Responsible Investment Policy

Version 8.1 / November 2025

Document category	Document Owner	Review Date	Next Review Date	Authorised by
Policy	Investment Committee	November 2025	November 2026	Board

This is an unsecured copy and therefore may not be the most recent version. The most up to date, approved version can be found at S:\50. Board Policies.

Document Version History

Version number	Authors	Revision notes	Date	Approved by	Status
4.0	*Investment Team,*	*Policy update*	*September 2019*	*Board*	*Final*
5.0	*Investment Team*	*Policy update*	*December 2020*	*Board*	*Final*
6.0	*Investment Team*	*Policy update; reference to modern slavery*	*November 2021*	*Board*	*Final*
7.0	*Investment Team*	*Policy update*	*November 2023*	*Board*	*Final*
8.0	*Investment Team*	*Annual review*	*November 2024*	*Board*	*Final*
8.1	*Investment Team and GRC*	*Annual review / New Template*	*November 2025*	*Board*	*Draft*

Table of Contents

1. INTRODUCTION 2
1.1 BACKGROUND 2
1.2 PURPOSE 2
1.3 SCOPE 2
2. DEFINITIONS 2
3. POLICY PRINCIPLES 4
4. COMMUNICATION 6
5. ROLES AND RESPONSIBILITIES 6
6. DOCUMENT REVIEW 7
7. POLICY EXEMPTIONS 7

8. REFERENCES 78

1. Introduction

1.1 Background

BUSS (Queensland) Pty Ltd is the Trustee for

- Building Unions Superannuation Scheme (Queensland)
- BUSS(Q) Pooled Superannuation Trust.

BUSSQ considers itself a long-term investor and believes its members will be best served by investing in a sustainable and responsible manner. The Fund believes that taking active responsibility for the portfolio will help identify and manage risks and enhance returns for members over the long term.

1.2 Purpose

To formally outline BUSSQ's principles and commitments in relation to Responsible Investment. Responsible Investment incorporates Environmental, Social and Governance (ESG) issues into investment decision-making and ownership practices.

1.3 Scope

The Responsible Investment Policy applies generally to all BUSSQ's investments including:

a. All types (direct, mandated and pooled);
b. All styes (active and passive);
c. All classes (shares, property, unlisted and listed infrastructure, private equity, cash, absolute return, fixed interest, agriculture, derivatives and currency hedge); and
d. All geographic locations.

BUSSQ has taken a "fit for purpose" approach that allows for the Fund's size and resourcing and the manner and the extent to which BUSSQ incorporates ESG issues into investment processes and decision-making and ownership will differ depending on each investment's characteristics. BUSSQ encourages external investment managers to consider ESG matters as part of their investment process.

2. Definitions

Responsible Investment: refers to investment which takes into consideration a range of ESG issues alongside traditional financial matters in investment decision making and active ownership policies and practices in the belief that these issues have the potential to impact long term inevstment returns.

ESG: refers to a broad range of environmental, social and governance issues that are not necessarily static over time but may change as issues become more important or community values or sentiment changes. Some of these issues commonly considered include the following.

Environmental	Social	Governance
Climate impact including greenhouse gas emissions and energy efficiency	Human Capital management	Board structure, diversity and independence
Air and water pollution	Employee relations and diversity	Executive remuneration
Water scarcity/ management	Working conditions, including occupational health and safety	Bribery, corruption and anti-competitive behaviour
Biodiversity and site restoration	Labour standards (including modern slavery in the supply chain)	Transparent accounting and audit practices
	Stakeholder relations	Political lobbying and donations
	First Nations rights, Cultural Heritage and relations	

Environmental: includes issues affecting the natural environment such as climate change, water scarcity, damage to biodiversity and waste management such as carbon emissions.

Management of environmental issues by a company can result in risks which may lead to direct financial costs in terms of increased regulatory compliance costs, remediation costs and/or fines. Oversight of environmental issues by a company can result in opportunities such as direct financial benefits including savings from resource efficiency, and indirect financial benefits.

Social: comprises issues affecting individuals whether they are employees, customers, suppliers or members of the local or broader community including human and labour rights, workplace ethics and culture, modern slavery practices, human capital management, First Nation rights, Cultural Heritage and relations, workplace health and safety, customer trend and brand management, and stakeholder relations including community management.

Management of social issues by a company can result in risks which may lead to direct financial costs and, or interruptions to operations, reputational damage and increased regulatory oversight. Good oversight of the management of social issues by a company may directly result in financial benefits including lower compliance and reporting costs, improved satisfaction and retention of staff and improved reputation.

Governance: includes how companies or assets are governed in particular alignment between Board and Management and shareholders. Issues can include board composition and skills, executive remuneration, transparent accounting and audit practices.

Active Ownership: refers to ownership where influence is exerted on investee companies through voting on resolutions and engaging (either directly or indirectly through an external service provider) on policies and practices in relation to ESG issues with the aim of improving management and performance and enhancing long term investment returns. However, there are circumstances where we may choose not to invest in specific companies or sectors where we believe active ownership is unlikely to be effective.

3. Policy Principles

The primary responsibilities of BUSSQ are to:

- deliver the highest possible returns on its investments to its members; whilst
- assessing and managing the foreseeable risk factors as effectively as possible including, but not limited to, climate change, modern slavery and corporate negligence.

ESG issues present risks and opportunities that have the potential to impact investment returns. As such and where appropriate, BUSSQ will aim to consider ESG factors in its investment decision making and ownership policies and practices to adequately manage risks and maximise returns over the long term. In making a decision about the extent to which to take action, BUSSQ will consider the costs of doing so against the benefits of the expected outcome.

Many of BUSSQ's assets are invested in pooled funds and therefore the responsible investment decision making is delegated to a large extent to the managers of those funds. BUSSQ will advise the managers of its views and preferences where it considers this to be appropriate. BUSSQ will otherwise rely on the managers to take ESG risks into account as they deem appropriate.

The Commonwealth Modern Slavery Act 2018 establishes a reporting regime to help businesses to identify and address modern slavery risks in their own operations and in their supply chains.

The Act is focussed on the risk to people.

- We believe that this risk to people overlaps with the Social component of the ESG risks factors impacting investment performance.
- We will consider the risk of modern slavery practices existing in our investment portfolio as we assess and manage the foreseeable ESG risk factors.
- We aim for companies in our investment portfolio to display those desired human-rights practices that help deliver long term sustainable value.
- Our commitment to Goal 8 "Decent Work & Economic Growth" of the UN SDGs will also support our obligation to identify and assess the risks of modern slavery practices".

Incorporating ESG and United Nations Sustainable Development Goals (SDG) into investment decision making

Where appropriate, BUSSQ will incorporate ESG issues and identified SDGs into investment processes, analysis and decision-making including:

- Assessment and identification of the key risks and opportunities posed by ESG issues and determine the most appropriate action depending on the investment type, style, location and asset class, as well as the cost/benefit assessment referred to above;
- Incorporating ESG requirements where selecting external investment managers in the major asset classes possible; and
- Ongoing and assessment of investment managers' ESG processes in the major asset classes; and

- Use of the United Nations' Sustainable Development Goals (SDGs), which the Fund has identified that align with the Funds strategy and members interests to inform our investments, advocacy and operations

The Fund has identified the following four goals:



Goal 11: Sustainable Cities and Communities

Goal 8: Decent Work and Economic Growth

Goal 7: Affordable and Clean Energy

Goal 13: Climate Action

In contributing towards these four goals, the Fund aims to support our members and their working lives in the building and construction industries.

Active Ownership

BUSSQ considers active ownership as consistent with BUSSQ's fiduciary duty to act in the best interest of members. Where practical and consistent with the cost/benefit approach noted above, BUSSQ intends to be an active owner and to incorporate ESG issues into ownership policies and practices in order to influence policies, management and reporting in relation to ESG issues. BUSSQ considers active ownership to include company engagement and share voting.

Company Engagement

BUSSQ expects that the Fund's external Investment Managers, where applicable, engage with companies to improve the ESG performance of the company. With the objective of protecting or increasing economic value. These issues include:

- Where they are identified as not adequately managing, identifying or reporting on key ESG risk issues faced by the company, either financial or reputational;
- Where they are identified as falling short of accepted corporate practice or the company's conduct in relation to ESG issues places in doubt the reputation and value of the company; or
- To encourage disclosure of their ESG policies, practices and performance against accepted and appropriate benchmarks either in regular financial reports or standalone reports including CDP responses and sustainability reports.

On a selective basis, BUSSQ may engage directly with companies independently or collaboratively (either directly or indirectly through an external service provider) on ESG issues.

Voting

BUSSQ recognises its responsibility to represent the best interests of all members in responding to corporate actions arising from BUSSQ's investments in listed entities in a manner which improves corporate governance and in turn improves performance. BUSSQ has a Proxy Voting Policy which includes the principles on voting of proxies. BUSSQ will provide on its website of how the entity has exercised its voting rights in relation to shares in listed companies.

Class Actions

Where appropriate, BUSSQ will give consideration to participating in class actions to seek recompense for, but not limited to, unlawful, irresponsible, negligent, dishonest behaviour in the administration, trading, settlement or processing, of the Fund's assets.

Collaboration

BUSSQ recognises that collaboration with others in the investment industry may increase the extent to which Responsible Investment can benefit BUSSQ members. BUSSQ will work co-operatively when, in BUSSQ's view, the benefits to be gained outweigh the financial and human resource costs.

Monitoring and Reporting

On an annual basis the Fund will monitor and report the Fund's investments against the four identified SDGs. The report will be provided to members in the Annual Report.

4. Communication

The Responsible Investment Policy and any related policies and guidelines will be communicated to all BUSSQ employees and service providers.

A summary of this Policy will be made available to BUSSQ members and the wider community on the BUSSQ website.

5. Roles and Responsibilities

Specific responsibilities in relation to the Responsible Investment Policy include the following.

Individual or Group	Responsibility
Board of Directors	Approve the Responsible Investment Policy.
Investment Committee	Review the Responsible Investment Policy annually.
CIO	Provide oversight of the implementation of the Responsible Investment Policy.
Employees	Assist, as required, with the implementation of the Responsible Investment Policy; and Undertake activities consistent with the achievement of the Responsible Investment Policy.

6. Document Review

This Policy will be reviewed annually unless there is a change to the legal or regulatory environment as it relates to ESG or there is a material change within the Fund such that this Policy can no longer be implemented in its current form.

7. Policy Exemptions

While the Trustee aims to comply with the requirements of its policies, there may be circumstances where full compliance is not operationally sustainable. Potential exemptions to policies are tabled to the Internal Risk Management Committee (IRMC) for approval. Compensating controls are required to be implemented to address the gap resulting from the policy exemption. Once approved, these are recorded in a Policy exemption register documenting the nature of exemption, rationale, effective and expiry dates. The register will be reviewed by the IRMC at each meeting and at each Audit and Risk Committee meeting.

8. References

The policy should be read in conjunction with BUSSQ's Climate Change Position Statement, Proxy Voting Policy, Investment Policy Statement and Investment Due Diligence Guidelines.

BUSSQ will comply with any relevant laws in relation to Responsible Investment.