

AAM DIVERSIFIED AGRICULTURE FUND

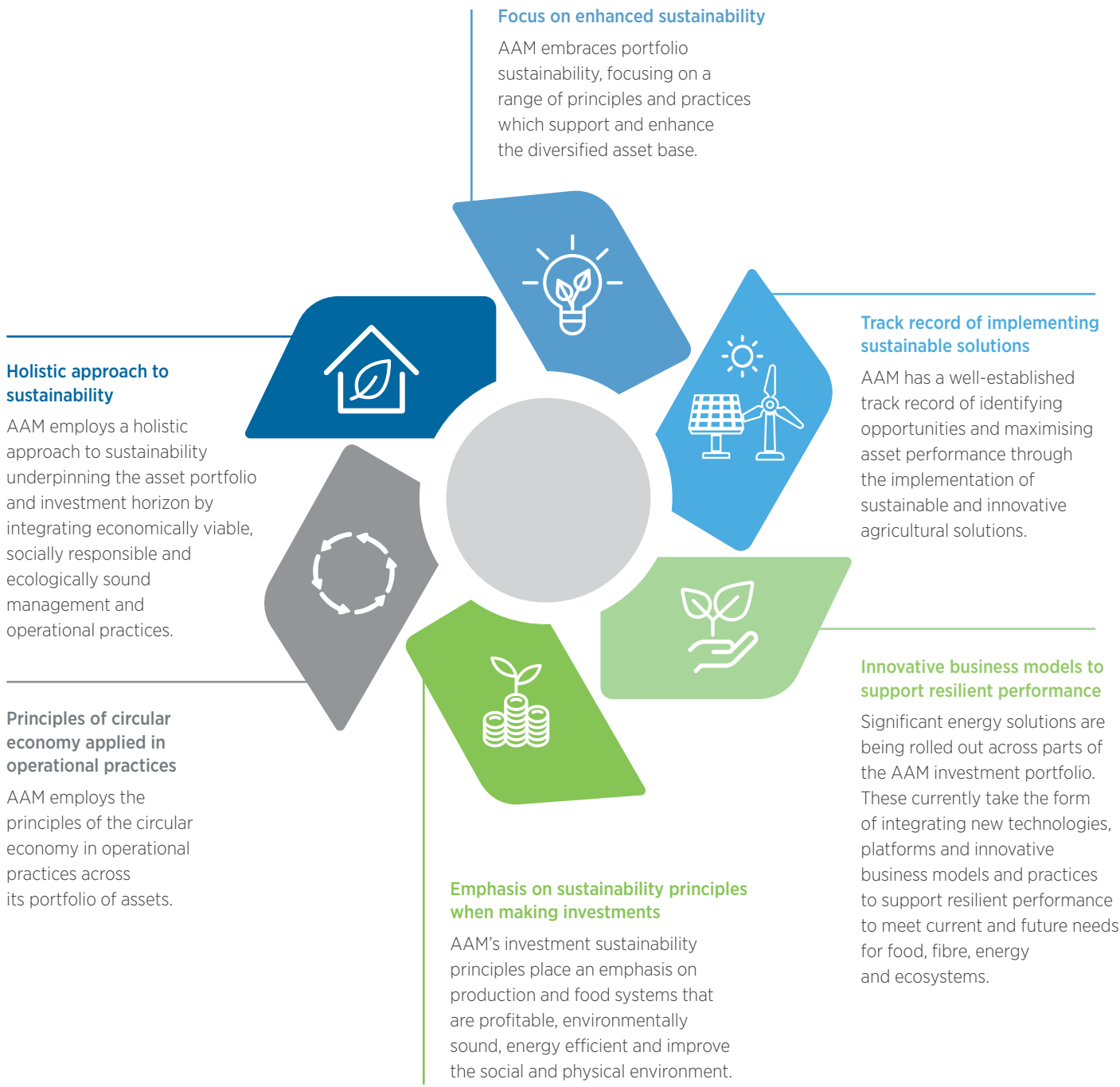
SUSTAINABILITY





SUSTAINABILITY DRIVING INVESTMENT PHILOSOPHY

AAM promotes investment that leads change in the agricultural industry to create a positive and sustainable legacy.



STRATEGIC SUSTAINABILITY APPROACH

One of AAM's greatest priorities is contributing to a sustainable and responsible agriculture industry that produces more with less. As part of this commitment, AAM has adopted the common language for organisations tackling sustainability challenges, developed by the United Nations' Sustainable Development Goals (SDGs).

The 17 goals (SDGs) call for urgent action to create a better world, and encompass environmental, social and economic issues.

AAM has reviewed and aligned our sustainability framework and its three key pillars of **Planet, People and Prosperity** to the 14 SDGs highlighted below.

These goals guide focus areas and identify opportunities for AAM to make a sustainable, positive impact to drive better outcomes for our **Planet, People and Prosperity**.



PLANET



PEOPLE



PROSPERITY

<p>2 ZERO HUNGER</p>	<p>6 CLEAN WATER AND SANITATION</p>	<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>4 QUALITY EDUCATION</p>	<p>4 QUALITY EDUCATION</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>
<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>5 GENDER EQUALITY</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>
<p>13 CLIMATE ACTION</p>	<p>15 LIFE ON LAND</p>	<p>10 REDUCED INEQUALITIES</p>	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>		
		<p>17 PARTNERSHIPS FOR THE GOALS</p>			

STRATEGIC SUSTAINABILITY APPROACH

AAM's strategic sustainability approach is focused on three key pillars – **Planet, People and Prosperity**.

Within these, key focus areas have been identified to best leverage assets and expertise to contribute to positive change.

PLANET

Good environmental stewardship is crucial to AAM's mission to produce sustainable and high-quality food and fibre for Australian and international markets.

AAM follows best practice standards and is committed to managing natural resources in a responsible and innovative manner, to ensure our planet continues to flourish.

Across all assets and locations, AAM focuses on delivering improvements in energy, water and waste management, animal health and welfare, and land management to protect and enhance soil health and biodiversity.

PEOPLE

People are the heart of AAM's business. They are the foundation of the success of each asset and critical to the prosperity of our communities and AAM is committed to investing in them.

Core priorities to ensure the safety and growth of AAM's people include:

- Continual improvement of safety performance
- Providing opportunities to develop skills and forge satisfying careers
- Nurturing a diverse and inclusive team culture where everyone is heard and has the opportunity to contribute to the best of their ability

AAM also seeks, wherever possible, opportunities to partner with organisations and initiatives to make a positive impact on communities.

PROSPERITY

AAM uses operational expertise and unique investment approach to create long-term business sustainability, resilience and value. This enables AAM to expand the portfolio and, at the same time, grow impact across a greater portion of agricultural production.

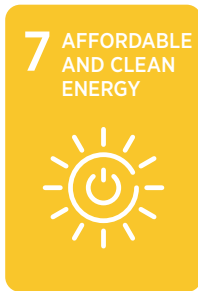
To achieve this, AAM partners with rural and regional communities, industry and research organisations to build the prosperity of portfolio assets, and the communities in which we operate.

Innovation is at the core of AAM's business, designing and delivering best-in-class agricultural technology to drive growth and sustainable practices across the diversified asset base.

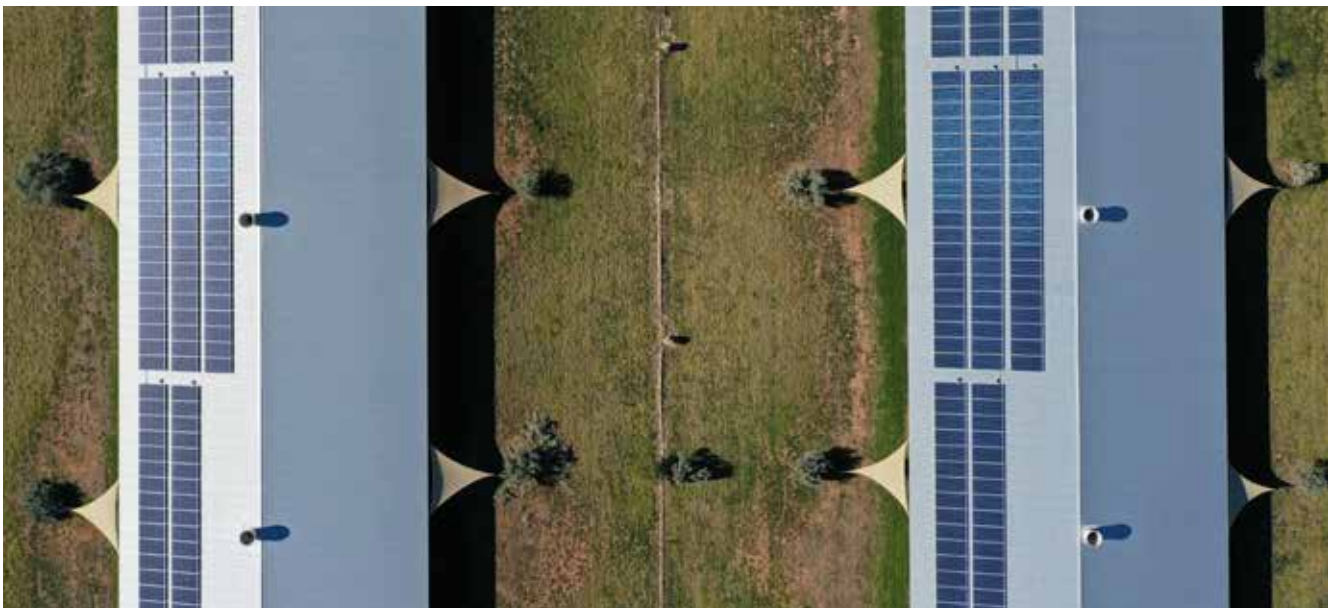
SUSTAINABILITY INITIATIVES



PLANET



AAM adopts best practice standards and is committed to responsible and innovative management of natural resources to ensure our planet flourishes now and in the future.



Solar generation is being progressively adopted across AAM assets to deliver emissions reduction, operational efficiency and environmental benefit.

Along with the 1.4MW solar system and 2.28MWh battery storage operating at Riverlands Free Range poultry facility, sustainable water management systems are being rolled out across other assets. This includes a 30kWh ground-mounted solar system at the Murray Bridge Poultry farm, and solar-operated water pumps, to replace diesel engines, on livestock assets.

The solar system and battery storage at Riverlands Free Range, which produces sufficient clean energy to power 1000 homes, is complemented by an intelligent energy management platform, developed internally by AAM. This enables the site to manage the export of clean energy back into the national grid, maximising energy cost savings.

These initiatives deliver a reduction in energy grid consumption of 45 per cent, the equivalent to taking 12,000 cars off the road or planting 72,000 trees.



AAM is committed to minimising waste generation and maximising recycling or re-use across our assets.

AAM recently took a significant step forward in waste reuse at the Riverlands Free Range facility, including composting manure waste and converting it into high value and organic-grade fertiliser. This product is value-added in downstream processing, including pelletisation and for use in cropping and grazing properties.

This valuable sustainability initiative not only provides positive environmental benefits, but also delivers cost savings and generates revenue.



AAM is implementing regenerative farming practices across large-scale livestock enterprise assets to protect landscape and enhance pasture productivity.

To sustainably reduce groundcover loss and manage pastures for the long term, AAM has erected exclusion fencing to, in an ecologically secure way, reduce the pressure of overgrazing of native pastures by wildlife.

Widespread adoption of this strategy across all AAM livestock assets will increase productivity, improve animal health and welfare, conserve the natural landscape, and allow AAM to proactively manage land and pastures to ensure sustainability.



Water security and good management practices that conserve this precious resource are critical across all AAM assets.

AAM has made strategic and significant investment in water infrastructure to ensure security of supply across operations, from the construction of strategically located dams, to the installation of automated soil moisture monitoring, and water-efficient irrigation systems



AAM is committed to identifying and incorporating initiatives that have a positive impact on livestock nutrition which deliver improved productivity efficiencies and drive the sustainability of our livestock assets. Improvements in livestock nutrition also play a key role in helping produce high-quality and healthy food to nourish consumers.

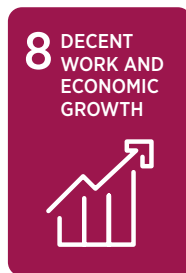


Through the adoption and implementation of industry-leading precision ag technology for fertiliser application, weed management, and irrigation application, AAM has delivered numerous ecological benefits across cropping assets. This includes improved soil quality, reduced water use, and increased cropping productivity.






PEOPLE



AAM is committed to supporting and investing in our people and the local and regional communities in which we operate, and value the role they play in the sustainable growth of our business.

Ensuring our people are safe every day is our key priority.

Committed to continually building a culture of safety, AAM actively engages employees in comprehensive workplace safety training programs.

For example, AAM has developed a simulated livestock handling training program, which allows our people to safely gain experience interacting and working with livestock, particularly industry newcomers.

AAM is exploring opportunities to partner with universities to further develop and share this revolutionary technology more broadly across the farm sector.

AAM provides team members with many professional development opportunities, industry event attendance and networking, and offers an exciting graduate development program, which creates an attractive workplace culture and highly-skilled workforce.

Teams are encouraged and supported to host and participate in a range of community activities, including hosting events



such as on-farm safety days and mental health awareness sessions. As a broader team, AAM also supports R U OK? Day and other charitable fundraising initiatives.

AAM understands how crucial activities like local sport, rural shows and other local events are to the wellbeing of communities, and proudly provides financial support to many of these initiatives near asset sites across the country.

AAM holds a steadfast commitment to mental health support and awareness, not only for employees but for all Australians, particularly given the mental health challenges which often take a toll on rural and regional Australia.

AAM proudly sponsors 'This is a Conversation Starter' (TIACS) - a mental health foundation created by the social impact workwear brand TradeMutt, to help remove the physical and financial barriers preventing many Australians from accessing the professional help they need.

TradeMutt manufactures eye-catching workwear designed to start conversations about mental health, to make an invisible issue impossible to ignore. The TIACS logo sits proudly on the back of all TradeMutt work shirts.

AAM's sponsorship allows TIACS to employ an additional full-time psychologist to join a team of professionals available to all Australians, 24 hours a day, via a free text or call service. AAM employees are also provided with social impact shirts to act as a constant reminder to start a conversation about mental health.

This important initiative aligns with AAM's mission to embed a culture of safety across the business and is an opportunity to invest in our employees to help build and nurture an inclusive, integrated team.

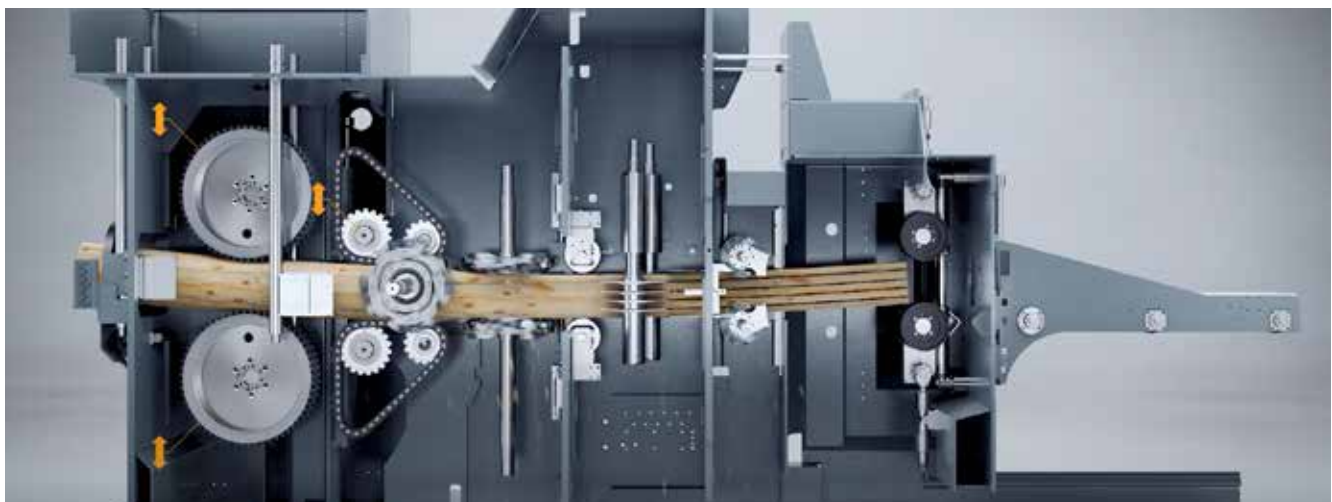


Aggressive infrastructure investment across livestock assets is promoting asset growth, sustainability and resilience, and underpins continual improvement in product quality, productivity, operational efficiency, and, importantly, the safety and wellbeing of AAM's people and animals.



Innovative digital technology provides AAM with real-time and remote connectivity, collection and analysis of data to improve both on and off-farm decision making, land use, productivity and sustainability.

Innovation, investment and integration of state-of-the-art infrastructure that complements existing AAM timber operational activities underpins sustainable business resilience, providing the ability to broaden the range of products processed. This also allows changes to operational processes, which leads to improved safety, efficiency, and enterprise productivity.




CONTINUING TO BUILD ON OUR SUSTAINABILITY INITIATIVES INTO THE FUTURE

Investments made by AAM will seek to continue to deliver a range of initiatives to support our holistic sustainability strategy.

FUTURE PROJECTS AND INITIATIVES			
Infrastructure	Livestock operations	Cropping	Production systems
 <ul style="list-style-type: none"> Expand adoption of clean energy solar photo voltaic system technology, and battery storage and power factor correction technology Explore opportunities to further develop and commercialise intelligent energy management platform technology Explore investment in waste-to-energy technologies Integrate LED lighting through high-energy-use assets Integrate infrastructure innovation and automation to improve operator safety, production efficiency and productivity 	 <ul style="list-style-type: none"> Integrate innovative breeding and production systems and technology to increase livestock productivity Expand adoption of sustainable livestock management, grazing and land management practices that improve environmental sustainability, productivity and reduce emissions Increase investment in rural infrastructure, technology development and plant and livestock genetics and selection to enhance agricultural productive capacity 	 <ul style="list-style-type: none"> Incorporate further precision agriculture technology and equipment to reduce energy consumption, improve soil quality, production productivity, and reduce greenhouse gas emissions Integrate nitrogen-fixing crop varieties and organic soil composition improvement systems to increase soil productivity and sustainability, and improve the health of our soils Trial organic fertiliser and identify productivity and land sustainability benefits 	 <ul style="list-style-type: none"> Design and construct gravity water systems to achieve reduced-emission irrigation practices Invest in precision technology systems and practices to reduce fertiliser use Focus on the health of our soils to increase water holding capacity and agricultural production Integrate biomass crop varieties that support livestock production efficiency and soil health
Digital ag and technology	Other sustainable practices	People	
 <ul style="list-style-type: none"> Expand adoption and integration at scale of precision ag software and digital technology initiatives to support our sustainability objectives including: <ul style="list-style-type: none"> Smart drones Remote sensors for water and livestock management Remote connectivity Automated weighing equipment Satellites and internet technology platforms 	 <ul style="list-style-type: none"> Measure and quantify carbon emission footprint, and report annually to demonstrate continual improvement Measure carbon abatement impacts derived from the adoption of precision agriculture, new technology, renewable energy projects, and livestock operations Define and develop carbon project opportunities for the AAM portfolio 	 <ul style="list-style-type: none"> Implement Safety Improvement Plan to support strong safety culture Build and nurture a diverse and inclusive integrated team Develop strategies to attract and retain the best people to achieve operational and execution excellence Strengthen our community partnerships at a local level Embed a culture of environmental sustainability Invest in our people to create a sustainable and highly skilled workforce 	



Jemalong Weir, Forbes NSW



Information is accurate as at 1 October 2021

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To find out more please contact us on:

E: invest@aamig.com.au

P: 07 3153 8830