



Term Sheet for 4.25% Treasury Bonds due 21 June 2034

This Term Sheet relates to the series of Treasury Bonds referred to above. It is supplementary to, and should be read, as appropriate, in conjunction with the *Information Memorandum for Treasury Bonds*.

ISSUER	Commonwealth of Australia
INSTRUMENT	Treasury Bond issued as a Green Treasury Bond
CURRENCY	Australian dollars
SERIES NUMBER	TB170
AUSTRACLEAR ISIN	AU3TB0000200
FIRST ISSUE DATE	04 June 2024
MATURITY DATE	21 June 2034
COUPON	4.25% per annum paid semi-annually in arrears on the Face Value of the bonds.
REDEMPTION	Par
COUPON PAYMENT DATES	21 December and 21 June in each year commencing on 21 December 2024, to and including the Maturity Date
DAY COUNT	Actual/Actual
BUSINESS DAYS	Sydney
BUSINESS DAY CONVENTION	Following, unadjusted
RECORD DATE	Close of business eight calendar days prior to the Coupon Payment Date. If this day is not a Business Day, the preceding Business Day is the Record Date.
DENOMINATIONS	\$1,000 Face Value for Treasury Bonds
REGISTRAR	Computershare Investor Services Pty Limited (ACN 078 279 277)

STOCK EXCHANGE QUOTATION

Australian Securities Exchange

**NON-RESIDENT INTEREST
WITHHOLDING TAX**

Exempt from non-resident interest withholding tax. In the event the Commonwealth of Australia as issuer is required to withhold any amounts on account of Australian taxes, it will not be liable to pay any additional amounts to bondholders as compensation for any such withholdings.

GOVERNING LAW

Treasury Bonds are subject to the law in force in the Australian Capital Territory.

USE OF PROCEEDS

The Commonwealth's Australian Government Green Bond Framework (as amended from time to time, the 'Framework') outlines the Commonwealth's processes relating to use of proceeds, project evaluation and selection, management of proceeds, reporting and external review.

The Commonwealth intends to allocate an amount equivalent to the total net proceeds of the issuance of Treasury Bonds towards financing and/or refinancing, in whole or in part, expenditures that meet the eligibility criteria set out in the Framework ('Eligible Green Expenditures'). Eligible Green Expenditures will be managed and delivered by a range of Commonwealth agencies.

All Eligible Green Expenditures must align strongly with one or more of the Commonwealth's three key green goals:

- climate change mitigation;
- climate change adaptation; and
- improved environmental outcomes.

The Framework also includes exclusionary criteria which set out projects within the sectors that are excluded from consideration as Eligible Green Expenditures.

Eligible Green Expenditures must occur no earlier than the financial year prior to the issue date of Green Treasury Bonds; during the current financial year; or during two financial years following issuance (the 'Eligibility Window'). Expenditure that occurs outside of the Eligibility Window will not be eligible for inclusion under the Framework.

Indicative Eligible Green Expenditures are outlined in the Framework. These Indicative Eligible Green Expenditures fall within the eligible Green Projects categories as referenced in the International Capital Market Association ('ICMA') Green Bond Principles.

Treasury, with the endorsement of a Green Bond Committee, may remove and replace Eligible Green Expenditures that terminate or no longer meet the relevant criteria in accordance with the Framework. Unallocated proceeds will be managed in line with the AOFM's liquidity management practices.

To provide transparency, the Commonwealth intends to publish ongoing annual allocation and impact reporting for Green Treasury Bonds issued under the Framework. Such reporting is expected to commence no later than 18 months after the first issue date of Green Treasury Bonds. Reporting will be made publicly available through the AOFM website at www.aofm.gov.au

OTHER DISCLOSURE

Verification and reporting

These Treasury Bonds are categorised as Green Treasury Bonds aligned with the ICMA Green Bond Principles.

These Green Treasury Bonds are to be issued in accordance with "Section 3 Use of Proceeds" of the Framework.

A Second Party Opinion on the Framework which confirms the alignment of the Framework with the ICMA Green Bond Principles is available on the AOFM website at www.aofm.gov.au. It is intended that annual allocation and impact reports will be subject to external verification by an authorised independent entity.
