

20 March 2019

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ASX Market Announcements
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AMP Limited (ASX/NZX: AMP)

2018 annual reporting suite

Part One: 2018 annual report

Part Two: Appendix 4G

Part Three: Shareholder review 

Part Four: Sustainability report

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Company Secretary authorising release

Vicki Vordis

2018 shareholder review

Message from the Chairman



Dear Shareholders

I accepted the role of Chairman in June 2018 because I believe that AMP plays an important role in the financial wellbeing of its customers. However, the business faced a very difficult set of circumstances last year that undoubtedly affected you, our shareholders, and your trust in AMP.

In joining AMP, the immediate issues to be addressed were renewal of the board, appointment of a new Chief Executive Officer, strengthening of the governance framework and to commence oversight of the transformation of the business.

That change is very much underway and will continue in 2019.

Transforming AMP

In 2018, AMP began a structural transformation that will better position our business for the future and improve performance for our shareholders.

This included a review of our wealth protection and mature businesses, initiated in response to structural changes in the industry that restricted our ability to compete on a sustainable basis and deliver acceptable returns to shareholders.

As a result, the board decided to sell our Australian and New Zealand wealth protection and mature businesses to Resolution Life, a UK-based international insurance group. In doing so, we were acutely aware that this moves AMP away from its historic core. However, we firmly believe that this was the right outcome for our shareholders and not detrimental to our customers. In Resolution Life, we have a

partner who has shown a strong commitment to policyholders throughout its history.

The final report from the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (Royal Commission) provided a turning point for the financial services sector in rebuilding trust with customers, shareholders and the community. The recommendations establish a solid industry framework and provide a basis for setting AMP's future direction.

We will work constructively with the government, regulators, advisers, trustees and other bodies to ensure that, as the recommendations move into definitive legislative reform, the outcomes are clear, simple and meet the best interests of customers.

In 2018, AMP also accelerated our advice remediation program to remediate clients of advisers who received inappropriate advice, or who paid fees where there was no evidence of services delivered. We are deeply disappointed we let our customers down. This is a complex program which requires regulatory consultation and may take three years to complete, but we are committed to ensuring affected customers are compensated.

The appointment of AMP's new CEO was a priority in reshaping our business. Our new CEO, Francesco De Ferrari, has a strong track record in redesigning business models to deliver turnaround and growth. The board and I are confident that Francesco has the strategic acumen and expertise to steer our organisation into the future.

The search for the right CEO to drive AMP's recovery was extensive. In appointing an international executive, standard international remuneration arrangements were followed. This is covered in detail in the remuneration report on page 37 of the AMP 2018 annual report.

In transforming AMP, the role of the board in setting 'the tone from the top' is fundamental to achieving an effective culture of an organisation. This has been an important consideration in board renewal.

John O'Sullivan joined the board as an independent non-executive director in June 2018, bringing almost 40 years' experience in financial services and the legal profession in Australia.

AMP Limited ABN 49 079 354 519

Unless otherwise specified, all amounts are in Australian dollars.
The full 2018 annual report is available at amp.com.au/shares.

John Fraser joined the board as an independent non-executive director in September 2018. John has significant experience in leadership roles in economics, public policy, capital markets and asset management in Australia and overseas.

Andrea Slattery joined the board as an independent non-executive director on 15 February 2019.

Andrea brings more than 26 years' experience as a non-executive director and senior executive in financial services, retirement and superannuation, government relations, infrastructure, professional services, academia and innovation.

2018 performance and dividend

AMP's 2018 financial performance reflects the challenges we've faced during the period including: the imperative to remediate customers in our advice business, a deterioration in the performance of our wealth protection business and the impact of the Royal Commission proceedings on AMP's reputation.

Overall, we reported an underlying profit of \$680 million for the year to 31 December 2018 and profit attributable to shareholders of \$28 million.

The board took the difficult decision to declare a reduced 2018 final dividend of 4 cents per share, resulting in a total dividend paid for 2018 of 14 cents per share. This took account of the 2018 financial results, the related impact on AMP's capital position and the uncertainty in the operating environment.

The dividend reflects the board's view that as a customer-centred business, we must maintain a strong capital position. In 2018, we maintained this position at year-end, holding \$1.65 billion above minimum regulatory requirements.

Remuneration

The board understands that many of our shareholders are disappointed with AMP's business and financial performance in 2018. We recognise that many of our shareholders voted against the 2017 remuneration report in response to wider issues in the business, as well as concerns about the remuneration framework itself.

Reflecting the circumstances of last year, the board decided to award zero short-term incentives for AMP's group leadership team in 2018 (excluding AMP Capital). It also applied appropriate consequence management including forfeiture of long and short-term incentives for a number of former executives and a reduction in board director fees for 2018.

I encourage shareholders to read the remuneration report and consider the board's intentions, including our response to concerns raised to the 2017 remuneration report, remuneration consequences for risk and reputation matters and the new CEO remuneration arrangements.

These intentions are anchored in the principle that incentives should be aligned with the financial outcome for our shareholders and must be accompanied by consequence management for misconduct. In addressing incentive remuneration, the board recognises there is not one formula or scorecard that can outweigh the exercise of judgement.

2019

2019 will be a year of transition as we position the business for the future. Management will be primarily focused on the separation of our wealth protection and mature businesses to Resolution Life, progressing the remediation program with urgency and strengthening risk management, governance and controls.

Beyond this, management will continue to drive performance in our core operating businesses. This will ensure that we are set up to progress a transformed business encompassing wealth management, as well as important businesses in banking and investment management.

AMP has a strong, proud and important 170-year history in Australia. We have made some important decisions in 2018 and our turnaround is in progress.

I am confident with our renewed board, the stewardship of a new CEO, the commitment of our people and our intention to build from outcomes from the Royal Commission, we can restore confidence in our business and deliver for customers and shareholders.

I look forward to providing a further update at the AGM in May 2019.



David Murray AO

Chairman

Message from the CEO



Dear Shareholders

I am honoured to have joined AMP in December 2018. I appreciate that it has been a challenging time for you, our shareholders. As CEO, my priority is to address the issues and transform our business, so we can better compete and deliver for shareholders into the future.

2018 was a difficult year for AMP, and the wider financial services sector. The Royal Commission was a confronting, but valuable experience and AMP embraced it as an impetus for change. We took a series of decisive actions, reflecting our acknowledgement of the gravity of the issues facing the business.

2018 financial performance

Our core businesses reported resilient performances notably in AMP Capital, our investment management business, and AMP Bank. Our Australian wealth management business faced a number of external challenges, leading to a renewed focus on retaining our clients. In New Zealand, the wealth management business delivered steady earnings through disciplined cost management.

The operating earnings of the Australian and New Zealand wealth protection and mature businesses were reduced by negative experience that led AMP to strengthen our best estimate assumptions for future claims and take substantial capitalised losses in the second half of the year as a result.

2019

2019 will be a transitional year for AMP, where we focus on repositioning our business for the future. Our first priority is the separation of our wealth protection and mature businesses, which will help simplify and create the basis for a more agile AMP.

Our second priority is the delivery of our advice remediation program to compensate impacted clients. We are focused on doing this as quickly as possible.

Lastly, AMP is focused on getting our risk, governance and control settings right. This includes placing ethics and risk at the core of our culture.

Following the sale of the wealth protection and mature businesses, we will have four core operating businesses – wealth management in Australia and New Zealand, AMP Bank and AMP Capital.

Our wealth management business in Australia has foundational assets and strong market positions. However, the business model is challenged and we need to reshape it for the future. In New Zealand, our wealth management business continues to deliver resilient earnings for the group. Our opportunity is to become an advice-led wealth management business. AMP Capital has a strong growth trajectory, particularly internationally. AMP Bank has performed well and can be further leveraged as part of our wealth management offer.

Underlining all of this, the client must be at the centre of everything we do. Our overarching focus will be on meeting their needs and improving the value of the products and services we provide.

AMP has been part of the social fabric and business community of Australia for 170 years. We have a willingness to change to ensure we meet the expectations of our clients and the community. This commitment is evident across our organisation, from our employees, to management and the board.

It is going to take a concerted team effort to reshape our business and deliver improved financial results over the next few years. I am confident that we have a strong business, with the right fundamentals in the markets we operate in to drive AMP's future success.

I joined AMP knowing that I can be proud of the work we do each day for our clients and in turn, deliver for our shareholders.

A handwritten signature in black ink, appearing to read 'Francesco De Ferrari'. The signature is fluid and cursive, with a large initial 'F'.

Francesco De Ferrari
Chief Executive Officer

Investing in the community



Investing in the community

Through the AMP Foundation we help provide a better tomorrow for more people in the community, especially people facing challenges accessing education and employment opportunities. Since 1992, the AMP Foundation has distributed close to \$100 million to help charities and individuals make a positive impact on communities in Australia and New Zealand.

The AMP Foundation helps people to help themselves by supporting organisations that give disadvantaged Australians learning and work opportunities. The AMP Foundation also helps people to help others, supporting our employees and financial advisers to share their time, skills and resources with the community.

The AMP Cancer Council Pro Bono Program

The AMP Foundation is proud to have supported the AMP Cancer Council Pro Bono Program since 2010. This program provides free financial advice throughout Australia, to people affected by cancer who would otherwise not be able to afford the cost of advice. It connects AMP-aligned advisers with cancer patients and their families, to receive advice on issues such as accessing Centrelink benefits, applying for early access to superannuation and insurance benefits, budgeting and estate planning. In 2018, our financial advisers supported 588 families with free advice.

The pro bono program was designed in response to an unmet need faced by people affected by cancer. Thanks to screening and treatment advances, there are over one million cancer survivors in Australia requiring physical, practical and emotional support to adjust to life after cancer.

AMP Tomorrow Makers

Established in 2014, AMP's Tomorrow Fund, awards up to \$1 million in grants each year to amazing Australians doing great things. Grant recipients are making a significant community contribution, they work in a diverse range of fields, and they include artists, athletes, social innovators, scientists, educators, disability advocates, technologists, filmmakers, medical researchers and musicians. The grants can be used for a range of activities, including travel, equipment, study costs, research and more.

In 2018, the AMP Foundation supported 43 amazing Australians to make a positive impact to the Australian community. AMP also presented NZ\$170,000 in scholarships to 22 New Zealanders through the AMP Scholarships program, which celebrated 20 years in 2018.

The AMP Foundation reflects an important element of the character of our organisation and we are very proud of the work we do through the Foundation, with our Tomorrow Makers and our support of the Cancer Council as just two examples of the work we do in the community. During 2018, we distributed close to \$5 million in the community.

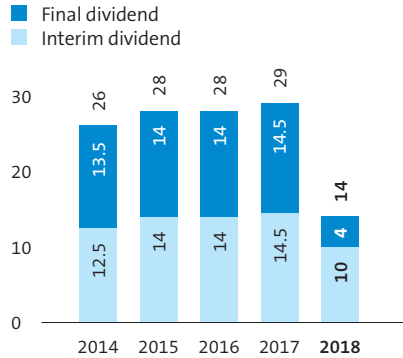
2018 financial summary

14 cents per share

Total dividend for 2018

The final dividend of 4 cents per share will be paid on 28 March 2019 and will be 90% franked.

Dividends, cents per share

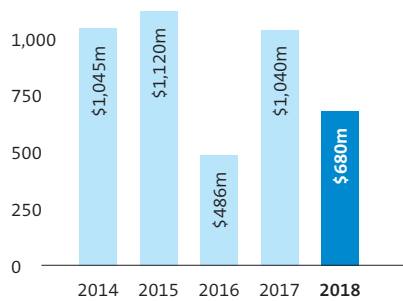


\$680m

Underlying profit

Underlying profit is our core measure of performance.

\$ million

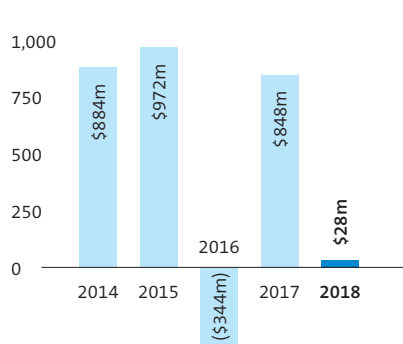


\$28m

Profit attributable to shareholders

The main difference between profit attributable to shareholders and underlying profit comes from movements in investment markets and one-off costs.

\$ million



(\$3,968m)

Australian wealth management net cash outflows

Down from net cash inflows of \$931m in FY17 reflecting a range of factors including AMP's appearance at the Royal Commission and a reduction in member contributions.

\$187.2b

down \$0.5b

Assets under management in AMP Capital

Through AMP Capital we manage money for our customers and clients in Australia and around the world.

\$123.2b

down from \$130.4b

Assets under management for Australian wealth management

This is money we manage in our Australian wealth management business for customers.

\$913m

down from \$949m

Group controllable costs (ex AMP Capital)

Reduced costs across the company driven by cost efficiency initiatives and lower project costs.

\$1.65b

down from \$2.3b

Capital held above the minimum regulatory requirement

AMP holds capital above the minimum requirement to protect customers, creditors and shareholders against unexpected losses. This is an indication of the strength of our business.

\$19.46b

up from \$18.87b

Residential mortgage book

Primarily driven by growth in owner-occupied principal and interest-only lending in AMP Bank.

Figures compared to full year 2017 performance.

Who we are and what we do

AMP was founded in 1849 on a simple yet bold idea; that all individuals should have the power and ability to control their money and achieve their financial goals.



We have approximately
740,000
shareholders



We have over
3.5 million
customers in Australia
and New Zealand



We helped around
110,000
Australians with their
banking needs

We have a long history in helping our customers manage their finances and achieve their goals. During the course of the past 170 years, our business has evolved and will continue to do so into the future.

AMP is a wealth management company which offers solutions across financial advice, investment management, banking, life insurance, superannuation, self-managed superannuation funds, retirement income and investing.

Australian wealth management

We help our customers to save for, and to live well in retirement with our retail and workplace superannuation products, self-managed superannuation funds services, as well as retirement income solutions and investments for individuals. Our superannuation business paid out \$2.5 billion in retirement payments (including mature payments) in Australia in 2018.

In a period of rapid transformation for the industry, AMP is committed to providing quality financial advice through our national network of advisers, ensuring Australians continue to have access to advice. In 2018, AMP launched Adviser Pathways, a rigorous training and development program for new advisers, further strengthening its ongoing focus on lifting professionalism and adviser standards.

AMP Bank

AMP Bank provides customers with residential and investment property home loans, deposit and transaction accounts and SMSF products. We also provide loans to AMP-aligned financial advice practices. We empower our customers to access AMP Bank products via a variety of channels including digital and online, phone, and through AMP financial advisers and home loan brokers.

In 2018, we helped around 110,000 Australians with their banking needs, including providing over 6,000 new home loans.



AMP Capital

We manage investments in equities, fixed income, diversified, multi-manager and multi-asset funds on behalf of clients around the world. AMP Capital also manages real estate and infrastructure assets including shopping centres, airports, trains and pipelines, with \$20.3 billion in infrastructure investments managed on behalf of funds and clients. In Asia, we have strong partnerships with two of the leading financial services groups, MUFG: Trust Bank of Japan and China Life. Our partnership with PCCP, a US-based real estate investment manager, provides a strong opportunity towards meeting our growth ambitions overseas and in new markets.

At the end of 2018, AMP Capital managed \$29 billion for international investors, including \$17.3 billion for 302 direct international institutional clients.

New Zealand wealth management

In New Zealand we provide customers with financial products and services, directly and through one of the largest networks of financial advisers in the country. In 2018, AMP was the fourth-largest KiwiSaver Scheme provider with 10% of the total KiwiSaver market and approximately 225,000 customers.

Sold businesses (wealth protection and mature)

In October 2018, AMP announced the decision to divest its Australian and New Zealand wealth protection and mature businesses to Resolution Life. This is a major step in reshaping AMP as a simpler, more focused group. The transaction is expected to complete by the end of the third quarter in 2019.

Wealth protection (life insurance)

We support our customers and their families during tough times with life insurance, income protection and disability insurance solutions. AMP provides policies that are held by individuals or are a part of their superannuation fund.

In 2018, we paid \$1.2 billion in Australian insurance claims and NZ\$161 million in New Zealand insurance claims when people needed us most.

Mature

Through our mature business, we manage closed insurance and superannuation products that are no longer being sold. This business is managed for yield and capital efficiency.

Our 2018 priorities

AMP faced significant challenges throughout 2018, as a result of issues within our business as well as across the broader market environment.

The problems identified, including fees charged to our customers for services they didn't receive from advisers, fell short of community expectations and the standards we hold for ourselves.

AMP recognises the importance of addressing these matters to ensure we deliver value for our customers and shareholders well into the future.

The company took decisive action in 2018 to address these issues and accelerate the business transformation. Following changes to the AMP Limited Board and leadership, Mike Wilkins was appointed acting Chief Executive Officer on 20 April 2018. Mike and AMP's leadership team identified a set of priorities to stabilise the business, address customer challenges and set up the company's long-term recovery.

The appointment of David Murray as Chairman in June 2018 was an important step in demonstrating AMP's firm commitment to change. David brings deep and extensive knowledge of the financial services industry to the role, and an absolute commitment to rebuild AMP.

The board appointed Francesco De Ferrari as the new CEO, who commenced in December 2018. In 2019, management will focus on the separation of the wealth protection and mature businesses to Resolution Life, progressing the remediation program, strengthening risk management, governance and controls, as well as driving performance in the core operating businesses.

1. Prioritise customers and restore confidence

Our first priority deliberately focused on our customers. AMP accelerated the advice remediation program in 2018. The program underlines our commitment to acknowledge we have let our customers down and damaged the community's confidence in our business. The program is on track to meet its three-year timeframe, with additional resources and increased investment announced.

We're committed to improving value for our customers, including offering price competitive products. Helping to enhance the competitiveness of AMP's MySuper offering, we implemented fee reductions for around 600,000 customers. We continue to work towards simplifying our product set and reducing operational complexity.

2. Transform advice

Financial advice plays an important role in the lives of Australians, helping them to plan and reach their life goals and remains a cornerstone of AMP. We have been transforming this business and will continue this in 2019.

A core component in transforming advice is the Advice Improvement Program, which was accelerated in 2018 to meet changing regulatory and consumer expectations. This program has been focused on ensuring our advice business is meeting contemporary standards, commercial best practice and giving advised clients complete confidence that their adviser is providing advice in their best interests. The program covers both employed and aligned advisers.

We are working with ASIC to deliver its regulatory changes and throughout 2018, significant progress was made in rolling out new standards in advice policies, processes and the monitoring of the implemented changes.

AMP supports the objectives of the Financial Adviser Standards and Ethics Authority (FASEA) and provided seed funding and made submissions on its new FASEA standards for advisers. In December 2018, AMP announced the appointment of Alex Wade as Group Executive for Advice to design and implement a strategy for transforming our advice network.

3. Reprioritise portfolio review

In October 2018, AMP announced the completion of its portfolio review of its 'manage for value' businesses – wealth protection (insurance), mature and New Zealand. This included the decision to sell our Australian and New Zealand Insurance and mature businesses to Resolution Life.

Resolution Life specialises in owning and managing large insurance businesses and has a focus on existing customers. Its approach to prioritising customers is closely aligned with AMP, which was a key factor in the decision-making process.

The sale is a significant step in setting up AMP for the future as well as, importantly, delivering strong outcomes for our people, our customers and our shareholders.

4. Strengthen risk management, internal controls and governance

In July 2018, we announced the commitment to invest \$50 million (pre-tax) per annum over the next two years to strengthen AMP's risk management, internal controls and governance.

This multi-year program has been established to further enhance risk governance. Major ongoing initiatives as part of this program include:

- improving the design and implementation of the three lines of defence model (business management, risk management and internal audit) to enhance clarity and execution of risk responsibilities and accountabilities
- further developing and embedding the frameworks, policies and procedures for the management of risk and compliance
- strengthening processes and internal controls to improve operational risks and compliance.

5. Maintain business momentum

In 2018, AMP also focused on maintaining momentum in a challenging environment.

AMP Capital maintained its growth momentum and continued to invest in its international expansion. Notable transactions included the acquisition of 49% of London Luton Airport and entering a 50/50 partnership with Invenergy Clean Power, on behalf of investors in its global infrastructure equity series.

AMP Bank also continued to drive growth in a competitive market, whilst maintaining its conservative credit policy.

In China, our pensions joint venture, China Life Pension Company (CLPC), continued to grow and is a market leader in trustee services.

AMP is also a market leader in advice and superannuation and our North Platform grew strongly. MyNorth maintained momentum throughout the year, with approximately \$38 billion in North AUM, up 8% from December 2017.

Remuneration

Overview of 2018

2018 was a very difficult year for AMP.

The Financial Services Royal Commission highlighted misconduct across the financial services industry with significant ramifications for AMP, not least of which was the damage to its reputation and loss of value for our shareholders.

Following various revelations at the Royal Commission, the former Chairman and three other non-executive directors left the board and four new directors, including our new Chairman, were appointed during 2018. Both the former CEO and the General Counsel left AMP in April 2018.

Our new CEO Francesco De Ferrari was appointed and began in December 2018. Since then he has announced changes to the senior leadership team. Francesco joined the board as managing director in January 2019.

2018 remuneration outcomes

Remuneration outcomes for 2018 are reflective of the difficult circumstances of the year. Apart from the CEO of AMP Capital, there were no allocations of incentives to the AMP executive leadership team for 2018.

Given their positions as senior executives with ultimate accountability for the Advice and Banking business and the AMP business as a whole (respectively), the board determined that the unvested allocations of equity that were due to vest be forfeited for Mr Meller (former CEO) and Mr Caprioli (formerly, the Group Executive for Advice and Banking, who left the business in December 2016). While the Board had decided to exercise its discretion in this way in relation to Mr Meller, he voluntarily forfeited his unvested incentives because he took overall accountability for the matters addressed in the Financial Advice hearing block of the Royal Commission, which AMP had previously disclosed to ASIC. The total face value of the unvested incentives for Mr Meller and Mr Caprioli

is approximately \$10.8 million (based on the original award value). The board also exercised discretion which resulted in the forfeiture of incentive holdings for some other former executives and employees.

As announced on 30 April 2018, the AMP Limited Board reduced directors' fees by 25% for the remainder of the 2018 calendar year, applicable to those who held office at that time. In addition, further changes to board responsibilities and fees have been implemented for 2019. With the aim of constraining the cost of governance arrangements from 2020, after separation of the Life and Mature businesses to Resolution Life, the Chairman's fees will be reduced in 2020.

Board review of remuneration model

At the May 2018 AGM, AMP received a first strike against its 2017 remuneration report. The board recognises this first strike was in response to wider business issues as well as other concerns about the remuneration framework.

Acknowledging the views of our shareholders, the first strike against the 2017 remuneration report, ongoing regulatory developments and the changes occurring within the AMP business, the board has reviewed AMP's remuneration arrangements.

There is no one 'right' remuneration model that can be applied as suitable for all businesses across all situations, and we recognise there are different views about remuneration practices. We consider and attempt to balance the expectations or requirements of our customers, employees, shareholders, proxy advisers and regulators, which are increasingly less aligned.

Remuneration arrangements are one part of the framework that drives behaviours and expected outcomes for customers, shareholders and employees. Unless remuneration sits alongside well-designed business and employment systems, a realistic strategy



and appropriate risk management and internal controls, it will not be effective in delivering the desired outcomes. Most importantly for AMP, the systems of remuneration must be accompanied by consequences for unsatisfactory behaviours and an acknowledgement that our reputation in the wider community is fundamental to our future as a financial services business.

I would like to stress that your board has ensured there have been consequences for people at AMP as a result of the circumstances of 2018. I would also like to stress, however, that any remuneration arrangements must be designed to attract and retain the people needed at all levels of work to conduct AMP's business. Accordingly, the board has been mindful not to unduly penalise the majority of employees who continue to do their jobs.

2019 remuneration approach

The board is very pleased to have welcomed Francesco De Ferrari as CEO in December 2018. Mr De Ferrari will set a new strategy for the business, and AMP's remuneration framework for 2019 onwards will be considered within the context of this strategy. At this stage, arrangements for 2019 are advanced but have not been finalised. However, the Executive Performance Incentive Plan (EPI Plan) introduced for 2018 will not continue. Instead AMP will be adopting an approach more suited to the significant change and transformation AMP will be undergoing. This will include a greater emphasis on long-term incentives linked to transformation objectives.

The board recognised that, given the circumstance of the Royal Commission, at the time it was unlikely we could appoint an executive from within Australia. In the appointment of finance executives internationally, it is common to have to make significant buy-out payments, requiring the board to consider the costs and benefits of doing so. As part of attracting Mr De Ferrari to AMP, we took account of his previous

remuneration package. The recovery and buy-out incentives awarded to Mr De Ferrari represent amounts forgone at his previous employer as a result of his joining AMP and reflect a higher equity component and some additional challenging hurdles to meet before amounts will vest. These remuneration arrangements are designed to drive the recovery of AMP and recognise the degree of challenge in the task ahead. The incentives were agreed and advised to the market in August 2018 and both the AMP share price and the ASX 100 have declined in the period from that time to Mr De Ferrari's start date. No adjustments have been made to reflect these market movements.

We have recently introduced the AMP Employee Share Plan, which now gives all employees the opportunity to become owners in AMP and share in the growth and success we are striving to achieve. Because these shares are bought on market there is no dilution to shareholders.

Remuneration Committee's focus for 2019

Some of the priorities for 2019 include:

- Responding to Royal Commission recommendations
- Further reviewing AMP's remuneration framework in response to the Royal Commission, shareholder feedback and a new strategy
- Revisiting the use of any remaining sales incentive plans
- Together with the investment in strengthening risk management, internal controls and governance, reviewing the application of consequences for misconduct.

We appreciate the feedback we have received and the board will continue to engage with our shareholders.

David Murray
Chairman



Board remuneration

The following table shows the remuneration earned by AMP Limited NEDs for 2018. Please note that the 2018 total includes remuneration for Mike Wilkins earned in his capacity as acting CEO. The total fees earned for NED duties for 2018 was lower than for 2017.

		Total fees and benefits ¹ \$'000	Superannuation \$'000	Total remuneration \$'000
David Murray Chairman	2018	438	11	449
	2017	–	–	–
Patricia Akopiantz Non-executive Director	2018	352	20	372
	2017	393	20	413
John Fraser Non-executive Director	2018	50	6	56
	2017	–	–	–
Andrew Harmos Non-executive Director	2018	281	20	301
	2017	192	12	204
Trevor Matthews Non-executive Director	2018	304	20	324
	2017	348	20	368
John O'Sullivan Non-executive Director	2018	101	11	112
	2017	–	–	–
Geoff Roberts Non-executive Director	2018	255	20	275
	2017	243	20	263
Peter Varghese Non-executive Director	2018	292	20	312
	2017	301	28	329
Mike Wilkins Non-executive Director	2018	1,497	19	1,516
	2017	373	20	393
Total²	2018	4,045	171	4,216
Total²	2017	3,132	180	3,312

1 Total fees and benefits includes all board and committee member fees and other short-term benefits as per the statutory table in section 6.2 of the remuneration report in the 2018 annual report.

2 Totals include payments for former Chairman Catherine Brenner and non-executive directors Holly Kramer and Vanessa Wallace.

Executive remuneration

		Fixed remuneration ¹ \$'000	Cash incentives ² \$'000	Rights, options and restricted shares ³ \$'000	Termination payments \$'000	Total remuneration \$'000
Francesco De Ferrari Chief Executive Officer	2018	502	–	774	–	1,276
	2017	–	–	–	–	–
Megan Beer Group Executive, Insurance	2018	940	–	618	–	1,558
	2017	926	520	303	–	1,749
Sally Bruce Group Executive, AMP Bank	2018	987	–	526	–	1,513
	2017	758	394	274	–	1,426
David Cullen Group General Counsel	2018	558	–	45	–	603
	2017	–	–	–	–	–
Jenny Fagg Chief Risk Officer	2018	1,015	–	330	–	1,345
	2017	–	–	–	–	–
Gordon Lefevre Chief Financial Officer	2018	1,092	–	790	–	1,882
	2017	1,025	651	775	–	2,451
Helen Livesey Group Executive, Public Affairs and Chief of Staff	2018	751	–	507	–	1,258
	2017	654	469	185	–	1,308
Jack Regan Group Executive, Advice and New Zealand	2018	1,075	–	707	–	1,782
	2017	1,226	591	222	–	2,039
Craig Ryman Group Executive, Technology and Operations	2018	886	–	575	–	1,461
	2017	766	492	456	–	1,714
Paul Sainsbury Group Executive, Wealth Solutions and Customer	2018	931	–	778	–	1,709
	2017	988	651	740	–	2,379
Adam Tindall Chief Executive Officer, AMP Capital	2018	990	1,047	1,272	–	3,309
	2017	862	1,430	898	–	3,190
Fiona Wardlaw Group Executive, People and Culture	2018	854	–	538	–	1,392
	2017	767	459	549	–	1,775
Total⁴	2018	11,577	1,047	4,160	2,680	19,464
Total⁴	2017	11,538	7,550	7,317	–	26,405

- 1 Fixed remuneration includes cash salary, other short-term benefits, superannuation benefits and other long-term benefits as per the statutory remuneration table in section 7.3.1 of the 2018 remuneration report.
- 2 Includes short-term cash incentives and long-term deferred cash incentives.
- 3 Amounts reflect the accounting expense on a fair value basis for unvested equity awards. The minimum future value for these awards is nil and the maximum amount expensed is the fair value at grant date. All awards made in any year are amortised over the vesting period and adjusted to reflect the number of instruments expected to vest over the period. To determine the fair values, AMP engages external consultants to calculate these as at the grant date.
The fair value of any share rights and restricted share awards is calculated using a discounted cash flow technique, where the share price is discounted for dividends forgone. For any performance rights, the fair values are calculated using a Monte Carlo simulation model for the TSR component and a discounted cash flow methodology for the RoE component. These are discounted for dividends forgone and the risk of performance conditions not being met. To determine the fair value of rights awards with share price targets, assumptions underlying the Black-Scholes methodology are used to produce a Monte Carlo simulation model, allowing for the share price target hurdles to be incorporated. For options awards, the fair value is determined using the Black-Scholes methodology and AMP's actual historic data.
- 4 Totals include former Chief Executive Officer Craig Meller and executives Saskia Goedhart and Brian Salter.

Our board



David Murray AO¹

Chairman BBus, MBA

David was appointed Chairman in June 2018. He has 40 years' experience in financial services, with expertise in banking and wealth management, as well as the industry's regulatory environment. David served as Chief Executive Officer of the Commonwealth Bank of Australia from 1992 to 2005 and as the inaugural Chairman of the Australian Future Fund from 2006 to 2012 when his statutory term ended. He was also the inaugural chair of the International Forum of Sovereign Wealth Funds. David chaired the Financial System Inquiry, which reported to the Australian Government in December 2014 and has previously served as a member of the Finance Sector Advisory Council and the APEC Business Advisory Council.

Francesco De Ferrari²

Chief Executive Officer MBA, BS (Econ) (IntBus)

Francesco was appointed Chief Executive Officer of AMP Limited in December 2018 and was appointed to the AMP Limited Board in January 2019.

Francesco has more than 20 years' experience in the wealth management industry including private banking and management consulting. He spent 17 years in executive roles at Credit Suisse in Asia and Europe, leading businesses that grew substantially under his leadership.

During almost seven years as Head of Credit Suisse's Asia Pacific private banking business, he overhauled the operating model, increased assets under management and profitability, and improved culture and controls within the business. As CEO of South East Asia and Frontier Markets, he was responsible for Credit Suisse's business in Investment Banking, Global Markets, Private Banking in ASEAN and frontier markets across the Asia Pacific.



John Fraser³

Independent Director BEc (Hons)

Appointed to the AMP Limited Board in September 2018. John has more than 40 years' experience in leadership roles in economics, public policy, capital markets and asset management in Australia and overseas. Most recently he was Secretary to the Treasury from 2015 to July 2018. In this capacity, John was a member of the Board of the Reserve Bank of Australia, a member of the Australian Council of Financial Regulators and Chair of the G20 Global Infrastructure Hub. John previously had an extensive career with UBS, including more than a decade as Chairman and CEO of UBS Global Asset Management based in London. John is also a director of the Future Fund.

Andrew Harnos⁴

Independent Director BCom, LLB (Hons)

Andrew was appointed to the AMP Limited Board in June 2017. Andrew is one of the founding directors and shareholders of Harnos Horton Lusk Limited, an Auckland-based specialist corporate legal advisory firm. He specialises in corporate takeovers, corporate structure and governance advice, company, business and asset acquisitions and disposals, securities offerings, and strategic and board corporate advice. Andrew is also a director of the Scentre Group and was previously chairman of NZX Limited.

Trevor Matthews⁵

Independent Director MA

Appointed to the AMP Limited Board in March 2014. Trevor, an actuary with more than 40 years' experience in financial services, has expertise in life insurance, general insurance, wealth management, banking, investment management and risk. He has held life and general insurance chief executive roles





in Australia, North America, Asia and Europe. He returned to Australia in 2013 after 15 years overseas and has assembled a portfolio of non-executive directorships. His last overseas position was as an executive director of Aviva plc, a leading global life and general insurer. He was also chairman of its UK and French businesses.

John O'Sullivan⁶

Independent Director BA, LLB, LMM

Appointed to the AMP Limited Board in June 2018. John has over 40 years' experience in the legal and financial services sectors in Australia. He started his career at Freehill Hollingdale & Page (Herbert Smith Freehills), later becoming a partner at the firm where he was recognised as one of Australia's leading corporate and M&A lawyers. From 2003 to 2008, John was General Counsel of the Commonwealth Bank of Australia before spending 10 years at Credit Suisse Australia where he was Executive Chairman, Investment Banking and Capital Markets, Australia until February 2018. John is a member of the Takeovers Panel and is also a director of the WestConnex entities.

Geoff Roberts⁷

Independent Director BCom, MBA

Geoff was appointed to the AMP Limited Board in July 2016. Geoff has more than 30 years' experience in financial services across Australia, Asia and Europe. He was appointed CFO of SEEK Limited in June 2015 and prior to that held the positions of Managing Partner of Deloitte Victoria and Director of Deloitte Australia, and Group CFO of AXA Asia Pacific Holdings. Geoff is a Fellow of Chartered Accountants Australia and New Zealand and has also served the not-for-profit sector as Chairman of the Reach Foundation and a Director of Vision Australia.

Andrea Slattery⁸

Independent Director B Acc, M Comm

Andrea was appointed to the AMP Limited Board in February 2019. Andrea has substantial experience as a non-executive director and senior executive in financial services, retirement and superannuation, government relations, infrastructure, professional services, academia and innovation, spanning more than 26 years. Andrea was the Managing Director and CEO of the SMSF Association for 14 years from 2003 to 2017, which she co-founded. Previously, she worked at the University of South Australia, she was a financial adviser and she founded her own consulting and advisory business. Her previous Government Advisory Committee appointments include the Federal Government's Innovation Investment Partnership and Stronger Super Peak Consultative Group. Andrea is also a director of Argo Global Listed Infrastructure Limited.

Peter Varghese AO⁹

Independent Director BA (Hons)

Peter was appointed to the AMP Limited Board in October 2016. Peter has extensive experience in public administration and governmental and international affairs, which spans 38 years and includes senior positions in foreign affairs, trade policy and intelligence. Most recently, Peter was Secretary of the Department of Foreign Affairs and Trade where he was CEO of a complex global operation including 100 overseas posts. His previous appointments include High Commissioner to India, High Commissioner to Malaysia, Director-General of the Office of National Assessments, and Senior Adviser (International) to the Prime Minister of Australia. He was also a member of the Australia-China High Level Dialogue and was the Minister (Political) at the Australian Embassy in Japan.

Our board continued



Mike Wilkins AO¹⁰

Independent Director BCom, MBA

Appointed to the AMP Limited Board in September 2016. On 20 April 2018, he was appointed acting Chief Executive Officer and held that role until 30 November 2018. He also assumed the role of interim Executive Chairman from 30 April 2018 until David Murray's appointment as Chairman on 21 June 2018. From 1 December 2018, he resumed his role as a non-executive director. Mike has more than 30 years' experience in financial services in Australia and Asia,

including life insurance and investment management. Mike has more than 20 years' experience as CEO for ASX 100 companies. Most recently, he served as Managing Director and CEO of Insurance Australia Group Limited (IAG). He is the former Managing Director and CEO of Promina Group Limited and Tyndall Australia Limited. Mike is also a director of QBE Insurance Group Limited and Medibank Private Limited. He was made an Officer of the Order of Australia in 2017 for distinguished service to the insurance industry.

Director board and committee membership

Director	AMP Limited	Audit committee	Risk committee	Nomination committee	Remuneration committee	AMP Bank Board	AMP Capital Holdings Board	National Mutual Life Board	AMP Life Board
David Murray AO	C		●	C	C	C ▲			
John Fraser	●	●	●		●	● ▲	● ▲		
Andrew Harmos	●	●	C		●	● ▲		● ▲	● ▲
Trevor Matthews	●	●	●		●	● ▲		C ▲	C ▲
John O'Sullivan	●	●	●		●	● ▲			
Geoff Roberts	●	C	●		●	● ▲		● ▲	● ▲
Andrea Slattery	●	●	●		●	● ▲			
Peter Varghese AO	●	●	●	●	●	● ▲	● ▲		
Mike Wilkins AO	●	●	●	●	●	● ▲		● ▲	● ▲
Francesco De Ferrari	●					●	●		

C Chairman ● Member ▲ Additional committee membership

Important dates for shareholders

May 2019

- 2 Annual general meeting – webcast at amp.com.au/agm
First quarter cashflows and assets under management (AUM) released

August 2019

- 8 2019 half year results
- 21 Ex-dividend date for 2019 interim dividend (Australia and New Zealand)
- 22 Record date for 2019 interim dividend
- 23 Dividend reinvestment plan record date for 2019 interim dividend

September 2019

- 20 Payment date for 2019 interim dividend

October 2019

- 24 Third quarter 2019 cashflow and AUM released

Keeping in touch with your shares

Twice a year AMP posts communications to more than 500,000 shareholders. With every mailing, hundreds of letters are returned undelivered as shareholders have not provided their new address. If we have an email address or mobile number, we can quickly reconnect with these shareholders. If you would like to note your email address/mobile on your shareholding go to: amp.com.au/shares and select 'update my details'. You can also elect to receive some or all of your AMP communications by email – the choice is yours.

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