QIC

GLOBAL INFRASTRUCTURE ESG REPORT 2015

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QIC RESPONSIBLE INVESTMENT

We believe that environmental, social and corporate governance (ESG) factors can have a material impact on the long-term returns of investment portfolios. This was the motivation for QIC becoming a signatory to the United Nations backed Principles for Responsible Investment Initiative (UNPRI) in 2008.

ESG factors are integrated into our investment decision-making processes as part of our commitment to delivering strong, long-term returns for clients. Our Responsible Investment Policy outlines our commitment to the six UNPRI principles. The six principles are:

1. Incorporate ESG issues into investment analysis and decision-making processes.
2. Be active owners and incorporate ESG issues into our ownership policies and practices.
3. Seek appropriate disclosure on ESG issues by the entities in which we invest.
4. Promote acceptance and implementation of the Principles within the investment industry.
5. Work together to enhance our effectiveness in implementing the Principles.
6. Each report on our activities and progress towards implementing the Principles.

INTRODUCTION

QIC Global Infrastructure (GI) believes that the consideration of ESG factors when constructing and managing infrastructure assets can improve risk management and increase return opportunities for our clients. At the same time we can make a difference to the lives of people who work, use and live in the community in which the asset is located. Infrastructure assets provide essential services to the local community, while driving productivity and economic growth. They are built for the long term and consequently we consider the implications of owning infrastructure assets over lengthy time horizons.

Integrating ESG considerations into investment decisions does not mean the exclusion of certain assets or sectors. Rather, it emphasises GI's commitment to assessing the risks, improving robustness of returns and increase opportunities for value maximisation.

GI is committed to being a responsible investor. This GI Annual Responsible Investment Report details the practice of integrating ESG factors into the GI investment process and the engagement with the various companies in our infrastructure portfolio. This report sets out key highlights for the 2015 calendar year.

QIC RI POLICY AND STRUCTURE

In July 2015 the QIC Board approved an updated Responsible Investment (RI) policy. This policy strengthens QIC's commitment and formalises the approach to RI practices. In addition, a set of exclusions were introduced. QIC now excludes securities involved in the manufacture of cluster munitions, landmines and tobacco across its portfolio.

The RI Programme is structured with a full time RI Specialist and ESG champions represented from the individual investment units. The RI Specialist provides expertise, guidance and sets the strategy of the RI programme, whereas the ESG champions focus on asset class implementation across their teams. This forms QIC's "RI team".

INDUSTRY ENGAGEMENT

UNPRI IN PERSON – London 2015

Arti Prasad-Naidu (RI Specialist) and Leisel Moorhead (QIC GI's ESG Champion) had the opportunity to attend the UN PRI In Person conference in London in 2015. The number and level of senior representatives from many large institutional investors demonstrated that responsible investment is gaining momentum. The UN PRI now has over 1,400 signatories with US$59 trillion of assets under management, demonstrating widespread awareness of responsible investment.

This conference provided a great forum to understand key RI themes and global trends. One of the key themes, particularly in light of the COP21 climate talks in Paris, was resilience to climate risks. This is discussed in more detail below.

Other industry developments and engagement

- **GRESB Infrastructure:** GRESB has been in the process of developing a survey for infrastructure assets based on the GRESB real estate survey. The objective is for the survey to allow investors to globally benchmark ESG performance of assets across their portfolios. GI has participated in the Technical Working Groups for the development of the GRESB Infrastructure Assessment. GRESB has now launched the inaugural GRESB Infrastructure Assessment in April 2016. GI will continue to monitor these developments.
- **Infrastructure Sustainability Council of Australia (ISCA):** ISCA is a non-profit industry body with the objective of advancing the sustainability outcomes of infrastructure. ISCA is looking to expand its ISCA rating tool from new projects to existing operating assets. Leisel Moorhead, joined the board of ISCA in November 2015.
- **Other initiatives:** QIC is also a member of regional and international initiatives to give us guidance and opportunities to collaborate on some of the challenges of ESG implementation. We are members, amongst others, of the Responsible Investment Association of Australasia, the Investor Group on Climate Change and the Carbon Disclosure Project.
- **Global award:** QIC has been awarded the inaugural Sustainable Investment Award promoted by Corporate Wire. QIC was awarded in the sustainable investment category for our commitment, action and ongoing progress in the area of responsible investment. Being a multi-asset global investment manager, the challenges QIC faces in this space are wide. However, the receipt of this award demonstrates QIC's commitment to ESG in Real Estate, Infrastructure and challenging asset classes like Fixed Income.

RESILIENCE AND PREPAREDNESS FOR CLIMATE RISKS

Climate change is an environmental, social and economic risk, expected to have its greatest impact in the long term. All infrastructure assets will be subject to the effects of climate change. The warming of the planet will lead to more frequent and higher-intensity extreme climate events such as droughts, storms and fires as well as the risks of rising sea levels and more extreme high temperatures. Global temperatures are rising and an overall two degrees Celsius increase by 2050 is already unavoidable.

During 2015, QIC participated in the Mercer study "Investing in a time of Climate Change". To understand climate risks more, QIC collaborated with 18 global investment partners to undertake a study partnering with Mercer to assess the risk and opportunities which may arise due to climate change across investments. The modelling and scenarios applied as part of the study focused on the impact of climate change on investments across sectors and asset classes. QIC has taken the findings of the Mercer study and incorporated it into its investment processes.

This study included an assessment of the risks that infrastructure assets are exposed to as a result of climate change. Mercer looked at four key risks:

Resource availability	How changes to the physical environment might impact investments reliant on the use of natural resources that are at risk of becoming scarcer
Impact of physical damage	Physical impacts on investments of extreme or catastrophic weather events causing property damage or business interruption
Policy	International, national mandates and regulation meant to reduce the impact of further climate change e.g. carbon reduction targets, energy efficiency, fiscal policy
Technology	Technology advancement and the opportunity for increased efficiency through technological change: low carbon technologies and transformation and disruption of existing sectors

These climate risks will have a different level of impact on each of the infrastructure sub-sectors. The focus for QIC is to ensure that each of the assets in the infrastructure portfolio understand the risks of climate change and that they are prepared for managing these risks.

Utility operators are coming up with plans to upgrade and operate their networks to tackle climate change challenges. Infrastructure assets provide essential services and the private sector owner is bound to levels of quality of service: this is a strong incentive for them to anticipate and plan for the physical impacts of climate change. To serve this goal, many companies now have 'adaptation plans' to climate change.

In parallel, infrastructure assets transform and transport resources and can therefore have a significant impact on how much resources are used, and the potential to decrease CO_2 emissions, pollutants and use of raw material, contributing to preserving the local as well as global environment. GI is encouraging the management teams in the companies in its portfolio to develop mitigation plans to recognise that they can each take steps to reduce their greenhouse gas emissions and therefore their contribution to climate change.

Both adaptation and mitigation initiatives are essential to ensure the long-term value creation of infrastructure assets. The adaptation plan recognises that climate change is a business risk, with potentially high costs if the company fails to assess the risks and is not adequately prepared.

This will be a focus for GI during 2016.

INCORPORATION OF ESG ISSUES INTO OUR INVESTMENT ANALYSIS

QIC believes that all of its investment professionals should understand the key ESG factors relevant to their sector – so that ESG integration becomes ‘business as usual’. QIC’s RI Specialist, Arti Prassad Naidu, provides support and advice to the GI investment team on specific ESG matters. A number of workshops were held during the year with Arti Prassad-Naidu and each of the GI sector teams to help develop individuals’ understanding of ESG issues and integration. QIC has also developed a Responsible Investment Toolkit to provide guidance for integration of ESG factors into investment decisions.

Case Study: Lochard Energy

KEY FACTS – 31 MARCH 2016	
Description	Owner of three underground gas storage reservoirs and associated above ground processing and compression facilities in Victoria, Australia. The facility is essential for gas supply security in South Eastern Australia.
No. of employees	~60 FTEs
No. of customers	~10
No. of end users	3.7 million end gas customers across Victoria, New South Wales and South Australia
Contribution to local community	• The company frequently supports various community programs. In December 2015 these included: – Sponsorship of Santa in the Street at Timboon; – Sponsorship of New Year’s Eve Family Fun at Cobden; and – Timboon School annual Bike Safety Ride. • The facility is a strong contributor to employment in its surrounding region. • Environmental Review Committee meetings are held quarterly. Invitees to these meeting include Lochard Energy staff and representatives from the local community and Corangamite Shire.

A QIC led consortium acquired the Iona Gas Storage Facility (“Iona”) from EnergyAustralia on 1st December 2015. Following an employee naming competition, the business adopted the name Lochard Energy, a term with great local significance in the Port Campbell area.

Investment Process

During the investment process, ESG factors played a critical role in our evaluation of the opportunity. The GI team used the Responsible Investment Toolkit to identify and categorise material ESG issues. These issues were addressed by the GI team as part of the due diligence process which was formalised through the reporting of ESG matters as part of the concept approval and later the final investment recommendations to the GI Investment Committee.

Some examples of the factors considered include:

- Environmental and social considerations were identified as potential risks early in the process. These were expressly integrated into the scopes of a number of the advisers covering technical and sub-surface considerations.
- The site is designated as a Major Hazard Facility which brings with it particular safety and environmental risks as well as material regulatory requirements aimed at mitigating these risks. These matters were specifically reviewed during the due diligence process to ensure that the facility will be compliant with regulatory requirements and that material risk exposures are sufficiently addressed.
- A few environmental risks were identified during diligence. QIC and its technical advisers were satisfied that environmental issues were minor. However, QIC has taken these issues into consideration as part of its business plan to improve areas identified as potential risks.
- Noise and light pollution of the facility's immediate surroundings have historically caused some concern. The social issues arising from noise and light pollution were assessed in detail and discussed with the management team on the site during due diligence. Already implemented mitigation strategies for light and noise pollution were reflected in the transition plan, including potential improvements.
- The facility's potential contribution to climate change as well as the impact of climate change on the facility were considered and discussed in detail with the investment committee. The supportive contributions of natural gas to the growth in renewable energy penetration and decarbonisation of the electricity system were integrated into the investment thesis. Market simulations were carried out by QIC's external advisers to demonstrate the likely impacts of climate change on the economics of the investment.

The final investment recommendation included a detailed review of all ESG considerations which covered actual or potential issues and how these were addressed throughout the investment process. The completion and submission of the detailed ESG review as part of the final investment recommendation was a pre-requisite to the consideration of the investment opportunity by the GI Investment Committee, and subsequently the approval of the investment.

The GI Investment Committee in consideration of the opportunity specifically focused on the following ESG matters:

- **Governance:** The rights and obligations within the shareholders agreement were discussed. These were negotiated and agreed during the bid process and provided adequate protections for each of the shareholders with respect to voting, approvals and information rights.
- **Transition:** Approach to transition planning and key personnel utilised during the due diligence was also a key area of focus. Consideration of these risks was included in the Transition Services Agreement. As per our other portfolio companies in which QIC managed clients hold a controlling stake, it is the intention that the new entity will also be subject to a QIC risk review within the first 18 months post completion.
- **Social:** The GI Investment Committee also discussed intentions for the existing workforce and how any personnel changes as part of the transition management would be managed for this investment. QIC agreed to a key condition that all current employees would be offered a role in the new business and assumed 100% of this workforce would transition.
- **Social:** The relationship of the company, facility and the operating employees with the neighbouring farmers was a key focus. During meetings with the management, senior personnel at the facility discussed the various formal and informal forums that they use to maintain their positive relationship with the local community with the historically strong relationship a good testament of their efforts. QIC intends to continue to support these forums and build on this strong position to further enhance the level of social engagement.

Post-Acquisition

The following ESG factors are being implemented:

- **General:** Initiatives are being put in place to improve the measurement, reporting and monitoring of ESG related issues under the supervision of the Board and with primary responsibility by the Corporate Services Manager reporting to the CEO.
- **Governance:** The focal point of QIC's 100 day plan was the establishment of strong governance systems. This stretched from the recruitment of an experienced Board and management team, down to the establishment of KPIs and the design of reporting processes and information flow protocols. This process will continue as part of the six month plan to include amongst other things, the establishment of Board protocols, management incentive mechanism and budgeting protocols.
- **Governance:** A comprehensive independent risk audit by the QIC Risk team will commence within the first 18 months post acquisition to assess the internal risk management systems and processes and to provide recommendations on aligning these with industry best practice. The review will consider ESG as a discrete area of focus and will highlight any particular risks that are not being adequately addressed.

ASSET MANAGEMENT: REPORTING AND DISCLOSURE

ESG considerations are integrated within our asset management process. GI undertakes an annual ESG performance assessment for each of the assets in its portfolio and this informs the key ESG focus areas for the following year.

Through board representation, GI seeks to influence the establishment of appropriate ESG/sustainability policies, including appropriate reporting for the portfolio company in which we have invested.

Infrastructure is a very diverse asset class and the variety and materiality of ESG factors will differ amongst each of the sectors. The companies within the GI portfolio do vary markedly in their maturity regarding sustainability and ESG matters. Some such as Thames Water are very advanced in this respect. Others are less mature and require assistance and advice to develop these practices.

One of the focus areas for GI is the quality of the management reporting to the board of its portfolio companies. GI seeks to ensure that management report on key areas such as workplace health and safety, general safety within its operations for users, risk and compliance, staff engagement and turnover, labour relations, environmental management issues and opportunities, stakeholder engagement and management.

In addition, GI has worked with portfolio companies (via a QIC representative on the Board) to encourage emission reducing technologies and improvements.

Case Study: Brisbane Airport

KEY FACTS – 31 MARCH 2016	
Description	Brisbane Airport is the largest airport in Australia by land size (2,700 hectares) and the third largest airport in Australia by passenger numbers. Brisbane Airport Corporation (BAC) owns and operates the international and domestic terminals, runways, and general aviation facilities at Brisbane.
No. of employees and businesses supported	~300 direct FTEs More than 21,000 people employed and 430 businesses operating across the Brisbane Airport site
No. of passengers (FY15)	22 million
Contribution to local community	BAC has an active local community engagement program contributing more than A$1.2 million in sponsorship and philanthropic donations each year in support of over 100 local community initiatives and charities.

GI, on behalf of its clients, owns a 25% interest in BAC and is the largest single shareholder. GI seeks to influence the business strategy, policies and management focus areas of Brisbane Airport, in particular with respect to ESG, through its representatives on the Board. Environment, social and governance factors play a critical role in our custodianship of this community asset and to ensure that the business continues to make a significant contribution to local, state and national economies. The BAC management team manages the airport with reference to four pillars of sustainability – economic, operational, environmental and social.

Since GI's acquisition in 2007, we have continually strived to deepen the understanding of and approach to ESG considerations by the business.

Environment

GI has ongoing opportunities to influence environmental principles through the development of BAC's policies and processes as well as through its continued monitoring of environmental reporting. Key examples include the Environmental Sustainability Action Plan, Quarterly Risk Assessments, business strategy and capital approval processes.

- **Environmental Sustainability Action Plan:** The Action Plan documents BAC's commitment to environmental sustainability and sets a blueprint for continued improvement in environmental sustainability performance at Brisbane Airport into the future. The overall vision is to entrench environmental sustainability as a cornerstone of BAC's operating philosophy and a fundamental contributor to its economic, operational and social performance success. To achieve this vision, BAC has committed to:
  - Identifying, implementing and benchmarking environmental sustainability performance at Brisbane Airport for activities under BAC's direct control; and
  - Continuing to meet the annual performance targets outlined under BAC's Environmental Sustainability Action Plan.
- **Environmental indicators:** BAC have been developing indicators to track the energy consumed, renewable energy generated, greenhouse gas emissions, waste recycled and potable water consumed. These indicators are reported to the Board on a regular basis. This will enable the measurement of performance results with the view to striving year on year consumption improvement and efficiencies.

The Airports Council International (ACI) recently certified Brisbane Airport as Airport Carbon Accredited at Level 3 (Optimisation). This certification reflects BAC's focus on managing its carbon emissions. The Global Airport Carbon Accreditation programme certifies airports at four different levels of accreditation (Mapping, Reduction, Optimisation and Neutrality).

BAC achieved Level 3 Optimisation Accreditation by reducing Scope 1 and 2 levels of greenhouse gas emissions, mapping the entire Brisbane Airport carbon footprint, and undertaking key stakeholder engagement to improve the airport's environmental sustainability. Brisbane Airport is the 2nd Australian airport and the 8th airport in the Asia-Pacific region to reach this level.

- **Capital investment approvals:** BAC's capital investment approvals incorporate a range of ESG considerations. The largest capital project underway at BAC is the development of the A$1.35 billion New Parallel Runway ("NPR"). The NPR will be 3.3km long, 60m wide and will be located 2km west of and parallel to the existing runway. It will also incorporate 12km of taxiways, navigational aids, airfield infrastructure and hundreds of hectares of airfield landscaping. The design, approval (both internal and external) and construction phases has involved extensive environmental studies and development of action plans which included recognition of potential climate change impacts. Given the location of the project on a low lying coastal area, the runway site is subject to inundation during flood events and at risk to future climate change impacts such as storm surge and sea level rises.

These potential climate change effects were considered in great detail and formed a key gating item during the planning and design phases to ensure the long term viability of the new runway. In particular, part of the design process incorporated various configurations and layouts of the runway with each option evaluated against criteria including cost, operating and safety standards, noise restrictions, environmental impacts, and climate change resilience. This wide ranging assessment delivered a preferred option which had minimal impacts of land reclamation on local habitat, lowest noise impacts on surrounding suburbs, an appropriate height to account for projected severity and frequency of sea level rises, storm surges and local/regional flood events, safety performance potential and total development and operating costs.

Figure: New parallel runway in construction

Social

BAC also have a dedicated Community Engagement Program which is designed to generate informed, ongoing and interactive discussion about airport development, aircraft technologies, potential impacts from increased aircraft operations and airspace management. With the current development of the largest privately funded runway project in Australia, the level of community engagement has heightened in recent years.

BAC has established the Brisbane Airport Community Giving Fund and the Brisbane Airport Schools Fund – Growing Together. These funds provide cash grants to community groups and schools that support:

- **Community Giving Fund:** health and wellbeing, safety, sport, education, environment or other community benefit initiatives.
- **Brisbane Airport Schools Fund – Growing Together:** assist educational outcomes, enhance learning experiences, create quality teaching environments, encourage students to express ideas, creativity and innovation, provide resources that will enhance learning abilities.

Governance

QIC recognises the importance that governance plays in the management of its client's investment and the sound and sustainable operation of Brisbane Airport. QIC is an active participant in Board level discussions to ensure effective and appropriate management of the company consistent with best practice governance levels. This includes active consideration of both Board and Management level succession planning.

QIC, on behalf of its clients, has also been leading the imperative to improve and modernise the current shareholder agreement to reflect current standard market practices and to further build the working relationship amongst the shareholder group.

ESG Recognition

Brisbane Airport has received a number of awards in relation to ESG performance over the last 18 months including:

RECENT AWARDS

BAC was awarded a 4-star Green Star rating under the Green Building Council Australia (GBCA) Communities PILOT rating system. This represents Best Practice in precinct development and was an Australian first.

BAC achieved EarthCheck Bronze Benchmarking for the FY14 reporting period, representing two years of Bronze Benchmarking status (FY13 and FY14).

The 2014 Healthy Waterways 'Sustainable Water Management' Award.

The 2014 Queensland Premier's Sustainability Awards - Business Eco-Efficiency Award, recognising its programs delivering significant savings in energy, water and waste including implementing 32-energy saving projects resulting in a 7 gigawatt per hour drop in energy consumption.

BAC continued efforts in managing its carbon emissions have been officially recognised by Airports Council International (ACI) with Brisbane Airport now certified as Airport Carbon Accredited at Level 3 (Optimisation).

Key highlights

Set out below is a summary of some of the key ESG highlights for 2015 for each of the companies in the GI infrastructure portfolio.

KEY HIGHLIGHTS – 2015	
Thames Water	**QIC engagement:** QIC asset management initiatives have primarily related to governance arrangements: • Succession planning: Initiated shareholder discussion on succession planning for the business, with a number of key positions coming up for review. Process governance and role of investors was discussed. • Shareholder agreement review: Following regulator required changes which were implemented for PR14 (as well as new set of board governance principles) which were agreed between investors, QIC also initiated a further shareholder agreement review which commenced this year for other key areas identified for improvement and/or update. **Sustainability initiatives:** Thames Water management have implemented a number of sustainability initiatives including a water efficiency programme to help domestic customers and businesses reduce their water usage, through the distribution of free water efficiency devices and customer education. During 2014/15, this resulted in a saving of 6.97 million litres per day equating to over 2.5 billion litres for the year (2013/14: 5.23 million litres per day). Thames Water also promoted the efficiency website on the outside of all annual billing envelopes – which resulted in a four-fold increase in customer orders for water efficient devices. This in turn resulted in a large increase in household water savings.
POWERCO	**Community engagement:** Powerco has developed a comprehensive community relationships programme which encompasses widespread consultation and engagement, events, regional community sponsorship programmes, all of which have been designed to address and mitigate community concerns around new investment projects. **Public safety:** Powerco has introduced a range of pro-active public safety education campaigns including launching in 2015 "Sparky" a superhero mascot with the aim of educating young people about safety around its electricity and gas networks. Powerco was awarded the Electrical Engineers Association Public Safety Award in 2015, showing the quality and commitment Powerco has made to public safety. **Environment:** Powerco received Enviro-Mark Gold Level certification for its electricity and gas network operations. Powerco is undertaking a gap analysis to develop a plan to achieve Diamond Level Certification in 2016 for both electricity and gas which is at least equivalent to the ISO 14001 standard (a global standard for environmental management systems). Powerco already holds Diamond Level certification for its Corporate and Depots Operations.
CampusParc at The Ohio State University	**QIC engagement:** QIC engaged with the management team at CampusParc to develop ESG initiatives and metrics for 2015. Such initiatives include the piloting of soy based traffic paint for line marking in two parking lots. Through this initiative a new "green" product could be developed and CampusParc has developed a new relationship with the Ohio Soy Council and the paint supplier being the Collection of Agriculture, Food and Environmental Sciences. This type of programme helps to reinforce CampusParc's willingness to support university efforts and sustainable practices. **Site and safety tour:** QIC personnel undertook tour site visits with safety inspections on garages where risks had been identified and mitigation strategies put in place. **Energy efficiency initiatives:** CampusParc is undertaking a study to quantify fully the savings from the new LED lightings in all CampusParc garages, which currently indicates a 47% reduction in energy consumption in one year.

KEY HIGHLIGHTS – 2015

Site and safety tour: QIC representatives undertook a site and safety tour for the assets.

Public safety: Epic Energy has a Pipeline Awareness Program to raise awareness of the presence of the company's buried high pressure gas pipelines and to increase understanding of the public's role in preventing third party damage. Epic Energy regularly engages with landowners, local communities and authorities.

Reduction in carbon emissions: Epic Energy continues to strive for compressor usage optimisation and has seen emissions more than halved since the change of ownership with no noticeable change in gas throughput.

Site and safety tours: The Westlink M7 Board (including the QIC directors) undertook a site and safety tour during the year as a part of the Leadership Walk and Talk strategy. The NorthConnex board (including the QIC representatives) undertook a site and safety tour of the worksite.

Road safety: Westlink has developed a road safety action plan, particularly focussed on the impact on heavy commercial vehicles after a number of incidents on the motorway.

Safety initiatives: Night time work schedules of maintenance crews have been adjusted to provide a safer work environment.

QIC engagement: QIC had an engagement with the management team to discuss sustainability initiatives and to ensure that the development of the 2016 Strategic Plan incorporates ESG risks and opportunities.

Sustainability: The NorthConnex Project has a clear focus on achieving sustainability outcomes through a requirement to achieve an excellent rating on the ISCA rating tool for design and construction. The Project team has monthly Sustainability Governance Group meetings with the key contractors and key sustainability metrics have been established and are monitored. The NorthConnex board has meet with key senior representatives of the D&C contractors to discuss the importance of safety and the environment to the sponsors of the project.

Contractor engagement: The Board has implemented a Corporate Environmental Social Responsibility Program for FY 2015. One of the new initiatives to improve ESG performance has been the inclusion of a Good Environmental Practice clause in all new leases with tenants and all construction and dredging contracts including sustainability criteria, disclosure of fuel use and emissions.

Community engagement: During 2015, the Company worked closely with the regional peak body representing commercial fishers operating in the Moreton Bay on a range of issues to ensure the long term viability of the industry and environment.

Energy management: The Company's energy management programme has delivered a 50% reduction in greenhouse gas emission from 15,009 tonnes in 2003 to 7,505 tonnes in 2015. New initiatives introduced in 2015 include installation of solar panels of port buildings and LED lighting on small marine vessels.

Pollution management: The Company is currently funding a A$500,000 pilot program with the Department of Environment and Heritage Protection and SEQ Catchments to implement a significant offsite stormwater treatment pilot in Laidley, Queensland. The project includes approved offsite works to reduce sediment loads upstream of the port, including bed and bank stabilisation and rehabilitation.

Site tour and safety inspection: The Board (including QIC representatives) undertook site and safety inspection of the assets operations.

KEY HIGHLIGHTS – 2015

CRCHUM CENTRE DE RECHERCHE Centre hospitalier de l'Université de Montréal	**LEED certification:** The University of Montreal Hospital Research Centre (CRCHUM) obtained LEED Gold Building certification in November 2014 (the contractual requirement was LEED Silver). The LEED system for certification assessed the projects performance in 5 categories: sustainable sites, water efficiency, energy and atmosphere, materials and resources and indoor environmental quality. During 2015, the management team began working through the processes to obtain LEED certification for the operating and maintenance practices. **Carbon monitoring:** During 2015, there has been continued focused on carbon monitoring. A formal energy consumption study will be completed in 2016. **Annual workplace health and safety performance:** Safety record was strong during 2015 with no serious incidents reported.
Long Beach Judicial Partners LLC	**Community projects:** Long Beach Courthouse (LBCH) has undertaken a number of local community projects including construction of a fence to provide better safety at a nearby school. **Customer satisfaction:** Customer surveys and performance evaluation were undertaken and the outcome showed a high level of satisfaction from the client, judges, jurors and sheriffs and other users of the courthouse. **LEED certification:** The LBCH facility obtained LEED Gold Building certification in February 2015 (the contractual requirement was LEED Silver). During 2015, the management team began working through the processes to obtain LEED certification for the operating and maintenance practices.

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Level 5 Central Plaza Two
66 Eagle Street
Brisbane QLD 4000

GPO Box 2242
Brisbane QLD 4001
Australia

qic@qic.com
www.qic.com