

AMP Capital Ethical Leaders International Share Fund

Investment objective

To provide high returns over the long term while accepting high levels of volatility in returns. The benchmark for the Fund is the MSCI All Country World Index. In seeking to achieve the investment objective, we aim to provide a total return, after costs and before tax, high than the return from the benchmark on a rolling 5 year basis.

How we manage your money

The Fund normally invests in international shares.

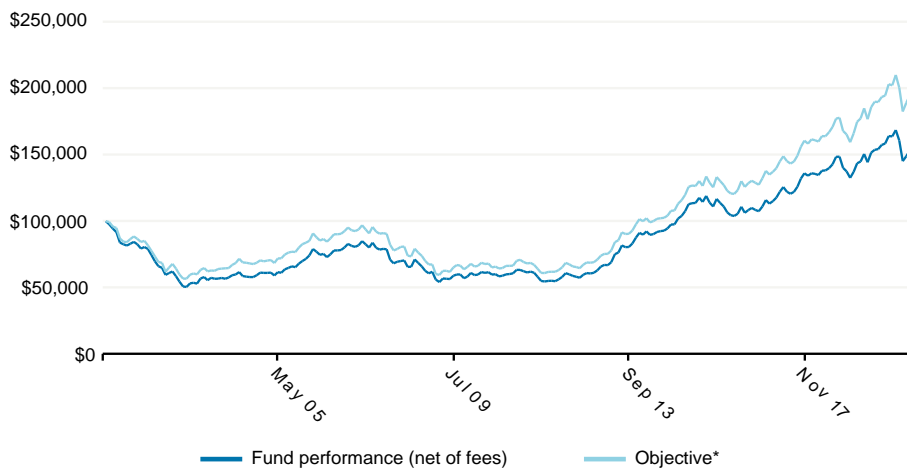
Performance as at 31 December 2020

%	1 MTH	3 MTH	1 YR	3 YRS	5YRS	7YRS	SINCE INCEPT
Total Return - Net of Fees	0.24	8.23	3.44	8.06	8.79	9.20	2.75
Objective*	-0.08	6.52	5.90	10.56	10.95	11.20	3.96
Excess return	0.32	1.70	-2.47	-2.50	-2.16	-2.00	-1.21

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 net asset value per unit for the relevant month end. This price may differ from the actual unit price for an investor buying or selling an investment. Actual unit prices will be confirmed following any transaction by an investor. Returns quoted are before tax, after fees and costs and assume all distributions are reinvested.

* The benchmark for this Fund changed from the MSCI World Accumulation Index to the MSCI All Country World Index on 1 August 2011. Past performance of this Fund is reported using the MSCI World Accumulation Index up to 31 July 2011. Performance reported after 1 August 2011 uses the current benchmark, the MSCI All Country World Index..

\$100,000 invested since inception



FUND FACTS

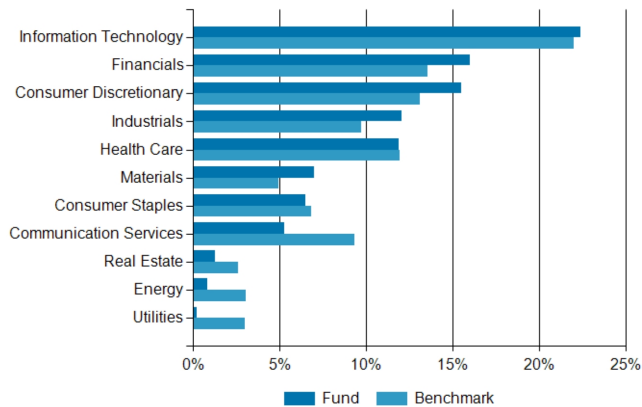
APIR	AMP0455AU
Inception date	20 April 2001
Fund Size	\$275,674,647
Management costs*	1.15% p.a.
Buy/Sell spread*	+0.25%/-0.25%
Distribution frequency	Half-yearly
Minimum investment	\$500,000
Minimum suggested time frame	5 years

*Fee information is accurate as at 30 June 2020, figures are updated bi-annually. The Fund PDS outlines the latest management costs and other relevant components, as well as other fees and costs that may apply to your investment. You can review the PDS at www.ampcapital.com

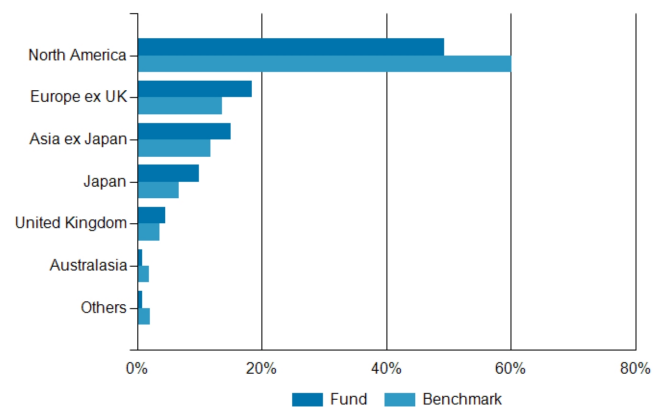
What happened last period

- The Fund produced a positive return and outperformed the benchmark over the December quarter
- Global shares rose strongly over the period, as successful COVID-19 vaccine trials drove optimistic sentiment
- Stock selection was particularly strong within information technology

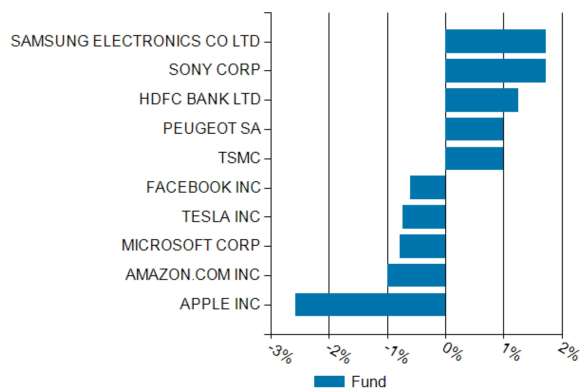
Sector allocation (%)



Regional allocation (%)



Top/Bottom Excess Weights



Fund Performance

The Ethical Leaders International Shares Fund produced a positive return and outperformed the benchmark over the December quarter. Stock selection contributed to performance, as did the sector allocation effect. Stock selection was particularly strong within information technology, including through overweights to Samsung Electronics, TSMC and Applied Materials. Stock selection in consumer discretionary and health care further contributed to performance. Conversely, stock selection in the consumer staples sector was the major detractor from relative performance, including through overweights to Kimberly-Clark and Procter & Gamble. At the underlying manager level, Boston Partners and the Ethical Leaders Emerging Markets Fund outperformed the Fund benchmark, whilst Lazard and C Worldwide underperformed. The overweight to emerging markets was a contributor, as emerging markets outperformed developed markets over the quarter.

Market review

International shares produced a very strong performance over the December quarter, rising by 12.33% as measured by the MSCI World ex Australia index. This capped off a strong 2020 calendar year return of 13.77% which was achieved despite the record-breaking crash in early 2020.

Shares fell early in the quarter as COVID-19 numbers continued to rise in many parts of Europe and the US, leading some countries to reintroduce social distancing restrictions, which in many cases have been shown to be devastating to economies and businesses. Mid-quarter however, the market received a huge boost from announcements of successful COVID-19 vaccine trials from Moderna, Pfizer and Oxford-AstraZeneca. These vaccines were shown to be around 95% effective in preliminary results. Approval and initial rollout have now already occurred in some countries, with markets closely watching for medical results and data. The other major story over the quarter was the US election, with a Biden win finally confirmed in very early January 2021, as was a Democrat victory in both the Senate and the House. Markets broadly reacted positively as results increased in clarity through the period. On one hand, a Democrat victory is seen by some as positive for the US economy, as greater direct stimulus is now likely to be approved, which will provide some much-needed financial help for many, others see potential debt issues and increased taxation for businesses as likely issues down the track. In other positive news for markets, the UK and Europe also finally agreed on a Brexit deal at year-end, over 4 years after the referendum, allowing markets to put much of the related uncertainty into the rear-view

mirror. Emerging markets, meanwhile, were also very strong over the period and outperformed their developed market peers, as economies continued to recover and resource prices rose strongly. The MSCI Emerging Markets index closed the quarter up by 16.02%. (All indices are quoted in local currency terms and on a total-return basis, unless otherwise stated.)

Outlook

The medium-term outlook for earnings remains difficult to predict; and varies greatly depending on company specifics. There is also the potential for shorter-term volatility as the market digests the implications of a Biden administration. We continue to believe investors should exercise caution, particularly where prices have risen quickly, and where valuations look stretched. Amid changing consumer dynamics, many companies will likely face challenging conditions for some time, while stronger businesses are likely to emerge from the COVID-19 crisis with gained market share. Risks of further pandemic breakouts and, indeed, the manner in which governments choose to respond, remain a risk until vaccines are fully implemented. Governments generally continue to implement supportive monetary and fiscal programmes to ease shorter-term burdens and keep economies more resilient, though some concern is growing around the sustainability of some programmes. Despite this, we believe the longer-term market trend will remain to the upside. As always, while the near-term direction of markets is impossible to accurately predict, we believe that those with a diversified portfolio of quality businesses, bought at a reasonable price, are likely to do well over the long term.

Environmental, Social and Governance

During the period, we enhanced our fossil fuel investment screen so that all Ethical Leaders (EL) funds will move towards being fossil fuel-free by 1 January 2021. All Ethical Leaders funds will aim to exclude companies that derive any revenue from the production or exploration of coal, oil or gas, and/or any revenue from fossil fuel power generation, and/or more than 10% of revenue from fossil fuel-related distribution and services. With this change, we believe EL funds will be leading the investment industry on climate change.

Our fund managers meanwhile remained focussed on the COVID-19 pandemic and its impact on human rights. The pandemic has increased worker vulnerability and pushed more people into modern slavery. Our managers are collaborating to engage with companies to address issues in the companies' supply chains.

Our managers also continued to address climate change. One of our managers became a signatory to the 'Say on Climate' initiative, which encourages companies to voluntarily submit their Climate Risk Transition Plan to a vote at their annual general meetings. The intention is to improve dialogue between companies and investors about climate risk management.

Emerging markets manager Ninety One also joined a collaborative engagement led by the Interfaith Center on Corporate Responsibility, the Investor Alliance for Human Rights and Rathbones aiming to address the human rights crisis in the Xinjiang Uyghur Autonomous Region (XUAR).

International shares manager C Worldwide held meetings with Nestlé, as well as Atlas Copco, a Swedish manufacturer of industrial tools and equipment, to discuss the companies' commitments to 1.5-degree scenario science-based targets. Climate change and science-based targets were also discussed through engagements with Hoya, a Japanese company manufacturing optical products. The manager also engaged with the business on its process of engaging with its supplier base on human rights and signing Hoya's code of conduct (which 90% currently have done – compared to 80% 12 months ago), and considerations for auditing as the next step.



CERTIFIED BY RIAA

The AMP Capital Ethical 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 services takes environmental, social, ethical or governance considerations into account along with financial returns. See www.responsibleinvestment.org for details¹.

1. The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

Portfolio Manager



Trent Loi

Trent Loi joined AMP Capital in May 2012 as the portfolio manager for the international share and Australian small companies' portfolios within the Specialist, AMP Capital Ethical Leaders, Experts' Choice and ipac ranges of funds. Prior to joining AMP Capital, he was an Associate Consultant at Mercer Investment Consulting. Prior to that, he was an Investment Analyst at Aon Investment Consulting.

Further information

For information about the Fund including fees, features, benefits and risks talk to your financial advisor today or read the product disclosure statement (PDS) which can be found on:

www.ampcapital.com/ethical-leaders-international-share-fund

You can also call us on 1800 658 404



INSIGHTS
IDEAS
RESULTS

AMP Capital Funds Management Limited (ABN 15 159 557 721, AFSL 426455) is the responsible entity (Responsible Entity) of the AMP Capital Ethical Leaders International Share Fund (Fund) and the issuer of the units in the Fund. To invest in the Fund, investors will need to obtain the current Product Disclosure Statement (PDS) from AMP Capital Investors Limited (ABN 59 001 777 591, AFSL 232 497) (AMP Capital). The PDS contains important information about investing in the Fund and it is important that investors read the PDS before making an investment decision about the Fund. Neither AMP Capital, the Responsible Entity, 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. 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 document 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 consider the appropriateness of the information in this document, and seek professional advice, having regard to their objectives, financial situation and needs. This document should not be reproduced in whole or in part without the express written consent of AMP Capital.