

**AMP ANNUAL GENERAL MEETING**  
**30 APRIL 2021**

**Introduction and Presentation from Debra Hazelton**

Debra Hazelton: Good morning everyone, and worimi, which is hello in the traditional language of local Aboriginal peoples. My name is Debra Hazelton, and I'm Chair of AMP Limited, and Chair of your meeting today.

As the Company Secretary has informed me that a quorum is present, I now formally open our 2021 Annual General Meeting. I would like to begin by paying my respects to an ancient protocol of the very first Australians, to acknowledge the traditional custodians of the land on which we meet, and for those lands you join us from. I would particularly like to pay respects to the Gadigal people of the Eora Nation, as it is their land that I am on today.

Sydney Harbour is home to several ceremonial and meeting places for the 29 clans of the Eora Nation. May we pay our respects to the Elders of this land, both past and present, and extend the same respect to the First Nations peoples.

Welcome to the Annual General Meeting of AMP Limited which is for a second year being held online because of ongoing COVID-19 considerations. We appreciate your understanding as we continue to consider the COVID-19 pandemic in planning events, and thank you for participating in today's online meeting. We hope to meet with you in person for our 2022 Annual General Meeting.

I am joined this morning at our Circular Quay office by my fellow Directors on the Board of AMP Limited, as well as Andrew Price, who represents AMP's auditors, Ernst & Young. I would like to take a moment to briefly introduce your directors.

Starting from my far left, we have Rahoul Chowdry. Rahoul was appointed to the Board in January 2020, and is Chairman of the Risk Committee, and a member of the Remuneration, Nomination, Audit and Portfolio Review Committees.

Sitting next to Rahoul is our newest Director, Kate McKenzie. Kate was appointed to the Board in November 2020, and is standing for election today. Kate is a member of the Audit, Nomination, Risk and Remuneration Committees. Kate will herself say a few words before her election.

Sitting next to Kate is Michael Sammells, who was appointed to the Board in March 2020. Michael is Chairman of the Remuneration Committee, and a member of the Audit, Nomination, Risk and Portfolio Review Committees.

Next to Michael to my immediate left I'm joined by our CEO, Francesco De Ferrari. Francesco was appointed to AMP Limited Board in January 2019, and was also a member of the Portfolio Review Committee. Francesco's retirement as our CEO later this year was announced on the 1<sup>st</sup> of April, and we sincerely thank him very much for his continuing contribution to AMP. I will come back to this more formally later in the meeting. Francesco will provide an update on the financial performance in 2020, and delivery against AMP's major strategic priorities.

Turning now to my far right, I would like to introduce Andrea Slattery. Andrea was appointed to the Board in February 2019, and is Chair of the Audit Committee, and a member of the Nomination, Risk and Remuneration Committees.

Next to Andrea is John O'Sullivan. John was appointed to the Board in June 2018, and is a member of the Audit, Nomination, Risk and Remuneration Committees. He was also the Chairman of our Portfolio Review Committee.

Just here I'd like to clarify that all Directors including myself attended close to 100% of the Portfolio Review Committee meetings.

On my immediate right I would like to introduce our Group Company Secretary, Marissa Bendyk. I would also like to acknowledge the members of the AMP Executive Team who are here with us today.

Today's agenda is now on the screen. As you can see, Francesco, our CEO, and I will both address the meeting before we move to the formal business.

Today is my first meeting as AMP Chair. I joined the AMP Board in 2019, and moved into the Chair's role in August last year. But today is not about me. It is a day for you, the shareholders. My role today on behalf of the Board is to listen to you as owners of our company, share an update on progress, and do my very best to respond to your questions and comments.

Your Board recognises that the challenges we have faced over the past few years mean that many of you are very disappointed about where AMP is today, and about the share price performance. 2020 was an extraordinary year for the world, and while AMP was not immune to the macro-challenges, we also faced challenges of our own, predominantly cultural. However, to fully understand the current position, I'd like to step back for a moment to look at the longer term context.

This context is important in understanding our current position and providing perspective on the progress we're making in a very

significant transformation journey. The decision made to embark on a major transformation of AMP's business was essential. The Banking Royal Commission was a game changer for much of the financial services industry in Australia. It served to fundamentally challenge traditional wealth management business models, and to radically change the wealth management landscape. The industry today looks fundamentally different. Legislation and regulatory change have altered the playing field. The major banks have substantially withdrawn, and the number of financial advisers has declined by a third since 2018.

Yet, dramatic change also creates real opportunity. Viewed with a longer term lens, AMP is poised to take advantage of opportunities arising from this disruption, but could not do so without reinvention. This has involved rethinking AMP, reviewing our portfolio of businesses, to consider how and where we compete, addressing the legacy issues of the past, while simultaneously shaping a new future. As a Board, we have confronted the difficult decisions head on, and remain absolutely committed to rebuilding AMP, guided by a strong sense of purpose.

Transformations of this scale are difficult, they take time. They take time to get right, and it's often hard to see progress in the early stages. Yet we have made substantial progress. We have sold our Life Insurance business, renovated our core banking platform, made meaningful progress on product simplification, and are close to completing a client remediation program. We've taken significant steps on our cultural transformation, and embarked on reshaping our advice network. We've also grown our North platform and bank.

Moreover, we've worked to improve transparency and reporting, improve the diversity of our Board and management teams, and recently we've published our climate change position and action plan, in line with a broader upgrade of our sustainability reporting and commitments. And importantly, through the recent announcements of the separation and demerger of our two core businesses, we have set the future course for your company to unlock value and drive growth. We have delivered much of this against the backdrop of a global pandemic.

AMP has played an integral role in the Australian financial landscape for 172 years, and we continue to play a very important role. We support more than 1.5 million retail clients across Australia and New Zealand. In 2020 AMP helped 5,800 clients buy a home, and more than 124,000 clients to retire. AMP Capital also supports more than 560 institutional investment management clients, with about 400 of them located outside Australia and New Zealand.

I would like to take this opportunity to acknowledge the resilience of our people, and thank them for their tireless and ongoing commitment

to our clients throughout this transformation journey. Together, the Board, management and our dedicated employees remain focused on rebuilding your trust and on delivering our transformation strategy with a complete commitment to returning your AMP to long term sustainable growth.

With this in mind, over the past few months, the Board and I have listened and heard from many of our shareholders, both large and small. The issues raised are broadly consistent, and fall into five themes. The portfolio review, dividends and buyback, our culture, our remuneration approach, and leadership. I would like to address each in turn, starting with the portfolio review.

We have received many questions from our shareholders about the rationale for and the outcomes of our portfolio review. The Board initiated the review in response to a substantial increase in unsolicited interest in our Group's assets and businesses, following the completion of the Life sale last year. I'm sorry, the completion of our Life business. We believed undertaking a comprehensive public process represented best practice, best governance, and was in the best interests of shareholders. We have been deliberately rigorous, testing all options against delivery of our existing transformation strategy. And while very cognisant of the urgency of reaching a conclusion, we were determined to take the time necessary to be thorough.

In February of this year, we finalised the review of our AMP Australia and New Zealand Wealth Management businesses. And we confirmed that for these businesses, our existing transformation strategy delivers the strongest outcome for shareholders.

With regards to the AMP Capital business, the portfolio review identified the opportunity to accelerate the growth of the private markets businesses, which include infrastructure equity, infrastructure debt and real estate, either via sale, joint venture or demerger. Last week, we announced our intention to pursue a demerger of these businesses, as we ultimately decided that this would provide investors with their strongest, long term value outcomes. It creates two focused entities; AMP Limited and Private Markets, and they both have the agility to pursue new growth opportunities in their respective markets.

AMP Limited will continue to be a retail focused Wealth Management, Investment and Banking Group, with scale and market leading positions in Australia and New Zealand. It will also retain and benefit from valuable strategic equity partnerships, including our long standing relationship with China Life and Resolution Life.

Private Markets will sharpen its focus as an independent and global private market investment manager, backed by a strong performance track record, and an experienced and well-regarded team. In time, we expect the business has the capability to expand into adjacent growth

markets.

We have already begun the process of internally separating the business, and expect to complete the demerger by the first half of next year, subject to approvals from regulators and shareholders. Internal separation will require a new Board for Private Markets, with Michael Sammells appointed as interim Chairman. We are also fast tracking development of a new brand, and implementation of a management equity plan to retain and attract key talent.

As part of the demerger, all AMP shareholders will receive shares in Private Markets proportional to your existing shareholders, after taking into account any shares that might be retained by AMP Limited. We will provide further information in due course, and keep you informed on our progress.

The second issue we have heard from you, our shareholders, is around dividends and buyback. Following completion of the AMP Life sale, we were pleased to pay a special dividend of 10 cents per share in August last year, returning \$344 million to shareholders. We also committed to undertake an on-market share buyback of up to \$200 million. The buyback was put on hold during the portfolio review, but following our demerger announcement, we now intend to recommence the program.

Returning capital to shareholders in this way is highly value accretive, given the current share price. However, the Board clearly understands the importance of dividends to our shareholders. Our decision to not pay an ordinary dividend last year was not taken lightly. And we have heard your feedback. We will continue to review our dividend policy, with a view to restarting ordinary dividends as market and business conditions allow.

Thirdly, we have heard from, and had extensive engagement with, many shareholders regarding our remuneration approach. Last year, we made significant changes to our remuneration framework to address the feedback we received in response to a strike against our 2019 Remuneration Report. We also worked hard to ensure remuneration outcomes for key management personnel aligned to our shareholders' experience.

In 2020, the key issue of contention has been the use of retention payments through the portfolio review. The Board certainly did not take this decision lightly. Our business has been through an extraordinarily challenging period, and the Board believe that retention of key leaders, investment teams, and other business critical employees, is essential to continue to drive transformation and to protect shareholder value. We were in unprecedented circumstances, and we had to ensure stability. However, we have heard and understand your feedback, and in normal circumstances would absolutely concur.

We will provide additional detail on actions taken in 2020, and our go-forward remuneration framework at Item 3 of today's agenda.

The fourth issue that has been raised by many of you relates to AMP's corporate culture. Transforming our culture is a core priority in our strategy to reinvent AMP. In 2020, following the disappointment expressed by many stakeholders, including our people, the Board and Leadership Team acknowledged that we had to act decisively if we were to achieve our objective of creating an inclusive, accountable, agile and performance driven culture.

We have taken decisive action. We undertook immediate Board renewal, including a change of Chair and the appointment of a new non-executive director in Kate McKenzie. Kate brings extensive transformation experience, including culture change programs. We established a Board Working Group on culture, and I was Chair. We did this to oversight the culture transformation initiatives.

We initiated an objective review of our workplace conduct to benchmark our organisation against global best practice. This work has provided a baseline for our business, and informed a very extensive culture action plan. We strengthened our approach to consequence management, establishing a Group wide approach to ensure fairness and consistency of outcomes.

We also established an employee-led inclusion task force to represent the voice of employees. And we put all senior leaders through an inclusive Leadership for Performance program, with further training rolling out across the organisation this year.

The Board reviews the actions being taken on a monthly basis. And I'm pleased to say we've delivered on more than half of the initiatives on our plan to date. Our work has shown that AMP has many strong elements to its culture. However, as a company, and a Board, we acknowledge that we can, we must, and we will improve.

The fifth theme I want to address is leadership. As our portfolio review approach completion, the Board, with our CEO Francesco, held discussions regarding the future leadership required, given the changing size, scale and focus of the business. Following those discussions, Francesco decided it was the right time for him to retire as CEO, and hand the baton to a new leader. The Board is pleased to have secured Alexis George, the Deputy CEO of ANZ, as our new Group CEO.

On behalf of the Board, I'd like to sincerely thank Francesco for his service and commitment to AMP. In very difficult circumstances, facing many complex legacy issues and unique challenges, responding to huge regulatory challenges, Francesco accomplished a great deal in

terms of designing and executing the first stage of AMP's transformation. He has brought energy, courage and determination to the role. We all wish him the very best.

Francesco will ensure an orderly and effective handover to Alexis. The Board believes Alexis is an excellent fit for the future of our business. She has deep industry experience in Australia and overseas, through senior roles with ANZ and prior to that with ING, BNP Paribas, and BT. She is held in high regard across the industry, respected for her values and deep commitment to both employees and customers.

Alexis will start at AMP in the third quarter this year, and unfortunately was not able to join us today. In our discussions, she has asked me to convey some sentiments to you.

She says she feels humbled to be joining AMP to lead it through the next phase of its history, and has already received many messages of support reflecting the goodwill this company enjoys, and the fact that many people want it to succeed. She has also acknowledged the scale of the challenge, but has said to me that her first action will be to listen, to our people, to the customers who have entrusted AMP with their future prosperity, and to you, our shareholders, who are equally invested in the company's success.

She shares the Board's determination to restore AMP's trust and reputation, and become known for innovation, putting customers first and being a great place to work. She is ambitious to succeed, and we look forward to welcoming her to the Board.

In conclusion, it's important to recognise that AMP has been significantly impacted by disruption of the industry, the economy, and societal change, over the last three plus years. This has demanded proactive change to our underlying business model and our culture. The Board, working with the management team, has faced into these complex challenges, and made difficult decisions, always prioritising the advancement of the company, and shareholder and employee interests.

We have focused on driving long term sustainable returns, while balancing near term objectives, and together with our resilient management team and dedicated people, we have made substantial progress to date, from the sale of the Life company to last week's announcement of demerger.

We now have further work to do. But we are absolutely committed to putting clients at the core of all we do, improving our culture, and transforming our business. The AMP of tomorrow will look very different from today. But it will remain true to its founding purpose. We will do everything necessary to earn back your trust and confidence, and to deliver to you, our shareholders, and to all our

stakeholders.

And with that, I would now like to ask Francesco to provide a brief overview of our performance last year, and detailed progress on strategy.

**Presentation from Francesco De Ferrari**

Francesco De Ferrari: Thank you, Debra. And good morning everyone also from me. It's disappointing we can't meet in person again this year. But as I'm sure you can all appreciate, we've taken the necessary precautions for a virtual meeting for good reasons. And I do sincerely hope together with the rest of the Board that you're all doing well and staying safe.

As Debra mentioned, I'll be retiring from my role as CEO of AMP in the coming months. So today will be my last AGM. Leading your company has been an absolute privilege. We have achieved major milestones, some of which were considered unachievable, and overcame significant challenges.

As part of my address this morning, I want to leave you with three key messages. First is that the company you are invested in has a profound impact on the communities it touches. Second, while the 2020 financial performance has been impacted by macroeconomic factors, a number of these effects are one-offs, and the capital and liquidity positions of our Group remain very strong.

And finally, that we've made material progress in our three year journey to transform the shape of AMP, delivering 90% of our market commitments, and importantly, laying the foundations for future growth. Now, let me take you through these one by one, starting with the support to our clients and the wider community last year.

As we lived through COVID lockdowns, a spike in unemployment and general uncertainty in the future, AMP was there to help. Our contact centres and our financial advisers stepped up to support clients with information and advice, and in some cases, just being there to listen. Our bank paused home loan repayment for mortgage clients. In our super business, we provided clients with \$1.8 billion of savings through the early release of super regime. And in our real estate team, worked with the shopping centre tenants to assist rental relief options.

We also leaned into the support for the community through our AMP Foundation, offering \$2 million in grants to support charities and not-for-profits. More recently, our bank teams were able to mobilise assistance for our clients impacted by the devastating storms and floods. It is the unwavering support of AMP employees for our clients that is really special and it's something that I take pride in every day.

Moving on to our financial performance. As we detailed at our full year

results in February, our 2020 financials have been impacted by the extraordinary market conditions across all the business lines. Overall last year AMP generated an underlying profit of \$295 million, down a third from 2019, and a net profit after tax of \$177 million.

In Australian Wealth Management, our net profit was hampered by investment markets and the impact of pricing and legislative change. Our cash flows reflected the early release of super payments, and the loss of some corporate mandates. But pleasingly, our North platform continued to go from strength to strength.

In AMP Bank, our profits were impacted by the potential loan loss provision we took in the first half, which was consistent across the industry as we faced into COVID. Throughout the uncertainty, our mortgage book reMained resilient amid heavy competition, and we continued to demonstrate strong deposit growth.

In AMP Capital, we saw an impact from volatile markets and economic challenges on our performance fees, our earnings, and asset valuations. We experienced outflows in our public markets. But on the other hand, external investor demand for real asset investment continued with very good inflows.

And finally in New Zealand our earnings reMained resilient, considering the tight lockdown in the country as well as the closure of legacy products.

Moving now to an update on our transformation journey. Complex transformations like that that we're undertaking at AMP take time. And in the first stages require significant heavy lifting, which happens behind the scenes, and doesn't immediately emerge in the P&L results. Our ultimate goal of 2020 was to refocus our portfolio of businesses to a higher growth and higher return profile for shareholders.

We divested AMP Life, retained New Zealand Wealth Management, and pivoted AMP Capital efforts to Private Markets, setting up for the recent demerger announcement. On this slide we also illustrate strategic partnerships and the role these important investments play in diversifying and enhancing shareholder returns, recognising they are a material part of our Group accounting for around \$1 billion of deployed capital.

At a very high level, there are three key levers of long term shareholder value creation. The first is shifting the allocation of capital to higher returning businesses. Second is disentangling the complex 172 year value chain of AMP, to enable operational efficiency and reduce costs. And finally, building an inclusive and high performing culture.

Now executing on these three levers in harmony is absolutely critical to reinventing AMP. At the very beginning of last year, we outlined a

very clear set of deliverables to create transparency and to bring you along on our multi-year transformation journey. Notwithstanding the challenges and distraction we experienced throughout the year, we've delivered 90% of our in-year commitments, which is a true testament to the resiliency and execution capability of our teams.

We've taken the aforementioned portfolio decisions, accelerated the simplification of our super business, and pushed forward on reshaping our advice network. We also set up our bank for future growth through the successful renovation of our core banking technology overhaul, and continued to improve our Wealth business and seeing growth in our North platform.

In asset management, we focused on the growth of our Private Markets business. Our performance remained resilient, with the majority of our infrastructure debt and equity assets outperforming benchmark over three years. We deployed \$5 billion of capital into high quality infrastructure investments, and we demonstrated our capability of divesting assets in our closed end funds.

And finally, we took some very important steps forward in creating a simpler and leaner business. We committed to a target of removing \$300 million in costs over the next three years, and upgrading our risk and control environment.

Now Debra also importantly spoke to our culture, and transforming it has been a core aspect of our strategy from the beginning. The events of last year, when our culture was questioned, has led us to accelerate action to improve inclusion, address misconduct, and ultimately create a high performance environment. As I've said to our team, this work will require a continued focus. But the very wide-ranging set of actions we took last year are a significant and strong starting point.

Last year has had the complexity and challenges of three years all packed into one for AMP. It has been a year that's tested us, both the professional and personal resilience of our employees. I cannot convey enough how extremely proud I am of the commitment and dedication of our teams, and how they've shown up over the course of last year.

Throughout the pandemic, the historic sense of purpose of our company, of being a sure friend in uncertain times, once again has come to the forefront. It has been an honour and a privilege to have led AMP, a business that is part of the fabric of Australia and New Zealand.

It has come with challenges and many difficult decisions, but I can assure you that is the case with any company going through such a profound transformation. As I prepare to hand over to Alexis, I'm confident that we've made significant structural changes, and started to lay the foundation for future growth.

I'm extremely proud of what we have achieved, and like to thank all of you, and all the AMP employees, for their support on this journey. And on that note, let me hand back to Debra.

### **Formal Business of the Meeting**

Debra Hazelton: Thank you Francesco. Turning now to the formal business of the meeting. The items of business for today's meeting are set out on the screen. Items 2 and 3 concern resolutions to be voted on at today's meeting, which are set out in the Notice of Meeting.

As we announced on the 14<sup>th</sup> of April 2021, in light of Francesca's upcoming retirement as AMP's CEO, Item 4 of the Notice of Meeting is withdrawn, and will not be considered as an item of business at this meeting.

Item 5 is a conditional item. It will only be put to the vote at the meeting if a second strike is received on the Remuneration Report. For a second strike to be received, 25% or more of the votes validly cast would need to be against the Item 3 resolution to adopt the Remuneration Report.

There are several matters I need to mention in relation to participation in the online meeting today. Shareholders have been provided instructions as to how to participate in the meeting. These were contained in the notice and access letter, and the Notice of Meeting which were lodged with the ASX and the NZX on 15<sup>th</sup> of March 2021, and which are also available on our website, along with guidance on how to participate online.

The guide on our website includes instructions on how to ask a question by tapping on the question icon, and how to vote using the voting icon. If you experience difficulty with the online platform during the meeting, please refer to the user guide on our website, or contact Computershare.

Questions can be submitted now or at any stage throughout the meeting. You do not need to wait until the relevant item of business. So if you do have any questions, we encourage you to submit them now. We will then seek to address your question during the discussion on the appropriate item of business.

As I explained earlier, we received a number of questions from shareholders in advance of the meeting. Thank you for these. I have tried to address the key themes raised during my speech. We will also address some of the specific questions in the items of business.

Questions may be moderated to avoid repetition, or if we receive multiple questions on one topic, the questions may be amalgamated. If questions are particularly lengthy, we may need to summarise them in the interests of time. Please note that only shareholders and their

properly appointed proxy, attorney or representative are entitled to ask questions online.

If you have questions about AMP products or services, or about any other personal dealings with AMP unrelated to your interest as a shareholder, we ask that you please contact the Customer Centre. Our teams will be pleased to assist.

Let me now explain the voting procedures.

Only shareholders or their proxies, attorneys and representatives can vote. If you are participating today as a proxy, and your appointing shareholder has directed you how to vote on any items of business, these proxy votes will be automatically cast as directed. You only need to cast an open proxy vote you hold using the online voting icon.

As set out in the notice of meeting on Item 3, and Item 5, if it is put to the meeting, voting restrictions apply to AMP's key management personnel and their closely related parties. We have implemented procedures to ensure that these voting restrictions are followed.

Voting on all items of business today will be conducted by way of a poll. Details of the results for each item of business will be shown on the screen after that item of business.

In order to provide you with enough time to vote, I will shortly open voting on Resolutions 2 and 3. At that time, if you are eligible to vote at this meeting, a new polling icon will appear. Selecting this icon will bring up a list of resolutions and present you with voting options. To cast your vote, simply select one of the options. There is no need to hit a submit or enter button, as the vote is automatically recorded. However, please know that you do have the ability to change your vote up until the time I declare voting closed.

As I said earlier, the items of business for today's meeting are set out on the screen. Items 2 and 3 are the resolutions to be voted on at today's meeting, noting Item 4 has been withdrawn, and Item 5 is conditional on the outcome of voting on Item 3. To assist with the efficient conduct of the meeting, I declare that each of the proposed resolutions set out in Items 2 and 3 of the Notice of Meeting are now properly before the meeting, and I declare the poll open on those items of business. The polling icon will soon appear. Please submit your votes at any time. I'll give you a heads up before I move to close voting on each item of business.

All directed proxies are being cast in accordance with the directions provided by shareholders, and the available open proxies I am holding in my capacity as Chair of the meeting are being cast in favour of Resolutions 2 and 3. If the conditional Board spill resolution in Item 5 is put to the meeting, I will be voting all available proxies against that

resolution.

At the appropriate time we will proceed with a discussion on each resolution being put to the vote. Barry Azzopardi of Computershare has been appointed as the returning officer. Following confirmation by Computershare, final proxy votes and the results of the polls will be announced on the ASX and the NZX later today, and published on our website.

Item 1

Debra Hazelton: Turning now to the first item of business.

The purpose of this item is to discuss the 2020 Financial Report and Directors' and Auditors' Reports contained within the 2020 Annual Report. I would like to take this opportunity to introduce Andrew Price of Ernst & Young, AMP's auditor.

Andrew is here today in his role as EY's lead audit partner for AMP. Andrew is available to answer questions related to the audit of our 2020 accounts. I now call for any questions on our 2020 Financial Report and Directors and Auditors Reports, or on the management of AMP. Please note that we will focus specifically on Remuneration Report later in the meeting.

As mentioned earlier, we received some questions before today's meeting, which I will ask the Company Secretary to read out.

Marissa Bendyk: Thank you Chair. Our first question comes today from Mr Ian Muir. And we've had a number of similar questions like this. "If 2,000 people can attend the Lyric Theatre every day in April to watch the musical *Hamilton*, why can't the CEO and the Board face AMP shareholders in person at the AGM today?"

Debra Hazelton: Thank you for your question, Mr Muir. And I'm really delighted that theatres are open again for large crowds. However, when we set up this meeting, some time ago in March, we were very conscious of the outstanding risks related to the pandemic. We took very seriously the health and wellbeing of our shareholders and our staff. We were concerned about snap shutdowns, and new strains of virus. So with an abundance of caution, we made the decision that this meeting would be held online. We really hope to be able to meet you in person next year at our Shareholders' Meeting.

Marissa Bendyk: Thank you. Our next question is a further question from Mr Muir. "In 2003 in the space of three months, AMP lost the management rights to three of its four prime listed property trusts to Westfield, Stockland, Macquarie Goodman. Why is AMP's management allowing the same thing to occur with Dexus, making a move to take over the management rights of the AMP Capital diversified property fund?"

Debra Hazelton: Thank you again, Mr Muir. I might make a comment, but then I will pass this question to Francesco to answer in detail.

So I'm not conscious of the events of 2003. But I must say we are disappointed, however respect the unit holders' votes in the recent vote for ADPF. Francesco.

Francesco De Ferrari: No. Thanks, Debra. I mean, we run our Institutional business on behalf of our clients. We had put forward as AMP and in particular AMP Capital, a very credible alternative proposal, but in the end must respect the decision of the unit holders.

We have an extremely strong real estate team, Kylie is doing with the whole team a fantastic job. We hold great products and a lot of trophy real estate assets. We are now very focused on the rest of the business, and making sure we rebuild and continue to grow it. We've done that after 2003, and so are very confident that we can redo it again today.

Marissa Bendyk: Thank you. Our next question's been asked by several shareholders. "Under the heading 'Board Changes' in Debra Hazelton's message in the Annual Report, I note that the Board's composition now meets our 40/40/20 target for gender diversity. Could you please clarify what is meant by a gender diversity target of 40/40/20?"

Debra Hazelton: Thank you for that question. 40/40/20 is our recently adopted, more recently adopted simple and more progressive target for gender diversity across AMP, including the Board. It's a target that is endorsed by the Champions of Change Coalition, or previously Male Champions of Change. It basically means, and it gives us some flexibility, and means that we can target 40% men, 40% women, and the other 20% gives us flexibility for either men or women, or people of other gender identity. This means that we can suit our recruitment and our succession planning to meet the requirements of timing, special skills and experience.

I'd like to make a point here about our focus on gender diversity. Gender diversity is an important target, but we are very focused on diversity as a whole across AMP. And we recognise that other kinds of diversity are extremely important. And a point that I often come back to is that diversity is very important, but it's creating that culture of inclusion for diversity, which is the fundamental baseline for building a strong culture. Thank you.

Marissa Bendyk: Thank you. Our next question comes from our shareholder, Mr Matthew [Pook]. "Will AMP Wealth be sold off like the rest of the institution, or do you intend to rebuild the organisation?"

Debra Hazelton: Thank you very much, Mr Pook. As I said in my speech, we carried out a very rigorous and extensive portfolio review, to understand where our

businesses best fit in our future strategy. We decided during that review, and announced in February, that we found that the Wealth Management business in AMP Australia and AMP New Zealand, is core to AMP's future. We are insistent that that is a business that we can rebuild to meet the needs of the Australian and New Zealand people, to find affordable, accessible advice. We believe that there are competitive advantages for AMP in that business. And we are committed to making that part of our rebuild of the shareholder value in AMP. Thank you.

Marissa Bendyk: Thank you. Our next question comes from Mr Gary Adamson. "Will AMP be advertising on TV again, as promised at the last AGM? And will the Board please give more feedback to shareholders on this?"

Debra Hazelton: Thank you, Mr Adamson. We all recognise the importance of brand advertising to rolling our new strategies in particular. And particularly at this time in AMP's history. I'm pleased to say that we are ready to launch a new brand strategy later this year. I'm sure you'll enjoy it. We are very much looking forward to it at AMP ourselves. Thank you.

Marissa Bendyk: Thank you. Our next question comes from our shareholder, Mr Hargreaves, and he's asked a number of questions which we've brought together. Specifically, they relate to the level of disclosure about assets and equities invested in, and planned for future investment by AMP. Specifically, "Can AMP confirm these investments do not include those involved in fossil fuel and weapon production, or processing? And, if so, does AMP plan to immediately divest these investments are not in companies operating in countries under oppressive regimes, or those that contravene global charters on human rights. And, if so, does AMP plan to divest if AMP will publish a comprehensive list of asset and equity investments to facilitate scrutiny of investments made by AMP on behalf of its shareholders, and publish its own strategy for becoming a carbon neutral organisation?"

Debra Hazelton: Thank you, Mr Hargreaves, for these very important questions. I will hand to Francesco, because he is across the detail of these issues. However, before I do, I'd like to say that we are totally committed to transparency in our investments. And we have very well-defined ESG and responsible investment policies. Francesco?

Francesco De Ferrari: Yes, thank you, Debra. And thank you from me as well. An articulated question. Let me try to answer it the best I can. So, as Debra said, at AMP Capital we have an ESG and responsible investment policy. At the end, we invest our assets and fiduciary responsibilities from our clients. This policy includes the actions that we took in 2017 – so a few years ago – to exclude investments in armaments, defined as cluster munitions, landmine, chemical and biological weapons. And we have a list of all these excluded investments on our AMP Capital website.

On fossil fuels, our strategy has been to engage companies on their

approach as a force for change, in sort of the world effort to manage climate risk, rather than directly divesting.

As it pertains to repressive regimes, this is part of our risk management strategy. We assess risks carefully, including risks to human rights, human trafficking, and modern slavery. We also address jurisdiction risk when we look at investments like sovereign issued bonds.

And in terms, finally, of transparency, as Debra highlighted, we are very, very committed to transparency across a whole set of issues. On investments in particular, as it pertains to our public markets products, we report quarterly on our investments, including individually our top 10 holdings. And in the private market space, these funds operate differently. Our investors actually in the fund are kept informed of every single investment. And you would see that on more public transactions, we would also announce these investments publicly. As has been the case of a lot of recent investments we've made in wind farms, in solar panel, public transportation in South America, and many of the other investments we've made.

As it then pertains to the wider topic of sort of climate change and carbon neutrality, I'm very proud to say – as we've mentioned in the past – that AMP has been carbon neutral on our own operation since 2013. And so almost 10 years now. And we've recently published our new climate change position and action plan, which really aims to get to zero, net zero emissions, not just on our own operations, but also on all our investments, by 2050. So thank you for that question. Clearly very important for shareholders. Very important for all our investors as well.

Marissa Bendyk: Thank you. Our next question's been asked by a number of our shareholders. "When are you next proposing to pay a dividend? And why have you not paid one this period, when others have?"

Debra Hazelton: Thank you for all those who have asked that question. I totally understand your disappointment at not having dividends last year – ordinary dividends. However, we did pay a special dividend of 10 cents per share after the sale of the Life company. We truly recognise the importance of dividends to our shareholders. But last year, in the middle of a transformation programme, and the portfolio review, the Board took a very prudent attitude towards our capital management. And for that reason, we stayed prudent until we got through the portfolio review.

We are committed to looking at re-introducing ordinary dividends. But they will be dependent on economic and business performance. Thank you.

Marissa Bendyk: Thank you. The next question's been asked by our shareholders, Ms Robin Sidney Smith and Mr Mark Spring. "Is there likely to be a share

buyback, especially for shareholders who hold small parcels of shares?”.

Debra Hazelton: Thank you. And I suspect these questions might have come in before our announcement of the demerger. We have announced that since we've announced the demerger, and since we've closed the portfolio review, we will restart the buyback programme for up to 200 million Australian dollars. However, we are also conscious that there are many shareholders holding small parcels. The Board is committed, and has already begun, to think about how we best assist those shareholders during that buyback. Thank you.

Marissa Bendyk: Thank you. Our next question comes from our shareholder, Mr Marcus Abbott. “Given it is just over 20 years since AMP was listed at \$16 per share, the share price is now around \$1.15. When does the Board expect shareholder value to return?”.

Debra Hazelton: Thank you very much, Mr Abbott. As I said in my earlier speech, we are very conscious of the disappointment of many shareholders in the share price of AMP at present. We cannot manage the share price. We can oversee the management of the company, and the strategy. And we are working decisively, making hard decisions, to build the value of AMP going forward, and we expect that will result in improved share price.

Turning the business around requires time and effort, but we are committed to building that long term sustainable value. I should also say that we have, over time, returned a lot of dividends to AMP shareholders. But strongly recognise that the share price now needs to be improved. Thank you very much.

Marissa Bendyk: Thank you, Chair. We'll now move to the online questions that we've received during the course of the meeting. Our first question comes from a Stephen Mayne, who's asked a couple of questions. The first one is, “How did the AFR's rear window gossip columnist, Joe Aston, know that Francesco De Ferrari was being ousted before even our CEO knew? Has there been any investigation into this embarrassing leak? What happened?”.

Debra Hazelton: Thank you very much, Mr Mayne. I'd like to talk about the CEO transition. At the time of the media reports, we were in discussions with Francesco regarding, as I said in my speech, the future direction of AMP. We were talking about how the size and the shape of the business would change. The discussions were not complete, and no decisions were made. As soon as the discussions were concluded, and we'd reached a point where disclosure was necessary, we announced the transition of the CEO to the market. I really don't have anything to add about media coverage, aside from saying that we take all appropriate steps to manage confidential information.

Marissa Bendyk: Thank you, Debra. The next question, again from Mr Stephen Mayne, is, “It is very unusual to approach a senior public company executive to be CEO of another public company, when the incumbent doesn’t even know that he is going to be replaced. What was the process used to lure ANZ Deputy CEO, Alexis George, across to replace Francesco as AMP CEO? Who made the approach? When was it first made? And was a search firm involved?”

Debra Hazelton: Thank you very much for your second question, Mr Mayne. As I said in my speech, we had started succession planning for the CEO in normal succession planning processes. Succession planning for the CEO is one of, if not the most, important roles of the Board. As I mentioned in my speech also, Alexis is very excited about the challenge of leading the – or continuing to lead the transformation of AMP. Leading the transformation from Francesco. She has deep experience in financial services. And, yes, we did have external support in our succession planning. Thank you.

Marissa Bendyk: Thank you. The next question from Mr Mayne is, “Is it correct that by the time Boe Pahari exits AMP following the proposed demerger, and the satisfaction of all of his carried interest entitlements, he will have been paid more than \$70 million during his 10 year tenure at AMP? In hindsight, was he worth this sort of money? Please describe how he added value”.

Debra Hazelton: Thank you again, Mr Mayne. I’ve seen this speculation as well. I’m not familiar with the figures that have been speculated. We fully disclose remuneration, as required, through our annual Remuneration Report. I think the speculation – and you’ve mentioned – came from the concept of carried interest. Carried interest is a performance-based payment, that is associated with particularly closed end funds of private equity or infrastructure equity type products.

If the funds perform strongly, then the payment is made to the investment manager. If they don’t, no payment is made. The carry – and this is very important – the carry is paid by the funds, not by the company that manages the fund, nor the shareholders. The carry is paid when the fund matures. And the final value of the carry is not known until the fund matures. These funds are long term funds, often 10 years or more. But, as I said, we report all necessary remuneration in our annual Remuneration Report. Thank you.

Marissa Bendyk: Thank you. The next question from Mr Mayne, “Is there a risk that Boe Pahari could set up a rival fund’s management business to AMP Capital, including by poaching some of his former AMP colleagues? Have we reached exit terms with him yet? How long will we have access to his services for, and how long is his period of gardening leave where he is unable to compete against us?”.

Debra Hazelton: Thank you again, Mr Mayne. It has been a really challenging period for

Mr Pahari, and for the company, as you would know. One of our flagship global infrastructure funds, GIF II, is almost fully invested, so we have agreed it is the right time for him to transition. Boe is committed to ensuring a smooth transition for clients, and is working closely with the team to ensure an effective handover.

Marissa Bendyk: Thank you. The next question is, “A lot of territory has been covered today already, yet less than 1 % of AMP’s 800,000 shareholders are watching, or will watch this AGM webcast. Could you undertake to make a full transcript of the AGM proceedings available on AMP’s website by the end of next week? Other companies, such as Crowne Resorts, Woolworths and Transurban have responded positively to this request”.

Debra Hazelton: Thank you again, Mr Mayne. There will be a recording of the AGM made available on the shareholders’ centre on our website, as per our usual process. Thank you.

Marissa Bendyk: Thank you. The next question is, “Was there ever a formal Board resolution vote to remove David Murray as AMP Chair? Was Debra Hazelton the only incumbent Director who expressed interest in assuming the Chair position once it became vacant? Were there any formal non-unanimous Board votes taken by Directors during this Chair transition process?”.

Debra Hazelton: Thank you again, Mr Mayne. David Murray resigned the Chairman position, as we announced at the time, and the Board agreed unanimously, that I take the Chair at that time. Thank you.

Marissa Bendyk: Thank you. The next question is, “There’s been a lot of media coverage about AMP over the past two years, most of it negative. Could both the Chair and CEO address the question of whether they regard the media coverage as being broadly fair. If not, which elements or characterisations were unfair?”

Debra Hazelton: So I’ll start if you don’t mind Francesco, because I want to say one of the things I really love about Australia is free press. One of the things that drives me nuts sometimes, is free press. But we can’t control the media. However, we are 100 % focused and committed to doing the right thing for our shareholders, and building sustainable value in this business. Over to you.

Francesco De Ferrari: Thank you, Debra. I would reiterate what I said before. It is to be expected in a very complex transformation project and journey, as the one we are undergoing at AMP, that there are lots of really very difficult decisions that need to be taken all the time. And some of these do not encounter generally the favours of all stakeholders. But the Board has always guided on taking the right long decisions for long term shareholder value creation. So, rather than focusing on how the media portrays them, we need to focus on things we can control, which

is taking the right decisions and continuing to implement and execute on our transformation strategy. Thank you.

Marissa Bendyk: Thank you. We've received now a couple of questions from the Mills Connolly Superannuation Fund. "The Board has had significant changes to its composition during the year, and a significant shift in its strategic plan. Shareholders are often the last to hear about these changes and are alerted by the press, with vague statements from the Board following. The announcement of the demerger on the 23<sup>rd</sup> of April – one week out from the AMP AGM – is an example. Can we see clear and transparent strategy going forward, and more timely notifications to shareholders?"

Debra Hazelton: I think I might pass that to you, Francesco.

Francesco De Ferrari: Well thank you, and thank you for Mills Connolly for the question. I understand that has been a challenging period, and all of us have felt it deeply. I would say that, as a group, we are managing to one set of a three year transformation journey, which we clearly illustrated to the market, and had a whole set of very clearly articulated and committed deliverables. Now the portfolio review came on top, as Debra explained, because we had unsolicited outside interest. And so it was the fiduciary duty of the Board to test all this outside interest, versus our own internal plans.

As we have announced, despite trying to find the deal with Ares, we concluded at the Board level that effectively continuing to implement our own strategy is likely to provide the long term best outcome for shareholders. And so that's remained the tenant throughout the last year. And so we were definitely working on transparency, and improving transparency, around a whole set of issues. I would say we've – if I listen to the feedback of our shareholders – we've significantly improved our financial disclosures.

Personally, I think we've done a great job with the sustainability report that we published, together with a whole suite of annual reporting. And so will continue to drive that forward within – also some of the constraints of a publicly listed company. So, clearly recognise the need to improve. Our strategy has remained consistent throughout this period of transformation, and we have very clearly set milestones. We'll continue to engage, and we've had a lot of shareholder engagement over the past couple of months up to the lead to this AGM.

Debra Hazelton: Yes.

Marissa Bendyk: Thank you. Our next question, again from Mills Connolly Super Fund, is that, "Despite the Board's restructuring and efforts to transform the perceived culture of AMP, the damage done to the organisation after Parahi's promotion, the ongoing staff turnovers, and reputational damage, has seen further downgrades and outflows to funds. How can

shareholders feel confident that the Board really has the skills to hold the ship together?”.

Debra Hazelton: Thank you also for this question. And I’m sorry that you have not got confidence that we need to give you. It’s been a very challenging period for you and our shareholders. And I know we have all felt this deeply as well. We have delivered against major milestones of our transformation strategy to become a more client-led, simpler, and growth oriented business. We do intend to build on this successful execution momentum.

These transformations take time, as I said earlier, and it’s very difficult, as Francesco pointed out, to see the results of some of the early heavy lifting. I believe the Board certainly has the competence, and certainly the commitment, to deliver. And we continue to be focused and committed to doing so.

Marissa Bendyk: Thank you. And the final question from the Mills Connolly Super Fund is, “In the annual report, mention was made about the employee engagement measures of 67. In view of the long period of uncertainty surrounding AMP’s future, does this score represent a decrease in engagement over the preceding 12 months?”.

Debra Hazelton: Thank you again for the question. It’s not lost on us that there is uncertainty, but strategic direction has been consistent. We monitor the engagement on a monthly basis, and it has tracked consistently around the mid to high 60s since mid-2020. The Board and I are working to try to provide more certainty around future leadership, as you’ve seen by recent appointments. Thank you.

Marissa Bendyk: Thank you.

Francesco De Ferrari: If I can maybe just add –

Debra Hazelton: Sure, please, yes.

Francesco De Ferrari: I was highlighting sort of transparency before. You’ll find on page 29 of our Sustainability Report, effectively a lot more metrics around human capital. The level of turnover both by gender and by location. But you’ll also find the comparable employee engagement score for 2019, which was 68, versus the 67 that you mentioned for 2020.

Debra Hazelton: Great.

Francesco De Ferrari: And so we, as Debra said, we’re monitoring this on a monthly basis. Because soliciting in this environment continuous feedback from our employees is obviously very critical. Global best practice is probably in the high 70s. So we recognise we have work to do. But our leaders and our employees are really facing into the challenges with courage, grit and determination.

Debra Hazelton: Thank you.

Marissa Bendyk: Thank you. We've now received several questions from Mr Mueller. There are a few of these which relate to the cultural work that AMP's undertaken, and we've brought these together. Firstly, "How much was paid to our culture consultant Symmetra? And why have the only outputs been a survey of staff, the results of which have been hidden, and one email to staff saying 'AMP's the middle of the road, and everything is going OK' when clearly senior leadership is a revolving door, and staff morale remains extremely low?"

Debra Hazelton: Thank you, Mr Mueller. I'd like to talk about the workplace conduct review. It was a very extensive review, and involved focus groups, it involved staff surveys, and it involved many one-on-one interviews, particularly with those staff that come close to issues that involve conduct and culture. When we asked Symmetra to do this piece of work, it was to be an objective piece of work. They set it up as – we wanted to benchmark it. Let me step back.

We thought it was an opportunity not just to address the culture in AMP, but to take a leadership role in what culture needs to do to improve in the financial services sector of Australia, and in fact to benchmark ourselves against world best practice. So Symmetra had to set up really a bespoke framework to do this work. It was based on five pillars. The first being reporting. The second was on internal capability. Third on inclusive culture and leadership. The fourth on processes and procedures. And the fifth on confidentiality, transparency and trust.

So when we looked at the benchmarks, there was a great deal of metrics that we have in this review, that we are using to build a baseline so that we can design the appropriate action plan to address these issues, and then measure against the performance against that action plan. And as I said earlier in my speech, the working group of the Board on culture, took oversight of this and now it is embedded into our regular Board reporting.

The findings were that, very simplistically – and much more detailed findings available of course – but the findings were that in general AMP came out on the continuum of – out to world best practice, about middle of the range. That is what Symmetra call, in their framework, proactive. Then there is progressive, and then there is best practice. In some areas, AMP leans into progressive, but we're mainly in proactive. We totally understand that's not good enough, but it gives us – as I've said – a baseline for measuring improvement. And I should say that Australian companies mainly sit in that proactive segment. No Australian companies, according to Symmetra, sit in global best practice yet.

We also found, during that review, that there were no systemic issues

in AMP of sexual harassment, or harassment of any type. But we do know – and we all know this, and take it very seriously – one act is one act too many. So we have to design systems and processes, and build a culture to prevent this kind of conduct.

We also found that our whistleblowing, for example, was in line – whistleblowing numbers was pretty much in line with the industry at the moment. And we've done a lot of work on building out our whistleblowing capabilities and channels to improve our results on that front as well.

But, at the end of the day, we came out of that review – so it wasn't just a one line email, I can assure you – we came out of that review with an action plan of 69 initiatives. More than 50% of those initiatives – some of them were started before the actual review took place – but more than 50% have been instigated already. And we are already working to measure our improvement on those initiatives. And let me make it also clear that that is not done and dusted. We recognise that as an evolving challenge.

Another 40% will be completed within the next few months. And there are seven, I think, outliers that are related to data and some of the work we're doing on our IT system, that will be completed by the end of the year. We are sharing the results of that review in a fairly bespoke manner as required with, not only our staff, but with our investors, our clients and other stakeholders. Thank you.

Marissa Bendyk: Thank you. The further question is, “After eight senior leadership changes in the past year, can the Board tell us that we are now done with the chaotic leadership changes, and that the focus will shift to making money and driving the share price upwards, rather than a daily soap opera of scandals in the media?”

Debra Hazelton: Thank you again for the question. We do acknowledge there's been a lot of change of leadership. That is unsettling. And some of that, I would say most of that, goes back to my earlier longer term context of we are going through a very challenging transformation period. We are however very pleased to have secured a well-regarded CEO in Alexis George. We've got very strong leaders in Scott Hartley in AMP Australia as CEO, and David Atkin as Deputy CEO of AMP Capital. And we continue to strengthen our leadership teams. We are really certainly working towards building stability, and driving better performance for the business, and totally recognise the importance of stability of leadership. Thank you.

Marissa Bendyk: Thank you. And the final question from Mr Mueller is, “How close is the company to completing the 300 million cost savings that have been spoken about in the media? Every day one hears about more cost cutting, which naturally hampers progress. Surely AMP leadership must know how far along the process is, and when it will be

completed”.

Debra Hazelton: Thank you again, Mr Mueller. I think I’ll hand this to Francesco, please.

Francesco De Ferrari: Yes, thank you, Debra. And thank you for the question. Cost cutting is not something that’s happening only at AMP. I think, given the challenges that all companies faced last year, it is an industry-wide challenge. The \$300 million that we refined our announcement on last year, is a three year programme, across 2020, 2021 and 2022. It is a gross cost out. And it’s not really hampering, I would say progress. We are taking costs out and with inefficiencies, and then reinvesting a number of these resources. For example, in improving risk management and controls, as I alluded in my speech.

And so, as James, our CFO, and I have described this, results and with our investors, at the beginning, well there is cost out, but we will be reinvesting most of that to transform the business. And near – increasingly in 2021, and ultimately in 2022, that cost saving will effectively drop to the bottom line. That’s why I say these transformation programmes, a lot of heavy lifting upfront. The results you will see in future years. And that’s why we’re saying this is the laying of the foundations.

Out of the \$300 million gross cost out, we achieved \$121 million of cost out last year. So that’s the progress that we made in our first year. Thank you.

Marissa Bendyk: Thank you. Our next question comes from our shareholders, Mr and Mrs Wadwani – and I hope I pronounced that correctly. “What was the need for the CEO to resign when the company was still going through the period of transition? He should have seen the company through completing this challenging period, and handover the reins once it returns to a more stable platform”.

Debra Hazelton: Thank you very much for the question. Look, there’s never a good time – a perfect time – for transition. And as I said earlier, during the portfolio review, Francesco and the Board were talking about future leadership, given the changing size, scale and focus of the company. Francesco decided it was time for him to retire from the role. And in Alexis, we’ve identified a great successor to take the organisation forward, given the change of size, scale and focus of that role. Francesco and Alexis will work together to ensure a smooth transition. Thank you.

Marissa Bendyk: Thank you. The next question comes from the Hutchison Super Fund. “How many times do we have to hear the same excuses, and hear how well the CEOs have done, when they get paid a ridiculous amount of money and then leave without demonstrating their value to the business? When will AMP’s shareholders see an improvement in the

share price, rather than see a succession of people being paid for apparently no result?”.

Debra Hazelton: Thank you for that question. I think I covered this, to some extent, earlier. But just by talking about the size and scale of the challenge, the reason for the transformation programme, the difficulty of delivering anything visible in the short term, our CEO has delivered against major milestones, as we’ve both pointed out. And the transformation strategy is on good track to set us up as a client-led simple and growth oriented business.

We can now build on this execution momentum, and will continue to act in shareholders’ best interest with absolute alignment to AMP’s values and purpose. Actually, I’m personally encouraged by the number of people who are supportive and who have expressed that they want to see AMP succeed. We do recognise that there is a lot to be done, but we are proud of the progress we’ve made, and we are hoping that you will be able to see that progress sooner rather than later. Thank you.

Marissa Bendyk: Thank you. Our next question comes from our shareholder, Mr Frederick Woollard. “AMP proposes to retain 20% of the demerged AMP Private Market business. Could you please explain why you believe it is better to retain 20% of the new company, than retain zero for shareholders in both AMP and AMP Private Markets?”.

Debra Hazelton: I might pass to Francesco for comment. However, I would say that that decision has not been finalised at this stage. However, it is certainly in consideration.

Francesco De Ferrari: So as Debra said – and thank you – we’ve announced last week our intention to pursue the demerger of the Private Markets business. Our portfolio review really concluded, as sort of was highlighted already in the strategy that we had announced last August, for the re-pivot to Private Markets, that these are really two distinct businesses. And our current hypothesis, from a Board perspective, is that we would retain 20% to show support for the business demerged, but there is a lot of water to go under the bridge until the final determination, and the final proposal would be put to shareholders for demerger. So, that’s something for the next months of work, to ultimately determine.

Debra Hazelton: Which we have already started to do, I should say. Thank you.

Marissa Bendyk: Thank you. The next question comes from the Australian Shareholders’ Association. It’s a question from Mr Ian Graves – with the Australian Shareholders’ Association – who represent 494 shareholders and 3.2 million shares, equivalent to the eighteenth largest shareholding.

“In the Annual Report, mention was made about the success of this whistleblowing policy, with complaints rising from 37 to 69. What did

the main areas of complaint relate to, and how have they been resolved?”.

Debra Hazelton:

Thank you for that question. As I said earlier, when we undertook the workplace conduct review, one of the sections of initiatives, one of the parts of the initiatives that were very strongly followed in terms of progression, was around reporting and managing and consequence management of misconduct reports, if you like. Part of that is whistleblowing.

It's a very important function. Our job, of course, is to create a very safe environment for people to report areas that they feel are, for some reason, disappointing in terms of conduct.

The whistleblowing function is to encourage, protect, and then follow up on certain kinds of reports. There are legal frameworks around whistleblowing which mean that information cannot be shared because of the protection of the person reporting. I personally take the rise of the number of whistleblowing reports as a constructive sign. It says there is greater awareness in AMP and a better sense of safety in terms of reporting.

I think that of the 69 complaints raised, my latest figures are 39 were not substantiated, 21 substantiated with consequences, eight under investigation, and four not investigated as yet. Thank you.

Marissa Bendyk:

Thank you. Our next question comes from our shareholder, Mr Eric Fidell. “When should shareholders expect to receive further details in relation to the demerger, as this asset plays a vital role in our success moving forward? Details like how shares will be priced when listed; will funds be raised from existing shareholders to cover the cost of separation; what percentage, if any, of shares being issued, will be offered to the public; and, how the shares being issued to existing shareholders will be determined?”.

Debra Hazelton:

Thank you very much for that question, Mr Fidell. We'll commence, and in fact, we're already in the process of commencing the internal separation of Private Markets. This will include establishing operational independence for management, fast tracking a new brand development, and Private Markets' Board of Directors. Michael Sammells will be appointed as interim Chair of the Private Markets Board.

The demerger would be subject to final AMP Board approval as well as shareholder approval and will require regulatory approvals and applicable consents as well.

We will be updating you and announcing details regarding capital structure, dividend policy separation, management, and governance as soon as we can. You will understand we're at early stages at this stage.

Thank you.

Marissa Bendyk: Thank you. The next question comes from the Mills Connolly Super Fund. “Can you provide clarification around Mr De Ferrari’s exit payments?”.

Debra Hazelton: Thank you. I believe that the exit payments for Mr Ferrari were published in the announcement of him leaving. He will remain eligible for his short term incentive for 2021. He will receive a payment of 300,000 Australian dollars less the applicable tax for the additional work he undertook in this year to support the AMP Capital business. He will not be eligible to receive any other incentive awards in respect of future years.

I’d like to reiterate that Francesco has lead AMP through an extraordinary period, and he’s responded to unprecedented external challenges as well as internal challenges, and successfully executed a complex transformation program. And I will also reiterate that he will leave AMP with our very best wishes.

Marissa Bendyk: Thank you. The next question comes from our shareholder, Ms Lena Gomez. “How is it possible that Boe Pahari got paid approximately \$1 million of bonus for his 53 days as AMP Capital CEO when his behaviour caused more \$1.5 billion in redemptions and incalculable reputational damage?”.

Debra Hazelton: Thank you, Ms Gomez. Just to be sure, Mr Pahari’s remuneration reflected his role in leading infrastructure equity in the north west regions. He received no bonus for his performance as AMP Capital CEO at that time. Back to the performance bonus he did receive, it reflected the performance of his business, and was contractual. Thank you.

Marissa Bendyk: Thank you. Our next question comes from our shareholder, Mr Premer. “How can AMP survive another 172 years if large integral pieces are sold off seemingly in an uncoordinated kneejerk panic? Are long term targets of shareholder value the main driver of strategy, or is it short term and media driven running decision making process of the Board? It appears that latter”.

Debra Hazelton: Thank you for the question, Mr Premer. I’m sorry that appears to you as the case. As I said earlier, we announced our intention to pursue a demerger of AMP Capital’s Private Markets business, following a decision by the AMP Board to conclude the discussion with various management corporation regarding a potential sale. A portfolio review, long and detailed and extensive, confirmed that AMP has two distinct businesses. One is a Retail Wealth business, mainly domestic in Australia and New Zealand; and the other Institutional Private Markets, global. Each has very different client bases, different growth opportunities and requires different types of talent.

Operational and structural separation will significantly, we believe, benefit both business units, and is really the best path forward for driving value long term for shareholders. Thank you.

Marissa Bendyk: Thank you. We have a further question from our shareholder, Mr Stephen Mayne. “Did any of any of the existing AMP Directors know or previously work with Alexis George before she was hired as our CEO?”. And Chair, I think you’ve already mentioned that Alexis wasn’t able to attend today’s AGM; the question is, “Was she unable to do so because she was restrained?”.

Debra Hazelton: Alexis is still working through her notice period for ANZ and is very busy in her role. She’s very keen to fulfil her obligations to her current employer, and we respect ANZ, the Board, and the CEO, and support her in that. We’re very much looking forward to her joining us soon. Thank you.

Marissa Bendyk: Thank you. The next question comes from Mr Mueller. “What is happening with the transformation of the advice business, is this the last throw of the dice?”.

Debra Hazelton: I think that’s for you, thank you.

Francesco De Ferrari: Yes, thank you Mr Mueller. I am very, very passionate about this topic, so could talk about it for hours. Australia has a significant advice gap that is crystallising as a lot of the large players are exiting, and compounded by the fact that an increasing number of Australians are heading for retirement and that requires individual solutions, really, given the complexity of some of the fiscal legislation in this country. It is a pivotal issue to be able to tackle.

We fundamentally believe that it is core to AMP’s strategy, and actually, we can take a leadership position in this, and we are working actively with the regulator and the government to make sure that we have the necessary framework to be able to build a sustainable professional advice business.

Having said that, as underpins a lot of the answers to the questions today, thinking that our previous business model was fit for purpose would not bring us to the right solution. We’ve had to accompany our partner financial advisors through a significant amount of industry disruption. We’ve stated at year end that we have completed 75% of the advice reshape program and aim to complete the remaining 25% by the end of this year.

Marissa Bendyk: Thank you. A further question we now have from Stephen Mayne. “Regarding the branding strategy, has any consideration been given to the dropping the AMP name entirely? Have you explored roughly how much such a rebranding would cost? Would it be more than \$20

million? Please also explain why the demerged entity is also called Private Markets, not AMP Capital or AMP Capital Private Markets? Will it carry the AMP name, or adopt a new less tarnished brand?”.

Debra Hazelton: Thank you, Mr Mayne. I mentioned earlier that we are looking forward to starting or launching a branding strategy later this year. That brand is related to AMP Australia. In terms of your question regarding AMP Private Markets or Private Markets, this is not a decided name, this is the way we announced the demerger to help people avoid confusion. There is work being done on branding for that demerged business, but it is in very early stages.

Actually, we are continuing our focus on the transformational strategy. As I've said before, we are working to become simpler, client-led, and a higher growth business.

We are continuing to support our people and clients in the community, and that is a very important part of rebuilding our brand. Brand is related to trust, and as I have said earlier, we are committed to rebuild your trust and confidence in AMP. Thank you.

Marissa Bendyk: Thank you. A further question from Mr Mayne. “Has the outgoing CEO had any discussions, meetings, or email exchanges with his successor, Alexis George? Will Francesco publicly undertake to support his successor in every way possible as part of his exit arrangements?”.

Debra Hazelton: I think I might pass this to you, Francesco.

Francesco De Ferrari: Thank you, Debra, and thank you Mr Mayne. Yes, I have talked to Alexis a significant number of times. As Debra said, we are working through the issues and logistics as it pertains to her notice period from her current employer and I am very committed to working with her hand-in-hand to ensure a smooth transition. Executives need to be judged, not just by how they perform when they're in the role, but also importantly what happens in the immediate period after they leave the role, so I'm very committed to make sure that happens properly.

Debra Hazelton: And I might just add to that question, that obviously we are being very mindful of Alexis' commitments and obligations to her current employer. We are absolutely being careful and aware of what we do discuss. It's very much in line with the appropriate level of discussion. Thank you.

Marissa Bendyk: Thank you. The next question is from Mr Mueller. “Where to next if the current transformation strategy is not successful?”.

Debra Hazelton: Thank you for that question. The current transformation strategy is progressing extremely well, is on track, and we expect that it will be very successful. We've already, despite challenges and disruptions,

delivered on a significant majority of the market commitments. Building on these foundations, we'll look to capitalise, as I said earlier, on execution momentum. Our focus will turn to delivering the reinvention of wealth management in Australia, the growing of the New Zealand business, the demerging of AMP Capital Private Markets to accelerate its growth, and creating a simpler, leaner business. Thank you.

Marissa Bendyk: Thank you. The next question from Mr Mayne. "The audited balance sheet claims we have \$4.3 billion in net assets, but the market capitalisation has now fallen below \$4 billion with the share price at a record low; how rigorous was the auditor testing of the Board and management's valuations of the various assets recorded on our balance sheet? If further write downs are coming, which divisions are they likely to relate to?"

Debra Hazelton: Thank you, Mr Mayne. We have a charter of audit independence which outlines the processes for maintaining auditor independence. We have stringent measures in place to ensure independence, and this is reviewed to ensure it remains fit for purpose. A pre-approval process for all non-audit services, regular service assessments of EYs performance, which includes their objectivity and independence, and the AMP audit is also subject to mandatory auditor rotation. EY also has its own audit processes internally. Thank you.

Marissa Bendyk: Thank you. We have a further follow on question from Mr Premer who's watching the webcast. "Thanks to the Chair answering my previous question. Given the share price at the moment is \$1.11, the lowest it has been for a significant time, or ever, is the purchase of AMP shares now, today, a great value proposition that will see a shareholder buying in now rewarded in the future, or is it throwing good money after bad? Do the Directors recommend buying shares in AMP for the future?"

Debra Hazelton: Thank you for the question, Mr Premer. I'm afraid I cannot give you financial advice.

Marissa Bendyk: Thank you, Chair. A further question there, coming from Stephen Mayne. "David Murray was paid \$1.76 million during his period as Chair of AMP. When he resigned in August 2020, AMP's exit notice to the ASX revealed that he only owned 11,375 shares which are today worth barely \$15,000. Is this acceptable, and can the new Chair explain how she plans to build a more significant shareholding in the company to have true skin in the game?"

Debra Hazelton: Thank you, Mr Mayne. I'm not aware of those figures. I can say that we do have requirements for Director's shareholding; however, we are restricted by, as you would be aware, windows in which the Directors or key personnel in AMP can purchase shares. I do commit that all Directors, including myself, intend to fulfil their obligation to have the

appropriate number of shareholdings in AMP. We are very optimistic about the future, but we also have obligations in terms of our positions as Directors. Thank you.

Marissa Bendyk: Thank you. We've got a question from Mr Peter Starr. "You have destroyed shareholder value; should the whole Board go?"

Debra Hazelton: Thank you, Mr Starr. I believe that, as I said, in 2019, when we announced our transformation strategy, we, as a Board, committed to building a simpler client-led growth oriented business, and despite challenges and disruptions, we've delivered on a significant majority of those market commitments. We believe that we have, we continue to deliver on those commitments, however, this meeting today has, the Board's fill motion will be available to shareholders. Thank you.

Marissa Bendyk: Thank you. Our next question comes from Mr Mark [Kassar]. "Given AMP has divested itself of AMP Life, and now plans to spin off Capital, the remaining business is basically AMP Australia; why does AMP require both a Group CEO and CEO for the Australian business? Surely there is a high level of duplication?"

Debra Hazelton: Thank you for that question, Mr Kassar. We do recognise that we have an extremely strong team in Alexis as CEO and the AMP Australia CEO Scott Hartley, who will work together to continue the progress on the transformation work. Alexis will lead the group and the strategic partnerships including AMP Australian, New Zealand Wealth Management, and our investments in China, China Life, PCCP, and Resolution Life. In AMP Australia, Scott will continue to lead the considerably challenging transformation of the business including reshaping advice, simplifying super, and increasing its competitiveness and growing the platforms and the bank business.

All I can say is the size and scale of the task ahead demands the very best in the business, and we believe in Alexis and Scott we have those skills and experience to put us in a very competitive advantage position going forward. Thank you.

Marissa Bendyk: Thank you. Our next question comes from Mr Louis Joseph. "When does AMP expect to be in a position to have a resolution on the future of the GEFI business, and could Mr De Ferrari please help us understand why the business is deemed to be subscale? Also, please convey my gratitude to Mr De Ferrari for his time, efforts, and at an extremely difficult time for the company, and wish him well for the future".

Debra Hazelton: I will pass this to Francesco, of course. But I would thank Mr Joseph for his recognition of the fantastic contribution Francesco has made.

Francesco De Ferrari: Yes, Mr Joseph. Thank you, I'm going to take a long time to answer your question given you're so kind. We had announced a new strategy

for AMP Capital in August of last year. Essentially, the first core tenant of driving shareholder values, we need to allocate capital to the businesses that can deliver the best return.

When we looked at our AMP Capital business, clearly the most important and biggest opportunity for us lies in private markets, and that's underpinned by many macro factors. We have very low interest rates across the world, and likely for foreseeable future, everybody is looking for a yield, governments are putting out trillions of dollars in stimulus packages and in building infrastructure, there is a lot of demand for that asset class.

When we looked at our business within AMP Capital, in a sequence of how we looked at the complexities, and how do we stage this transformation of the Group? We started from the Life Insurance, then we went into advice and Wealth, and we handled Capital last. When we looked at our global equity and fixed income business, we have really good products. We have funds that continue to have best in class performance, but our volumes are really small. We are competing against global giants like Black Rock who manage \$7 trillion and who can count on really powerful global distribution.

On balance, when we considered, where would we spend a dollar of shareholder money, we've reached the conclusion that actually, for our clients and the teams, the global equity and fixed income business is best in the hands of somebody else, and we are actively working with a team on progressing those discussions and hope to update you shortly on them.

Marissa Bendyk: Thank you, Francesco. Our next question comes from Mr Adriano and Mrs [Lizabetta Georisio]. "If the strategy –

Francesco De Ferrari: Should I give you an Italian pronunciation? Georisio.

Marissa Bendyk: Perfect. "If the strategy is so great, and the Board all have belief in it, at what price will all on the Board dip their hand in their pockets and buy a decent amount of shares on the market, 50 cents, 70 cents, this is the message you are sending the market?"

Debra Hazelton: Thank you very much for the question. I'm sorry that you are disappointed in the share price at the present. I mentioned earlier that we recognise the disappointment of our shareholders. All I can say is to repeat, really, that we are engaging in a very complex and very demanding, very challenged transformation program. It will take time, but we are confident that it's the right, it is right for the business, we've spent a lot of time, obviously, looking at options, and other alternatives. This is right for our business, we are going to, we are already setting up for a future of success. Thank you.

Francesco De Ferrari: Can I maybe add something?

Debra Hazelton: Yeah.

Francesco De Ferrari: Debra, if you don't mind? Fully understand the question. Ever since we announced the portfolio review at the beginning of September, we've had closed trading windows for employees and directors. Our executive management team and our Directors were prohibited from trading in the stock given the fact that we were sitting behind Chinese walls, and were dealing with inside information as part of the portfolio review. Physically, even if the Directors had wanted, they were legally prohibited from buying.

We have now concluded the portfolio review and the trading window hopefully will soon open again, and that's why we also made the comm- we recognise the share price is low; we recognise that our assets are actually higher than our market cap, and that's why the Board committed to share buyback because it is very value accretive, and we're looking to restart that as we reopen the trading windows now that we've cleared inside information with the demerger announcement.

Marissa Bendyk: Thank you. We have a further question from Mr Mueller. "Most big financial organisations have already eclipsed, or are close to eclipsing, their pre-COVID share price lows. AMP has gone steadily backwards over the past 15 years. Why is the market moving forecasts and yet AMP is going steadily backwards?"

Debra Hazelton: Thank you, Mr Mueller. I think we've answered this question previously. That's not to underestimate the fact that we are all disappointed with the share market movement at present. We don't manage the share price as I've said before, and the Board and management are doing everything they can to progress the transformation program. We've already delivered a lot of the promises on that transformation program, and we expect that the good progress we can leverage off that momentum and take the company forward to address those concerns. Thank you.

Marissa Bendyk: Thank you. We've got a further question from Mr Stephen Mayne. "When I resigned from Newscorp in 1999, my superannuation entitlements were transferred to AMP without my knowledge. Over the past 20 years, performance has been poor and fees high. Why was this account then transferred to Resolution Life with the AMP Life sale when it was never a life insurance product? Was this done to make the life insurance business more valuable when it should have stayed with AMP Financial Services? Where was the line drawn with Australian customers and the AMP Life sale?"

Debra Hazelton: Thank you, Mr Mayne for that question. The best people, please, to help you with your query are our client teams as I mentioned earlier, some questions are best placed with their knowledge and access to background details. We will get your details and I'll have a member of

the team contact you directly.

Marissa Bendyk: Thank you. Our next question comes from Mr Frederick Woollard. “Could Francesco please elaborate on how AMP can provide quality financial advice at a price consumers will pay which also generates an appropriate return for shareholders?”.

Francesco De Ferrari: Thank you, Mr Woollard, that is a fascinating question. Would require quite some time to answer overall in a holistic fashion, but essentially, if I look at the trajectory of advice, there is space, definitely for personal advice, so people who can afford to have a financial advisor taking care of them all the time. Unfortunately, given the complexity of the regulation, that has a certain price point, and we clearly recognise that only a certain level of wealth will effectively make it worth it to be able to afford that type of service.

We are working very actively on what we call more episodic advice, so, not having a financial advisor throughout your whole investment lifecycle, but only at specific points in your life journey, where effectively having good advice is absolutely pivotal to ensuring retirement outcomes. For example, when you decide to buy your first home, when you get married, when you are thinking about retirement and so on.

So, there is full-scaled advice, there is then episodic advice, and then there is the part that we still have some more work to do with regulators and the government, which is the provision of phone-based and digitally enabled advice. That’s the area that effectively will then allow us to make advice, not just affordable for all Australian’s, but also an investable proposition for shareholders.

One last point I would like to make is that actually, the profitability of advice is intellectually interesting question. Actually, advice practices, well run advice practices, like the ones that we’re partnering with, are actually very profitable businesses. It is the licencing activity across Australia that is more challenging from a shareholder investment point of view. Thank you.

Marissa Bendyk: Thank you. Our next question comes from Mr Frederick Woollard. “Is the company adequately provisioned for expected litigation claims?”.

Debra Hazelton: I think we might ask Andrew Price to address this. I’m going to ask Andrew Price, our lead audit partner from EY to address this issue for us, thank you, Andrew.

Andrew Price: Great, thank you, and thank you for the opportunity to answer the question on the financial statements and the way provisions and contingent liabilities are accounted for in the AMP results, as indeed for every other company.

To raise a provision for litigation or other claims against the company, it's necessary to meet two conditions. One, that the event that gives rise to the liability has in fact, occurred; and secondly, and most important to your question, is that capable of actually being reliably measured?

What we find is that from a provision point of view, it's only those claims that meet those two requirements that are actually booked as a provision. For those items where, in particular, the second stage of that test is not met, they're included by way of description as a contingent liability. If you look at the financial statements, you'll see that there are a number of potential claims and actions against the company that are included in that category and appropriately treated as a contingent liability as required by the accounting standards, and also, as is market practice. Thank you for your question.

Debra Hazelton: I've got another question for Andrew.

Marissa Bendyk: Sure, another one, and perhaps, Andrew, if you stay up there; "is the external auditor available to answer questions? If so, through the Chair, could he please comment on the asset valuation process during the audit with a lens on whether further write downs are in prospect, plus, also explain why he picked the subjects he did for the key audit matters section in the annual report?"

Andrew Price: Great, thank you. And like, Francesco, some of his comments earlier, I could talk all day on this topic, but I won't. A couple of questions there, so, one is with respect to the asset valuation in the company. I'll come back to the earlier question that was asked about the net asset liability, or asset deficit compared to market cap that is currently there now in the share price. I can point out that both at 31 December, and at the date we signed the accounts, given the share price at that time, there wasn't a market deficit at that time. In fact, there was more than \$1 billion worth of head room.

In answer to your questions around asset valuations, the financial statement clearly sets out the valuation policies with respect to the various assets that you have. Effectively, there are three classes of assets there, as to the valuation regime that exists with respect to financial assets.

Also included in the financial statements are details of intangible assets that the company has, and the impairment assessment that is carried out there. You'll note on page 133 of the Annual Report, is our long form audit report that sets out what we consider to be the key audit matters. For those, for this year, for the audit as at the 31<sup>st</sup> of December 2020, there were four such matters. That was to do with provisions for remediation claims that the company has.

Secondly, it was with respect to the advice assets that the company has on their balance sheets. Thirdly, with respect to the taxation balances

that the company has. And finally, with respect to the sale of the Life company that was completed during this reporting period.

We picked those four items based off the material matters that we had to consider as part of our audit, and the items that we communicated with the Board and with the audit committee in the work that we had done. For that year, they were the main items that we considered. Thank you for your question.

Debra Hazelton: Thank you very much, Andrew.

Marissa Bendyk: Thank you. We have a further question from Mr Stephen Mayne. "Afterpay published the full proxy voting report on the ASX with its formal address before it's 2020 AGM commenced. Why didn't AMP agree to do the same this morning, and will you disclose the biggest against votes so shareholders have enough time to formulate any follow up questions about the voting outcome?"

Debra Hazelton: Thank you, Mr Mayne for your question, and we did receive your correspondence, thank you. Market practice is not to disclose proxy votes received until the AGM itself. In accordance with our usual and market practice, we will show the proxy position at the time of putting each resolution to the meeting. This is also consistent with ASA guidelines.

All resolutions at this meeting will be decided on a poll. Thank you.

Marissa Bendyk: Thank you. We have a further question from Mr Mayne through the Chair. "Could the CEO please take us through some hirings that he has overseen at AMP that he thinks has worked out well in terms of adding value to the business and improving culture. On a similar note, was Alex Wade worth \$3.5 million that AMP paid for him over the 18 months that he was with the business?"

Debra Hazelton: Thank you, Francesco.

Francesco De Ferrari: Yes, thank you, Mr Mayne. I'm not sure I'm going to comment on single executives and give a judgement as to a rating of each individual executive. We are going through an extremely complex transformation program. There is a lot of heavy lifting to do. COVID came on top last year and provided further challenges. We really have a very focused and committed leadership team that has been driving the complexity of this transformation and needs to lean into significant challenges both on rebuilding the business, transforming it at the same time, while taking out costs. I think the reinvention of AMP often catches the headlines as the toughest job in corporate Australia.

It is normal that as we go through phases, we would adjust the executive talent that's required for the specific objectives that we are trying to achieve. In that, I think the appointment of Scott Hartley as

CEO of AMP Australia, Scott, in my personal judgement has really done an amazing job at building a sustainable, well performing superannuation business, and really has been able to drive down cost to serve.

Alexis brings lots of really interesting skill sets on direct banking which is another big avenue for growth for our group. So, it is natural to see these evolutions take place when you undergo such complex transformation.

Marissa Bendyk: Thank you. A further question from Mr Mueller. “AMP has been undergoing various transformations since 2009, all of which have just taken the share price further and further backwards. Why should we believe in this recent transformation, when in 2009 we were talking about cultural transformation, transforming the advice business, and building the share price? Yet, the share price continues downwards.”

Debra Hazelton: Thank you, Mr Mueller. I think we have looked at this topic earlier. I do think that we sincerely understand your frustration with the share price. We are committed. We believe this transformation program is the right transformation program. We believe we are capable of executing, as Francesco has already spoken about meeting 90% of the milestones for last year, for example, in promises to the market.

We have done very thorough work on how the institution is best placed to take its position going forward, and without going into the same level of detail, the world has changed for wealth management dramatically in Australia since 2009. We have had to look into the impacts of the industry disruption, the economic disruption, the social disruption, and decide how best to take this company forward. We are committed to delivering on that program. Thank you.

Francesco De Ferrari: If I can, can I maybe add? So I think every time I get the chance to meet shareholders, and I think from my first meeting in beginning of 2019, went on to describe how these transformations are complex and take time. And I get the frustration, and believe me, we feel the same frustration at the Executive Team and the Board. We would love to be able to stand here and present better results and a rapidly growing share price.

The reality is there is a lot of work that needs to be done to reposition this Group. We can't talk about the past, what we can talk about is what we are doing on a go-forward basis. The work that gets done in the first two years of the transformation, a lot of the foundations were laid end of 2019, most of them in 2020, and the big piece of heavy lifting, last big piece gets done this year. They do not translate into bottom line improvement. But you will see the bottom line of the Group improve as we head to the later years of the transformation.

What we have done though is be very transparent about this three year

journey, and give you every year our set of 10 deliverables against which you can hold us accountable. So we've done that in February of last year, and we've done it again in February of this year. So hopefully you can track the progress and the execution against our commitments, knowing that if we keep executing on this, the results will come. They're just not immediate.

Debra Hazelton: So thank you Francesco. And Mr Mueller, I would say that this is all in line with us building trust and confidence for our shareholders in what we deliver. And that is driven by transparency.

I believe we have now covered a lot of ground with regards to questions about our operations and financials. We have made sure that all shareholders who would like to ask questions have had a reasonable opportunity to do so. And in the interests of an orderly meeting, we would like to move to the next item of business. So we will now turn to the items of business which will be put to the vote.

## Item 2

Debra Hazelton: I now move to Item 2 of the Notice of Meeting, which concerns the election of Kate McKenzie as Director. The proposed resolution is on the screen. This item must be approved by an ordinary resolution.

Kate was appointed to the AMP Limited Board in November 2020, and is a member of the Audit, Nomination, Risk and Remuneration Committees. Kate has more than 25 years of experience in other board and senior executive leadership roles. She is currently non-executive Director of NBN Co, Stockland Corporation Limited, and Healius Limited, and has previously served on the boards of Allianz Australia, Foxtel, Telstra Ventures, Sydney Water and WorkCover.

Kate was the Chief Executive Officer of Chorus, the New Zealand telecommunication group, listed on the ASX and NZX from February 2017 to December 2019, and has since held several executive roles at Telstra, including as Chief Operating Officer.

Kate has a track record for leading change and managing diverse stakeholders across government, communities, investors and employees. She has earned a reputation for integrity, great judgement, and building collaborate and effective teams.

I would now like to invite Kate to say a few words. Thank you Kate.

Kate McKenzie: Thank you Debra. And thank you for the opportunity to address your meeting, and to put myself forward for election to the Board of Directors of this iconic business. I'm proud to be seeking the right to join your Board, and to have the opportunity to contribute to AMP's amazing 172 year history.

As Debra mentioned, I have over 30 years of experience in leading senior executive roles in the telecommunications and government sectors in Australia, New Zealand, and Hong Kong. I have led transformation programs in a variety of environments, and believe culture change is essential to the sustained transformation of any business.

I have always focused on the best interests of clients and shareholders, and recognise the critical role engaged and informed employees play. I have a passion for innovation and technology, and considerable corporate governance experience, which I believe are important for AMP at this time, as almost every aspect of the business is evolving.

I have experience of complex regulatory environments as both a regulator and as a business person dealing with regulatory environments. As a Director of AMP, my skills, in combination with other Directors, I think can help guide the future strategic direction of the company. As Debra outlined, I am currently a Director of Stockland, NBN Co and Healius, and I have the time to fulfil my duties as a non-executive Director of AMP.

I'm excited by the future prospects for the company. Should you choose to elect me, I believe that my experience will add to the skills of your already strong team. Thank you.

Debra Hazelton: Thank you Kate. I confirm that Kate has the unqualified support of her fellow Directors for her election. I now open the discussion on Kate McKenzie's election.

Marissa Bendyk: Thank you Chair. We have a question from Mr Mayne. "Is Kate definitely going to stay on the AMP Board, or could some of the existing AMP Directors transition across to private markets once the demerger has been approved next year?"

Debra Hazelton: Thank you for your question, Mr Mayne. As I said earlier, we are at very early stages of discussing the governance and the operational framework of the demerged company, and we will certainly be updating you on any such issues if they do transpire.

Marissa Bendyk: Thank you. There are no further questions on the online platform for this item of business, Chair.

Debra Hazelton: Thank you. As there are no more questions, I will close the discussion. I will soon close the voting on this item. If you haven't already done so, please cast your vote on the election of Kate McKenzie as a Director by selecting one of the options under the polling icon. The proxy position is shown on the screen.

Marissa Bendyk: We can ask one more further question from the online platform again from our shareholder Mr Stephen Mayne. "Are we going to appoint

new Directors to join Kate McKenzie on the Board, so that AMP has a broader pool of Directors to join Michael Sammells on the Private Markets Board?”.

Debra Hazelton: Thank you, Mr Mayne for the question. We are currently considering Board appointments. Whether we go ahead or not, is yet to be determined. Thank you.

I will now declare voting closed.

[Pause for vote finalisation]

As the poll has now closed, the results will appear on the screen momentarily.

On that basis, I declare the resolution passed. Congratulations, Kate.

### Item 3

We will now turn to Item 3, being the adoption of the 2020 Remuneration Report. The proposed resolution is shown on the screen. The Remuneration Report appears on pages 32 to 62 of the 2020 Annual Report. It provides an overview of our remuneration approach and structure, and details the remuneration of the CEO and other key management personnel in 2020.

Each Director recommends shareholders vote in favour of adopting the Remuneration Report.

At the Annual General Meeting last year AMP received a first strike against the 2019 Remuneration Report. The Board and I want to assure you that we have carefully listened to your concerns and respect your feedback. Based on what we were told, and given the strike in 2020, we developed a new remuneration framework for 2021.

We consider 2020 as a transition year for our remuneration structure, which sought to achieve a difficult balance between the company’s performance in a very challenging environment, with the need to retain and incentivise the right talent to continue to deliver strong outcomes for you, our shareholders, and our clients.

In the lead up to the AGM the use of one-off retention payments for key management and critical talent across the organisation has been the subject of many questions received. The decision to award retention payments was not taken lightly, and is not a preferred mechanism for the Board. However, in light of the extraordinary circumstances we faced, including additional challenge and uncertainty through the portfolio review, we believed there were no suitable alternatives to maintain stability and retain corporate knowledge in order to continue to drive our turnaround strategy, and to protect shareholder value in the

longer term.

I will now respond to any questions or comments on the 2020 Remuneration Report. We received some questions on this item of business before today's meeting, which I will ask the Company Secretary to read out. Thank you.

Marissa Bendyk: Thank you. The first question comes from our shareholder, Mr John Butler. "As a long term shareholder in AMP, we find it unreasonable that a new CEO should get a multimillion dollar package, while all we get is a sharp decline in share price. How can this be justified?"

Debra Hazelton: Thank you very much, Mr Butler. We recognise that in order to attract the kind of CEO with the experience and skills we need to continue to deliver to our transformation strategy, we have to pay market rates, and we have to attract someone who is very, very competent, and can actually deliver against the challenges.

Alexis' remuneration reflects her experience and level of challenge in transforming AMP. She will continue the transformation and will benefit from her more than 25 years' experience in the financial services industry. I should add that her remuneration has been reduced compared to Francesco's, reflecting that AMP is a smaller company going forward. Thank you.

Marissa Bendyk: Thank you Chair. Our next question comes from Ms Noella Rendell. "Why do you have to bribe executive officers to perform? Do they not have a vision for AMP and a desire to serve the customer clients?"

Debra Hazelton: Thank you for your question, Ms Rendell. Remunerating executives, while going through a major transformation, has been the subject of extensive debate at the Board. And we have listened to feedback from stakeholders, including shareholders. It requires a lot of heavy lifting, and a lot of work. It also, last year, as we've already said, faced into a lot of extra challenges. There was COVID-19, there was the transformation program, and then on top of that, the portfolio review.

At the time last year, we also had a period where we didn't have a CEO of the AMP Australia business, nor of AMP Capital business. That meant a lot of executives had to step up and do very complex work under very difficult circumstances. We need people with the right competencies, we need to pay market benchmarked rates, and we need to make sure that those talented executives continue to add their skills and dedication to the role, while going through a period, as Francesco has alluded to, it's very hard to see the upside for some time. Thank you.

Marissa Bendyk: Thank you. We'll now move on to questions from the live platform. Again, we have a question from Mr Sean Mueller. "Does the current Board believe that the \$23 million paid to the current CEO over the

past two and a half years was money will spent, when shareholders have seen the share price collapse by 60% over that timeframe, and only poultry dividends?”.

Debra Hazelton: The CEO remuneration reflects his experience and level of challenge in transforming AMP. There was no short term or long term incentive awarded to him in 2020, reflecting performance of the business. And consistent with market practice, he is also not being granted a retention award.

In fact, the full remuneration for 2020, which was based on base salary and short term benefits, totalled \$2.2 million. I might add that I believe that this figure of \$23 million is statutory, a figure, and not reflective of cash received. Thank you.

Francesco De Ferrari: I’m not sure it’s appropriate for me to comment on my REM, but let me comment on transparency. So there are many disclosures that are mandated by law. One of these is statutory remuneration. We have at page 46 of our Annual Report included from this year, well, first a whole set of deliverables and how we hold our executives to account, but also a specific table that says what remuneration executives have actually received in the year.

Again, on page 46 of our REM report, I think that provides better transparency in difference to what is awarded, given what is awarded is often tied to long term shareholder value creation and TSR hurdles, and so effectively, does not eventuate into actual money, unless the company and the shareholders also perform.

Marissa Bendyk: Thank you. Our next question is again from Mr Mueller. “Why did executives receive bonuses when there has been limited bonuses across the organisation?”.

Debra Hazelton: Thank you for the question, Mr Mueller. I think we’ve talked about retention payments earlier. To clarify, senior leaders received no STI, no short term incentive, nor long term incentive payments for 2020. I think the issue you may be referring to is that of retention payments, which I have addressed in my opening remarks, and also since then, in addressing other questions.

We understand they’re contentious. At the Board we don’t like retention bonuses, but we felt they were essential to retain the corporate knowledge and the critical staff and the investment teams outside the executive, to continue to drive the transformation strategy and to preserve shareholder value. For the KMP, or the key management personnel, these payments are part cash, part deferred for four years into AMP Equity, and therefore are aligned to the outcome of shareholder experience. Thank you.

Marissa Bendyk: Thank you. Our next question comes from our shareholder Ms Lena

Gomez. “Do you plan to reform your bonus scheme so it does account for more than financial performance? Boe Pahari brought a lot of clients, but thanks to his actions, the company has lost billions of dollars, yet he still walks away with a big bonus when most employees got none”.

Debra Hazelton: Thank you, Ms Gomez. So we have, as I mentioned, we have designed the remuneration framework going forward. The STI, the short term incentive, is based on performance against a balanced set of measures that include financial, clients, strategic, risk and leadership. And then it is overlaid by behaviour and ultimately Board discretion is applied on all awards. Thank you.

Marissa Bendyk: Thank you. We have another question from the Mills Connolly Superannuation Fund. “The previous Chairman and Board’s decision to promote Boe Pahari to CEO, AMP Capital was seen as a cultural misstep and created significant damage to the AMP brand, staff morale, and saw a significant change to the Board. Does the new Board believe that AMP Capital’s remuneration profit share is appropriate going forward?”.

Debra Hazelton: Thank you very much for the question. So, as mentioned previously, in the demerger, we will have two focused entities, AMP Limited and Private Markets. And through those two focused entities, we believe we’ll be able to provide investors with stronger value outcomes going forward.

One of the decisive benefits of having two focused entities, is that we can design for example, the remuneration framework that is appropriate to the business, and the type of skills and experience necessary in each of those different businesses. So my answer would be, we will be doing a lot of work to make sure that the profit share is appropriate to the business going forward. I don’t know if you wanted to add to that?

Francesco De Ferrari: Maybe just a comment. Our commitment to build a market leading private markets business, if we look at what best in class do at a global level, because this is a global business. And so if we choose to be in this business, then we need to be able to comply with the competitive market environment and the REM schemes. They would, the best in class have a percentage of management equity. And so the key employees are also significant shareholders of the business, and that provides alignment to drive better outcomes for everybody.

And as we announced, both at the repivot of the strategy last August, but obviously, accelerating this now with the intention to demerge, is our clearer commitment to put a management equity plan in place, as part of the natural evolution of the AMP Capital REM scheme. Thank you.

Marissa Bendyk: Thank you. Our next question comes from Eduardo Kuerto. “Francesco

arrived at AMP at its lowest share point in history to that point. Fast forward to today, and the company is in a significantly worse position. What short term incentives would be triggered with such a result?”.

Debra Hazelton: Thank you, Mr Kuerto. All of Francesco’s incentives will be treated in accordance with his contract and the original offer terms as previously disclosed. Francesco will remain eligible for his short term incentive for 2021. However, the short term incentive payment will be based on scorecards that will be measured, and then overlaid with Board discretion. That’s all I can say at this time. Thank you.

Marissa Bendyk: Thank you. Our next question comes from the Australian Shareholders Association. “The ASA advised its members of its intention to vote all undirected proxies against the report. As the maximum short term incentive at 50% far exceeds the long term incentives of 25%, could you explain to the meeting why you have chosen to do this, especially is AMP needs to be focusing on the long term sustainable outcomes and not just the short term?

As well as that, the ASA is opposed to awarding of retention bonuses that have no performance criteria, especially as it would appear that this is a compensation for failing to achieve their incentive targets in FY 2020. Therefore, the ASA will be directing all undirected proxies against the REM resolution”.

Debra Hazelton: Thank you for the question. I’m being advised that some of the contents of the question are incorrect. I suspect that we might follow up with you on this, to clarify the misunderstanding. I think that’s probably better. Thank you.

Marissa Bendyk: Thank you. The next question comes from Mr Stephen Mayne. “The Chair recently claimed that AMP is following the ASA guideline on proxy disclosure. This is not right, because ASA guidelines call for boards to disclose the proxies before the debate on an item concludes as the proxies – sorry, and the proxies for Kate McKenzie were only disclosed after questions had finished. Please disclose the remuneration proxies now so shareholders have enough time to lodge written questions about the voting outcome”.

Debra Hazelton: Thank you, Mr Mayne. I am being advised that market practice is not to disclose proxy votes received until the AGM itself, and market practice is to show the proxy position at the time of putting each resolution consistent with your guidelines. I apologise if that is incorrect. All resolutions at this meeting will be decided on a poll. And I suggest that we revisit this issue to understand your concerns. Thank you.

Marissa Bendyk: Thank you. A further question from Mr Mayne: “Has the AMP staff share scheme voted on the Remuneration Report, and were any shares that AMP owns in itself or managed or managers on behalf of others

voted on the REM Report, or were they excluded as required for Directors and senior executives with direct AMP holdings?"

Debra Hazelton: Thank you, Mr Mayne. We did outline in the Notice of Meeting that executives and Directors are subject to voting restrictions on these items, and any votes are excluded.

Marissa Bendyk: Thank you. And our last question from Barbara Cosgriff. "My question is about how you are maintaining staff morale, given that you gave staff no bonuses last year, however, gave retention bonuses to senior staff and other bonuses, e.g. to Boe Pahari, and your CEO. You said last year was challenging, and staff got you through by their supreme efforts. That doesn't make sense at all. I know of many other organisations that paid bonuses to all staff because of their devotion and efforts to their companies. Very, very confusing for shareholders, and probably adds to why AMP is in difficulties at the moment".

Debra Hazelton: Thank you Miss Cosgriff. The engagement of our staff is very important to us. And we recognise that. There were payments, retention payments made to non-executive staff last year who were recognised as critical staff in various parts of the business. We are very aware of the need to engage our staff. We do believe that one doesn't only, or a company does not only use payment to retain staff. We do very much appreciate the dedication of our staff to our transformation program. And we continue to look to reward staff in as many ways as we can to encourage that engagement.

There are ongoing programs within AMP to increase that engagement. But I agree with you, we do need to make sure that those staff feel appreciated and recognised. However, we have to balance, as I said very, very early on in my address, we have to balance shareholder experience, financial performance, and the future of AMP in terms of its reinvention to a sustainable growth business. We recognise that that is a very difficult balance to strike at times. Thank you.

Marissa Bendyk: Thank you, Chair. We have no further questions on this item of business.

Debra Hazelton: I believe that shareholders have had a reasonable opportunity as a whole to discuss the Remuneration Report. As there are no further questions, I will close the discussion. I will soon close the voting on this item. If you haven't already done so, please cast your vote on the proposed resolution to adopt the Remuneration Report for the year ended 31<sup>st</sup> of December 2020, by selecting one of the options under your polling icon. The proxy position is shown on the screen.

I now declare voting closed.

[Pause for vote finalisation]

As the poll has now closed, the results will appear on the screen momentarily.

On that basis I declare the resolution to adopt the Remuneration Report for the year ended 31<sup>st</sup> of December 2020 has been passed. Thank you shareholders.

#### Items 4 and 5

As we did not receive a second strike on the Remuneration Report, the spill resolution in Item 5 will not be put to the meeting.

As previously mentioned, Item 4 on the agenda has been withdrawn. We have therefore completed the final item on our agenda today. The final proxy results and the results of the polls at today's meeting will be announced on the ASX and NZX later today, and published on our website.

#### Conclusion

Thank you very much for joining us today.

As we close out the meeting, I would like to take this opportunity to say to our shareholders, and to our employees, and to all our communities, that we are committed to working very hard to address your frustrations regarding culture and performance. We will continue to work to deliver our transformation program. And we will continue to rebuild your trust and confidence to restore AMP to sustainable long term returns, I am sure of it.

On behalf of my fellow Directors, I would like to thank Francesco for his strong leadership and commitment at the challenging early stages of transforming our business. It's our intention to build on the strong progress that's been made under his leadership. And we look forward to having Alexis George join us as we continue this ambitious program of transformation.

I now declare the meeting closed. Good afternoon, everyone. Thank you.

[End of meeting]