

RESPONSIBLE INVESTMENT LEADERS INTERNATIONAL SHARE FUND

ARSN: 095 791 325 APIR CODE: AMP0455AU

18 JULY 2019

Product Disclosure Statement changes

We are writing to advise you of changes to the Responsible Investment Leaders International Share Fund ('Fund') that will be reflected in the new Product Disclosure Statement ('PDS') for Platform (Class A unit) investors, available at www.ampcapital.com/pds/wsis/a from 18 July 2019. The key changes include, but are not limited to:

- > Change of the Fund's marketing name
- > Refreshed indirect costs

Details of the changes are provided below. Before making any investment decisions, we recommend you read the PDS and all the Incorporated information about the benefits and risks of investing, and the other features of the Fund.

Change of Fund's marketing name

Further to our letter of 16 May 2019, the name of the Fund is changing to the **AMP Capital Ethical Leaders International Share Fund**. Please note that the registered name of the Fund remains unchanged.

Why is this change being made?

As a pioneer in the sector, AMP Capital has been managing responsible investments for more than 16 years. Today, we are one of Australia's largest responsible investment managers¹, looking after more than \$2.5 billion of ethical funds².

The Fund's marketing name change recognises the evolution of our responsible investment solutions, which is increasingly focused on ethical investment considerations, as well as environmental, social and governance (ESG) issues. With demand for ethical investments on the rise³, more people care about where their money is invested and the impact their money is having on the world. The Fund provides investors with an ethical and ESG international shares investment option, offering far more than a basic ESG filter. We invest ethically across the international shares asset class, offering investors the opportunity to align investments with social and environmental values.

What does this mean for the Fund's investments?

There is **no change to the Fund's investment strategy or approach**. That is, the investment objective, investment philosophy, strategy and process remains the same.

Moreover, as well as maintaining our focus on an investment's ESG factors, we continue to enhance the ethical screens we use as part of our analysis. These enhancements reflect a shift to more areas for potential divestments on ethical grounds, which we expect may result in the Fund being more ethically active, such as:

- In the area of **fossil fuels** we have conducted extensive research into how we can best support the United Nations Paris Agreement with our investments. Our fossil fuels screen has recently been tightened, lowering the exclusion threshold for a company's sales from the most carbon intensive fossil fuels from 20% to 10%. This means that we will be investing in fewer miners, energy and oil-sands companies globally.
- We are currently researching the introduction of an **animal welfare** screen.

We are excited to announce that we are forming a Youth Advisory Council to bring another perspective to our ethical approach, giving youth a voice on sustainable and ethical issues for the Fund in areas such as animal welfare.

We are also spending more time sharing the stories of the impact the Fund is making with our investors.

Manager Selection

The Fund's marketing name change also reflects new underlying managers which have been appointed to the Fund over the past 12 months. These include some new specialist ethical and ESG managers which bolster the Fund's ethical proposition and further develops the integration of ESG issues.

More information on our ethical approach and the Fund is available at www.ampcapital.com/pds/wsis/a.

¹ RIAA 2018 Benchmark Report.

² Assets under management at 31 December 2018 (Source: AMP Capital)

³ 2018 Financial Adviser Guide to Responsible Investment by the Responsible Investment Association of Australia.

How is AMP Capital's ethical fund approach different to other ethical funds?

AMP Capital's approach to ethical and ESG investing can be summarised as follows:

1. **Return target:** the Fund aims to deliver competitive returns relative to non-ethical and ESG investment fund options, which means we do not expect ethical or ESG investing to result in a lower return over the long-term; and
2. **Benchmark** - unlike some peers who adjust their benchmarks to account for their exclusions (for the purposes of performance measurement), we have retained standard benchmarks in every asset class to demonstrate our commitment to delivering a comparable return to a standard fund. The managers in every asset class are measured on this basis.

Is any action required by investors?

No action is required by investors should they choose to remain invested in the Fund.

You may want to update the Fund name within your disclosure document to align with the marketing new name.

Refreshed indirect costs

The fees and costs of the Fund are regularly reviewed to ensure they accurately reflect the costs of managing the Fund.

Following our latest review, indirect costs of the Fund will be refreshed to reflect the costs of managing the Fund. **Please note there is no increase in the management fee.**

Further information

If you have any questions about this update, please contact your Client Account Manager or our Client Services Team on 1800 658 404, between 8.30am and 5.30pm (Sydney time) Monday to Friday or via email at clientservices@ampcapital.com.

Yours sincerely,



Corrine Henville
Head of Global Client Services and Enablement
AMP Capital Investors Limited

Important note: Investors should consider the Product Disclosure Statement (PDS) available from AMP Capital Investors Limited (ABN 59 001 777 591, AFSL 232497) (AMP Capital) before making any decision regarding the Responsible Investment Leaders International Share Fund (Fund). AMP Capital Funds Management Limited (ABN 15 159 557 721, AFSL 426 455) is the responsible entity of the Fund and the issuer of units in the Fund. The PDS contains important information about investing in the Fund and it is important investors read the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. Neither AMP Capital, nor any other company in the AMP Group guarantees the repayment of capital or the performance of any product or any particular rate of return referred to in this document. Past performance is not a reliable indicator of future performance. While every care has been taken in the preparation of this document, AMP Capital makes no representation or warranty as to the accuracy or completeness of any statement in it including without limitation, any forecasts. This letter has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Investors should, before making any investment decisions, consider the appropriateness of the information in this fact sheet, and seek professional advice, having regard to their objectives, financial situation and needs.