

RESPONSIBLE INVESTMENT LEADERS AUSTRALIAN SHARE FUND - ON-PLATFORM CLASS A

Performance summary

- > The Fund posted a negative return, however comfortably outperformed its benchmark over the March quarter.
- > Three of the Fund's four managers outperformed in a volatile market which fell during the period.
- > Defensive companies that historically have offered high and stable dividends are likely to continue to underperform.

Investment approach

Our responsible investment approach follows five key steps:

1. Setting the investment objectives and considerations
2. Identifying the manager universe
3. Selecting the managers
4. Determining the optimal manager mix
5. Monitoring of the Fund and operational governance

This process combines a stringent financial assessment with a responsible investing focus, both of which are critical in meeting the Fund's objective of producing competitive returns within a sustainable and responsible framework.

For more information visit ampcapital.com.au

Performance – as at 31 March 2018

Inception Date: 24 Jan 2006

Performance benchmark: S&P/ASX 200 Accumulation Index AUD

Management costs**: 1.08%

**The Fund PDS outlines management costs components, as well as other fees and costs that may apply to your investment. You can review the PDS at www.ampcapital.com.au

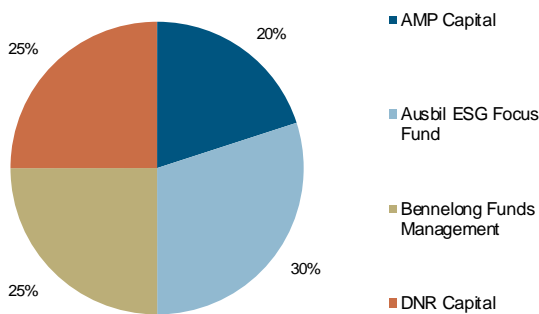
%	1 mth	3 mth	1 yr	3 yr	5 yr	Incept
Total return - after fees						
Benchmark	-3.07	-2.80	5.20	3.30	8.30	6.64

Past performance is not a reliable indicator of future performance.

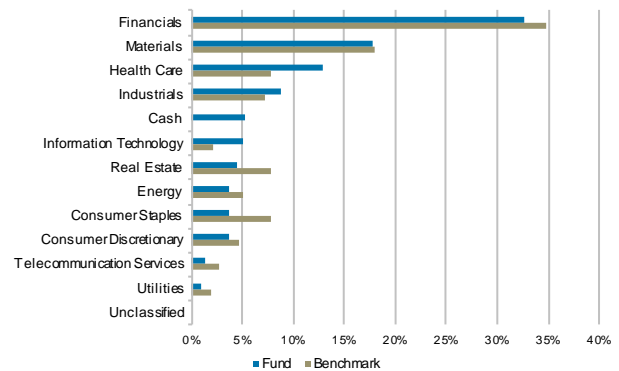
Performance is annualised for periods greater than one year.

Total returns are calculated using the unit price which uses the net asset values for the relevant month end. This price may differ from the actual unit price for an investor applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction by an investor. Returns quoted are before tax, after Class 'A' fees and costs, assume all distributions are reinvested.

Target manager allocation



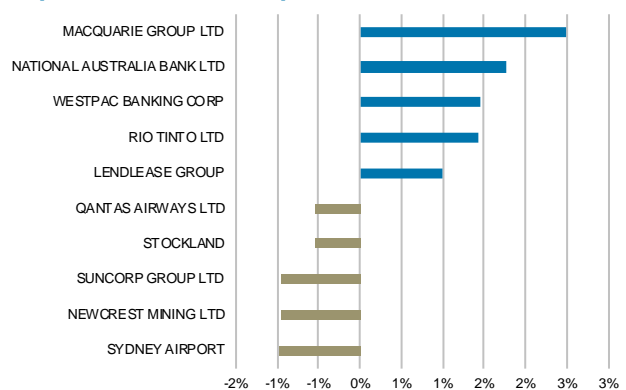
Actual Asset allocation



Top 10 holdings

Security Details	% Portf	% Bench
WESTPAC BANKING CORP	7.76	6.30
BHP BILLITON LTD	7.39	5.86
NATIONAL AUSTRALIA BANK LTD	6.78	5.01
CSL LTD	6.38	4.55
COMMONWEALTH BANK AUST	6.02	8.20
MACQUARIE GROUP LTD	4.60	2.11
AUSTRALIA & NEW ZEALAND BANKING GROUP LTD	3.73	5.08
RIO TINTO LTD	3.37	1.94
FISHER & PAYKEL HEALTHCARE COR	2.23	0.12
TRANSURBAN GROUP	1.74	1.64

Top / bottom 5 active positions



Performance and activity

The Fund posted a negative return, comfortably outperforming its benchmark over the March quarter. All of the Fund's underlying managers posted negative returns, however three of the Fund's four managers outperformed the benchmark, led by Bennelong and Ausbil. DNR Capital was a relative laggard after performing strongly in the December quarter.

Asset allocation was the main contributor to relative returns over the quarter, with stock selection also contributing to performance. From an asset allocation perspective, the Fund benefited from overweight positions in the health care and information technology sectors, but was negatively impacted by an underweight position in the consumer staples sector.

Stock selection was particularly strong in the consumer discretionary, materials and real estate sectors but was a detractor in health care and consumer staples. Within consumer discretionary, the Fund's overweight position in travel retailer Flight Centre (+30%) was also the largest single contributor to Fund performance over the quarter. The company's share price soared after reporting exceptionally strong earnings and profit results for the December half year, as the business benefited from strong trading in the latter months of 2017, combined with the implementation of cost cuts. Other contributors at the stock level included global specialty biotechnology company CSL (+11%) and diversified financial services company Macquarie Group (+3%).

The biggest single detractor was an overweight position in cosmetics and toiletries company BWX (-36%), which suffered after it announced its December half year results which included a series of large acquisitions of three natural beauty businesses in North America. Investors were concerned as the company's management also signalled lower revenues and expected earnings for FY2018 than was previously forecast, whilst undertaking marketing expenditure in its newly-acquired US businesses. Other positions which detracted included overweight positions in London-based asset manager Janus Henderson Group (-13%) and intellectual property services provider IPH (-36%).

Market commentary

Australia's share market was not immune to global falls and volatility over the March quarter, as concerns arose firstly around some signs of US inflation emerging, then later in the quarter around US-China trade relations, stemming from the US's proposed tariffs. The S&P/ASX200 Accumulation Index fell by around 3.9% during the period. The Royal Commission on banks continued to act as a drag, as the Commission maintained a focus on alleged poor lending standards and methods used by the banks to check the income levels of mortgage applicants. The financial sector as a whole returned around -5.9% for the period and was the largest influence on the market's performance. Telecommunications was the poorest performing sector (down over 11% for the period in absolute terms), as Telstra continued its long-term downward trend, which wasn't helped by Labor's policy announcement that benefits obtainable for

some investors, via franking credits, would be reduced should they win office.

Outlook

Top-line growth remains elusive for Australian shares, with many companies still focussing on cost-cutting. Whilst the recent corporate reporting season was more encouraging, with many companies flagging increased investment in order to drive growth over the medium term, banking profitability is likely to continue to be stifled by capital-holding requirements. The mining sector remains highly susceptible to any pause in activity from China. Defensive companies that historically have offered high and stable dividends are likely to continue to underperform in a rising US interest rate environment, so investors should benefit by being highly selective and focussing on businesses that are more cyclical which tend to perform well as global economic activity picks up.

Continuing work in AMP Capital's key engagement themes

The Responsible Investment Leaders' (RIL) managers continued their engagement activities in the first quarter of 2018. The ethics of investing in social media companies came under scrutiny, with data and privacy issues engulfing Facebook at a time when regulation is in its infancy. Climate change also remained a focus, as RIL managers urged companies to disclose climate change risk consistent with the Taskforce for Climate-related Financial Disclosure guidelines. Engagement was ongoing with companies held in the RIL funds on corporate governance issues such as board structure and remuneration. The Royal Commission into Australia's banking and financial services sector raised such practices as responsible lending, product sales and customer compensation and featured in RIL's Australian equity managers' activity. Other areas of engagement included obesity and nutrition, access to medicine and human rights in supply chains.



CERTIFIED BY RIAA

The Responsible Investment Leaders Range has been certified by RIAA according to the strict disclosure practices required under the Responsible Investment Certification Program.

The Certification Symbol signifies that an investment product or service takes environmental, social, ethical or governance considerations into account along with financial returns. See www.responsibleinvestment.org for details.

Investment objective

To provide a total return (income and capital growth) after costs and before tax, above the Fund's performance benchmark on a rolling 5 year basis.

Facts

Fund size	\$385.69 million
Minimum suggested time frame	5 years
Minimum initial investment	\$10,000,000
Buy/sell spread	+0.25/-0.25

Distribution frequency	Half Yearly
Date of last distribution	Jun 2017
Distribution cents per unit	1.35

Investors should consider the Product Disclosure Statement (PDS) available from AMP Capital Investors Limited (ABN 59 001 777 591) (AFSL 232497) (AMP Capital) for the RESPONSIBLE INVESTMENT LEADERS AUSTRALIAN SHARE FUND - ON-PLATFORM CLASS A (Fund) before making any decision regarding the 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 fact sheet 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.

For more information

T: 1800 658 404
F: 1800 630 066
W: www.ampcapital.com.au

Or your state account manager
APIR Code AMP1151AU
AMP Capital Investors Limited
ABN 59 001 777 591, AFSL 232497