



Market Rules (MKT)

*In this attachment underlining indicates new text and striking through indicates deleted text.

4. OFFERS OF SECURITIES

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4.14 ADGM Green Debentures and ADGM Sustainability-Linked Debentures

Application

4.14.1 This section sets out the requirements that apply to a Person making an Offer of Securities of ADGM Green Debentures.

ADGM Green Debentures

4.14.2 An ADGM Green Debenture is a Security falling within paragraph 88 or 90 of Schedule 1 of FSMR that:

- (1) is the subject of an Offer of Securities;
- (2) seeks to comply with the Qualifying Green Debenture Principles in Rule 4.14.4;
- (3) is subject to external review in accordance with Rule 4.14.6; and
- (4) has been granted an ADGM Green Bond Designation by the Regulator in accordance with Rules 4.14.7 to 4.14.11.

ADGM Sustainability-Linked Debentures

4.14.3 An ADGM Sustainability-Linked Debenture is a Security falling within paragraph 88 or 90 of Schedule 1 of FSMR that:

- (1) is the subject of an Offer of Securities;
- (2) seeks to comply with the Qualifying Sustainability-Linked Debenture Principles in Rule 4.14.5;
- (3) is subject to external review in accordance with Rule 4.14.6; and
- (4) has been granted a ADGM Sustainability-Linked Bond Designation by the Regulator pursuant to Rules 4.14.7 to 4.4.11.

Qualifying Green Debenture Principles

4.14.4 A Security will comply with Qualifying Green Debenture Principles if it adheres to:

- (1) the ICMA Green Bond Principles;
- (2) the EU Green Bond Standard; or
- (3) international principles equivalent to (1) or (2), which are approved by the Regulator.

Qualifying Sustainability-Linked Debenture Principles

4.14.5 A Security will comply with Qualifying Green Sustainability-Linked Debenture Principles if it adheres to:

- (1) the ICMA Sustainability-Linked Bond Principles; or
- (2) international principles equivalent to (1) which are approved by the Regulator.

Guidance

For the purposes of Rules 4.14.4 and 4.14.5, the Regulator may approve other green principles or sustainability-linked principles as Qualifying Green Debenture Principles or Qualifying Sustainability-Linked Debenture Principles where:

- a. the green principles or sustainability linked principles are issued by a governmental body, reputable industry association or reputable investment exchange; and
- b. the green principles or sustainability linked principles are published and freely available.

External review

4.14.6 A Security will be considered by the Regulator to be subject to external review if the Issuer appoints one or more external review providers to:

- (1) assess through a pre-issuance external review the alignment of the Security with the requirements of the relevant Qualifying Green Debenture Principles or Qualifying Sustainability-Linked Debenture Principles; and
- (2) verify on a regular basis post-issuance the Security's performance against applicable criteria outlined in the Qualifying Green Debenture Principles or Qualifying Sustainability-Linked Debenture Principles. Such verification must occur at least annually.

Guidance

1. Prior to the appointment of an external review provider under Rule 4.14.6 an Issuer should take reasonable steps to ensure that the external review provider:
 - a. has the required skills, resources and experience to undertake the review; and
 - b. is independent of, and not subject to, any conflict of interest with respect to the Issuer.
2. When arranging for an external review under Rule 4.14.6, an Issuer should take into consideration the ICMA Guidelines for Green, Social and Sustainability Debentures Reviews.

Application for ADGM Green Bond Designation and ADGM Sustainability-Linked Bond Designation

4.14.7 A Security should not be promoted as an ADGM Green Debenture or an ADGM Sustainability-Linked Debenture by any Person unless the Issuer it has applied for and been granted an ADGM Green Bond Designation or ADGM Sustainability-Linked Bond Designation, as applicable, for the Security from the Regulator.

4.14.8 The application must be in such form as the Regulator may prescribe and must be accompanied by:

- (1) information on the Qualifying Green Debenture Principles or Qualifying Sustainability-Linked Principles which the Issuer intends the Security to comply with;
- (2) certification by the Issuer to the effect that the Security aligns with the requirements of the Qualifying Green Debenture Principles or Qualifying Sustainability-Linked Debenture Principles identified in (1);
- (3) information on the external review provider appointed to provide the pre-issuance external review; and
- (4) a copy of the pre-issuance external review undertaken in accordance with Rule 4.14.6(1).

4.14.9 If, at any time between the filing of an application and the grant of an ADGM Green Bond Designation or ADGM Sustainability-Linked Bond Designation, the Issuer becomes aware of any material change, error, or omission reasonably likely to be relevant to the application under consideration, it must inform the Regulator in writing of such change without delay.

4.14.10 In assessing an application, the Regulator may:

- (1) make any enquiries which it considers appropriate, including enquiries independent of the Issuer; or
- (2) require the Issuer to provide further information.

4.14.11 Upon grant of an ADGM Green Bond Designation or ADGM Sustainability-Linked Bond Designation, the Regulator will publish the name and details of the Security on a register maintained on its website.

Guidance

1. Once the Regulator has made a decision in relation to an application, it will without undue delay inform the Issuer in writing of its decision.
2. The Regulator may refuse to grant an application for an ADGM Green Bond Designation or an ADGM Sustainability-Linked Bond Designation if it is not satisfied that the requirements of this section have been met or will be met on an ongoing basis.

Annual submission

4.14.12 In order to retain the ADGM Green Bond Designation or ADGM Sustainability-Linked Bond Designation, an Issuer must submit a copy of the post-issuance external review conducted under Rule 4.14.6(2) to the Regulator as soon as reasonably practicable following completion of the review.

Withdrawal of approval

4.14.13 The Regulator may withdraw an ADGM Green Bond Designation or ADGM Sustainability-Linked Bond Designation by delivery of written notification to the

Issuer:

- (1) on its own initiative if it appears to the Regulator that:
- (a) the Securities are not in compliance with, or unlikely to be in compliance with, the requirements of the Qualifying Green Debenture Principles or Qualifying Sustainability-Linked Debenture Principles specified in the application for approval under Rule 4.14.8;
 - (b) the Issuer or any Person promoting the Securities has committed a contravention of FSMR or the Rules; or
 - (c) it is desirable to do so in order to further one or more of the Regulator's objectives; or
- (2) on the application of an Issuer where the application for withdrawal has been made with the prior notification of Security holders.

Guidance

The effect of a withdrawal under this Rule is that a Security is no longer provided an ADGM Green Debenture Designation or ADGM Sustainability-Linked Debenture Designation and will be removed from the FSRA register referenced at 4.14.11 above.

Notification by Issuer

- 4.14.14** If, at any time after the granting of an ADGM Green Bond Designation or ADGM Sustainability-Linked Bond Designation, the Issuer becomes aware the Securities are no longer in compliance with the requirements under Rules 4.14.2 or Rule 4.14.3, it must notify the Regulator in writing without delay.

Guidance

The Regulator may withdraw a ADGM Green Bond Designation or ADGM Sustainability-Linked Bond Designation upon notification in accordance with Rule 4.14.14, pursuant to Rule 4.14.13.

4.15 ADGM Green Sukuk and ADGM Sustainability-Linked Sukuk

Application

- 4.15.1** The Rules and Guidance set out under section 4.14 will apply to Sukuk in the same way as to Debentures, with all references to 'Debenture' in section 4.14 being read as 'Sukuk', and the references in Rules 4.14.1 to 4.14.3 to paragraph 88 or 90 of Schedule 1 of FSMR being read as a reference to paragraph 89 of Schedule 1 of FSMR.
- 4.15.2** An ADGM Green Sukuk or ADGM Sustainability-Linked Sukuk may apply for, and maintain, an ADGM Green Sukuk Designation or ADGM Sustainability-Linked Sukuk Designation in the same way as for Debentures, with all references to 'Debenture' or 'Bond' in Rules 4.14.7 to 4.14.14 being read as 'Sukuk'.

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