

# DIVESTMENT OF TOBACCO-RELATED INVESTMENTS EMERGING MARKETS SHARES FUNDS

27 MARCH 2018

In August 2017 we wrote to you about the divestment of tobacco-related investments from all AMP Capital investment portfolios. The initial divestment was completed in September 2017, and we are now writing to confirm the timeframe for divesting the remaining securities in AMP Capital's emerging markets funds.

## Background

In March 2017 AMP Capital furthered its commitment to ESG and responsible investment by introducing a new ethical framework. Under this new framework, AMP Capital concluded that manufacturers of tobacco did not meet the required ethical standards and would be excluded from the investable universe of all its funds. As a result, it was advised that approximately \$40 million of tobacco-related holdings would be progressively divested from AMP Capital New Zealand funds.

For those funds that had exposure to emerging markets via the AMP Capital Emerging Markets Shares Fund (which invests into an AMP Capital Australian unit trust), the process was more complex so required a longer timeframe. The timing for this has now been confirmed by AMP Capital Australia who are managing the sell down of impacted securities.

## Funds affected

The following funds invest into the Future Directions Emerging Markets Share Fund and are affected by this change:

AMP Capital Emerging Markets Shares Fund (AIF EM)

AMP Capital Global Shares Fund (AIF I)

## When will the change take place?

AMP Capital Australia has written to the underlying investment managers in the Future Directions Emerging Markets Share Fund instructing them to progressively sell down tobacco holdings in a reasonable manner. This is expected to be completed by 1 May 2018.

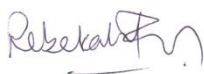
In addition, from this date the performance of the Fund will be measured against the equivalent ex-Tobacco benchmark:

AMP Capital Fund	Benchmark
AMP Capital Emerging Markets Shares Fund	MSCI Emerging Markets ex Tobacco Index NZD
AMP Capital Global Shares Fund	MSCI All Country World ex Tobacco Index (69% hedged)

## Further information

If you have any questions about this change and how it affects you, please contact your relationship manager.

Yours sincerely,



Rebekah Swan  
Head of Distribution  
AMP Capital

**Important note:** While every care has been taken in the preparation of this document, AMP Capital Investors (New Zealand) Limited makes no representation or warranty as to the accuracy or completeness of any statement in it including, without limitation, any forecasts. Past performance is not a reliable indicator of future performance. 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. An investor should, before making any investment decisions, consider the appropriateness of the information in this document, and seek professional advice, having regard to the investor's objectives, financial situation and needs. This document is solely for the use of the party to whom it is provided.