

QTC SUSTAINABLE BOND FRAMEWORK LAUNCH

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Overview

QTC's objective is to maintain a sustainable bond program that is credible, transparent and aligned with Queensland's environmental and social policies

- QTC's Green Bond Program was launched in 2017; today the program has grown to ~AUD 13.1 billion total outstandings across five bond lines
- QTC published its original Green Bond Framework in 2017 and last updated it in 2021
- Following a strategic review initiated in late 2024, QTC updated and extended the Framework to align with the latest market standards and the State's environmental and social policies

QTC's Sustainable Bond Framework allows QTC to issue three types of bonds aligned to the International Capital Markets Association (ICMA) Principles

- Green Bonds to finance and/or refinance eligible green expenditures
- Social Bonds to finance and/or refinance eligible social expenditures
- Sustainability Bonds to finance and/or refinance eligible green and social expenditures

Summary of key updates

What's new in the 2025 Framework

Alignment with market standards and frameworks	<ul style="list-style-type: none"> ICMA Green Bond Principles (2021), Social Bond Principles (2023), Sustainability Bond Guidelines (2021), allowing QTC to issue in green, social or sustainability format At its discretion, QTC may elect to seek CBI certification for future green bonds issued under the Framework
Expansion and addition of eligible green project categories	<p>Expansion of green project categories to include:</p> <ul style="list-style-type: none"> Renewable energy: hydropower, pumped hydro energy storage, wind, solar, energy storage, bioenergy, grid and green hydrogen Circular economy / pollution prevention and control Climate adaptation and resilience projects Terrestrial and aquatic biodiversity
Addition of eligible social project categories	<p>Added social categories including:</p> <ul style="list-style-type: none"> Access to essential services (health and education) Social and affordable housing Socioeconomic advancement and empowerment
Integration of an exclusion list	<p>Added an exclusion list for:</p> <ul style="list-style-type: none"> Coal exploration, mining, extraction, refining or coal-based energy generation Tobacco Alcohol Gambling Weapons Nuclear energy
Inclusion of a lookback period	<ul style="list-style-type: none"> Expenditures for capital projects under development and budget measures may be eligible if incurred in the current fiscal year of the bond issuance and/or within the two preceding fiscal years Expenditures yet to be allocated under the Framework for completed capital projects may be eligible in full if completion occurs within the current fiscal year of the bond issuance or the two preceding fiscal years Any future issuance of QTC Green Bond lines established before this Framework are not subject to the above restrictions Eligible expenditures notionally linked to sustainable finance instruments issued under the Framework will not be re-allocated at maturity to new sustainable finance instruments

Reporting and external review

QTC commits to reporting on the notional allocation and impact of its Sustainable Finance Instruments annually until maturity. This will be on an aggregated portfolio basis, in a combined allocation and impact report

Allocation reporting

QTC on a best-efforts basis will report on the following allocation metrics, in addition to any other allocation data that it deems material

- Net proceeds of the Sustainable Finance Instruments outstanding
- Register of eligible expenditures including a brief description, amounts notionally allocated to the eligible expenditures, alignment of each eligible expenditure to the relevant sustainability priority, ICMA category, UN SDG, and Climate Bonds Standard, where applicable
- Overall net proceeds allocated, and any unallocated proceeds at the reporting period end
- Extent of any co-financing for each eligible expenditure
- Disclosure of any eligible expenditures removed from the register
- Disclosure of the underlying project status (i.e. under development, operational)

Impact reporting

- Impact reporting will contain, where relevant and feasible, information addressing the environmental and social impacts and potential co-benefits of financing eligible expenditures
- QTC intends to make impact reporting available to investors on an annual basis at the same time as allocation reporting
- QTC's approach to impact reporting may also change over time to align with market standards, reporting standards and methodologies, as they evolve

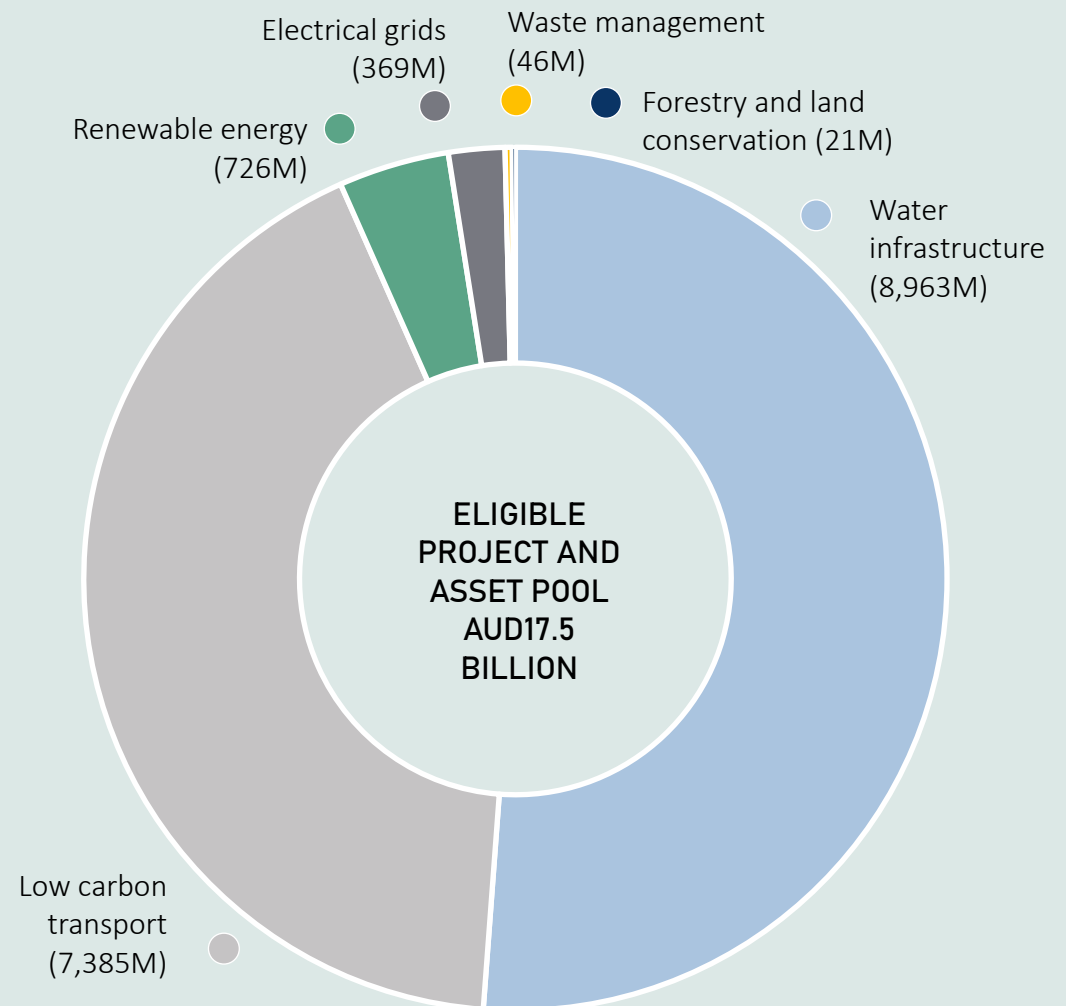
Second Party Opinion and Ongoing Verification

- QTC engaged Sustainalytics to provide a Second Party Opinion (SPO) on the Framework
- The August 2025 SPO has confirmed alignment with the ICMA Principles and is available on the QTC website
- QTC's combined periodic allocation and impact report will undergo external verification by an independent third party
- Reports will be made available on QTC's website, www.qtc.com.au

QTC eligible expenditures

Capital projects and budget measures are expected to deliver environmental and/or social benefits associated with the State of Queensland

- QTC intends to notionally allocate an amount equivalent to the net proceeds raised from any Sustainable Finance Instruments to finance and/or refinance, expenditures for a pool of existing or new projects and budget measures that meet the eligibility criteria
- As at 30 April 2025, QTC's reported eligible project and asset pool totalled approximately AUD20.2bn with approximately AUD13.1bn of outstanding green bonds
- Following the release of QTC's new Sustainable Bond Framework, QTC's eligible expenditures are now approximately AUD17.5bn. This reflects:
 - removal of the Seqwater Western Corridor Recycled Water Scheme from QTC's pool; and
 - application of QTC's lookback period to capital projects under development and budget measures.
- No additional assets have been added to the pool since 31st December 2024
- For more information on the existing assets please see the QTC Green Bond Annual report on the QTC website



Thank you

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