

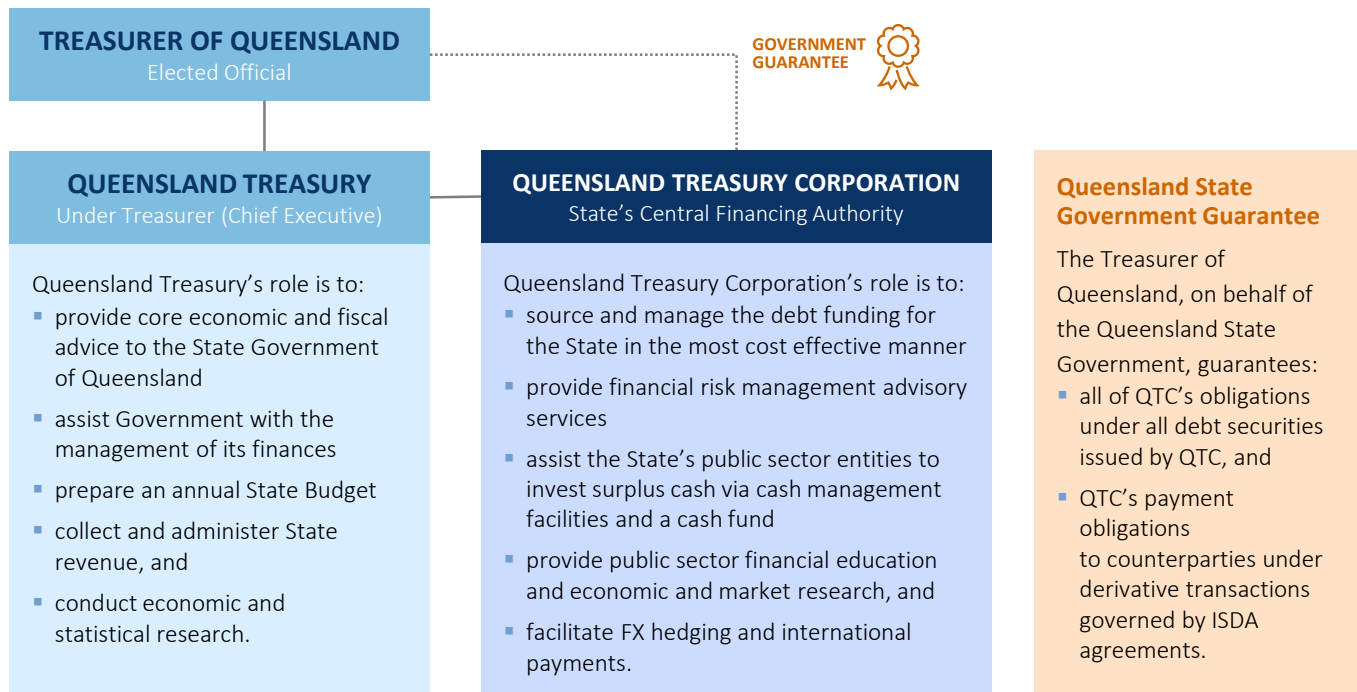


QUEENSLAND
TREASURY
CORPORATION

Queensland Treasury Corporation

QTC is government-owned and its debt is government guaranteed

As the Queensland Government's central financing authority QTC plays a pivotal role in securing the State's financial success.



QTC is rated AA+/Aa1/AA

Credit ratings

QTC carries the same credit ratings as the State of Queensland – founded on its diverse economic base, established institutional framework, significant liquidity levels and Federal fiscal support.

Queensland has financial holdings greater than its superannuation obligations.



LOCAL CURRENCY

S&P Global	Moody's	Fitch
Long-term AA+	Long-term Aa1	Long-term AA
Short-term A-1+	Short-term P-1	Short-term F1+
Outlook Stable	Outlook Stable	Outlook Stable



FOREIGN CURRENCY

S&P Global	Moody's	Fitch
Long-term AA+	Long-term Aa1	Long-term AA
Short-term A-1+	Short-term P-1	Short-term F1+
Outlook Stable	Outlook Stable	Outlook Stable

Consolidated asset base

Clients

- Principally Queensland's public sector (also entities guaranteed, supported or approved by the State).
- 119 borrowing clients (government-owned corporations, government departments, local governments and statutory bodies).
- 193 investors in QTC's Capital Guaranteed Cash Fund (government-owned corporations, government departments, local governments and statutory bodies).

As the State's central financing authority, QTC operates on a cost recovery basis.

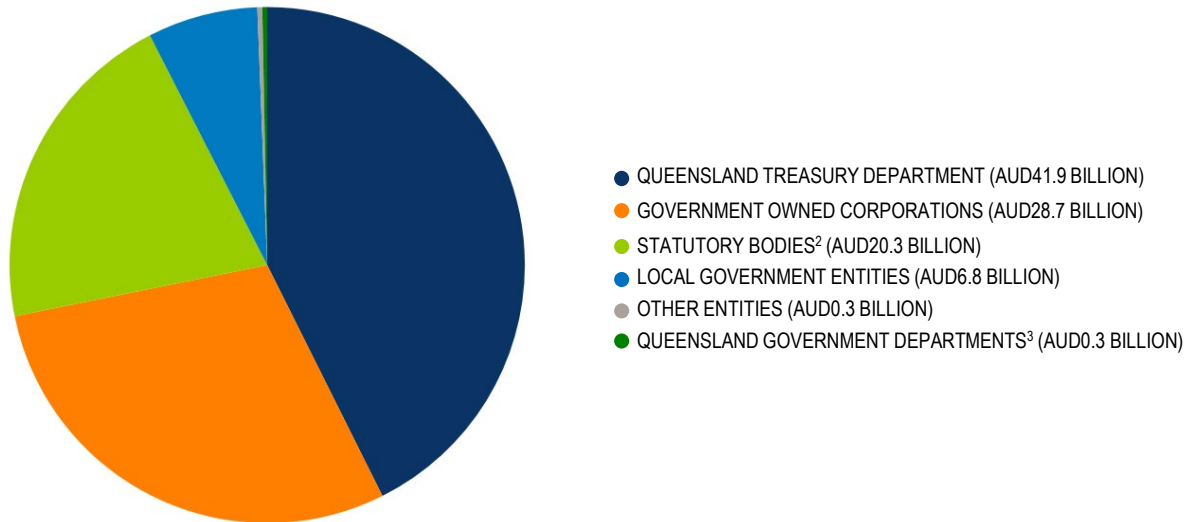
MARKET VALUE – AS AT 30 JUNE 2020

	Capital markets operations	Long term assets [#]	QTC consolidated
	AUD bn	AUD bn	AUD bn
Loan to clients	98.3	-	98.3
Liquidity/management reserves*	13.3	-	13.3
Sub-total	111.6	-	111.6
Assets under management-client deposits	8.9	-	8.9
Other managed investments [#]	-	26.2	26.2
Total	120.5	26.2	146.7

As at 30 June 2020. * Excludes any QTC bonds held as assets. # The Queensland Government transferred to QTC the State's long-term assets which are held to meet the future superannuation and other long-term obligations of the State. These assets are managed by QIC Limited.

Since 1988, QTC has funded the State's public sector capital works programs

LOANS TO CLIENTS¹ (MARKET VALUE) **AUD98.3 BILLION**

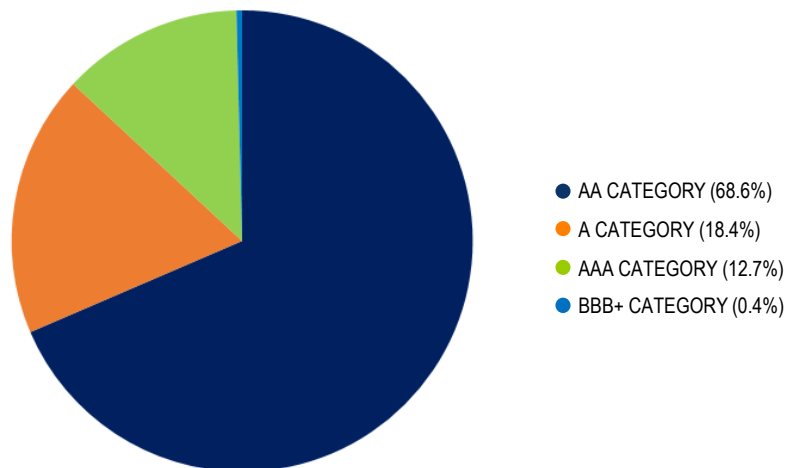


As at 30 June 2020. ¹ Figures are rounded. ² Includes Queensland water entities, universities, grammar schools and water boards. ³ Includes other bodies within the public accounts.

QTC has a conservative approach to risk management

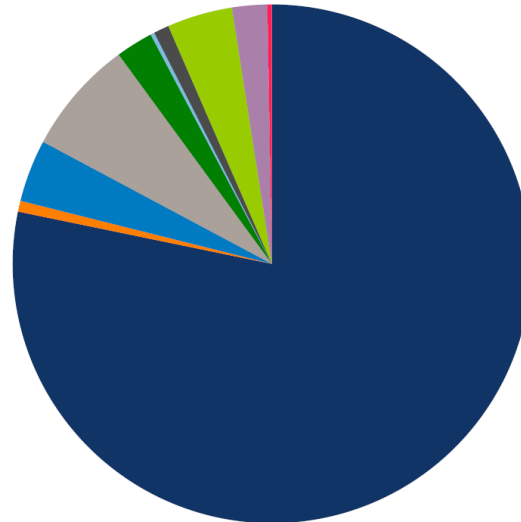
- Approximately 81 per cent of QTC's counterparty credit exposures are rated AA- or higher.
- All types of financial risk, including interest rate, foreign exchange and counterparty risk, are managed within QTC's Board approved risk parameters.
- Enterprise risk management processes are independent to operational activities.
- Risk provisions are in line with industry best practice.
- Diversified funding facilities and regular issuances are used to mitigate funding risks.
- A portfolio of diverse, liquid financial securities is held to meet the State's liquidity requirements.
- Market credit exposure is restricted to dealings with counterparties rated BBB+ or higher.

COUNTERPARTY CREDIT EXPOSURES



QTC uses a diverse range of funding instruments

FUNDING SOURCES BY FACILITY (FACE VALUE) ~AUD106.8 BILLION



AUD benchmark bonds are complemented by diverse funding instruments with maturities from seven days to 30 years

- AUD BENCHMARK BONDS (78.2%)
- AUD AGG* BENCHMARK BONDS (0.7%)
- AUD NON-BENCHMARK BONDS (3.9%)
- FLOATING RATE NOTES (7.1%)
- GREEN BONDS (2.3%)
- CAPITAL INDEXED BONDS (0.2%)
- EURO MEDIUM TERM NOTES (1.0%)
- AUD TREASURY NOTES (4.1%)
- US & EURO CP (2.2%)
- OTHER (0.3%)

As at 7 September 2020.

* AGG - Australian Government Guaranteed. Figures are rounded.

A diverse investor base by geography and type

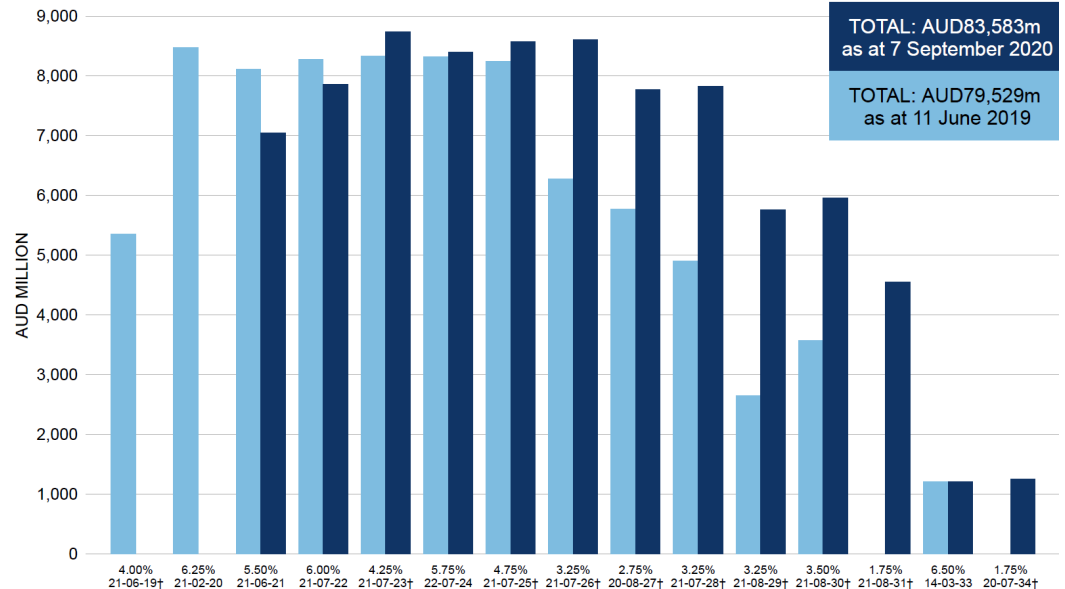
- QTC's domestic and global investors include central banks and other sovereign investors, multi-national finance, superannuation and investment corporations, and major domestic and international banks.
- Approximately 25% of Australian semi-issuance is held offshore¹.
- QTC's established issuance program is built on more than 30 years' experience in global capital markets.
- New bond lines may be offered in the US to 'qualified institutional buyers' pursuant to Rule 144A.



AUD benchmark bond lines are QTC's principal source of funding

- 13 established lines with various maturities across the curve
- New bond lines issued under the domestic program may be offered in the US to 'qualified institutional buyers' pursuant to Rule 144A.

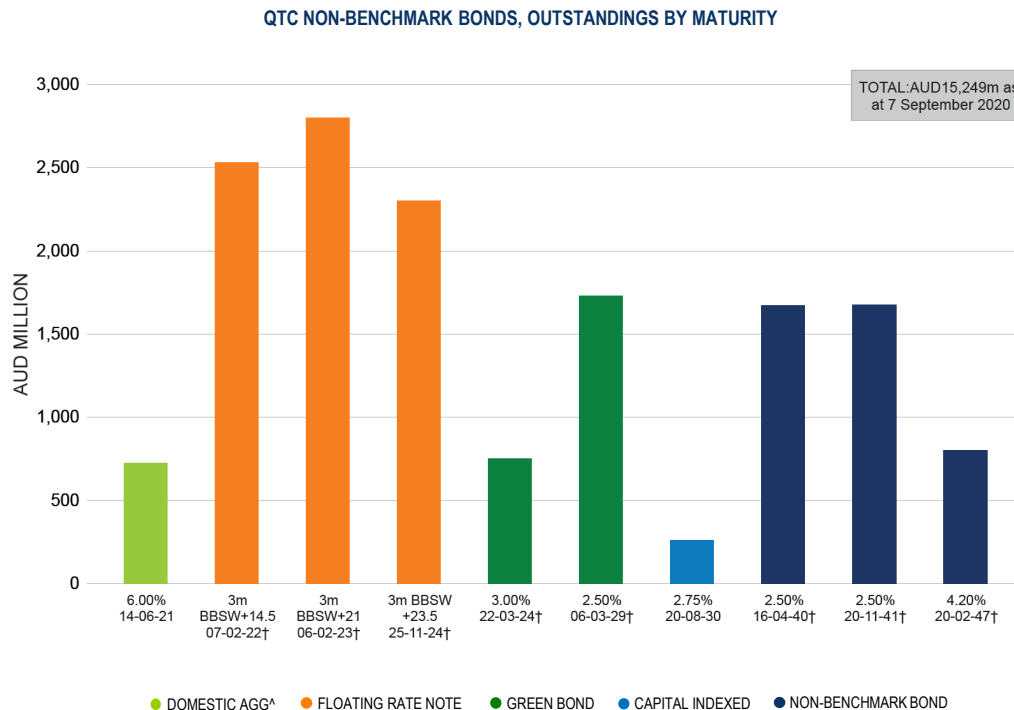
QTC AUD BENCHMARK BONDS, OUTSTANDINGS BY MATURITY



As at 7 September 2020. † 144A capability. QTC trades in its own securities in the open market. Such securities may be held, resold or cancelled at QTC's discretion. 11 June 2019 marks the announcement of QTC Indicative Term Debt Borrowing Program following the Queensland Government 2019-20 State Budget release.

Non-benchmark bonds complement AUD benchmark bonds

- QTC monitors the market to issue other instruments, taking into account investor demand, client funding requirements and market conditions.
- Through market intermediaries, QTC will consider switching its Australian Government Guaranteed AUD bond (AAA/Aaa/AAA) into the equivalent AUD benchmark bond (AA+/Aa1/AA).



As at 7 September 2020. ^aAGG – Australian Government Guaranteed. †144A capability.

Note: The 2.75% 20 Aug 2030 outstandings do not include indexation of AUD100.4 million. QTC trades in its own securities in the open market. Such securities may be held, resold or cancelled at QTC's discretion.

QTC Green Bonds

Supporting Queensland's transition to a low carbon, climate resilient and environmentally sustainable economy



Total project pool of approximately **AUD6.3 billion** as at 31 December 2019 of eligible projects and assets that benefit the environment



Framework aligned to industry standards – including (CBI) certified green bonds and green bonds under the ICMA Green Bond Principles



Committed to a high standard of transparency – ongoing reporting and assurance, including annual independent assurance from DNV GL



Programmatic certification from CBI achieved – for greater flexibility in issuance

QTC's Green Bond Annual Report is available at www.qtc.com.au/institutional-investors/green-bonds

QTC Green Bonds on issue

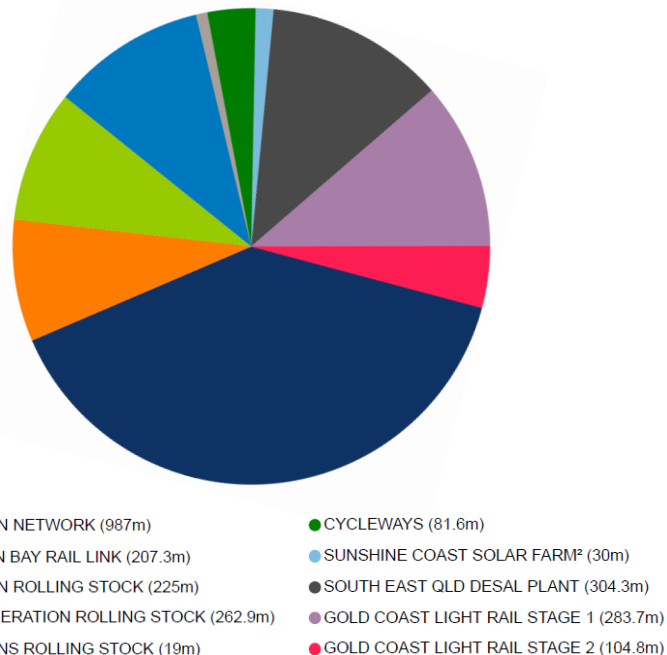
Proceeds from QTC Green Bonds are allocated against qualifying projects and assets that have an environmental benefit associated with the State of Queensland.

QTC's Green Bonds are independently assured by DNV GL and carry the same credit rating as QTC and the Queensland Government.

QTC Green Bonds on issue as at 7 September 2020¹

- 3.00% 22 March 2024[†] Green Bond (AUD750M)[^]
- 2.50% 6 March 2029[†] Green Bond (AUD1,730M)[^]

**ALLOCATION OF GREEN BOND PROCEEDS (AUD M)
APPROXIMATELY AUD2.50 BILLION***



* As at 7 September 2020. [†]144A capability. [^] Certified under the Climate Bonds Standard v2.1 and v3.0 for certification and reporting (2019).

¹ Net proceeds from the QTC 22 March 2024 Green Bond issuance were AUD748,710,000 from AUD750,000,000 Face Value of bonds issued. Net proceeds from the QTC 6 March 2029 Green Bond were AUD1,756,982,800 from AUD1,730,000,000 Face Value of bonds issued. ² Allocation of net proceeds to this eligible project has decreased over time as QTC's onlending to this asset is via amortising principal and interest loans. Such net proceeds have been reallocated within the eligible project pool.

QTC's 2020–21 indicative term debt borrowing program

In addition to the total term debt requirement, QTC expects to maintain a minimum of approximately AUD5 billion of short-term debt throughout the fiscal year.

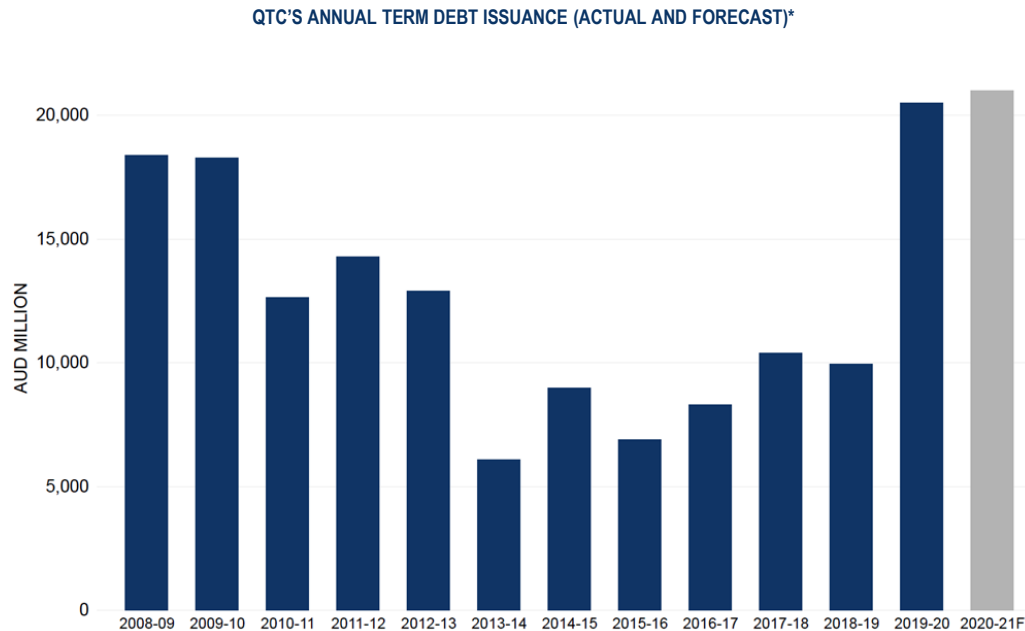
Requirements	2020–21 AUD M ¹
State ²	17,500
Local Government and other entities ³	1,500
Total new money	19,000
Term debt maturities	8,200
Net funding in advance ⁴	(6,200)
Net term debt refinancing	2,000
Total term debt requirement	21,000

As at 7 September 2020. ¹ Numbers are rounded to the nearest AUD100 million. ² Includes general government and government-owned corporations. ³ Other entities include: universities, grammar schools, retail water entities and water boards. ⁴ Includes net issuance undertaken in advance of borrowing requirements during 2019–20 as well as scheduled client principal repayments.

Note: Funding activity may vary depending upon actual client requirements, the State's fiscal position and financial market conditions.

QTC's annual term debt issuance

- QTC's borrowing requirements over the forward estimates are primarily expected to reflect term debt refinancings.



* Does not include short-term debt of approximately AUD5 billion each year. Includes net issuance undertaken in advance of borrowing requirements during 2019-20 as well as scheduled client principal repayments.

Summary of key points

Queensland Treasury Corporation:

- funds the Queensland Government public sector
- is 100 per cent government-owned
- has all debt security and derivative ISDA obligations fully guaranteed by the State of Queensland
- issues debt that carries the following credit rating (identical to the State of Queensland)
 - Moody's: Aa1/Stable/P-1
 - S&P Global: AA+/Stable/A-1+
 - Fitch: AA/Stable/F1+
- has 13 AUD benchmark bond lines on issue
- has one AUD domestic bond that carries the guarantee of the Australian Government and is rated AAA from all major rating agencies
- has an indicative term debt borrowing program of AUD21 billion for 2020–21
- employs a conservative and transparent funding strategy, and
- has more than 30 years' experience in global debt capital markets.