




The image shows two overlapping forms from the PRI LEA (Leadership Engagement) toolkit. The top form is LEA 02, titled 'Discretionary', and the bottom form is LEA 03, titled 'Mandatory'. Both forms are designed for recording engagement activities and are structured as follows:

Type of engagement	Reason for interaction
Individual/internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance ESG <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance ESG <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance ESG <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via service providers

RI TRANSPARENCY REPORT

2014/15

QIC



UNEP Finance Initiative
Changing finance, financing change



United Nations Global Compact

An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2014-15 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
🔍	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	✓	Public							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Public							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Private							✓
OA 07	Governance, management structures and RI processes	✓	Public							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	✓	Private							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Private							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	Description of RI considerations	✓	Public	✓					✓	
SAM 02	Role of investment consultants	✓	Public				✓			
SAM 03	RI factors in selection, appointment and monitoring across asset classes	✓	Public							✓
SAM 04	Breakdown of passive, active quant and active fundamental	✓	Private							✓
SAM 05	ESG incorporation strategies	✓	Public	✓	✓					
SAM 06	Selection processes (listed assets)	✓	Public	✓					✓	
SAM 07	Appointment considerations (listed assets)	✓	Public				✓			
SAM 08	Monitoring processes (listed assets)	✓	Public	✓						
SAM 09	Percentage of (proxy) votes cast	✓	Public		✓					
SAM 10	Selection processes (non-listed assets)	✓	Public	✓					✓	
SAM 11	Appointment considerations (non-listed assets)	✓	Private				✓			
SAM 12	Monitoring processes (non-listed assets)	✓	Public	✓					✓	
SAM 13	Description of RI considerations in 'other' asset classes	✓	Private	✓					✓	
SAM 14	Percentage of externally managed assets managed by PRI signatories	✓	Public	✓					✓	
SAM 15	Examples of ESG issues in selection, appointment and monitoring processes	✓	Private		✓					
SAM 16	Disclosure of RI considerations	✓	Public						✓	

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public	✓						
FI 02	Breakdown of investments by credit quality	✓	Private							✓
FI 03	Description of ESG incorporation	✓	Public	✓						
FI 04	Percentage of each incorporation strategy	✓	Public	✓						
FI 05	Type of ESG information used in investment decision	✓	Public	✓						
FI 06	Types of screening applied	✓	Public	✓						
FI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
FI 08	Processes to ensure fund criteria are not breached	✓	Private	✓						
FI 09	Types of sustainability thematic funds/mandates	✓	Private	✓						
FI 10	Description of ESG integration	✓	Public	✓						
FI 11	Review of ESG issues while researching companies/sectors	✓	Public	✓						
FI 12	Processes to ensure integration is based on robust analysis	✓	Public	✓						
FI 13	Incorporation of ESG issues into analysis and decision making	✓	Public	✓						
FI 14	ESG issues in index construction	🔒	n/a	✓						
FI 15	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
FI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	✓	Private	✓						
FI 17	Examples of ESG issues that affected your investment view / performance	✓	Public	✓						
FI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	
FI 19	Engagement with corporate issuers	✓	Public		✓					
FI 20	Engagement with government issuers	✓	Private		✓					

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments by equity and debt	✓	Private							✓
PR 02	Breakdown of assets by management	✓	Private							✓
PR 03	Largest property types	✓	Private							✓
PR 04	Description of approach to RI	✓	Public	✓					✓	
PR 05	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 06	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 07	Formal commitments to RI	✓	Private				✓			
PR 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 09	ESG advice and research when selecting investments	✓	Public	✓			✓			
PR 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
PR 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 12	ESG issues impact in selection process	✓	Private	✓						
PR 13	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 14	ESG issues in post-investment activities	✓	Public		✓					
PR 15	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 16	Certification schemes, ratings and benchmarks	✓	Private		✓					
PR 17	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 18	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	✓	Private		✓					
PR 20	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	

Direct - Infrastructure				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
INF 01	Breakdown of investments by equity and debt	✓	Private							✓
INF 02	Breakdown of assets by management	✓	Private							✓
INF 03	Largest infrastructure	✓	Private							✓
INF 04	Description of approach to RI	✓	Public	✓					✓	
INF 05	Responsible investment policy for infrastructure	✓	Public	✓					✓	
INF 06	Fund placement documents and RI	✓	Public	✓			✓		✓	
INF 07	Formal commitments to RI	✓	Private				✓			
INF 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
INF 09	ESG advice and research when selecting investments	✓	Public	✓			✓			
INF 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
INF 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
INF 12	ESG issues impact in selection process	✓	Private	✓						
INF 13	ESG issues in selection, appointment and monitoring of third-party operators	✓	Public				✓			
INF 14	ESG issues in post-investment activities	✓	Public		✓					
INF 15	Proportion of assets with ESG performance targets	✓	Public		✓					
INF 16	Proportion of portfolio companies with ESG/sustainability policy	✓	Public		✓					
INF 17	Type and frequency of reports received from investees	✓	Private		✓	✓				
INF 18	Proportion of maintenance projects where ESG issues were considered	✓	Public		✓					
INF 19	Proportion of stakeholders that were engaged with on ESG issues	✓	Private		✓					
INF 20	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
INF 21	Examples of ESG issues that affected your infrastructure investments	✓	Private	✓		✓				
INF 22	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	
INF 23	Approach to disclosing ESG incidents	✓	Private						✓	

QIC

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01	Mandatory	Gateway/Peering	General
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OO 01.1 Select the services you offer.

☒ Fund management

% of assets under management (AUM) in ranges

- ☐ <10%
☐ 10-50%
☒ >50%

☒ Fund of funds, manager of managers, sub-advised products

% of assets under management (AUM) in ranges

- ☒ <10%
☐ 10-50%
☐ >50%

☐ Other, specify

☐ Execution and advisory services

OO 01.2 Additional information. [Optional]

QIC Limited (QIC) is a leading investment provider for sovereign wealth funds, superannuation funds and other institutional investors. QIC delivers to over 90 like-minded institutional investors in Australia and internationally. QIC Limited (QIC) is a leading investment provider for sovereign wealth funds, superannuation funds and other institutional investors. QIC delivers to over 90 like-minded institutional investors in Australia and internationally.

OO 02	Mandatory	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

Australia

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- ☐ 1
☐ 2-5
☒ 6-10
☐ >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

	FTE
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467.66

OO 02.4	Additional information. [Optional]
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QIC is headquartered in Brisbane Australia with key satellite offices in London, San Francisco, Los Angeles, Sydney and Melbourne.

OO 03	Mandatory	Descriptive	General
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OO 03.1	Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.
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- ☐ Yes
☒ No

OO 04	Mandatory	Gateway/Peering	General
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OO 04.1	Indicate the year end date for your reporting year.
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31/12/2014

OO 04.2	Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.
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	trillions	billions	millions	thousands	hundreds
Total AUM		70	829	888	347
Currency	AUD				
Assets in USD		65	822	263	465

OO 04.5	Indicate the level of detail you would like to provide about your asset class mix.
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- ☐ Approximate percentage breakdown to the nearest 5% (e.g. 45%)
☒ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06	Mandatory	Descriptive	General
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OO 06.1	To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.
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- ☒ Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	0	10-50%

Fixed income – corporate	10-50%	0
Fixed income – government	10-50%	0
Fixed income – other	0	0
Private debt	0	0
Private equity	<10%	<10%
Property	10-50%	<10%
Infrastructure	<10%	<10%
Commodities	<10%	<10%
Hedge funds	<10%	0
Forestry	0	<10%
Farmland	0	0
Inclusive finance	0	0
Cash	10-50%	<10%
Other (1), specify	0	<10%
Other (2), specify	0	<10%

'Other (1)' specified

Intellectual Property and diversified funds

'Other (2)' specified

Insurance natural catastrophe, mortality and longevity

○ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OO 07

Mandatory to Report Voluntary to Disclose

Peering

General

OO 07.1

Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds.

	% of externally managed assets
Segregated mandate(s)	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %
Pooled fund(s)	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
<i>Total externally managed assets</i>	100%

OO 09	Voluntary	Descriptive	General
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OO 09.1	Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.
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QIC Limited (QIC) is a leading global alternatives investment provider for sovereign wealth funds, superannuation funds and pension funds and other institutional investors. QIC delivers services to over 90 like-minded institutional investors in Australian and internationally.

Created in 1991 by the Queensland Government to serve its long term investment responsibilities, QIC has the heritage and insights to understand its clients' needs. QIC has grown to become one of Australia's largest institutional investment managers with more than A\$70 billion (31 December 2014) in funds under management. We have the capabilities relevant for today's investment landscape, and we are bound by a common philosophy - to deliver outcomes.

Spanning fixed interest and liquid strategies, infrastructure, real estate, private equity and multi-asset solutions, QIC adapts its approach to suit the investor and the investment context.

QIC believes that environmental, social and corporate governance (ESG) factors are likely to have an increasingly material impact on the long-term returns of investment portfolios. Considering ESG factors is part of our investment decision-making process and we are committed to delivering strong, long-term investment performance to our clients.

Building on a strong foundation in Australia, QIC's global presence also extends to the United Kingdom, Europe and the United States.

Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
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OO 10.1	Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.
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- ☐ We engage with companies on ESG issues via our staff, collaborations or service providers
- ☐ We cast our (proxy) votes directly or via service providers
- ☒ We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes
- ☐ None of the above

OO 11	Mandatory	Gateway	General
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OO 11.1	Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.
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- ☒ Fixed income – corporate
- ☒ Fixed income – government
- ☒ Private equity
- ☒ Property
- ☒ Infrastructure
- ☒ Commodities
- ☐ Hedge funds
- ☐ Cash
- ☐ None of the above

OO 11.2	Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.
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- ☒ Private equity
- ☒ Property
- ☒ Infrastructure
- ☒ Commodities
- ☒ Forestry
- ☐ Cash
- ☐ Other (1)
- ☐ Other (2)
- ☐ None of the above

	'Other (1)' [as defined in OO 05]
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Intellectual Property and diversified funds

	'Other (2)' [as defined in OO 05]
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Insurance natural catastrophe, mortality and longevity

OO 12	Mandatory	Gateway	General
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This list is based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Fixed Income and Infrastructure are voluntary.

Core modules

- ☒ Organisational Overview
- ☒ Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

Direct - Fixed Income

- ☒ Fixed Income - Corporate
- ☒ Fixed Income - Government

Direct - Other asset classes with dedicated modules

- ☐ Private Equity
- ☒ Property
- ☒ Infrastructure

RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

- ☒ Listed Equities
- ☒ Private Equity
- ☒ Property
- ☒ Infrastructure
- ☒ Commodities
- ☒ Forestry

Closing module

- ☒ Closing module

QIC

Reported Information

Public version

Overarching Approach

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Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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OA 01.1	Indicate if you have a responsible investment policy.
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- ☒ Yes
☐ No

OA 01.2	Indicate if you have other guidance documents or more specific policies related to responsible investment.
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- ☒ Yes
☐ No

OA 01.3	Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]
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QIC believes that environmental, social and corporate governance (ESG) factors are likely to have an increasingly material impact on the long-term returns of investment portfolios. For this reason, considering ESG factors is part of our investment decision-making process and we are committed to delivering strong, long-term investment performance to our clients.

QIC became a signatory to the United Nations-backed Principles for Responsible Investment Initiative (UNPRI) in 2008. As a result, we have adopted a Responsible Investment Policy and ESG Guidelines - <http://www.qic.com/corporate-governance/responsible-investment.aspx> - outlining our commitment to the six principles of the UNPRI.

The QIC Board is responsible for ensuring we meet our commitment to the UNPRI. The QIC Executive Committee (ExCo) is responsible for ensuring that each QIC investment team and the Global Multi-Asset team integrates ESG factors into our investment processes.

QIC's RI policy outlines our commitment to being a responsible investor. The framework binding this commitment outlines that:

- Each QIC Investment team has a documented approach on how it integrates the consideration of ESG factors into its investment processes.
- In addition to meeting the required investment criteria and financial returns (within the appropriate risk parameters), we explore investment opportunities that provide specific environmental and social benefits (where possible).
- We consider ESG factors when appointing new external investment managers.
- We vote directly and report on relevant proxies in accordance with QIC's documented standard on proxy voting.
- We communicate QIC's approach to Responsible Investment on the QIC website and update it annually.
- We report QIC's Responsible Investment activities to the QIC Board and QIC clients annually.

This policy was put in place in February 2013 and is reviewed annually. The policy is applicable and implemented across the whole organisation.

OA 02	Mandatory	Core Assessed	PRI 6
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OA 02.1

Indicate if your responsible investment policy is publicly available.

☒ Yes**OA 02.2**

Provide a URL to your responsible investment policy.

URL

<http://www.qic.com/corporate-governance/responsible-investment.aspx>☐ No**OA 02.3**

Indicate if your other policies or guidance documents related to responsible investment are publicly available.

☒ Yes☒ Yes, all☐ Yes, some**OA 02.4**

List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

Policy or document name	URL
QIC Responsible Investment Policy	http://www.qic.com.au/downloads/file/corporategovernance/QIC-RI-Policy.pdf
Global Infrastructure ESG Guidelines	http://www.qic.com.au/downloads/file/corporategovernance/QIC-GI-ESG-Guidelines.pdf
Global Real Estate ESG Guidelines	http://www.qic.com.au/downloads/file/corporategovernance/QIC-GRE-ESG-Guidelines.pdf
Global Liquid Strategies ESG Guidelines	http://www.qic.com.au/downloads/file/corporategovernance/QIC-GFI-ESG-Guidelines.pdf
Global Private Equity ESG Guidelines	http://www.qic.com.au/downloads/file/corporategovernance/QIC-GPE-ESG-Guidelines.pdf
Global Multi-Asset ESG Guidelines	http://www.qic.com.au/downloads/file/corporategovernance/QIC-DFM-ESG-Guidelines.pdf

☐ No**OA 03****Mandatory****Core Assessed****PRI 1,2**

OA 03.1

Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input type="checkbox"/> Specific guidelines on environmental issues <input type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 03.2

Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]

The QIC RI policy sets out the high level approach on how QIC embraces being a responsible Investor. The asset specific ESG guidelines provides more detail on how each ESG considerations are applied across the various asset class. The RI policy is more like an umbrella policy covering all of QIC's investment activities with specific asset class guidelines sitting under it.

QIC typically doesn't have an exclusionary policy towards its investments, but more an integration approach where key ESG risks and opportunities are identified, assessed and actioned accordingly.

Because QIC doesn't have any internal managed equities - the proxy voting policy is applicable to all externally managed equities.

OA 04
Mandatory
Core Assessed
General
OA 04.1

Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

☒ Yes

OA 04.2

Describe your policy on managing potential conflicts of interest in the investment process. [Optional]

QIC has a Board-approved Conflicts of Interests Policy in place which applies to all QIC employees. Policy arrangements aim to:

- Identify, disclose and manage activities which may conflict with the interests of QIC or its clients
- Ensure QIC complies with its legal and regulatory obligations.

All staff are required to acknowledge on an annual basis that they have read, understood and will comply with this Policy and to report any instances of non-compliance that comes to their attention.

Under this Policy, all QIC employees must notify actual, potential or perceived conflicts of interest to the ORLT division as soon as reasonably practicable by completing a Conflicts of Interest Notification form (or verbally if the conflict is time sensitive). The conflict will then be evaluated before appropriate action is taken.

☐ No

OA 04.3 Additional information. [Optional]

QIC is committed to managing Conflicts of Interest fairly and appropriately. The Policy applies to all QIC employees, workers, contractors, people on secondments, and people engaged through labour hire companies.

Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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OA 05.1 Indicate if your organisation sets objectives for its responsible investment activities.

☒ Yes

OA 05.2 Indicate how frequently your organisation sets or revises objectives for responsible investment.

- ☒ At least once per year
☐ Less than once per year

OA 05.3 Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- ☐ Quarterly
☒ Biannually
☐ Annually
☐ Every two years or less
☐ It is not reviewed

☐ No

OA 05.4 Additional information. [Optional]

We report on QIC's Responsible Investment activities to the QIC Board 6 monthly and to clients annually. QIC has a dedicated resource as a Responsible Investment Specialist leading on RI activities.

Governance and human resources

OA 07	Voluntary	Descriptive	General
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OA 07.1	Provide a brief description of your organisation's governance, management structures and processes related to responsible investment.
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Ultimate responsibility of QIC's RI practices sits with QIC's Board and implementation of RI activities gets passed on to the Executive Committee who then pass it onto management for effective implementation.

Each of the investment team "Heads of" have responsibility to ensure Responsible Investment practices are followed and implemented in their areas. To ensure this is done effectively, each team has its own ESG champions that work closely with QIC's RI specialist.

The role of the RI specialist is to lead, develop and implement QIC's RI practices. Our practices are benchmarked against best practice corporate governance principles and comply with the Corporate Governance Guidelines for Government Owned Corporations issued by the Queensland Government, which are largely based upon the ASX Corporate Governance Principles and Recommendations with 2010 Amendments (Second Edition). We also align our practices closely with the 6 principle of the UNPRI.

QIC's operating environment and the roles, processes and practices are designed to ensure the interests of shareholders, clients, staff and other stakeholders are actively managed.

☐ I would like to attach an organisation chart (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OA 08	Mandatory	Gateway/Core Assessed	General
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OA 08.1	Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.
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	Roles present in your organisation
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- ☒ Board members or trustees
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other Chief-level staff or head of department, specify
CRO and COO

- ☒ Oversight/accountability for responsible investment
- ☐ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Portfolio managers
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Investment analysts
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Dedicated responsible investment staff
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ External managers or service providers
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Other role, specify
- ☐ Other role, specify

OA 08.2	Indicate the number of dedicated responsible investment staff your organisation has. [Optional]
----------------	---

	Number
--	--------

1

OA 08.3	Additional information. [Optional]
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In addition to having 1 dedicated RI specialist - QIC also has ESG champions within each of the investment teams that works closely with QIC's RI specialist. We have a total of 7 ESG champions across the organisation - situated in each of the investment, marketing and compliance teams.

Promoting responsible investment

OA 10	Mandatory	Core Assessed	PRI 4,5
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OA 10.1	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
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Select all that apply

☒ Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

QIC actively engages and is a participant regionally with other UNPRI signatories in Australia, and is also a active participant in the regional Australian network.

QIC also uses the PRI intranet as a tool for guidance on effective ESG implementation across various asset classes.

- ☐ Asian Corporate Governance Association
☐ Association for Sustainable & Responsible Investment in Asia
☐ Australian Council of Superannuation Investors
☐ CDP Climate Change
☐ CDP Forests
☐ CDP Water
☐ CFA Institute Centre for Financial Market Integrity
☐ Council of Institutional Investors (CII)
☐ Eumedion
☐ Extractive Industries Transparency Initiative (EITI)
☐ Global Investors Governance Network (GIGN)
☒ Global Real Estate Sustainability Benchmark (GRESB)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

QIC is a member and active participant of GRESB and is actively engaged with the GRESB team and is also actively endorsing the uptake of GRESB in Australia.

- ☐ Institutional Investors Group on Climate Change (IIGCC)
- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☐ International Corporate Governance Network (ICGN)
- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☒ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
Responsible Investment Association of Australiasia (RIAA)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

QIC is a member of RIAA and are actively engaged with RIAA and helping shape its work programme for Australia.

- ☐ Shareholder Association for Research and Education (Share)
- ☐ United Nations Environmental Program Finance Initiative (UNEP FI)
- ☐ United Nations Global Compact
- ☒ Other collaborative organisation/initiative, specify
Australian Financial Services Council Investment Board

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

QIC's CEO is on the board committee.

- ☒ Other collaborative organisation/initiative, specify
Green Building council of Australia (GBCA)

	Your organisation's role in the initiative during the reporting year (see definitions)
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- ☐ Basic
☒ Moderate
☐ Advanced

	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--	--

QIC are members of GBCA - and are actively engaged with the GBCA and shaping its work programme for Australia.

- ☒ Other collaborative organisation/initiative, specify
 Institutional Limited Partners Association (ILPA)

	Your organisation's role in the initiative during the reporting year (see definitions)
--	--

- ☐ Basic
☐ Moderate
☒ Advanced

	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
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One staff member from the Global Private Equity team is QIC's representative of the LP Council within ILPA. ESG is a common topic area he focuses on with other LPs.

- ☐ Other collaborative organisation/initiative, specify

OA 11	Mandatory	Core Assessed	PRI 4
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OA 11.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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- ☒ Yes

OA 11.2	Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.
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- ☒ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
☒ Provided financial support for academic or industry research on responsible investment
☒ Encouraged better transparency and disclosure of responsible investment practices across the investment industry
☐ Spoke publicly at events and conferences to promote responsible investment
☐ Wrote and published in-house research papers on responsible investment
☒ Encouraged the adoption of the PRI
☒ Other, specify

Formed informal collaborative peer groups to promote and exchange RI practices and ideas with our external managers within Australia and internationally.

☐ No

QIC

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

SAM 01	Voluntary	Descriptive	PRI 1-6
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SAM 01.1

Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

ESG integration is an important element to our investment activities. Our activities include: Manager selection, due diligence and ongoing fund management. We also include specific RI requirements in manager mandates and other related legal contracts.

As part of post investment monitoring, we carry out an annual Manager Review of our managers. The objective of the review is to assess and gain more awareness of the manager's management of ESG issues. Managers are rated on their ESG practices.

SAM 02	Mandatory	Core Assessed	PRI 4
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SAM 02.1

Indicate if your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers.

☒ Yes

SAM 02.2

Indicate how your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers. [Optional]

☒ We use investment consultants in our selection and appointment of external managers

	Asset class
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☒ Listed Equity (LE)

☒ Private equity (PE)

☒ Infrastructure (INF)

☒ Property (PR)

☐ Other asset classes

☐ We use investment consultants in our monitoring of external managers

☐ We use fiduciary managers

SAM 02.3

Indicate if your organisation considers responsible investment in the selection, appointment and/or review processes for investment consultants and/or fiduciary managers.

☒ Responsible investment is included in the selection process for investment consultants

☐ Consultants' responsibilities in relation to responsible investment in manager selection, appointment and monitoring processes are included in our contractual agreements with them

☒ Responsible investment is considered when reviewing investment consultants' advice on manager selection and performance monitoring

☐ We do not consider responsible investment in the selection, appointment and/or review processes for investment consultants.

☐ No

SAM 02.4 Additional information. [Optional]

We use specialist consultants - on a needs basis for appointment and due diligence of some managers. We use Mercer's GIMD manager ratings tool to monitor our managers.

SAM 03

Mandatory

Gateway

General

SAM 03.1

Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring

Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Listed equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Private equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Infrastructure	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Forestry	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Commodities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

SAM 03.2 Additional information. [Optional]

ESG is an important consideration for us when selecting, monitoring and reviewing of all our managers across all our externally managed asset classes.

Listed equity (LE), fixed income corporate (FIC) and fixed income government (FIG)

Overview

SAM 05

Mandatory

Gateway

PRI 1,2

SAM 05.1

Indicate which of the following ESG incorporation strategies you encourage or require your external manager(s) to implement on your behalf:

Active investment strategies

Active investment strategies	LE		
Screening	<input type="checkbox"/>		
Thematic	<input checked="" type="checkbox"/>		
Integration	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Passive investment strategies

Passive investment strategies	LE		
Screening	<input type="checkbox"/>		
Thematic	<input type="checkbox"/>		
Integration	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

SAM 05.2

Indicate if - on your externally managed assets - you engage directly, via service providers, or via your external manager.

	LE	
We engage directly or via service providers on our externally managed assets	<input checked="" type="checkbox"/>	
We require our external managers to engage on our behalf	<input checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	

SAM 05.3

Indicate if - on your externally managed listed equities - you cast your (proxy) votes directly, via service providers, or via your external manager.

	LE
We cast our (proxy) votes directly or via service providers on our externally managed assets	<input type="checkbox"/>
We require our external managers to cast our (proxy) votes on our behalf	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>

Selection

SAM 06	Mandatory	Core Assessed	PRI 1-6
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SAM 06.1

Indicate whether your organisation, and/or your investment consultant, in the manager selection process for listed assets, typically do any of the following:

General

	LE		
Review the manager's responsible investment policies	<input checked="" type="checkbox"/>		
Discuss managers' governance and management of responsible investment activities	<input checked="" type="checkbox"/>		
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>		
Discuss minimum responsible investment expectations that managers must meet	<input checked="" type="checkbox"/>		
Discuss the role managers have played in collaborative initiatives	<input checked="" type="checkbox"/>		
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>		
Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting	<input checked="" type="checkbox"/>		
Discuss the type of ESG reporting you expect	<input checked="" type="checkbox"/>		
Assign specific weighting to ESG factors in your manager evaluation	<input type="checkbox"/>		
Other general aspects in your selection process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

ESG incorporation

	LE		
Evaluate the quality and coverage of ESG research used by managers	<input checked="" type="checkbox"/>		
Assess how the manager incentivises brokers to provide ESG research	<input checked="" type="checkbox"/>		
Assess managers' ESG incorporation strategies and ability to identify and manage ESG issues	<input checked="" type="checkbox"/>		
Discuss with managers how ESG issues have impacted specific investment decisions and, where relevant, stock or portfolio performance	<input checked="" type="checkbox"/>		
Evaluate index providers' ESG incorporation when designing the index	<input type="checkbox"/>		
Other ESG incorporation issues in your selection process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Engagements

	LE	
Discuss the managers' engagement processes	<input checked="" type="checkbox"/>	
Discuss the role managers have played in influencing companies' ESG practices and performance	<input checked="" type="checkbox"/>	
Discuss how information gained through engagement is incorporated into investment decision-making	<input checked="" type="checkbox"/>	
Other engagement issues in your selection process, specify	<input checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	

(Proxy) voting

	LE
Discuss the managers' voting processes	<input checked="" type="checkbox"/>
Discuss how information gained through research for (proxy) voting is used in investment-decision making	<input checked="" type="checkbox"/>
Other (proxy) voting issues in your selection process, specify	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>

If you select any 'Other' option(s), specify

Climate change, corporate governance and payday lending were three specific areas we engaged with our managers on, and what their actions were in these areas/topics.

We request our managers provide us with six monthly engagement and voting reports.

SAM 06.2

Provide additional information relevant to your organisation's selection approach for listed assets. [Optional]

We specify voting and engagement requirements and reporting in our passive global equity managers IMAs. Voting requirements are specified in all external equity managers' IMAs.

Appointment

SAM 07	Voluntary	Additional Assessed	PRI 4
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SAM 07.1

When appointing managers, indicate which of the following responsible investment considerations your organisation typically includes in investment management agreements/contracts for your listed assets:

General

	LE		
Acting in accordance with your organisation's overall investment beliefs or policy on responsible investment and ESG issues	<input checked="" type="checkbox"/>		
Other general RI considerations in investment management agreements, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

ESG incorporation

	LE		
Specific requirements relating to the incorporation of ESG issues into investment decision-making	<input checked="" type="checkbox"/>		
Other RI considerations relating to ESG incorporation in investment management agreements, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Engagement

	LE	
Specific requirements relating to engagement	<input checked="" type="checkbox"/>	
Other RI considerations relating to engagement in investment management agreements, specify	<input checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	

(Proxy) voting

	LE
Specific requirements relating to (proxy) voting	<input checked="" type="checkbox"/>
Other RI considerations relating to (proxy) voting in investment management agreements, specify	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>

Reporting

	LE		
Reporting on the agreed responsible investment activities	<input checked="" type="checkbox"/>		
Reporting on the ESG characteristics of the portfolio	<input checked="" type="checkbox"/>		
Reporting on the impact of ESG issues on financial performance	<input type="checkbox"/>		
Other RI considerations relating to reporting in investment management agreements, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

If you select any 'Other' option(s), specify

As part of our manager agreements we specify requirements for ESG integration, reporting, voting and engagement.

In regards to engagement and voting we request that the manager reports to us on how the engagement and voting outcomes were applied to their investment analysis.

SAM 07.2

Provide additional information relevant to your organisation's manager appointment process and considerations included in contractual agreements for listed assets.

As part of the search and selection of external managers - ESG questions form part of the RFP/RFI process. This is then discussed further in the manager selection due-diligence process - specific areas of interest are ESG integration in company analysis, engagement and voting as well as ESG analytics. ESG requirements are then added in the managers' mandates/legal requirements to reflect this.

Monitoring

SAM 08

Mandatory

Core Assessed

PRI 1

SAM 08.1

Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:

General

	LE		
Include responsible investment as a standard agenda item at performance review meetings	<input checked="" type="checkbox"/>		
Highlight examples of good responsible investment practice by other managers	<input checked="" type="checkbox"/>		
Review the manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input checked="" type="checkbox"/>		
Encourage your managers to consider joining responsible investment initiatives/organisations or participate in collaborative projects with other investors	<input checked="" type="checkbox"/>		
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input checked="" type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted financial performance	<input checked="" type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted risk or volatility	<input checked="" type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted ESG performance	<input checked="" type="checkbox"/>		
Other general aspects of your monitoring, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

ESG incorporation

	LE		
Request information on ESG incorporation in specific investment decisions	<input checked="" type="checkbox"/>		
Other ways you monitor ESG incorporation, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Engagements

	LE	
Review the ESG information relevant to the engagements	<input checked="" type="checkbox"/>	
Discuss the number of engagements and their comprehensiveness	<input checked="" type="checkbox"/>	
Discuss the type of role played (i.e. leading or supporting)	<input checked="" type="checkbox"/>	
Review the progress of ongoing engagements and/or outcomes of completed engagements	<input checked="" type="checkbox"/>	
Other ways you monitor engagement activities, specify	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	

(Proxy) voting

	LE
Review the number or percentage of votes cast	<input checked="" type="checkbox"/>
Request an explanation of reasons for votes cast	<input checked="" type="checkbox"/>
Discuss whether companies were informed of the reasons for votes against management recommendations or abstentions/withheld votes	<input checked="" type="checkbox"/>
Review the number of resolutions on ESG issues filed or co-filed	<input type="checkbox"/>
Discuss the changes in company practice (outcomes) that have been achieved from voting activities	<input checked="" type="checkbox"/>
Other ways you monitor (proxy) voting activities, specify	<input type="checkbox"/>
None of the above	<input type="checkbox"/>

If you select any 'Other' option(s), specify

We often also request our managers provide us with specific case study examples of where they have intergrated ESG issues or where they have enagaged.

SAM 08.2	Provide additional information relevant to your organisation's dialogue and monitoring of external managers. [Optional]
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For both engagement and voting we specify reporting requirements (usually six monthly).

SAM 09	Mandatory	Core Assessed	PRI 2
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SAM 09.1	For the listed equities where you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year.
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☒ We track or collect this information

	Votes cast (to the nearest 5%)
--	--------------------------------

	%
--	---

99.2

	Specify the basis on which this percentage is calculated
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- ☐ Of the total number of ballot items on which they could have issued instructions
- ☒ Of the total number of company meetings at which they could have voted
- ☐ Of the total value of your listed equity holdings on which they could have voted

☐ We do not track or collect this information

SAM 09.2	Additional information. [Optional]
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The 99.2% is for all total votes we have voted for - despite being eligible or not.

Votes not submitted in ineligible markets - This includes markets where we do not vote due to share blocking, re-registration, PoA requirements, etc. The "votes not submitted in eligible markets" are in most cases due to vote rejections. Votes get rejected for a variety of reasons, including there being no holdings as of record date, company specific requirements such as being a national of the country in which the company is located, etc.

Private equity (PE), property (PR) and infrastructure (INF) - non-listed assets

Selection

SAM 10	Mandatory	Core Assessed	PRI 1-6
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SAM 10.1	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:
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	General
--	---------

	PE	PR	INF
Review the manager's/general partner's responsible investment policy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss the manager's governance and management of responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss minimum responsible investment expectations that managers must meet	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss the role managers have played in collaborative initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the external manager's reporting and how it will help you to monitor that it is acting consistent with the agreed-upon ESG-related policies and practices during the life of the fund	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's responsible investment disclosure, including PRI reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assign specific weighting to ESG factors in your manager evaluation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other general aspects in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Investment selection (pre-investment) of underlying holding

	PE	PR	INF
Assess the manager's policies, processes and systems for identifying ESG-related value drivers and managing material ESG-related risks pre-investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other pre-investment aspects reviewed in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Investment monitoring (post-investment) of underlying holding

	PE	PR	INF
Understand if and how the manager influences and supports its portfolio companies'/assets' management of ESG-related risks and pursuit of ESG-related opportunities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss examples of how managers have previously identified and addressed ESG issues in their portfolios on an ongoing basis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the manager's/general partner's approach to managing and disclosing material incidents at the manager / General Partner and underlying holdings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other post-investment aspects reviewed in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you select any 'Other' option(s), specify

We carry out an annual review of all our external managers on their ESG practices, and follow up with a teleconference to discuss their responses. We also meet a handful of our managers face to face to discuss their ESG activities and review.

SAM 10.2

Provide additional information relevant to your organisation's selection approach for non-listed assets. [Optional]

ESG consideration (integration and reporting) are now a standard part of all our external manager IMAs.

Monitoring

SAM 12

Mandatory

Core Assessed

PRI 1-6

SAM 12.1

Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager, typically do any of the following:

General

	PE	PR	INF
Include responsible investment as a standard agenda item at performance review meetings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Highlight examples of good responsible investment practice by other managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Encourage your managers to consider joining responsible investment initiatives or organisations or participate in collaborative projects with other investors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Request information on whether your manager's approach to ESG issues has impacted financial performance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Request information on whether your manager's approach to ESG issues has impacted ESG performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other general aspects of your monitoring, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Investment selection (pre-investment) of underlying holding

	PE	PR	INF
Discuss how the analysis of ESG issues affected investment decisions during the reporting period	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other ways ESG issues are incorporated in the pre-investment process, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Investment monitoring (post-investment) of underlying holding

	PE	PR	INF
Request reports on the ESG characteristics of the manager's underlying holdings and discuss related developments that may impact holdings in the fund	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Request examples of ESG issues identified within the portfolio and action taken in response	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Request details of how ESG factors were considered when preparing to exit from investments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other ways ESG issues are monitored in the post-investment process, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SAM 12.2

Provide additional information relevant to your organisation's dialogue and monitoring of external managers. [Optional]

We do a review of all our external managers on an annual basis and discuss all aspects of ESG integration from Pre and post investment - as well as request reporting and case studies.

We also encourage our managers to attend RI/ESG related events and also encourage them to be PRI signatories.

Outputs and outcomes

SAM 14

Mandatory to Report Voluntary to Disclose

Descriptive

PRI 1-6

SAM 14.1

Indicate approximately what percentage (+/- 10%) of your externally managed assets are managed by PRI signatories.

%

29

SAM 14.2

Additional information. [Optional]

We have seen an increase in the number of our external managers signing up to the PRI compared to last reporting period. The whole area of RI and ESG is picking up more momentum. Managers have reported back to us saying more and more asset owners are getting engaged in this space, which makes them consider it holistically themselves as part of their investment process. The US Market is still lagging, with leaders being more in the UK and Australian market.

Communication

SAM 16

Mandatory

Core Assessed

PRI 6

SAM 16.1

Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.

- ☒ Yes, we disclose information publicly

provide URL

<http://www.qic.com/corporate-governance/responsible-investment.aspx>

provide URL

<http://www.qic.com/downloads/file/corporategovernance/GMAESGGuidelines.pdf>

SAM 16.2

Indicate if the level of information you disclose to the public is the same as that disclosed to clients and/or beneficiaries.

- ☐ Yes
☒ No

SAM 16.3

Indicate what type of information your organisation proactively discloses to the public and clients and/or beneficiaries about your indirect investments.

Information	Public	Clients/beneficiaries
How responsible investment considerations are included in manager selection, appointment and monitoring processes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Details of the responsible investment activities carried out by managers on your behalf	<input type="checkbox"/>	<input checked="" type="checkbox"/>
E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other, specify below	<input type="checkbox"/>	<input type="checkbox"/>

- ☐ Yes, we disclose information to clients/beneficiaries only
☐ We do not proactively disclose information to the public and/or clients/beneficiaries

QIC

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

FI 01	Mandatory to Report	Voluntary to Disclose	Gateway/Peering	PRI 1
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FI 01.1	Provide a breakdown of your internally managed fixed income investments by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your fixed income investments, indicate if you would still like to report your activities.
---------	--

	Fixed income – corporate
--	--------------------------

Strategies

- ☐ Passive
- ☐ Active – quantitative (quant)
- ☒ Active - fundamental and other active strategies

	Percentage of internally managed fixed income - corporate
--	---

- ☐ <10%
- ☐ 10-50%
- ☒ >50%

	Fixed income – government
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Strategies

- ☐ Passive
- ☐ Active – quantitative (quant)
- ☒ Active - fundamental and other active strategies

	Percentage of internally managed fixed income - government
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- ☐ <10%
- ☐ 10-50%
- ☒ >50%

ESG incorporation in actively managed fixed income

FI 03	Voluntary	Descriptive	PRI 1
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FI 03.1	Provide a brief overview of how you incorporate ESG issues in fixed income investments.
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Fixed Income - Corporate

By integrating ESG factors into our investment process, we aim to enhance returns and protect value for clients. GLS' investment philosophy is based on the belief that fundamental factors drive fixed interest markets over medium to longer term timeframes, with other transitory and technical influences causing markets to deviate from 'fair value' over shorter timeframes. We recognise that ESG factors can affect the operational and financial performance of the companies we invest in. As a result we integrate these factors into our investment analysis, considering whether they may impact a company's fundamentals and/or market pricing.

ESG integration is particularly important in our bottom up credit process and ESG factors are also a relevant consideration when assessing the counterparties we trade with. For both of these, the evaluation of ESG factors includes the following actions:

1. Analysing the issuer's exposure to material ESG risks and their capacity to manage those risks.
2. Understanding the financial implications of those risks materialising.
3. Forming a view as to whether ESG risks are likely to impact an issuer's spreads and whether or not this is adequately reflected in current market pricing.

The team reviews the potential significance of ESG issues and analyses these. ESG is a standard section of our bottom up due diligence for single name corporate issuers.

The importance of ESG issues integrated in our investment decision will depend on the potential impact of a particular ESG issues (or issues) on credit fundamentals and therefore our returns. We recognise that as debt holder, we do not have the same voting rights as equity shareholders, however can still influence a company through engagement when needed.

The team also has the ability to screen certain companies from our portfolios based on products or sectors (such tobacco and alcohol). Country screening is also possible, especially in the case of emerging markets where social risks are more prominent.

We also review external managers including their ability to integrate ESG factors as part of their investment processes.

Fixed Income - Government

Our sovereign debt / derivatives are predominantly in G7 countries, along with Australia and New Zealand i.e. high wealth, developed economies with solid ESG credentials. When researching Sovereign Bonds - there are many investment risk components, we look into. Two most relevant to ESG include the Structural and Political Factors and in considering these risks, we take account of the Corruption Perception Index, and World Bank's Ease of Doing Business Index.

Corruption Perception Index: This index includes many different sources of data including:

- Transparency International's Corruption Perceptions Index
- African Development Bank Governance Ratings
- Bertelsmann Foundation Sustainable Governance Indicators
- Bertelsmann Foundation Transformation Index
- Economist Intelligence Unit Country Risk Ratings
- Freedom House Nations in Transit
- Global Insight Country Risk Ratings
- IMD World Competitiveness
- Political and Economic Risk Consultancy Asian Intelligence
- Political Risk Services International Country Risk Guide
- World Bank - Country Policy and Institutional Assessment
- World Economic Forum Executive Opinion Survey (EOS); and
- World Justice Project Rule of Law Index.

Ease of doing business: This is based on the World Bank's Ease of Doing Business Index, which includes some ESG factors:

- Starting a Business
- Dealing with Construction Permits

- Getting Electricity
- Registering Property
- Getting Credit
- Protecting Minority Investors
- Paying Taxes
- Trading Across Borders
- Enforcing Contracts
- Resolving Insolvency

Fixed Income - Corporate

Implementation processes

FI 04	Mandatory	Gateway/Core Assessed	PRI 1
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FI 04.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed corporate fixed income investments; and, (2) the breakdown of your actively managed corporate fixed income investments by incorporation strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☐ Integration alone (i.e. not combined with any other strategies)
- ☐ Screening + Integration strategies
- ☐ Thematic + integration strategies
- ☐ Screening + thematic strategies
- ☒ All three strategies combined

Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)	<div> <div></div> <div>%</div> </div> 100
---	---

- ☐ No incorporation strategies applied

Total actively managed fixed income - corporate

100%

FI 04.2

Describe your primary reasons for choosing a particular incorporation strategy.

QIC believes that environmental, social and corporate governance (ESG) factors are likely to have an increasingly material impact on the long-term returns of investment portfolios. Considering ESG factors is part of our investment decision-making process and we are committed to delivering strong, long-term investment performance to our clients.

By integrating ESG factors into the Global Liquid Strategy's (GLS) investment process, we aim to enhance returns and protect value for clients. GLS' investment philosophy is based on the belief that fundamental factors drive fixed interest markets over medium to longer term timeframes, with other transitory and technical influences causing markets to deviate from 'fair value' over shorter timeframes. We recognise that ESG factors can affect the operational and financial performance of the companies we invest in.

Based on client requests, GLS has the ability to screen certain companies from our portfolios based on products or sectors (such as alcohol and tobacco). Country screening is also possible, especially in the case of emerging markets where social risks are more prominent.

FI 05**Voluntary****Additional Assessed****PRI 1****FI 05.1**

Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

Type of ESG information

☒ Raw ESG company data

Describe who provides this information.

The internal team does the research themselves - based on company disclosure and other sector research.

☐ Issuer-related analysis or ratings

☒ Sector-related analysis or ratings

Describe who provides this information.

The internal team does this as required as part of their bottom up research. Sector trends and development on ESG related issues forms part of this analysis.

☒ Country-related analysis or ratings

Describe who provides this information.

The internal team does this as required as part of their bottom up research, factoring in country level research of where the company is domiciled.

☐ Screened bond list

☐ ESG issue-specific analysis or ratings

☒ Other, specify

Negative screens - These are mostly client-requested screens however if QIC decides to implement "blanket" product exclusions our risk systems can accommodate this.

FI 05.2

Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.

The key steps we undertake include:

- Analysing the issuer's exposure to material ESG risks and their capacity to manage those risks. This is mostly company and sector specific research.
- We then try to understand the financial implications of those risks materialising.
- We then form a view as to whether ESG risks are likely to impact an issuer's spreads and whether or not this is adequately reflected in current market pricing.

The assessment is undertaken by research analysts within the QIC Fixed Interest team. ESG is a standard section of our bottom-up due diligence for single name corporate issuers.

(A) Implementation: Screening

FI 06**Mandatory****Descriptive****PRI 1****FI 06.1**

Indicate and describe the type of screening you apply to your internally managed active corporate fixed income investments.

Type of screening

- ☒ Negative/exclusionary screening

Screened by

- ☒ Product
- ☒ Activity
- ☒ Sector
- ☒ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

Description

QIC GLS has the ability to screen all types of exclusions - including the screening of certain companies from our portfolios based on products/sectors (such as alcohol and tobacco) or poor ESG practice by companies. Country screening is also possible, especially in the case of emerging markets where social risks are more prominent.

- ☐ Positive/best-in-class screening
- ☐ Norms-based screening

FI 06.2

Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

Screening criteria are established either by Client requests or by QIC GLS internally. The latter is based on our assessment of factors such as reputational risks (connected to certain activities or administrations) or the extent to which ESG factors may affect a particular industry or a company's business risk profile or financial performance.

Negative screens in relation to tobacco and alcohol industries are used for some of QIC GLS' absolute return funds. In addition, some client mandates managed by GLS have added negative screens for social issues in line with government sanctions.

FI 07**Mandatory****Core Assessed****PRI 1****FI 07.1**

Indicate which processes your organisation uses to ensure that screening in corporate fixed income is based on robust analysis.

- ☒ Comprehensive research is undertaken or sourced to determine issuers' ESG performance
- ☐ Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☐ External research and data used to identify issuers to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Information on ESG issues and/or ratings is updated regularly to ensure that portfolio holdings comply with fund policies
- ☐ A committee or body with representatives independent of the individuals who conduct ESG research reviews some or all screening decisions
- ☐ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

(C) Implementation: Integration of ESG factors**FI 10****Voluntary****Descriptive****PRI 1****FI 10.1**

Describe how you integrate ESG issues into investment decision-making processes.

QIC GLS uses integration strategies in considering the extent to which ESG factors may affect company's business risk profile or financial performance. We consider the quality of the company's risk management practises and governance, including its management and reporting of ESG risks and opportunities. Where we consider deeper analysis is required on a specific ESG issue, we may engage with companies on their management and monitoring of that issue. This approach of analysis and engagement is also applied, as appropriate, to the counterparties we deal with.

The key application for ESG information is to inform analysis of issuer creditworthiness for our corporate issuers. This includes the following steps:

- Analyse the issuer's exposure to material ESG risks and their capacity to manage those risks.
- Understand the financial implications of those risks materialising.
- Form a view as to whether ESG risks are likely to impact an issuer's spreads and whether or not this is adequately reflected in current market pricing.

The importance of ESG issues integrated in our investment decision will depend on the potential impact of a particular ESG issues (or issues) on credit fundamentals and therefore our returns. We recognise that as debt holder, we do not have the same voting rights as equity shareholders, however can still influence a company

through engagement when needed. ESG is a standard section of our bottom up research notes for single name corporate issuers

The team also has the ability to screen certain companies from our portfolios based on products or sectors (such tobacco and alcohol). Country screening is also possible, especially in the case of emerging markets where social risks are more prominent.

FI 11	Mandatory	Core Assessed	PRI 1
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FI 11.1	Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.
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ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

FI 11.2	Additional information. [Optional]
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QIC GLS considers ESG factors when a specific risk or opportunity arises e.g. as an event unfolds where considered to be material to the investment outcome.

FI 12	Voluntary	Descriptive	PRI 1
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FI 12.1

Indicate which processes your organisation uses to ensure that ESG integration is based on a robust analysis.

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- ☐ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Company information and/or ratings on ESG are updated regularly
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

FI 12.2

Describe how ESG information is held and used by your portfolio managers.

- ☐ ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ☒ ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- ☐ Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- ☒ Other, specify
ESG information or analysis is a standard section of company research notes
- ☐ None of the above

Fixed income - Government

FI 13**Mandatory****Core Assessed****PRI 1****FI 13.1**

Indicate if you incorporate ESG issues in investment analysis and decision making for your government fixed income investments.

☒ Yes

FI 13.2

Indicate for what percentage of your government fixed income investments you incorporate ESG issues in investment analysis and decision making.

- ☐ <10%
- ☐ 10-50%
- ☐ 51-90%
- ☒ >90%

FI 13.3

Indicate if in active strategies, E, S and G issues are reviewed while researching government issuers.

ESG issues	Coverage/extent of review on these issues
Environmental	<input type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

FI 13.4

Describe your approach to incorporating ESG issues in government fixed income investments. [Optional]

When researching Sovereign Bonds - there are many investment risk components, we look into. Two most relevant to ESG include the Structural and Political Factors and in considering these risks, we take account of the Corruption Perception Index, and World Bank's Ease of Doing Business Index.

Corruption Perception Index: This index includes many different sources of data including:

- Transparency International's Corruption Perceptions Index
- Bertelsmann Foundation Sustainable Governance Indicators
- Bertelsmann Foundation Transformation Index
- Economist Intelligence Unit Country Risk Ratings
- Freedom House Nations in Transit
- Global Insight Country Risk Ratings
- IMD World Competitiveness
- Political and Economic Risk Consultancy Asian Intelligence
- Political Risk Services International Country Risk Guide
- World Bank - Country Policy and Institutional Assessment
- World Economic Forum Executive Opinion Survey (EOS); and
- World Justice Project Rule of Law Index.

Ease of doing business: This is based on the World Bank's Ease of Doing Business Index, which includes some ESG factors:

- Starting a Business
- Dealing with Construction Permits
- Getting Electricity
- Registering Property
- Getting Credit
- Protecting Minority Investors
- Paying Taxes
- Trading Across Borders
- Enforcing Contracts

- Resolving Insolvency

☐ No

Outputs and outcomes

FI 17	Voluntary	Descriptive	PRI 1
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FI 17.1

Provide examples of ESG issues that affected your fixed income investment view and/or performance during the reporting year.

☒ ESG issue 1

	Fixed Income - Corporate and/or Government
<input checked="" type="checkbox"/> Corporate <input type="checkbox"/> Government	
	ESG issue and explanation
The issue of climate change - in particular Fossil Fuel divestment is an area we are keeping a close watch over. We form a forward looking view on whether this is likely to affect companies in some of the sectors we invest in e.g the mining sector.	
	ESG incorporation strategy applied
<input type="checkbox"/> Screening <input checked="" type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies	
	Impact on investment view or performance
We see the poor management of climate change risks as a potential downside risk for some of the corporate issuers we can invest in.	

☒ ESG issue 2

	Fixed Income - Corporate and/or Government
<input checked="" type="checkbox"/> Corporate <input type="checkbox"/> Government	
	ESG issue and explanation
<p>In terms of energy utilities we are closely watching developments in battery technology given the potential impact on electricity demand.</p>	
	ESG incorporation strategy applied
<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies	
	Impact on investment view or performance
<p>We are observing the trends on how companies are reacting to the trends of increases in electricity prices and energy demand.</p>	

☒ ESG issue 3

	Fixed Income - Corporate and/or Government
<input type="checkbox"/> Corporate <input checked="" type="checkbox"/> Government	
	ESG issue and explanation
Bribery and corruption risk - a country's social licence to operate.	
	ESG incorporation strategy applied
<input type="checkbox"/> Screening <input checked="" type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies	
	Impact on investment view or performance
Poor practices and allegations of bribery and corruption impacts a country's social license to operate. This could impact sovereign credit risk.	

☐ ESG issue 4

☐ ESG issue 5

Communication

FI 18	Mandatory	Core Assessed	PRI 2,6
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FI 18.1	Indicate if your organisation proactively discloses information on your approach to ESG incorporation in all fixed income investments.
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☒ We disclose it publicly

	Provide URL
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<http://www.qic.com/corporate-governance/responsible-investment.aspx>

	Provide URL
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<http://www.qic.com/downloads/file/corporategovernance/GLSESGGuidelines.pdf>

FI 18.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

☒ Yes

FI 18.3

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

- ☐ Broad approach to ESG incorporation
- ☒ Detailed explanation of ESG incorporation strategy used

FI 18.4

Indicate how frequently you typically report this information.

- ☐ Quarterly or more frequently
- ☒ Between quarterly and annually
- ☐ Less frequently than annually
- ☐ Other, specify
- ☐ No
- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries

Engagement in fixed income investments

Fixed Income - Corporate

FI 19**Voluntary****Descriptive****PRI 2****FI 19.1**

Indicate if you engage with corporate issuers.

☒ Yes

FI 19.2

Describe your organisation's approach to engagement in corporate fixed income.

Where we consider deeper analysis is required on a specific ESG issue, we engage with companies/ counterparties on their management and monitoring of that issue.

☐ No

QIC

Reported Information

Public version

Direct - Property

PRI disclaimer

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Overview

PR 04	Voluntary	Descriptive	PRI 1-6
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PR 04.1

Provide a brief overview of your organisation's approach to responsible investment in property where you have equity stakes.

In addition to the overall QIC RI policy which covers QIC's approach to ESG integration across all investments, the QIC GRE team also have their own ESG guidelines specific to their investment approach.

QIC believes that responsible investment (RI) policies are likely to have an increasingly material impact on the long-term returns of investment portfolios. Considering RI factors is part of our decision-making process and we are committed to delivering strong, long-term investment returns for our clients. There is a range of RI factors that impact the real estate sector which in turn impact people and communities. By considering these when constructing and managing buildings there is an opportunity to capitalise on cost savings and increase tenant demand, which could improve overall portfolio performance.

QIC GRE has adopted a series of RI measures across its portfolio of predominantly shopping centre and office assets by applying a number of practices to new and existing property investments. These cover the following:

1. Regulation - Respect all applicable laws of the countries in which we operate.
2. Environmental assessment - Inspect the building/s in conjunction with existing Asbestos Register/s to consider the likelihood and location of hazardous materials and assess the risks associated with contaminated sites.
3. Environmental management - Implement environmental management systems that take into consideration waste, water, energy and efficient building design.
4. Social management - Manage and comply with health and safety and quality control regulations
5. Community and tenant engagement - Identify all community and tenant impacts and manage according to best practice
6. Data management - Capture, record and manage environmental metrics based on property data to enable benchmarking.
7. Reporting - Report ESG / RI data and information to clients and stakeholders
8. Governance - Ensure transparency and adherence to these guidelines.
9. General risk assessment - Assess any potential regulatory changes, climate change physical risks (including flood-related risks), occupational risks, bribery and corruption risks, and other financial risks related to the property investments on an annual basis.

Supplier contracts - Ensure suppliers and third party contractors and/or counterparties also comply with these guidelines (where counterparties include third party financial service providers such as custodians, consultants, investment banks, futures clearers and central clearing parties).

In addition QIC is a member of the following organisations that assists in best practice solutions for our property investments. These include:

- Responsible Investment Association of Australasia (RIAA)
- UN - Backed Principles of Responsible Investment (UNPRI)
- Green Building Council of Australia (GBCA)
- Global Real Estate Sustainability Benchmark Survey (GRESB)

PR 04.2	Provide a brief overview of your organisation's approach to responsible investment in property where you hold debt.
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The above approach to ESG is also applied to debt investments.

PR 05	Mandatory	Core Assessed	PRI 1-6
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PR 05.1	Indicate if your organisation has a Responsible Property Investment (RPI) policy.
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☒ Yes

PR 05.2	Provide a URL if your RPI policy is publicly available. [Optional]
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<http://www.qic.com.au/downloads/file/corporategovernance/QIC-GRE-ESG-Guidelines.pdf>

☐ No

PR 05.3	Additional information. [Optional]
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Please also refer to PR 04.1 above which describes our approach to responsible property management.

Fundraising of property funds

PR 06	Mandatory	Core Assessed	PRI 1,4,6
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PR 06.1	Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.
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☒ Yes

PR 06.2

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- ☒ Policy and commitment to responsible investment
 - ☒ Always
 - ☐ In a majority of cases
 - ☐ In a minority of cases
- ☒ Approach to ESG issues in pre-investment processes
 - ☒ Always
 - ☐ In a majority of cases
 - ☐ In a minority of cases
- ☒ Approach to ESG issues in post-investment processes
 - ☒ Always
 - ☐ In a majority of cases
 - ☐ In a minority of cases

PR 06.3

Describe how your organisation refers to responsible investment for property funds in fund placement documents (PPMs or similar). [Optional]

The only recent formal property fund capital raising undertaken by GRE was through an Information Memorandum and related to the QIC Property Fund. This document confirms our commitment to incorporating ESG issues into our investment strategies and the fact that QIC is a signatory to the United Nations Principles for Responsible Investment.

The document also covered QIC's corporate governance practices generally and the fund trustees' adoption of QIC's Code of Conduct and Code of Ethics which applies to QIC directors and employees.

- ☐ No
- ☐ Not applicable as our organisation does not fundraise

Pre-investment (selection)

PR 08**Mandatory****Gateway****PRI 1****PR 08.1**

Indicate if your organisation typically incorporates ESG issues when selecting property investments.

- ☒ Yes

PR 08.2

Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]

We integrate ESG factors across each of GRE's investment processes: Capital Transactions, Investment Management Team, Retail & Commercial Property Operations & Leasing. As part of this, we will consider the following when incorporating ESG issues in the decision making process:

- Whether all levels of management are fully aware of their obligations under environmental legislation, licenses, permits etc.
- Procedures and documentation that management has in place to ensure that environmental obligations are being met.

- Review of any written operational policy defining the objectives and constraints of emission, waste and effluent management; and
- Whether the company has a formal environmental auditing and monitoring programme for the site.

☐ No

PR 09	Voluntary	Descriptive	PRI 1,4
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PR 09.1	Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the property investment selection process.
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- ☒ Internal staff
- ☒ Specify role
QIC's RI specialist
 - ☒ Specify role
GRE's National Sustainability Manager
 - ☐ Specify role
- ☒ External resources
- ☒ Environmental advisors
 - ☐ Social advisors
 - ☐ Corporate governance advisors
 - ☒ Regulatory and/or legal advisors
 - ☒ Other, specify type of advisors/roles
GRESB Staff and we are members of the Green Building council
- ☐ No use of internal or external advice on ESG issues

PR 09.2	Additional information.
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GRE has specific policies and procedures consistent with QIC's overall corporate governance framework. Any investments made by GRE must be endorsed by the Managing Director, GRE and be consistent with the appropriate investment product's trust deed, investment limits and guidelines and other constituent documents. All investments are subject to approval under a formal Delegations of Authority Policy. This Policy outlines which individuals or committees are required to approve the various activities of GRE (including investments).

PR 10	Mandatory	Core Assessed	PRI 1,3
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PR 10.1	Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue.
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ESG issues

- ☒ Environmental

	List up to three typical examples of environmental issues
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Contamination

Waste management

Energy efficiency and Climate change – GHG emission, high level sea rise

☒ Social

List up to three typical examples of social issues

Community activities

Health and safety

Security & Labour issues

☒ Governance

List up to three typical examples of governance issues

Board structures

Bribery and corruption

Regulatory regimes & Transparency and audit reports

Selection, appointment and monitoring third-party property managers

PR 13

Mandatory

Core Assessed

PRI 4

PR 13.1

Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.

☒ Yes

PR 13.2

Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.

☒ Selection process of property managers incorporated ESG issues

☒ For all third party property managers

☐ For a majority of property managers

☐ For a minority of property managers

☒ Contractual requirements when appointing property managers includes ESG issues

☒ For all third party property managers

☐ For a majority of property managers

☐ For a minority of property managers

☒ Monitoring of property managers covers ESG responsibilities and implementation

☒ For all third party property managers

☐ For a majority of property managers

☐ For a minority of property managers

PR 13.3

Provide a brief description of your organisation's selection, appointment and monitoring of third party property managers. [Optional]

When appointing any third party property managers we apply weightings to scores for a number of criteria such as instruction resourcing, reputation, capabilities and pricing. ESG considerations form part of the consideration for the scores for these.

PR 13.4

Describe how your third party property managers contribute to the management of ESG issues for your property investments. [Optional]

Third party property managers ensure the efficient management of our assets/buildings and, in doing so minimise outgoings. They achieve this through activities such as upgrading plant and machinery and the life cycle management of assets generally.

☐ No

Post-investment (monitoring and active ownership)

Overview

PR 14**Mandatory****Gateway****PRI 2****PR 14.1**

Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

☒ Yes

PR 14.2

Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- ☒ We consider ESG issues in property monitoring and management
- ☒ We consider ESG issues in property developments and refurbishments
- ☒ We consider ESG issues in property occupier engagements
- ☒ We consider ESG issues in community engagements related to our properties
- ☒ We consider ESG issues in other post-investment activities, specify

For example, we also consider it as part of our exit strategy especially in our commercial property investments

PR 14.3

Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets. [Optional]

GRE has a commitment to providing appropriate resourcing at asset, fund and corporate levels on all ESG matters. Within GRE we have a National Sustainability Manager who oversees our measures with respect to National Built Environment Rating Systems (NABERS), National Greenhouse and Energy Reporting (NGER) and Smart Energy Savings Program (Queensland). This provides us with an integral, centralised data collection hub which provides a platform for determining which aspects of the portfolio require strengthening to reach planned ESG goals. GRE continues to develop new programs across the portfolio to reduce energy use, water consumption and emissions, while compiling portfolio reporting data for energy, gas, water, waste and recycling.

☐ No

Property monitoring and management

PR 15**Mandatory****Core Assessed****PRI 2,3****PR 15.1**

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- ☒ >90% of property assets
- ☐ 51-90% of property assets
- ☐ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

PR 15.2

Indicate ESG issues for which your organisation, and/or property managers, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

ESG issues

☒ Environmental

List up to three example targets per issue

Electricity, gas, water, waste to landfill – KPI is a 5% p.a. reduction

Waste to recycling – KPI is a 5% p.a. increase

☒ Social

List up to three example targets per issue

Community activity - eg; Run for the Hills, Castle Towers

Castle Towers (one of our NSW shopping centres) is a Gold Sponsor of the event

Community engagement - Our shopping centre in Noosa is a prominent venue which hosts the Noosa Biosphere festival annually.

☒ Governance

List up to three example targets per issue

Compliance and monitoring of GRESB reporting requirements.

Compliance with State and Federal reporting requirements (e.g. NGER Reporting annually to the Federal Government)

☐ We do not set and/or monitor against targets

PR 15.3

Additional information. [Optional]

Tracking documents have been developed for each property whereby all usage/consumption details are input for each property as invoices are received for:

- Electricity
- Gas
- Water
- Waste to Landfill
- Waste to recycling

This data automatically collates into:

- A property by property sustainability report that has comments input on a monthly basis
- A report used by QIC Head Office to monitor variances on a monthly basis.

Property developments and refurbishments

PR 17

Mandatory

Core Assessed

PRI 2

PR 17.1

Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.

- ☒ >90% of active developments and refurbishments
- ☐ 51-90% of active developments and refurbishments
- ☐ 10-50% of active developments and refurbishments
- ☐ <10% of active developments and refurbishments
- ☐ N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)

PR 17.2	Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.
----------------	--

- ☒ Minimum environmental site selection requirements
- ☒ Minimum environmental site development requirements
- ☒ Sustainable construction materials
- ☒ Minimum water efficiency requirements
- ☒ Minimum energy efficiency requirements
- ☐ Energy generation from on-site renewable sources
- ☒ Waste management plans at sites
- ☒ Health and safety management systems at sites
- ☒ Construction contractors comply with sustainability guidelines
- ☒ Other, specify

External monitoring of water and energy usage (for our commercial properties).

PR 17.3	Additional information. [Optional]
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All developments and refurbishments will involve the use of an environmental sustainability design consultant. Investigations will include site contamination and geo tech studies.

We expect all tenders from third party service providers to outline their suggestions for the management of waste.

We have been investigating the feasibility of the installation of Solar Photo Voltaic (PV) at a shopping centre in the UK. Solar PV is a technology that harnesses sunlight to generate electricity for use in the centre and to generate potential income through earnings from 'Feed-In' tariffs.

Occupier engagement

PR 18	Mandatory	Core Assessed	PRI 2
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PR 18.1	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
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- ☒ >90% of occupiers
- ☐ 51-90% of occupiers
- ☐ 10-50% of occupiers
- ☐ <10% of occupiers

(in terms of number of occupiers)

PR 18.2	Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.
----------------	---

- ☐ Distribute a sustainability guide to occupiers
- ☐ Organise occupier events focused on increasing sustainability awareness
- ☒ Deliver training on energy and water efficiency
- ☒ Deliver training on waste minimisation
- ☒ Provide feedback on energy and water consumption and/or waste generation
- ☒ Provide feedback on waste generation
- ☒ Carry out occupier satisfaction surveys
- ☒ Other, specify

Water cost recovery.

PR 18.3	Additional information. [Optional]
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In a number of our shopping centres we have introduced the water cost recovery initiative shown under "Other" above. This is a project where the charge for water consumption changes from a general outgoings expense recovery category to a direct retailer category for high use users. This makes retailers more aware of their water usage and the associated cost and has led to a reduction in the former.

We have undertaken environmental and sustainability surveys at all of our Australian shopping centres to encourage retailers, employees, contractors and customers to understand good environmental and sustainability practices while creating a sense of ownership.

We continue to roll out education and training programs for retailers and customers in all our assets.

Communication

PR 23	Mandatory	Core Assessed	PRI 6
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PR 23.1	Indicate if your organisation proactively discloses ESG information on your property investments.
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- ☒ Disclose publicly

	provide URL
--	-------------

<http://www.qic.com/corporate-governance/responsible-investment.aspx>

	provide URL
--	-------------

<http://www.qic.com.au/downloads/file/corporategovernance/QIC-GR>

PR 23.2	Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.
----------------	---

- ☐ Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
- ☒ Other property reporting standards, specify

NABERS, GRESB

☐ No property specific reporting standards are used

PR 23.3

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

☒ Yes

PR 23.4

Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

- ☒ ESG information on how you select property investments
- ☒ ESG information on how you monitor and manage property investments
- ☒ Information on your property investments' ESG performance
- ☐ Other, specify

PR 23.5

Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

- ☐ Quarterly or more frequently
- ☐ Semi annually
- ☒ Annually
- ☐ Every two years or less frequently
- ☐ Ad-hoc, specify

PR 23.6

Describe the ESG information and how your organisation proactively discloses it to the public and/or clients/beneficiaries. [Optional]

The submission to our GRESB survey is available online. We also produce an annual ESG report which covers all of GRE's ESG initiatives. The annual QIC GRE ESG report is sent to all GRE clients and their respective asset consultants every year.

- ☐ No
- ☐ Disclose to clients/beneficiaries only
- ☐ No proactive disclosure to the public or to clients/beneficiaries

QIC

Reported Information

Public version

Direct - Infrastructure

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

INF 04	Voluntary	Descriptive	PRI 1-6
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INF 04.1

Provide a brief overview of your organisation's approach to responsible investment in infrastructure where you have equity stakes.

The QIC Global Infrastructure investment process involves a rigorous and disciplined five-step approach, which drives confident and timely execution decisions.

QIC GI recognises that infrastructure assets enable the efficient functioning and growth of the community and improve the quality of life of the local community through the provision of essential services. Infrastructure assets are typically long term assets and therefore, long term implications need to be taken into account. Applying ESG considerations to our investment and asset management processes provides a framework for continuous improvement that will enhance the returns to our clients.

There are two key areas of integration of ESG matters in the QIC GI investment process:

- Pre- investment asset selection: QIC GI undertakes a risk assessment to determine how potential investments are selected and how they are placed to take advantage of the risks and opportunities of ESG factors.
- Post investment asset management: As part of its on-going asset management of an investment, QIC GI seeks to implement continuous improvement through active management, voting and reporting of ESG issues.

Infrastructure is a very diverse asset class and the variety and materiality of ESG factors will differ amongst each of the sectors of Transport (roads, rail, ports, airports), Utilities (electricity, gas, water) and availability based concessions. The QIC GI teams work at gaining a detailed understanding of particular ESG factors that affect each sector.

Our operating environment and the roles, processes and practices are designed to ensure the interests of shareholders, clients, staff and other stakeholders are actively managed.

ESG considerations are now a formal section of all IC recommendations.

In addition to having a dedicated RI specialist with QIC, the GI team also has its own ESG champion who devotes 0.25 of their time covering ESG issues.

INF 05	Mandatory	Core Assessed	PRI 1-6
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INF 05.1

Indicate if your organisation has a responsible investment policy for infrastructure.

☒ Yes

INF 05.2

Provide a URL if your policy is publicly available. [Optional]

<http://www.qic.com/corporate-governance/responsible-investment.aspx>

☐ No

INF 05.3

Additional information. [Optional]

In addition to the QIC RI policy which covers QIC's approach to ESG integration across all investments, the QIC Global Infrastructure team also have their own ESG guidelines specific to their investment approach.

QIC Global Infrastructure ESG Guidelines cover all of the investments that it manages. QIC GI considers ESG factors through an overarching risk management framework, analysed at the different stages of its investment process from initial screening, investment decision and asset management.

QIC Global Infrastructure believes that by considering ESG factors when constructing and managing assets, it can broaden the sources for idea generation and potentially improve risk management and increase return opportunities for clients. Integrating ESG considerations into investment decisions does not mean that certain assets or sectors will be excluded purely on ethical grounds. The reason for assessing ESG risks and opportunities is because the manner in which a company manages its ESG risks often provides an indication of overall company risk management and organisational qualities. Well-governed companies will usually have appropriate environmental and social risk policies and procedures in place and the board of directors of those companies will oversee these risks and policies.

Fundraising of infrastructure funds

INF 06	Mandatory	Core Assessed	PRI 1,4,6
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INF 06.1

Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

☒ Yes

INF 06.2

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- ☒ Policy and commitment to responsible investment
 - ☐ Always
 - ☒ In a majority of cases
 - ☐ In a minority of cases
- ☒ Approach to ESG issues in pre-investment processes
 - ☐ Always
 - ☒ In a majority of cases
 - ☐ In a minority of cases
- ☒ Approach to ESG issues in post-investment processes

how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- ☐ Always
- ☒ In a majority of cases
- ☐ In a minority of cases

INF 06.3

Describe how your organisation refers to responsible investment for infrastructure funds in fund placement documents (PPMs or similar). [Optional]

The information memorandum for the QIC Global Infrastructure Fund outlines QIC's approach to responsible investment both from a policy and practice perspective in how responsible investment is incorporated into our investment and asset management processes.

- ☐ No
- ☐ Not applicable as our organisation does not fundraise

INF 06.5	Additional information. [Optional]
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QIC's believes RI is an important issue that needs coverage in all documents relating to infrastructure investments.

Pre-investment (selection)

INF 08	Mandatory	Gateway	PRI 1
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INF 08.1	Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments.
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☒ Yes

INF 08.2	Describe your organisation's approach to incorporating ESG issues in infrastructure investment selection. [Optional]
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In addition to the QIC RI policy which covers QIC's approach to ESG integration across all investments, the QIC Global Infrastructure team also have their own ESG guidelines specific to their investment approach. The team also has a documented process articulating how it approaches the integration of ESG factors in assessing infrastructure investment opportunities.

The approach towards ESG integration covers all of the investments that the team acquires and manages. QIC GI considers ESG factors through an overarching risk management framework, analysed at the different stages of its investment process from initial screening, investment decision and asset management.

QIC Global Infrastructure (GI) believes that by considering ESG factors when constructing and managing assets, it can broaden the sources for idea generation and potentially improve risk management and increase return opportunities for clients. Integrating ESG considerations into investment decisions does not mean that certain assets or sectors will be excluded purely on ethical grounds. The reason for assessing ESG risks and opportunities is because the manner in which a company manages its ESG risks often provides an indication of overall company risk management and organisational qualities. Well-governed companies will usually have appropriate environmental and social risk policies and procedures in place and the board of directors of those companies will oversee these risks and policies.

Infrastructure is a very diverse asset class and the variety and materiality of ESG factors will differ amongst each of the sectors of Transport (roads, rail, ports, airports), Utilities (electricity, gas, water) and availability based concessions. The GI dedicated sectors teams allow for a detailed understanding of the particular factors that affect each sector.

GI applies a screening process at the outset and some opportunities do not proceed to due diligence if the ESG risks are determined to be too high. An example would be where it is determined that there is a perceived risk of bribery or corruption.

ESG issues that arise during the due diligence phase are factored into the business plan for the investment. ESG considerations provide both risks and opportunities for value creation. This business plan is a key in the investment decision.

Material ESG issues are considered as part of the downside risk analysis for each investment. ESG consideration is a formal section of all IC recommendations. Material issues are then tracked through the transition phase post investment.

☐ No

INF 08.3	Additional information. [Optional]
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QIC has a Responsible Investment toolkit in place. This document provides a guide to how the team will incorporate ESG considerations into the evaluation of investment opportunities. This allows the team to capture key ESG risks and opportunities - identifying them early on. In addition the guidance document gives direction on areas that need deeper due diligence and analysis. ESG considerations are now reported as part of all investment recommendations. There is a formal section in IC papers that is dedicated to consideration of ESG risks.

INF 09	Voluntary	Descriptive	PRI 1,4
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INF 09.1	Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the infrastructure investment selection process.
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- ☒ Internal staff
 - ☒ Specify role
 - QIC's RI Specialist
 - ☒ Specify role
 - GI's own ESG Champion
 - ☐ Specify role
- ☒ External resources
 - ☒ Environmental advisors
 - ☐ Social advisors
 - ☐ Corporate governance advisors
 - ☒ Regulatory and/or legal advisors
 - ☒ Other, specify type of advisors/roles
 - Specialist ESG advisers
- ☐ No use of internal or external advice on ESG issues

INF 09.2	Additional information.
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QIC's GI team where required, uses environmental and technical advisers to focus on such issues as climate change impacts, carbon usage and use of natural resources. This information is then incorporated into the risk assessments that form part of the investment analysis for each investment opportunity.

GI has also begun to use specialist ESG advisers when specialist service is required when a particular ESG Risk is identified.

INF 10	Mandatory	Core Assessed	PRI 1,3
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INF 10.1	Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.
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ESG issues

- ☒ Environmental

List up to three typical examples of environmental issues

Scarcity of natural resources – eg gas, coal, water

Climate change impacts – eg rising sea water levels, risks of stranded assets

Environmental performance and risk management – waste, water and energy

☒ Social

List up to three typical examples of social issues

Community relations – social impacts, community relocations

Workplace health and safety - LTI, accident rates, fatalities

Labour relations - fair wages, union management, child labour

☒ Governance

List up to three typical examples of governance issues

Board composition, including independence and business strategy

Financial reporting, system of risk management and control

Policies and procedures for managing risks – bribery and corruption

INF 10.2

Additional information. [Optional]

Infrastructure assets have a number of ESG issues that are high priority issues. This arises from the fact that they often play a role in providing essential services to the communities and environments in which they operate.

ESG issues will vary sector by sector. However, there are a number of common themes that QIC's explicitly analyses as part of its investment process. These include:

- **Safety:** Often workers are operating in high risk environments e.g. in a live motorways or high voltage electricity environment for example. Safety of users of the general public in and around the facilities is also a key focus.
- **Environmental management:** There is often a high risk of contamination in the operations of infrastructure assets, and together with managing the impact on these facilities on local habitats. Therefore it is important the company and its contractors have good environmental management systems; and
- **Community relations and stakeholder management:** Infrastructure assets can be negatively impacted if the business has a poor reputation in the community (often the users of the facility or ultimate customers) that it operates.
- **Governance:** Appropriate composition of the board, risk management (systems, culture and compliance) and reporting transparency.

Selection, appointment and monitoring of third-party operators

INF 13

Mandatory

Core Assessed

PRI 4

INF 13.1

Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party operators.

☒ Yes

INF 13.2

Indicate your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party operators.

- ☒ Selection process of third-party operators incorporates ESG issues
 - ☒ For all third-party operators
 - ☐ For a majority of third-party operators
 - ☐ For a minority of third-party operators
- ☒ Contractual requirements when appointing third-party operators includes ESG issues
 - ☐ For all third-party operators
 - ☒ For a majority of third-party operators
 - ☐ For a minority of third-party operators
- ☒ Monitoring of third-party operators covers ESG responsibilities and implementation
 - ☒ For all third-party operators
 - ☐ For a majority of third-party operators
 - ☐ For a minority of third-party operators

INF 13.3

Provide a brief description of your organisation's selection, appointment and monitoring of third-party operators. [Optional]

Where QIC GI's asset management companies outsource aspects of their operations. QIC GI will seek to ensure that those contractors meet required workplace health and safety and other ESG requirements. This includes site visits to the operations of those contractors and engagement between the Board and the contractors senior management team.

INF 13.4

Describe how your third-party operators contribute to the management of ESG issues for your infrastructure investments. [Optional]

We work with like-minded partners, who endorse QIC GI's approach to ESG practices. Third party partners contribute by engaging with us on specific issues and providing us reporting of their activities.

☐ No

Post-investment (monitoring and active ownership)

Overview

INF 14**Mandatory****Gateway****PRI 2****INF 14.1**

Indicate if your organisation, and/or operators, consider ESG issues in post-investment activities relating to your infrastructure assets.

☒ Yes

INF 14.2	Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets.
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- ☒ We consider ESG issues in the monitoring and operation of infrastructure
- ☒ We consider ESG issues in infrastructure maintenance
- ☒ We consider ESG issues in stakeholder engagements related to our infrastructure
- ☐ We consider ESG issues in other post-investment activities, specify

INF 14.3	Describe how your organisation, and/or operators, considers ESG issues in post-investment activities related to your infrastructure investments. [Optional]
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As part of its on-going asset management of an investment, QIC GI seeks to implement continuous improvement of ESG factor through active management, voting and reporting.

During the ownership phase, ESG factors are largely undertaken by the asset company boards and management. QIC GI seeks to ensure that the appropriate corporate culture is adopted at our portfolio companies through exercising governance and influence through the Board process and as an asset owner. This is an important consideration for all Board members given the personal liability that can be attributed to the directors including failures relating to ESG related factors.

For example:

GI places a high degree of importance on ensuring that each of QIC GI's portfolio companies provide a safe place to work and safe environment for the users of its services. Workplace, health and safety matters will be reflected in the business KPIs and individual management KPIs.

Workplace health and safety is a key focus of how QIC GI undertakes our asset management activities. It is a key focus for the board of each portfolio company. There is regular reporting which captures monthly and year to date statistics, incidents and leading indicators such as hazard reporting and leadership behaviour. This is discussed at each board meeting. QIC GI Board representatives and asset managers undertake regular safety inspections. Operational due diligence assessments of compliance with workplace health and safety obligations have also been undertaken.

QIC GI will seek to ensure through its Board representatives that the Strategy for the business takes account of ESG Factors relevant to that business. This includes having appropriate environmental management systems, workplace health and safety systems, risk management systems preferably meeting accreditation standards.

GI has also understand specific risk and compliance reviews and organisational culture reviews on specific assets

☐ No

Infrastructure monitoring and operations

INF 15	Mandatory	Core Assessed	PRI 2
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INF 15.1	Indicate the proportion of infrastructure assets where your organisation, and/or operators, included ESG performance in investment monitoring during the reporting year.
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- ☒ >90% of infrastructure assets
- ☐ 51-90% of infrastructure assets
- ☐ 10-50% of infrastructure assets
- ☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

INF 15.2	Indicate ESG issues for which your organisation, and/or operators, typically sets and monitors targets (KPIs or similar) and provide examples per issue.
-----------------	--

☒ Environmental

	List up to three example targets per issue
--	--

Environmental management – waste, water and energy

Sustainability practices within business operations

Climate change risks and opportunities

☒ Social

	List up to three example targets per issue
--	--

Stakeholder and community engagement

Workplace health and safety targets

Remuneration frameworks/KPIS

☒ Governance

	List up to three example targets per issue
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Board evaluation processes by external parties

Transparency of financial reporting, include internal and external audit.

Bribery and corruption

☐ We do not set and/or monitor against targets

INF 15.3	Additional information. [Optional]
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The QIC GI team seeks to set and actively monitor ESG performance of investments at the company level through its board representatives. E.g. Setting business KPIs for compliance, sustainability practices in business operations, stakeholder management and engagement, Workplace health and safety targets, board evaluation.

INF 16	Mandatory	Additional Assessed	PRI 2
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INF 16.1	Indicate if you track the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
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☒ Yes

INF 16.2	Indicate the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
-----------------	--

- ☐ >90% of infrastructure investees
- ☒ 51-90% of infrastructure investees
- ☐ 10-50% of infrastructure investees
- ☐ <10% of infrastructure investees
- ☐ 0% of infrastructure investees

(in terms of number of infrastructure investees)

INF 16.3

Describe how your organisation, and/or your operators, contribute to the infrastructure investees' management of ESG issues. [Optional]

QIC GI seeks to influence through its board representatives to ensure that the Board of the companies puts in place appropriate ESG/sustainability policies. QIC GI has implemented changes to its monitoring and compliance checklists to ensure that this is tracked.

☐ No

Infrastructure maintenance

INF 18**Mandatory****Core Assessed****PRI 2****INF 18.1**

Indicate the proportion of active infrastructure maintenance projects where ESG issues have been considered.

- ☒ >90% of active maintenance projects
- ☐ 51-90% of active maintenance projects
- ☐ 10-50% of active maintenance projects
- ☐ <10% of active maintenance projects
- ☐ N/A, no maintenance projects of infrastructure assets are active

(in terms of number of active maintenance projects)

INF 18.2

Describe your approach to ESG considerations for infrastructure maintenance projects. [Optional]

The primary issues QIC Global Infrastructure Board representatives will require of maintenance projects is to ensure the contractors have both the experience and qualifications to meeting environmental and workplace health and safety management. QIC Global Infrastructure would generally prefer contractors with the AS 4801 accreditation and ISO 9001 quality accreditation. QIC would investigate the safety record and labour practices of these contractors.

Communication

INF 22**Mandatory****Core Assessed****PRI 6****INF 22.1**

Indicate if your organisation proactively discloses ESG information on your infrastructure investments.

- ☒ Disclose publicly

please provide URL

<http://www.gic.com/corporate-governance/responsible-investment.aspx>

please provide URL

<http://www.gic.com/downloads/file/corporategovernance/GIESGGuidelines.pdf>

INF 22.2

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

☒ Yes

INF 22.3

Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

- ☒ ESG information on how you select infrastructure investments
- ☒ ESG information on how you monitor and manage infrastructure investments
- ☐ Information on your infrastructure investments' ESG performance
- ☐ Other; specify

INF 22.4

Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

- ☐ Quarterly or more frequently
- ☐ Semi annually
- ☒ Annually
- ☐ Every two years or less frequently
- ☐ Ad-hoc; specify
- ☐ No
- ☐ Disclose to clients/beneficiaries only
- ☐ No proactive disclosure to the public or to clients/beneficiaries