



QIC Global Real Estate to Achieve Net Zero Emissions by 2028

June 2020



QIC Global Real Estate (QICGRE) is proud to announce a commitment to achieving Net Zero Carbon Emissions for our core Australian retail assets by 2028¹.

Our net zero emissions pathway has enabled QICGRE to be the first Australian signatory to the World Green Building Council's Net Zero Carbon Buildings Commitment for a retail portfolio, contributing to a global effort from the building and construction industry to limit global temperature rises through a significant reduction in CO₂ emissions.



Shopping centres account for around **36%** of commercial building energy consumption in Australia.²

WHAT IS DRIVING THIS COMMITMENT FOR QICGRE?

As a responsible, future-focused real estate investor, we recognise ESG factors not only drive long-term investment returns but also contribute to the communities in which we operate. Our ambitious target demonstrates that sustainable business transformation is not only possible, but makes greater sense than ever before.

Our proactive and data-driven approach to net zero will deliver real changes to improve the environmental performance of our assets for the long term. We plan to achieve this by leveraging current and emerging technologies, focusing on synergistic partnerships and smart investment, and being leaders in a significant cultural shift.

Achieving net zero emissions is an important element of our ESG strategy, which encompasses QICGRE's goals in environmental management, social and responsible investment, and climate resilience. We're moving to a more sustainable way of doing business, and delivering change in a responsible, practical and achievable way.

A PATHWAY TO SUSTAINABLE CHANGE

QICGRE's proactive approach focuses on maximising efficiencies and smart investments to lower our carbon footprint, and is less reliant on the purchase of green power and carbon offsets.

Our net zero emissions future will be achieved through implementation of a number of focused initiatives, leveraging some of Australia's leading sustainability expertise and significantly changing the way we manage and power our assets.



One of Australia's largest rooftop and car park solar projects



Installation of efficient LED lighting in car parks and centres



Smart metering, live fault monitoring and analytics for assets and tenants



Key equipment and building management system upgrades



Battery storage technology to manage peak demand response



Expanding power agreements to leverage solar generation capacity

¹ "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.

² Source: CEFC Investment Insights, March 2019

OUR STAKEHOLDERS AND GOALS

Our retail assets are important features within their communities, functioning as microcities that power local economies and support vibrant neighbourhoods.

To ensure they remain culturally relevant and sustainable investments, any significant change must consider the needs and aspirations of all our stakeholders, including our investors, government and local authorities, our retail partners, those who work in and visit our assets, and the local communities in the areas we invest in.



Our Net Zero Emissions pathway will aim to:

- De-risk our assets to ensure they remain valuable and relevant, and allow QICGRE to remain a retail partner of choice, in an increasingly environmentally-focused future
- Free up capacity and reduce reliance on the electricity network to allow the local community to expand and economic development to flourish in alignment with our retail-led, mixed-use town centre strategy
- Enhance asset performance and efficiencies through reduced operational demands
- Directly address climate change by making a significant contribution to the reduction of carbon emissions
- Drive outcomes which will ensure QIC's assets continue to perform strongly against key industry sustainability benchmarks such as GRESB and NABERS
- Deliver tangible outcomes that are valued and expected by the communities in which we operate.

The retail footprint of QICGRE's core assets:³



Encompasses almost 1 million square metres of floor space



Accommodate more than 125 million annual visitations



Generate more than \$5 billion in retail transactions each year



CASE STUDY

DELIVERING ONE OF AUSTRALIA'S LARGEST RETAIL SOLAR PROJECTS

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.

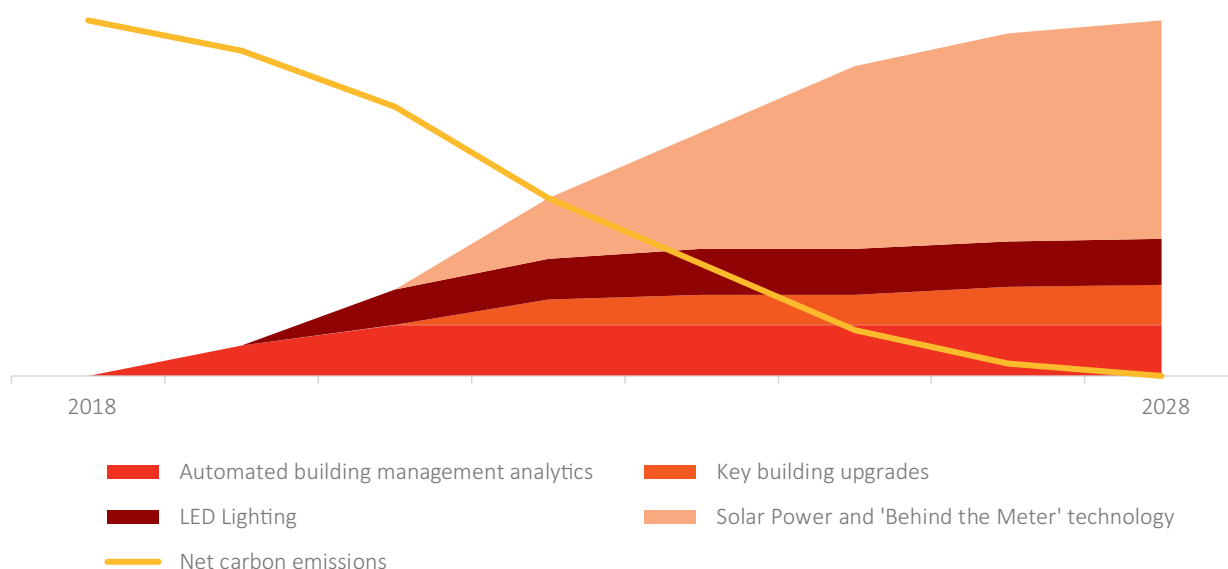
MEASURING OUR PROGRESS

Progress on our net zero emissions journey will be quantified using regular carbon tracking metrics, to ensure we're meeting key projected goals and milestones.

The great news is we're already well on our way, with key achievements to date including:

- 10% reduction in electricity consumption since 2018 through rollout of an automated building analytics platform
- Installation underway for more than 25,000 LED lights in Phase 1 of QICGRE's Lighting Efficiency Project, reducing electricity consumption by 9%
- Investment in one of Australia's largest shopping centre solar projects.

TRACKING OUR PATHWAY TO NET ZERO EMISSIONS



As well as our plan to become the first Australian retail property owner to be a member of the World Green Building Council, we'll also continue to report against key industry benchmarks including GRESB, and NABERS, as part of our ongoing commitment to be one of the highest performing real estate companies in Australia for sustainability.



CASE STUDY

AUTOMATED BUILDING ANALYTICS MAKES FINDING EFFICIENCIES PART OF BAU

QICGRE is using a data-driven approach to significantly improve the sustainability and performance of its Australian retail assets, through a building analytics program delivered in partnership with Australian specialist technology provider CIM.

CIM's building analytics platform integrates building intelligence, machine learning and technical engineering support, analysing live information from more than 40,000 data points to deliver insights to optimise management of the shopping centres' most energy-intensive equipment and systems.

Through features such as live fault and root cause identification, heating and cooling equipment optimisation, and elimination of unnecessary maintenance, in its first 12 months the platform helped to notably improve tenant relationships through early fault identification and rectification, as well as providing a more than 5,000 tCO₂ reduction in emissions.

Analysis of the data is also being used to map out an evidence-based capital expenditure program focusing on smart investments for key equipment and building management system upgrades, providing scope for further energy reduction projects in the future.

IMPORTANT INFORMATION

QIC Limited ACN 130 539 123 ("QIC") is a wholesale funds manager and its products and services are not directly available to, and this document may not be provided to any, retail clients. QIC is a company government owned corporation constituted under the Queensland Investment Corporation Act 1991 (QLD). QIC is regulated by State Government legislation pertaining to government owned corporations in addition to the Corporations Act 2001 (Cth) ("Corporations Act"). QIC does not hold an Australian financial services ("AFS") licence and certain provisions (including the financial product disclosure provisions) of the Corporations Act do not apply to QIC. QIC Private Capital Pty Ltd ("QPC"), a wholly owned subsidiary of QIC, has been issued with an AFS licence and certain other wholly owned subsidiaries of QIC are authorised representatives of QPC. QIC's subsidiaries are required to comply with the Corporations Act. QIC also has wholly owned subsidiaries authorised, registered or licensed by the United Kingdom Financial Conduct Authority ("FCA"), the United States Securities and Exchange Commission ("SEC") and the Korean Financial Services Commission. For more information about QIC, our approach, clients and regulatory framework, please refer to our website www.qic.com or contact us directly.

To the extent permitted by law, QIC, its subsidiaries, associated entities, their directors, officers, employees and representatives (the "QIC Parties") disclaim all responsibility and liability for any loss or damage of any nature whatsoever which may be suffered by any person directly or indirectly through relying on the information contained in this document (the "Information"), whether that loss or damage is caused by any fault or negligence of the QIC Parties or otherwise. This Information does not constitute financial product advice and you should seek advice before relying on it. In preparing this Information, no QIC Party has taken into account any investor's objectives, financial situations or needs. Investors should be aware that an investment in any financial product involves a degree of risk and no QIC Party, nor the State of Queensland guarantees the performance of any QIC fund or managed account, the repayment of capital or any particular amount of return. No investment with QIC is a deposit with or other liability of any QIC Party. This Information may be based on information and research published by others. No QIC Party has confirmed, and QIC does not warrant, the accuracy or completeness of such statements. Where the Information relates to a fund or services that have not yet been launched, all Information is preliminary information only and is

subject to completion and/or amendment in any manner, which may be material, without notice. It should not be relied upon by potential investors. The Information may include statements and estimates in relation to future matters, many of which will be based on subjective judgements or proprietary internal modelling. No representation is made that such statements or estimates will prove correct. The reader should be aware that such Information is predictive in character and may be affected by inaccurate assumptions and/or by known or unknown risks and uncertainties. Forecast results may differ materially from results or returns ultimately achieved. **Past performance is not a reliable indicator of future performance.**

This Information is being given solely for general information purposes. It does not constitute, and should not be construed as, an offer to sell, or solicitation of an offer to buy, securities or any other investment, investment management or advisory services, including in any jurisdiction where such offer or solicitation would be illegal. This Information does not constitute an information memorandum, prospectus, offer document or similar document in respect of securities or any other investment proposal. This Information is private and confidential and it has not been deposited with, or reviewed or authorised by any regulatory authority in, and no action has been or will be taken that would allow an offering of securities in, any jurisdiction. Neither this Information nor any presentation in connection with it will form the basis of any contract or any obligation of any kind whatsoever. No such contract or obligation will be formed until all relevant parties execute a written contract. QIC is not making any representation with respect to the eligibility of any recipients of this Information to acquire securities or any other investment under the laws of any jurisdiction. Neither this Information nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

Investors or prospective investors should consult their own independent legal adviser and financial, accounting, regulatory and tax advisors regarding this Information and any decision to proceed with any investment or purchase contemplated by the Information.

Copyright QIC Limited, Australia. All rights are reserved. Do not copy, disseminate or use, except in accordance with the prior written consent of QIC.