

# Green Finance Framework

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# 1. Introduction

## 1.1 Business overview

Headquartered in Sydney and founded in 1969, Macquarie (which comprises Macquarie Group Limited and its subsidiaries) is a global financial services group operating in 34 markets in asset management, retail and business banking, wealth management, leasing and asset financing, market access, commodity trading, renewables development, specialist advice, access to capital and principal investment. These activities are divided among the following four operating groups:

1. Macquarie Asset Management;
2. Banking and Financial Services;
3. Commodities and Global Markets; and
4. Macquarie Capital.

Macquarie works with government, institutional, corporate, and retail clients and counterparties around the world, providing a diversified range of products and services. Macquarie has established leading market positions as a global specialist in a wide range of sectors, including renewables, infrastructure, resources, commodities and energy.

## Environmental financing at Macquarie

Macquarie continues to support clients seeking to manage and respond to environmental challenges and capitalise on emerging opportunities. Drawing on its global network, sector expertise and strong record, Macquarie provides a diverse range of products and services with an Environmental, Social or Governance (“**ESG**”) outcome to corporate, government and institutional clients.

Macquarie's climate strategy is based around four areas of action: continuing to reduce the emissions of its own business operations, leveraging its knowledge and networks to help others decarbonise; aligning our financing activity with the global goal of net zero emissions by 2050; and increasing investment in the climate mitigation and adaptation solutions. For more information please refer to: <https://www.macquarie.com/au/en/about/company/environmental-social-and-governance.html>

To further support Macquarie's climate ambition, Green Investment Group (“GIG”) moved from Macquarie Capital to Macquarie Asset Management (“MAM”) in April 2022 (now “MAM Green Investments”). This allows Macquarie to combine the market leading renewables project development and finance expertise of MAM Green Investments and its portfolio of specialist development platforms with the fiduciary capital resources entrusted to MAM, thereby providing access to larger pools of capital and finance that in turn will allow Macquarie to facilitate the development of renewables projects on a much larger scale.

As part of the integration of GIG into MAM, GIG's specialist Green Analytics team joined the MAM Sustainability team. MAM Sustainability provides green opinions on prospective transactions under this Green Finance Framework where appropriate (see further at section 3.2 below).

# 2. Framework concept

This Macquarie Green Finance Framework (“**GFF**”) has been developed to demonstrate how Macquarie intends to enter into Green Financing Transactions (“**GFT**”) to fund projects that will deliver environmental benefits to support Macquarie's business strategy and vision. The GFF applies to Macquarie Group Limited, Macquarie Bank Limited and any other members of Macquarie Group who engage in GFTs in accordance with the GFF.



Green Financing Transactions may include bonds, loans and other debt or financing structures which support Eligible Projects, as defined below. More specifically:

- Bonds issued under the GFF will be in alignment with the International Capital Market Association's Green Bond Principles (GBP 2021 – with June 2022 Appendix I) or as they may be subsequently amended from time to time ("**GBP**" or "**Green Bond Principles**");
- Loans originated, extended or refinanced under the GFF after 9 March 2023 will be in alignment with the Asia Pacific Loan Market Association's Green Loan Principles<sup>1</sup> (GLP 2023) or as they may be subsequently amended from time to time ("**GLP**" or "**Green Loan Principles**"); and
- Other forms of financing may conform to other sustainable or green finance principles as may be established at the time of such financing transaction being undertaken.

A GFT may be raised in any currency or tenor and with other terms and conditions including covenants, to reflect Macquarie's financing strategy and commercial terms agreed between the Issuer/Borrower and the relevant Manager/Arranger/Lender.

## 3. Macquarie's Green Finance Framework

For each GFT, Macquarie asserts that it will adopt the following 4 pillars as described in GBP 2021 and GLP 2023:

1. Use of proceeds;
2. Process for project evaluation and selection;
3. Management of proceeds; and
4. Reporting.

### 3.1 Use of proceeds

The proceeds of each GFT will be notionally allocated to the financing or re-financing<sup>2</sup> of "Eligible Projects".

Eligible Projects mean projects that comprise financing which fall within the categories outlined in Appendix 1 and may have been originated by the various operating groups or central service groups of Macquarie.

### 3.2 Process for project evaluation and selection

The Green Finance Working Group ("**GFWG**") has the responsibility of governing and implementing the GFF. The GFWG comprises representatives from Treasury, Credit Risk, Environmental and Social Risk, MAM Sustainability and/or any relevant operating or central service groups as required.

Respective operating or central service groups will identify potential Eligible Projects based on the criteria in the GFF's Use of Proceeds section outlined above.

Potential Eligible Projects will be submitted by the operating or central service groups to the GFWG for review and the GFWG will confirm that such potential projects qualify as Eligible Projects based on:

- Description of the project and the engineering approach setting out the environmental benefits to be obtained versus alternative approaches;
- Preliminary or final certificates received in respect of compliance with relevant standards; and
- In the case of a GFT which is a green bond, if an Eligible Projects Shortfall persists for over 24 months, Macquarie would explore other options, including a cash tender offer to green bond holders. If such a tender offer is made and participation in the tender offer is not sufficient to remedy the shortfall and such green bond remains outstanding, there will be proceeds remaining that may cease to be allocated to the financing or refinancing of Eligible Projects, such that 100% of the green bond proceeds would no longer be allocated to Eligible Projects.

In addition to meeting the Green Loan Principles or Green Bond Principles (as applicable), a potential Eligible Project must do no significant harm. All Eligible Projects are assessed under Macquarie's group-wide Environmental and Social Risk ("ESR") policy and ESR assessment tool where relevant. The ESR Policy and tool provides a due diligence process to assess, manage, mitigate, monitor and report environmental and social risks and takes a precautionary approach to ESR issues including labour and employment practices, climate change, human rights, resource efficiency, pollution prevention, biodiversity and cultural heritage. The approach is based on international guidelines including the International Finance Corporation Performance Standards.

1. All transactions completed prior to 9 March 2023 are in alignment with the Green Loan Principles in force at the time of origination, extension or refinancing of the loan, as applicable.  
2. Refinancing projects will typically be within 3 years of operation to ensure sufficient additional impact, however limited exceptions may apply.

### 3.3 Management of proceeds

The proceeds of each GFT will not be credited to a dedicated account and will be deposited in Macquarie's general funding accounts. Proceeds from a GFT may be in a different currency to that of the relevant Eligible Project(s). Any foreign exchange valuation of the relevant Eligible Project(s) will be done at the time of notional allocation of proceeds of the relevant GFT and not on a periodic basis unless there is a reallocation of proceeds to relevant Eligible Projects or a change in the drawdown or issuance amount of a GFT.

The internal governance process to allocate proceeds against Eligible Projects in an appropriate manner (as required in the GLP and GBP) is described below.

Through the GFWG, Macquarie will maintain a register of GFT and Eligible Projects and implement a monitoring and reporting process to ensure that:

- The total funding required<sup>3</sup> for Macquarie's interests in Eligible Projects is greater than the outstanding principal amounts due in respect of GFTs.
- Macquarie's interests in Eligible Projects are owned within the consolidated entity which raises the GFT that is notionally allocated against the Eligible Projects.
- Macquarie's interests in Eligible Projects do not have other financing (a) secured against them, or (b) specifically attributable to them in respect of another 'use of proceeds' obligation.

The register will include the following information:

**1. Type of GFT:** Information including

- Issuer/borrower entity
- Transaction date
- Instrument type
- Tranche information such as currency and principal amount of proceeds, maturity date, interest or coupon, and where relevant the common identifier number (e.g. ISIN number).

**2. Allocation of use of proceeds:** Information including

- Name and description of each Eligible Project including the Macquarie entity that holds the relevant interest / has made the investment and total interest / investment made
- Amount of proceeds from a GFT which has been notionally allocated against an Eligible Project
- The remaining balance of the proceeds from a GFT yet to be allocated against an Eligible Project

At initial issuance/drawdown, any proceeds from a GFT which are not yet allocated to an Eligible Project will be held in accordance with Macquarie's liquidity management policy.

Eligible Projects Shortfall:

- In the unlikely event that, at any time, there are insufficient Eligible Projects to notionally allocate all of the proceeds of a GFT (an "Eligible Projects Shortfall"), Macquarie will seek to reallocate the unallocated proceeds to other Eligible Projects.
- While Macquarie explores alternative allocation option(s), Macquarie will endeavour to allocate the unallocated proceeds to green bonds of other issuers on a temporary basis, or may otherwise hold such proceeds in accordance with Macquarie's liquidity management policy.
- In the case of a GFT which is a green bond, if an Eligible Projects Shortfall persists for over 24 months, Macquarie would explore other options, including a cash tender offer to green bond holders. If such a tender offer is made and participation in the tender offer is not sufficient to remedy the shortfall, then in those circumstances, Macquarie may cease to allocate all or some of the green bond proceeds to Eligible Projects, such that 100% of green bond proceeds would no longer be allocated to Eligible Projects.

### 3.4 Reporting

Macquarie will publish a Green Finance Report on an annual basis where a GFT is outstanding and the use of proceeds from the GFT have been allocated to an Eligible Project(s) in accordance with this GFF. The Green Finance Report will contain the following information on allocation and impacts:

**1. Allocation reporting**

Macquarie will provide the following information for GFTs raised and outstanding during the period:






- The amount notionally allocated to Eligible Projects in aggregate
- The outstanding balance of any proceeds from any GFTs which have not yet been allocated
- Examples of Eligible Projects (subject to confidentiality disclosures)

3. This will be determined by Macquarie with reference to the category of Eligible Project and the nature of Macquarie's financing / investment. This may take into account matters such as relevant equity / debt commitments, purchase price, build / construction cost, amongst others.

## 2. Impact reporting

Where possible, Macquarie will report on the anticipated environmental sustainability and/or climate change mitigation benefits resulting from Eligible Projects. This report will be completed by MAM Sustainability and/or relevant operating or central service groups as required.

Subject to the nature of an Eligible Project and availability of information, Macquarie aims to report, where possible, on the 'Impact indicators' of an Eligible Project. 'Impact indicators' include but are not limited to:

Eligible Project Categories	Impact Indicators
 <b>Renewable Energy</b>	<ul style="list-style-type: none"> <li>• Renewable energy generation (MWh)</li> <li>• CO<sub>2</sub> (or other GHG) emissions avoided / reduced (tonnes of CO<sub>2</sub>e)</li> <li>• Fossil fuel consumption avoided (tonnes of oil equivalent)</li> <li>• Particulates to air avoided (tonnes)</li> </ul>
 <b>Energy Efficiency</b>	<ul style="list-style-type: none"> <li>• Amount of energy saved (MW)</li> <li>• CO<sub>2</sub> (or other GHG) emissions avoided (in tonnes of CO<sub>2</sub>e)</li> <li>• Fossil fuel consumption avoided (tonnes of oil equivalent)</li> <li>• Particulates to air avoided (tonnes)</li> </ul>
 <b>Waste Management</b>	<ul style="list-style-type: none"> <li>• Energy generated from waste (kWh)</li> <li>• Waste recycled (tonnes)</li> </ul>
 <b>Sustainable Construction and Real Estate</b>	<ul style="list-style-type: none"> <li>• Certification received or maintained</li> <li>• Additional energy saving or operational performance data where available</li> </ul>
 <b>Sustainable Transportation<sup>4</sup></b>	<ul style="list-style-type: none"> <li>• CO<sub>2</sub> (or other GHG) emissions avoided (in tonnes of CO<sub>2</sub>e)</li> <li>• Other pollutant emissions to air avoided (NO<sub>x</sub>, SO<sub>x</sub>, particulates – in tonnes)</li> </ul>

The Green Finance Report will be publicly available via annual updates at <https://www.macquarie.com/au/en/investors/debt-investors.html>.

Macquarie may also choose to report on any Eligible Projects and/or GFTs through other channels, such as its Annual Report, which will also be published on its [website](#).

## 4. Assurance

Macquarie will obtain both an external review of this GFF from an independent party and an annual assurance over compliance with this GFF from an appropriate audit provider where there is a GFT outstanding. This will be available at <https://www.macquarie.com/au/en/investors/debt-investors.html>.

4. Sustainable Transportation comprises assets, companies or technologies that seek to reduce vehicular (i.e. exhaust/tailpipe) emissions of greenhouse gases and other pollutants associated with transportation, for example by electrification of transport or substitution of fossil fuels with renewable or lower emission alternatives.

# Appendix 1: Eligible project

Eligible Project Categories	Alignment with GBP 2021 and GLP 2023	Description	Eligibility Guide	Exclusions
<b>1. Renewable Energy</b>	Renewable Energy	Planning, development, and operations of wind, solar, geothermal, ocean, and low-impact hydropower energy generation	<ul style="list-style-type: none"> <li>Lifecycle GHG emissions &lt;100g CO<sub>2</sub>e/kWh (&lt;50g CO<sub>2</sub>e/kWh for hydropower facilities that became operational after the end of 2019)</li> <li>Hydropower power density &gt;5W/m<sup>2</sup> for facilities that became operational before the end of 2019 and &gt;10W/m<sup>2</sup> for facilities that became operational after the end of 2019</li> <li>For concentrated solar power and solar thermal power plants, at least 85% of the electricity is generated from solar energy sources</li> <li>For all new hydropower projects, an environmental impact assessment is to be conducted by a credible body per project to ensure that no significant environmental and social risks, negative impacts or controversies have been identified</li> <li>Ocean energy projects: when financing ocean thermal energy projects, fossil fuel backup will be limited to powering monitoring, operating and maintenance equipment, as well as resilience or protection measures, and restart capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Fossil Fuels</li> <li>Nuclear Energy</li> <li>Hydropower projects with significant controversies related to environmental and social risks or impacts, such as loss of habitat and biodiversity, and displacement of people</li> </ul>

Eligible Project Categories	Alignment with GBP 2021 and GLP 2023	Description	Eligibility Guide	Exclusions
<b>1. Renewable Energy</b> (continued)	Renewable Energy	<ul style="list-style-type: none"> <li>Manufacturing, transport, and storage of green hydrogen and green hydrogen fuel cells</li> </ul>	<ul style="list-style-type: none"> <li>Green hydrogen is defined as hydrogen manufactured through electrolysis powered by renewable energy</li> <li>Lifecycle GHG emissions saving requirement of 73.4% for hydrogen and 70.0% for hydrogen-based synthetic fuels relative to a fossil fuel comparator of 94g CO<sub>2</sub>e/MJ</li> </ul>	<ul style="list-style-type: none"> <li>Hydrogen produced through a steam-reforming process using natural gas</li> <li>Hydrogen produced by using oil or coal</li> <li>Green-hydrogen-based synthetic fuel cells sourced from fossil fuels</li> <li>Transportation and storage infrastructure that is not dedicated only to green hydrogen</li> </ul>
		<ul style="list-style-type: none"> <li>Manufacturing, transport, and storage of biofuels</li> <li>Generation of electricity from sustainable biomass</li> </ul>	<ul style="list-style-type: none"> <li>Lifecycle GHG emissions &lt;100g CO<sub>2</sub>e/kWh for electricity generating facilities</li> <li>For biofuels:               <ul style="list-style-type: none"> <li>Lifecycle GHG emissions saving requirement of at least 65.0% relative to a fossil fuel comparator of 94g CO<sub>2</sub>e/MJ (RED II Standard) - biofuel installations pre-2021 or pre-2015 will achieve a life cycle emissions reduction of at least 60% and 50%, respectively</li> <li>Feedstock will include waste feedstock, such as biodegradable waste, forestry, or agricultural residue. If biofuel production involves non-waste feedstock, it will undergo due diligence. Biofuels financing will be accompanied by a food security impact assessment to demonstrate no competition with food and feed</li> </ul> </li> <li>For electricity generation:               <ul style="list-style-type: none"> <li>Lifecycle GHG emission savings (when including consideration of changes to biogenic carbon stocks) of at least 80.0% relative to a fossil fuel comparator of 183g CO<sub>2</sub>e/MJ electricity (Directive (EU) 2018/2001 (Annex V section C. Methodology, par 19))</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Biofuels derived from crops that diminish soil carbon pools, use peat or are derived from biomass suitable for food production</li> <li>Production of biofuel feedstock has taken place on land with:               <ul style="list-style-type: none"> <li>high biodiversity within at least the past 10 to 15 years, or</li> <li>a high amount of carbon, that has been converted for biofuel feedstock production</li> </ul> </li> <li>Alternative fuels that use fossil fuel-based feedstock (e.g., petroleum based plastics)</li> <li>Biofuels where feedstock is transported over significant distances</li> <li>Biofuels derived from palm oil or palm oil waste from non-Roundtable on Sustainable Palm Oil (RSPO) certified operations</li> </ul>



Eligible Project Categories	Alignment with GBP 2021 and GLP 2023	Description	Eligibility Guide	Exclusions
<b>1. Renewable Energy</b> (continued)	Renewable Energy		<p>or compared to the relative fossil fuel comparator in Annex VI to Directive (EU) 2018/2001</p> <ul style="list-style-type: none"> <li>– Electricity to be generated from sustainable biomass certified by credible bodies, such as the Sustainable Biomass Program and Roundtable on Sustainable Biomaterials (RSB)</li> </ul>	
<b>2. Energy Efficiency</b>	Energy Efficiency	<ul style="list-style-type: none"> <li>• Grid technologies to increase and monitor energy efficiency</li> <li>• Projects to increase energy efficiency and reduce technical losses for transmission and distribution infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Measurable GHG emissions reductions</li> </ul>	<ul style="list-style-type: none"> <li>• Energy efficiency application to transmissions lines connected or dedicated to fossil fuel power</li> <li>• Products and technologies designed or dedicated to cater to fossil fuel infrastructure</li> <li>• Grid technologies designed or intended for processes that are inherently carbon intensive, or primarily driven or powered by fossil fuels, such as oil or gas-fired boilers, cogeneration and CHP units; or production processes in heavy industries, such as steel, cement and aluminium</li> </ul>

Eligible Project Categories	Alignment with GBP 2021 and GLP 2023	Description	Eligibility Guide	Exclusions
3. Waste Management	Circular Economy	<ul style="list-style-type: none"> <li>Collection and transport of non-hazardous waste in source-segregated fractions with aim of recycling and reuse</li> </ul>		<ul style="list-style-type: none"> <li>Development of new landfills</li> <li>Closed landfill must have been opened prior to 2020</li> <li>Direct finance of waste collection and transportation vehicles other than zero-direct emissions vehicles</li> </ul>
		<ul style="list-style-type: none"> <li>Repair, recycling, and reuse processes and technologies that maximise a product / material lifecycle</li> </ul>	May include: <ul style="list-style-type: none"> <li>The processing of recyclable waste, such as steel, aluminium, and glass, into secondary raw materials</li> <li>E-waste recycling, limited to projects accompanied by robust waste management processes to mitigate associated environmental risks</li> <li>Product reuse activities that result in products reverted to their original use with very minimal or without any further pre-processing</li> </ul>	<ul style="list-style-type: none"> <li>Recycling operations where products / materials are transported over significant distances</li> <li>Refurbishment, reconditioning and repair of products specifically for use in the extraction of fossil fuels or that inherently rely on fossil fuels</li> </ul>
		<ul style="list-style-type: none"> <li>Compost facilities to produce compost from residual waste</li> <li>Waste to energy plants, including incineration, gasification, pyrolysis, and plasma</li> </ul>	<ul style="list-style-type: none"> <li>Waste-to-energy ("WtE") facilities using pyrolysis will be financed considering following: i) facilities limited to using biological waste feedstock for biochar production; and ii) will be powered by low carbon energy sources mentioned in Renewable Energy above</li> <li>By-products from WtE facilities should meet eligibility guidelines for biofuels and bioenergy (see item 1 above)</li> <li>WtE plants must demonstrate efficiency sufficient to achieve "Recovery" status per the WFD R1 formula</li> <li>Waste-to-energy facilities using plasma technology will be powered by low-carbon energy sources mentioned in Renewable Energy above</li> </ul>	<ul style="list-style-type: none"> <li>By-product from composting facilities must not be landfilled.</li> <li>Recycled materials should replace non-waste materials in the market.</li> <li>Facilities using plastics, rubber, tire-derived fuels (TDF) for energy conversion and using gas capture for flaring.</li> <li>By-products from WtE facilities should comply with exclusions for biofuels and bioenergy (see item 1 above).</li> </ul>

Eligible Project Categories	Alignment with GBP 2021 and GLP 2023	Description	Eligibility Guide	Exclusions
<b>3. Waste Management</b> (continued)	Circular Economy		<ul style="list-style-type: none"> <li>For waste to energy plants, waste feedstocks include: <ul style="list-style-type: none"> <li>Municipal solid waste, where the majority of recyclables (especially plastics) will be segregated before energy conversion</li> <li>Forestry and agricultural residues</li> <li>Marine Stewardship Council or Aquaculture Stewardship Council certified fish residues</li> <li>Wastewater and sewage sludge, which will exclude wastewater from fossil fuel operations</li> <li>Palm kernel shells or palm oil mill effluent from RSB or RSPO-certified palm oil operation</li> <li>Landfill gas capture from a decommissioned or closed landfill with high gas capture efficiency of 75% or more</li> </ul> </li> </ul>	
<b>4. Sustainable Construction and Real Estate</b>	Green Buildings	<p>Construction of buildings:</p> <ul style="list-style-type: none"> <li>Development of buildings with reduced emissions (compared to local benchmark)</li> <li>Use of energy efficient windows, doors, light sources, HVAC, insulation and water heating systems</li> </ul>	<p>Construction of buildings that lead to:</p> <ul style="list-style-type: none"> <li>One or more of the following certifications: GBCA 6 Star, BREEAM Excellent or above, LEED Gold or above; and/or</li> <li>An operational emissions intensity performance in the top 15% in the local market</li> </ul> <p>Note: Until the ASFI Taxonomy calculation methodology and maximum allowance come into effect, no calculation of the embodied GHG emissions will occur for construction of new buildings<sup>5</sup></p>	<ul style="list-style-type: none"> <li>Development of new fossil fuel powered buildings</li> <li>Construction of buildings whose use will result in significant indirect GHG emissions (e.g., airport terminals, fossil fuel-related infrastructure)</li> <li>Buildings designed for the purpose of extraction, storage, transportation or manufacture of fossil fuels</li> <li>Energy-efficient technologies designed or intended for processes that are inherently carbon-intensive, or primarily driven or powered by fossil fuels</li> </ul>

5. The Australian Sustainable Finance Taxonomy specifies that a maximum allowance for embodied GHG emissions will be established and applied for new buildings above 5,000m<sup>2</sup> (proposed to come into effect from 1 January 2027). Refer to Australian Sustainable Finance Taxonomy v0.1, Public Consultation Paper, May 2024, Appendix 2 [https://static1.squarespace.com/static/6182172c8c1fdb1d7425fd0d/t/665e653aaced740012404069/1717462344708/781ASFI\\_Australian-Sustainable-Finance-Taxonomy\\_v11.pdf](https://static1.squarespace.com/static/6182172c8c1fdb1d7425fd0d/t/665e653aaced740012404069/1717462344708/781ASFI_Australian-Sustainable-Finance-Taxonomy_v11.pdf). No calculation of the embodied emissions in the building materials used in Macquarie's new global headquarters 1 Elizabeth Street, Sydney has been conducted by Macquarie.



Eligible Project Categories	Alignment with GBP 2021 and GLP 2023	Description	Eligibility Guide	Exclusions
<b>4. Sustainable Construction and Real Estate</b> (continued)	Green Buildings			<ul style="list-style-type: none"> <li>Development or acquisition of industrial facilities designed or intended for controversial activities that have harmful social or environmental impacts</li> </ul>
		<p>Retrofitting or fit out of buildings:</p> <ul style="list-style-type: none"> <li>Retrofitting of existing buildings or fit out of new buildings to reduce GHG emissions and improve climate resilience, using the materials included in the construction of buildings category above</li> </ul>	<p>Retrofitting or fit out that leads to:</p> <ul style="list-style-type: none"> <li>a minimum 30% improvement in primary energy demand (PED) over initial performance; or</li> <li>the building or fit-out being certified in accordance with any one or more of the following standards: <ul style="list-style-type: none"> <li>Green Building Council of Australia 6 Star Green Star;</li> <li>BREEAM Excellent or above; or</li> <li>LEED Gold or above</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Buildings designed for the purpose of extraction, storage, transportation or manufacture of fossil fuels.</li> <li>Energy-efficient technologies designed or intended for processes that are inherently carbon-intensive, or primarily driven or powered by fossil fuels.</li> <li>Development or acquisition of industrial facilities designed or intended for controversial activities that have harmful social or environmental impact.</li> </ul>
<b>5. Sustainable Transportation</b>	Clean Transportation	<p>Private passenger transport</p> <ul style="list-style-type: none"> <li>Electric and hydrogen vehicles</li> <li>Infrastructure and supply chain manufacturers for electric / hydrogen powered vehicles (e.g., charging stations, batteries)</li> </ul>	<ul style="list-style-type: none"> <li>Use of proceeds for financing pure play clean transportation business must derive at least 90% of their revenue from activities identified in this category</li> <li>Zero direct (tailpipe) GHG emissions</li> <li>In the case of private passenger transport only, manufacturing facilities to be wholly dedicated towards the production of electric and hydrogen-powered vehicles</li> </ul>	<p>Private passenger transport</p> <ul style="list-style-type: none"> <li>Fossil fuel powered private passenger transport (including hybrid vehicles with internal combustion engines)</li> <li>Battery manufacturing for facilities that do not solely produce batteries for electric vehicles</li> <li>Financing will exclude the manufacturing of ancillary vehicle parts, such as frames and seats, and infrastructure, such as parking facilities, new construction or retrofitting of roads or bridges</li> </ul>

Eligible Project Categories	Alignment with GBP 2021 and GLP 2023	Description	Eligibility Guide	Exclusions
<b>5. Sustainable Transportation</b> (continued)	Clean Transportation	Public passenger transport <ul style="list-style-type: none"> <li>Public walking and cycling infrastructure</li> <li>Electric or hydrogen powered rail and bus transportation</li> <li>Infrastructure and supply chain manufacturers for electric / hydrogen powered public transportation (e.g., charging stations, batteries, electrified rail)</li> </ul>	<ul style="list-style-type: none"> <li>Use of proceeds for financing pure play clean transportation business must derive at least 90% of their revenue from activities identified in this category</li> <li>Zero direct (tailpipe) GHG emissions</li> </ul>	Public passenger transport <ul style="list-style-type: none"> <li>Fossil fuel powered public transportation</li> <li>Public transportation linked to airports</li> <li>Exclusions per private passenger transport above</li> </ul>
		Freight transport <ul style="list-style-type: none"> <li>Electric or hydrogen powered road, rail, and maritime freight shipping</li> <li>Infrastructure and supply chain manufacturers for electric / hydrogen powered freight transportation (e.g., charging stations, batteries, electrified rail)</li> </ul>	<ul style="list-style-type: none"> <li>Use of proceeds for financing pure play clean transportation business must derive at least 90% of their revenue from activities identified in this category</li> <li>Zero direct (tailpipe) GHG emissions</li> </ul>	Freight transport <ul style="list-style-type: none"> <li>Aviation freight, unless 100% powered by one of the alternative fuel sources listed above</li> <li>Fossil fuel powered freight transportation</li> <li>Transportation of fossil fuels</li> </ul>

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