SERIES NOTICE

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY SUSTAINABLE FINANCING BOND

11 April 2023

IMPORTANT NOTICE

This Series Notice is prepared in respect of an offer by New Zealand Local Government Funding Agency Limited ("**LGFA**") of unsecured, unsubordinated fixed rate sustainable financing bonds maturing on 15 May 2030 ("**Sustainable Financing Bonds**") under its master trust deed dated 7 December 2011 (as amended from time to time) ("**Master Trust Deed**") as supplemented by a supplemental trust deed dated 6 April 2023 (as amended from time to time) (together, the "**Trust Documents**") entered into between LGFA and Trustees Executors Limited ("**Supervisor**"). The Sustainable Financing Bonds are "Retail Notes" for the purposes of the Trust Documents.

Unless defined in this Series Notice or the context requires otherwise, capitalised terms used in this Series Notice have the meaning given to them in the Trust Documents or LGFA's Sustainable Financing Bond Framework dated 31 March 2023 (as amended from time to time) ("**Sustainable Financing Bond Framework**") (as appropriate).

The offer of Sustainable Financing Bonds is an offer of debt securities by LGFA made in reliance upon the Financial Markets Conduct (New Zealand Local Government Funding Agency Limited Sustainable Financing Bond Offer) Exemption Notice 2023 ("**Exemption Notice**").

The offer contained in this Series Notice is an offer of Sustainable Financing Bonds that will have identical rights, privileges, limitations and conditions (except for the interest rate and/or maturity date and their "sustainable financing" status) as LGFA's:

(a) fixed rate bonds maturing on 15 April 2023 with an interest rate of 5.50% per annum, which are quoted on the NZX Debt Market under the ticker code LGF050;

(b) fixed rate bonds maturing on 15 April 2027 with an interest rate of 4.50% per annum, which are quoted on the NZX Debt Market under the ticker code LGF060;

(c) fixed rate bonds maturing on 15 April 2025 with an interest rate of 2.75% per annum, which are quoted on the NZX Debt Market under the ticker code LGF070;

(d) fixed rate bonds maturing on 14 April 2033 with an interest rate of 3.50% per annum, which are quoted on the NZX Debt Market under the ticker code LGF080;

(e) fixed rate bonds maturing on 15 April 2024 with an interest rate of 2.25% per annum, which are quoted on the NZX Debt Market under the ticker code LGF100;

(f) fixed rate bonds maturing on 20 April 2029 with an interest rate of 1.50% per annum, which are quoted on the NZX Debt Market under the ticker code LGF110;

(g) fixed rate bonds maturing on 15 April 2026 with an interest rate of 1.50% per annum, which are quoted on the NZX Debt Market under the ticker code LGF120;

(h) fixed rate bonds maturing on 15 April 2037 with an interest rate of 2.00% per annum, which are quoted on the NZX Debt Market under the ticker code LGF130;

(i) fixed rate bonds maturing on 15 May 2031 with an interest rate of 2.25% per annum, which are quoted on the NZX Debt Market under the ticker code LGF140;

(j) fixed rate bonds maturing on 15 May 2028 with an interest rate of 2.25% per annum, which are quoted on the NZX Debt Market under the ticker code LGF150; and

(k) fixed rate bonds maturing on 15 May 2035 with an interest rate of 3.00% per annum, which are quoted on the NZX Debt Market under the ticker code LGF160, (together, the "**Quoted Bonds**"). The Quoted Bonds are not Sustainable Financing Bonds. The Quoted Bonds with ticker code LGF050 (referred to in paragraph (a) above) have been suspended from trading since the close of 3 April 2023 and will mature on 15 April 2023.

LGFA is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited ("**NZX**") for the purpose of that information being made available to participants in the market and that information can be found by visiting https://www.nzx.com/companies/LGF.

Investors should look to the market price of the Quoted Bonds referred to above to find out how the market assesses the returns and risk premium for those bonds.

LGFA intends to manage Sustainable Financing Bonds in accordance with the Sustainable Financing Bond Framework.

LGFA intends to notionally allocate an amount equal to the net proceeds of the Sustainable Financing Bonds to a "**Sustainable Loan Asset Pool**" comprising Green, Social and Sustainability Loans ("**GSS Loans**") and/or Climate Action Loans ("**CALs**" and, together with the GSS Loans, the "**Sustainable Loans**")[1] that meet the eligibility criteria in the Sustainable Financing Bond Framework. In particular, a GSS Loan or CAL must meet, respectively, the GSS Loan Criteria or the CAL Criteria. In summary:

- GSS Loans are loans advanced by LGFA to local authorities and CCOs (as defined in "Guarantors" in the "Key Terms of the Sustainable Financing Bonds and the offer" section of this Series Notice) to enable them to undertake green, social and/or sustainability projects that will help drive forward ambitious climate, environmental and social projects in the New Zealand local government sector. These projects can range across nine green project categories (including energy efficiency, green buildings and clean transportation), and three social project categories (being affordable basic infrastructure, access to essential services and affordable housing).

- CALs are loans advanced by LGFA to local authorities and CCOs and have a target-based lending structure designed to incentivise local authorities and CCOs to act on climate change and reduce greenhouse gas ("**GHG**") emissions. A CAL rewards a local authority or CCO through a margin discount for adopting an "**Emission Reduction Plan**" or "**ERP**" which sets out specific "**Emissions Reduction Targets**".

For further information, please see the "Sustainable Financing Information" section of this Series Notice below.

Key terms of the Sustainable Financing Bonds and the offer

Programme:	New Zealand Local Government Funding Agency Sustainable Financing Bond
Issuer:	New Zealand Local Government Funding Agency Limited
Description:	The Sustainable Financing Bonds are direct, unsecured, unsubordinated, New Zealand dollar ("**NZD**") fixed rate interest bearing debt obligations of LGFA.
NZClear Series Code:	LB0530, Tranche 1.
Offering:	NZD 300 million, with the ability to accept unlimited oversubscriptions at LGFA's discretion. The offer is not underwritten.

[1] GSS Loans and CALs are documented as debt securities under LGFA's Multi-Issuer Deed dated 7 December 2011 (as amended and restated from time to time).

<table>
<tr><td></td><td>NZD 100 million of Sustainable Financing Bonds are reserved for subscription by LGFA. LGFA will subscribe for these Sustainable Financing Bonds at the Issue/Settlement Price calculated as set out below and will initially hold these Sustainable Financing Bonds as treasury stock for the purposes of its bond lending facility.</td></tr>
<tr><td>Minimum Principal Amount for transfers:</td><td>NZD 10,000 and in multiples of NZD 1,000 thereafter.</td></tr>
<tr><td>Credit Rating:</td><td>LGFA has issuer credit ratings and the Sustainable Financing Bonds are expected to have an issue rating from:

<table>
<tr><th></th><th>Issuer Credit Rating</th><th>Expected Issue Credit Rating</th></tr>
<tr><td>S&P Global Ratings Australia Pty Limited ("S&P")</td><td>AAA (stable) NZD long-term
A-1+ short-term</td><td>AAA</td></tr>
<tr><td>Fitch Australia Pty Limited ("Fitch")</td><td>AA+ (stable) NZD long-term
F1+ short-term</td><td>AA+</td></tr>
</table>

The ratings are not a recommendation to you to buy, sell or hold the Sustainable Financing Bonds and the ratings may be subject to revision, qualification or withdrawal at any time by S&P and/or Fitch. Any downward revision, qualification or withdrawal of the ratings may affect your ability to sell your Sustainable Financing Bonds and the price you are able to sell them for.</td></tr>
<tr><td>Opening Date:</td><td>11 April 2023</td></tr>
<tr><td>Closing Date:</td><td>Bids due by 1pm, 12 April 2023</td></tr>
<tr><td>Rate Set Date:</td><td>12 April 2023</td></tr>
<tr><td>Issue Date and allotment date:</td><td>17 April 2023</td></tr>
<tr><td>Maturity Date:</td><td>15 May 2030</td></tr>
<tr><td>Principal Amount:</td><td>NZD 1.00 Per Sustainable Financing Bond</td></tr>
<tr><td>Coupon/Interest Rate:</td><td>The Coupon/Interest Rate will be set by LGFA, taking into account the Issuance Yield set on the Rate Set Date.

As at the date of this Series Notice, LGFA expects the Coupon/Interest Rate to be 4.50% per annum.

The Coupon/Interest Rate will be announced by LGFA via NZX on or about the Rate Set Date.

Interest on the Sustainable Financing Bonds will be paid semi-annually in arrear.</td></tr>
<tr><td>Issuance Yield:</td><td>The Issuance Yield will be the sum of the Margin and the Base Rate on the Rate Set Date.

The Issuance Yield will be announced by LGFA via NZX on or about the Rate Set Date.</td></tr>
<tr><td>Indicative Margin:</td><td>The indicative Margin range is 0.61 – 0.65 per cent per annum.</td></tr>
<tr><td>Margin:</td><td>The Margin will be determined by LGFA in consultation with the Joint Lead Managers following completion of the bookbuild and announced via NZX on or about the Rate Set Date.</td></tr>
</table>

<table>
<tr><td></td><td>The bookbuild process enables certain investors and brokers to lodge bids for the Sustainable Financing Bonds and, on the basis of these bids, LGFA (in consultation with the Joint Lead Managers) determines the Margin, Issuance Yield, Coupon/Interest Rate and the total amount of Sustainable Financing Bonds to be issued.</td></tr>
<tr><td>Base Rate:</td><td>The semi-annual mid-market swap rate for an interest rate swap from the Issue Date to the Maturity Date as calculated by the Joint Lead Managers in conjunction with LGFA on the Rate Set Date in accordance with market convention, by reference to Bloomberg page ICNZ4 (or any successor page) and expressed on a semi-annual basis, rounded to 3 decimal places if necessary, with 0.0005 rounded up.</td></tr>
<tr><td>Issue/Settlement Price:</td><td>Determined in accordance with the bond formula set out in Schedule 2 to this Series Notice, using the Coupon/Interest Rate and the Issuance Yield as determined on the Rate Set Date following the bookbuild. The Issue/Settlement Price will be announced via the NZX on or shortly after the Rate Set Date.

The Issue/Settlement Price includes 153 days of accrued interest.</td></tr>
<tr><td>Interest Accrual Start Date:</td><td>15 November 2022</td></tr>
<tr><td>Interest Accrual:</td><td>153 days accrued interest</td></tr>
<tr><td>First Interest Payment Date:</td><td>15 May 2023

The interest payment on the First Interest Payment Date will be a full semi-annual interest payment.</td></tr>
<tr><td>Interest Payment Dates:</td><td>15 May and 15 November in each year up to, and including, the Maturity Date.</td></tr>
<tr><td>Daycount convention:</td><td>ACT/ACT</td></tr>
<tr><td>Holidays/Business Days:</td><td>Wellington, Auckland</td></tr>
<tr><td>Guarantors:</td><td>Other than the New Zealand Government, each holder of ordinary shares in LGFA must be (and, as at the date of this Series Notice, is) a Guarantor.

In addition, as at the date of this Series Notice, LGFA's policy is that:
any local authority that borrows from LGFA or has a facility agreement with LGFA where LGFA's commitment is more than NZD 20,000,000 must be a Guarantor; and
any CCO Shareholder must be a Guarantor, where its council-controlled organisation has entered into one or more lending arrangements with LGFA. In summary, a "council-controlled organisation" or "CCO" is a company where one or more local authorities (each such local authority, being a "CCO Shareholder") holds or controls, directly or indirectly, 51% or more of the voting rights of that company, with the balance (if any) held by the New Zealand Government.
As at the date of this Series Notice, the Guarantors are:
Ashburton District Council
Auckland Council
Bay of Plenty Regional Council
Canterbury Regional Council
Carterton District Council
Central Hawke's Bay District Council
Central Otago District Council
Christchurch City Council
Clutha District Council
Dunedin City Council</td></tr>
</table>

	• Far North District Council • Gisborne District Council • Gore District Council • Grey District Council • Hamilton City Council • Hastings District Council • Hauraki District Council • Hawke's Bay Regional Council • Horowhenua District Council • Hurunui District Council • Hutt City Council • Invercargill City Council • Kaipara District Council • Kapiti Coast District Council • Mackenzie District Council • Manawatu District Council • Manawatū-Whanganui Regional Council • Marlborough District Council • Masterton District Council • Matamata-Piako District Council • Napier City Council • Nelson City Council • New Plymouth District Council • Northland Regional Council • Otago Regional Council • Ōtorohanga District Council • Palmerston North City Council • Porirua City Council • Queenstown-Lakes District Council • Rangitikei District Council • Rotorua District Council • Ruapehu District Council • Selwyn District Council • South Taranaki District Council • South Waikato District Council • South Wairarapa District Council • Southland District Council • Southland Regional Council • Stratford District Council • Taranaki Regional Council • Tararua District Council • Tasman District Council • Taupo District Council • Tauranga City Council • Thames-Coromandel District Council • Timaru District Council • Upper Hutt City Council • Waikato District Council • Waikato Regional Council • Waimakariri District Council • Waimate District Council • Waipa District Council • Waitaki District Council • Waitomo District Council

	• Wellington City Council • Wellington Regional Council • Western Bay of Plenty District Council • Westland District Council • Whakatane District Council • Whanganui District Council • Whangarei District Council
***Guarantee and Security Arrangements**:*	LGFA's obligations in relation to (among other things) the debt securities (including the Sustainable Financing Bonds) issued under Trust Documents are guaranteed by the local authorities that are from time to time Guarantors under the Guarantee (as defined in the "Additional Information" section of this Series Notice). Other than the Guarantors under the Guarantee, neither the Supervisor, the Registrar, nor any of their respective directors, officers or employees, nor any other person, guarantees the payment of interest or any other amounts due under the Sustainable Financing Bonds. The New Zealand Government does not guarantee any of LGFA's obligations or liabilities in relation to the Sustainable Financing Bonds. Each Guarantor has entered into a debenture trust deed ("**Debenture Trust Deed**") under which a security interest is granted in favour of a trustee ("**Debenture Trustee**") over certain rates related assets of that local authority for the benefit of the local authority's secured creditors. The security granted by each of the Guarantors under their respective Debenture Trust Deeds secures their obligations under the Guarantee. More information on the Guarantee and security arrangements is set out under the heading "Guarantee and Security Arrangements" in the "Additional Information" section of this Series Notice.
***Early repayment**:*	LGFA is not obliged to repay the Sustainable Financing Bonds prior to the Maturity Date.
"Sustainable financing" status:	As set out in the "Important Notice" section of this Series Notice, LGFA intends to manage Sustainable Financing Bonds in accordance with the Sustainable Financing Bond Framework. However, if LGFA fails to comply with the Sustainable Financing Bond Framework or any other matters set out in this Series Notice relating to the "sustainable financing" status of the Sustainable Financing Bonds, or the Sustainable Financing Bonds cease to have "sustainable financing" status: • this will not constitute an Event of Default or any other breach in relation to the Sustainable Financing Bonds; and • neither LGFA nor holders have any right for the Sustainable Financing Bonds to be repaid early. This means there is no obligation on LGFA to comply with the Sustainable Financing Bond Framework on an ongoing basis. See the "Sustainable Financing Information" section of this Series Notice for additional information in relation to the Sustainable Financing Bonds being considered to be "sustainable financing".
***Further issues**:*	LGFA may from time to time issue additional bonds or incur other debt obligations which rank equally with the Sustainable Financing Bonds without any holder's consent. LGFA may incur such further debt obligations on such terms as it thinks fit in NZD or in other currencies.

How to apply:	All of the Sustainable Financing Bonds (other than the NZD 100 million reserved for subscription by LGFA), including oversubscriptions, are reserved for clients of the Joint Lead Managers, institutional investors and other primary market participants invited to participate in the bookbuild. There will be no public pool for the offer. Accordingly, retail investors should contact a Joint Lead Manager, their financial adviser or any primary market participant for details on how they may acquire Sustainable Financing Bonds. You can find a primary market participant by visiting **https://www.nzx.com/services/market-participants/find-a-participant** In respect of oversubscriptions or generally, any allotment of Sustainable Financing Bonds will be at LGFA's discretion, in consultation with the Joint Lead Managers. LGFA reserves the right to refuse all or any part of an application without giving any reason.
NZX Quotation:	LGFA will take any necessary steps to ensure that the Sustainable Financing Bonds are, immediately after issue, quoted. Application has been made to NZX for permission to quote the Sustainable Financing Bonds on the NZX Debt Market and all the requirements of NZX relating thereto that can be complied with on or before the distribution of this Series Notice have been duly complied with. However, NZX accepts no responsibility for any statement in this Series Notice. NZX is a licensed market operator and the NZX Debt Market is a licensed market under the FMCA.
NZX Ticker Code:	LGF170
Expected Date of Quotation on NZX Debt Market:	18 April 2023
ISIN Code:	NZLGFDT020C7
Singapore Securities and Futures Act Product Classification:	Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001, as modified or amended from time to time (the "**SFA**"), LGFA has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that all Sustainable Financing Bonds shall be "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) 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).
Selling restrictions:	**Initial Selling Restrictions** If sold in New Zealand, the Sustainable Financing Bonds may only be offered in New Zealand in conformity with all applicable laws and regulations in New Zealand. In respect of the initial offer of the Sustainable Financing Bonds by LGFA under this Series Notice ("**Initial Offer**"), no Sustainable Financing Bonds may be offered in any other country or jurisdiction except in conformity with all applicable laws and regulations of that country or jurisdiction and the selling restrictions set out below in Schedule 1 to this Series Notice. This Series Notice may not be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations in that country or jurisdiction and the selling restrictions set out in Schedule 1 to this Series Notice. For the avoidance of doubt, the selling restrictions set out below in Schedule 1 to this Series Notice apply only in respect of the Initial Offer.

	General Selling Restrictions LGFA has not taken any action which would permit an offer of the Sustainable Financing Bonds, or possession or distribution of any offering material, in any country or jurisdiction where action for that purpose is required (other than New Zealand). You may only offer for sale or sell, directly or indirectly, or transfer any Sustainable Financing Bond in conformity with all applicable laws and regulations in any jurisdiction in which it is offered, sold or delivered. No disclosure document, advertisement or any other offering material in respect of any Sustainable Financing Bond may be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations.
***Registrar*:**	Computershare Investor Services Limited
***Supervisor*:**	Trustees Executors Limited
Arranger:	Westpac Banking Corporation (ABN 33 007 457 141) (acting through its New Zealand branch)
Joint Lead Managers:	**ANZ Bank New Zealand Limited** Level 10, ANZ Centre 171 Featherston Street Wellington 6011 New Zealand Phone: 0800 269 476 **Bank of New Zealand** Level 4 80 Queen Street Auckland 1010 New Zealand Phone: 0800 275 269 **Commonwealth Bank of Australia (ABN 48 123 123 124) (acting through its New Zealand branch)** 12 Jellicoe Street ASB North Wharf Auckland 1140 New Zealand Phone: 0800 272 266 **Westpac Banking Corporation (ABN 33 007 457 141) (acting through its New Zealand branch)** Westpac on Takutai Square 16 Takutai Square Auckland 1010 New Zealand Phone: 0800 772 142
Sustainability Coordinator:	Westpac New Zealand Limited
Dates may change:	The dates and times set out in this Series Notice are indicative only and are subject to change. LGFA has the right in its absolute discretion and without notice to change the Opening Date, the Closing Date, the Rate Set Date or the Issue Date, to accept late applications, or to choose not to proceed with the offer. If the Closing Date is extended, subsequent dates may be extended accordingly.

Trading on the NZX:	Each investor's financial adviser will be able to advise them as to what arrangements will need to be put in place for the investors to trade the Sustainable Financing Bonds including obtaining a common shareholder number ("**CSN**"), an authorisation code ("**FIN**") and opening an account with a primary market participant as well as the costs and timeframes for putting such arrangements in place.
Trust Documentation:	Copies of the Trust Documents can be found by visiting LGFA's website at **https://www.lgfa.co.nz/investors/investor-information** Any internet site addresses provided in this Series Notice are for reference only and, except as expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of, this Series Notice.
Investors should obtain advice:	Investors should seek qualified independent financial and taxation advice before deciding to invest. In particular, you should consult your tax adviser in relation to your specific circumstances. Investors will also be personally responsible for ensuring compliance with relevant laws and regulations applicable to them (including any required registrations).

Sustainable Financing Information

The information below relates to the sustainable financing aspects of the Sustainable Financing Bonds and includes information required to be disclosed under the Exemption Notice.

Sustainable Financing Bond Framework	LGFA raises debt to provide funding to local authorities and CCOs ("**Borrowers**"). LGFA has developed the Sustainable Financing Bond Framework to: • recognise LGFA's commitment to support Borrowers to fund sustainable assets and activities, and incentivise GHG emissions reductions; • enable LGFA to issue bonds that are notionally allocated to a Sustainable Loan Asset Pool; and • advance the market for sustainable finance by providing an innovative opportunity for investors to support Borrowers to achieve their sustainability aspirations. In particular, the Sustainable Financing Bond Framework outlines the process by which LGFA intends to manage bonds issued as "Sustainable Financing Bonds". The Sustainable Financing Bond Framework is informed by: • International Capital Markets Association's ("**ICMA**") Green Bond Principles ("**GBP**"), Social Bond Principles ("**SBP**") and Sustainability Bond Guidelines ("**SBG**"); and • Asia-Pacific Loan Market Association's ("**APLMA**") Green Loan Principles ("**GLP**"), Social Loan Principles ("**SLP**"), and Sustainability-Linked Loan Principles ("**SLLP**"), each as at the date of this Series Notice (together, the "**Market Standards**"). The Sustainable Financing Bond Framework follows the "proceeds-based" pillars of the Market Standards (particularly the GBP, the SBP and the SBG), and is underpinned by the GSS Loan Criteria and the CAL Criteria. However, LGFA is not claiming direct alignment with the Market Standards. As noted above, LGFA intends to issue Sustainable Financing Bonds and notionally allocate an amount equal to the net proceeds of those Sustainable Financing Bonds to a Sustainable Loan Asset Pool consisting of Sustainable Loans (either GSS Loans, CALs, or both) in accordance with the Sustainable Financing Bond Framework. Sustainalytics has provided a Second Party Opinion in relation to the Sustainable Financing Bond Framework. See the "Reporting and External Review " section below for more information on the Second Party Opinion. ***GSS Loans*** GSS Loans are loans to Borrowers for assets, projects or activities that meet at least one of nine green project categories and/or three social categories identified in the Sustainable Financing Bond Framework. Those green projects and social categories are identified in the Sustainable Financing Bond Framework and outlined in more detail in the GSS Loan Criteria (found by visiting LGFA's website at https://www.lgfa.co.nz/sites/default/files/2023-03/LGFA_GSS_Lending_Programme_Criteria.pdf). Sustainalytics has provided a Second Party Opinion that the GSS Loan Criteria aligns with the GLP and the SLP. See the "Reporting and External Review " section below for more information on the Second Party Opinion. ***CALs*** CALs are target-based incentive loans, designed to incentivise Borrowers to act on climate change and reduce GHG emissions. To be eligible to enter into a CAL, the Borrower must adopt an ERP setting out specific Emissions Reduction Targets relating to its absolute gross "Scope 1" and "Scope 2" GHG emissions. More detail about the requirements for ERPs and

	Emission Reductions Targets are set out in the CAL Criteria (found by visiting LGFA's website at https://www.lgfa.co.nz/sites/default/files/2023-03/LGFA_CAL_Programme_Criteria_2.pdf). Before entering a CAL, the Borrower must provide LGFA with a "GHG emissions inventory" and ERP that sets out the Borrower's intended pathway to reduce its "Scope 1" and "Scope 2" GHG emissions in line with the science-based trajectory (being to support limiting global warming to no greater than 1.5°C above pre-industrial levels) and net zero by 2050. A Borrower must obtain external verification (by a credible provider) of its GHG emissions inventory to verify its report aligns with the guidelines outlined in the CAL Criteria and that external verification must be provided to LGFA annually by 30 November. Sustainalytics has provided a Second Party Opinion that the CAL Criteria is partially aligned with the intent of the SSLP. See the "Reporting and External Review " section below for more information on the Second Party Opinion. The Sustainable Financing Bonds are issued as "sustainable financing bonds" on the basis described above and as set out in the "Important Notice" section of this Series Notice above. **Investors should read the Sustainable Financing Bond Framework before deciding whether to invest in the Sustainable Financing Bonds. A copy of the Sustainable Financing Bond Framework can be found by visiting LGFA's website at** https://www.lgfa.co.nz/sites/default/files/2023-03/LGFA_Sustainable_Financing_Bond_Framework.pdf**.**
Oversight of the Sustainable Financing Bond Framework and the Sustainable Loan Asset Pool	LGFA's board of directors ("**Board**") has ultimate oversight of LGFA's sustainability strategy, including the Sustainable Financing Bond Framework. Given the broad range of sustainability initiatives being undertaken, LGFA has also established a "**Sustainability Committee**" to advise LGFA's Chief Executive and Board on sustainability issues within LGFA's operating, borrowing and lending activities. This includes the governance and oversight process of the GSS Loans, CAL lending programmes and the issue of Sustainable Financing Bonds. The Sustainability Committee must have at least two external appointees and the composition is reviewed annually by the Board. LGFA's management assesses Sustainable Loan applications from Borrowers, then presents the assessment to the Sustainability Committee for a recommendation to LGFA's Chief Executive as to whether to accept each application and provide the Sustainable Loan. If approved by the Chief Executive, these loans may be advanced and can be considered for inclusion within the Sustainable Loan Asset Pool. Before the issue of the Sustainable Financing Bonds, LGFA management will review and provide a recommendation to the Board regarding the Sustainable Loan Asset Pool. LGFA management is also responsible for: • the reporting and external review requirements under the Sustainable Financing Bond Framework and the CAL Criteria and GSS Loan Criteria; and • the notional allocation of an amount equal to the net proceeds of Sustainable Financing Bonds to the Sustainable Loan Asset Pool.
Sustainable Financing Bond Framework outcomes relevant to the	***Sustainable Financing Bond Framework outcomes*** One of LGFA's foundation objectives is to:

Sustainable Financing Bonds	"Exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which LGFA operates and by endeavouring to accommodate and encourage these when able to do so". In addition, LGFA's Statement of Intent provides that LGFA's environmental and social responsibility objectives are to improve sustainability outcomes within LGFA and to assist the local government sector in achieving their sustainability and climate change objectives. As a key funding agency for the New Zealand local government sector, the outcomes that LGFA is seeking to achieve through the Sustainable Financing Bond Framework and by issuing Sustainable Financing Bonds is to (a) facilitate the flow of capital to support Borrowers to finance specific sustainable assets and/or activities through GSS Loans; and (b) incentivise Borrowers to reduce "Scope 1" and "Scope 2" GHG emissions in line with the science-based trajectory and net zero by 2050 through CALs. ***Monitoring the outcomes of the Sustainable Financing Bonds*** LGFA will maintain a register for the Sustainable Loan Asset Pool ("**Sustainable Loan Register**") to monitor the intended outcomes of the Sustainable Financing Bonds. The Sustainable Loan Register outlines, among other things: • the current value of the GSS Loans and CALs included within the Sustainable Loan Asset Pool (based on the principal amount of the relevant loan advanced to the relevant Borrower); • the notional allocation of an amount equal to the net proceeds of the Sustainable Financing Bonds against the GSS Loans and CALs included in the Sustainable Loan Asset Pool; and • if applicable, disclosure of any unallocated proceeds from the Sustainable Financing Bonds. LGFA intends to notionally allocate an amount equal to the net proceeds of the Sustainable Financing Bonds to Sustainable Loans within two years of the Issue Date. When notionally allocating an amount equal to the net proceeds from a Sustainable Financing Bond to Sustainable Loans, LGFA intends to only include Sustainable Loans that were advanced in the two years before the Issue Date. Pending allocation, any unallocated net proceeds will be temporarily invested in: • cash and money market securities, GSS bonds issued by other entities, local government and/or central government debt. All investments (other than cash) must have a minimum credit rating of A+ by Standard & Poor's or a corresponding credit rating by another rating agency approved by LGFA; or • investment instruments that do not include GHG emissions intensive projects which are inconsistent with the delivery of a low carbon and climate resilient economy. ***Reporting on the outcomes of the Sustainable Financing Bonds*** LGFA intends to publish an Annual Update Report for the Sustainable Financing Bonds, in line with the Market Standards as outlined below in the "Reporting and External Review" section below. ***Circumstances that are likely to significantly increase the risk the intended outcomes are not achieved*** As at the date of this Series Notice, the circumstances that LGFA is aware of that exist, or are likely to arise, that significantly increase the risk that the intended outcomes will not be achieved are that: • loans included in the Sustainable Loan Asset Pool cease to be eligible to be Sustainable Loans. This may occur, for example, if:

	○ a green or social project being funded by a GSS Loan changes such that it no longer meets the relevant GSS Loan Criteria; ○ a Borrower under a CAL has been unable to achieve the Emission Reduction Targets set out in its ERP, or its GHG emissions have increased above the baseline year; ○ a Borrower under a CAL changes its ERP such that its Emissions Reduction Targets no longer meet the science-based trajectory; or ○ Borrowers fail to comply with their reporting obligations under Sustainable Loans; or • the Sustainable Loan Asset Pool is not replenished as Sustainable Loans are repaid or Sustainable Loans initially included in the Sustainable Loan Asset Pool cease to be eligible to be Sustainable Loans as described above.
No Event of Default if Sustainable Financing Bonds cease to have "sustainable financing" status	LGFA will service its debt obligations under Sustainable Financing Bonds out of its general cashflows and not specifically from revenues generated by Sustainable Loans. LGFA intends to manage Sustainable Financing Bonds in accordance with the Sustainable Financing Bond Framework. However, the Sustainable Financing Bond Framework does not form part of the contractual terms of any Sustainable Financing Bond. If LGFA fails to comply with the Sustainable Financing Bond Framework or any other matters set out in this Series Notice relating to the "sustainable financing" status of the Sustainable Financing Bonds, or the Sustainable Financing Bonds cease to have "sustainable financing" status: • this will not constitute an Event of Default or any other breach in relation to the Sustainable Financing Bonds; and • neither LGFA nor holders have any right for the Sustainable Financing Bonds to be repaid early. This also means there is no legal obligation on LGFA to allocate an amount equal to the net proceeds of the Sustainable Financing Bonds in the manner or by the time described in the Sustainable Financing Bond Framework or to comply with the Sustainable Financing Bond Framework or the Market Standards on an ongoing basis. However, if: • LGFA fails to comply with the Sustainable Financing Bond Framework; or • LGFA is required by applicable law and/or NZX Listing Rules to stop describing the bonds as Sustainable Financing Bonds as that status has become misleading or deceptive or is likely to mislead or deceive, the bond may cease to have "sustainable financing" status. If the bonds cease to have "sustainable financing" status because it is misleading or deceptive to describe the Sustainable Financing Bonds in this way, LGFA is required to notify the NZX. In these circumstances, NZX may remove any designation it has given to the Sustainable Financing Bonds that related to their "sustainable financing" status. In addition, if the loss of "sustainable financing" status is "material information" under the NZX Listing Rules, LGFA is required to notify the NZX of that information for the purpose of that information being made available to participants in the market and that information can be found by visiting https://www.nzx.com/companies/LGF. Holders that invested in Sustainable Financing Bonds on the basis of their "sustainable financing" status may consider that the bonds no longer align with their intentions or requirements. There is a risk that, if the Sustainable Financing Bonds lose their "sustainable financing" status, the price at which at which the bonds can be sold may be affected. Holders that want to sell their bonds after they have lost their "sustainable financing" status may find it more difficult to sell those bonds or to obtain an acceptable price for them.

Circumstances where the Sustainable Financing Bond Framework may not be complied with	As at the date of this Series Notice, the circumstances that LGFA is aware of that exist or are likely to arise that significantly increase the risk that the Sustainable Financing Bond Framework may not be complied with are: • a failure to, within two years of the Issue Date, notionally allocate an amount equal to the proceeds of those Sustainable Financing Bonds to Sustainable Loans (for example, due to Sustainable Loans being repaid or loans not being eligible to be Sustainable Loans); • a failure to obtain an annual external review as described below in the "Reporting and External Review" section while there are outstanding sustainable financing bonds; • the processes for approving Sustainable Loans not being followed; or • other operational errors relating to the Sustainable Financing Bond Framework. If non-compliance with the Sustainable Financing Bond Framework is identified by LGFA or the external reviewer (see the "Reporting and External Review" section below) then: • any material on-going non-compliance would be notified in LGFA's next Annual Update Report; and • if that non-compliance is "material information" under the NZX Listing Rules, LGFA is required to notify the NZX of that information for the purpose of that information being made available to participants in the market and that information can be found by visiting https://www.nzx.com/companies/LGF. Other than a potential loss of the "sustainable financing" status (and the consequences of that loss of status) as outlined in the above "No Event of Default if Sustainable Financing Bonds cease to have "sustainable financing" status" section above, there are not expected to be any material financial consequences for holders arising from non-compliance by LGFA with the Sustainable Financing Bond Framework. LGFA can also update the Sustainable Financing Bond Framework (and, if applicable, the GSS Loan Criteria and/or the CAL Criteria) from time to time, for example to resolve any non-compliance that has been identified.

Reporting and External Review	***Before first issue of Sustainable Financing Bonds***
	
	Sustainalytics has been engaged by LGFA to review and provide:
	• a Second-Party Opinion on the Sustainable Financing Bond Framework's alignment with:
	  o market expectations in line with the key principles of impact and transparency that underlie the sustainable finance industry as relating to the sustainable financing bonds; and
	  o the Market Standards; and
	• a limited assurance pre-Issuance external review ("**Pre-Issuance Review Letter**") of the GSS Loans advanced by LGFA as at the date of that letter.
	
	Sustainalytics has provided a Second Party Opinion which sets out a detailed analysis of these matters and concludes that:
	• the components of the Sustainable Financing Bond Framework are credible;
	• the Sustainable Financing Bond Framework is expected to advance LGFA's and New Zealand's sustainability objectives and generate positive environmental and social impact;
	• the Sustainable Financing Bond Framework, as based on the proceeds-based pillars of the general market standards for sustainable finance, is in overall alignment with the impact and transparency principles, which underpin the sustainable finance market;
	• the Sustainable Financing Bonds will fund overall impactful social and environmental pools of GSS Loans and CALs;
	• the GSS Loan Criteria aligns with the GLP and the SLP; and
	• the CAL Criteria is partially aligned with the intent of the SLLP and that the key performance indicator and sustainability performance target to be used by the Borrowers are expected to be in line with SLLP.

	Sustainalytics has also provided a Pre-Issuance Review Letter, which states that based on the limited assurance undertaken by Sustainalytics: "…nothing has come to Sustainalytics' attention that causes [Sustainalytics] to believe that, in all material respects, the [projects being financed by GSS Loans] and the processes [LGFA] intends to follow to manage the proceeds of sustainable financing bonds are not aligned with the Framework." A copy of the Second Party Opinion and the Pre-Issuance Review Letter can be found by visiting LGFA's website at: • Second Party Opinion: https://www.lgfa.co.nz/sites/default/files/2023-03/LGFA_Sustainable_Financing_Bond_Framework_Second-Party_Opinion.pdf • Pre-Issuance Review Letter: https://www.lgfa.co.nz/sites/default/files/2023-04/Sustainable_Financing_Bond_Pre-Issuance_Review.pdf. The purpose of the Second Party Opinion and the Pre-Issuance Review Letter is to provide LGFA with the conclusions set out above at the point in time when that opinion or letter was issued. ***Following initial issuance*** *Reporting* As noted above, LGFA intends to publish an Annual Update Report in line with Market Standards. The Annual Update Report will be published on LGFA's website at or about the same time as LGFA's annual report is published and will include: • **Allocation Reporting:** A list and description of the Sustainable Loans that the amount of net proceeds from the sustainable financing bonds are notionally allocated to; • **Eligibility Reporting:** Confirmation that the Sustainable Loans meet the relevant eligibility requirements included in the Sustainable Financing Bond Framework, including information on the characteristics and sustainability performance of the Sustainable Loans; and • **Impact Reporting:** LGFA will endeavour to provide qualitative and/or quantitative reporting of the environmental and/or social impacts of the Sustainable Loans included within the Sustainable Loan Asset Pool. Impact reporting indicators will be subject to availability of information and confidentiality requirements. *External review* As set out in the Sustainable Financing Bond Framework, LGFA also intends to engage Sustainalytics or another appropriately qualified external reviewer to carry out an annual review of each Annual Update Report, including confirmation that: • the Sustainable Loans included in the Sustainable Loan Asset Pool meet the GSS Loan Criteria and/or the CAL Criteria and comply with the Sustainable Financing Bond Framework; and • the impact reporting metrics have been fairly and accurately represented (if applicable). The purpose of the annual reviews will be to provide LGFA with the conclusions set out above on an annual basis. As noted above, the external reviews are in respect of a specific point in time only. Apart from the external review described above, the Sustainable Financing Bonds are not separately verified or certified by any other external reviewer.

	LGFA estimates that the total fees that it will pay to the external reviewer for providing LGFA with the Second Party Opinion and the Pre-Issuance External Review of the Sustainable Loan Register prior to the Issue Date will be A$40,000. These fees will be payable to Sustainalytics.

Additional Information

Guarantee and Security Arrangements

LGFA's obligations in relation to (among other things) the Securities are guaranteed by the local authorities that are from time to time Guarantors under the Guarantee (as defined below). Other than the New Zealand Government, each holder of ordinary shares in LGFA must be (and, at the date of this Series Notice, is) a Guarantor. In addition, see "Guarantors" in the "Key terms of the Sustainable Financing Bonds and the offer" section of this Series Notice in relation to LGFA's policy regarding other local authorities that must be Guarantors.

The Guarantors each jointly and severally guarantee to TEL Security Trustee (LGFA) Limited ("**Security Trustee**"), for the benefit of the Supervisor (in the case of each Series of Retail Securities), each holder of Wholesale Securities (in the case of each Series of Wholesale Securities) and other creditors of LGFA to whom LGFA extends the benefit of the Guarantee and the Security Trust Deed from time to time (each such creditor, including the Supervisor and the holders of Wholesale Securities, a "**Beneficiary**"), LGFA's due payment and delivery of all amounts LGFA is or may at any time become liable to pay to the Beneficiaries ("**Guarantee**").

In the case of each Series of Retail Securities, the Security Trustee must make a demand under the Guarantee on behalf of the Supervisor when the Supervisor requests the Security Trustee to do so and confirms to the Security Trustee that an Event of Default has occurred. However, the Supervisor may refrain from exercising its powers to make such a request until it has been instructed to do so by an Extraordinary Resolution of the holders of the affected Retail Securities.

In the case of each Series of Wholesale Securities, the Security Trustee must make a demand under the Guarantee on behalf of each holder of Wholesale Securities when such holder requests the Security Trustee to do so and confirms to the Security Trustee that an Event of Default has occurred.

Each demand the Security Trustee makes under the Guarantee must be made on a pro-rata basis according to each Guarantor's prior year's annual rates revenues. If a Guarantor fails to pay its pro-rata share of a demand under the Guarantee, the Security Trustee will make further demands on the other Guarantors for payment of the unpaid amount on a pro-rata basis until the outstanding amounts are paid in full.

Each Guarantor must have entered into a Debenture Trust Deed with a Debenture Trustee. In summary, each Debenture Trust Deed creates a security interest in favour of the Debenture Trustee over all rates the local authority sets or assesses from time to time under certain legislation or arising under section 115 of the Local Government Act 2002 and all rates revenue in respect thereof. The security is limited to rates and rates revenues, and does not extend to any other assets of the local authorities. The security interest is held by the Debenture Trustee for the benefit of all creditors of the Guarantor to whom the Guarantor has issued Stock (including Security Stock). Each Guarantor must have issued Security Stock to the Security Trustee to secure its liabilities under the Guarantee. The Security Trustee holds the benefit of the Security Stock on behalf of the Supervisor (in the case of each Series of Retail Securities), each holder of Wholesale Securities (in the case of each Series of Wholesale Securities) and the other Beneficiaries from time to time.

Each Guarantor must have issued a Security Stock Certificate to the Security Trustee in relation to the Guarantee.

- In the case of certain Guarantors, the relevant Security Stock Certificate provides that the Priority Amount of the Security Stock is (subject to certain exclusions specified in the relevant Debenture Trust Deed and/or Security Stock Certificate) the aggregate amount of the obligations the relevant Guarantor owes the Security Trustee under the Guarantee from time to time. That Guarantor's obligations to the Security Trustee rank equally with all other obligations of the Guarantor in respect of which "first ranking" Stock (including Security Stock) has been issued from time to time, up to the Security Trustee's Priority Amount. Amounts above the Security Trustee's Priority Amount rank behind the claims of other "first ranking" holders of Stock ("**Stockholders**") but before claims of any subsequent security holders of the relevant Guarantor.

- In the case of all other Guarantors, the relevant Guarantor's obligations to the Security Trustee rank equally with all other obligations of the Guarantor in respect of which Stock (including Security Stock) has been issued from time to time, without any Stock having preference or priority over any other Stock, unless the terms of the relevant Stock expressly subordinate it to other Stock.

If a Guarantor does not satisfy its obligations under the Guarantee, the Security Trustee may request the relevant Debenture Trustee to enforce the security interest created by the Debenture Trust Deed. The Security Trustee is not required to exercise its rights as holder of Security Stock unless it is requested to do so by Beneficiaries whose aggregate Exposures amount to not less than 25% of the aggregate Exposures of all Beneficiaries at the relevant time and those Beneficiaries have confirmed to the Security Trustee that an event of default has occurred.

The Supervisor and each holder of Wholesale Securities are Beneficiaries under the Security Trust Deed and so may request the Security Trustee to exercise its rights under a Debenture Trust Deed as a holder of Security Stock. However, in the case of Retail Securities, the Supervisor may refrain from making such a request until it has been instructed to do so by an Extraordinary Resolution of the holders of the affected Retail Securities.

The Debenture Trustee is not required to enforce the security interest created by the Debenture Trust Deed unless directed to do so by an extraordinary resolution of Stockholders and/or in certain cases a specified percentage of "majority stockholders". The Debenture Trustee is not bound to comply with such a direction if it is not first indemnified to its satisfaction against any actions, proceedings, claims, demands, costs and expenses that it may face as a result of complying with the direction. The Debenture Trustee has the power under each Debenture Trust Deed to appoint a receiver to levy a special rate on the relevant local authority's ratepayers.

When used in this section, these capitalised words have the following meanings:

Exposures means, in relation to a Beneficiary at any time, the amount in New Zealand dollars owing at that time by LGFA to that Beneficiary.

Priority Amount means, if applicable to a local authority, the aggregate amount up to which a Stockholder of that local authority is deemed to have a first ranking pari passu payment right pursuant to the terms of that local authority's Debenture Trust Deed.

Retail Securities means Securities which are part of a Series which may be offered or sold to members of the public, under a regulated offer or in accordance with clause 19 of schedule 1 of the FMCA.

Securities means debt securities denominated in NZD issued by LGFA under the Master Trust Deed.

Security Stock means security stock issued under a Debenture Trust Deed in respect of obligations owed by a local authority.

Security Stock Certificate means a certificate issued by a local authority pursuant to a Debenture Trust Deed in respect of Security Stock.

Security Trust Deed means the security trust deed entered into between LGFA and the Security Trustee dated 7 December 2011 (as amended, supplemented or replaced from time to time).

Stock means stock issued in accordance with a Debenture Trust Deed and includes Security Stock.

Wholesale Securities means Securities which are part of a Series which are not permitted to be offered or sold under a regulated offer or in accordance with clause 19 of schedule 1 of the FMCA.

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED
LGFA Authorised Signatory:

____

Name: **MARK BUTCHER**

Title: **CHIEF EXECUTIVE**

Date: 11 **April 2023**

This document is a Series Notice.

Schedule 1 – Initial Selling Restrictions

United States of America
The Sustainable Financing Bonds have not been and will not be registered under the Securities Act of 1933, as amended ("**Securities Act**"), or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) unless pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Sustainable Financing Bonds are being offered and sold solely outside the United States to persons that are not US persons in reliance on Regulation S under the US Securities Act. Any failure to comply with such restrictions may constitute a violation of applicable US securities laws.

Member States of the European Economic Area
The Sustainable Financing Bonds may not be offered, sold or otherwise made available 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 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.

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 Sustainable Financing Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Sustainable Financing Bonds.

United Kingdom
The Sustainable Financing Bonds may not be offered, sold or otherwise made available to any retail investor in the UK.

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 in the UK by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); or

   ii. a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act 2000 (the **FSMA**) to implement the Insurance Distribution Directive, 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 in the UK by virtue of the EUWA; or

   iii. not a qualified investor as defined in Article 2 of the UK Prospectus Regulation.

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 Sustainable Financing Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Sustainable Financing Bonds.

Other regulatory restrictions
No communication, invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) has been or may be made or caused to be made or will be made in connection with the issue or sale of the Sustainable Financing Bonds in circumstances in which section 21(1) of the FSMA applies to LGFA.

All applicable provisions of the FSMA with respect to anything done in relation to the Sustainable Financing Bonds in, from or otherwise involving the United Kingdom must be complied with.

Japan
The Sustainable Financing Bonds 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 "**FIEA**"), and the Sustainable Financing Bonds may not be offered or sold , directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations ministerial guidelines of Japan.

Singapore
Each Joint Lead Manager has acknowledged that this Series Notice has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented, warranted and agreed that it has not offered or sold any Sustainable Financing Bonds or caused the Sustainable Financing Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Sustainable Financing Bonds or cause the Sustainable Financing Bonds 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 Series Notice or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Sustainable Financing Bonds, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) 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 and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Sustainable Financing Bonds 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 within six months after that corporation or that trust has acquired the Sustainable Financing Bonds pursuant to an offer made under Section 275 of the SFA except:
(1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) 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 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore as modified or amended from time to time and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Notification under Section 309B(1)(c) of the SFA – Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the SFA, LGFA has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that all Sustainable Financing Bonds shall be “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) 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).

Hong Kong
No Sustainable Financing Bonds have been offered or sold or will be or may be offered or sold in Hong Kong, by means of any document other than (a) to "**professional investors**" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) 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) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Sustainable Financing Bonds may be issued or in the possession of any person or will be issued or be in the possession of any person in each case for the purpose of issue, whether in Hong Kong or elsewhere, 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 the Sustainable Financing Bonds 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.

Australia
No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia ("**Corporations Act**")) in relation to the Sustainable Financing Bonds has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission ("**ASIC**") or any other regulatory authority in Australia. No person may:

(a) make or invite (directly or indirectly) an offer of the Sustainable Financing Bonds for issue, sale or purchase in, to or from Australia (including an offer or invitation which is received by a person in Australia); and

(b) distribute or publish, any Series Notice, information memorandum, prospectus or any other offering material or advertisement relating to the Sustainable Financing Bonds in Australia,

unless:

(i) the aggregate consideration payable by each offeree or invitee is 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 otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;

(ii) the offer or invitation is not made to a person who is a “retail client” within the meaning of section 761G of the Corporations Act;

(iii) such action complies with all applicable laws, regulations and directives; and

(iv) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

This Series Notice is not, and under no circumstances is to be construed as, an advertisement or public offering of any Sustainable Financing Bonds in Australia.

Switzerland
This Series Notice is not intended to constitute an offer or solicitation to purchase or invest in the Sustainable Financing Bonds. The Sustainable Financing Bonds may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Sustainable Financing Bonds to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Series Notice nor any other offering or marketing material relating to the Sustainable Financing Bonds constitutes a prospectus pursuant to the FinSA, and neither this Series Notice nor any other offering or marketing material relating to the Sustainable Financing Bonds may be publicly distributed or otherwise made publicly available in Switzerland. The Sustainable Financing Bonds do not constitute collective investments within the meaning of the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). Accordingly, holders of the Sustainable Financing Bonds do not benefit from protection under the CISA or from the supervision of the Swiss Financial Market Supervisory Authority. Investors are exposed to the default risk of LGFA.

United Arab Emirates (excluding the Dubai International Financial Centre)
Each Joint Lead Manager has represented and agreed that the Sustainable Financing Bonds have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates ("**UAE**") other than in compliance with any laws applicable in the UAE governing the issue, offering or sale of securities.

Dubai International Financial Centre
Each Joint Lead Manager has represented and agreed that it has not offered and will not offer the Sustainable Financing Bonds to any person in the Dubai International Financial Centre unless such offer is:
(a) an "**Exempt Offer**" in accordance with the Markets Rules (MKT) module of the Dubai Financial Services Authority (the "**DFSA**") rulebook; and
(b) made only to persons who meet the "**Professional Client**" criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook.

South Korea
A registration statement for the offering and sale of the Sustainable Financing Bonds has not been and will not be filed with the Financial Services Commission of Korea under the Financial Investment Services and Capital Markets Act of Korea. Accordingly, the Sustainable Financing Bonds may not be offered, sold or delivered, directly or indirectly, in Korea or to, or for the account or benefit of, any Korean resident (as such term is defined in the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder) except as otherwise permitted under applicable Korean laws and regulations.

Schedule 2 - Issue/Settlement Price

The issue/settlement price per N dollars of principal shall be calculated on the basis of the following formula:

$$\text{ISSUE/SETTLEMENT PRICE PER \$N PRINCIPAL} = \left(\frac{\dfrac{1}{(1+i)^n} + r\left[c + \dfrac{1 - \dfrac{1}{(1+i)^n}}{i} \right]}{(1+i)^{\frac{a}{b}}} \right) N$$

Where	N	=	the principal of the Sustainable Financing Bonds ($)
	r	=	the annual Coupon/Interest Rate divided by two hundred, i.e. the semi-annual Coupon/Interest Rate (%)
	i	=	the yield divided by two hundred, i.e. the semi-annual yield (%)
	c	=	where the Issue Date is after the Record Date and up to, but not including, the next Interest Payment Date "c" has the value of 0, otherwise "c" has the value of 1
	n	=	the number of full half years between the next Interest Payment Date and the Maturity Date
	a	=	the number of days from the Issue Date to the next Interest Payment Date
	b	=	the number of days in the half year ending on the next Interest Payment Date

The issue/settlement price will be rounded to the nearest cent (0.01 to 0.49 of a cent being rounded down and 0.50 to 0.99 of a cent being rounded up).

Settlements during the period from the Record Date up to, but not including, the Interest Payment Date of any Sustainable Financing Bonds offered will be on an ex-coupon interest basis. All other settlements will be on a cum-coupon interest basis.