

## Independent Reasonable Assurance Report to the Directors and Management of Uniting Financial Services, in relation to its 2019 Sustainable Development Goals Bond Pre-Issuance

### Scope

Ernst & Young ('EY', 'we') performed a reasonable assurance engagement in relation to Uniting Financial Services' (UFS) 2019 Sustainable Development Goals (SDG) Bond pre-issuance, in order to provide an opinion as to whether as of 14 October 2019 the Subject matter meets, the Criteria, as presented below, in all material respects.

### Subject matter and criteria

Subject matter	Criteria
<p>The 2019 SDG Bond issuance process for UFS, as described in UFS' SDG Bond Documentation, including the SDG Bond Framework that sets out:</p> <ul style="list-style-type: none"> <li>▶ Policies and procedures related to the use of proceeds and management of proceeds raised from the Bond</li> <li>▶ Procedures for reporting on the use of proceeds and performance of the Bond.</li> <li>▶ Social/green performance relating to nominated projects and assets to be funded by the Bond (to the extent that these illustrate that a social/green benefit is being derived from the use of proceeds)</li> </ul>	<ul style="list-style-type: none"> <li>▶ Social Bond Principles 2018 (SBP), Green Bond Principles 2018 (GBP) and Sustainability Bond Guidelines 2018 (SBG)</li> <li>▶ UFS' SDG Bond Framework</li> <li>▶ Asset specific documentation</li> <li>▶ UFS' internal policies and procedures, as documented in UFS' SDG Bond Framework</li> </ul>

### Management Responsibility

The management of UFS ('Management') is responsible for the collection, preparation and presentation of the Subject matter in accordance with the Criteria and for maintaining adequate records and internal controls that are designed to support the SDG Bond issuance process.

### Assurance Practitioner's Responsibility

Our responsibility is to express a reasonable assurance opinion as to whether the Subject matter is presented in accordance with the Criteria, in all material aspects. Our assurance engagement has been planned and performed in accordance with the Australian Standard on Assurance Engagements 3000 (revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE 3000')

### 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

Our assurance procedures performed included, but were not limited to:

- ▶ Interviewing selected business unit and group level personnel to gain an understanding of UFS' policies and procedures
- ▶ Assessing policies and procedures established by UFS related to the issuance of the 2019 SDG Bond
- ▶ Confirming that the value of assets and investments that were found to be aligned to the SDGs, the SBP and GBP exceeded the value of the 2019 SDG Bond
- ▶ Reviewing key systems to be used, to consider whether these were appropriate for implementing policies and procedures related to the issuance of the 2019 SDG Bond
- ▶ Seeking management representation on key assertions

### 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 ASAE 3000 and the Social and Green Bond Principles 2018 is subjective and could be interpreted differently by different stakeholder groups.

Our assurance was limited to the UFS' 2019 SDG Bond pre-issuance, and did not include statutory financial statements. Our assurance is limited to policies and procedures in place as of 14 October 2019 ahead of the issuance of UFS' 2019 SDG Bond.

### Use of Report

Our responsibility in performing our assurance activities is to the directors of UFS 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 any such third party may place on the 2019 SDG Bond issuance is entirely at its own risk. No statement is made as to whether the criteria are appropriate for any third party purpose.

### Our Independence and Assurance Team

In accordance with APES 110, the firm and all professional personnel involved in this engagement have met the independence requirements of Australian or International professional ethical requirements. Our team has the required competencies and experience for this assurance engagement.

### Assurance conclusion

Based on our reasonable assurance procedures, as described in this statement as of 14 October 2019, in our opinion UFS' bond pre-issuance process in relation to its 2019 Sustainable Development Goal (SDG) Bond meets the requirements of the Sustainability Bond Guidelines 2018 and associated Social Bond Principles 2018, in all material respects.



Dr Matthew Bell  
Partner

Brisbane, Australia  
14 October 2019



Ernst & Young