



Sustainable Finance Framework

QIC REAL ESTATE
JUNE 2024

We acknowledge and respect the traditional lands and cultures of First Nations peoples in Australia and globally and pay our respects to Elders past and present. We recognise First Nations peoples' longstanding and ongoing spiritual connections to land, sea, community, and country.

This Framework was created by QIC and MUFG, CBA and ANZ as Joint ESG Coordinators

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1. Purpose

This Sustainable Finance Framework (the “Framework”) outlines how QIC Real Estate (acting in its capacity as responsible entity/trustee/manager of the entities listed in Section 2 (collectively the “Borrowers”) intends to issue and manage sustainable finance instruments.

This Framework has been developed in line with voluntary process guidelines that are accepted as best practice for the issuance of sustainable finance instruments globally. These guidelines have been issued by the Loan Markets Association (“LMA”), the Asia–Pacific Loan Markets Association (“APLMA”), the Loan Syndications and Trading Association (“LSTA”), the International Capital Markets Association (“ICMA”), and the International Swaps and Derivatives Association (“ISDA”) as applicable and are collectively known as the “Market Standards”.

This Framework may be updated to reflect continued alignment with best practice and the Market Standards as the sustainable finance market continues to evolve, as well as QIC Real Estate’s ESG Strategy as this advances over time.

2. Introduction

QIC Real Estate is a specialist real estate manager with a property portfolio comprising some of Australia’s busiest retail–anchored mixed use town centres, convenient neighbourhood and large–format shopping centres, prime office buildings, dynamic public spaces and productive industrial assets.

With a 30+ year track record in active real estate management, ~40 real estate assets and ~186 million in annual foot traffic, QIC Real Estate has demonstrated capability in driving performance.¹

QIC Real Estate manages various funds including, but not limited to:

QIC Property Fund (“QPF”)

QPF consists of retail assets with its primary strategy being to acquire, develop and actively manage dominant Australian retail-led town centre assets that seek to provide consistent growth over the longer term while delivering stable income returns.

QIC Town Centre Fund (“QTCF”)

QTCF consists of retail assets with its primary strategy being to acquire, develop and actively manage dominant Australian retail-led town centre assets that seek to provide consistent growth over the longer term while delivering stable income returns.

QIC Australia Core Plus Fund (“QACPF”)

QACPF is an open-ended diversified fund that provides institutional investors access to a portfolio of retail assets with defensive income yields and value add opportunities.

QIC Active Retail Property Fund (“QARP”)

QARP is a portfolio of supermarket-anchored sub-regional, neighbourhood shopping centres and large format retail centres that are dominant, or have the potential to become dominant, in their trade area.

QIC Office Fund (“QOF”)

QOF comprises office buildings and a development site located within the Brisbane CBD, which are predominately leased to the Queensland State Government. The portfolio is well positioned to continue to provide secure income streams and benefit from nearby projects which will enhance precinct infrastructure and amenity.

¹ As at 30 June 2024

2.1 ESG at QIC Real Estate

2.1.1 QIC Real Estate ESG Approach and Strategy

At QIC Real Estate, our ESG priorities are informed by our ESG strategy. This strategy was developed using materiality-based research on current and emerging megatrends and key stakeholder feedback to focus our approach on the ESG themes most prominent for our real estate portfolio. Our strategic focus on material environmental and social issues is underpinned by a commitment to high standards of governance and is aligned to the QIC Sustainable Investment Policy. We regularly review our ESG Strategy using refreshed materiality-based research to ensure it continues to focus on those risks and opportunities most prominent to our business and asset portfolio. Our ESG strategy on a page can be seen below, and focuses our efforts around four priority areas:



A set of long and short-term objectives guide the implementation of our ESG Strategy and we monitor our progress against these over time. Our long-term objectives are guided by longer term global sustainability agendas such as the UN Sustainable Development Goals (“UN SDG”). Short-term targets are informed by globally recognised best practice frameworks, such as the Global Reporting Initiative (“GRI”), Sustainability Accounting Standards Board (“SASB”), Global Real Estate Sustainability Benchmark (“GRESB”)², Green Star³, National Australian Built Environment Rating System (“NABERS”)⁴ and Business for Societal Impact (“B4SI”).

ESG objectives for our real estate portfolio are embedded into our teams’ annual targets and strategies, as well as individuals’ scorecards for those professionals who play a leading or supporting role in delivering on these objectives.

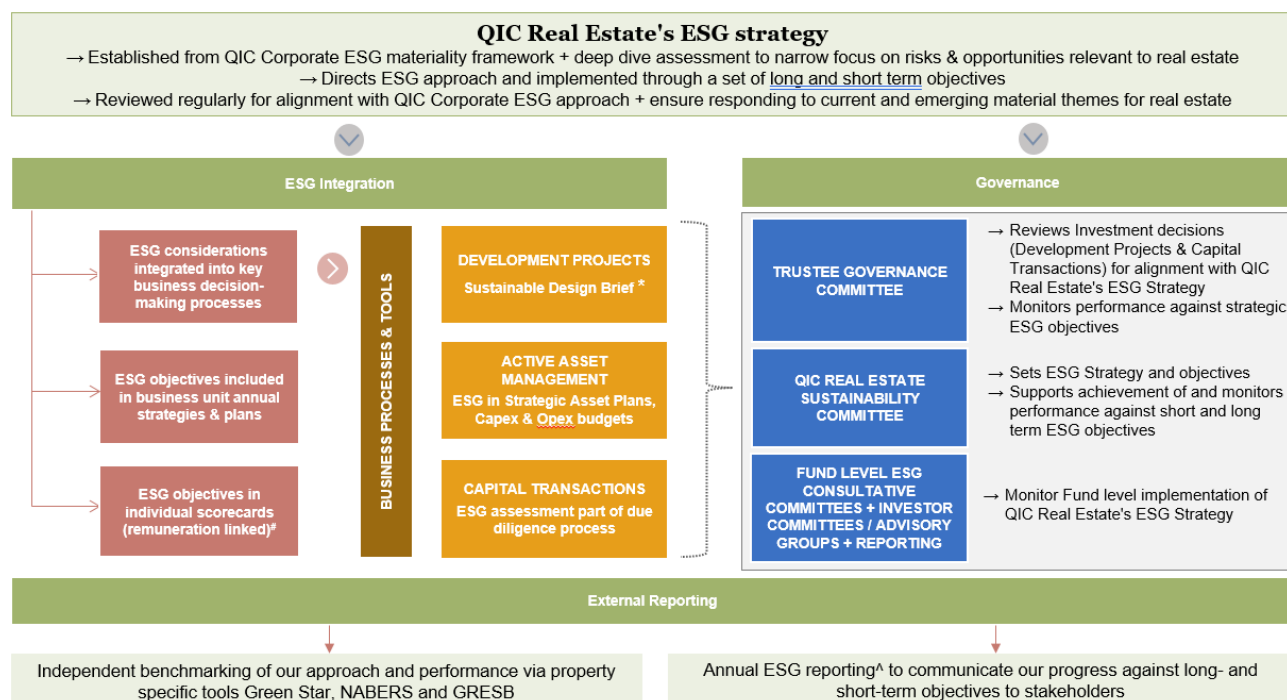
² QIC is an investor member of GRESB and pays an annual fee.

³ QIC is a member of the Green Building Council of Australia who administer the Green Star sustainably building rating tools, and QIC pays an annual fee.

⁴ Lodgement fees are paid on behalf of QIC to NABERS for each individual rating undertaken.

2.1.2 Implementation of QIC Real Estate ESG Strategy

We use our ESG strategy and objectives to guide our integration approach. ESG is integrated through tools and guidance documents which are incorporated into key business decision making processes, so that ESG considerations are driven by the business in accordance with our ESG strategy. Several governance processes are in place to oversee our approach within the Real Estate business.



* Established during 2022 to ensure alignment with QIC Real Estate ESG strategy and applied to all major development and capital upgrade projects across core asset portfolio.

Applies to employees who play a direct or indirect role in enabling the delivery of programs to achieve our ESG objectives at all organisation levels.

[^] Environmental performance data undergoes third party external assurance with KPMG prior to publishing in external domain.

2.1.3 Corporate Governance and Risk Management

The QIC Board has ultimate accountability for risk and is responsible for setting QIC's corporate strategy and risk appetite, identifying and monitoring risks that may affect our ability to achieve strategic objectives and ensuring that the CEO and the team of senior executives are appropriately monitored and incentivised to manage the business effectively. The QIC Board has put in place Board committees, each of which is responsible for overseeing specific risks facing QIC.

Trustee Governance Committee

The Real Estate Trustee Governance Committee ("TGC") was established to ensure sufficient independent oversight of actions taken by QIC Real Estate funds. The TGC is responsible for:

- reviewing all investments exceeding AUD\$20M and investment related risks for the Real Estate Funds
- considering and approving proposed changes to the Trustee of a Real Estate Fund
- reviewing and approving changes to the investment strategy for each Real Estate Fund
- monitoring the overall investment portfolio performance of each Real Estate Funds
- reviewing and approving material agreements entered into in relation to each Real Estate Fund with QIC Group Entities
- reviewing investment recommendations made to Real Estate clients under separate client mandates.

The TGC includes three independent members and two executive members, including the Managing Director, QIC Real Estate and QIC's Chief Risk Officer.

The TGC will only review or consider matters brought to it for review or consideration by Fund Managers of the Real Estate Funds, the QIC Limited Board or the Managing Director – Real Estate. The TGC is not empowered to consider matters of its own motion. However, the Fund Managers and Trustees of the Real Estate Funds must seek the approval of the TGC for all specified matters and must implement those matters in accordance with any approval from the TGC.

The impact on QIC Real Estate achieving its strategic ESG objectives is a key part of the TGC's consideration of matters brought before it, as well as regular oversight of performance against long and short term ESG targets.

QIC Real Estate Sustainability Committee

The QIC Real Estate Sustainability Committee is a Management Committee established to ensure governance and oversight of ESG integration across assets managed by QIC Real Estate. The Sustainability Committee provides advice and assists with the development, management and enhancement of QIC Real Estate's ESG strategy, targets and objectives as they apply to the operation and management of our real estate portfolios, while having regard to a constantly changing market environment and stakeholder expectations.

Oversight of the implementation of asset level initiatives and their alignment with QIC Real Estate's ESG strategy, objectives and commitments is the key pillar of the Committee's remit, as well as regular monitoring of our performance against key ESG targets. The Committee is chaired by QIC Real Estate's Managing Director and includes senior leader membership from across the Real Estate and broader QIC business.

3. Sustainable Finance Framework

The sustainable finance instruments issued under this Framework may include, but are not limited to:

Sustainability Linked Instruments	Use of Proceeds Instruments	Any other sustainable finance instruments as may be reflected in updates to this Framework from time to time.
<ul style="list-style-type: none">• Sustainability Linked Loans• Sustainability Linked Bonds• Sustainability Linked Derivatives.	<ul style="list-style-type: none">• Green Loans• Green Bonds.	

This Framework may apply to the following QIC Real Estate funds, including:

- QPF
- QTCF
- QARP
- QACPF
- QOF
- Any other QIC Real Estate fund as may be reflected in updates to this Framework from time to time.

4. Sustainability Linked Instruments

Sustainability Linked Instruments are performance-based instruments where a margin or coupon adjustment is linked to a borrower’s or issuer’s performance against ambitious environmental and/or social targets.

Sustainability Linked Instruments issued under this Framework will align with the following five core components of the February 2023 LMA/APLMA/LSTA Sustainability Linked Loan Principles (“SLLP”) and June 2024 ICMA Sustainability Linked Bond Principles (“SLBP”), as may be updated from time to time:

1. Selection of Key Performance Indicators (“KPIs”)
2. Calibration of Sustainability Performance Targets (“SPTs”)
3. Structural characteristics
4. Reporting
5. Verification.

4.1 Selection of Key Performance Indicators

QIC Real Estate will select KPIs that are:

- Measurable and quantifiable
- Relevant, core and material to the business
- Of high strategic significance to the current and future operations
- Aligned with QIC Real Estate’s ESG Strategy.

QIC Real Estate have selected the following KPI themes as a guide for potential target setting, noting this list is non-exhaustive:

<i>QIC Real Estate Strategy</i>	<i>QIC Real Estate KPI Theme</i>	<i>Potential KPIs</i>
Benchmarking and certifications	Green building certifications	<ul style="list-style-type: none"> • GBCA Green Star⁵ Buildings • GBCA Green Star Performance • GBCA Green Star Communities • GBCA Green Star Interiors • NABERS⁶ Energy • NABERS Water • NABERS Waste
Climate Change	Greenhouse gas emissions and energy consumption / efficiency	<ul style="list-style-type: none"> • Scope 1 and 2 carbon emissions reduction (Absolute or Intensity) • Scope 3 carbon emissions (Direct reduction, Influencing reduction or Engagement-based) • Renewable energy installation or usage • Energy consumption reduction (Absolute or Intensity)
	Climate resilience and adaptation	<ul style="list-style-type: none"> • Building enhancements to protect from acute or chronic impacts of climate change
Nature and Circularity	Materials stewardship, landfill avoidance and circularity	<ul style="list-style-type: none"> • Waste reduction, recycling or reuse of materials
	Water stewardship	<ul style="list-style-type: none"> • Water consumption and reuse

⁵ QIC is a member of the Green Building Council of Australia who administer the Green Star sustainably building rating tools, and QIC pays an annual fee.

⁶ Lodgement fees are paid on behalf of QIC to NABERS for each individual rating undertaken.

<i>QIC Real Estate Strategy</i>	<i>QIC Real Estate KPI Theme</i>	<i>Potential KPIs</i>
Community Investment	Collective support and progress on reconciliation	<ul style="list-style-type: none"> Engagement with Indigenous communities conducted Percentage of total procurement with Indigenous-owned businesses
	Diversity and Inclusion	<ul style="list-style-type: none"> Gender balance on senior leadership team
	Economic participation and inclusion	<ul style="list-style-type: none"> Percentage of total spend on social enterprises Percentage of total procurement on local businesses Number of affordable housing units created
Sustainable Value Chain	Partnering to drive industry change	<ul style="list-style-type: none"> Engagement with tenant/suppliers on climate change
	ESG standards and conduct	<ul style="list-style-type: none"> Cleaning Accountability Framework (CAF) certification Engagement of Tier 1 suppliers on ESG (e.g. training, surveys, audits)

4.2 Calibration of Sustainability Performance Targets

QIC Real Estate will calibrate SPTs that are:

- Consistent with QIC Real Estate’s ESG strategy
- Represent a material improvement in the respective KPIs
- Beyond a “Business as Usual” trajectory
- Above regulatory requirements (where relevant and available)
- Benchmarked against relevant external standards (where relevant and available).

The SPTs will be clearly specified in the relevant documentation for each Sustainability Linked Instrument together with any material factors that may impact the achievement of the SPTs. All calculation methodologies, assumptions, historic data and/or industry benchmarks, and any key factors beyond the control of QIC Real Estate that may impact the achievement of the SPTs will also be disclosed in the relevant documentation.

4.3 Structural Characteristics

The structural characteristics (margin adjustments to any issued Loan, Bond and any other applicable product) of a Sustainability Linked Instrument may change depending on QIC Real Estate’s performance against the pre-defined SPTs. The magnitude of the coupon or margin adjustment will be clearly set out in the relevant documentation for each transaction, which may be in the form of a sustainability premium or discount threshold.

4.4 Reporting

For each Sustainability Linked Instrument issued under this Framework, QIC Real Estate will outline the scope and detail of reporting in the relevant documentation. At a minimum, QIC Real Estate commits to providing the following reporting to lenders and/or investors:

<i>Item</i>	<i>Frequency</i>
Framework	As required: At issuance of the first Sustainability Linked Instrument under this Framework or for subsequent issuances following any potential amendments of the Framework.
Sustainability Performance Certificate	As required: Throughout the tenor of each Sustainability Linked Instrument, QIC Real Estate will report the performance against the relevant SPTs.

4.5 Verification

Prior to issuance: Prior to any Sustainability Linked Instrument issued under this Framework, QIC Real Estate will obtain an external review report in the form of a Limited Assurance/SPO report from an approved provider demonstrating alignment of the Sustainability Linked Instrument to the relevant Market Standards. This includes providing verification of materiality of the selected KPIs, and the level of ambition required by QIC Real Estate in achieving those SPTs. In addition, QIC Real Estate will obtain an assurance report to confirm the accuracy of the underlying baseline data. This assurance may be in the form of a Limited Assurance report on the latest QIC Real Estate's external sustainability reporting or may be specific to the Sustainability Linked Instrument.

Post issuance: QIC Real Estate will ensure that external assurance of the performance level against each SPT for each KPI is received annually, or for any periods relevant for assessing the SPT performance leading to a potential adjustment of the structural characteristics of any Sustainability Linked Instrument that is issued. The external assurance process will include confirmation on the accuracy of the reported performance against each KPI and confirmation of whether a SPT has been achieved for the relevant sustainability period.

5. Use of Proceeds Instruments

Use of Proceeds Instruments are defined as instruments where the proceeds will be exclusively used to finance or refinance, in part or in full, new and/or existing assets or projects that create positive environmental outcomes.

Use of Proceeds Instruments issued under this Framework will align with the following four core components of the February 2023 LMA/APLMA/LSTA Green Loan Principles (“GLP”) and June 2024 ICMA Green Bond Principles (“GBP”), as may be updated from time to time:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting.

5.1 Use of Proceeds

Proceeds raised will be used to finance or refinance eligible green assets or projects, as defined in the eligibility criteria below (hereon the “Eligible Assets”). QIC Real Estate may obtain additional certification of Use of Proceeds Instruments under the Climate Bonds Initiative (“CBI”) as applicable and appropriate.





QIC Real Estate commits to allocating Use of Proceeds funds to Eligible Assets within the approved allocation period (24 months generally, and up to five or ten years for CBI certified instruments with written approval from CBI).

The lookback period for the Use of Proceeds Instruments will be carefully considered and documented in the relevant Facility Agreement.

For refinancing this should reflect the functional lifetime of the Eligible Assets for delivering the pre-defined eligibility criteria. The remaining functional life of the Eligible Assets must be greater than or equal to the term of the Use of Proceeds Instrument. The proceeds may only be used for refinancing operating expenditures incurred three years prior to the date of the Use of Proceeds Instrument.

Please note that for portfolio level Use of Proceeds financing, QIC may choose to issue on the basis the portfolio meets instrument specific criteria (to be determined at the time of issuance).

Eligibility Criteria









Eligible Asset Category ⁷	QIC Real Estate ESG Strategy	Eligible Assets	Potential Impact Metrics	CBI Sector Criteria	UN SDG Contribution
Green Buildings	Benchmarking & certifications	<p>Financing or refinancing of existing and/or new low carbon and efficient buildings, including upgrades, which are targeted to meet regional, national or internationally recognised standards or certifications including⁸:</p> <p>NABERS⁹:</p> <p>Existing Buildings:</p> <p>Retail</p> <ul style="list-style-type: none"> NABERS Energy minimum rating of 5.5 Star or above NABERS Water minimum rating of 4 Star or above <p>Office</p> <ul style="list-style-type: none"> NABERS Energy minimum rating of 5.5 Star or above NABERS Water minimum rating of 4 Star or above <p>New Buildings:</p> <p>Retail</p> <ul style="list-style-type: none"> NABERS Energy minimum rating of 5.5 Star or above. NABERS Water Ratings not eligible <p>Office</p> <ul style="list-style-type: none"> NABERS Energy minimum rating of 5.5 Star or above NABERS Water Ratings not eligible <p><i>Green Building Council of Australia (GBCA):¹⁰</i></p> <p>Green Star Performance:</p> <p>Retail</p> <ul style="list-style-type: none"> Green Star Performance minimum rating of 4 Star or above <p>Office</p> <ul style="list-style-type: none"> Green Star Performance minimum rating of 4 Star or above 	<p>NABERS Energy Rating —</p> <p>NABERS Water Rating —</p> <p>Green Star Buildings Rating —</p> <p>Green Star Performance Rating —</p> <p>Avoided emissions e.g. tCO₂-e emissions avoided from energy efficiency initiatives, % emissions reduced in embodied carbon)</p>	<p>Low Carbon Buildings – Commercial Buildings</p>	   











⁷QIC have considered eligible projects aligning with the Sustainable Value Chain and Community Investment pillar of its ESG Strategy, however note it will be excluded at this stage as it does not directly contribute towards the Eligible Project Categories under the GLP.




⁸Using the GBCA Sustainable Finance Guidance (November 2023), as amended from time to time

⁹ Lodgement fees are paid on behalf of QIC to NABERS for each individual rating undertaken.

¹⁰ QIC is a member of the Green Building Council of Australia who administer the Green Star sustainably building rating tools, and QIC pays an annual fee.

<i>Eligible Asset Category⁷</i>	<i>QIC Real Estate ESG Strategy</i>	<i>Eligible Assets</i>	<i>Potential Impact Metrics</i>	<i>CBI Sector Criteria</i>	<i>UN SDG Contribution</i>
		<p>Other</p> <ul style="list-style-type: none"> For other assets, a Green Star Performance minimum rating of 4 Star or above <p>Green Star Buildings:</p> <p>Retail</p> <ul style="list-style-type: none"> Green Star Buildings minimum rating of 4 Star or above <p>Office</p> <ul style="list-style-type: none"> Green Star Buildings minimum rating of 5 Star or above <p>Other</p> <ul style="list-style-type: none"> For other assets, a Green Star Buildings minimum rating of 4 Star or above <p>Other standards</p> <ul style="list-style-type: none"> A nationally or internationally recognised Green Building standard that is equivalent to the above 			
Pollution Prevention and Control	Nature & circularity	<p>Financing or refinancing of assets, technologies or projects that prevents waste or promotes sustainable waste management, including:</p> <ul style="list-style-type: none"> Waste recycling, diversion from landfill 	<p>Engagement on Scope 3 carbon emissions (% or tCO₂-e)</p> <p>—</p> <p>Waste reduction/diverted from landfill (tonnes)</p> <p>—</p> <p>Improvement in recycling (%)</p>	Waste Management	  
Sustainable Water and Wastewater Management	Nature & circularity	<p>Financing or refinancing of assets or projects that capture, treat, recycle and reuse water, including:</p> <ul style="list-style-type: none"> Urban drainage and stormwater management systems Rainwater harvesting and reuse Greywater and blackwater treatments Measures to reduce potable water use 	<p>Water consumption (kL)</p> <p>—</p> <p>Volume of wastewater treated, reused or avoided (kL or m³)</p> <p>—</p> <p>Volume of rainwater harvested or reused (kL)</p>	Water Infrastructure	   
Circular Economy	Nature & circularity	<p>Financing or refinancing of assets or projects that promote circularity, including:</p> <p>Technologies that increase the circularity of materials over an asset's life-cycle</p>	<p>Waste diverted from landfill (m³)</p> <p>—</p> <p>Amount of materials reused or repurposed (% or m²)</p> <p>—</p>	N/A	

<i>Eligible Asset Category⁷</i>	<i>QIC Real Estate ESG Strategy</i>	<i>Eligible Assets</i>	<i>Potential Impact Metrics</i>	<i>CBI Sector Criteria</i>	<i>UN SDG Contribution</i>
			Sustainable materials in buildings (%)		
Energy Efficiency and Expenditure supporting decarbonisation across Scope 1 & 2 Carbon Emissions	Climate Change	Financing or refinancing of existing and/or new assets that develop processes and products which reduce or improve energy consumption or carbon emissions of the underlying asset, including: <ul style="list-style-type: none"> Technologies in new or refurbished buildings Energy storage HVAC systems (heating, ventilation and air-conditioning) District cooling/heating Lighting Electrification Smart meters and grids 	Energy consumption reduction (MWh or GJ) — Scope 1 and 2 carbon emissions avoided (tCO ₂ -e)	Electrical Grids and Storage	   
Renewable Energy	Climate Change	Financing or refinancing of existing and/or new assets that support the production and transmission of renewable energy, including: <ul style="list-style-type: none"> Solar photovoltaic (PV) panels Batteries and other supporting infrastructure for renewable energy such as storage facilities and transmission infrastructure 	Renewable energy generated (MW) — Renewable energy split (%) — Scope 1 and 2 carbon emissions (tCO ₂ -e)	Solar Energy	  
Expenditure supporting the reduction or mitigation of QIC Real Estate Scope 3 Carbon Emissions	Climate Change	Financing or refinancing of existing and/or new assets that support the reduction or mitigation of Scope 3 carbon emissions, including: <ul style="list-style-type: none"> Technologies and processes that reduce or mitigate Scope 3 carbon emissions Design outcomes and materials selection in developments, refurbishments and fitouts that mitigate or reduce Scope 3 embodied carbon emissions Electrification of tenanted area for existing and/or new assets Provision of renewable energy to tenanted area for new and/or existing assets Processes that reduce or mitigate Scope 3 carbon emissions 	Reduction in Scope 3 carbon emissions (tCO ₂ -e) — Reduction in upfront embodied carbon against baseline (%) or target (tCO ₂ -e/m ²) — # or % of parking spaces with Electric Vehicle charging stations — Tenant education / engagement on Scope 3 carbon emissions reduction	Solar Energy, Waste Management, Low Carbon Transport	  

<i>Eligible Asset Category⁷</i>	<i>QIC Real Estate ESG Strategy</i>	<i>Eligible Assets</i>	<i>Potential Impact Metrics</i>	<i>CBI Sector Criteria</i>	<i>UN SDG Contribution</i>
Clean Transportation	Climate Change	Financing or refinancing of assets or projects that enable and enhance the use of sustainable transport options, including: <ul style="list-style-type: none"> • Supporting infrastructure for clean vehicles (e.g. electric vehicle charging stations) • Active travel facilities (e.g. cycling) • Other forms of assets or projects which encourages sustainable transportation 	Support infrastructure (# and type)	Low Carbon Transport	 
Climate Resilience & Adaptation	Climate Change	Financing or refinancing of capital works which will enhance asset resilience to adverse or major acute or chronic climate events. <ul style="list-style-type: none"> • Early warning systems • Physical building enhancements and other adaptation measures to protect against acute and chronic climate impacts 	Expenditure on climate change adaptation measures (\$)	N/A	

5.2 Process for Project Evaluation and Selection

QIC Real Estate will ensure that proceeds for any Use of Proceeds Instrument issued under this Framework are earmarked for financing or refinancing of new and/or existing Eligible Assets. This process will be governed by the QIC Real Estate Sustainability Committee. The process will involve project identification and review, addition of Eligible Assets to the Sustainability Financing Register, and management of external reviews and reporting requirements.

The Eligible Assets will be evaluated on an annual basis against the criteria outlined above. Any changes to the Eligible Assets will require annual external review and input from a qualified assurance provider to ensure the Eligible Assets continue to align and conform to the eligibility criteria. The outcome of any change in the Eligible Assets will be disclosed annually via a Green Finance Report which may also be contained within the QIC Real Estate ESG Annual Report.

1	<i>Project Identification</i>	Indicative list of Eligible Assets are identified by the Funds Management Team.
2	<i>QIC Real Estate Sustainability Committee Review</i>	QIC Real Estate Sustainability Committee reviews the indicative list of Eligible Assets against the eligibility criteria and endorses (or other) this list.
3	<i>Add to Register</i>	Eligible Assets are added to the Sustainability Financing Register.
4	<i>Pre-issuance Assurance</i>	External provider completes pre-issuance verification of Eligible Assets to ascertain their eligibility.
5	<i>Annual Review</i>	Annual verification by an external provider to confirm ongoing compliance of the Eligible Assets (as listed in the Sustainability Financing Register) with the Framework, and CBI certification requirements, both as applicable.
6	<i>Monitoring & Reporting</i>	QIC Real Estate Sustainability Committee monitoring and reporting implemented. Annual publication of the Green Finance Report including verification by the Assurance provider which may be published as part of QIC Real Estate's annual ESG Report.

5.3 Management of Proceeds

QIC Real Estate will establish a Sustainability Financing Register to manage the net proceeds of any Use of Proceeds Instrument and maintain the Sustainability Financing Register by tracking the notional allocation of net proceeds against each Eligible Asset.

The aggregate value of any outstanding Use of Proceeds Instrument (funded or committed) under this Framework will be less than the total enterprise value of the Eligible Assets.

Any unallocated net proceeds from Use of Proceeds Instruments will be temporarily invested in:

- a. temporary cash or cash equivalent instruments;
- b. other investment Instruments that do not include greenhouse gas intensive projects or assets which are inconsistent with the delivery of a low carbon and climate resilient economy; or
- c. facilities to reduce indebtedness of a revolving nature before being redrawn for investments or disbursement to proposed Eligible Assets.

In addition, proceeds will not be used to fund excluded categories under the CBI.

5.4 Reporting

For each Use of Proceeds Instrument issued under this Framework, QIC Real Estate commits to provide the following reporting to lenders and/or investors:

<i>Item</i>	<i>Frequency</i>
Framework	As required: At issuance of the first Use of Proceeds Instrument under this Framework or for subsequent issuances following any potential amendments of the Framework.
SPO	As required: At issuance of the initial Framework and following any potential amendments of the Framework. As required: May be sought prior to any Use of Proceeds issuance under this Framework.
Pre-Issuance Verification	As required: Pre-issuance verification may be sought prior to any Use of Proceeds issuance under this Framework.
Post-Issuance Verification	As required: Post-issuance verification will be sought as required to confirm the Use of Proceeds Instrument issued remains in compliance with the Framework and relevant Market Standards.
CBI Certification (if applicable)	As required: Pre-issuance certification of any CBI certified Use of Proceeds Instrument. As required: Post-issuance certification relating to the allocation of net proceeds report to confirm that any CBI certified Use of Proceeds Instrument issued remains in compliance with CBI. As required: CBI Update Report required to demonstrate ongoing conformance of the Use of Proceeds Instrument with the post-issuance requirements of the CBI standard.
Green Finance Report	As required/Annually (as applicable): Required for all outstanding Use of Proceeds Instruments to applicable lenders and/or investors. The Green Finance Report, will include: <ul style="list-style-type: none"> • Details of the Use of Proceeds Instrument (e.g. date of agreement, maturity, volume, ISIN as applicable); • A list of the Eligible Assets being financed or refinanced, including description and asset value; • Confirmation that the Eligible Assets meet the eligibility criteria under this Framework, including if relevant, information on characteristics and performance of the Eligible Assets; • Confirmation that the net proceeds have been allocated to earmarked Eligible Assets; and • Disclosure of unallocated proceeds.

Impact Reporting

As part of its Green Finance Report, QIC Real Estate may also choose to report on various qualitative and quantitative indicators and metrics that demonstrate positive impact derived from financing the Eligible Assets.

Impact reporting may be accompanied by disclosure of the underlying methodology and assumptions used in calculating performance. Potential impact metrics are included in the eligibility criteria table above.

6. External Review

QIC Real Estate has obtained a SPO report from DNV confirming the alignment of this Framework against the Market Standards.

Appendix 1: Terms and Definitions

<i>Term</i>	<i>Definition</i>
A–Grade	Includes materials that may be used repeatedly, constantly being returned to the same production cycle, and can be recovered without any consequent hazardous material build–up in the environment
B4SI	Refers to the Business for Societal Impact which is the global standard in measuring and managing corporate social impact. The B4SI Frameworks form a robust measurement standard that any company can apply to understand the difference their contributions make to business and society.
Cleaning Accountability Framework	The Cleaning Accountability Framework (“CAF”) was formed to end exploitation of cleaners in property services and look to improve work standards through education and advocacy.
Climate Bonds Initiative	The Climate Bonds Initiative is an international organisation working to mobilise global capital for climate action, promoting investment in projects and/or assets necessary for a rapid transition to a low carbon and climate resilient economy.
D&I	Refers to Diversity & Inclusion.
Eligible Assets	Assets selected by QIC Real Estate that fit the Green Project Categories as defined in the Green Loan Principles.
Framework	Refers to QIC Real Estate Sustainable Finance Framework
Green Star Ratings	<p>Founded by Green Building Council of Australia (“GBCA”) in 2003, Green Star is an internationally recognised rating system setting the standard for healthy, resilient, positive buildings and places. Developed for the Australian environment, Green Star has certified thousands of sustainable fitouts, buildings, homes and communities right across the country.</p> <p>Ratings include Green Star Buildings and Green Star Performance amongst others.</p> <p>QIC is a member of the Green Building Council of Australia who administer the Green Star sustainably building rating tools, and QIC pays an annual fee.</p>
GRESB	<p>Global Real Estate Sustainability Benchmark (“GRESB”). GRESB Real Estate Assessments capture information regarding ESG performance and sustainability best practices for real estate funds and companies worldwide. The Assessment offers high–quality ESG data and advanced analytical tools to benchmark ESG performance, identify areas for improvement and engage with investors.</p> <p>QIC is an investor member of GRESB and pays an annual fee.</p>
GRI	Global Reporting Initiative (“GRI”) is the independent, international organization that helps businesses and other organizations take responsibility for their impacts, by providing them with the global common language to communicate those impacts.
KPI	Refers to Key Performance Indicator.
Limited Assurance	A verification report provided by KPMG or any other independent and reputable party appointed by QIC Real Estate.
Market Standards	Refers to the Sustainable Finance Principles and Guidelines issued by the Loan Markets Association (“LMA”), Asia–Pacific Loan Markets Association (“APLMA”), Loan Syndications & Trading Association (“LSTA”), the International Capital Markets Association (“ICMA”) and the International Swaps and Derivatives Association (“ISDA”) as applicable.
NABERS	<p>The National Australian Built Environment Rating System provides simple, reliable, and comparable sustainability measurements across building sectors like hotels, shopping centres, apartments, offices, data centres, and more. Ratings range from one to six stars for buildings efficiency across Energy, Water, Waste, and Indoor Environment and are valid for twelve months to ensure current operational performance.</p> <p>Lodgement fees are paid on behalf of QIC to NABERS for each individual rating undertaken.</p>

<i>Term</i>	<i>Definition</i>
Property Council	Refers to Property Council of Australia.
RAP	Refers to Reconciliation Action Plans.
Second Party Opinion	An independent Second Party Opinion (“SPO”) report provided by the selected Second Party Opinion provider.
SPT	Refers to Sustainability Performance Target.
Sustainability Financing Register	Refers to a register managed by QIC Real Estate that outlines Eligible Assets earmarked to Green Financing Instruments issued.
Sustainability Linked Instruments	Sustainability Linked Instruments refer to Sustainability Linked Loans, Sustainability Linked Bonds, and Sustainability Linked Derivatives issued under this Framework.
TGC	The Real Estate Trustee Governance Committee (“TGC”) was established to ensure sufficient independent oversight of actions taken by QIC Real Estate funds.
Tier 1 suppliers	Direct suppliers involved in QIC Real Estate corporate procurement activities, including other business services (professional, cleaning, and security), construction work, real estate services, financial intermediation services, and computer and related services.
UN SDG	Refers to United Nations Sustainable Development Goals.
Use of Proceeds Instrument	Use of Proceeds Instruments are Green Loans and Green Bonds issued under this Framework.

Appendix 2: Operational Boundary–Eligible Assets for Sustainability Linked Instruments

The operational boundary for each Sustainability Linked Instrument will be carefully considered and documented in the relevant Facility Agreement. As QIC Real Estate is engaged in the ongoing acquisition, disposal, redevelopment of assets, it is important to provide transparency on the way assets are classified and the way that corporate actions are treated for portfolios throughout the life of the Instrument.

For all Sustainability Linked Instruments, the asset list will be determined at Financial Close of each Instrument, with any assets earmarked for redevelopment or disposal potentially being excluded from the eligible asset list during the life of the Sustainability Linked Instruments. In addition, assets where QIC Real Estate does not have operational control (such as those with third party joint venture arrangements) may also be excluded from the eligible asset list.

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ESG

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