



QUEENSLAND TREASURY CORPORATION PRE-ISSUANCE ASSESSMENT OF ADDITIONAL NOMINATED ASSETS



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Prepared by: DNV Business Assurance Australia Pty. Ltd.

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Disclaimer

Our assessment relies on the premise that the data and information provided by the client to us as part of our review procedures are provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not be detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 - Conformity Assessment – General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct during the assessment and maintain independence where required by relevant ethical requirements.

DNV'S INDEPENDENT ASSESSMENT

Scope and Objectives

Queensland Treasury Corporation ("QTC") is the central financing authority for the Queensland Government and provides financial resources and services for the State. QTC manages the State's funding program in global capital markets to deliver sustainable and cost-effective borrowings for the Queensland Government. QTC's clients include government-owned corporations, departments, agencies, local governments, and other entities such as universities.

In 2017, QTC issued its first Green Bond under its inaugural Green Bond Framework. QTC updated the framework in August 2025, QTC Sustainable Bond Framework, ("the Framework"), to include more eligible Green Project categories and eligible Social Project categories. QTC's aim is to broaden and mobilise capital in alignment with Queensland Government's environmental and social policies. Furthermore, QTC is committed to annual impact reporting on eligible projects that support targets and policies as legislated by the Queensland Government.

Under the Framework QTC may issue Sustainable Finance Instruments, Green, Social, or Sustainable Bonds, the proceeds of which are intended to finance/refinance the projects/assets outlined in Schedule 1 ("Additional Nominated Assets"), which fall under the definitions of the following eligible QTC Green Project categories:

- Energy efficiency (including energy storage)
- Environmentally sustainable management of living natural resources and land use
- Clean transportation

DNV Business Assurance Australia Pty. Ltd. ("DNV") has been engaged by QTC to undertake analysis of the Additional Nominated Assets to determine their eligibility for being considered "Green" in line with the Framework, and provide a Second Party Opinion ("SPO") on the eligibility of the Additional Nominated Assets for inclusion in QTC's pool against the following principles:

- Green Bond Principles 2025 ("GBP")¹ published by the International Capital Market Association ("ICMA")

DNV notes that QTC may issue "Sustainability Bonds", in which proceeds or an equivalent amount may be allocated to finance/refinance projects which have both environmental and social benefits, and utilise the GBP as well as the Social Bond Principles 2025 ("SBP")² published by ICMA.

In order to facilitate the application of the GBP and SBP's guidance on transparency and disclosure to the Sustainability Bond market, QTC will utilise the Sustainability Bond Guidelines 2021 ("SBG")³ published by ICMA

QTC retains the flexibility to issue Sustainability Bonds where proceeds from the initial issuance may be fully allocated to green projects, with the option to allocate proceeds from subsequent issuances (e.g. taps) to Eligible Social Expenditures as outlined in the Framework, should these be incorporated into QTC's funding programme, consistent with the GBP, SBP and SBG.

¹ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/>

² <https://www.icmagroup.org/assets/documents/Sustainable-finance/2025-updates/Social-Bond-Principles-SBP-June-2025.pdf>

³ <https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Sustainability-Bond-Guidelines-June-2021-140621.pdf>

DNV has considered QTC's stated aims to broaden and mobilise capital in alignment with Queensland Government's environmental and social policies, and its history of issuing labelled debt instruments which have financed/refinanced projects which resulted in a combination of positive environmental and social impacts as being consistent with the goals of the GBP, SBP, and SBG.

DNV considers QTC's Sustainable Bond Framework to provide appropriate guidance in the issuance and management of Sustainable Finance Instruments that is aligned with the Principles.

No assurance is provided regarding the financial performance of future instruments issued by QTC, the value of any investments, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the Additional Nominated Assets have met the criteria established on the basis set out below.

In providing the views and opinions in this SPO, no conflicts of interest that are considered material have arisen.

DNV does not hold an Australian Financial Services License to provide general financial product advice, and this opinion is provided subject to the conditions of the Australian Securities and Investments Commission ("ASIC") SPO class no-action position set out in its letter of 14 June 2024. In accordance with ASIC's SPO class no-action position, DNV may make further details available via electronic link.

Responsibilities of the Management of QTC and DNV

The management of QTC has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform QTC's management and other interested stakeholders as to whether the Additional Nominated Assets are aligned with the GBP. In our work we have relied on the information and the facts presented to us by QTC. DNV is not responsible for any aspect of the Additional Nominated Assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by QTC's management and used as a basis for this assessment are incorrect or incomplete.

Basis of DNV's Opinion

We have adapted our assessment methodology to create the QTC-specific Eligibility Assessment Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the criteria against which QTC's Sustainable Bond Framework has been reviewed are grouped under the four core components:

1. Use of Proceeds

The Use of Proceeds criteria are guided by the requirement that an Issuer of a bond must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental benefits.

2. Process for Project Evaluation and Selection

The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a bond should outline the process it follows when determining eligibility of an investment using Green, Social, or Sustainable Bond proceeds and outline any impact objectives it will consider.

3. Management of Proceeds

The Management of Proceeds criteria are guided by the requirements that a bond should be tracked within the organisation, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.

4. Reporting

The Reporting criteria are guided by the recommendation that at least annual reporting should be made of the use of proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

Work Undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by QTC in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of a Protocol, adapted to the purpose of the Sustainable Finance Instruments, as described above and in Schedule 2 to this Assessment;
- Assessment of documentary evidence provided by QTC on the Green Bond and the Additional Nominated Assets and supplemented by high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Review of published materials by QTC that is hosted on their website;
- Discussions with QTC's management, and review of relevant documentation and evidence related to the criteria of the Protocol; and
- Documentation of findings against each element of the criteria. Our opinion as detailed below is a summary of these findings.

Findings and DNV's Opinion

DNV's findings on the alignment of proposed Sustainable Finance Instruments and Additional Nominated Assets are listed below:

1. Use of Proceeds

QTC intends to notionally allocate an amount equivalent to the net proceeds raised from any Sustainable Finance Instruments against Eligible Expenditures that deliver environmental and/or social benefits associated with the State of Queensland. QTC specifies that for the purpose of the Framework, Eligible Expenditures must meet the stated definition of Eligible Green Expenditures; "Eligible Green Expenditures may include operating and capital expenditures financing the establishment, acquisition, expansion, maintenance and/or ongoing management of projects that support Queensland's transition to a low carbon, climate resilient and environmentally sustainable economy." The Framework outlines categories of Eligible Green Expenditure that are consistent with the GBP. The screening criteria applied by QTC when selecting Eligible Green Expenditures have been informed by international standards and best practice, including the climate mitigation components of industry accepted standards and methodologies.

The Additional Nominated Assets have been mapped to the corresponding eligible Green Project categories as listed by the GBP, and the Eligible Green Expenditure category as defined by the Framework, as shown below:

GBP eligible Green Project categories	Eligible Green Expenditure	Additional Nominated Assets
Renewable energy	Energy storage	Tarong Battery Energy Storage System
Environmentally sustainable management of living natural resources and land use	Forestry, land conservation, and restoration projects or supporting activities	Protected Areas Estate (PAE) – additional land acquisitions and conversions
Clean transportation	Low carbon transport	Cross River Rail
	Supporting infrastructure	

DNV undertook an analysis of the Additional Nominated Assets to determine their eligibility for being considered “Green” in line with the Framework and the GBP. DNV considers the Eligible Green Expenditure outlined in the Framework to be consistent with the eligible Green Project categories listed in the GBP.

2. Process for Project Evaluation and Selection

The Framework appropriately describes QTC’s process for project evaluation and selection. QTC have established a Sustainable Bond Committee (the “Committee”) which holds responsibility over the Framework and the ongoing compliance to it and the GBP. The Committee is accountable for evaluating projects, selecting Eligible Expenditures, maintaining a register of Eligible Expenditures and approving the notional allocation of Bond proceeds.

The Framework states that the Committee evaluates and selects Eligible Expenditures that:

- Support a Queensland Government environmental or social policy;
- Align with ICMA categories and descriptions of Eligible Expenditures outlined in the Framework;
- Have benefits that can be measured using clear environmental and/or social metrics for impact reporting.

DNV considers QTC’s Framework to appropriately describe a process of project evaluation and selection that is aligned with the GBP.

3. Management of Proceeds

The Framework states that proceeds from Sustainable Finance Instruments are deposited into QTC’s main bank account. QTC tracks net proceeds and allocation of proceeds using internal information management and reporting systems. QTC uses an internal register to manage the link between QTC’s funding pools and Eligible Expenditures. An earmarking process is used to track net proceeds allocated against Eligible Expenditures.

QTC maintains an internal register of Eligible Expenditures to confirm that the balance of net proceeds from outstanding Sustainable Finance Instruments is not exceeded. The Committee will be responsible for the internal register and approval of the notional allocation of Bond proceeds.

The Framework states that QTC intends to allocate proceeds after settlement. In the event that this does not occur, QTC commits to allocating proceeds within 24 months from the date of issuance. Pending full allocation, proceeds will be invested temporarily in cash and cash equivalents.

DNV has reviewed the evidence presented and can confirm that the Framework provides a suitable structure for the proceeds of future Sustainable Finance Instruments issued under the Framework to be appropriately managed in line with the GBP.

4. Reporting

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

QTC's Allocation reporting is proposed to include:

- Net proceeds of 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 ICMA category, UN SDG, and Climate Bonds Standard, where applicable.
- Overall net proceeds allocated, and any unallocated proceeds
- Extent of co-financing for each Eligible Expenditure
- Disclosure of removal of any Eligible Expenditure
- Disclosure of underlying project status

QTC's Impact Reporting, where relevant and feasible, will contain information addressing the environmental and social impacts of financing Eligible Expenditures, and may include the following metrics:

- Renewable energy
 - GHG emissions avoided (kt/a)
 - Generation capacity (GW/MW or MWh/a)
 - New electricity transmission lines (km or kV)
 - Number of turbines, panels, or inverters (#)
 - % Newly generated capacity derived from low carbon sources, per annum, over a rolling five-year period
- Environmentally sustainable management of living natural resources
 - Area of land protected or under regenerative land processes (km or ha)
 - Research projects completed or underway (#)
- Clean transportation
 - GHG emissions (tCO₂e or kgCO₂e per passenger/seat/capacity km)
 - Number of new passenger cars (# or % of passenger km travelled)
 - Number of clean vehicles deployed (# or % of eligible vehicles electrified)
 - New or upgraded walking/cycle paths (km)

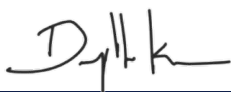
QTC commits to make impact reporting available to investors on an annual basis at the same time as allocation reporting but may notify investors if there is any delay in providing impact reporting. QTC's approach to impact reporting may also change over time to align with market standards, reporting standards and methodologies as they evolve.

DNV considers QTC's reporting to be aligned with the GBP.

Based on the limited assurance procedures conducted and on the information provided by QTC, nothing has come to our attention that causes us to believe that the proposed Sustainable Finance Instruments and Nominated Assets are not, in all material respects, in accordance with the Framework, in alignment with the Protocol, and aligned with the GBP. Refer to Schedules 2 and 4 for detailed information.

for DNV Business Assurance Australia Pty. Ltd.

Sydney, Australia, 5th May 2026



Deepthi K Sugumar
Lead Verifier



David McCann
Quality Reviewer

Schedule 1. Description of QTC's Pool of Additional Nominated Assets

The information contained in the tables below are taken from the Pre-Issuance Information 2026 document provided to DNV by QTC on 18th March 2026, and the public websites of the Tarong Battery Energy Storage System⁴, the Protected Areas Estate (PAE) program⁵, and the Cross River Rail⁶.

Energy Storage Assets:

Eligible Green Project Category	Eligible Green Expenditure Category	Asset Name	Asset Location	Operational	Capacity (MW)	Gigawatt Hour Capacity (GWh)	Eligible Expenditure (AUD m)
Renewable Energy	Energy Storage	Tarong Battery Energy Storage System	Tarong, QLD	2025	300	0.6	365.59

Protected Areas Estate Assets:

Eligible Green Project Category	Eligible Green Expenditure Category	Asset Name	Asset Location	Project Name	Hectares (2025)	Eligible Expenditure (AUD m)
Environmentally sustainable management of living natural resources and land use	Forestry, land conservation, and restoration projects or supporting activities	Protected Areas Estate – Additional land acquisitions and conversions	QLD, Australia	Part of Clothes Peg Station	2,844	107.23
				Narrien Range National Park	1,978	
				Dhuny Yumba National Park	4,247	
				Undilla Station	21,900	
				Long Island	3,495	
				Varna Station	17,216	
				Spadely Station	1,637	
				Tonkoro Station	138,140	
				Part of Melrose Station	64,800	
				Vergemont Station	352,589	
				Humphreys / Inglewood	8,150	
				Monak Road	155	
Part Mt Hope Station	7,870					

⁴ <https://www.stanwell.com/tarong-battery>

⁵ <https://www.qld.gov.au/environment/parks/protected-areas/growing-protected-area/land-acquisitions-conversions>

⁶ <https://crossriverrail.qld.gov.au/>

Cross River Rail:

Eligible Green Project Category	Eligible Green Expenditure Category	Asset Name	Asset Location	Operational Target	Eligible Expenditure (AUD m)
Clean Transportation	Low carbon transport	Cross River Rail	Brisbane, QLD	2029	1,685
	Supporting infrastructure				

DNV considers the assets listed above to be in alignment with the Eligibility Criteria Defined in the Framework, and aligned with the related eligible Green Project categories of the GBP.

Schedule 2. Eligibility Assessment Protocol

1. Use of Proceeds

Ref.	Criteria	Requirements	DNV Findings												
1a	Type of bond	<p>The instruments should fall in one of the following categories, as defined by the GBP:</p> <ul style="list-style-type: none"> • Green Use of Proceeds Bond • Green Use of Proceeds Revenue Bond • Green Project Bond • Green Securitised Bond • Revolving Credit Facility • Other loan instruments made available exclusively for Green projects (Green use of loan proceeds) 	<p>The Framework confirms that the proposed Green Bond is a Green Use of Proceeds Bond.</p> <p>From the Framework</p> <p><i>QTC's Sustainable Bond Framework allows QTC to issue three types of bonds (together "Sustainable Finance Instruments"):</i></p> <ul style="list-style-type: none"> • <i>Green Bonds to finance and/or refinance Eligible Green Expenditures</i> • <i>Social Bonds to finance and/or refinance Eligible Social Expenditures</i> • <i>Sustainability Bonds to finance and/or refinance Eligible Green and Social Expenditures</i> <p>The proposed Green Bond is considered to be aligned with the GBP.</p>												
1b	Green Project Categories	<p>The cornerstone of a Green Bond is the utilisation of the proceeds of the bond which should be appropriately described in the legal documentation for the security.</p>	<p>Eligible project categories and Nominated Assets presented in the Framework by QTC include:</p> <table border="1"> <thead> <tr> <th>GBP eligible Green Project categories</th> <th>Eligible Green Expenditure</th> <th>Nominated Assets</th> </tr> </thead> <tbody> <tr> <td>Renewable energy</td> <td>Energy storage</td> <td>Tarong Battery Energy Storage System</td> </tr> <tr> <td>Environmentally sustainable management of living natural resources and land use</td> <td>Forestry, land conservation, and restoration projects or supporting activities</td> <td>Protected Areas Estate (PAE) – additional land acquisitions and conversions</td> </tr> <tr> <td>Clean transportation</td> <td>Low carbon transport Supporting infrastructure</td> <td>Cross River Rail</td> </tr> </tbody> </table>	GBP eligible Green Project categories	Eligible Green Expenditure	Nominated Assets	Renewable energy	Energy storage	Tarong Battery Energy Storage System	Environmentally sustainable management of living natural resources and land use	Forestry, land conservation, and restoration projects or supporting activities	Protected Areas Estate (PAE) – additional land acquisitions and conversions	Clean transportation	Low carbon transport Supporting infrastructure	Cross River Rail
GBP eligible Green Project categories	Eligible Green Expenditure	Nominated Assets													
Renewable energy	Energy storage	Tarong Battery Energy Storage System													
Environmentally sustainable management of living natural resources and land use	Forestry, land conservation, and restoration projects or supporting activities	Protected Areas Estate (PAE) – additional land acquisitions and conversions													
Clean transportation	Low carbon transport Supporting infrastructure	Cross River Rail													

Ref.	Criteria	Requirements	DNV Findings
			<p>DNV considers these categories and associated Nominated Assets as being appropriately described by QTC and well aligned with the GBP.</p>
<p>1c</p>	<p>Environmental benefits</p>	<p>All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the Issuer.</p>	<p>DNV considers the eligible Green Project categories and Nominated Assets presented by QTC for inclusion in the proposed Green Bond to provide clear environmental benefits as detailed below.</p> <p><u>Tarong Battery Energy Storage System</u></p> <p>The Tarong Battery Energy Storage System ("BESS") will provide essential firming capacity to support renewable energy projects planned for Southern Queensland. The system is designed to deliver two hours of storage adding 300 megawatts ("MW") and 600 megawatt hours ("MWh") to the National Energy Market. The BESS can charge and discharge multiple times per day and respond within milliseconds to market conditions.</p> <p>QTC has confirmed that the storage assets being financed will be:</p> <ul style="list-style-type: none"> i) connected to Queensland's electricity grid with the objective of supporting an increase in the generation or use of renewable electricity within the grid <p>As per QTC's Framework, expenditures will only be eligible where more than 67% of the newly enabled generation capacity in Queensland's grid is below the emission threshold of 100 gCO₂e/kWh, over a rolling five-year period. This is calculated using the methodological notes in the Electrical Grids and Storage Sector Criteria⁷ published by the Climate Bond Initiative ("CBI").</p> <p>Utilising data from the Australian Energy Regulator's ("AER") State of the Energy market 2025⁸ (and historical reports) DNV confirms Queensland's grid has met this threshold over a rolling five year period. DNV considers this to meet the requirements of the CBI Electrical grids and storage sector criteria, which meet and exceed the eligibility requirements of the GBP.</p> <p>QTC may report (<i>where relevant and feasible</i>) on the following Impact Metrics related to the operation of the BESS:</p> <ul style="list-style-type: none"> • Capacity <p>Gigawatt Hour Capacity (GWh) DNV considers the proposed Tarong Battery Energy Storage System to feasibly provide clear environmental benefits through the storage and firming capacity of energy from renewable storage.</p>

⁷ <https://www.climatebonds.net/our-expertise/climate-bonds-standard-and-certification-scheme/sector-criteria/electricals-grids-storage>

⁸ <https://www.aer.gov.au/publications/reports/performance/state-energy-market-2025>

Ref.	Criteria	Requirements	DNV Findings
			<p><u>Protected Areas Estate (“PAE”) – Additional land acquisitions and conversions</u></p> <p>The Queensland Government explores opportunities to grow the protected area system by purchasing or acquiring land for adding or converting to national parks. The priority is to acquire land that:</p> <ul style="list-style-type: none"> • is comprehensive, adequate and representative of the state’s biodiversity • helps to conserve critical habitat for threatened and at-risk species • protects and conserves Queensland’s First Nations people’s culturally important landscapes and places and connection to Country • protects non-Indigenous cultural heritage and historic places • contributes to potential economic, social and health benefits to our communities • provides for high-quality, nature-based recreation and ecotourism opportunities that connect people with nature • contributes to carbon sequestration, climate resilience and protection of the Great Barrier Reef. <p>DNV reviewed the selection acquisitions undertaken during 2025 and expected to be converted to PAE by the end of 2026, which includes the following sensitive ecological systems:</p> <ul style="list-style-type: none"> • Part of Undilla Station <ul style="list-style-type: none"> ○ The property is expected to become part of the Boodjamulla National Park (Indigenous Land) and provide protection for areas of Indigenous cultural heritage for the Waanyi First Nations People, and the limestone landscape associated with the O’Shannessy River. • Long Island <ul style="list-style-type: none"> ○ The island consists of mangroves, salt flats and seagrass meadows in the intertidal zones, with low closed shrublands on the island itself. ○ Formerly used as pastoral holding, the site will add more of the island’s unique, natural habitat, and a known rookery for the vulnerable flatback turtle, to the PAE. • Varna Station <ul style="list-style-type: none"> ○ The Paroo River is the last free-flowing river in the Murray-Darling Basin (Murray-Darling Basin Authority, 2021). The river’s source is within Varna. ○ Mulga Acacia aneura woodland is an important plant community which dominates the property. It provides habitat for several threatened species including the Woma, a large python. • Spadely Station

Ref.	Criteria	Requirements	DNV Findings
			<ul style="list-style-type: none"> ○ The land includes estuarine wetlands and habitat critical for migratory birds and threatened species such as the false water-rat and Capricorn yellow chat. The property lies within the Great Barrier Reef World Heritage Area and its shoreline supports nesting habitat for the vulnerable flatback turtle. • Tonkoro Station & part of Melrose Station <ul style="list-style-type: none"> ○ These properties have regional ecosystems that are poorly represented, or have no representation, in the current protected area estate. ○ Both parcels of land form part of a large corridor that connects with other nearby protected areas. ○ The site contains key habitat for the endangered night parrot and highly restricted Opalton grasswren. • Vergemont Station <ul style="list-style-type: none"> ○ The land contains significant riverine and biodiversity conservation values and provides a key habitat for the endangered night parrot and highly restricted Opalton grasswren. <p>QTC has confirmed that the state of Queensland manages the PAE's under the QLD Protected Area Strategy 2020-2030⁹, and that the Queensland Parks and Wildlife Service ("QPWS") utilises the Values-Based Management Framework ("VBMF")¹⁰ to manage Queensland's parks and forests.</p> <p>QTC notes, pest management activities may be carried out during management of QPWS areas. The Queensland Parks and Wildlife Services Pest Management System¹¹ is used to facilitate pest management planning and to guide on-ground pest management activities to protect the biodiversity and natural processes in these areas. QPWS actively manages pest plants and animals in parks, forests and other areas gazetted under the <i>Nature Conservation Act 1992</i> and <i>Forestry Act 1959</i>, in order to protect the biodiversity and natural processes in these areas. In common with other landholders, QPWS also has a responsibility under the <i>Biosecurity Act 2014</i> to control declared plant and animal pests on its lands.</p>

⁹ <https://parks.qld.gov.au/management/plans-strategies/protected-area-strategy>

¹⁰ <https://parks.qld.gov.au/management/plans-strategies/values-based-framework>

¹¹ https://parks.qld.gov.au/management/programs/pest-plants-animals#what_can_i_do_to

Ref.	Criteria	Requirements	DNV Findings
			<p>QTC has confirmed that use of pesticides on QPWS land are supported by a management plan to identify and target defined areas in order to minimise the risk of damage to non-targeted plants and animals.</p> <p>DNV considers the pest management approach committed to by the Queensland Government to be holistic, and to have adequate controls in place to minimise the risks associated with the chemical and mechanical management of invasive plants and insects.</p> <p>DNV considers the proposed PAE additional land acquisitions and conversions to feasibly provide clear environmental benefits through the protection and conservation of ecologically unique and sensitive habitats. The Framework states that QTC may report on the following Impact Metrics related to Environmentally Sustainable Management of Living Natural Resources:</p> <ul style="list-style-type: none"> • Area of land protected or under regenerative land processes (km or ha) • Research projects completed or underway (#) <p><u>Cross River Rail</u></p> <p>The project is designed to expand public transit capacity, improve network resilience, and support a long-term modal shift toward low-carbon, high-capacity rail travel. When operational, the Cross River Rail corridor will enable more frequent and higher-capacity public transport services, reduce pressure on road networks, and provide low-carbon mobility alternatives for a growing metropolitan region.</p> <p>The project</p> <ul style="list-style-type: none"> • Was declared a Coordinated Project under the <i>State Development and Public Works Organisation Act 1971</i> and has completed various regulatory requirements including an Environmental Impact Assessment that was approved by the Queensland Coordinator-General. • Implemented a Tunnel, Stations and Development (TSD) Construction Environmental Management Plan which was based on a detailed assessment of construction impacts and incorporated site specific mitigation measures to achieve environmental outcomes and contains a program for ongoing monitoring to ensure the effectiveness of mitigation measures. • Is designed to be adaptable to conditions that may arise as a result of climate change, including accommodating potential sea level rises.

Ref.	Criteria	Requirements	DNV Findings
			<ul style="list-style-type: none"> Incorporated energy consumptions and savings throughout the Project lifecycle which were tracked by a Sustainability Tool through to Project implementation. <p>DNV considers the Cross River Rail project to feasibly provide clear environmental benefits through directly supporting a reduction in transport-related greenhouse gas emissions.</p> <p>DNV concludes that the Nominated Assets are aligned with the GBP.</p>
1d	Refinancing Share	In the event that a proportion of the proceeds may be used for refinancing, it is recommended that Issuers provide an estimate of the share of financing vs. re-financing, and where appropriate, also clarify which investments or project portfolios may be refinanced.	<p>QTC has confirmed that 100% of the proceeds will be used for refinancing eligible expenditures</p> <p>DNV confirms this to be aligned with the GBP.</p>

2. Process for Project Selection and Evaluation

Ref.	Criteria	Requirements	DNV Findings
2a	Investment-decision process	<p>The Issuer of a Green Bond should outline the decision-making process it follows to determine the eligibility of projects using Green Bond proceeds. This includes, without limitation:</p> <ul style="list-style-type: none"> A process to determine how the projects fit within the eligible Green Projects categories identified in the GBP; The criteria making the projects eligible for using the Green Bond proceeds; and The environmental sustainability objectives 	<p>As per the Framework, QTC has nominated responsibility and defined a process for the selection of eligible projects and assets.</p> <p>From the Framework</p> <p><i>QTC's Sustainable Bond Committee ("the Committee") is responsible for ensuring compliance with all aspects of this Framework. The Committee meets as required and at least quarterly, has representatives from across QTC and Queensland Treasury (QT) and is accountable for evaluating projects, selecting Eligible Expenditures, maintaining a register of Eligible Expenditures and approving the notional allocation of bond proceeds.</i></p> <p>The decision-making process to determine the eligibility of projects are clearly explained in the Framework;</p>

Ref.	Criteria	Requirements	DNV Findings
			<p>From the Framework</p> <ol style="list-style-type: none"> 1. QTC engages with relevant government owned corporations, departments and agencies to identify potential Eligible Green and Social Expenditures. 2. QTC undertakes initial assessment of potential Eligible Green and Social Expenditures against the Sustainable Bond Framework Criteria, in consultation with relevant government owned corporations, departments and agencies. 3. The Sustainable Bond Committee approves potential Eligible Green and Social Expenditures for inclusion, based on the relevant criteria. 4. QTC reports annual notional allocation and impact reporting for the Sustainable Bond Program. 5. QTC periodically reviews existing Eligible Expenditures and will remove and/or replace any expenditures that no longer meet the criteria outlined in the Sustainable Bond Framework. <p>DNV considers this to be aligned with the GBP.</p>
2b	Issuer's environmental and social and governance framework	In addition to information disclosed by an Issuer on its Green Bond process, criteria and assurances, Green Bond investors may also take into consideration the quality of the Issuer's overall framework and performance regarding environmental sustainability.	<p>The Queensland Government has introduced policy initiatives to build a resilient and sustainable future for Queensland, which will be supported the integration of sustainability considerations into the decision-making processes and proactive actions in managing sustainability risks.</p> <p>QTC, being the central financing authority for the Queensland Government, is aligned with legislated targets and policies.</p> <p>From the Framework</p> <p><i>Queensland Treasury prepares and publishes an annual Queensland Sustainability Report to provide information on the Queensland Government's legislated targets, major commitments and policies to manage sustainability risks and opportunities, including governance structures supporting policy, oversight and implementation.</i></p> <p>DNV considers QTC's track record and position on sustainability to be well aligned with the GBP and its operations and investments to be consistent with the stated mission and vision of the GBP, which is "promoting the role that global debt capital markets can play in financing progress towards environmental and social sustainability".</p>

3. Management of Proceeds

Ref.	Criteria	Requirements	DNV Findings
3a	Tracking procedure	The net proceeds of a Green Bond should be credited to a sub-account, moved to a sub- portfolio or otherwise tracked by the Issuer in an appropriate manner and attested to by a formal internal process that will be linked to the Issuer's lending and investment operations for Green Projects.	<p>The Framework states that upon settlement, proceeds from Sustainable Finance Instruments will be deposited into QTC's main bank account. QTC states that net proceeds and allocation of proceeds are tracked through internal information management and reporting systems. QTC will manage the link between funding pools and Eligible Expenditures through an internal register.</p> <p>DNV considers this to be aligned with the GBP.</p>
3b	Tracking procedure	So long as the Green Debt is outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching eligible green investments or loan disbursements made during that period.	<p>The details on tracking procedures are addressed in the Framework.</p> <p>From the Framework</p> <p><i>QTC maintains an internal register of Eligible Expenditures which, after adjustments for intervening circumstances, including but not limited to, sales and repayments, matches or exceeds the balance of net proceeds allocated against Eligible Expenditures.</i></p> <p>The proposed tracking provisions are considered to be reasonable in context and should provide a basis for the accurate reporting of allocation data. DNV confirms this to be aligned with the GBP.</p>
3c	Temporary holdings	Pending such investments or disbursements to eligible Green Projects, the Issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	<p>The Framework states that any unallocated proceeds will be handled appropriately.</p> <p>From the Framework</p> <p><i>QTC intends to allocate proceeds immediately after settlement. In the event this does not occur, QTC commits to allocating proceeds within 24 months from the date of issuance. Pending full allocation, proceeds will be invested temporarily in cash and cash equivalents.</i></p> <p>DNV confirms this to be aligned with the GBP.</p>

4. Reporting

Ref.	Criteria	Requirements	DNV Findings
4a	Periodical reporting	<p>Issuers should make and keep readily available up to date information on the use of proceeds to be renewed annually until fully drawn, and as necessary thereafter in the event of material developments. This should include a list of the Green projects to which the Green Bond proceeds have been allocated and a brief description of the projects and the amounts allocated and their expected impact. Where confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available, the information is presented in generic terms or on an aggregated project portfolio basis.</p> <p>In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, Issuers should provide at least annually a list of projects to which Green Bond proceeds have been allocated including - when possible with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact.</p>	<p>QTC has confirmed that it will report on notional allocations and environmental impacts associated with the Green Bond annually in a combined allocation and impact report.</p> <p>From the Framework <i>QTC on a best-efforts basis will report on the following allocation metrics, in addition to any other allocation data that it deems material:</i></p> <ul style="list-style-type: none"> • <i>Net proceeds of the Sustainable Finance Instruments outstanding.</i> • <i>Register of Eligible Expenditures including a brief description, amounts notionally allocated to the Eligible Expenditures, alignment of each Eligible Expenditure to the relevant ICMA category, UN SDG, and Climate Bonds Standard, where applicable.</i> • <i>Overall net proceeds allocated, and any unallocated proceeds at the reporting period end.</i> • <i>Extent of any co-financing for each Eligible Expenditure.</i> • <i>Disclosure of any Eligible Expenditures removed from the register.</i> • <i>Disclosure of the underlying project status (i.e. under development, operational).</i> <p><i>Impact reporting will contain, where relevant and feasible, information addressing the environmental and social impacts of financing Eligible Expenditures. QTC intends to make impact reporting available to investors on an annual basis at the same time as allocation reporting but may notify investors if there is any delay in providing impact reporting. QTC's approach to impact reporting may also change over time to align with market standards, reporting standards and methodologies, as they evolve.</i></p> <p>DNV considers the proposed reporting set out in the Framework to be aligned with the GBP.</p>



About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight. With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.