

## Independent Reasonable Assurance Report to the Directors and Management of Bank Australia Limited ('Bank Australia')

### Assurance conclusion

Based on our reasonable assurance procedures, as described in this statement, in our opinion, as at June 30 2022:

- ▶ Specific quantitative information in the Bank Australia Sustainability Bond Use of Funds Report at 30 June 2022 ('the Report') has been prepared, in all material respects, in accordance with the Criteria outlined below, based on information provided by Bank Australia for the year ended 30 June 2022; and
- ▶ Bank Australia's systems and policies managing the Sustainability Bond proceeds and the preparation of the Report, are in material respects, in accordance with Bank Australia's Sustainability Bond Framework ('the Framework') for the year ended 30 June 2022.

### Scope

Ernst & Young ('EY', 'we', 'our') performed a reasonable assurance engagement for the Directors and Management of Bank Australia in relation to the specific information in the Report, systems and policies for managing the Bond proceeds and the preparation of the Report as at 30 June 2022. The specific Subject Matter of, and associated Criteria, for our assurance engagement are detailed in the table below.

### Subject Matter and Criteria

Subject Matter	Criteria
Sustainability Bond quantitative information relating to eligible assets in the Report (outstanding drawn down balance of eligible project assets as at period ended 30 June 2022).	Bank Australia's Sustainability Bond Framework
Bank Australia's systems and policies managing the Sustainability Bond proceeds, including the Sustainability Bond Framework that sets out: <ul style="list-style-type: none"> <li>▶ Use of Funds</li> <li>▶ Project selection criteria and management of proceeds details of the Sustainability Bond</li> <li>▶ Internal systems and processes used to manage the proceeds and report on the Sustainability Bond.</li> </ul>	Bank Australia's Sustainability Bond Framework, the International Capital Market Association's (ICMA) Sustainability Bond Guidelines 2018, Green Bond Principles 2018 and Social Bond Principles 2018

### Management Responsibility

The management of Bank Australia ('Management') is responsible for selecting the Criteria and preparing and fairly presenting the Subject Matter and disclosures in accordance with that Criteria, in all material respects. This responsibility includes maintaining adequate records and internal controls that are designed to support the management of Sustainability Bond proceeds and the preparation of the Report, such that it is free from material misstatement, whether due to fraud or error.

### Assurance Practitioner's Responsibility

Our responsibility was to express a reasonable assurance conclusion on specific information in the Report at 30 June 2022, systems and policies for managing the Sustainability Bond proceeds and the preparation of the Report based on the evidence we have obtained.

### Independence

We were also responsible for maintaining our independence and confirm that we have met the requirements of the APES 110 Code of Ethics for Professional Accountants including independence and have the required competencies and experience to conduct this assurance engagement. EY also applies International Standard on Quality Control, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Level of Assurance

A reasonable assurance engagement consists of making enquiries and applying analytical, controls testing and other evidence-gathering procedures that are sufficient for us to obtain a meaningful level of assurance as the basis for a positive form of conclusion. The procedures performed depend on the assurance practitioner's judgement including the risk of material misstatement of the specific activity data, whether due to fraud or error. While we considered the effectiveness of Management's internal controls when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Our Approach

We conducted this review in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000') and in accordance with the terms of reference for this assurance engagement as agreed with Bank Australia on 7 July 2022. Those standards require that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a Report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. A summary of our assurance procedures is shown in the following:

- ▶ Assessing policies and procedures established by Bank Australia related to the issuance of the Sustainability Bond
- ▶ Checking eligibility of earmarked assets included in Bank Australia's Sustainability Bond against the Framework criteria
- ▶ Recalculation of total eligible asset pool based on reports provided by Bank Australia
- ▶ Interviewing selected business unit and group level personnel to understand the key issues related to Bank Australia's policies and procedures
- ▶ Obtaining and reviewing evidence to support key assumptions and other data
- ▶ Seeking management representation on key assertions.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

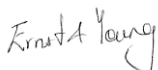
### Limitations

There are inherent limitations in performing assurance – for example, assurance engagements are based on selective testing of the information being examined – and it is possible that fraud, error or non-compliance may occur and not be detected. There are additional inherent risks associated with assurance over non-financial information including reporting against standards which require information to be assured against source data compiled using definitions and estimation methods that are developed by the reporting entity. Finally, adherence to ISAE 3000, the ICMA Sustainability Bond Guidelines 2018, Green Bond Principles 2018 and Social Bond Principles is subjective and could be interpreted differently by different stakeholder groups.

Our assurance was limited to the Subject Matter above related to the Report and does not extend to any statutory financial statements or other information in the Sustainability Bond Impact Report. Our assurance is limited to policies and procedures in place as of 30 June 2022. We do not provide any assurance on projects'/assets' eligibility.

### Use of Assurance Report

Our responsibility in performing our assurance activities is to the directors of Bank Australia only and in accordance with the terms of reference for this engagement as agreed with them. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance that such third party may place on the Sustainability Bond issuance is entirely at its own risk. No statement is made as to whether the Criteria are appropriate for any third-party purpose.



Ernst & Young



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