



QUEENSLAND
TREASURY
CORPORATION

Queensland Treasury Corporation

QTC is government-owned and its debt is government guaranteed

QTC is the central financing authority for the Queensland Government and provides financial resources and services for the State



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).
- 121 borrowing clients (government-owned corporations, government departments, local governments and statutory bodies).
- 196 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 only charges for services on a cost recovery basis.

MARKET VALUE – AS AT 31 DECEMBER 2020

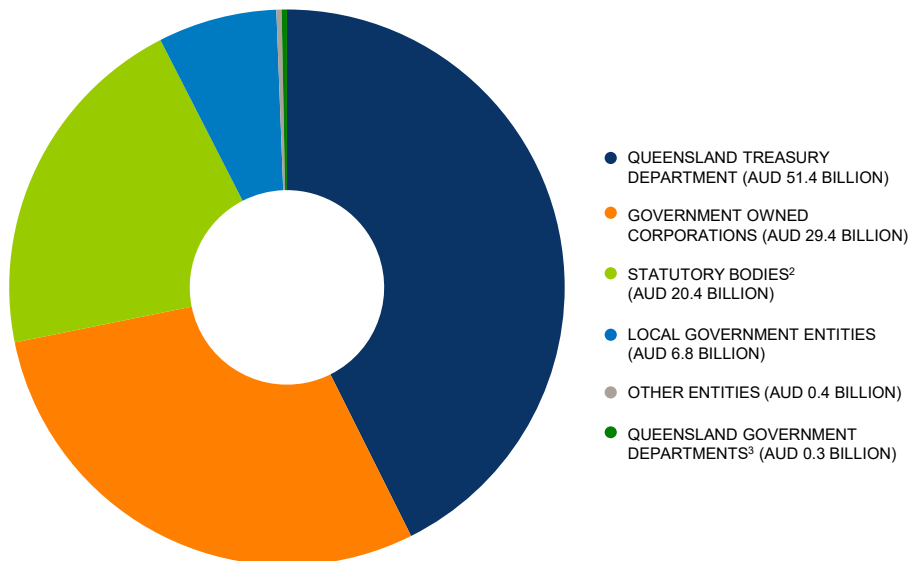
	Capital markets operations	Long term assets [#]	QTC consolidated
	AUD bn	AUD bn	AUD bn
Loan to clients	108.7	-	108.7
Liquidity/management reserves*	12.2	-	12.2
Sub-total	120.9	-	120.9
Assets under management-client deposits	7.2	-	7.2
Other managed investments [#]	-	27.7	27.7
Total	128.1	27.7	155.8

As at 31 December 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 programs

- Under the Industry Support Package, QTC has extended AUD10.7 billion* in loans to non-State entities to support the State's COVID-19 response. QTC's exposures are guaranteed by the Queensland Government.

LOANS TO CLIENTS¹ (MARKET VALUE) **AUD108.7 BILLION**



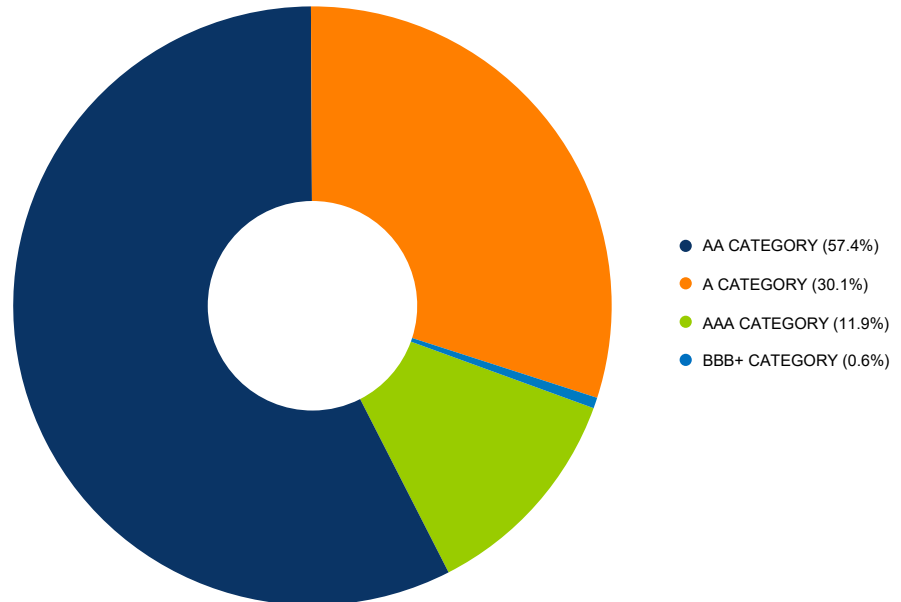
As at 31 December 2020. ¹ Figures are rounded. ² Includes Queensland water entities, universities, grammar schools and water boards.

³ Includes other bodies within the public accounts. * As at end January 2021.

QTC has a conservative approach to risk management

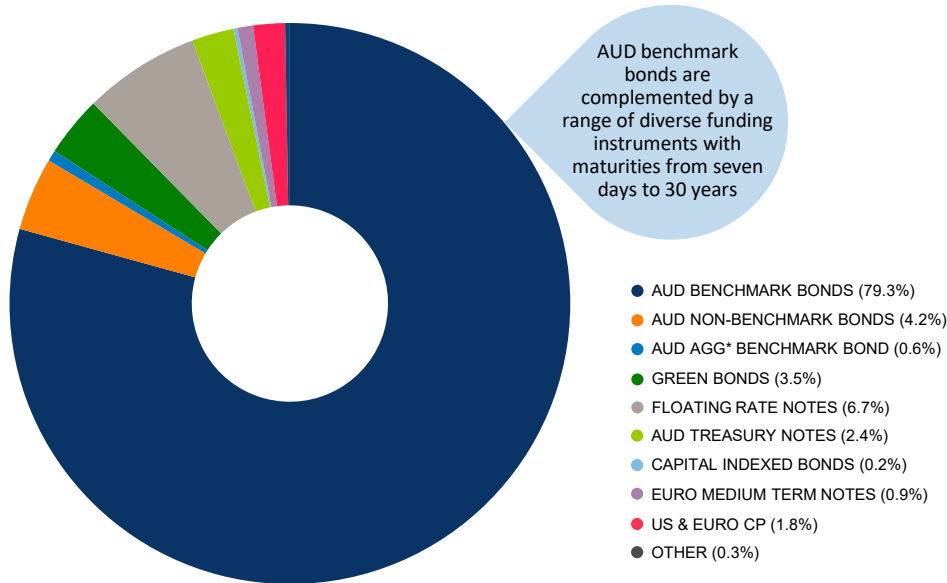
- Approximately 70 per cent of QTC's counterparty credit exposures are rated AA- or higher.
- All types of financial risk, including interest rate, foreign exchange and counterparty risk, are managed within QTC's Board approved risk parameters.
- Enterprise risk management processes are independent to operational activities.
- Risk provisions are in line with industry best practice.
- Diversified funding instruments 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 INSTRUMENT (FACE VALUE) ~AUD113.92 BILLION



As at 05 February 2021. * AGG - Australian Government Guaranteed. Figures are rounded.

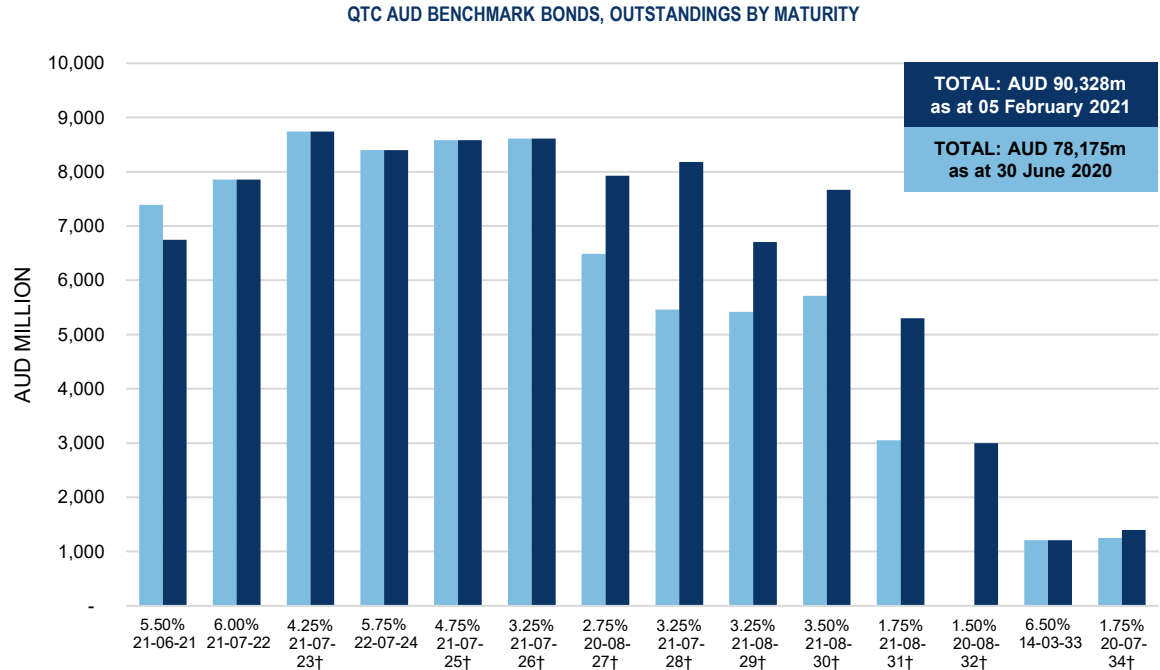
A diverse investor base by geography and type

- 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.



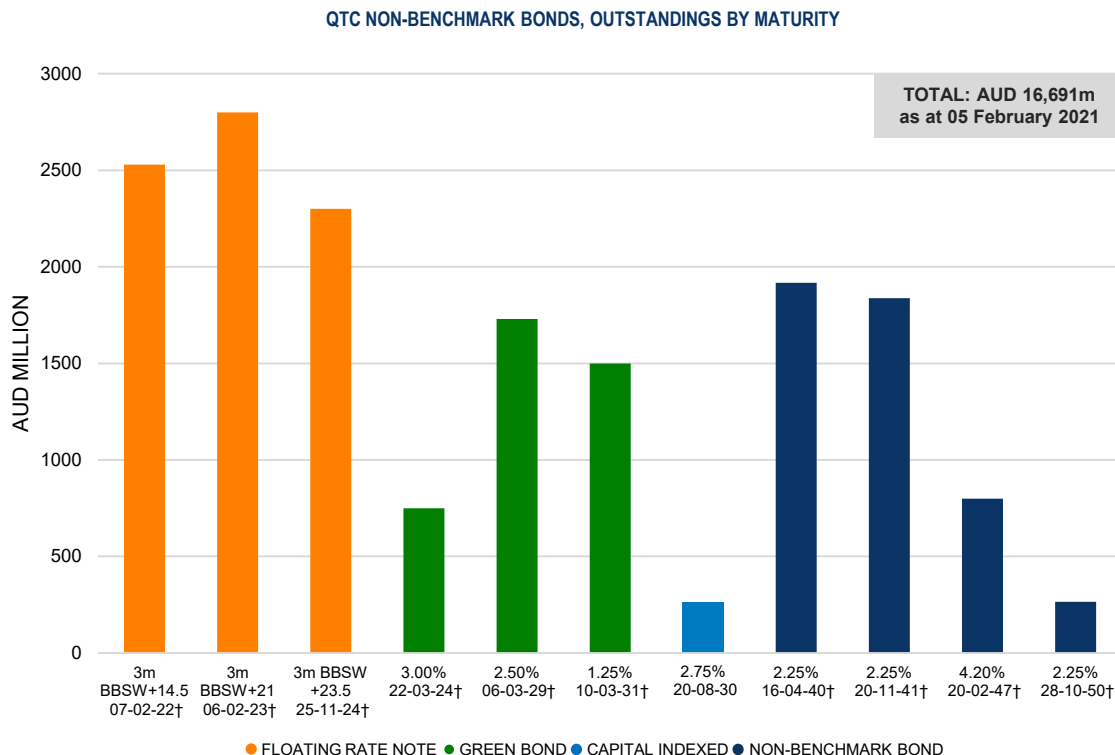
AUD benchmark bond lines are QTC's principal source of funding

- 14 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.
- In January 2021, QTC issued a new AUD 2032 maturity, further establishing its benchmark curve.



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.
- In FY20-21, QTC issued a new AUD 2050 maturity, establishing QTC's longest dated AUD fixed rate line.
- QTC has a total of AUD3.98 billion outstanding across three green bond lines, after establishing a new 2031 green bond in November 2020.



As at 05 February 2021. †144A capability.

Note: The 2.75% 20 Aug 2030 outstandings do not include indexation of AUD99.7 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 AUD6.7 billion[^] of eligible projects and assets, of which approximately AUD4.03 billion of green bond proceeds have been allocated



Framework facilitates the issuance of both CBI certified green bonds and green bonds that accord with 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

Climate Bonds
AWARDS+2020

Climate Bonds Initiative Annual Green Bond Pioneer Awards: Largest Subnational Deal of 2019

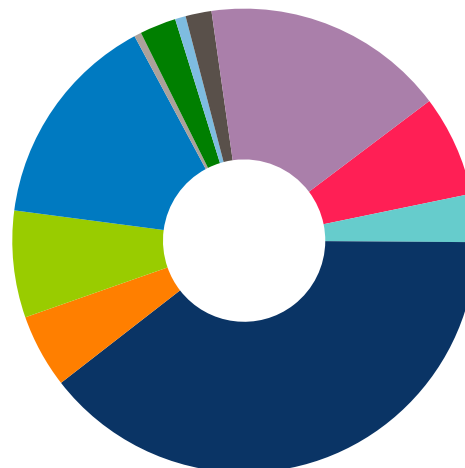
FinanceAsia

Finance Asia Deal Achievement Award for Best Green Bond Deal of 2017

QTC's Green Bond Annual Report is available at:

<https://www.qtc.qld.gov.au/institutional-investors/green-bonds>

ALLOCATION OF GREEN BOND PROCEEDS
APPROXIMATELY AUD4.03 BILLION

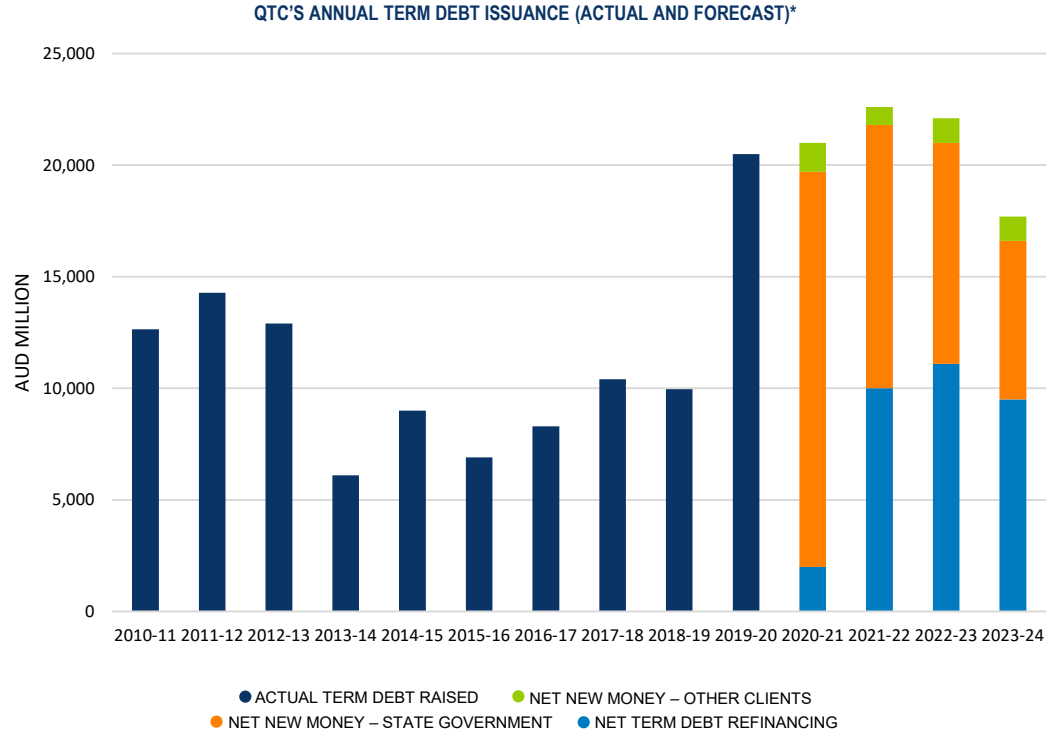


- CITYTRAIN NETWORK (1,587.0M)
- REDCLIFFE PENINSULA LINE (207.3M)
- CITYTRAIN ROLLING STOCK (300.0M)
- NEW GENERATION ROLLING STOCK (607.8M)
- TILT TRAINS ROLLING STOCK (20.0M)
- CYCLEWAYS (102.0M)
- SUNSHINE COAST SOLAR FARM (30.0M)
- UQ WARWICK SOLAR FARM (73.0M)
- SOUTH EAST QLD DESAL PLANT (684.0M)
- GOLD COAST LIGHT RAIL STAGE 1 (283.7M)
- GOLD COAST LIGHT RAIL STAGE 2 (134.8M)

[^] As at 31 December 2020. QTC green bonds on issue are certified by the Climate Bonds Standard Board on behalf of the Climate Bonds Initiative.

QTC's annual term debt issuance

- Since 2020, the State Government has committed more than AUD11 billion in COVID-19 support initiatives.
- An additional AUD56 billion committed to a capital program over four years to 2023–24.
- In addition to the total term debt requirement, QTC expects to maintain a minimum of approximately AUD5 billion of short-term debt.



As at 1 December 2020. *Does not include short-term debt of approximately AUD5 billion each year. Actual debt raised is calculated from Annual Borrowing Program release to the release of the next Annual Borrowing Program, except for 2019–20 due to out of cycle Annual Borrowing Program release.

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)
 - S&P Global: AA+/Stable/A-1+
 - Moody's: Aa1/Stable/P-1
 - Fitch: AA/Stable/F1+
- has 14 AUD benchmark bond lines on issue
- 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.