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**Building a better  
 working world**

## Independent Limited Assurance Report to the Directors and Management of Investa Property Group

### Assurance Conclusion

Based on our limited assurance procedures described below, nothing has come to our attention that causes us to believe that Investa Property Group's ICPF Green Debt Framework and nominated assets pool (as attached at Annex B), ('the Subject Matter'), do not meet the project identification, project minimum Criteria, management of proceeds, and reporting requirements of the Climate Bond Initiative's *Climate Bonds Standard v3.0*, the International Capital Market Association's *Green Bond Principles (June 2021)* and the Loan Market Association's *Green Loan Principles (February 2021)*, ('the Criteria').

### Background

The Investa Property Group ('Investa') has developed its ICPF Green Debt Framework (the 'Framework') to further its focus on sustainability and to support its sustainability initiatives and outcomes within the Investa Commercial Property Fund ('ICPF'). The Framework sets out how Investa intends to issue and manage Green Debt Instruments on an ongoing basis.]

The International Capital Market Association ('ICMA') and the Asia Pacific Loan Market Association ('APLMA') provide the market standards which set out voluntary process guidelines that outline best practices for financial instruments to incorporate forward-looking environmental, social and governance outcomes and promote integrity in the development of the sustainable finance instruments market by clarifying the approach for issuance, hereafter referred to as the "Principles".

### Scope

Ernst & Young ('EY') has performed a limited assurance engagement in relation to Investa's Green Debt Framework, associated potential nominated asset pool, in order to conclude that nothing has come to our attention that the Framework does not meet the Criteria presented below.

### Subject Matter and Criteria

Subject Matter	Criteria
<p>Pre-issuance process for ICPF's Green Bond or Loan, as described in ICPF's Green Debt 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 Green Financing Programme</li> <li>▶ Minimum criteria for eligible commercial building assets</li> <li>▶ Procedures for reporting on the use of proceeds and eligible investment associated with the Green Financing Programme.</li> </ul>	<ul style="list-style-type: none"> <li>▶ <i>Climate Bonds Standard v3.0 and the Climate Bond Standard Sector Eligibility Criteria</i> for:           <ul style="list-style-type: none"> <li>▶ Low Carbon Buildings - Commercial Buildings</li> <li>▶ Other criteria as applicable to the debt instrument(s)</li> </ul> </li> <li>▶ <i>Green Bond Principles (June 2021)</i> published by ICMA</li> <li>▶ <i>Green Loan Principles (February 2021)</i> published by APLMA</li> </ul>

### Management Responsibility

The management of Investa is responsible for the collection, and presentation of the Subject Matter in accordance with the criteria and for maintaining adequate records and internal controls that are designed to support assertions made in the Framework.

### Assurance Practitioner's Responsibility

EY's responsibility is to express a limited assurance conclusion on the noted subject matter as defined above. We are 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.

### Level of Assurance

A limited 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 negative 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

We conducted our procedures in accordance with the *Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ASAE 3000')* and the terms of reference for this engagement as agreed with Investa on 16 September 2021.

The procedures we performed were based on our professional judgement and included, but were not limited to, the following:

- ▶ Reviewing the policies and procedures established by Investa related to the Framework to assess whether

they were aligned to the requirements detailed in the Criteria

- ▶ Interviewing selected group level personnel to understand key issues related to Investa's relevant policies and procedures
- ▶ Confirming eligibility of nominated projects for inclusion in Investa's associated potential nominated asset pool against the Criteria
- ▶ Interviewing selected business unit and group level personnel to understand key issues related to Investa's policies and procedures
- ▶ Reviewing selected performance information for potential nominated projects, and documentation supporting assertions made in the subject matter
- ▶ Checking the accuracy of calculations performed
- ▶ Obtaining and reviewing evidence to support key assumptions and other data
- ▶ Confirming internal systems and processes were functioning as indicated and obtaining supporting evidence
- ▶ Confirming the maximum potential value of debt to understand the basis and integrity for the value of the debt instrument
- ▶ Seeking management representation on key assertions
- ▶ Understanding the systems planned to be in place to support the reporting requirements stipulated in the Framework
- ▶ Seeking management representation on key assertions.

#### Observations from our assurance approach

The following observations, which do not affect our conclusions expressed above, were identified in the execution of our procedures:

- ▶ Investa's Green Debt Framework provides an overview of ICPF's broader Environmental, Social and Governance ('ESG') issues and addresses the core requirements of the Criteria
- ▶ All assets listed in Annex B currently meeting the Low Carbon Buildings - Commercial Buildings Criteria
- ▶ Investa plans to report on an annual basis, which will include at a minimum the sustainability performance of the assets. The performance data will be assured annually.

#### 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 is subjective and will be interpreted differently by different stakeholder groups.

Our assurance was limited to the Framework and did not include statutory financial statements. Our assurance is limited to policies, procedures and procedures in place as of 22 September 2021.

#### Independence

We confirm that EY has complied with all professional regulations relating to Independence in relation to this engagement. EY has stringent policies and procedures in place to ensure independence requirements are addressed and monitored on a timely basis.

#### Use of Report

Our responsibility in performing our assurance activities is to the Directors and Management of Investa, and for the Climate Bonds Initiative, for the sole purpose of reporting on Investa compliance with the Climate Bonds Standard. 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 Framework is entirely at its own risk. No statement is made as to whether the Criteria are appropriate for any third-party purpose.



Ernst & Young



Adam Carrel  
Partner  
Perth, Australia  
22 September 2021

## Annex A

### Proceeds-based Criteria

Investa's Green Debt Framework was assured against the following requirements as specified in the Climate Bond Standard v3.0, Green Bond Principles (June 2021) and Green Loan Principles (February 2021).

Ref	Significant Process	Risks	Testing Procedures
1	Use of Proceeds	<ul style="list-style-type: none"> <li>▶ That decision making processes to select nominated projects and assets are inadequate (and therefore assets that do not provide clear sustainability benefits are included in a debt instrument).</li> <li>▶ That the expected Net Proceeds of the debt instrument exceeds the issuer's debt obligation or the fair market value of the proposed nominated projects and assets.</li> </ul>	<ul style="list-style-type: none"> <li>▶ EY reviewed Investa's Green Debt Framework to determine whether processes and controls are adequately in place to ensure appropriate use of proceeds.</li> <li>▶ EY conducted a process interview with Investa to understand further detail regarding internal processes and controls.</li> <li>▶ EY verified the expected net proceeds of the bond, based on the fair market value of the proposed nominated assets and projects, against external valuation reports.</li> </ul>
2	Process for Evaluation and Selection of Projects & Assets	<ul style="list-style-type: none"> <li>▶ That decision making processes to select nominated projects and assets are inadequate.</li> <li>▶ That nominated projects and assets are already nominated to another debt instrument.</li> </ul>	<ul style="list-style-type: none"> <li>▶ EY reviewed Investa's Green Debt Framework to determine whether decision making processes with respect to selecting nominated projects and assets were adequate.</li> <li>▶ EY conducted a process interview with Investa to understand whether nominated projects and assets are already nominated to another debt instrument, and if so, EY determined whether parts could be distinguished.</li> </ul>
3	Management of Proceeds	<ul style="list-style-type: none"> <li>▶ That net proceeds of the bond are not appropriately tracked.</li> <li>▶ That unallocated proceeds are not appropriately managed.</li> <li>▶ That an appropriate earmarking process is in place to manage and account for funding to the Nominated Projects &amp; Assets is not in place.</li> </ul>	<ul style="list-style-type: none"> <li>▶ EY reviewed Investa's Green Debt Framework to determine whether processes and controls are adequately in place to track proceeds.</li> <li>▶ EY conducted a process interview with Investa to understand further detail regarding internal processes and controls.</li> </ul>
4	Reporting Prior to Issuance	<ul style="list-style-type: none"> <li>▶ That proposed debt instrument disclosure documentation is insufficient.</li> <li>▶ That periodic assurance engagements are not sufficiently planned for to meet the post-issuance requirements of the CBI standard.</li> </ul>	<ul style="list-style-type: none"> <li>▶ EY reviewed processes and procedures in place in relation to debt instrument disclosure documentation including the public availability of the Green Debt Framework.</li> <li>▶ EY assessed whether periodic assurance engagements had been sufficiently planned for.</li> </ul>

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## Annex B

### Potential nominated asset pool

Investa's pool of potential nominated assets are listed below.

Potential Nominated Asset	Ownership	Class	Country
<b>ICPF</b>			
40 Mount Street, North Sydney	75%	Low Carbon Buildings	Australia
259 Queen Street, Brisbane	100%		
567 Collins Street, Melbourne	50%		
201 Kent Street, Sydney	100%		
1 Market Street, Sydney	100%		
135 King Street, Sydney (Office)	100%		
126 Phillip Street, Sydney	50%		
400 George Street, Sydney	25%		
420 George Street, Sydney	75%		
120 Collins Street, Melbourne	50%		
250 St Georges Terrace, Perth	50%		
117 Clarence Street, Sydney	100%		