

Media Release

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AMP Capital divests from tobacco securities worth A\$440 million

AMP Capital becomes founding signatory of global Tobacco-Free Finance Pledge

AMP Capital has completed the divestment of A\$440 million worth of tobacco manufacturing-related holdings from its portfolios, representing the largest divestment of tobacco securities by a fund manager in Australia.

The divestment follows the introduction of a new ethical framework, announced by AMP Capital in March 2017, which included the decision to divest from tobacco securities across all equity and fixed income holdings.

In addition to the landmark divestment, AMP Capital has today become a founding signatory of the Tobacco-Free Finance Pledge launched at an event at the United Nations General Assembly in New York.

The pledge marks a global movement that promotes the adoption of tobacco-free finance policies within financial services and has been developed in line with the United Nations' Sustainable Development Goals and the World Health Organisation Framework Convention on Tobacco Control.

AMP Capital collaborated with Tobacco Free Portfolios, United Nations agencies, and global peers in the financial services industry to develop the pledge, bringing its experience in ethical investment and demonstrating that strategies toward tobacco-free finance do exist for large commercial organisations.

Speaking at the launch in New York, AMP Capital CEO Adam Tindall commented: "AMP Capital is proud to be a founding signatory of the Tobacco-Free Finance Pledge. As a global investment manager, we firmly believe in responsible investment and company engagement to drive meaningful change, however in the case of tobacco no level of engagement can resolve the inherent dangers involved with their products. Our tobacco-free position, established in March 2017, reflects changing attitudes of our clients who don't want to be invested in harmful products.

"The pledge builds on our existing approach, which included the introduction of a new ethical decision-making framework in March 2017 and a commitment to divest A\$440 million worth of tobacco manufacturing-related holdings from our entire portfolio. Today we announce this process is complete, making it the largest divestment of tobacco securities by a fund manager in Australia.

"We're pleased to bring our knowledge and expertise as a founding member of the pledge, and encourage all investors to consider adopting their own minimum standards in relation to tobacco. Our ethical framework has shown it is possible to reconcile complex ethical issues in institutional investing while contributing to a sustainable future that creates long-term value for our investors, the environment and the community."

As part of its 2017 commitment, AMP Capital has also completed the divestment from manufacturers of cluster munitions, landmines, chemical and biological weapons representing more than A\$130 million in securities.

Today's announcement builds on AMP Capital's longstanding commitment to ESG and responsible investment, and reflects the continued momentum in integrating ESG factors into its investment process across all asset classes.

AMP Capital has recently been recognised for its strong ESG performance receiving A and A+ ratings in the annual reporting and assessment of signatories to the Principles for Responsible Investment (PRI).

AMP Capital also participates annually in the GRESB rankings, an ESG benchmark for real assets. Three of AMP Capital's eligible infrastructure funds placed in the top ten global rankings, with each fund also rated in the top five within its sector peer group. Solid rankings were also achieved across AMP Capital's flagship real estate funds.

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About AMP Capital

AMP Capital is a specialist global investment manager with A\$189 billion in funds under management as of 30 June 2018 and more than 250 investment professionals. AMP Capital has a heritage and strength in real estate and infrastructure, and specialist expertise in fixed income, equities and multi-asset solutions. Its majority shareholder is AMP Limited, which was established in 1849, and is one of Australia's largest retail and corporate pension providers. AMP Capital has a strategic alliance with Mitsubishi UFJ Trust and Banking Corporation, which is also a shareholder.