
Pricing Supplement

National Housing Finance and Investment Corporation Debt Issuance Programme

A\$133,000,000 1.41% Fixed Rate Social Bonds due 29 June 2032 (Notes)



(to be consolidated and form a single Series with the Issuer's existing A\$562,000,000 1.41% Fixed Rate Social Bonds due 29 June 2032, issued on 29 June 2020)

Guaranteed by the Commonwealth of Australia

Series No: 3
Tranche No: 2

The date of this Pricing Supplement is 23 March 2022.

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(1)(C) of the Securities and Futures Act (Chapter 289) of Singapore (Securities and Futures Act) – 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 the CMP Regulations), that the classification of the Notes as “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	:	National Housing Finance and Investment Corporation
2	Guarantor	:	The Commonwealth of Australia
3	Type of Notes	:	Fixed Rate Notes
			The Notes are Social Bonds, being Notes which are issued in accordance with the “Social Bond” criteria under the Sustainability Bond Framework prepared by the Issuer (the Framework). The Framework is available at https://www.nhfc.gov.au/what-we-do/investor-relations/bond-framework/ .
4	Method of Distribution	:	Syndicated Issue
5	Joint Lead Managers	:	Commonwealth Bank of Australia (ABN 48 123 123 124) UBS AG, Australia Branch (ABN 47 088 129 613)
6	Dealers	:	Commonwealth Bank of Australia UBS AG, Australia 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\$562,000,000 1.41% Fixed Rate Notes due 29 June 2032, issued on 29 June 2020.
11	Aggregate Principal Amount of Tranche	:	A\$133,000,000
12	Issue Date	:	28 March 2022
13	Issue Price	:	84.930% of the Aggregate Principal Amount of Tranche plus 0.345% representing notional interest accrued from (and including) 29 December 2021 to (but excluding) 29 June 2022. Interest for the full first Interest Period will be paid on 29 June 2022
14	Currency	:	A\$
15	Denomination	:	A\$5,000 per Note
16	Maturity Date	:	29 June 2032
17	Condition 6 (Fixed Rate Notes)	:	Applicable
	Fixed Coupon Amount	:	Not applicable.
	Interest Rate	:	1.41% per annum
	Interest Commencement Date	:	29 December 2021
	Interest Payment Dates	:	29 June and 29 December in each year, commencing on 29 June 2022, 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 Conditions	:	<ol style="list-style-type: none"> 1. Record Date: 7th calendar day before the payment date. 2. 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	:	<p>Austraclear System</p> <p><i>Interests in the Notes may be held through Euroclear Bank SA/NV (Euroclear) or Clearstream Banking, société anonyme (Clearstream). In these circumstances, entitlements in respect of holdings of interests in the Notes in Euroclear would be held in the Austraclear System by HSBC Custody Nominees (Australia) Limited as nominee of Euroclear while entitlements in respect of holdings of interests in the Notes in Clearstream would be held in the Austraclear System by a nominee of JPMorgan Chase Bank, N.A. as custodian for Clearstream.</i></p>
25	ISIN	:	AU3CB0272904
26	Common Code	:	219705611
27	Selling Restrictions	:	As set out in Schedule 1

- 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, or refinancing, the senior secured loan described in Schedule 3 to this Pricing Supplement. Such senior secured loan was made by the Issuer under the Affordable Housing Bond Aggregator business and will form part of the portfolio (the Portfolio) of assets, projects and activities financed or refinanced by the Series with which these Notes are consolidated and form a part of, and which assets, projects and activities meet the eligibility requirements set out in the 'Eligibility Criteria' section under the Sustainability Bond Framework (the Framework) and which also support and contribute towards meeting the United Nations Sustainable Development Goals (SDGs).

Further information on the intended Portfolio is set out in Schedules 2 and 3 to this Pricing Supplement.

Verification and reporting

The Notes are categorised as Social Bonds and are:

- aligned with the ICMA Social Bond Principles; and
- to be issued in accordance with the 'Eligibility Criteria' section for Social Bonds under the Framework.

At the Issuer's request, Ernst & Young (engaged by the Issuer as an Assessment Agency) issued an independent reasonable assurance statement (Assurance Report) with respect to the Framework. The Issuer will retain Ernst & Young (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 also does not make any representation or give any assurance with respect to the actual social, sustainability or development-based impact of the Notes, or any assets, project or activity included from time to time in the Portfolio 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.

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 confirms that the issuance of the Notes has been duly authorised by the NHFIC Board.

Confirmed

For and on behalf of
National Housing Finance and Investment Corporation

By:

DocuSigned by:

93CC1400A97C47A.....

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.

Amendments to the Investment Mandate – NHFIC Investment Mandate Amendment (More Opportunities) Direction 2022

The Government amended the NHFIC Investment Mandate effective 21 January 2022, through the *NHFIC Investment Mandate Amendment (More Opportunities) Direction 2022* (Direction). This Direction amended the *NHFIC Investment Mandate Direction 2018* (the Investment Mandate) to enable the rollover of unissued places in the New Home Guarantee (**NHG**) and the First Home Loan Deposit Scheme (**FHLDS**) from the 2020-21 financial year to the FHLDS for use in the 2021-22 financial year, and to increase the cap on NHFIC's total liabilities (**Liabilities Cap**) by \$0.5 billion to \$3.5 billion.

Specifically, the amendments to the Investment Mandate, effective 21 January 2022 provided:

- that 4,416 unissued guarantees from the NHG for the 2020-21 financial year, and 235 unissued guarantees from the FHLDS for the 2020-21 financial year, are available under the FHLDS in the 2021-22 financial year, in addition to the 10,000 guarantees that were made available from 1 July 2021.
- an increase in the cap on NHFIC's total guaranteed liabilities from \$3 billion to \$3.5 billion. The Liabilities Cap was previously increased from \$2 billion to \$3 billion in October 2020. The additional \$0.5 billion increase provides NHFIC capacity to continue supporting the capacity of the community housing sector to deliver social and affordable housing.

Review of the NHFIC Act

The Australian Government announced in late December 2020 that it had appointed Mr Chris Leptos AM to conduct an independent statutory review of the operation of the NHFIC Act (**Review**). The Review was required under section 57 of the NHFIC Act.

Mr Leptos AM provided his Review to the responsible Minister on 13 August 2021. The responsible Minister tabled the Review in Parliament on 28 October 2021.

The Review found that the NHFIC Act has been a singularly significant and successful intervention by the Commonwealth, in an area where responsibilities between the Federal Government and other levels of government are not neatly aligned. The Review made 25 recommendations, with a key recommendation that NHFIC be given an explicit mandate to 'crowd in' other financiers to catalyse the delivery of social and affordable housing on a greater scale.

On 16 December 2021, the Government released its response to the Review. The Government supported 21 of the Review's recommendations in full or in principle. Three recommendations were noted and one recommendation not supported.

As at the date of this Pricing Supplement, no changes have been made to the NHFIC Act or Investment Mandate to address the Government's response to the Review.

Statement of Expectations (SOE) and Statement of Intent (SOI)

In response to a recommendation of the Review, the responsible Minister issued a Statement of Expectations (**SOE**) to NHFIC on 20 December 2021. The SOE outlines how the Government expects NHFIC to perform its role and meet its responsibilities, taking into account the Government's priorities and objectives. The SOE also outlines expectations for how NHFIC manages its relationship with the Government and other agencies and covers important issues of transparency and accountability. The SOE should be read alongside the NHFIC Act and the Investment Mandate. It recognises the independence of NHFIC as a statutory Corporate Commonwealth Entity.

On 9 February 2022, the NHFIC Board responded with a Statement of Intent (**SOI**) that outlines how NHFIC intends to take into account the Government's policy priorities in the performance of its statutory role. Amongst other things the SOI indicates that NHFIC is developing a set of principles that will help guide its approach to leveraging investment into the community housing sector in a manner that is consistent with the SOE, the NHFIC Act and Investment Mandate.

Both the SOE and SOI are publicly available on the NHFIC website.

To fully meet the Government's expectation as set out in SOE, amendments may be required to the NHFIC Act or Investment Mandate to make clear that NHFIC is permitted to carry out the specific activities contemplated by the SOE in the manner required by the Government. NHFIC will support the Treasury where appropriate to develop the necessary changes to the legislative framework that enable NHFIC to respond to the SOE as outlined in the SOI.

As at the date of this Pricing Supplement, no changes have been made to the NHFIC Act or Investment Mandate in response to the SOE.

2022-23 Federal Budget

The Australian Government will announce the 2022-23 Budget on Tuesday 29 March 2022.

As at the date of this Pricing Supplement, NHFIC is unable to confirm any Government decision made in the Budget context which may or may not have an associated effect on NHFIC.

General investment risks

Specific world events that 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.

Among other matters, geopolitical events, terrorist attacks, natural calamities and outbreak of communicable diseases around the world may affect investor sentiment and could result in sporadic or sustained volatilities in international capital markets or adversely affect the Australian, regional and other global economies.

For example, the outbreak of coronavirus (**COVID-19**), which first emerged in late 2019 and has been declared to be a pandemic by the World Health Organisation, has spread across the world resulting in, among other things, travel and transportation restrictions, disruptions in labour markets, trade and general economic activity and increased volatility in international capital markets.

Additional economic and health measures from governments and regulators continue to occur both in Australia and globally. It is difficult to predict how long such conditions will exist, the implications of any new variants which may emerge, and the extent to which the Issuer and the Guarantor may be affected by such conditions. In particular, COVID-19 has caused disruption to the Australian economy, especially in the travel, tourism and retail segments.

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

Further in accordance with the requirements of the Electoral Act 1918 (Cth) and the Australian Constitution, a federal election will soon be held. As at the date of this Pricing Supplement, the timing, outcome or effect of the Federal election is not known.

Guarantee

The final bullet point of section 2 of the Information Memorandum (under the section entitled “Guarantee”) is replaced with the following:

- Section 34 of the Investment Mandate provides that the NHFIC Board must not enter into a transaction which would result in the sum of (1) the total guaranteed liabilities of the NHFIC, and (2) the current value of the AHBA reserve (being the reserve established under section 11 of the Investment Mandate), exceeding A\$3.5 billion (which may be increased to a higher amount approved by the Responsible Minister and the Finance Minister).

The Explanatory Statement for the NHFIC Act and Investment Mandate states that (1) this cap is an obligation on the NHFIC and does not operate to directly limit the effect of the Guarantee, and (2) if the NHFIC 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 NHFIC Board. Investors should inform themselves about the above and other related provisions of the NHFIC Act and Investment Mandate in relation to the operation of the Guarantee.

Selling restrictions

Sections 2, 3, 4, 5, 6, 7 and 8 of Section 3 of the Information Memorandum (the section entitled “Selling Restrictions”) are replaced with the following:

2 Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 (Cth) (**Corporations Act**)) in relation to the Programme or any Notes has been, or will be, lodged with Australian Securities and Investments Commission (**ASIC**).

Each Dealer acting in connection with an issuance of Notes will be required to represent and agree that it:

- has not made or invited, and will not make or invite, an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- has not distributed or published, and will not distribute or publish, any Information Memorandum or any other offering material or advertisement relating to any Notes in Australia,

unless:

- the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternate currency, 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 7.9 of the Corporations Act;
- the offer or invitation does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act;
- such action complies with any applicable laws and directives in Australia; and
- such action does not require any document to be lodged with ASIC.

3 United States

Regulation S, Cat 1

Neither the Notes nor the Guarantee have been, and nor will they be, registered under the United States Securities Act of 1933, as amended (**US Securities Act**) or with any securities regulatory authority of any state or other jurisdiction of the United States.

The Notes may not be offered or sold within the United States or to, or for the account or benefit of, US persons except in certain transactions exempt from the registration requirements of the US Securities Act.

Each Dealer has represented and agreed that the Notes and the Guarantee will not be offered or sold (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, within the United States or to or for the account or benefit of U.S. persons. The terms in this paragraph have the meanings given to them by Regulation S under the US Securities Act (**Regulation S**).

The Notes and the Guarantee are being offered and sold outside of the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of Notes and the Guarantee, any offer or sale of Notes and the Guarantee within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

4 United Kingdom

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 an 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; and
- (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.

5 Hong Kong

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 not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) (as amended) of Hong Kong (the **SFO**) and any rules made under the SFO, or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) (as amended) of Hong Kong (the **C(WUMPO)**) or which do not constitute an offer to the public within the meaning of the C(WUMPO); and

- (b) it has not issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO and any rules made thereunder.

6 Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the **Financial Instruments and Exchange Act**). Accordingly, 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, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws, regulations and ministerial guidelines of Japan.

7 Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge that no document (including this Information Memorandum) has been, or will be registered, as a prospectus with the Monetary Authority of Singapore, and the Notes will be offered pursuant to exemptions under the SFA. Accordingly, 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 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, this 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 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 to 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.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred for within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

1. to an institutional investor or to a relevant person defined in Section 275(2) of the SFA or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
2. where no consideration is or will be given for the transfer;
3. where the transfer is by operation of law;
4. as specified in Section 276(7) of the SFA; or
5. as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any reference to the “SFA” is a reference to the Securities and Futures Act (Chapter 289) of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified in its application or as amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Singapore SFA Product Classification — In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (CMP Regulations 2018), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in the CMP Regulations 2018), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04 – N12: Notice on Sale of Investment Products and MAS Notice FAA – N16: Notice on Recommendations on Investment Products).

8 European Economic Area

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 (the **Insurance Distribution Directive**), 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 (as amended, the **Prospectus Regulation**); 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 updates to the Information Memorandum

All references in the Information Memorandum to Social Bonds shall be amended to refer to “Social Bonds or Sustainability Bonds”.

Schedule 2

The Portfolio – AHBA Loans – Series 3 Notes



The Portfolio currently includes a number of senior secured loans made by the Issuer under the Affordable Housing Bond Aggregator business (**Initial AHBA Loans**). The Initial AHBA Loans were financed or refinanced 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 additional senior secured loan described in Schedule 3 (**Additional ABHA Loan**, and collectively with the Initial AHBA Loans, the **ABHA Loans**), 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 relating to the borrowers under 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 each relevant Borrower (in respect of itself only) and is for reference only. All internet site addresses provided in this Schedule 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.

Schedule 3

AHBA Loan – Series 3, Tranche 2 Notes



Compass

A\$ AHBA Loan Facility
28 March 2019 (amended and restated on 12
November 2019)



Borrower	Compass Housing Services Co. Ltd (Compass) (ABN 84 002 862 213; National Provider Registration Number R4546140610)
Loan type	Term loan, interest-only.
Tenor	Resetting to 29 June 2032
Borrower description	<p>Compass is an enterprising and socially committed international NGO and one of the largest non-government providers of social and affordable housing in Australia. Compass currently manages more than 7,600 properties and community development projects in Australia, New Zealand and Vanuatu, and provides housing for more than 15,000 people. Compass is registered as a Tier 1 provider under the National Regulatory System for Community Housing and is also a registered provider of Specialist Disability Accommodation (SDA).</p> <p>In addition to professional tenancy and property management, Compass delivers a range of wraparound services that help sustain tenancies, as well as offering innovative tenant engagement initiatives that help foster a sense of social inclusion.</p>
Borrower's website	www.compasshousing.org