

Independent Limited Assurance Report to Management of the South Australian Government Financing Authority, Treasurer of the State of South Australia and the Under Treasurer of the South Australian Department of Treasury and Finance

Our Conclusion:

Ernst & Young ('EY', 'we') were engaged by South Australian Government Financing Authority (SAFA) to undertake a limited assurance engagement as defined by Australian Auditing Standards, hereafter referred to as a 'review', over the Subject Matter defined below for the period from 1 July 2018 to 30 June 2024. Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter in order for it to be in accordance with the Criteria defined below.

What our review covered

We reviewed the following Subject Matter relating to SAFA's Sustainability bonds first issued from 1 July 2018 to 30 June 2024 and their associated asset pools:

- ▶ Use of proceeds and management of proceeds raised from the debt instruments first issued from 1 July 2018 to 30 June 2024
- ▶ Information relating to the assets identified as being eligible expenditure.

Refer to Appendix A.

Criteria applied by SAFA

In preparing the Subject Matter, SAFA applied the following Criteria:

- ▶ ICMA's Social Bond Principles (SBP)
- ▶ ICMA's Green Bond Principles (GBP)
- ▶ ICMA's Sustainability Bond Guidelines (SBG)
- ▶ SAFA's Sustainability Bond Framework

Key responsibilities

SAFA's responsibility

SAFA's management is responsible for selecting the Criteria, and for presenting the bonds and associated eligible expenditure in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibility and independence

Our responsibility is to express a conclusion on the Subject Matter based on our review.

We conducted this review in accordance with the Australian Auditing and Assurance Standards Board's *Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE3000') and the terms of reference for this engagement as agreed with SAFA on 30 October 2024. Those standards require that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria, and to issue a report.

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

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of review procedures performed

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. Our procedures included:

- ▶ Checking the policies and procedures relating to the Framework remain aligned to the requirements of the ICMA's SBP, GBP and SBG
- ▶ Checking the eligibility of assets for inclusion as eligible expenditure under the Sustainability Bond Framework
- ▶ Checking the total value of eligible assets against the value of net proceeds raised through the issuance of bonds and notes first issued from 1 July 2018 as Sustainability Bonds
- ▶ Obtaining a Letter of Representation from SAFA's Management

We also performed such other procedures as we considered necessary in the circumstances.

Inherent limitations

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on

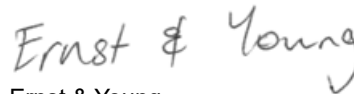
which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Use of our Assurance Report

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than (1) the Treasurer of the State of South Australia as the responsible Minister for the administration of the *Government Financing Authority Act, 1982*, (2) the Under Treasurer of the South Australian Department of Treasury and Finance in his capacity as the Authority as defined in Section 6 of the *Government Financing Authority Act, 1982* and (3) the management of SAFA, or for any purpose other than that for which it was prepared.

Our review included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement.



Ernst & Young
Adelaide, Australia
12 December 2024

Appendix A

List of SAFA bonds covered by limited assurance:

Debt Type (Bonds and Notes)	ISIN	Coupon	Maturity Date	Face Value \$A	Capital Value \$A
Floating Rate Note	AU3FN0065520	AONIA +0.17%	10-June-2025	995,000,000	995,292,750
Floating Rate Note	AU3SG0002736	AONIA +0.31%	15-June-2027	1,480,000,000	1,481,616,590
Fixed Rate Bond	AU3SG0001837	3.00%	24-May-2028	4,040,000,000	4,118,738,800
Fixed Rate Bond	AU3SG0002983	4.00%	24-May-2029	2,000,000,000	1,984,960,000
Floating Rate Note	AU3SG0002843	AONIA +0.36%	22-June-2029	1,042,000,000	1,042,000,000
Fixed Rate Bond	AU3SG0001902	2.75%	24-May-2030	3,865,000,000	3,891,779,950
Fixed Rate Bond	AU3SG0003056	4.5%	23-May-2031	1,500,000,000	1,482,855,000
Fixed Rate Bond	AU3SG0002058	1.75%	24-May-2032	3,750,000,000	3,514,631,400
Fixed Rate Bond	AU3SG0002447	1.75%	24-May-2034	2,500,000,000	2,274,292,500
Fixed Rate Bond	AU3SG0002520	2.00%	23-May-2036	2,000,000,000	1,720,360,000
Fixed Rate Bond	AU3SG0002751	4.75%	24-May-2038	2,000,000,000	1,852,100,000
Fixed Rate Bond	AU3SG0002298	2.25%	24-May-2040	1,132,100,000	1,098,589,465
				26,304,100,000	25,457,216,455