian Government's 2022 election commitment to establish the Regional First Home Buyer Guarantee.

The RFHBG helps first home buyers in regional Australia to enter the housing market sooner and attain home ownership. Subject to eligibility requirements, 10,000 guarantees are available from the commencement of the RFHBG to 30 June 2023. Additional 10,000 guarantees will also be available for each of the 2023-24 and 2024-25 financial years.

Other Australian Government Housing Commitments

The Australian Government's housing agenda includes a new Help to Buy shared equity scheme to support 10,000 Australians each financial year with an equity contribution from the Australian Government of up to a maximum of 40 per cent of the purchase price of a new home and up to a maximum of 30 per cent of the purchase price for an existing home.

This scheme is expected to be established by new legislation. At the time of this Supplementary Disclosure, no such legislation has been introduced into Parliament.

The Australian Government has also committed to the development of a National Housing and Homelessness Plan (**Plan**) which will set out key short-, medium- and longer-term housing policy and sector reforms. The Plan will set out a 10-year national vision, across the responsibilities of different levels of government, to help guide future housing and homelessness policy. It will consider the full spectrum of housing and homelessness challenges, from homelessness to home ownership. It will acknowledge relevant state and territory strategies and programs, identify gaps and set out policy objectives for the future. An Issues Paper on Housing and Homelessness in Australia was released by the Australian Government on 7 August 2023. The Issues Paper provides a brief overview of some of the known issues in different parts of the housing and homelessness systems and poses a series of discussion questions. Further information is available at <https://engage.dss.gov.au/developing-the-national-housing-and-homelessness-plan/>.

Unless expressly stated otherwise in the Information Memorandum, no information contained in or accessible through any website, including the Issuer's website, forms part of this Pricing Supplement or the Information Memorandum.

General investment risks

Specific world events including geopolitical events, terrorist attacks, natural calamities and outbreaks of communicable diseases could lead to higher volatility in international capital markets, and which may materially and adversely affect the Issuer's business, financial condition and results of operations.

The level of inflation generally, higher interest rates and increases in construction costs could have an adverse impact on the operations of Community Housing Providers and therefore on the credit quality of the Issuer's lending activities to the community housing sector.

Other potential impacts on the global economic environment, including but not limited to volatility in commodity prices and supply chain disruptions could have a material adverse impact on the Issuer or the Community Housing Providers funded by the Issuer.

Any material change in the financial markets, the Australian economy or global economies or the community housing sector as a result of these events or developments may materially and adversely affect the Issuer's business, financial condition and results of operations.

Guarantee

Pursuant to section 51 of the Housing Australia Act, the Guarantor has guaranteed the due payment by Housing Australia of any money (including the Notes) that becomes payable by Housing Australia.

The Guarantee will only cease to apply by registration of a legislative instrument that sets out a determination of a cessation date for the Guarantee by the Responsible Minister. This may not occur at any time prior to 1 July 2028, or by an amendment to or repeal of section 51 of the Housing Australia Act made by an Act of the Australian Federal Parliament. Contracts entered into prior to any cessation of the Guarantee (including any Notes issued prior to that time) will continue to have the benefit of the Guarantee.

If the Minister makes a determination under section 51, a 60-day notification period is required.

Section 34 of the Investment Mandate provides that the Housing Australia Board must not enter into a transaction which would result in the sum of (1) the total guaranteed liabilities of Housing Australia, and (2) the current value of the AHBA reserve (being the reserve established under section 11 of the Investment Mandate), exceeding A\$7.5 billion (increased from A\$5.5 billion) from 1 July 2023 and may be increased to a higher amount approved by the Responsible Minister and the Finance Minister).

The Explanatory Statement for the Housing Australia Act and Investment Mandate states that (1) this cap is an obligation on Housing Australia and does not operate to directly limit the effect of the Guarantee, and (2) if Housing Australia inadvertently breached the cap without ministerial approval, the debt issued in excess of the cap would still be subject to the Guarantee.

The Issuer will confirm in each Pricing Supplement that the issuance of the relevant Notes has been duly authorised by the Housing Australia Board. Investors should inform themselves about the above and other related provisions of the Housing Australia Act and Investment Mandate in relation to the operation of the Guarantee.

Selling restrictions

Paragraphs 4, 7 and 8 of Section 3 (Selling restrictions) of the Information Memorandum are replaced with the following:

4 United Kingdom

Prohibition of sales to UK retail investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (**FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor.
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

7 Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge that the Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore.

Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Information Memorandum or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Notes, whether directly or indirectly, to any person in Singapore other than:

- (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time) (the **SFA**) pursuant to Section 274 of the SFA;
- (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or
- (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

8 Prohibition of sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129; and
- (b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Schedule 2

The Portfolio – AHBA Loans – Series 1 Notes



The Portfolio currently includes a number of senior secured loans made by the Issuer under the Affordable Housing Bond Aggregator (**AHBA**) business and additional senior secured loans to be entered into by the Issuer with registered community housing providers under the AHBA business (each an **AHBA Loan** and together, the **AHBA Loans**). The initial AHBA Loans were financed by Tranche 1 of the Series with which the Notes are consolidated and form a part of. It is intended that the net proceeds of the issuance of the Notes will be allocated towards financing, or refinancing, the senior secured loan described in Schedule 3, which will also comprise and form part of the Portfolio. The Issuer may at any time and from time to time change the composition of the Portfolio. Any unallocated proceeds through the life of the Notes may be held in temporary investments as set out in the Framework. Noteholders do not have any direct interest or rights in respect of the AHBA Loans. Recourse for payments on the Notes is to the Issuer directly and (where applicable) to the Guarantor pursuant to the Guarantee.

The Issuer is not responsible, nor does it accept any liability, for any of the information set out in this Schedule 2 or Schedule 3 relating to the borrower under the AHBA Loans (**Borrower**), including their respective legal or marketing name, logo, ABN, registration number, description and internet site address (**Borrower Information**). Such Borrower Information has been provided and/or verified by the Borrower and is for reference only. All internet site addresses provided in this Schedule 2 or Schedule 3 are for reference only and the content of any such internet site is not incorporated by reference into, and does not form part of, this Pricing Supplement or the Information Memorandum.

Pre-issuance and post-issuance assurance

Ernst & Young (**EY**) has been engaged by the Issuer as an **Assessment Agency**. EY issued an independent reasonable assurance statement (**Assurance Report**) to the Issuer confirming that the senior secured loan described in Schedule 3 to this Pricing Supplement meets the eligibility requirements set out in the “Eligibility Criteria” section under the Framework. EY have also confirmed in its Assurance Report that the Framework is aligned with the ICMA Social Bond Principles, ICMA Green Bond Principles and ICMA Sustainability Bond Guidelines.

The Issuer will retain EY (or another appropriate Assessment Agency) to provide assurance that the Notes remain in compliance with the post-issuance requirements of the Framework. Such verification reports will be made available on the Issuer’s website. Neither the Assurance Report nor any post-issuance assurance is incorporated by reference into, or forms part of, the Information Memorandum.

The Issuer does not make any representation or give any assurance with respect to the actual environmental, social, sustainability or development-based impact of the Notes, or that any assets, project or activity included from time to time in the Portfolio will meet the Eligibility Criteria set out in the Framework or the SDGs generally.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer), including any Assessment Agency or any other approved external assurance provider, which may be made available in connection with the issue of the Notes.

Failure to comply with the Framework or the ICMA Principles

For the avoidance of doubt, if the Issuer fails to comply with the Framework, fails to satisfy the applicable ICMA Principles, fails to allocate the proceeds in the manner described in the Framework or undertakes non-eligible projects outside of the Framework, then:

- this does not constitute an event of default or any other default or breach (howsoever described) in relation to the Notes; and
- there is no requirement for the Issuer to repay the Notes as a result of such non-compliance and neither the Noteholders nor the Issuer will have any right to early repayment as a result of such non-compliance.

The consequence of non-compliance with the obligation on the Issuer to allocate the proceeds in the manner described in the Framework or to comply with the Framework or the ICMA Principles on an ongoing basis is that the Notes may cease to be labelled as “Social Bonds”, in which case investors may consider that the Notes no longer align with their intentions or requirements and may (as applicable) have increased difficulty in finding interested buyers or obtaining an acceptable

price for their Notes. The Issuer will disclose if the Notes cease to be labelled as "Social Bonds", including within its annual Social Bond Report.

Credit of the Notes

Payments of principal and interest in respect of the Notes are not linked to the credit or the performance of any eligible assets or projects in any way and investors in the Notes do not obtain any right or interest in any eligible asset or projects.

No representation, guarantee or support

The establishment of the Framework is not a recommendation to purchase, hold or sell any Notes. The Framework and Assurance Reports are not a substitute for financial, environmental, social and sustainability due diligence and the obligation to conduct this due diligence remains with the investor as it does for other investments.

The Issuer does not make any representation or give any assurance with respect to any other matter relating to the Notes or any eligible assets or projects.

The use of proceeds of the Notes to fund eligible assets or projects does not, and is not in any way intended to, address the likelihood of timely payment of interest when due on the Notes and/or the payment of principal at maturity or any other date.

The Issuer does not, and does not intend to, make any representation or give any assurance with respect to the Framework, the reports provided by an Assessment Agency or any other reports prepared in connection with the Framework. The Issuer is not responsible for any information, website, standard, report or guidelines published or provided by an Assessment Agency, even where referred to in this Pricing Supplement.

No information contained in or accessible through any website referred to in this Pricing Supplement, is incorporated by reference into or forms part of the Information Memorandum or this Pricing Supplement (unless specified otherwise).

The Lead Manager has not undertaken, nor is it responsible for, any assessment or verification of any eligible asset, project or other expenditure and/or their impact, or any monitoring of the use of the net proceeds (or an amount equal thereto) of the Notes. Prospective investors in any Notes issued by the Issuer as "Social Bonds" should make their own assessment of the Framework. Prospective investors should note that the Framework may be amended by the Issuer from time to time.

Schedule 3

AHBA Loan and the Borrower



Evolve Housing Limited

A\$ AHBA Loan Facility dated 3 November 2020, as amended by the First Amending Agreement dated 16 December 2020, the Second Amending Agreement dated 4 May 2022 and the Third Amending Agreement dated 28 November 2023



Borrower	Evolve Housing Limited (Evolve) (ACN 127 713 731; National Provider Registration Number R4530140623)
Loan type	Term Loan Facility
Tenor	2 Business Days prior to the maturity of the Notes.
Borrower description	<p>Evolve is a leading Tier 1 not-for-profit community housing provider in New South Wales, with assets of more than A\$600 million.</p> <p>Evolve provides social and affordable housing solutions to eligible people on very low to moderate incomes who are unable to access appropriate housing in the private market. Evolve manages more than 4,900 dwellings, predominantly in Western Sydney, and also in the Central Coast, Hunter Valley and in the New South Wales Mid North Coast, impacting on the lives of 10,500 people.</p> <p>In addition to its tenancy management and community engagement operations, Evolve is a developer of properties for its social and affordable housing portfolio.</p>
Borrower's website	https://www.evolvehousing.com.au

The Issuer is not responsible for, and does not accept any liability for, any of the information set out in this Schedule 3. The information in this Schedule 3 has been provided by the Borrower and is for reference only. Schedule 3 is not incorporated by reference into the Information Memorandum