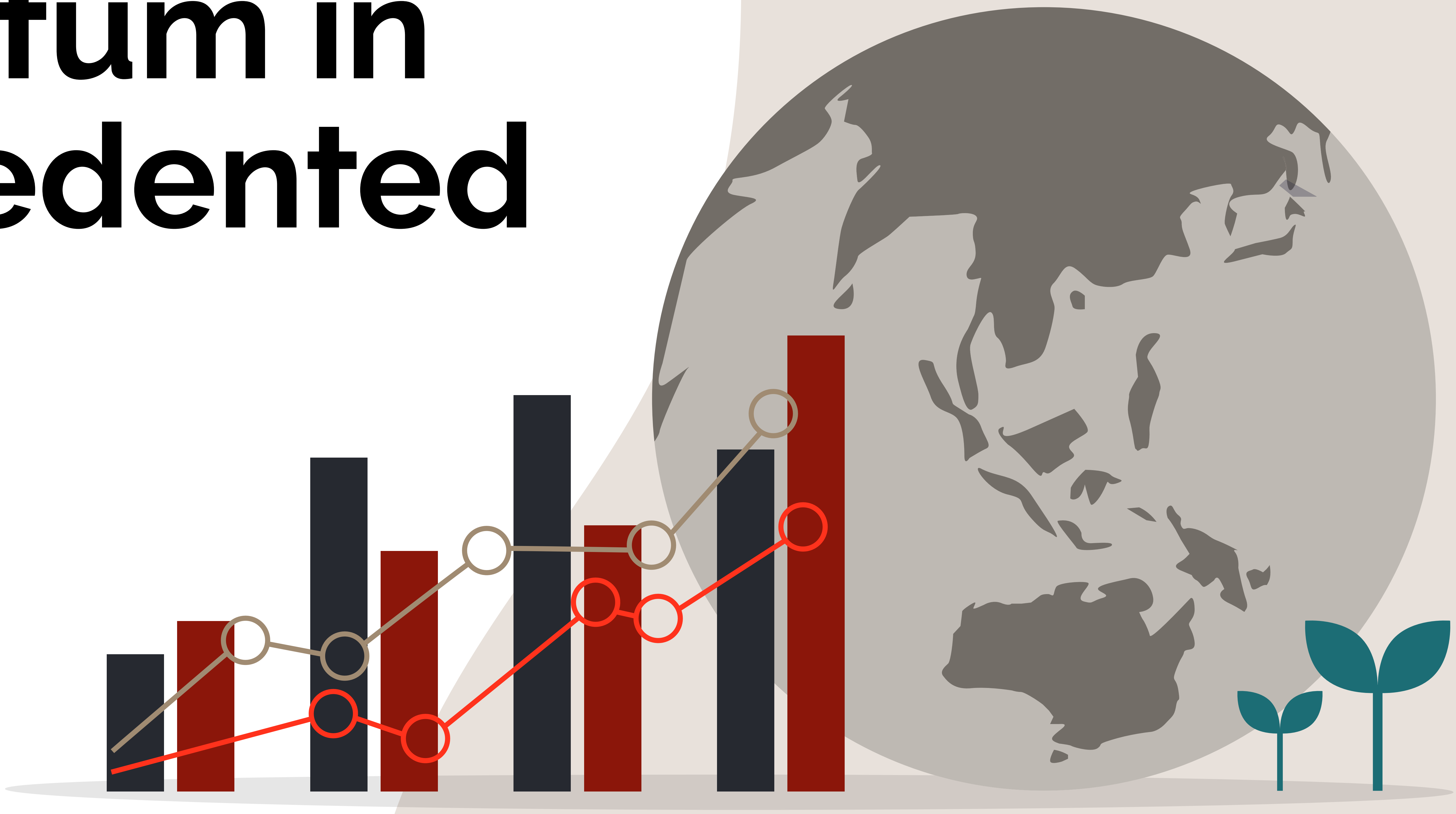
QIC SUSTAINABILITY REPORT 2020

Maintaining momentum in unprecedented times



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SECTION 1

Welcome: Our Approach to Sustainability

Welcome to QIC's Sustainability Report, for the 2019-20 year. With sustainability continuing to be an increasingly important feature of the way we operate, the aim of this report is to provide transparency around QIC's approach.

This report continues to align with the Global Reporting Initiative (GRI) Framework[1], and details the progress we have made in our responsible investment journey over the past 12 months.

As an investment manager, we approach sustainability through the lens of operating responsibly and creating value for all QIC's stakeholders through the range of complex opportunities and risks we face today and into the future. We recognise the responsibility we hold in managing environmental, social and governance (ESG) issues, which have a long-term, material impact on investment outcomes.

1. The QIC Sustainability Report aligns with the Global Reporting Initiative GRI Standards Core option

SECTION 2

Sustainability Highlights 2019-20

There are many great stories to tell around QIC's sustainability work this year. Here are a few highlights but we encourage you to read on for more detail.

Responsible Investment Manager

Climate risk

- QIC Global Real Estate committed to achieve **Net Zero Emissions** by **2028** across core Australian retail assets[2]
- **1,246GWh** of electricity was generated from QIC Global Infrastructure's solar and wind farm assets[3]
- More than **9,000 tCO_2e** reduction in emissions across GRE assets due to automated building analytics[4]

Sustainable solutions

- **$340m** invested in green, social and sustainable bonds[5]
- Investment in one of Australia's largest shopping centre solar projects

Active ownership

- **47,529** resolutions voted at AGMs of listed companies
- More than **50** corporate engagements undertaken as holders of debt and equity

Awards & recognition

- QIC Liquid Markets Group voted Australian Sustainability Fund Manager of the Year in the 2019 KangaNews Awards
- QIC recognised as a leader in responsible investment in the RIAA Responsible Investment Benchmark Report 2020

Trusted Organisation

100%

of our employees attested they have read, understood and complied with and will continue to comply with our policy framework

92%

of our employees either strongly agree or agree that we take risk management seriously at QIC

Rated as a **lead firm for credibility** with Investment Committees and Trustees based on independent third-party survey results[8]

People

83%

of our people think the culture in their team is positive and inclusive[6]

100%

of our people have formal or informal flexibility in their work routine[3]

Development of QIC's 'Innovate' Reconciliation Action Plan (RAP)

Leading Corporate Citizen

Over 600

Over **600** hours of support provided by over 150 employees to various charities and communities[9]

More than $43K

More than AUD**$43,500** donated by our people to support charities including Orange Sky Australia and Mercy Community

More than $75M

More than **$75 million** invested into 55+ innovative new Queensland businesses with 110 investors in the Business Development Fund[10]

2. "Core assets" includes those Australian shopping centres held by QIC Property Fund and QIC Shopping Centre Fund which are 100% owned and operated by QICGRE.
3. Renewable energy generated from PowAR wind and solar farm assets.
4. Reduction in emissions from FY19 to FY20.
5. A bond instrument where the proceeds are used to finance purposes or projects that have a positive environmental, climate and/or social benefit.
6. Based on respondents to voluntary employee engagement survey.
7. Based on respondents to voluntary employee engagement survey, during COVID-19, 100% of our people worked remotely and we anticipate that into the future post-pandemic, there will be a much greater uptake of formal flexible working arrangements.
8. Peter Lee Associates Investment Management Client Feedback, 2019.
9. Charities and community groups include: MS Queensland, Foodbank, Samaritans Purse Australia, OzHarvest, Salvation Army, Orange Sky Australia, World's Biggest Sleepout, Volunteer Firefighting and the Red Cross Bushfire Appeal.
10. Since inception in 2016.

CEO'S Perspective

Damien Frawley
QIC Chief Executive Officer

At QIC we believe that sustainability is about understanding and responding to the range of complex issues and opportunities that we encounter today and anticipate into the future, while creating value for all of our stakeholders.

The basis of QIC's approach to sustainability continues to be driven by the belief that material environmental, social and governance (ESG) factors can impact outcomes not only for investors but for our broader society. This has never been more critical than over 2019-20 as the world navigated the challenges of responding to the COVID-19 pandemic.

Over the past year, we have stayed focused on delivering sustainability outcomes and have achieved some strong results which we are proud of.

Ultimately, at QIC we view ESG as a set of risks and opportunities which when embedded into our thinking, gives us the benefit of long-term insight on a wide range of considerations. We therefore continue to invest the time to understand the key ESG issues we face as an investor and apply this knowledge to develop practical solutions to ESG issues across all our investment portfolios.

I am pleased to present to you QIC's 2020 Sustainability Report which discusses QIC's sustainability and responsible investment progress over 2019-20. We present our report from four perspectives: Responsible Investment Manager, Trusted Organisation, Inclusive Employer and |Leading Corporate Citizen.

As a Responsible Investment Manager, we seek to continually enhance our ESG integration capacity. This year we have included a range of examples in this report that demonstrate our ESG philosophy in practice. Highlights include a commitment by QIC Global Real Estate to achieve Net Zero Emissions across core retail assets by 2028 and we were delighted to be recognised as a leader in responsible investment in the Responsible Investment Association of Australasia's Responsible Investment Benchmark Report 2020. In our UN PRI 2020 Assessment, QIC achieved a top score of A+ across ten reporting modules (for our full scorecard see page 21)

We continue to build on our Taskforce for Climate-related Financial Disclosure (TCFD) reporting. This year we provide more data points around carbon emissions across our investment portfolios as well as information on our climate scenario analysis and physical climate assessment of real asset portfolios.

As a Trusted Organisation, we continue to evolve our own business practices to address current and future challenges. This section of the report covers a range of governance updates as well as the work we have undertaken collaboratively across our business to respond to the requirements under the Modern Slavery Act 2018 (Cth).

We have also continued to embrace diversity and inclusion to meet the expectations of a modern workforce. Following the launch of QIC's first Reconciliation Action Plan (RAP) in 2018, we are continuing our reconciliation journey with the launch of our Innovate RAP in late 2020.

We know that Responsible Investment is an evolving discipline and whilst we've made good progress over the past 12 months, we will continue to improve our ESG approach and integration practices as we look to the year ahead. We hope you find our sustainability report of interest. If you have any feedback, please send it to us at sustainabilityreport@qic.com.

Business Overview

QIC is a long-term specialist manager in alternatives offering infrastructure, real estate, private capital, liquid strategies and multi-asset investments.

It is one of the largest institutional investment managers in Australia, with A$79 billion (US$54 billion) in funds under management[11].

QIC has over 900 employees and serves more than 110 clients. Headquartered in Brisbane, Australia, QIC also has offices in Sydney, Melbourne, New York, Los Angeles, San Francisco, London and Copenhagen.

11. As at 30 June 2020.

Economic value

Direct Economic Value Generated and Distributed:

Economic Value Generated	$000
Total revenue and other income	527,892
Total expenses (operating costs, employee wages and benefits, etc.)	443,602
Profit before income tax	84,290

Total Capitalisation	
Debt	32,839
Equity	161,234

Our vision

QIC's vision and purpose guide our approach to all that we do.

Our vision is to be recognised as a leading trusted specialised manager, actively delivering investment performance to exceed our client and stakeholder expectations. Our purpose is to deliver optimum investment outcomes with and for our clients.

Our capabilities

About QIC Global Infrastructure

QIC is a long-term infrastructure investor with an established global platform, an active management approach and a proven, 14-year track record. With a global team of more than 50 professionals across five offices, QIC Global Infrastructure manages c. A$13.7 bn (c. US$9.5 bn) across 19 assets globally[12]. Its sector centric and thematic based investment strategy deconstructs risk across sector value chains identifying relative value for investment across market cycles. This drives a targeted origination approach, enabling the firm to build diversified portfolios for its clients.

About QIC Global Private Capital

QIC Global Private Capital has AU$6.8bn (US$4.2 bn) in AUM[13]. Themes, access points and relationships are the basis of our approach. But beyond this, we use size to our advantage- we are big enough to matter, but small enough to be nimble and overlay any opportunity with judgement. We invest globally across multiple access points, including primary funds, secondaries and co-investments.

About QIC State Investments

For almost 30 years, we have managed our clients' capital to realise their long-term investment goals. We do this by managing both risk and return expectations.

Combining alternatives with traditional asset classes, we use a highly disciplined approach to build portfolios that meet our Clients' risk, return and liquidity profiles. State Investments' multi asset, client led solutions provide access to strong risk-adjusted returns and the flexibility to respond to changing markets.

About QIC Global Real Estate

We own and manage an A$18 bn[13] (US$12 bn) portfolio of 46 direct real estate assets across Australia and the US on behalf of our institutional investment clients. Our management and investment approach centres on creating vibrant places at the heart of communities, where people choose to be, and where they feel proud to belong. These are places that build local experiences and meaningful relationships, with spaces to support each part of our lives.

About QIC Liquid Markets Group

QIC is a long-term specialist manager of global fixed interest and global absolute return strategies, as well as providing innovative overlay and implementation solutions. We currently manage A$70.4 bn (US$48.5 bn)[13] of effective exposures across derivative overlays for global interest rate, credit, equity, commodity and FX Markets and A$22.8 bn of fixed interest exposures[13]. The team have a long history of successfully managing strategies that are structured to meeting changing market dynamics and clients' needs.

12. As at 30 June 2020. USD values converted using 30 June 2020 FX rates.
13. As at 30 June 2020.

Understanding Our Material Issues

Materiality process

Understanding the sustainability issues that are material to our business is critical

Each year, in line with the Global Reporting Initiative (GRI) requirements, we undertake a process to understand the material sustainability issues for QIC[14].

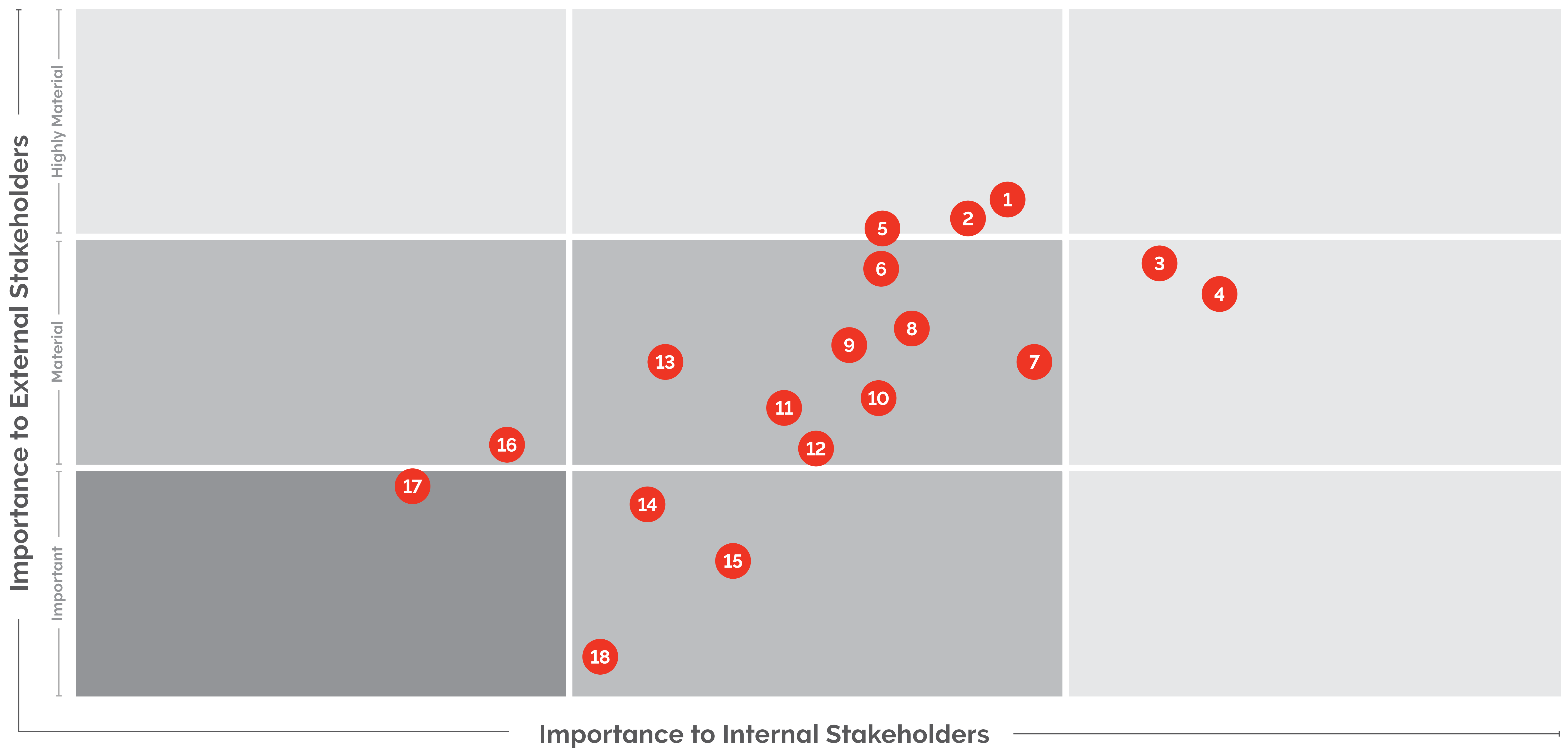
To identify and prioritise material sustainability issues we developed a survey asking internal and external stakeholders for their views to inform our assessment. While the stakeholder groups and questions remained consistent with 2019, the number of stakeholders we surveyed increased. They included:

- QIC employees
- QIC board members
- Clients
- Asset consultants
- Relevant non-governmental organisations
- Shareholders

We reviewed internal and external stakeholders' responses and have prioritised key themes illustrated in the materiality matrix below.

14. The definition of materiality is taken from the Global Reporting Initiative, GR I Standards, which is included under GRI-102 General Disclosures

Materiality matrix



1. Transition to a low carbon economy
2. Technological innovation and disruption
3. Information security & data privacy
4. Ethical standards, conduct and culture
5. Physical climate risk
6. Evolving regulatory landscape
7. Business continuity planning/ stress testing
8. Diversity and inclusion
9. Environmental impact (e.g. air, light, water pollution, biodiversity impacts)
10. Workplace health and safety
11. Energy security
12. Operational efficiency (energy, water, waste management)
13. Human rights in supply chains / modern slavery
14. Supporting communities in need
15. Training and development
16. Labour relations
17. Resource scarcity
18. QIC's direct environmental footprint

COVID-19 is likely to have had an impact on stakeholders' responses to this materiality assessment. Further to this, this year's survey included COVID-specific questions to provide further insights into our stakeholder's views of ESG and ESG integration during the pandemic.

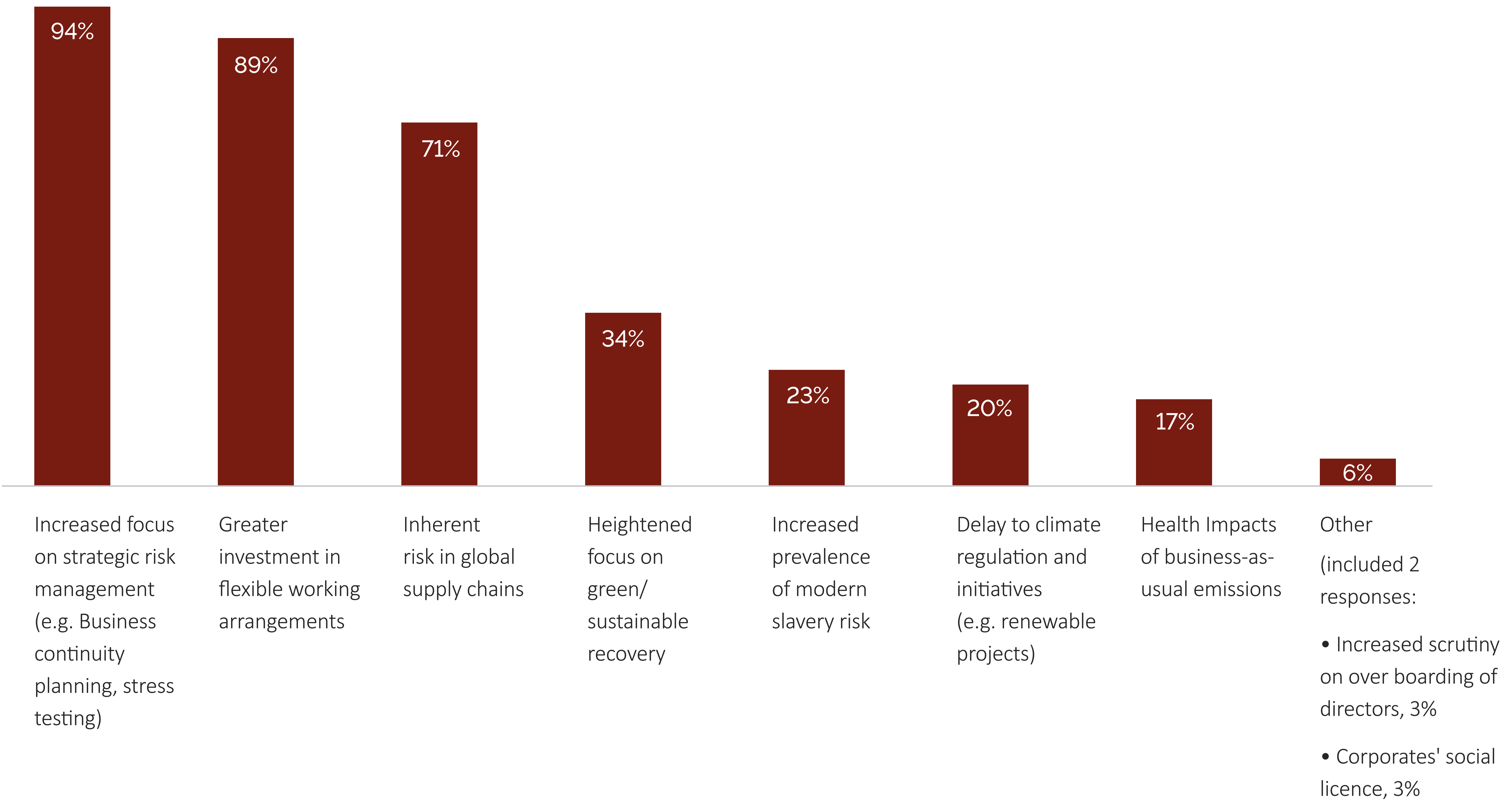
In the survey we asked stakeholders to highlight their level of agreeance with a number of statements. Some key insights were that:

- 83% agree or strongly agree that ESG has remained a strong focus during COVID-19
- 45% of stakeholders agree or strongly agree that COVID-19 has increased focus on ESG (43% remained neutral)
- 40% agree or strongly agree that ESG integration has reduced the impact of COVID-19 on their organisation.

We also asked stakeholders if they thought COVID-19 has introduced additional considerations or sustainability issues into their organisation. We included some key issues and considerations for stakeholders to select from:

- 94% said there was an increased focus on strategic risk management
- 89% said there was a greater investment in flexible working arrangements
- 71% said the pandemic highlighted the inherent risk in global supply chains.

Do you think COVID-19 has introduced additional considerations or sustainability issues in your organisation?



QIC's Roles

Key to our investment management responsibilities are a number of roles which assist us in delivering investment outcomes for our clients

QIC's sustainability story includes perspectives from each of these roles and their impacts on society.

Responsible Investment Manager

As a Responsible Investment Manager, we continuously work to deepen ESG integration across all our investment processes and to build our knowledge of material ESG issues.

Leading Corporate Citizen

We aim to be a Leading Corporate Citizen within the context of our obligations as a fiduciary and make a positive contribution to the communities we operate in.

Trusted Organisation

Staying well informed about the evolving regulatory landscape, taking proactive measures, and ensuring the security of our clients' and employees' information, help make QIC a Trusted Organisation.

Inclusive Employer

We believe diverse teams outperform and as an Inclusive Employer we work to create a culture that is underpinned by a real care for our people.

Responsible Investment Manager

Responsible Investment at QIC

Our approach to responsible investment continues to be driven by the belief that the consideration of environmental, social and governance (ESG) factors is critical to the long-term success of the businesses we invest in.

As an investor in real estate, infrastructure, fixed income and private equity, we understand that ESG issues vary in materiality across asset classes, sectors and industries and we target our ESG approach to what is suitable for the investment.

In delivering long-term investment outcomes to our clients we consider material ESG factors in all our investment decisions to build better-informed views of investment risk and opportunity. We continue to deepen and broaden ESG integration across our organisation. We recognise that to do this, we need to consider and operate through a range of complex external challenges and times of significant transition.

This section of the report describes our progress and performance over 2019-20.

Responsible Investment Principles

QIC's six Responsible Investment Principles have been updated to reflect the ongoing evolution of our ESG approach. These support the achievement of sustainable long-term risk-adjusted investment returns across QIC's investment teams through the systematic consideration of ESG factors. The principles outline QIC's ESG philosophy applied across each of QIC's investment teams.

1. Our fundamental duty is to deliver long term investment outcomes to our clients, and **we consider material environmental, social and governance (ESG) factors in all our investment decisions** to build well-informed views of investment risk and opportunity.

2. As an investor in real estate, infrastructure, fixed income and private equity, we understand that **ESG issues vary in type and materiality across asset classes and sectors and we target our ESG approach accordingly.**

3. We invest time in building a detailed understanding of material ESG factors and **we apply our knowledge to develop practical solutions to ESG issues across all our investment portfolios.**

4. **We are an active asset manager and have a longstanding philosophy of engaging with portfolio companies** on their ESG strategy, operations and performance.

5. Generally, **we believe engaging with a company is a more effective responsible investment approach in bringing about outcomes than divestment,** we engage both directly and collaboratively with other investors depending on what's right for the situation.

6. Responsible Investment is an evolving discipline and we work to test, review and **continually improve our ESG approach and integration practices.**

Our ESG focus areas

Collectively identifying and taking a corporate position on key issues facing QIC as an investor and as a corporation allows us to coordinate our ESG integration approach across the asset classes in which QIC invests.

The following six ESG areas of focus represent the most significant issues we manage:

Climate Risk	• Adaptation to physical impacts • Impacts of transition to a low carbon economy
Environmental Sustainability	• Environmental impacts • Resource efficiency • QIC's own footprint
People	• Workplace health and safety • Labour rights • Human rights in supply chains • Diversity and inclusion
Community	• Community engagement • Indigenous partnerships
Corporate Governance	• Board leadership • Culture • Transparency and disclosure • Risk management
Active Ownership	• Active asset management • Corporate engagement • Proxy voting

15. Exclusions have been negotiated to the extent practically possible for fund investments since 2018

Our investment teams' ESG approaches

Recognising that our investment teams manage vastly different portfolios, we apply an asset class-specific process to integrating ESG. Not every ESG approach is relevant to every asset class and we tailor this to be appropriate for the investment but united under common goals.

ESG Approach	State Investments	Liquid Markets Group	Global Real Estate	Global Infrastructure	Global Private Capital [15]
ESG Guidelines	●	●	●	●	●
Manager/counterparty selection and monitoring	●	●	N/A	N/A	●
ESG integration	N/A	●	●	●	●
Corporate engagement	●	●	N/A	N/A	N/A
Active asset management	N/A	N/A	●	●	●
ESG exclusions	●	●	N/A	N/A	●
Participation in ESG-related industry forums	●	●	●	●	●

For more information about QIC's approach to ESG, please see the Responsible Investment section of our website.

Updates to QIC's Responsible Investment Policy

QIC's Responsible Investment (RI) Policy is reviewed biennially, with recommendations and changes endorsed by the ESG Advisory Committee and approved by the QIC Limited Board.

In February 2020, QIC made the following material changes to our RI Policy:

- Reviewed and updated QIC's Responsible Investment Principles to reflect the ongoing evolution of our ESG approach
- Introduced two new sections for Climate Risk and Modern Slavery
- Broadened our exclusions from "land mines and cluster munition producers" to include all "controversial weapons manufacturers"

UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) are 17 interconnected global goals that aim to make progress in delivering a more prosperous and sustainable future for all at 2030. The goals focus on significant global challenges, including clean energy, climate action and addressing poverty and inequality

Mapping our portfolios to the SDGs

We have mapped QIC's portfolios' alignment to the UN Sustainable Development Goals (SDGs) using a framework that considers our investment in, contribution towards and alignment with the SDGs.

While there is currently no single, universal standard or taxonomy to map our portfolio to the SDGs we have developed a methodology that has regard to emerging industry standards to ensure we are clear in communicating the nature of the alignment we are claiming with the SDGs. These resources include PGGM and APG's Sustainable Development Investment (SDI) taxonomy and the ANZ SDG Bond Framework, the UN PRI SDGs investment case, Hermes SDG mapping and the Impact Management Project.

Defining alignment with the SDGs

INVEST

The investment has been made with the intention, or the business is predominantly dedicated to achieving, addressing or providing solutions for social and environmental outcomes. The investment/ business must make a positive contribution and not be in a serious, known conflict with any other SDGs. See over page for chart on QIC assets classified as 'Invest'.

CONTRIBUTE

The core function of the organisation/business makes significant contributions to achieving the SDGs. 'Contribute' considers the positive contribution that is being made to the SDGs, but may be in potential conflict with another SDG.

ALIGN

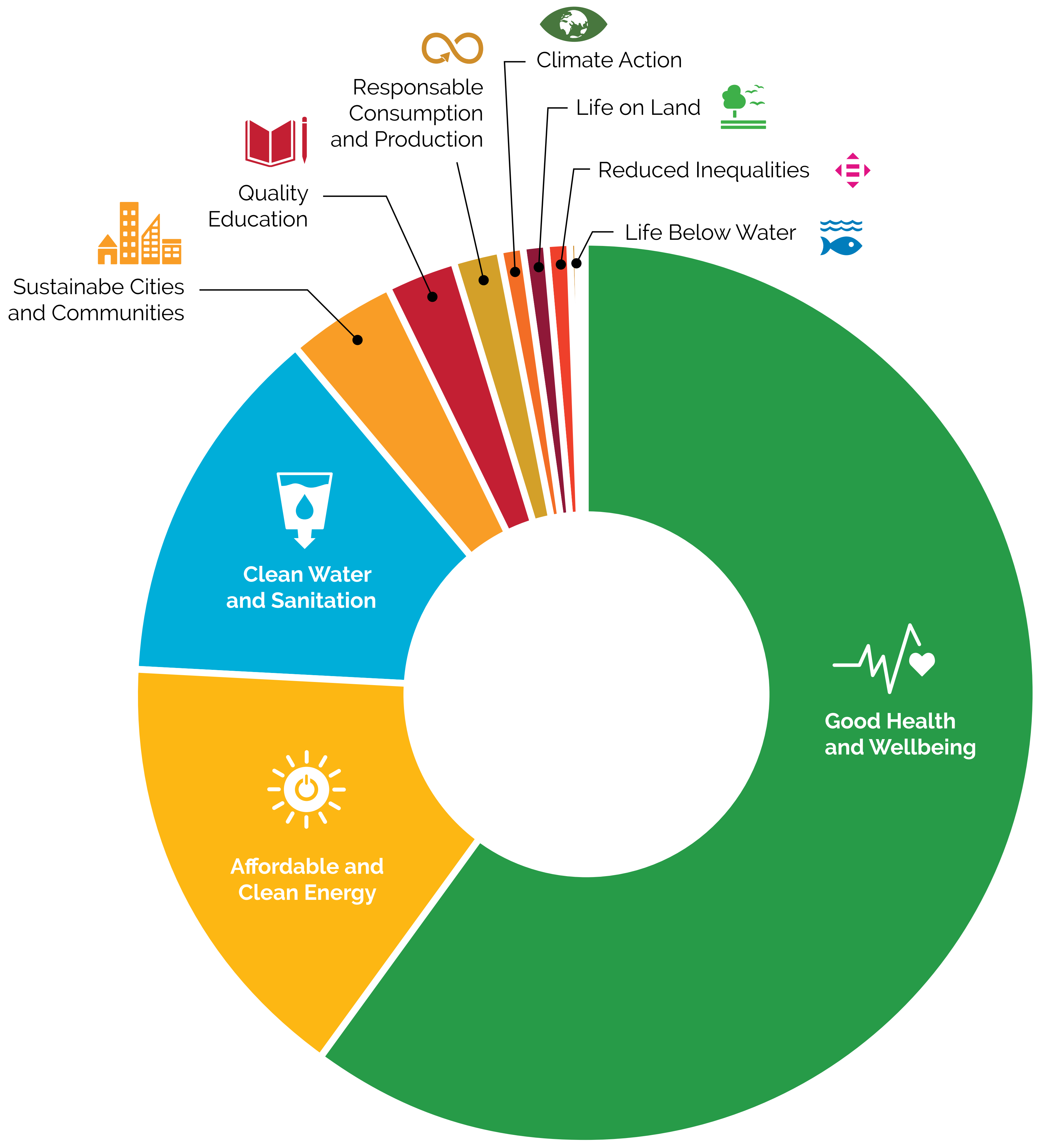
The organisation's, business' or asset's activities and operations align with the Sustainable Development Goals (SDGs). Investments that are listed here are not necessarily making a net positive contribution to the SDGs but could be monitoring their operations to measure, account for and control their contributions to the SDGs (both positive and negative).

Next steps

There is more work to be done to understand our impact and further map our portfolio to the SDGs. Some of the key challenges include the availability of data to measure both positive and negative impact.

We are committed to further developing our methodology in future. We will be adapting our process to identify the conflicting SDGs and targets associated with each asset, key indicators to monitor and track that are consistent across our portfolios and considering the negative contributions and unintentional impacts of our investments so that we can understand our net positive contributions.

QIC assets classified as 'Invest'



Examples of investments into the SDGs include:

SDG #	SDG	Team	Type of investment	Example
SDG 3	Good health and well-being	Global Infrastructure	Health Care Facilities (healthcare equipment and services)	Operator of day and short-stay hospitals across Australia.
		Global Private Capital	Health Care Technology (healthcare equipment and services)	Developer of a deep learning platform designed to provide medical image diagnosis and medical data analysis.
		State Investments	Health Care Technology (healthcare equipment and services)	Medical device company that designs, manufactures and supplies implantable hearing devices.
		Liquid Markets Group	Biotechnology (healthcare equipment and services)	Research-driven biopharmaceutical companies in areas of immunology, oncology, virology and neuroscience.
SDG 7	Affordable and clean energy	Global Infrastructure	Renewable Energy (wind solar, biomass, hydro and waste)	Renewable energy infrastructure and projects.
		Global Real Estate	Efficient lighting (LED lights)	Investment into LED lighting in GRE Centres.
		Global Private Capital	Renewable Energy (solar)	Owner and operator of solar parks.
		State Investments	Renewable Energy (wind, solar and hydro)	Renewable energy power company in New Zealand.
		Liquid Markets Group	Renewable Energy (wind and solar)	Green bonds to develop and retrofit buildings for energy efficiency, electricity grid upgrades for renewable energy connections, wind and solar power installations
SDG 6	Clean water and sanitation	Global Infrastructure	Water infrastructure (supply, distribution, treatment, testing and storage)	Water utility company responsible for public water supply and wastewater treatment.
		Global Real Estate	Water quantity (water saving systems)	Investment into smart metering for water systems in GRE Centres.
		Liquid Markets Group	Water infrastructure (treatment, testing, storage and quantity)	Green bonds to upgrade water and wastewater treatment plants, increase capacity and security of water supply and provide clean irrigation.

Active ownership

Active ownership plays an important role in QIC's approach to ESG integration. There are a number of methods QIC employs including, direct engagement with portfolio companies, exercising our voting rights and monitoring of QIC's externally appointed investment managers.

We also use our voice as an investor by participating in industry forums and membership-based groups to address ESG issues.

We monitor QIC's portfolios using ESG data platform RepRisk. This provides an efficient way to track risk trends, identify emerging issues and closely manage particular sources of ESG risk across a large number of portfolio holdings.

Corporate engagement

Our corporate engagement takes the form of either engaging directly or through investor collaborations with companies and supranational entities.

Typically, we interact with investee companies on material ESG themes, such as emissions intensity or human rights issues, or on specific issues we've identified through our research and analysis.

We engage primarily to better understand how investee companies are identifying and responding to ESG risks and opportunities and as a way to validate the ESG scores and research of third-party providers.

While our engagements focus on the material ESG issues for the relevant organisation, we engage through the lens of QIC's six ESG focus areas to ensure we are influencing practices consistently across asset classes and sectors.

Throughout FY20, QIC's Liquid Markets Group undertook more than 50 engagements. For a detailed summary of these engagements, please see Section 14.

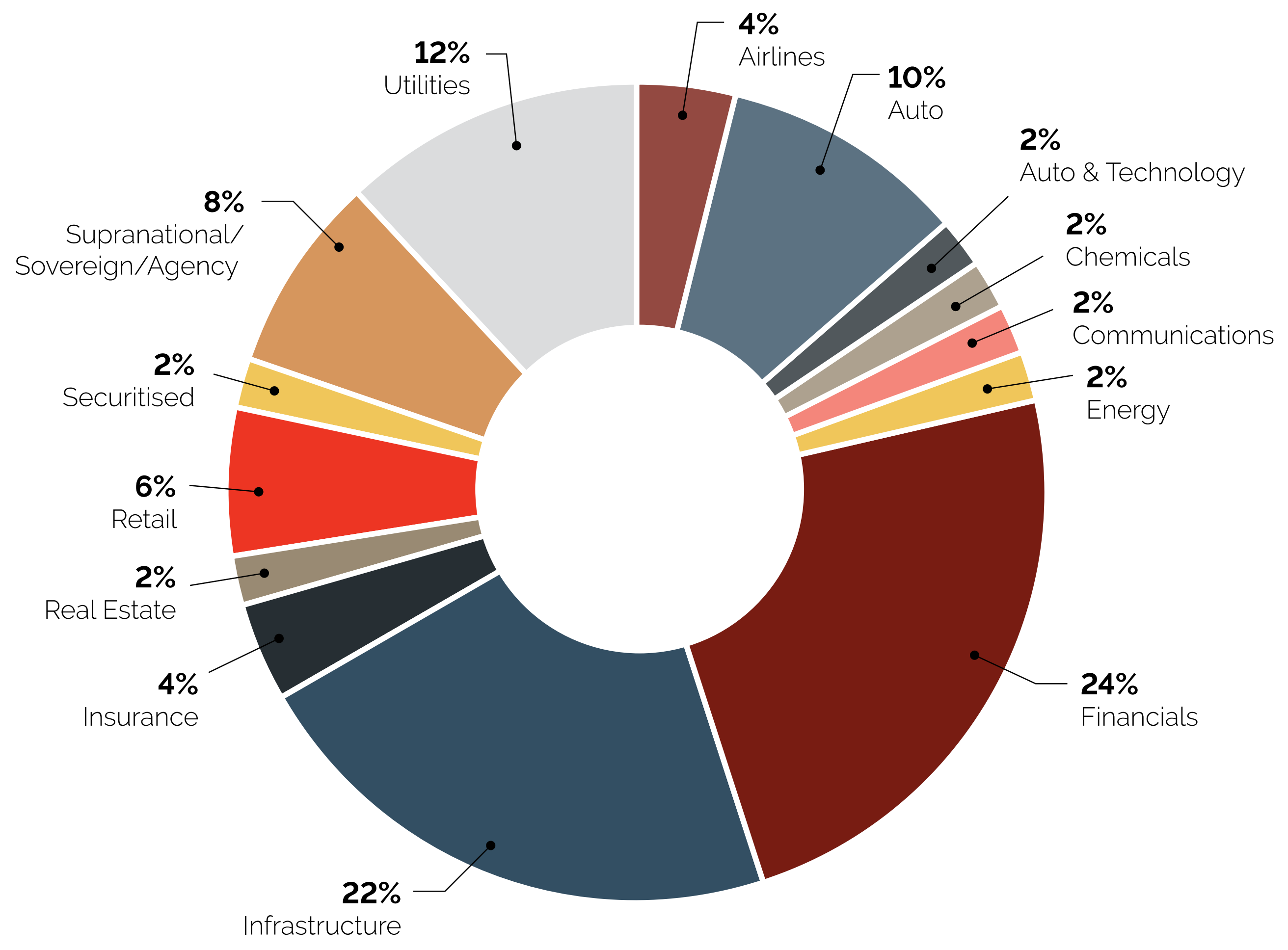


Figure 1: Corporate engagements by industry

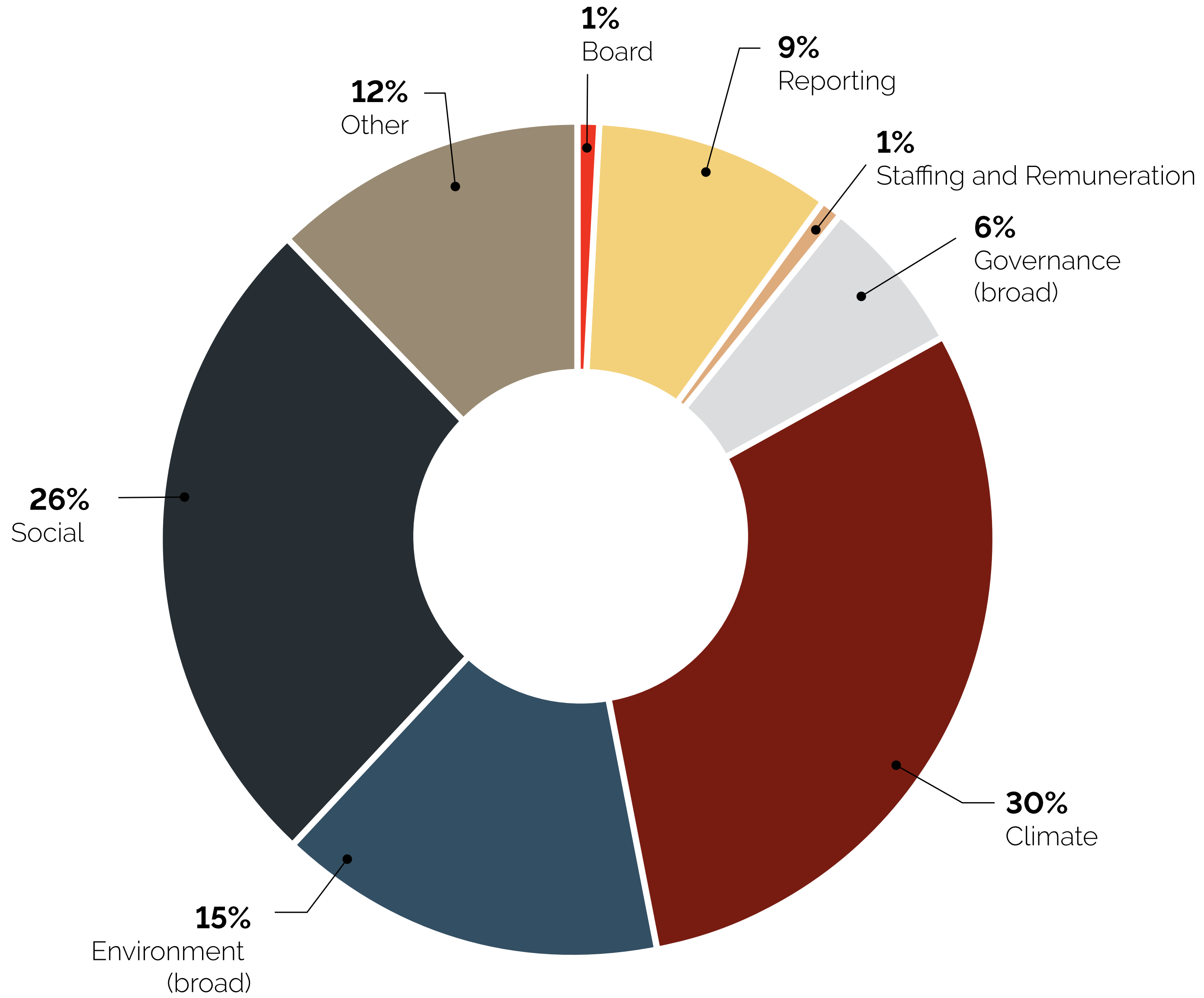


Figure 2: Corporate engagements by topic

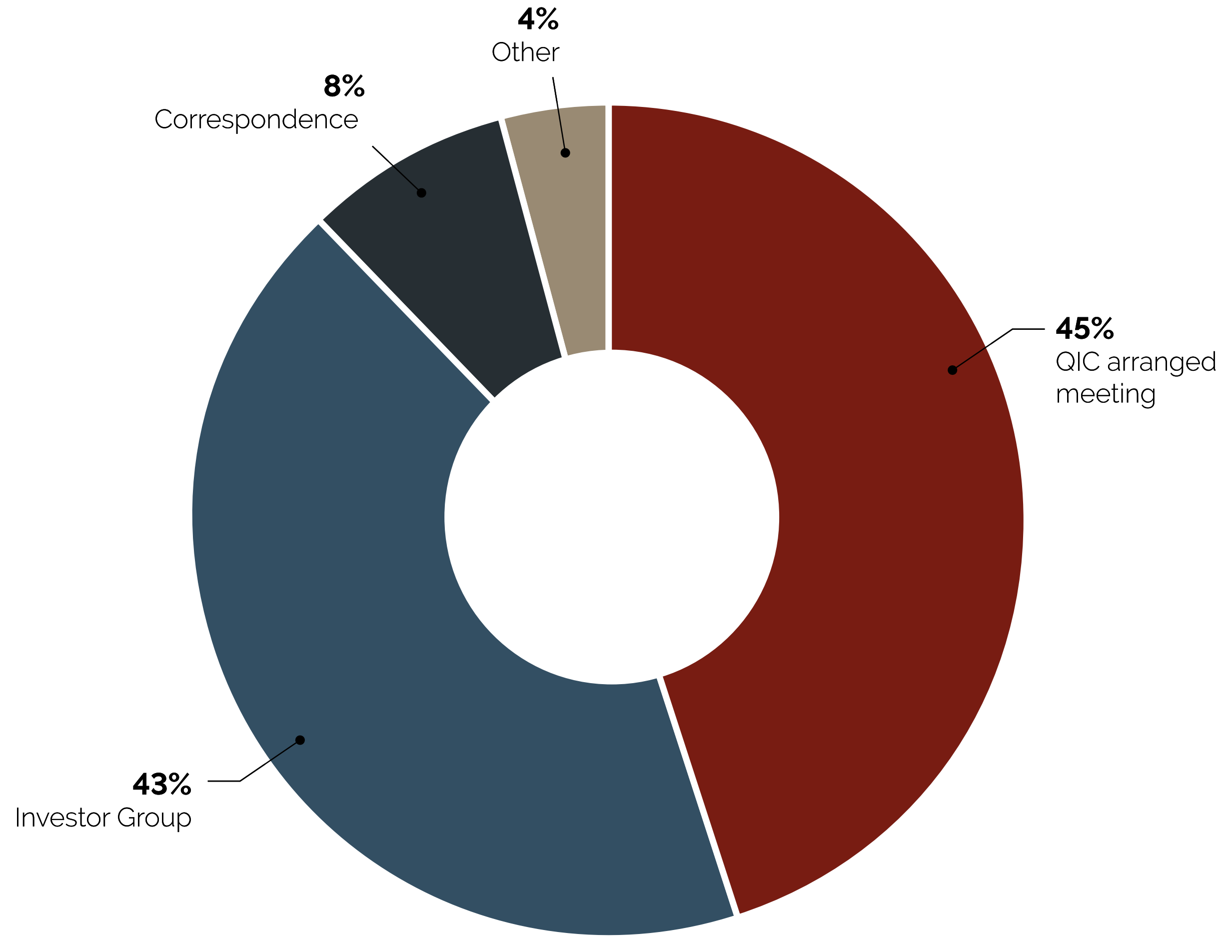


Figure 3: Corporate engagements by engagement format

Proxy voting

The QIC State Investment team invests in listed equities through externally appointed investment managers. Our Proxy Voting Standard delegates the exercising of proxy voting rights to our external managers. Under this arrangement, QIC has the right to override an external manager's voting instructions.

As part of manager selection, we formally assess the ESG capability of external managers and monitor external managers' proxy voting polices on an ongoing basis to ensure alignment with QIC's responsible investment approach.

We monitor our external managers' proxy voting activity through a third-party provider Institutional Shareholder Services (ISS). Throughout FY20 we implemented a consolidated view of our external manager's voting activity and as a result have been able to enhance our approach to exercising voting rights.

QIC seeks to vote on all resolutions through our external managers. For all eligible securities, QIC aims to exercise proxy voting rights, except where there are practical or financial impediments that prevent participation.

The following information provides a summary of votes executed on QIC's behalf from 1 July 2019 to 30 June 2020.

Figure 4: Breakdown of meetings voting by geography

Over the period QIC voted 4,715 meetings. The countries listed in the graph below represent 4,156 of the votes with 'Other' making up 559 of the votes in other countries. Of all of the markets that QIC voted in, the USA had the most with 656 meetings.

Please note: countries included below are those that have more than 1% of the total votable meetings for QIC.

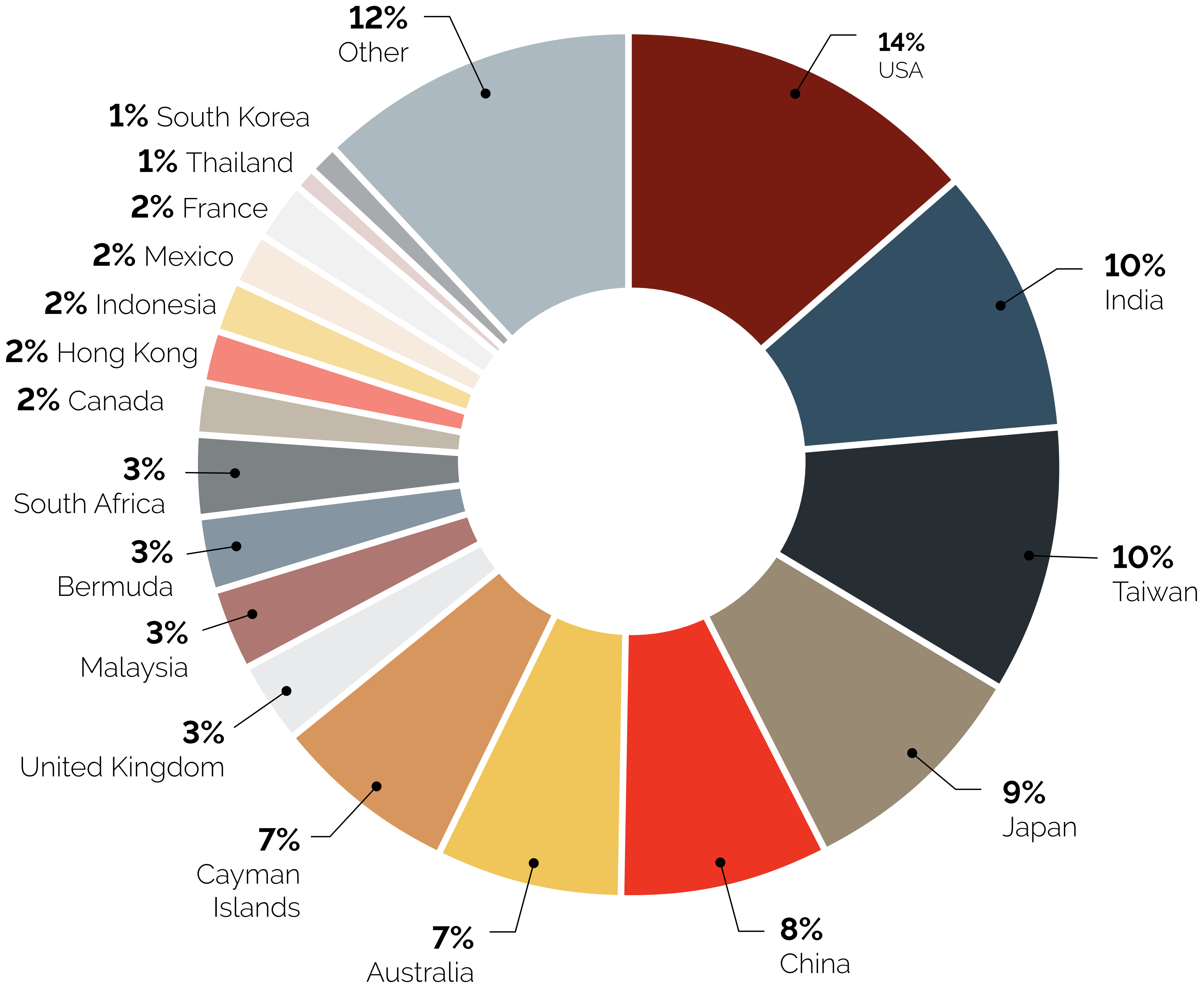


Figure 5: Breakdown of votable proposal by voting category

During the reporting period 47,529 resolutions were voted on QIC's behalf. The graph below represents QIC's votes on eligible voting proposals and the categories of the voting proposals. Of the voting proposals, 56% related to directors and the board.

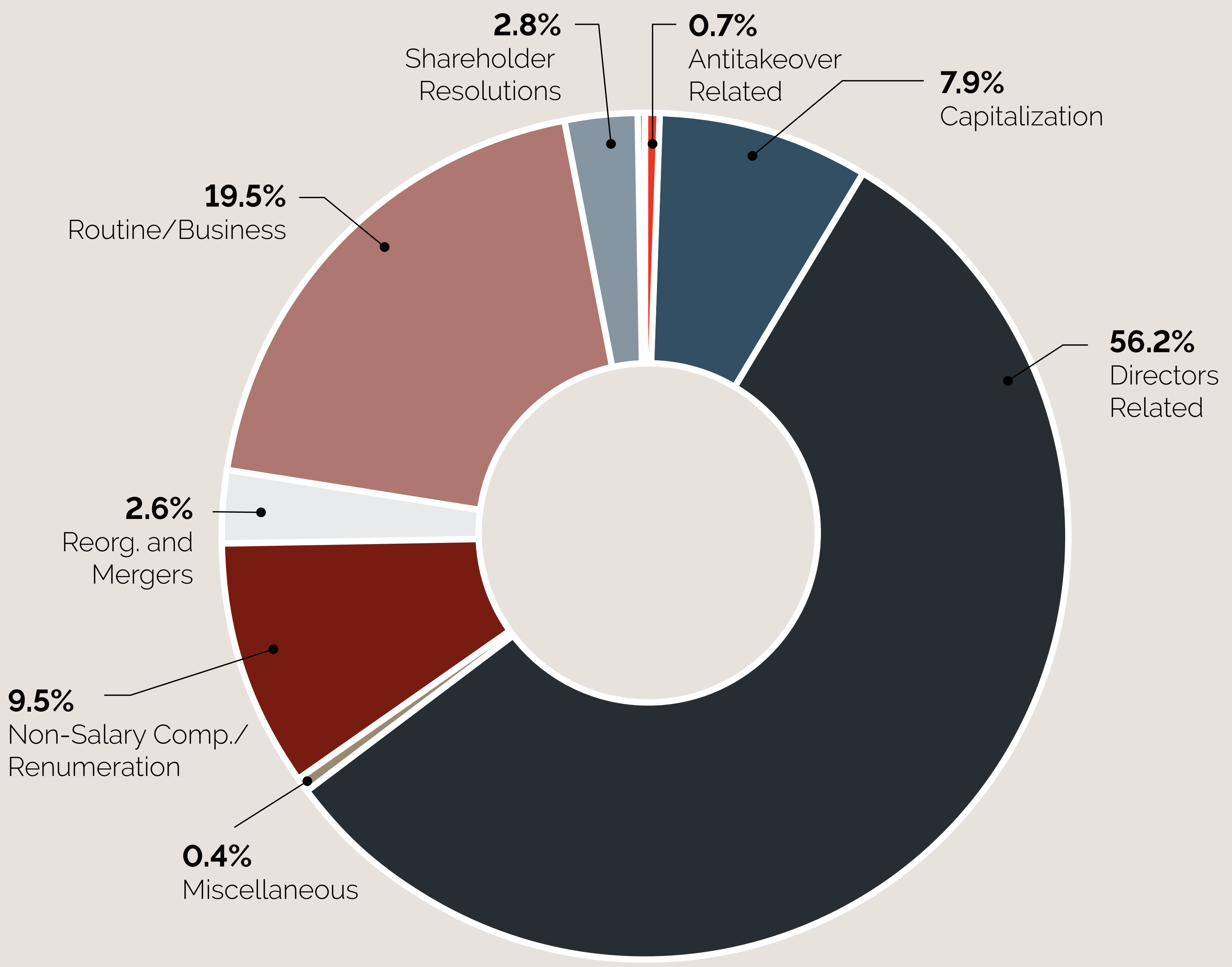
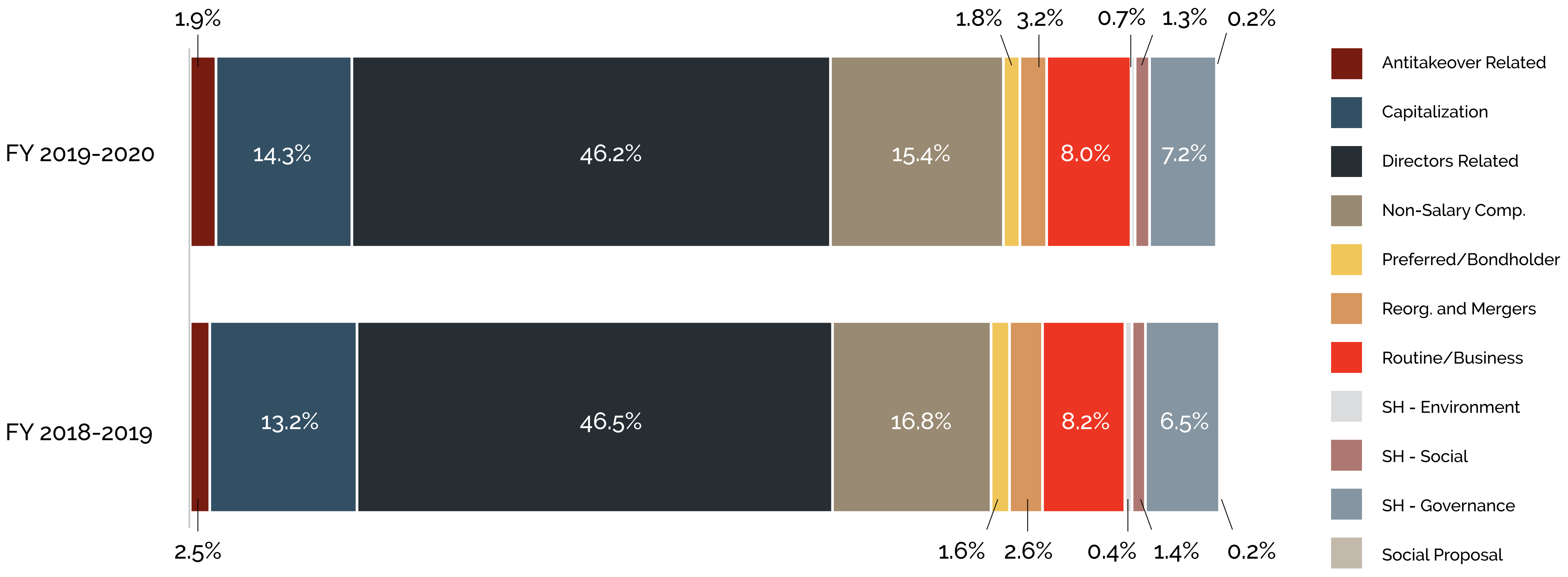


Figure 6: Breakdown of votes in opposition to management

In FY20, QIC voted in opposition to management recommendations on 10% of votable proposals. The below chart demonstrates where QIC voted in opposition to the management recommendation.



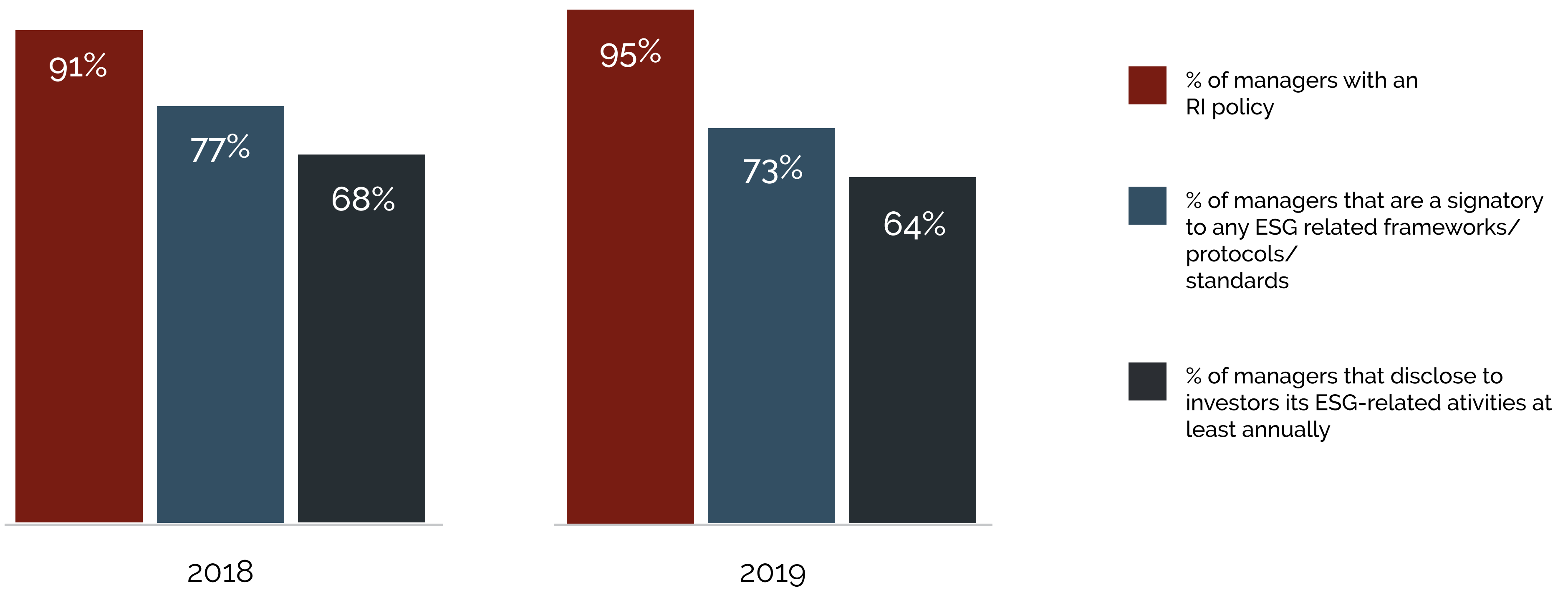
External manager monitoring and engagement

QIC's State Investments and Global Private Capital teams appoint external investment managers. On an ongoing basis we assess the ESG performance of these managers.

This is carried out through a combination of engagement and an annual ESG survey, which seeks to better understand how our managers are addressing ESG issues on our behalf and evolving their own ESG approaches. The focus areas of these surveys include ESG policy, integrations and material issues.

QIC State Investments external manager survey

QIC State Investments appoints external managers to manage listed equities and some infrastructure and alternatives exposures. The below information summarises these managers' ESG approaches.



Some additional key insights include:

- 55% of managers integrate modern slavery and other human rights assessments into their investment process. Of those that are required to report under the Modern Slavery Act, 27% already have a Modern Slavery Statement.
- 50% of managers have undertaken at least one of the below climate assessment related activities

Climate related activity	% of managers
Carbon footprint of the portfolio	36%
Climate scenario modelling	14%
Assessment of physical climate impacts	32%
Apply a shadow carbon price	9%
Engagement with emissions intensive companies	27%

Top 5 issues identified by managers, in order of the number of mentions:

1. **Labour management:** human rights and trafficking, modern slavery, local laws and people empowerment
2. **Climate change:** carbon emissions, extreme weather
3. **Environment resiliency:** agriculture, sustainable forestry, ecosystem diversity and water quality
4. **Governance:** Board independence, accounting standards, transparency, proxy voting
5. **Energy management:** transition, efficiency, renewables

QIC Global Private Capital external manager survey FY20

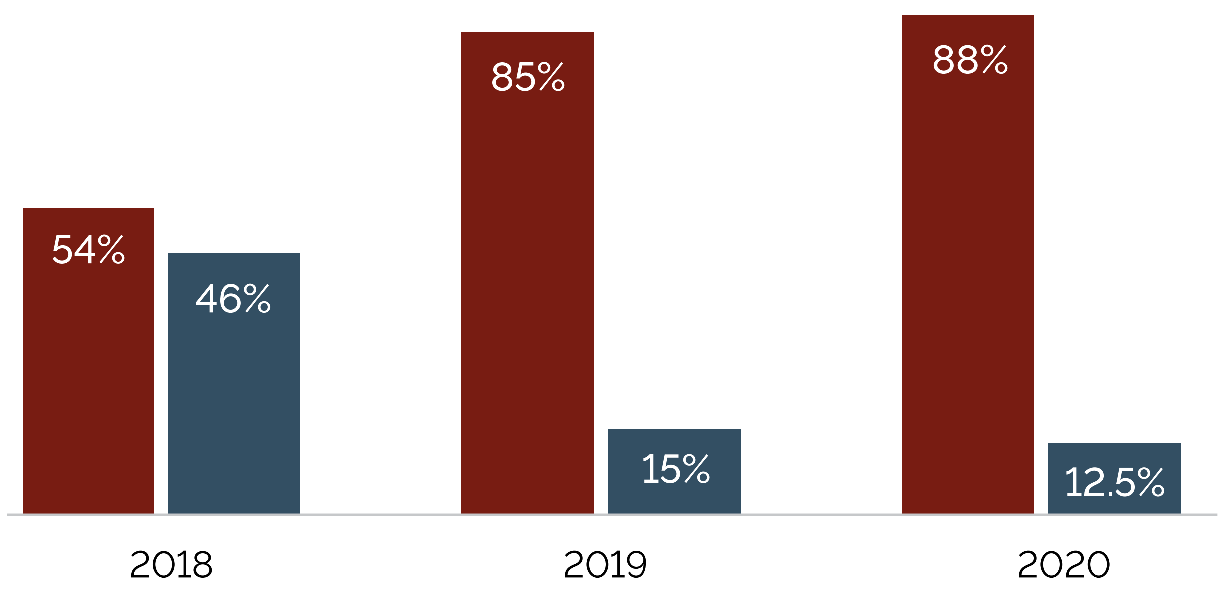
While there has historically been less pressure on private equity funds to integrate ESG considerations into the way they invest, this is changing as investors become more vocal about investing responsibly and evidence mounts as to the financial materiality of ESG factors.

QIC Global Private Capital invests both directly and through General Partners (GPs). As part of our ongoing due diligence, Global Private Capital formally surveys its managers to better understand ESG capability and how this is evolving. Undertaking this annual survey also allows the team to track changes and capture trends over time to better understand the integration of ESG in the operation of the companies in which we invest, and the influence Global Private Capital is able to have by engaging regularly on ESG topics with our portfolio fund managers

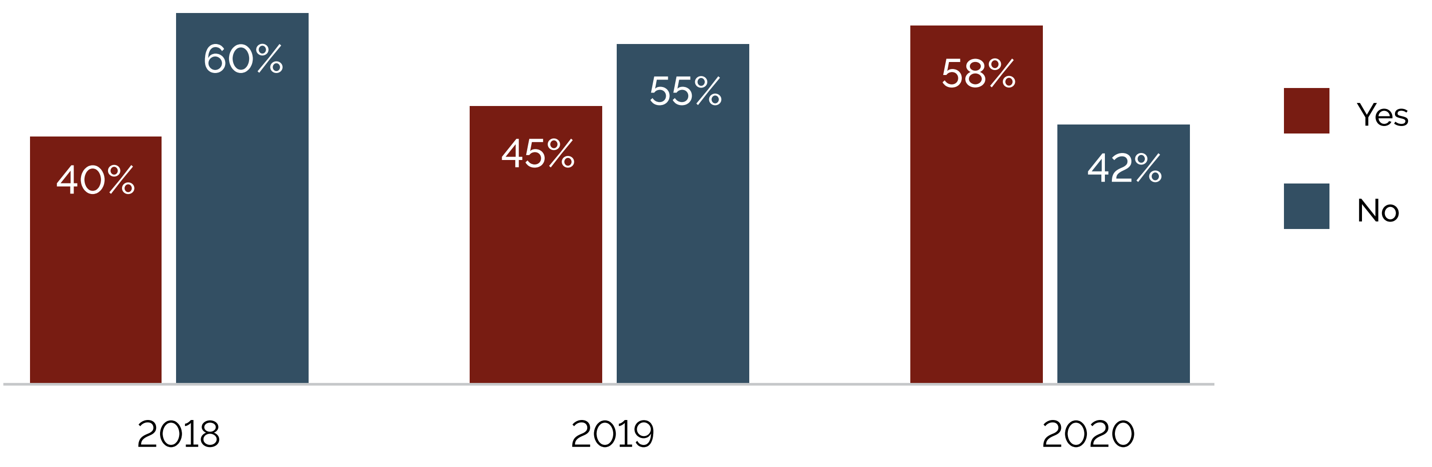
Key insights from the FY20 external manager survey include:

- GPC's managers reflect a theme of growing a trend towards ESG integration among GPs by becoming either signatories to the UN PRI or aligning to the UN PRI principles without being a signatory: 63% of managers are signatories or aligned compared to previous years – 2016 (40%) and 2019 (48%)
- 70% of managers are requesting regular reporting from their portfolio companies on ESG issues, up from 49% in 2019
- 80% of managers engage with their underlying portfolio companies on ESG issues and performance, while only 35% of GPs rate the portfolio companies on ESG capabilities with approximately half requiring the companies to provide an ESG update to the manager
- Over half the managers currently collect environmental or social impact data on the underlying portfolio with this being an area of focus for the upcoming year

Is ESG integrated into your organisation's investment process?



Does your organisation have a formal diversity and inclusion policy or initiative?



This year's survey also covered key questions relating the impacts of the COVID-19 pandemic. For the results of these questions, see Section 9: Our response to COVID-19.

Industry memberships and participation

We continue to engage and collaborate through a number of ESG-related industry forums

This allows us to contribute to the development of a range of initiatives while gaining relevant insights into the latest developments in the ESG space. Our current memberships and partnerships include:

- United Nations Principles for Responsible Investment (UN PRI)
- Responsible Investment Association of Australasia (RIAA)
- Investor Group on Climate Change (IGCC)
- CDP (formerly, Carbon Disclosure Project)
- Property Council of Australia (PCA)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Building Council Australia (GBCA)
- Climate Action 100+
- Australian Sustainable Finance Initiative (ASFI)
- Climate Measurement Standards Initiative

Across the organisation, we are active members of ESG-related working groups. QIC employees serve as members to the following working groups over FY20.

Industry initiative	Industry group	Member
Investor Group on Climate Change	Physical Risk and Resilience	Kate Bromley (Chair), General Manager, Responsible Investment
	Transparency and Thought Leadership	Andrew Saunders, Senior Manager, Responsible Investment
	Climate Action Roundtable	Andrew Saunders, Senior Manager, Responsible Investment
UN PRI	Sovereign Debt Advisory Committee	Marayka Ward, Senior Credit Manager, Liquid Markets Group
	Infrastructure Advisory Committee	Leisel Moorhead, Partner, Global Infrastructure (3 year term, ending 31 December 2019)
Australian Sustainable Finance Initiative	Technical Working Group: Meeting community expectations	Kate Bromley, General Manager, Responsible Investment
	Technical Working Group: Creating a more sustainable, resilient and stable financial system	Marayka Ward, Senior Credit Manager, Liquid Markets Group
Property Council of Australia	National Sustainability Roundtable	Melissa Schulz (Chair), General Manager, Sustainability
	National Social Sustainability Committee	Melissa Schulz, General Manager, Sustainability
Institutional Limited Partners Association (ILPA)	Diversity and Inclusion Working Group	Crystal Russell, Principal, Global Private Capital
Reserve Bank of Australia	Global Foreign Exchange Committee and Australian Foreign Exchange Committee	Stuart Simmons, Senior Portfolio Manager, Liquid Markets Group
GRESB	Infrastructure Benchmark Committee	Anastasia Bessonova, Associate, Global Infrastructure
Cleaning Accountability Framework	Steering Committee	Deb Palmer, Risk and Compliance Manager, Global Real Estate
Mercer	Future Makers Working Group	Kate Bromley, General Manager, Responsible Investment
Climate Action 100+	IGCC Australasia Engagement Group	Kate Bromley, General Manager, Responsible Investment Genevieve Beresford, Analyst, Responsible Investment

ESG Benchmarking Results

We participate in a range of global ESG benchmarks to assess and provide transparency around our performance. We also view these as an opportunity to drive continuous improvement as ESG integration practices continue to evolve.

United Nations Principles for Responsible Investment (UN PRI)

QIC became a signatory to the United Nations Principles for Responsible Investment (PRI) in 2008. The UN PRI annual survey assesses the ESG performance of more than 3,000 asset owner and asset manager signatories from around the world. Collectively, QIC achieved the top score of A+ across ten reporting modules for 2020. The only exception to this, and which we're actively working on, is the Listed Equity Active Ownership module where we achieved a B.

We continue to evolve our approach to ESG integration in line the demands of our business and industry and client expectations. We are pleased that our ongoing work to incrementally improve our ESG processes continues to be broadly in our results.

Module	2016	2017	2018	2019	2020	Median Manager in 2020
Strategy and Governance	A+	A+	A+	A+	A+	A
Indirect Listed Equity	A+	A	A+	A+	A+	A
Indirect Private Equity	A+	A	A+	A+	A+	A
Listed Equity – Active Ownership	A	A	B	B	B	B
Fixed Income SSA	A+	A	A+	A+	A+	B
Fixed Income – Corporate Financial	A+	A	A+	A+	A+	B
Fixed Income Corporate Non-Financial	A+	A+	A	A	A+	B
Fixed Income Securitised	A	A	A	A	A+	B
Property	A+	A+	A+	A+	A+	B
Infrastructure	A+	A+	A+	A+	A+	A

GRESB

Global Real Estate

The Global Real Estate Sustainability Benchmark (GRESB) is one of many tools used by institutional investors to engage with their investments, with the aim of improving the sustainability performance of their investment portfolio, and the global property sector.

QICGRE has participated in GRESB reporting since 2012 for its QIC Shopping Centre Fund (QSCF) and QIC Property Fund (QPF) and started reporting for the QIC Office Fund (QOF), QIC Australian Core Plus Fund (QACPF) and QIC Active Retail Property Fund (QARP) in 2016. Our results are detailed in the table below, with QICGRE's performance remaining well above the GRESB average for all of our Funds in 2020.

It should be noted that this year's GRESB results were based on some fundamental changes to assessment methodology, and it is important to recognise the significance of these methodological changes and their impact on individual fund results.

Due to the significant changes made to the reporting tool in 2020, GRESB have advised that objective comparison between absolute GRESB scores from this year and previous years is not meaningful. These methodology changes also led to an overall small decline in average scores across the Australian property industry.

We are working closely with The Property Council of Australia and its members to ensure the GRESB benchmark further evolves as a useful tool for investors to understand and compare performance, reward demonstrated leadership in real performance, and appropriately measure the industry's contribution to mitigating climate change impacts and the many other significant ESG challenges faced by Australian real estate managers.

Fund	2016 Score	2017 Score	2018 Score	2019 Score	2020 Score	Overall Score vs GRESB Average
QIC Property Fund	82	89	88	85	77	77 vs 70
QIC Shopping Centre Fund	82	90	84	85	76	76 vs 70
QIC Australia Core Plus Fund	NA	NA	76	84	77	77 vs 70
QIC Office Fund	79	88	84	90	89	89 vs 72
QIC Active Retail Property Fund	83	87	82	83	79	79 vs 70

Note: As QICGRE's fund level 2020 GRESB reports did not include a global ranking for non-listed retail funds, we have not included these in our reporting this year.

Global Infrastructure

QIC Global Infrastructure elected not to participate in the GRESB Infrastructure Assessment in 2020. This was due to the breadth and depth of impact of the COVID pandemic on the assets in the portfolio and the importance of the portfolio companies to be able to focus on ensuring the safety of their people and ensuring they had the capacity to continue to deliver essential services to their customers.

NABERS and Green Star Performance – Real Estate

The National Australian Built Environment Rating System (NABERS) is a national environmental rating system which measures the operational efficiency of a building or tenancy, which can relate to its energy and water consumption, waste management and indoor environment quality.

All of QIC Global Real Estate's core retail and commercial assets are assessed annually for energy and water performance ratings and our Investment Management teams have NABERS Improvement targets in their KPIs. Our smaller retail assets adopted the Green Star Performance Rating in 2018.

The most recent performance rating for each of our Funds is detailed in the table below.

Module	QSCF - NABERS		QPF - NABERS		QOF - NABERS		QACPF	QARP
Category	Energy	Water	Energy	Water	Energy	Water	Green Star Rating	Green Star Rating
Rating 2019	3.3	2.7	3.2	2.1	4.9	4.1	1[15]	1[15]
Rating 2020	3.3	3.1	3.5	3	5.2	4.1	1[15]	1[15]

15. QIC's current Green Star ratings represent the benchmark scores from the first submission in 2018. The next performance rating for these fund assets is expected in 2021.

Driving sustainable outcomes: environmental

Case study: delivering one of Australia's largest retail solar projects

QIC Global Real Estate (QICGRE) is investing in a national solar technology project for its portfolio of Australian retail assets, delivering PV solar panels, battery storage and 24/7 system monitoring through a partnership with Queensland's Yurika Energy.

In Australia's largest ever 100% onsite solar power agreement to date, this investment includes installation of solar infrastructure and 'behind the meter' solar generation technology, energy management and building automation.

The project is being rolled out in stages across the retail portfolio, reducing grid electricity consumption by around 30% and significantly lowering the carbon footprint of QICGRE's retail assets.

Grand Central Shopping Centre, Toowoomba QLD,

Domain Central Shopping Centre, Townsville QLD

Case study: a 'fashionable' approach to recycling

QIC's Global Private Capital team are proud to invest in companies that bring to life the impact that championing ESG can have on investment value creation and risk mitigations, while also having a positive influence on society. One such investment is 'Rothy's', a San Francisco-based footwear company which utilises a new technology to turn water bottles into fabric which, in turn, is used to produce fashionable shoes.

To date, more than 25 million water bottles have been repurposed to create footwear ranges for women, men and children. Furthermore, the soles are made from vegan, recyclable, carbon-free rubber and TPU, adhesives are non-toxic, and insoles are made from recycled materials.

Case study: supporting a renewable future

QIC's Global Infrastructure investment, Pacific Energy, provides low-cost and reliable off-grid power solutions for the Australian resources industry and remote townships. Once such solution is facilitating the construction of a more efficient gas power station, battery storage system and renewables hub for Esperance in Western Australia, enabling the town to slash yearly carbon emissions by close to 50 per cent.

The power station, delivered through subsidiary company Contract Power Australia (CPA), includes a battery energy storage system, improving the efficiency of the power station by responding to variabilities in power transmission, and a new renewables hub which will bring together 10,000 solar panels and two 4.3 megawatt wind turbines to generate up to 46% of Esperance's electricity. Combined, these energy sources will enable electricity to be generated by renewables on a 24 / 7 basis and double the amount of renewable energy being provided to customers

Case study: a sensible approach to water harvesting

QIC's Global Real Estate team are currently implementing a project for the QIC Office Fund and QIC Government Office Portfolio assets at 111 George St and 33 Charlotte Street (Brisbane, Queensland) to utilise two large rainwater harvesting tanks. With a combined capacity of 78,000 litres, the tanks capture water from the assets' rooftops as well as condensate from the air handling units located in the buildings.

This water will be re-used to top up the buildings' cooling towers, significantly reducing water consumption to deliver significant environmental benefits and cost savings. The tanks are also extremely space-efficient, having been designed to fit within a designated area of the office towers' underground car parking facilities, minimising impacts on tenant and building operational requirements.

Case study: supporting growth of a sustainable and resilient business

QIC's Global Private Capital team's co-investment with Abac Capital in Metalcaucho, a leading car aftermarket supplier in the Spanish rubber and metal mechanical spare parts market, has seen significant ESG improvements during their investment period since 2015.

Metalcaucho has materially improved its quality and safety standards, reduced its carbon footprint through reduced energy consumption and waste at its facilities, and strengthened its corporate governance through relaunching its code of conduct, developing a whistle-blower policy, and enhancing hiring policies to increase diversity.

With origins as a family-owned business, oversight and guidance from GPC and Abac Capital with a particular focus on ESG factors has played an essential role mitigating risks and increasing overall resilience for Metalcaucho's expanding business, including implementation of sound compliance and governance structures to safeguard company decision-making, as well as periodically gathering ESG data to increase visibility of non-financial metrics, identify areas of improvement and benchmark Metalcaucho's performance.

We talked to Abac about how they integrate ESG in Metalcaucho and the benefits of doing so.

1. How did you go about achieving ESG integration at Metalcaucho?

As an investor, Abac aspires to generate positive externalities, creating sustainable companies that will outlast Abac's ownership. Each company is measured against over 60 sustainability KPIs, and sets specific targets to help thrive within its community. Consequently, integrating ESG in Metalcaucho was an integral part of our investment case, both in our due diligence and 100-day plan, and we started to work on it alongside management from day one.

Metalcaucho was our first portfolio company and therefore a valuable learning experience. One key learning was the importance of engaging both C-level and mid-level managers as they play complementary roles in achieving tangible sustainability results. While C-level engagement is essential to move sustainability to the top of the agenda, mid-level managers are key to execute initiatives and aggregate quarterly data. We also created the role of the ESG champion at Metalcaucho who would liaise with Abac's Sustainability analyst to coordinate and monitor the implementation.

2. What are the main benefits you saw from integrating ESG at the company?

ESG played an essential role mitigating risks and increasing the overall resilience of Metalcaucho. From an investor standpoint, it was crucial to implement a sound compliance programme and governance structures to safeguard decision-making in the company. Periodically gathering ESG data was also key to increase our visibility regarding non-financial metrics, identify areas of improvement and benchmark Metalcaucho's performance.

3. What were the main areas you focused on?

Our sustainability undertakings at Metalcaucho focused on the areas identified as most financially material according to the Sustainability Accounting Standards Board (SASB) and the company's characteristics: value chain governance, leaner operations and employee standards.

- **Value chain Governance:** Metalcaucho focused on onboarding suppliers to its ESG standards to mitigate labour risks. As of March 2020, 104 suppliers representing 93% of sales volume had committed to Metalcaucho's standards and 88 visits had been conducted to their manufacturing plants.
- **Leaner operations:** Coordinating with suppliers facilitated box standardisation across suppliers to eliminate repackaging. Film thickness was also reduced from 23 to 12 microns which resulted in 45% and 58% cost and plastic savings per pallet, respectively.
- **Employee standards:** In August 2017, the company moved to new 13,700 sqm premises improving efficiency in operations, safety standards and compliance. Two years later, further ergonometric improvements were introduced in the manipulation area. These improvements together with a sustained effort to increase diversity (from 2.4% women in the workforce in 2014 to 30% in 2019) resulted in 12% productivity gains. The implementation of a workers' council in 2017, proved essential in negotiations to avoid disrupting operations during the COVID-19 pandemic in March 2020.

4. Do you believe the ESG initiatives contributed to improved financial performance of the company?

ESG integration at Metalcaucho played an essential role addressing financially material topics such as productivity in operations, cost optimisation and employee turnover. Although difficult to completely isolate from other factors contributing to improved financial performance, Metalcaucho sustainability built up resilience and that proved relevant at the time of divestment. The high sustainability standards set were also praised by potential buyers and set a series of best practices that helped realise full potential upon exit.

Taskforce On Climate-Related Financial Disclosure Reporting

Both the risks and opportunities presented by climate change have the potential to impact the asset classes we invest in.

As such, institutional investors consider climate risks as part of their fiduciary duty to build climate resilient portfolios now and into the future.

Climate risk is embedded as one of six key pillars in QIC's ESG framework. There are many dimensions to climate risk and while it is systemic and long term in nature, climate research and policy is constantly evolving, and we recognise our approach needs to be iterative and evolve over time as well.

This is our third-year reporting under the Taskforce on Climate-related Financial Disclosure (TCFD) framework and this section reports the progress we've made over the past year on understanding and managing climate risk within our business.

Governance

Board

The QIC Board has ultimate responsibility for managing the risks associated with climate change and is supported by a number of committees and functions within the organisation.

Board Risk Committee

As climate change is built into the company's formal risk management process the Board Risk Committee plays a key supporting role by assessing and updating the Board on enterprise wide risks, including those associated with climate change.

Board Remuneration Committee

The Board Remuneration Committee also supports the Board through the oversight of QIC's remuneration policies and programs, which includes reviewing and reporting on corporate KPIs including the company's corporate ESG KPI. This KPI is focussed on driving integration of ESG considerations across the business, including climate risk.

ESG Advisory Committee

The ESG Advisory Committee, has representation from senior levels of management and is chaired by a member of the QIC Board. The Committee meets on a quarterly basis to develop and implement QIC's ESG strategy. Our work on both physical and transition risk is regularly presented to this committee for feedback and approval.

Management oversight

Global, systemic ESG issues, like climate risk, that affect our organisation are considered by our Responsible Investment team. This team's role is to develop the corporate ESG strategy, focussing on six key ESG focus areas, of which climate risk is one. In addition to working with the aforementioned committees this team works with nominated 'ESG Champions' across QIC's investment teams to both develop and provide oversight of climate change strategy.

In 2019-20 QIC's Global Real Estate and Global Infrastructure teams both established sustainability committees to effectively manage a range of ESG-related risks and opportunities at asset class level. While having broad ESG responsibilities, these committees drive a targeted focus on climate-related risks and opportunities and integration into investment and business decision-making.

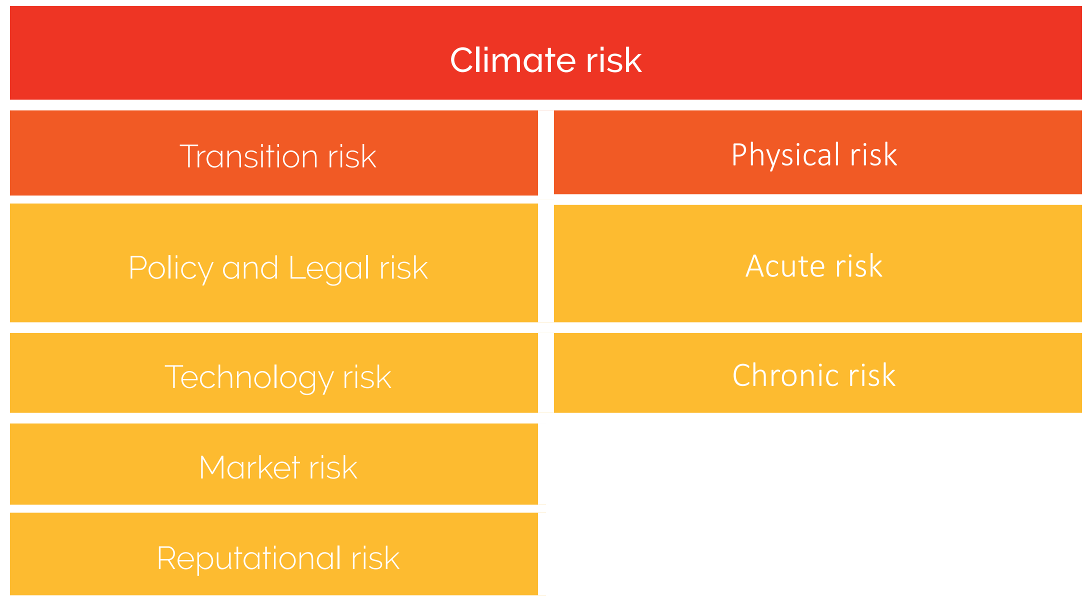
Strategy

Climate risk impacts assets classes, regions, sectors and companies in different ways. Our strategy is focussed on building a detailed understanding of climate risks and opportunities. This approach allows us to consider and continually refine our knowledge of managing the risks and opportunities presented by climate change.

The longer-term goal of our analysis is to estimate the materiality of climate risk in the same way we assess other forms of investment risk, as far as is possible. This is consistent with expectations set by financial regulators and advice released by the Australian Accounting Standards Board (AASB) on the materiality of climate risk in financial statements.

Framing climate-related impacts

Climate risk can take several forms and we view the Financial Stability Board's[16] Recommendations of the Taskforce on Climate-related Financial Disclosures as a clear definition of this risk. This description provides us the ability to work within a comprehensive and commonly accepted framework.



Source: The Financial Stability board's Recommendation of the Task Force on Climate-related Financial Disclosures

Analysis

Across QIC's investment portfolios we undertake analysis both at the company level and broader sector level to understand potential climate risks and opportunities. To conduct this analysis, we use a range of data sources, including:

- Third party ESG data providers, e.g. MSCI Climate Value-at-Risk
- Data from credible not-for-profit organisations, e.g. CDP
- Government departments and agencies, e.g. CSIRO
- Primary, company-level data where available.

The analysis conducted using these data has allowed us to build:

- Baseline carbon emissions assessments at portfolio and asset level (i.e. carbon footprint)
- Sector, industry and sub-industry analysis to understand absolute carbon emissions, carbon intensity profiles, and exposure to low carbon transition risk
- Exposure to physical climate hazards and extreme weather events.

Climate scenario analysis

Noting the inherent uncertainties in the emergence of the physical impacts of climate change, and in a transition to a low-carbon economy, we undertake scenario analyses to explore the nature of climate-related risks and opportunities. To date these analyses include:

- Physical climate risk assessments looking at material climate variables, asset location, historical performance and potential vulnerability under future climate scenarios
- Global warming scenarios to analyse real asset portfolios' exposure to low carbon transition risk
- Carbon pricing analysis to understand the impact of climate regulations on revenue at asset and portfolio level.

This analysis provides useful insights and has enabled us to identify areas for further focus. Further, it established the basis for meaningful engagement with portfolio companies.

16. The Financial Stability Board is an international body that monitors and makes recommendations about the global financial system. It was established after the G20 London summit in April 2009 as a successor to the Financial Stability Forum. The Board includes all G20 major economies, FSF members, and the European Commission. Hosted and funded by the Bank for International Settlements, the board is based in Basel, Switzerland.

Engagement

Using our climate analysis as a platform, we engage with boards, management teams and our externally appointed managers to better understand how they are managing climate risk. Depending on the asset class and nature of the investment, our engagement focusses on either physical or transition risk, or both.

When engaging, we are ultimately trying to assess the following:

- Whether there is a good understanding of the nature of the risk
- The systems and process in place to manage the risk
- Whether strategy takes into account the physical and transition risks associated with operations/investments.

To guide our engagement, we apply the TCFD framework and questions generally focus on:

- **Physical climate risk**
  - Does the company have a clear understanding of exposure to relevant climate variables based on relevant projections?
  - Can the company articulate the level of vulnerability to operations associated with the material exposures?
- **Transition risk:**
  - Have the company tested the sensitivity of the business against relevant climate change scenarios?
  - Has the company applied an internal carbon price to understand potential impacts on the business?
- **Metrics and targets:**
  - What climate metrics are currently being monitored and reported?
  - What, if any, targets are in place over the short, medium and long term?

Collaboration

Collaboration is an important part of our approach to understand climate risk. Given the complex nature of the issue, the science continues to evolve and provide more granular information. Acknowledging this we see working with others as important to both test our own thinking and to contribute to the conversation. Some examples of our collaborative approach include:

Climate Action 100+:

In FY20 we became a member of Climate Action 100+, which is an investor initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change and engages with these companies to curb emissions, improve governance and strengthen climate-related financial disclosures.

Investor Group on Climate Change (IGCC):

We continue to be an active member of the IGCC and participate on two working groups – Transparency & Thought Leadership and Physical Risk and Resilience Group, with the latter being chaired by our General Manager, Responsible Investment

Climate Measurement Standards Initiative (CMSI):

We participated in this industry-led collaboration between insurers, banks, asset owners, scientists, regulators, reporting standard professionals and service providers to develop open-source technical business and scientific standards for climate related physical risk projections of future repair and replacement costs of residential and commercial buildings, and infrastructure in Australia. In September 2020, reports were published on both financial disclosure guidelines and climate science guidance.

Physical Risks and Opportunities

Assessing security-level impacts

While we have focussed initially on QIC's real asset portfolios, over the reporting period we also began to consider physical climate risk in relation to listed equities and corporate credit portfolios using MSCI's Climate Value-at-Risk tool.

The tool provides an assessment of:

- How much a company may experience an increase (risk) or decrease (opportunity) in business interruptions or asset damages from the physical manifestations of climate change.
- Both chronic hazards (gradual changes in temperatures, precipitation) and acute hazards (coastal flooding, cyclones) and takes into account the specific locations of companies' facilities.
- Company specific estimates of future cost, revenue and valuation impacts under various scenarios.

This data set has allowed us to progress our physical risk analysis from our real assets into our listed equity and fixed income portfolios. We will be working over FY20/21 to analyse the key physical risks at the industry and security level.

Real assets

We continue to progress our analysis of the impacts of projected physical climate change across QIC's real estate and infrastructure portfolios. As physical climate risk is highly location specific, in FY19 we developed a bottom-up approach that considers asset level exposure to range of climate hazards under two scenarios or Representative Concentration Pathways (RCP), these were RCP4.5 and RCP 8.5.

We have assessed the impact of physical climate risk for five climate variables, these are:

- Temperature
- Rainfall/flood
- Cyclone
- Bushfire
- Sea level rise

In FY20, we extended this work to assess the impact of physical climate risk of around 25 real estate assets. We have considered asset-level exposure and impact as a result of projected climate trends and extreme weather events at 2030 and 2090. We found the differences in physical climate projections under an RCP4.5 and an RCP8.5 scenarios at 2030 are not always materially significant. It is over a longer time horizon that a divergence in the climate projection data is observed. To explore physical climate risk and stress test assets we have considered the physical climate impacts at 2090 under an RCP8.5 scenario.

We have assessed the impact of physical climate change by considering the historical sensitivity of an asset to past weather events and extremes and overlaid this with forward-looking climate data. In practice, this included the following steps:

- Development of a detailed survey to systematically assess historical impacts of climate variables
- Onsite visit and interview with management and operational staff at each asset
- Climate projection data downscaled to regional level
- Literature review of relevant climate research.

We identified three key areas of potential direct impact from physical climate risk at asset level:

Financial	Operational	Social
• Operational expenditure • Capital expenditure • Revenue	• Operational disruption • Management effort required	• Wellbeing and comfort

By assessing exposure and impact, we have begun to explore the relative level of resilience and/or vulnerability at an asset level across portfolios. This in turn enables us to identify some key adaptation measures to potentially increase an asset's resilience. We are reviewing the findings of this analysis internally and will progress this work over FY21.

Next steps

We will continue to this work over FY21, with next steps including:

- Further development of real asset physical climate risk assessments
- Extension of physical climate risk assessment to listed markets.

Transition Risk and Opportunities

In FY20 we aimed to enhance our understanding of climate transition risks and opportunities by conducting scenario analysis over our real asset portfolios. This included QIC's real estate and infrastructure assets. We worked with KPMG to customise three climate change scenarios on which to base the analysis.

Rapid Transition

This scenario is aligned with achieving a 1.5°C warming outcome and involves a rapid curtailing of emissions, seeing a global peak in 2022. It is government led with penalties and/or forced closure of high emitting assets and sees fossil fuels being less than 20% of the global energy mix by 2040. It also assumes a high range carbon price is in place by 2030 and a reduction in consumption across all sectors, especially luxury, due to changing consumer preferences.

Market Based

This scenario is aligned with achieving a 2°C outcome and involves a business led reduction in greenhouse gas emissions. There is an increase in consumption globally with a focus on circular economy principles, natural gas is a bridging fuel and the energy transition is largely technology led where low carbon growth dominates and incumbent industries atrophy. It assumes a low range carbon price is in place at 2020 and medium range price is effective by 2030.

Head in the sand

The third scenario we examined is aligned with a 4°C outcome and involves a business-as-usual approach with little regulation beyond current levels. Fossil fuels remain ~50% of energy mix and there are high rates of global resource depletion and biodiversity loss. Inequality continues to increase across the globe.

To explore the risks and opportunities under each of these scenarios we held two half-day workshops with senior members of our real estate and infrastructure teams. These workshops focussed on identifying the key risks and opportunities associated with the transition, existing mitigation measures in place and assigning a residual risk rating and associated timeframe (i.e. short, medium, long-term).

A summary of the transition scenario work is outlined below, which highlights the potential transition risks assessed and the key themes and sub-themes that came out of the work across both asset classes.

Transition risks	Legal, Market, Regulatory, Reputation Technology		
Key themes	Renewables alternatives & resource efficiency	Increase in costs	Changes in consumer behaviour
Sub themes	• Switching to alternative fuels and development of new alternatives • Growth in electric and autonomous vehicles • Increasing focus on resource efficiency	• Increase cost of energy and raw materials associated with carbon regulation • Increasing cost of insurance premiums and asset maintenance	• Potential impacts on traffic volumes • Impacts on tourism flows • Preference for carbon neutral products • Grid defection

We are working on a range of initiatives to build on the findings of the scenario analysis to ensure these risks are further explored and integrated into existing management processes. Additionally, we are also developing a key set of metrics that we will track and review on a periodic basis to provide us with signposts as to which of the three scenarios is most likely to play out and understand how this may impact our real asset portfolios.

Risk Management

QIC manages risk in accordance with the Board's Risk Appetite Statement and Risk Management Framework, including the Enterprise Risk Management Policy. The risk management process is consistent with International Standard ISO 31000: Risk Management. Our Risk Management Framework includes an enterprise-wide methodology for rating risks and provides for assessment of business risks using the consequence and likelihood tables included in the Risk Rating Procedure included in the Board's Risk Appetite Statement.

All risk across the business is identified and rated in accordance with this approach to bring consistency at an enterprise level. Existing controls that mitigate identified risks are taken into consideration to determine the residual risk rating. Identified risks, which include climate change risks, are rated according to QIC's risk rating standards and then compared to the Board-approved Risk Appetite Statement to determine if any further mitigation is required to bring residual risks within the Board's Risk Appetite.

By incorporating climate-related risks in QIC's Risk Management Framework and assessing them in the same way as other business risks, the Board and management can ensure that there is a common understanding of the level of risk throughout the business and ensure that appropriate priority and controls are employed to manage the residual risk in an acceptable way. Given the impact of climate-related risks, we recognise the need for these risks to be measured against different time horizons, i.e. assessed on short, medium or long-term basis, depending on the scope of the risk assessment, the type of investment decision, the investor's investment strategy and the type of asset and its lifecycle, the standard risk assessment methodology ensures a systematic yet flexible approach.

Our Risk Appetite Statement considers climate risk under three categories – physical risk, transition risk, and risks associated with energy security. Not only does this align with the TCFD recommendations it also allows the business to get a more granular understanding of how risks may manifest under the broad banner of 'climate change'. This facilitates more informed discussions and the formation of targeted mitigation measures across the business.

Metrics and Targets

Real estate assets and the impacts of COVID-19

Please note, values have been provided as at 29 February 2020 and 30 June 2020 for our real estate assets in the following section and within section 14: Sustainability Data.

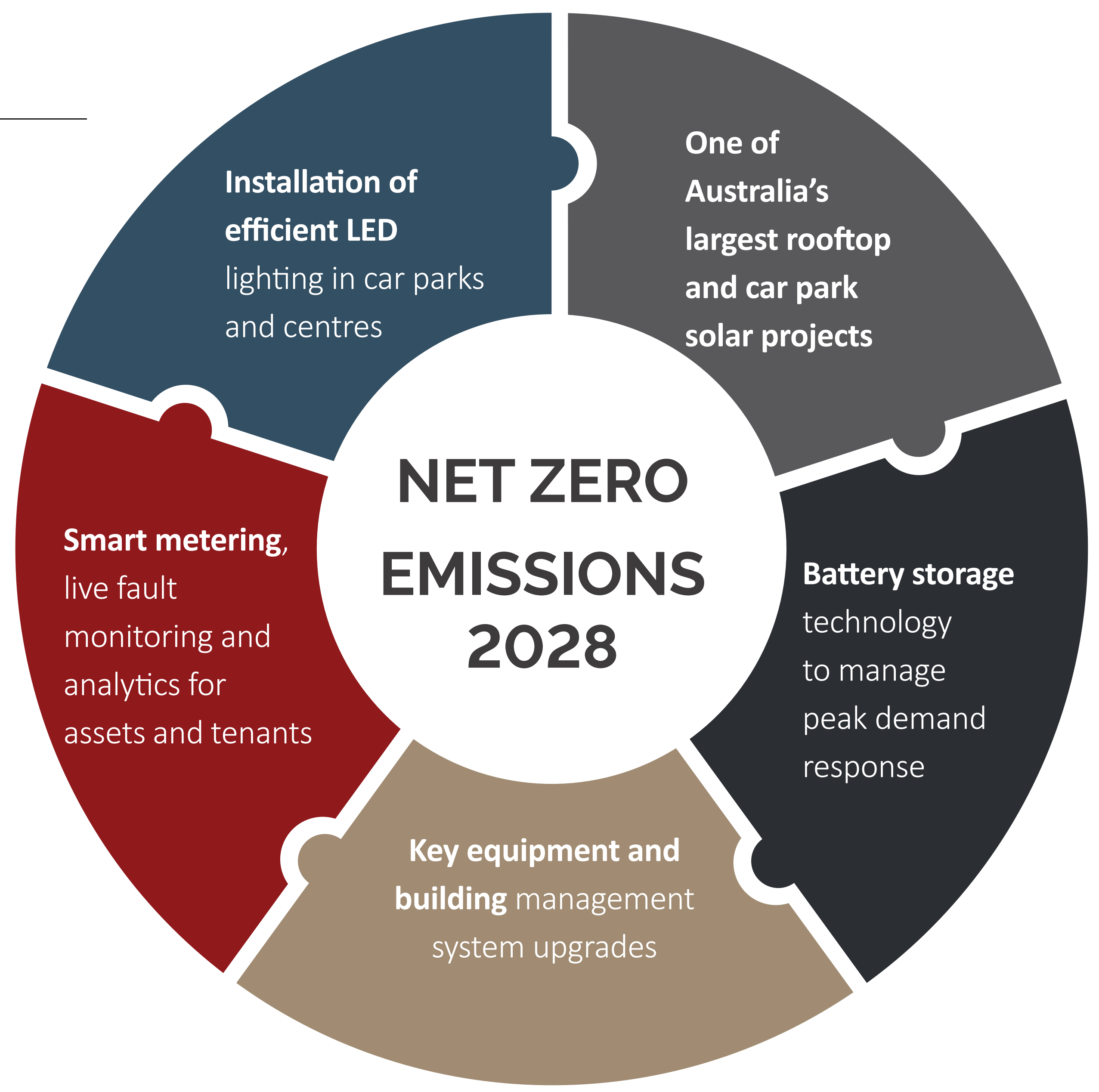
We have reflected the data in two distinct points in time to remain transparent in disaggregating and demonstrating the effects of COVID-19 on our targets.

Shopping Centre assets

QIC's largest direct source of emissions (Scope 1 and 2 emissions) come from the retail and office assets developed, owned and operated by QIC Global Real Estate.

Acknowledging this contribution, in FY20 QIC Global Real Estate committed to an ambitious target to become Net Zero Emissions (NZE) by 2028 across its core retail assets in Australia.[17]

This commitment has allowed our real estate business to become the first Australian signatory to the World Green Building Council's Net Zero Carbon Buildings Commitment for a retail portfolio. The NZE target will be achieved through the implementation of a number of focussed initiatives, leveraging some of Australia's leading sustainability expertise and significantly changing the way we manage and power our assets. The NZE target will be achieved via:



Progress will be measured by tracking and reporting on our emissions profile to ensure we're meeting key projected goals and milestones. This is not a new process for GRE and some of the key achievements to date include:

- ✓ A 10% reduction in electricity consumption since 2018 through the rollout of an automated building analytics platform
- ✓ Installation underway of more than 25,000 LED lights in Phase 1 of the Lighting Efficiency Project, expected to reduce electricity consumption by a further 9%
- ✓ Investment in one of Australia's largest shopping centre solar projects

2020 reduction targets

Recognising that purchased electricity is the most material source of emissions for QICGRE's retail assets, in 2015 we committed to a 20% electricity intensity reduction target by 30 June 2020.

Over this time a range of initiatives aimed at improving energy efficiency have been implemented. While COVID-19 significantly impacted opening hours and visitation at our centres nationally, resulting in less electricity consumption over the last four months of the reporting period, our reduction in electricity intensity over the previous five years was trending toward 20% at 29 February 2020, prior to COVID-19, and was exceeded at 30 June 2020.

GRE Australian core retail assets

Intensity (MJ/m2)	2020 Reduction Target+	2020 Reduction Achieved	
		As at 29 Feb 2020	As at 30 June 2020
Electricity	-20.0%	17.43%	24.24%

QIC has commenced a number of significant projects focused on further reducing electricity consumption as part of our plans to achieve net zero emissions for our core Australian retail assets by 2028. These projects have already delivered reductions in our electricity consumption and are projected to deliver significant further reductions in the coming years.

For further information on QICGRE's 2020 targets please see the Global Real Estate ESG Report 2020.

17. "Core assets" includes those Australian shopping centres held by QIC Property Fund and QIC Shopping Centre Fund which are 100% owned and operated by QICGRE

Office assets

Over the reporting period QIC Global Real Estate's Office Fund and Portfolio exceeded its 2020 electricity intensity reduction target of 20% on a 2015 baseline, achieving a 32% reduction over the five year period. This excellent result was achieved through a number of initiatives:

- Significant lighting upgrades at 33 Charlotte Street and 111 George Street and implementation of LED sensor-controlled lighting across all assets
- Refurbishment and replacement of cooling towers
- Replacement of older inefficient chillers and implementation of chiller staging strategies
- Installation of power factor correction technology at 63 George Street
- Lift modernisation with destination control technology, A/C regenerative drive motors, LED car lights and motion sensors.

QIC Office Fund / QIC Government Office Portfolio

Intensity	2020 Reduction Target	2020 Reduction Achieved[18]	
		As at 29 Feb 2020	As at 30 June 2020
Electricity	-20.0%	28.49%	31.77%

18. Due to the significant impact of COVID-19 on the operation of our assets, for transparency we are presenting consumption data in this year's reporting for the period both pre-COVID (up until end-February 2020) as well as to end of financial year.

Infrastructure assets

Over FY20 QIC Global Infrastructure developed high level NZE pathways for each of its assets.

This work provides a detailed understanding of the potential steps required to achieve net zero emission across a range of major infrastructure assets. Specifically, this analysis took into account:

- Current emissions profile and the dominance of scope 1 or 2 emissions
- The trajectory of future emissions
- Key initiatives to reduce emissions, e.g. fuel switching, energy efficiency, use of renewable energy
- Regulatory risk exposure, e.g. carbon price sensitivity
- Material scope 3 emissions

Across Global Infrastructure's portfolio, a number of assets currently do have emissions reduction targets in place, these are:

- Port of Brisbane: NZE by 2030
- Thames Water: NZE by 2030
- Brisbane Airport: 50% reduction in absolute carbon emissions by 2030, from a 2017 baseline

Further to these targets one of the newer assets in the infrastructure portfolio, Brussels Airport, achieved carbon neutrality in 2018.

Driving sustainable outcomes: climate

Case Study: Designing for flood resilience at Port of Brisbane

The 'Offsite Stormwater' initiative at QIC Global Infrastructure portfolio asset Port of Brisbane is helping to improve Southeast Queensland's waterway health, tackling sediment pollution at its source while also reducing impacts of potential future flood events.

The impact of sediments on Moreton Bay and Port of Brisbane.

A key environmental issue, sediment run-off impacts water quality, ecosystem health and maintenance requirements for Port of Brisbane's more than 90km of navigational channels.

This natural process has been accelerated by an increase in extreme weather events such as the 2011 Queensland floods, which saw more than two million tonnes of sediment deposited in the Port's navigational channels. This event decreased water depth by up to 1.5 metres, reducing the Port's ability to service South East Queensland's trade needs, with the dredging required to repair the shipping channel a carbon-intensive activity.

Through a collaboration with key stakeholders including the Queensland Government, catchment management authorities and community groups, Port of Brisbane has invested $1 million to an innovative rehabilitation and stabilisation project for targeted upstream waterways, which have been identified through research as contributing to 80% of the river's sediment pollution. By repurposing funding previously used for stormwater treatment, the project has delivered works including bank re-profiling, planting and maintenance of 9,000 native plants and the installation of four cross-bed grade control structures. The works also include a major research component with scientists using new techniques to identify and monitor the sources of sediment pollution.

Restored bank with grass crop cover

Reshaping of creek bed

Case study: QSCF's world-first Green Bond

In 2019, the QIC Shopping Centre Fund (QSCF) issued an AUD$300 million Climate Bond Initiative certified green bond, in a world first for the retail property sector. The bond, which was enabled by QIC Global Real Estate's commitment to enhancing environmental performance across its Australian retail portfolio, was five times oversubscribed and attracted new investors from across Asia and Australian with green and ESG mandates, resetting green debt market expectations in Australia.

In its first year, focus has been on planning and implementation commencement for a range of significant new initiatives which are expected to provide long-term reductions in GHG emissions and GHG emission intensity across the QSCF portfolio, including:

- A commitment to achieving net zero carbon emissions for QSCF's core Australian asset portfolio by 2028[1]
- Installation of over 25,000 LED lights in car parks and centres
- Investment in key equipment and building management system upgrades
- Expansion of power agreements to leverage solar generation capacity
- Construction of one of Australia's largest rooftop and car park solar projects
- Rollout of smart metering, live fault monitoring and analytics for assets and tenants
- Exploration of battery storage technology to manage peak demand response

Each of the three shopping centres financed by the QSCF Green Bond proceeds (Eastland, Robina Town Centre, and Grand Central) continue to demonstrate aggregate actual and modelled carbon emissions intensity reductions in excess of the minimum requirement for Climate Bond certification of 90.8% for a 6-year tenor green bond. The full QSCF Green Bond Report is available at qic.com

GREEN BUILDING PROJECT		EASTLAND (RINGWOOD, VICTORIA)	ROBINA TOWN CENTRE (GOLD COAST, QUEENSLAND)	GRAND CENTRAL (TOOWOOMBA, QUEENSLAND)
QSCF Total Asset Balance (A$million)		$434.5	$201.6	$277.9
Allocated Amount (A$million)		$142.5	$66.3	$91.2
Gross Lettable Area (GLA m^2)		140,820	153,550	91,456
Carbon Emissions Intensity Reductions	Baseline Monthly GHG Intensity ($kgCO_2/M^2$)[1]	14.0	9.1	12.6
	2019 Actual Monthly GHG Intensity ($kgCO_2/M^2$)	12.5	8.5	10.3
	Actual monthly GHG Intensity Reduction vs Baseline Year Intensity ($kgCO_2/M^2$)	1.5	0.6	2.3
	Estimated Annual GHG Avoided[2] (Tonnes CO_2e)	2,534.8	1,105.6	2,524.2
	% Monthly GHG Intensity Reduction Modelled (Baseline to Completion)	37%	42%	37%
Green Buildings Rating Standard	NABERS Energy 2016	3	3	3.5
	NABERS Energy 2019	4	4.5	3.5

GBP ELIGIBLE CATEGORIES	SDG CONTRIBUTION	
	SDG GOAL	SDG TARGET
Energy Efficiency	7 AFFORDABLE AND CLEAN ENERGY	7.3: By 2030, double the global rate of improvement in energy efficiency
Green Buildings	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes
	11 SUSTAINABLE CITIES AND COMMUNITIES	11.6: By 2030, reduce the adverse per capita environmental impact of cities

19. For Climate Bond certification and carbon intensity reduction comparison purposes, baseline year (pre-redevelopment) for Eastland was 2013, for Robina Town Centre was 2013 and for Grand Central was 2014.
20. For estimation calculation based on: Final GLA (m2) x (Monthly GHG Intensity- Baseline GHG Intensity) x 12 (months/yr) /1000 (kg/tonne).

Our response to COVID-19

The COVID-19 pandemic has had significant and wide-ranging impacts on businesses and the way of life around the globe, and the short and long-term impacts of COVID-19 continue to play out in many ways.

Through a robust and dynamic approach to managing the pandemic, with a focus on flexibility, compassion and strong governance, QIC has been well-positioned to navigate through the crisis and keep our eyes firmly on the path to recovery.

Under the guidance of QIC's Business Continuity Framework and with the safety of employees, clients and suppliers as the primary focus, QIC's Corporate Management Group holds ongoing responsibility for managing the impacts of the pandemic, with the group meeting regularly to discuss and review the evolving considerations of COVID-19 with updates and actions communicated to all staff.

QIC also engaged health services provider International SOS to provide expert medical and risk management advice and information in relation to COVID-19, including regular consultation with the Corporate Management group, as well as resources and monthly webinar updates for all staff.

A risk-based return to office approach

For those office locations which have been approved to gradually reopen, QIC has taken a risk-based approach developed in line with health department regulations with the following controls implemented:

- Issue of surveys to consult with and understand the needs of workers
- Completion of a COVID-19 risk assessment and COVID safe plan
- Provision of return to office safety induction for workers
- Increased the frequency of cleaning and disinfection of our office areas
- Limiting the number of people allowed in the office in accordance with physical distancing requirements
- Installation of COVID-19 signage
- Tracking attendance at our offices through a desk booking app to enhance our contact tracing capability
- Installation of disinfection stations and provision of hand sanitisation throughout the office
- Monitoring processes in place to track updates from health authorities and initiate action as required

Active portfolio management during COVID-19

Enabled by technology and closely supported by our Human Resources, IT and Facilities teams, QIC staff have been able to continue in their roles during lockdown periods, providing uninterrupted active management of our portfolios during this turbulent time. Each of our teams have tailored the active management of COVID-19 impacts to provide an appropriate response for the asset class they hold responsibility for.

Global Infrastructure: asset stress-testing and portfolio analysis

The QIC Global Infrastructure team has been actively monitoring developments with COVID-19 since early 2020, with a focus on working closely with each of our portfolio companies to navigate the pandemic by assessing health and safety protocols, operational preparedness and undertaking in-depth analysis to understand both the direct and indirect impacts of COVID-19 on each of our portfolio companies and our broader client mandates and products.

As the pandemic progressed, the team has guided and assisted portfolio companies in analysing problems and challenging options through scenario analysis to enable better decision making, with forecast implications of COVID-19 integrated into normal business planning processes. Two-way communication facilitated continuous updates, including sharing of information on relevant government announcements, relief packages and best practice models across the portfolio.

The team also took a 'hands-on approach' to assist smaller asset management teams with stakeholder engagement, financial analysis and cash flow forecasting and, in some cases, seconding team members directly into the asset team during this intense time.

Global Real Estate: managing people risk across our asset portfolio

For QIC Global Real Estate, the safety and wellbeing of the customers, retailers, tenants and staff at our retail and commercial assets is an overriding priority and something we take very seriously.

From the outset of the COVID-19 outbreak, we have rapidly responded in alignment with advice from health authorities and industry associations including the Shopping Centre Council of Australia and the Property Council of Australia, to coordinate response management, information sharing, and redress misinformation in the public domain, particularly on social media, about the impacts of the virus on community gathering places such as shopping centres.

Our on-the-ground response has been guided by our detailed scenario planning, as part of our business continuity and emergency management procedures across our retail and commercial portfolio. This has been particularly important for our shopping centre assets, which receive more than 1 million visitations annually, with all of our Australian centres remaining open throughout the pandemic to provide uninterrupted access to essential goods. Active management with an agile, consultative approach and a strong focus on exemplary health and hygiene practices has been essential during this time to safeguard the health and wellbeing of all who work in and visit our assets.

Liquid Markets Group: demonstrating resilience during volatility

The COVID-19 pandemic unleashed an unprecedented financial and economic crisis, with March 2020 especially seeing the largest – and fastest – market drop and rise in history. Yet amongst this uncertainty, QIC Liquid Markets Group's fixed income portfolios and overlays capabilities provided defensiveness and liquidity when they were needed most.

Our dynamic management approach worked across a broad range of fixed income and absolute return funds to empower us to respond quickly, adding interest rate duration and hedges to provide defensiveness against credit spreads. And through our overlays programme, we effectively wrapped a level of protection around portfolios to create a range of defensive levers for our investors. During the rapid drop and rise in markets, we used derivates to manage risk at a whole of portfolio levels, a strategy which also allows for nimble decision making and cost-effective rebalancing.

The breadth and depth of our team's expertise was also shared with our clients throughout this turbulent period through the launch of our Market Moments podcast which equips institutional investors with the information needed to make sense of the year's unprecedented market turmoil and opportunities on offer.

Global Private Capital: a disciplined due diligence approach

QIC's Global Private Capital team drives returns through active value creation and innovation to invest with discipline. A key focus of our due diligence process is stress-testing for downturn resilience in our businesses, with COVID-19 highlighting the importance of our commitment to this investment approach.

From the outset of this global event, the team has leveraged its active partnerships with leading managers to receive timely and bespoke updates for our clients, analysing over 2,000 portfolio companies to understand:

- Exposure to countries where there are more significant outbreaks occurring
- Key geographic sub-sectors impacted by the outbreak
- Exposure of our largest portfolio positions to any related impacts
- Steps our managers are taking to mitigate these impacts.

Case study: the impacts of COVID for external investment managers

As part of the QIC Global Private Capital team's annual engagement with its managers, we included questions specifically addressing the impact of COVID-19 and the role ESG factors played in navigating the crisis.

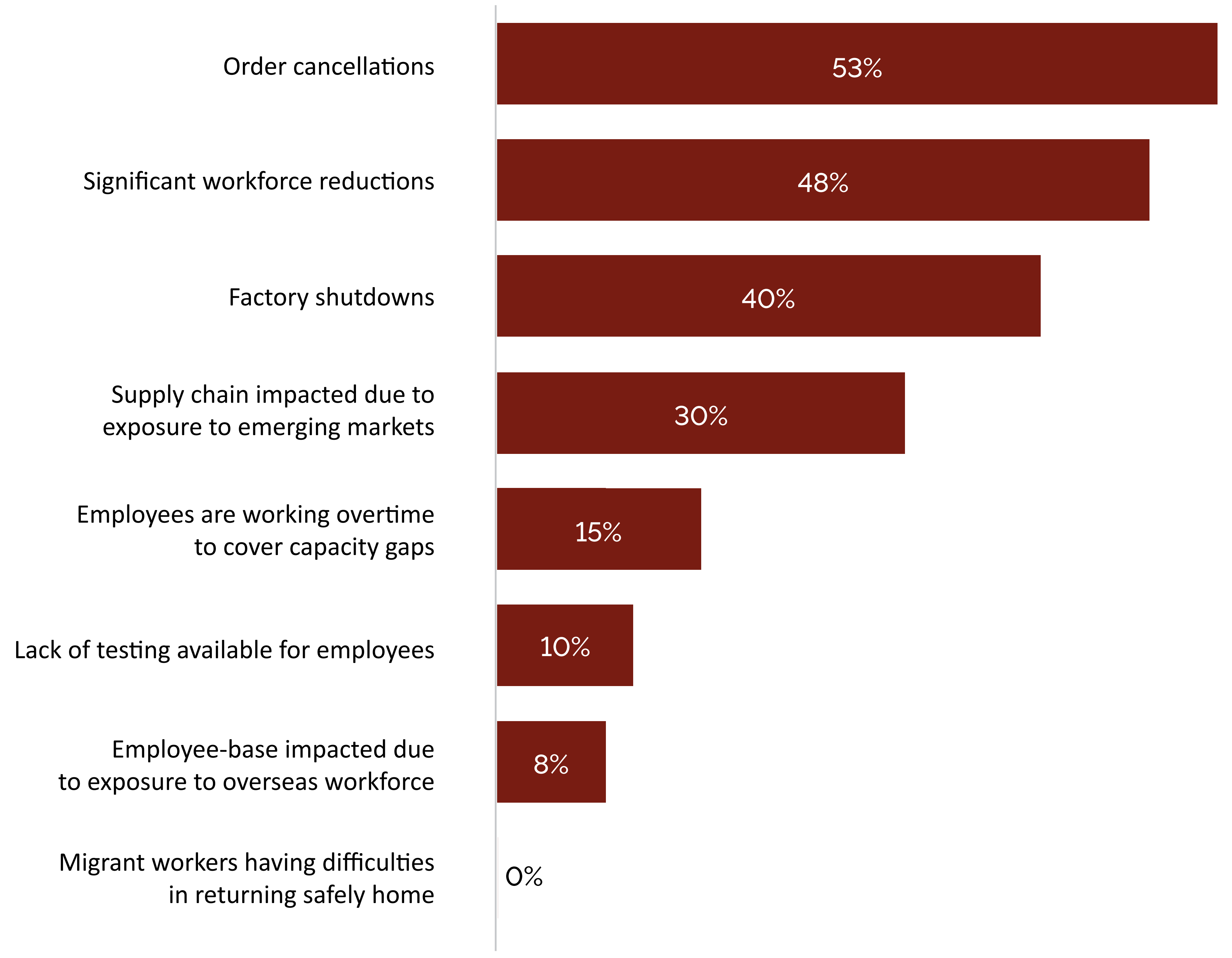
COVID Impacts

Survey participants noted a wide range of impacts on their underlying portfolio companies, factory shutdowns, order cancellations and significant workforce reductions being the most commonly noted impacts.

Managers also nominated the following key factors as reducing the impact of COVID-19 on their companies:

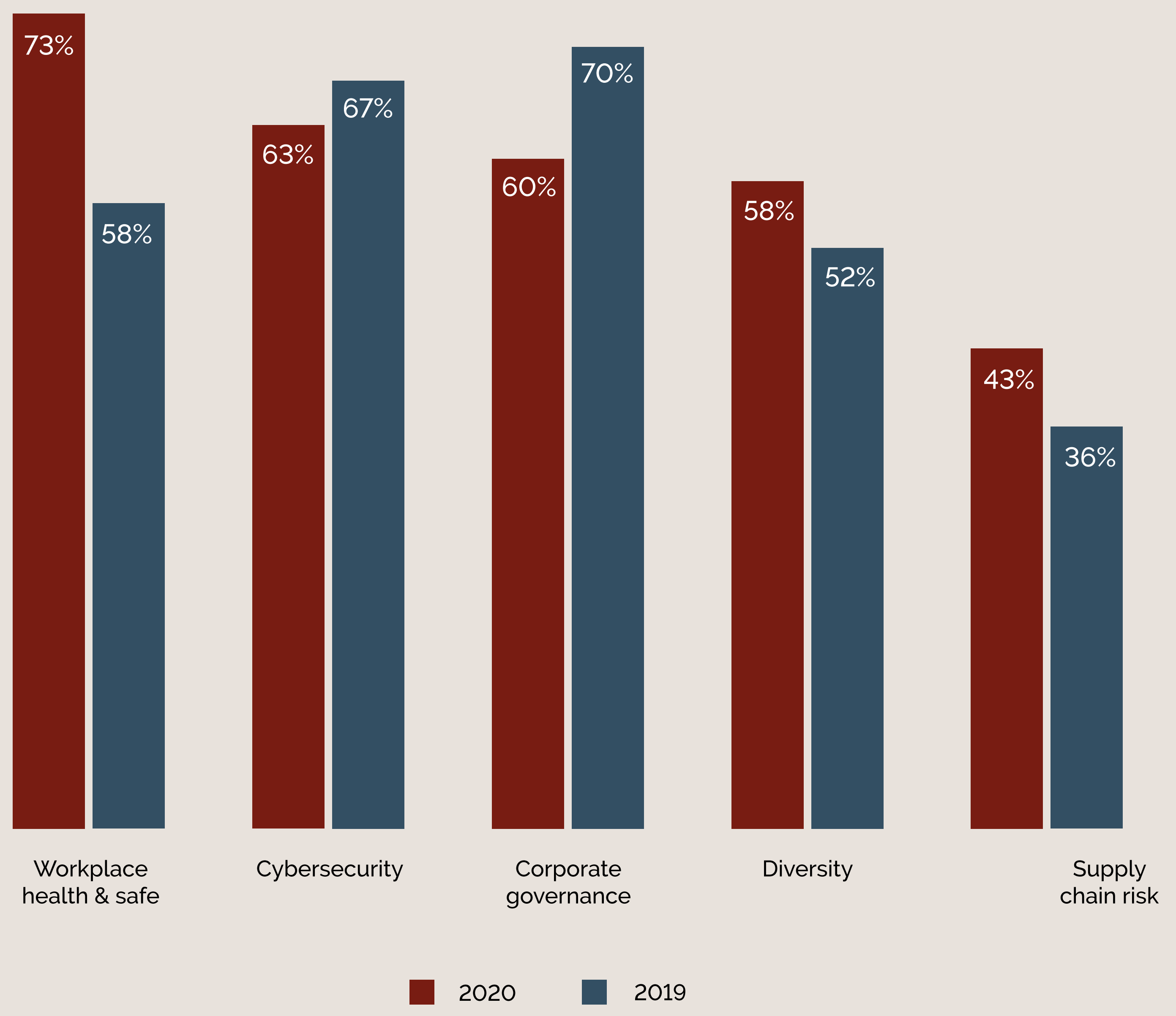
- ability to work from home
- strong corporate governance
- comprehensive BCP plans
- employee wellbeing
- increased staff engagement
- Workplace Health & Safety (WH&S) initiatives

Impact of COVID-19 on underlying portfolio companies



Top Five Issues

The impacts of COVID-19 also clearly played out in the top five ESG-related issues identified by managers for 2020, with WHS becoming the most significant issue for the year, after rating only fourth in 2019.



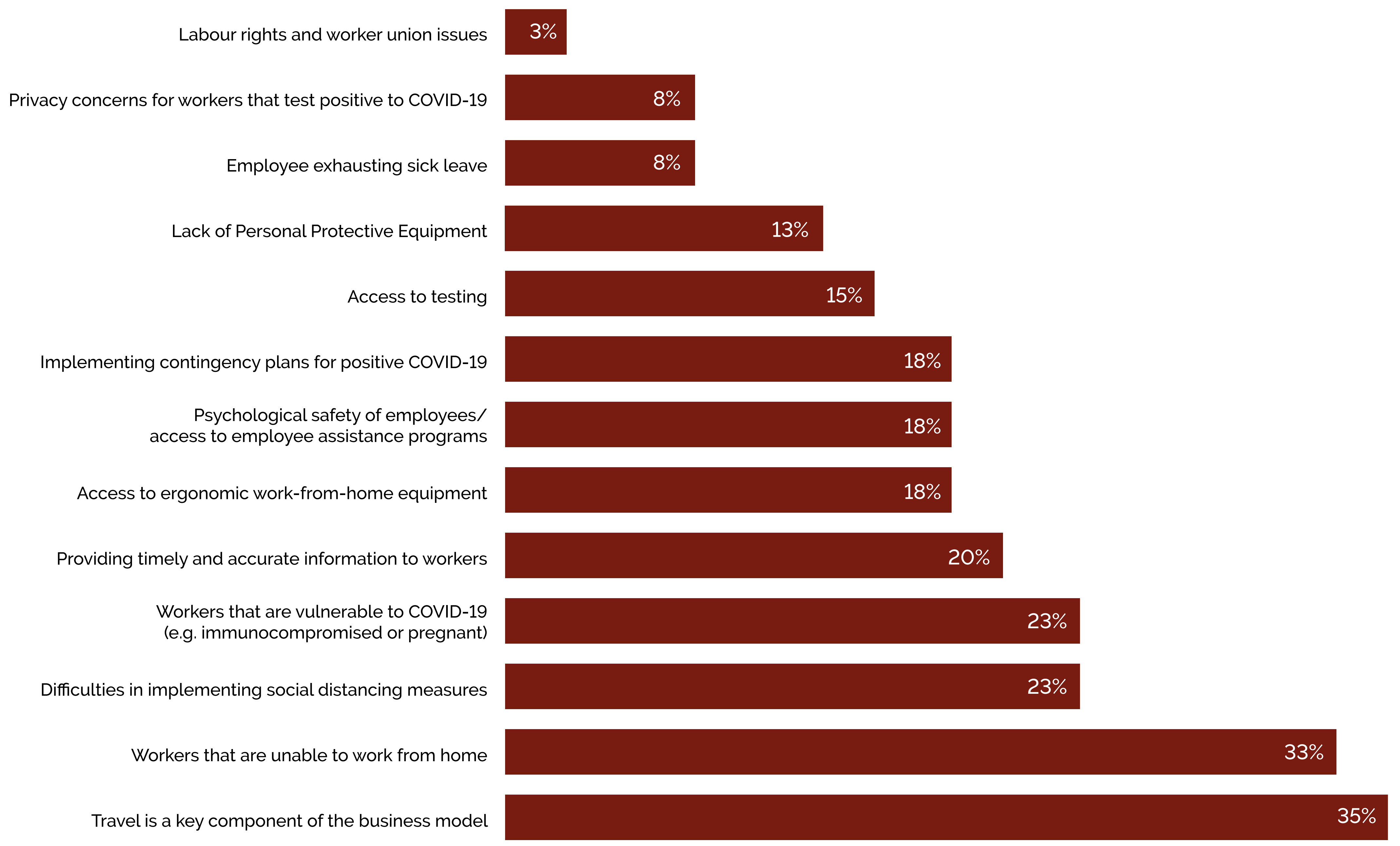
Supply chain risk replaced talent attraction and retention in the top five issues, reflecting the workforce and supply chain disruptions seen globally due to the pandemic, and cybersecurity and corporate governance also continued to rate in the top five, aligning with business priorities relevant during COVID.

Pleasingly, the importance of diversity continued to be recognised within the top five issues, with the issue's increasing trajectory uninterrupted by the disruption of the pandemic.

WHS and COVID-19

Further examination of the WHS issues resulting from the pandemic revealed wide-ranging challenges faced by organisations across the portfolio.

Travel restrictions were rated as a significant disruptor, as were challenges around the impact of a pandemic on employee practices such as managing social distancing, enabling working from home and supporting employees vulnerable to COVID-19.



Case study: supporting essential services for Victorians during COVID-19

With Victoria becoming one of the worst-hit areas in Australia for the coronavirus, QIC's Global Real Estate team has facilitated significant support for the essential services in the community to assist during this time.

Through a partnership with the Victorian Department of Health and Human Services, QIC converted car parking facilities at Watergardens Town Centre, Pacific Werribee and Pacific Epping shopping centres into drive-through COVID testing sites, providing safe and convenient locations for these critical services, with more than 86,000 tests completed across the three locations.

The Global Real Estate team also hosted a series of interactive online workshops for retailers based in our Victorian shopping centre assets, providing practical information and advice on business planning, finance, and managing health and wellbeing, as well as opportunities for small business owners to connect with other retailers for ongoing networking support and connections. Delivered in consultation with independent retail specialist Retail Capabilities, the workshops were designed to provide businesses with the information and tools required to help leverage available support measures and get them prepared for reopening, with more than 100 retailers participating in the sessions.

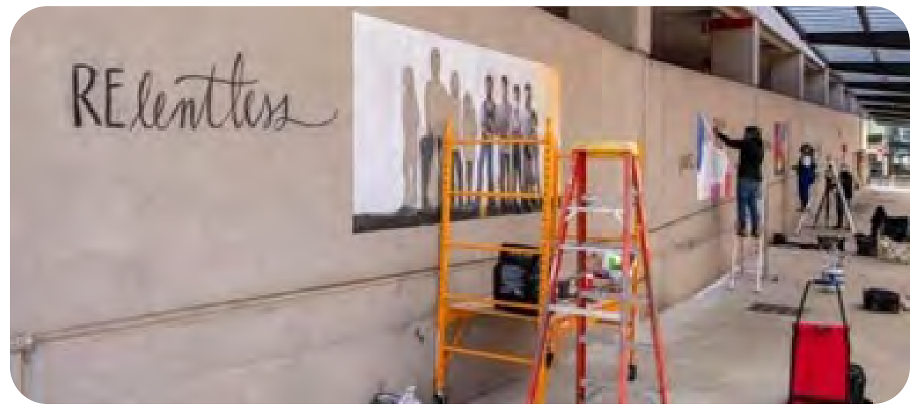
Case study: working in partnership with the local community through COVID-19

In response to the onset of COVID-19, the teams at Global Infrastructure portfolio companies CampusParc and MasParc took steps to support medical and emergency workers in the community as they continue their essential roles during the pandemic.

CampusParc worked with The Ohio State University (OSU) to support medical staff at the Wexner Medical Center by granting access to proximate parking garages for medical professionals at no added cost. Thanks to this initiative, medical professionals could access parking close to their workplace and avoid using bus shuttles that might have exposed them to higher COVID-19 risk. CampusParc is also progressing a social media recognition campaign to award a number of free parking permits to medical staff.

In addition, the Wexner Medical Centre initiated a 'Thank you' art project with CampusParc, with garage walls along the walkway to the hospital donated as 'canvases' to the project, allowing artwork containing supportive messages to be created along the walls which are dedicated to the hospital staff.

Similarly, at MasParc, the management team has engaged with the City of Boston to make parking available to medical personnel and other emergency workers at significantly reduced rates, with two of its garages topping the City's list of discounted garages being offered for this purpose. MasParc has also provided free parking for Red Cross employees when NorthEastern University and Red Cross hosted three blood drives at Matthews Arena in April and May.



Case study: the role of private equity in driving community support

COVID-19 highlights the influence Private Equity managers can have on their portfolio companies, through actively connecting with their portfolio companies to assist in navigating this new climate and supporting critical initiatives.

An example of QIC Global Private Capital's (GPC) contribution through one of our close partnerships with General Partner, Frazier Healthcare, demonstrates an example of the support that can be provided to local communities through private equity. The Frazier Management leadership team has committed significant financial support to local and regional charities targeting displaced employees and small business employers, as well as continuing their engagement with portfolio companies during this time.

An example from Frazier's portfolio includes Matrix Medical Network, a GPC co-investment which is a leading provider of in-home and community-based healthcare services and solutions to health insurance plans across the United States.

With the COVID-19 crisis negatively impacting the company's ability to enter homes to complete health assessments, Matrix, with assistance by General Partner Frazier Healthcare, implemented a number of changes to their business:

- Repositioning its mobile health assessment and diagnostics business into an "Employee Health" program aimed at delivering on-site healthcare (COVID-19 testing & response coordination, and general health & wellness) to companies within highly dense employee settings such as warehouses, fulfillment centers and manufacturing facilities
- Partnering with Tyson Foods to set up on-site health clinics to help ensure the safety and health of their team members, including COVID-19 screening and testing supported by Matrix Medical Network's staff and mobile health units
- Launching telehealth visits to help health plan members across the country to prepare and cope during the pandemic
- Implementing a targeted program that uses its proven clinical excellence to help members not only identify the signs and symptoms of COVID-19, but to address concerns about their care and well-being.

Matrix Medical Network®

FRAZIER HEALTHCARE PARTNERS

Case study: developing new technology to support our retailers

In response to the sudden and rapid onset of the COVID-19 pandemic, QIC's Global Real Estate team developed an innovative new system to assist in managing the numerous challenges of working with more than 4,000 tenants across the team's shopping centre portfolio, facilitating the provision of appropriate rental support through a unique and unprecedented situation.

This brand new multi-user digital platform, which was delivered in an extremely accelerated timeline, is able to actively address the wide range of impacts which have affected retailers in many different ways. The system is now used by all of the team's relationship managers, delivering concession strategies specifically tailored for each individual tenant and quickly identifying the commercial implications for the tenant and the landlord.

Perhaps most importantly, the new system uses scenario modelling and forecasting which is measurable and easily understood by both parties in the tenant-landlord relationship, an essential component during this turbulent time to provide support and clarity for tenants in a period of ongoing uncertainty.

Case study: supporting our communities through COVID-19

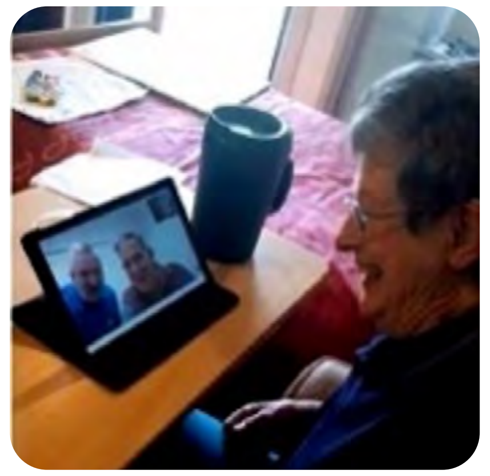
QIC's portfolio of shopping centre assets, managed by the Global Real Estate (GRE) team, each function as a central hub and gathering place for the local community. As the COVID-19 pandemic quickly and dramatically altered the everyday way of life for those communities, GRE and the centre teams played a vital role in supporting their local communities. A wide range of initiatives were supported and implemented by staff at GRE centres around Australia.

Eastland, Victoria

After seeing toilet paper disappear from supermarket shelves around the country during panic-buying, Eastland partnered with the Maroondah Age & Disabilities Services and Maroondah Community Assist Program to provide 2,000 toilet rolls to families in need. The toilet paper rolls were sourced from Glad Group Property Services, Eastland's integrated services partner.

Forest Lake, Hinkler Central and Kippa Ring, Queensland

Some of GRE's regional shopping centres helped to spread some Mother's Day joy to residents in local aged care facilities, each donating a smart tablet for residents to allow them to video chat with their families during restricted visiting periods.



Werribee, Victoria

With the pandemic significantly reducing social interaction for those living in aged care facilities, Werribee launched a 'Letters of Hope' pen pal initiative to facilitate communication between aged care residents and members of the local community, with messages exchanged including hand-written letters, pictures, drawings and videos.

Westpoint, NSW

The pandemic has seen a corresponding rise in the prevalence of domestic violence. Through a partnership with The Wash House, a community domestic violence charity, Westpoint organised the delivery of pamper packs and flower bouquets for local mothers facing difficult circumstances.

Robina Town Centre, Queensland

With people around the country becoming suddenly reliant on financial support from the Government, Centrelink offices were quickly inundated with people seeking to make a claim. To support the staff at the centre's local Centrelink office, the Robina Town Centre team mobilised to deliver lunch for workers at the office every day for a week at the height of the demand.

Watergardens Town Centre, Victoria

With stay-at-home restrictions in place, the Watergardens team delivered over 150 goodie bags to its neighbours at The Lakes Estate retirement community. The goodie bags included cleaning items, face masks, hand sanitiser, Easter eggs, and a free coffee card for residents to redeem at the Centre. The Watergardens team also came together to say thanks to its retail partners, delivering care packages which included cleaning products, wipes, hand sanitiser, disposable gloves and face masks.

SECTION 10

Trusted Organisation

To be considered a trusted organisation by our shareholder, clients and the wider community is vitally important to QIC.

Workplace Health and Safety

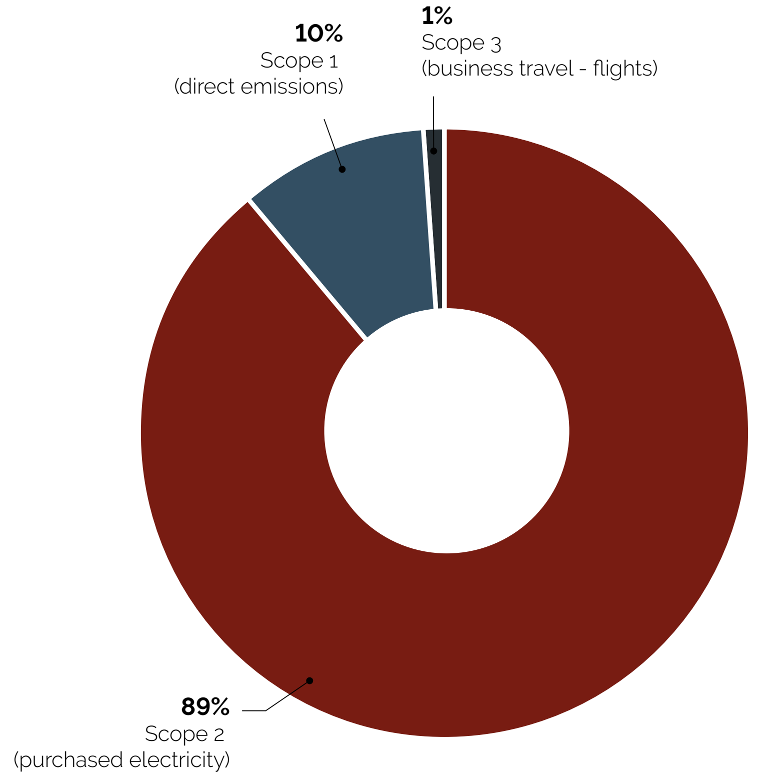
QIC is committed to workplace health and safety across its operations. We have further bolstered our WHS capability in this space through the appointment of safety specialists that are embedded in operational and corporate functions. This enhanced specialist capability is aimed at providing a balanced approach to the management of WHS across the QIC portfolio. Key WHS focus areas for QIC moving forward will include:

- Enhancing and improving QIC's WHS Management System with a long-term goal of achieving compliance with international standard AS/NZS ISO 45001 Occupational health and safety management systems
- A continued focus on developing and enhancing QIC's safety culture across all areas
- A continued focus on psychological risks, mental health and wellbeing initiatives. This will include alignment of QIC's WHS Management System with ISO 45003 Occupational health and safety management – Psychological health and safety at work: managing psychosocial risks- Guidelines
- Implementing further enhancements to our incident management system to continue strengthening QIC's reporting culture. This will enable QIC to identify trends, emerging WHS risks and initiate targeted WHS risk management strategies.

GHG Emissions

Approximately 98% of QIC's carbon footprint is associated with Global Real Estate's retail and office assets both domestically and in the United States. The table and chart below provide a breakdown of emissions and highlight the dominance of Scope 2 emissions within our emission's profile, which are generated from purchased electricity. The reductions achieved in FY20 are predominantly driven by the impact of COVID-19 on QIC's retail assets and the reduction in business travel following the onset of the pandemic. The increase in absolute Scope 1 and 2 emissions between FY18 and FY19 was predominantly driven by the addition of two super regional assets in our GRE portfolio.

Emission Source	FY18	FY19	FY20
Scope 1 (direct emissions)	9,677	15,367	13,398
Scope 2 (purchased electricity)	140,656	146,832	119,997
Scope 3 (business travel)	5,132	4,597	2,071
Total	155,465	167,426	135,466



Cybersecurity

The COVID-19 pandemic further heightened the likelihood of cyberattacks in the year 2020 due to the rapid shift in workplace connectivity and opportunity for cybercriminals to exploit end users via COVID-19 themed phishing attacks, Malware campaigns and ransomware attacks.[21]

This highlighted the importance of having a strong framework in place to continue to mitigate this risk and enhance our cybersecurity processes. QIC's Information Security Framework is aligned with the National Institute of Standard and Technology (NIST) Cybersecurity Framework, Implementation Tier 3- Repeatable. Deloitte verified QIC's NIST alignment by a point in time assessment of QIC's cyber risk management practices in September 2020.

To support the implementation of the NIST Framework, our IT Risk and Security team periodically conduct cybersecurity incident simulations designed to target QIC's critical business processes and sensitive information, with scenarios including malicious insiders, phishing attacks, account compromise, stolen/lost devices, data leaks, and denial of service attacks. QIC also conducts periodic external attack simulations, such as penetration tests and 'Red Team' exercises to ensure QIC's defences are able to withstand attacks exploiting physical and social domains.

With over one billion cyber security events per month, QIC utilises Splunk, a software for searching, monitoring, and analysing machine-generated big data, to centralise event data that is then correlated and analysed for risks. We also work with a global Security Managed Services Provider for 24/7 monitoring, anomaly detection, forecasting and identification of new cybersecurity trends.

21. Source: https://www2.deloitte.com/content/dam/Deloitte/ng/Documents/risk/ng-COVID-19-Impact-on-Cybersecurity-24032020.pdf

Money Laundering and Finance Risk

QIC plays an important role in preventing, detecting and reporting suspicions of money laundering and terrorism financing activities to competent authorities.

QIC's Joint Anti-Money Laundering and Counter Terrorism Financing Program includes processes and procedures to help us identify, mitigate and manage the money laundering and terrorism financing risks that we are exposed to. It also includes procedures for identifying and verifying the identity of customers and beneficial owners including those that are politically exposed persons (PEPs), employee training and ongoing monitoring and reporting.

Regulatory Compliance Monitoring and Assurance Program

The Risk Management Group forms part of QIC's second line of accountability and is responsible for undertaking independent checks on the adequacy and effectiveness of the compliance risks facing QIC's corporate and investment teams.

Our risk-based compliance monitoring and assurance activities ensure that our efforts focus on areas of the highest risk to identify areas of non-compliance and opportunities for improvement.

Changes in Regulation

The Global Regulation team with the Risk Management Group, amongst others, monitors new and changing regulations and is responsible for coordinating the response and assisting with managing the impact on QIC and our clients.

Addressing Modern Slavery

The Modern Slavery Act 2018 (Cth) came into effect on 1 January 2019, placing a requirement on eligible entities to submit a Modern Slavery Statement annually.

The Act seeks to actively reduce the risk of modern slavery occurring in Australia and across the globe. As both an investment manager and a corporation, QIC and its subsidiaries aspire to carry out our business and investment activities responsibly and act with integrity in our dealings with clients, our people, our suppliers and the wider community.

How is QIC responding to The Modern Slavery Act?

We appreciate that modern slavery is a global phenomenon and to the extent we can, we recognise the opportunity for influence and commercial leverage to build wider awareness and to contribute to ultimately ending modern slavery practices.

In preparation for the first reporting period over FY20, QIC undertook the following:

- Allocated responsibilities and accountabilities to relevant governance forums and executives to oversee the implementation of the reporting requirements
- Established a cross-functional Modern Slavery Steering Committee, chaired by QIC's Chief Risk Officer, to undertake the work to meet the inaugural reporting requirement and guide our initial policy position
- Assessed our operations, supply chains and investment portfolios for exposure to modern slavery risk
- Developed a Modern Slavery Standard setting out our high-level policy position on modern slavery, our planned remediation approach and our commitment to addressing instances of modern slavery where we are aware of them
- Commenced the development of a Supplier Code of Conduct including expectations related to identification of potential instances of modern slavery and expected responses
- Leveraged established ESG practices to assess and monitor investment portfolios
- Commenced incorporating modern slavery questions into supplier monitoring programs
- Commenced incorporating modern slavery requirements into our supplier contracts
- Set strategic priorities and developed a staged approach to build capacity over time to respond to modern slavery risk
- Established milestones and measures of success to assess the effectiveness of our approach over time.

More information about QIC's response to modern slavery will be available in QIC's Modern Slavery Statement.

Driving sustainable outcomes: Modern Slavery

Case study: how sustainability engagement can influence corporate behaviour

QIC's Liquid Markets Group has engaged a number of times with a US headquartered automaker, highlighting to the company the importance of ESG considerations for bondholders.

Through these engagements we discussed:

- ESG from the bondholder perspective
- Physical climate risk
- Supply chain traceability, ethical cobalt sourcing and child labour

QIC initially received feedback during the engagement process advising we were the only bond investor to seek ESG-related clarifications and actively avoid investments that did not meet our strict ESG standards.

Over time we have observed a clear evolution in the automaker's approach to sustainability, with the automaker now including ESG information in their Fixed Interest presentations and receiving ESG questions from a range of other fixed interest investors.

The automaker's main battery partner is also now involved in a cobalt responsible sourcing blockchain pilot, which is providing increased supply chain traceability, and it is hoped this will lead to a broader blockchain platform for sourcing raw materials.

Case study: protecting vulnerable workers in our retail portfolio

Participation in Cleaning Accountability Framework (CAF) has enabled QIC to be aware of modern slavery and labour rights issues. This is particularly the case where potential exists for an entity to contribute to modern slavery through its supply chain.

QIC Global Real Estate has had representation since 2018 on both the CAF Steering Committee and the CAF Standards Sub-Committee, and Castle Towers Shopping Centre in Sydney was one of the first retail assets to complete and be certified by the CAF Pilot program.

Working with CAF, the collective aim is to standardise practices and uphold labour rights within the cleaning industry. CAF's work extends to a range of activities including supplying tools for tendering for business, as well as auditing assets and cleaning companies, including requesting full pay slips.

Both prior to being involved in CAF and for ongoing tendering, the QIC tender pack for service contracts includes questions around itemisation of award wages, leave loading, sick leave, long service leave, payroll tax, workers compensation and superannuation. QIC's tender pack also includes a question around the use of sub-contractors.

We aim to avoid the use of sub-contractors to perform duties under the contract that do not have a specialist component, to maximise transparency in managing these important ongoing contracts.

The cleaning team from QIC's Hyperdome Shopping Centre, Logan, Queensland.

Inclusive Employer

The onset of COVID-19 has presented unprecedented challenges for employers across the world, highlighting more than ever the importance of supporting and developing our most important asset, our people.

We have continued to progress and launch new initiatives to develop our people, something we consider vital to ensure our workforce continues to feel connected and valued in an environment of ongoing change and uncertainty.

We remain passionate about fostering a diverse, inclusive culture, so that we can continue to deliver outstanding outcomes for our clients and shareholder.

QIC is currently developing a formalised diversity and inclusion strategy which will be launched in the new calendar year to the business.

22. During COVID-19, 100% of our people worked remotely and we anticipate that into the future post-pandemic, there will be a much greater uptake of formal flexible working arrangements.
23. The QIC Board is composed of nine members. Currently there are four female directors and five male directors.

Diversity and Inclusion Committee

QIC's Diversity and Inclusion (D&I) committee, which has representation from across the business, met several times throughout 2019-20.

This group helps shape QIC's D&I focus and initiatives, provides feedback to the Board and executives, and ensures that QIC's pursuit of a truly diverse and inclusive workforce is embraced and sustained. Our focus areas, targets and performance are as follows:

Focus area	Target	Performance
Inclusion	At least 80% of our people think the culture in their team is positive and inclusive, measured annually.	83%
Flexibility	At least 80% of our people have formal or informal flexibility into their work routine, measured annually.	100%[22]
Reconciliation	Implementation of our Reconciliation Action Plan.	Development of our Innovate RAP
Gender balance	Gender balance across QIC to be +/- 5%.	-3.1%(46.9% female)
	Gender balance in the senior leadership of QIC to be +/- 10%.	-8.2% (41.8% female)
	Board gender balance of 50/50 composition by 2020[23]	44.4% female 55.6% male
Gender pay equity	Within +/- 2% average compa-ratio, measured annually.	0.34%

Cultural Inclusion at QIC

QIC acknowledges and celebrates key cultural milestones throughout the calendar year. We do this through awareness and understanding and most importantly, storytelling. Our people who celebrate culturally diverse days share why it is important, what it means to them and their families and how they celebrate or acknowledge it. The aim behind our cultural diversity emphasis, is to create an environment where all backgrounds are celebrated and embraced.

Inclusive Leadership Program

The Inclusive Leadership Program continues to be rolled out across QIC with additional sessions planned for the remainder of 2020 and into 2021.

To date over 200 colleagues have complete the program with learning outcomes that include:

1. Enhanced knowledge of diversity and inclusion and the case for change
2. Exploration of how practising active inclusion as leaders helps create high performing teams and reduces the negative impact of basis
3. Building more holistic leadership capability and equip leaders with the knowledge, skills and practical tools to develop inclusive behaviours
4. Increased awareness of current and D&I related policies and support resources

The Inclusive Leadership Program has created for QIC, the learning environment that generates awareness and focus on everyday behaviours that ensure true inclusion.

Launch of QLife

Throughout 2019 and 2020, QIC has amplified its commitment to employee health and wellbeing across key elements including physical health, mental health and financial health.

We have invested in a variety of dedicated resources and tools available for our people to engage with, and the combination of these, has culminated in the recent launch of QLife; our online health and wellbeing studio. It is a central repository for all health and wellbeing resources, tools and readings available for all QIC employees. The content is dynamic and continually updated making QLife a key anchor to the Employee Value Proposition of QIC.

In addition to QLife, QIC also launched a financial wellbeing resource for employees titled Map my Plan, this resource allows employees to scenario-plan different elements of their financial wellbeing so that they can actively manage it. Both QLife and Map my Plan have had a very pleasing employee uptake to date and we look to further this uptake in the year ahead.

Expanding the Reach of Professional Development

QIC has licensed from LinkedIn Learning, the ability for employees to access over 16,000 professional online development courses and video tutorials covering business, leadership and technology topics.

LinkedIn Learning provides content across an expansive array of development areas from bite-sized learning through to more fulsome development programs. QIC promotes LinkedIn Learning with our "learning in the palm of your hands" campaign, QIC's commitment to the ongoing professional development of our people has been greatly enabled through this launch.

QPride

Following the launch in August 2019, this year has seen a strong start for our LGBT+ network and committee, QPride.

Our QPride network brings together our colleagues who are allies of, or who identify as, members of the LGBT+ (lesbian, gay, bisexual, transgender and all other diversities) community.

QPride aims to:

- Champion an inclusive work environment
- Create a safe space and provide a voice for QIC's LGBT+ employees
- Raise awareness of and celebrate the diversity of our LGBT+ community
- Further educate our people on LGBT+ related issues.

Throughout the year we have:

- Recognised and celebrated key events in the LGBT+ calendar such as; Wear it Purple Day, Brisbane Pride, Intersex Awareness Day Transgender Awareness Week & Transgender Day of remembrance, Sydney Gay and Lesbian Mardi Gras, IDAHOBIT, and International Non-Binary People's Day;
- Launched LGBT+ Awareness training for our colleagues via our partner Pride in Diversity;
- Proactively made changes to our policies to raise the standard of support, inclusivity and protection for our LGBT+ colleagues and allies;
- Participated in the Australian Workplace Equality Index ("AWEI") and achieved a rating of 41 out of 200 for only 4 months of work, which we are very proud of.

We have been amazed and humbled by the enthusiasm and support of our colleagues, peers and other organisations, and are very excited to continue the work we are doing to promote Diversity & Inclusion at QIC.

QPride

QIC Young Professionals

QIC has around 300 young professionals (YP) across the QIC offices globally, representing approximately 32% of our workforce.

The QIC YP Committee champions programs that deliver on three strategic pillars: Network Building, Professional Development and Community, with initiatives including mentoring programs, financial health workshops, external industry engagements and networking nights.

During COVID-19, the committee have focused on creating a support network and maintaining a sense of community amongst the YPs who are working from home for an extended period of time, delivered through:

- Fortnightly newsletters with YP driven content
- The YPs in action' shared insights series
- International step challenge
- YP cookbook
- International virtual coffee roulette

In June 2020 the YP Committee completed a strategic review of the Community and the Committee itself. Following this, the Committee has established a charter, and refreshed the overarching YP Strategy. This incorporates feedback from QIC YPs around leadership and development opportunities, as well as an international expansion strategy for the community.

YOUNG PROFESSIONALS
By YPs for YPs

QIC Balance

In 2019 and in partnership with the Diversity and Inclusion committee, QIC launched QIC Balance to educate and inspire employees on all matters regarding equality and gender.

QIC Balance aims to:

- Champion an equal and balanced work environment for all employees
- Educate and enhance knowledge through topical conversations
- Motivate via speaker series, events and workshops
- Connect by facilitating engagement of allies.

The initiative was launched on 7 November 2019 with a lunch and learn, consisting of a panel of QIC women, including senior leaders, discussing the topic and addressing anonymous questions on 'How Does She Do It?'.

A key achievement for QIC Balance was organising the International Women's Day (IWD) on 8 March with the theme 'Gender on the Agenda'. A panel discussion was held with participation from internal and external members and addressed some key topics on:

- How the Funds Management Industry has changed to encourage gender diversity;
- Superannuation and the discrepancy between women and their male counterparts; and
- Changing thinking patterns around gender to encourage allies to join the conversation.

Balance
QIC'S GENDER NETWORK

QIC's Reconciliation Action Plan (RAP)

At QIC our vision for reconciliation is an Australia that embraces equal, fair and just opportunities for Aboriginal and Torres Strait Islander peoples and actively supports reconciliation in our political, business and community structures.

We recognise the importance of building a better future for all Australians, which must pay respect to and build trust with Australia's First Nations Peoples.

Throughout 2019-20, our focus has been on the delivery of initiatives outlined in our first 'Reflect' RAP, including:

- Becoming a member of Supply Nation and working with Supply Nation to create the Indigenous Procurement Working Group
- Partnering with Griffith University and Queensland University of Technology in 2020 for the QIC Indigenous Tertiary Scholarship program
- Acknowledging National Reconciliation Week and celebrating NAIDOC week in our offices and centres, and incorporating key dates into QIC's cultural calendar
- Reporting on our RAP progress and embedding our RAP into key reports and Corporate KPIs

We are proud of what we have achieved so far but acknowledge that there is still a lot of progress to be made. Throughout 2019-20 we have been developing our 'Innovate' RAP in consultation with key internal and external stakeholders, including Aboriginal and Torres Strait Islander peoples and organisations, as well as Reconciliation Australia. Our Innovate RAP, launching late 2020, will focus on building on our Reflect RAP and implementing key learnings to demonstrate our continued commitment to Australia's national reconciliation movement and our own reconciliation journey.

Case study: Aboriginal and Torres Strait Islander flags now permanently flown at GRE office buildings

During FY20, QIC's Global Real Estate team worked with Queensland Health to install two additional flag poles on the forecourt between 111 George Street and 33 Charlotte Street in Brisbane CBD. The new poles enable the Aboriginal flag and Torres Strait Islander flags to be flown permanently, alongside the Australian and Queensland flags.

The initiative is a great example of tangible demonstration of the recognition and respect for Aboriginal and Torres Strait Islander people and partnerships between QIC, the Queensland Government and Aboriginal and Torres Strait Islander people. We hope being able to fly the Aboriginal flag and Torres Strait Islander flag permanently will promote a sense of community in advancing reconciliation.

While physical NAIDOC Week celebrations for 2020 were postponed due to COVID-19, a virtual Flag Raising ceremony was held involving the newly installed flag poles, jointly organised by the Department of Health, Department of Transport and Main Roads, Department of Child Safety, Youth and Women, Department of Housing and Public Works, Department of Communities, Disability Services and Seniors, and Department of Youth Justice.

Case study: Keeping Aboriginal and Torres Strait Islander communities rubbish and toxin free

QIC Global Infrastructure's investment in Australia's largest privately-owned shipping company, Sea Swift, supports the group in playing a critical role in improving economic and social outcomes across northern Australia particularly to the rural and remote indigenous communities it serves. As part of this role, a collaboration between Sea Swift and East Arnhem Regional Council (EARC) is helping to prevent toxic chemicals, heavy metals and recyclable waste streams from entering unlined landfill sites across nine remote Indigenous communities.

The project has drastically reduced the risk of contamination to vulnerable ecosystems by toxic waste leachate, landfill run-offs and litter, and was awarded 2019 Best Collaboration in Nature Resource Management Award from the Northern Territory Government.

By providing back-loading transport of recyclables to Darwin free of charge, Sea Swift supports EARC's 8,500 residents to become a more sustainable region, reducing their waste to landfill, increasing their recycling and reducing their overall ecological footprint. What began as a few pallets of recyclable materials, rapidly expanded into bulk bags of materials leaving the port weekly, and an upgrade to 10ft sea containers to allow shipment of larger volumes.

As a result of the collaboration with Sea Swift, EARC has become the first Northern Territory Council to be granted a container deposit scheme licence, enabling the organisation to return funds from the scheme directly to residents while moving thousands of plastic bottles and cans from the community, reducing the threat to wildlife, marine animals, and the natural environment.

SECTION 13

Leading Corporate Citizen

In a year where COVID-19 has continued to disrupt societies around the world, the importance of making a positive contribution and giving back to the communities we operate in has never been more important.

At QIC, we have a proud history of working with our community partners and charitable organisations in Australia and abroad and this has continued throughout 2019-20.

Our community strategy is focused on building upon our strong culture of giving and over the past year, our people having actively supported and participated in employee fundraising events, volunteering, pro bono work, targeted sponsorship and the delivery of community-based initiatives and activities.

QIC's Charitable Partnership with Orange Sky Australia

Since 2018, as our employee charity of choice, QIC has supported Orange Sky Australia in their efforts to provide free laundry and shower services to some of our most vulnerable members of our society.

This year, thanks to the fundraising efforts and the generosity of our people, more than AUD$27,000 has been raised to enable Orange Sky Australia to continue to deliver such an important service to people in need.

We also established a new partnership with Bridge to Brisbane (B2B), Brisbane's most iconic running race, to run the water stations during their event, with over 30 colleagues supporting this initiative and raising AUD$7,500 for our charity of choice.

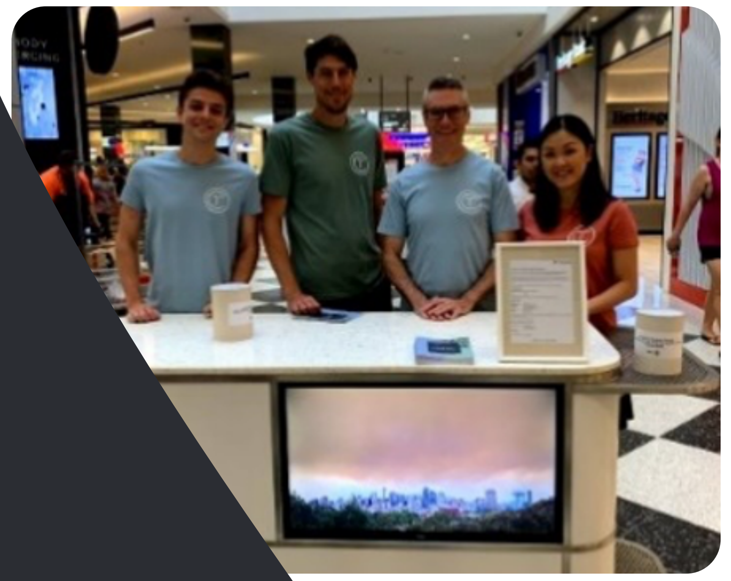
Alongside fundraising, our partnership with Orange Sky Australia, has provided our people with volunteering opportunities as well as enabling them to gain a deeper insight into the effect homelessness has on our communities.

Australian Bushfire Response

An unprecedented bushfire season saw communities around Australia ravaged by bushfires, with the disaster impacting lives, homes, and native wildlife around the country.

As part of the initial response to the crisis, QIC made a donation of $AUD35,000 to the Australian Red Cross Disaster Relief Fund, and a AUD$5,000 donation to the New South Wales Wildlife Information, Rescue and Education Service Inc. (WIRES), to support the ongoing response and recovery work undertaken by these charities. In response to the magnitude and severity of the fires, the Australian Red Cross has provided vital services on the ground to devastated communities, while WIRES has undertaken essential wildlife rescue services in bushfire-ravaged regions.

Alongside these corporate-level donations, we also established collection points at our shopping centres around Australia, giving our customers the opportunity to donate directly to the Australian Red Cross bushfire appeal. These collection points were manned collectively by more than 80 QIC employees who volunteered their time to collect donations.



More than 80 QIC employees volunteered their time to collect for bushfire relief services at GRE shopping centres including (L-R) Castle Towers (Sydney, NSW), Grand Central (Toowoomba, QLD), Hyperdome (Logan, QLD) and Robina Town Centre (Gold Coast, QLD)

The Queensland Community Foundation

The Queensland Community Foundation (QCF), is a leading Australian State and National charitable organisation responsible for building a permanent trust fund to generate a continuous income stream for a wide range of Queensland charities.

QIC has been a founding sponsor of the QCF since 1997, providing both financial and in-kind support to the organisation. Since then, the QCF have distributed AUD$28.8 million to over 700 charities across Queensland.

This year, QIC's partnership with the QCF has strengthened through our support and involvement across many areas. QIC has a number of employees who work closely with the QCF in their capacity as members of the Board of Governors, members of the QCF management committee, or who provide pro bono advice and support across multiple areas as needed. We were also delighted to host a milestone event for the organisation in March as they reached AUD$100 million in funds under management.

QIC Community Day

Every year our people are able to utilise their annual 'QIC community day' to donate their time to assist a charity or community group they wish to support through volunteering.

Over the past year, more than 150 employees participated in volunteering initiatives to support charities and communities in Australia and abroad.

Newpin Social Benefit Bond

QIC was an investor in The Newpin Social Benefit Bond (SBB), one of Australia's first social benefit bonds.

The bond was created to fund the maintenance and expansion of 'Newpin'- a children and family program run by non-profit agency, UnitingCare, that works intensively to safely return children in care to the families and prevent children entering out-of-home care.

In June, QIC was notified that the Bond would be terminated prior to its planned maturity date of 30 September 2024. The program was a pilot and was faced with many challenges throughout the three years that it operated. Social Ventures Australia (SVA) outlines the challenges experienced, the social and financial outcomes that were achieved and the reflections and learnings in their Final Investor Report. SVA have ensured that the families supported by the Newpin Program have been made a priority and are being given primacy during the wind-up process

Driving sustainable outcomes: community

Case study: changing lives at 'The Sanctuary' Women's Shelter

QIC's Global Real Estate team has joined Women's Community Shelters in celebrating the fourth birthday for their ambitious crisis accommodation project, women's refuge 'The Sanctuary', which provides crisis accommodation for women and their children who are escaping homelessness and/or domestic violence.

The Sanctuary is based in a fully refurbished six-bedroom home on land peripheral to GRE's Castle Towers shopping centre asset in Sydney, with the space provided by GRE for the facility at no rental charge. The Castle Towers team also provides year-round additional marketing, brand awareness and fundraising support for The Sanctuary.

With a unique approach which focuses on providing a safe, comfortable and secure environment, in its four years of operation The Sanctuary has so far changed the lives of 137 women and 238 children. In a sector where five out of 10 women who take refuge in government funded shelters will return to the cycle of violence — so far, 99% of those who have taken refuge at The Sanctuary have transitioned safely on to new independent lives.

As one of the few shelters in NSW that can provide for women with a disability or with larger families, The Sanctuary provides a safe haven for women and children regardless of needs.

Case study: investing in the future of innovative Queensland Businesses

The Business Development Fund (BDF) is an $80 million early stage and follow-on venture capital fund, overseen by QIC Global Private Capital (GPC) on behalf of the Queensland Government.

The objective of the fund is to provide angel and venture capital funding to high growth innovative Queensland businesses, creating high-value, knowledge-based and skilled jobs in Queensland both now and into the future.

Since inception in 2016, the BDF has made 66 investments in 53 portfolio companies with aggregate committed capital exceeding $75 million, including investment in companies that are dedicated to generating positive social and environmental impacts. The GPC team provides strong governance and guidance to ensure businesses achieve their long-term objectives in a sustainable and effective way.

The BDF portfolio includes healthcare, education and employment, environment, energy and mining, tourism and hospitality, media and entertainment, consumer staples and property, construction and logistics, and has significantly contributed to the Queensland economy through the creation of more than 660 direct jobs and the attraction of over 110 new investors to the State[24].

24. As at 31 March 2020

BDF company profile: Water & Carbon Group

An example of BDF's investment is the Water & Carbon Group, a Brisbane-based company specialising in the design and construction of low energy wastewater treatment and ecological infrastructure solutions.

The group has recently trademarked an advanced low-energy extraction and volume reduction system to treat highly contaminated wastewater for ground soil and water body contamination harnessing air, gravity and solar inputs to deliver a unique and proven extraction system. The group are currently engaged with local and state governments to deliver the solution nationally.

Case study: helping the Homeless through Eastland's Winter Shelter

QIC Global Real Estate is proud to host an annual 'Winter Shelter' at retail asset Eastland in Melbourne, which provides relief from the harsh winter weather for those sleeping rough by providing a safe, warm and welcoming space that disadvantaged members of the community can access each afternoon.

Currently in its second year, the space is provided in partnership with Urban Life and Winter Shelters in Maroondah, and includes couches, chairs, tables, lockers and appliances to make warm drinks. The facility is staffed by volunteers from the local community alongside those who have experienced homelessness first-hand.

Due to factors such as the impacts of COVID-19, 2020 has seen significantly increased demand for the Winter Shelter. Since opening in May, Eastland's Winter Shelter has welcomed more than 1,400 guests and distributed over 4,600 meals.

Through a new partnership with EACH Ringwood, the Shelter has this year been able to provide complimentary clothing, bedding and sleeping bags as well as providing medical check-ups and flu injections for those most in need. The program has also delivered meals to people being supported in local hotels, including 150 meals for members of a circus who were stranded in the area due to COVID restrictions.

Sustainability Data

Due to the significant impact of COVID-19 on the operation of our assets, for transparency we are presenting consumption data in this year's reporting for the period both pre-COVID (up until end-February 2020) as well as to end of financial year.

Energy

QIC Global Real Estate electricity consumption[25]

Electricity	FY18	FY19	FY20	Year on year Variance
Raw data (MJ)	458,129,276	490,277,304	421,588,433 (469,470,721)	-68,688,871 (-20,806,582)
Intensity (MJ/m²)	332.02	303.83	274.05 (298.66)	-9.80% (-1.70%)

Water

QIC Global Real Estate water consumption[25]

Water	FY18	FY19	FY20	Year on year Variance
Raw data (MJ)	1,269,229	1,575,176	1,262,988 (1,430,185)	-312,188 (-144,991)
Intensity (KL/m²)	0.92	0.98	0.82 (0.91)	-16.34% (-7.05%)

25. This data covers the QIC Property Fund (QPF), QIC Shopping Centre Fund (QSCF), QIC Office Fund (QOF), QIC Active Retail Property Fund (QARP) and the QIC Australia Core Plus Fund (QACPF).

GHG Emissions

QIC total emissions tCO_2e[26]

Emission Source	FY18	FY19	FY20
Scope 1 (direct emissions)	9,677	15,367	13,398
Scope 2 (purchased electricity)	140,656	146,832	119,997
Scope 3 (business travel)	5,132	4,597	2,071
Total	155,465	167,426	135,466

26. These emissions cover all of QIC's corporate office space and real estate investments we own in Australia and offshore, and the emissions associated with our business travel.

QIC Global Real Estate Scope 1 emissions[27]

SCOPE 1 GHG	FY18	FY19	FY20	Year on year Variance
Raw data (tCO^2-e)	4,272.49	8,007.58	7,293.19 (7,922.29)	-714.39 (-85.28)
Intensity (tCO^2-e/m^2)	0.01	0.01	0.01 (0.01)	-4.65% (2.74%)

QIC Global Real Estate Scope 2 emissions[27]

SCOPE 2 GHG	FY18	FY19	FY20	Year on year Variance
Raw data (tCO^2-e)	109,875.75	118,964.73	101,360.68 (113,349.09)	-17,604.05 (-5,615.64)
Intensity (tCO^2-e/m^2)	0.08	0.07	0.07 (0.07)	-10.63% (-2.19%)

27. This data covers the QIC Property Fund (QPF), QIC Shopping Centre Fund (QSCF), QIC Office Fund (QOF), QIC Active Retail Property Fund (QARP) and the QIC Australia Core Plus Fund (QACPF).

Gas

QIC Global Real Estate gas consumption[28]

GAS	FY18	FY19	FY20	Year on year Variance
Raw data (MJ)	82,912,589	155,396,438	141,532,944 (153,741,397)	-13,863,494 (-1,655,041)
Intensity (MJ/m²)	150.73	207.43	197.79 (213.11)	-4.65% (2.74%)

Waste

QIC Global Real Estate waste to landfill[28]

Waste Diverted	FY18	FY19	FY20	Year on year Variance
Diversion rate	38.76%	35.02%	38.60% (37.69%)	3.58% (2.67%)

28. This data covers the QIC Property Fund (QPF), QIC Shopping Centre Fund (QSCF), QIC Office Fund (QOF), QIC Active Retail Property Fund (QARP) and the QIC Australia Core Plus Fund (QACPF).

Economic Value

Direct Economic Value Generated and Distributed

QIC	$'000
Direct Economic Value Generated	527,892

Economic Value Distributed

Operating Costs	187,870
Employee Wages and Benefits	254,281
Payments to Providers of Capital	45,338
Payments to Government	23,706
Community Investments	312
Total Economic Value Distributed	511,507
Economic Value Retained	16,385

Relevant GRI Indicator, Title & Requirements	Response		
GRI 102-7 - Scale of the organisation			
The reporting organization shall report the following information:	**QIC**	**$'000**	**US (QUSM) $'000**
a. Net revenues (by countries that make up 5% or more of total revenues)	a. Total revenue and other income	527,892	81,351
b. Costs by countries (that make up 5% or more of total costs)	b. Total expenses	443,602	99,265
c. Total capitalisation broken down in terms of debt & equity	Debt	32,839	
	Total Equity	161,234	

Relevant GRI Indicator, Title & Requirements	Response	
GRI 201-1 - Direct economic value generated and distributed		
The reporting organization shall report the following information: a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components: i. Direct economic value generated: revenues; ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments; iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'. b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance. Significance has been defined as per point GRI 102-7 (5% or more of total revenues or costs)	**QIC**	**$'000**
	Direct Economic Value Generated	**527,892**
	Economic Value Distributed	
	Operating Costs	187,870
	Employee Wages & Benefits	254,281
	Payments to Providers of Capital	45,338
	Payments to Government	23,706
	Community Investments	312
	Total Economic Value Distributed	**511,507**
	Economic Value Retained	**16,385**
	US (QUSM)	**$'000**
	Direct Economic Value Generated	**81,351**
	Economic Value Distributed	
	Operating Cost	39,126
	Employee Wages & Benefits	60,139
	Payments to Providers of Capital	–
	Payments Government	(6,701)
	Total Economic Value Distributed	**92,564**
	Economic Value Retained	**(11,213)**

People Data

QIC's Diversity and Inclusion Targets

Focus area	Target	Performance
Inclusion	At least 80% of our people think the culture in their team is positive and inclusive, measured annually.	83%
Flexibility	At least 80% of our people have formal or informal flexibility into their work routine, measured annually.	100%[30]
Reconciliation	Implementation of our Reconciliation Action Plan.	Development of our Innovate RAP
Gender balance	Gender balance across QIC to be +/- 5%.	-3.1% (46.9% female)
	Gender balance in the senior leadership of QIC to be +/- 10%.	-8.2% (41.8% female)
	Board gender balance to 50/50 composition by 2020.[29]	44.4% female 55.6% male
Gender pay equity	Within +/- 2% average compa-ratio, measured annually.	0.34%

29. The QIC Board is composed of nine members. Currently there are four female directors and five male directors.

30. During COVID-19, 100% of our people worked remotely and we anticipate that into the future post-pandemic, there will be a much greater uptake of formal flexible working arrangements.

Relevant GRI Indicator, Title & Requirements | **Response**

GRI 102-8 - Information on employees and other workers

A. Total number of employees by employment contract (permanent and temporary), by gender.

	f	m	Grand Total
Casual	11	15	26
Maximum Term	41	44	85
Open Term	392	445	837
QIC Project Workforce (Non-Permanent)	4	4	8
Grand Total	**448**	**508**	**956**

Excludes consultants, directors and agency contractors

B. Total number of employees by employment contract (permanent and temporary), by region.

	AUS	UK	USA	Grand Total
Casual	18		8	26
Maximum Term	84		1	85
Open Term	684	10	143	837
QIC Project Workforce (Non-Permanent)	8			8
Grand Total	**794**	**10**	**152**	**956**

Excludes consultants, directors and agency contractors

C. Total number of employees by employment type (full-time and part-time), by gender.

	f	m	Grand Total
Casual	11	15	26
Full Time	386	483	869
Part Time	51	10	61
Grand Total	**448**	**508**	**956**

Excludes consultants, directors and agency contractors

D. Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees. — Not applicable.

GRI 401-1 - New employee hires and turnover

A. Total number of employees by employment contract (permanent and temporary), by gender.

	AUS			UK		USA			Grand Total
	f	m	Total	m	Total	f	m	Total	
<30	25	29	54	1	1	4	2	6	61
31-40	25	30	55	-	-	3	6	9	64
41-50	10	23	33	-	-	2	2	4	37
51-60	5	8	13	-	-	1	2	3	16
60+	-	1	1	-	-	-	1	1	2
Grand Total	**65**	**91**	**156**	**1**	**1**	**10**	**13**	**23**	**180**

	AUS			UK		USA			Grand Total
	f	m	Total	m	Total	f	m	Total	
<30	41%	48%	89%	2%	2%	7%	3%	10%	100%
31-40	39%	47%	86%	0%	0%	5%	9%	14%	100%
41-50	27%	62%	89%	0%	0%	5%	5%	11%	100%
51-60	31%	50%	81%	0%	0%	6%	13%	19%	100%
60+	0%	50%	50%	0%	0%	0%	50%	50%	100%
Grand Total	**36%**	**51%**	**87%**	**1%**	**1%**	**6%**	**7%**	**13%**	**100%**

Due to rounding, some totals may not equal 100%

GRI 401-1 - New employee hires and turnover

B. Total number and rate of employee turnover during the reporting period, by age group, gender and region.

FY20 turnover was 26.5% (7.5% voluntary turnover (open term) and 19% involuntary turnover).

1)	AUS			UK		USA			Grand Total
	f	m	Total	m	Total	f	m	Total	
<30	3	4	7	-	-	10	14	24	31
31-40	14	16	30	1	1	22	27	49	80
41-50	8	18	26	-	-	21	24	45	71
51-60	8	10	18	-	-	9	25	34	52
60+	2	-	2	-	-	11	21	32	34
Grand Total	**35**	**48**	**83**	**1**	**1**	**73**	**111**	**184**	**268**

Excludes End of Contract and Casual Termination

2)	AUS			UK		USA			Grand Total
	f	m	Total	m	Total	f	m	Total	
<30	9.7%	12.9%	22.6%	0.0%	0.0%	32.3%	45.2%	77.4%	100%
31-40	17.5%	20.0%	37.5%	1.3%	1.3%	27.5%	33.8%	61.3%	100%
41-50	11.3%	25.4%	36.6%	0.0%	0.0%	29.6%	33.8%	63.4%	100%
51-60	15.4%	19.2%	34.6%	0.0%	0.0%	17.3%	48.1%	65.4%	100%
60+	5.9%	0.0%	5.9%	0.0%	0.0%	32.4%	61.8%	94.1%	100%
Grand Total	**13.1%**	**17.9%**	**31.0%**	**0.4%**	**0.4%**	**27.2%**	**41.4%**	**68.7%**	**100%**

Due to rounding, some totals may not equal 100%

GRI 401-2 - Benefits that are provided to full-time employees that are not provided to temporary or part-time employees	
A. Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by significant locations of operation. These include, as a minimum: i. life insurance; ii. health care; iii. disability and invalidity coverage; iv. parental leave; v. retirement provision; vi. stock ownership; vii. others.	i. life insurance – US employees only, notwithstanding default life insurance within Australian Superannuation Plans held by individual ii. health care – US employees only iii. disability and invalidity coverage – US employees only, notwithstanding disability/TPD and income protection insurance within Australian Superannuation Plans held by individual iv. parental leave – available to any employee who has met the required 6 months of service eligibility criteria, excluding causal employees. v. retirement provision – AU is 9.5% mandatory contribution via superannuation, US is 3% 401k, UK currently 3% from 6 April 2019 as per the UK Pension Regulator. vi. stock ownership – investment opportunities through the staff investment scheme are available to all employees with at least 6 months service vii. Critical illness insurance – available for US employees
B. The definition used for 'significant locations of operation'.	Defined by geography of QIC offices e.g. Australia, United States of America and United Kingdom

GRI 401-3 -Parental Leave	
A. Total number of employees that were entitled to parental leave, by gender.	Throughout the period, QIC employees (excluding casuals) with tenure of 6 months or longer were eligible for paid parental leave entitlements, which equates to 876 employees (92%).
B. Total number of employees that took parental leave, by gender.	In Australia, 42 employees (26 female and 16 male) accessed the paid parental leave benefit as a primary carer and 27 employees (all male) accessed the non-primary carer parental leave benefit. In addition, 9 US employees (4 female and 5 male) accessed the paid parental leave benefit as a primary carer meaning, that throughout FY20 a total of 51 employees took primary carers parental leave (and 27 access non-primary carers parental leave).
C. Total number of employees that returned to work in the reporting period after parental	In Australia, 12 employees (11 female and 1 male) are currently on parental leave, 30 employees (15 female and 15 male) have returned to work. In the US, all employees returned within the year.
D. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender.	Data not available
E. Return to work and retention rates of employees that took parental leave, by gender.	Data not available. Anecdotally we are confident that the retention and return rate of our parental leave population is quite high.

GRI 403 -2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	
A. Types of injury, injury rate (IR), occupational disease rate (ODR), lost day rate (LDR), absentee rate (AR), and work-related fatalities, for all employees, with a breakdown by: i. region; ii. gender.	Physical injury - 1 Absenteeism rate – <1% Work related fatalities – 0
B. Types of injury, injury rate (IR), and work-related fatalities, for all workers (excluding employees) whose work, or workplace, is controlled by the organization, with a breakdown by: i. region; ii. gender. Nil	Nil
C. The system of rules applied in recording and reporting accident statistics. In accordance with internal OHS incident reporting and legislative state-based WorkCover requirements.	In accordance with internal OHS incident reporting and legislative state-based WorkCover requirements.

GRI 405-1 - Diversity of governance bodies and employees

A. Percentage of individuals within the organization's governance bodies in each of the following diversity categories: i. Gender; ii. Age group: under 30 years old, 30-50 years old, over 50 years old; iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).	Thi. Directors: 4 females, 5 males ii. Age group - under 30 years old– 0 - 30 to 50 years old – 1 - Over 50 years – 8 iii. NA
B. Percentage of employees per employee category in each of the following diversity categories: i. Gender; ii. Age group: under 30 years old, 30-50 years old, over 50 years old; iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).	This table represents the employment category by 'Level of Work' throughout QIC, on a gender and age basis. The scale is level of work 1 (most junior employees) to level of work 5, 6 & 7 (senior managers and Executives).

	1		2		3		4		5		6		7	Grand Total
	f	m	f	m	f	m	f	m	f	m	f	m	m	
<30	31	28	37	32	9	9	-	1	-	-	-	-	-	147
31-40	24	15	77	49	64	86	15	26	9	4	-	-	-	369
41-50	17	8	24	31	43	56	21	38	14	21	2	3	-	278
51-60	9	11	13	10	18	25	3	18	2	5	1	3	1	119
60+	3	6	6	8	4	10	2	2	-	1	-	1	-	43
Grand Total	**84**	**68**	**157**	**130**	**138**	**186**	**41**	**85**	**25**	**31**	**3**	**7**	**1**	**956**

GRI 405-2 – Ratio of basic salary and remuneration of women to men

A. Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation.	Applied to all QIC employees globally, the overarching remuneration ratio from male to female is 1:1, evidenced by the following: • Median Male compa-ratio 103.5% • Median Female compa-ratio 103.2% Gender pay gap at the median is 0.34%
B. The definition used for 'significant locations of operation'.	NA

GRI 102-41 - Collective bargaining agreements

A. Percentage of total employees covered by collective bargaining agreements.	NA

GRI 404 -2 Programs for upgrading employee skills and transition assistance programs	
A. Type and scope of programs implemented and assistance provided to upgrade employee skills.	QIC's training and development programs capitalise on common training needs across the broader business, as well as tailored opportunities for investment professionals. Sessions are provided in-house, online and externally, with referred and best practice providers. QIC also provides every employee with access to LinkedIn Learning as an employee benefit to advocate continuous, self-paced learning opportunity. These programs continue to expand as the needs of the business evolve and some include: • Business Writing Skills • Emerging Leaders Program • Inclusive Leadership Workshop • Leading Through Change • Navigating Through Change • Thriving Through Change • Presentation Skills for QIC • QIC Leadership Excellence Program • QIC Leadership Excellence Program Tune Up • Service Excellence Program • Resilience and Wellbeing workshops
B. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.	Outplacement services by an expert third party are provided to this group

GRI 404 -3 Percentage of employees receiving regular performance and career development reviews	
A. Percentage of total employees by gender and by employee category who received a regular perfor¬mance and career development review during the reporting period.	QIC performance reviews occur on a biannual basis and all employees participate. These take place through self-assessments and reflective conversations with employees and their direct managers. Informal performance conversations also occur informally throughout the year and it is QIC's expectation that these 1:1 manager/employee catch ups occur at least monthly.

Corporate Engagements

The table below summarises the more than 50 direct corporate engagements undertaken over FY20 and led by QIC's Liquid Markets Group.

Industry	Engagement Topic	
Airlines	• Emissions reductions targets • Technology • Carbon offsets • Plastics	• Recycling • Social • Staff entitlements
Auto	• Governance • Decarbonisation • Sustainability approach • Carbon emissions • Raw materials sourcing • Electric vehicles • Supply chain sustainability	• Modern slavery including child labour • Climate risk • Governance • Fuel efficiency • Renewable energy • Customer and product safety
Chemicals	• Workplace health and safety • Carbon emissions	• Environmental risk
Communications	• Privacy	• Data security
Energy	• Low carbon development plan	• Carbon emissions
Financials	• Green Bond Framework • Renewable energy • Carbon emissions • Green buildings • Impact reporting • Environmental and human rights policies • UN SDGs • Supply chains	• Palm oil • Climate mapping • TCFD reporting • Diversity and inclusion • Renewable energy and responsible financing • Transition bonds and pathways • Modern slavery • Green, Social and Sustainable bonds
Infrastructure	• Renewable energy • Energy use • Carbon neutral target • Carbon emissions • Sustainability strategy and linked loans • Board structure • Climate and wildlife management	• UN SDGs • GRESB • Climate resilience • Noise pollution • Workplace and customer health and safety • Governance
Insurance	• Governance • Environmental risk • Climate change	• TCFD reporting • Impact reporting • Social benefit and considerations
Real Estate	• Green buildings	• Customer safety
Retail	• Power Purchase Agreements • Approach to sustainability • Recycling	• Sustainability initiatives • Plastics
Supranational / Sovereign / Agency	• Green bonds • Impact reporting • Net zero emissions target • Sustainability	• Environmental risk • Fuel consumption • Noise pollution
Utilities	• Sustainability and TCFD reporting • Carbon emissions • Carbon price modelling • Decarbonisation targets • Renewable energy and hydrogen • Sustainability focus • Climate policy	• Power Purchase Agreements • Environmental risk and natural disasters • Workplace and customer safety • Social considerations • Supply chain

GRI Content Index

The GRI Standards create a common language for organisations and stakeholders through which the economic, environmental, and social impacts of organisations can be communicated and understood.

This index provides a reference between the GRI Standards indicators this report aligns to and the content of the report.

GRI indicator	Title	Relevant section
102-14	Statement from senior decision-maker	CEO statement
102-1	Name of the organisation	Cover page
102-2	Activities, brands, products, and services	Business overview
102-3	Location of headquarters	Business overview
102-4	Location of operations	Business overview
102-5	Ownership and legal form	Business overview
102-6	Markets served	Business overview
102-7	Scale of organisation	Business overview
102-8	Information on employees and other workers	Sustainability data
102-41	Collective bargaining agreements	Sustainability data
102-9	Supply chain	Trusted organisation & Addressing modern slavery
102-10	Significant changes to the organisation and its supply chain	No
102-11	Pre-cautionary principle	Responsible investment manager
102-12	External initiatives	Responsible investment manager
102-13	Membership of associations	Responsible investment manager
102-45	Entities included in the consolidated financial statements	Business overview and QIC Annual Report
102-46	Defining report content and topic Boundaries	Understanding material issues
102-47	List of material topics	Understanding material issues
103-1	Explanation of the material topic and its boundary	Understanding material issues
102-48	Restatements of information	N/A
102-49	Changes in reporting	No significant changes from previous reporting period

GRI indicator	Title	Relevant section
102-40	List of stakeholder groups	Understanding material issues
102-42	Identifying and selecting stakeholders	Understanding material issues
102-43	Approach to stakeholder engagement	Understanding material issues/Active ownership
102-44	Key topics and concerns raised	Understanding material issues
102-50	Reporting period	CEO statement
102-51	Date of most recent report	October 2019
102-52	Reporting cycle	CEO statement
102-53	Contact point for questions regarding the report	Please email sustainabilityreport@qic.com
102-54	Claims of reporting in accordance with the GRI Standards	Welcome to our Sustainability Report
102-55	GRI content index	GRI content index
102-56	External assurance	This report is not externally assured
102-18	Governance structure	Business overview, Responsible investment manager, and QIC Annual Report
102-16	Values, principles, standards, and norms of behaviour	Business overview and Responsible investment manager
103-2	The management approach and its components	Responsible investment manager/ Inclusive employer/ Leading corporate citizen/Trusted organisation
103-3	Evaluation of the management approach	Responsible investment manager/ Inclusive employer/ Leading corporate citizen/Trusted organisation
102-47	List of material topics	Understanding material issues
103-1	Explanation of the material topic and its boundary	Understanding material issues

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