



**LONDON
STOCK
EXCHANGE**

An LSEG Business

SUSTAINABLE BOND MARKET

TERMS AND CONDITIONS



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The Sustainable Bond Market (the “**SBM**”) is a trademark of the London Stock Exchange Plc (the “**London Stock Exchange/our/us/we**”), which may be provided in relation to debt securities admitted to London Stock Exchange’s primary markets, to an issuer of debt securities (the “**Issuer**”) which meets the criteria set out within these terms and conditions (the “**SBM Terms**”)

In order to be provided with the SBM, the Issuer must submit an application to the London Stock Exchange using the SBM application form, which can be found on our website.

SBM is not a regulatory offering of the London Stock Exchange, accordingly there is no expectation nor obligation for us to provide the SBM, even where the criteria set out in these SBM Terms are satisfied.

These SBM Terms govern the provision and use of the SBM and Trademark (as defined in Clause 6.1) between the London Stock Exchange and the Issuer (each a “**party**” and together the “**parties**”).

The definitions provided in these SBM Terms shall apply to the application.

Any request or determination to be made by London Stock Exchange, under the SBM Terms, shall be at our absolute discretion.

Section 1: Application Guidance

- 1.1 When making an application for its debt securities to be provided with the SBM, the Issuer must meet the criteria set out within Sections 2 and 4.
- 1.2 The Issuer has no right to receive the SBM. We may refuse to provide the SBM notwithstanding that the Issuer may meet the criteria in these SBM Terms.
- 1.3 When considering whether an Issuer may be provided with the SBM, we reserve the right to:
 - a) request additional information;
 - b) deviate from the criteria set out in Sections 2 and 4 or impose additional conditions or requirements; and
 - c) refuse and/or delay providing the SBM for any reason whatsoever.
- 1.4 We will not consider an application for the provision of the SBM in respect of a debt security whose admission to trading to one of our primary markets is suspended.

Section 2: Criteria for Provision of the SBM

- 2.1 In order to be provided with the SBM, the Issuer must have its debt securities admitted to one of the primary markets operated by the London Stock Exchange.
- 2.2 In order to be provided with the SBM, the Issuer must submit an application form to us, in accordance with these SBM Terms, requesting that its debt securities are provided with the SBM pursuant to one of the three following classifications (each a “**Classification**” and together the “**Classifications**”), each of which has its own specific criteria (as set out in further detail below):
 - a) Use of Proceeds Classification (categories are green, social, sustainability and sustainability-linked loan financing), the criteria for which is set out in Appendix 1;
 - b) Issuer-Level Classification (categories are green revenues and sustainability-linked), the criteria for which is set out in Appendix 2; and/or
 - c) Transition Classification, the criteria for which is set out in Appendix 3.
- 2.3 For the purposes of these SBM Terms, the “**Criteria**” for a Classification comprises the general terms and conditions set out in Clauses 2.1 and 2.2 of these SBM Terms together with the specific criteria set out in the relevant appendix for that Classification.

Section 3: Provision of the SBM

- 3.1 The Issuer will receive written confirmation from us if its debt securities will be provided with the SBM and licence to use the Trademark (in accordance with these SBM Terms) upon admission of the Issuer to one of the London Stock Exchange's primary markets. The date upon which the Issuer is informed in writing that will be provided with the SBM is the effective date (the "**Effective Date**") for the purposes of these SBM Terms.
- 3.2 The Issuer must not make any public statements, comments or representations regarding the provision of the SBM until it has received written confirmation from us pursuant to Clause 3.1.
- 3.3 Unless otherwise instructed by us, upon receiving written confirmation pursuant to Clause 3.1, the Issuer may publicly state that it expects to be provided with the SBM on admission of its debt securities. We will provide the Issuer with the appropriate wording to be used for such purposes.
- 3.4 Upon being provided with the SBM, upon admission, the Issuer will be entitled to use the Trademark in accordance with Section 6. However, it must not make any statements, comments or representations in respect of the SBM other than in relation to the Criteria it meets.
- 3.5 We will maintain a list of all Issuers who have been provided with the SBM, which may also indicate where the provision of the SBM has been suspended or is subject to a grace period (pursuant to Section 5). The Issuer is deemed to consent and we reserve the right to identify the Issuer as having been provided with the SBM, including (without limitation) on our website, in other public lists of SBM issuers or in respect of any publications or media commentary or marketing information relating to the SBM and/or our sustainability offerings, which we may make available publicly.
- 3.6 We provide the SBM in good faith and solely in reliance on information provided by the Issuer and/or publicly available data/information. The Issuer acknowledges and agrees that, in providing the SBM, we do not make any representations, warranties and/or provide any assurances in respect of:
- a) the Issuer's sustainability credentials and/or performance;
 - b) whether the debt securities comply and/or align with applicable international and/or regional standards and guidelines concerning sustainability;
 - c) whether the debt securities meet any investor expectations in respect of sustainability characteristics of debt securities; and/or
 - d) the fact that any use of proceeds will satisfy any present or future investment criteria or guidelines of any investor.
- The Issuer shall not indicate or suggest otherwise, including (without limitation) through publications, media commentary, marketing information or communications with third parties.
- 3.7 No reliance may be placed on the SBM by third parties that we have independently verified or otherwise provided any representations or assurances in respect of the Issuer or its business or its sustainability credentials.

Section 4: Ongoing Criteria and Post-Issuance Reporting

- 4.1 The Issuer shall ensure that all debt securities which have been provided with the SBM continue at all times to comply with the relevant Criteria, including (without limitation) any conditions imposed pursuant to Clause 1.3 on an ongoing basis.
- 4.2 Without prejudice to its regulatory disclosure obligations, the Issuer must notify us of the following without delay:
 - a) any circumstance which might, or is likely to, lead to the Issuer not complying with the relevant Criteria;
 - b) any material change to, or failure to comply with, its Framework (as defined in the relevant appendix); and
 - c) any known or threatened investigations, claims, sanctions or criticisms from any authority or regulatory body which relate to or concern the Issuer's sustainability credentials.
- 4.3 We reserve the right to periodically review the Issuer's compliance with the Criteria.

Section 5: Grace Periods

- 5.1 Where the issuer has been provided with the SBM but no longer meets the ongoing criteria and/or post issuance reporting requirements set out in Section 4, we may allow the issuer to retain the SBM and Trademark for a period determined by us ("**grace period**"). In order for us to consider the granting of a grace period, the issuer will be required to demonstrate to our satisfaction that it will be able to comply with the SBM Terms (including Section 4) by the end of such grace period.
- 5.2 Such periods will typically be up to 12 months but may be shorter or longer.
- 5.3 Where we grant a grace period pursuant to Clause 5.1 due to the Issuer failing to comply with the requirement for ongoing annual reporting post issuance, we may identify the Issuer's debt securities as "pending reporting" on our website without providing notice to the Issuer, until such time as the Issuer has complied with such ongoing annual reporting requirements.

Section 6: Use of the SBM and the Trademark

- 6.1 Once the SBM has been provided, pursuant to Clause 3.1, we will grant a limited, revocable, non-exclusive, non-transferable, royalty-free and non-sublicensable license to the Issuer to use and display the trademark set out in Appendix 4 to these SBM Terms (the “**Trademark**”), subject to the following conditions:
- a) the Trademark must be used solely in the format shown in Appendix 4 and only in the Issuer’s marketing materials in respect of the relevant debt securities we have approved and for no other purpose for as long as the Issuer is provided with the SBM and licensed to use the Trademark by us;
 - b) the Trademark must be displayed by itself and shall not be combined with any other graphic or textual elements and shall not be used as an element of any other logo or graphic;
 - c) the Trademark must not be used in any way which is, or could reasonably be, detrimental to the us or our affiliates; and
 - d) the Trademark must not be used on any materials in such a way as to suggest that such materials have been produced and/or approved in any way by us and/or our affiliates.

Section 7: Indemnity and Liability

7.1 The Issuer:

- a) acknowledges and agrees that the London Stock Exchange shall have no liability to the Issuer or any third party in connection with the sustainability credentials of the Issuer's debt securities or otherwise in connection with the SBM and the SBM Terms; and
- b) shall indemnify and keep the London Stock Exchange fully indemnified from and against any and all loss (including damages and settlement payments and costs on an ongoing basis) incurred by the London Stock Exchange Group Plc and any subsidiary of it, as a result of any action (including third party action), claim or proceeding made in relation to the sustainability credentials of the Issuer or in connection with the issuance of the SBM or otherwise, in each case regardless of whether or not the Issuer is in compliance with these SBM Terms.

Section 8: Liaising with Us

8.1 The Issuer shall:

- a) ensure that information provided to us is complete, accurate and not misleading and does not omit anything likely to affect the import of such information;
- b) deal with us promptly and in an open, transparent and co-operative way;
- c) advise us promptly in writing if, at any time, it no longer meets or is likely to no longer meet the relevant criteria;
- d) on request from us, from time to time, confirm whether it continues to meet the relevant Criteria and provide any relevant supporting documentation; and
- e) promptly provide us with any information or explanation we might require.

Section 9: Refusal and Removal of the SBM

- 9.1 We may suspend the Issuer's right to use the SBM and Trademark or remove the provision of the SBM and Trademark if we determine that:
- a) the Issuer may be in breach of its obligations under the SBM Terms; or
 - b) the provision of the SBM or Trademark to the Issuer may be detrimental to our reputation and/or integrity (including our sustainability offerings) or that of the SBM or the Trademark.
- We will provide written notice of suspension or removal to the Issuer.
- 9.2 The following non-exhaustive list of matters may be considered by us when considering suspension or removal pursuant to Clause 9.1:
- a) the Issuer has not demonstrated to our satisfaction that it meets or can meet the Criteria pursuant to these SBM Terms;
 - b) where matters are brought to our attention which could affect the Issuer meeting the Criteria;
 - c) the Issuer has been the subject of disciplinary action or criticism by a regulator, government body or court;
 - d) the Issuer is, in our view, reasonably unlikely to be able to comply with these SBM Terms;
 - e) the Issuer has not complied with, or in our view, is not reasonably likely to be able to comply with, any condition we have imposed; and/or
 - f) the Issuer's admission to trading is suspended.
- 9.3 We may also remove the SBM and Trademark on written notice to the Issuer if, for whatever reason, we withdraw and discontinue the SBM offering.
- 9.4 The Issuer can request removal of the SBM by providing us with 20 business days' written notice.
- 9.5 Where an Issuer is informed that the SBM has been removed, the Issuer shall immediately cease using the SBM and Trademark and remove the SBM and Trademark from any of the Issuer's materials, which includes but is not limited to the Issuer's website and marketing materials.
- 9.6 Where an Issuer is informed that the SBM has been suspended, it shall immediately cease using the SBM and Trademark and remove the SBM and Trademark from any of the Issuer's materials where it was displayed, which includes but is not limited to, the Issuer's website and marketing materials, pending the relevant confirmations from us.
- 9.7 For the avoidance of doubt, removal of the SBM does not affect the listing and/or admission of the Issuer's securities to our markets.

Section 10: Confidential Information

- 10.1 All communications between us and the Issuer are confidential to us and should not be disclosed by the Issuer without the prior written consent of the London Stock Exchange save:
- a) to advisers, who are subject to professional confidentiality obligations, engaged by the Issuer for the purposes of supporting an Issuer with its compliance with these SBM Terms; and/or
 - b) if required to do so by a regulatory or statutory body or agency in the exercise of a right or legal power to compel such provision and/or to enable the Issuer to comply with any obligation owed to such regulatory or statutory body or agency; and/or
 - c) subject to the Issuer having first complied with Clause 10.2 below, pursuant to a court order.
- 10.2 In the event that the Issuer considers that it may have an obligation to disclose communications between the Issuer and/or its advisers and the London Stock Exchange pursuant to any procedural obligation, direction or order arising in the course of actual or contemplated litigation, arbitration or other dispute resolution process to which the Issuer or its directors are a party the Issuer is required to bring this to our attention immediately and prior to any such disclosure being made.

Section 11: Intellectual Property Rights

- 11.1 All rights, including intellectual property rights in respect of the SBM and the Trademark, and the processes for the provision of the SBM to the Issuer, are owned by London Stock Exchange.
- 11.2 Save as otherwise expressly set out in these SBM Terms, neither party shall acquire any right, title or interest in or to the intellectual property rights of the other party, which was already in existence on the Effective Date of these SBM Terms applying to the Issuer, or which is created by either party after the Effective Date of these SBM Terms applying to the Issuer.
- 11.3 The Issuer agrees to notify us promptly after it becomes aware of any actual or threatened infringement, imitation, dilution, misappropriation, or other unauthorised use or conduct in derogation (“**Infringement**”) of the SBM and/or the Trademark. We shall have the sole and exclusive right to bring any action to remedy or seek redress in respect of any Infringement (or to refrain from taking any action at our sole discretion), and the Issuer shall cooperate with us in relation to the same. All damages or other compensation of any kind recoverable in such action shall be for our account.
- 11.4 The Issuer acknowledges that the SBM and the Trademark are provided on an “AS IS” basis, without warranty of any kind, express or implied, including, without limitation, warranties of merchantability, fitness for a particular purpose, non-infringement or other warranties, conditions, guarantees or representations, whether express or implied.

Section 12: General Provisions

- 12.1 The Issuer will be bound by these SBM Terms from the date the SBM is provided to the Issuer pursuant to the Effective Date until the removal of the SBM in accordance with Section 9, subject to Clause 12.2 (survivorship).
- 12.2 Notwithstanding the termination of these SBM Terms, any obligations which expressly or by their nature are intended to survive such termination will survive any termination of these SBM Terms and continue in full force and effect, including, without limitation the following Sections: 7 (Indemnity and Liability), 8 (Liaising with Us), 10 (Confidential Information), 11 (Intellectual Property Rights) and 12 (General Provisions).
- 12.3 Where the Issuer does not agree with a decision reached by us, which results in the refusal, suspension or removal of the SBM, the Issuer may request a reconsideration of the decision within 14 days of being informed. When making such a request, the Issuer shall set out clearly why it meets the requirements of the SBM Terms and provide any supporting evidence, by the date set by us. Upon receipt of the request for reconsideration, we will reconsider the decision and the time frame for making the decision will be communicated to the Issuer separately. The decision shall be final and binding.
- 12.4 A notice required to be given to a party under or in connection with the SBM Terms shall be in writing. We and the Issuer will have usual points of contact between our respective teams concerning the SBM Terms and a company's admission to our markets. Notices under the SBM Terms may be sent by:
- a) the London Stock Exchange to the Issuer by email to our usual contacts at the Issuer or by letter to its registered office; or
 - b) the Issuer to the London Stock Exchange, to its usual contacts and copied to bonds@lse.com.
- 12.5 No person other than us or the Issuer shall have any rights under the UK Contracts (Rights of Third Parties) Act 1999 or otherwise to enforce any of the terms of the SBM Terms.
- 12.6 The Issuer may not assign, transfer, grant any security interest over or hold on trust all or any of its rights or obligations under the SBM Terms without our prior written consent. We may assign or novate our rights and/or obligations under these Terms to an affiliate on written notice to the Issuer.
- 12.7 The Issuer acknowledges and accepts that we may modify these SBM Terms at any time and without notice. We will publish any such modified SBM Terms on our website and it is always the latest version, as available on our website, which is in effect.
- 12.8 If any court or competent authority finds that any provision of these SBM Terms (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, subject to Clause 12.7 and to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of these SBM Terms shall not be affected.
- 12.9 If any invalid, unenforceable or illegal provision of these SBM Terms would be valid, enforceable, and legal if some part of it were deleted or modified, the parties shall negotiate in good faith to amend such provision such that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the parties' original commercial intention.

- 12.10 Nothing in these SBM Terms is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute any party being appointed to act as the agent of the other party, nor authorise any party to make or enter any commitments for or on behalf of the other party.
- 12.11 Failure to exercise or any delay in exercising any of the rights of either party under these SBM Terms shall not be deemed to constitute a waiver of such rights.
- 12.12 The Issuer will ensure that its agents and/or advisers acting on its behalf are complying with its obligations, where relevant, under these SBM Terms.
- 12.13 These SBM Terms, and any contractual or non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with the laws of England and Wales, and any dispute arising in connection with the SBM Terms, including disputes relating to any non-contractual obligations, shall be subject to the exclusive jurisdiction of the Courts of England and Wales.

Appendix 1: Use of Proceeds Classification

Our Use of Proceeds Classification is for debt securities which have committed their use of proceeds to financing new and existing projects or activities with clear environmental or social benefits. Our Use of Proceeds Classification encompasses Green Bonds, Social Bonds, Sustainability Bonds and Sustainability-linked Loan Financing Bonds.

Use of Proceeds Classification Criteria – on admission

In order for the Issuer to be provided with the SBM in respect of the Use of Proceeds Classification, it must satisfy all of the Criteria as follows:

1. The Issuer must apply for the Use of Proceeds Bond Classification under one of the following categories:
 - a) Green Bond;
 - b) Social Bond;
 - c) Sustainability Bond;
 - d) Sustainability-linked Loan Financing Bond;
 - e) Other 'Use of Proceeds' Bond.
2. The debt securities in respect of which the Issuer is applying must meet the criteria of:
 - a) the Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines or Sustainability-linked Loan Financing Bond Guidelines (as applicable), as published by the International Capital Markets Association ("**ICMA**"), in force from time to time; or
 - b) one of the international and/or regional standards and guidelines, as published by various bodies or agencies and as in effect from time to time and set out as a list on our website. We reserve the right to update such list from time to time.

The Issuer may request that we consider other international and/or regional standards, which are not included in the list referred to in paragraph 2b) above, on a case-by-case basis. When making such a request, the Issuer must demonstrate that the international and/or regional standard it is requesting us to consider meets the criteria of internationally recognised principles (such as the ICMA Principles). We will consider this information and make a determination and such decision shall be absolute and binding on the Issuer.
3. The Issuer must have in place one or more green, social and/or sustainable finance frameworks (in this Appendix 1, the "**Framework**") which:
 - a) is stated by the Issuer to meet the criteria of the international and/or regional standards and guidelines applicable to its debt securities and referred to in paragraph 2a) or 2b) of this Appendix 1; and

b) has been subjected to an external review (the “**Use of Proceeds External Review**”), which confirms that the Framework meets the international and/or regional standards and guidelines which it is required to meet pursuant to paragraph 2a) or 2b) of this Appendix 1, from an independent third-party reviewer (the “**Use of Proceeds External Reviewer**”). The outcome of the Use of Proceeds External Review must be submitted to us in written form with the application form, and the Issuer must demonstrate to our satisfaction that the Use of Proceeds External Reviewer is certified to assess (or, if not certified, suitably experienced in assessing) the environmental and/or social objectives and use of proceeds aspects of the Framework.

We will be reliant on the information provided by the Issuer in respect of the Framework and will not be making our own assessment in respect of the Framework.

Issuers should make the Framework and Use of Proceeds External Review publicly available on their website and/or through any other publicly accessible communication channel, as appropriate.

Use of Proceeds Classification Criteria – exemption

4. We reserve the right to provide an Issuer with the SBM in respect of the Use of Proceeds classification, notwithstanding that that Issuer has not satisfied the requirement in paragraph 3b) of this Appendix 1 to undertake a Use of Proceeds External Review, in instances where the following criteria are met:

- a) the Issuer has Supranational status (or is a special purpose vehicle established by an entity which has Supranational status) and has a commitment to sustainability in its mission statement;
- b) the debt securities adhere to one of the international and/or regional standards and guidelines referred to in paragraph 2a) or 2b) of this Appendix 1; and
- c) the Issuer has committed to report, on an ongoing basis, on its Use of Proceeds.

Any Issuer which satisfies the criteria for this exemption, will be flagged as “self-certified” within the specialist bonds list available on our website.

Use of Proceeds Classification Criteria – ongoing

5. For a debt security which has been provided with the SBM under the Use of Proceeds Classification, the Issuer must:

- a) publish an allocation report within 12 months from the date of issuance of the debt security or at the same time as its next annual report; and
- b) following the publication of the initial allocation report referred to in the preceding sub-paragraph:
 - i. publish further allocation reports, at least annually, until all proceeds from the bond issuance have been allocated in full; and
 - ii. once all proceeds from the bond issuance have been allocated in full, publish a final report detailing how such proceeds were allocated.

Issuers should make the aforementioned reports publicly available on their website and/or through any other publicly accessible communication channel as appropriate.

Where an Issuer is in breach of its ongoing annual reporting requirements, we may consider our powers under Clause 5.3 in addition to our powers under Section 9.

Appendix 2: Issuer Level Classification

Our Issuer Level Classification is for debt securities which are issued by an entity whose core business activity is related to the provision of green products and services and/or where the sustainable nature of the instrument is not based on a distinct and pre-defined use of proceeds. Our Issuer Level Classification encompasses Green Revenues Bonds and Sustainability-Linked Bonds.

Issuer Level Classification Criteria – on admission

In order for the Issuer to be provided with the SBM in respect of the Issuer Level Classification, it must satisfy all of the Criteria, including for a Green Revenues Bond, paragraph 1 below, and for a Sustainability-Linked Bond, paragraph 2 below:

1. For a Green Revenues Bond, the Issuer must have:

- a) equity securities or global depository receipts admitted to one of the primary markets operated by us, being either a regulated market or a primary multilateral trading facility;
- b) been provided with our Green Economy Mark; and
- c) green revenues (as defined in the LSEG Data & Analytics (D&A) Green Revenue Classification System) which are greater than or equal to 90% of its total consolidated revenues at the time of application.

Where the Issuer is a wholly owned subsidiary or special purpose vehicle for a fixed income transaction, the parent entity of the Issuer or the obligor, rather than the Issuer itself, must satisfy the criteria set out in paragraph 1 of this Appendix 2 in lieu of the Issuer.

2. For a Sustainability-Linked Bond, the Issuer must have prepared a sustainability-linked framework (in this Appendix 2, the **“Framework”**) which:

- a) is stated by the Issuer to be based on the Sustainability-Linked Bond Principles, as published by ICMA. We may, upon request by the Issuer, allow the Issuer to base its Framework on alternative standards or principles. When making such a request, the Issuer must demonstrate that the proposed alternative standards or principles meet the criteria of internationally recognised principles. We have the right to decide whether or not to grant any such request;
- b) includes commitments to future improvements in sustainability outcomes within a predefined timeline, in accordance with ICMA’s Sustainability-Linked Bond Principles or, if so accepted by us, any alternative internationally recognised standards or principles; and
- c) has been subjected to an external review (the “Sustainability-Linked External Review”), which confirms that the Framework meets ICMA’s Sustainability-Linked Bond Principles (or any alternative standards or principles, if so agreed by us) by an independent third-party reviewer (the “Sustainability-Linked External Reviewer”). The outcome of the Sustainability-Linked External Review must be submitted to us in written form with the application form and the Issuer must demonstrate that the Sustainability-Linked External Reviewer is certified to assess (or, if not certified, suitably experienced in assessing) the sustainability objectives for the debt securities.

We will be reliant on the information provided by the Issuer in respect of the Framework and will not be making our own assessment in respect of the Framework.

Issuers should make the Framework and Sustainability-Linked External Review publicly available on their website and/or through any other publicly accessible communication channel as appropriate.

Issuer Level Classification Criteria – ongoing

3. For a debt security which has been provided with the SBM under the Issuer Level Classification, the Issuer must, without derogating from its obligations under Section 4 of the SBM terms, meet the following criteria on an ongoing basis:

- a) in respect of a Green Revenues Bond, it must continue to have green revenues (as defined in the LSEG D&A Green Revenue Classification System) which are greater than or equal to 80% of its consolidated total revenues; and
- b) in respect of a Sustainability-Linked Bond, it must publish a report on an annual basis in order to allow investors to adequately assess the Issuer's performance in relation to its publicly stated key performance indicators, as outlined in ICMA's Sustainability-Linked Bond Principles.

Issuers should make the aforementioned reports publicly available on their website and/or through any other publicly accessible communication channel as appropriate.

Where an Issuer is in breach of its ongoing annual reporting requirements, we may consider our powers under Clause 5.3 in addition to our powers under Section 9.

Appendix 3: Transition Classification

Our Transition Classification is for debt securities issued by an entity for climate transition or just-transition related purposes. Our Transition Classification encompasses Climate Transition Bonds and Just-Transition Bonds.

Transition Classification Criteria – on admission

In order for the Issuer to be provided with the SBM in respect of the Transition Classification, it must satisfy all of the Criteria including, for a Climate Transition Bond, paragraph 1 below and for a Just-Transition Bond, paragraph 2 below:

1. For a Climate Transition Bond, the Issuer must have prepared a transition framework, (in this Appendix 3, the “**Framework**”) which:
 - a) is stated by the Issuer to meet the criteria within the ICMA Climate Transition Finance Handbook and/or the ICMA Climate Transition Bond Guidelines; and
 - b) has been subjected to an external review (the “**Transition External Review**”), which confirms that the Framework meets the criteria within the ICMA Climate Transition Finance Handbook and/or the ICMA Climate Transition Bond Guidelines, from an independent third-party reviewer (the “**Transition External Reviewer**”). The outcome of the Transition External Review must be submitted to us in written form with the application form, and the Issuer must demonstrate to our satisfaction that the Transition External Reviewer is certified to assess (or, if not certified, suitably experienced in assessing) the sustainability objectives of the debt securities.

We will be reliant on the information provided by the Issuer in respect of the Framework and will not be making our own assessment in respect of the Framework.

Issuers should make the Framework and Transition External Review publicly available on their website and/or through any other publicly accessible communication channel as appropriate.

2. For a Just-Transition Bond, the criteria (both in relation to provision of the SBM and on an ongoing basis) will be determined by us, having regard to any guidance or principles published by ICMA where appropriate.

Transition Classification Criteria – ongoing

3. For a debt security which has been provided with the SBM under the Transition Classification, the Issuer must, without derogating from its obligations under Section 4 of the SBM terms, meet either of the following criteria on an ongoing basis:
 - a) in respect of a Climate Transition Bond, it must meet the recommendations outlined by the Taskforce on Climate-Related Financial Disclosures or similar frameworks within 18 months of issuance of the debt securities, or by the following annual reporting period, whichever is the sooner, and continue to do so on an annual basis thereafter; and
 - b) in respect of a Just-Transition Bond, it must comply with the ongoing criteria set by us at the time the Issuer was provided with the SBM.

Issuers should make the aforementioned reports publicly available on their website and/or through any other publicly accessible communication channel as appropriate.

Appendix 4: Trademark



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