ASIC BENCHMARKS AND DISCLOSURE PRINCIPLES FOR THE AMP CAPITAL CORE INFRASTRUCTURE FUND

15 JANUARY 2020

IMPORTANT INFORMATION
AMP Capital Funds Management Limited (ABN 15 159 557 721, AFSL 426455) is the responsible entity of the Fund, the issuer of the Product Disclosure Statement (PDS) for the Fund and is referred to in this document as ‘the Responsible Entity’ or ‘AMPCFM’.

AMP Capital Investors Limited (ABN 59 001 777 591, AFSL 232497) is the investment manager of the Fund, and is referred to in this document as ‘AMP Capital’, ‘we’ or ‘us’.

The Fund is the AMP Capital Core Infrastructure Fund (ARSN 127 019 238).

Unless otherwise specified, all dollar amounts in this document are Australian dollars.

This document should be read in conjunction with a current PDS for the Fund.

The Australian Securities and Investments Commission (ASIC) has released benchmarks and disclosure principles to help investors better understand the characteristics of infrastructure entities and the risks associated with them.

Benchmarks and disclosure principles for the Fund are set out in this document and should be read in conjunction with a current PDS for the Fund.

This document will be reviewed annually, and will be updated where material changes are identified.

A copy of the ‘ASIC benchmark and disclosure principles for the AMP Capital Core Infrastructure Fund’ and a current PDS for the Fund are available online at www.ampcapital.com (go to the Fund page), and can also be obtained free of charge, on request.
1. CORPORATE STRUCTURE AND MANAGEMENT

**BENCHMARK:** The infrastructure entity’s corporate governance policies and practices conform with the principles and recommendations in ASX Listing Rules Guidance Note 9, Corporate governance – ASX Corporate Governance Council – Revised corporate governance principles and recommendations.

**ASX CORPORATE GOVERNANCE STANDARDS**

ASX listed entities are required to disclose the extent of their compliance with the Corporate Governance Principles and Recommendations (ASX Recommendations), released by the ASX Corporate Governance Council, and, where they have not adopted a particular ASX Recommendation, to explain the reasons. The Fund is not listed on ASX and accordingly is not subject to this requirement.

A third edition of the ASX Recommendations was released on 27 March 2014 and has taken effect for the AMP Group financial year beginning 1 January 2015. The Responsible Entity of the Fund and issuer of this document is AMPCFM, which is a member of the AMP Group.

AMP’s 2018 Corporate Governance Statement, relating to the financial year ended 31 December 2018, was released on 20 March 2019 and measures AMP’s governance practices against the third edition of the ASX Recommendations. A copy of AMP’s 2018 Corporate Governance Statement and further information about AMP’s governance practices can be found online at [www.amp.com.au/corporategovernance](http://www.amp.com.au/corporategovernance).

This document also measures the Fund’s governance practices and arrangements against the third edition of the ASX Recommendations. Further information relating specifically to the Fund can be found at [www.ampcapital.com/wwtf](http://www.ampcapital.com/wwtf).

The information in this statement is current as at the date of this document.

For the Fund, AMPCFM complies with the third edition ASX Recommendations, and accordingly the Benchmark is met, except for:

- ASX Recommendations 1.2(b), 4.3, 5.1, 6.3, 8.1, 8.2 and 8.3, which are not applicable, and
- the following recommendations set out in summary:

**Principle 2**

- Recommendation 2.2 – A listed entity should have and disclose a Board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership

**Principle 4**

- Recommendation 4.2 – The Board of a listed entity should, before it approves the entity’s financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position of the entity and that opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

An explanation of the rationale for why ASX Recommendations 1.2(b), 4.3, 5.1, 6.3, 8.1, 8.2 and 8.3 are not applicable and for departures from the ASX Recommendations is provided below.
Board and management

The Board is responsible to investors in the Fund for the overall governance and performance of the Fund. The roles and responsibilities of the Board are set out in AMPCFM’s Corporate Governance Charter, which can be viewed at www.amp.com.au/corporategovernance. Matters specific to the operation of the Fund are set out in the Fund’s constitution, which is available on the Fund website.

The Board is responsible for:

- overseeing and monitoring the operation and performance of AMPCFM and its various businesses, including management of the Fund
- all investment decisions, which it delegates to AMP Capital Investors Limited
- implementing AMPCFM’s strategy, consistent with that of the AMP Group
- monitoring AMPCFM’s risk management framework, including internal compliance systems and controls and ongoing compliance monitoring
- ongoing monitoring of AMPCFM’s financial performance, including approving the financial reports of the Fund, and
- ensuring all regulatory requirements are met, and reporting to investors in the Fund.

The AMP Group Delegations of Authority outlines the decisions reserved by the Board and those delegated to senior management. The Chief Executive Officer of AMP Capital (AMP Capital CEO) is responsible for the overall management and performance of AMPCFM. This includes managing its business and operations in accordance with the strategy, plans, risk appetite and policies approved by the AMP Limited, AMP Capital Holdings and AMPCFM Boards.

The Board is comprised of a majority of independent, non-executive directors. Details of the current Directors of AMPCFM, including their qualifications and experience, are available online at www.ampcapital.com.au/en/about/corporate-governance.

Prior to the appointment of any new non-executive director to the AMPCFM Board, appropriate background checks are conducted to confirm that the candidate has the capabilities needed and is fit and proper to undertake the role. On appointment, each non-executive director signs an appointment letter, which outlines the main terms, conditions and expectations of the director’s appointment.

Executive directors enter into a written employment agreement when they are employed by AMP Capital. Appropriate background checks are also completed when Executive directors commence their employment with AMP Capital and at any other time, as required.

The Board meets as often as required to effectively discharge its functions and responsibilities. The Board met on 12 occasions during the financial year ended 31 December 2018.

AMPCFM has appointed two company secretaries who are responsible for advising the Board on governance matters and facilitating the flow of information between the Board and its committees, and between managements and the Board. The company secretaries are accountable directly to the Board, through the Chairman, on all matters relating to the proper functioning of the Board. All Directors have access to the advice and services of the company secretaries, whose appointment and removal are a matter for decision by the Board.

Evaluation of performance

An evaluation of the performance of the Board has not been conducted since the composition of the Board changed, following the appointment of a majority of independent, non-executive directors to the Board in August 2017. It is anticipated that such an evaluation will be undertaken in 2019.

The performance of senior executives is evaluated annually in accordance with AMP Group and AMP Capital policies.

Diversity

AMP’s Inclusion and Diversity Council consisting of the AMP CEO and AMP Group Leadership Team, guides AMP’s diversity strategy and works to foster inclusion and diversity across the organisation. The AMP Board sets measurable targets for achieving diversity.

Detailed reporting of AMP’s gender diversity targets and the progress in achieving those targets is set out in AMP’s 2018 Corporate Governance Statement, which can be viewed at www.amp.com.au/corporategovernance.

ASX Recommendation 1.2(b) is further explained under Principle 6.

PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

A Nominations Committee is established when required, to assist with Board succession. The role of the Nominations Committee is to identify suitable candidates for appointment as non-executive directors, having regard to the Board’s current and desired mix of collective experience, expertise, skills, attributes, independence and diversity.

AMPCFM Directors are not required to be elected, or re-elected, under the Corporations Act, the AMPCFM Constitution or the Fund’s Constitution. Accordingly, the information currently provided to investors in relation to the Board’s composition and it’s collective skills, experience and diversity, is currently considered to be sufficient without the need to disclose a formal board skills matrix.

The Chairman of the Board is an independent, non-executive director. As a result, the roles of Board Chairman and AMP Capital CEO are not held by the same person.

Newly appointed Directors to the Board participate in a formal and extensive induction process, which includes briefings from senior executives of AMP Capital. Ongoing education for directors of AMPCFM is also provided.

PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY

AMP Capital’s directors, employees, contractors and consultants are bound by the AMP Limited code of conduct (the Code), which sets out the minimum standards of behaviour expected of them.

The Code sets out AMP’s expectations of the minimum standards of behaviour and decision making, including how employees treat each other, AMP’s clients and customers, business partners and shareholders. A copy of the Code is available on the corporate governance section of the AMP website, www.amp.com.au/corporategovernance.

AMPCFM Directors and officers also have a duty to act in the best interests of the Fund’s investors. Where there is a conflict between the interests of investors and the interests of AMPCFM, the Directors must give priority to the interests of the Fund’s investors.
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

Audit & Risk Committee (ARC)

The AMP Capital Group has established an Audit & Risk Committee (ARC). The key responsibilities of the ARC, which are set out in the Terms of Reference approved by the Board, include:

- reviewing the financial reports for AMP Capital and the Fund and making recommendations to the Board for the approval of the financial reports;
- monitoring the effectiveness of the risk management and compliance framework;
- monitoring and reporting to the Board on the extent to which AMP Capital complies with its regulatory requirements including licence conditions and the Schemes’ constitutions and compliance plans;
- monitoring the effectiveness of material service providers, and
- monitoring AMP Capital’s relationship with and the performance and independence of, its external auditors.

The ARC is comprised of three members, all of whom are independent, non-executive directors. Under the ARC’s terms of reference, executive directors are not permitted to serve as members of the ARC.

Details about members of the ARC are available online at www.amp.com.au/corporategovernance.

The ARC is required to meet at least four times a year, or more frequently if required. The ARC met on eight occasions during the 2018 financial year.

In carrying out its responsibilities, the ARC:

- has unrestricted access to senior management, the Head of Internal Audit for AMP Capital, senior risk and financial control personnel and the external auditor. Each of these persons also have unrestricted access to the ARC, and
- to the extent the ARC considers it necessary and at AMP Capital’s expense, it has the power to retain external advisers and obtain any other information or resources.

Management Accounts Committee (MAC)

The Management Accounts Committee (MAC) is an internal management committee that is responsible for assisting the ARC and the Board in reviewing and approving the financial reports for the Fund (and other managed investment schemes for which AMP Capital is the Responsible Entity).

The MAC’s composition, roles, responsibilities and procedures are outlined in its Terms of Reference, which:

- requires the committee to be comprised of at least three members, each of whom must be financially literate and one member who has the financial experience and expertise referred to in the MAC Terms of Reference;
- requires the appointment of members to the MAC to be approved by the AMP Capital CEO;
- sets out the roles and responsibilities of the MAC, which includes to:
  - review and advise the ARC and the Board in relation to the adequacy of the financial reporting processes relating to the Fund;
  - review the financial statements for the Fund and make recommendations to the ARC and the Board in relation to their approval.

Financial reporting certification

ASX Recommendation 4.2 suggests that prior to approving a listed entity’s full year and half year financial statements, the Board should receive a declaration from its chief executive officer and chief financial officer, stating that:

- in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the Australian accounting standards and give a true and fair view of the financial position and performance of the entity, and
- the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Such a declaration was not received by the Board prior to approving the Fund’s most recent financial statements, as these financial statements were reviewed by the MAC, the ARC and approved by the Board of which the AMP Capital’s CEO and the AMP Capital’s Chief Financial Officer are executive directors.

In addition, management submitted written representations to the Board confirming that:

- the financial statements and notes for the Fund are in accordance with the Corporations Act 2001 (Cth) including section 296 (compliance with Australian Accounting Standards) and section 297 (true and fair view);
- the financial records of the Fund for the financial period have been properly maintained in accordance with section 286 of the Corporations Act 2001 (Cth), and
- appropriate representations have been received from the custodian in relation to the internal control environment of the Fund.

The Board considers this to be appropriate, given the roles, responsibilities and composition of the forums that support the Board in reviewing the Fund’s financial statements and overseeing the risk management of the Fund.

External auditors

AMP has appointed Ernst and Young (EY) as the AMP Group’s external auditors.

The AMP Group has adopted a charter of audit independence (Audit Charter) which sets out a framework to assist in maintaining the independence of EY.

In accordance with the requirements of the Corporations Act, the lead audit partner rotates every five years.

In 2018, the lead audit partner for AMP retired, having performed that role for the previous five years and EY appointed a new lead audit partner.

The AMP Limited Audit Committee is responsible for:

- monitoring the performance, adequacy and independence of the external auditors;
- reviewing and approving the terms of engagement and fees of the external auditors for AMP Group.
If it becomes necessary to replace the external auditor for independence or performance reasons, the AMP Limited Audit Committee will formalise a procedure for the selection and appointment of the new auditor and make a recommendation to the AMP Limited Board. The decision of the AMP Limited Board will only apply to AMPCFM after consideration and approval by the AMP Capital Holdings Limited Board.

**AMP Capital Holdings Limited Board and Audit & Risk Committee**

The Board of AMPCFM’s parent entity, AMP Capital Holdings Limited (AMPCH), monitors the operation of its subsidiary boards, including AMPCFM. The relationship between the Board and the AMPCH board is set out in the AMPCFM Corporate Governance Charter.

The AMPCH board has established an Audit and Risk committee (AMPCH ARC) to oversee financial reporting and risk management for AMP Capital. The role, responsibilities and operation of the AMPCH ARC are set out in its Terms of Reference and requires the AMPCH ARC to be comprised of at least three non-executive members, a majority of whom are independent.

The AMPCH ARC is currently comprised of five members, each of whom are non-executive directors. The independent Chairman of the AMPCH ARC is not the chairman of the AMPCH board.

The AMPCH ARC assists the AMPCH board and AMPCFM in respect of the Fund, by:

- providing oversight of the framework of risk management in AMPCH and its subsidiaries including compliance, internal controls and the assurance provided by internal audit
- reviewing reports on the effectiveness of the risk management framework for AMP Capital, including reports on any incident involving fraud or other break down of controls in relation to the Fund
- reviewing the key risks for AMP Capital and making recommendations to the AMPCH board in relation to the approval of the AMP Capital risk appetite statement, which incorporates risks relating to the Fund
- reviewing the insurance program for AMP Capital, incorporating the operations of the Fund and AMPCFM as responsible entity of the Fund
- overseeing the AMP Capital business relationship with, and the independence of, the external auditor, including all aspects of financial reporting and auditing, and
- regularly meeting with internal and external auditors on risk matters pertaining to AMP Capital, including that of the Fund, in the absence of management.

**AMP Limited board and Audit Committee**

The AMP Limited board has overall responsibility for the management and performance of AMP. It has established an Audit Committee to oversee financial reporting for the AMP Group. The AMP Limited board and Audit Committee are required to be comprised of at least three members, a majority of whom are independent. The chairman of the AMP Limited Board and the Audit Committee is not the chairman of the AMPCFM Board. The AMP Limited Audit Committee assists the Board in respect of the Fund by:

- reviewing and monitoring the performance, objectivity and resourcing of the internal audit function
- reviewing and approving the internal audit plan and internal audit charter
- monitoring the progress of the internal audit plan and work program, and monitoring AMP’s effectiveness in managing its risks and internal controls, and
- in consultation with the CEO, reviewing and approving the appointment or replacement of the head of internal audit.

**PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE**

ASX Recommendation 5.1 provides that a listed entity should have a written policy for compliance with its continuous disclosure obligations under the ASX Listing Rules and disclose that policy or a summary of it. This ASX Recommendation is not relevant to the Fund, as neither the Fund nor AMPCFM is a listed entity, so the continuous disclosure obligations under the ASX Listing Rules do not apply.

**PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS**

AMPCFM is committed to transparency and effective communication with investors in the Fund. The Board’s policy is to ensure that announcements relating to the Fund are made in a timely manner, are expressed in a clear and balanced way, do not omit material information and that contain accurate, factual statements. This allows investors to assess the impact of the information when making investment decisions.

All investors are able to communicate with the Fund directly by using the contact details included on each announcement. Regular updates on the performance of the Fund, including changes in the investment portfolio of the Fund and relevant commentary are disclosed to investors on the Fund’s website.

ASX Recommendation 1.2(b), 4.3 and 6.3 relate to the processes a listed entity has in place to communicate with security holders in relation to the convening and conduct of its annual general meeting (AGM)

AMPCFM, or the Fund, is not required under the Corporations Act, AMPCFM’s Constitution or the Fund’s Constitution, to convene an AGM. Nor are the directors of AMPCFM required to be elected, or re-elected, by security holders at an AGM.

As a result:

- information relating to the election or re-election of the AMPCFM Directors is not provided to security holders although as noted above, details of the names, qualifications and experience of the AMPCFM Directors are available of AMP Capital’s website
- the requirement for the external auditor to attend the AGM does not apply to the Fund.

Historically, no meetings of the Fund’s unitholders have been held. However, where a fund managed by AMP Capital is required to convene a unitholder meeting, it is AMP Capital’s practice to encourage unitholders to attend and participate at these meetings, by:

- clearly communicating the business of the meeting to unitholders
- providing unitholders with a clear and concise explanation of the reasons for the business of the meeting, including any specific resolutions
- providing unitholders with a reasonable opportunity to ask questions of the board and management.
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

The ARC is responsible for monitoring the effectiveness of the risk management and compliance framework as it relates to AMPCFM and the schemes and trusts for which AMPCFM is the responsible entity or trustee, including the Fund.

AMP Capital’s risk management framework is overseen by the Board, in conjunction with the:

- AMP Limited Board and Risk Committee, and the
- AMPCH ARC.

The AMP Limited Board has overall responsibility for establishing a system of risk management, internal controls and compliance for AMP, and for monitoring and reviewing its effectiveness. It also has responsibility for approving the risk appetite of the AMP Group and the risk management related policies to support that appetite, and for seeking to ensure these are implemented. A summary of AMP’s Enterprise Risk Management policy, which sets out the principles, processes, roles and responsibilities for the management of risk at AMP, can be found online at www.amp.com.au/corporategovernance.

The Board has implemented an integrated risk management and compliance framework based on the AMP Group’s enterprise risk management framework. In accordance with AMP’s Enterprise Risk Management Policy, AMP Capital has a risk management framework in place, which enables the identification of risks, development of appropriate responses, and the monitoring of risks and controls.

The AMPCH ARC has responsibility for reviewing the effectiveness of the risk and compliance framework for AMP Capital at least on an annual basis. This includes reviewing and recommending key risk management and compliance policies to the AMPCH Board for approval in addition to helping formulate AMP Capital’s risk appetite. During 2018, the AMPCH ARC reviewed quarterly reports on the measurement of risk and the effectiveness of AMP Capital’s risk management framework.

The Board is responsible for ensuring that appropriate measures are in place to manage material business risks specific to its operations, including the Fund, in line with the Fund’s compliance plan and AMP Group’s overall risk strategy. The Board and management keep a strong focus on the adequacy and use of processes and systems supporting the framework, and closely monitor AMP Capital’s culture to ensure appropriate decisions and accountability are implemented.

Internal audit

The internal audit function conducts audits for AMP Limited and its subsidiaries including AMPCFM by following a risk-based structured approach. The ARC, Board and management receive regular reports from internal audit on the control environment, areas for improvement and progress in addressing those areas for improvement as they relate to relevant entities including the Fund.

The internal audit team provides the ARC, Board and management with an independent and objective evaluation of the adequacy and effectiveness of the control over the risks for AMP and its subsidiaries.

During 2018, the AMP Limited board took steps to strengthen AMP’s Internal Audit function, responding to changes from within the financial services industry and to AMP’s competitive positioning within the industry.

The responsibilities that Internal Audit has to the AMP Limited board and Audit Committee are being discharged by the AMP Group Chief Financial Officer, acting as interim Chief Audit Executive (CAE), while a permanent appointment to the role is in progress. The interim CAE is supported by the in-house Internal Audit function, with supplementary resources provided through a co-source partnership with PwC. This model provides a diverse range of expertise to ensure appropriately skilled resources to deliver audit activity.

Economic, environmental and social sustainability risks

The investee companies in which the Fund invests may have a material exposure to economic, environmental or social sustainability risks. Where these risks are known to the Fund, the Fund will not invest in the investee company. The Fund does not believe it has any material exposure to economic, environmental and social sustainability risks.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

The Board does not have a remuneration committee as suggested by ASX Recommendation 8.1. Instead the remuneration policies of AMP Capital are overseen by the AMP Limited Remuneration Committee.

The AMP Limited Remuneration Committee is currently comprised of nine independent, non-executive directors of AMP. The Chairman of the Committee is also an independent non-executive director of AMP.

The AMP Limited Remuneration Committee’s terms of reference are available at www.amp.com.au/corporategovernance

The Fund is not responsible for the remuneration of AMPCFM’s directors, officers or employees and therefore ASX Recommendation 8.2 requiring a disclosure of policies and practices regarding remuneration of directors and senior executives is not applicable.

Executive directors on the Board are remunerated by the AMP Group in accordance with its remuneration policies and procedures. Fees for the non-executive directors are approved by the AMP Capital CEO, in consultation with AMP Limited’s Nominations Committee and are payable by AMPCFM in its corporate capacity.

No non-executive member of a committee, AMP director or AMP Group employee is entitled to receive any securities of the Fund, or options over such securities, as part of their remuneration.

As such, ASX Recommendation 8.3 which requires the listed entity to have a policy on whether participants are permitted to enter into transactions which limit the economic risk of participating in the equity based remuneration scheme, is not applicable.

2. REMUNERATION OF MANAGEMENT

BENCHMARK: Incentive-based remuneration paid to management for the infrastructure entity is derived from the performance of the infrastructure entity and not the performance of other entities within its consolidated group, except where the infrastructure entity is the parent of the consolidated group.

The benchmark is not met as remuneration may be linked to the performance of other entities within the consolidated group of the Fund.

AMP Capital is the investment manager of the Fund and provides fund services to the Fund. The Fund is managed by an investment team comprising employees of AMP Capital. An annual management fee is charged to the Fund and paid to AMP Capital based on the gross value of its assets. Performance fees are paid to AMP Capital depending on the performance of the Fund.
Measurement of the return of the portfolio of the Fund relative to the benchmarks is used to assess the performance of individual team members and the investment team. Team members' bonus remunerations reflect the performance of the overall funds managed by the team, rather than via individual attribution. This is designed to encourage thinking as a team rather than individuals. Each team member involved in the management of the Fund has a fixed pay package, supplemented by a short-term incentive payment which is dependent on the value add to the total portfolio of their particular team. Hence, we do not pay for individual trading performance, but for the value add of each individual team in helping to deliver the overall performance.

Performance measurement depends on the individual basis point of value add of each sector for each team. In addition to the actual performance of each sector as measured and verified by our attribution system, there is a subjective overlay applied based on the behavioural aspects of the individual's performance. Performance of portfolio managers and analysts is a combination of investment performance achieved (70% of performance incentives) and behavioural aspects (30% of performance incentives) of the individual's performance.

Behavioural capabilities such as teamwork overlay quantitative performance measures. Other factors including the sharing of information and willingness to go beyond the 'normal' or 'expected' level of commitment are also considered.

For the component of investment performance, we use a time period of three years. However, overall staff performance and Fixed Pay Packages are measured annually. Therefore, there is no direct link between the bonus incentive component and an employee’s contribution to the Fund’s performance.

Performance fees of up to 15% (exclusive of GST) of the Fund’s performance above the performance benchmark (10 year Australian Government Bond Yield plus 3.25% per annum) may be payable. Outperformance is measured net of management fees. For a full description of terms please refer to the Fund’s PDS. Performance fees paid to AMP Capital are not linked to the remuneration of management, other than as part of the subjective assessment on the individuals key performance measures noted above.

Comprehensive information on AMP Group’s remuneration policies and practices is contained in the AMP Limited remuneration report. AMP uses a variety of equity-based remuneration arrangements to align employee interests with shareholders’ long-term interests and aid in the retention of selected individuals.

AMP’s policy on hedging of equity incentives prohibits employees from using any hedging arrangements over the restricted shares, share rights, share bonus rights, options or performance rights held by employees in any of AMP’s equity incentive plans. The purpose of the policy is to ensure that the alignment between employee and shareholder interests is not undermined by the use of hedging arrangements.

3. CLASSES OF UNITS AND SHARES

The benchmark is not met.

The Fund’s constitution permits the Fund to issue different classes of units and the different unit classes have the right to different management costs, expenses and distributions, but otherwise each class of units has the same rights.

The Fund contains multiple unit classes reflecting the different servicing requirements of various unitholders. Due to the additional services required by some unitholder classes, different management fees apply to different unit classes. Management fees are detailed in the PDS for the Fund.

The Fund currently has five unit classes:
- Class A units – On-platform investors
- Class G units – On-platform (Advantage) investors
- Class H units – Off-platform individual retail investors
- Class O units – Institutional investors and AMP Capital staff, and
- Class P units – Taiwanese investors.

All units within the same class have the same rights. This structure is appropriate for the Fund which has a number of different classes. All units in the Fund are fully paid.

4. SUBSTANTIAL RELATED PARTY TRANSACTIONS

The benchmark is not met.

We do not comply with Listing Rule 10.1, which requires all related party transactions to be approved by members. However, the Fund is subject to obligations under Chapter 2E and Chapter 5C of the Corporations Act. Under these duties, neither AMP Capital nor AMPCFM is able to provide a benefit to other AMP entities unless it is either on arms’ length terms or member approval has been obtained. Further, they cannot prefer the interests of other AMP entities over the interests of members and must at all times act in the best interests of Fund unitholders.

Accordingly, AMP Capital maintains and complies with written policies on related party transactions, including the assessment and approval processes for such transactions and arrangements to manage conflicts of interest.

Related party transactions undertaken by AMP Capital and AMPCFM are done in accordance with the AMP Conflicts of Interest Procedure. These procedures also have regard to the requirements of ASIC Regulatory Guide 76, Related Party Transactions.

A related party transaction is a transaction involving parties that have a close relationship with us. For example, where a fund managed by AMP Capital or for which AMPCFM is the responsible entity invests in other funds where we are the responsible entity, trustee or investment manager, or where the Fund invests in assets where other AMP Group entities may have an interest, or where assets are transferred between different AMP Group funds.

Details of related party funds in which the Fund invests are set out under ‘Conflict management’ in the Fund profile section of the Fund’s PDS.

As at the date of this document, the Fund’s investment manager complies with the AMP Conflicts of Interest Procedures. For further information on related party transactions including a summary of key elements of the relevant policies, please contact us.

BENCHMARK: All units or shares are fully paid and have the same rights.

BENCHMARK: The infrastructure entity complies with ASX Listing Rule 10.1 for substantial related party transactions.

The benchmark is not met.

The Fund’s constitution permits the Fund to issue different classes of units and the different unit classes have the right to different management costs, expenses and distributions, but otherwise each class of units has the same rights.
5. CASH FLOW FORECAST

**BENCHMARK:** The infrastructure entity has, for the current financial year, prepared and had approved by its directors:
- 12-month cash flow forecast for the infrastructure entity, and has engaged an independent suitably qualified person or firm to provide, in accordance with the auditing standards
  - negative assurance on the reasonableness of the assumptions used in the forecast, and
  - positive assurance that the forecast is properly prepared on the basis of the assumptions and on a basis consistent with the accounting policies adopted by the entity, and
- an internal unaudited cash flow forecast for the remaining life, or the right to operate (if less), for each new significant infrastructure asset acquired by the infrastructure entity.

The benchmark is not met.

The Fund aims to provide investors with access to a diversified portfolio of Australian and global infrastructure assets as well as listed infrastructure assets. The Fund invests in numerous minority positions in listed and unlisted infrastructure securities. As a minority investor it has no ability to influence any distributions from its investments. Because of this and the uncertainty of market movements of the majority of Fund cash flows, forecasting is not undertaken.

Cash flows as received are tabulated and monitored to ensure Fund liquidity and the meeting of asset allocation targets.

6. BASE-CASE FINANCIAL MODEL

**BENCHMARK:** Before any new material transaction, and at least once every three years, an assurance practitioner performs an agreed upon procedures check on the infrastructure entity’s base-case financial model that:
- checks the mathematical accuracy of the model, including that:
  - the calculations and functions in the model are, in all material respects, arithmetically correct, and
  - the model allows changes in assumptions, for defined sensitivities, to correctly flow through to the results, and
- includes no findings that would, in the infrastructure entity’s opinion, be materially relevant to the infrastructure entity’s investment decision.

The benchmark is not met as the Fund does not maintain a base-case financial model.

The Fund invests in both unlisted infrastructure assets (either held directly by the Fund or accessed through the Fund’s investment in infrastructure funds which invest in infrastructure assets) and in listed infrastructure securities (through investment in the AMP Global Listed Infrastructure Index Fund (Hedged)), by way of minority positions.

As at 31 December 2018, the Fund is a minority investor in a portfolio of over 110 listed and unlisted infrastructure assets. Accordingly, this style of fund is unusual and different to an infrastructure fund investing in only a handful of assets. For this Fund it is neither useful nor practical to maintain a base-case model.

7. PERFORMANCE AND FORECAST

**BENCHMARK:** For any operating asset developed by the infrastructure entity, or completed immediately before the infrastructure entity’s ownership, the actual outcome for the first two years of operation equals or exceeds any original publicly disclosed forecasts used to justify the acquisition or development of that asset.

Benchmark 7 is not applicable to the Fund and is therefore not met. The Fund has not developed any (greenfield) operating asset and will not do so. Nor has the Fund invested directly in any asset completed immediately before the Fund’s ownership, as it invests only in established (or brownfield) assets.

8. DISTRIBUTIONS

**BENCHMARK:** If the infrastructure entity is a unit trust, it will not pay distributions from scheme borrowings.

Benchmark 8 is met.

9. UPDATING THE UNIT PRICE

**BENCHMARK:** If the infrastructure entity is unlisted and a unit trust, after finalising a new valuation for an infrastructure asset, the infrastructure entity reviews, and updates if appropriate, the unit price before issuing new units or redeeming units.

Benchmark 9 is met.
1. KEY RELATIONSHIPS

**Disclose:**

a. the important relationships for the entity and any other related party arrangements relevant to an investor’s investment decision, including any controlling arrangements, special voting rights or director appointment rights, and

b. for any significant infrastructure asset under development the key relationships and the key participants that bear material development risks.

**CO-OWNERSHIP RELATIONSHIPS**

Under the Fund’s constitution, the Fund may co-invest with other AMP Capital infrastructure funds, on terms which:

- give the co-owner the right of first refusal over the Fund’s interest in the asset, and
- permits the co-owner to acquire the Fund’s interest at market value, if AMP Capital ceases to manage the Fund.

Similar co-ownership arrangements may apply in favour of a third party co-owner.

As the Fund has co-owned positions for its direct unlisted infrastructure assets, it is a party to various shareholder and other co-ownership arrangements. The Fund’s percentage of these assets is generally small. The Fund may hold the shareholder rights pertaining to direct unlisted infrastructure assets held by it, in conjunction with other entities within the consolidated group of the Fund and third parties (Shareholder Group).

These shareholder rights may include:

- **Appointment rights**
  - If the aggregate of the equity proportions of a Shareholder Group meets a specified percentage, then that Shareholder Group may appoint one director for each part of its shareholding which constitutes an equity proportion of that percentage.

- **Special voting rights**
  - In relation to a resolution of the directors, a passing resolution requires the affirmative vote of 75% or more of the votes cast by those directors present and entitled to vote. In relation to a resolution of shareholders, a passing resolution requires the affirmative vote of 75% or more of the votes cast by all shareholders present and entitled to vote.
  - Minority shareholders may have the ability, under the shareholders agreement, to prevent a quorum or otherwise veto special majority decisions by the board of directors or shareholders.

- **Permitted transfers**
  - A shareholder may transfer its legal or beneficial interest in any equity securities held by it to a ‘Permitted Transferee’ of that shareholder.
  - The Permitted Transferee may refer to:
    - a related body corporate of AMP Capital or AMPCFM, or
    - any entity acting in a trustee or custodial capacity and any other entity holding assets or funds, in respect of which AMPCFM, a controlled entity of AMP Capital or a related body corporate of AMPCFM is the investment adviser.

- **Pre-emptive rights**
  - If a shareholder wishes to dispose of any of its equity securities then it must first give a transfer notice to the company. The transfer notice authorises the company to act as exclusive agent and attorney of the seller in connection with the sale of the equity securities to all or any of the other shareholders.
  - The company must, within a certain number of business days of receiving the transfer notice, give notice of a proposed sale to each shareholder. Equity securities not sold under the pre-emptive offer process may be sold to a qualified buyer/s at a price equal to or greater than the price offered to the other shareholders in the transfer notice.

Shareholder rights and the conditions, to which these rights are subject to, may vary across each direct unlisted infrastructure asset.

The Fund on its own holds no special or controlling rights.

**NO ASSETS UNDER DEVELOPMENT**

The Fund has no infrastructure assets under development.

2. MANAGEMENT AND PERFORMANCE FEES

**Disclose:**

a. all fees and related costs associated with the management of the entity’s assets paid or payable directly or indirectly out of the money invested in the entity, providing a clear justification for the fees, and

b. if performance fees are payable, how these fees will be paid.

Please refer to the Fund’s PDS.

3. RELATED PARTY TRANSACTIONS

**Disclose:**

a. value of the financial benefit/consideration payable

b. the nature of the relationship

c. whether the arrangement is on arm’s length terms

d. whether member approval of the transaction has been sought

e. the risks associated with the related party arrangement

f. policies and procedures in place for entering into these arrangements and how compliance is monitored

g. for management agreements with related parties: Term, Termination fee and how it would be calculated, Exclusivity arrangements with management, Copy of agreement, Management entrenchment arrangements

h. for transactions with related parties involving a significant infrastructure asset: Steps taken to evaluate the transaction; If an independent opinion was used, and where access can be obtained.
Related party holdings of the Fund
Details of the Fund’s holdings in related entities, which are registered schemes of which AMPCFM is also the responsible entity or are entities in the same group as the Responsible Entity, are set out below:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>AMP Global Listed Infrastructure Index Fund (Hedged)</td>
<td>389,820,338</td>
<td>311,037,540</td>
<td>85.42</td>
<td>86.77</td>
<td>10,586,962</td>
<td>8,549,472</td>
</tr>
<tr>
<td>Australia Pacific Airports Fund No.3 (APAF3)</td>
<td>56,958,598</td>
<td>52,225,173</td>
<td>9.24</td>
<td>9.20</td>
<td>1,357,748</td>
<td>924,016</td>
</tr>
<tr>
<td>AMP Capital Managed Cash Fund</td>
<td>62,787,257</td>
<td>12,349,208</td>
<td>1.55</td>
<td>0.34</td>
<td>764,299</td>
<td>1,030,980</td>
</tr>
<tr>
<td>AMP Capital NZ Power Debt Trust</td>
<td>3,302,369</td>
<td>3,305,932</td>
<td>3.00</td>
<td>3.00</td>
<td>441,353</td>
<td>340,560</td>
</tr>
<tr>
<td>AMP Capital NZ Power Equity Trust</td>
<td>4,557,694</td>
<td>3,753,553</td>
<td>3.00</td>
<td>3.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>AMP Capital Diversified Infrastructure Trust</td>
<td>32,496,110</td>
<td>31,639,799</td>
<td>2.11</td>
<td>2.42</td>
<td>948,540</td>
<td>2,100,948</td>
</tr>
<tr>
<td>AMP Capital Global Infrastructure Fund</td>
<td>25,665,378</td>
<td>23,239,359</td>
<td>1.06</td>
<td>1.06</td>
<td>132,229</td>
<td>1,070,293</td>
</tr>
<tr>
<td>AMP Capital Global Infrastructure Fund II</td>
<td>27,033,488</td>
<td>13,356,710</td>
<td>1.37</td>
<td>1.87</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Transactions with AMP Capital
All transactions between the Fund and related parties have been at market value on normal commercial terms and conditions. This includes purchases and sales of investments as well as applications and redemption of units. There are no direct management agreements with related parties.

In accordance with the Fund’s constitution, AMPCFM is entitled to receive fees for the provision of services to the Fund and to be reimbursed for certain expenditure incurred in the administration of the Fund.

Transactions with AMP Capital
All transactions between the Fund and related parties have been at market value on normal commercial terms and conditions. This includes purchases and sales of investments as well as applications and redemption of units. There are no direct management agreements with related parties.

In accordance with the Fund’s constitution, AMPCFM is entitled to receive fees for the provision of services to the Fund and to be reimbursed for certain expenditure incurred in the administration of the Fund.

4. FINANCIAL RATIOS

Disclose: where target financial ratios have been publicly disclosed, achievement and how they are calculated and an explanation of what the financial ratios mean.

The Fund has no target financial ratios as it has no debt.

5. CAPITAL EXPENDITURE AND DEBT MATURES

Disclose for the infrastructure entity:

a. planned capital expenditure for the next 12 months and how it is to be funded, and
b. breakdown of material debt maturities.

The Fund does not have any planned capital expenditure for the next 12 months and no debt obligations.
6. FOREIGN EXCHANGE AND INTEREST RATE HEDGING

**Disclosure for the infrastructure entity:**

a. any foreign exchange and interest rate hedging policy, and  
b. whether exposure conforms with the policy.

The Fund does not borrow and therefore does not undertake interest rate hedging.

The foreign exchange hedging policy of the Fund prescribes the Fund to hedge the capital values of foreign currency investments into Australian dollars with a tolerance of ±5%. Hedging exposures are reviewed monthly and adjusted for changes in capital value and distributions as required. The Fund complies with the policy.

The Fund may use derivatives such as futures, options, forward contracts or swaps to hedge against currency fluctuations to reduce risk. Strict restrictions are imposed on the use of derivatives within the Fund, which are closely monitored. Derivatives are not used to gear the Fund.

7. BASE-CASE FINANCIAL MODEL

**Disclosure for the infrastructure entity:** The base-case financial model.

Not applicable. The Fund does not maintain a base-case financial model. As at 30 June 2019, the Fund is a minority investor in a portfolio of over 110 listed and unlisted infrastructure securities. Accordingly, this style of fund is unusual and different to an infrastructure fund investing in only a handful of assets. For this Fund it is neither useful nor practical to maintain a base-case model.

8. VALUATIONS

**Disclosure for the infrastructure entity:**

1. valuation policy (see below).  
2. whether valuations and support are available to investors (see “Valuation details” below). If not to supply:  
   a. whether prepared internally or externally  
   b. date of the valuation  
   c. scope  
   d. purpose  
   e. value assessed and assumptions  
   f. key risks to the assets being valued  
   g. valuation methodology  
   h. period of forecast  
   i. discount rate used and the basis for calculating this rate  
   j. income capital expenditure and capital growth rates over the forecast period.

3. any circumstances that may result in a conflict of interest in the preparation of the valuations.

**VALUATION POLICY**

The valuations of individual assets in which the Fund invests are derived as follows:

- Publicly listed securities are valued at least each business day using the last sale price quoted on the relevant exchange.
- Direct assets are valued by us at least twice a year. Where the value of the Fund’s interest in an asset exceeds $10 million, this valuation will be externally prepared by an independent valuer. This $10 million threshold may increase or decrease from time to time in line with the size of the Fund.
- Direct assets may be revalued at any time during the year on the basis of significant underlying business developments or justification provided by an arms’ length transaction involving an asset.
- Units in unlisted and listed infrastructure funds are valued at the most recent unit price supplied by the manager of the relevant fund. An unlisted or listed infrastructure fund may calculate unit prices at different times to the Fund and may value underlying assets on a different basis to the Fund.
VALUATION DETAILS
Valuations are not available to investors. The valuation details are as set out below.

Scope and purpose of valuation
Unlisted assets directly held in the Fund share similar valuation scopes. Generally, asset valuations will consider the following:

- equity valuation/enterprise valuation of the asset as at 30 June or 31 December
- valuation reflects a ‘fair value’ price defined as the price paid for an asset by knowledgeable and willing parties, and
- a valuation approach that considers current market conditions.

The valuation of assets is a key determinate in the calculation of the Fund’s Net Asset Value (NAV). The primary purpose of deriving a fund’s NAV is to determine the appropriate prices at which unit holder entitlements may be transacted, as well as to determine a fund operator’s entitlements.

Consistent valuation of an asset enables a proper assessment of asset and fund returns to assist in investment management decisions and performance calculations.

Valuation methodology
An appropriate valuation methodology for each asset will be determined by an independent valuer. Historically, assets have been valued using a Discounted Cash Flow (DCF) approach as the primary method. The DCF approach requires a forecast of free cash flows that are discounted to their present value using a rate of return that is reflective of the time value of money. Comparable analyses may be used by the valuer as a means of cross-checking the DCF valuation.

The period of forecast assumptions and the selection of the terminal year vary across assets. Generally, the forecasting period for an infrastructure asset ranges from 10 to 50 years.

Key risks of infrastructure assets
The list below outlines risks that may be attached to an investment in an infrastructure asset.

- **Construction risk** – Delays in construction and overruns in costs may reduce the expected return of an investment.
- **Patronage/volume risk** – The risk of lower than expected product demand may result from changes in the competitive environment, demographic change, shortfalls in forecasted revenues and changes in macroeconomic conditions.
- **Financing risk** – Infrastructure projects typically involve a substantial amount of debt financing. A highly leveraged project is susceptible to interest rate fluctuations if it is not appropriately hedged. Interest rate fluctuations may impact the cost of borrowing during refinancing events.
- **Political/regulatory risk** – Governments may exercise regulatory power to alter agreements, and regulatory and legal frameworks in a way that adversely affects the investment’s expected returns.
- **Liquidity risk** – Infrastructure projects are usually long-term investments that may not have a ready market for selling during the interim.
- **Currency risk** – Global infrastructure investments may expose an investor to currency volatility if the cash flows are not appropriately hedged with a currency overlay strategy.
Discount rate
An appropriate discount rate will be determined by an independent valuer. Historically, valuers have used the generally accepted Capital Asset Pricing Model (CAPM) to determine the discount rate for the Fund’s assets.

Direct asset investments
Valuation details of assets held directly by the Core Infrastructure Fund as at 30 June 2019 are listed below.

<table>
<thead>
<tr>
<th>Direct asset</th>
<th>Currency</th>
<th>Current valuation ($m)</th>
<th>Current valuation date</th>
<th>Previous valuation date</th>
<th>Discount rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia Pacific Airports Corporation</td>
<td>AUD</td>
<td>28</td>
<td>June 2019</td>
<td>December 2018</td>
<td>9.5%</td>
</tr>
<tr>
<td>Australia Pacific Airports Corporation (via Australia Pacific Airports Fund No.3)</td>
<td>AUD</td>
<td>57</td>
<td>June 2019</td>
<td>December 2018</td>
<td>9.5%</td>
</tr>
<tr>
<td>Angel Trains UK</td>
<td>AUD</td>
<td>34.2</td>
<td>June 2019</td>
<td>December 2018</td>
<td>9.25%</td>
</tr>
<tr>
<td>AMP Capital SA Schools Trust</td>
<td>AUD</td>
<td>7.6</td>
<td>June 2019</td>
<td>December 2018</td>
<td>7.5%</td>
</tr>
<tr>
<td>AquaTower Pty Ltd</td>
<td>AUD</td>
<td>3.7</td>
<td>June 2019</td>
<td>December 2018</td>
<td>8.15%</td>
</tr>
<tr>
<td>Powerco New Zealand Holdings Ltd</td>
<td>AUD</td>
<td>7.9</td>
<td>June 2019</td>
<td>December 2018</td>
<td>7.75%</td>
</tr>
<tr>
<td>Port Hedland International Airport</td>
<td>AUD</td>
<td>7.2</td>
<td>June 2019</td>
<td>December 2018</td>
<td>11%</td>
</tr>
<tr>
<td>ITS ConGlobal</td>
<td>AUD</td>
<td>35.6</td>
<td>June 2019</td>
<td>December 2018</td>
<td>14%</td>
</tr>
<tr>
<td>London Luton Airport</td>
<td>AUD</td>
<td>48.8</td>
<td>June 2019</td>
<td>December 2018</td>
<td>10.5%</td>
</tr>
</tbody>
</table>

CONFLICTS OF INTEREST
Neither AMP Capital nor AMPCFM are aware of any circumstances that may result in a conflict of interest arising in the preparation of the valuations.

If a conflict of interest arises, the AMP Group has a Conflicts of Interest Policy designed to manage such occurrences. The policy is designed to provide a prudent set of guidelines through which AMP Capital and AMPCFM can meet their responsibilities to all clients in an efficient and responsible manner.

9. DISTRIBUTION POLICY

Disclose:

a. current policy and rights to change the policy
b. on payment of distributions portion attributable to income, capital and debt
c. risks associated with distributions being paid from sources other than operating cash flows, including the sustainability of such distributions.

POLICY
As set out in the Fund’s PDS, the Fund aims to pay distributions quarterly.

Although the Fund’s objective is to pay distributions quarterly, the amount of each distribution may vary or no distribution may be payable in a distribution period.

DISTRIBUTION COMPONENTS
Distributable income may include income or capital gains arising from the disposal of assets.

Where the Responsible Entity deems it appropriate, a distribution may include a return of capital. The Fund does not borrow to pay distributions.

RISKS IF DISTRIBUTIONS ARE NOT PAID FROM OPERATING CASH FLOWS
Distributions paid to unitholders of the Fund are recognised in the statement of cash flows as cash flows from financing activities. The Fund does not borrow to pay distributions.
10. WITHDRAWAL POLICY

Disclose:

a. whether there is a right of withdrawal and, if so, the maximum period allowed for satisfying withdrawal requests under the constitution of the infrastructure entity (see ‘Period for satisfying withdrawal request and risk factors’ below).

b. the withdrawal policy and any rights that the infrastructure entity has to change the policy.

c. any significant risk factors or limitations that may impact on the ability of investors to withdraw from the infrastructure entity (see ‘Withdrawal policy and possible changes to the policy’ below).

d. how investors can exercise their withdrawal rights, including any conditions on exercise (see ‘Conditions on exercise’ below).

e. if withdrawal from the infrastructure entity may be funded from an external liquidity facility, the material terms of this facility, including any rights the provider has to suspend or cancel the facility (see ‘Conditions on exercise’ below).

f. how investors will be notified of any material changes to withdrawal rights and the withdrawal policy, e.g. if withdrawal rights are to be suspended (see ‘Notifications’ below), and

g. whether the amount of capital in the infrastructure entity has been reduced by more than 10% in the last three months – this information can be updated via website disclosure (see ‘Reduction of capital by more than 10% in the last three months’ below).

PERIOD FOR SATISFYING WITHDRAWAL REQUESTS AND RISK FACTORS

Our ability to meet withdrawal requests is dependent on the Fund remaining liquid for Corporations Act purposes. We aim to pay withdrawal requests within 10 business days. However, due to the liquidity characteristics of the Fund’s unlisted infrastructure assets, we may take up to 365 days or longer to pay withdrawal requests, as allowed under the Fund’s constitution.

Where we determine we cannot fully meet all withdrawal requests within 10 business days, the conditions for the processing of redemptions may be varied as follows, and as permitted under the Fund’s constitution. We will process withdrawal requests on a monthly basis according to a specified withdrawal date. In these circumstances, withdrawal amounts may be reduced on a pro-rata basis for all withdrawal requests. We will notify investors in writing if we determine to process withdrawals on this basis.

If the monthly processing of withdrawal requests and pro-rata processing of withdrawal payment amounts applies:

- Investors can submit a withdrawal request at any time. However, withdrawal requests that are to be paid into your nominated bank account are processed monthly, according to the relevant ‘specified withdrawal date’.

- The specified withdrawal date is the 15th day of each calendar month, or the next business day if the specified withdrawal date is not a business day. A business day for us is any day other than Saturday, Sunday or a bank or public holiday in NSW.

- We only accept withdrawal requests if the request is received before 1.00pm Sydney time on any specified withdrawal date. Requests received after 1.00pm on a specified withdrawal date will be held over to the next specified withdrawal date.

- More than one withdrawal request per investor will be accepted in relation to any specified withdrawal date. If we receive more than one withdrawal request from you, we will aggregate and process your total withdrawal requests received before 1.00pm Sydney time on the specified withdrawal date.

- Where we determine cash is not available to fully meet withdrawal requests relating to a specified withdrawal date, withdrawal payment amounts will be reduced on a pro-rata basis for all withdrawal requests. If we reduce withdrawal payment amounts, investors need to submit a new withdrawal request for the balance of the unpaid withdrawal amount (or any other amount).

- This new withdrawal request will be processed at the specified withdrawal date relevant to the date we receive the request, and will be reduced on a pro-rata basis if there is insufficient cash available in the Fund to fully meet the request.

- The unit price used to calculate the withdrawal value will generally be the price calculated on the last valuation date before we process the payment of the withdrawal request (or part of the withdrawal request), not the day the investor notifies us of the intention to withdraw.

- Withdrawal requests subject to monthly processing and pro-rata processing of withdrawal payment amounts will be satisfied within 365 days, or such longer period as permitted under the Fund’s constitution.

We will notify investors in writing if we determine to stop processing withdrawal requests on a monthly basis.
CONDITIONS ON EXERCISE

Total withdrawals
Where the total withdrawals exceed 5% of the net assets of the Fund on any one day, we may determine that part of the withdrawal amount payable consists of income.

Large withdrawals
We may restrict the amount that an investor may withdraw during any three month period to 25% of the greatest number of units they held during the last 12 months if, either at the date of the withdrawal request or at any time within the previous 12 months, the investor held 20% or more of the total units in the Fund.

Withdrawal prices
We normally determine the market value and net asset value of the Fund at least each business day, using the market prices and unit prices of the assets in which the Fund is invested.

The withdrawal price is determined under the Fund’s constitution by reference to the net asset value and transaction costs pertaining to the relevant class of units, and the number of units on issue in that unit class.

Payment times
Although we aim to process withdrawal requests within 10 business days of receipt, you should be aware that:

• payment and processing of withdrawal requests is dependent on the Fund’s cash position, and
• the Fund’s constitution allows up to 365 days, or longer in some circumstances, to process withdrawal requests (as outlined in this section).

If monthly processing of withdrawal requests applies, subject to the above conditions and the Fund’s constitution, you should be aware that the amount paid to you may be less than the amount requested or that no amount may be payable in a month.

NOTIFICATIONS
Investors will be notified in writing of any material changes to withdrawal rights and the withdrawal policy, including if withdrawal rights are to be suspended.

REDUCTION OF CAPITAL BY MORE THAN 10% IN THE LAST THREE MONTHS
Please refer to the AMP Capital website for any update. As at the date of this document, the amount of capital in the infrastructure entity has not been reduced by more than 10% in the last three months.

11. PORTFOLIO DIVERSIFICATION

Disclose:

a. portfolio diversification policy
b. actual portfolio diversification position compared to the policy
c. explanation of any material variance (set out at b).

The Fund aims for diversification by investing across infrastructure assets, sectors and geographic locations, with asset allocation targeting 50% unlisted infrastructure assets and 50% listed infrastructure securities and cash. The Fund invests into unlisted infrastructure assets either directly through the Fund and/or via unlisted infrastructure funds, and listed infrastructure securities through the AMP Global Listed Infrastructure Index Fund Hedged.

The Fund’s risk parameters do not allow an exposure of more than 25% to any single asset or listed security. The top ten holdings of the Fund as at 30 June 2019 incorporating the look through holdings of the listed infrastructure fund are shown below.

As at June 2019, the Fund does not exhibit any material variance from the portfolio diversification policy and the actual portfolio diversification position of the Fund.

CORE INFRASTRUCTURE FUND – DIVERSIFIED SECTOR AND REGIONAL ALLOCATIONS
<table>
<thead>
<tr>
<th>Security details</th>
<th>% of Fund</th>
<th>Sector</th>
<th>Equity</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia Pacific Airports Corporation (APAC)</td>
<td>13.32</td>
<td>Airports</td>
<td>Unlisted</td>
<td>Australia</td>
</tr>
<tr>
<td>London Luton Airport</td>
<td>6.72</td>
<td>Airport</td>
<td>Unlisted</td>
<td>UK</td>
</tr>
<tr>
<td>ITS ConGlobal</td>
<td>5.05</td>
<td>Transportation logistics</td>
<td>Unlisted</td>
<td>USA</td>
</tr>
<tr>
<td>Angel Trains UK</td>
<td>4.56</td>
<td>Rail</td>
<td>Unlisted</td>
<td>UK</td>
</tr>
<tr>
<td>American Tower Corp</td>
<td>5.47</td>
<td>Communications</td>
<td>Listed</td>
<td>USA</td>
</tr>
<tr>
<td>ANU Student Accommodation</td>
<td>4.03</td>
<td>Student Accommodation</td>
<td>Unlisted</td>
<td>Australia</td>
</tr>
<tr>
<td>Enbridge Inc</td>
<td>4.37</td>
<td>Transmission &amp; Distribution</td>
<td>Listed</td>
<td>Canada</td>
</tr>
<tr>
<td>Crown Castle International Corp</td>
<td>3.29</td>
<td>Communications</td>
<td>Listed</td>
<td>USA</td>
</tr>
<tr>
<td>Vinci S.A.</td>
<td>2.89</td>
<td>Toll Roads</td>
<td>Listed</td>
<td>Europe</td>
</tr>
<tr>
<td>National Grid PLC</td>
<td>2.12</td>
<td>Transmission &amp; Distribution</td>
<td>Listed</td>
<td>UK</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>51.82</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*The sum of the top ten holdings is not exactly equal to total portfolio weight of top 10 holdings due to rounding. Reflects look through holdings incorporating indirect exposures through listed and unlisted infrastructure fund allocations as at 30 June 2019 Source: AMP Capital, 2019

Contacting AMP Capital
Further information can be obtained by contacting AMP Capital.

**Client Services**

<table>
<thead>
<tr>
<th>T:</th>
<th>1800 658 404</th>
</tr>
</thead>
<tbody>
<tr>
<td>E:</td>
<td><a href="mailto:clientservices@ampcapital.com">clientservices@ampcapital.com</a></td>
</tr>
<tr>
<td>W:</td>
<td><a href="http://www.ampcapital.com">www.ampcapital.com</a></td>
</tr>
</tbody>
</table>

Important Information

To invest, investors will need to obtain a current PDS from AMP Capital Investors Limited (ABN 59 001 777 591, AFSL 232497) before making a decision to acquire, continue to hold, or dispose of units in the Fund. The PDS contains important information about investing in the Fund and it is important that investors read a current PDS for the Fund. 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.