

Independent Reasonable Assurance Report to the Directors of Brookfield Australia Pty Ltd ('Brookfield')

Assurance Conclusion

Based on our reasonable assurance procedures described in this statement of 15 March 2019, in our opinion Brookfield's loan issuance process in relation to its 2019 Green Loans, inclusive of its Green Loan Framework and nominated projects and assets, meets the project identification, project minimum Criteria, management of proceeds, and reporting requirements of the Green Loan Principles and the Climate Bonds Initiative's Climate Bonds Standard (inclusive of sectoral criteria) in all material respects.

Scope

Ernst & Young ('EY') has performed a reasonable assurance engagement in relation to Brookfield's Green Loan Framework and 2019 Green Loans (for funds received by Brookfield and administered by related borrowing entities, such as the Brookfield Australia Property Trust) pre-issuance in order to provide an opinion as to whether, as of 15 March 2019, the Subject Matter detailed below meets in all material respects the Criteria presented below.

Assurance Practitioner's Responsibility

Our responsibility is to express a reasonable assurance conclusion 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').

Subject Matter and Criteria

Subject Matter	Criteria
<p>Brookfield's Green Loan pre-issuance process, as described in Brookfield's Green Loan Framework that sets out:</p> <ul style="list-style-type: none"> ▶ Policies and procedures related to the use of proceeds and management of proceeds raised from the Loans ▶ Environmental performance (base building full-cycle emissions intensity) and valuations relating to nominated projects and assets to be funded by the Loans ▶ Procedures for reporting on the use of proceeds and environmental performance of the Loans. 	<ul style="list-style-type: none"> ▶ Green Loan Principles ('GLP') ▶ The Climate Bonds Standard ('CBS') v2.1 ▶ The Climate Bonds Standard Sector Eligibility Criteria for Low Carbon Buildings – Commercial Buildings ▶ Brookfield's own internal policies and procedures, as documented in Brookfield's Green Loan Framework.

Level of Assurance

A reasonable assurance engagement consists of making enquiries and applying analytical, controls testing, and other evidence-gathering procedures sufficient for us to obtain a meaningful level of assurance as the basis for providing 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, these procedures were 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

The assurance procedures we undertook included, but were not limited to:

- ▶ Assessing policies and procedures established by Brookfield related to the issuance of the 2019 Green Loans
- ▶ Confirming eligibility of nominated projects for inclusion in Brookfield's 2019 Green Loans against the Use of Proceeds Criteria within the Green Loan Principles and the CBS
- ▶ Interviewing selected business unit and group level personnel to understand key issues related to Brookfield's policies and procedures relevant to the loan issuance
- ▶ Confirming that the policies and procedures of related entities involved in the administration and management of the green loan are consistent and shared with those policies and procedures stipulated by Brookfield Australia Pty Ltd's Green Loan Framework

Management Responsibility

The management of Brookfield ('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 Green Loan issuance process.

- ▶ Reviewing selected performance information for nominated projects, and documentation supporting assertions made in the Subject Matter
- ▶ Checking the accuracy of calculations performed
- ▶ Confirming internal systems and processes were functioning as indicated and obtaining supporting evidence
- ▶ Confirming the value of the nominated projects and assets to understand the basis and integrity for the value of the loans
- ▶ Obtaining and reviewing evidence to support key assumptions and other data
- ▶ 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 Climate Bonds Standard is subjective and could be interpreted differently by different stakeholder groups.

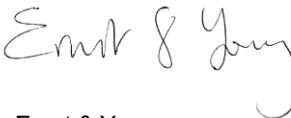
Our assurance was limited to Brookfield's 2019 Green Loans pre-issuance, and did not include statutory financial statements. Our assurance is limited to policies and procedures in place as at 15 March 2019, ahead of the issuance of Brookfield's 2019 Green Loans.

Use of Report

Our responsibility in performing our assurance activities is to the Directors of Brookfield only, and in accordance with the terms of reference for this engagement, as agreed with Brookfield. 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 Green Loans pre-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, we can confirm we have met the requirements of the Code of Ethics for Professional Accountants, including on independence. Our team has the required competencies and experience for this assurance engagement.



Ernst & Young



Dr Matthew Bell
Partner
Brisbane, Australia
15 March 2019