

AMP Capital Ethical Leaders International Share Fund

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.

How we manage your money

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.

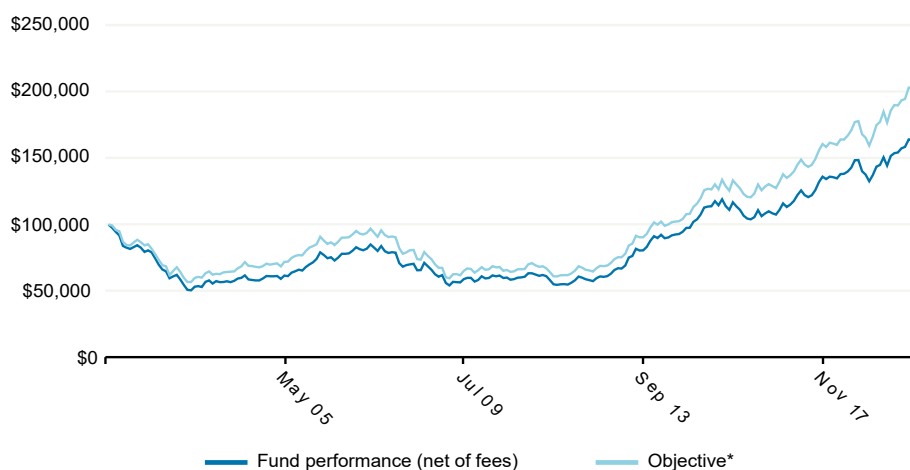
Performance as at 30 June 2020

%	1 MTH	3 MTH	1 YR	3 YRS	5YRS	7YRS	SINCE INCEPT
Total Return - Net of Fees	-0.24	5.10	0.58	7.68	5.88	10.32	2.17
Objective*	-0.51	5.98	4.08	10.02	8.81	12.28	3.60
Excess return	0.27	-0.88	-3.49	-2.34	-2.93	-1.96	-1.43

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

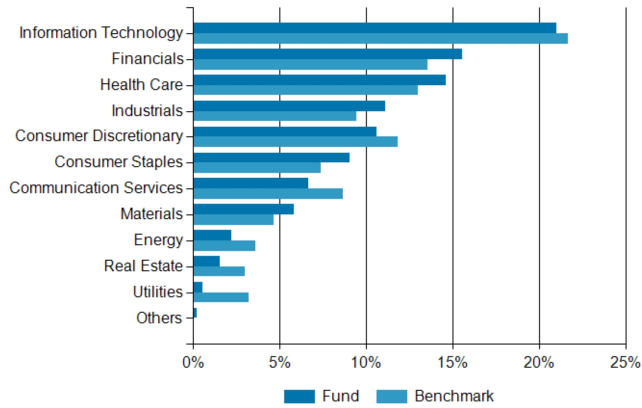
APIR	AMP0455AU
Inception date	20 April 2001
Fund Size	\$336,346,536
Management costs*	% p.a.
Buy/Sell spread*	+0.25%/-0.25%
Distribution frequency	Half Yearly
Minimum investment	\$500,000
Minimum suggested time frame	5 years

*Fee information is accurate as at 31 December 2019, 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

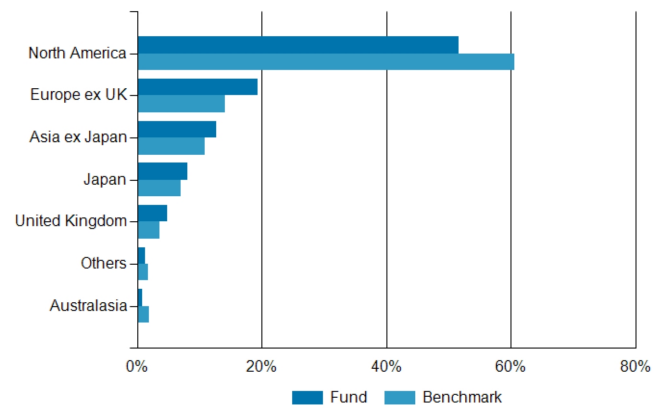
What happened last period

- The Fund performed strongly in absolute terms, though slightly underperformed the benchmark over the quarter
- Global shares rose strongly
- Pressure on global economies has however begun to ease as various lockdowns and restrictions have been lifted, while highly supportive monetary and fiscal policy continues to provide solid support

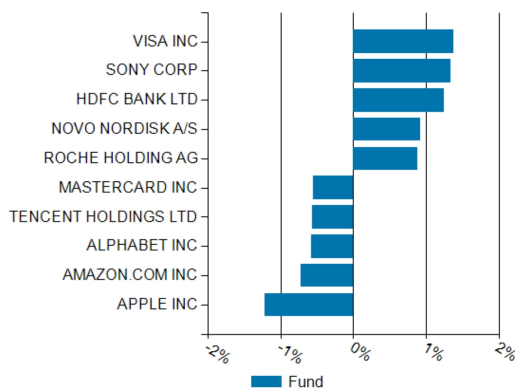
Sector allocation (%)



Regional allocation (%)



Top/Bottom Excess Weights



Fund Performance

The Ethical Leaders International Shares Fund slightly produced a strong absolute return despite slightly underperforming the benchmark over the June quarter. Sector allocation was the main contributor to the relative return, however, it was offset by stock selection, which contributed positively within industrials; with overweights to Owens Corning, Brenntag and Siemens adding the most value. Conversely, stock selection in the information technology sector was the major detractor from relative performance, including underweights to Apple, PayPal and Shopify. Stock selection in health care and financials further detracted from performance. At the manager level, C Worldwide outperformed the Fund benchmark, whilst Lazard, Boston Partners and the Ethical Leaders Emerging Markets Fund underperformed. The overweight to emerging markets was a detractor, as emerging markets underperformed developed markets over the quarter.

Market review

Global shares surged back from their March lows over the June quarter, with the MSCI World ex Australia index finishing the period up by 18.5%. This came as virus-related market panic progressively dissipated and lockdowns began to be lifted. Death rates, while high, were also far

below previous 'worst-case' scenario estimates. As businesses reopened, most governments maintained (and in some case even increased) their stimulus programmes on offer, leading to continued support for share prices. Various economic indicators also appeared to confirm a global economic recovery was indeed underway, reflected in sharp rises in business confidence and falling rates of unemployment. Contrary to the markets' bullish sentiment, the list of concerns on many investors' radars however only appeared to grow, with issues such as civil unrest in the US, the upcoming US election, Chinese tensions (with Hong Kong, the US, India and even Australia) and an apparently rising risk of a 'second wave' of COVID-19 infections (particularly in the US) leading to a growing sense of unease. Perhaps most pressingly for shares, corporate earnings visibility remains low, resulting in many businesses being hard to value, particularly over the short-term. Emerging markets meanwhile were also very strong, driven by the same trends as broader developed markets to return 16.7% over the quarter as measured by the MSCI Emerging Markets index. (Indices quoted in local currency terms and on a total-return basis, unless otherwise stated.)

Outlook

Given a lack of earnings visibility, we believe investors should exercise some caution, particularly

where prices have risen quickly. Amid changing consumer dynamics, many companies will likely struggle for some time, while stronger businesses are likely to emerge from the COVID-19 crisis with gained market share. Pressure on global economies has however begun to ease as various lockdowns and restrictions have been lifted, while highly supportive monetary and fiscal policy continues to provide solid support. While second wave fears persist and are temperamentally traded on, thereby presenting potential retraces/pullbacks, 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 generally 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

The COVID-19 crisis has temporarily reduced global carbon emissions amid reduced levels of industrial activity and travel. While this provides some short-term benefit, we don't believe this to be desirable at the expense of such violent economic and social disruption, nor is it sustainable. While, there were some concerns at the beginning of the quarter that the urgent focus on climate change could be shelved to focus on managing the fallout of the pandemic and ensuring short-term business survival, recent shareholder resolutions has pleasingly shown this not to be the case.

Human rights and supply chains continued to be an area of focus, reflected by international equities manager, C WorldWide, actively engaging with Amazon.com over a worrying pattern of labour issues in recent years, including a high number of fatalities and injuries. Dialogue has been picked up with their new Head of ESG Engagement and a conference call to discuss the worker safety concerns is being pursued.

International equities manager Ninety One (previously Investec) meanwhile engaged with Yum China Holdings, discussing various topics including food quality/safety management and business structure. The manager asked for further information on how the company ensures food quality and safety. Since their 2014 food scandal, the company has reconstituted their compliance and safety norms by consolidating their suppliers and establishing a food safety committee.

Other activity during the period included a focus on social media, specifically on areas such as privacy, security and cyber issues, which have been particularly relevant during the COVID-19 related shutdowns. Access to medical treatments was also on the agenda, with the pharmaceutical industry now working toward new treatments such as vaccines targeting COVID-19. If and when these new products leave the pipeline, ensuring they are made widely accessible will be important.



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



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