

ESG and Responsible Investment Philosophy

Disclaimer: Dexus Funds Management Limited (ABN 24 060 920 783, AFSL 238163) as responsible entity of the Dexus Property Trust and the Dexus Operations Trust (Dexus) acquired the effective day to day management of the majority of the AMP Capital real estate and domestic infrastructure equity business on 24 March 2023. Dexus Funds Management Limited has been appointed as the investment manager of the Dexus Core Property Fund (ARSN 114 235 326) (formerly the AMP Capital Core Property Fund) (Fund). This policy, that applied to the Fund prior to the acquisition, will continue to apply to the Fund by Dexus Funds Management Limited for a period of time after the acquisition.

As a global investment manager, at AMP Capital we have a single goal in mind – to create greater wealth for our clients through better investment decisions and opportunities.

As part of the AMP Group, we share a heritage that spans more than 160 years and we continue to evolve and think ahead of the market in what we do.



Our aim is to incorporate material ESG issues in the same balanced way we do other key risks which impact on investments performance.

AMP Capital's integrated corporate responsibility framework commits our organisation to making responsible investment decisions on behalf of our clients. AMP Capital believes there are links between an organisation's environmental and social impacts, the quality of its corporate governance, and its long-term business success.

In line with our overarching investment philosophy, we believe considering environmental, social and governance (ESG) factors within AMP Capital's investment decision-making and ownership practices, provides greater insight into areas of potential risk and opportunity that will impact the value, performance (risk and/or return) and reputation of the investments we make on behalf of our clients.

At AMP Capital, ESG encompasses a broad range of issues that may of themselves, or in combination, have a material impact on the risk/return characteristics of our investments. These issues may be driven by existing or future regulations, reflect issues of significant societal concern, or pose potential operational, financial, strategic, reputational or systemic risks.

Environmental: Natural resource use and degradation (e.g. water scarcity), waste, pollution, greenhouse gas emissions, climate change, clean technology products and services, environmental management practices.

Social: Human capital, workplace health and safety, labour relations and standards, human rights, demographic changes, supply-chain and community impacts.

Governance: Board composition, independence, diversity, executive remuneration and incentive plans, corporate accountability structures, compliance, negligence, bribery and corruption, conflicts of interest and related-party transactions, shareholder rights, accounting and audit quality.

Purpose and scope

This document outlines AMP Capital's organisational ESG and responsible investment philosophy. It applies across our business, providing guidance to AMP Capital's investment teams across our property and infrastructure asset classes.

This document is linked to other ESG-related policies, procedures, guidelines and proprietary tools at an organisational and asset class level that also form part of our ESG framework and further influence our business and investment decision-making.

Principles for Responsible Investment

In signing the United Nations backed Principles for Responsible Investment (PRI) in April 2007, AMP Capital committed to extending responsible investment and ESG integration activities across our entire investment universe. We believe that the implementation of these Principles will result in better quality investment outcomes for our clients, and closer alignment between our own objectives and those of society at large.

Adopting the Principles as the foundation for our approach provides an externally-recognised benchmark against which we monitor our progress towards achieving the systematic incorporation of material ESG issues into our investment decision-making and ownership practices.

Our approach to ESG and responsible investment

As a large owner of companies and assets, on behalf of our clients, we have a stake in the effective operation and sustainability of the broader economy, society, the integrity and transparency of markets, good governance and business conduct.

Our size, geographical coverage, and variety of client mandates, requires flexibility in the way we approach responsible investment and the integration of material ESG factors. Our decision-making processes must account for:

- Increasingly complex portfolio construction to meet our client's individual requirements
- Variation in investment styles and time horizons - often within a single asset class, and
- Differences in our level of ownership and influence.

Our aim is to incorporate material ESG issues in the same balanced way we do other key risks which impact an investment's performance.

As an early pioneer of sustainable investing within Australia, AMP Capital has accumulated over two decades of experience in researching, analysing and integrating ESG issues within investment decisions. To the extent our clients seek a specific bias toward ESG factors, AMP Capital can accommodate such mandates within products carrying higher performance hurdles and conviction toward ESG issues.

AMP Capital believes responsible investing requires consideration of future market trends and societal expectations of corporate responsibility that affect growth and risk factors within industry sectors or company business models making them increasingly unsustainable. We believe ignoring such factors will result in diminished returns in certain sectors relative to the market.

If AMP Capital considers these issues may pose increasing risk to our client's interests, as a large universal investor and owner, we typically engage with the investee to understand how such risks are managed as well as communicate our views to investors.

Ethical Considerations

In exceptional circumstances AMP Capital may seek to exclude particular companies, asset types or industry sectors from our investable universe on moral or ethical grounds. In making such a decision, AMP Capital will take into account the extent (if any) to which a company's activities (conduct), products or services:

- Violate the principle of respect for persons which affirms the intrinsic dignity of all people irrespective of age, gender, race, religion and prohibits the treatment of any human being merely as a means to an end, and/or
- Can be used without causing harm to others including those who may choose to make use of the relevant goods or services.

In undertaking its assessment AMP Capital will consider (without limitation):

- Whether activities (conduct), products or services contravene principles accepted under international human rights laws including but not limited to UN conventions;
- The principle of 'double effect' - which may allow conduct that is not intrinsically wrong and is undertaken for an ethically justified 'principal effect' even if it has an unintended harmful 'secondary' (double) effect. Where a form of conduct may have a harmful 'double effect', AMP Capital will assess the extent to which the company is actively engaged in minimising and mitigating the unintended harm;
- The extent to which the relevant activity, product or service is material to the conduct of the company in which the investment is to be made; and
- Any reasonable argument or rebuttal submitted in good faith, as to why an adverse assessment may be based on an error of fact or assumption.

Investment Committee is responsible for ensuring relevant information, is considered prior to reaching a decision to exclude or divest a company, asset type or industry sector from its investable universe. This includes consideration of fiduciary obligations, fund investment objectives, stakeholder concerns and recommendations from its own research and investment teams.



The Principles are:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.



An investor initiative in partnership with UNEP FI and the UN Global Compact.

Organisational goals and objectives

Consistent with our fiduciary responsibilities and approach outlined above, AMP Capital's ESG related objectives include:

- Rigorously assessing ESG risks to enhance our investment decision-making.
- Broadening our understanding of ESG impacts on value and investment performance.
- Actively monitoring ESG integration across the business and promoting our approach to clients, business partners and stakeholders.

Investment analysis and decision-making

AMP Capital's investment teams are responsible for:

- Developing and implementing ESG integration techniques that appropriately reflect the characteristics of the asset class, client requirements, investment styles and time horizons.
- Developing appropriate policies and guidelines demonstrating how material ESG factors are identified and assessed within the investment process. Where such policies and guidelines do not currently exist they will be developed accordingly.
- Leveraging our existing resources and research capabilities on ESG related topics for the benefit of our investment teams.
- Sourcing data and research and analysing the impact material ESG factors may have upon individual investments and portfolios including future cash flows, valuations, price, growth and risk.
- Integrating material ESG considerations within portfolio construction and portfolio management strategies.
- Ensuring ESG issues have been considered prior to seeking investment approvals.
- Promoting education and awareness of ESG factors among analysts and portfolio managers, and sharing ESG research and knowledge across teams to further strengthen our management capabilities.

We have a stake in the effective operation and sustainability of the economy, society, the integrity and transparency of markets, good governance and business conduct.

Active ownership and engagement

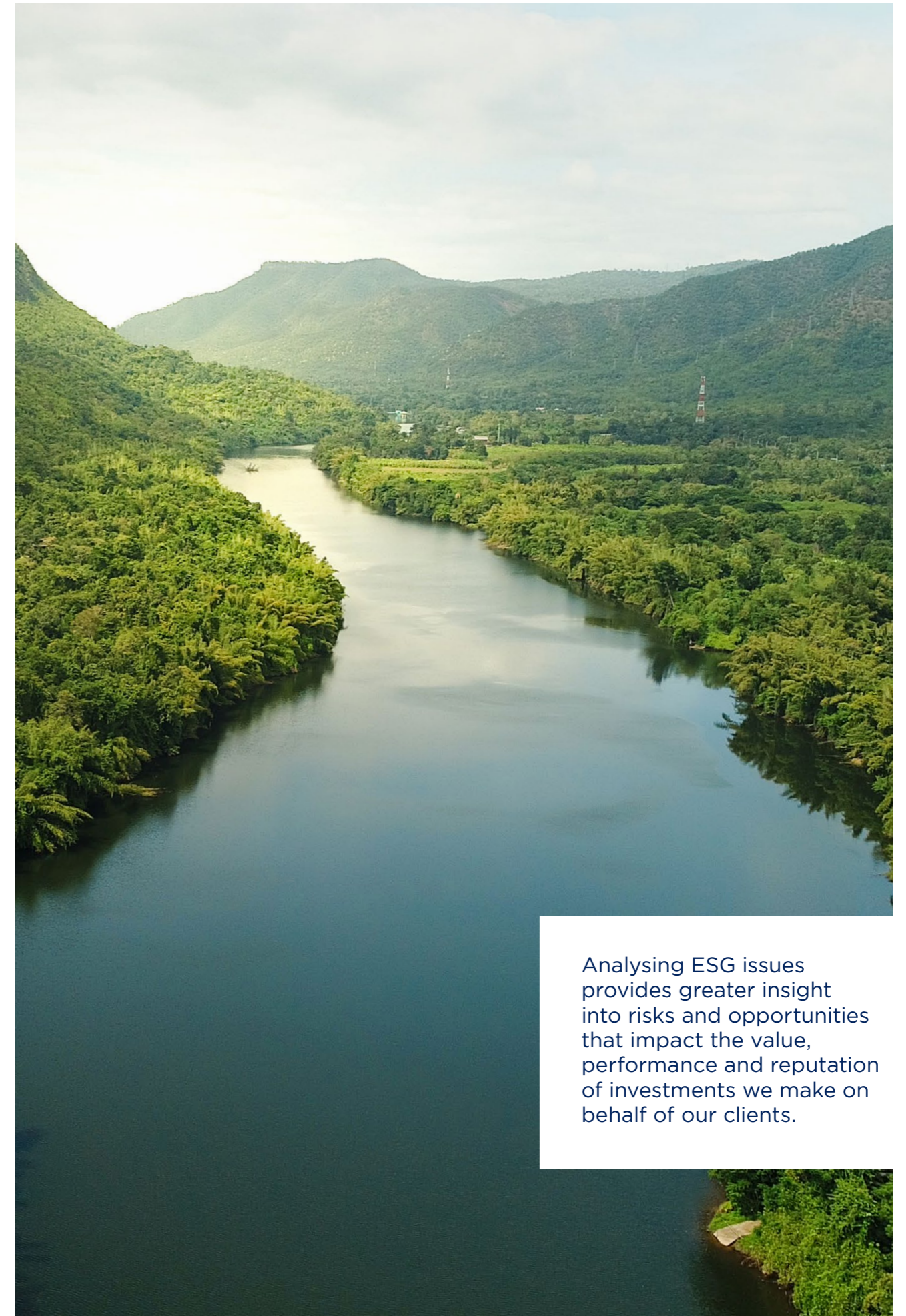
AMP Capital recognises our responsibility to influence the Boards and management teams of investee companies and assets where improvements in ESG factors may contribute to business and investment performance outcomes. Recognising differences in various asset classes and markets, our active ownership and engagement goals include:

- Monitoring companies and assets in which we invest and encouraging improved recognition of ESG considerations in business policies, practices and disclosures.
- In line with our own policies and guidelines, seeking improvement in ESG performance by investees, actively engaging them on their own approaches to managing material ESG risks and opportunities.
- Lodging proxy votes at meetings where we have the authority and where it is practicable to do so with all issues of corporate governance given due consideration. Environmental and social considerations are discussed with our in-house ESG research experts and decisions made on a case-by-case basis.
- Maintaining records of company engagement and reporting publicly our proxy voting activities.
- Engaging with our service providers, external managers and business partners to understand their processes for considering ESG issues within the services they provide or investments they manage on our behalf.
- Actively contributing to, and engaging in, public policy and industry debates on relevant ESG topics.

Monitoring, reviewing and reporting our progress

AMP Capital is committed to sharing our progress on ESG integration at the request of our clients and other stakeholders, and in line with our commitments under the PRI.

This document and our ongoing objectives, aspirations, business strategy and performance measures related to ESG integration, will be reviewed regularly to ensure ongoing alignment between our corporate objectives and client requirements.



Analysing ESG issues provides greater insight into risks and opportunities that impact the value, performance and reputation of investments we make on behalf of our clients.

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