


The image shows two overlapping forms from the PRI LEA (Leadership Engagement) toolkit. The top form is LEA 02, titled 'Discretionary', and the bottom form is LEA 03, titled 'Mandatory'. Both forms are designed for recording engagement activities and are structured with columns for 'Type of engagement', 'Reason for interaction', and 'Outcome'. The forms are partially filled out with handwritten text.

| Type of engagement | Reason for interaction | Outcome |
|--|---|---|
| Individual/ internal staff engagements | <input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify | <input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify |
| Collaborative engagements | <input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify | <input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify |
| Service provider engagements | <input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify | <input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify |

RI TRANSPARENCY REPORT

2013/14

AMP Capital Investors



UNEP Finance Initiative
Changing finance, financing change



United Nations Global Compact

An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

| Symbol | Status |
|--------|---|
| ✓ | The signatory has completed all mandatory parts of this indicator |
| ☑ | The signatory has completed some parts of this indicator |
| 🔒 | This indicator was not relevant for this signatory |
| - | The signatory did not complete any part of this indicator |
| ⌛ | The signatory has flagged this indicator for internal review |

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

PRI disclaimer

This document is based on information reported by signatories and responses have not been independently audited by the PRI Secretariat, PRI working groups, or any other third party. While this information is believed to be reliable, no representations or warranties are made as to its accuracy and no responsibility or liability can be accepted for any error or omission.

Principles Index

| Organisational Overview | | | | Principle | | | | | | General |
|-------------------------|---|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| OO 01 | Signatory category and services | ✓ | Public | | | | | | | ✓ |
| OO 02 | Headquarters and operational countries | ✓ | Public | | | | | | | ✓ |
| OO 03 | Subsidiaries that are separate PRI signatories | ✓ | Public | | | | | | | ✓ |
| OO 04 | Reporting year and AUM | ✓ | Public | | | | | | | ✓ |
| OO 05 | Breakdown of AUM by asset class | ✓ | n/a | | | | | | | ✓ |
| OO 06 | How would you like to disclose your asset class mix | ✓ | Public | | | | | | | ✓ |
| OO 07 | Segregated mandates or pooled funds | ✓ | Public | | | | | | | ✓ |
| OO 08 | Breakdown of AUM by market | ✓ | Public | | | | | | | ✓ |
| OO 09 | Additional information about organisation | ✓ | Public | | | | | | | ✓ |
| OO 10 | RI activities for listed equities | ✓ | Public | | | | | | | ✓ |
| OO 11 | RI activities in other asset classes | ✓ | Public | | | | | | | ✓ |
| OO 12 | Modules and sections required to complete | ✓ | Public | | | | | | | ✓ |

| Overarching Approach | | | | Principle | | | | | | General |
|----------------------|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| OA 01 | RI policy and other guidance documents | ✓ | Public | | | | | | | ✓ |
| OA 02 | Publicly available policies / documents | ✓ | Public | | | | | | ✓ | |
| OA 03 | Policy components and coverage | ✓ | Public | ✓ | ✓ | | | | | |
| OA 04 | Conflicts of interest | ✓ | Public | | | | | | | ✓ |
| OA 05 | RI goals and objectives | ✓ | Public | | | | | | | ✓ |
| OA 06 | Main goals/objectives this year | ✓ | Public | | | | | | | ✓ |
| OA 07 | Governance, management structures and RI processes | ✓ | Public | | | | | | | ✓ |
| OA 08 | RI roles and responsibilities | ✓ | Public | | | | | | | ✓ |
| OA 09 | RI in performance management, reward and/or personal development | ✓ | Public | | | | | | | ✓ |
| OA 10 | Collaborative organisations / initiatives | ✓ | Public | | | | ✓ | ✓ | | |
| OA 11 | Promoting RI independently | ✓ | Public | | | | ✓ | | | |
| OA 12 | Dialogue with public policy makers or standard setters | ✓ | Public | | | | ✓ | ✓ | ✓ | |
| OA 13 | ESG issues in strategic asset allocation | ✓ | Public | ✓ | | | | | | |
| OA 14 | Allocation of assets to environmental and social themed areas | ✓ | Public | ✓ | | | | | | |
| OA 15 | ESG issues for internally managed assets not reported in framework | 🔒 | n/a | | | | | | | ✓ |
| OA 16 | ESG issues for externally managed assets not reported in framework | ✓ | Public | | | | | | | ✓ |
| OA 17 | RI/ESG in execution and/or advisory services | 🔒 | n/a | ✓ | ✓ | | | | | |
| OA 18 | Innovative features of approach to RI | ✓ | Public | | | | | | | ✓ |
| OA 19 | Internal and external review and assurance of responses | ✓ | Public | | | | | | | ✓ |

| Indirect – Manager Selection, Appointment and Monitoring | | | | Principle | | | | | | General |
|--|---|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| SAM 01 | Description of RI considerations | ✓ | Public | ✓ | | | | | ✓ | |
| SAM 02 | Role of investment consultants | ✓ | Public | | | | ✓ | | | |
| SAM 03 | RI factors in selection, appointment and monitoring across asset classes | ✓ | Public | | | | | | | ✓ |
| SAM 04 | Breakdown of passive, active quant and active fundamental | ✓ | Public | | | | | | | ✓ |
| SAM 05 | ESG incorporation strategies | ✓ | Public | ✓ | ✓ | | | | | |
| SAM 06 | Selection processes (listed assets) | ✓ | Public | ✓ | | | | | ✓ | |
| SAM 07 | Appointment considerations (listed assets) | ✓ | Public | | | | ✓ | | | |
| SAM 08 | Monitoring processes (listed assets) | ✓ | Public | ✓ | | | | | | |
| SAM 09 | Percentage of (proxy) votes cast | ✓ | Public | | ✓ | | | | | |
| SAM 10 | Selection processes (non-listed assets) | 🔒 | n/a | ✓ | | | | | ✓ | |
| SAM 11 | Appointment considerations (non-listed assets) | 🔒 | n/a | | | | ✓ | | | |
| SAM 12 | Monitoring processes (non-listed assets) | 🔒 | n/a | ✓ | | | | | ✓ | |
| SAM 13 | Description of RI considerations in 'other' asset classes | 🔒 | n/a | ✓ | | | | | ✓ | |
| SAM 14 | Percentage of externally managed assets managed by PRI signatories | ✓ | Public | ✓ | | | | | ✓ | |
| SAM 15 | Examples of ESG issues in selection, appointment and monitoring processes | ✓ | Public | | ✓ | | | | | |
| SAM 16 | Disclosure of RI considerations | ✓ | Public | | | | | | ✓ | |

| Direct - Listed Equity Incorporation | | | | Principle | | | | | | General |
|--------------------------------------|---|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| LEI 01 | Breakdown by passive, quantitative, fundamental and other active strategies | ✓ | Public | ✓ | | | | | | |
| LEI 02 | Description of ESG incorporation | ✓ | Public | ✓ | | | | | | |
| LEI 03 | Percentage of each incorporation strategy | ✓ | Public | ✓ | | | | | | |
| LEI 04 | Type of ESG information used in investment decision | ✓ | Public | ✓ | | | | | | |
| LEI 05 | Information from engagement and/or voting used in investment decision-making | ✓ | Public | ✓ | | | | | | |
| LEI 06 | Types of screening applied | ✓ | Public | ✓ | | | | | | |
| LEI 07 | Processes to ensure screening is based on robust analysis | ✓ | Public | ✓ | | | | | | |
| LEI 08 | Processes to ensure fund criteria are not breached | ✓ | Public | ✓ | | | | | | |
| LEI 09 | Types of sustainability thematic funds/mandates | 🔒 | n/a | ✓ | | | | | | |
| LEI 10 | Description of ESG integration | ✓ | Public | ✓ | | | | | | |
| LEI 11 | Review ESG issues while researching companies/sectors | ✓ | Public | ✓ | | | | | | |
| LEI 12 | Processes to ensure integration is based on robust analysis | ✓ | Public | ✓ | | | | | | |
| LEI 13 | Aspects of analysis ESG information is integrated into | ✓ | Public | ✓ | | | | | | |
| LEI 14 | ESG issues in index construction | 🔒 | n/a | ✓ | | | | | | |
| LEI 15 | How ESG incorporation has influenced portfolio composition | ✓ | Public | ✓ | | | | | | |
| LEI 16 | Incorporation of ESG issues has improved financial/ESG performance and reduced risk | ✓ | Public | ✓ | | | | | | |
| LEI 17 | Examples of ESG issues that affected your investment view / performance | ✓ | Public | ✓ | | | | | | |
| LEI 18 | Disclosure of approach to ESG incorporation | ✓ | Public | | ✓ | | | | ✓ | |

| Direct - Listed Equity Active Ownership | | | | Principle | | | | | | General |
|---|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| LEA 01 | Description of approach to engagement | ✓ | Public | | ✓ | | | | | |
| LEA 02 | Reasoning for interaction on ESG issues | ✓ | Public | ✓ | ✓ | ✓ | | | | |
| LEA 03 | Process for identifying and prioritising engagement activities | ✓ | Public | | ✓ | | | | | |
| LEA 04 | Objectives for engagement activities | ✓ | Public | | ✓ | | | | | |
| LEA 05 | Process for identifying and prioritising engagement activities | ✓ | Public | | ✓ | | | | | |
| LEA 06 | Objectives for engagement activities | ✓ | Public | | ✓ | | | | | |
| LEA 07 | Role in engagement process | 🔒 | n/a | | ✓ | | ✓ | | | |
| LEA 08 | Monitor / discuss service provider information | 🔒 | n/a | | ✓ | | | | ✓ | |
| LEA 09 | Share insights from engagements with internal/external managers | ✓ | Public | ✓ | ✓ | | | | | |
| LEA 10 | Tracking number of engagements | ✓ | Public | | ✓ | | | | | |
| LEA 11 | Number of companies engaged with, intensity of engagement and effort | ✓ | Public | | ✓ | | | | | |
| LEA 12 | Engagements on E, S and/or G issues | ✓ | Public | | ✓ | | | | | |
| LEA 13 | Companies changing practices / behaviour following engagement | ✓ | Public | | ✓ | | | | | |
| LEA 14 | Examples of ESG engagements | ✓ | Public | | ✓ | | | | | |
| LEA 15 | Disclosure of approach to ESG engagements | ✓ | Public | | ✓ | | | | ✓ | |
| LEA 16 | Description of approach to (proxy) voting | ✓ | Public | | ✓ | | | | | |
| LEA 17 | Typical approach to (proxy) voting decisions | ✓ | Public | | ✓ | | | | | |
| LEA 18 | Percentage of voting recommendations reviewed | 🔒 | n/a | | ✓ | | | | | |
| LEA 19 | Confirmation of votes | ✓ | Public | | ✓ | | | | | |
| LEA 20 | Securities lending programme | ✓ | Public | | ✓ | | | | | |
| LEA 21 | Informing companies of the rationale of abstaining/voting against management | ✓ | Public | | ✓ | | | | | |
| LEA 22 | Percentage of (proxy) votes cast | ✓ | Public | | ✓ | | | | | |
| LEA 23 | Proportion of ballot items that were for/against/abstentions | ✓ | Public | | ✓ | | | | | |
| LEA 24 | Shareholder resolutions | ✓ | Public | | ✓ | | | | | |
| LEA 25 | Examples of (proxy) voting activities | ✓ | Public | | ✓ | | | | | |
| LEA 26 | Disclosing voting activities | ✓ | Public | | ✓ | | | | ✓ | |

| Direct - Fixed Income | | | | Principle | | | | | | General |
|-----------------------|---|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| FI 01 | Breakdown by passive, quantitative, fundamental and other active strategies | ✓ | Public | ✓ | | | | | | |
| FI 02 | Breakdown of investments by credit quality | ✓ | Public | | | | | | | ✓ |
| FI 03 | Description of ESG incorporation | ✓ | Public | ✓ | | | | | | |
| FI 04 | Percentage of each incorporation strategy | ✓ | Public | ✓ | | | | | | |
| FI 05 | Type of ESG information used in investment decision | ✓ | Public | ✓ | | | | | | |
| FI 06 | Types of screening applied | 🔒 | n/a | ✓ | | | | | | |
| FI 07 | Processes to ensure screening is based on robust analysis | 🔒 | n/a | ✓ | | | | | | |
| FI 08 | Processes to ensure fund criteria are not breached | 🔒 | n/a | ✓ | | | | | | |
| FI 09 | Types of sustainability thematic funds/mandates | 🔒 | n/a | ✓ | | | | | | |
| FI 10 | Description of ESG integration | ✓ | Public | ✓ | | | | | | |
| FI 11 | Review of ESG issues while researching companies/sectors | ✓ | Public | ✓ | | | | | | |
| FI 12 | Processes to ensure integration is based on robust analysis | ✓ | Public | ✓ | | | | | | |
| FI 13 | Incorporation of ESG issues into analysis and decision making | ✓ | Public | ✓ | | | | | | |
| FI 14 | ESG issues in index construction | 🔒 | n/a | ✓ | | | | | | |
| FI 15 | How ESG incorporation has influenced portfolio composition | ✓ | Public | ✓ | | | | | | |
| FI 16 | Incorporation of ESG issues has improved financial/ESG performance and reduced risk | ✓ | Public | ✓ | | | | | | |
| FI 17 | Examples of ESG issues that affected your investment view / performance | ✓ | Public | ✓ | | | | | | |
| FI 18 | Disclosure of approach to ESG incorporation | ✓ | Public | | ✓ | | | | ✓ | |
| FI 19 | Engagement with corporate issuers | ✓ | Public | | ✓ | | | | | |
| FI 20 | Engagement with government issuers | ✓ | Public | | ✓ | | | | | |

| Direct - Property | | | | Principle | | | | | | General |
|-------------------|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| PR 01 | Breakdown of investments by equity and debt | ✓ | Public | | | | | | | ✓ |
| PR 02 | Breakdown of assets by management | ✓ | Public | | | | | | | ✓ |
| PR 03 | Largest property types | ✓ | Public | | | | | | | ✓ |
| PR 04 | Description of approach to RI | ✓ | Public | ✓ | | | | | ✓ | |
| PR 05 | Responsible Property Investment (RPI) policy | ✓ | Public | ✓ | | | | | ✓ | |
| PR 06 | Fund placement documents and RI | ✓ | Public | ✓ | | | ✓ | | ✓ | |
| PR 07 | Formal commitments to RI | ✓ | Public | | | | ✓ | | | |
| PR 08 | Incorporating ESG issues when selecting investments | ✓ | Public | ✓ | | | | | | |
| PR 09 | ESG advice and research when selecting investments | ✓ | Public | ✓ | | | ✓ | | | |
| PR 10 | Examples of ESG issues in investment selection process | ✓ | Public | ✓ | | ✓ | | | | |
| PR 11 | Types of ESG information considered in investment selection | ✓ | Public | ✓ | | ✓ | | | | |
| PR 12 | ESG issues impact in selection process | ✓ | Public | ✓ | | | | | | |
| PR 13 | ESG issues in selection, appointment and monitoring of third-party property managers | ✓ | Public | | | | ✓ | | | |
| PR 14 | ESG issues in post-investment activities | ✓ | Public | | ✓ | | | | | |
| PR 15 | Proportion of assets with ESG targets that were set and monitored | ✓ | Public | | ✓ | ✓ | | | | |
| PR 16 | Certification schemes, ratings and benchmarks | ✓ | Public | | ✓ | | | | | |
| PR 17 | Proportion of developments and refurbishments where ESG issues were considered | ✓ | Public | | ✓ | | | | | |
| PR 18 | Proportion of property occupiers that were engaged with | ✓ | Public | | ✓ | | | | | |
| PR 19 | Proportion of green leases or MOUs referencing ESG issues | ✓ | Public | | ✓ | | | | | |
| PR 20 | Proportion of assets engaged with on community issues | ✓ | Public | | ✓ | | | | | |
| PR 21 | ESG issues affected financial/ESG performance | ✓ | Private | ✓ | ✓ | | | | | |
| PR 22 | Examples of ESG issues that affected your property investments | ✓ | Public | ✓ | | ✓ | | | | |
| PR 23 | Disclosure of ESG information to public and clients/beneficiaries | ✓ | Public | | | | | | ✓ | |

| Direct - Infrastructure | | | | Principle | | | | | | General |
|-------------------------|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| INF 01 | Breakdown of investments by equity and debt | ✓ | Public | | | | | | | ✓ |
| INF 02 | Breakdown of assets by management | ✓ | Public | | | | | | | ✓ |
| INF 03 | Largest infrastructure | ✓ | Public | | | | | | | ✓ |
| INF 04 | Description of approach to RI | ✓ | Public | ✓ | | | | | ✓ | |
| INF 05 | Responsible investment policy for infrastructure | ✓ | Public | ✓ | | | | | ✓ | |
| INF 06 | Fund placement documents and RI | ✓ | Public | ✓ | | | ✓ | | ✓ | |
| INF 07 | Formal commitments to RI | ✓ | Public | | | | ✓ | | | |
| INF 08 | Incorporating ESG issues when selecting investments | ✓ | Public | ✓ | | | | | | |
| INF 09 | ESG advice and research when selecting investments | ✓ | Public | ✓ | | | ✓ | | | |
| INF 10 | Examples of ESG issues in investment selection process | ✓ | Public | ✓ | | ✓ | | | | |
| INF 11 | Types of ESG information considered in investment selection | ✓ | Public | ✓ | | ✓ | | | | |
| INF 12 | ESG issues impact in selection process | ✓ | Public | ✓ | | | | | | |
| INF 13 | ESG issues in selection, appointment and monitoring of third-party operators | ✓ | Public | | | | ✓ | | | |
| INF 14 | ESG issues in post-investment activities | ✓ | Public | | ✓ | | | | | |
| INF 15 | Proportion of assets with ESG performance targets | ✓ | Public | | ✓ | | | | | |
| INF 16 | Proportion of portfolio companies with ESG/sustainability policy | ✓ | Public | | ✓ | | | | | |
| INF 17 | Type and frequency of reports received from investees | ✓ | Public | | ✓ | ✓ | | | | |
| INF 18 | Proportion of maintenance projects where ESG issues were considered | ✓ | Public | | ✓ | | | | | |
| INF 19 | Proportion of stakeholders that were engaged with on ESG issues | ✓ | Public | | ✓ | | | | | |
| INF 20 | ESG issues affected financial/ESG performance | ✓ | Public | ✓ | ✓ | | | | | |
| INF 21 | Examples of ESG issues that affected your infrastructure investments | ✓ | Public | ✓ | | ✓ | | | | |
| INF 22 | Disclosure of ESG information to public and clients/beneficiaries | ✓ | Public | | | | | | ✓ | |
| INF 23 | Approach to disclosing ESG incidents | ✓ | Public | | | | | | ✓ | |

AMP Capital Investors

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01

Mandatory

Gateway/Peering

General

OO 01.1

Select the services you offer.

☒ Fund management

% of assets under management (AUM) in ranges

☐ <10%

☐ 10-50%

☒ >50%

☒ Fund of funds, manager of managers, sub-advised products

% of assets under management (AUM) in ranges

☐ <10%

☒ 10-50%

☐ >50%

☐ Other, specify

☐ Execution and advisory only services

OO 01.2

Additional information. [Optional]

AMP Capital is a leading specialist investment manager with 240 investment professionals and a carefully selected global network of investment partners. AMP Capital has over AUD\$140 billion in funds under management (as at 31 Dec 2013) and offers significant depth and breadth of investment expertise across a range of asset classes including equities, fixed income, direct and listed infrastructure, direct and listed property, diversified and multi-manager disciplines. As a subsidiary of AMP Limited (AMP), AMP Capital benefits from the resources and financial strength of its parent while operating autonomously with a pure investment focus. Established in 1849 and with over 160 years of experience in providing financial services, AMP (AMP Capital's parent company), has over 3.8 million clients and employs a network of more than 6,000 staff members worldwide. AMP, Australia's largest pension provider, was listed on the Australian and New Zealand stock exchanges in 1998 and now has around 980,000 shareholders. On 30 March 2011, AMP and AXA Asia Pacific Holdings' Australia and New Zealand businesses merged to form one business under the AMP group. In March 2012, AMP Capital entered into a strategic business and capital alliance with a leading Japanese trust bank, Mitsubishi UFJ Trust and Banking Corporation (MUTB). As part of the alliance, MUTB acquired a 15% minority interest in AMP Capital Holdings Limited (AMPCH), the parent company of the AMP Capital group of companies, and took up one seat on the AMPCH Board. This has not changed the day-to-day running of AMP Capital's business operations. Further information available at <http://www.ampcapital.com/about-us>.

OO 02

Mandatory

Peering

General

| | |
|----------------|--|
| OO 02.1 | Select the location of your organisation's headquarters. |
|----------------|--|

Australia

| | |
|----------------|---|
| OO 02.2 | Indicate the number of countries in which you have offices (including your headquarters). |
|----------------|---|

- ☐ 1
- ☐ 2-5
- ☒ 6-10
- ☐ >10

| | |
|----------------|---|
| OO 02.3 | Indicate the approximate number of staff in your organisation in full-time equivalents (FTE). |
|----------------|---|

| | |
|--|-----|
| | FTE |
|--|-----|

979

| | |
|----------------|------------------------------------|
| OO 02.4 | Additional information. [Optional] |
|----------------|------------------------------------|

AMP Capital's headquarters is located in Sydney Australia with international offices located in Bahrain, China (incl. Hong Kong), Japan, Luxembourg, New Zealand, United Kingdom and the United States.

| | | | |
|--------------|------------------|--------------------|----------------|
| OO 03 | Mandatory | Descriptive | General |
|--------------|------------------|--------------------|----------------|

| | |
|----------------|---|
| OO 03.1 | Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right. |
|----------------|---|

- ☐ Yes
- ☒ No

| | |
|----------------|------------------------------------|
| OO 03.3 | Additional information. [Optional] |
|----------------|------------------------------------|

The major subsidiaries of AMP Capital Holdings Limited includes: AMP Capital Investors Limited; AMP Capital Finance Ltd; AMP Capital Investors (New Zealand) Limited; and AMP Capital Investors International Holdings Ltd. These entities undertake investment management services.

| | | | |
|--------------|------------------|------------------------|----------------|
| OO 04 | Mandatory | Gateway/Peering | General |
|--------------|------------------|------------------------|----------------|

| | |
|----------------|---|
| OO 04.1 | Indicate the year end date for your reporting year. |
|----------------|---|

31/12/2013

OO 04.2

Indicate your total AUM at the end of your reporting year.

| | trillions | billions | millions | thousands | hundreds |
|---------------|-----------|----------|----------|-----------|----------|
| Total AUM | | 140 | 218 | 392 | 983 |
| Currency | AUD | | | | |
| Assets in USD | | 126 | 659 | 114 | 107 |

OO 04.3

Indicate the level of detail you would like to provide about your asset class mix.

- ☒ Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- ☐ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06**Mandatory****Descriptive****General****OO 06.1**

To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- ☒ Publish our asset class mix as percentage breakdown

| | Internally managed (%) | Externally managed (%) |
|---------------------------|------------------------|------------------------|
| Listed equity | 27 | 18 |
| Fixed income – corporate | 9 | 2 |
| Fixed income – government | 10 | 2 |
| Fixed income – other | 4 | 1 |
| Private debt | 0 | 0 |
| Private equity | 0 | 0 |
| Property | 12 | 0 |
| Infrastructure | 4 | 0 |
| Commodities | 0 | 0 |
| Hedge funds | 1 | 0 |
| Forestry | 0 | 0 |
| Farmland | 0 | 0 |
| Inclusive finance | 0 | 0 |

| | | |
|--------------------|---|---|
| Cash | 8 | 1 |
| Other (1), specify | 1 | 0 |
| Other (2), specify | 0 | 0 |

| | |
|--|-----------------------|
| | 'Other (1)' specified |
|--|-----------------------|

Alternatives

- ☐ Publish our asset class mix as broad ranges
- ☐ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

| | |
|----------------|------------------------------------|
| OO 06.2 | Additional information. [Optional] |
|----------------|------------------------------------|

AUM breakdown above is reported as at 31 December 2013. Externally managed assets include those investments managed on behalf of AMP Capital by other investment managers through AMP Capital's multi-manager platform.

| | | | | |
|--------------|----------------------------|------------------------------|----------------|----------------|
| OO 07 | Mandatory to Report | Voluntary to Disclose | Peering | General |
|--------------|----------------------------|------------------------------|----------------|----------------|

| | |
|----------------|--|
| OO 07.1 | Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds. |
|----------------|--|

| | % of externally managed assets |
|--|--|
| Segregated mandate(s) | <input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 % |
| Pooled fund(s) | <input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 % |
| <i>Total externally managed assets</i> | <i>100%</i> |

| | |
|----------------|---|
| OO 07.2 | Indicate the proportion of your externally managed assets in fund-of-funds. |
|----------------|---|

| | |
|---------------|--|
| | % of externally managed assets |
| Fund-of-funds | <input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 % |

OO 07.3 Additional information. [Optional]

Externally managed assets include those managed by other investment managers on AMP Capital's behalf via a multi-manager platform (Fund of Funds). This includes AMP Capital's Future Directions and Responsible Investment Leaders (RIL) range of funds.

OO 08

Mandatory to Report Voluntary to Disclose

Peering

General

OO 08.1

Indicate the breakdown of your organisation's AUM by market.

| Market breakdown | % of AUM |
|--------------------------------------|--|
| Developed Markets | <input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 % |
| Emerging, Frontier and Other Markets | <input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 % |

OO 09

Voluntary

Descriptive

General

OO 09.1

Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.

AMP Capital is committed to delivering outstanding investment outcomes for clients with contemporary solutions in fixed income, equities, real estate, infrastructure and multi-asset portfolios. Sharing a heritage that spans over 160 years, AMP Capital is one of the largest investment managers in the Asia Pacific region. A home strength in Australia and New Zealand has enabled AMP Capital to grow internationally, and operations are now established in Bahrain, China, Hong Kong, India, Japan, Luxembourg, the United Kingdom and the United States. AMP Capital collaborates with a network of global investment partners, leveraging insights to provide greater access to new investment opportunities. Broad investment capabilities underpin more than AUD\$140 billion in assets under management across a range of single sector and diversified funds. For more information, please visit: ampcapital.com.au

Gateway asset class implementation indicators

OO 10**Mandatory****Gateway****General****OO 10.1**

Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.

- ☒ We incorporate ESG issues into investment decisions on our internally managed assets
- ☒ We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes
- ☒ We engage with companies on ESG issues via our staff, collaborations or service providers
- ☒ We cast our (proxy) votes directly or via service providers
- ☐ None of the above

OO 11**Mandatory****Gateway****General****OO 11.1**

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- ☒ Fixed income – corporate
- ☒ Fixed income – government
- ☐ Fixed Income – other
- ☒ Property
- ☒ Infrastructure
- ☐ Hedge funds
- ☐ Cash
- ☐ Other (1)
- ☐ None of the above

'Other (1)' [as defined in OO 05]

Alternatives

| | |
|----------------|--|
| OO 11.2 | Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes. |
|----------------|--|

- ☒ Fixed income – corporate
- ☒ Fixed income – government
- ☐ Fixed Income – other
- ☐ Cash
- ☐ None of the above

| | |
|----------------|------------------------------------|
| OO 11.3 | Additional information. [Optional] |
|----------------|------------------------------------|

OO 11.2 response above relates to AMP Capital's Responsible Investment Leaders Diversified Fixed Income fund.

| | | | |
|--------------|------------------|----------------|----------------|
| OO 12 | Mandatory | Gateway | General |
|--------------|------------------|----------------|----------------|

| | |
|----------------|---|
| OO 12.1 | The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary. |
|----------------|---|

Core modules

- ☒ Organisational Overview
- ☒ Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

| | |
|--|--------------------------------------|
| | Direct - Listed Equity incorporation |
|--|--------------------------------------|

- ☒ Listed Equity incorporation

| | |
|--|---|
| | Direct - Listed Equity active ownership |
|--|---|

- ☒ Engagements
- ☒ (Proxy) voting

| | |
|--|-----------------------|
| | Direct - Fixed Income |
|--|-----------------------|

- ☒ Fixed Income - Corporate
- ☒ Fixed Income - Government

Direct - Other asset classes with dedicated modules

- ☒ Property
- ☒ Infrastructure

RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

- ☒ Listed Equities
- ☐ Fixed Income - Corporate
- ☐ Fixed Income - Government

Closing module

- ☒ Closing module

Note: Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

AMP Capital Investors

Reported Information

Public version

Overarching Approach

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Responsible investment policy

| OA 01 | Mandatory | Gateway/Core Assessed | General |
|-------|-----------|-----------------------|---------|
|-------|-----------|-----------------------|---------|

OA 01.1 Indicate if you have a responsible investment policy.

☒ Yes

☐ No

OA 01.2 Indicate if you have other guidance documents or more specific policies related to responsible investment.

☒ Yes

☐ No

AMP Capital's ESG and Responsible Investment Philosophy is publicly available at www.ampcapital.com/esg. The philosophy centres on our core belief there are links between an organisation's environmental and social impacts, the quality of its corporate governance, and its long term business success. We believe considering environmental, social and governance (ESG) factors within AMP Capital's investment decision-making and ownership practices, provides greater insight into areas of potential risk and opportunity that will impact the value, performance (risk and/or return) and reputation of the investments we make on behalf of our clients.

At AMP Capital, ESG encompasses a broad range of issues that may of themselves, or in combination, have a material impact on the risk/return characteristics of our investments. These issues may be driven by existing or future regulations, reflect issues of significant societal concern, or pose potential operational, financial, strategic, reputational or systemic risks:

- **Environmental:** Natural resource use and degradation (e.g. water scarcity), waste, pollution, greenhouse gas emissions, climate change, clean technology products and services, environmental management practices.
- **Social:** Human capital, workplace health and safety, labour relations and standards, human rights, demographic changes, supply-chain and community impacts.
- **Governance:** Board composition and independence, executive remuneration and incentive plans, corporate accountability structures, compliance, negligence, bribery and corruption, conflicts of interest and related-party transactions, shareholder rights, accounting and audit quality.

The ESG philosophy applies across the business, providing guidance to AMP Capital's investment teams across the diverse asset classes and geographies in which we invest. This includes equities, fixed income, property, infrastructure and our multi-manager funds.

The philosophy is also linked to other ESG-related policies, procedures, guidelines and proprietary tools at an organisational and asset class level that also form part of AMP Capital's ESG framework and further influence our business and investment decision-making. These include specific policies and guidelines relating to corporate governance, proxy voting, engagement and active ownership.

The ESG philosophy is approved by AMP Capital's Investment Committee, which has overall responsibility for coordinating and implementing AMP Capital's ESG-related strategy and initiatives.. It outlines our approach to ESG and responsible investment including goals and priorities across our investment analysis and decision-making, active ownership and engagement practices. AMP Capital is committed to sharing our progress on ESG integration at the request of our clients and other stakeholders, and in line with our commitments under the PRI. The ESG philosophy reflects our ongoing objectives, aspirations, business strategy and performance measures related to ESG integration. It will be reviewed regularly to ensure ongoing alignment between AMP Capital's corporate objectives and our client's requirements.

AMP Capital's Investment Committee is responsible for monitoring the progress of various investment teams and asset classes in line with the philosophy, approach and objectives outlined in the document. The AMP Capital Investment Committee reports through to the AMP Capital Holdings board and the AMP Limited board (parent company) via AMP Capital's Managing Director

The AMP Capital ESG and Responsible Investment Philosophy is available at

www.ampcapital.com/esg or via the following link:

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/esg-and-responsible-investment-philosophy.pdf>

| | | | |
|-------|-----------|---------------|-------|
| OA 02 | Mandatory | Core Assessed | PRI 6 |
|-------|-----------|---------------|-------|

| | |
|---------|---|
| OA 02.1 | Indicate if your responsible investment policy is publicly available. |
|---------|---|

☒ Yes

| | |
|---------|--|
| OA 02.2 | Provide a URL to your responsible investment policy. |
|---------|--|

| | |
|--|-----|
| | URL |
|--|-----|

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/esg-and-responsible-investment-philosophy.pdf>

☐ No

| | |
|---------|---|
| OA 02.3 | Indicate if your other policies or guidance documents related to responsible investment are publicly available. |
|---------|---|

☒ Yes

☒ Yes, all

☐ Yes, some

| | |
|---------|---|
| OA 02.4 | List these other policies or guidance documents related to responsible investment that are publicly available and their URLs. |
|---------|---|

| Policy or document name | URL |
|--------------------------------------|---|
| Proxy Voting Policy | http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/proxy-voting-policy.pdf |
| Infrastructure ESG Policy Guidelines | http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/infrastructure-esg-policy-guidelines.pdf |
| Real Estate ESG Guidelines | http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/amp-capital-real-estate-esg-and-responsible-investment-guidelines.pdf |

☐ No

OA 02.5

Additional information. [Optional]

AMP Capital's ESG and Responsible Investment Philosophy is linked to other ESG-related policies, procedures, guidelines and proprietary tools at an organisational and asset class level (property, infrastructure). These policies and guidelines form part of AMP Capital's overall ESG framework and further influence our business and investment decision-making.

In terms of Australian listed equities AMP Capital's Corporate Governance Guidelines articulate our standards in relation to corporate governance and responsible investment issues and approach to company engagement. AMP Capital's commitment to incorporating ESG issues is also evidenced by our Proxy Voting policy which is implemented via a dedicated Corporate Governance Manager.

OA 03**Mandatory****Core Assessed****PRI 1,2****OA 03.1**

Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

| Policy components/types | Coverage by AUM |
|--|--|
| <input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input type="checkbox"/> Specific guidelines on environmental issues <input type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify | <input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM |

OA 03.2

Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]

AMP Capital's size, geographical coverage, multi-asset class mix, and variety of client mandates, requires flexibility in the way we approach responsible investment and the integration of material ESG factors. Our decision-making processes must account for:

- increasingly complex portfolio construction to meet our client's individual requirements;
- variation in investment styles and time horizons - often within a single asset class, and
- differences in our level of ownership and influence.

AMP Capital aims to incorporate material ESG issues in the same balanced way we do other key risks which impact an investment's performance. To this extent our investment teams are responsible for developing and implementing ESG integration techniques that appropriately reflect the characteristics of the asset class, client requirements, investment styles and relevant investment time horizons. Some policies and guidelines may therefore apply across the business while others may be specific to a particular asset class or fund (e.g. screening / exclusion policies).

OA 04**Mandatory****Core Assessed****General****OA 04.1**

Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

☒ Yes

The AMP Conflicts of Interest policy highlights the principles that each business unit within the AMP Group must comply with. The policy is designed to assist AMP and its representatives to identify how and when conflicts of interest arise and to provide guidance on the framework to manage conflicts of interest in an appropriate and consistent manner. AMP Capital prides itself on being an investment manager of the highest integrity, however recognises the potential exists for AMP Capital to be in a position of having a commercial or legal conflict of interest when dealing with clients or when making internal decisions that may affect clients. AMP Capital takes these conflicts seriously as they have the potential to impact adversely on our clients and our obligations under the law.

A primary duty of all staff within AMP Capital is to conduct themselves in accordance with high standards of business practice and ethics. Applicable fiduciary duties include the duty to act in the best interests of the client. All potential, perceived or actual conflicts of interest must be reported to the representative's immediate manager, enterprise risk management and/or the designated conflicts manager as soon as they are identified and are managed in accordance with the AMP Conflicts of Interest Guidelines within the AMP Conflict of Interest database.

The Guidelines provide details concerning responsibilities for managing conflicts at a business unit or division level; escalation processes for unusual, complex or significant conflicts of interest, procedures relating to management of conflicts, personal and business conflicts, gifts and entertainment, alternative forms of remuneration, and procedures for related parties.

Any conflicts of interest which could potentially arise via AMP Capital's proxy voting activities are managed through a dedicated corporate governance manager. All voting and engagement activities are conducted in the best interests of our clients and undertaken uniformly across all clients' portfolios. AMP Capital treats all companies similarly and no special consideration is given to companies that may be existing or potential clients of AMP Capital. In practice this means there are examples where AMP Capital has either voted 'against management' on resolutions of 'client' companies' and/or engaged with companies on specific ESG related matters such supply-chain issues, ethical sourcing practices and health and safety.

There are a few specific instances where AMP Capital does not lodge proxy votes. AMP Capital does not vote (Takes No Action) on:

- Resolutions at meetings of AMP Limited (Under terms of the demutualisation of AMP Ltd, AMP Capital is excluded from voting).
- Resolutions where AMP Capital are a related party (i.e. Australian shareholders are not permitted to vote when companies may seek shareholder ratification of a capital raising the shareholder may have participated in). This also applies to certain resolutions of companies where AMP Capital may be a controlling shareholder.

☐ No

Objectives and strategies

| OA 05 | Mandatory | Gateway/Core Assessed | General |
|-------|-----------|-----------------------|---------|
|-------|-----------|-----------------------|---------|

| | |
|----------------|--|
| OA 05.1 | Indicate if your organisation sets objectives for its responsible investment activities. |
|----------------|--|

☒ Yes

| | |
|----------------|--|
| OA 05.2 | Indicate how frequently your organisation sets or revises objectives for responsible investment. |
|----------------|--|

☒ At least once per year

☐ Less than once per year

| | |
|----------------|---|
| OA 05.3 | Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment. |
|----------------|---|

☐ Quarterly

☐ Biannually

☒ Annually

☐ Every two years or less

☐ It is not reviewed

☐ No

| | |
|----------------|------------------------------------|
| OA 05.4 | Additional information. [Optional] |
|----------------|------------------------------------|

AMP Capital's current organisational ESG objectives are outlined in our ESG and responsible investment philosophy which is approved by AMP Capital's Investment Committee. The document is publicly available at www.ampcapital.com/esg. Progress against these objectives is monitored by the AMP Capital Investment Committee.

Annual ESG performance objectives and/or strategic initiatives may also feature within key business divisions including for example Strategy & Operations, Multi Asset Group and Specialist Investment Teams (equities, fixed income), Property and Infrastructure. Asset class specific initiatives reflect AMP Capital's ongoing ESG integration priorities within a particular asset class and/or investment style. Progress against objectives is reported to senior management and may also be recorded for example through individual performance management plans and AMP Capital's overall business scorecard metrics.

| OA 06 | Voluntary | Descriptive | General |
|-------|-----------|-------------|---------|
|-------|-----------|-------------|---------|

| | |
|----------------|--|
| OA 06.1 | List your three main responsible investment objectives you had set for the reporting year. For each, indicate any key performance indicators you set to measure your progress and also indicate your progress towards achieving your objectives. |
|----------------|--|

☒ Add responsible investment objective 1

| | |
|--------------------------------|--|
| Objective 1 | Equities and Fixed Income |
| Key performance indicators | Leverage AMP Capital's ESG research across equities and fixed income. Further enhance monitoring of ESG integration and proxy voting practices of external equities managers. |
| Describe the progress achieved | ESG analysis provided to all equities and corporate fixed income teams. ESG service provider covering international securities. Developed tool to monitor voting of external managers. |

☒ Add responsible investment objective 2

| | |
|--------------------------------|--|
| Objective 2 | Property & Infrastructure |
| Key performance indicators | Enhance understanding of ESG factors and links to investment performance through application, capture and reporting of ESG practices. Position infrastructure ESG capabilities across global teams. |
| Describe the progress achieved | Enhancements through shared learning, secondments, and workshops with transaction and asset management teams. Policy guidelines, case studies and fund strategies developed to document key processes. |

☒ Add responsible investment objective 3

| | |
|--------------------------------|--|
| Objective 3 | Enhance client relationships |
| Key performance indicators | Enhance client relationships and develop closer alignment on responsible investment by sharing ESG investment beliefs and insights and support through capacity development and knowledge sharing. |
| Describe the progress achieved | Met with pension funds and business partners in Australia, New Zealand, Asia and North America. Shared ESG insights through client roundtables, policy debates, webinars / conferences. |

| | |
|----------------|---|
| OA 06.2 | List your three main objectives for responsible investment implementation for the next reporting year and indicate any key performance indicators you intend to use to measure your progress. |
|----------------|---|

☒ Add responsible investment objective 1 for the next reporting year

| | |
|---|--|
| Objective 1 for the next reporting year | AMP Capital's current organisational ESG objectives and priorities are identified in AMP Capital's ESG and Responsible Investment philosophy available at: http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/esg-and-responsible-investment-philosophy.pdf |
| Key performance indicators | Progress against organisational objectives are reported through to AMP Capital's Investment Committee |

☐ Add responsible investment objective 2 for the next reporting year

☐ Add responsible investment objective 3 for the next reporting year

| | |
|----------------|-------------------------|
| OA 06.3 | Additional information. |
|----------------|-------------------------|

AMP Capital's current organisational ESG objectives and priorities are identified in AMP Capital's ESG and Responsible Investment philosophy available at:
<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/esg-and-responsible-investment-philosophy.pdf>

Governance and human resources

| OA 07 | Voluntary | Descriptive | General |
|-------|-----------|-------------|---------|
|-------|-----------|-------------|---------|

| | |
|----------------|---|
| OA 07.1 | Provide a brief description of your organisation's governance, management structures and processes related to responsible investment. |
|----------------|---|

AMP Capital's Investment Committee has overall responsibility and oversight for AMP Capital's ESG-related strategy and initiatives. The AMP Capital Investment Committee reports through to the AMP Capital Holdings Limited Board via AMP Capital's Managing Director.

The Investment Committee is responsible for monitoring progress of various investment teams and asset classes in line with the ESG philosophy, approach and objectives outlined. The Investment Committee includes the Managing Director, Chief Investment Officer(s) and Division Heads of each asset class. Updates are provided to the Investment Committee by dedicated ESG specialists who carry day to day responsibilities for ongoing integration of ESG considerations across the business. These specialists also provide periodic updates to Executive Level committees including the Boards of AMP Capital Holdings Limited and AMP Limited (AMP Capital's parent company).

Operational committees comprising ESG specialists and other investment professionals also exist at the organisational and asset class level and meet regularly (e.g. monthly). This includes an ESG Integration Committee, Responsible Investment Leaders Ethics Committee, Environmental Legislative Compliance Committee and Property ESG Committee.

☐ I would like to attach an organisation chart (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

| OA 08 | Mandatory | Gateway/Core Assessed | General |
|-------|-----------|-----------------------|---------|
|-------|-----------|-----------------------|---------|

| | |
|----------------|---|
| OA 08.1 | Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment. |
|----------------|---|

Roles present in your organisation

- ☒ Board members or trustees
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Other Chief-level staff or head of department, specify
- ☒ Portfolio managers
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Investment analysts
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Dedicated responsible investment staff
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ External managers or service providers
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Other role, specify
- ☐ Other role, specify

OA 08.2

Indicate the number of dedicated responsible investment staff your organisation has. [Optional]

Number

8

| | |
|----------------|------------------------------------|
| OA 08.3 | Additional information. [Optional] |
|----------------|------------------------------------|

AMP Capital's dedicated ESG staff including their professional experience and career profiles can be found at www.ampcapital.com/esg

| OA 09 | Voluntary | Additional Assessed | General |
|-------|-----------|---------------------|---------|
|-------|-----------|---------------------|---------|

| | |
|----------------|---|
| OA 09.1 | Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element. |
|----------------|---|

Board members/Board of trustees

- ☒ Responsible investment included in personal development and/or training plan

| | |
|----------------|---|
| OA 09.2 | Describe any activities undertaken during the reporting year to develop and maintain Board members' skills and knowledge in relation to responsible investment. |
|----------------|---|

Training on ESG and responsible investment is provided in a variety of forms across the organisation. Dedicated ESG specialists play an active role in educating AMP Capital's investment teams, senior executives, the Board(s) and Investment Committee(s). Executive level training and knowledge sharing is usually provided through formal updates (e.g. board, investment committee papers). AMP Capital's regular Corporate Governance Report featuring proxy voting results and investment insights covering a range of ESG topics is presented twice a year to the AMP Limited Board and senior management team. Additional updates may also be provided to the board via the Managing Director of AMP Capital.

AMP Capital also provides training for Trustee Board members from AMP Capital's key clients. These sessions include training on ESG and responsible investment practices.

- ☐ None of the above

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☐ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Portfolio managers

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☒ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Investment analysts

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☒ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Dedicated responsible investment staff

- ☒ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☒ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

OA 09.3

Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.

Investment professionals including analysts and portfolio managers are generally trained on ESG topics through direct interaction with dedicated ESG specialists embedded within our various investment teams. This may occur via presentations at Investment Strategy meetings, weekly investment team briefings, distribution of ESG research, and through ESG knowledge forums canvassing a range of ESG topics (e.g. supply-chain risks, climate change, company engagements). These sessions typically include discussion on the links between ESG and investment performance. Training is also provided through a range of digital ESG insights presented by AMP Capital's ESG team and published on the AMP Capital website www.ampcapital.com/esg

AMP Capital's ESG specialists all have performance management, reward and/or personal development processes linked with ESG and responsible investment outcomes. Professional development is supported through external programs (e.g. RI academy), attending and speaking at RI/ESG conferences and participating in various industry working groups and collaborative initiatives.

To more closely align with our client's longer term interests, AMP Capital has also transitioned all investment team professionals from one year to a rolling three-year variable pay performance cycle. This is designed to help reduce short term thinking in capital markets and encourage a focus on longer-term investment performance. In addition some portfolio managers for ESG themed funds (AMP Capital's Sustainable Share Fund and Responsible Investment Leaders (RIL)), have variable pay which is linked to the performance of the particular fund.

ESG related strategic initiatives may also feature within divisional scorecards (e.g. at the asset class level). Performance against such initiatives may therefore influence the total variable pay / incentive pool available across the division.

Promoting responsible investment

| OA 10 | Mandatory | Core Assessed | PRI 4,5 |
|-------|-----------|---------------|---------|
|-------|-----------|---------------|---------|

OA 10.1

Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

☒ Yes

OA 10.2

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

☒ Asian Corporate Governance Association

| |
|--|
| Your organisation's role in the initiative during the reporting period (see definitions) |
|--|

- ☐ Basic
☐ Moderate
☒ Advanced

| |
|--|
| Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional] |
|--|

Participate in regular working group calls with ACGA to advance submissions and collaborative engagement initiatives.

- ☐ Association for Sustainable & Responsible Investment in Asia
☒ Australian Council of Superannuation Investors

| |
|--|
| Your organisation's role in the initiative during the reporting period (see definitions) |
|--|

- ☐ Basic
☒ Moderate
☐ Advanced

| |
|--|
| Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional] |
|--|

Regular collaboration with ACSI on ESG initiatives within the Australian marketplace.

- ☒ CDP Climate Change

| |
|--|
| Your organisation's role in the initiative during the reporting period (see definitions) |
|--|

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Signatory to CDP since 2002. Advocate for improved disclosure of carbon risk through company engagement.

- ☐ CDP Forests
- ☐ CDP Water
- ☒ CFA Institute Centre for Financial Market Integrity

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Participated in meetings to discuss the impact of and ways to address short-termism in capital markets.

- ☒ Council of Institutional Investors (CII)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Invited by CII (USA) to present a webinar to their members on corporate governance and executive remuneration issues in the Asia Pacific.

- ☐ Eumedion
- ☒ Extractive Industries Transparency Initiative (EITI)

| |
|--|
| Your organisation's role in the initiative during the reporting period (see definitions) |
|--|

- ☒ Basic
☐ Moderate
☐ Advanced

| |
|--|
| Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional] |
|--|

Supporter and advocate of EITI - Responsible Investment Leaders (RIL) fund

- ☐ Global Investors Governance Network (GIGN)
☒ Global Real Estate Sustainability Benchmark (GRESB)

| |
|--|
| Your organisation's role in the initiative during the reporting period (see definitions) |
|--|

- ☐ Basic
☐ Moderate
☒ Advanced

| |
|--|
| Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional] |
|--|

Member of GRESB Asia Pacific committee. Providing investment industry knowledge on ESG topics and contributing to further improvement of the benchmark process.

- ☐ Institutional Investors Group on Climate Change (IIGCC)
☐ Interfaith Center on Corporate Responsibility (ICCR)
☒ International Corporate Governance Network (ICGN)

| |
|--|
| Your organisation's role in the initiative during the reporting period (see definitions) |
|--|

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Regular participant in global and regional ICGN forums

☒ Investor Group on Climate Change, Australia/New Zealand (IGCC)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Founding member of IGCC, represented on Executive Committee, Policy Committee and CEOs Panel. Directly involved in preparation of policy submissions to government and meetings with ministerial staff.

☐ Investor Network on Climate Risk (INCR)/CERES

☐ Local Authority Pension Fund Forum

☒ Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Signatory since April 2007, Presented internationally at PRI forums on ESG in infrastructure and fixed income. Represented on various PRI working groups, PRI Australia network steering committee and fixed income steering committee.

☒ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

RIAA

| |
|--|
| Your organisation's role in the initiative during the reporting period (see definitions) |
|--|

- ☐ Basic
☐ Moderate
☒ Advanced

| |
|--|
| Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional] |
|--|

Strong advocate, active participant and supporter of RIAA in Australia and New Zealand including major sponsor of past events.

- ☐ Shareholder Association for Research and Education (Share)
☐ United Nations Environmental Program Finance Initiative (UNEP FI)
☐ United Nations Global Compact
☒ Other collaborative organisation/initiative, specify

Green Building Council of Australia, Sydney City Switch Program and Better Buildings Partnership

| |
|--|
| Your organisation's role in the initiative during the reporting year (see definitions) |
|--|

- ☐ Basic
☐ Moderate
☒ Advanced

| |
|--|
| Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional] |
|--|

Represented at the committee, or working group level of each of these initiatives. Initiated collaboration, and contributed to the organisation or content of events organised by these groups.

- ☒ Other collaborative organisation/initiative, specify

ASX Corporate Governance Council

| |
|--|
| Your organisation's role in the initiative during the reporting year (see definitions) |
|--|

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Advocated for and supported the development of documentation, contributed to events and content and provided general support for the initiative in various forums.

☒ Other collaborative organisation/initiative, specify

Financial Services Council - ESG Working Group

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Member of the FSC ESG working group. Active involvement in developing FSC content (e.g. ESG Reporting Guide developed in collaboration with ACSI) and policy submissions to government and other industry stakeholders.

☐ Other collaborative organisation/initiative, specify

☐ No

OA 10.3**Additional information. [Optional]**

As a 'whole of universe' investor and large owner of companies and assets, on behalf of clients, AMP Capital has a stake in the effective operation and sustainability of the broader economy, society, the integrity and transparency of markets, good governance and business conduct.

We actively collaborate with other stakeholders through a variety of industry initiatives to improve corporate governance standards, improve transparency and disclosure and encourage responsible investment practices through the integration of ESG issues including:

Investor Group on Climate Change (IGCC) - www.igcc.org.au
 International Corporate Governance Network (ICGN) - www.icgn.org
 Asia Corporate Governance Association (ACGA) - www.acga-asia.org
 Financial Services Council (FSC) ESG Working Group and Proxy Voting Working Group
 ASX Corporate Governance Council
 Responsible Investment Association Australasia (RIAA) - www.responsibleinvestment.org
 Emerging Markets Disclosure Project
 Carbon Disclosure Project - www.cdproject.net
 Australian Financial Markets Association (AFMA) Energy and Carbon Markets Committee
 Infrastructure Partnerships Australia Sustainability Taskforce
 Property Council of Australia
 Asia Pacific Real Estate Association
 Green Building Council Australia
 Better Building Partnership (City of Sydney) - www.sydneybetterbuildings.com.au
 CitySwitch program

OA 11**Mandatory****Core Assessed****PRI 4****OA 11.1**

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

☒ Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- ☒ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- ☒ Provided financial support for academic or industry research on responsible investment
- ☒ Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- ☒ Spoke publicly at events and conferences to promote responsible investment
- ☒ Wrote and published in-house research papers on responsible investment
- ☒ Encouraged the adoption of the PRI
- ☐ Other, specify

☐ No

OA 11.3

Additional information. [Optional]

AMP Capital has openly engaged with asset owner clients on our ESG and Responsible Investment philosophy as well as sharing our ESG approach with our clients, business partners and other industry stakeholders. We also undertake our own proprietary research on ESG issues and communicate this publicly via our corporate governance reports and ESG insights available at www.ampcapital.com/esg. Through conferences, meetings and working groups we have been a strong advocate for ESG disclosure and also contributed to guidance documents on improving ESG reporting, in particular for Australian companies.

AMP Capital's ESG professionals also spoke at conferences in Australia, New Zealand and the USA on a broad range of ESG topics including company engagement, executive remuneration, supply-chains and ESG integration in fixed income. An extensive number of AMP Capital's ESG related articles and thought leadership were also reported through investment management journals and the mainstream media.

OA 12

Voluntary

Additional Assessed

PRI
4,5,6

OA 12.1

Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.

☒ Yes

☒ Yes, individually

☒ Yes, in collaboration with others

OA 12.2

Select the methods you have used.

☒ Endorsed written submissions to governments, regulators or standard-setters developed by others

☐ Drafted your own written submissions to governments, regulators or standard-setters

☒ Participated in face-to-face meetings with government members or officials to discuss policy

☐ Other, specify

OA 12.3

Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.

☒ Yes, publicly available

provide URL

<http://www.igcc.org.au>

☐ No

☐ No

OA 12.4

Additional information.

AMP Capital has participated in various face to face meetings with policy-makers at the ministerial level from both major political parties to discuss climate change policy issues in Australia. AMP Capital's Managing Director participates in the IGCC's CEO panel which has also represented large institutional investors in discussions with policy-makers. AMP Capital has supported collaborative engagements with policy makers on climate change issues through for example the annual Global Investor Statement on Climate Change. AMP Capital is also represented on the IGCC policy committee and therefore directly contributes to written statements and policy positions of the IGCC. These statements are available on the IGCC website www.igcc.org.au

ESG issues in asset allocation

OA 13

Voluntary

Descriptive

PRI 1

OA 13.1

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.

☒ Yes

OA 13.2

Describe how you apply ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.

AMP Capital undertakes regular annual reviews of Strategic Asset Allocation (SAA). As an example of how ESG issues may be considered in this process, AMP Capital has previously considered the implications of climate change scenarios on the SAA decision-making process for AMP Capital's Future Directions Balanced Fund. This included analysing the potential impact of climate change for the Fund's portfolio mix. Qualitative assessment of risks and opportunities and quantitative analysis to demonstrate the potential impact of the scenarios on the portfolio were also undertaken. Supporting this, AMP Capital also undertakes regular analysis for example of climate change investment impacts including sector and stock research to understand portfolio impacts, risks and opportunities - policy, technology, physical impacts, carbon intensity, potential liabilities.

AMP Capital engages with policy-makers and companies individually and via collaborative initiatives and actively monitors regional policy developments, international policy frameworks and the development of international carbon markets. Such processes help inform our views regarding both short and longer term investment decision-making and portfolio positioning (geographic markets etc).

☐ No

OA 14

Voluntary

Descriptive

PRI 1

OA 14.1

Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

☒ Yes

OA 14.2

Indicate the percentage of your total AUM invested in environmental and social themed areas.

% of total AUM

6

OA 14.3

Please specify which thematic area(s) you invest in and provide a brief description.

Area

☒ Clean technology

Asset class invested

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☐ Property
- ☒ Infrastructure

Brief description of investment

Includes investments in renewable energy - wind, hydro and off-shore transmission as well as water treatment facilities in Australia, India, Ireland, UK and USA.

☒ Green buildings

Asset class invested

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☒ Property
- ☐ Infrastructure

| | Brief description of investment |
|--|---------------------------------|
|--|---------------------------------|

Commercial property assets including the AMP Capital Australian Core Property Portfolio (ACPP) and the AMP Capital Australian Wholesale Office Fund (AWOF). These funds have a 4-star NABERS energy rating as well as a 'green star' rating under the Global Real Estate Sustainability Benchmark (GRESB).

- ☐ Sustainable forestry
- ☐ Sustainable agriculture
- ☐ Microfinance
- ☐ SME financing
- ☐ Social enterprise / community investing
- ☒ Affordable housing

| | Asset class invested |
|--|----------------------|
|--|----------------------|

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☐ Property
- ☒ Infrastructure

| | Brief description of investment |
|--|---------------------------------|
|--|---------------------------------|

Includes investments in affordable student accommodation.

- ☒ Education

| | Asset class invested |
|--|----------------------|
|--|----------------------|

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☐ Property
- ☒ Infrastructure

| |
|---------------------------------|
| Brief description of investment |
|---------------------------------|

Includes direct investment in schools (e.g. South Australia).

- ☐ Global health
- ☒ Other area, specify

Aged care

| |
|----------------------|
| Asset class invested |
|----------------------|

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☐ Property
- ☒ Infrastructure

| |
|---------------------------------|
| Brief description of investment |
|---------------------------------|

Includes direct investments in aged care facilities in Australia.

☐ No

| | |
|---------|-------------------------|
| OA 14.4 | Additional information. |
|---------|-------------------------|

AMP Capital's core flagship commercial property funds including the Australian Core Property Portfolio (ACPP) and the AMP Capital Australian Wholesale Office Fund (AWOF) have achieved a 4-star NABERS energy target. AMP Capital also contributed data for approximately \$AUD 8 billion worth of real estate assets for the annual GRESB survey. Each AMP Capital managed property fund/private client mandate was awarded a 'green star', the highest rating achievable under GRESB.

Infrastructure includes direct investments in facilities such as aged care, schools, student accommodation and other community based assets (e.g. AMP Capital Community Infrastructure Fund (CommIF)). Investments in clean technology include direct investments in water treatment facilities and renewable energy infrastructure - wind, hydro and off-shore transmission assets - in the UK, EU, India and North America. This includes 3790 MW of installed / operational capacity, 845 MW under construction and a further 15,300 MW which is under development. These assets are included within mainstream infrastructure portfolios.

In addition with regard to equities, while there is no explicit mandate requirement, the AMP Capital Responsible Investment Leaders (RIL) Fund and the AMP Capital Sustainable Share Fund both have methodologies and investment styles that would typically lead to an underweight exposure to some carbon intensive businesses. For example these funds would typically not invest equity in pure play thermal coal companies.

Asset class implementation not reported in other modules

| OA 16 | Voluntary | Descriptive | General |
|-------|-----------|-------------|---------|
|-------|-----------|-------------|---------|

OA 16.1

Describe how you address ESG issues for externally managed assets for which you are not required to report because your assets are below the minimum threshold.

| Asset Class | Describe what processes are in place and the outputs or outcomes achieved |
|------------------------------|---|
| Fixed income - corporate | As an example the AMP Capital Responsible Investment Leaders (RIL) Diversified Fixed Income fund invests in sovereign debt, corporate securities, and corporate debt in both developed and emerging markets. The fund applies an ESG framework which involves the use of country ratings, in house and external ESG research, grey listings and some limits to exposure / non-investable grade securities. AMP Capital does due diligence on externally managed portfolios. Fund oversight is provided by a RIL Ethics Committee who monitors compliance of external managers with the fund charter. Regular reporting includes engagement with companies, consideration of ESG issues over and above any screening or exclusions and performance attribution of the fund based on ESG factors. |
| Fixed income - government | As an example the AMP Capital Responsible Investment Leaders (RIL) Diversified Fixed Income fund invests in sovereign debt, corporate securities, and corporate debt in both developed and emerging markets. The fund applies an ESG framework which involves the use of country ratings, in house and external ESG research, grey listings and some limits to exposure / non-investable grade securities. AMP Capital does due diligence on externally managed portfolios. Fund oversight is provided by a RIL Ethics Committee who monitors compliance of external managers with the fund charter. Regular reporting includes engagement with companies, consideration of ESG issues over and above any screening or exclusions and performance attribution of the fund based on ESG factors. |

Innovation

| OA 18 | Voluntary | Descriptive | General |
|-------|-----------|-------------|---------|
|-------|-----------|-------------|---------|

AMP Capital is one of the first and largest managers of dedicated responsible investment funds in Australia. This has enabled the organisation to leverage over a decade of experience integrating ESG factors into investment decisions. Capitalising on this institutional knowledge has allowed AMP Capital to exploit synergies particularly in how ESG research is leveraged across the broader business in line with commitments under the PRI.

At an organisational level a clear ESG philosophy, supported by policies, guidelines and governance structures to oversee the ESG integration process has created the appropriate signals of organisational commitment. This has established appropriate accountability structures to review priorities, set goals and monitor further progress on ESG integration.

Developing strong in-house ESG research capabilities has expanded the ESG knowledge base across our investment teams, delivering deeper insights and stronger conviction over decision-making. This has been important in broadening the understanding of ESG investment impacts, leveraging research across asset classes (equity and corporate fixed income) and identifying hidden value and potential investment opportunities. These approaches have accelerated the ESG integration effort across the business.

ESG research is now shared and embedded into the investment decision making process for all our domestic equities funds. ESG research is integrated via company-specific scores, ESG SWOT analyses and additional ESG insights. Our investment analysts then utilise this information as part of the overall fundamental stock analysis process. ESG integration is further supported through distribution of weekly / fortnightly ESG wraps (domestic , international), joint meetings with portfolio management teams and engaging with the board and executive leadership of companies in which AMP Capital invests.

Demonstrating the value-add of ESG in terms of investment performance is a challenge across the investment industry. AMP Capital has therefore undertaken its own proprietary research to quantify the investment performance related impacts ESG integration can contribute to investors.

As an example for the AMP Capital Sustainable Share Fund in-house ESG Research divides stocks (ASX 200) into investment grade (IG) and non-investment grade (NIG). The pool of stocks deemed IG constitutes the investable universe for Fund. Since 2007 the ESG Research team has tracked the performance of this universe against the broader ASX200 with the analysis showing this universe of stocks has outperformed the broader index in the short, medium and long term. The ESG index demonstrates that by excluding companies with poor ESG profiles, portfolio managers can obtain an overall better quality pool of stocks to invest in.

As at 31 January 2014, the index of IG stocks had outperformed the broader ASX 200 index by approximately 2.00% over 1 year, approximately 6% over 2 years and over 10.00% over 5 years. The customised index has outperformed the broader index by approximately 6.50% since inception in 2007. The ESG index typically contained 130-135 stocks representing 80-85% of the ASX200 market capitalisation. The investment performance suggests a low turnover active ESG fund may provide interesting long-term investment opportunities for equity investors.

Other proprietary tools include a portfolio and holdings ESG risk tool developed for AMP Capital's international equities portfolios; a carbon portfolio tool which assesses carbon risk and intensity; and a multi-manager - multi asset fund that applies consistent ESG criteria via a responsible investment charter which is monitored by an oversight committee. Further details on these tools is provided in additional PRI modules (e.g. Listed Equity).

Assurance of responses

| OA 19 | Voluntary | Additional Assessed | General |
|-------|-----------|---------------------|---------|
|-------|-----------|---------------------|---------|

OA 19.1 Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.

☒ Yes

OA 19.2 Indicate who has reviewed, validated and/or assured your reported information.

☒ Reviewed by Board, CEO, CIO or Investment Committee

☒ Validated by internal audit or compliance function

☐ Assured by an external independent provider, specify name

OA 19.3 Describe the steps you have taken to review, validate and/or assure the content of your reported information.

AMP Capital's PRI submission has been prepared with input provided by ESG specialists and investment professionals from across the business. The content of this submission has then been reviewed and discussed with AMP Capital's Risk and Compliance / Legal divisions. The review is finalised with AMP Capital's Managing Director and Chair of the AMP Capital Investment Committee.

☐ No

AMP Capital Investors

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

| SAM 01 | Voluntary | Descriptive | PRI 1-6 |
|--------|-----------|-------------|---------|
|--------|-----------|-------------|---------|

AMP Capital's externally managed Fund of Funds includes the Responsible Investment Leaders (RIL Range) of funds, the Future Directions Funds (FDF) and the ipac funds (ipac). The RIL, FDF and ipac multi-manager teams appoint underlying external managers with differing investment insights. These may be sector or style-based. The funds predominantly cover Australian and international shares (equities), with smaller allocations to external managers in the areas of fixed income, property and alternatives.

AMP Capital's RIL funds provide investors with access to investments within a responsible investment framework. The RIL funds recognise ESG factors can impact long-term business success and financial performance and provide clients with access to investments that carry higher conviction toward ESG issues. Any manager appointed to manage the RIL Funds needs to meet both investment as well as ESG specific criteria. External managers and asset allocations for the RIL Funds are also monitored by specialist committees which include: the RIL Work Group, the AMP Capital Sector and Diversified Investment Committee(s), and the RIL Ethics Committee. These groups are charged with maintaining the funds' responsible investment integrity and overseeing the operation of the funds.

ESG issues are reviewed in line with the RIL Charter, and approved by AMP Capital's ESG experts and advisory committee. Specific tasks also include analysing ongoing performance and style of the underlying managers (from a financial perspective) as well as stock listings and governance and engagement initiatives (from a responsible investment perspective). These groups review external managers on an ongoing basis (appointment, assessment, monitoring) including research and ESG manager ratings provided by our investment consultants Towers Watson. The RIL Ethics Committee also focuses on 'special interest resolutions' which have clear ESG themes, receiving support from AMP Capital's Corporate Governance Manager. Further details and information on the AMP Capital RIL range of funds including fund profiles, RIL Charter and performance reports can be found at <http://www.ampcapital.com.au/institutional-investors/investing-with-us/multi-manager/responsible-balanced-fund>.

For the larger FDF and ipac range of funds, external consultant manager ratings are being considered as part of the manager selection and appointment processes. In line with AMP Capital's ESG and Responsible Investment Philosophy, a key objective is to engage our service providers and external managers to understand their processes for considering ESG issues within the services they provide and investments they manage on AMP Capital's behalf.

For FDF and ipac the main initial focus has been directed to external equities managers. Taking into consideration our own ESG expertise and our investment consultant's advice, a process for engaging and monitoring external managers has been approved by AMP Capital's Investment Committee and involves:

1. Assessing the ESG capabilities, philosophy and approach of our existing and newly appointed external fund managers, including collating consultant ESG ratings for external managers.
2. Distributing ESG questionnaires to external equities managers and reviewing manager responses.
3. Improving AMP Capital's monitoring of external manager proxy voting activities to review alignment with AMP Capital's corporate ESG philosophy and proxy voting practices.

| | | | |
|---------------|------------------|----------------------|--------------|
| SAM 02 | Mandatory | Core Assessed | PRI 4 |
|---------------|------------------|----------------------|--------------|

| | |
|-----------------|---|
| SAM 02.1 | Indicate if your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers. |
|-----------------|---|

☒ Yes

| | |
|-----------------|---|
| SAM 02.2 | Indicate how your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers. [Optional] |
|-----------------|---|

☒ We use investment consultants in our selection and appointment of external managers

| | |
|--|-------------|
| | Asset class |
|--|-------------|

☒ Listed Equity (LE)

☒ Fixed income - corporate (FIC)

☒ Fixed income - government (FIG)

☐ Other asset classes

☒ We use investment consultants in our monitoring of external managers

| | |
|--|-------------|
| | Asset class |
|--|-------------|

☒ Listed Equity (LE)

☒ Fixed income - corporate (FIC)

☒ Fixed income - government (FIG)

☐ Other asset classes

☐ We use fiduciary managers

| | |
|-----------------|--|
| SAM 02.3 | Indicate if your organisation considers responsible investment in the selection, appointment and/or review processes for investment consultants and/or fiduciary managers. |
|-----------------|--|

☒ Responsible investment is included in the selection process for investment consultants

☒ Consultants' responsibilities in relation to responsible investment in manager selection, appointment and monitoring processes are included in our contractual agreements with them

☒ Responsible investment is considered when reviewing investment consultants' advice on manager selection and performance monitoring

☐ We do not consider responsible investment in the selection, appointment and/or review processes for investment consultants.

☐ No

AMP Capital's RIL, FDF and ipac range of funds use the services of investment consultants Towers Watson. Towers Watson have assisted AMP Capital in manager selection and monitoring on both investment and ESG issues. As an example, for the RIL range of funds Towers Watson is a member of the RIL Work Group which coordinates engagement and communication with underlying managers on behalf of the RIL Ethics Committee. The RIL Ethics Committee oversees the RIL funds and monitor compliance with the RIL Charter.

Towers Watson have recognised ESG and responsible investment capabilities, are PRI signatories, and also support AMP Capital in reviewing external manager ratings in relation to ESG issues. This includes capabilities of ESG researchers and integration within the manager assessment and monitoring process. Towers Watson's investment manager research process has also been evolving to promote the inclusion of ESG factors in the investment process more generally. This includes assessing and monitoring stewardship practices of product strategies with a predominant focus on listed equities. This is being extended to include other asset classes.

Towers Watson also undertakes policy level engagement to support and enhance robust investment markets and may undertake engagement with individual investment management organisations to promote good practice in stewardship and ESG integration. Towers Watson have also been introducing portfolio level ESG risk reviews to support manager research and portfolio review processes and continue to research a range of sustainability themed opportunities to assess how and where they may best incorporated into their clients portfolio.

| SAM 03 | Mandatory | Gateway | General |
|--------|-----------|---------|---------|
|--------|-----------|---------|---------|

**SAM
03.1**

Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring

Select all that apply

| Asset classes | (a) Selection | (b) Appointment | (c) Monitoring |
|---------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Listed equity | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

| | |
|---------------------|------------------------------------|
| SAM 03.2 | Additional information. [Optional] |
|---------------------|------------------------------------|

AMP Capital's Responsible Investment Leaders (RIL) range of funds invest in a diverse portfolio of assets by applying an ESG framework across a range of external managers. From an ESG perspective, external managers must demonstrate adherence to the RIL Charter which outlines the responsible investment policy of the fund. This includes some screening or limits to exposure and a preference toward better performing companies based on bottom up analysis and consideration of issues such as corporate governance, labour standards, community and environment.

For the Future Directions (FDF) and ipac externally managed funds, AMP Capital has worked with our consultant Towers Watson as well as our own ESG specialists to review external manager approaches to ESG integration. FDF and ipac external managers generally use ESG criteria as an input to their investment thinking and as a tool to develop a more comprehensive view of an underlying company's key business risks and overall management quality.

AMP Capital engages periodically with these external managers to ascertain the extent to which they incorporate ESG considerations in their decision-making and stock selection processes. This is monitored through for the manager due diligence and appointment process, one on one meetings with external managers, issuing ESG surveys / questionnaires to underlying managers and AMP Capital's monitoring of their proxy voting activities.

Listed equity (LE), fixed income corporate (FIC) and fixed income government (FIG)

Overview

| SAM 04 | Mandatory to Report | Voluntary to Disclose | Gateway/Peering | General |
|-----------------|--|------------------------------|------------------------|----------------|
| SAM 04.1 | Provide a breakdown of your externally managed listed equities, corporate fixed income and government fixed income by passive, active quant, active fundamental and other active strategies. | | | |
| | Listed equity (LE) | | | |

| Type of strategy | As % of externally managed listed equity |
|---------------------------------------|---|
| Passive | <input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% |
| Active - quantitative (quant) | <input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50% |
| Active - fundamental and other active | <input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50% |

Fixed income - corporate (FIC)

| Type of strategy | As % of externally managed corporatefixed income |
|---------------------------------------|---|
| Passive | <input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% |
| Active - quantitative (quant) | <input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% |
| Active - fundamental and other active | <input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50% |

Fixed income - government (FIG)

| Type of strategy | As % of externally managed government fixed income |
|---------------------------------------|---|
| Passive | <input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% |
| Active - quantitative (quant) | <input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% |
| Active - fundamental and other active | <input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50% |

| | | | |
|---------------|------------------|----------------|----------------|
| SAM 05 | Mandatory | Gateway | PRI 1,2 |
|---------------|------------------|----------------|----------------|

| | |
|-----------------|---|
| SAM 05.1 | Indicate which of the following ESG incorporation strategies you encourage or require your external manager(s) to implement on your behalf: |
|-----------------|---|

| | |
|--|------------------------------|
| | Active investment strategies |
|--|------------------------------|

| Active investment strategies | LE | | |
|------------------------------|-------------------------------------|--|--|
| Screening | <input checked="" type="checkbox"/> | | |
| Thematic | <input type="checkbox"/> | | |
| Integration | <input checked="" type="checkbox"/> | | |
| None of the above | <input type="checkbox"/> | | |

| | |
|--|-------------------------------|
| | Passive investment strategies |
|--|-------------------------------|

| | | | |
|--------------------------------------|-------------------------------------|--|--|
| Passive investment strategies | LE | | |
| Screening | <input type="checkbox"/> | | |
| Thematic | <input type="checkbox"/> | | |
| Integration | <input type="checkbox"/> | | |
| None of the above | <input checked="" type="checkbox"/> | | |

**SAM
05.2**

Indicate if - on your externally managed assets - you engage directly, via service providers, or via your external manager.

| | | |
|--|-------------------------------------|--|
| | LE | |
| We engage directly or via service providers on our externally managed assets | <input checked="" type="checkbox"/> | |
| We require our external managers to engage on our behalf | <input checked="" type="checkbox"/> | |
| None of the above | <input type="checkbox"/> | |

**SAM
05.3**

Indicate if - on your externally managed listed equities - you cast your (proxy) votes directly, via service providers, or via your external manager.

| | | |
|--|-------------------------------------|--|
| | LE | |
| We cast our (proxy) votes directly or via service providers on our externally managed assets | <input checked="" type="checkbox"/> | |
| We require our external managers to cast our (proxy) votes on our behalf | <input checked="" type="checkbox"/> | |
| None of the above | <input type="checkbox"/> | |

With respect to engagement and proxy voting as an example the AMP Capital Responsible Investment Leaders (RIL) Ethics Committee fulfills an oversight role for the RIL Balanced Fund. This includes:

- directing and coordinating engagement with underlying managers, companies and other appropriate parties; and
- identifying stocks which do not meet the RIL Charter and are therefore added to a 'grey list' with the underlying manager informed the stock is no longer considered investment grade.

One of the important characteristics of the RIL Balanced Fund is the active engagement of companies in which it invests on company-specific or general ESG issues. Engagement may be undertaken by either the underlying managers or the AMP Capital RIL Work Group. In some circumstances, the RIL Balanced Fund may also join collective engagement actions alongside other investors. The specific areas or issues for engagement are decided by the AMP Capital RIL Ethics Committee, or may alternatively be undertaken opportunistically by the underlying manager.

A formal reporting framework requires external managers for the RIL Balanced Fund to report on:

- how they have incorporated ESG into their process and stock selection;
- direct engagement with companies; and
- proxy voting (for equity funds).

For the Future Directions (FDF) and ipac range of funds, company engagement and proxy voting is generally undertaken by the underlying manager on behalf of AMP Capital. AMP Capital then periodically surveys our external managers on their approach to ESG integration, company engagements and voting practices. AMP Capital's in house ESG professionals also monitor the voting activities of external managers and consider alignment and consistency with AMP Capital's own voting practices.

Selection

SAM 06

Mandatory

Core Assessed

PRI 1-6

**SAM
06.1**

Indicate whether your organisation, and/or your investment consultant, in the manager selection process for listed assets, typically do any of the following:

General

| | LE | | |
|---|-------------------------------------|--|--|
| Review the manager's responsible investment policies | <input checked="" type="checkbox"/> | | |
| Discuss managers' governance and management of responsible investment activities | <input checked="" type="checkbox"/> | | |
| Meet staff with responsible investment responsibilities to assess their skills and competence | <input checked="" type="checkbox"/> | | |
| Discuss minimum responsible investment expectations that managers must meet | <input checked="" type="checkbox"/> | | |
| Discuss the role managers have played in collaborative initiatives | <input checked="" type="checkbox"/> | | |
| Ask whether the organisation is a signatory to the PRI and/or other relevant organisations | <input checked="" type="checkbox"/> | | |
| Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting | <input checked="" type="checkbox"/> | | |
| Discuss the type of ESG reporting you expect | <input checked="" type="checkbox"/> | | |
| Assign specific weighting to ESG factors in your manager evaluation | <input checked="" type="checkbox"/> | | |
| Other general aspects in your selection process, specify | <input type="checkbox"/> | | |
| None of the above | <input type="checkbox"/> | | |

ESG incorporation

| | LE | | |
|--|-------------------------------------|--|--|
| Evaluate the quality and coverage of ESG research used by managers | <input checked="" type="checkbox"/> | | |
| Assess how the manager incentivises brokers to provide ESG research | <input checked="" type="checkbox"/> | | |
| Assess managers' ESG incorporation strategies and ability to identify and manage ESG issues | <input checked="" type="checkbox"/> | | |
| Discuss with managers how ESG issues have impacted specific investment decisions and, where relevant, stock or portfolio performance | <input checked="" type="checkbox"/> | | |
| Other ESG incorporation issues in your selection process, specify | <input type="checkbox"/> | | |
| None of the above | <input type="checkbox"/> | | |

Engagements

| | LE | | |
|---|-------------------------------------|--|--|
| Discuss the managers' engagement processes | <input checked="" type="checkbox"/> | | |
| Discuss the role managers have played in influencing companies' ESG practices and performance | <input checked="" type="checkbox"/> | | |
| Discuss how information gained through engagement is incorporated into investment decision-making | <input checked="" type="checkbox"/> | | |
| Other engagement issues in your selection process, specify | <input type="checkbox"/> | | |
| None of the above | <input type="checkbox"/> | | |

(Proxy) voting

| | |
|--|-------------------------------------|
| | LE |
| Discuss the managers' voting processes | <input checked="" type="checkbox"/> |
| Discuss how information gained through research for (proxy) voting is used in investment-decision making | <input checked="" type="checkbox"/> |
| Other (proxy) voting issues in your selection process, specify | <input type="checkbox"/> |
| None of the above | <input type="checkbox"/> |

AMP Capital's Responsible Investment Leaders range of funds (RIL Range) has a long-term investment strategy recognising that broader environmental, social and ethical considerations, labour standards and corporate governance factors can impact long-term business success. The RIL Range will invest through managers or in funds which have a demonstrable process for taking these matters into account.

In terms of manager selection the process used for identifying prospective managers involves three key elements.

4. Assess managers based on investment and environmental/social/governance factors
5. Exclude investments in areas of high social impact, and
6. Select the optimal combination of managers.

Managers are selected based on their investment credentials and process, and their ability to factor broader environmental, social and governance factors into security selection. While investment assessment is the primary consideration, there is growing evidence that environmental, social and governance factors can give insights into a company's intangible assets, sustainability and long-term market valuation.

Specifically, the RIL Range strives to seek out managers who are identifying companies that are leaders across industries in their responsible approach in a range of areas including:

- Ethical considerations - including upholding fundamental human rights, and articulating and implementing a code of conduct
- Labour standards - including implementing occupational health and safety regulations, adhering to the standards of the International Labour Organisation (ILO), providing safe and stable working conditions, and excluding child labour
- Social considerations - including promoting indigenous relations and community involvement;
- Environmental considerations - including efficient energy and resource use, and product stewardship, and
- Governance considerations, including meeting corporate governance guidelines on board structures and remuneration.

In further support of the responsible investment aim, investment managers are also well regarded in terms of selection and appointment if they actively participate in corporate engagement and corporate governance initiatives on behalf of the RIL Range.

When selecting managers, consideration is given to the style and risk diversification impact each manager will have on the overall portfolio. The aim is to construct a style-neutral blend. In addition to assessing a manager's capacity to deliver strong investment performance, and the risk/diversification characteristics the manager brings to the overall portfolio; consideration is also given to the manager's ability to meet the responsible investment criteria outlined in the RIL Charter. At a minimum, a manager must be able to meet the funds ESG screening criteria. Managers are also well-regarded if they can proactively apply sustainable and responsible investment criteria above and beyond these requirements on behalf of the RIL Range.

For the Future Directions Funds (FDF) and ipac Funds AMP Capital undertakes its own due diligence in selecting and appointing external managers. AMP Capital's investment consultant Towers Watson may also provide manager selection advice and has also shared with us information on external manager ESG ratings.

As part of the FDF and ipac manager selection due diligence process AMP Capital typically makes enquiries of the underlying manager in relation to how they use ESG as an input to their investment thinking to develop a more broader and more comprehensive view of an underlying company's key business risks. How the underlying manager approaches consideration of corporate governance issues and the links to overall management quality are also key considerations.

Appointment

| | | | |
|---------------|------------------|----------------------------|--------------|
| SAM 07 | Voluntary | Additional Assessed | PRI 4 |
|---------------|------------------|----------------------------|--------------|

SAM 07.1

When appointing managers, indicate which of the following responsible investment considerations your organisation typically includes in investment management agreements/contracts for your listed assets:

General

| | LE | | |
|---|-------------------------------------|--|--|
| Acting in accordance with your organisation's overall investment beliefs or policy on responsible investment and ESG issues | <input checked="" type="checkbox"/> | | |
| Other general RI considerations in investment management agreements, specify | <input type="checkbox"/> | | |
| None of the above | <input type="checkbox"/> | | |

ESG incorporation

| | LE | | |
|--|-------------------------------------|--|--|
| Specific requirements relating to the incorporation of ESG issues into investment decision-making | <input checked="" type="checkbox"/> | | |
| Other RI considerations relating to ESG incorporation in investment management agreements, specify | <input checked="" type="checkbox"/> | | |
| None of the above | <input type="checkbox"/> | | |

Engagement

| | | |
|---|-------------------------------------|--|
| | LE | |
| Specific requirements relating to engagement | <input checked="" type="checkbox"/> | |
| Other RI considerations relating to engagement in investment management agreements, specify | <input type="checkbox"/> | |
| None of the above | <input type="checkbox"/> | |

(Proxy) voting

| | | |
|---|-------------------------------------|--|
| | LE | |
| Specific requirements relating to (proxy) voting | <input checked="" type="checkbox"/> | |
| Other RI considerations relating to (proxy) voting in investment management agreements, specify | <input type="checkbox"/> | |
| None of the above | <input type="checkbox"/> | |

Reporting

| | | | |
|--|-------------------------------------|--|--|
| | LE | | |
| Reporting on the agreed responsible investment activities | <input checked="" type="checkbox"/> | | |
| Reporting on the ESG characteristics of the portfolio | <input checked="" type="checkbox"/> | | |
| Reporting on the impact of ESG issues on financial performance | <input checked="" type="checkbox"/> | | |
| Other RI considerations relating to reporting in investment management agreements, specify | <input type="checkbox"/> | | |
| None of the above | <input type="checkbox"/> | | |

If you select any 'Other' option(s), specify

**SAM
07.2**

Provide additional information relevant to your organisation's manager appointment process and considerations included in contractual agreements for listed assets.

When appointing or surveying external managers AMP Capital may typically share with them our ESG and Responsible Investment Philosophy outlining our organisational beliefs and commitments in relation to ESG issues.

For the RIL Range of funds the RIL Charter also articulates specific ESG policy requirements. Compliance with the RIL Charter is reflected in contractual arrangements (IMA) and monitored by the AMP Capital RIL Ethics Committee.

Contractual terms agreed with the underlying manager may typically cover:

- Screening / exclusions (where relevant)
- Assessment of ESG performance of companies within the portfolio management process
- Stock selection including identification of the most attractive stocks in the investment universe according to ESG criteria e.g. Leaders vs Unengaged companies.
- Regular ESG reporting (e.g. monthly / quarterly) confirming that portfolio holdings continue to meet the ESG requirements of the fund (Charter).
- Attribution reports
- ESG engagements undertaken with investee companies
- Voting statistics (for, against, abstained) and any other ESG issues of interest

In relation to Future Directors Funds (FDF) and ipac Funds, contractual arrangements generally include standard clauses in relation to corporate governance and proxy voting requirements to be undertaken by the underlying manager.

Monitoring

SAM 08

Mandatory

Core Assessed

PRI 1

**SAM
08.1**

Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:

General

| | LE | | |
|--|-------------------------------------|--|--|
| Include responsible investment as a standard agenda item at performance review meetings | <input type="checkbox"/> | | |
| Highlight examples of good responsible investment practice by other managers | <input type="checkbox"/> | | |
| Review the manager's responsible investment reporting, for example PRI-generated responsible investment reports | <input checked="" type="checkbox"/> | | |
| Encourage your managers to consider joining responsible investment initiatives/organisations or participate in collaborative projects with other investors | <input checked="" type="checkbox"/> | | |
| Include responsible investment criteria as a formal component of overall manager performance evaluation | <input checked="" type="checkbox"/> | | |
| Other general aspects of your monitoring, specify | <input checked="" type="checkbox"/> | | |
| None of the above | <input type="checkbox"/> | | |

ESG incorporation

| | LE | | |
|---|-------------------------------------|--|--|
| Request information on ESG incorporation in specific investment decisions | <input checked="" type="checkbox"/> | | |
| Other ways you monitor ESG incorporation, specify | <input type="checkbox"/> | | |
| None of the above | <input type="checkbox"/> | | |

Engagements

| | LE | |
|---|-------------------------------------|--|
| Review the ESG information relevant to the engagements | <input checked="" type="checkbox"/> | |
| Discuss the number of engagements and their comprehensiveness | <input checked="" type="checkbox"/> | |
| Discuss the type of role played (i.e. leading or supporting) | <input checked="" type="checkbox"/> | |
| Review the progress of ongoing engagements and/or outcomes of completed engagements | <input checked="" type="checkbox"/> | |
| Other ways you monitor engagement activities, specify | <input type="checkbox"/> | |
| None of the above | <input type="checkbox"/> | |

(Proxy) voting

| | LE |
|---|-------------------------------------|
| Review the number or percentage of votes cast | <input checked="" type="checkbox"/> |
| Request an explanation of reasons for votes cast | <input checked="" type="checkbox"/> |
| Discuss whether companies were informed of the reasons for votes against management recommendations or abstentions/withheld votes | <input checked="" type="checkbox"/> |
| Review the number of resolutions on ESG issues filed or co-filed | <input checked="" type="checkbox"/> |
| Discuss the changes in company practice (outcomes) that have been achieved from voting activities | <input checked="" type="checkbox"/> |
| Other ways you monitor (proxy) voting activities, specify | <input checked="" type="checkbox"/> |
| None of the above | <input type="checkbox"/> |

For AMP Capital's RIL Range of funds, oversight on ESG is provided through the RIL Ethics Committee which is responsible for overseeing our underlying manager's ongoing compliance with the RIL Charter. This includes reviewing portfolio holdings to ensure they continue to fit the requirements of the RIL Charter and providing guidance to managers on company engagements.

In terms of regular monitoring, underlying managers are required to provide monthly / quarterly investment performance reports. An ESG specific report is also required covering the following areas:

- Confirmation the portfolio does not invest in any company with material exposure to areas of high social impact.
- A summary of the proportion of the portfolio invested in companies characterised as industry 'Leaders', 'Sustainers' and 'Unengaged' companies, in absolute terms and compared to the relevant Index.
- An outline of any ESG engagement with portfolio companies
- A summary of any other ESG related issues
- Voting statistics including the number of resolutions where the manager voted for and against company management, and abstained from voting
- Reasons why the manager abstained from voting or voted against company management.

For the Future Directions Funds (FDF) AMP Capital monitors external manager ESG practices through periodic surveys to gain a deeper understanding of a manager's processes for considering ESG issues. In broad terms the surveys cover:

- Policies relating to the manager's approach to assessing ESG performance of investee companies
- Whether the firm is a signatory to the PRI. If not, managers are asked to explain their firm's thinking about the PRI initiative
- If the manager is prepared to provide AMP Capital with summaries of their PRI assessments
- Whether the manager is a signatory to collaborative organisations or principles on ESG
- A description of how the firm integrates the consideration of ESG information into the investment process, how ESG is considered in research and analysis, and impact on portfolio construction
- Primary sources of ESG information and research (e.g. analysts, internal specialists, brokers)
- If the manager receives external research, the provider they use and description of how data is incorporated into the investment process, and any proposed changes going forward
- How the organisation encourages companies to improve ESG disclosure
- Proxy voting policy including who has approved it and is responsible for implementation
- Whether the manager receives external or independent advice on voting, from whom and to what extent they follow the service provider's advice
- Processes for lodging proxy votes (e.g. via third parties)
- An overview of voting activity and direction of votes cast .(% of votes exercised, for, against, abstain, not voted)
- Proportion of engagements considered successful and a list of ESG topics engaged on, and

- Public policy engagement including collaborative engagements and any actions taken.

In 2013 AMP Capital also undertook a comprehensive review of specific voting practices of all external equities managers. One on one meetings were also held with a selection of external managers in North America to discuss in detail their ESG integration and company engagement practices.

| | | | |
|---------------|------------------|----------------------|--------------|
| SAM 09 | Mandatory | Core Assessed | PRI 2 |
|---------------|------------------|----------------------|--------------|

| | |
|-----------------|---|
| SAM 09.1 | For the listed equities where you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year. |
|-----------------|---|

☒ We track or collect this information

| | |
|-----|--------------------------------|
| | Votes cast (to the nearest 5%) |
| | % |
| 100 | |

| | |
|--|--|
| | Specify the basis on which this percentage is calculated |
|--|--|

☒ Of the total number of ballot items on which they could have issued instructions
☐ Of the total number of company meetings at which they could have voted
☐ Of the total value of your listed equity holdings on which they could have voted

☐ We do not track or collect this information

| | |
|-----------------|------------------------------------|
| SAM 09.2 | Additional information. [Optional] |
|-----------------|------------------------------------|

AMP Capital has reviewed the proxy voting practices of all externally managed equities. For the 2013 year this included 4067 company meetings and a total of 108,494 resolutions. Votes 'for' totalled 98,956 (91%); with 8,192 (8%) votes 'against'; and 923 (1%) votes 'abstained'.

| Outputs and outcomes | | | | |
|----------------------|----------------------------|------------------------------|--------------------|----------------|
| SAM 14 | Mandatory to Report | Voluntary to Disclose | Descriptive | PRI 1-6 |

| | |
|-----------------|--|
| SAM 14.1 | Indicate approximately what percentage (+/- 10%) of your externally managed assets are managed by PRI signatories. |
|-----------------|--|

| | |
|--|---|
| | % |
|--|---|

76

| SAM 15 | Voluntary | Descriptive | PRI 2 |
|--------|-----------|-------------|-------|
|--------|-----------|-------------|-------|

| | |
|-----------------|---|
| SAM 15.1 | Provide examples of how ESG issues have been addressed in the manager selection, appointment and/or monitoring process for your organisation during the reporting year. |
|-----------------|---|

☒ Add Example 1

| | |
|-------------------|---|
| Topic or issue | Survey of external manager ESG integration practices |
| Conducted by | <input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Investment consultants |
| Asset class | <input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Listed Equity |
| Scope and process | Comprehensive ESG questionnaire issued to external equity managers. |
| Outcomes | <ul style="list-style-type: none"> • Formal assessment of ESG capabilities, philosophy and approach of existing and newly appointed external fund managers • ESG ratings compiled for external managers • Improvements to monitoring of external manager proxy voting activities • Potential for contractual (IMA) amendments • Results reported to AMP Capital Investment Committee |

☒ Add Example 2

| | |
|-------------------|--|
| Topic or issue | Meetings with international FDF / RIL external managers – follow up to survey |
| Conducted by | <input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Investment consultants |
| Asset class | <input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Listed Equity |
| Scope and process | One on one meeting(s) with managers in USA to discuss ESG integration activities |
| Outcomes | Documentation of key processes and philosophy, discussion of ESG engagement and proxy voting activities. |

☒ Add Example 3

| | |
|-------------------|--|
| Topic or issue | Review of external equity manager voting practises |
| Conducted by | <input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Investment consultants |
| Asset class | <input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Listed Equity |
| Scope and process | Review of proxy voting activities and statistics - number of meetings& resolutions and direction of votes cast |
| Outcomes | Monitor alignment with AMP Capital's ESG philosophy and proxy voting practices |

☒ Add Example 4

| | |
|-------------------|--|
| Topic or issue | Responsible Investment Leaders (RIL) 2013 Engagement Summary Report |
| Conducted by | <input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Investment consultants |
| Asset class | <input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Listed Equity |
| Scope and process | Monitoring of key ESG engagement activities including for example: corporate governance, human rights and the supply-chain (e.g. Bangladesh Accords) ESG reporting and disclosure, climate change, unconventional gas, and mining in developing countries. |
| Outcomes | Comprehensive engagement report provided to clients. |

☐ Add Example 5

Communication

| | | | |
|---------------|------------------|----------------------|--------------|
| SAM 16 | Mandatory | Core Assessed | PRI 6 |
|---------------|------------------|----------------------|--------------|

| | |
|-----------------|---|
| SAM 16.1 | Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments. |
|-----------------|---|

☒ Yes, we disclose information publicly

| | |
|--|-------------|
| | provide URL |
|--|-------------|

<http://www.ampcapital.com.au/institutional-investors/investing-with-us/multi-manager/responsible-balanced-fund>

| | |
|--|-------------|
| | provide URL |
|--|-------------|

http://www.ampcapital.com.au/ampcapitalau/media/contents/documents/product%20documents/performance%20reports/201312-ffs-wsbg_o.pdf

| | |
|---------------------|--|
| SAM 16.2 | Indicate if the level of information you disclose to the public is the same as that disclosed to clients and/or beneficiaries. |
|---------------------|--|

☒ Yes

| | |
|---------------------|---|
| SAM 16.3 | Indicate what type of information your organisation proactively discloses to the public and clients and/or beneficiaries about your indirect investments. |
|---------------------|---|

☒ How responsible investment considerations are included in manager selection, appointment and monitoring processes

☒ Details of the responsible investment activities carried out by managers on your behalf

☒ E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership

☐ Other, specify

☐ No

☐ Yes, we disclose information to clients/beneficiaries only

☐ We do not proactively disclose information to the public and/or clients/beneficiaries

| | |
|---------------------|------------------------------------|
| SAM 16.4 | Additional information. [Optional] |
|---------------------|------------------------------------|

Further information on ESG integration for AMP Capital's externally managed funds can be found at

<http://www.ampcapital.com.au/institutional-investors/investing-with-us/multi-manager>

<http://www.ampcapital.com.au/institutional-investors/investing-with-us/multi-manager/responsible-balanced-fund>

<http://www.ampcapital.com.au/AMPCapitalAU/media/contents/Documents/RIL/201301-profile-wsbg.pdf?ext=.pdf>

<http://www.ampcapital.com.au/AMPCapitalAU/media/contents/Documents/RIL/RILCharter.pdf>

AMP Capital Investors

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

LEI 01

Mandatory to Report Voluntary to Disclose

Gateway/Peering

PRI 1

LEI 01.1

Provide a breakdown of your internally managed listed equities by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your internally managed listed equities, indicate if you would still like to report your activities.

Strategies

☐ Passive

☒ Active – quantitative (quant)

% of internally managed listed equities

☐ <10%

☒ 10-50%

☐ >50%

☒ Active – fundamental and other active strategies

% of internally managed listed equities

☐ <10%

☐ 10-50%

☒ >50%

AMP Capital offers clients active quant and fundamental equity strategies.

AMP Capital's Multi-Strategy Equities team is a pioneer in quant equity investing in Australia. The team applies market-tested quant investing techniques that benefit from AMP Capital's expertise in fundamental equity analysis, macro, ESG, credit and fixed income. Equity investment teams use AMP Capital's expertise in real asset knowledge to understand stocks better and from more angles than typical equity investors, helping reduce risk and make better investment decisions.

The Multi-Strategy Equities team blends quantitative with fundamental insights through its Fundamentals at Risk (FaR) approach, providing a deeper understanding of risks and opportunities than would be available through quantitative analysis alone.

With more than 15 years experience running portfolios for Australian and global clients, the team draws on the ESG, market intelligence and dealing capabilities of the broader AMP Capital equities team.

AMP Capital's Fundamental Equities team generates performance through a bottom-up approach, with a top-down overlay. Key stages in the investment process include:

- Qualitative proprietary research
- Consideration of quant factors (momentum) and ESG inputs
- Combining these multiple factors to develop valuation signals and conviction in the form of a company score
- Integration of research outputs to target/client portfolio
- Portfolio construction and risk management.

The approach benefits from AMP Capital's information advantage in macro, ESG, quant equities, credit and fixed income, real estate and infrastructure.

AMP Capital were one of the first managers to genuinely integrate ESG research across the equity investments we manage. AMP Capital was also the first Australian investment manager to be awarded a Qualified Foreign Institutional Investor (QFII) licence by the Chinese Securities Regulatory Commission (CSRC) to invest in China A shares.

LEI 02.1

Provide a brief overview of how you incorporate ESG issues in listed equity investments.

AMP Capital's size (AUM), geographical coverage, multi-asset class mix, and variety of client mandates, requires flexibility in the way material ESG issues are integrated into the investment decision-making process. AMP Capital must account for increasingly complex portfolio construction to meet our clients requirements, variation in investment styles and time horizons - often within a single asset class, and differences in our level of ownership.

Within listed equities AMP Capital uses a number of approaches to incorporate ESG considerations into the investment process. This is facilitated through a dedicated in-house ESG research team which undertakes research and analysis of ESG issues for the benefit of all investment teams and styles. For AMP Capital's quant funds (e.g. Multi-Strategy), ESG research is integrated via numerical ESG scores which are used to monitor ESG risk of the portfolios relative to the appropriate index. For the Australian Fundamental Equities portfolios, ESG is integrated into the stock selection process again through numerical ESG scores, as well as qualitative company-specific ESG assessments, providing a positive ESG bias relative to the relevant index.

Qualitative ESG information is also considered by company analysts in developing company value (or Target Price) and call conviction. In addition, the AMP Capital Australian Sustainable Share Fund* applies some screening based on ESG and sustainability criteria.

Stock ranking systems are also used to incorporate specific ESG performance criteria for AMP Capital's international investment teams including GREITs, listed infrastructure, New Zealand and Asian equities.

Further information is available at www.ampcapital.com/esg

* AMP Capital Funds Management Limited (AMP Capital) ABN 15159557721, is the responsible entity of the AMP Capital Sustainable Share Fund and issuer of the Product Disclosure Statement (PDS) for the Fund. To invest, investors will need to obtain the current PDS from AMP Capital before making a decision to acquire, continue to hold or dispose of units in the Fund.

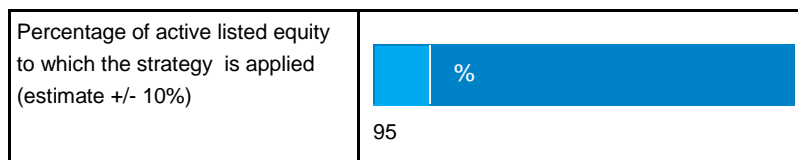
ESG incorporation in actively managed listed equities

Implementation processes

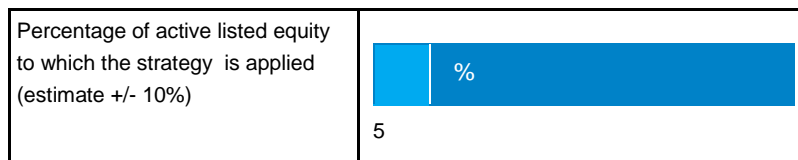
| LEI 03 | Mandatory | Gateway/Core Assessed | PRI 1 |
|----------|--|-----------------------|-------|
| LEI 03.1 | Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies. | | |

ESG incorporation strategy (select all that apply)

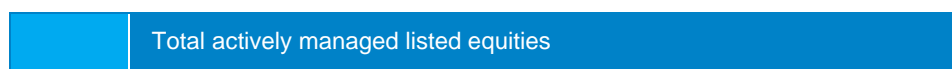
- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☒ Integration alone (i.e. not combined with any other strategies)



☒ Screening + Integration strategies



- ☐ Thematic + integration strategies
- ☐ Screening + thematic strategies
- ☐ All three strategies combined
- ☐ No incorporation strategies applied



100%

AMP Capital recognises there are links between an organisation's environmental and social impacts, the quality of its corporate governance, and its long-term business success.

In terms of equities AMP Capital's own analysis shows that approximately 75% of a typical company's value can be made up of intangible assets. We believe that gaining deeper insights into how a company manages intangibles and ESG risks and opportunities ultimately leads to better informed investment decisions that benefit our clients.

AMP Capital's equities funds include a range of investment styles and geographic coverage and different teams utilise ESG inputs differently. Key management styles include 'fundamental', 'quant' and 'sustainable'. Investments include Australian and New Zealand listed equities, global REITs, global listed infrastructure and Asian equities.

ESG integration is applied across all AMP Capital's equities funds through a centralised in-house ESG Research function. The ESG Research Team undertakes proprietary research, share ESG investment insights, coordinate ESG integration initiatives and engage with companies and assets in which AMP Capital invests.

ESG research is distributed to all equity investment teams and is integrated in a variety of forms depending on the investment style and characteristics of the particular fund. The ESG Research Team covers approximately 350 Australian and New Zealand stocks, which are reviewed regularly and assigned sustainability and ESG scores. In-house research is also supplemented with external service providers, to provide additional coverage particularly for international stocks. This includes ESG ratings coverage for over 6,000 companies and governance ratings on over 18,000 companies.

The above applies to varying degrees across all AMP Capital's quantitative and fundamental equities styles. AMP Capital's Sustainable Share Fund* uses the above approach, combined with additional ESG criteria as described below.

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LEI 03.3

If assets are managed using a combination of ESG incorporation strategies, describe briefly how these are used in combination. [Optional]

The AMP Capital Sustainable Share Fund * uses a combined ESG screen and ESG integration approach to define its investible universe. The Fund leverages the same research process as the broader Australian fundamental equity product suite, however, places more emphasis on sustainability factors in scoring companies in the stock ranking model. The primary investment universe is the companies within the Fund's performance benchmark, the S&P/ASX200.

ESG integration is based on AMP Capital's proprietary in-house ESG research. The ESG Research Team covers approximately 350 Australian and New Zealand stocks which are reviewed regularly. Companies are also scored and ranked by a variety of factors including analyst conviction, total shareholder return, momentum, sustainability of the business model and a combined ESG Score.

Each sector is reviewed to identify key sustainability and intangible drivers and each stock reviewed has a unique ESG SWOT analysis, which summarises key ESG-related investment risks and opportunities. This includes strengths and weaknesses related to the company's own internal ESG risk management capabilities. These are used by stock analysts as part of their fundamental research.

Some sectors pose considerably greater ESG risks than others. Opportunities and threats related to the sustainability of the industry in which the company operates are also considered. For the AMP Capital Sustainable Share Fund* those companies operating in industries characterised by high sustainability risk need to demonstrate strong ESG risk management to be considered investment grade.

Where risks are extreme and the business constitutes a material part of the firm's operations, the stock will not be considered investment-grade. An ESG screen applies a materiality threshold of 10% (based on the company's earnings) in relation to alcohol, tobacco, gambling, pornography, nuclear (including uranium mining) and armaments. In addition the AMP Capital Sustainable Share Fund* also has a fossil-fuel screen which excludes higher emission intensive fossil-fuel companies.

Integrating the views of the ESG Research Team into the final company score is a key differentiator in the process. By applying this overlay of in-depth analysis of complex sustainability and intangible drivers and by integrating it with fundamental financial analysis, we believe we can identify investment risks and opportunities that might be mispriced by the market.

Further information is available at www.ampcapital.com/esg

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LEI 04**Voluntary****Additional Assessed****PRI 1****LEI 04.1**

Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

Type of ESG information

- ☒ Raw ESG company data

Indicate who provides this information

- ☒ ESG research provider
☒ Sell-side
☒ In-house – specialised ESG analyst or team
☐ In-house – analyst or portfolio manager
☒ Company-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
☒ Sell-side
☒ In-house – specialised ESG analyst or team
☒ In-house – analyst or portfolio manager
☒ Sector-related analysis or ratings

Indicate who provides this information

- ☐ ESG research provider
☒ Sell-side
☒ In-house – specialised ESG analyst or team
☒ In-house – analyst or portfolio manager
☒ Country-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
☐ Sell-side
☒ In-house – specialised ESG analyst or team
☐ In-house – analyst or portfolio manager
☒ Screened stock list

Indicate who provides this information

- ☐ ESG research provider
☐ Sell-side
☒ In-house – specialised ESG analyst or team
☐ In-house – analyst or portfolio manager
☒ Issue-specific analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
☒ Sell-side
☒ In-house – specialised ESG analyst or team
☐ In-house – analyst or portfolio manager
☒ Other, specify

Other key stakeholders: for example labour (employee) unions, various non-government organisations

Indicate who provides this information

- ☐ ESG research provider
- ☐ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☐ In-house – analyst or portfolio manager

LEI 04.2

Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.

AMP Capital's ESG Research Team undertakes proprietary in-house research, coordinates ESG integration initiatives and engages with companies and assets in which AMP Capital invests.

ESG information is analysed and shared across all AMP Capital's equities teams and integrated in a variety of forms depending on the style and characteristics of particular funds.

The AMP Capital Sustainable Share Fund* leverages the same ESG research process as the broader Australian fundamental equity product suite. The investment process for this Fund does place more emphasis (weighting) toward sustainability factors when scoring companies within the stock ranking model.

In-house ESG research is supplemented with external service providers to provide additional coverage, particularly for international stocks. This includes ESG information / ratings coverage for over 6,000 companies and accounting and governance ratings (AGR) on over 18,000 companies.

All AMP Capital's analysts undertake propriety in-house research in order to generate information advantages and exploitable investment ideas. Our equities research process is driven toward obtaining information and insights into earnings, stock valuation (cheap or expensive) and future earnings expectations. Information is obtained from a range of sources:

- Company contact which averages in excess of 600 one on one meetings per year
- Company analysis including a focus on financial modelling and forecasting using independent information sources
- In house ESG research based on a database of over 200 metrics with information drawn from company meetings, ESG disclosures, and other stakeholders (e.g. labour unions, NGOs etc.)
- Non-consensus information sources including suppliers, customers and industry bodies
- Insights gained from other AMP Capital teams such as Investment Strategy & Economics, Credit Markets and Multi-Strategy
- Investment team meetings to discuss ideas and conviction, better understand various perspectives and discuss any changes in views.
- Other external information sources which our analysts are encouraged to pursue including fostering strong relationships with the companies under coverage.

The processes and information sources used are aimed at providing an objective way of identifying great companies. When combined with our analyst's experience and skill set, this enables us to determine if a company's share price is attractive. Our analysis and valuation is linked to the company and its peers rather than the market consensus.

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LEI 04.3

Indicate if you incentivise brokers to provide ESG research.

☒ Yes

**LEI
04.4**

Describe how you incentivise brokers.

AMP Capital's primary source of ESG information and analysis is via AMP Capital's in house ESG Research Team. AMP Capital also pays broker commissions for specific sell-side ESG research or company access. The ESG Research Team has an annual budget for provision of ESG research from external providers (sell side). This amounts to approximately 5% of the total brokerage budget for Australian Fundamental Equities.

☐ No

LEI 05

Voluntary

Additional Assessed

PRI 1

LEI 05.1

Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.

☒ Engagement

- ☒ We have a systematic process to ensure the information is made available.
- ☐ We occasionally make this information available.
- ☐ We do not make this information available.

☒ (Proxy) voting

- ☒ We have a systematic process to ensure the information is made available.
- ☐ We occasionally make this information available.
- ☐ We do not make this information available.

LEI 05.2**Additional information. [Optional]**

AMP Capital maintains systems and databases (register) of all company ESG engagement and proxy voting activity undertaken by our ESG Research Team. This information influences our ongoing ESG research priorities and is shared with all equity investment teams. AMP Capital issues an annual engagement report highlighting progress on company engagement themes. Company engagement plans with key objectives for 2014 have also been developed for particular funds.

ESG thematic engagements may focus on key issues facing a particular sector or the market as a whole, while company specific ESG engagement focuses on specific company issues. Company engagement meetings are often attended by both industry analysts and ESG analysts ensuring any discussion on material ESG factors is communicated and shared directly with the broader investment teams.

All Proxy Voting activities are undertaken by AMP Capital's Corporate Governance Manager. Through our regular Corporate Governance Reports, Engagement Reports, and ESG insights we provide our clients and the public with information on how our ESG research and engagement efforts are being directed and how this information influences our overall investment thinking.

Information obtained from engagement is shared with investment teams by communicating notes from meetings and regular (weekly) ESG updates.

More detail is provided elsewhere in this survey (other modules) or can be found at www.ampcapital.com/esg

(A) Implementation: Screening**LEI 06****Mandatory****Descriptive****PRI 1****LEI 06.1**

Indicate and describe the type of screening you apply to your internally managed active listed equities.

Type of screening

☒ Negative/exclusionary screening

Screened by

☒ Product

☒ Activity

☒ Sector

☐ Country/geographic region

☒ Environmental and social practices and performance

☒ Corporate governance

| Description |
|-------------|
|-------------|

The AMP Capital Sustainable Share Fund* applies some negative / exclusionary screening. A materiality threshold of 10% (of a company's earnings) applies in relation to alcohol, tobacco, gambling, pornography, nuclear (including uranium mining) and armaments.

The Fund screens out companies which do not meet specific ESG performance attributes with the hurdle set higher for companies in sectors with greater sustainability risks.

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☒ Positive/best-in-class screening

Screened by

- ☐ Product
- ☐ Activity
- ☐ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

| Description |
|-------------|
|-------------|

AMP Capital also recognises certain industry sectors pose considerably greater ESG risks than others. Opportunities and threats related to the sustainability of the industry in which the company operates are also considered. Where risks are considered extreme and the business constitutes a material part of the firm's operations, the stock will not be considered investment-grade. Companies operating in industries characterised by high sustainability risk and/or poor governance practices need to demonstrate strong ESG risk management capabilities to be considered investment grade. Our investment approach also takes into consideration companies and industry sectors that may well positioned from a growth perspective based upon longer-term social and sustainability drivers (e.g. healthcare and renewable energy sectors).

☒ Norms-based screening

Screened by

- ☐ UN Global Compact Principles
- ☒ Universal Declaration of Human Rights
- ☒ International Labour Organization Conventions
- ☐ United Nations Convention Against Corruption
- ☐ OECD Guidelines for Multinational Enterprises
- ☐ Other, specify

| | Description |
|--|-------------|
|--|-------------|

International norms such as International Labour Organisation (ILO) standards and Human Rights Conventions are also considered.

| LEI 06.2 | Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made. |
|----------|---|
|----------|---|

This combination of screening and best in class approaches as outlined above reflects our clients overall investment objectives and the mandate for the AMP Capital Sustainable Share Fund*. Clients invested in the Fund seek to limit their exposure to certain sectors via the exclusions applied.

Stocks that are close to the (10%) exclusion materiality threshold are actively monitored during reporting season. AMP Capital's ESG Research Team closely liaises with the portfolio manager to highlight which stocks (if any) are close to the materiality threshold. The experience of the team which has covered the stocks for several years and regular stock reviews mean there have been no cases of breaches of the screening criteria. If it were to happen and the stock was held, the portfolio manager needs to divest the stock within 6 months.

Coupled with broader ESG analysis this screening and best in class approach combines to create a positive bias (tilt) toward a portfolio of companies with stronger ESG practices relative to the relevant benchmark. Regular reporting on these issues is provided to our clients in accordance with the Fund's mandate. Additional relevant information including ESG investment insights, corporate governance (proxy voting) statistics, and company engagement reports are publicly available via AMP Capital's website at www.ampcapital.com/esg

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| | | | |
|--------|-----------|---------------|-------|
| LEI 07 | Mandatory | Core Assessed | PRI 1 |
|--------|-----------|---------------|-------|

LEI 07.1

Indicate which processes your organisation uses to ensure that screening is based on robust analysis.

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- ☒ A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

LEI 08**Voluntary****Additional Assessed****PRI 1****LEI 08.1**

Indicate which processes your organisation uses to ensure that fund criteria are not breached

- ☒ Checks are performed to ensure that stocks meet the funds' screening criteria. These checks are:
 - ☒ Systematic
 - ☐ Occassional
- ☒ Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria.
- ☒ Audits of fund holdings are undertaken regularly by internal audit function
- ☐ Other, specify
- ☐ None of the above

LEI 08.2

If breaches of fund screening criteria are identified - describe the process followed to correct those breaches.

AMP Capital's ESG Research Team notify Risk and Compliance of any stock that may become non-investment grade due to established screening criteria. This is acknowledged by Risk and Compliance and IT systems then prevent portfolio managers from buying the particular stock.

All stocks that are close to the (screening) materiality thresholds are monitored regularly during the reporting season. For instance a particular company was close to the 10% earnings restriction threshold for a number of years and each reporting season AMP Capital calculated the alcohol and tobacco exposure. In FY14, this eventually reached 10% and the stock became excluded from the investable universe.

The AMP Capital ESG Research Team closely liaises with portfolio managers to highlight which stocks (if any) are close to the established materiality thresholds. The experience of the team which has covered the stocks for several years and regular stock reviews, mean there have been no cases of materiality breaches identified. If such breaches were to occur and a non-investable grade stock was held within the portfolio, the portfolio manager is required to divest from the stock within 6 months.

LEI 08.3

Additional information.

AMP Capital's proxy voting activities are regularly reviewed by AMP Capital's internal audit function.

(C) Implementation: Integration of ESG issues

| LEI 10 | Voluntary | Descriptive | PRI 1 |
|--------|-----------|-------------|-------|
|--------|-----------|-------------|-------|

In line with our overarching investment philosophy, AMP Capital believes that considering ESG factors within AMP Capital's investment decision-making and ownership practices, provides greater insight into areas of potential risk and opportunity that will impact the value, performance (risk and/or return) and reputation of the investments we make on behalf of our clients. Our aim is to incorporate material ESG issues in the same balanced way we do other key risks which impact an investment's performance.

AMP Capital is one of the first and largest managers of dedicated responsible investment funds in Australia. This has enabled the organisation to leverage over a decade of experience integrating ESG factors into investment decisions. Capitalising on this institutional knowledge has allowed AMP Capital to exploit synergies particularly in how ESG research is leveraged across the broader business in line with commitments under the PRI

Across our fundamental and quantitative equity strategies AMP Capital does not seek to actively exclude particular companies, asset types or industry sectors from our investable universe wholly on moral or ethical grounds. We do believe, however, that responsible investing requires consideration of future market trends and societal expectations of corporate responsibility that affect growth and risk factors within industry sectors or company business models making them increasingly unsustainable.

We believe ignoring such factors will result in diminished returns in certain sectors relative to the market. If AMP Capital considers these issues may pose increasing risk to our client's interests, as a large universal investor and owner, we typically engage with the investee to understand how such risks are managed as well as communicate our views to investors.

To the extent our clients seek specific bias toward ESG factors, AMP Capital can accommodate such mandates within Funds that carry higher performance hurdles, negative screening and conviction toward ESG issues.

In terms of ESG integration, AMP Capital's investment teams are responsible for:

- Implementing ESG integration techniques that appropriately reflect the characteristics of the asset class, client requirements, investment styles and time horizons.
- Developing appropriate policies and guidelines demonstrating how material ESG factors are identified and assessed within the investment process.
- Leveraging AMP Capital's existing resources and research capabilities on ESG related topics for the benefit of all investment teams.
- Sourcing data and research and analysing the impact material ESG factors may have upon individual investments and portfolios - future cash flows, valuations, price, growth and risk.
- Integrating ESG considerations within portfolio construction and portfolio management strategies.
- Promoting education and awareness of ESG factors among analysts and portfolio managers, and sharing ESG research and knowledge to further strengthen our investment management capabilities.

In terms of active ownership and engagement, AMP Capital:

- Actively monitors companies in which we invest and encourage improved recognition of ESG considerations in company policies, practices and disclosures.
- Seek improvements in ESG performance by investees, by engaging them on their own approaches to managing material ESG risks and opportunities.

- Lodges considered proxy votes at meetings where we have the authority and where it is practicable to do so with all issues of corporate governance given due consideration.
- Maintain records of company engagement and report publicly our proxy voting activities.
- Actively contribute to, and engage in, public policy and industry debates on relevant ESG topics (e.g. climate change).

AMP Capital's ESG Research Team is embedded within our investment teams (Equities and Fixed Income). The team researches companies using its own proprietary databases of over 200 ESG metrics. Company performance is ranked on measures of sustainability, environmental and social responsibility and corporate governance. Inputs to the research include independent analysis, meetings with company management and via other stakeholders (NGOs, unions, investors, government representatives).

ESG research is shared across all investment teams and styles and qualitative information is also considered in developing company value (or Target Price) and call conviction. Conviction, valuation, ESG and momentum inputs are then converted into our stock ranking models to produce a universe ranking. This score and ranking then influences stock selection decisions for the portfolio.

AMP Capital's quant funds (e.g. Multi-Strategy) integrate ESG considerations via these numerical company ESG scores which are used to monitor ESG risk within the portfolio relative to the appropriate index. For the Australian Fundamental Equities portfolios, ESG is integrated into the stock selection process again through numerical ESG company scores, providing a positive ESG bias relative to the relevant index. Stock ranking systems are also used to incorporate specific ESG performance criteria for AMP Capital's international investment teams including GREITs, listed infrastructure, New Zealand and Asian equities.

Further information on AMP Capital's ESG integration approach and investment insights can be found at www.ampcapital.com/about-us/esg-and-responsible-investment/esg-resources

| LEI 11 | Mandatory | Core Assessed | PRI 1 |
|----------|---|---------------|-------|
| LEI 11.1 | Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies. | | |

| ESG issues | Coverage/extent of review on these issues |
|----------------------|---|
| Environmental | <input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues |
| Social | <input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues |
| Corporate Governance | <input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues |

AMP Capital's centralised ESG Research Team operates at the core of AMP Capital's ESG integration process. Developing strong in-house ESG research capabilities has expanded the ESG knowledge base across our investment teams, delivering deeper insights and stronger conviction over decision-making. This has been important in broadening the understanding of ESG investment impacts, leveraging research across asset classes (e.g. equity and corporate fixed income) and identifying hidden value and potential investment opportunities. These approaches have accelerated the ESG integration effort across our business.

At AMP Capital ESG factors encompass a broad range of issues that may of themselves, or in combination, have a material impact on the risk/return characteristics of our investments. These issues may be driven by existing or future regulations, reflect issues of significant societal concern, or pose potential operational, financial, strategic, reputational or systemic risks.

ESG issues we systematically review and investigate typically include:

Environmental: Natural resource use and degradation (e.g. water scarcity), waste, pollution, greenhouse gas emissions, climate change, clean technology products and services, environmental management practices.

Social: Human capital, workplace health and safety, labour relations and standards, human rights, demographic changes, supply-chain and community impacts.

Governance: Board composition and independence, executive remuneration and incentive plans, corporate accountability structures, compliance, negligence, bribery and corruption, conflicts of interest and related-party transactions, shareholder rights, accounting and audit quality.

The diversity of AMP Capital's ESG research and analysis is demonstrated by our regular Corporate Governance Reports (twice per year) and ESG Insights available at www.ampcapital.com/esg. Some recent examples include:

7. **AMP Capital - Corporate Governance 2013 full year report**
<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/corporate-governance-2013-full-year-report.pdf>
8. **AMP Capital - Corporate Governance 2013 mid year report**
<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/Corp-Gov-mid-year-report-global.pdf>
9. **ESG - busting the myths**
<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/ESG-busting-the-myths.pdf>
10. **Why understanding ESG Factors makes for better investment decisions**
<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/why-understanding-esg-factors-makes-for-better-investment-decisions.pdf>
11. **Assessing climate change risk in the S&P/ASX 200 index and equity portfolios**
<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/Assessing-climate-change-risk-in-theSPASX-200-index-and-equity-portfolios.pdf>

| | |
|-----------------|---|
| LEI 12.1 | Indicate which processes your organisation uses to ensure that ESG integration is based on a robust analysis. |
|-----------------|---|

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Company information and/or ratings on ESG are updated regularly
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

| | |
|-----------------|---|
| LEI 12.2 | Describe how ESG information is held and used by your portfolio managers. |
|-----------------|---|

- ☒ ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ☒ ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- ☒ Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- ☐ Other, specify
- ☐ None of the above

| | |
|-----------------|-------------------------|
| LEI 12.3 | Additional information. |
|-----------------|-------------------------|

Refer to 'Additional information' provided in LEI 11.2 and LEI 13.3

| | | | |
|---------------|------------------|----------------------------|--------------|
| LEI 13 | Voluntary | Additional Assessed | PRI 1 |
|---------------|------------------|----------------------------|--------------|

LEI 13.1

Indicate into which aspects of investment analysis you integrate ESG information.

- ☒ (Macro) economic analysis
 - ☐ Systematically
 - ☒ Occasionally
- ☒ Industry analysis
 - ☒ Systematically
 - ☐ Occasionally
- ☒ Analysis of company strategy and quality of management
 - ☒ Systematically
 - ☐ Occasionally
- ☒ Idea generation
 - ☒ Systematically
 - ☐ Occasionally
- ☒ Portfolio construction
 - ☒ Systematically
 - ☐ Occasionally
- ☒ Fair value/fundamental analysis
 - ☒ Systematically
 - ☐ Occasionally

LEI 13.2

Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis.

- ☒ Adjustments to income forecasts (sales, earnings, cash flows)
- ☒ Adjustments to valuation tools (discount rates, return forecasts, growth rates)
- ☐ Other adjustments to fair value projections, specify
- ☐ Other, specify

AMP Capital's ESG integration process is focused on developing unique investment insights into the linkages between overall ESG performance and a company's value. This requires identifying and then conducting in-depth analysis of a broad range of complex sustainability drivers and other 'intangible' factors.

Sustainability drivers include those external or macro factors that may increasingly influence the company's particular industry sector, operating or competitive environment. This typically includes assessments of externalities, industry growth and risk factors, the impact of new technologies, consumer preferences, resource constraints, demographic changes, new regulation or issues such as climate change.

This analysis is then combined with an assessment of an individual company's internal resources and capabilities to effectively manage its key ESG risks and opportunities. This includes analysis of issues such as employee engagement practices, work conditions, health and safety, customer satisfaction, corporate governance, supply-chain management, community engagement, product life cycle, environmental responsibility and resource management practices. Understanding these factors we believe provides our teams with unique insights that when combined with fundamental financial analysis, can identify investment risks and opportunities that might be mispriced by the market.

Examples of key activities within AMP Capital's overall investment process that demonstrate how we integrate this information include:

- Coverage / detailed ESG SWOT analysis for 350 Australian and New Zealand stocks
- Presentation of detailed sector reports to our investment teams including analysis of macro ESG growth and risk drivers
- Annual reviews of high ESG risk companies and reviews of IPOs
- Sourcing additional data from third party suppliers (i.e. for international stocks) and converting this into relevant formats for our investment teams (ESG ratings for 6000+ companies and governance ratings for 18000+ companies).
- Undertaking thematic research - (e.g. climate change, supply-chain risks)
- Distribution of weekly / fortnightly ESG wraps (domestic, international) and ESG investment insights
- Regular joint meetings with our investment teams (analysts and portfolio managers) to develop conviction and idea generation.
- ESG ratings database (200 metrics) summarising stock ESG ratings and SWOT
- Combined ESG scores (matrix) plotting a company's industry sustainability score with its ESG performance score.
- Inclusion of ESG company scores within the stock ranking model
- Use of proprietary portfolio risk management tools (e.g. holdings, carbon risk etc) to monitor exposure and benchmark ESG related investment performance.
- Active engagement with companies and policy makers on a broad range of ESG issues, and
- Lodging of considered proxy votes on all Australian shares and monitoring of voting on international portfolios.

Key to the investment process is the stock ranking model which is the output of a number of factors that companies are scored against. This includes:

- analyst conviction (fundamental bottom-up research);
- total shareholder return (price targets based on DCF, P/E, and other valuation metrics);
- momentum (earnings revisions, changes in consensus)
- sustainability of the business model (combined ESG score derived from industry

sustainability score and ESG capability score)

Portfolio managers are then responsible for converting this research output into the most appropriate client portfolio. Factors which the portfolio manager considers include liquidity, macro themes, sector exposure and specific stocks. AMP Capital applies standard risk management processes which allow us to manage unintended risk exposures and biases. Peer review is a key element of the process with questions encouraged, challenge welcomed and numbers debated.

Outputs and outcomes

| LEI 15 | Voluntary | Descriptive | PRI 1 |
|--------|-----------|-------------|-------|
|--------|-----------|-------------|-------|

LEI 15.1

Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe.

☒ Screening

Describe any reduction in your starting investment universe or other effects.

As an example the screening process applied to the AMP Capital Sustainable Fund* results in a decrease equivalent to approximately 30% of the total number of stocks in the relevant index. This represents approximately 20% of the market capitalisation.

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Specify the percentage reduction

%

30

☒ Integration of ESG issues

Select which of these effects followed your ESG integration:

- ☒ Reduce or prioritise the investment universe
- ☒ Overweight/underweight at sector level
- ☒ Overweight/underweight at stock level
- ☒ Buy/sell decisions
- ☐ Other, specify

LEI 15.2**Additional information.**

AMP Capital has a number of proprietary portfolio management tools to help identify and manage ESG risks. A 'carbon risk' portfolio tool enables us to review carbon risk / intensity of our equity portfolios. Other tools utilise externally provided data to help us identify ESG risks and opportunities particularly for international stocks.

These tools allow AMP Capital's ESG Research Team to provide meaningful ESG input across our international equities teams and further influence our investment decision-making. The tools allow us to rank stocks based on key ESG risks and identify issues for further investigation. It helps us in identifying companies within a portfolio that present significant downside / upside ESG and accounting risks within the relevant industry sector and portfolio weightings.

For the AMP Capital Australian Sustainable Share Fund*, the ESG Research Team divides stocks into investment grade (IG) and not investment grade (NIG). The pool of stocks deemed IG constitutes the investable universe for the Fund. Since 2007, the ESG Research Team has tracked the performance of this investable universe (within the ASX200) versus the ASX200. The analysis shows that the investable universe has outperformed the broader index in the short, medium and long term. It demonstrates that by excluding companies with poor ESG profiles, portfolio managers can obtain a better pool of stocks to choose from.

As of 31 January 2014, the index of investment grade stocks had outperformed the broader index by approximately 2.00% over 1 year, approximately 6% over 2 years and over 10.00% over 5 years. The customised index has outperformed the broader index by approximately 6.50% since inception in 2007.

* AMP Capital Funds Management Limited (AMP Capital) ABN 15159557721, is the responsible entity of the AMP Capital Sustainable Share Fund and issuer of the Product Disclosure Statement (PDS) for the Fund. To invest, investors will need to obtain the current PDS from AMP Capital before making a decision to acquire, continue to hold or dispose of units in the Fund.

LEI 16**Voluntary****Descriptive****PRI 1****LEI 16.1**

Indicate if you believe that incorporating ESG factors has: (a) Impacted funds' financial performance; (b) Reduced funds' risk or volatility; (c) Improved funds' ESG performance.

a) Impacted funds' financial performance

| Screening | Integration of ESG issues |
|--------------------------------------|--------------------------------------|
| <input checked="" type="radio"/> Yes | <input checked="" type="radio"/> Yes |
| <input type="radio"/> No | <input type="radio"/> No |

b) Reduced funds' risk or volatility

| Screening | Integration of ESG issues |
|--|--|
| <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No |

c) Improved funds' ESG performance

| Screening | Integration of ESG issues |
|--|--|
| <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No |

LEI 16.2

Describe how you are able to determine these outcomes and your actual performance.

The AMP Capital Sustainable Share Fund* uses an investment process that combines ESG integration with some negative screening. We assess the attribution to performance of each of the excluded stocks and review the contribution to the overall fund performance (on a monthly basis). This is reflected in AMP Capital's proprietary ESG 13 Index. AMP Capital also measures the overall ESG score of the portfolio and this is compared to the index on a weekly basis.

In terms of ESG integration for our broader fundamental equities funds we also assess attribution of poorly rated ESG stocks and review the contribution to attribution. An overall ESG score for the portfolio is also produced on a weekly basis.

AMP Capital's portfolio analysis tools allow the ESG Research Team to provide meaningful ESG input across our international equities teams and further influence our investment decision-making. The tools allow us to rank stocks based on key ESG risks and identify issues for further investigation. It helps us in identifying companies within a portfolio that present significant downside / upside ESG and accounting risks within the relevant industry sector and portfolio weightings.

Further information on how AMP Capital demonstrates the value add of ESG to fund performance can be found at www.ampcapital.com/esg and in the following ESG insights paper:

<http://www.ampcapital.com.au/AMPCapitalAU/media/contents/Articles/ESG%20and%20Responsible%20Investment/ESG-how-much-value-does-it-add.pdf>

* AMP Capital Funds Management Limited (AMP Capital) ABN 15159557721, is the responsible entity of the AMP Capital Sustainable Share Fund and issuer of the Product Disclosure Statement (PDS) for the Fund. To invest, investors will need to obtain the current PDS from AMP Capital before making a decision to acquire, continue to hold or dispose of units in the Fund.

LEI 17

Voluntary

Descriptive

PRI 1

LEI 17.1

Provide examples of ESG issues that affected your investment view and/or performance during the reporting year.

☒ ESG issue 1

| |
|--|
| ESG issue and explanation |
| Concern over the environmental and social impact of gold mining by companies unable to demonstrate acceptable management of environmental and social risks |
| <div style="background-color: #cccccc;">ESG incorporation strategy applied</div> <input type="checkbox"/> Screening <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies |
| <div style="background-color: #cccccc;">Impact on investment decision or performance</div> Contribution of 1.19% to performance verses the relevant index over 1 year |

☒ ESG issue 2

| |
|--|
| ESG issue and explanation |
| Concern over corporate governance issues and overall ESG score as a measure of management quality |
| <div style="background-color: #cccccc;">ESG incorporation strategy applied</div> <input type="checkbox"/> Screening <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies |
| <div style="background-color: #cccccc;">Impact on investment decision or performance</div> Identification of shorts and incorporation of ESG scores into stock ranking system |

☒ ESG issue 3

| |
|---|
| ESG issue and explanation |
| Increasing concern over industrial relations as a reflection of the ability of the company to deliver upon its business strategy |
| ESG incorporation strategy applied |
| <input type="checkbox"/> Screening <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies |
| Impact on investment decision or performance |
| A 12 basis point positive contribution to investment performance |

☒ ESG issue 4

| |
|--|
| ESG issue and explanation |
| Concern over long-term thermal coal pricing and demand and the impact of likely project delays due to community action |
| ESG incorporation strategy applied |
| <input checked="" type="checkbox"/> Screening <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies |
| Impact on investment decision or performance |
| <p>A 6 basis point contribution to performance over 1 year for the AMP Capital Sustainable Share Fund *</p> <p>* AMP Capital Funds Management Limited (AMP Capital) ABN 15159557721, is the responsible entity of the AMP Capital Sustainable Share Fund and issuer of the Product Disclosure Statement (PDS) for the Fund. To invest, investors will need to obtain the current PDS from AMP Capital before making a decision to acquire, continue to hold or dispose of units in the Fund.</p> |

☒ ESG issue 5

| |
|---|
| ESG issue and explanation |
| Concern over structural challenges and the nature of the retail sector with respect to recent trends in on-line shopping |
| ESG incorporation strategy applied |
| <input type="checkbox"/> Screening <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies |
| Impact on investment decision or performance |
| Underweighting of position in the retail sector |

| | |
|-----------------|-------------------------|
| LEI 17.2 | Additional information. |
|-----------------|-------------------------|

A key challenge is that it can often be difficult to completely attribute performance purely to a specific ESG issue, unless for example it is the primary / sole reason for shorting or deciding not to invest in a stock. This is because the process is integrated, that is other investment issues also influence the overall stock position.

Communication

| | | | |
|--------|-----------|---------------|---------|
| LEI 18 | Mandatory | Core Assessed | PRI 2,6 |
|--------|-----------|---------------|---------|

| | |
|-----------------|---|
| LEI 18.1 | Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity. |
|-----------------|---|

☉ We disclose it publicly

| |
|-------------|
| Provide URL |
|-------------|

<http://www.ampcapital.com/esg>

| |
|-------------|
| Provide URL |
|-------------|

<http://www.ampcapital.com/about-us/esg-and-responsible-investment/esg-resources>

| | |
|-----------------|---|
| LEI 18.2 | Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries. |
|-----------------|---|

☉ Yes

**LEI
18.3**

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

- ☐ Broad approach to ESG incorporation
- ☒ Detailed explanation of ESG incorporation strategy used

**LEI
18.4**

Indicate how frequently you typically report this information.

- ☒ Quarterly or more frequently
 - ☐ Between quarterly and annually
 - ☐ Less frequently than annually
 - ☐ Other, specify
- ☐ No
- ☐ We disclose it to clients and/or beneficiaries only
 - ☐ We do not proactively disclose it to the public and/or clients/beneficiaries

LEI 18.5

Additional information. [Optional]

AMP Capital publicly discloses a wide range of information relating to ESG integration across the business. This information includes: ESG related policies and guidelines (e.g. AMP Capital ESG Philosophy, Proxy Voting Policy), digital insights (ESG insights videos) ESG investment insights and other research:

This information can be found at:

www.ampcapital.com/esg

www.ampcapital.com/about-us/esg-and-responsible-investment/corporate-governance

www.ampcapital.com/about-us/esg-and-responsible-investment/esg-resources

www.ampcapital.com/about-us/esg-and-responsible-investment/how-we-apply-esg-across-asset-classes

AMP Capital discloses more information, which is commercial in confidence, to our institutional clients and asset consultants on how we integrate ESG issues when analysing companies. We also respond to specific queries by beneficiaries.

AMP Capital Investors

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Engagement

Overview

| | | | |
|--------|-----------|-------------|-------|
| LEA 01 | Voluntary | Descriptive | PRI 2 |
|--------|-----------|-------------|-------|

AMP Capital's active ownership and engagement goals are outlined in our ESG and Responsible Investment Philosophy and include:

- Monitoring companies and assets in which we invest and encouraging improved recognition of ESG considerations in business policies, practices and disclosures.
- In line with our own policies and guidelines, seeking improvement in ESG performance by investees, actively engaging them on their own approaches to managing material ESG risks and opportunities.
- Lodging proxy votes at meetings where we have the authority and where it is practicable to do so with all issues of corporate governance given due consideration.
- Maintaining records of company engagement and reporting publicly our proxy voting activities.
- Engaging with our service providers, external managers and business partners to understand their processes for considering ESG issues within the services they provide or investments they manage on our behalf.
- Actively contributing to, and engaging in, public policy and industry debates on relevant ESG topics.

As a 'whole of universe' investor and large owner of companies and assets, on behalf of our clients, AMP Capital recognises we have a stake in the effective operation and sustainability of the broader economy, society, the integrity and transparency of markets, good governance and business conduct.

This position reflects AMP Capital's long held views that good corporate governance matters. It can lead to better investment returns for our clients while also serving to minimise potential downside risks. Within this context AMP Capital therefore seeks to add value to the portfolios our clients have entrusted us to manage, by directly engaging company Boards and management teams where we believe improvement in ESG issues could have positive impacts upon business and investment performance.

AMP Capital recognises it can influence company policy by virtue of the shareholdings under our management. In accordance with Australian industry practice (Financial Services Council guidelines in particular) we aim to use that influence for the benefit of our clients. Our objectives include increasing the return on funds invested, contributing to improved ESG company performance standards across the market and helping address potentially systemic ESG risks such as climate change.

Within these parameters we aim to enhance shareholder returns by discouraging disadvantageous corporate policies through discussion with management and the exercise of voting power. We see similar opportunities to encourage effective management of companies through endorsement given by positive votes.

AMP Capital has not directly filed or co-filed shareholder resolutions. Our greatest emphasis and rigour is applied to the voting of Australian listed equities held in portfolios managed by AMP Capital. We also cast votes on the international equities in portfolios under our management and also monitor the voting activities of our externally managed funds (multi-manager). Voting decisions are made on a case-by case basis.

AMP Capital also believes that proxy voting, while important, can be a blunt instrument for engaging with companies on corporate governance issues. AMP Capital will also therefore engage through writing letters explaining our reasons for voting. We use such opportunities to directly engage with the Board and senior management not only on issues addressed in resolutions but also broader ESG issues.

Further information including AMP Capital's Proxy Voting Policy, voting statistics and company engagement insights can be found on the AMP Capital website at www.ampcapital.com/esg or in AMP Capital's regular Corporate Governance Reports:

- Corporate Governance 2013 full year report:

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/corporate-governance-2013-full-year-report.pdf>

- Corporate Governance - 2013 mid year report

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/Corp-Gov-mid-year-report-global.pdf>

| | | | |
|--------|-----------|---------|-----------|
| LEA 02 | Mandatory | Gateway | PRI 1,2,3 |
|--------|-----------|---------|-----------|

| | |
|----------|---|
| LEA 02.1 | Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions. |
|----------|---|

| Type of engagement | Reason for interaction |
|---------------------------------------|---|
| Individual/Internal staff engagements | <input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff |
| Collaborative engagements | <input type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements |
| Service provider engagements | <input type="checkbox"/> To support investment decision-making (e.g. company research) <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers |

Process

Process for engagements run internally

| | | | |
|--------|-----------|---------------|-------|
| LEA 03 | Mandatory | Core Assessed | PRI 2 |
|--------|-----------|---------------|-------|

LEA 03.1

Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

☒ Yes

LEA 03.2

Describe how you identify and prioritise engagements.

AMP Capital undertakes thematic as well as company specific ESG engagements. Thematic engagement topics are determined based upon whether there are common themes or potential impacts applying to more than one company (e.g. within a sector).

We also give consideration to thematic or company specific engagements where we believe meaningful improvement can be achieved, and where providing an investor's perspective could be particularly constructive. Examples include specific issues or topics which could represent a material risk to a company's business model.

Engagement topics are identified and prioritised through a review of the key issues identified within our own internal ESG research as well as specific feedback from AMP Capital's clients.

☐ No

| | | | |
|--------|-----------|---------------|-------|
| LEA 04 | Mandatory | Core Assessed | PRI 2 |
|--------|-----------|---------------|-------|

LEA 04.1

Indicate if you define specific objectives for your engagement activities.

☒ Yes

- ☐ Yes, for all engagement activities
- ☒ Yes, for the majority of engagement activities
- ☐ Yes, for a minority of engagement activities

☐ No

LEA 04.2

Indicate if you monitor the actions that companies take following your engagements.

☒ Yes

- ☐ Yes, in all cases
- ☒ Yes, in the majority of cases
- ☐ Yes, in the minority of cases

**LEA
04.3**

Describe how you monitor and evaluate the progress of your engagement activities.

AMP Capital's engagement plan outlines the objectives of our relevant thematic or company specific engagements. AMP Capital will also take advantage of opportunities that may arise, to engage with companies on broader ESG issues, or with companies not originally outlined in the annual engagement plan. Typically in these cases our engagement objectives may therefore be less formalised and targeted at obtaining useful information and insights to supplement our ongoing research activities.

AMP Capital tracks the status of our company engagements. Reports may be provided back to clients on the status of engagements on a regular basis. This enables us to closely monitor the actions being undertaken by the companies. Regular reviews of our company engagement activities and follow-up actions by the company may result in AMP Capital scaling back or ceasing our engagement. This may be potentially due to the particular engagement topic or outcome being considered successful, or a general belief that further engagement would not be beneficial or present us with any additional or unique investment insights.

☐ No

**LEA
04.4**

Additional information. [Optional]

AMP Capital also continues to develop relevant industry assessment frameworks to benchmark companies and continuously identify new engagement opportunities. One example is supply-chain management, where underperforming companies are identified and engagement opportunities on specific ESG issues within company supply-chains are investigated.

Process for engagements conducted via collaborations

LEA 05

Mandatory

Core Assessed

PRI 2

**LEA
05.1**

Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.

☒ Yes

LEA
05.2

Describe how you identify and prioritise collaborative engagements.

As with AMP Capital's company specific engagements, collaborative engagements are also undertaken where there may be broader systemic issues, and for which a group exists of like minded institutional investors which share common engagement objectives. Examples include collaborative engagements AMP Capital has participated in on climate change issues, through our work with the Investor Group on Climate Change (IGCC) and, the PRI Australia Network's Coal Seam Gas Working group.

AMP Capital also use collaborative engagement where we are attempting to engage with companies particularly outside Australian or New Zealand. In these circumstances collaborative engagement allows AMP Capital as well as other international investors to leverage the benefit of additional funds under management (collective proportion of stock) to gain better access to company management.

AMP Capital maintains flexibility in our approach and chooses to participate in collaborative engagements opportunistically if we believe there are possible tangible engagement outcomes and we can benefit from or, contribute additional insights toward the engagement process.

Examples include the recent ICCR-administered Investor Statement on Bangladesh which is a collective engagement on improving supply chain management practices. AMP Capital has engaged Australian retailers on these topics and also participated in collective engagement on the issue of un-burnable carbon and the potential risk of stranded assets in certain industry sectors.

☐ No

LEA 06

Mandatory

Core Assessed

PRI 2

LEA
06.1

Indicate if the collaborative engagements in which you are involved have defined objectives.

☒ Yes

☐ Yes, for all collaborative engagement activities

☒ Yes, for the majority of collaborative engagement activities

☐ Yes, for a minority of collaborative engagement activities

☐ No

LEA
06.2

Indicate if you monitor the actions companies take following your collaborative engagements.

☒ Yes

☐ Yes, in all cases

☒ Yes, in the majority of cases

☐ Yes, in the minority of cases

**LEA
06.3**

Describe how you monitor and evaluate the progress of your collaborative engagement activities.

AMP Capital's engagement plan outlines the objectives of all relevant engagements including those undertaken collaboratively with other investors. AMP Capital will also take advantage of opportunities to participate in collaborative engagements that may arise over the course of the year on broader ESG issues, or with companies not originally outlined in our annual engagement plan.

AMP Capital also tracks the status of our collaborative company engagements. Reports may be provided back to clients on the status of collaborative engagements and the actions taken, if any, by companies.

Regular reviews of our company engagement activities and follow-up actions by the company may result in AMP Capital scaling back or ceasing our participation in the engagement. This may be potentially due to the particular engagement topic or outcome being considered successful, or a general belief that further engagement would not be beneficial or present us with any additional or unique investment insights.

☐ No

General processes for all three groups of engagers

| | | | |
|---------------|------------------|----------------------------|----------------|
| LEA 09 | Voluntary | Additional Assessed | PRI 1,2 |
|---------------|------------------|----------------------------|----------------|

**LEA
09.1**

Indicate if the insights gained from your engagements are shared with your internal or external investment managers as input for consideration in investment decisions.

| Type of engagement | Insights shared |
|--|---|
| Individual/Internal staff engagements | <input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No |
| Collaborative engagements | <input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No |

**LEA
09.2**

Additional information.

AMP Capital's ESG Research Team documents the outcomes of all company engagement meetings. Relevant investment analysis is then presented in further management meetings. File notes are widely distributed to AMP Capital's broader equity, fixed interest, property and infrastructure investment teams. In many cases representatives from these investment teams will attend engagement meetings with our ESG specialists.

In terms of collaborative engagements AMP Capital's equity and fixed income investment analysts and portfolio managers are often invited to attend presentations by the company or relevant industry seminars and report launches. These teams may also follow up on any particular issues of concern or ask the AMP Capital ESG Research Team to undertake further detailed analysis.

LEA 10

Mandatory

Gateway/Core Assessed

PRI 2

**LEA
10.1**

Indicate if you track the number of companies you engage with.

| Type of engagement | Tracking engagements |
|--|---|
| Individual / Internal staff engagements | <input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements |
| Collaborative engagements | <input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements |

LEA
10.2

Additional information. [Optional]

AMP Capital has an internal company ESG engagement database which records all meetings and communications with the company. Both company specific as well as collaborative engagements are captured.

In addition AMP Capital will also track engagement activities we undertake with other key stakeholders that may also influence our engagement activities and investment decision-making. This can include discussions with industry associations, non-government organisations, labour unions, policy-makers as well as any relevant media coverage on ESG issues.

In addition to the above, the database also tracks information including the date of the engagement / meeting, AMP Capital's role and ESG specialists involved, and the nature of issues and topics covered.

Outputs and outcomes

LEA 11

Mandatory to Report Voluntary to Disclose

Core Assessed

PRI 2

LEA
11.1

Indicate the number of companies with which your organisation engaged during the reporting year.

| | Number of companies engaged (avoid double counting, see explanatory notes) |
|---|---|
| Individual / Internal staff engagements | 128 |
| Collaborative engagements | 30 |

LEA
11.2

Indicate what percentage of your engagements were comprehensive during the reporting year. [Optional]

| Type of engagement | % Comprehensive engagements |
|---|--|
| Individual / Internal staff engagements | <input type="radio"/> > 50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None |
| Collaborative engagements | <input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None |

LEA 11.3

Indicate what percentage of your collaborative engagements you were a leading organisation during the reporting year. [Optional]

| Type of engagement | % Leading role |
|---------------------------|---|
| Collaborative engagements | <input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> None |

LEA 11.5

Additional information. [Optional]

During 2013 AMP Capital's in house ESG specialists engaged with 128 companies on over 180 occasions covering a wide variety of ESG issues. These included general ESG research meetings as well as targeted engagements with company Boards and management on specific topics with key outcome objectives. Site visits, e-mail, telephone conversations and written letters also formed part of our engagement approach. In the case of company specific meetings many engagements were also attended by other investment professionals from AMP Capital, including stock analysts and portfolio managers.

AMP Capital also hosted company engagement forums on specific issues, such as supply chain management, which were attended by 50 company representatives.

| LEA 12 | Voluntary | Additional Assessed | PRI 2 |
|-----------------|--|---------------------|-------|
| LEA 12.1 | Indicate if your engagements in the reporting year covered E, S and/or G issues. | | |

| Type of engagement | Coverage |
|---|--|
| Individual / Internal staff engagements | <input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information |
| Collaborative engagements | <input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information |

**LEA
12.2**

Provide an estimated breakdown by E, S and/or G issues.

Individual / Internal staff engagements

% Environmental only

3

% Social only

15

% Corporate Governance only

55

% Overlapping ESG issues

27

100%

Collaborative engagements

% Social only

69

% Overlapping ESG issues

31

100%

| LEA 13 | Voluntary | Descriptive | PRI 2 |
|--------|-----------|-------------|-------|
|--------|-----------|-------------|-------|

| | |
|-----------------|--|
| LEA 13.1 | Indicate whether you have a reliable estimate of the number of cases during the reporting year where a company has changed its practices, or made a commitment to do so, following your organisation's and/or your service provider's engagement activities. |
|-----------------|--|

☒ Yes

| | |
|-----------------|--|
| LEA 13.2 | Indicate the number of companies that changed or committed to change in the reporting year following your organisation's and/or your service provider's engagement activities. |
|-----------------|--|

| | Number of company changes or commitments to change |
|---|--|
| Individual / Internal staff engagements | 12 |
| Collaborative engagements | 2 |

☐ No

| | |
|-----------------|-------------------------|
| LEA 13.3 | Additional information. |
|-----------------|-------------------------|

AMP Capital acknowledges that while we have pursued a number of ESG-related engagements individually with companies the actual outcome of these engagements could reflect the engagement activities by AMP Capital as well as a number of other institutional investors engaging with the company on the similar ESG topics and themes. There are examples where AMP Capital has received direct feedback from companies that our engagement has been a key driver in improving for example their ESG reporting and disclosure.

| LEA 14 | Voluntary | Descriptive | PRI 2 |
|--------|-----------|-------------|-------|
|--------|-----------|-------------|-------|

| | |
|-----------------|---|
| LEA 14.1 | Provide examples of the engagements that your organisation carried out during the reporting year. |
|-----------------|---|

☒ Add Example 1

| | |
|--------------------|--|
| Topic or ESG issue | Supply chain management issues in Bangladesh |
| Conducted by | <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative |
| Objectives | Encourage retailers to sign the Accord on Fire and Building Safety in Bangladesh |
| Scope and Process | In-house proprietary ESG research framework was used to benchmark and ranks companies on their key supply chain risks. The objectives were to identify and engage with retailers with material sourcing from Bangladesh and present the business rationale for signing on to the Accord. |
| Outcomes | All but one company that AMP Capital engaged with during 2013 has signed on to the Accord |

☒ Add Example 2

| | |
|--------------------|--|
| Topic or ESG issue | Supply chain management |
| Conducted by | <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative |
| Objectives | Encourage retailers to improve transparency on the location and further information regarding their global factory base. |
| Scope and Process | In-house proprietary ESG research framework was used to benchmark and ranks companies on their key supply chain risks. The objectives were to identify and engage with retailers with material sourcing from Bangladesh and present the business rationale for signing on to the Accord. |
| Outcomes | Commitment from company to publish global factories list |

☒ Add Example 3

| | |
|--------------------|---|
| Topic or ESG issue | Unburnable carbon and risk of stranded assets |
| Conducted by | <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative |
| Objectives | Encourage a mining company to consider 'unburnable carbon' scenarios in their future capital investment decisions. |
| Scope and Process | Using AMP Capital's in-house ESG research and analysis we estimated the potential impact of various un-burnable carbon scenarios on a company's value and discussed how this should be incorporated into their investment decisions and capital allocation program. |
| Outcomes | Recognition from the company of the potential risks and that they need to consider the issue in more detail. |

☒ Add Example 4

| | |
|--------------------|---|
| Topic or ESG issue | Corporate governance |
| Conducted by | <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative |
| Objectives | Changes to the structure of long term incentive programs (LTI) to better reflect industry best practice |
| Scope and Process | Discussions with company Chairman and Head of Remuneration Committee outlining our expectations for a well structured LTI scheme. |
| Outcomes | LTI structure changed to reflect AMP Capital's recommendations |

☐ Add Example 5

☐ Add Example 6

☐ Add Example 7

☐ Add Example 8

☐ Add Example 9

☐ Add Example 10

Communication

LEA 15

Mandatory

Core Assessed

PRI 2,6

**LEA
15.1**

Indicate whether your organisation proactively discloses information on its engagements.

☒ We disclose it publicly

please provide URL

<http://www.ampcapital.com/esg>

please provide URL

<http://www.ampcapital.com/about-us/esg-and-responsible-investment/corporate-governance>

**LEA
15.2**

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

☐ Yes

☒ No

**LEA
15.3**

Indicate what engagement information your organisation proactively discloses to clients/beneficiaries and/or the public.

Reporting to the public

Engagement information disclosed

- ☒ Details of the selections, priorities and specific goals of engagement
- ☐ Number of engagements
- ☒ Breakdown of engagements by type/topic
- ☐ Breakdown of engagements by region
- ☐ An assessment of the current status of the engagement
- ☒ Outcomes that have been achieved from the engagement
- ☐ Other information

Reporting to clients/beneficiaries

Engagement information disclosed

- ☒ Details of the selections, priorities and specific goals of engagement
- ☒ Number of engagements
- ☒ Breakdown of engagements by type/topic
- ☐ Breakdown of engagements by region
- ☒ An assessment of the current status of the engagement
- ☒ Outcomes that have been achieved from the engagement
- ☐ Other information

**LEA
15.4**

Indicate how frequently you typically report engagements information.

| Reporting to the public | Reporting to clients/beneficiaries |
|--|--|
| <input type="radio"/> Disclosed continuously (prior and post engagements) <input type="radio"/> Disclosed quarterly <input checked="" type="radio"/> Disclosed annually <input type="radio"/> Disclosed every two years or less <input type="radio"/> Other, specify | <input type="radio"/> Disclosed continuously (prior and post engagements) <input type="radio"/> Disclosed quarterly <input type="radio"/> Disclosed annually <input type="radio"/> Disclosed every two years or less <input checked="" type="radio"/> Other, specify Reporting to clients may occur more frequently depending on client interest, requests for information or specific mandate requirements |

| | |
|----------|---|
| LEA 15.5 | Describe any other differences in the information being disclosed. [Optional] |
|----------|---|

AMP Capital is focused on two main areas for our engagement. Thematic engagements focus on key issues facing a particular sector or alternatively the market as a whole. Company specific engagement focuses on ESG issues relevant to a particular company. AMP Capital provides disclosure on our engagement activities via the AMP Capital website www.ampcapital.com/esg. AMP Capital clients may receive more detailed information if requested or via the distribution of ESG insights and information sessions hosted by our ESG specialists.

- ☐ We disclose it to clients and/or beneficiaries only
- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries.

AMP Capital's website (www.ampcapital.com/esg) provides comprehensive information regarding our ESG and responsible investment activities and provides access to AMP Capital's ESG credentials, ESG Philosophy and Policies and a wide range of ESG resources including investment insights (videos) research papers, and details on collaborative initiatives.

A comprehensive range of current research and engagement topics are available in the ESG resources section which includes for example:

- ESG: How much value does it add?

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/ESG-how-much-value-does-it-add.pdf>

- ESG - busting the myths

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/ESG-busting-the-myths.pdf>

- Assessing climate change risk in the S&P/ASX 200 index and equity portfolios

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/Assessing-climate-change-risk-in-theSPASX-200-index-and-equity-portfolios.pdf>

- Transport and ESG - watch out for the bumps along the road

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/Transport-and-ESG%e2%80%93watch-out-for-the-bumps-along-the-road.pdf>

- Commercial services sector - struggling with new dynamics

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/Commercial-services-sector-struggling-with-new-dynamics.pdf>

- Why understanding ESG factors makes for better investment decisions

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/why-understanding-esg-factors-makes-for-better-investment-decisions.pdf>

AMP Capital's Corporate Governance Reports: including current and previous editions are also available on the website. These reports cover Proxy Voting Statistics (including the names of companies where resolutions were voted against) and topical articles on ESG issues and engagement topics. In 2013 AMP Capital's Corporate Governance Reports covered topics such as:

- Leadership matters: how an 'intangible factor' such as the quality of a company's leadership affects shareholder returns and the importance of good leadership succession planning
- ESG myth-busting: dispelling 'myths' around the impact Environmental, Social and Governance (ESG) factors can have on investments.
- The challenges of mining in developing countries
- Stranded assets: how big is the issue?
- Gender diversity: Recent observations including that on AMP Capital's assessment there is a positive correlation between a company's governance quality and the

number of women that sit on its board.

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/corporate-governance-2013-full-year-report.pdf>

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/Corp-Gov-mid-year-report-global.pdf>

In terms of company specific engagement AMP Capital's 2013 Engagement Report provides examples of recent engagements and covers corporate governance, climate change, improving ESG reporting, coal seam gas, human rights and the supply-chain.

(Proxy) voting and shareholder resolutions

Overview

| LEA 16 | Voluntary | Descriptive | PRI 2 |
|----------|--|-------------|-------|
| LEA 16.1 | Provide a brief overview of your organisation's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable). | | |

AMP Capital believes it is appropriate to vote on all resolutions where we have the authority to do so. We expect our external managers to also take a similar approach. This position reflects AMP Capital's view that good governance can lead to better absolute returns and can minimise the potential for downside risks. This is within the context of AMP Capital seeking to add value to the portfolios which clients have entrusted to them to manage or advise upon.

AMP Capital recognises that it can influence company policy on matters of corporate governance by virtue of shareholding under our management. In accordance with Australian industry practice (Financial Services guidelines in particular), we use that influence for the benefit of our clients. Our objective is to increase the return on funds invested. Within these parameters, we aim to enhance shareholder returns by discouraging disadvantageous corporate policies through discussion with company management and the exercise of voting power.

Similarly there are opportunities to encourage effective management through the endorsement given by positive votes. Given the seasonality of proxy season it is not practical to attend meetings to vote. Votes are cast via specific instructions to the proxy.

To date AMP Capital has not directly filed or co-filed shareholder resolutions. The greatest emphasis and rigour is applied to the voting of Australian listed equities held in portfolios managed by AMP Capital's portfolio management teams. AMP Capital also votes the international equities in portfolios under our management and monitors the voting of our externally managed funds (multi-manager). Voting decisions are made on a case-by-case basis.

Process

| | | | |
|--------|-----------|-------------|-------|
| LEA 17 | Mandatory | Descriptive | PRI 2 |
|--------|-----------|-------------|-------|

| | |
|----------|---|
| LEA 17.1 | Indicate how you typically make your (proxy) voting decisions and what this approach is based on. |
|----------|---|

| |
|----------|
| Approach |
|----------|

☐ We use our own research or voting team and make our own voting decisions without the use of service providers.

☒ We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.

| |
|--------------------|
| Based primarily on |
|--------------------|

☐ the service provider voting policy signed off by us

☐ our own voting policy

☐ our clients requests or policy

☒ other, explain

Service providers complement AMP Capital's own research and analysis. Voting decisions for Australian portfolios are made after our own thorough analysis of the resolution.

☐ We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.

☐ We hire service provider(s) which make voting decisions on our behalf.

| | | | |
|--------|-----------|-------------|-------|
| LEA 19 | Voluntary | Descriptive | PRI 2 |
|--------|-----------|-------------|-------|

| | |
|----------|---|
| LEA 19.1 | To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following. |
|----------|---|

☐ Obtain confirmation that votes have been lodged:

☒ Participate in projects to improve the voting trail and/or to obtain vote confirmation

☐ None of the above

| | |
|-----------------|--|
| LEA 19.2 | Provide additional information on your organisation's vote confirmation efforts. |
|-----------------|--|

AMP Capital is able (via the electronic voting platform Broadridge's ProxyEdge) to view votes cast for both Australian and international shares. AMP Capital also has visibility over and monitors the voting of our externally managed funds (multi-manager platform).

Given the "lost votes" phenomena first highlighted by AMP Capital in 2005 we are aware that it is difficult to guarantee all votes cast were actually received by the company and accurately reported (e.g. to the ASX). Back in 2005 AMP Capital identified votes had been 'lost' for at least 4% of company meetings.

Since 2005 AMP Capital has worked with other investors and interested parties to address the issue of "lost votes" and significant improvements have now been made. A recent audit of voting in Australia showed that fewer votes are now being 'lost'.

| | | | |
|---------------|------------------|----------------------------|--------------|
| LEA 20 | Voluntary | Additional Assessed | PRI 2 |
|---------------|------------------|----------------------------|--------------|

| | |
|-----------------|---|
| LEA 20.1 | Indicate if your organisation has a securities lending programme. |
|-----------------|---|

- ☐ Yes
☒ No

| | |
|-----------------|------------------------------------|
| LEA 20.3 | Additional information. [Optional] |
|-----------------|------------------------------------|

Such activities were stopped in 2010 due to concerns being raised that shares borrowed from AMP Capital could potentially be voted in a manner detrimental to the interests of clients in AMP Capital's funds.

| | | | |
|---------------|------------------|----------------------|--------------|
| LEA 21 | Mandatory | Core Assessed | PRI 2 |
|---------------|------------------|----------------------|--------------|

| | |
|--|---|
| LEA 21.1 | Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations. |
| <div style="margin-left: 20px;"> <input type="radio"/> Yes, in most cases <input checked="" type="radio"/> Sometimes, in the following cases: <div style="margin-left: 20px;"> <input checked="" type="checkbox"/> votes in selected markets <input type="checkbox"/> votes on certain issues (all markets) <input type="checkbox"/> votes for significant shareholdings (all markets) <input type="checkbox"/> other, explain </div> </div> <div style="margin-left: 20px; margin-top: 10px;"> <input type="radio"/> No <input type="radio"/> Not applicable as we and/or our service providers do not abstain or vote against management recommendations </div> | |
| LEA 21.2 | Additional information. [Optional] |

In our home market of Australia, AMP Capital is recognised externally for our rigorous company ESG analysis, proxy voting activities and shareholder engagement on corporate governance. AMP Capital engages with companies regularly. Each year we have specific contact with at least 30-50% of the Australian companies held in the portfolios we manage.

On occasions where resolutions are not supported the company will be made aware of the reasons as we will have either met with them face to face, spoken with them by telephone or communicated our concerns via a letter. Where issues of concern are identical to those communicated in previous years we may not engage with the company every year.

Given time constraints at the peak of the proxy season it is not always possible to proactively communicate with companies before a vote in cast. AMP Capital is likely to communicate with companies before the meeting where we hold a larger percent of the market capitalisation and where we have voted against (as opposed to specifically abstained from voting). In addition AMP Capital will often respond to companies' specific requests for information about our voting (before and after the meeting).

In foreign markets where our holdings are smaller we do not communicate with companies to the same extent. Where AMP Capital's external managers have voted against management on particular resolutions the manager will communicate with the company. AMP Capital will at times monitor and conduct reviews of the proxy voting and engagement activities undertaken by our external managers (multi-manager).

| Outputs and outcomes | | | |
|----------------------|-----------|---------------|-------|
| LEA 22 | Mandatory | Core Assessed | PRI 2 |

**LEA
22.1**

For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

☒ We do track or collect this information

Votes cast (to the nearest 1%)

%

100

Specify the basis on which this percentage is calculated

- ☐ of the total number of ballot items on which you could have issued instructions
- ☒ of the total number of company meetings at which you could have voted
- ☐ of the total value of your listed equity holdings on which you could have voted

**LEA
22.2**

If there are specific reasons why you did not vote certain holdings, explain these, and if possible, indicate the percentage of holdings affected by these factors. [Optional]

Voting occurred on 100% of the total number of company meetings for AMP Capital's internally managed Australian, New Zealand and Asia ex-China equity portfolios.

Across AMP Capital's entire equity portfolio (including externally managed and AMP Capital Asian equities), voting is 96% (100% on internally managed shares and 92% on externally managed shares).

☐ We do not track or collect this information

LEA
22.3

Additional information. [Optional]

AMP Capital lodged voting instructions on all resolutions for the internally managed Australian, New Zealand and Asia-ex China portfolios where AMP Capital was authorised to vote. AMP Capital did not vote where we were legally excluded from voting due to conflicts of interest.

In order to better monitor votes cast by our external equity managers AMP Capital has arranged 'real-time' view-access of voting activity. We are able to see the voting activities of 100% of our external managers.

In 2013 of the 150,561 resolutions voted upon at 10,002 company meetings our managers voted 'with management' on 91.7% of resolutions. For AMP Capital's internally managed international funds e.g. Asian equities, REITs and listed infrastructure AMP Capital also ensure votes are cast on all resolutions where we have the authority to vote. For these markets we rely upon proxy advice to a greater extent to supplement our own analysis.

| LEA 23 | Voluntary | Descriptive | PRI 2 |
|--------|-----------|-------------|-------|
|--------|-----------|-------------|-------|

LEA
23.1

Indicate if you track the voting instructions that you and/or your third party have issued on your behalf.

☒ Yes, we track this information

LEA
23.2

Of the voting instructions that you and/or third parties have issued on your behalf, indicate the proportion of ballot items that were:

| Voting instructions | Breakdown as percentage of votes cast |
|---|---|
| For (supporting) management proposals | <div> <div></div> <div>%</div> </div> <div>90</div> |
| Against (opposing) management proposals | <div> <div></div> <div>%</div> </div> <div>10</div> |
| Abstentions | <div> <div></div> <div>%</div> </div> <div>0</div> |

100%

**LEA
23.3**

For the reporting year, describe your approach towards voting on shareholder resolutions.

How votes are cast depend on the merits of each particular resolution. AMP Capital casts votes we consider to be in the best interests of our clients (shareholders holding that security).

☐ No, we do not track this information

LEA
23.4

Additional information.

The percentages disclosed above relate to voting on AMP Capital's internally managed funds. All resolutions were corporate governance related issues (i.e 90% with management; 10% against management; 0% abstained)

AMP Capital also monitors voting activities for our externally managed funds (multi-manager). Voting statistics for these funds include:

- 'with management' on 2485 occasions (55%)
- 'against management' on 1983 occasions (44%)
- 'abstained' on 56 occasions (1%)
- 76% of resolutions were Governance
- 18% Social
- 6% Environmental

In 2013 on the 55% of the total portfolio that is internally managed AMP Capital voted 'For' 88% of resolutions. 89% were cast 'with management'.

On the 45% of the portfolio that is externally managed our monitoring shows that external managers voted 'For' 91% of resolutions. 92% were cast 'with management'.

Due to the sheer volume of resolutions analysed and voted upon it is not possible to communicate to all companies. The reasons for voting 'against management' include concerns with regard to board composition (insufficient appropriate independent directors), poor pay structures (unfair or non-aligned with shareholder interests) and poor disclosure of important governance issues.

AMP Capital continues to review the consistency of voting between our internally-managed and externally-managed portfolios (multi-manager).

The analysis and company engagement conducted by AMP Capital in the process of determining how AMP Capital's votes will be cast often sheds light on notable corporate governance issues. The insights gained form part of a company's ESG rating will on occasions lead to the view that a particular company is not of sufficient quality to be considered investment-grade for certain portfolios.

On occasions, concerns over related-party transactions, poor board composition and/or poorly aligned incentive structures have led AMP Capital portfolio managers to question the integrity of the Board of Directors and their ability to act in shareholder interests and divest their shareholdings.

LEA 24

Voluntary

Descriptive

PRI 2

LEA
24.1

Indicate if your organisation directly or via a service provider filed or co-filed any shareholder resolutions during the reporting year.

- ☐ Yes
- ☒ No

| | |
|-----------------|-------------------------|
| LEA 24.6 | Additional information. |
|-----------------|-------------------------|

Australian companies in AMP Capital's internally managed portfolios had very few shareholder resolutions compared to the holdings in our externally managed portfolios. It is not considered meaningful to combine the numbers.

| | | | |
|---------------|------------------|--------------------|--------------|
| LEA 25 | Voluntary | Descriptive | PRI 2 |
|---------------|------------------|--------------------|--------------|

| | |
|-----------------|---|
| LEA 25.1 | Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year. |
|-----------------|---|

☒ Add Example 1

| | |
|--------------------|--|
| Topic or ESG issue | Executive remuneration |
| Decision made by | <input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider |
| Objectives | Improve the way Australian companies we hold in our clients' portfolios allocate capital. Remuneration should be fair and aligned with shareholder interests. Incentive structures should encourage responsible, sustainable and value creating actions. |
| Scope and Process | In 2013 AMP Capital voted against 18% of incentive related resolutions and voted against 17% of company remuneration reports. |
| Outcomes | Improved company remuneration structures (better performance hurdles) and improved disclosure |

☒ Add Example 2

| | |
|--------------------|---|
| Topic or ESG issue | Corporate governance |
| Decision made by | <input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider |
| Objectives | Improve the way companies we hold in our clients' portfolios are governed by focussing on ESG behaviours and links with risk-management |
| Scope and Process | Engagement and education as part of company discussions around voting |
| Outcomes | Improved understanding by companies of the importance of corporate governance issues to institutional investors. |

☒ Add Example 3

| | |
|--------------------|--|
| Topic or ESG issue | Board and management quality |
| Decision made by | <input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider |
| Objectives | Improve company leadership by focussing on the skills of the executive and the board and cast votes accordingly. |
| Scope and Process | Engagement and education |
| Outcomes | Improved understanding by companies of the importance of corporate governance issues to institutional investors. |

- ☐ Add Example 4
☐ Add Example 5
☐ Add Example 6
☐ Add Example 7
☐ Add Example 8
☐ Add Example 9
☐ Add Example 10

AMP Capital uses the voting process both before and after votes are cast to engage with companies with regard to various ESG issues. Over the years we have seen companies respond favourably to investor engagements and making various improvements in addressing ESG risk.

Engagement forms part of AMP capital's proxy voting activity. While AMP Capital has benefitted from good access to company management, the introduction of the 'two-strike rule' (where shareholders can potentially spill boards over remuneration issues), has significantly increased the quality (and quantity) of our engagement with company directors.

AMP Capital's ESG Research Team is of the opinion that much can be gained from discussing ESG issues with company executives and directors. Significant and unique investment insights can be gained from these discussions including:

- improved understanding of the companies' management of ESG issues;
- improved risk-management
- opportunities to provide feedback to companies as to what is important to us as investors (responsible sourcing, appropriate remuneration etc), and
- ability to help ensure companies are being well-managed on behalf of our clients.

AMP Capital not only engages directly with companies but also works to lift general governance standards by complementing our proxy voting and direct engagement with activities including:

- speaking on ESG topics at various industry conferences, roundtables and education events conducted by organisations such as the Australian Institute of Company Directors and the Australian Investor Relations Association
- conducting in-house forums for both companies and clients on topics such as ethical sourcing, and
- publishing thought-leadership pieces and contributing to various media articles on ESG issues.

For further detail on AMP Capital's voting and associated engagement/education activities can be found in AMP Capital's Corporate Governance Reports. These are publicly available on AMP Capital's website www.ampcapital.com/esg.

The analysis and company engagement conducted by AMP Capital in the process of determining how AMP Capital's votes will be cast often sheds light on notable governance issues. These insights gained form part of AMP Capital's overall company ESG ratings. On occasions this will lead to the view that a particular company is not of sufficient quality to be considered investment-grade for certain portfolios.

Concerns over related-party transactions, poor board composition and poorly aligned incentive structures have led AMP Capital portfolio managers to question the integrity of some Board of Directors and their ability to act in shareholder interests leading to divestment of their shareholdings.

AMP Capital supported the majority of company directors seeking re-election. Those not supported were predominantly self-nominated, non-board-endorsed candidates who we considered not to be ideal candidates. In addition, AMP Capital specifically abstained from re-electing directors at several other companies. In these cases there may have been a better representation of independent directors, and/or it was the first time the issue of board composition had been raised with the company. In almost all cases AMP

Capital endeavoured to communicate our specific concerns to the company involved.

As investors AMP Capital also seeks to invest in companies that will provide the best relative share market performance over the long term. AMP Capital prefers that a significant portion of the CEO's remuneration be aligned with that goal. The underlying reasons for not supporting long-term incentive related resolutions include:

- poor disclosure of the terms of the incentive plans
- plans are shorter than the desired three-year minimum
- plans had no performance hurdles or hurdles lacked sufficient alignment with the interests of shareholders
- proposed plan amendments would increase the value to employees, without any corresponding benefit to shareholders
- participation of NEDs in executive schemes, and
- plans showed no improvement, despite the company having received comments/input and the matter being not supported previously.

Communication

LEA 26

Mandatory

Core Assessed

PRI 2,6

LEA
26.1

Indicate if your organisation proactively discloses information on your voting activities.

☒ We disclose it publicly

provide URL

<http://www.ampcapital.com/esg>

provide URL

<http://www.ampcapital.com/about-us/esg-and-responsible-investment/corporate-governance>

LEA
26.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

☐ Yes

☒ No

LEA
26.3

Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries.

| Reporting to the public | | Reporting to clients/beneficiaries | |
|---|--|---|--|
| <div>Indicate how much of your voting record you disclose</div> <ul style="list-style-type: none"> <input type="radio"/> All voting decisions <input checked="" type="radio"/> Some voting decisions <input type="radio"/> Only abstentions and opposing vote decisions <input type="radio"/> Summary of votes only | | <div>Indicate how much of your voting record you disclose</div> <ul style="list-style-type: none"> <input checked="" type="radio"/> All voting decisions <input type="radio"/> Some voting decisions <input type="radio"/> Only abstentions and opposing vote decisions <input type="radio"/> Summary of votes only | |
| <div>Indicate what level of explanation you provide</div> <ul style="list-style-type: none"> <input type="radio"/> Explain all voting decisions <input checked="" type="radio"/> Explain some voting decisions <input type="radio"/> Only explain abstentions and votes against management <input type="radio"/> No explanations provided | | <div>Indicate what level of explanation you provide</div> <ul style="list-style-type: none"> <input type="radio"/> Explain all voting decisions <input checked="" type="radio"/> Explain some voting decisions <input type="radio"/> Only explain abstentions and votes against management <input type="radio"/> No explanations provided | |

LEA 26.4

Indicate how frequently you typically report voting information.

| Reporting to the public | Reporting to clients/beneficiaries |
|--|--|
| <ul style="list-style-type: none"> <input type="radio"/> Continuously (primarily before meetings) <input type="radio"/> Continuously (soon after votes are cast) <input type="radio"/> Quarterly or more frequently <input checked="" type="radio"/> Between quarterly and annually <input type="radio"/> Less frequently than annually <input type="radio"/> Other, specify | <ul style="list-style-type: none"> <input type="radio"/> Continuously (primarily before meetings) <input type="radio"/> Continuously (soon after votes are cast) <input type="radio"/> Quarterly or more frequently <input type="radio"/> Between quarterly and annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Other, specify <p>As required by AMP Capital's clients</p> |

**LEA
26.5**

Describe any other differences in the information being disclosed. [Optional]

AMP Capital publishes a comprehensive Corporate Governance Report twice yearly. These reports are publicly available via AMP Capital's website at www.ampcapital.com/esg or accessible below:

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/corporate-governance-2013-full-year-report.pdf>

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/Corp-Gov-mid-year-report-global.pdf>

The Corporate Governance Report(s) summarise proxy votes cast and provide a general explanation of the relevant issues that arose across the year. The report(s) also provide comprehensive commentary and thought-leadership articles on various ESG themes and engagement topics. For AMP Capital clients that may request additional information, we also provide vote by vote reporting.

Under new guidelines of the Financial Services Council in July 2014 AMP Capital will commence publicly disclosing all votes cast. To date AMP Capital has not disclosed all voting as we considered our 'exception' reporting and the summaries contained in the Corporate Governance Reports to be far more user-friendly than bulk reporting.

- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

AMP Capital Investors

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

FI 01

Mandatory to Report Voluntary to Disclose

Gateway/Peering

PRI 1

FI 01.1

Provide a breakdown of your internally managed fixed income investments by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your fixed income investments, indicate if you would still like to report your activities.

Fixed income – corporate

Strategies

☒ Passive

Percentage of internally managed fixed income - corporate

☒ <10%

Report on your strategies that represents <10% of corporate fixed income

☐ Yes

☒ No

☐ 10-50%

☐ >50%

☒ Active – quantitative (quant)

Percentage of internally managed fixed income - corporate

☒ <10%

Report on your strategies that represents <10% of corporate fixed income

☐ Yes

☒ No

☐ 10-50%

☐ >50%

☒ Active - fundamental and other active strategies

Percentage of internally managed fixed income - corporate

☐ <10%

☐ 10-50%

☒ >50%

Fixed income – government

Strategies

☒ Passive

Percentage of internally managed fixed income - government

☒ <10%

Report on your strategies that represents <10% of government fixed income

☐ Yes

☒ No

☐ 10-50%

☐ >50%

☒ Active – quantitative (quant)

Percentage of internally managed fixed income - government

☒ <10%

Report on your strategies that represents <10% of government fixed income

☐ Yes

☒ No

☐ 10-50%

☐ >50%

☒ Active - fundamental and other active strategies

Percentage of internally managed fixed income - government

☐ <10%

☐ 10-50%

☒ >50%

FI 02

Mandatory to Report Voluntary to Disclose

Peering

General

FI 02.1

Provide a breakdown of your internally managed fixed income investments by credit quality.

| Credit quality | Fixed Income - Corporate | Fixed Income - Government |
|------------------|---|---|
| Investment grade | <input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50% | <input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50% |
| High yield | <input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% | <input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% |
| Distressed | <input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% | <input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% |

FI 02.2

Provide a breakdown of your fixed income investments between primary and secondary market.

| Market | Fixed Income - Corporate | Fixed Income - Government |
|-----------------------------|---|---|
| Primary market (new issues) | <input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50% | <input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% |
| Secondary market | <input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50% | <input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50% |

ESG incorporation in actively managed fixed income

FI 03

Voluntary

Descriptive

PRI 1

FI 03.1

Provide a brief overview of how you incorporate ESG issues in fixed income investments.

AMP Capital believes there are links between an organisation's environmental and social impacts, the quality of its corporate governance, and its long-term business success. In line with our overarching investment philosophy, we believe considering ESG factors within investment decisions provides greater insight into areas of risk and opportunity that will impact the value, performance and reputation of investments we make on behalf of clients. AMP Capital's ESG and Responsible Investment philosophy applies across the business and can be viewed at www.ampcapital.com.au/esg.

The motivation for considering ESG issues within fixed income investments is to offer investors in bonds and corporate credit, increased protection in mitigating downside risks. AMP Capital believes material ESG issues could, under certain scenarios, impact the operating profit and cash flows of companies. In severe cases this could potentially affect the ability of a company to service their debt repayments (risk of default) and adversely impact the company's credit rating.

As tradable instruments, preserving credit quality over time (duration) is an important consideration for fixed income investments. Corporate governance issues are seen as particularly important in understanding both management and overall credit quality, particularly given the links to high profile corporate collapses.

AMP Capital's in house ESG research team supports our Fixed Income investment teams, by raising awareness of the relevance of ESG issues and by undertaking company and sector based analysis. In past year AMP Capital has continued to make further progress in developing systematic processes to integrate ESG considerations particularly in relation to corporate bonds and securities.

The ESG research team undertakes analysis of individual companies and industry sectors. Relevant ESG data and analysis is also sourced from external third parties to provide adequate coverage for international issuers. This ESG analysis is shared directly with AMP Capital's Credit Research and Analysis team for inclusion in our overall credit quality assessments. The ESG Research Team also provides additional ad hoc company and/or sectoral research based on specific requests from the Fixed Income team. This may include for example analysis of carbon pricing on debt instruments within the Australian power sector.

Members of the ESG Research Team and AMP Capital's equities and fixed income investment teams also regularly attend the same meetings with companies and issuers. This provides unique insights on a particular company from both an equity and bondholder perspective and adds to our overall understanding of an issuer's ESG performance.

AMP Capital's objectives in 2013 included developing further systematic approaches for considering ESG factors within corporate bonds and fostering further linkages on company engagement between our equities, fixed income and ESG Research teams.

Our aims going forward include further enhancing our investment teams understanding of ESG issues in a way that contributes meaningfully to fixed income investment analysis. This includes further work in determining materiality and how ESG analysis can serve to increase the understanding of bond pricing and the risks, probability and loss given defaults.

AMP Capital's Sovereign Fixed Income team invests predominantly in Australian bonds and credit with some exposure to global fixed income securities. These funds do not explicitly take into account labour standards or environmental, social and ethical considerations when selecting, retaining or realising investments. Decisions about whether to buy, hold or sell investments are based primarily on economic factors with labour standards, environmental, social and ethical considerations taken into account where they may be seen to have a material impact on the value of an investment.

AMP Capital's Responsible Investment Leaders (RIL) Diversified Fixed Income Fund* offers investors access to global government bonds within a responsible investment framework (ESG overlay). The ESG overlay assesses the environmental, social and governance exposure of sovereign entities and avoids investing in bottom quartile performers.

Assessing overall country ESG performance is based on assessment of a range of relevant indicators including for example:

- water, land, atmosphere and biodiversity indicators,
- work, education and human welfare and equality issues, and
- political rights, civil liberties, governance quality and gender inequality index.

* AMP Capital Funds Management Limited (AMP Capital) ABN 15159557721, is the responsible entity of the AMP Capital Responsible Investment Leaders Diversified Fixed Income Fund and issuer of the Product Disclosure Statement (PDS) for the Fund. To invest, investors will need to obtain the current PDS from AMP Capital before making a decision to acquire, continue to hold or dispose of units in the Fund.

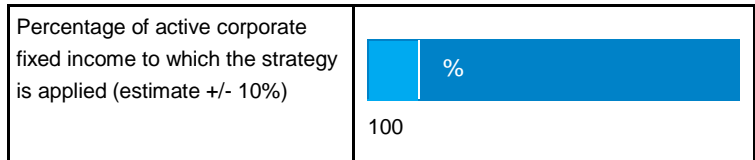
Fixed Income - Corporate

Implementation processes

| FI 04 | Mandatory | Gateway/Core Assessed | PRI 1 |
|---------|--|-----------------------|-------|
| FI 04.1 | Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed corporate fixed income investments; and, (2) the breakdown of your actively managed corporate fixed income investments by incorporation strategy or combination of strategies. | | |

ESG incorporation strategy (select all that apply)

- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☒ Integration alone (i.e. not combined with any other strategies)



- ☐ Screening + Integration strategies
- ☐ Thematic + integration strategies
- ☐ Screening + thematic strategies
- ☐ All three strategies combined
- ☐ No incorporation strategies applied



100%

AMP Capital's ESG and Responsible Investment Philosophy details our commitments and objectives in relation to ESG integration across the business. Our investment teams are responsible for developing and implementing ESG integration techniques that appropriately reflect the characteristics of the asset class. This includes taking account of our client's specific requirements as well as the style and time horizon associated with particular investments or funds.

Our ESG integration approach in Fixed Income has a focus toward corporate governance issues which are clearly linked to management and overall credit quality. Establishing materiality and relationships between environmental and social issues and credit quality can be more challenging in fixed income than other asset classes (e.g. equities).

Our general experience is given the marginal investment risk/return is taken by equity investors, fixed income investments tend to be less leveraged to ESG issues. In bonds the focus is on operating profits and cash flows as a measure of a company's ability to service debt obligations, which are generally not as sensitive to ESG issues. The key challenge includes determining materiality and demonstrating how analysis of ESG issues can serve to reduce the probability and/or loss given default.

There are also some unique challenges associated with engaging issuers on ESG issues. For example where investors don't have voting rights or access is more restricted. We also recognise bonds can be issued for unlisted entities, subsidiaries of larger parent organisations or even project related. This can mean that management and accounting quality issues can often be less transparent. Translating parent company risk onto subsidiaries is also not always a straight forward process.

As a mainstream investment manager AMP Capital also needs to consider scenarios where the interests of bond holders and equity holders can potentially diverge, particularly when companies or issuers are placed under financial stress. Under such scenarios bondholders can take a more risk averse position compared to equity investors.

Determining how ESG risks might be systematically priced into some particular Fixed Income instruments is also challenging. Examples include whether ESG analysis has a role or can add value in understanding risks associated with Fixed Income derivatives. Other key considerations include the time frame (duration) for fixed income investments and the horizon over which some ESG issues might play out.

Our observation and motivation is that currently not all investors are focused on ESG issues, and that risks may not be adequately priced by the market or credit ratings agencies. In recognising the challenges outlined above, AMP Capital believes that focusing on ESG integration can provide opportunities for our investment teams to identify mis-priced securities.

AMP Capital therefore continues to develop and evolve our understanding and approaches to addressing these issues with our own Fixed Income investment teams. Through our active participation in the Principles for Responsible Investment (PRI) Fixed Income Steering Committee we also play an active role in helping address these issues across the broader investment industry. This includes sharing our own experiences and insights and collaborating with other institutional investors to explore the issues, challenges and investment impact of ESG issues within fixed income.

Examples of this collaborative work in 2013 is available via the PRI website or below:

12. Corporate Bonds: Spotlight on ESG Risks:
http://d2m27378y09r06.cloudfront.net/viewer/?file=wp-content/uploads/PRI_CORPORATE_BONDS_SPOTLIGHT_ON_ESG_RISKS_2013.pdf
13. Sovereign Bonds: Spotlight on ESG Risks:
<http://d2m27378y09r06.cloudfront.net/viewer/?file=wp-content/uploads/SpotlightonESGrisks.pdf>

| FI 05 | Voluntary | Additional Assessed | PRI 1 |
|-------|-----------|---------------------|-------|
|-------|-----------|---------------------|-------|

| | |
|---------|---|
| FI 05.1 | Indicate what ESG information you use in your ESG incorporation strategies and who provides this information. |
|---------|---|

Type of ESG information

- ☒ Raw ESG company data

| | |
|--|---|
| | Describe who provides this information. |
|--|---|

AMP Capital's in house ESG Research Team provides most of the research and analysis. Additional coverage for international securities is provided via an external ESG research provider. This includes ESG information and ratings coverage for over 6000 issuers and accounting and governance ratings for over 20,000 issuers.

- ☒ Issuer-related analysis or ratings

| | |
|--|---|
| | Describe who provides this information. |
|--|---|

AMP Capital's in house ESG Research Team provides most of the research and analysis. Additional coverage for international securities is provided via an external ESG research provider. This includes ESG information and ratings coverage for over 6000 issuers and accounting and governance ratings for over 20,000 issuers.

- ☒ Sector-related analysis or ratings

| | |
|--|---|
| | Describe who provides this information. |
|--|---|

AMP Capital ESG Research Team

- ☒ Country-related analysis or ratings

Describe who provides this information.

AMP Capital's in house ESG Research Team provides most of the research and analysis. Additional coverage for international securities is provided via an external ESG research provider. This includes ESG information and ratings coverage for over 6000 issuers and accounting and governance ratings for over 20,000 issuers.

☒ Screened bond list

Describe who provides this information.

AMP Capital ESG Research Team. This is provided in the form of an 'issuer' flag if a company / issuer fails to meet specific mandate requirements (ESG overlay) of the Responsible Investment Leaders Diversified Fixed Income Fund*. This fund is provided through AMP Capital's multi-manager platform.

* AMP Capital Funds Management Limited (AMP Capital) ABN 15159557721, is the responsible entity of the AMP Capital Responsible Investment Leaders Diversified Fixed Income Fund and issuer of the Product Disclosure Statement (PDS) for the Fund. To invest, investors will need to obtain the current PDS from AMP Capital before making a decision to acquire, continue to hold or dispose of units in the Fund

☒ Issue-specific analysis or ratings

Describe who provides this information.

AMP Capital ESG Research Team

☒ Other, specify

Other key stakeholders for example labour (employee) unions, media, various non-government organisations, regulators and policy-makers and industry collaborative networks.

Describe who provides this information.

AMP Capital's ESG Research Team sources relevant information from a range of key stakeholders. In addition to the above this also includes our membership of collaborative networks such as the International Corporate Governance Network (ICGN), Asian Corporate Governance Association (ACGA) and the Investor Group on Climate Change (IGCC).

FI 05.2

Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.

AMP Capital has a dedicated in-house ESG research capability staffed by specialists who provide the majority of ESG research for AMP Capital's investment teams. ESG information is analysed and shared with AMP Capital's Credit Research and Analysis Team in a variety of forms to generate information advantages and exploitable investment ideas.

ESG research is undertaken through meetings with company management which are often attended by fixed income portfolio managers, credit analysts and AMP Capital's ESG research analysts. The ESG team also conducts field trips, participates in relevant industry seminars and undertake desk-based research including issuer-specific, thematic or sector-based analyses.

On occasion the ESG Research Team is asked to provide additional specific analysis on a particular company or to review the impact of certain ESG issues upon a particular sector. This might include analysis of the links between particular corporate governance issues and overall management and credit quality. Other examples the team has addressed include carbon pricing and regulation reviews and analysis of mining related health and safety issues within developing countries.

AMP Capital also utilises external third parties to provide additional ESG related research coverage, primarily for international companies and issuers. This includes ESG information and ratings coverage for over 6,000 companies and accounting and governance ratings (AGR) on over 18,000 companies.

Internal and external ESG analysis is reviewed regularly including if there are material changes to a company / issuer its approach to managing material ESG risks. Quantitative and qualitative information is stored in databases, providing easy to access ESG summaries for our Credit Research and Analysis Team.

ESG integration is facilitated by co-locating the in house ESG Research Team with our equity and fixed income teams. The ESG Research Team provides weekly summaries of ESG-related events and news (international ESG wrap) that may have sector or issuer-specific relevance.

Investor forums and presentations, joint investment team and company meetings are used to expand knowledge transfer and further communicate ESG information and analysis. This allows AMP Capital to provide our fixed income investment team with deeper insights into the investment impact of ESG issues beyond that obtained by sourcing information solely from external data providers.

(C) Implementation: Integration of ESG factors

| | | | |
|-------|-----------|-------------|-------|
| FI 10 | Voluntary | Descriptive | PRI 1 |
|-------|-----------|-------------|-------|

Corporate governance issues are important considerations in understanding management and overall credit quality, particularly given the links to high profile corporate collapses. As tradable instruments, preserving credit quality over time is an important consideration for fixed income investments. In the case of corporate governance, issues such as corruption, transparency of reporting and decision-making, independence of the board and management quality are critical. Where governance issues are questionable AMP Capital will typically refrain from investing.

The materiality of environmental and social issues can vary significantly depending on the nature of the industry sector (e.g. high impact), the specific company and the countries and locations in which they operate. Such issues are considered and integrated into our investment decision-making frameworks through AMP Capital's ESG and Credit Research and Analysis teams.

Integrating ESG considerations within corporate bonds can be approached in a similar way to equities recognising some of the differences and challenges described in FI 04.2. For example in equities taking an optimistic view of stock performance while the focus in fixed income is directed at what ESG issues could adversely impact upon a company or issuer's credit rating.

AMP Capital's focus is on exploring specific ESG industry and company related risks, adopting metric based approaches (ESG scores), the use of third party research providers and ensuring relevant information is accessible and presented to our Credit Research and Analysis team in a meaningful way. AMP Capital employs a top down and bottom up analysis of credit risk including industry dynamics and management quality and conducts its own assessments on the credit worthiness of issuers - that is we develop our own internal credit rating assessments.

AMP Capital's ESG research in Fixed Income focuses on three main areas.

14. Industry Risk - the external socio-economic factors which are shaping the external market / sector in which a company is operating. Such sustainability risks are generally longer term issues, can be negative or positive in terms of impact and, companies within a sector can be strategically positioned differently to these issues. ESG scores are applied reflecting the relative position to specific sustainability factors.
15. Company Risk - considers the internal ESG issues that could affect the company's ability to service its debt obligations. How a company is positioned relative to its industry peers is a key consideration.
16. Country Risk - considers the geographic locations and markets in which the company operates.

Based on the above approach ESG scores (A-F) are produced and shared with the Credit Research and Analysis team to help determine an overall view on a company's creditworthiness. Proprietary tools and systems are used to monitor and share this information and enhance the decision-making process. An ESG stock / issuer 'checker' (database) is usually reviewed as a primary step in the process. The Credit Research and Analysis team may then delve deeper into the issuer scores and engage the ESG Research Team on any additional qualitative insights.

The result is that company issuers are assessed on the impact of any material ESG factors on an individual basis in order to arrive at the best possible analysis from a creditworthiness perspective. Where the Credit Research and Analysis team becomes aware of particular ESG issues at a company they may also request the ESG Research

Team to further investigate the additional issues on their behalf.

As part of the process the ESG Research Team also provides the fixed income investment teams with ESG SWOT analysis, and ESG domestic and international wraps. Signalling changes in risk direction is also an important consideration so positive and negative watch lists are also used and inform our own internal company credit ratings. Issuer flags are provided for the benefit of investors in the AMP Capital Responsible Investment Leaders Diversified Fixed Income fund*. Relevant information is summarised in the Fixed Income Credit Research - Corporate Credit Review for the particular company.

The investment process is therefore focused and team based. Specialists across the business collaborate to present research and investment insights unique to their area of expertise. These insights are then combined to generate a overall view and conviction around key sources of risk in the portfolios.

* AMP Capital Funds Management Limited (AMP Capital) ABN 15159557721, is the responsible entity of the AMP Capital Responsible Investment Leaders Diversified Fixed Income Fund and issuer of the Product Disclosure Statement (PDS) for the Fund. To invest, investors will need to obtain the current PDS from AMP Capital before making a decision to acquire, continue to hold or dispose of units in the Fund.

| | | | |
|-------|-----------|---------------|-------|
| FI 11 | Mandatory | Core Assessed | PRI 1 |
|-------|-----------|---------------|-------|

| | |
|---------|---|
| FI 11.1 | Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies. |
|---------|---|

| ESG issues | Coverage/extent of review on these issues |
|----------------------|---|
| Environmental | <input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues |
| Social | <input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues |
| Corporate Governance | <input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues |

| | |
|----------------|------------------------------------|
| FI 11.2 | Additional information. [Optional] |
|----------------|------------------------------------|

Please refer to FI 10.1 for further information

| | | | |
|--------------|------------------|--------------------|--------------|
| FI 12 | Voluntary | Descriptive | PRI 1 |
|--------------|------------------|--------------------|--------------|

| | |
|----------------|---|
| FI 12.1 | Indicate which processes your organisation uses to ensure that ESG integration is based on a robust analysis. |
|----------------|---|

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Company information and/or ratings on ESG are updated regularly
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

| | |
|----------------|---|
| FI 12.2 | Describe how ESG information is held and used by your portfolio managers. |
|----------------|---|

- ☒ ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ☒ ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- ☒ Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- ☐ Other, specify

| | |
|----------------|-------------------------|
| FI 12.3 | Additional information. |
|----------------|-------------------------|

Please refer to FI 10.1 for further information

Fixed income - Government

| | | | |
|--------------|------------------|----------------------|--------------|
| FI 13 | Mandatory | Core Assessed | PRI 1 |
|--------------|------------------|----------------------|--------------|

| | |
|----------------|---|
| FI 13.1 | Indicate if you incorporate ESG issues in investment analysis and decision making for your government fixed income investments. |
|----------------|---|

☒ Yes

FI 13.2

Indicate for what percentage of your government fixed income investments you incorporate ESG issues in investment analysis and decision making.

- ☐ <10%
☒ 10-50%
☐ 51-90%
☐ >90%

FI 13.3

Indicate if in active strategies, E, S and G issues are reviewed while researching government issuers.

| ESG issues | Coverage/extent of review on these issues |
|----------------------|---|
| Environmental | <input type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues |
| Social | <input type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues |
| Corporate Governance | <input type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues |

FI 13.4

Describe your approach to incorporating ESG issues in government fixed income investments. [Optional]

AMP Capital's Sovereign Fixed Income team invests predominantly in Australian bonds and credit with some exposure to global fixed income securities. These funds do not explicitly take into account governance, labour standards or environmental, social and ethical considerations when selecting, retaining or realising investments. Decisions about whether to buy, hold or sell investments are based primarily on economic factors with governance, labour standards, environmental, social and ethical considerations taken into account where they may be seen to have a material impact on the value of an investment.

AMP Capital's Responsible Investment Leaders (RIL) Diversified Fixed Income Fund* offers investors access to global government bonds within a responsible investment framework (ESG overlay) via a multi-manager platform. The ESG overlay assesses the ESG exposure of sovereign entities and avoids investing in bottom quartile performers.

Assessing overall country ESG performance is based on assessment of a range of relevant indicators including for example:

- water, land, atmosphere and biodiversity indicators,
- work, education and human welfare and equality issues, and
- political rights, civil liberties, governance quality and gender inequality index.

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☐ No

Outputs and outcomes

| FI 15 | Voluntary | Descriptive | PRI 1 |
|----------------|--|-------------|-------|
| FI 15.1 | Indicate how your ESG incorporation strategies have influenced the composition of your fixed income portfolio(s) or investment universe. | | |

Fixed Income - Corporate

- ☐ Narrow down or prioritise the investment universe
- ☐ Buy / sell / weight decisions
- ☒ Other, specify

Analysis of ESG topics has strengthened our conviction on investments in certain companies and sectors. In select cases AMP Capital has decided not to invest.

Fixed Income - Government

- ☒ Narrow down or prioritise the investment universe
- ☐ Buy / sell / weight decisions
- ☐ Other, specify

| | |
|----------------|-------------------------|
| FI 15.2 | Additional information. |
|----------------|-------------------------|

AMP Capital's Responsible Investment Leaders Diversified Fixed Income Fund offers investors access to global government bonds within a responsible investment framework (ESG overlay). The Fund uses country ESG and sustainability ratings as a basis for prioritising the investment universe, focusing on those countries with higher ratings.

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| FI 16 | Voluntary | Descriptive | PRI 1 |
|----------------|--|--------------------|--------------|
| FI 16.1 | Indicate if you believe (by applicable strategy) that incorporating ESG factors has: (a) Impacted funds' financial performance; (b) Reduced funds' risk or volatility; (c) Improved funds' ESG performance. | | |

Fixed Income - Corporate

| | |
|--|--|
| | a) Impacted funds' financial performance |
|--|--|

| | | | |
|--|--|-------------------------------------|--|
| | | Integration of ESG issues | |
| | | <input type="radio"/> Yes | |
| | | <input checked="" type="radio"/> No | |

| | |
|--|--------------------------------------|
| | b) Reduced funds' risk or volatility |
|--|--------------------------------------|

| | | | |
|--|--|--------------------------------------|--|
| | | Integration of ESG issues | |
| | | <input checked="" type="radio"/> Yes | |
| | | <input type="radio"/> No | |

| | |
|--|------------------------------------|
| | c) Improved funds' ESG performance |
|--|------------------------------------|

| | | | |
|--|--|--|--|
| | | Integration of ESG issues | |
| | | <input checked="" type="radio"/> Yes <input type="radio"/> No | |

Fixed Income - Government

a) Impacted funds' financial performance

| | |
|--|--|
| ESG incorporation (for actively managed funds) | |
| <input type="radio"/> Yes <input checked="" type="radio"/> No | |

b) Reduced funds' risk or volatility

| | |
|--|--|
| ESG incorporation (for actively managed funds) | |
| <input type="radio"/> Yes <input checked="" type="radio"/> No | |

c) Improved funds' ESG performance

| | |
|--|--|
| ESG incorporation (for actively managed funds) | |
| <input checked="" type="radio"/> Yes <input type="radio"/> No | |

FI 16.2

Describe how you are able to determine these outcomes and your actual performance.

AMP Capital believes our analysis of ESG considerations within Fixed Income (as outlined in FI 10.1) has enabled our teams to identify certain issues we believe lead to reduced risk and better overall ESG performance.

This is highlighted by recent decisions not to proceed with certain investments based primarily on ESG concerns. In other cases detailed analysis of ESG issues undertaken by AMP Capital's ESG Research Team has helped to raise awareness of ESG factors impacting businesses in key sectors and strengthened our conviction to retain certain investments within our portfolio.

In terms of government bonds we believe the consideration of ESG country sustainability ratings (ESG overlay) for the AMP Capital Responsible Investment Leaders Diversified Fixed Income Fund* provides a better quality universe of countries from which to invest in from an ESG perspective.

Further detail of these examples are provided in FI 17.1

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FI 17**Voluntary****Descriptive****PRI 1****FI 17.1**

Provide examples of ESG issues that affected your fixed income investment view and/or performance during the reporting year.

☒ ESG issue 1

| | |
|--|--|
| | Fixed Income - Corporate and/or Government |
| <input checked="" type="checkbox"/> Corporate <input type="checkbox"/> Government | |
| | ESG issue and explanation |
| Community concerns over local pollution control by a global mining company (high impact sector) operating in a developing country and the company's corporate environmental disclosure record. | |
| | ESG incorporation strategy applied |
| <input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies | |
| | Impact on investment view or performance |
| Did not proceed with investment | |

☒ ESG issue 2

| | |
|--|--|
| | Fixed Income - Corporate and/or Government |
| <input checked="" type="checkbox"/> Corporate <input type="checkbox"/> Government | |
| | ESG issue and explanation |
| Concerns over governance issues for long dated securities for a company within the infrastructure sector. This included board independence issues and the impact this could have on the company's credit rating. | |
| | ESG incorporation strategy applied |
| <input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies | |
| | Impact on investment view or performance |
| Did not proceed with investment | |

☒ ESG issue 3

| | |
|---|--|
| | Fixed Income - Corporate and/or Government |
| <input checked="" type="checkbox"/> Corporate <input type="checkbox"/> Government | |
| | ESG issue and explanation |
| <p>Concerns over governance issues for long dated securities for a company within the engineering services sector. This included concerns over management quality and integrity issues and the impact this could have on the company's credit rating.</p> | |
| | ESG incorporation strategy applied |
| <input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies | |
| | Impact on investment view or performance |
| <p>Did not proceed with investment</p> | |

☒ ESG issue 4

| | |
|--|--|
| | Fixed Income - Corporate and/or Government |
| <input checked="" type="checkbox"/> Corporate <input type="checkbox"/> Government | |
| | ESG issue and explanation Uncertainty over the impact of carbon pricing regulation upon investments within the Australian energy sector. |
| | ESG incorporation strategy applied <input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies |
| | Impact on investment view or performance Detailed analysis undertaken of carbon policy framework, price impacts, and industry transitional assistance measures. This led to deeper investment insights and better understanding and conviction regarding investments within the Australian energy sector. |

☐ ESG issue 5

Communication

| | | | |
|-------|-----------|---------------|---------|
| FI 18 | Mandatory | Core Assessed | PRI 2,6 |
|-------|-----------|---------------|---------|

| | |
|---------|--|
| FI 18.1 | Indicate if your organisation proactively discloses information on your approach to ESG incorporation in all fixed income investments. |
|---------|--|

☒ We disclose it publicly

| | |
|--|-------------|
| | Provide URL |
|--|-------------|

<http://www.ampcapital.com/esg>

| | |
|---------|---|
| FI 18.2 | Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries. |
|---------|---|

☐ Yes

☒ No

| | |
|---------|--|
| FI 18.3 | Indicate the information your organisation proactively discloses to clients/ beneficiaries and/or the public regarding your approach to ESG incorporation. |
|---------|--|

| Reporting to public | Reporting to clients/beneficiaries |
|---|---|
| <input checked="" type="radio"/> Broad approach to ESG incorporation <input type="radio"/> Detailed explanation of ESG incorporation strategy used | <input checked="" type="radio"/> Broad approach to ESG incorporation <input type="radio"/> Detailed explanation of ESG incorporation strategy used |

FI 18.4

Indicate how frequently you typically report this information.

| Reporting to public | Reporting to clients/beneficiaries |
|--|---|
| <input type="radio"/> Quarterly or more frequently <input type="radio"/> Between quarterly and annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Other, specify AMP Capital's website www.ampcapital.com/esg includes information on ESG integration across asset classes and is updated periodically as required. | <input type="radio"/> Quarterly or more frequently <input type="radio"/> Between quarterly and annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Other, specify e.g. a review of portfolio holdings and ESG engagements occurs at RIL Committee meetings twice a year for the RIL Range of funds. |

☐ We disclose it to clients/beneficiaries only

☐ We do not proactively disclose it to the public and/or clients/beneficiaries

Engagement in fixed income investments

Fixed Income - Corporate

| FI 19 | Voluntary | Descriptive | PRI 2 |
|-------|-----------|-------------|-------|
|-------|-----------|-------------|-------|

FI 19.1

Indicate if you engage with corporate issuers.

☒ Yes

FI 19.2

Describe your organisation's approach to engagement in corporate fixed income.

When AMP Capital raises ESG issues with companies we generally outline why we think, from an investors perspective, a particular ESG issue to be important. Similarly, how a particular company responds to a discussion on an ESG issue we raise is also used in our assessment of a company's overall ESG performance.

For corporate governance related issues, AMP Capital will typically outline specific changes we would like to see occur at the company and AMP Capital will track these issues on an annual basis. Monitoring of other ESG related issues, is generally undertaken as part of our review of ESG performance of the company or via subsequent meetings with the company's management.

AMP Capital's ESG Research Team will often attend company meetings with representatives from AMP Capital's equities and fixed income investment teams. These meetings enable our ESG specialists to raise relevant issues with the company at the same time, sharing our ESG insights with members of AMP Capital's Credit Research and Analysis and broader investment team.

AMP Capital may also write letters to companies engaging them on a specific ESG issue or discuss such issues openly with the company's management or members of the Board. AMP Capital also engages with companies at a more general or industry level through our involvement in collaborative networks and initiatives.

In addition to following a company's announcements to the market, AMP Capital will also regularly meet with management to follow up on ESG related issues discussed in any previous meetings.

AMP Capital's ESG Research Team maintains a database which covers:

- the date of engagement
- the company engaged
- the method of engagement (direct, via letter etc)
- who undertook the engagement
- ESG issues covered.

☐ No

Fixed Income - Government

| FI 20 | Voluntary | Descriptive | PRI 2 |
|---------|---|-------------|-------|
| FI 20.1 | Indicate if you engage with government issuers such as government departments (national or local), agencies and other entities in order to influence their approach to ESG issues that may affect creditworthiness. | | |

☐ Yes

☒ No

AMP Capital actively contributes to, and engages in, public policy and industry debates on relevant ESG topics. This occurs via one on one meetings with government officials (including at the Ministerial level). We also participate through various industry collaborative networks. This includes for example organisations such as the Australian Financial Services Council (FSC), Investor Group on Climate Change (IGCC) and the Asian Corporate Governance Association (ACGA). Meetings with government officials are generally focused on sharing investor perspectives on ESG topics, areas of new or potential regulation or advocating for the advancement of ESG related disclosure frameworks.

AMP Capital Investors

Reported Information

Public version

Direct - Property

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

PR 01

Mandatory to Report Voluntary to Disclose

Gateway/Peering

General

PR 01.1

Provide a breakdown of your organisation's internally managed property investments by equity and debt.

Property investments instruments

☒ Equity investments

| Property investment instruments | Percentage of your internally managed property investments (in terms of AUM) |
|---------------------------------|--|
| Equity investments | <p><input checked="" type="radio"/> >50%</p> <p><input type="radio"/> 10-50%</p> <p><input type="radio"/> <10%</p> |

PR 01.2

Indicate the level of ownership you typically hold in your property investments.

- ☒ a majority stake (>50%)
- ☐ a 50% stake
- ☐ a significant minority stake (between 10-50%)
- ☐ a limited minority stake (<10%)
- ☐ a mix of ownership stakes

☐ Debt investments

Total 100%

☐ N/A, we manage properties, new constructions and/or refurbishments on behalf of our clients, but do not hold equity or debt in property on their behalf

PR 01.3**Additional information. [Optional]**

AMP Capital is one of the largest real estate fund managers in the Asia Pacific, with 50 years of experience in real estate investment. Delivering investment performance for our clients is our central focus and driving motivation. AMP Capital supports an in-house real estate management model aimed at day to day funds management, asset management, property management and development management capabilities.

Our real estate funds have varying mandates of which AMP Capital has the ability to make investment decisions on behalf of our clients, as the responsible entity. For AMP Capital, there is no major difference in our approach between minority and majority stakes. All property investments acquired are considered by the property investment committee (PIC) and all investments are analysed for investment performance prior to investment. ESG considerations are considered regardless of the majority or minority stake.

Co-ownership agreements exist between parties in relation to properties which are jointly owned. These agreements govern the relationship between co-owners and can dictate the mechanism to approve property budgets, including capital expenditure and the voting entitlements of co-owners on substantive matters relating to the management of jointly owned property. In general, major decisions require unanimous support of co-owners, thereby ensuring the interests of investors are reflected in the management of the assets.

AMP Capital's Property division views real estate investment as a long term asset class, with some assets being managed for up to 50 years.

PR 02**Mandatory to Report Voluntary to Disclose****Gateway/Peering****General****PR 02.1**

Provide a breakdown of your organisation's property assets based on who manages the assets.

| Property assets managed by | Breakdown of your property assets (by number) |
|--|---|
| Managed directly by your organisation | <input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0% |
| Managed via third-party property managers appointed by you | <input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0% |
| Managed by other investors or their property managers | <input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0% |
| Total | 100% |

PR 02.2 Additional information. [Optional]

At AMP Capital more than 50% of assets are managed through our internal management model. This includes funds management, asset management, property management, operations and facility management, and development management. Less than 10% (predominantly from our industrial portfolio and Western Australian commercial assets) are managed by third party property managers. This involves the day to day operations of the asset, however AMP Capital Property maintains both asset and funds management functions in relation to these assets. Less than 10% of the assets are managed by other investors through co-ownership arrangements. AMP Capital Property also maintains asset and funds management functions across these assets.

| PR 03 | Voluntary | Descriptive | General |
|-------|-----------|-------------|---------|
|-------|-----------|-------------|---------|

PR 03.1 Indicate up to three of your largest property types by AUM.

| Types | Main property types (by AUM) |
|------------------------------|--|
| Largest property type | <input type="radio"/> Industrial <input checked="" type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify |
| Second largest property type | <input type="radio"/> Industrial <input type="radio"/> Retail <input checked="" type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify |
| Third largest property type | <input checked="" type="radio"/> Industrial <input type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify |

| | | | |
|-------|-----------|-------------|---------|
| PR 04 | Voluntary | Descriptive | PRI 1-6 |
|-------|-----------|-------------|---------|

PR 04.1

Provide a brief overview of your organisation's approach to responsible investment in property where you have equity stakes.

AMP Capital recognises that real estate is a long term asset class. Our ESG and responsible investment philosophy is centred on delivering sustainable, long term performance by ensuring our clients' investments remain relevant, both now and in the future, and adaptable to changing life cycles, markets, client and customer expectations.

AMP Capital's approach to ESG management has its foundations in the following principles:

- Delivering investment performance for our clients. This is our central focus and driving motivation; and
- Our fiduciary duty to act in the best interests of our clients.

Effective management of ESG risks is fundamental to the long term investment performance of our clients' investments. AMP Capital believes that consideration of ESG factors should be woven into day-to-day property and asset management and is the responsibility of the entire investment team.

Our real estate investment professionals are supported by AMP Capital's unified investment house in the identification and management of ESG considerations and impacts, ensuring the experience, depth and breadth of our portfolio management capability is leveraged effectively. AMP Capital's vertically integrated management model provides us with unique opportunities to ensure a unified approach to ESG management across the investment process, including benchmarking performance, sharing insights across the real estate management disciplines, enabling our team to keep abreast of industry best practice, legal and compliance requirements and reporting and disclosure obligations.

PR 05**Mandatory****Core Assessed****PRI 1-6****PR 05.1**

Indicate if your organisation has a Responsible Property Investment (RPI) policy.

☒ Yes

PR 05.2

Provide a URL if your RPI policy is publicly available. [Optional]

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/amp-capital-real-estate-esg-and-responsible-investment-guidelines.pdf>

☐ No

PR 05.3

Additional information. [Optional]

AMP Capital's ESG and Responsible Investment Guidelines is a policy document which governs ESG integration across our entire property portfolio including internally and externally managed assets. Regardless of whether an asset is internally or externally managed, any potential ESG issue affecting one particular asset may have the potential to impact the entire fund which that asset sits within or our funds managed by AMP Capital.

Fundraising of property funds

| | | | |
|-------|-----------|---------------|-----------|
| PR 06 | Mandatory | Core Assessed | PRI 1,4,6 |
|-------|-----------|---------------|-----------|

PR 06.1

Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

☒ Yes

PR 06.2

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

☒ Policy and commitment to responsible investment

- ☒ Always
- ☐ In a majority of cases
- ☐ In a minority of cases

☒ Approach to ESG issues in pre-investment processes

- ☒ Always
- ☐ In a majority of cases
- ☐ In a minority of cases

☒ Approach to ESG issues in post-investment processes

- ☒ Always
- ☐ In a majority of cases
- ☐ In a minority of cases

PR 06.3

Describe how your organisation refers to responsible investment for property funds in fund placement documents (PPMs or similar). [Optional]

A summary of AMP Capital's Real Estate ESG and Responsible Investment philosophy is provided within the investment memorandums distributed to investor clients or potential investor clients. This summary is used to introduce our ESG philosophy, which can be supported by documentation and case studies.

☐ No

| | | | |
|-------|-----------|---------------------|-------|
| PR 07 | Voluntary | Additional Assessed | PRI 4 |
|-------|-----------|---------------------|-------|

| | |
|----------------|---|
| PR 07.1 | Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in property when requested by clients. |
|----------------|---|

- ☐ We always make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☒ In a majority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a minority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ We do not make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ Our clients do not request us to make formal commitments to responsible investment in property

| | |
|----------------|-------------------------|
| PR 07.2 | Additional information. |
|----------------|-------------------------|

Whether through fund formation contracts, LPA's or side letters, AMP Capital Property makes formal commitments to ESG and responsible investment surrounding the improved environmental performance of our real estate portfolio, support of the local communities we represent and the governance practices we maintain to ensure that our clients investments are managed in a way which reduces any risk to the asset or portfolio.

Pre-investment (selection)

| | | | |
|--------------|------------------|----------------|--------------|
| PR 08 | Mandatory | Gateway | PRI 1 |
|--------------|------------------|----------------|--------------|

| | |
|----------------|--|
| PR 08.1 | Indicate if your organisation typically incorporates ESG issues when selecting property investments. |
|----------------|--|

- ☒ Yes

PR 08.2

Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]

The consideration of ESG factors begins at the earliest stage of the investment process. Key ESG opportunities, risks and potential impacts are identified as part of the Fund's due diligence on a potential acquisition. The due diligence process is managed by the Property Transactions Team in conjunction with the Fund Manager and Asset Management Team as the entity responsible for managing and maximising value and performance of the asset. The Property Transactions Team may appoint external advisors where specialist skills or technical knowledge is required, including for example, engineers or environmental consultants.

Part of the due diligence process also involves the determination of ESG derived risks and opportunities that currently or may potentially materialise over the investment horizon. This includes consideration of various markets and sectors, and broader factors including changes in government policy, legislation, tenancy demand and investor sentiment. These risks, once identified, play a role in assessing asset pricing, our potential to effectively manage these risks and, whether to proceed with the acquisition. ESG issues also form a key part of the Fund's recommendation to dispose of an asset if these issues could not be managed in a manner beneficial to our client's interests.

All recommendations to invest in real estate by the Property Transaction Team are brought forward to the Property Investment Committee, inclusive of any ESG issues raised. The potential acquisition is scrutinised to ensure that the incoming asset is accretive to the fund and that ESG issues will not negatively impact the investment or other investments within the fund. This review at acquisition stage leads into the management of the asset post investment.

Our ESG strategy and investment strategy do not differ from one another. Our ESG strategy is aligned to our overall asset strategy to ensure maximum investment performance is achieved and inherent risks are minimised.

☐ No

| PR 09 | Voluntary | Descriptive | PRI 1,4 |
|----------------|--|-------------|---------|
| PR 09.1 | Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the property investment selection process. | | |

☒ Internal staff

☒ Specify role

National Sustainability Manager

☒ Specify role

National Operations Group

- ☐ Specify role
- ☒ External resources
 - ☒ Environmental advisors
 - ☐ Social advisors
 - ☐ Corporate governance advisors
 - ☒ Regulatory and/or legal advisors
 - ☐ Other, specify type of advisors/roles
- ☐ No use of internal or external advice on ESG issues

| | |
|----------------|--------------------------------|
| PR 09.2 | Additional information. |
|----------------|--------------------------------|

AMP Capital's Property Transactions Team may appoint internal and external advisors where specialist skills or technical knowledge is required, including for example, engineers or environmental consultants. These advisors assist in uncovering historical issues associated with the asset which may potentially impact the overall investment. This may include investigation of potential contamination issues, technical life cycle of the assets equipment, legal or planning implications e.g. heritage listings or government notices of rectification.

The Property Transactions Team includes funds management executives, transaction manager, asset manager, operations, sustainability manager, debt advisory, tax advisors and development managers where required. Each is required to lend their specific expertise to reviewing the incoming asset to ensure any potential ESG issues are raised and investigated. Each internal expert can appoint an external expert to provide additional advice and coverage. These roles are not specific to the various assets types invested in.

| | | | |
|--------------|------------------|----------------------|----------------|
| PR 10 | Mandatory | Core Assessed | PRI 1,3 |
|--------------|------------------|----------------------|----------------|

| | |
|----------------|---|
| PR 10.1 | Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue. |
|----------------|---|

ESG issues

- ☒ Environmental

| |
|---|
| List up to three typical examples of environmental issues |
|---|

Potential impacts of climate change upon the investment
 Potential site and surrounding area contamination
 Operational efficiency and benchmarking

- ☒ Social

| |
|--|
| List up to three typical examples of social issues |
|--|

Workplace health & safety impacts
 Community engagement and prosperity
 Privacy

List up to three typical examples of governance issues

Co-ownership and third party agreements
 Legal aspects associated with the asset
 Risk and compliance reporting structure

PR 10.2

Additional information. [Optional]

Environment - AMP Capital Property manages some of Australia's largest commercial and retail assets, with mandatory reporting under Commercial Building Disclosure, National Greenhouse and Energy Reporting, and Energy Efficiency Opportunity legislation. AMP Capital is naturally concerned with our impact on the environment and are focused on meaningfully looking for ways of reducing environmental impacts. This may include building energy efficiency, remediation of contaminated sites and ensuring appropriate environmental benchmarking tools are used to measure an individual assets or funds environmental performance.

Social - Assets managed by AMP Capital can have a large dependency on the local community in which they are located (e.g. retail assets). This can include tenants, employees, contractors, service providers and the general public. It is therefore necessary for AMP Capital to measure the satisfaction of our tenants and the public so we can ensure we are meeting the demands and expectations of the local community. It is also necessary to ensure the health and safety of employees and the public who come into contact or utilise our assets. we ensure we maintain any personal details as private according to any relevant privacy legislation.

Governance - AMP Capital Property maintains an internally managed structure with committees and boards that carry the oversight responsibility of managing various legal and operating aspects of investing into real estate for AMP Capital's clients. These structures include the Property Investment Committee which reviews major decisions (e.g. acquisitions), Property Business Risk and Compliance Committee which reviews and monitors potential risks at the asset level (e.g. workplace health & safety).

PR 11

Voluntary

Additional Assessed

PRI 1,3

| | |
|----------------|--|
| PR 11.1 | Indicate what type of ESG information your organisation typically considers during your property investment selection process. |
|----------------|--|

- ☒ Raw data from the target property asset/company
- ☒ Appraisals/audits
- ☒ Benchmarks/ratings against similar property asset
- ☐ Country level data/benchmarks
- ☒ Data aligned with established property reporting standards, industry codes and certifications
- ☐ International initiatives, declarations or standards
- ☒ Data from engagements with stakeholders (e.g. tenants and local community surveys)
- ☒ Information from external advisers
- ☐ Other, specify
- ☐ We do not track this information

| | |
|----------------|-------------------------|
| PR 11.2 | Additional information. |
|----------------|-------------------------|

AMP Capital uses its internal advisors and ESG specialists to act as consultants over broader ESG aspects of an investment. External advisors are used to identify more granular information of particular issues which may present a greater impact on the overall investment.

External sources of information include, but are not limited to government agencies, consultants (e.g. valuation), legal and tax advisors and existing property owners.

| | | | |
|--------------|------------------|----------------------------|--------------|
| PR 12 | Voluntary | Additional Assessed | PRI 1 |
|--------------|------------------|----------------------------|--------------|

| | |
|----------------|---|
| PR 12.1 | Indicate if ESG issues impacted your property investment selection process during the reporting year. |
|----------------|---|

- ☒ ESG issues helped identify risks and/or opportunities for value creation
- ☒ ESG issues led to the abandonment of potential investments
- ☒ ESG issues impacted the investment in terms of price offered and/or paid
- ☐ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☒ ESG issues were considered but did not have an impact on the investment selection process
- ☐ Other, specify
- ☐ We do not track this potential impact

PR 12.2**Additional information.**

ESG issues have helped AMP Capital to better understand the potential investment impact of particular assets. For example:

- Opportunity identification, where purchasing an asset and improving community engagement and interaction can lead to the unlocking of additional asset value (e.g. installing end of trip facilities to improve tenant wellbeing and amenity improvements leading to longer lease terms)
- Abandonment of an investment targeted for acquisition due to levels of contamination requiring remediation.
- Altered price offered/paid due to understanding the lifecycle of the asset and necessary capital expenditure to be spent in order to mitigate potential risks associated with climate change.

Selection, appointment and monitoring third-party property managers

PR 13**Mandatory****Core Assessed****PRI 4****PR 13.1**

Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.

☒ Yes

PR 13.2

Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.

- ☒ Selection process of property managers incorporated ESG issues
- ☐ For all third party property managers
 - ☐ For a majority of property managers
 - ☒ For a minority of property managers
- ☐ Contractual requirements when appointing property managers includes ESG issues
- ☒ Monitoring of property managers covers ESG responsibilities and implementation
- ☐ For all third party property managers
 - ☐ For a majority of property managers
 - ☒ For a minority of property managers

PR 13.3

Provide a brief description of your organisation's selection, appointment and monitoring of third party property managers. [Optional]

The majority of AMP Capital's real estate portfolio is managed by two in-house Property Management Groups including Office& Industrial and Shopping Centres. In some locations (e.g. Western Australia) where AMP Capital Property does not have on ground staff, we look to appoint external agents to undertake these duties. Appointment of these agents is via tender processes which include ESG criteria as a consideration in the selection process. A small number of agents are also appointed primarily based upon their geographical or specific knowledge of a particular asset.

ESG issues which external agents are responsible for include, may include for example energy, water and waste efficiency, community engagement, tenant satisfaction, workplace health and safety, contract management and community / stakeholder engagement.

Regular asset inspections are conducted by AMP Capital with the third party property managers and strategies are then set for property managers to implement. This might include targeted improvements and capital expenditure to enhance an assets environmental performance ratings (e.g. energy, water, waste) as part of a new leasing campaign.

PR 13.4

Describe how your third party property managers contribute to the management of ESG issues for your property investments. [Optional]

ESG related risk evaluations are managed in house by AMP Capital at various points in the investment and asset management process, even in circumstances where an external property manager has been appointed. Operational performance objectives and aspirations (e.g. improvements to NABERS energy, waste, water ratings) are set and strategies put in place to achieve these ratings via mutually agreed asset-specific Environmental Strategy documents.

☐ No

Post-investment (monitoring and active ownership)

Overview

PR 14

Mandatory

Gateway

PRI 2

PR 14.1

Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

☒ Yes

PR 14.2

Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- ☒ We consider ESG issues in property monitoring and management
- ☒ We consider ESG issues in property developments and refurbishments
- ☒ We consider ESG issues in property occupier engagements
- ☒ We consider ESG issues in community engagements related to our properties
- ☐ We consider ESG issues in other post-investment activities, specify

PR 14.3

Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets. [Optional]

Effective management of ESG risks is fundamental to the long term investment performance of our clients' assets. AMP Capital believes consideration of ESG factors should be woven into day-to-day property and asset management and is the responsibility of the entire investment team. Identification, analysis and management of ESG risks and opportunities is undertaken as part of the active asset and property management process.

Outlined below is a set of processes and tools that assist AMP Capital in the active management of investment risks:

17. Life-cycle audits are undertaken to provide better understanding of an asset's "biological" age based on current state of repair.
18. An environmental strategy is typically completed for every asset within the managed portfolio. The strategy, is aligned to the overall asset strategy and sets performance standards benchmarked using the NABERS (National Australian Built Environment Rating System).
19. In depth research, including demographic analysis and tenant satisfaction surveys.
20. Regular performance analysis, taking into account ESG risks and opportunities, including monitoring progress against environmental performance targets and compliance with legislative and internal policy requirements. The management of assets according to a strategy that takes into consideration ESG risks and opportunities, ensures that long-term, sustainable performance is achieved for our clients.

AMP Capital's relationships with our tenants and retailers are paramount to the sustainable management of our clients' assets. We work with stakeholders to ensure we are able to meet their long term accommodation needs, and ensuring we provide a safe, healthy ambient environment for their business to operate within.

In order to gauge how well we are meeting our tenants' expectations and to best understand their needs, we undertake regular tenant engagement surveys, capturing feedback from most of the office portfolio's tenants and many of our national retailers in our shopping centre portfolio. These survey results help us better focus our attention on continuously improving our relationships with tenants and in turn, the investment performance of our clients' assets. AMP Capital also engages with our tenants on various sustainability initiatives and provide education sessions, including recycling efforts, asset security and safety training.

AMP Limited (AMP Capital's parent company) was established over 160 years ago with a philosophy of helping Australians and New Zealanders to take control of their financial futures. In keeping with this original motivation, and through leveraging our scale as a real estate investment manager, AMP Capital aims to forge and maintain strong connections with the communities in which our assets are located. This is demonstrated through a comprehensive range of community support, community engagement, philanthropic and charitable initiatives carried out by our own investment and management teams across our portfolios.

Whether proposing development on green-field or existing sites, or redeveloping and evolving an existing asset in the portfolio for longer-term investment performance, AMP Capital's Development Team considers ESG factors throughout the development process. Development and refurbishments consider ESG factors to manage risks as well as help ensure the final development meets the needs of

future occupants. Green Star ratings are some of the measures used to assess ESG factors, as well as AMP Capital's own policies.

Master-planning of a new asset's development or redevelopment takes into consideration the interactions and impacts of the asset on its occupants (tenants) as well as the surrounding environment. Studies considering environmental impacts, impact on transport, ground plane activation, over-shadowing, local demographics and the impact on services such as sewerage and the electricity network are all considered in the design and feasibility phase of a development.

As the process progresses, ESG factors are again considered during the construction contract and may include prescriptive requirements associated with the demolition process, use of recycled materials, choice of new plant and equipment, safety of contractors, and impact on tenants and neighbouring communities.

☐ No

Property monitoring and management

PR 15

Mandatory

Core Assessed

PRI 2,3

PR 15.1

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- ☒ >90% of property assets
- ☐ 51-90% of property assets
- ☐ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

PR 15.2

Indicate ESG issues for which your organisation, and/or property managers, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

ESG issues

☒ Environmental

List up to three example targets per issue

Energy and water efficiency
Waste reduction
Benchmarking (e.g. NABERS, GRESB)

☒ Social

List up to three example targets per issue

Tenant satisfaction
Customer satisfaction

Workplace health and safety

☒ Governance

List up to three example targets per issue

Financial reporting

Auditing and assurance

☐ We do not set and/or monitor against targets

PR 15.3 Additional information. [Optional]

Environmental strategies and targets are documented for all assets. Monitoring for performance occurs in various forms. This can include NABERS energy and water ratings, GreenStar ratings, waste diversion from land-fill, community engagement, charitable activities and financial donations, social events, and outsourced tenant surveys. Health, safety and regulatory compliance performance is formally reported to the AMP Capital Holdings Board on a quarterly basis and the implementation framework is formally audited on an annual basis.

ESG targets and strategies are built upon market parameters (environmental benchmarking) or to ensure service excellence.

In the case of environmental targets, energy, water and waste targets are set depending on market parameters, which includes an analysis of the performance on competitor buildings. This analysis is important for commercial buildings as high performance ratings are within the top five key attributes that tenants review when moving to new office locations.

In the event that a building performance rating is lagging, strategies are built to improve efficiency and can incorporate a wide variety of initiatives. Benchmarking is renewed annually and compared to market to ensure that the asset maintains market relevance.

| PR 16 | Voluntary | Additional Assessed | PRI 2 |
|-------|-----------|---------------------|-------|
|-------|-----------|---------------------|-------|

PR 16.1 List the certification schemes, ratings and/or benchmarks your property assets are assessed against and what proportion of your property assets they apply to.

☒ Add certification scheme, rating and benchmark 1

| | |
|--|---|
| Specify | NABERS |
| Proportion of property assets these apply to | <p> <input type="radio"/> >90% of property assets <input checked="" type="radio"/> 51-90% of property assets <input type="radio"/> 10-50% of property assets <input type="radio"/> <10% of property assets </p> <p>(in terms of number of property assets)</p> |

☒ Add certification scheme, rating and benchmark 2

| | |
|--|--|
| Specify | Green Star |
| Proportion of property assets these apply to | <input type="radio"/> >90% of property assets <input type="radio"/> 51-90% of property assets <input type="radio"/> 10-50% of property assets <input checked="" type="radio"/> <10% of property assets (in terms of number of property assets) |

☒ Add certification scheme, rating and benchmark 3

| | |
|--|--|
| Specify | Global Real Estate Sustainability Benchmark |
| Proportion of property assets these apply to | <input checked="" type="radio"/> >90% of property assets <input type="radio"/> 51-90% of property assets <input type="radio"/> 10-50% of property assets <input type="radio"/> <10% of property assets (in terms of number of property assets) |

| | |
|---------|-------------------------|
| PR 16.2 | Additional information. |
|---------|-------------------------|

NABERS energy and water ratings are conducted across all office and retail assets which fit the rating protocol. As at the end of 2013, 68% of assets had a NABERS rating completed. 100% of the portfolio could not be rated as NABERS doesn't cover industrial assets or shopping centres below 15,000sqm.

Green Star ratings are conducted across new developments and major refurbishments only.

GRESB is assessed for four of AMP Capital's core funds and two private client funds. These surveys combined cover majority of the property portfolio assessed.

Property developments and refurbishments

| | | | |
|-------|-----------|---------------|-------|
| PR 17 | Mandatory | Core Assessed | PRI 2 |
|-------|-----------|---------------|-------|

| | |
|---------|---|
| PR 17.1 | Indicate the proportion of active property developments and refurbishments where ESG issues have been considered. |
|---------|---|

- ☒ >90% of active developments and refurbishments
- ☐ 51-90% of active developments and refurbishments
- ☐ 10-50% of active developments and refurbishments
- ☐ <10% of active developments and refurbishments
- ☐ N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)

PR 17.2

Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.

- ☒ Minimum environmental site selection requirements
- ☒ Minimum environmental site development requirements
- ☒ Sustainable construction materials
- ☒ Minimum water efficiency requirements
- ☒ Minimum energy efficiency requirements
- ☒ Energy generation from on-site renewable sources
- ☒ Waste management plans at sites
- ☒ Health and safety management systems at sites
- ☒ Construction contractors comply with sustainability guidelines
- ☒ Other, specify

development phase governance e.g. Development Control Group

PR 17.3

Additional information. [Optional]

Further information in relation to the above includes:

- Minimum environmental site selection - our refurbishment and development works surround existing assets within the portfolio in suburban and CBD locations which do not impact the surrounding biodiversity.
- Minimum environmental site development - sites which are developed and refurbished are remediated of any hazardous materials.
- Sustainable construction materials - in developing and refurbishing assets, sustainable materials are used such as low VOC products, recycled materials and reuse of existing building components are considered. This is also reflected through the use of Green Star accreditation.
- Minimum water& energy efficiency requirements - targets for water and energy operations are established through the design stage
- Onsite renewable energy generation - with the return on investment improving, a greater use of solar electricity generation is installed on site
- Waste management plans - demolished materials are where possible diverted from landfill. Development and refurbishment designs incorporate waste management strategies for the ongoing operations of the asset to divert operational waste from landfill.
- Health and safety - health and safety systems and procedures are a critical part of the development and refurbishment process, not just for construction workers but for ensuring the public are also kept safe when moving around the locality of the asset.
- Construction contractors sustainability guidelines - sustainability requirements to be administered by the construction contractors are specified within contracts.
- Other - Development Control Group - the purpose of the development control group is to provide a governance framework to ensure the development is managed appropriately.

Occupier engagement

PR 18

Mandatory

Core Assessed

PRI 2

PR 18.1

Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.

- ☒ >90% of occupiers
☐ 51-90% of occupiers
☐ 10-50% of occupiers
☐ <10% of occupiers

(in terms of number of occupiers)

PR 18.2

Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.

- ☒ Distribute a sustainability guide to occupiers
☒ Organise occupier events focused on increasing sustainability awareness
☒ Deliver training on energy and water efficiency
☒ Deliver training on waste minimisation
☒ Provide feedback on energy and water consumption and/or waste generation
☒ Provide feedback on waste generation
☒ Carry out occupier satisfaction surveys
☐ Other, specify

PR 18.3

Additional information. [Optional]

Further information in relation to the above includes:

- Sustainability guides in the form of tenancy fitout guidelines are provided to all incoming tenants.
- Occupier events - building connection events educating occupiers on sustainability. This includes quarterly meetings between property managers and tenants, support for Earth Hour, National Recycling Week and World Green Building Week.
- Energy and water efficiency training - this training occurs through building connection events and through newsletters to occupiers whereby we discuss performance of the asset and tenancies.
- Waste minimisation training - similar to energy and water efficiency training, this occurs through building connection events, newsletters as well as tenancy walk throughs by waste contractors.
- Energy and water consumption feedback - delivered through building connection events, newsletters and events such as World Green Building week where we communicate the environmental performance of our assets.
- Occupier satisfaction surveys - this is carried out annually to understand how occupiers feel about the space that they occupy. Surveys take in a broad range of aspects, from sustainability to building amenities and operations.

PR 19

Voluntary

Additional Assessed

PRI 2

| | |
|----------------|---|
| PR 19.1 | Indicate the proportion of all leases signed during the reporting year that used green leases or the proportion of Memoranda of Understandings (MoUs) with reference to ESG issues. |
|----------------|---|

- ☐ >90% of leases or MoUs
- ☐ 51-90% of leases or MoUs
- ☐ 10-50% of leases or MoUs
- ☒ <10% of leases or MoUs
- ☐ 0% of leases or MoUs
- ☐ N/A, no leases or MoUs were signed during the reporting year

(in terms of number of leases or MoUs)

| | |
|----------------|-------------------------|
| PR 19.2 | Additional information. |
|----------------|-------------------------|

AMP Capital's green lease is focused on achieving minimum standards in building energy and water efficiency, typically using the NABERS rating system. We also provide a framework for engagement with the occupiers to educate and inform them about sustainability and ESG issues.

Community engagement

| | | | |
|--------------|------------------|----------------------------|--------------|
| PR 20 | Voluntary | Additional Assessed | PRI 2 |
|--------------|------------------|----------------------------|--------------|

| | |
|----------------|---|
| PR 20.1 | Indicate in respect of what proportion of property assets your organisation, and/or your property managers, engaged with the community on ESG issues during the reporting year. |
|----------------|---|

- ☒ >90% of property assets
- ☐ 51-90% of property assets
- ☐ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

| | |
|----------------|--|
| PR 20.2 | Indicate if the following areas and activities are typically part of your, and/or your property managers', community engagement. |
|----------------|--|

- ☐ ESG education programmes for the community
- ☒ ESG enhancement programmes for public spaces
- ☒ Research and networking activities focusing on ESG issues
- ☐ Employment creation in communities
- ☒ Supporting charities and community groups
- ☐ Other, specify

PR 20.3**Additional information.**

AMP Capital Property participates in a number of national collaborative initiatives associated with the assets which we manage on behalf of our clients. Examples include World Green Building Week, National Recycling Week and Earth Hour.

AMP Capital also have various community based engagement programmes in place based on sustainability factors / themes at the asset-specific level which are targeted at the relevant assets' individual local community. Our community engagement is measured by charitable donations, number of volunteer hours, and the value of space for community advertisements provided at nil cost.

AMP Capital aims to forge and maintain strong connections with the communities in which our assets are located. This is demonstrated through a comprehensive range of community support, community engagement, philanthropic and charitable initiatives carried out by our own investment and management teams across our portfolios.

Outputs and outcomes

PR 22**Voluntary****Descriptive****PRI 1,3****PR 22.1**

Provide examples of ESG issues that affected your property investments during the reporting year.

☒ Add Example 1

| | |
|--|---|
| ESG issue | Opportunity to increase the rating |
| Types of properties affected | Development of a commercial asset |
| Impact (or potential impact) on investment | Increased Green Star rating leading to reduced future operating cost of building, higher rents, shorter vacancy periods. |
| Activities undertaken to influence the investment and the outcomes | A valuation analysis was completed for the various Green Star rating levels (being 4, 5 and 6 stars), which incorporated changes in rent, capital requirements and vacancy periods. The results of the analysis showed that the investment return was higher for a 5 star Green Star rating than a 4 star rating. However the returns for a 6 star Green Star rating were lower as more capital was required for nil rental uplift due to market supply and demand. |

☒ Add Example 2

| | |
|--|--|
| ESG issue | Plant and equipment upgrades |
| Types of properties affected | Across commercial and retail assets |
| Impact (or potential impact) on investment | Improved asset performance leads to higher NABERS energy and water ratings which in turn leads to reduced future operating cost of building, higher rents, shorter vacancy periods. |
| Activities undertaken to influence the investment and the outcomes | A pilot was undertaken to replace existing lights with LED lights in the fire stairs. Once the installation was completed, an analysis of the benefits were reviewed and submitted to the business for a wider implementation of LED lighting. |

☒ Add Example 3

| | |
|--|--|
| ESG issue | Local community partnerships |
| Types of properties affected | Retail assets |
| Impact (or potential impact) on investment | Drive visitation rates to the retail centre (either via online or shopping centre traffic, depending on objectives). Builds long-term trust with the community and has the ability to generate talk-ability and social media content. |
| Activities undertaken to influence the investment and the outcomes | Marketing opportunities within AMP Capital's shopping centres aimed at engaging with the community. Community trust and support raises the profile of the shopping centre which in turn has the potential to generate more foot traffic and sales. |

☐ Add Example 4

☐ Add Example 5

Communication

| PR 23 | Mandatory | Core Assessed | PRI 6 |
|-------|-----------|---------------|-------|
|-------|-----------|---------------|-------|

| | |
|---------|---|
| PR 23.1 | Indicate if your organisation proactively discloses ESG information on your property investments. |
|---------|---|

☒ Disclose publicly

| |
|-------------|
| provide URL |
|-------------|

<http://www.ampcapital.com.au/AMPCapitalAU/media/contents/Articles/ESG%20and%20Responsible%20Investment/property-esg-and-community-report.pdf>

provide URL

<http://www.ampcapital.com/esg>

PR 23.2

Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.

- ☐ Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
☒ Other property reporting standards, specify

References to some GRI indicators

- ☐ No property specific reporting standards are used

PR 23.3

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

- ☒ Yes

PR 23.4

Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

- ☐ ESG information on how you select property investments
☒ ESG information on how you monitor and manage property investments
☒ Information on your property investments' ESG performance
☐ Other, specify

PR 23.5

Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

- ☒ Quarterly or more frequently
☐ Semi annually
☐ Annually
☐ Every two years or less frequently
☐ Ad-hoc, specify

**PR
23.6**

Describe the ESG information and how your organisation proactively discloses it to the public and/or clients/beneficiaries. [Optional]

The AMP Capital Property ESG and Community Report is a public report based on the AMP Capital Property portfolio. The report covers all assets managed internally by AMP Capital and includes disclosures from senior managers of the business. This includes our ESG position, portfolio composition, greenhouse gas, energy, water, waste performance and efficiency improvements, benchmarking, social case studies around community support, charities support and employee engagement. Information is also provided on AMP Capital's governance framework and reporting structure.

Client reporting is undertaken on a quarterly and annual basis and incorporates a separation of the above into particular funds.

☐ No

☐ Disclose to clients/beneficiaries only

☐ No proactive disclosure to the public or to clients/beneficiaries

PR 23.7

Additional information. [Optional]

AMP Capital Investors

Reported Information

Public version

Direct - Infrastructure

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

INF 01

Mandatory to Report Voluntary to Disclose

Gateway/Peering

General

INF 01.1

Provide a breakdown of your organisation's internally managed infrastructure investments by equity and debt.

| Infrastructure investment instruments | Percentage of your internally managed infrastructure investments (in terms of AUM) |
|---------------------------------------|---|
| Equity investments | <input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0% |
| Debt investments | <input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0% |
| Total | 100% |

INF 01.2

Indicate the level of ownership you typically hold in your infrastructure investments.

- ☐ a majority stake (>50%)
- ☐ a 50% stake
- ☐ a significant minority stake (between 10-50%)
- ☐ a minority stake (<10%)
- ☒ a mix of ownership stakes
- ☐ N/A, we hold 100% debt investments

INF 01.3**Additional information. [Optional]**

As an early signatory to the Principles for Responsible Investment (2007) and a pioneer in the infrastructure asset class, the AMP Capital Infrastructure team has a sophisticated understanding of ESG-related risks and opportunities across a diverse portfolio of infrastructure sectors.

We consider ESG issues as a core component of our mainstream investment process, as demonstrated by the explicit protocols relating to the Infrastructure investment team's decision making, asset management and reporting activities across all funds and regions.

Given AMP Capital's preference to hold large equity stakes for long term investment periods (25+ years), influence over investee companies is typically exercised through Board representation and high levels of access to senior management figures such as the CEO, CFO, facilities managers and suppliers. These various 'touch-points' provide continuous opportunities to exercise our influence in ESG considerations relating to our investments.

INF 02**Mandatory to Report Voluntary to Disclose****Gateway/Peering****General****INF 02.1**

Provide a breakdown of your organisation's infrastructure assets based on who manages the assets.

| Infrastructure assets managed by | Breakdown of your infrastructure assets (by number) |
|---|---|
| Managed directly by your organisation/companies owned by you | <input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0% |
| Managed via third-party operators appointed by your organisation/companies owned by you | <input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0% |
| Managed by other investors/their third-party operators | <input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0% |
| Total | 100% |

| | |
|-----------------|---|
| INF 02.2 | Additional information. [Optional] |
|-----------------|---|

AMP Capital's Global Infrastructure Team comprises of over 60 investment professionals located in Australia, New Zealand, Continental Europe, the United Kingdom, the United States and India. The team has extensive experience spanning a diverse range of sectors, lifecycles and geographic regions and is supported by in-house expertise in tax, legal, risk and compliance, investment strategy, policy development, investment analytics and research, debt advisory and fund accounting.

Since 2010, the AMP Capital Infrastructure division has had a dedicated ESG& Sustainability Manager resulting in an increased focus on ESG integration, the development of proprietary ESG tools and tailored training programmes for the investment team. AMP Capital's wider team of ESG specialists are also regularly involved in sector specific collaborations across asset classes.

AMP Capital places a strong emphasis on the active asset management of its infrastructure assets. Regardless of investment management delivery (internal management team, third party operators, etc) each investment is assigned to a dedicated asset manager, whose responsibilities include ESG monitoring and management.

| INF 03 | Voluntary | Descriptive | General |
|-----------------|---|-------------|---------|
| INF 03.1 | Indicate up to three of your largest infrastructure sectors by AUM. | | |

| Sector | Main infrastructure sectors (by AUM) |
|--------------------------------------|---|
| Largest infrastructure sector | <input checked="" type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify |
| Second largest infrastructure sector | <input type="radio"/> Transportation <input checked="" type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify |
| Third largest infrastructure sector | <input type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input checked="" type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify |

INF 03.2 Additional information.

AMP Capital invests across all infrastructure sectors and lifecycles, including greenfield, growth and mature assets. To date, AMP Capital has made over 100 infrastructure equity and debt investments throughout Europe, Asia, North America, Australia and New Zealand and manages client monies in excess of AUD\$7.3 billion in infrastructure assets globally (as at 31 December 2013). Infrastructure investing is widely recognised as one of the core capabilities of AMP Capital. The majority of AMP Capital's investment portfolio is focused on 'core' infrastructure investments which are typically held for 25+ years.

| | | | |
|--------|-----------|-------------|---------|
| INF 04 | Voluntary | Descriptive | PRI 1-6 |
|--------|-----------|-------------|---------|

INF 04.1

Provide a brief overview of your organisation's approach to responsible investment in infrastructure where you have equity stakes.

At AMP Capital, we recognise that ESG issues can impact the long-term performance of our investment portfolios. ESG issues are considered across the full scope of our investment process from the identification of new opportunities and in active management throughout the lifecycle of an asset.

Regardless of investment characteristics (internal management team, third party operators, etc) each investment is assigned an asset manager, whose responsibilities include ESG monitoring and management.

For investments with internal management teams, AMP Capital's influence over investee companies is typically exercised through Board representation. For investments that rely on third party operators to implement post investment ESG considerations, AMP Capital's Infrastructure asset managers are responsible for monitoring and driving improved ESG performance.

INF 04.2

Provide a brief overview of your organisation's approach to responsible investment in infrastructure where you hold debt.

Investing in subordinated debt of infrastructure businesses is a complex undertaking and requires the analysis of numerous potential risks, such as operational, political, environmental, regulatory, financial tax and counterparty performance risk. When performing due diligence on subordinated debt investments, the investment team utilises internal and third party specialists to consider accounting, legal, tax, environmental and industry issues in addition to the fundamental business analysis and credit considerations. Management and equity sponsors are interviewed at length by members of the Investment team.

Upon analysis of due diligence materials, a detailed financial model is built that forecasts the cash flows for the business and incorporates economic considerations for macro, business and ESG factors. Once an investment has been executed by the Fund, the Investment Team undertakes an intensive ongoing process of review and monitoring of the asset

As part of the documentation of investments within the Fund, the borrowers provide AMP Capital with detailed quarterly reports outlining the performance of the relevant business. These reports typically include financial covenants, historical cash flows and forecasts for the business. The information contained in these reports is generally more detailed and informative than the information produced by a public company.

INF 05**Mandatory****Core Assessed****PRI 1-6****INF 05.1**

Indicate if your organisation has a responsible investment policy for infrastructure.

☒ Yes

INF 05.2

Provide a URL if your policy is publicly available. [Optional]

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/infrastructure-esg-policy-guidelines.pdf>

☐ No

Fundraising of infrastructure funds

INF 06**Mandatory****Core Assessed****PRI
1,4,6****INF 06.1**

Indicate if your fund placement documents (PPMs or similar) refer to responsible investment aspects of your organisation.

☒ Yes

INF 06.2

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

☒ Policy and commitment to responsible investment

☐ Always

☒ In a majority of cases

☐ In a minority of cases

☒ Approach to ESG issues in pre-investment processes

☐ Always

☒ In a majority of cases

☐ In a minority of cases

☒ Approach to ESG issues in post-investment processes

☐ Always

☒ In a majority of cases

☐ In a minority of cases

INF 06.3

Describe how your organisation refers to responsible investment for infrastructure funds in fund placement documents (PPMs or similar).
[Optional]

In fund placement documents, AMP Capital typically refers to ESG integration and responsible investment as a core component of our mainstream investment process and includes reference to:

- Being a signatory of the Principles for Responsible Investment (PRI)
- Our Policy & Commitment
- Pre-investment approach
- Approach in post-investment

☐ No

INF 07**Voluntary****Additional Assessed****PRI 4****INF 07.1**

Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in infrastructure when requested by clients.

- ☒ We always make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a majority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a minority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ We do not make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ Our clients do not request us to make formal commitments to responsible investment in infrastructure

INF 07.3**Additional information.**

As responsible investment is a core component of our mainstream investment process, formal commitments to ESG and responsible investments are implicit in our fund formation contracts. Where clients request fund formation contracts or side letters to specifically mention implementation of ESG activities and initiatives, we accommodate such requests and document these.

Pre-investment (selection)

INF 08**Mandatory****Gateway****PRI 1****INF 08.1**

Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments.

☒ Yes

AMP Capital's Infrastructure division considers ESG issues as a core component of our mainstream investment process. This is reinforced by:

- AMP Capital's overarching investment philosophy that ESG integration in investment decision-making and ownership practices, provides greater insight into areas of potential risk and opportunity that will impact the value, performance and reputation of the investments we make on behalf of our clients; and
- AMP Capital's integrated corporate responsibility framework that commits our organisation to making responsible investment decisions on behalf of our clients.

At various stages of the investment approval process, there are explicit protocols relating to the inclusion of ESG factors. These protocols are consistently applied across all investment opportunities, regardless of sector, fund, investment style or geography.

Stage 1 - Identify opportunities and preliminary due diligence

The first stage of assessment considers the industry, business and financial risks of the transaction as well as any ESG 'deal breakers' that may prevent concept approval of the opportunity (e.g. 'non-compliance' with environmental legislation or untenable governance arrangements). Both short and long term issues are incorporated into the investment process to assess downside risk and value creation opportunities (eg. reduced operational expenses by retrofitting energy intensive equipment, longer term implications of climate change and environmental regulation).

Stage 2 - Concept paper

An investment concept paper is prepared for the Investment Committee and provides a list of material ESG issues to be explored during detailed due diligence. The peer review process prior to Investment Committee approval allows the ESG & Sustainability Manager to engage in further dialogue on any additional ESG considerations or resources that may enhance investment analysis.

Stage 3 - Detailed due diligence

Following concept approval, an investment opportunity is taken through an exhaustive process of due diligence. Detailed financial modelling of the transaction will include a dedicated ESG workstream (alongside tax, legal, technical, etc) to incorporate quantifiable ESG risks and manage any external advisors that have been appointed to investigate specific issues. Engineering and environmental consultants are typically appointed to assess pertinent environmental and social issues. Due diligence is also conducted on prospective contractors and operators to ensure appropriate ESG policy guidelines are considered down the supply chain.

Stage 4 - Investment paper

If the outcome of the due diligence process is positive, a detailed investment paper is prepared that summarises all significant risks associated with the investment. Where the investment team identifies material ESG risks inherent in an investment opportunity, we seek to formally commit the investee company management or relevant contractors / service providers to an agreed process or standards of performance. These commitments are typically addressed through Board Charters, business plans, shareholders agreements, design and construction contracts, and operations and maintenance contracts.

Where prudent and cost effective, we may also increase insurance coverage to provide additional financial protection of ESG issues that may be difficult to mitigate through active management.

For all material ESG risks, an explicit management strategy must be included in the investment paper with appropriate 'pricing' incorporated into investment economics. The investment paper will again undergo a detailed peer review process prior to its submission to the Infrastructure Investment Committee.

Stage 5 - Completion paper

Subsequent to financial close, the completion paper requires that an investment pack (consisting of all due diligence research and data room materials, in addition to internal approvals and documentation associated with the transaction) be composed and retained for future reference by asset managers. The investment completion paper must be submitted to the Infrastructure Investment Committee within 28 days of transaction completion.

☐ No

| INF 09 | Voluntary | Descriptive | PRI 1,4 |
|--------|-----------|-------------|---------|
|--------|-----------|-------------|---------|

| INF 09.1 | Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the infrastructure investment selection process. |
|----------|--|
|----------|--|

- ☒ Internal staff
 - ☒ Specify role
 - Infrastructure investment managers (60 FTEs)
 - ☒ Specify role
 - ESG & Sustainability Manager, Infrastructure
 - ☒ Specify role
 - ESG specialists across AMP Capital
- ☒ External resources
 - ☒ Environmental advisors
 - ☐ Social advisors
 - ☐ Corporate governance advisors
 - ☒ Regulatory and/or legal advisors
 - ☐ Other, specify type of advisors/roles
- ☐ No use of internal or external advice on ESG issues

| INF 09.2 | Additional information. |
|----------|-------------------------|
|----------|-------------------------|

Please refer to 8.2 for additional relevant information

| INF 10 | Mandatory | Core Assessed | PRI 1,3 |
|--------|-----------|---------------|---------|
|--------|-----------|---------------|---------|

| INF 10.1 | Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue. |
|----------|--|
|----------|--|

ESG issues

☒ Environmental

List up to three typical examples of environmental issues

Climate change (mitigation & adaptation)
Environmental legislation
Sustainable practices and resource Conservation

☒ Social

List up to three typical examples of social issues

Workforce dynamics & OHS
Stakeholder management (i.e. government & contractor counter-parties, community consultation, etc)
Community Safety & Public liability

☒ Governance

List up to three typical examples of governance issues

Corporate governance practices and policies
Board composition, structure & function
Risk management controls (& financial integrity)

INF 10.2 Additional information. [Optional]

The Infrastructure ESG Toolbox is a proprietary tool designed to address the need for specialist knowledge relating to multifaceted ESG factors across a diverse range of sub-sectors and regions of the global investment landscape. The ESG Toolbox comprises a collection of internationally recognised best practice guidelines and sector / issue specific resources, designed to assist the Infrastructure investment team in dealing with ESG issues of varying materiality. The Toolbox is organised into sector, region and ESG specific sections to provide intuitive navigation to resources of relevance.

Sources of information include:

- Internationally recognised best practice codes and guidelines
- ESG specific frameworks and checklists (both external and proprietary resources)
- Contemporary thought leadership and research papers
- In-house proprietary research and insights
- Government, regulator and community stakeholder portals
- On-line training resources

The Toolbox's resources supplement existing investment policies and are utilised throughout investment decision making and ongoing asset management activities, such as:

- Due diligence of new investment opportunities
- Completing internal ESG audits for existing assets
- Assessing the ESG practices of an investee company's supply chain
- Integrating ESG practices in strategic planning and operations
- Managing ESG specific issues that arise as a Board Director

| | | | |
|--------|-----------|---------------------|---------|
| INF 11 | Voluntary | Additional Assessed | PRI 1,3 |
|--------|-----------|---------------------|---------|

| | |
|----------|--|
| INF 11.1 | Indicate what type of ESG information your organisation typically considers during your infrastructure investment selection process. |
|----------|--|

- ☒ Raw data from the target infrastructure asset/company
- ☒ Benchmarks/ratings against similar infrastructure asset
- ☒ Sector level data/benchmarks
- ☐ Country level data/benchmarks
- ☒ Reporting standards, infrastructure sector codes and certifications
- ☒ International initiatives, declarations or standards
- ☒ Engagements with stakeholders (e.g. contractors and suppliers)
- ☒ Advice from external sources
- ☐ Other, specify
- ☐ We do not track this information

| | |
|----------|-------------------------|
| INF 11.2 | Additional information. |
|----------|-------------------------|

The source of ESG information analysed in the investment selection process will be dependent on the nature of the assets and method of acquisition. For all material ESG risks identified during the due diligence process, records of ESG information and explicit management strategies must be assessed and presented to the Investment Committee.

Subsequent to financial close, an investment completion pack must be submitted to the Infrastructure Investment Committee within 28 days of transaction completion. The investment pack comprises all ESG due diligence materials, in addition to internal approvals and documentation associated with the transaction.

| | | | |
|--------|-----------|---------------------|-------|
| INF 12 | Voluntary | Additional Assessed | PRI 1 |
|--------|-----------|---------------------|-------|

| | |
|----------|---|
| INF 12.1 | Indicate if ESG issues impacted your infrastructure investment selection processes during the reporting year. |
|----------|---|

- ☒ ESG issues helped identify risks and/or opportunities for value creation
- ☐ ESG issues led to the abandonment of potential investments
- ☒ ESG issues impacted the investment in terms of price offered and/or paid
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☒ ESG issues were considered but did not have an impact on the investment selection process
- ☐ Other, specify
- ☐ We do not track this potential impact

INF 12.2**Additional information.**

We believe the process of quantifying the financial impact of ESG risks provides a greater appreciation of commercial significance and the sustainability of business operations. In some cases, it may be relatively straightforward to calculate the remedial cost for highly anticipated or well-defined issues. For others, the probability and scope of future scenarios may vary greatly.

Infrastructure investments are typically valued using a discounted cash flow methodology, whereby a series of 'base case' assumptions (typically focused on operational, financing and tax issues) determine the projected cash flow forecasts and ultimately a project IRR and other valuation metrics. The valuation model can then be subjected to specific 'sensitivities' to determine the impact of key risks or events.

When considering the scope of ESG issues that are likely to impact the valuation model and operational sensitivities of prospective infrastructure investments, AMP Capital believes it is prudent to filter down a broad range of issues into a smaller number of material factors that can be 'priced'. It is this process of quantifying the financial impact of an ESG risk that provides a far greater appreciation of its commercial significance and can ultimately help protect investors from the commercial downside of ESG issues.

Selection, appointment and monitoring of third-party operators

INF 13**Mandatory****Core Assessed****PRI 4****INF 13.1**

Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party operators.

☒ Yes

INF 13.2

Indicate your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party operators.

- ☒ Selection process of third-party operators incorporates ESG issues
 - ☒ For all third-party operators
 - ☐ For a majority of third-party operators
 - ☐ For a minority of third-party operators
- ☒ Contractual requirements when appointing third-party operators includes ESG issues
 - ☒ For all third-party operators
 - ☐ For a majority of third-party operators
 - ☐ For a minority of third-party operators
- ☒ Monitoring of third-party operators covers ESG responsibilities and implementation
 - ☒ For all third-party operators
 - ☐ For a majority of third-party operators
 - ☐ For a minority of third-party operators

INF 13.3

Provide a brief description of your organisation's selection, appointment and monitoring of third-party operators. [Optional]

When selecting third party operators, AMP Capital seeks to appoint well-established parties that demonstrate appropriate sector knowledge and industry best practice across a broad range of ESG issues. The credentials and performance of third party operators is assessed in the pre-investment phase and closely monitored by AMP Capital to mitigate risk to equity investor interests.

ESG issues such as environmental legislative compliance, workforce dynamics, employment conditions, occupational health and safety (OH&S) and a broad range of governance and corporate affairs issues can have a significant impact on the competence and productivity of staff and efficient operation of an asset.

Furthermore, failure to ensure a duty of care for subcontractor health and safety has the potential to result in legal and financial liability. Ensuring contractual arrangements are monitored for lead indicators of performance is an essential component of AMP Capital's active management capability. The following actions are regularly undertaken across our infrastructure portfolio to mitigate the risk of poor ESG performance by third party operators:

- Standardised monthly reporting to the Board, providing greater consistency, transparency and governance over ESG issues
- Quarterly reviews with service providers, government counter-parties and other relevant stakeholders to ensure early identification of issues
- Annual 'stakeholder workshops' to reinforce a successful partnering model, clear accountabilities and strong working relationships between project counter-parties
- Annual verification of service provider accreditations (eg. ISO14000) to provides assurance of robust governance and risk management processes.

INF 13.4

Describe how your third-party operators contribute to the management of ESG issues for your infrastructure investments. [Optional]

ESG issues such as environmental legislative compliance, workforce dynamics, employment conditions, occupational health and safety (OH&S) and a broad range of governance and corporate affairs issues can have a significant impact on the competence and productivity of staff and efficient operation of an asset. As such, AMP Capital seeks to appoint well-established parties that demonstrate appropriate sector knowledge and industry best practice across a broad range of ESG issues. AMP Capital requires third party operators provide regular reporting on ESG issues (as identified material for the sector and geography in which they operate).

☐ No

Post-investment (monitoring and active ownership)

Overview

| | | | |
|--------|-----------|---------|-------|
| INF 14 | Mandatory | Gateway | PRI 2 |
|--------|-----------|---------|-------|

| | |
|----------|--|
| INF 14.1 | Indicate if your organisation, and/or operators, consider ESG issues in post-investment activities relating to your infrastructure assets. |
|----------|--|

☒ Yes

| | |
|----------|--|
| INF 14.2 | Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets. |
|----------|--|

- ☒ We consider ESG issues in the monitoring and operation of infrastructure
- ☒ We consider ESG issues in infrastructure maintenance
- ☒ We consider ESG issues in stakeholder engagements related to our infrastructure
- ☐ We consider ESG issues in other post-investment activities, specify

Asset managers

AMP Capital places a strong emphasis on the active asset management of its infrastructure assets. Regardless of investment characteristics (internal management team, third party operators, etc) each investment is assigned an asset manager, whose responsibilities include ESG monitoring and management.

Board representation

AMP Capital also appoints representatives to the boards of almost all assets in which it holds an equity investment on behalf of clients. This representation allows AMP Capital to play a direct and active role in monitoring, assessing and influencing the financial and ESG performance of the assets, as well as providing the dedicated asset manager with regular detailed performance information from the company via this board representation.

Board representation is shared amongst senior members of the Infrastructure Team and select external appointees who have the necessary sector experience and skill. One of the key responsibilities at the board level is to protect the shareholder's interest through strong influence on further investments, distribution strategy and management, development of efficient capital structures, creation of efficient tax structures and effectively managing shareholder relationships.

Board members are also responsible for ensuring the operational performance of each asset by reviewing and approving corporate strategy, monitoring and reviewing operational performance and leveraging broader industry and government relationships to improve performance. Finally, board representation ensures strong governance for all assets including enforcing OH&S compliance, reviewing and approving risk management frameworks, reviewing compliance plans and implementation and engagement on any sub-committees as required

In-house management teams

While core infrastructure assets generally have their own in-house management teams to manage the affairs of the company and conduct the business of operating the assets, in contrast social infrastructure assets usually do not employ any staff. In these cases, AMP Capital's Social Infrastructure Team takes a hands-on approach to managing our social infrastructure assets on behalf of our clients.

The team has strong consideration of ESG issues in post-investment activities as demonstrated in the following ESG insights publications available at www.ampcapital.com/esg:

- Environmental, Social and Governance consideration in PPP's

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/Infrastructure-ESG-Considerations-in-Infra-PPPs-Global.pdf>

- ESG considerations in Social Infrastructure

<http://www.ampcapital.com/AMPCapitalGlobal/media/contents/Articles/ESG/ESG-Social-Infrastructure.pdf>

- ESG considerations in Community Infrastructure Investment (to be released in March 2014).

Third party operators

For investments that rely on third party operators to implement post investment ESG

considerations, AMP Capital's Infrastructure asset managers are responsible for monitoring and driving improved ESG performance. This is often facilitated through standardised reporting of ESG data by the third party operator, site visits/ inspections by the AMP Capital team and Operations Group meetings, providing a regular forum to progress ESG initiatives underway for each of the investments.

☐ No

Infrastructure monitoring and operations

INF 15

Mandatory

Core Assessed

PRI 2

INF 15.1

Indicate the proportion of infrastructure assets where your organisation, and/or operators, included ESG performance in investment monitoring during the reporting year.

- ☒ >90% of infrastructure assets
- ☐ 51-90% of infrastructure assets
- ☐ 10-50% of infrastructure assets
- ☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

INF 15.2

Indicate ESG issues for which your organisation, and/or operators, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

☒ Environmental

List up to three example targets per issue

Utilities consumption, carbon intensity, waste

Environmental Management System (EMS) accreditation

☒ Social

List up to three example targets per issue

OHS: LTIFR & RIFR

Security & Crime: Theft/ damage incidents

BCP: Evacuation rates

☒ Governance

List up to three example targets per issue

KPI exceptions

Client satisfaction: stakeholder audits

Board appraisal process

☐ We do not set and/or monitor against targets

| | |
|-----------------|------------------------------------|
| INF 15.3 | Additional information. [Optional] |
|-----------------|------------------------------------|

The approach to determine ESG materiality, targets and monitoring processes differ greatly and is very much tailored to the sector, geography and materiality of ESG issues inherent in each investment. ESG targets are typically set and monitored by the management team and Board of the investee company. Consistent with our active asset management approach, we ensure high participation, transparency and influence with Board and management.

| | | | |
|--|---|----------------------------|--------------|
| INF 16 | Mandatory | Additional Assessed | PRI 2 |
| INF 16.1 | Indicate if you track the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines). | | |
| <input type="radio"/> Yes <input checked="" type="radio"/> No | | | |

While many of our investee companies have an ESG/sustainability-related policy in place, we do not track this as a proportion of our total portfolio. We believe that all investee companies should have policies, processes and accountabilities in place that appropriately address ESG risks and opportunities that are material to the operations of the investment. The AMP Capital Infrastructure investment team contributes to the management of ESG issues in the following ways:

Asset managers

AMP Capital places a strong emphasis on the active asset management of its infrastructure assets. Regardless of investment characteristics (internal management team, third party operators, etc) each investment is assigned an asset manager, whose responsibilities include ESG monitoring and management.

Board representation

AMP Capital also appoints representatives to the boards of almost all assets in which it holds an equity investment on behalf of clients. This representation allows AMP Capital to play a direct and active role in monitoring, assessing and influencing the financial and ESG performance of the assets, as well as providing the dedicated asset manager with regular detailed performance information from the company via this board representation.

Board representation is shared amongst senior members of the Infrastructure Team and select external appointees who have the necessary sector experience and skill. One of the key responsibilities at the board level is to protect the shareholder's interest through strong influence on further investments, distribution strategy and management, development of efficient capital structures, creation of efficient tax structures and effectively managing shareholder relationships.

Board members are also responsible for ensuring the operational performance of each asset by reviewing and approving corporate strategy, monitoring and reviewing operational performance and leveraging broader industry and government relationships to improve performance. Finally, board representation ensures strong governance for all assets including enforcing OH&S compliance, reviewing and approving risk management frameworks, reviewing compliance plans and implementation and engagement on any sub-committees as required

In-house management teams

While core infrastructure assets generally have their own in-house management teams to manage the affairs of the company and conduct the business of operating the assets, in contrast social infrastructure assets usually do not employ any staff. In these cases, AMP Capital's Social Infrastructure Team takes a hands-on approach to managing our social infrastructure assets on behalf of our clients.

Third party operators

For investments that rely on third party operators to implement post investment ESG considerations, AMP Capital's Infrastructure asset managers are responsible for monitoring and driving improved ESG performance. This is often facilitated through standardised reporting of ESG data by the third party operator, site visits/ inspections by the AMP Capital team and Operations Group meetings, providing a regular forum to progress ESG initiatives underway for each of the investments.

| | |
|-----------------|--|
| INF 17.1 | Indicate the type and frequency of reports you request and/or receive from infrastructure investees covering ESG issues. |
|-----------------|--|

| | |
|--|-------------------|
| | Type of reporting |
|--|-------------------|

- ☒ Overarching portfolio asset/company reports or similar where management disclosure, financial and ESG data are integrated

| | |
|--|-----------------------------|
| | Typical reporting frequency |
|--|-----------------------------|

- ☒ Quarterly or more frequent
☐ Semi annually
☐ Annually
☐ Every two years or less
☐ Ad-hoc, specify

- ☒ Standalone reports highlighting targets and/or KPIs covering ESG issues

| | |
|--|-----------------------------|
| | Typical reporting frequency |
|--|-----------------------------|

- ☒ Quarterly or more frequent
☐ Semi annually
☐ Annually
☐ Every two years or less
☐ Ad-hoc, specify

- ☐ Other, specify

- ☐ No reporting on ESG issues requested and/or provided by infrastructure investees

| | |
|-----------------|-------------------------|
| INF 17.2 | Additional information. |
|-----------------|-------------------------|

AMP Capital has taken an approach whereby ESG considerations have been continuously integrated into existing processes and other reporting requirements. Examples include:

- Standardised monthly reporting to the Board, providing greater consistency, transparency and governance over ESG issues;
- Quarterly reviews with service providers, government counterparties and other relevant stakeholders to ensure early identification of issues and proactively resolution
- Annual verification of service provider accreditations (eg. ISO14000) to provides assurance of robust governance and risk management processes

The format of information is based on internal standards as determined by the responsible asset management and based on ESG risks pertinent to the sector and location of the investment

Infrastructure maintenance

| | | | |
|---------------|------------------|----------------------|--------------|
| INF 18 | Mandatory | Core Assessed | PRI 2 |
|---------------|------------------|----------------------|--------------|

| | |
|-----------------|--|
| INF 18.1 | Indicate the proportion of active infrastructure maintenance projects where ESG issues have been considered. |
|-----------------|--|

- ☐ >90% of active maintenance projects
- ☒ 51-90% of active maintenance projects
- ☐ 10-50% of active maintenance projects
- ☐ <10% of active maintenance projects
- ☐ N/A, no maintenance projects of infrastructure assets are active

(in terms of number of active maintenance projects)

| | |
|-----------------|--|
| INF 18.2 | Describe your approach to ESG considerations for infrastructure maintenance projects. [Optional] |
|-----------------|--|

As the majority of maintenance projects are typically considered at senior management or Board level, AMP Capital has good transparency and influence over the ESG issues that should be considered. Furthermore, investee companies are increasingly creating ESG policies that compel the Board to consider ESG issues.

Stakeholder engagement

| | | | |
|---------------|------------------|----------------------------|--------------|
| INF 19 | Voluntary | Additional Assessed | PRI 2 |
|---------------|------------------|----------------------------|--------------|

| | |
|-----------------|--|
| INF 19.1 | Indicate which stakeholders your organisation, and/or operators, engaged with on ESG issues in relation to your infrastructure assets during the reporting year and what proportion of your investments they apply to. |
|-----------------|--|

| | |
|--|----------------------|
| | Stakeholders engaged |
|--|----------------------|

☒ Regulators

| | |
|--|--|
| | Percentage of infrastructure assets these apply to |
|--|--|

- ☐ >90% of infrastructure assets
- ☐ 51-90% of infrastructure assets
- ☒ 10-50% of infrastructure assets
- ☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

☐ Communities

☒ Other stakeholder, specify

Facility managers and operators

| | |
|--|--|
| | Percentage of infrastructure assets these apply to |
|--|--|

- ☐ >90% of infrastructure assets
☒ 51-90% of infrastructure assets
☐ 10-50% of infrastructure assets
☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

☐ Other stakeholder, specify

| | |
|-----------------|--|
| INF 19.2 | Describe your approach to stakeholder engagements in relation to your infrastructure assets. |
|-----------------|--|

Infrastructure assets typically impact a wide range of stakeholders and have strong links to the communities in which they operate. Maintaining positive relationships with investee company management, subcontractors, government counter-parties and regulators can support efficient resolution of issues and achievement of investment objectives. Regular and active engagement is fundamental to reinforce partnering behaviours and ensure a continuous common understanding of investee company objectives. Examples include:

- Standardised monthly reporting to the Board, providing greater consistency, transparency and governance over ESG issues;
- Quarterly reviews with service providers, government counter-parties and other relevant stakeholders to ensure early identification of issues and proactively resolution without the need for formal dispute resolution processes;
- Annual 'stakeholder workshops' to reinforce a successful partnering model, clear accountabilities and strong working relationships between project counter-parties;
- Annual verification of service provider accreditations (eg. ISO14000) to provides assurance of robust governance and risk management processes
- Industry stewardship: sharing of expertise and contribution to peak industry, tertiary and government bodies.

Outputs and outcomes

| | | | |
|---------------|------------------|----------------------------|----------------|
| INF 20 | Voluntary | Additional Assessed | PRI 1,2 |
|---------------|------------------|----------------------------|----------------|

| | |
|-----------------|--|
| INF 20.1 | Indicate whether your organisation measures how your approach to ESG issues in infrastructure investments has affected financial and/or ESG performance. |
|-----------------|--|

| | |
|--|-----------------------|
| | Financial performance |
|--|-----------------------|

- ☐ We measure how ESG issues affect financial performance
☒ We do not measure how ESG issues affect financial performance

| | |
|--|-----------------|
| | ESG performance |
|--|-----------------|

- ☐ We measure changes in ESG performance
- ☒ We do not measure changes in ESG performance

| | | | |
|--------|-----------|-------------|---------|
| INF 21 | Voluntary | Descriptive | PRI 1,3 |
|--------|-----------|-------------|---------|

| | |
|----------|---|
| INF 21.1 | Provide examples of ESG issues that affected your infrastructure investments during the reporting year. |
|----------|---|

☒ Add Example 1

| | |
|--|---|
| ESG issue | Energy efficiency |
| Types of infrastructure affected | Social Infrastructure |
| Impact (or potential impact) on investment | Operational cost savings for government counter-parties |
| Activities undertaken to influence the investment and the outcomes | Investigate potential to provide additional capital for renewable generation installation |

☒ Add Example 2

| | |
|--|---|
| ESG issue | Stakeholder management/ partnering |
| Types of infrastructure affected | Social Infrastructure |
| Impact (or potential impact) on investment | Process improvements that created greater alignment on standards and quality in service delivery |
| Activities undertaken to influence the investment and the outcomes | Developed and facilitated annual stakeholder workshops between equity providers, operators, facilities management and government counterparties |

☒ Add Example 3

| | |
|--|--|
| ESG issue | Environmental profile / brand |
| Types of infrastructure affected | Transport infrastructure |
| Impact (or potential impact) on investment | Cost neutral environmental initiatives |
| Activities undertaken to influence the investment and the outcomes | Implementation of ESG initiatives and a KPI framework to track progress and report |

☐ Add Example 4

☐ Add Example 5

Communication

INF 22

Mandatory

Core Assessed

PRI 6

INF 22.1

Indicate if your organisation proactively discloses ESG information on your infrastructure investments.

☒ Disclose publicly

please provide URL

<http://www.ampcapital.com/esg>

INF 22.2

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

☐ Yes

☒ No

INF 22.3

Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

Public

- ☒ ESG information on how you select infrastructure investments
- ☒ ESG information on how you monitor and manage infrastructure investments
- ☒ Information on your infrastructure investments' ESG performance
- ☐ Other; specify

Clients/beneficiaries

- ☒ ESG information on how you select infrastructure investments
- ☒ ESG information on how you monitor and manage infrastructure investments
- ☒ Information on your infrastructure investments' ESG performance
- ☐ Other; specify

| | |
|-----------------|---|
| INF 22.4 | Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries. |
|-----------------|---|

| Public | Clients/Beneficiaries |
|---|---|
| <input type="radio"/> Quarterly or more frequently | <input checked="" type="radio"/> Quarterly or more frequently |
| <input type="radio"/> Semi annually | <input type="radio"/> Semi annually |
| <input type="radio"/> Annually | <input type="radio"/> Annually |
| <input type="radio"/> Every two years or less frequently | <input type="radio"/> Every two years or less frequently |
| <input checked="" type="radio"/> Ad-hoc; specify | <input type="radio"/> Ad-hoc; specify |
| typically via AMP Capital website www.ampcapital.com/esg | |

| | |
|-----------------|--|
| INF 22.5 | Describe the ESG information and how your organisation proactively discloses it to the public and/or clients/beneficiaries. [Optional] |
|-----------------|--|

AMP Capital has a comprehensive array of information provided to the public via its website www.ampcapital.com/esg. These web pages include coverage of:

- Investment philosophy and policy guidelines
- Governance and proxy voting
- ESG research and resources
- How we apply ESG across asset classes
- Details of our ESG industry collaboration
- Infrastructure specific disclosures and research

- ☐ Disclose to clients/beneficiaries only
- ☐ No proactive disclosure to the public or to clients/beneficiaries

| | | | |
|---------------|------------------|--------------------|--------------|
| INF 23 | Voluntary | Descriptive | PRI 6 |
|---------------|------------------|--------------------|--------------|

| | |
|-----------------|---|
| INF 23.1 | Describe your organisation's approach to disclosing ESG incidents in infrastructure investments to your investor clients. |
|-----------------|---|

The progress of ESG initiatives is regularly disseminated through quarterly reporting. The Infrastructure division also publishes regular communications and thought leadership relating to ESG issues.